

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0001
Proposal	<p>The questioner does not agree with the Rosia Montana Project due to the pollution and the job opportunities provided for the locals from Campeni. Please refer to the enclosed copy of the contestation!</p>
Solution	<p>First of all, please note that Roşia Montană is already an area strongly impacted by pollution from past poor mining practices. This is clearly demonstrated by the baseline conditions studies which are included in the Environmental Impact Assessment (EIA) study report.</p> <p>Having in view (i) the existing pollution caused by former mining activities and (ii) the intention of Roşia Montană Gold Corporation (RMGC) to ensure the environmental protection when performing its mining activities provided under the terms of the Concession Exploitation Licence no. 47/1998, RMGC proposed in the EIA modern practices and solutions that will lead to the mitigation of pollution from the perimeter of the Exploitation Licence held by the company, because of the use of Best Available Techniques (BAT). The project will comply with all mandatory obligations provided under Romanian and European law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation.</p> <p>RMGC currently employs almost 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. Training programs are underway to assist people from the local communities around Roşia Montană Project (RMP) to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. RMGC has already established a protocol with the local authorities (in 2001 with Roşia Montană Town Hall, in 2002 with Abrud Town Hall) to ensure that residents of the local communities have first preference for these jobs. All this underscores the significant opportunities for the people of Câmpeni and the entire region if the RMP is approved.</p>

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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	2
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0003
Proposal	<p>What are the resemblances and differences with Rio Narcea mining Project?</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment (EIA) and the issuance of environmental agreement procedures ("Order no. 860/2002"), <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by Roşia Montană Gold Corporation (RMGC) and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p> <p>Yet, please find a short list which could summarize the similarities and differences between the "El Valle" project of the Rio Narcea Gold Mines in Spain and the Roşia Montană Project (RMP).</p>
Solution	<p>Similarities:</p> <ul style="list-style-type: none"> - Open pit method of exploitation and multiple pits; - Same processing method: crushing, grinding, cyanide in leach, tailings disposal; - Gold is recovered by a conventional process consisting of single-stage crushing, semi-autogenous grind (SAG) and ball mill wet grinding, thickening, carbon-in-leach, gold recovery and cyanide; - Tailings facility dam made out of waste rock; - Transfer mining methods used to backfill the pits; - Waste facilities, tailings dam concurrently reclaimed; - Population had to be relocated, though fewer at El Valle; - Population lives in the vicinity of the mine; - Compliant with EU regulations; - Rio Narcea and Gabriel Resources are both Canadian companies focused on mining; - El Valle was the first mining project for Rio Narcea Gold Mines, as Roşia Montană is the first project for Gabriel Resources; - Rehabilitation plan included in the initial project (still ongoing in El Valle case); - Archaeological patrimony to protect (Roman and pre-Roman galleries). <p>Differences:</p> <ul style="list-style-type: none"> - Gold grade in El Valle is 7g/t, in Roşia Montană 1.6g/t; - Stripping ratio (how much waste vs. how much ore) roughly 6:1 for Rio Narcea, 1:1 for Roşia Montană; - Throughput of annual production smaller; 0,75 MT/year for "El Valle", 13 MT/year for Roşia Montană;

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- CN discharge concentrations at 50 parts per million (ppm or mg/l) for “El Valle”, 5-7ppm for Roşia; Montană, lower than EU standards, because Roşia Montană has a CN detoxification plant where “El Valle” did not.
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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0007
Proposal	EIA is prepared in an inadequate manner, many essential features are missing, the conclusions are forced and taken out of the context, and there are false conclusions.
Solution	<p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies, have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	4
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0009
Proposal	How many jobs will Gold Corporation's mining project ensure and what the wages will be for those jobs?
Solution	<p>Roşia Montană Gold Corporation (RMGC) currently employs more than 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The Roşia Montană Project (RMP) will employ an average of 1,200 people during the two-year construction period. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs.</p> <p>According to the provision of 158 (1) of Labour Code the salary is confidential. Although, it should be mentioned that salaries paid to RMGC employees is determined based on objective criteria related to the position held, competences, specific tasks to be performed by the employer, level of responsibilities, experience, studies, etc. Moreover, level of salaries of RMGC employees are determined further to the (i) assessment performed by the employer in relation to the individual based on the abovementioned criteria and the (ii) negotiations performed by the employer and the employee in this respect.</p>

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MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0013
Proposal	What is the profit secured by Gold Corporation and what remains, in percentages, for the Romanian state from this business?
Solution	<p>Gabriel Resources has an 80% ownership interest in Roşia Montană Gold Corporation (RMGC), thus in Roşia Montană Project (RMP). Assuming the price of gold is US\$ 600/ounce and price of silver is US\$ 10.50/ounce, Gabriel's profit is US\$ 1,258 million.</p> <p>The Romanian State through the Ministry of Economy and Commerce (MEC) has a 19.3% ownership interest in Roşia Montană Gold Corporation (RMGC), thus in Roşia Montană Project (RMP). This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefit to the Romanian State, at the local, county, and national level, is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project. That leads to a total of US\$ 2.5 billion in Romania.</p> <p>Please also note that as at the end of 2006, RMGC (through Gabriel Resources) has invested US\$ 200 million, and the company expects to invest a total of nearly US\$ 1 billion before production begins.</p>

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MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0014
Proposal	<p>Why the everlasting natural monuments of the area are not taken into account, monuments like: Detunata, Poiana Narciselor, Cetatea Romana, Ghetarul de la Scarisoara, Pestera Ursilor, which are all located in the close vicinity of Rosia Montana, in order to develop tourism, which would bring to the Romanian state and to the local community much larger profits than the ones promised by Gold Corporation? All these, constituents of Apuseni Mountains paradise, will sleep their eternal sleep because on a cyanide contaminated ground no tourist will come.</p>
Solution	<p>We believe that the Environmental Impact Assessment (EIA) study report and the various supplemental plans associated with it have taken account of the surrounding land and communities as required by law. The mine is expected to bring approximately US\$ 2.5 billion in economic development of Romania through the life of the mine. The Romanian government will gain over US\$ 1 billion from the Project from its share of the profits and profit taxes, royalties, and other taxes such as payroll taxes to be paid by Roşia Montană Gold Corporation (RMGC).</p> <p>With respect to the use of cyanide at the mine, it is true that cyanide is one of the few substances that can dissolve gold. Cyanide is used in many gold mines around the world. At Roşia Montană, the Tailings Management Facility (TMF) will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10ppm recently adopted by the EU in the Mining Waste Directive.</p> <p>Not only will detoxified cyanide from the mine be contained in a world-class TMF, but RMGC is committed to environmental rehabilitation from past poor mining practices and from the project. The area will be less polluted after the Project is complete than it is now.</p>

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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	7
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Campeni, 26.07.2006
RMGC internal unique code	MMGA_0028
Proposal	The profit secured by the Romanian state is very low, only 20% compared to the 80% of RMGC.
Solution	<p>The Romanian State through the Ministry of Economy and Commerce (MEC) has a 19.3% ownership interest in Roşia Montană Gold Corporation (RMGC), thus in Roşia Montană Project (RMP). This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefit to the Romanian State, at the local, county, and national level, is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project. That leads to a total of US\$ 2.5 billion in Romania.</p> <p>Gabriel Resources has an 80% ownership interest in RMGC, thus in RMP. Assuming the price of gold is US\$ 600/ounce and price of silver is US\$ 10.50/ounce, Gabriel's profit is US\$ 1,258 million. Please also note that as at the end of 2006, RMGC (through Gabriel resources) has invested US\$ 200 million, and the company expects to invest a total of nearly US\$ 1 billion before production begins.</p>

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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	7
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Campeni, 26.07.2006
RMGC internal unique code	MMGA_0029
Proposal	<p>The questioner encloses a document called "The paradise from Apuseni Mountains is threatened by an ecologic catastrophe", which will be enclosed in copy. Please find the document enclosed in copy.</p>
Solution	<p>It is important to remember that the affected area of the Roşia Montană Project (RMP) is less than 16 square kilometers, while the total area of the Apuseni Mountains is 21,000 square kilometers. Unfortunately, the immediate area around Roşia Montană has been affected for 2000 years by the effects of primitive, undeveloped, or poor mining practices that have led to environmental degradation and the current polluted state of the area.</p> <p>The cyanide will be destroyed in the process plant using technology used by international mining companies around world. The detoxified cyanide from the mine will be contained in a world-class Tailings Management Facility (TMF), but Roşia Montană Gold Corporation (RMGC) is committed to environmental rehabilitation from past poor mining practices. The area will be less polluted after the Project is complete than it is now.</p>

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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	9
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0043
Proposal	The questioners have submitted at the secretary an "Open Letter regarding public debates organized for Rosia Montana Project" that includes the following comments and remarks: The EIA procedure for Rosia Montana serves for a political interest;
Solution	<p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, certified by the Romanian Government and renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts (IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Responding to stakeholder concerns is an integral part of the EIA process.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p> <p>RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

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MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0049
Proposal	<p>The public debates have been just a propaganda parade of RMGC. Please find the contestation enclosed in copy.</p> <p>We strongly disagree with the questioner's assertion. According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p>
Solution	<p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p> <p>Nevertheless, RMGC believes that it is important to present its views of the project to the public because this project is so important to the economic development of Romania. RMGC believes that this is an important and normal part of debate in a democratic society. As a part of the process for approval of the Project, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law. The company has held 14 public meetings in Romania and two in Hungary because of high public interest there. This is not simply a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

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MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0052
Proposal	<p>The questioner would like to have a list with the names of people who will be held liable in case the tailings dam will fail, and the city of Abrud will be wiped out of the face of the earth. He would like to know, who will be personally held liable after people from Corna Valley and Abrud will die and when an ecologic disaster will occur? He doesn't want to receive the name of an organization "headquartered in Barbados", but individuals who will be sent to jail when an ecologic disaster occurs.</p>
Solution	<p>According to the provisions of the Romanian law, the engagement of any form of liability and the sanctioning of the persons breaching the legal provisions can be made only by the state bodies and authorities with specific attributions in the field and under the conditions provided by law. Thus, the criminal liability of a person who is supposed to have breached the legal provisions may be engaged only to the extent that the existence of all constitutive elements of an offence or misdemeanor can be proved within a lawsuit settled by a final decision of the relevant Court.</p> <p>Gabriel Resources Ltd., is not a hidden company of some sort as the questioner implies. It is headquartered in Toronto, Ontario, Canada, with its shares traded publicly on the Toronto Stock Exchange. As such, its activities are subject to the oversight of the Ontario Securities Commission. Anyone wishing information on the company can find it on the company website, in compliance with reporting requirements governing publicly-traded companies.</p> <p>On all issues relating to its projects, the company's management team will also be held responsible for any failures to meet standards or comply with rules and directives applying to its activities.</p> <p>As for assurances against failures and non-compliance, the Environmental Impact Assessment (EIA) procedure governing the Roşia Montană Project is mandated by the mining laws of Romania, which were harmonized with those of the EU.</p> <p>The EIA study report that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts – IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>According to the provision of Order 978/2003 for the approval of the Regulation for attesting the individuals and legal entities which draft EIA studies and environmental balances, there is a clear distinction between the liabilities of the involved parties, as follows: (i) the activity's titleholder (RMGC in our case) is liable for the authenticity of information provided for the EIA's performance while (ii) the entity performing the EIA is liable for the EIA's performance, for the correctness in interpreting such information within the EIA and furthermore contractually liable for the EIA correctness.</p>

RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.

Should the questioner wish to consult the law on these issues, we provide this excerpt:

Under the Government Emergency Ordinance 195/2005, approved under Law 265/2006, Section 3 'Obligations of natural and legal persons' article 94 (1) thereof, environmental protection constitutes an obligation for all natural and legal persons. Paragraph (2) stipulates that natural and legal persons involved in prospecting, exploration and exploitation of land and underground resources shall:

- carry out remediation works in the areas where soil, underground and terrestrial ecosystems have been affected;
- notify the environment protection authorities or, as the case may be, the other competent authorities, about any accidents that might cause damage to the environment.

Art. 95: (1) Liability for the environmental damage is independent in nature, irrespective of the fault. In case of several offenders, liability is jointly shared.

(2) Exceptionally, liability can also be subjective, in the case of damage to the protected species and natural habitats, in accordance with the relevant regulations.

(3) The prevention and remedying of the environmental damage is done in accordance with the provisions of this emergency ordinance and in accordance with the relevant regulations.

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RMGC internal unique code

MMGA_0056

Proposal

The questioner supports the project.

RMGC appreciates the questioner's support. We believe the residents of Roșia Montană should be very hopeful about the benefits the project will create for the community — particularly the remediation of past environmental damage and the create of sorely-needed economic opportunities.

In terms of environmental rehabilitation, Roșia Montană is an area already strongly impacted by pollution from past poor mining practices. This is clearly demonstrated by the baseline conditions studies which are included in the Environmental Impact Assessment (EIA) report.

The Roșia Montană Project, as proposed in the EIA, will lead to the mitigation of pollution from the area of Roșia Montană, because of the use of best available techniques (BAT). The project will fully comply with all European and Romanian law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation.

Solution

In terms of creating new economic opportunities for local residents, RMGC currently employs almost 500 people, of whom more than 80% live in Roșia Montană, Abrud, and Câmpeni. The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.

RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs.

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MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0059
Proposal	The questioner would like to learn what project model is practiced here?
Solution	<p>The project model is one of a commitment to responsible mining and sustainable development not only in Roşia Montană and the surrounding communities, but the region and the country at large.</p> <p>That implies that the Project will be conducted in full compliance with Romanian and European law and in accordance with international best practices. The project will also use best available techniques (BAT) as defined by EU Directive 96/61/EC (IPPC). Aspect of the proposal related to social and environmental concerns and preservation of cultural heritage will meet or exceed World Bank standards.</p> <p>As an example of the Project's working model, consider our Tailings Management Facility. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive 2006/21/EC.</p>

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MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0060
Proposal	The questioner makes the following remarks and comments: Accuses Alburnus Maior and Greenpeace of several interests and asks them to come up with an alternative to this Project.
Solution	The economic activities proposed by Greenpeace or Alburnus Maior can be pursued in parallel with the Roşia Montană Project. The major point is that none of the alternatives proposed - as substitutes for the mining project - are in any way viable means of sustaining the community. The question of alternatives was considered throughout the public consultation process. Chapter 5 of the EIA Report (Assessment of the Alternatives) examines alternative options for the Project including the "no-project" option. This Chapter is also summarized in the Non-Technical Summary. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles to sustainable development, such as pollution and land dereliction.

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MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0063
Proposal	<p>The questioner stipulates the Tanzanian mining model where 52 miners died and where Mr. Hill worked and asks: will the Tanzanian model be used in Romania?</p>
Solution	<p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p> <p>Yet, both the World Bank and the Tanzanian authorities have already responded to this issue – both have made it clear that the alleged incident in Tanzania simply never happened. On October 29, 2002 the Compliance Advisor/Ombudsman of the World Bank issued a report discrediting the allegations – a report based on interviews with people from the local community, mine staff, eyewitnesses, consulting police reports, and documentation.</p> <p>It is easy to see why the respected world agency rejected the allegations. Among other things, neighbors of the people alleged to be dead told the World Bank investigative team that the alleged dead were alive and well. In one case, an alleged victim had died in an accident years earlier. In another cases, the Tanzanian press has found people alive in other parts of the country who were alleged to have been killed.</p> <p>The World Bank agency also said the unsubstantiated allegations were not serving the best interests of local people living close to the mine.</p> <p>In any event, at the time of the alleged incident the mine in question was not even owned by the company that employed Alan Hill. To sum up, the allegations are both trumped up and irrelevant.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	10
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0066
Proposal	The questioner accuses the local supporters of the Project that they are paid.
Solution	RMGC strongly denies this charge. Some supporters of the Project may work for RMGC, which now employs 500 people in the area, but no one has been paid to support the Project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	12
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0067
Proposal	<p>The questioner makes the following remarks and comments: Accuses Gold of a psychological war initiated 9 years ago, a war that is still in development: - Gold practices terror, divides and conquers (divide et impera) - Gold stages questions and answers - Gold practices pressure on people, the local population from Rosia Montana has no other way or a middle way because RMGC announces two options: resettlement from Rosia and a house at Piatra Alba where the most beautiful settlement from Romania and Europe will be established, as claimed by the company representatives, in order to accomplish its project.- the company releases press, tv, and radio "bombs" as the ones stating that the Rosia Project is of national interest or that the Romanian Government has given the green light to the project; - the representatives of the church have been paid to relocate the graves; - the company wants to destroy the historic vestiges of the area and the theft of Rosia Montana Column;</p>
Solution	<p>We strongly reject your allegations and underline that the process for permitting the RMP follows Romanian law and EU directives, and takes place with significant – perhaps unprecedented – public consultation According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public, which were received under a written form, previously to the respective hearing</u>"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues</u>"</i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	13
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0070
Proposal	<p>A system for environmental management, which has been stated in the Environmental Impact Assessment for Rosia Montana Project, includes pollution prevention and environmental protection as a base element. In the case of this project we cannot speak about the environment protection and pollution prevention.</p>
Solution	<p>It is understandable that the past history of mining in Romania would leave deep cynicism, but Roşia Montană Gold Corporation (RMGC) is determined to leave a legacy of pride in Roşia Montană. As detailed in the Environmental Impact Assessment study report (EIA), the company will undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well. There will be less pollution at the site after the mine closure process is complete than there is now.</p> <p>Moreover, this Project, unlike past mining at Roşia Montană, will be operated in accordance with international best practices for mining. For the first time, it will bring best available techniques (BAT) to Romania.</p> <p>The EIA that RMGC submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultant, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. The EIA provides sufficiently detailed information and reasoning for its conclusions to permit the Ministry to make its decision on the Roşia Montană Project.</p> <p>Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	16
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Rosia Montana, 24.07.2006
RMGC internal unique code	MMGA_0078
Proposal	<p>The questioner makes the following remarks and questions: Where are they going to develop the project provided that we, the locals, won't leave from Rosia Montana? Will they develop it over our parents and brothers graves?</p>
Solution	<p>Chapter 5 of the EIA report (Assessment of the Alternatives) looks at the way in which the project design process has examined the "footprint" of the project and sought to minimize the area affected (directly and indirectly) by its construction. While ultimately, this layout design is dominated by the geology of the ore deposit, effort has been made to locate project infrastructure and waste storage areas to take account of such factors as existing land use and settlement. The selected layout shown in the EIA Report is believed to be the optimum, based on information collected to date as well as consultation with stakeholders.</p> <p>As part of the EIA process, this consultation process will be ongoing and the Company has indicated its willingness to consider views and concerns of people and to review its plans in the light of this, including possible modification of project layout. The Company intends to continue its policy of "willing seller/willing buyer" for land purchase for the project.</p> <p>To put the issue in larger context, the construction and operation of the Roșia Montană Project requires the acquisition of properties in four of Roșia Montană's 16 sub-comuna. For the most part, therefore, property ownership in the larger part of Roșia Montană will not be affected by the project. In fact, the number of homes that the company must purchase to construct and operate the project over the life of the mine – 379 homes – is far smaller than the 1000 homes project opponents regularly reference.</p> <p>It should be noted the acquisition of the rights over the lands necessary for Roșia Montană Mining Project Development is made with the observance of general applicable legal provisions in field of ownership transfer (i.e. authenticated form, payment of all relevant taxes and fulfillment of all formalities for real estate publicity) and by the methods provided by art. 6 of the Mining Law no. 85/2003 published in the Romanian Official Gazette, Section I, no. 197/27.03.2003 expressly providing the means by which the titleholder obtains the right of use over the lands necessary for the performance of the mining activities in the exploitation perimeter, namely: (i) <i>sale-purchase, for the price agreed upon by the parties</i>; (ii) <i>the land exchange, with the relocation of the affected owner and the reconstruction of the buildings on the newly granted land, on the expense of the titleholder benefiting of the cleared land, as per the convention between the parties</i>; (iii) <i>renting of the land for undetermined period, based on agreements between the parties</i>, (iv) <i>expropriation for cause of public utility, as per the law</i>; (v) <i>land concession</i>", etc.</p> <p>When acquiring the private property lands necessary for the development of Roșia Montană Project, RMGC's approach is primarily based on the principle of a "willing seller-buyer basis". To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Relocation and Resettlement Action Plan developed by RMGC, which may be found on company's official website.</p> <p>As the mining project proceeds in phases, it is not necessary to acquire all properties at the outset. Accordingly, the company has focused on properties required for the construction and operation of the mine in its first five years. To date, more than 50% of the properties needed to construct the project and operate the mine for the first five years have been acquired.</p> <p>Of those properties needed but not yet acquired, 98% have been presented for surveying by their owners – a step that implies an interest in selling the property to the company. The survey rate suggests that little more than a handful of properties are held by people who might prove unwilling to entertain a sale.</p>

Of that small number, some will lie in areas not needed for construction and early operation of the mine. For the near-term, therefore, owners of these properties need not prove any impediment to the mine development, and they can continue to live as they wish.

Of the even smaller number of homes that are located in areas in which the construction and early operation of the mine will take place, the company will seek options to redesign the mine plan to allow those owners to retain their property, unaffected by the mine.

Of course it may prove, at the end of all of these efforts, that a very small number of property owners - perhaps a few families - will refuse to sell their holdings. At that point, the decision falls to Romanian Government authorities as to whether they will exercise the legal instruments available to them to expropriate the properties. That decision will turn on whether a small number of people, perhaps a handful, should prevail (via a de facto veto power) over the majority will of local residents and Romania's national interests as a whole to benefit from US\$2.5 billion direct benefits to the Romanian State and Romania at large, including a rural region that has been designated a "Disadvantaged Zone" and knows only extreme poverty at present.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	18
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0092
Proposal	<p>The questioner doesn't agree with the Rosia Montana Project, stating the following comments: If he and his family refuse to leave Rosia Montana, what will RMGC do? Will they extract the gold over people's properties?</p> <p>Chapter 5 of the EIA report (Assessment of the Alternatives) looks at the way in which the project design process has examined the "footprint" of the project and sought to minimize the area affected (directly and indirectly) by its construction. While ultimately, this layout design is dominated by the geology of the ore deposit, effort has been made to locate project infrastructure and waste storage areas to take account of such factors as existing land use and settlement. The selected layout shown in the EIA Report is believed to be the optimum, based on information collected to date as well as consultation with stakeholders.</p> <p>As part of the EIA process, this consultation process will be ongoing and the Company has indicated its willingness to consider views and concerns of people and to review its plans in the light of this, including possible modification of project layout. The Company intends to continue its policy of "willing seller/willing buyer" for land purchase for the project. In the situation attendant to the public consultations makes the proof of the ownership right over the land plot located in the perimeter of the exploitation concession license having Roşia Montană Gold Corporation SA as a titleholder, the titleholder benefits, inclusively in regard of this land plot, of the legal means to obtain the right of use over the lands necessary for the performing of the mining activities provided by art. 6 of the Mining Law no. 85/2003, published in the Romanian Official Gazette, Section I, no. 197/27.03.2003. The legal means to acquire the usage right over such lands are: „(i) <i>sale-purchase, for the price agreed upon by the parties; (ii) the land exchange, with the relocation of the affected owner and the reconstruction of the buildings on the newly granted land, on the expense of the titleholder benefiting of the cleared land, as per the convention between the parties; (iii) renting of the land for undetermined period of time, based on agreements concluded between the parties; (iv) expropriation for cause of public utility, as per the law; (v) land concession</i>”, etc.</p>
Solution	<p>To put the issue in larger context, the construction and operation of the Roşia Montană Project requires the acquisition of properties in four of Roşia Montană's 16 sub-comuna. For the most part, therefore, property ownership in the larger part of Roşia Montană will not be affected by the project. In fact, the number of homes that the company must purchase to construct and operate the project over the life of the mine – 379 homes – is far smaller than the 1000 homes project opponents regularly reference.</p> <p>In order to acquire the necessary properties, the company has established a property purchase program compliant with the RRAP guidelines developed by the World Bank.</p> <p>As the mining project proceeds in phases, it is not necessary to acquire all properties at the outset. Accordingly, the company has focused on properties required for the construction and operation of the mine in its first five years. To date, more than 50% of the properties needed to construct the project and operate the mine for the first five years have been acquired.</p> <p>Of those properties needed but not yet acquired, 98% have been presented for surveying by their owners – a step that implies an interest in selling the property to the company. The survey rate suggests that little more than a handful of properties are held by people who might prove unwilling to entertain a sale.</p> <p>Of that small number, some will lie in areas not needed for construction and early operation of the mine. For the near-term, therefore, owners of these properties need not prove any impediment to the mine development, and they can continue to live as they wish.</p>

Of the even smaller number of homes that are located in areas in which the construction and early operation of the mine will take place, the company will seek options to redesign the mine plan to allow those owners to retain their property, unaffected by the mine.

Of course it may prove, at the end of all of these efforts, that a very small number of property owners - perhaps a few families - will refuse to sell their holdings. At that point, the decision falls to Romanian Government authorities as to whether they will exercise the legal instruments available to them to expropriate the properties. That decision will turn on whether a small number of people, perhaps a handful, should prevail (via a de facto veto power) over the majority will of local residents and Romania's national interests as a whole to benefit from US\$ 2.5 billion direct financial benefits to the Romanian State and Romania at large, including a rural region that has been designated a "Disadvantaged Zone" and knows only extreme poverty at present.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	19
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0093
Proposal	<p>The questioner doesn't want to leave Rosia Montana and he kindly asks the company to leave Rosia Montana.</p>
Solution	<p>If the questioner lives in any of the 12 sub-comuna of Roşia Montană (of a total of 16) that are not affected by the development of the mine or in the protected area or the buffer zone, he need not leave Roşia Montană. In the event the questioner lives in the industrial zone, the only area required to operate the project, then we will use our best efforts to design around the resident.</p> <p>As regards the methods for acquiring the lands contemplated by RMGC, these are in full compliance with the legal provisions, art. 6 of the Mining Law no. 85/2003 published in the Romanian Official Gazette, Section I, no. 197/27.03.2003 expressly providing the means by which the titleholder obtains the right of use over the lands necessary for the performance of the mining activities in the exploitation perimeter, namely: (i) <i>sale-purchase, for the price agreed upon by the parties</i>; (ii) <i>the land exchange, with the relocation of the affected owner and the reconstruction of the buildings on the newly granted land, on the expense of the titleholder benefiting of the cleared land, as per the convention between the parties</i>; (iii) <i>renting of the land for undetermined period, based on agreements between the parties</i>, (iv) <u>expropriation for cause of public utility, as per the law</u>; (v) <i>land concession</i>", etc.</p> <p>Of course it may prove, at the end of all of these efforts, this resident will refuse to sell their holdings.</p> <p>At that point, the decision falls to Romanian Government authorities as to whether they will exercise the legal instruments available to them to expropriate the his or her properties. That decision will turn on whether this individual should prevail (via a de facto veto power) over the majority will of local residents and Romania's national interests as a whole to benefit from the creation of 600 direct jobs, 6,000 indirect jobs and the infusion of \$2.5 billion USD in financial benefits for Romania and in particular a rural region that has been designated a "Disadvantaged Zone" and knows only extreme poverty at present.</p> <p>As for the questioner's last point, if RMGC leaves and the questioner stays – unemployment rises to 95% from the current 70% as RMGC is the largest employer not only in the community but the county.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	21
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0096
Proposal	The questioner comments on the fact that there is a difference between the salaries paid to foreigners and the ones paid to Romanians who will work for RMGC.
Solution	<p>The level of salaries paid to RMGC employees is determined based on objective criteria related to the position held, competences, specific tasks to be performed by the employer, level of responsibilities, experience, studies, etc. Moreover, please note that the salaries are not determined in consideration of the citizenship of the employer and no distinction is made by the Company in this respect.</p> <p>Although, according to the provision of 158 (1) of Labour Code the salary is confidential, it should be mentioned that the differences related to the level of salaries of RMGC employees, irrespective of the fact they are Romanian or foreign employees are determined further to the (i) assessment performed by the employer in relation to the individual based on the above mentioned criteria and the (ii) negotiations performed the employer and the employee in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	23
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0100
Proposal	The questioner does not agree with Rosia Montana Project and makes the following comments and remarks:He raises the issue of jobs: RMGC starts with 104 employees during 1st year and completes its works by using 72 employees; the maximum number of employees will be reached during year 8th of production – 248 jobs for the people directly employed at the mine.
Solution	The questioner's figures are incorrect. Roşia Montană Gold Corporation (RMGC) currently employs more than 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The Roşia Montană Project (RMP) will employ an average of 1,200 people during the two- year construction period. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. RMGC has already established a protocol with the local authorities (in 2001 with Roşia Montană Town Hall, in 2002 with Abrud Town Hall) to ensure that residents of the local communities have first preference for these jobs.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	23
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0101
Proposal	With respect to the salaries, why a foreigner receives more money than a Romanian employee?
Solution	<p>The level of salaries paid to RMGC employees is determined based on objective criteria related to the position held, competences, specific tasks to be performed by the employer, level of responsibilities, experience, studies, etc. Moreover, please note that the salaries are not determined in consideration of the citizenship of the employer and no distinction is made by the Company in this respect.</p> <p>Although, according to the provision of 158 (1) of Labour Code the salary is confidential, it should be mentioned that the differences related to the level of salaries of RMGC employees, irrespective of the fact they are Romanian or foreign employees are determined further to the (i) assessment performed by the employer in relation to the individual based on the abovementioned criteria and the (ii) negotiations performed the employer and the employee in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	23
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0102
Proposal	Why the money spent for publicity was not used for paying people considering that the project is so good?
Solution	<p>We do not understand the meaning of the question.</p> <p>Certain opposing groups have made inaccurate statements regarding the project. Those statements have affected public's opinion. Because RMGC believes that informing and consulting the public is a critical and normal part of the debate process in a democratic society, and considered that it is critical to make its voice heard. That's why, as a part of the EIA process, RMGC has engaged in a broad process of public consultation and disclosure pursuant to the provisions of Romanian and European legislation (this is why, due to the interest shown by the public in the area, 14 public consultations have been held in Romania and 2 in Hungary). The company has also decided to promote its Project by conducting advertising campaigns.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	24
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0103
Proposal	<p>The questioner makes several comments on civil society stipulating that not all the Romanian civil society is against the project, only a part. And draws the attention of those opposing the project on the fact that they haven't been providing any alternatives and they use this dispute in order to make their name known.</p>
Solution	<p>RMGC is well aware that many people in Romania understand that our project will be very beneficial for the country — we very much appreciate their support. We are also working with many Romanian NGOs, including “Clubul de cunoaştere a Pământului Porumbiţa Alba” (Ciuruleasa), EcoAbrud Association (Abrud), “Pro Roşia Montană” Association (Roşia Montană), Pro Dreptatea Non-Governmental Organization (Roşia Montană), Ovidiu Rom Association (Bucharest), Youth Action for Peace Romania (Cluj Napoca), Millennium Center Association of Arad, The Students Organizaton from Babes-Bolyai University Cluj-Napoca, The Students Organization from Timișoara University (OSUT), “Youth Offensive” of Arad, Leaders Romania (Bucharest), The Student Organization Consort Cluj Napoca, Studcard Cluj Napoca, and ANA Foundation Suceava.</p> <p>While we will not comment upon the motivations of the opposition, we concur with the questioner that those who are vehemently against the mine have an obligation to propose alternatives for alleviating the dire economic conditions in the region.</p> <p>We believe the residents of Roşia Montană should be very hopeful about the benefits the project will create for the community—particularly the remediation of past environmental damage and the create of sorely-needed economic opportunities.</p> <p>In terms of environmental rehabilitation, Roşia Montană is an area already strongly impacted by pollution from past poor mining practices. This is clearly demonstrated by the baseline conditions studies which are included in the Environmental Impact Assessment (EIA) report.</p> <p>The Roşia Montană Project (RMP), as proposed in the EIA, will lead to the mitigation of pollution from the area of Roşia Montană, because of the use of best available techniques (BAT) as defined by EU Directive 96/61/EC (IPPC). The project will fully comply with all European and Romanian law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation. Only with approval of this project will this environmental rehabilitation occur.</p> <p>In terms of creating new economic oportunitites for local residents, RMGC currently employs almost 500 people, of whom more than 80 % live in Roşia Montană, Abrud, and Câmpeni. The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p> <p>RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	25
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0104
Proposal	<p>The questioner brings into discussion the socio-economic status of Rosia Montana, reminding that Rosia Montana mine closure resulted in 450 more unemployed people. Supports continuance of mining at Rosia Montana through an investment as this one proposed by Gold Corporation.</p>
Solution	<p>We appreciate your support of this project and thank you for participating in this important process of public consultation.</p> <p>Roşia Montană Gold Corporation (RMGC) is currently the Roşia Montană area's largest employer, and the number of jobs provided will increase as the project is developed.</p> <p>RMGC currently employs more than 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The Roşia Montană Project (RMP) will employ an average of 1,200 people during the two-year construction period. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. RMGC has already established a protocol with the local authorities (in 2001 with Roşia Montană Town Hall, in 2002 with Abrud Town Hall) to ensure that residents of the local communities have first preference for these jobs. All this underscores the significant opportunities for the people of Roşia Montană and the entire region if the RMP is approved.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	33
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0121
Proposal	<p>The questioner comments upon "Tanzanian model" where in 1996 a mining company intended to develop a similar mining project and where 55 miners have been intentionally buried because they refused to leave the mine.</p> <p>Taking in to account the statements issued by company's representatives in the media, namely that at Rosia Montana the Tanzanian model will be used, he would like to know if this would mean that miners will also be buried at Rosia Montana provided that they refuse to leave.</p>
Solution	<p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p> <p>Yet, both the World Bank and the Tanzanian authorities have already responded to this issue – both have made it clear that the alleged incident in Tanzania simply never happened. On October 29, 2002 the Compliance Advisor/Ombudsman of the World Bank issued a report discrediting the allegations – a report based on interviews with people from the local community, mine staff, eyewitnesses, consulting police reports, and documentation.</p> <p>It is easy to see why the respected world agency rejected the allegations. Among other things, neighbors of the people alleged to be dead told the World Bank investigative team that the alleged dead were alive and well. In one case, an alleged victim had died in an accident years earlier. In other cases, the Tanzanian press has found people alive in other parts of the country who were alleged to have been killed.</p> <p>The World Bank agency also said the unsubstantiated allegations were not serving the best interests of local people living close to the mine.</p> <p>What model of mining development is RMGC committed to? One that provides opportunity for communities and fairness for workers. The investment commitments that the company has made provide good examples of that.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	35
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0127
Proposal	<p>The questioner does not agree with the project and asks the following question: In case an accident similar with the Baia Mare one occurs, but at a larger scale, who will be responsible and where that individual can be found following dam's failure?</p>
Solution	<p>According to the provisions of the Romanian law, the engagement of any form of liability and the sanctioning of the persons breaching the legal provisions can be made only by the state bodies and authorities with specific attributions in the field and under the conditions provided by law. Thus, the criminal liability of a person who is supposed to have breached the legal provisions may be engaged only to the extent that the existence of all constitutive elements of an offence or misdemeanor can be proved within a lawsuit settled by a final decision of the relevant Court.</p> <p>The specialists and experts who have designed and engineered the Tailings Management Facility at the Roşia Montană Project (RMP) are equally responsible. They and their areas of expertise are the following:</p> <ul style="list-style-type: none"> • The general designer of the TMF: SC IPROMIN SA; • The Expert Designer: MWH International; • Technical design review: Prof. Mircea Şelărescu; • The expertise report on TMF safety: Prof. Ph.D. Dan Stematiu; • Quality of construction: construction company; • TMF operation and information made available to the consultants and experts: Roşia Montană Gold Corporation (RMGC); • Quality and conclusions of Environmental Impact Assessment (EIA): EIA experts. <p>However, RMP bears no comparison to the one in Baia Mare. From design to management of the facility itself, financial assurance, public consultation and disclosure, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment study report (EIA) we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, Roşia Montană Project (RMP) will meet these standards from the first day of operation.</p> <p>An important change is the existence of the International Cyanide Management Code (ICMC), to which the company is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, RMP differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF),</p>

management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.

In short, RMP is in no way comparable to Baia Mare. [1]

The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (TMF) will naturally degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain concentrations of cyanide of 5-7 parts per million (ppm or mg/l) which is below the regulatory limit of 10 ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is fully compliant with Best Available Techniques, as defined by EU Directive 96/61/EC.

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism in the processing plant, as RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120 - 400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are designed to allow for significant rainfall events and prevent dam failure due to overtopping and any associated discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF is determined as the sum of the design volume required to: (1) store tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation -- storms and, (3) provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 metre of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roşia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, members of International Commission for Large Dams (ICOLD). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and the checking control will be performed, according to art. 17 of Emergency Government Ordinance no. 244/2000 on dam safety by the persons empowered by MEWM. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control

seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other conditions for surveillance and monitoring. Roșia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roșia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Roșia Montană isn't only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roșia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	36
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0128
Proposal	The questioner doesn't agree with the project and expresses its gratitude for those who couldn't be bought with a t-shirt, a beer, and a meatball (mic).
Solution	<p>While we disagree with your conclusion, we respect your opinion and thank you for participating in this important process of public consultation. Public consultation will continue through the period of mine construction, operations and closure and reclamation of the mine.</p> <p>In addition to the above, it should be mentioned that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on procedures governing the environmental impact assessment and the issuance of environmental permits ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria stipulated in art. 45 of Order no. 860/2002 and only after minutely assessing:</p> <ul style="list-style-type: none"> - the Report on the Environmental Impact Assessment Study; - the conclusions issued by stakeholders; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	37
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0129

Proposal	<p>The questioner expresses its support for the project.</p> <p>RMGC appreciates the questioner's support. We believe the residents of Roşia Montană should be very hopeful about the benefits the project will create for the community - particularly the remediation of past environmental damage and the create of sorely-needed economic opportunities.</p> <p>In terms of environmental rehabilitation, Roşia Montană is an area already strongly impacted by pollution from past poor mining practices. This is clearly demonstrated by the baseline conditions studies which are included in the Environmental Impact Assessment (EIA) report.</p> <p>The Roşia Montană Project, as proposed in the EIA, will lead to the mitigation of pollution from the area of Roşia Montană, because of the use of best available techniques (BAT). The project will fully comply with all European and Romanian law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation. Only with approval of this project will this environmental rehabilitation occur.</p>
Solution	<p>In terms of creating new economic opportunites for local residents, RMGC currently employs almost 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p> <p>RMGC has already established a protocol with the local authorities (in 2001 with Roşia Montană Town Hall, in 2002 with Abrud Town Hall) to ensure that residents of the local communities have first preference for these jobs.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	38
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Roşia Montană, 24.07.2006
RMGC internal unique code	MMGA_0130

Proposal The questioner expresses its point of view in supporting the project and accuses Alburnus Maior.

RMGC appreciates the questioner's support. Though we will not comment on the opposition's possible motivations, we believe the residents of Roşia Montană should be very hopeful about the benefits the project will create for the community - particularly the remediation of past environmental damage and the create of sorely-needed economic opportunities.

In terms of environmental rehabilitation, Roşia Montană is an area already strongly impacted by pollution from past poor mining practices. This is clearly demonstrated by the baseline conditions studies which are included in the Environmental Impact Assessment (EIA) report.

The Roşia Montană Project, as proposed in the EIA, will lead to the mitigation of pollution from the area of Roşia Montană, because of the use of best available techniques (BAT). The project will fully comply with all European and Romanian law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation. Only with approval of this project will this environmental rehabilitation occur.

Solution

In terms of creating new economic oportunites for local residents, RMGC currently employs almost 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. f the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.

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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	40
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0135
Proposal	<p>The questioner believes that if the deposit had been as large as it was said to be, Aurelian Retreat would have taken place 500 years later, Hapsburg Empire would have lasted for at least 1000 years more and Communism would have lasted for at least 2000 years.</p>
Solution	<p>The simplest response to the questioner's point is that modern mining techniques permit the recovery of economically significant quantities of gold even from ore that was worked in the past. We would also note that the Project will also bring best available techniques (BAT) to Romania.</p> <p>RMGC is confident of its estimate of the ore deposit. Its evaluation of the ore deposit is based on a reserve calculation performed after a very detailed and complete exploration program from 1997 to 2006 that produced 191,320 samples from drilling, underground networks, and surface rock. This program is the most extensive such research program ever undertaken in Romania.</p> <p>Each ore sample was analyzed for gold and silver. The resulting database, containing more than 400,000 analyses, was verified by independent experts from both Romania and abroad. The Romanian company Ipromin SA performed three feasibility studies for the Roșia Montană project. These feasibility studies also contain calculations of resources and reserves. Both Ipromin and external auditors confirmed the results.</p> <p>While the figure of 330 tons of reserves was correct in 2004, the project was subsequently redesigned to reflect stakeholder concerns, and the size of the pits was reduced. Thus, for the smaller pits that are now proposed in the EIA, RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1480.36 tones of silver. Even with this reduced figure, the Roșia Montană ore deposit remains among the top ten undeveloped gold deposits in the world.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	41
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0136
Proposal	<p>The questioner makes the following remarks, comments and questions: The questioner knows intimately the Project proposed by Rosia Montana Gold Corporation because during 2003, as deputy of Romanian Parliament was the vice-president of Parliamentary Committee summed up to analyze the opportunity of Rosia Montana investment. Unfortunately, following this analysis nothing was finalized and believes that if a decision would have been made the, maybe the company would have initiated its works or renounced.</p>
Solution	<p>It is important to make a clear distinction between the Roşia Montană Gold Corporation (RMGC) of 2003 and today. Since 2003 the management has been changed and been revitalized.</p> <p>And most importantly, the attitude of the company is a 21st century one. RMGC is being led by a new team with a new and responsible way of looking at the Roşia Montană project and what it means to a community.</p> <p>The broad process of public consultation that the company engaged in – in compliance with Romanian and European law as part of the Environmental Impact Assessment process – gave all of those with a stake in the issue the opportunity to make their views and concerns known. The company has held 14 public meetings in Romania and two in Hungary. RMGC set up 45 information centers where copies of the EIA were available, and 5000 copies of the EIA were printed. Beyond this, the Company has engaged in a long process of public consultation. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved.</p> <p>Moreover, the consultation RMGC engaged in was meaningful, not just window dressing. The views people and organizations expressed have had impact on the company's plans. Before submission of the EIA, RMGC changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p> <p>Looking back is one thing. Looking to the future, the RMGC proposal offers enormous opportunity to the people of Roşia Montană.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	41
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0140
Proposal	What is the exact amount gained by the Romanian state and the local communities (Rosia Montana, and collaterally Abrud, Bucium, Campeni and other local localities), after conclusion of operations taking into account that the production is currently at US\$5 billion.
Solution	The Romanian State through the Ministry of Economy and Commerce ("MEC") has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national levels, are projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties, and other taxes such as payroll taxes. Also, an additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	44
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0144
Proposal	<p>What do company representatives understand through one's last resting place? What represents that term for them?</p>
Solution	<p>SC Roşia Montană Gold Corporation SA's (RMGC) aim throughout the design process has been to avoid to the greatest extent possible any direct impact upon a cemetery. RMGC is committed to following the letter of the law, with reverence and respect.[1]</p> <p>Six of the 12 cemeteries in Roşia Montană stand to be affected by the project. A large area of 13 hectares has been allocated at the Pietra Albă site for cemeteries to replace those in Roşia Montană impacted by the new mine, and to fulfill the future requirements for the community. Cemeteries in the Corna Valley/ Gura Cornii area that are impacted by the new mine are planned for relocation. If desired by the family, a priest will conduct a service for both the reopening of the grave and the subsequent burial. All costs relating to the relocation of graves and associated ceremonies will be funded by RMGC.</p> <p>The grave of the local hero Simeon Balint will not be directly impacted by the Project. Access to this grave will be maintained during the life of the Project, although the access might be regularly restricted for safety reasons.</p> <p>Throughout the project, RMGC will act in full compliance with the law, and will make it a top priority to cooperate with respective church organizations to mitigate any impact.</p> <p>All reburials will be done at the request of the families, and the expense of RMGC. The process will follow to the letter Romanian law on reburials [1], with the company's commitment to act with respect and reverence. Abandoned graves will be relocated, also with full respect and reverence, to Pietra Albă's new cemetery, for which 13 hectares have been set aside.</p> <p>References:</p> <p>[1] The applicable enactments regulating the relocation of graves and cemeteries are:</p> <ul style="list-style-type: none"> (i) Law no. 489/2006 on the religious liberty and the general regime of religious affairs, published in the Romanian Official Gazette, Section I, no. 11/08.01.2007; (ii) Law no. 98/1994 on the establishing and sanctioning of the misdemeanors to the hygiene and public health legal norms, published in the Romanian Official Gazette, Section I, no. 317/16.11.1994, as subsequently amended and supplemented ("Law no. 98/1994"); (iii) The hygiene norms and recommendations concerning the population's life environment, approved by Order no. 536/1997, published in the Romanian Official Gazette, Section I, no. 140/03.07.1997, as subsequently amended and supplemented ("Order 536/1997"); (iv) GD no. 955/2004 on the approval of the framework Rules for the organization and operation of the public services for the administration of the public and private domain of local interest, published in the Romanian Official Gazette, Section I, no. 660/22.07.2004; (v) Order no. 261/1982 on the approval of the standard Rules for the administration of graveyards and the crematories of the localities, published in the Official Gazette no. 67/11.03.1983; (vi) Rules for the organization and operation of the parish and monastery graveyards within the eparchies of the Romanian Orthodox Church, approved by Decision of the Religious Affairs Department no. 16.285/31.12.1981.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	48
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0149
Proposal	<p>The questioner presents a memorandum signed by Jurca Samuila, Jurca Emilia and Miu Minerva, with home addresses in Abrud, where they are making several comments related to the situation in which RMGC will receive favorable endorsements for any kind of works that may have an adverse impact on the environment from a 20Km radius around the properties of Abrud's locals:</p> <p>RMGC must submit a guarantee in Euro currency in an account at the disposal of Ministry of Environment and local population, to cover the value of impacted properties and the moral damages. This amount must remain at the disposal of citizens for a period of up to 15 years following project's closure and departure of RMGC.</p> <p>When adverse effects occur, locals or their legal inheritors must have access to the above-mentioned amount.</p>
Solution	<p>The questioners touch on a legitimate and important issue: For a project of this scope, how can the host government, on behalf of its people, have assurance that funds will be available to address and rectify any environmental impacts caused by the project, should the company cease operations at any time. In Romania, the legal answer takes the form of an Environmental Financial Guarantee ("EFG"), required to ensure adequate funds are available from the mine operator for environmental cleanup. Under the terms of this guarantee, the Romanian government will have no financial liability in connection with the rehabilitation of the Roşia Montană project.</p> <p>The EFG is governed by the Mining Law (no. 85/2003) and the National Agency for Mineral Resources instructions and Mining Law Enforcement Norms (no. 1208/2003). Two directives issued by the European Union also impact the EFG: the Mining Waste Directive ("MWD") and the Environmental Liability Directive ("ELD").</p> <p>The Mining Waste Directive aims to ensure that coverage is available for 1) all the obligations connected to the permit granted for the disposal of waste material resulting from mining activities and 2) all of the costs related to the rehabilitation of the land affected by a waste facility. The Environmental Liability Directive regulates the remedies, and measures to be taken by the environmental authorities, in the event of environmental damage created by mining operations, with the goal of ensuring adequate financial resources are available from the operators for environmental cleanup efforts. While these directives have yet to be transposed by the Romanian Government, the deadlines for implementing their enforcement mechanisms are 30 April 2007 (ELD) and 1 May 2008 (MWD) – thus before operations are scheduled to begin at Roşia Montană.</p> <p>RMGC has already begun the process of complying with these directives, and once their implementation instruments are enacted by the Romanian Government, we will be in full compliance.</p> <p>There are two separate and distinct EFGs under Romanian law.</p> <p>The first, which is updated annually, focuses on covering the projected reclamation costs associated with the operations of the mine in the following year. These costs are of no less than 1.5 percent per year, of total costs, reflective of annual work commitments.</p> <p>The second, also updated annually, sets out the projected costs of the eventual closure of the Roşia Montană mine. The amount of the EFG to cover the final environmental rehabilitation is determined as an annual quota of the value of the environmental rehabilitation works provided within the monitoring program for the post-closure environmental elements. Such program is part of the Technical Program for Mine Closure, a document to be approved by the National Agency for Mineral Resources ("NAMR").</p>

Each EFG will follow detailed guidelines generated by the World Bank and the International Council on Mining and Metals.

The current projected closure cost for Roşia Montană is US\$ 76 million, which is based on the mine operating for its full 16-year lifespan. The annual updates will be completed by independent experts, carried out in consultation with the NAMR, as the Governmental authority competent in mining activities field. These updates will ensure that in the unlikely event of early closure of the project, at any point in time, each EFG will always reflect the costs associated with reclamation. (These annual updates will result in an estimate that exceeds our current US \$76 million costs of closure, because some reclamation activity is incorporated into the routine operations of the mine.)

The annual updates capture the following four variables:

- Changes in the project that impact reclamation objectives;
- Changes in Romania's legal framework, including the implementation of EU directives;
- New technologies that improve the science and practice of reclamation;
- Changes in prices for key goods and services associated with reclamation.

Once these updates are completed, the new estimated closure costs will be incorporated into RMGC's financial statements and made available to the public.

A number of different financial instruments are available to ensure that RMGC is capable of covering all of the expected closure costs. These instruments, which will be held in protected accounts at the Romanian state disposal, include:

- Cash deposit;
- Trust funds;
- Letter of credit;
- Surety bonds;
- Insurance policy.

Again, under the terms of this guarantee, the Romanian government or the local communities, including Abrud will have no financial liability in connection with the rehabilitation of the Roşia Montană project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	49
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0155
Proposal	<p>Who has assessed the participation percentage of Romanian state? The questioner stipulates that at Alba Iulia Anticorruption Department a file has been taken under inquiry and 3 directors of MINVEST (at that time RAC Deva) are being investigated for the venture established between Minvest Deva and Gabriel Resources. From this venture Eurogold has been established and subsequently RMGC. They are accused of misuse of authority against public interests and a penal investigation has been initiated.</p> <p>According to the relevant legal provisions, the stakeholders may submit justified proposals on the environment impact assessment. Art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on procedures governing the environmental impact assessment and the issuance of environmental permits ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>As the statement of the attendant to the public consultations (i) refers to the existence of a potential criminal investigation, and (ii) identifies and specifies no problems in regard of the project initiated by Roşia Montană Gold Corporation (RMGC), subject to the environmental impact assessment procedure, RMGC is not in position to answer and has not the capacity to make any comments to this end.</p> <p>Nonetheless, considering RMGC has expressed its full availability to discuss any issues relevant for the proposed project, please note the following:</p> <p>No representatives or employees of RMGC are involved in the alleged criminal investigation, therefore no information may be provided by RMGC in this respect. Moreover, criminal investigations are governed by the principle of confidentiality and the "presumption of innocence" constitutional principle, according to which no person is considered guilty until finally convicted by a court. Consequently, the criminal liability of any person who is supposed to have breached the legal provisions may be engaged only to the extent that the existence of all elements of the alleged offence are proved beyond any doubt within a lawsuit settled by a final decision of the relevant Court.</p>
Solution	<p>As regards the assessment of the participation percentage of the Romanian state, please note the joint venture between Gabriel Resources and Regia Autonomă a Cuprului Deva (Autonomous Company of Copper, in present CNCAF Minvest SA) was established under the Law no.15/1990 regarding the reorganization of the state owned companies as autonomous companies and commercial companies, published in Official Gazette Part 1 no.98/08.08.1990 with subsequent adjustments and modifications. The Article 35 of this law stipulates the possibility for autonomous companies to associate with legal Romanian or foreign third parties, in order to establish new commercial companies.</p> <p>The Constitutive Act of RMGC, which represents the result of the agreement regarding the terms and conditions of the association between the Romanian State and investor, is a document accessible for public. This document belongs to the category of documents which according to the Law no. 26/1990 on Commerce Register are published into the Official Gazette of Romania. The Commerce Register Office is obliged to issue certified copies on the expenses of the person who made the application.</p> <p>Meanwhile, we mention that the participation of the shareholders to the RMGC benefits and losses was settled according to their contribution to the company's registered capital. The current percentages of 80% for Gabriel Resources Ltd. and 19.31% for CNCAF Minvest SA are the result of the initial and subsequent contribution of the shareholders to the company's capital, considering also Gabriel Resources Ltd.</p>

payment in advance of all costs and expenses afferent to the development – operation activities and permitting of Roşia Montană Mining project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	50
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0160
Proposal	The questioner wants to know whether accidents of this kind have occurred at the mine from Spain, which has been presented by RMGC. Were there any miners injured?
Solution	To the best of our knowledge, no accidents of this kind have occurred in the Rio Narcea mine.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	50
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0161
Proposal	The questioner speaks about a mine in Kurdistan where ecologic accidents occurred due to poor roads conditions, and following those accidents cyanides spills have occurred and this cyanide spilled out of the cyanide haul trucks. It is underlined the fact that Romania's roads are in a very poor condition.
Solution	The accident in Kurdistan is well documented and although it occasioned no loss of life, it provided one of the justifications for establishing an International Cyanide Management Code (ICMC). Implementation of the Code is designed to minimize the likelihood of such accidents in the future. The special provisions that will be applied to the transport of cyanide to Roşia Montană are presented in Chapter 5 of Plan G (<i>Cyanide Management Plan</i>) attached to the EIA report. This sets out the health and safety measures to be adopted including those measures that RMGC will require of its cyanide supplier and transporter under the terms of the International Cyanide Management Code, which RMGC has signed. Responsibilities under the Code include driver/operator qualifications and training; accident prevention and emergency response; packaging; labeling; storage prior to shipment; evaluation and selection of routes; driver communications and shipment tracking; maintenance and operation of vehicles; and the preparation of trip reports, including hazards and unsafe road conditions.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	54
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0168
Proposal	<p>The questioner refers to the pictures from Spanish mine presented by RMGC, and believes that they are deceptive and asks why Baia Mare isn't presented where people have died because of cyanide.</p>
Solution	<p>Please consider the provisions in art. 2 (31) of GEO no.195/2005 on environment protection, approved with amendments by Law no. 265/2006, which define "environmental impact assessment" as "<i>a process with the purpose to identify, describe and establish, depending on each specific case and in accordance with the enforceable legislation, a project direct, synergetic, cumulative, main and secondary effects on health and environment</i>".</p> <p>Each project submitted to the environment impact assessment has its own features and therefore the assessment is made for each specific case. Starting with the project classification within the environmental impact assessment based on art. 6 (5) of GD no. 918/2002 [1], "<i>the relevant authority for environment protection shall decide on the need for environmental assessment by examining all projects, case by case [...]</i>".</p> <p>Our project in Roşia Montană bears no comparison to the mine in Baia Mare. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>Also, to our knowledge, no one died as a result of the Baia Mare accident.</p> <p>The mine at Rio Narcea in Spain, unlike the one at Baia Mare, is comparable to ours for many reasons, as explained by presenters during the public meetings held last year. Rio Narcea's mine in Spain was permitted under European mining law, which is also the case with the Rosia Montana project, while the Baia Mare mine <i>was not</i> permitted under European law and its design <i>would never</i> be permitted under the strict rules in place in Europe today.</p> <p>In fact, the Roşia Montană project is subject to even stricter standards than Rio Nacea's mine in Spain <i>because</i> of the Baia Mare accident. The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Mining Waste 2006/21/EC even before it became law in Europe or Romania.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.</p> <p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel/RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial</p>

assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.

As for a specific comparison, the Roşia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.

In short, the Roşia Montană Project is in no way comparable to Baia Mare. [2]

The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques, as defined by EU Directive 96/61/EC (IPPC).

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism (detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120 - 400ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation -- storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 metre of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roşia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and must be controlled, according to art. 17 to GEO no. 244/2000 on dams safety, by the persons empowered by MEWM.. RMGC has utilized the world’s foremost experts in these areas to ensure the safety of the project’s workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular

filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other conditions for surveillance and monitoring. Roşia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Roşia Montană isn't only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] We mention that GD no.918/2002 was abrogated by GD no.1213/2006 on the framework-procedure for environmental impact assessment for certain public and private projects, published in the Official Gazette, part I no.802 of 25/09/2006 ("GD no. 1213/2006").

However, considering the provisions of art. 29 in GD no. 1213/2006 specifying that "*The project submitted to a relevant environment protection authority in order to obtain the environment approval and subject to the environmental impact assessment prior to this decision coming into force, shall be subject to the procedure for environmental impact assessment and issue of environment approval in force upon the submitting of the request*" we mention that as regards RMGC project the provisions of GD no.918/2002 are still incident.

[2] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	54
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0169
Proposal	The questioner stipulates that neighboring states are opposing the project.
	The questioner's assertion is not accurate. Under the Espoo Convention, to which Romania is a signatory, large-scale projects with potential transboundary impact must allow for neighboring nations to raise comments and questions during the permitting process. In the case of the Roşia Montană Project, only Hungary took part in the process and raised questions, which were answered in the EIA study. No other neighboring country has raised a question about the Project. Further, RMGC, as part of its public consultation process, held two public consultation meetings in Hungary as well as 14 in Romania to permit the public to ask questions about the process.
Solution	We understand and respect the concerns that some Hungarians have raised because of the tragic accident at Baia Mare in 2000, which is one reason why we held public consultations in Hungary as well as Romania. Baia Mare was a disaster that must not happen again. To avoid this type of accident, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10ppm recently adopted by the EU Mining Waste Directive (2006/21/EC).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	56
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0170
Proposal	The questioner makes the following comments and remarks:Someone else should provide to people an alternative to Gold Corporation Project.
Solution	The question of alternatives was considered throughout the public consultation process. Chapter 5 of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the Project including the "no-project" option. This Chapter is also summarized in the non-Technical Summary. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	58
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0174
Proposal	The questioner would like to learn if there are any tailing facilities in Romania which are similar to the Rosia Montana one.
Solution	No, there are currently no such facilities. One of the benefits of the Project is that it will be conducted in accordance with international best practices in mining and will use best available techniques (BAT) as defined by the EU Directive 96/61/EC (IPPC). At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive 2006/21/EC. Mine waste in the EU is currently permitted to have a 50 ppm concentration of cyanide, which the Directive reduces to 10ppm for new mines.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	60
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0175
Proposal	The questioner asks Alburnus Maior and Greenpeace to come with an alternative.
Solution	<p>RMGC is not aware of alternative proposals from either Alburnus Maior or Greenpeace that would address to the economic, social or environmental issues of the community in any meaningful way.</p> <p>The question of alternatives was considered throughout the public consultation process. Chapter 5 of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the Project including the "no-project" option. This Chapter is also summarized in the non-Technical Summary. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles to sustainable development, such as pollution and land dereliction.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	60
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Abrud, 25.07.2006
RMGC internal unique code	MMGA_0176
Proposal	<p>The questioner would like to know if the company has considered a way for compensating the area's mine owners.</p> <p>Concerning the issue you raised, please note that RMGC does not have the authority to comment on issues that exceed the framework of the report on the environmental impact assessment study.</p> <p>In this respect, please consider the following:</p> <ul style="list-style-type: none"> (i) the regulatory activity related to <i>de facto</i> situations or relationships falls under the exclusive competence of the state; (ii) properties may be retroceded based only on legal provisions establishing the aspects related to the material and procedural law that must be taken into consideration; (iii) the authority to resolve requests filed by the interested persons is ascribed by law either to the administrative authorities, or to the courts of law, as applicable. <p>However, taking into consideration that RMGC has expressed and is still expressing its availability to discuss any relevant issues related to the proposed project, including issues related to the mining concession rights, we would comment that:</p> <p>In accordance with Article 54 of the Regulations for the enforcement of Article 264 of Mining Law/March 28, 1929 "the mining concession right („cuxa") confers its titleholder the right to participate in the undividable property of the association, it is a title with undefined value, similar in nature with securities, and maintains this characteristic also when all mining concession rights („cuxe") of the association are held by one person."</p>
Solution	<p>Also, according to the provisions of Article 50 of Mining Law/March 28, 1929, the mining association based on mining concession rights only had an exploration and mining right over the land, but not an ownership right, the land being held based on concession agreements.</p> <p>Taking into consideration the nature of the right conferred by the mining concession title („cuxa") – a mining right, not an ownership right – the provisions regarding the remedies stipulated by Law no. 10/2001 on the legal regime of real estate abusively taken into possession during the period March 6, 1945 -December 22, 1989 („Law no. 10/2001"), as republished and amended, are not applicable. In accordance with Article 3 of Law no. 10/2001, natural persons are entitled to remedies if they were the owners of the real estate abusively taken into possession, or if the ownership right was held by legal persons whose associates were the natural persons entitled to remedies.</p> <p>Consequently, in any of the situations established by Law no. 10/2001, an essential condition for determining the right to restitution, is to demonstrate an ownership right over the asset taken into possession by the state, either held by the natural person itself, or by the legal person whose associate the natural person was. In the case of the titleholder of mining concession rights, this condition is not met.</p> <p>If there are any specific regulations in this respect, RMGC will take all necessary measures in order to comply with them.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	72
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0180
Proposal	During July 2006, following a release of the waters stored behind the Mihaiesti dam, the Aries River has been heavily polluted on a 40-50 km distance downstream through the release of a large quantity of mud and sand. Has RMGC considered the issue of rehabilitating Aries River?
Solution	The Arieş River is polluted from its confluence with the Abrud River and below the discharge of the Roşia Poieni project. In the Roşia Montană Project, RMGC has committed to treat and clean river discharge water within the project area in the Corna and Roşia Montană drainage basins, which flow into the Abrud River. The commitment of the Company to capture and treat the water from these two large historic sources of pollution during the Project will significantly assist in the cleaning and rehabilitation of the water quality of the Arieş River. In addition, we will pay significant duties and taxes to the Romanian state, this will support regional development programs to support water cleaning. While the company has no authority to work in the Arieş River itself (which is outside the perimeter of our license) it is always willing to assist in some way should this become possible. We express our availability to form partnerships not only with government but also with NGOs, to concentrate our efforts and make available our knowledge to assist in solving any issues related to environmental protection, a goal in which our Company is investing very large resources.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	73
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0182
Proposal	<p>The questioner believes that the achievement of the project will bring nothing but losses and destructions for Apuseni Mountains, and Rosia Montana and Corna will completely disappear from country's map.</p>
Solution	<p>It is important to remember that the affected area of the Roșia Montană Project is less than 16 square kilometers, while the total area of the Apuseni Mountains is 21,000 square kilometers. Unfortunately, the immediate area around Roșia Montană has been affected for 2000 years by the effects of primitive, undeveloped, or poor mining practices that have led to environmental degradation and the current polluted state of the area.</p> <p>It is simply not accurate to suggest that Roșia Montană will disappear from the country's map. The Roșia Montană project as proposed in the EIA affects only four of the 16 sub-comuna that comprise Roșia Montană. An area of the village of Roșia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	73
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0183
Proposal	The Project will bring income only to the company because it will cash 80% of the profits while the Romanian state will secure only 20% or even less, as assessed by the Bucharest Commercial Academy.
Solution	The Romanian State through the Ministry of Economy and Commerce ("MEC") has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level are projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties, and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	73
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0184
Proposal	<p>The questioner stipulates that the Romanian Academy has proposed several alternatives that have not been approved.</p> <p>The Romanian Academy did not make any proposals to Roşia Montană Gold Corporation (RMGC).</p>
Solution	<p>The most recent position of the Romanian Academy regarding the Roşia Montană project was made public on February 27.2006, almost three months before the submission of the Environmental Impact Assessment study report (EIA) to the Ministry of the Environment and Water Management (MEWM). RMGC made significant changes to the project design, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. We would be happy to meet with the Academy to answer any questions regarding the project.</p> <p>Thus the position does not reflect changes to the project design on an analysis of the EIA that was actually submitted to the Ministry.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	73
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0187
Proposal	<p>In a civilized country like Canada and USA, the dismissal of an entire human settlement loaded with history would never be endorsed.</p>
Solution	<p>Even before Romania's admission to the European Union, RMGC had pledged to operate the Roșia Montană project in full compliance with all Romanian and European law and in accordance with international best practices. RMGC believes that Romania deserves the same standard of environmental and social protection that applies throughout the EU and in other developed countries such as Canada and the U.S.</p> <p>Projects that need resettlement and relocation are not unusual. The World Bank has financed directly more than 500 projects throughout the world that needed this approach during the last 10 years. The social impact is addressed in the Resettlement and Relocation Plan designed by the company in accordance with the World Bank's guidelines, as best practices available.</p> <p>The Roșia Montană project as proposed in the EIA does not propose the "eradication" of the locality of Roșia Montană. The project is not designed against the will of the community and has been developed so far with the support of the community. To put the resettlement issue in its larger context, the construction and operation of the Roșia Montană Project requires the acquisition of properties in four of Roșia Montană's 16 sub-comuna. For the most part, therefore, Roșia Montană will not be affected by the project.</p> <p>An area of the village of Roșia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites: one in the Pietra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Pietra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	74
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni 26.07.2006
RMGC internal unique code	MMGA_0188
Proposal	The questioner does not agree with the project and asks Campeni locals not to support the Project.
Solution	<p>Please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i></p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p> <p>Nevertheless, while we disagree with your conclusion, we respect your opinion and thank you for participating in this important process of public consultation.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	75
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0189
Proposal	<p>The questioner makes comparative remarks between two villages: Remetea where pensions and hotels were established and Podeni where a mining project was the development option selected. He advises Campeni locals to think about their future not only for the next 14 years, because tourism is an alternative, it stands for sustainable development and the example of settlements from Aries valley, from Garda, Scarisoara, Albac exists; here tourism has been very well developed and the locals are living well.</p>
Solution	<p>The questioner has shown that long-term development needs not to depend on a single industry or activity as, over time, the demand for this may fall and unemployment results. The more alternatives that assist, the stronger the economy will be.</p> <p>The Roşia Montană Project does not exclude alternative activities, amongst which tourism could be a very important component. Once the revenue from the mining investment will start to accumulate and circulate within the area, infrastructure will improve and money and funds will be more readily available for other economic activities. The project can be a catalyst for the development of the area.</p> <p>It is not our place to comment on Remetea and Podeni villages, but we can learn from these examples. Indeed, tourism is developing due to increased taxes resulting in better infrastructure and to more local clients who have more money to spend on tourism.</p> <p>The development of Roşia Montană's tourism potential can be done in parallel with active mining operations. Chapter (5) of the EIA Report identifies and assesses project alternatives, including tourism. Importantly, the EIA concludes that the project does not preclude the development of other industries such as tourism. On the contrary, the mining project would remove some of the existing significant impediments to establishment of other industries, such as pollution, poor access and other problems that have arisen through lack of inward investment. As described in Volume (14, 4.8) Social and Economical Environment, and in Volume (31), Community Sustainable Development Management Plans, there are currently some tourism activities in Roşia Montană. However the tourism industry is not at present a significant economic driver.</p> <p>Roşia Montană could continue to develop its tourism potential. There are initiatives to do so, such as "Tourism development model and its contribution to sustainable development in Zlatna, Bucium, Roşia Montană and Baia de Arieş as alternative to mono-industrial mining activities" prepared by the National Institute for Research and Development in Tourism (INCDT) published in April 2006. The INCDT report was not available when the EIA was prepared.</p> <p>However, tourism will be possible and profitable only when there is something to offer to tourists in terms of clean environment, proper infrastructure (good roads, running water, proper sewage system, waste disposal facilities, etc.), attractions (museums, other things to see such as historical monuments, etc). A mining project such as the one proposed by RMGC will provide, through taxes, the necessary funds to improve the infrastructure. Through the RMP and its heritage management plans, US\$25 million will be invested by the company in the protection of cultural heritage in such a way to support tourism. A training program will provide the necessary skills to develop tourist activities and the Roşia Montană Micro Credit will support people in starting pensions, restaurants, etc., all needed for attracting tourists. At the end of the project, there will be a new village, plus the restored old center of Roşia Montană with a museum, hotels, restaurants and modernized infrastructure, plus restored mining galleries (e.g. Cătălina Monuleşti) and preserved monuments such as Tău Găuri - all of which would serve as tourist attractions. RMGC has commissioned a Tourism Strategy which sets out how the potential tourism markets and how these might best be approached in an integrated project, which is included in the reference documents to the Annex.</p>

Roşia Montană is in a good position to take similar advantage of its mining history: visitors can be shown mining technology old and new. Related examples have been discussed in a Tourism Strategy commissioned by RMGC which sets out how the potential tourism markets and how these might best be approached in an integrated project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	77
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0192
Proposal	The questioner makes a comment on the mining projects that have been denied or the challenge of the projects won in court. He is presenting the sentence no. 613/2003 o the Greece Supreme Court that has annulled the environmental permit issued by the General Secretary Office of Ministry of Environment for the Olympia Kalkidiki mine proposed by TVX Helasmines, a Canadian-based company.
Solution	First, RMGC has committed to operate the Roşia Montană project in full compliance with Romanian and European law and in accordance with international best practices. This commitment includes full compliance with Directive 2006/21/EEC regarding the storage of the waste generated by extractive industries (the Mining Waste Directive). We hope you understand that neither RMGC nor Gabriel can comment on the alleged practices of another independent mining company.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	81
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0200
Proposal	<p>The questioner makes the following remarks and comments:Mr. O'Hara came to Rosia Montana to see if the archaeological discharge certificate for Carnic has been legally issued or not. He stayed for one single day, and subsequently he prepared a very detailed study from social, economic, cultural, etc point of views on issues that were impossible to see during one day. Mr. O'Hara is not a mining archaeologist expert, but an underwater archaeologist.</p>
Solution	<p>Mr. Eddie O'Hara's visit took place from the 11th to the 15th of July 2004 (Report-Appendix and visit schedule). The PACE delegation was led by Mr. Eddie O'Hara MP (General Rapporteur for Cultural Patrominy) and also included Mr. Christopher Grayson (Head of Secretariat for Culture, Science and Education) accompanied by Mrs. Mihaela Drăghici (The Romanian Delegation Secretary), Mr. Dan Chirlomez (Head of Protocol in the Romanian Senate) and Mss. Michaela Stătescu (translator).</p> <p>During the visit, local county authorities, local authorities in Roşia Montană, civil society (NGO), independent representatives of the archaeological research team, researchers who have opposing opinions with regards to the Roşia Montană Mining Project, representatives of the Ministry of Culture and religious Affairs, representatives of Romanian Academy, representatives of the Ministry of the Environment and Water Management, representatives of the Ministry of European Integration, as well as of the Romanian Parliament, the management team of RMGC, were all engaged in discussions and their views sought and recorded.</p> <p>We repeat verbatim a few of the conclusions of this report:</p> <ul style="list-style-type: none"> • The RMGC project would appear to provide an economic basis for sustainable development of the whole area with positive benefits on environmental and social as well as cultural grounds. From the cultural heritage point of view, it might be seen as an exemplary project of responsible development. The funds currently made available by RMGC for research (archaeological, ethnological, and architectural) are many times what could be expected from the Government. This has revived the international renown of the site. Further significant finds may still be made. • Concern has been expressed by critics over the procedure (allegedly superficial archaeological discharges) and conservation ethics, involving the programmed destruction of Roman galleries. This concern does not appear to be entirely justified. The reworked galleries in the areas of the main pits Cărnic and Cetate appear empty of any archaeological remains. Tourist access to most galleries would be impossible. However the conditions must clearly be imposed of continued archaeological excavation and monitoring of what is found. • Opposition to the RMGC project is substantial. It is not altogether easy to explain. It is linked to the profits that can be made with regards to the values of local properties. It has been linked to profiteering on local property values. It seems in part exaggerated. The supposed environmental risks do not take account of modern mining techniques and in fact RMGC project will help to clear up existing pollution caused by Minvest. The academic arguments are possibly correct in principle but appear excessively fundamentalist. • Research does not necessarily imply the need for everything found to be preserved and the academic ideal of total in situ preservation is perhaps not always and altogether appropriate in a situation of rescue archaeology and a commercial world. This is certainly so the case of in situ preservation of the Roman galleries at Roşia Montană. There are over 5 km of them, apparently with a limited variety of distinctiveness and few surviving remains in them. Most of them are inaccessible, indeed dangerous of access to tourists. Alternative proposals such as designation of the whole area as cultural landscape to be developed for tourism, lack viability. The only available source of funding for this is from the company which wishes to exploit the mineral resources.

Certainly there is a need to determine and preserve a representative sample of galleries accessible for tourists, at Cătălina Monulești and/or Orlea, and certainly there is a need for continuous monitoring to ensure the preservation of anything of distinctive archaeological value which is revealed in the course of mining or archaeological exploration. This is the responsibility of the Ministry of Culture.

- A balance of benefits appears achievable to both the needs of the cultural heritage of Roșia Montană and the business of RMGC. If that balance is overturned by the demands of either the Government or the Company, the project may not go ahead. In that case there will be a considerable setback to the opportunity for the development of cultural tourism in this area of exceptional historic interest.”

As far as mining archaeology is concerned, Mr. O'Hara's conclusions are based on his visit in the underground and the information provided by Beatrice Cauuet, PhD, prominent European archaeologist having internationally recognized expertise in the field of mining archaeology.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	81
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0201
Proposal	<p>RMGC claims that in Campeni no tourism may be developed, but the National Institute for Research and Development in Tourism has conducted a study, which was published in April 2006, from which one could clearly see that this area has a great tourism potential and may bring benefits from social and economic points of view.</p>
Solution	<p>The study by the National Institute for Research and Development in Tourism, prepared just as SC Roşia Montană Gold Corporation SA (RMGC) was submitting its Environmental Impact Assessment study report (EIA) for the Roşia Montană Project (RMP) in April 2006, does indeed detail a very broad range of touristic opportunities in the region.</p> <p>The issue is not with the potential of tourism, but with the investments in infrastructure – which today are totally lacking in Roşia Montană – that would give tourism a base on which to build.</p> <p>The point can be made in this way: It is true that tourism may be a potential source of revenue and sustainable development for Roşia Montană and the region. There is, however, a vast difference between proposing tourism as an alternative or substitute for a major industrial project – and the development of tourism over time supported by the infrastructure investments driven by a large industrial project.</p> <p>The former – for Roşia Montană, “tourism with no mine” – is not viable on its own, and certainly not in comparison to a plan to develop tourism over time with the help of infrastructure investment.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	83
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0207
Proposal	<p>The questioner comments the "Tanzanian model" of a mining company where no legal license existed, and forced evacuation have been performed, 55 miners have been buried alive, and no compensations have been paid for the damages. He will like to learn if this model will also be implemented at Rosia Montana and asks for supplementary clarifications on this: what a Tanzanian model means and if at Rosia Montana people will be buried alive provided that they will refuse to leave.</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>
Solution	<p>Nevertheless, we underline the fact that the model RMGC will employ in Roşia Montană will be based on a commitment to community development, fairness to workers, opportunity for local residents, and social benefits.</p> <p>The company is also committed to an honest debate, which is why it is important to get the facts about Tanzania on the table.</p> <p>Both the World Bank and the Tanzanian authorities have already responded to this issue – both have made it clear that the alleged incident in Tanzania simply never happened. On October 29, 2002 the Compliance Advisor/Ombudsman of the World Bank issued a report discrediting the allegations – a report based on interviews with people from the local community, mine staff, eyewitnesses, consulting police reports, and documentation.</p> <p>It is easy to see why the respected world agency rejected the allegations. Among other things, neighbors of the people alleged to be dead told the World Bank investigative team that the alleged dead were alive and well. In one case, an alleged victim had died in an accident years earlier. In other cases, the Tanzanian press has found people alive in other parts of the country who were alleged to have been killed.</p> <p>When World Bank investigators found individuals allegedly dead very much alive, they concluded that the allegations lacked any validity.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	84
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0208
Proposal	The questioner proposes an alternative for the area's development with a communitarian financial support.
Solution	The EIA report indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. This presents a serious impediment to development other than that proposed under the Project. Remediation of the area would be very expensive and certainly beyond the means of the local community. However, Chapter (5) of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the RMP including the "no-project" option. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction. The Project would therefore support the community's initiatives to develop industries other than mining and this is central to the <i>Community Sustainable Development Management Plan</i> attached to the EIA report (Plan L).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	104
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0235
Proposal	The questioner asks the following questions: Why the tourism has decreased by half at Arieseni, after the moment when RMGC was posted on the internet?
Solution	<p>There is no negative effect on tourism in Arieșeni attributable to the development of the Roșia Montană Project.</p> <p>As for tourism more broadly, it is the case that that tourism can become a potential source of revenue and sustainable development for Roșia Montană and the region. There is, however, a vast difference between proposing tourism as an alternative or substitute for a major industrial project – and the development of tourism over time supported by the infrastructure investments driven by a large industrial project.</p> <p>The former – for Roșia Montană, “tourism with no mine” – is not viable on its own, and certainly not in comparison to a plan to develop tourism over time with the help of infrastructure investment.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	104
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0238
Proposal	The questioner believes that the Romanian Academy is the cream of Romanian intelligence and wants to learn the company's opinion on this institution.
Solution	<p>The most recent position of the Romanian Academy regarding the Roşia Montană project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management.</p> <p>RMGC made significant changes to the project design, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA.</p> <p>Thus the position does not reflect changes to project design or an analysis of the EIA that was actually submitted to the Ministry.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	104
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni, 26.07.2006
RMGC internal unique code	MMGA_0239
Proposal	Is the inter-ethnic separation between Romanians and Hungarians wanted?
Solution	<p>Regarding your question, please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") "<i>during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing</i>";</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that "<i>based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues</u></i>".</p> <p>Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	104
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Câmpeni 26.07.2006
RMGC internal unique code	MMGA_0241

Proposal The questioner believes that politicians support the project according to their interests.

Please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment (EIA) and the issuance of environmental agreement procedures ("Order no. 860/2002") *"during the public debate meeting the project titleholder [...], provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing"*;

At the same time, art. 44 (3) of Order no. 860/2002 provides that *"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"*.

Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by Roşia Montană Gold Corporation (RMGC) and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.

Nevertheless, we have confidence that the Government will address this issue in the interests of the people of Romania. In any event, the Roşia Montană Project (RMP) will certainly benefit the people of Roşia Montană.

Solution The project will create jobs. RMGC currently employs almost 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community (+80 percent).

The project will generate government revenues. The Romanian State through the Ministry of Economy and Commerce (MEC) has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An addition US\$ 1.5 billion of Romanian goods and services will be acquired by project.

The project will be respectful of both the physical and social environment. The EIA study report that RMGC submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the

Ministry to make its decision on the Roşia Montană Project. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.

The project, as proposed in the EIA, will lead to the mitigation of pollution from the area of Roşia Montană, because of the use of Best Available Techniques (BAT). The project will fully comply with all European and Romanian law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation. Only with approval of this project will this environmental rehabilitation occur.

This is a project for people – the people of Roşia Montană and Romania.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	106
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0248
Proposal	<p>Will RMGC's representatives want to see their own churches impacted, and the graves of their beloved ones moved respectively?</p> <p>No one wants to see even a single grave moved. Yet we know that for as long as communities have organized themselves, they have recognized – and later built into law – rules for moving graves in order to advance the interests of the community.</p> <p>To put the issue in perspective as it relates to Roșia Montană, only 410 graves of the Roșia Montană's 1,905 graves will be affected by the mining project, as the company has to the maximum extent possible designed the mining operations to leave established graveyards in place.</p> <p>All reburials will be done at the request of the families, and the expense of SC Roșia Montană Gold Corporation SA (RMGC). The process will follow to the letter Romanian law on reburials [1] with the company's commitment to act with respect and reverence. Abandoned graves will be relocated, also with full respect and reverence, to Piatra Albă's new cemetery, for which 13 hectares have been set aside.</p>
Solution	<p>References:</p> <p>[1] - (1) Law no. (489/2006) on the religious liberty and the general regime of religious affairs, published in the Romanian Official Gazette, Section I, no. (11/08.01.2007);</p> <p>(2) Law no. (98/1994) on the establishing and sanctioning of the misdemeanors to the hygiene and public health legal norms, published in the Romanian Official Gazette, Section I, no. (317/16.11.1994), as subsequently amended and supplemented ("Law no. 98/1994");</p> <p>(3) The hygiene norms and recommendations concerning the population's life environment, approved by Order no. (536/19970, published in the Romanian Official Gazette, Section I, no. (140/03.07.1997), as subsequently amended and supplemented ("Order 536/1997");</p> <p>(4) GD no. (955/2004) on the approval of the framework Rules for the organization and operation of the public services for the administration of the public and private domain of local interest, published in the Romanian Official Gazette, Section I, no. (660/22.07.2004);</p> <p>(5) Order no. (261/1982) on the approval of the standard Rules for the administration of graveyards and the crematories of the localities, published in the Official Gazette no. (67/11.03.1983);</p> <p>(6) Rules for the organization and operation of the parish and monastery graveyards within the eparchies of the Romanian Orthodox Church, approved by Decision of the Religious Affairs Department no. (16.285/31.12.1981).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	107
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0249
Proposal	What is the reason behind the change of company's name, for several times and what is the reason behind Frank Timis removal from the company?
Solution	<p>There were not several changes of name, but one, duly registered with competent authorities.</p> <p>The company was incorporated under the name Euro Gold Resources SA, and under the General Shareholders Meeting decision dated 09.12.1999 it was resolved the change of name into Roşia Montană Gold Corporation SA, in order to link the name of the company with the one of the project developed and of the commune with which the company has a commitment for sustainable development. The change of name was registered with the Trade Registry, as acknowledged by the Alba Trade Registry Resolution no. (64/01.02.2000).</p> <p>Mr. Timiş has no ties with either Gabriel or RMGC whatsoever. He stepped down in 2003 at the Board of Directors' request. The Board determined that new management of the Company was necessary to develop the Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	107
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0255
Proposal	Why don't mining operations cease?
Solution	<p>Gold mining represents an issue of national strategic importance for Romania. This project meets all Romanian and European Union standards, provides new jobs for Romanians, especially in the Roşia Montană region, and will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p> <p>The Environmental Impact Assessment study report (EIA) indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. This presents a serious impediment to development other than that proposed under the Roşia Montană Project (RMP). Remediation of the area would be very expensive and certainly beyond the means of the local community. However, Chapter (5) of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the RMP including the "no-project" option. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction.</p> <p>The Project would therefore support the community's initiatives to develop industries other than mining and this is central to the <i>Community Sustainable Development Management Plan</i> attached to the EIA report (Plan L).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	108
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0260
Proposal	<p>The large quantity of 218mil tons of ore resulted from stripping of over 1000 ha of land, will impact people's life, the flora and fauna from the area. Without doubt, the churches, the houses, and whatever remains from the graveyards, it is impossible to remain unaffected considering the scale of the operations. It will be an inferno.</p>
Solution	<p>The Environmental Impact Assessment (EIA) Process under which the Roşia Montană Project (RMP) must be permitted follows Romanian law, European Union directives and Best Available Techniques (BAT). The best safeguards that the project will be done without the horrors the questioner imagines.</p> <p>As for the impact on flora and fauna, the EIA requires a baseline study for flora and fauna in the impact area, and establishes that the RMP as designed can proceed with processes in place to safe guard biodiversity in the region.</p> <p>To put the impact of RMP in prospective, just four of Roşia Montană's sub-communas, will be impacted by the project. A protected zone has been established and all 41 historic structures in Roşia Montană will be preserved due to careful planning of Roşia Montană mine design. Homes and properties needed for the mine to proceed will be bought under a RRAP program designed to meet World Bank Standards. Only 4 of the 10 existing churches and prayer houses must be moved to make way for the mine and those will be relocated at the congregation wishes likewise, 410 of the villages 1,905 graves will be relocated to follow to the letter Romanian law on reburials [1] with the company's commitment to act with respect and reverence.</p> <p>All human activities have negative impacts as well as positive impact to our environment. We believe the positive social, environmental and economic benefits more than counter the necessity of moving homes, churches and graves form part of the village. The RMP will provide 634 well paid jobs for the better part of two decades in a village community currently struggling with 70 percent unemployment added to the US\$ 2.5 billion the project infuses in to Romanian economy over the life of the mine, we believe this project delivers significant benefits for Roşia Montană and for Romania.</p> <p>References:</p> <p>[1] - The applicable enactments regulating the relocation of graves and cemeteries are:</p> <ul style="list-style-type: none"> (i) Law no. (489/2006) on the religious liberty and the general regime of religious affairs, published in the Romanian Official Gazette, Section I, no. (11/08.01.2007); (ii) Law no. 98/1994 on the establishing and sanctioning of the misdemeanors to the hygiene and public health legal norms, published in the Romanian Official Gazette, Section I, no. (317/16.11.1994), as subsequently amended and supplemented ("Law no. 98/1994"); (iii) The hygiene norms and recommendations concerning the population's life environment, published in the Romanian Official Gazette, Section I, no.(140/03.07.1997), as subsequently amended and supplemented ("Order 536/1997"); (iv) GD no. (955/2004) on the approval of the framework Rules for the organization and operation of the public services for the administration of the public and private domain of local interest, published in the Romanian Official Gazette, Section I, no.(660/22.07.2004); (v) Order no. 261/1982 on the approval of the standard Rules for the administration of graveyards and the crematories of the localities, published in the Official Gazette no. (67/11.03.1983); (vi) Rules for the organization and operation of the parish and monastery graveyards within the eparchies of the Romanian Orthodox Church, approved by Decision of the Religious Affairs Department no. (16.285/31.12.1981).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	108
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0263

Proposal The amount cashed by the state from the taxes on company's activities is too low, and 600 jobs are not an advantage for Romania.

The current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of \$600/ounce and a silver price of \$10.50/ounce:

	<u>Taxes, Fees and Government share of profits (incl. historical taxes paid)</u>	<u>TOTAL (\$USD million)</u>
	-	
	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roşia Montană)	12
	Land taxes (Roşia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Solution

The Roşia Montană Project (RMP) will create an average of 1,200 jobs during the 2 year construction period. It is expected that the majority of these positions will be sourced locally, from the project impacted area.

During the 16 years of operations the RMP will require 634 jobs (direct employment including contracted employment for cleaning, security, transportation, and other). It is expected that most of these jobs will be sourced locally, from the project impacted area.

Regarding the number of jobs at the project during the operational stage, the number is consistent with the modern mining practices that SC Roşia Montană Gold Corporation SA (RMGC) will introduce to Romania. Further, we expect that the project will generate 6,000 indirect jobs. Given the current 70% unemployment rate in Roşia Montană, we believe the project will provide a significant gain in employment for the region.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	112
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0266
Proposal	The NGOs opposing the project should provide alternatives for locals.
Solution	<p>We appreciate the questioner's support of the Project.</p> <p>RMGC is not aware of alternatives proposal from NGO's opposing the project that would address the economic, social or environmental issues of the community in any meaningful way.</p> <p>The question of alternatives was considered throughout the public consultation process. Chapter (5) of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the Project including the "no-project" option. This Chapter is also summarized in the non-Technical Summary. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	117
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0270
Proposal	The questioner believes that the issue is a moral and not a technical one, and the project is both a chance and a challenge. He believes that the civil society should organize a consistory that would closely monitor the development of this project. He doesn't have any questions.
Solution	Thank you for participating in the process. Virtually every aspect of the Roşia Montană Project (RMP) will be subject to some sort of monitoring. Both while the project is being constructed and during mine operations, technical consultants from the banks that have lent money to the RMP, insurance experts, independent experts, and the Romanian authorities will monitor such areas as environmental protection, protection of cultural heritage, social effects, and health and mine safety. In addition, SC Roşia Montană Gold Corporation SA (RMGC) will continue its process of public and stakeholder consultation through the life of the project and will be happy to meet with civil society organizations at any time to discuss project operations.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	123
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0276
Proposal	The questioner would like to know if the Irish people have sold their gold, forests and oil to become a developed country.
Solution	Gold is not mined in Ireland. In Europe, gold is produced in the following countries: Russia, Spain, Sweden, Finland, France, Bulgaria, Italy, Poland, Slovakia, Greece. All of these countries except for Russia are members of the European Union. Gold mining is a thriving industry in the EU, conducted according to high standards of responsible foreign investment using modern mining techniques. The Roşia Montană Project will be conducted in full compliance with Romanian and European law and in accordance with international best practices.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	123
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0277
Proposal	Where in Europe can be found a similar case as this one from Romania?
Solution	<p>In Europe, gold is produced in the following countries: Russia, Spain, Sweden, Finland, France, Bulgaria, Italy, Poland, Slovakia, Greece. All of these countries except for Russia are members of the European Union. Gold mining is a thriving industry in the EU, conducted according to high standards of responsible foreign investment using modern mining techniques.</p> <p>The Roşia Montană Project will be conducted in full compliance with Romanian and European law and in accordance with international best practices. It will bring best available techniques (BAT) to Romania.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	123
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0279
Proposal	<p>This project is a disaster for Romania.</p> <p>Please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by SC Roşia Montană Gold Corporation SA (RMGC) and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>However, with respect to your statement, we would like to underline the following:</p>
Solution	<p>This project is not in any way a "disaster" for the country's economy. This is a project of national strategic importance, and RMGC is the largest employer in this disadvantaged region and indeed the whole county and is the largest local taxpayer. Romania will receive US\$ 1 billion for its share of the profits, profit taxes, royalties and other taxes. In addition, a total of US\$ 1.5 billion of goods and services will be procured in Romania. All told, over the life of the project, Roşia Montană Project (RMP) will infuse US\$ 2.5 billion into the Romanian economy.</p> <p>RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1,000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. In fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring the best available techniques to Romania. Approval of this project will show the world that Romania welcomes this type of productive foreign investment. The profits from the mine and the jobs provided by the mine are tangible benefits to Romania.</p> <p>Finally, in terms of environmental impact, as a result of past poor mining practices, much of the area around Roşia Montană is severely polluted. Part of RMGC's investment in the future of Roşia Montană will consist of environmental rehabilitation, both of its own mining activities and of past activities, leaving the area cleaner than we found it.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	125
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0287
Proposal	<p>The questioner doesn't think that in Spain 2000 people have been resettled, 4 churches have been buried, and the Roman galleries have been run over with bulldozers and blasted, and if all these have happened then RMGC should confirm this.</p> <p>The mine in Spain the questioner refers to required the resettlement of people, as well as, the mining of ancient mine workings.</p> <p>Overall, to build and operate the Roşia Montană Project (RMP) through its full operating life requires the purchase of 379 homes which are located in the industrial zone. An offer was made to almost 1,000 residents at their request. For those residents who live outside of the industrial zone, we do not require their homes and they are welcome to stay. As of March 2007, 98% of residents in the industrial zone have requested SC Roşia Montană Gold Corporation SA (RMGC) to survey their properties for purposes of selling their homes to the company. As of the end of March the company owns approximately 60% of the properties in the industrial zone. Roşia Montană has been a mining community for 2,000 years and is very supportive of our project recognizing the economic, environmental and social benefits of the project.</p> <p>The project has been redesigned to avoid to impact churches. Only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p> <p>The legal system and archaeological situation in Spain is quite different from Romania. However, several important points can be made. There are a number of operating mines in Spain, extracting Gold, Nickel, copper. Examples include the gold mining projects at El Vale near Belmonte de Miranda, Carles, near Salas, and at Salave, both in Oviedo province. Another and better known example is Rio Narcea.</p>
Solution	<p>There is a great difference between the situation of the mine sites managed by the Rio Narcea company, where archaeological investigations have been very limited, and the situation of the Roşia Montană sites, where wide-scale preventive archaeological diggings have been carried out since 2000. RMGC fully recognises the importance of, and special care needed for the protection of the cultural heritage. This is why, in accordance with the "Alburnus Maior" National Research Program which was initiated in 2001 following the Order no. (2504/07.03.2001) of the Minister of Culture and Religious Affairs, and developed in compliance with Government Ordinance no. (43/2000), as further amended, on the protection of archaeological patrimony and declaring certain archaeological sites as national interest area. RMGC has financed large scale preventive archaeological investigations, and the recording and restoration of affected historic monuments. RMGC is supporting further large scale preventive archaeological investigations to determine whether the sites located in this area can be archaeologically discharged or for the preservation <i>in situ</i> of some representative structures and monuments, in line with the legal provisions. Extensive historical and ethnographic studies have also been undertaken. The results of the investigations undertaken to date are summarized in the detailed in the Environmental Impact Assessment study report (EIA) [1] while potential impacts upon the patrimony is summarised in Chapter (4.9) of the EIA [2]. Detailed plans for mitigating potential impacts upon the patrimony are presented in three Annexes – [3]. The proposed mitigation includes continuing large-scale archaeological investigations, continuing preventive researches, recording of mining galleries, the creation of a Mining Museum, the preservation, display and enhancement of Roman galleries (e.g. Cătălina Monuleşti) and the creation of a facsimile Roman gallery as part of the museum to present these important remains to a wider public. The results of the investigations to date have been published in four volumes of the "Alburnus Maior" National Research</p>

Program, and some eight more volumes are planned.

By comparison, Rio Narcea's recent gold mining activities overlapped the galleries of ancient mining works. In fact, these ancient mining workings have only been identified, assessed and inventoried, but they have not actually been subject to detailed archaeological research and excavation. It is assumed they date back to the Roman times. This assumption was made by analogy with other mine sites that had been investigated in other sectors in the North-Western part of Spain. This work has been done by Claude Domergue, Emeritus Professor at the UTAH (The History and Archaeology Department of the Le Mirail University, Toulouse, France) who is one of the founders of Mining Archaeology as a discipline in Europe. No preventive archaeological diggings have apparently been carried out in any of these mine sites. Therefore, it is hard to say to what extent the ancient remains and their spatial distribution have been affected by modern mining operations.

References:

[1] Roşia Montană Project Baseline Reports (Baseline Report 8)

]2] Chapter (4.9) Cultural and Ethnical Conditions

[3] Part I Management Plan for the Archaeological Heritage of the Roşia Montană Area; Part II Management Plan for the Historical Monuments and the Protected Zones of the Roşia Montană Area; and Part III The Cultural Heritage Management Plan.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	126
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0292
Proposal	Concerning the alternatives to municipal waste storage, RMGC hosted preliminary discussions with Rosia Montana and Abrud Mayors in order to solve waste management aspects and it has been agreed that municipal waste management is the duty of the Local Councils. Who reached to this agreement: Mayors, Mayors in close co-operation with RMGC?
	RMGC initiated discussions with the Roşia Montană, Abrud, Bucium, Ciuruleasa, and Bistra local councils, offering them logistic support for the preparation of a management plan, identification of a site to conform with European standards and the design of a project to assist in obtaining funding for a regional landfill for municipal waste. If necessary, RMGC could serve as one of the financers of this project. The proposal did not come to fruition, though this was not the fault of any of the parties involved.
Solution	In conformity with existing law and with the county, regional, and national plans for municipal waste management, the responsibility for the management of municipal waste belongs to the local councils. Therefore, at the initiative of the Alba County Council and of the Roşia Montană and Abrud local councils, a project was developed for the construction of a ramp for the temporary transfer of municipal waste. This proposal received approval for financing from the EU's PHARE program; RMGC is also a logistic and financial partner. Under the plan, a regional landfill should be built in Alba Iulia by 2010 and by 2012 a regional landfill in the Apuseni Mountains area should become operational. Currently, the only option for municipal waste is the regional landfill at Sibiu. This is a municipal landfill, and, until the construction of a regional landfill in the Apuseni area, RMGC will use the regional landfill at Sibiu.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	126
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0293
Proposal	<p>RMGC got involved in a project for the establishment of a waste management consortium for 20,000 locals, where all villages within the basin of Abrud river and from the lower area within the basin of Bistra river will be included. After establishment, it will apply for the necessary financing to support the waste management project at the European Union, through PHARE program.</p> <p>If RMGC needs an integrated waste management for the project, why do they ask for PHARE funds for this project? Which is the financial contribution of the company to this mini project - the initiator of which the company is?</p>
Solution	<p>RMGC is committed to assisting the region in establishing waste management facilities, but final decisions are up to the local authorities. The only option for municipal wastes is currently represented by the regional storage facility in Sibiu.</p> <p>The company has engaged in discussions with the local councils of Abrud, Bucium, Ciuruleasa and Bistra regarding a long-term facility, and has offered to assist them by identifying an appropriate location, performing the necessary feasibility study, providing a technical design and helping to write a technical proposal in order to access funding assistance from the EU. The proposal has not materialized.</p> <p>But an initiative has been launched by the councils of Alba County and Roşia Montană and Abrud, to build a temporary waste storage facility with PHARE financing and financial and logistical contributions by RMGC. RMGC's financial contribution cannot be specified under its funding arrangement with Abrud.</p> <p>By 2010, another regional storage facility will be built in Alba Iulia, and by 2012 another regional storage facility will become operational in the Apuseni Mountains area.</p> <p>Until building a regional storage facility in the Apuseni Mountains area, RMGC will use the Sibiu Regional storage facility.</p> <p>It should be kept in mind that the municipal waste storage facility is for the benefit of the community of Roşia Montană and other local communities, as well as RMGC. In fact, RMCG will use no more than 2% of the site's capacity. Storage capacity is 10,950 tonnes a year – of which the company will use 20 tonnes a year during the construction phase, 56 tonnes a year in the operation phase, and 15 tonnes a year during the closure phase.</p> <p>It should be clear that – in contrast to the questioner's assertion – RMGC does not need this facility for our mining project. In the spirit of assisting the community, we wish to be a partner in positive efforts.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	126
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0295
Proposal	Is the titleholder the interface between people and Romanian State?
Solution	No. In conformity with Romanian and European law, the holder of the license must prepare an environmental impact assessment study for a proposed project, and the report of this study must be submitted to the environmental authorities. Following the submission of the EIA for the Roşia Montană Project, there has been a period of public consultation, in order to permit the public to be part of the decision making process regarding the EIA, as stipulated in the Aarhus convention which is part of Romanian law. This is an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	130
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0301
Proposal	<p>It is being stated that at Rosia Montana, 60% of the population is inactive, but at national level the percentage is 60%, this means that Rosia Montana represents normality.</p> <p>It is a standard process in social impact assessment to determine current baseline conditions in order to determine how they might be effected by a potential project.</p> <p>While it may be a fact that in many regards the socio-economic baseline conditions in Roşia Montană are similar to other rural areas in Romania, or with Romania in general, that information does not change the impact assessment presented by RMGC in the EIA Study Report. Also, since the closure of RoşiaMin in 2006, the unemployment has further risen to 70%. If the project is not approved, the unemployment rate would increase to over 90%.</p> <p>The Roşia Montană Project (RMP) can act as a catalyst for the economic development of the area.</p>
Solution	<p>RMP will create an average of 1,200 jobs during the 2 year construction period. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p> <p>The project will also result in the creation of approximately 6,000 indirect employment opportunities locally, regionally and nationally [1].</p> <p>Reference: [1] Roşia Montană Project, EIA Study Report, Non Technical Summary, vol.19, pp.7 identifies 5,500 as the numbers of indirect jobs. With inclusion of additional hiring for contracted employment for cleaning, security, transportation, and other ,direct employment is 634 and indirect 6,000.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	130
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0303
Proposal	<p>Rosia Montana has been declared a disadvantaged area, and this provides a series of advantages for those who want to invest (exemption from taxations and taxes for the investors in the area). If RMGC cared about citizens' fate, why did the company apply for the investor's certificate? Why didn't they leave all the taxes and taxations to go to the community, and to all those who need them so badly?</p>
Solution	<p>By GD no. 813/1999, the whole Apuseni mining area, Alba county, covering an area of 108,497 ha, was declared a disadvantaged area for a 10 years period. Please note that the incentives initially granted to investors in disadvantaged areas have been repealed, currently the only valid incentive being profit tax exemption. Consequently, any company headquartered in this area which obtained the certificate of investor prior to July 1st, 2003 benefits of profit tax exemption until October 2009.</p> <p>This is not RMGC's case, as RMGC did not start the production process yet, and consequently obtains no profit from its activity. Moreover, as RMGC's production start is targeted for Fall 2009, the Company will not benefit from the profit tax exemption and will therefore pay all profit taxes.</p> <p>Over the 16 year operating life of the project, RMGC is expected to pay US\$ 284 million in profit tax (based on a gold price of US\$ 600 per ounce) to Romania. Based on the Ministry of Finance statistics for the 2004 tax year, RMGC would be one of the largest profit tax payers in the country. Since incorporation, RMGC is paying all taxes to Romanian State, including taxes on the exploration and exploitation activity, taxes and duties paid to the state budget for the employees, taxes on land, etc. RMGC is already the largest taxpayer in the county and tax payment would continue over the life of the project, mining royalties, profit tax, dividends being added to the existing taxes. RMGC will pay all taxes, duties and levies in Romania, not in Canada.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	132
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0306
Proposal	Which is the company's field of activity, as RMGC qualified for the negotiations phase for the opening of the 3rd and 4th units of Cernavoda Nuclear Power Plant ?
Solution	RMGC will require a secure, long-term power supply for the operation of the Roşia Montană Project. One potential electricity source is the Romanian Government's proposed expansion of the Cernavodă nuclear plant. The Romanian Government invited large electric utilities as well as large consumers or potential users of power, to participate in the financing and development of the expansion of Cernavodă.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	133
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Alba Iulia, 31.07.2006
RMGC internal unique code	MMGA_0309

Proposal	There are three penalties for MINVEST.
Solution	<p>According to the relevant legal provisions, the interested public may submit justified proposals on the environment impact assessment. Art. 44 (3) of the Order no. 860/2002 on the Environment Impact Assessment Procedure and the issuance of the environmental approval provides to this end that „<i>based on the results of the public debate, the relevant authority for the environmental protection evaluates the <u>grounded proposals/comments of the public and requests the titleholder the supplementation of the report to the environmental impact assessment study with an annex containing solutions for the solving of the underlined issues</u></i>”.</p> <p>As the statement of the attendant to the public consultations (i) refers to the existence of some so-called penalties for CNCAF Minvest SA, without containing any specific indications on the alleged facts, and (ii) identifies and specifies no problems in regard of the project initiated by RMGC, subject to the environmental impact assessment procedure, RMGC is not in position to answer and has not the capacity to make any comments to this end.</p> <p>Nonetheless, considering RMGC has expressed its full availability to discuss any issues relevant for the proposed project, please note the following:</p> <p>CNCAF Minvest SA is a shareholder of RMGC and an affiliate to Roşia Montană License no. 47/1999, whose titleholder is RMGC. Nonetheless, RMGC and CNCAF Minvest SA are distinct legal entities, with distinct rights, obligations and responsibilities, both under (i) Company Law no. 31/1990, corporate principles and RMGC Articles of Association and under (i) mining legislation and Roşia Montană License no. 47/1999.</p> <p>According to criminal and administrative law principles, the criminal and/or administrative liability is personal, therefore RMGC cannot be held liable for any acts and deeds of CNCAF Minvest SA , either real or alleged.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	156
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Zlatna, 02.08.2006
RMGC internal unique code	MMGA_0332
Proposal	The questioner asks for examples of civilized countries that comply with European environmental safety regulations, where it was used the same technology as in Rosia Montana, because in EIA is written that this technology is already used in 90 countries.
Solution	The same technology that we plan to use in Roşia Montană is currently used in the following European Union countries: Spain, Sweden, and Finland. More broadly, RMGC will bring best available techniques (BAT) to Romania with this project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	157
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Zlatna, 02.08.2006
RMGC internal unique code	MMGA_0335
Proposal	<p>The questioner supports the project. The questioner asks for information concerning the cyanide usage within industry, in general.</p> <p>RMGC appreciates the questioner's support. We believe the residents of Roşia Montană should be very hopeful about the benefits the project will create for the community – particularly the remediation of past environmental damage and to create of sorely-needed economic opportunities.</p> <p>With respect to the use of cyanide in the gold mining industry, cyanide is used in over 460 gold and silver mines around the world. Mining accounts for the use of 18% of the world cyanide production. It is also used in other industries, including metal plating and hardening, dyeing, and the synthesis of nylon and other chemicals.</p>
Solution	<p>At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive (2006/21/EC).</p> <p>Gabriel Resources Ltd is a signatory of the International Cyanide Management Code (ICMC) for RMGC as operating Company. For more information on cyanide facts, the ICMC, signatory companies, auditors and auditing please visit http://www.cyanidecode.org.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	160
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Zlatna, 02.08.2006
RMGC internal unique code	MMGA_0341
Proposal	<p>The questioner does not agree with the project and makes the following comments and remarks: The questioner considers that the elite of the Romanian intelligence should have been consulted in advance, Romanian Academy and Church and should have been present, when the media campaign was started at TV, together with those who were presenting the project's situation at Rosia Montana and to present their position.</p> <p>SC Roşia Montană Gold Corporation SA (RMGC) has made a determined effort to take into account the views of important institutions such as those mentioned, and its proposal reflects that fact.</p> <p>According to art. 2 of the Order no. 171/2005, CAT participates to the decision-making process regarding the issuance of the environmental approvals for the activities with a significant impact on the environment, being composed of the representatives of MEWM, the Ministry of Economy and Trade, the Ministry of European Integration, the Ministry of Health, the Ministry of Agriculture, Forests and Rural Development, the Ministry of Transport, Constructions and Tourism and the Ministry of Administration and Interior – General Inspectorate for emergency situations – civil protection and fire department. The CAT structure may be supplemented with representatives of other central public authorities, art. 2 (4) of the Order no. 171/2005, enumerating, <i>inter alia</i>, the Ministry of Culture and Religious Affairs and the Romanian Academy.</p>
Solution	<p>The most recent position of the Romanian Academy regarding the Roşia Montană project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management. RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the Ministry.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p> <p>Based on comments by the Holy Synod dating back to 2003, the Roşia Montană Project was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p> <p>The fact that 98% of people in the village's industrial zone have scheduled surveys to assess their property indicates they are considering accepting RMGC's offer to purchase their homes. We trust that as the community indicates its support of the RMP, churches will reflect their congregations' wishes. The churches have followed the human communities providing them religious service and support.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	165
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Zlatna, 02.08.2006
RMGC internal unique code	MMGA_0348
Proposal	<p>In the EIA report it is being mentioned that Rosia Montana area it is highly impacted by pollution. Taking into account the fact that Romanian state has provided EURO 1.17 mil. for the first rehabilitation phase will pollution be mitigated within Rosia Montana area if these workings are completed?</p>
	<p>Certain funds were assigned beginning in 2005 for safety-related work – the consolidation of the slope downstream by rock fill ballast – at the Valea Seliștei settling pond dam operated by CNCAF Minvest SA. RMGC has no information or involvement in the process of granting such funds or in the works undertaken so far.</p>
Solution	<p>To the best of our knowledge, the Romanian Government has not allocated any funds for environmental rehabilitation at the Roșia Montană mining site.</p> <p>CNCAF Minvest SA – Roșiamin SA Roșia Montană Subsidiary, company whose sole shareholder is the Romanian State, has decided to cease the production activity in Roșia Montană perimeter starting May 16, 2006. To date, the activity closure plan has been prepared and endorsed by relevant authorities, the mine closure being expected to be approved by Government Decision during 2007. Only then can funds be allocated for the closure and rehabilitation of the site, including funds for environmental rehabilitation.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	165
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Zlatna, 02.08.2006
RMGC internal unique code	MMGA_0350
Proposal	Taking into account the fact that the main union leaders of the employees of the mines in the area are supporters of the investment, is it true that they have contributed to the state mines destruction and to the increase of pollution in the area? How many of the former union leaders from MS Zlatna and Ampellum Zlatna included, are currently employees of RMGC?
Solution	<p>The current situation of the mines the participant is referring to could not have been caused by the activity of few employees of such companies, being union leaders or not. Such situation is common to all state subsidized sector, as described in The Mining Industry Strategy for 2004-2010 approved by GD no. 615/2004, the causes, as analyzed in Chapter 1 – Analysis of the mining industry evolution and current status being, among other, the lack of investments, equipment and infrastructure, the oversized employment and old technology.</p> <p>Currently, none of the former union leaders are employees of RMGC.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	176
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Brad, 04.08.2006
RMGC internal unique code	MMGA_0355
Proposal	The questioner thinks that it would have been much better if Romanians had developed the mining operation, because in this manner the benefit would have entered the Romanians' pockets and not in the foreign' ones, as it is going to happen now.
Solution	The benefits to Romania of the project will exceed the non-Romanian benefits. The project assumes total expenditures of US\$ 3,703 million including the initial investment, operating expenses, and all Romanian government-related payments. Of this total, 68% is paid to Romanian employees, Romanian suppliers, and the Romanian government in the form of the Romanian share of profit, profit taxes, royalties, and other taxes such as payroll taxes.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	181
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Brad, 04.08.2006
RMGC internal unique code	MMGA_0357
Proposal	The questioner thinks that Brad area is much more profitable for mining than Rosia Montana.
Solution	We believe that the Roşia Montană Project and will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development. This will bring new exploration companies and foreign investors to Romania, particularly to areas such as Brad with a strong mining tradition.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	187
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0359
Proposal	Concerning the present gold reserve that exists at Rosia Montana, the questioner thinks that RMGC is going to relieve the burden of those 300 tons of gold that Romania bears that, if it hadn't been for the company, would be lost and gone for good.
Solution	We appreciate your support for the Project. The Project's use of modern mining techniques will enable Roşia Montană Gold Corporation to derive the maximum possible amount of precious metals from the ore while minimizing the impact on the environment.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	189
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0367

Proposal	Why neighbour countries oppose to this project?
	<p>The questioner's assertion is not accurate. Under the Espoo Convention, to which Romania is a signatory, large-scale projects with potential transboundary impact must allow for neighboring nations to raise comments and questions during the permitting process.</p> <p>According to art. 9 (1) of the Order no. 864/2002 for approval of transboundary environmental impact assessment and public participation in the decision-making procedures for projects with transboundary impact, for the activities that are likely to cause a significant adverse transboundary impact, the party of origin shall, for the purpose of ensuring adequate and effective consultation, notify any party which it considers may be an affected party as early as possible and no later than when informing its own public about the proposed activity.</p>
Solution	<p>In the case of the Roşia Montană Project, only Hungary took part in the process and raised questions, which were answered in the EIA study. No other neighboring country has raised a question about the Project. Further, RMGC, as part of its public consultation process, held two public consultation meetings in Hungary as well as 14 in Romania to permit the public to ask questions about the process.</p> <p>We understand and respect the concerns that some Hungarians have raised because of the tragic accident at Baia Mare in 2000, which is one reason why we held public consultations in Hungary as well as Romania. Baia Mare was a disaster that must not happen again. To avoid this type of accident, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive (2006/21/EC).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	189
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0368
Proposal	<p>Which are the guarantees of the Romanian state that RMGC won't do what other foreign investors have done when they came to Romania; they came and laid their hands on firms, lands, companies etc...and made no investments, but they resold them and got the turnover?</p>
Solution	<p>Of course, we cannot speak for the Romanian Government, but for our part, RMGC has the financial incentive to stay working in Roşia Montană in partnership with the Government of Romania until gold mining is completed and the company meets its obligations for post-closure environmental rehabilitation. RMGC has been working on this project since 1998 and has invested over US\$200 million to date. By the time production begins, the company will have invested almost US\$1 billion. Romania will receive a 45% share of the project through its share of the profits and RMGC's payment of profit taxes, royalties, and other taxes such as payroll taxes. But RMGC will receive a good profit from the sale of gold and silver produced at the mine and would have no incentive to leave the project.</p> <p>Further, RMGC will operate the mine in full compliance with Romanian and European law and in accordance with international best practices. RMGC is working on the Project in partnership with the Government of Romania, which also has a strong and direct interest in assuring that RMGC meets its obligations under the Project.</p> <p>Apart from the issues mentioned above, please consider that according to the incident legal provisions RMGC is <u>also obliged to establish a financial guarantee for the environment rehabilitation</u>. According to the provisions of art. 3 (1) item 16 of the Mining Law no. 85/2003, the financial guarantee for the environment rehabilitation represents "<i>the obligation and liability of the natural or legal persons which perform mining activities according to an exploitation license or permit for ensuring the necessary financial stocks for the environment rehabilitation and which can be established as bank deposit, an irrevocable letter of good standing or other methods provided by law</i>".</p> <p>By its value, the financial guarantee for the environment rehabilitation ensures the performance of the environment rehabilitation works in case of (i) activity cessation and in case (ii) of not performing the environment rehabilitation work. The environment rehabilitation guarantee is annual (guarantees the execution of the environment rehabilitation works undertaken by the titleholder by the environment rehabilitation technical project) and final (guarantees the execution of the environment rehabilitation works provided in the program for the cessation of the exploitation activity).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	192
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0370
Proposal	The questioner reads the last declaration of Romanian Academy, issued on the 27th of February 2006, concerning the RMGC's media campaign and the consequences of Rosia Montana mining project.
Solution	<p>The statement that you refer to is the most recent position of the Romanian Academy regarding the Roşia Montană Project (RMP) and it was made public on February 27th, 2006, almost three months before the submission of the report to the Environmental Impact Assessment study (EIA) to the Ministry of Environment and Water Management (MEWM).</p> <p>Rosia Montana Gold Corporation (RMGC) made significant changes to the project design, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA.</p> <p>Thus the position does not reflect changes to project design and it is not an analysis of the EIA that was actually submitted to the MEWM.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	193
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0371
Proposal	<p>The questioner makes the following remarks, comments and questions: Before the ecological accident that Baia Mare suffered 8 years ago, 10 public consultations have taken place in order to discuss on the topic of Transgold and assuring that the project was safe. A cyanide impact on population study was developed. Do the authorities have it? Was it presented in Budapest?</p>
Solution	<p>The Terms of Reference for the Roşia Montană EIA and the relevant legal provisions did not require analysis of the Baia Mare project, which in fundamental respects is not at all comparable to the project planned for Roşia Montană – especially as standards, directives and laws have been strengthened since Baia Mare.</p> <p>While many opponents of our project speak of “another Baia Mare,” our project in Roşia Montană bears no comparison. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>In fact, the Roşia Montană project is subject to even stricter standards <i>because</i> of the Baia Mare accident. The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Waste Management even before it became law in Europe or Romania.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.</p> <p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel/RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, the Roşia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.</p> <p>In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are</p>

deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques, as defined by the EU Directive 96/61/EC (IPPC).

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism (detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roșia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation – storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 meter of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roșia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and perform an independent audit every two years. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials – not rockfill – and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a low-permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring no special surveillance and monitoring. Roșia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today’s projects.

In conclusion, we hope we have provided a detailed account of why our project in Roşia Montană isn’t only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	193
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0376
Proposal	<p>Regarding the impact on the Romanian economy: SC Transgold from Baia Mare invested \$28 million having an operations phase of 12 years. After 6 years the company went bankrupted and brought 200 million EUR losses to the Romanian state, of which 7 million EUR represent debts of the Australians who ran away, 110 million paid to the Hungarian state and 50 million were paid to Ministry of Environment for the rehabilitation of the tailings dump (money from the pockets of people, of taxpayers).</p>
Solution	<p>Please note there is no connection between the Baia Mare project and Roşia Montană Project making the object of the current environmental assessment procedure.</p> <p>Baia Mare was a disaster that must not happen again. To avoid this type of accident, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p> <p>The Environmental Financial Guarantee (“EFG”) is governed by the Mining Law (no. 85/2003) and the National Agency for Mineral Resources instructions and Mining Law Enforcement Norms (no. 1208/2003). Two directives issued by the European Union also impact the EFG: the Mining Waste Directive (“MWD”) and the Environmental Liability Directive (“ELD”).</p> <p>The Mining Waste Directive was adopted after Baia Mare accident happened, having the purpose for such accidents not to happen again. The Mining Waste Directive aims to ensure that coverage is available for:</p> <ol style="list-style-type: none"> 1) all the obligations connected to the permit granted for the disposal of waste material resulting from mining activities; 2) all of the costs related to the rehabilitation of the land affected by a waste facility. The Environmental Liability. <p>Directive regulates the remedies, and measures to be taken by the environmental authorities, in the event of environmental damage created by mining operations, with the goal of ensuring adequate financial resources are available from the operators for environmental cleanup efforts. While these directives have yet to be transposed by the Romanian Government, the deadlines for implementing their enforcement mechanisms are 30 April 2007 (ELD) and 1 May 2008 (MWD) – thus before operations are scheduled to begin at Roşia Montană.</p> <p>There are two separate and distinct EFGs under Romanian law.</p> <p>The first, which is updated annually, focuses on covering the projected reclamation costs associated with the operations of the mine in the following year. These costs are of no less than 1.5 percent per year, of total costs, reflective of annual work commitments.</p> <p>The second, also updated annually, sets out the projected costs of the eventual closure of the Roşia Montană mine. The amount of the EFG to cover the final environmental rehabilitation is determined as an annual quota of the value of the environmental rehabilitation works provided within the monitoring program for the post-closure environmental elements. Such program is part of the Technical Program for Mine Closure, a document to be approved by the National Agency for Mineral Resources (“NAMR”).</p>

Both EFGs to be set up by RMGC shall be entirely at the disposition of the Romanian authorities and the amounts covered by the EFGs are not affected in case RMGC falls into bankruptcy.

Information about the financing being utilized to support the mining project at Roșia Montană can be found in the section of the Environmental Impact Assessment titled “Environmental and Social Management and System Plans,” and in Annex 1 of the subchapter titled “Mine Rehabilitation and Closure Management Plan.”

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	196
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0389
Proposal	Mining activity is not a main activity in the area and it is not the only one that is possible. Motilor Country locals, and those from Rosia Montana included, have as main occupation cattle breeding and trading, and specific mountain house-holding.
Solution	<p>We disagree with the assertion in this comment. Mining used to be the main economic activity in the area, while cattle breeding and trading are mainly subsistence activities with little produce sold.</p> <p>The Romanian state declared the mining area of Apuseni, Alba county as a disadvantaged zone (Government Decision No.813/1999) for the following reasons: it is a mono-industrial area dependent on mining activity, where the former employees of the mines are unemployed, with an unemployment rate that very significantly exceeds the average rate at the national level; it is a geographically isolated area that has relatively poor links with other towns in the region; and infrastructure is extremely poorly developed.</p> <p>We agree with you that mining should not be the only possible economic activity in this region, but mining can act as the best catalyst for the sustainable economic development of the area.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	196
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0390
Proposal	<p>Up to date, over a million signatures from opponents of Rosia Montana mining project have been collected; also, the Academy, Ortodox Churches, Unitarian, Reformed, all religious groups are opposing.</p> <p>It is important to consider revisions in plans of SC Rosia Montana Gold Corporation SA (RMGC) which address concerns of both the Romanian Academy and the Romanian Orthodox Church.</p> <p>Responding to comments by the Holy Synod of the Romanian Orthodox Church and spiritual leaders of other faiths dating back to 2003, the Roşia Montană Project (RMP) was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p>
Solution	<p>The fact that 98% of people in the village's industrial zone have requested/accepted surveys to assess their property indicates they are considering accepting RMGC's offer to purchase their properties. We trust that as the community indicates its support of the RMP, churches will reflect their congregations' wishes.</p> <p>In the case of the Romanian Academy, its position regarding the Roşia Montană project was made public on February 27, 2006 – almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management. RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the Ministry.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	197
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0392
Proposal	<p>Which are the motives behind the opposition to this project of Hungary and UDMR (Democratic Union of Hungarians from Romania)?</p> <p>Please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>However, as regards your question, we would like to provide the following comments:</p> <p>Under the Espoo Convention, to which Romania is a signatory, large-scale projects with potential transboundary impact must allow for neighboring nations to raise comments and questions during the permitting process.</p> <p>According to art. 9(1) of the Order no. 864/2002 for approval of transboundary environmental impact assessment and public participation in the decision-making procedures for projects with transboundary impact, for the activities that are likely to cause a significant adverse transboundary impact, the party of origin shall, for the purpose of ensuring adequate and effective consultation, notify any party which it considers may be an affected party as early as possible and no later than when informing its own public about the proposed activity.</p> <p>In the case of the Roşia Montană Project, only Hungary took part in the process and raised questions, which were answered in the EIA study. No other neighboring country has raised a question about the Project. Further, RMGC, as part of its public consultation process, held two public consultation meetings in Hungary as well as 14 in Romania to permit the public to ask questions about the process. We understand and respect the concerns that some Hungarians and Romanians of Hungarian descent have raised because of the tragic accident at Baia Mare in 2000. Baia Mare was a disaster that must not happen again. To avoid this type of accident, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive (2006/21/EC).</p>
Solution	

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	197
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0393
Proposal	<p>The questioner wishes to know which of Romania's Presidents: Emil Constantinescu, Ion Iliescu or Traian Basescu did the company negotiate with or which one of them supports Rosia Montana Project?</p> <p>The partnership between Gabriel Resources and Regia Autonomă a Cuprului Deva (currently, CNCAF Minvest SA) has been established based on Law no. 15/1990 on the reorganization of the state owned companies as autonomous directions and trade companies, published in the Official Gazette, Section I, no. 98/08.08.1990, as subsequently amended and supplemented. Art. 35 of this law provides the possibility of the regies autonomous to enter into partnerships with legal third parties, Romanian or foreign, for the purpose of setting up new trading companies.</p> <p>Roşia Montană Gold Corporation SA was set up in 1997, according to the legal provisions in force as at that time, the setting up being made by observing all the conditions imposed by Company Law no. 31/1990 and Trade Register Law no. 26/1990, in regard of the setting up of the joint stock companies with mixed capital.</p> <p>We underline that the Articles of Associations of Roşia Montană Gold Corporation SA, representing the result of the parties agreement in regard of the terms and conditions under which the partnership between the Romanian state and investor takes place represents a public document, being included in the category of documents which, as per Law no. 26/1990 on the Trade Register, are published in the Romanian Official Gazette and for which the Trade Register is obliged to issue, on the expense of the persons submitting a request, certified copies.</p>
Solution	<p>As for the agreement concerning the setting up of the mixed company together with Gabriel Resources Ltd., this has been expressed by the Ministry of Industry and Trade, the conditions imposed by the setting up of the mixed company being the following: (i) ensuring of the jobs at the level existing upon the conclusion of the agreement concerning the setting up of the mixed company; (ii) the expenses incurred by the fulfillment of the exploration stage should be fully supported by Gabriel; (iii) the obtaining of the approval from the ANRM by the Copper Autonomous Direction Deva and (iv) the observance of all legal provisions in force concerning the setting up of the mixed companies with foreign partners. These conditions have been fully complied with as at the setting up of the company and during the development of its activity.</p> <p>We also specify that the establishing of the shareholders' quotas to the benefits and losses of Roşia Montană Gold Corporation SA has been made by considering their contribution quota to the company's share capital. The current percentage of 80% for Gabriel Resources Ltd. and of 19.31% for CNCAF Minvest SA resulted from the initial contribution and the subsequent contributions of the shareholders to the company's share capital, in consideration also of Gabriel Resources Ltd. advancing all expenses and costs related to the development-exploitation and permitting of the Roşia Montană Mining Project. The provisions of the Articles of Associations of Roşia Montană Gold Corporation SA on the necessary majority and quorum conditions for the decision-making process within the General Shareholders Meeting and the quotas to the benefits and losses of the company are taken from Law no. 31/1990, and no derogation exists in regard of this aspect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	197
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0395
Proposal	Why the position of Environmental Committee of EU Parliament, which opposes to Rosia Montana Project, is not respected?
Solution	<p>The questioner's information is not accurate. One committee of the European Parliament considered such a resolution, but it was not adopted as part of Parliament's formal response to the report on Romanian preparations for accession to the EU. In any event, the Environmental Impact Assessment study report (EIA) had not been prepared at that time, so the committee had no information on the project as it was formally submitted for approval. In this context, it is worth recalling that before submission of the EIA, Roşia Montană Gold Corporation (RMGC) had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p> <p>Finally, it was determined that Romania has the sole competence to decide on the approval of the Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	198
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0397
Proposal	<p>The questioner makes the following remarks and comments: The questioner refers to certain newspaper articles where Radu Berceanu has been accused that while he was Minister, he has received US\$2 million in order to sign for the lease of the gold fields and the questioner believes that, if this is true, Berceanu should be convicted for state treason.</p>
Solution	<p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing".</i></p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that " <i>based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>However, as regards your question, we would like to provide the following comments: Gabriel Resources and RMGC can only speak for themselves. They are deeply committed to compliance with the laws and regulations in all jurisdictions in which they operate. All directors, officers, employees, contractors and consultants, in discharging their duties, are required under corporate policy to comply with the laws, rules and regulations of the location in which Gabriel is performing business activities and will provide annual certification to that effect. Where uncertainty or ambiguity exists, competent legal advice must be obtained. The Chief Executive Officer of Gabriel will be responsible for ensuring that all annual certifications are obtained on or before the end of the first fiscal quarter of each year, and for providing written confirmation to the Board of Directors that such certifications have been obtained and summarizing the results thereof.</p> <p>No one working for Gabriel, regardless of his or her position, will ever commit an illegal or unethical act, or will instruct other employees to do so and will provide annual certification to that effect in the form attached to this Code. Where uncertainty or ambiguity exists, competent legal advice must be obtained.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	198
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0400
Proposal	<p>If Romania does not have technology now, it could be acquired by Government and used for mining operation, therefore costs would be much lower for the state and the gold would remain in the possession of the Romanian people.</p>
Solution	<p>As related to your comment, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public, which were received under a written form, previously to the respective hearing</u></i>".</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>" based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues</u>"</i>.</p> <p>However, in addition to the above, please note that in fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and apply best available techniques (BAT) to Romania. RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1,000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. Approval of this project will show the world that Romania welcomes this type of productive foreign investment.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	202
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0409

Proposal Doesn't the company think that \$244million is not enough for taxes and duties during the entire project's lifetime?

The figure offered by the commenter regarding total taxes paid to the Romanian government at all levels is incorrect. The current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of \$ 600/ounce and a silver price of \$ 10.50/ounce:

	<u>Taxes, Fees and Government share of profits (incl. historical taxes paid)</u>	<u>TOTAL (\$USD million)</u>
	-	
Solution	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roşia Montană)	12
	Land taxes (Roşia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	203
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0412
Proposal	<p>Does RMGC still considers the firm, competent and argued position of certain important Romanian institutions such as Romanian Academy, Orthodox Church, Greek-catholic Church as well as the position of numerous experts to be irrelevant, and of no value?</p>
Solution	<p>SC Rosia Montana Gold Corporation SA (RMGC) regards the position of the Romanian Academy, Orthodox Church, and Greek-Catholic Church to be extremely relevant and of considerable value. The project proposal submitted to the Ministry of Environment and Waters Management (MEWM) takes into account concerns of these institutions.</p> <p>The most recent position of the Romanian Academy regarding the Roşia Montană project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management.</p> <p>RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the Ministry.</p> <p>Based on comments by the Holy Synod and spiritual leaders of other faiths dating back to 2003, the Roşia Montană Project was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p> <p>The fact that 98% of people in the village's industrial zone have scheduled surveys to assess their property indicates they are considering accepting RMGC's offer to purchase their homes. We trust that as the community indicates its support of the RMP, churches will reflect their congregations' wishes. The churches have followed the human communities providing them religious service and support.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	209
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0417
Proposal	Which is the purpose of all those repetitions within the study?
Solution	Generally, the Environmental Impact Assessment study report (EIA) follows the Terms of Reference Rosia Montana Gold Corporation (RMGC) received from the Ministry of Environment and Water Management (MEWM). In the EIA, there are repetitions simply due to reporting requirements that treat similar or identical issues under multiple headings as the documentation RMGC provided includes, besides the requirements of the Romanian legislation, the baseline condition studies (including monitoring data from 1999-2006) and the management plans developed in the EIA process. These documents were added because of RMGC's commitment to comply with Romanian and European law and international best practices. Thus, the relevant Best Available Techniques (BAT) and the Best Management Practices (BMP) were taken into account in designing the project as submitted for approval in the EIA.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	210
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0419
Proposal	<p>The questioner supports the project and wants to know in what other fields is the cyanide used, because also in Cluj Napoca, in the Pharmaceutical Industry, cyanide is being used.</p>
Solution	<p>We appreciate your support of the Project and thank you for participating in this important process of public consultation.</p> <p>The questioner is correct. Cyanide is used in many different industries, such as the pharmaceutical industry. Cyanide is an extremely toxic compound and it must be handled and managed carefully. Still, as it disintegrates rapidly in normal atmospheric conditions into non-hazardous substances, unlike mercury, for instance. The Roşia Montană Project will use the best available technologies for the extraction of gold and management of wastes and will comply with the European Directive regarding management of wastes containing cyanides.</p> <p>Cyanide is one of the few substances that can dissolve gold. Cyanide is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive (2006/21/EC).</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this Code. The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Roşia Montană Project is a Best Available Technique as defined by the EU Directive 96/61/EC(IPPC).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	211
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0425
Proposal	<p>The titleholder mentioned that those 15km where the project is being developed represent a proportion of "0,00... and something %" of the Apuseni area. The questioner wants this proportion to be calculated and to receive it to see if it is lower or higher that the proportion from Chernobyl in Siberia.</p> <p>Chernobyl is not in Siberia, but rather Ukraine.</p> <p>Concerns about "another Chernobyl" are best directed towards nuclear plants of that vintage and origin -- as exist in Eastern Europe – and not to a proposed gold mine.</p> <p>Any comparison with the effects of radiation from the Chernobyl accident in 1985 is completely inappropriate. Radiation from Chernobyl was carried across Europe by air and traveled at the speed of the winds. At Roşia Montană, the miners will have no exposure to radiation because the mines are open pit, rather than underground, mines. Further, pollution at the site, even from past poor mining practices, is relatively localized rather than general.</p>
Solution	<p>As for the rest of the question, the figure quoted is that the affected area of the Roşia Montană Project is less than 16 square kilometers, while the total area of the Apuseni Mountains is 21,000 square kilometers. As small as that percentage is, it is also an unfortunate fact that the immediate area around Roşia Montană has been affected for 2,000 years by the effects of primitive, undeveloped, or poor mining practices that have led to environmental degradation and the current polluted state of the area.</p> <p>At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive 2006/21/EC. Thus, over time, the currently polluted waters, such as the Arieş River, will become less polluted as a result of the Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	213
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0429
Proposal	<p>The questioner states the following comments, remarks and questions: The questioner supports the investments, but only those that are performed observing the Constitution. The questioner mentions that RMGC representative developed no investment in the gold and silver mining field anywhere in the world, and that now they want to save the world using cyanide in leach.</p>
Solution	<p>Having in view that your allegation refers to two various aspects, please note the following:</p> <p>(i) Compliance with Constitutional provisions.</p> <p>The development of the project proposed by RMGC can be made only by observing all the applicable legal provisions, including the provisions of the Constitution, as well as the international best practices. The environmental impact assessment procedure is a transparent procedure in which both the relevant environmental authority and the titleholder's project are obliged to inform the interested parties, including the Technical Analysis Commission and the public, with respect to aspects related to the fulfillment of the mandatory stages for the granting of the environmental approval.</p> <p>In this context, any interested person may monitor the fulfillment of the mandatory legal procedures, may qualify the evaluation modality and may submit objections, as per the law. Distinct from the above mentioned, we underline that RMGC shall take all the necessary measures in order to comply and fulfill in due time the obligations provided by the applicable legislation.</p> <p>The Gabriel management team have permitted, built and operated some of the largest gold mines in the world, including the largest gold mine in USA and four of the largest gold mines in South America.</p> <p>(ii) With respect to the use of cyanide at the mine, it is true that cyanide is one of the few substances that can dissolve gold. Cyanide is used in many gold mines around the world. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p> <p>The project will bring best available techniques (BAT) to Romania. After the project is completed, the environmental conditions around Roşia Montană will be better than at present thanks to RMGC's work in environmental rehabilitation as part of the mining operations and closure of the mine.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	213
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0430
Proposal	Why the position of Romanian Orthodox Church, in which all Romanians trust, and the position of Romanian Academy are being disregarded?
	The Roşia Montană Project has been changed significantly in response to comments by the Holy Synod dating back to 2003. The RMP was redesigned to reduce impact on the community's churches. As a result, 8 of Roşia Montană's 10 churches will remain where they are. Only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of Rosia Montana Gold Corporation (RMGC). Churches construction is a central element in the new community of Piatra Albă being built by the company.
Solution	The most recent position of the Romanian Academy regarding the Roşia Montană project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study (EIA) to the Ministry of Environment and Water Management (MEWM). RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the MEWM.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	213
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0436
Proposal	<p>With whom from the following Prime Ministers did the company negotiate: Victor Ciorbea, Radu Vasile, Mugur Isarescu, Adrian Nastase, Calin Constantin Anton Popescu Tariceanu, Radu Berceanu, Alexandru Sassu and Dan Ioan Popescu and who is supporting the project?</p>
Solution	<p>Roşia Montană Gold Corporation SA company was established in 1997 according to the legal provisions in force at that time, its establishment being done with the observance of all conditions imposed by the Law no.31/1990 regarding commercial companies and the Law no. 26/1990 on Commerce Register as regards the establishment of incorporated companies with joint capital.</p> <p>The joint venture between Gabriel Resources and Regia Autonomă a Cuprului Deva (Autonomous Company of Copper, in present CNACAF Minvest SA) was established under the Law no.15/1990 regarding the reorganization of the state owned companies as autonomous companies and commercial companies, published in Official Gazette Part 1 no. 98/08.08.1990 with subsequent completions and modifications. The Article 35 of this law stipulates the possibility for autonomous companies to associate with legal Romanian or foreign third parties, in order to establish new commercial companies.</p> <p>We mention that the Constitutive Act of the Roşia Montană Gold Corporation SA, which represents the result of the agreement regarding the terms and specifications of the association between the Romanian State and investor, is a document accessible for public. This document belongs to the category of documents which according to the Law no. 26/1990 on Commerce Register are published into the Official Gazette of Romania. The Commerce Register Office is obliged to issue certified copies on the expenses of the person who made the application.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	213
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0437
Proposal	In which of the Europe's countries or from other continents did Gold Corporation mined for gold and silver? Which technological processes were used?
Solution	<p>The management of Gabriel Resources Ltd., the major shareholder in RMGC, has over 60 years of experience permitting seven mine projects on four continents. The countries included Argentina, Australia, Canada, Chile, Peru, Tanzania, and the United States. Gabriel management team has built both open pit mines, similar to Roşia Montană, as well as underground mines. The processing technologies at these operations ranged from highly complex processing methods (autoclaves/roasters), the traditional processing facilities to Roşia Montană to heap leach operations. All of the operations have been very successful and have not had any environmental accidents.</p> <p>This is an extremely strong foundation for the work on the Roşia Montană Project. The development of the project proposed by RMGC can be made only by observing all the applicable legal provisions, including the internal and European regulations, as well as the international best practices. We have been working with independent experts and some of the world's most prominent mining consultant companies to ensure the highest level of environmental protection and rehabilitation at the site.</p> <p>For instance, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	214
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0438
Proposal	<p>With whom from the Romanian Government did the company negotiated the business from Roşia Montana and what guarantee did RMGC received?</p>
Solution	<p>The joint venture between Gabriel Resources and Regia Autonoma a Cuprului Deva (Autonomous Company of Copper, in present CNACAF Minvest SA) was established under the Law no. 15/1990 regarding the reorganization of the state owned companies as autonomous companies and commercial companies, published in Official Gazette Part 1 no. 98/08.08.1990 with subsequent completions and modifications. The Article 35 of this law stipulates the possibility for autonomous companies to associate with legal Romanian or foreign third parties, in order to establish new commercial companies.</p> <p>Roşia Montană Gold Corporation SA company was established in 1997 according to the legal provisions in force at that time, its establishment being done with the observance of all conditions imposed by the Law no. 31/1990 regarding commercial companies and the Law no. 26/1990 on Commerce Register as regards the establishment of incorporated companies with joint capital.</p> <p>We mention that the Constitutive Act of the Roşia Montană Gold Corporation SA, which represents the result of the agreement regarding the terms and specifications of the association between the Romanian State and investor, is a document accessible for public. This document belongs to the category of documents which according to the Law no. 26/1990 on Commerce Register are published into the Official Gazette of Romania. The Commerce Register Office is obliged to issue certified copies on the expenses of the person who made the application.</p> <p>In the same time, we mention that the participation share of the shareholders to the Roşia Montană Gold Corporation SA's benefits and losses was settled according to their contribution to the company's registered capital. The current percentages of 80% for Gabriel Resources Ltd. and 19.31% for CNACAF Minvest SA are the result of the initial and subsequent contribution of the shareholders to the company's capital. Gabriel Resources Ltd. paid in advance all costs and expenses afferent to the development – operation activities and approval of Roşia Montană Mining project.</p> <p>The provisions of the Constitutive Act of the Roşia Montană Gold Corporation SA regarding the conditions of majority and quorum necessary to take decisions in General Meeting of the Shareholders and to participation at the company's benefits and losses are in conformity with the Law no. 31/1990, without exception in this regard.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	214
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0439
Proposal	What will be the resemblances and differences between Hiroshima and Rosia Montana following project's development?
Solution	Any comparisons between Hiroshima and the Roşia Montană Project are completely without scientific foundation. In contrast to the effects of an atomic explosion at Hiroshima, the miners at Roşia Montană will have no exposure to radiation because the mines are open pit, not underground mines and there are no radioactive elements present in the soil. Similarly, blasting will be controlled through the use of best management practices. These include non-electric ("nonel") methods using low-energy ammonium nitrate fuel oil explosives; blasting will be initiated by milliseconds-delay, and only small amounts of explosives will be detonated simultaneously. Once the blasting agents and initiators are emplaced within each blast hole, the hole will be backfilled or "stemmed" with blast hole cuttings, which serves to direct the blast energy in the ground and thereby minimizes the generation of fly rock and airborne dust and reduces the possibility of accidents.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	214
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0440
Proposal	How many Romanians did the company succeeded to "sicken" – that is to corrupt them – with this business? Can the company estimate this?
Solution	We strongly reject any allegations of corruption in the approval process for this Project. RMGC does employ 500 people in the Roşia Montană area to assist in preparations for opening the mine, but no one is paid to support the Project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	221
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0452
Proposal	The company misinforms when it is saying that at Rosia Montana there is no water supplying network, because it has been there since 1957.
Solution	We apologize if the questioner was confused by our response in the public consultation process. There is a system to supply water at Roşia Montană, but the system is damaged and degraded and not up to the high level of international standards at which the Company will conduct mining operations. As part of the Project, the Company will build a system that meets or exceeds international standards.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	225
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0457
Proposal	<p>The speaker emphasizes the fact that the gold from Roşia Montana may be operated by using the classic method, because the experts say that the ore deposit ensures jobs for 1000 years. Why does Gold rush to operate the ore deposit in ten years, and after that to leave behind cyanide and disaster and Romanian people to solve the rehabilitation part.</p>
Solution	<p>The mining of ore deposits, like any other industrial activity, must be developed in conditions of economic profitability. At Roşia Montană, the rich part of the ore deposit was already mined during the 2,000 years of mining, leaving an ore deposit not easily mined by artisanal methods. This ore contains so-called "disseminated type mineralization" characterized by a large mass of ore but with a low gold and silver grade. Such ore deposit types presuppose, in order to be profitable, the mining and processing of large volumes of ore. At Roşia Montană, the mining will be carried out using the "classical" mining method in open pit, commonly used in mining worldwide. Also, for the ore type from Roşia Montană the best mining and processing method with the highest gold recovery is the conventional cyanidation method. This method is applied on large scale all over the world. The lifetime of such a project depends on the quantity of identified ore, gold and silver grade and existence of economic efficiency conditions.</p> <p>To suggest that non-industrial mining should be the method employed at Roşia Montană would likely mean that anyone would be able to try to grab microscopic amounts of gold, perhaps extracting it using harmful chemicals without industrial safeguards, in what would likely be a struggle for a subsistence existence.</p> <p>The people of Roşia Montană deserve better.</p> <p>As for the volume of gold in Roşia Montană, RMGC's exploration activity conducted between 1997 and 2006 indicated a reserve of 25 million tones with an average grade of 1.46 g/t Au and 6.9 g/t Ag totalizing 314.11 tones of gold and 1460.36 tones of silver. This quantity is enough to sustain a profitable mining operation for a long period of time.</p> <p>The mining and processing methods proposed for this ore deposit are modern, high productivity methods in contrast with the old methods utilized previously. These old methods were totally uneconomic to the point that the Romanian State spent about US\$ 3 million/ year, as subvention, in order to support mining activity. For this reason – and because supporting such loss-making state companies violates the EU Competition policy -- the mining operation from Roşia Montană was closed in May 2006.</p> <p>Finally, the proposed project has a longer life than the one mentioned in the question. A total period of 30 years of development and mine closure results taking into account the followings: geological research period of about 5 years (between 1998 and 2006), development period of 4 years, project construction of about 2 years, operating period estimated at 16 years and project closure period of about 2 years. At this period of 30 years, a period of at least 7 years for post – closure monitoring of the environmental conditions is added.</p> <p>As regards the ecological rehabilitation of the area at the end of the mining operation, this has been described in detail within the "Rehabilitation and mine closure plan" and will be carried out according to relevant Romanian and European legislation and will be financed in full by S.C Roşia Montană Gold Corporation S.A. In fact, given the prevalence of past pollution from prior poor mining practices, Roşia Montană Project will leave the area cleaner than we found it.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	229
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0462
Proposal	<p>The questioner wants to know whether in these 80 locations, where the same mining technology is being used as the one presented for Rosia Montana, there has been any accident similar to the one in Baia Mare or is this the only one in the world?</p>
Solution	<p>Our project in Roşia Montană bears no comparison to the mine in Baia Mare. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>In fact, the Roşia Montană project is subject to even stricter standards because of the Baia Mare accident. The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Mining Waste 2006/21/EC, even before it became law in Europe or Romania.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.</p> <p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel Resources Ltd. by the operational Company RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, the Roşia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.</p> <p>In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10 ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques, as defined by EU Directive 96/61/EC (IPPC).</p> <p>This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism</p>

(detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation -- storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 meter of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roşia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and the checking control will be performed, according to art. 17 of GEO no. 244/2000 on dams safety by the persons empowered by MEWA. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other conditions for surveillance and monitoring. Roşia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Rosia Montana isn't only

vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	231
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0464

Proposal The questioner quotes a report regarding the accident from Baia Mare which was sent to Brussels.

Our project in Roşia Montană bears no comparison to the mine in Baia Mare. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.

In fact, the Roşia Montană project is subject to even stricter standards *because* of the Baia Mare accident. The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Mining Waste 2006/21/EC even before it became law in Europe or Romania.

The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.

The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.

Solution A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel Resources Ltd by the operational Company RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.

As for a specific comparison, the Roşia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.

In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]

The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques, as defined by EU Directive 96/61/EC (IPPC).

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism

(detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

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In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation -- storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 meter of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roșia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and the checking control will be performed, according to art. 17 of GEO no. 244/2000 on dams safety by the persons empowered by MEWM. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other conditions for surveillance and monitoring. Roșia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roșia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

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vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	231
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0466
Proposal	<p>The questioner wants to know if MEWM is going to make an environmental impact assessment report of the project.</p>
Solution	<p>According to the provisions of art. 26 (1) of Order 860/2002 regarding the assessment procedure of the environmental impact and issuing procedure of the environmental approval, <i>"based on the received terms of reference the project titleholder (RMGC in our case) shall performed the drafting of EIA report, through attested parties and independent of the titleholder, which will be submitted to the competent authority for environmental protection"</i>.</p> <p>No, MEWM will not elaborate an environmental impact assessment study.</p> <p>We specify that the decision of issuing or refusal of the environmental permit is taken by the Ministry of Environmental and Water Management analyzing the fulfillment of the legal requirements and conditions by the submitted project. In this regard, the legal applicable provisions are:</p> <ol style="list-style-type: none"> i. Art. 11 (3) from GD no. 918/2002 [1] regarding the framework procedure of assessment of the environmental impact and of approval of the list of public or private projects subject to this procedure ("GD no.918/2002") which stipulates that <i>"the competent authority for environmental protection together with the authorities participating at the technical analysis team, analyses the quality of the report on the environmental impact assessment study and decides to accept the report or to return it for re-elaboration, respectively to issue or to refuse with good reason the environmental permit"</i>; ii. Art. 29 (5) from the Order of the Minister of Water and Environmental Protection no. 860/2002 regarding the assessment procedure of the environmental impact and issuing procedure of the environmental permit ("Order no. 860/2002") which stipulates that <i>"as a result of the examination of the final report on the environmental impact assessment study, its annex with settlement solutions of the public's proposals/comments and of the conclusions of the authorities implied into this study's approval, the competent public authority for environmental protection records the technical analysis team's opinions regarding the development of the analyzed project on the respective placement and decides consulting the technical analysis team the issuing or well-founded refusal of the environmental permit/integrated environmental permit"</i>; iii. Provisions of Annex 3 from the Order of the Minister of Waters and Environmental Protection no. 863 2002 regarding the approval of the methodological guides applicable to the stages from the framework-procedure of the environmental impact assessment study ("Order no. 863/2002"), according to which the analysis of the report on the environmental impact assessment study is performed on the basis of a Check List. We mention that the Check List is elaborated according to the requirements of Directive 85/337/CE regarding the assessment of the environmental impact for certain public or private projects, published in the Official Gazette of the European Community no. L 175/05.07.1985 further on modified and completed by Directive 97/11/EC regarding the assessment of the effects of some public or private projects on environment, directive also transposed into the Romanian legislation. This Check List is utilized for: <ol style="list-style-type: none"> a. Evaluate the quality of the report on the assessment study in order to take the decision of issuing of the environmental permit; b. Identify the necessity to improve the environmental impact assessment process. <p>Using the criteria stipulated within the Check List, the competent environmental authority decides if the report on the environmental impact assessment study is corresponding, namely if the problems signaled during the scoping stage were totally and minutely treated according to requirements.</p>

Having in regard the explanations presented above, we mention that the adoption of a favorable decision of issuing of the environmental permit for the project proposed by title holder demonstrates the fact that the report on the assessment study elaborated and submitted by RMGC observes the legal conditions and requirements stipulated by the relevant legislation and assures enough guaranties for the mining activity development.

In the same time, the Art. 45 of the Order 860/2002 regarding the approval of the Procedure of environmental impact assessment and environmental permit issuing stipulates that “*after the examination of the report on environmental impact assessment study, conclusions of the implied parties into assessment, project implementation possibilities and responses of the title holder to the public’s well-founded proposals/ comments, the competent authority for environmental protection takes the decision regarding the issuing of the environmental permit / integrated permit or well-founded refusal of the project on the respective placement*”. Thus, the decision of issuing of the environmental permit is taken on the basis of the report on environmental impact assessment study and responses of the title holder to the public’s proposals/ comments. The political component, according to the law, has no importance for decision taking.

References:

[1] We mention that GD no.918/2002 was abrogated by GD no.1213/2006 on the framework-procedure for environmental impact assessment for certain public and private projects, published in the Official Gazette, part I no.802 of 25/09/2006 (“GD no. 1213/2006”).

However, considering the provisions of art. 29 in GD no. 1213/2006 specifying that “*The project submitted to a relevant environment protection authority in order to obtain the environment approval and subject to the environmental impact assessment prior to this decision coming into force, shall be subject to the procedure for environmental impact assessment and issue of environment approval in force upon the submitting of the request*” we mention that as regards RMGC project the provisions of GD no.918/2002 are still incident.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	235
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0479
Proposal	The questioner wants to know the position of the Romanian Academy regarding the project, after the representatives have read the EIA report.
Solution	<p>The most recent position of the Romanian Academy regarding the Roşia Montană mining project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management.</p> <p>RMGC made significant changes to the project design, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA.</p> <p>Thus the position does not reflect changes to project design or an analysis of the EIA that was actually submitted to the Ministry.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	244
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0491
Proposal	<p>The questioner makes the following remarks, comments and questions: Lately, RMGC has advertised a lot and they have spent millions of dollars. Why didn't they give this money to the desperate Rosia Montana locals? Why did the company try to intoxicate the public opinion through this manipulation? The questioner emphasizes that when a company wants to break the law, or wants to do something that is against the society, it builds up a public support.</p>
Solution	<p>Certain groups opposing the project have made inaccurate statements regarding the project. Those statements have affected public opinion. RMGC believes that informing the public is an important and normal part of debate in a democratic society. As a part of the process for approval of the Project, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law. The company has held 14 public meetings in Romania and two in Hungary because of high public interest there. RMGC employees 500 people today, paying competitive salaries.</p> <p>RMGC has no intention of breaking the law but rather has committed to operating the Project in compliance with Romanian and European law and in accordance with international best practices.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	244
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0492
Proposal	Everything that happens is just an image campaign, PR.
Solution	<p>Prior to any additional comments, we underline the fact that the performance of the environmental impact assessment procedure is a legal requirement. Furthermore, the information provided by Roşia Montană Gold Corporation (RMGC) to the public authorities and/or to the interested public in relation to the Roşia Montană Project (RMP) and the report to the Environmental Impact Assessment study is requested under the relevant legal provisions. To this extent, please note the following:</p> <p>(i) art. 10 of the Government Decision no. 918/2002² establishing the framework procedure for the environmental impact assessment and the approval of the list of private or public projects subject to this procedure (GD no. 918/2002) provides that: <i>“the information provided by the project titleholder according to the provisions of art. 9 (1) obligatorily includes the following: (a) the description of the project, including information on the location, the technical implemented solutions and the size of the project; (b) the description of the provisions for the avoidance, reduction and, if possible, remediation of the negative effects on the environment; (c) necessary information for the detection and evaluation of the major effects which the project might have on the environment; (d) the general presentation of the alternatives examined by the project titleholder, by indicating the reasons for that choice, as related to the effects on the environment; (e) the summary of the information provided with letter (a) - (d)”</i>;</p> <p>(ii) art. 36 of the Order no. 860/2002 on the environment impact assessment and the environmental approval issuance Procedure (“Order no. 860/2002”) provides that: <i>“the project titleholder informs the public on the following issues: (a) the submission of the environmental approval application for the project; (b) the decision of the screening stage of the project; (c) the public debate of the report on EIA study, and on (d) the decision of the examination stage regarding the quality of the report on EIA study.”</i></p> <p>Consequently, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	245
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0494
Proposal	<p>The questioner makes comments with regard to the Baia Mare accident that took place in 2000, and which was caused by the incompetence of Aurul SA, where Romanian state was also shareholder and subsequently Romania has to pay EURO 150 mil. damages to Hungary from taxpayer's money.</p> <p>Our project in Roşia Montană bears no comparison to the mine in Baia Mare. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>In fact, the Roşia Montană project is subject to even stricter standards because of the Baia Mare accident. The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Mining Waste 2006/21/EC even before it became law in Europe or Romania.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.</p>
Solution	<p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel Resources Ltd. by the operational Company RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, the Roşia Montană Project ("RMP") differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.</p> <p>In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility ("TMF") will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques, as defined by Directive EU 96/61/EC (IPPC).</p> <p>This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism</p>

(detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roșia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation -- storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 meter of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roșia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and perform an independent audit every two years. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other conditions for surveillance and monitoring. Roșia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roșia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Roșia Montană isn't only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible

mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	245
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0496

Proposal What is the value of the RMGC's contribution to the state budget until now, taking into account the fact that Gabriel Resources operates in an area that was officially been declared as disadvantaged?

To this point, the value of Roşia Montană Gold Corporation's (RMGC) contribution to the state budget is:

	US\$
Taxes, Fees and Minority Interest	
Payroll taxes	10,281,782
Property taxes (Roşia Montană)	558,621
Exploration & Exploitation taxes	249,058
Other taxes & fees (inc. permits & visas)	615,004
	-
Total	11,704,466

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	245
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0497
Proposal	The questioner draws the attention of the fact that many voices from the private business environment say that they are going to establish a fiscal strike, as long as the state associates with unconscious and irresponsible companies, as it was Aurul SA from Australia, and as it is now, Gabriel Resources, a company that has its headquarters in the fiscal paradise of Barbados.
Solution	Gabriel Resources has adopted a corporate structure similar to all other Canadian-based resource companies operating worldwide. The Roşia Montană Project (RMP) will be operated by Roşia Montană Gold Corporation SA, which is liable for payment of all taxes. All taxes will be paid in Romania.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	248
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0504
Proposal	The questioner makes the following remarks and comments: The questioner accuses Gold Corporation of a psychological war initiated 9 years ago: - Gold practices terror, divides and conquers (divide et impera) - Gold stages questions and answers; - the company releases press, tv, and radio "bombs"
Solution	Roşia Montană Gold Corporation (RMGC) believes that public consultation and disclosure is an important and normal part of debate in a democratic society. As a part of the process for approval of the Roşia Montană Project (RMP), RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law. The company has held 14 public meetings in Romania and two in Hungary because of high public interest.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	249
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0508
Proposal	Is the technology used at Rosia Montana similar to the one used in Finland within the mine that is going to open soon?
Solution	Yes, the technology that will be used at Roşia Montană is similar to that used in Finland and also to those used at gold mining projects in Sweden and Spain. There are only few small differences; but all of them use modern ore processing methods and have special cyanide management measures, including removal of cyanide from the tailings before discharge into the tailings management facility.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	249
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0509
Proposal	Did the investors pay the assessments of the archaeological sites from countries where mines still exist, such as: Spain, Switzerland, Finland?
Solution	<p>To the best of our knowledge, this is a regular international practice. In this respect, please note that the Romanian relevant legislation provides the following:</p> <ul style="list-style-type: none"> (i) article 2 (12) of the Government Ordinance no. 43/2000 on the protection of archaeological patrimony and declaring certain archaeological sites as national interest areas (GO no. 43/2000) <i>“the costs related to the archaeological research activities necessary for the environmental approval should be paid the titleholder of the investment”</i>; (ii) article 7 (1) a) of GO no. 43/2000, the costs related to the preventive archaeological research activities should be also paid by the titleholder.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	254
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0525
Proposal	The questioner, after having read a great part of EIA, thinks that it doesn't present any certainties.
Solution	<p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the Ministry to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	254
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0526
Proposal	<p>There is no appropriate study, regarding baseline conditions, to assess whether, in the future, there is going to be an impact.</p>
Solution	<p>It should be mentioned that while drafting the report to the Environmental Impact Assessment study (EIA) and during the entire procedure of the EIA, Roşia Montană Gold Corporation (RMGC) observed the incident mandatory relevant legal provisions as described under the terms of the internal and European legislation.</p> <p>The report to the environmental impact assessment study was drafted by observing the requirements provided under the Terms of Reference provided by the Ministry of Environment and Water Management (MEWM) to the titleholder in consideration of article 8 (1) of Government Decision no. 918/2002 on establishing the framework-procedure for the environmental impact assessment and for the approval of the list of public and private projects subject to this procedure (GD no. 918/2002 [1]) and to the extent of details requested within the Terms of Reference.</p> <p>Moreover, please note that, the EIA was prepared to measure the impact on the environment from the proposed project and to determine the methods to avoid or mitigate environmental harm. As a part of this process, RMGC prepared several baseline studies (including monitoring data from 1999-2006) which are presented in the EIA relating to health, noise and vibration, the aquatic environment (comprising water quality, biological and bacteriological conditions, and sediments), cultural heritage, hydrogeology, meteorology, biodiversity, air, and soil.</p> <p>References: [1] We mention that the GD no. 918/2002 was repealed by the GD no. 1213/2006 on the establishing of the framework procedure for the environmental impact assessment for certain private and public projects, published in the Official Gazette, Section I, no. 802 dated 25.09.2006 ("GD no. 1213/2006"). Nevertheless, considering the provisions of art. 29 of the GD no. 1213/2006, which provides that <i>„The projects submitted to a competent environment protection authority, with a view to obtaining the environmental approval and which are subject to the environmental impact assessment procedure, prior to the entering into force of this Decision, are subject to the environmental impact assessment and environmental approval issuing procedure in force at the moment of such submission”</i>, we should specify that, as regarding the RMGC project, the provisions of the GD no. 918/2002 are still applicable.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	254
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0528
Proposal	Currently, the place where the mine is going to be developed is contaminated and if data aren't eloquent for the authorities the actual impact cannot be identified for the present and future.
Solution	<p>Having in view (i) the existing pollution caused by former mining activities and (ii) the titleholder's intention to ensure the environmental protection when performing its mining activities, Roşia Montană Gold Corporation (RMGC) proposed in the Environmental Impact Assessment study report (EIA) modern practices and solutions that will lead to the mitigation of pollution from the mining activities, due to the use of Best Available Techniques (BAT). The project will comply with all mandatory obligations provided under Romanian and European law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation.</p> <p>The EIA was prepared to measure the impact on the environment from the proposed project and to determine the methods to avoid or mitigate environmental harm. As a part of this process, RMGC prepared several baseline studies (including monitoring data from 1999-2006) which are presented in the EIA relating to health, noise and vibration, the aquatic environment (comprising water quality, biological and bacteriological conditions, and sediments), cultural heritage, hydrogeology, meteorology, biodiversity, air, and soil.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	256
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0534
Proposal	Who is going to be held liable if an accident occurs? The questioner wants to know that person's name.
Solution	<p>Please note that according to the provisions of the Romanian law, the engagement of any form of liability and the sanctioning of the persons breaching the legal provisions ca be made only by the state bodies and authorities with specific attributions in the field and under the conditions provided by law. Thus, the criminal liability of a person who is supposed to have breached the legal provisions may be engaged only to the extent that the existence of all constitutive elements of an offence or misdemeanor can be proved within a lawsuit settled by a final decision of the relevant Court.</p> <p>We would like to stress the fact that RMGC will take all necessary measures to comply fully and in a timely manner with all obligations stipulated by the applicable legislation regarding promoting, developing, and operating the Roşia Montană Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	256
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0535
Proposal	Why Allan Hill, the president of the company, doesn't answer any question?
Solution	<p>Mr. Hill attended a number of the public consultation sessions and has met on numerous other occasions with a variety of stakeholders interested in the Roşia Montană Project (RMP), including over 200 families in Roşia Montană, church officials and clergy, and union leaders. In addition, he has met on many occasions with officials at all levels of the Romanian Government to answer their questions about the Project.</p> <p>SC Roşia Montană Gold Corporation SA (RMGC) believes that the process of public consultation extends throughout the life of the RMP, and Mr. Hill will certainly continue his stakeholder meetings after approval of the project. At the public consultation sessions themselves, RMGC believed it was more appropriate to have the specialists who actually prepared the EIA report respond to public questions and comments.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	257
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0539
Proposal	<p>Historic pollution cannot be solved by the Romanian state because there are no funds (pg. 130 of the Management Plans). The questioner believes that the estimations are incorrect and that they are merely a technique to mislead public opinion.</p>
Solution	<p>Projects like the Roşia Montană Project (RMP) raise the prospect that a private-sector company will address a public liability – in this case, remediating past pollution for poor prior mining practice – at no cost to the government or its taxpayers. As a result, the RMP is of interest not just for its economic and social impacts – but for the case study it provides in Romania’s ability to realize public benefits through partnership with private enterprise.</p> <p>In theory, it is possible for the Romanian Government to remediate any single polluted site in the country. As a matter of public policy, however, remediating all of the legacy pollution across Romania would be a severe strain on government funding – and would crowd out expenditures on other public goods, like health care, education, etc.</p> <p>Projects like RMP allow Romania a way to avoid these undesirable funding choices – and still achieve the public good of remediating past pollution.</p> <p>As for the second element of the question, we strongly disagree with the assertion that the figures provided in the Environmental Impact Assessment study report (EIA) are “merely a technique to mislead public opinion”.</p> <p>Moreover please note that, as per art. 5 of Order no. 978/2003 for the approval of the Regulation for attesting the individuals and legal entities which draft EIA studies and environmental balances the liabilities of the titleholder and of the entities drafting the EIA Report are as follows: (i) the titleholder is liable for the authenticity of the information provided for the EIA drafting, as well as for the information provided to environmental authorities; (ii) the entities drafting the EIA are liable for the EIA’s genuineness and the correct interpretation of the information provided by the titleholder.</p> <p>The EIA that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC’s response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	258
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0540
Proposal	<p>The questioner makes the following comment: After the discussion with Mr. Schuster, Mr. Aston mistakenly invoked the message launched by Greenpeace. The accident from Baia Mare is an argument against the Rosia Montana project. Greenpeace is a non-governmental organization that receives funds only from public persons.</p>
Solution	<p>RMGC offers no opinions on the sources of funding for Greenpeace organizations.</p> <p>As for the second issue raised in this question, our project in Roşia Montană bears no comparison to the mine in Baia Mare. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>Actually, RMP complies with even higher standards, due to the Baia Mare accident. The Romanian Government, through the Terms of Reference, asked us to comply with the Mining Waste Directive even before this one became a law in Europe or in Romania.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.</p> <p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel/RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, the Roşia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.</p> <p>In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best</p>

Available Techniques, as defined by EU Directive 96/61/EC (IPPC).

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism (detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation - storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 metre of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Rosia Montana TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and must be controlled by persons empowered by MEWM . RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other conditions for surveillance and monitoring. Roşia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Roşia Montană isn't only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	265
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0552
Proposal	The statement according to which the human impact is continuous is true, as there are few places on Earth where the human impact is discontinuous. When I say this I refer to the arctic areas or to the very high mountain ranges. But – the questioner quotes from the EIA – the activities carried out by the company RosiaMin in Rosia Montana and the historic mining activities allowed the generation of acid mine waters resulting in a significant visual impact and deterioration of the landscape as well as in safety problems.
Solution	We agree with the commenter that past poor mining activities have led to pollution as well as other types of environmental degradation. In this context, it is important to remember that, as detailed in the Environmental Impact Assessment study report (EIA), Roşia Montană Gold Corporation (RMGC) will undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the RMP but to clean up the effects of past poor mining practices as well leaving the area cleaner than they found it.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	265
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0555
Proposal	The questioner concludes that the picture of a community living in a polluted environment, presented in the EIA, is false and damages the development of alternatives to the mining sector. The existing pollution does not justify the development of a 10 times larger mining operation.
Solution	<p>Regrettably, the Roşia Montană area has been severely affected by pollution from past poor mining practices. This has been shown in the baseline condition studies in the report to the Environmental Impact Assessment study report (EIA).</p> <p>Consequently, having in view (i) the existing pollution caused by former mining activities and (ii) the titleholder's intention to ensure the environmental protection when performing its mining activities, Roşia Montană Gold Corporation (RMGC) proposed in the EIA modern practices and solutions that will lead to the mitigation of pollution from the mining activities, due to the use of Best Available Techniques (BAT). The project will comply with all mandatory obligations provided under Romanian and European law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation.</p> <p>RMGC has not suggested that the existence of pollution is a justification for the project. Rather, the project is justified because of the economic, social, and other benefits it brings to Roşia Montană and to Romania. However, RMGC's investment in the project includes a program of environmental rehabilitation which will reduce the amount of pollution at the site and thus permit alternative activities to mining as part of the sustainable development of the area.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	266
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0557
Proposal	<p>For about 10 years, the questioner has been paying a special interest in the impact of cyanide on the environment. The questioner asked for the documentation of this project and will send the company his observations.</p>
Solution	<p>Thank you for your participation in this process of public consultation. We have forwarded information on the Project to you per your request.</p> <p>Cyanide is a toxic compound and it must be handled and managed carefully. Still, as it disintegrates rapidly in normal atmospheric conditions into non-hazardous substances, unlike mercury, for instance. The Roşia Montană Project will use the best available technologies for the extraction of gold and management of wastes and will comply with the European Directive regarding management of wastes containing cyanides.</p> <p>Cyanide is one of the few substances that can dissolve gold. It is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive 2006/21/EC.</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this Code. The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Roşia Montană Project is a Best Available Technique as defined by EU Directive 96/61/EC (IPPC).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	268
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0563
Proposal	What does Gold Corporation represent? The old world or the new one?
Solution	RMGC represents the best of both the Old World and the New World. We are a Romanian company committed to economic development and prosperity in Romania. At the same time, the majority shareholder, Gabriel Resources Ltd., is a Canadian company whose management started the largest gold mine in the USA. More broadly, we clearly represent the new world of mining. We will operate the Roşia Montană Project in accordance with international best practices and according to best available techniques (BAT). This will lead to a greater focus on environmental protection and rehabilitation, mine safety, and maximizing the social and cultural benefits of the Project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	268
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0564

Proposal	How true is the statement divides and conquers (divide et impera) in the case of Gold Corporation?
Solution	<p>As regards your allegation, please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>Nevertheless, we consider your statement as false and inaccurate. We do not seek to divide and conquer but rather to inform the public of the nature of the Project and the many benefits we believe it will bring to Roşia Montană and the people of Romania. RMGC believes that it is important to present its views to the public because this project is so important to the economic development of Romania. RMGC believes that this is a normal part of debate in a democratic society. As a part of the process for approval of the Project, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law. The company has held 14 public meetings in Romania and two in Hungary because of high public interest there. This is not simply a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	268
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0565
Proposal	How does Gold Corporation see its interests once Romania becomes a member of the European Union?
Solution	RMGC views Romania's accession to the EU very positively. Even before Romania's accession, however, RMGC had pledged to operate the Roşia Montană project in full compliance with all Romanian and European law and in accordance with international best practices. RMGC believes that Romania deserves the same standard of environmental and social protection that applies throughout the EU and in other developed countries such as Canada and the U.S. Even after admission to the EU, however, RMGC maintains its policy to give employment preference to residents of the Roşia Montană area and expects to have a fully Romanian staff shortly after mine operations begin. RMGC also has a policy under which it sources personnel, goods, and services from Romania to the maximum extent possible.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	271
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0573
Proposal	<p>The social sciences operate with research methods. The EIA doesn't comprise any bibliography. The company has eluded this question from the very beginning. Why isn't there any bibliography in the EIA? What sort of scientific norm have they invented here and now, in order not to present a bibliography, in order not to make references to bibliographic sources and to their authors?</p>
Solution	<p>Whenever the Environmental Impact Assessment (EIA) team considered it necessary, there is a bibliography; in other cases, there are footnotes.</p> <p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the Ministry to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	273
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0578
Proposal	<p>The EIA comprises much instigation to violations of the legislation and the questioner does not trust the Romanian Government. To support this statement, the questioner quotes from several letters regarding the project, written between 1997 and 1998. In 1997, the company Gabriel Resources Ltd was listed on the Vancouver Stock Exchange without holding a mining license for Rosia Montana. Concerned, the representatives of the Vancouver Stock Exchange wrote a letter to the Romanian National Agency for Mineral Resources asking for information about this company that claimed owning an ore deposit in Rosia Montana, a deposit that it planned to mine, asking whether an economic assessment of this deposit had been conducted or if this company had any expertise in the mining field. The President of the National Agency for Mineral Resources, Mr. Ianas, wrote to Mr. Tariceanu, then Minister of the Economy. The latter replied that any investment that brought in capital and transfer of technology was welcomed in Romania. The speaker concludes that this is a proof of the way this process was dealt with in Romania from the onset, and after 10 years, the representatives of the company cannot claim to comply with the legislation and that if they have no permit so far it is because they have not bribed anyone.</p>
Solution	<p>We cannot comment on any correspondence between two entities independent of our company, such as the Vancouver Stock Exchange and National Agency for Mineral Resources (NAMR) or Mr. Tăriceanu.</p> <p>However, we reaffirm strongly that the joint venture between Gabriel Resources and Regia Autonomă a Cuprului Deva (current Minvest SA) and the set up of RMGC in 1997 was approved by the Ministry of Industries, before the initiation of mining activities. The Mining Law no. 61/1998 (the first in Romania after 1989) that governed the granting into concession of ore deposits was enacted in 1998 and after it became effective, the mining license for the site at Roșia Montană was concluded (December, 1998) as one of the first licenses granted under the new law. We would like to reaffirm that until the 1998 license was granted, the company fully observed the legislation in force at that time. SC Roșia Montană Gold Corporation SA (RMGC) is committed to full compliance with the law. RMGC has never claimed that it has no permits. We have only stated that we do not yet have the environmental permit and that the entire permitting process will be conducted in a transparent way, according to a strict code of business ethics that firmly forbids giving any thing of value in exchange for receiving any facilitation of the permitting process.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	274
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0579
Proposal	The questioner makes the following observations and comments: The questioners refers to Mr. Moran, the previous speaker, and states that Mr. Moran would have liked to say – but he didn't have time – that if this project, the EIA were submitted for approval in Canada or in the USA, it would be rejected.
Solution	We do not believe that this assertion, that represents just an allegation providing only the speaker's opinion without additional comments and/or suggestions, is accurate. If the EIA had been submitted in Canada or the United States, the titleholder would have drafted and prepared the report to the EIA study by observing all the mandatory relevant legal provisions in this respect, as well as the international best practices, as was the case for this EIA submitted in Romania. Indeed, many of the experts and specialists from North America who took part in the development of the project and of the Report to the Environmental Impact Assessment study believe that, to the contrary, the project is conservatively designed to the highest standards of responsible mining and will be a model for the industry worldwide.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	274
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0580
Proposal	<p>The questioner points out that the opponents of the project are not against the mining activities, against the investments, against Europe, but against this irresponsible mining project proposed by Gabriel Resources. The questioner quotes from the booklet that is part of the procedure of the environmental impact assessment – page 18 – comprising paragraphs from the report elaborated by Mr. O'Hara and makes some remarks about this report. Moreover, the questioner points out the fact that Mr. O'Hara is not a member of the European Parliament – as stated in the booklet – but a member of the European Council, which is an NGO, the oldest NGO in Europe.</p>
Solution	<p>The questioner is correct that we made a mistake in the booklet. Mr. O'Hara is not a representative of the European Parliament but rather of the Parliamentary Assembly of the Council of Europe.</p> <p>Mr. O'Hara's visit took place between 11 and 15 July 2004 (Annex – Report and visit program). The delegation had the following structure: Mr. Eddie O'Hara (General Reporter for Cultural Patrimony) and Mr. Christopher Grayson (Chief Secretary for Culture, Science and Education). The delegation was accompanied by Mrs. Mihaela Drăghici (Secretary of the Romanian Delegation), Mr. Dan Chirlomez (Chief of Protocol of the Romanian Senate), and Miss Michaela Statescu (translator).</p> <p>During this visit, the group met with officials of the county, officials of the Roșia Montană commune, civil society (NGOs), independent representatives of the team of archeological research, scientific researchers who oppose the Roșia Montană Project, representatives of the Ministry of Culture and Religion, representatives of the Romanian Academy, representatives of the Ministry for Environment and Water Management, representatives of the Ministry of European Integration, representatives of the Romanian Parliament, and the management and staff of RMGC.</p> <p>The report concluded that: The RMGC Project would appear to provide the economic basis for the sustainable development of the whole area, having a positive social and environmental impact as well as a cultural grounds. From a cultural patrimony point of view, the Project may be perceived as an exemplary project of responsible development. The funds provided at the moment by RMGC for archeological, ethnographical and architectural research are many times what could be expected from the Government. This fact has consolidated also the area from international recognition point of view. Further significant finds may still be made.</p> <ul style="list-style-type: none"> - Critics have manifested their concern regarding the procedure (allegedly superficial archeological discharge) and preservation ethics, fact that implies the programmed destruction of the Roman galleries. This concern does not seem to be entirely justified. The re-mined galleries from the area of the main pits Cârnic and Cetate appear empty of any archeologically interesting remains . The access of tourists into the most part of the galleries would be impossible.. However, the condition must clearly be imposed of continued archaeological excavation and monitoring of what was found. - The opposition against the RMGC project is substantial. This opposition is difficult to be explained. The opposition is in connection with the profits which might be obtained from the value of local properties. It is very much fuelled by outside bodies, presumably well meaning but possibly counter-productively. It seems in part at least exaggerated.The supposed environmental risks do not take account of modern mining methods, and in fact, the RMGC project will help to clear up the existing pollution produced by the mining activities performed by Minvest. The academicians' arguments are probably correct in principle, but appear excessively fundamentalist. - Researches do not obligatorily imply the necessity that any discovery to be also preserved, and the academicians' idea regarding the total preservation in situ is perhaps not always altogether

appropriate in a situation of rescue archeology and commercial world. There is certainly so in the case of preservation in situ of the Roman galleries from Roşia Montană. There are over 5 km of such mining works, apparently with a limited variety of distinctiveness between them and few surviving remains in them. The most part is inaccessible, in fact even dangerous for tourists. Alternative proposals such as the designation of a whole area as a cultural landscape to be developed for tourism lack viability. The sole available source to obtain the funds for this purpose is the company which wishes to mine the mineral resources. Of course, it is necessary to establish and preserve a representative pattern of galleries accessible for tourists at Cătălina Monuleşti and/or Orlea and certainly there is a need for continuous monitoring to ensure the preservation of anything of distinctive archaeological value which is revealed in the course of mining or archeological exploration. This responsibility belongs to the Ministry of Culture.

- A balance of benefits appears to achievable to both the needs of the cultural heritage of Roşia Montană and the business of RMGC .If this equilibrium is overturned by Government's or company's requests, the project may not go ahead. In this case, there will be a considerable setback to the opportunity for the development of the cultural tourism in this area of an exceptional historical interest.
 - We believe that Mr. O'Hara's report and conclusions assist in evaluating the project.
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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	274
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0581
Proposal	The questioner mentions that during the December 2004 plenary session, the European Parliament voted a resolution stating that the Rosia Montana project is both a social and an environmental risk for the entire region.
Solution	The questioner's information is not accurate. One committee of the European Parliament considered such a resolution, but it was not adopted as part of Parliament's formal response to the report on Romanian preparations for accession to the EU. In any event, the Environmental Impact Assessment had not been prepared at that time, so the committee had no information on the project as it was formally submitted for approval. In this context, it is worth recalling that before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	275
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0582
Proposal	<p>The questioner makes the following comments: The questioner raises doubts about the credibility of Mr. O'Hara, the representative of the NGO-European Council, who has not even read the document.</p> <p>With respect to your comment, please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>Nevertheless, we would like to underline the following:</p> <p>Mr. Eddie O'Hara's visit took place from the 11th to the 15th of July 2004 (Report-Appendix and visit schedule). The PACE delegation was led by Mr. Eddie O'Hara MP (General Rapporteur for Cultural Patrimony) and also included Mr. Christopher Grayson (Head of Secretariat for Culture, Science and Education) accompanied by Mrs. Mihaela Drăghici (The Romanian Delagation Secretary), Mr. Dan Chirlomez (Head of Protocol in the Romanian Senate) and Miss. Michaela Statescu (interpreter).</p> <p>During the visit, local county authorities, local authorities in Roşia Montană, civil society (NGO), independent representatives of the archaeological research team, researchers who have opposing opinions with regards to the Roşia Montană Mining Project, representatives of the Ministry of Culture and religious Affairs, representatives of Romanian Academy, representatives of the Ministry of the Environment and Water Management, representatives of the Ministry of European Integration, as well as of the Romanian Parliament, the management team of RMGC, were all engaged in discussions and their views sought and recorded.</p> <p>We repeat verbatim a few of the conclusions of this report:</p> <ul style="list-style-type: none"> • The RMGC project would appear to provide an economic basis for sustainable development of the whole area with positive benefits with positive benefits on environmental and social as well as cultural grounds. From the the cultural heritage point of view, it might be seen as an exemplary project of responsible development. The funds currently made available by RMGC for research (archaeological, ethnological, and architectural) are many times what could be expected from the Government. This has revived the international renown of the site. Further significant finds may still be made; • Concern has been expressed by critics over the procedure (allegedly superficial archaeological discharges) and conservation ethics, involvingthe programmed destruction of Roman galleries. This concern does not appear to be entirely justified. The reworked galleries in the areas of the
Solution	

main pits Cârnic and Cetate appear empty of any archaeologically interesting remains. Tourist access to most galleries would be impossible. However, clear conditions must clearly be imposed of continued archaeological excavation of what is found;

- Opposition to the RMGC project is substantial. It is not altogether easy to explain. It has been linked to profiteering on local property values.. It is very much fuelled by outside bodies, presumably well-meaning but possibly counter-productively. It seems in part at least exaggerated.. The supposed environmental risks do not take account of modern mining techniques and in fact the RMGC project will help to clear up existing pollution caused by Minvest. The academic arguments are possibly correct in principle but appear excessively fundamentalist;
- Research does not necessarily imply the need for everything found to be preserved and the academic ideal of total in situ preservation is perhaps not always and altogether appropriate in a situation of rescue archaeology and a commercial world. This is certainly so in the case in situ preservation of the Roman galleries at Roşia Montană. There are over 5 km of them, apparently with a limited variety of distinctiveness between them and few surviving remains in them. Most of them are inaccessible, indeed of access to tourists . Alternative proposals such as designation of the whole area as cultural landscape to be developed for tourism, lack viability. The only available source of funding for this is from the company which wishes to exploit the mineral resources. Certainly there is a need to determine and preserve a representative sample of galleries accessible for tourists, at Catalina Monulesti and/or Orlea, and certainly there is a need for continuous monitoring to ensure the preservation of anything of distinctive archaeological value which is revealed in the course of mining or archaeological exploration. This is the responsibility of the Ministry of Culture;
- A balance of benefits appears achievable to both the needs of the cultural heritage of Roşia Montană and the business of RMGC. If this balance is overturned by the demands of either the Government or the company, the project may not go ahead. In that case there will be a considerable setback to the opportunity for the development of cultural tourism in this area of exceptional historic interest.”

As far as mining archaeology is concerned, Mr. O'Hara's conclusions are based on his visit in the underground and the information provided by Beatrice Cauuet, PhD, prominent European archaeologist having a internationally recognized expertise in the field of mining archaeology.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	275
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0583
Proposal	<p>The questioner raises doubts about the credibility of Mr. Alan Hill, President and CEO of Gabriel Resources Ltd. And wants to receive an answer regarding the Canadian mining company that, in 1996 in Tanzania, took over an area legally established for hand-made mining, a project during which 52 miners were buried alive because they refused to leave the area. Mr. Alan Hill, President of RMGC, stated that he planned to apply the Tanzanian model in Rosia Montana and that he would not answer any question related to this aspect. The speaker doesn't want to hear John Aston say again that the UN stated that this incident never happened. That was the same for the accidents that took place in India where 60.000 people died and for the famous example of the accident in Chernobyl, which were denied one by one.</p>
Solution	<p>Both the World Bank and the Tanzanian authorities have already responded to this issue – both have made it clear that the alleged incident in Tanzania simply never happened. On October 29, 2002 the Compliance Advisor/Ombudsman of the World Bank issued a report discrediting the allegations – a report based on interviews with people from the local community, mine staff, eyewitnesses, consulting police reports, and documentation.</p> <p>It is easy to see why the respected world agency rejected the allegations. Among other things, neighbors of the people alleged to be dead told the World Bank investigative team that the alleged dead were alive and well. In one case, an alleged victim had died in an accident years earlier. In other cases, the Tanzanian press has found people alive in other parts of the country who were alleged to have been killed.</p> <p>When World Bank investigators found individuals allegedly dead very much alive, they concluded that the allegations lacked any validity.</p> <p>In any event, at the time of the alleged incident the mine in question was not even owned by the company that employed Alan Hill. To sum up, the allegations are both trumped up and irrelevant.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	277
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0589
Proposal	<p>The questioner makes the following observations and comments and asks the following questions: The questioner considers the banner showing a miner stepping on the idea of Greenpeace while 12 others are trampling on the Romanian national flag is a disgrace.</p>
Solution	<p>Please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by Roşia Montană Gold Corporation (RMGC) and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>Nevertheless, we would like to state that no one connected with RMGC was responsible for this banner that was displayed at one of the public consultation meetings.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	277
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0592
Proposal	<p>The EIA Report comprises numerous approximative data such as: "a convention will be complied with", but there is no mention about the provisions of the convention regarding the transport and monitoring of cyanide. It all relies on people's confidence that the company will carry out the monitoring, but what if the monitoring is not correct? The population depends on these results, but what happens if the results provided by RMGC are not correct?</p>
Solution	<p>Roşia Montană Gold Corporation (RMGC) is committed to meeting all requirements to ensure safe transportation and handling of cyanide. The following information is in addition to the information included in Plan G of the Environmental Impact Assessment study report (EIA).</p> <p>Our company and our suppliers will adhere to the guidelines of the European Chemical Industry Council (CEFIC -Conseil Européen de l'Industrie Chimique) for storage, handling and distribution of alkali cyanides. CEFIC sets the standards and requires compliance with EU Directives regulating the transport of thousands of different hazardous substances shipped daily throughout the EU. RMGC is also a signatory of the International Cyanide Management Code (ICMC), an internationally recognized practice for cyanide management in the gold mining industry; we will also require our suppliers to sign and abide by ICMC, and Roşia Montană plant operations will be ICMC certified. An ongoing, rigorous and independent audit of the cyanide management system will be followed as well.</p> <p>Since RMGC will not be certified for cyanide transportation, it will not do so. A company with expertise, that is qualified under CEFIC and ICMC standards, will be selected and under review by both producer and user. Cyanide in a solid, briquette form (not as a liquid), will be transported within specially-designed "isotainers" that are resistant to accident or damage. A detailed route survey to identify all potential transportation alternatives and hazards, together with needed mitigation measures, will be completed before operations begin. The survey will be conducted as close to the beginning of operations as possible to take advantage of the most updated rail and highway network improvements, as per EU guidelines.</p> <p>During operations our plans are to maximize the use of rail to a depot near the project site whenever possible. When using trucks, our operating procedure will most likely be to group the transport into convoys of 12 trucks once per week to reduce the possible risk of accident. The shipment will occur only after an assessment of current conditions and confirmation of ability to receive shipment at site. RMGC and its suppliers will fully comply with ADR (European Agreement concerning the international carriage of dangerous goods by road) and RID (regulations concerning the international carriage of dangerous goods by rail), the European regulations covering the international carriage of dangerous goods by road or rail.</p> <p>Transportation routes will be selected to avoid hazards, and constant communication during the transit process will help ensure secure delivery to the intended site. Upon delivery, the briquettes will be dissolved directly into a safe container and remain completely contained within the process and plant site. There will be enough storage capacity at the Roşia Montană site to guarantee continuous operation and also allow flexibility of delivery to avoid unusual hazards such as poor road or weather conditions.</p> <p>Under the CEFIC guidelines and ICMC code, the supplier and transportation company are required to perform surveys of alternative routes. Before transportation begins, they are responsible for ensuring safety on the route and at delivery; weather conditions such as heavy rains would be seriously taken into account when planning routes. Rail rather than highway transportation is preferred for this and other reasons.</p> <p>EU regulations covering the shipment of hazardous materials are specific and well-tested. These include</p>

some of the following requirements:

- Shipments must stop during severe weather conditions and not re-start until conditions are confirmed as good;
 - Road and rail transport are covered under the EU ADR and RID regulations;
 - EU certification of transportation company drivers;
 - Drivers must have an ADR license, class 6 ;
 - Drivers must have a current “sodium cyanide training certificate”;
 - All suppliers should be affiliated with CEFIC;
 - Must have valid ADR-Certificate for sodium cyanide for the “isotainers”.
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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	278
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0593
Proposal	The company states that 800-1.200 jobs will be available for the local community during the construction phase. Yet, according to the statement on page 11 from the General Information volume, temporary accommodation will be needed for 800 workers, which means, at a simple calculation, that out of the 1.200 jobs promised between 0 and 400 will be available for the local community.
Solution	RMGC currently employs more than 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The Roşia Montană Project (RMP) will employ an average of 1,200 people during the two-year construction period, which will surge at times to 2,200. The 800 worker temporary accommodation estimate was to assist in workers for short period of time during the peak construction periods. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. All this underscores the significant opportunities for the people of Roşia Montană and the entire region if the RMP is approved.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	281
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0602
Proposal	<p>With regard to the social and economic environment- volume XIV, the Potential Impact: - the questioner wants to know whether the agreement between the company and the Romanian Government stipulates the taking over of the RosiaMin staff. – the company holds both the mining lease and the mining license for Rosia Montana and has a business relationship with the company Minvest Deva and implicitly with the Romanian Government.</p> <p>There are no contractual stipulations regarding the taking over of the RoşiaMin's employees, but Roşia Montană Gold Corporation (RMGC) concluded protocols with the Local Public Administration through which it is obliged to establish a priority preference for the local labor force. The larger part of the former employees of the state owned company CNCAF Minvest SA - RoşiaMin Subsidiary were registered into the RMGC's database (opened at the human resource offices [1]) and benefit already from training courses in several professions, especially those connected with the construction activities. According to the provisions of art. 52 (1) of the Mining Law no. 85/2003 and secondary legislation in mine closure field, the entities ceasing the mining activities should submit to the competent authority an application accompanied by the updated mining activities cessation plan, describing the details for the actions necessary to be performed for the effective mine closure. The Mine Closure Plan contains, among others, a social protection program for the personnel.</p> <p>Mention should be made the employees of CNCAF Minvest SA dismissed as a result of mine closure benefit of special social protection measures, as provided by GEO no. 116/2006 regarding the social protection of personnel dismissed as a result of redundancy process further to restructuring and reorganization of national companies, <i>autonomous regias</i>, and state owned companies and by GEO no. 8/2003 for stimulating the privatization, restructuring and reorganization of national companies, <i>autonomous regias</i>, and state owned companies. Such measures include, among others, compensatory payments, unemployment aids, supplementary incomes up to the level of a medium net salary, free insurance in the public health and pension systems.</p>
Solution	<p>As for ownership issues relating to the Rosia Montana Project (RMP), the joint venture between Gabriel Resources and Regia Autonomă a Cuprului Deva (Autonomous Company of Copper, in present CNACAF Minvest SA) was established under the Law no.15/1990 regarding the reorganization of the state owned companies as autonomous companies and commercial companies, published in Official Gazette Part 1 no.98/08.08.1990 with subsequent completions and modifications. Article 35 of this law stipulates the possibility for autonomous companies to associate with legal Romanian or foreign third parties, in order to establish new commercial companies.</p> <p>We mention that the Constitutive Act of the Roşia Montană Gold Corporation SA, which represents the result of the agreement regarding the terms and specifications of the association between the Romanian State and investor, is a document accessible for public. This document belongs to the category of documents which according to the Law no. 26/1990 on Commerce Register are published into the Official Gazette of Romania. The Commerce Register Office is obliged to issue certified copies on the expenses of the person who made the application.</p> <p>With respect to the agreement concluded for the establishment of the joint venture with Gabriel Resources Ltd., this has been established by the Ministry of Economy and Commerce. The conditions required for its establishment are set forth below:</p> <ol style="list-style-type: none"> I. The number of jobs existing upon conclusion of the joint venture agreement will be ensured by the company; II. Gabriel Resources will pay all costs related to exploration;

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- III. RAC Deva will secure the endorsement from National Agency for Mineral Resources; and,
 - IV. To observe all legal requirements in force that govern the establishment of joint ventures with foreign companies.

These conditions have been fully observed upon the establishment of the company and during the development of its activities.

Nonetheless, RMGC and CNCAF Minvest SA are distinct legal entities, with distinct rights, obligations and responsibilities, both under (i) Company Law no. 31/1990, corporate principles and RMGC Constitutive Act and under (i) mining legislation and Roşia Montană License no. 47/1999.

Reference:

[1] Please contact the RMGC's representatives:

- at the Rosia Montana office phone number: 0258 783014,
 - Mihon Dana at ph.no.: 0729 399159; email address: dana.mihon@rmgc.ro,
 - Mera Tiberiu at ph.no.: 0729 399430; email address: tiberiu.mera@rmgc.ro,
 - Raul Gombos at ph.no.: 0729 399428; email address: raul.gombos@rmgc.ro
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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	281
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0603
Proposal	<p>Who closed down RosiaMin? The questioner is not willing to accept an "it closed by itself" answer as according to the EIA this company was supposed to be subsidized by the Romanian state until 2008. There are several variants: the titleholder is likely to have closed Minvest through Pompiliu Crai or the Romanian Government through the minister Codrut Seres, or they may have all collaborated in order to close it down.</p>
Solution	<p>The operations in Roşia Montană perimeter of National Company of Copper, Gold and Iron (CNCAF) Minvest SA - RoşiaMin Subsidiary, company whose sole shareholder is the Romanian State, have ceased in accordance with the national policy on state-supported mines, as part of the negotiations paving the way for Romania's accession to the European Union.</p> <p>Under The Mining Industry Strategy for 2004-2010 approved by GD no. 615/2004, the closure of unviable mines has been decided as a measure to mitigate the financial losses of state subsidized mining sector. By the end of 2006, the closure of 462 [1] mines and quarries has been approved by Government Decision, and the process continues in 2007 with other mining objectives, among which are the ones developed by CNCAF Minvest SA - RoşiaMin Subsidiary.</p> <p>Reference: [1] Reference is made to "Status of mine closure and environmental rehabilitation" from the Ministry of Economy and Commerce official website http://www.minind.ro</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	281
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0604
Proposal	How come the closure of Minvest coincided with the submission of the company's documentation for the environmental permit to the Ministry of Environment?
	The operations in Roşia Montană perimeter of CNCAF Minvest SA – RoşiaMin Subsidiary, company whose sole shareholder is the Romanian State, have ceased in 2006 in accordance with the national policy on state-supported mines, as part of the negotiations paving the way for Romania's accession to the European Union. The submission of the Environmental Impact Assessment study report (EIA) had no connection with this decision, being part of a process began in 2004 with the submission of Project Presentation Report for the Roşia Montană Project.
Solution	Under The Mining Industry Strategy for 2004-2010 approved by HD no. 615/2004, the closure of unviable mines has been decided as a measure to mitigate the financial losses of state subsidized mining sector. By the end of 2006, the closure of 462 [1] mines and quarries has been approved by Government Decision, and the process continues in 2007 with other mining objectives, among which are the ones developed by CNCAF Minvest SA - RoşiaMin Subsidiary.
	Reference: [1] Reference is made to "Status of mine closure and environmental rehabilitation" from the Ministry of Economy and Commerce official website http://www.minind.ro

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	281
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0605
Proposal	How many of the former RosiaMin employees applied for a job at RMGC?
Solution	Approximately 60 former employees of RoşiaMin have submitted employment applications at Roşia Montană Gold Corporation (RMGC). Approximately 300 people have registered for the professional training and qualification courses organized by RMGC.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	281
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0606
Proposal	Who does RMGC represent? The company's investors, legal or illegal interests groups?
Solution	RMGC, which is a Romanian company, represents the company's shareholders. The majority shareholder, Gabriel Resources, Ltd., is a Canadian company publicly traded on the Toronto Stock Exchange. The Romanian State through the Ministry of Economy and Commerce ("MEC") has a 19.3% ownership interest in RMGC. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level is projected to be USD 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	281
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006
RMGC internal unique code	MMGA_0608
Proposal	<p>Is RMGC only a group of officers using secret information for personal purposes, does it represent information services that use such methods in order to obtain financing sources other than the classical financing from the state budget. Does all this fuss around the project serve the interest of Romanian Government while the Romanian population is unaware of it?</p>
Solution	<p>No. Roşia Montană Gold Corporation (RMGC) is a Romanian corporation with two principal shareholders – Gabriel Resources Ltd. and the Romanian state through the Ministry of Economy and Commerce. The Romanian state's interest is fully carried, meaning that it has no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national levels are projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by project. Thus the Romanian Government has a clear economic benefit from the Project.</p> <p>The estimated capital cost to complete the development of the Roşia Montană Project (RMP) -- including interest, financing, and corporate costs – is approximately US\$ 750 million. The Company anticipates financing these costs with approximately 20% equity (US\$ 150 million), and 80% debt, which could include senior and mezzanine or high yield debt. The Company has already raised the US\$ 150 million equity component and is in final negotiations for the debt component. Technical experts, representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	286
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0618
Proposal	Are there any connections between Gabriel Resources and the company SC. ROM Aur Rosia Montana?
Solution	S.C. Rom Aur S.R.L. (the correct Romanian name of the company) is 100% owned by Gabriel Resources Netherlands, which is a subsidiary of Gabriel Resources Limited.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	286
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0619
Proposal	What is the profit estimated at the end of the mining project?
Solution	Based on an estimated gold price of \$600 per ounce and a silver price of \$10.50 per ounce, the total profit for all shareholders of RMGC is \$1,572 million.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	294
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0625
Proposal	The questioner considers that the pollution of the Aries River will never end and wants to know whether RMGC can enter a partnership with the Romanian authorities in order to solve the issue related to the pollution of the Aries River.
Solution	<p>The Arieş River is polluted from its confluence with the Abrud River and below the discharge of the Roşia Poieni project. In the Roşia Montană Project, RMGC has committed to treat and clean river discharge water within the project area in the Corna and Roşia Montană drainage basins which flow into the Abrud River. The commitment of the Company to capture and treat the water from these two large historic sources of pollution during the Project will significantly assist in the cleaning and rehabilitation of the water quality of the Arieş River. In addition, we will pay significant duties and taxes to the Romanian state, this will support regional development programs to support water cleaning.</p> <p>While the company has no authority to work in the Arieş River itself (which is outside the perimeter of our license) it is always willing to assist in some way should this become possible. We express our availability to form durable partnerships not only with government but also with NGOs, to concentrate our efforts and make available our knowledge to assist in solving any issues related to environmental protection, a goal in which our Company is investing very large resources.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	295
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0626
Proposal	The questioner proposes the company a co-operation aimed at inactivating the sources that pollute the Aries River, as this is "dead" all the way down to Mihai Viteazu.
Solution	<p>The Arieş River is polluted from its confluence with the Abrud River and below the discharge of the Roşia Poieni project. In the Roşia Montană Project, RMGC has committed to treat and clean river discharge water within the project area in the Corna and Roşia Montană drainage basins which flow into the Abrud River. The commitment of the Company to capture and treat the water from these two large historic sources of pollution during the Project will significantly assist in the cleaning and rehabilitation of the water quality of the Arieş River. In addition, we will pay significant duties and taxes to the Romanian state, this will support regional development programs to support water cleaning.</p> <p>While the company has no authority to work in the Arieş River itself (which is outside the perimeter of our license) it is always willing to assist in some way should this become possible. We express our availability to form durable partnerships not only with government but also with NGOs, to concentrate our efforts and make available our knowledge to assist in solving any issues related to environmental protection, a goal in which our Company is investing very large resources.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	297
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0628
Proposal	<p>The questioner makes the following observations: The road to hell is paved with good intentions and the inhabitants of the area should not believe quite everything the company tells them.</p>
Solution	<p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. (860/2002) regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") "during the public debate meeting the project titleholder [...], provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing";</p> <p>At the same time, art. 44 (3) of Order no. (860/2002) provides that" based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study</u> with an appendix comprising solutions for the solving of the indicated issues".</p> <p>Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p> <p>However, please note that that the Project will be conducted in full compliance with Romanian and European law and in accordance with international best practices and will bring many economic, social, environmental, and cultural benefits to the Roşia Montană area and to Romania.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	298
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0629

Proposal The questioner makes the following comments, remarks and asks the following questions: The questioners refers to the EIA chapter comprising a cost-benefit analysis and wants to know precisely what the benefit of the Romanian Government, the amount of taxes and fees will be, etc. and if this analysis is not presented in the EIA report, then why wasn't it included.

The direct benefits to the Romanian government are as follows:

Taxes, Fees and Government share of profits (incl. historical taxes paid)	TOTAL (\$USD million)
-	
Payroll taxes	177
Profit tax (16% Corporate tax rate)	284
Royalties (2% net smelter revenue)	101
Property taxes (Roşia Montană)	12
Land taxes (Roşia Montană)	21
Forestry taxes	13
Agriculture taxes	1
Land registration taxes	3
Customs and excise taxes	113
Other taxes & fees	1
Dividends (Ministry of \industry and Commerce)	306
Total	1,032

Solution This includes payments to all local, County and national state budgets from the time the license was granted in 1997 through the life of the project, assuming the price of gold is \$600/ounce. This includes only direct payments to the state, not indirect benefits. RMGC is already the largest taxpayer in the county.

In response to the question, the Terms of Reference for the EIA did not require this analysis to be included.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	298
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0630

Proposal The questioner refers to the investment certificate no. 99 of June 25th 2001 based on which RMGC is exempt from the payment of taxes, customs duties, import taxes, etc. and wants to know how this measure will affect the amount of taxes and charges to be paid by the company during the lifetime of the project. Moreover the questioner wants to be indicated the page of the EIA where this aspect is addressed, and if this aspect is not addressed, then why isn't it addressed?

The investment certificate referred to by the questioner will not affect the amount of tax to be paid by the Company. The tax paid by the Company was not included in the EIA, as it was not required. Listed below are the total amounts to be paid to the Romanian Government, including the Government's share of profits, profit taxes, royalties and other taxes.

The listed amounts represent only those taxes paid by the Company and therefore exclude the taxes paid as a result of the 6000 indirect jobs expected to be created by the project or the estimated US\$1.5 billion of goods and services expected to be acquired for the project in Romania.

Contrary to the questioner's assumption, RMGC will pay considerable taxes to various levels of the Romanian Government over the life of the project – which are simply one part of the project's considerable economic impacts for Romania.

To assess that impact, the current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of \$600/ounce and a silver price of \$10.50/ounce:

Taxes, Fees and Government share of profits (incl. historical taxes paid)	TOTAL (\$USD million)
-	
Payroll taxes	177
Profit tax (16% Corporate tax rate)	284
Royalties (2% net smelter revenue)	101
Property taxes (Roşia Montană)	12
Land taxes (Roşia Montană)	21
Forestry taxes	13
Agriculture taxes	1
Land registration taxes	3
Customs and excise taxes	113
Other taxes & fees	1
Dividends (Ministry of Industry and Commerce)	306
Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	298
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0638
Proposal	How many jobs are there provided annually in the mining sector, only in the mining sector, where is this statistics presented in the EIA and if it is not presented, then why?
Solution	<p>The Terms of Reference for the EIA and the relevant legal provisions governing the drafting of the EIA did not require the inclusion of this statistic. We are confident, however, that approval of this important project will encourage further interest in the mining sector in Romania, leading to an expansion of jobs in that sector.</p> <p>Training programs are underway to assist people from the local communities around Roşia Montană Project to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of Roşia Montană Project, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	300A
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0641
Proposal	How many organic farms are there in Rio Narcea and where do those farmers sell their products?
Solution	We do not have an exact number for the organic farms in El Valle, the locality of the Rio Narcea mine, or where those farmers may sell their products. However, we know that the topography is similar to that of Roşia Montană and, as with Roşia Montană, it is not favourable for extensive agricultural use.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	301
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0644
Proposal	<p>The questioner asks RMGC to name a market willing to commercialize products coming from a soil with heavy metals and tailings contents as the company's specialists proposed agriculture as a solution for inhabitants to make their living after the mine closure.</p> <p>Part of the proposal submitted in the EIA includes an aggressive plan for environmental rehabilitation as part of closure of the mine. This will ensure that the impact of the Roşia Montana Project on the environment, including the soil, is minimized and also assist in sharply reducing pollution in the Project area that exists now because of past poor mining practices leaving Roşia Montana cleaner than we found it.</p>
Solution	<p>The questioner referenced tailings. At the Roşia Montana Project, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	302
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0645
Proposal	The questioner makes comments on the attitude of the Greenpeace representatives inviting them to come to Abrud and Rosia Montana and show people how perform productive agricultural activities without using chemical substances. Have them prove that they obtain wheat and that the ton of corn is same as anywhere else.
Solution	Perhaps the best way to address the questioner's point is to note that given the baseline environmental conditions in the area, particularly the advanced pollution resulting from past poor mining practices, organic agriculture is not a viable option for the Roşia Montană area. It is also worth noting that production of organic products generally requires significant investments. For example, vegetables produced in a greenhouse, on a soil-free under layer, with an addition of organic compost, can be relatively easy to produce but nevertheless still require significant investments. Only those areas where there is no pollution or no chemical residues in the soil from pesticides used in the past are suitable for this type of "ecological" agriculture. Therefore, the area around Roşia Montană Is not a good area for this type of agriculture. This has nothing to do with the proposed mine but rather results from the extent of pollution resulting from past poor mining practices. Because the Roşia Montană Project promises environmental rehabilitation, the chances for production of ecological agriculture products in this area can only improve in the future.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	313
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0650
Proposal	<p>There are disproportions between the benefits that the Romanian Government is to obtain during the 10-15 years of mine operations and the damages that will occur.</p>
Solution	<p>The benefits that the Romanian Government is obtaining during the life of the mine operation – which is not 10-15 years but 20 years – are considerable: US\$ 1billion in profit share, profit tax, royalties and other taxes and fees to Romanian local, regional & national government [1].In addition, RMGC will spend US\$ 1.5 billion procuring goods & services [2].</p> <p>The presence of the Roşia Montană Project as a major investment will improve the area's economic climate, encouraging and promoting the development of non-mining activities. It is expected that the improved investment and economic climate will lead to business opportunities that can develop concurrent with the Roşia Montană Project, even as they extend well beyond economic activities related directly to mining operations. This diversification of economic development is a critical benefit of the investments generated to realize the Roşia Montană Project.</p> <p>Given that RMGC is committed to conducting its business following the strictest EU and international environmental standards, the possibility of a negative impact is practically inexistent. RMGC is committed, even in the early stages of design and development to comply with the Romanian legislation, the EU directives and the International Guides and Recommendations, while BAT (Best Available Techniques) and BMP (Best Management Practice) were used to design the Roşia Montană Project.</p> <p>References: [1] INTERRES 2006. [2] INTERRES (2006): Investment: Creating Jobs & Opportunities. Case study: The Roşia Montană Project. Bucharest, Romania, October 2006. Available upon request through RMGC.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	315
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0652
Proposal	<p>The questioner makes the following comments and asks several questions: The questioner mentions that in Cluj it is rumored that every inhabitant of Rosia Montana who took part to the debates received 500.000 ROL (Romanian lei, former national currency prior to the denomination process) and every person who took the floor received 8 million ROL. The questioner wants to know why RMGC does not accept a national referendum. Have they received such a proposal or not?</p>
Solution	<p>We strongly and forcefully deny the allegation that RMGC paid people to take part in the public consultation process. That process was open to all who wished to participate, whether they favored the project or not. We did not seek to influence the outcome of the public consultation process other than by responding to questions publicly and giving our perspective on the benefits the project will bring to the region and to Romania.</p> <p>As regarding your request for holding a national referendum, please consider the following aspects: (i) according to the relevant legal provisions, the public may submit grounded proposals regarding the environmental impact assessment; (ii) art. 44 (1) of the Order of the Ministry of Waters and Environment Protection no. (860/2002) regarding the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing"</i>; (iii) according to art. 44 (3) of the Order no. (860/2002) <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>As your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure; (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	315
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0653
Proposal	<p>Why do Hungary and the UDMR (Hungarian Political Party in Romania) oppose the project? Does Soros have anything to do with this?</p>
Solution	<p>Under the Espoo Convention, to which Romania is a signatory, large-scale projects with potential transboundary impact must allow for neighboring nations to raise comments and questions during the permitting process.</p> <p>In the case of the Roşia Montană Project, only Hungary took part in the process and raised questions, which were answered in the EIA study. No other neighboring country has raised a question about the Project. Further, RMGC, as part of its public consultation process, held two public consultation meetings in Hungary as well as 14 in Romania to permit the public to ask questions about the process.</p> <p>We understand and respect the concerns that some Hungarians and Romanians of Hungarian descent have raised because of the tragic accident at Baia Mare in 2000. Baia Mare was a disaster that must not happen again. To avoid this type of accident, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive (2006/21/EC).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	315
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0654
Proposal	Which of the Romanian presidents: Emil Constantinescu, Ion Iliescu or Traian Basescu negotiated with RMGC and which of them is in favor of the Rosia Montana project?
	<p>The partnership between Gabriel Resources and Regia Autonomă a Cuprului Deva (currently, CNCAF Minvest SA) has been established based on Law no. (15/1990) on the reorganization of the state owned companies as autonomous directions and trade companies, published in the Official Gazette, Section I, no. (98/08.08.1990), as subsequently amended and supplemented. Art. (35) of this law provides the possibility of the regies autonomous to enter into partnerships with legal third parties, Romanian or foreign, for the purpose of setting up new trading companies.</p> <p>Roșia Montană Gold Corporation SA was set up in 1997, according to the legal provisions in force as at that time, the setting up being made by observing all the conditions imposed by Company Law no. (31/1990) and Trade Register Law no.(26/1990), in regard of the setting up of the joint stock companies with mixed capital.</p> <p>We underline that the Articles of Associations of Roșia Montană Gold Corporation SA, representing the result of the parties agreement in regard of the terms and conditions under which the partnership between the Romanian state and investor takes place represents a public document, being included in the category of documents which, as per Law no.(26/1990) on the Trade Register, are published in the Romanian Official Gazette and for which the Trade Register is obliged to issue, on the expense of the persons submitting a request, certified copies.</p>
Solution	<p>As for the agreement concerning the setting up of the mixed company together with Gabriel Resources Ltd., this has been expressed by the Ministry of Industry and Trade, the conditions imposed by the setting up of the mixed company being the following: (i) ensuring of the jobs at the level existing upon the conclusion of the agreement concerning the setting up of the mixed company; (ii) the expenses incurred by the fulfillment of the exploration stage should be fully supported by Gabriel; (iii) the obtaining of the approval from the ANRM by the Copper Autonomous Direction Deva and (iv) the observance of all legal provisions in force concerning the setting up of the mixed companies with foreign partners. These conditions have been fully complied with as at the setting up of the company and during the development of its activity.</p> <p>We also specify that the establishing of the shareholders' quotas to the benefits and losses of Roșia Montană Gold Corporation SA has been made by considering their contribution quota to the company's share capital. The current percentage of 80% for Gabriel Resources Ltd. and of 19.31% for CNCAF Minvest SA resulted from the initial contribution and the subsequent contributions of the shareholders to the company's share capital, in consideration also of Gabriel Resources Ltd. advancing all expenses and costs related to the development-exploitation and permitting of the Roșia Montană Mining Project. The provisions of the Articles of Associations of Roșia Montană Gold Corporation SA on the necessary majority and quorum conditions for the decision-making process within the General Shareholders Meeting and the quotas to the benefits and losses of the company are taken from Law no. (31/1990), and no derogation exists in regard of this aspect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	315
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0655
Proposal	<p>Which of the following Prime-Ministers or Ministers negotiated with RMGC and which of them is in favor of the Rosia Montana project: Victor Ciorbea, Radu Vasile, Mugur Isarescu, Adrian Nastase, Calin Constantin Anton Popescu Tariceanu, Radu Berceanu, Alexandru Sasu or Dan Ion Popescu.</p> <p>The partnership between Gabriel Resources and Regia Autonoma a Cuprului Deva (currently, CNCAF Minvest SA) has been established based on Law no. (15/1990) on the reorganization of the state owned companies as autonomous directions and trade companies, published in the Official Gazette, Section I, no.(98/08.08.1990), as subsequently amended and supplemented. Art. (35) of this law provides the possibility of the regies autonomous to enter into partnerships with legal third parties, Romanian or foreign, for the purpose of setting up new trading companies.</p> <p>Roşia Montană Gold Corporation SA was set up in 1997, according to the legal provisions in force as at that time, the setting up being made by observing all the conditions imposed by Company Law no. (31/1990) and Trade Register Law no.(26/1990), in regard of the setting up of the joint stock companies with mixed capital.</p> <p>We underline that the Articles of Associations of Roşia Montană Gold Corporation SA, representing the result of the parties agreement in regard of the terms and conditions under which the partnership between the Romanian state and investor takes place represents a public document, being included in the category of documents which, as per Law no. (26/1990) on the Trade Register, are published in the Romanian Official Gazette and for which the Trade Register is obliged to issue, on the expense of the persons submitting a request, certified copies.</p>
Solution	<p>As for the agreement concerning the setting up of the mixed company together with Gabriel Resources Ltd., this has been expressed by the Ministry of Industry and Trade, the conditions imposed by the setting up of the mixed company being the following: (i) ensuring of the jobs at the level existing upon the conclusion of the agreement concerning the setting up of the mixed company; (ii) the expenses incurred by the fulfillment of the exploration stage should be fully supported by Gabriel; (iii) the obtaining of the approval from the ANRM by the Copper Autonomous Direction Deva and (iv) the observance of all legal provisions in force concerning the setting up of the mixed companies with foreign partners. These conditions have been fully complied with as at the setting up of the company and during the development of its activity.</p> <p>We also specify that the establishing of the shareholders' quotas to the benefits and losses of Roşia Montană Gold Corporation SA has been made by considering their contribution quota to the company's share capital. The current percentage of 80% for Gabriel Resources Ltd. and of 19.31% for CNCAF Minvest SA resulted from the initial contribution and the subsequent contributions of the shareholders to the company's share capital, in consideration also of Gabriel Resources Ltd. advancing all expenses and costs related to the development-exploitation and permitting of the Rosia Montană Mining Project. The provisions of the Articles of Associations of Roşia Montana Gold Corporation SA on the necessary majority and quorum conditions for the decision-making process within the General Shareholders Meeting and the quotas to the benefits and losses of the company are taken from Law no.(31/1990), and no derogation exists in regard of this aspect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	315
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0657
Proposal	Which member of the Romanian Government negotiated with the RMGC the Rosia Montana project?
	<p>The partnership between Gabriel Resources and Regia Autonomă a Cuprului Deva (currently, CNCAF Minvest SA) has been established based on Law no. 15/1990 on the reorganization of the state owned companies as autonomous directions and trade companies, published in the Official Gazette, Section I, no. 98/08.08.1990, as subsequently amended and supplemented. Art. 35 of this law provides the possibility of the regies autonomous to enter into partnerships with legal third parties, Romanian or foreign, for the purpose of setting up new trading companies.</p> <p>Roşia Montană Gold Corporation SA was set up in 1997, according to the legal provisions in force as at that time, the setting up being made by observing all the conditions imposed by Company Law no. 31/1990 and Trade Register Law no. 26/1990, in regard of the setting up of the joint stock companies with mixed capital.</p> <p>We underline that the Articles of Incorporation of Roşia Montană Gold Corporation SA, representing the result of the parties agreement in regard of the terms and conditions under which the partnership between the Romanian state and investor takes place represents a public document, being included in the category of documents which, as per Law no. 26/1990 on the Trade Register, are published in the Romanian Official Gazette and for which the Trade Register is obliged to issue, on the expense of the persons submitting a request, certified copies.</p>
Solution	<p>As for the agreement concerning the setting up of the mixed company together with Gabriel Resources Ltd., this has been expressed by the Ministry of Industry and Trade, the conditions imposed by the setting up of the mixed company being the following: (i) ensuring of the jobs at the level existing upon the conclusion of the agreement concerning the setting up of the mixed company; (ii) the expenses incurred by the fulfillment of the exploration stage should be fully supported by Gabriel; (iii) the obtaining of the approval from the ANRM by the Copper Autonomous Direction Deva and (iv) the observance of all legal provisions in force concerning the setting up of the mixed companies with foreign partners. These conditions have been fully complied with as at the setting up of the company and during the development of its activity.</p> <p>We also specify that the establishing of the shareholders' quotas to the benefits and losses of Roşia Montană Gold Corporation SA has been made by considering their contribution quota to the company's share capital. The current percentage of 80% for Gabriel Resources Ltd. and of 19.31% for CNCAF Minvest SA resulted from the initial contribution and the subsequent contributions of the shareholders to the company's share capital, in consideration also of Gabriel Resources Ltd. advancing all expenses and costs related to the development-exploitation and permitting of the Roşia Montană Mining Project. The provisions of the Articles of Associations of Roşia Montană Gold Corporation SA on the necessary majority and quorum conditions for the decision-making process within the General Shareholders Meeting and the quotas to the benefits and losses of the company are taken from Law no. 31/1990, and no derogation exists in regard of this aspect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	316
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0659
Proposal	<p>Who and when, signed this mining lease on behalf of the Romanian Government and under what circumstances?</p> <p>Roşia Montană Gold Corporation SA company was established in 1997 according to the legal provisions in force at that time, its setting up being done with the observance of all conditions imposed by the Company Law no. 31/1990 and the Trade Registry Law no. 26/1990 on Commerce Register, in regards of the setting up of the joint stock companies with mixed capital.</p> <p>We mention that the Articles of Associations of Roşia Montană Gold Corporation SA, which represents the result of the agreement regarding the terms and conditions of the partnership between the Romanian State and investor, is a document accessible for public. This document belongs to the category of documents which according to the Law no. 26/1990 on Commerce Register are published into the Official Gazette of Romania. The Commerce Register Office is obliged to issue certified copies on the expenses of the person who made the application.</p>
Solution	<p>At the same time, we mention that the participation share of the shareholders to the Roşia Montană Gold Corporation SA's benefits and losses was settled according to their contribution to the company's sharecapital. The current percentages of 80% for Gabriel Resources Ltd. and 19.31% for CNCAF Minvest SA are the result of the initial and subsequent contribution of the shareholders to the company's capital. Gabriel Resources Ltd. paid in advance all costs and expenses afferent to the development – operation activities and permitting of the Roşia Montană Mining project.</p> <p>The provisions of the Articles of Associations of the Roşia Montană Gold Corporation SA regarding the necessary majority and quorum conditions for decision-making within General Shareholders Meeting and the quotas to the company's benefits and losses are taken from the Law no. 31/1990, without exception in this regard.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	317
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0664
Proposal	<p>The questioner makes the following comments and observations:What does "Let's Save Rosia Montana" mean – saving the landscape from death? The questioner asks the MEWM to make a responsible analysis of the Rosia Montana project and that the Minister of the Environment and the Prime-Minister go to Rosia Montana and explain why was that area left as it is and find other solutions.</p>
Solution	<p>"Let's Save Roşia Montană" refers to the many economic, environmental, cultural, and social benefits that will result from approval of the Project. The project will employ 634 people directly and is expected to generate 6,000 jobs indirectly. The local council will receive tax payments of \$35 million over the life of the mine, and the total benefits to the Romanian state will be \$1,032 billion. Because of the environmental rehabilitation plan included in the EIA study as part of the mine closure plan, RMGC will clean up pollution resulting from past poor mining practices as well as ensure mitigation of environmental pollution in its own operations.</p> <p>The Project also includes a plan for the preservation of the cultural heritage of the area. It is important to remember that the project affects only four of the 16 sub-comuna that comprise Roşia Montană. There is a buffer zone in the village itself, and the proposal includes the renovation and restoration of the historical center of Roşia Montană and the construction of two new relocation sites in the Piatra Albă area (situated at approximately 6 km away from the historical center). This site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. (Only the school will be built in a modern architectural style.) A new neighbourhood will also be built in Alba Iulia. All relocations will be conducted according to the Resettlement and Relocation Action Plan, which fully complies with World Bank standards for involuntary resettlement of individuals.</p> <p>The EIA study was prepared by over 100 independent consultant, (certified) experts and specialists renowned at the national, European, and even international levels. We look forward to the Ministry's consideration of the study and believe they will make a full evaluation on the merits of the proposal.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	317
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0665
Proposal	A referendum on the Rosia Montana project must be organized to allow people living on both sides of the Aries River express their points of view.
Solution	<p>As regarding your request, please consider the following aspects: (i) according to the relevant legal provisions, the public may submit grounded proposals regarding the environmental impact assessment; (ii) art. 44 (1) of the Order of the Minister of Waters and Environment Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that "<i>during the public debate meeting the project titleholder [...], <u>provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing</u></i>"; (iii) according to art. 44 (3) of the Order no. 860/2002 "<i>based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues</u></i>".</p> <p>As your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	320
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0668
Proposal	The questioner considers that the project will have negative impacts on the inhabitants of the Aries valley including the inhabitants of Turda and further up to the Mures River, but the inhabitants of Rosia Montana must decide by themselves if they accept this project or not.
Solution	As you know, the Arieş River is polluted from its confluence with the Abrud River and below the discharge of the Roşia Poieni project. In the Roşia Montană Project, RMGC has committed to treat and clean river discharge water within the project area in the Corna and Roşia Montană drainage basins which flow into the Abrud River. The commitment of the Company to capture and treat the water from these two large historic sources of pollution during the Project will significantly assist in the cleaning and rehabilitation of the water quality of the Arieş River. It will not add to the pollution there but in fact reduce it.
	Thank you for participating in this process of public consultation.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	320
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0671
Proposal	<p>No one in the Apuseni Mountains wants to live in an environment filled with cyanide. No one wants the next generations to live in an environmentally degraded area, but they defend their right to have a job, they defend their right to life.</p>
Solution	<p>We appreciate your support of the Project. Please be assured that we will operate the Project in full compliance with all Romanian and European law and in accordance with international best practices.</p> <p>With respect to cyanide, cyanide is one of the few substances that can dissolve gold. It is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility (TMF) will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive 2006/21/EC. Mine waste in the EU is currently permitted to have a 50 ppm concentration of cyanide, which the Directive reduces to 10 ppm for new mines. Roşia Montană's TMF will have a concentration of 5-7 ppm.</p> <p>Roşia Montană Gold Corporation (RMGC) has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this Code. The Environmental Impact Assessment (EIA) study report also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Rosia Montana Project (RMP) is a Best Available Technique (BAT) as defined by EU Directive 96/61/EC (IPPC).</p> <p>The Project will bring BAT to România, many of which are designed to minimize the impact of mining operations on the environment. Technical experts, representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>As detailed in the EIA study, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	320
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Turda, 09.08.2006
RMGC internal unique code	MMGA_0672
Proposal	<p>The questioner considers that the well-intentioned persons have no reason to be afraid of the implementation of this project.</p> <p>RMGC agrees with the questioner's assertion that there is no need to fear the implementation of the Roşia Montană Project. In fact, we believe the residents of Roşia Montană should be very hopeful about the benefits the project will create for the community - particularly the remediation of past environmental damage and the create of sorely-needed economic opportunities.</p> <p>In terms of environmental rehabilitation, Roşia Montană is an area already strongly impacted by pollution from past poor mining practices. This is clearly demonstrated by the baseline conditions studies which are included in the Environmental Impact Assessment (EIA) report.</p> <p>The Roşia Montană Project, as proposed in the EIA, will lead to the mitigation of pollution from the area of Roşia Montană, because of the use of best available techniques (BAT). The project will fully comply with all European and Romanian law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation. Only with approval of this project will this environmental rehabilitation occur.</p>
Solution	<p>In terms of creating new economic oportunites for local residents, RMGC currently employs almost 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni.</p> <p>The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p> <p>RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	327
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bistra, 14.08.2006
RMGC internal unique code	MMGA_0676
Proposal	<p>The questioner is against the project, makes comments and asks several questions: The inhabitants of the area should know that gold represents a wealth at present. Electronics, the industry with the highest technology cannot operate without gold. There are more and more optimistic expectations regarding the demand of gold, which means that gold is a great value and wealth that will be in demand in 20 years' time as well. All the connections in the semi-conducting chips are made of gold. Gold is a value which must be preserved and taken care of. Against this background, there comes RMGC in the Apuseni Mountains area and promises to take all this wealth out of the country in 10-15 years' time. The questioner believes that this wealth should belong to the inhabitants of the Apuseni Mountains (the so-called "Moti") and if it were to be exploited, then Romanians should be the ones to do it as they have a long history of gold mining. They do not need the help of Eurogold that takes 80% of the profit, giving them 19% and leaving behind some quarries like the copper quarry from Rosia Poieni.</p>
Solution	<p>We agree with the questioner that gold is an issue of national strategic importance for România. This project meets all Romanian and EU standards, provides new jobs for Romanians, especially in the Roşia Montană region, and will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p> <p>The Romanian State through the Ministry of Economy and Commerce ("MEC") has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level is projected to be US\$ 1,032 million, or a 45 percent share of the economic benefits. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project.</p> <p>The Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	327
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bistra, 14.08.2006
RMGC internal unique code	MMGA_0681
Proposal	<p>The questioner doesn't understand how come the Ministry of Environment does not realize that this project has a negative impact on the environment and that it must not be approved.</p>
Solution	<p>We mention that the decision for issuing or rejecting the environmental approval is made by the relevant environment protection authority according to the following applicable legal provisions:</p> <p>(i) art. 11 (3) of the GD no. 918/2002 on the establishing of the framework procedure for the Environmental Impact Assessment (EIA) and for the approval of the list of private or public projects subject to this procedure (GD no. 918/2002) provides that <i>"the competent authority for the environmental protection, together with the authorities represented in the technical analyses commission, analyze the quality of the report on the environmental impact assessment study and decides on the approval or redrafting of the report, as well as on the issuance, namely the justified rejection of the environmental approval"</i>;</p> <p>(ii) art. 29 (5) of the Order of the Minister of Waters and Environment Protection no. 860/2002 on the environment impact assessment and the issuance of environmental agreement procedures (Order no. 860/2002) provides that <i>"pursuant to the examination of the final report on the environmental impact assessment study, of the appendix comprising the solutions for solving the public proposals/comments and of the conclusions of the involved authorities regarding the approval of this project, the competent public authority for the environmental protection records the opinions of the representatives in the technical analyses commission referring to the execution of the analyzed project on the respective location and decides, by consulting the technical analyses commission, on the issuing or on the grounded rejection of the environmental approval/environmental integrated approval"</i>;</p> <p>(iii) the provisions of Appendix no. 3 of the Minister of Waters and Environment Protection Order no. 863/2002 on the approval of the Guidelines applicable to the stages of the environmental assessment procedure (Order no. 863/2002), according to which the analysis of the report to the environmental impact assessment study is made based on a Control List. We underline that the Control List is drafted according to the requirements of the Directive 85/337/CE on the evaluation of the environmental impact for certain private and public projects, published in the Official Journal of the European Community no. L 175/05.07.1985, as subsequently amended and supplemented (Directive 85/337/CE), amended by the Directive 97/11/EC on the evaluation of the effects of certain public and private projects on the environment, a directive adopted in the national legislation.</p> <p>This Control List is used in order (a) to evaluate the quality of the report to the evaluation study, in order to take the decision of issuing the environmental approval and (b) to identify the need to improve the environmental impact assessment process. By using the criteria specified in the Control List, the competent environmental authority establishes whether the report to the evaluation study is appropriate, i.e. if the problems underlined during the stage of defining the domain have been fully dealt with and to the required extension degree.</p> <p>Considering the above, we specify that the passing of a favorable decision for the issuance of the environmental approval in regard of the project proposed by the titleholder proves the fact that the EIA report drafted and submitted by S.C. Roșia Montană Gold Corporation S.A. (RMGC) fulfills the legal mandatory conditions and requirements, as established by the relevant legislation and provides for sufficient guarantees in regard of the development of the mining activities.</p> <p>The EIA study report that RMGC submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the</p>

report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the Ministry to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.

We are confident that the EIA process conducted by the Ministry of Environment and Water Management has complied fully with all aspects of Romanian and EU law.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	336
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Baia de Aries, 15.08.2006
RMGC internal unique code	MMGA_0684
Proposal	As President of a trade union from Baia de Aries, the questioner was invited by the representatives of the company for talks because he was against the project. But after leaving this position, the questioner was no longer of interest to the company. The questioner wants to know why?
Solution	It may be that the questioner had discussions with former members of Company management given his former position as a trade union executive. The Company commonly engages community representatives such as trade union leaders, local authorities representatives and all other interested members of the community in constructive dialogue and will continue to do so in the future.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	336
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Baia de Aries, 15.08.2006
RMGC internal unique code	MMGA_0685
Proposal	Why did RMGC need to hire the daughters and relatives of the local officials? Why were the daughters of Ioan Rus, the former prefect of Alba County, hired by RMGC?
Solution	<p>The questioner raises these old allegations to imply improper hiring on the part of RMGC. The company categorically denies that allegation.</p> <p>Currently, in Roșia Montană and neighbouring areas, the company employs nearly 500 people. The company also follows a policy of giving employment preference to people in the village and the region. The result is that in a village like Roșia Montană, where RMGC is the single largest employer, it would not be difficult to find members of families or people known to one another being employed by the company. The point is that this is normal and in fact inevitable – not proof of impropriety.</p> <p>For additional details, see the HR Policy in the Annex 4 – Roșia Montană Sustainable Development Programs and Partnerships.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	337
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Lupsa, 16.08.2006
RMGC internal unique code	MMGA_0689
Proposal	The company should take into account the possibility of giving the inhabitants of Rosia Montana 20% of the 80 % it holds in the project.
Solution	<p>Roşia Montană itself will benefit in many ways. The inhabitants of Roşia Montană stand to receive a total of over US\$ 80 million for their homes and properties, new homes and priority for jobs at the new mine. The local council will receive US\$ 35 million in taxes from RMGC. The Project will employ 634 people directly, including contractors, and the Company has a policy to give local people preference for these jobs. We expect there will also be 6,000 jobs indirectly related to the Project over the life of the mine. The Company has committed to environmental rehabilitation, including of pollution of the area caused by past poor mining practices. In terms of cultural and social heritage, there is a buffer zone in the village itself, and the proposal includes the renovation and restoration of the historical center of Roşia Montană and the construction of two new relocation sites in the Piatra Albă area (situated at approximately 6 km away from the historical center) and Alba Iulia. Piatra Albă site will be the new civic center of the commune, which will be the most modern in România. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. (Only the school will be built in a modern architectural style). A new neighborhood will also be built in Alba Iulia. All relocations will be conducted according to the Resettlement and Relocation Action Plan, which fully complies with World Bank standards for involuntary resettlement of individuals.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	338
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Lupsa, 16.08.2006
RMGC internal unique code	MMGA_0692
Proposal	What is the address of this company in Canada?
Solution	Gabriel Resources, Ltd. may be reached at 1510-110 Yonge Street, Toronto, Ontario, Canada, M5C 1T4. Their website is: www.gabrielresources.com .

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	338
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Lupșa, 16.08.2006
RMGC internal unique code	MMGA_0694
Proposal	<p>Is RMGC aware of the disaster caused by the Australian company that spilled cyanide in the Crisuri Rivers, cyanide that got into the Danube and consequently the Romanian Government had to pay the Hungarian Government hundreds of millions of dollars in damages for all the contaminated fish?</p>
Solution	<p>Everyone is aware of Baia Mare. In fact, the design of mines – including the Roșia Montană Project -- is now far stricter because of the lessons learned from Baia Mare.</p> <p>For opponents of the RMP who claim our project will be “another Baia Mare,” our project in Roșia Montană bears no comparison. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Mining Waste 2006/21/EC even before it became law in Europe or România.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in România to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roșia Montană Project will meet these standards from the first day of operation.</p> <p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel/RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, the Roșia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.</p> <p>In short, the Roșia Montană Project is in no way comparable to Baia Mare. [1]</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10 ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques, as defined by EU Directive 96/61/EC (IPPC).</p>

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism (detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation -- storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 meter of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roşia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and must be periodically controlled by persons empowered by MEWM. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-6} cm/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring other procedures for surveillance and monitoring. Roşia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Roşia Montană isn't only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	338
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Lupşa, 16.08.2006
RMGC internal unique code	MMGA_0695
Proposal	Why doesn't the architect speak so as that all the villagers can understand him, why doesn't he use Romanian words?
Solution	The architect who spoke at the public consultation meetings to discuss the new village to be built at Piatra Albă is Romanian and spoke in Romanian at the meeting.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	338
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Lupşa, 16.08.2006
RMGC internal unique code	MMGA_0697
Proposal	RMGC claims that 68% of the profit will remain in Romania. What is the company's real profit?
Solution	<p>The Company does not claim that 68% of the profit will remain in Romania but rather that Romania will retain 68% of the economic activity generated from the project. Assuming the price of gold is \$ 600/ounce, the direct financial benefits to the Romanian State at the local, county, and national levels is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. Adding the goods and services to be procured in Romania during the project, the total economic benefit to Romania will be approximately US\$ 1,500 million, or 68% of the economic activity generated by the project.</p> <p>Based on prices of \$ 600/ounce for gold and \$ 10.50/ounce for silver, the profit to S.C. Roşia Montană Gold Corporation S.A. is US\$ 1,258 million.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	338
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Lupşa, 16.08.2006
RMGC internal unique code	MMGA_0707
Proposal	Who is in fact this Gabriel? Who is this Canadian corporation?
Solution	Gabriel Resources Ltd. is a Canadian company listed on the Toronto Stock Exchange. Its management team has 60 years of experience permitting and operating seven mines on four continents. Gabriel Resources has adopted a corporate structure similar to all other Canadian-based resource companies operating worldwide.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	348
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0719
Proposal	<p>Those who will benefit from this project represent about 20% of the impact area, but what happens to the remaining 80% or 50% isn't also important? They must not be left aside. What are they going to do? They are not miners.</p>
Solution	<p>It is agreed that the benefit of the Roșia Montană Project should and must be experienced by the local community.</p> <p>RMGC currently employs almost 500 people, of whom more than 80% live in Roșia Montană, Abrud, and Câmpeni. The RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p> <p>RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs. In addition, 6,000 jobs will be generated indirectly in the region because of the Project. All this underscores the significant opportunities for the people of the entire region.</p> <p>As part of its social development program, the Company is offering vocational training programs in a number of fields for the local workforce free of charge. The Project will remove some of the current obstacles for sustainable development, such as pollution and land dereliction and lack of local funding and business. The company has also established a MicroCredit financial institution to enable locals to start small business.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	348
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0720
Proposal	At what distance from the mining site can a organic product be obtained?
Solution	<p>The distance to a mining project is not necessarily directly related to the ability to produce an organic product.</p> <p>Production of organic products generally requires significant investments. For example, vegetables produced in a greenhouse, on a soil- free under layer, with an addition of organic compost can be relatively easy to produce but nevertheless still require significant investments. Only those areas where there is no pollution or no chemical residues in the soil from pesticides used in the past are suitable for this type of “ecological” agriculture.</p> <p>Therefore, the area around Roșia Montană is not a good area for this type of agriculture. This has nothing to do with the proposed mine but rather results from the extent of pollution resulting from past poor mining practices.</p> <p>Because the Roșia Montană Project promises environmental rehabilitation, the chances for production of ecological agriculture products in this area can only improve in the future.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	354
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0725
Proposal	<p>The questioner makes the following observations, comments and asks the following questions: The EIA talks about benefits, but there is no mention about the costs involved, namely: the costs for the population; the costs for the waters, the land and the woods being lost, the costs of losing potential tourist resources, the costs of losing a cultural heritage unique in the world.</p>
Solution	<p>The Roşia Montană Project (RMP) as a major investment will be a catalyst for local and regional economic development.</p> <p>As with any major industrial development, impacts will be positive and negative. In the case of Roşia Montană, beneficial impacts will be maximized by involving local and regional governments and other relevant parties from the community in development initiatives as part of a participatory approach. Negative impacts will be mitigated through measures as described in the EIA report.</p> <p>To put the issue in larger context, the construction and operation of the Roşia Montană Project requires the acquisition of properties in four of the Roşia Montană's 16 sub-communes. For the most part, therefore, property ownership in the larger part of Roşia Montană will not be affected by the project. In fact, the number of homes that the company must purchase to construct and operate the project over the life of the mine – 379 homes – is far smaller than the 1,000 homes project opponents regularly reference.</p> <p>In order to mitigate the social impact created by the resettlement and relocation program, two new relocation sites in the Piatra Albă area and Alba Iulia are being built. These sites will be the new civic center of the commune, which will be the most modern in România. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. (Only the school will be built in a modern architectural style.) All relocations will be conducted according to the Resettlement and Relocation Action Plan, which fully complies with World Bank standards for involuntary resettlement of individuals.</p> <p>With respect to the cultural heritage of the village, it is important to remember that the company has also spent approximately US\$ 10 million to develop the most extensive archaeological research and development program of Roşia Montană Historic Area, so as to preserve and develop the archaeological and cultural-architectonical potential.</p> <p>Through the RMP and its heritage management plans, over the life of the mine, US\$ 25 million will be invested by the company in the protection of cultural heritage in such a way to support tourism. A training program will provide the necessary skills to develop tourist activities and the Roşia Montană Micro Credit will support people in starting pensions, restaurants, etc., all needed for attracting tourists. At the end of the project, there will be a new village, plus the restored old center of Roşia Montană with a museum, hotels, restaurants and modernized infrastructure, plus restored mining galleries (e.g. Cătălina Monuleşti) and preserved monuments such as Tău Găuri - all of which would serve as tourist attractions.</p> <p>Given that RMGC is committed to conducting its business following the strictest EU and international environmental standards, the possibility of a negative impact for the waters is practically inexistent.</p> <p>RMGC is committed, even in the early stages of design and development to comply with the Romanian legislation, the EU directives and the International Guides and Recommendations, while BAT (Best Available Techniques) and BMP (Best Management Practice) were used to design the Roşia Montană</p>

Project.

Roşia Montană could continue to develop its tourism potential. There are initiatives to do so, such as "Tourism development model and its contribution to sustainable development in Zlatna, Bucium, Roşia Montană and Baia de Arieş as alternative to mono-industrial mining activities" prepared by the National Institute for Research and Development in Tourism (INCDT) published in April 2006, just as the EIA report was being submitted to the Ministry of Environment and Water Management.

RMGC has also commissioned a study, which sets out how the potential tourism markets and how these might best be approached in an integrated project:

"From experience, tourism will be possible and profitable only when there is something to offer to tourists in terms of clean environment, proper infrastructure (good roads, accommodation, restaurants, running water, proper sewage system, waste disposal facilities, etc.), attractions (museums, other things to see such as historical monuments, etc). A mining project such as the one proposed by RMGC will provide, through taxes, and the development of service industries, the necessary funds to improve the infrastructure. Through the RMP and its heritage management plans, US\$ 25 million will be invested by the company in the protection of cultural heritage in such a way to support tourism. A training program will provide the necessary skills to develop tourist activities and the Roşia Montană Micro Credit will support people in starting pensions, restaurants, etc., all needed for attracting tourists. At the end of the project, there will be a new village, plus the restored old centre of Roşia Montană with a museum, hotels, restaurants and modernized infrastructure, plus restored mining galleries (e.g. Cătălina Monuleşti) and preserved monuments such as the one from Tău Găuri - all of which would serve as tourist attractions. Further to this, it is understood that the government will be acting locally to encourage economic growth."(see Roşia Montană Initial Tourism Proposals Gifford Report 13658.R01).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	354
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0726
Proposal	The report does not comprise a costs-benefits analysis nor a comparison between the benefits obtained by Romania with or without this project. Such a comparison would point out the fact that the implementation of this project would cost Romanians at least US\$ 3 billion which would be paid by the generations to come.
Solution	<p>The assertions here are not correct. First, an economic cost-benefit analysis was performed the benefit of the performed for the Romanian Government There is also a separate publicly-available feasibility study which clearly shows that the project is economically sound. The financial costs of this project to Romania are nil. In fact, the Romanian government's ownership share of 19.3% is fully carried and results in a profit to the Romanian state of US\$ 306 million. Total direct cash benefits to the Romanian state, including the government's share of profit, payment of profit taxes, royalties, and other taxes such as payroll taxes, are US\$ 1,032 million.</p> <p>In addition to the direct financial benefits, there are the indirect benefits related to the economic activity generated. USD 2,523 million will be spent in România during the life of the project. The approval of the project will also result in the clean-up of pollution from past poor mining practices at no cost to the Romanian Government. In a no-project scenario, the cost of this cleanup would be the responsibility of the Romanian state.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	365
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0736
Proposal	The questioner wants to know whether RMGC has the amounts necessary for the project development; or whether it will be able to bring this money to Romania, knowing that this is a huge investment.
Solution	Gabriel Resources Ltd. is solely responsible for raising the capital necessary to complete this project and is fully capable of doing so. The estimated capital cost to complete the development of the Roşia Montană project – including interest, financing, and corporate costs – is approximately US\$ 750 million. The Company anticipates financing these costs with approximately 20% equity (US\$ 150 million), and 80% debt, which could include senior and mezzanine or high yield debt. The Company has already raised the US\$ 150 million equity component and is in final negotiations for the debt component. Subsequent to submission of the Environmental Impact Assessment Study (EIA,) technical experts representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	365
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0737
Proposal	Will RMGC logistically support other investors interested in the low grade ore deposits existing in Romania?
	RMGC and its representatives are committed to developing Roșia Montană as a project that will serve as a model for responsible development in the industry worldwide. At the same time, given the magnitude and complexity of the project and the challenges of full compliance with new EU rules and our own pledge to develop a new model for responsible mining projects, RMGC is indirectly helping other industry investors who will be following in our footsteps.
Solution	As we develop the world-class Roșia Montană project, we will strive to set high standards through good governance, open and transparent communications, and operations and reclamation based on Best Available Techniques (BAT) – all in the service of sustainable development. The project will be the first permitted under the EU's new, more stringent environmental laws. This will set a precedent for a model mining project not only for Romania and the EU but also worldwide.
	In conclusion, we hope that future investors in Romania's mineral resources will also join us in following international best practices and using BAT while developing similar projects.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	367
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0740
Proposal	<p>The company representatives stated that, if the company is not the owner of 100% of the land in Corna, Cetate and Orlea, it would start looking for other locations and initiate another project. The speaker believes that the company should begin another project, because the locals will never leave Rosia Montana.</p>
Solution	<p>Roşia Montană Gold Corporation (RMGC) has engaged in an extensive process of public consultation, including with the people of Roşia Montană. From these efforts, we are confident that the vast majority of the people of Roşia Montană support the project in its current design and regard it as the best way to revive the local economy, clean pollution from past poor mining practices, and build a foundation for sustainable development in the region.</p> <p>When acquiring the private property lands necessary for the development of Roşia Montană Project (RMP), RMGC's approach is primarily based on the principle of a "willing seller-buyer basis". To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Relocation and Resettlement Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p> <p>Moreover, the design and location of project's facilities was made so as the number of impacted persons is as small as possible.</p> <p>As regards the methods for acquiring the lands contemplated by RMGC, these are in full compliance with the legal provisions, art. 6 of the Mining Law no. 85/2003 published in the Romanian Official Gazette, Section I, no. 197/27.03.2003 expressly providing the means by which the titleholder obtains the right of use over the lands necessary for the performance of the mining activities in the exploitation perimeter, namely: (i) <i>sale-purchase, for the price agreed upon by the parties</i>; (ii) <i>the land exchange, with the relocation of the affected owner and the reconstruction of the buildings on the newly granted land, on the expense of the titleholder benefiting of the cleared land, as per the convention between the parties</i>; (iii) <i>renting of the land for undetermined period, based on agreements between the parties</i>, (iv) <i>expropriation for cause of public utility, as per the law</i>; (v) <i>land concession</i>", etc.</p> <p>Also, art. 1 of Law no. 33/1994 on the expropriation for cause of public utility, published in the Romanian Official Gazette, Section I, no. 139/02.06.1994, provides that "<i>the expropriation of immovable, [...], can be made only for cause of public utility</i>", and art. 6 of the same law provides that "<i>there are causes of public utility: geological exploration and prospecting; extraction and processing of useful mineral substances</i>".</p> <p>In conclusion, the expropriation, made in accordance with the legal and constitutional provisions, represents one of the modalities of obtaining the right of use over the lands necessary for the development of a mining project, being expressly provided by art. 6 of the Mining Law no. 85/2003 and by art. 6 of Law no. 33/1994.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	368
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0743
Proposal	<p>Where can the reader find, in the EIA, a financial analysis clearly indicating the investments, the operation costs, the profit? If such analysis is missing, why is it missing? In case the project titleholder did not consider it necessary to include such analysis in the EIA, the questioner requests the technical committee assessing the environmental impact study not to consider any other figure stated by the company, both related to the investments, and to the benefits of the Romanian state.</p>
Solution	<p>Financial information regarding the project is in the Community Sustainable Development plan (CSDP) which RMGC voluntarily submitted to accompany the EIA and in the non technical summary of the EIA. The Terms of Reference (TOR) for the EIA focused on environmental impact and did not require detailed analysis of costs and benefits.</p> <p>In summary, the Romanian government's ownership share of 19.3% is fully carried and results in a benefit to the Romanian state of US\$ 306 million. Total direct cash benefits to the Romanian state including the government share of profits, payment of profit taxes, royalties, and other taxes such as payroll taxes are US\$ 1,032 million.</p> <p>Including the direct financial benefits above, the RMP will infuse US\$ 2,523 million being spent in România economy during the life of the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	370
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0755
Proposal	What will be the profit of the Romanian state at the end of the gold and silver mining operations, after 10-15 years, taking into consideration that its share is only 19.3 %?
Solution	The profit share for the Romanian government's 19.3% interest is USD 306 million. Further, including the payment of profit taxes, royalties, and other taxes such as payroll taxes, the Romanian Government's total share of the project is US\$ 1,023 million or 45%.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	371
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0756
Proposal	<p>The solution offered by Gold is cyanide. Why does the company ignore the standpoint of the Romanian Orthodox Church and of the Romanian Academy?</p> <p>Rosia Montana Gold Corporation (RMCG) has taken into account the views of both spiritual leaders and the Romanian Academy. The project proposal submitted to the Ministry of Environment and Water Management (MEWM) is taking into account these views.</p> <p>Based on comments by the Holy Synod and spiritual leaders of other faiths dating back to 2003, the Roșia Montană Project (RMP) was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p>
Solution	<p>The fact that 98% of people in the village's industrial zone have scheduled surveys to assess their property indicates they are considering accepting RMGC's offer to purchase their homes. We trust that as the community indicates its support of the RMP, churches will reflect their congregations' wishes. The churches have followed the human communities providing them religious service and support.</p> <p>The most recent position of the Romanian Academy regarding the Roșia Montană project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study (EIA) to the Ministry of Environment and Water Management (MEWM). RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the MEWM.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	371
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucureşti, 21.08.2006
RMGC internal unique code	MMGA_0758
Proposal	<p>What is RMGC's experience in gold and silver mining? Where has it carried out mining operations before? It has not operated anywhere; it has never carried out gold and silver mining operations and wants to use the Romanian population as guinea pigs.</p>
Solution	<p>We take strong exception to the charge that RMGC seeks to use the Romanian population as guinea pigs. The management of Gabriel Resources Ltd., the major shareholder in RMGC, has over 60 years of experience permitting seven mine projects on four continents, including gold and silver mining operations. This is an extremely strong foundation for the work on the Roşia Montană Project. RMGC is committed to operating the Project in full compliance with Romanian and European law, including environmental law and in accordance with international best practices, many of which relate to environmental protection. We have been working with independent experts and some of the world's most prominent mining consultant companies to ensure the highest level of environmental protection and rehabilitation at the site.</p> <p>For instance, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive. Thus, over time, the currently polluted waters, such as the Arieş River, will become less polluted as a result of the Project.</p> <p>RMGC has also put in place policies relating to blasting and noise vibration; environmental and social management system plans; and minimization of waste and storage of solid hazardous waste.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	371
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0761
Proposal	Why is it that the company does not develop this project in Canada, in the USA or in Spain?
Solution	RMGC is a Romanian company. We are committed to the economic development and prosperity of Romania. We are excited about the prospect of the Project's potential to serve as a catalyst for the sustainable economic development of the Roșia Montană area. Even with the smaller pits that have been proposed in the EIA report after consultation with local stakeholders to minimize the impact on the protected area and increase the buffer zone, RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1480.36 tones of silver. The Roșia Montană ore deposit is among the top ten <u>undeveloped</u> gold deposits in the world.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	371
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0762
Proposal	Is it true that RMGC spends \$ 500-600 million and has a profit of \$ 12 billion from this business?
Solution	No. Through the life of the project, RMGC will invest capital of USD 922 million. Based on a gold price of USD 600/ounce and silver price of USD 10.50/ounce, RMGC's share of the profit is expected to be USD 1,258 million.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	372
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0764
Proposal	Do RMGC's representatives believe that the company may offer solutions – if the Rosia Montana project is implemented in accordance with the parameters indicated in the report – to other mining areas that are currently closed, or to copper mines, for example? Would the company be interested in other mineral substances as well?
Solution	Roșia Montană Gold Corporation (RMGC) is committed to building a new state-of-the-art mining facility that will reinvigorate the local economy and honor cultural patrimony, while setting world-class standards for environmental and social responsibility. The region of Roșia Montană suffers today from the ravages of 2,000 years of uncontrolled mining. By building a modern mine based on Best Available Techniques and implementing the highest environmental standards, RMGC's project creates an opportunity to remediate past damage, leaving the region's rivers and soil cleaner than we found them. The project will be the first permitted under the European Union's new, more stringent, environmental laws - creating a model mining project not only for România and the EU but for future mining projects worldwide. RMGC is actively exploring other areas besides Roșia Montană and is continuing to invest in the future of Romania.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	373
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0766
Proposal	The questioner makes the following comments:Romania has heard similar promises from other foreign companies in the past, regarding the creation of jobs and the quality of the services offered. Later on, all these proved to be lies and the authorities which had negotiated those contracts suddenly had a much better financial situation, while the companies at issue did what was best for their interest.
Solution	<p>RMGC has every financial incentive to stay working in Roșia Montană in partnership with the Government of România until gold mining is completed and the company meets its obligations for post-closure environmental rehabilitation. RMGC has been working on this project since 1998 and has invested over \$ 200 million to date. By the time production begins, the company will have invested almost \$ 1.0 billion. România will receive a 45% share of the project through its share of the profits and RMGC's payment of profit taxes, royalties, and other taxes such as payroll taxes. But RMGC will receive a good profit from the sale of gold and silver produced at the mine and would have no incentive to leave the project without having recovered its investment.</p> <p>Further, RMGC will operate the mine in full compliance with Romanian and European law and in accordance with international best practices. RMGC is working on the Project in partnership with the Government of România, which also has a strong and direct interest in assuring that RMGC meets its obligations under the Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	376
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0769
Proposal	<p>This ore deposit falls into the hands of whoever wants to mine it. However, we do not know how the population will be affected during all this time of mining operations.</p>
Solution	<p>In the case of the Roșia Montană Project (RMP), the Environmental Impact Assessment (EIA) procedure is mandated by the mining laws of România, which were harmonized with those of the EU. This is the strongest possible legal and policy-based assurance that the project will be conducted in ways that safeguard the local, regional and even cross-boundary environment, irrespective of who own the project.</p> <p>The EIA study report that Roșia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	377
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0770
Proposal	<p>The questioner makes the following comments and addresses the following questions: The questioner declares that he has sent an open letter to 6 Romanian ministers and also to Rosia Montana Gold Corporation, in the form of a challenge, and that he has not received any answer.</p>
Solution	<p>RMGC is committed to a policy of openness and responsiveness, and has made a conscientious effort to engage in dialogue with all who are interested in the project. If the questioner's letter was not responded to in the midst of an extensive effort to engage in public consultation, we regret that.</p> <p>Certainly, RMGC has taken part in a broad process of public consultation in compliance with Romanian and European law as part of the Environmental Impact Assessment process. The company has held 14 public meetings in Romania and two in Hungary. RMGC set up 45 information centers where copies of the EIA were available, and 5,000 copies of the EIA were printed. Beyond this, the Company has engaged in a long process of public consultation. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p> <p>Moreover, the consultation RMGC engaged in was meaningful, not just window dressing. The views people and organizations expressed have had impact on the company's plans. Before submission of the EIA, RMGC changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p> <p>Once again, RMGC is interested in hearing from all residents of the region and of Romania on any and all aspects of the issue. We are confident that the proposal stands the test of public debate.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	377
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0771
Proposal	<p>The Romanian Ecologist Party, through its central management and its executive county offices, manifests its deep concern regarding the imminent approval of the Rosia Montana project and requests the minister of environment and water management, as well as the experts from the ministry, to analyze with great responsibility the report on the environmental impact assessment study for the Rosia Montana mining project.</p>
Solution	<p>The company appreciates that the Romanian Ecologist Party and its leaders understand that claims made on behalf of environmental preservation has a very high standard to meet. Indeed, falling short of the environmental standards one proposes for others would destroy one's credibility.</p> <p>For these reasons, Roșia Montană Gold Corporation (RMGC) takes very seriously its environmental statements on the impact of the Roșia Montană Project (RMP).</p> <p>The Environmental Impact Assessment study report (EIA) that RMGC submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Responding to stakeholder concerns is an integral part of the EIA process.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. Thus it is not true to assert that RMGC has not responded to stakeholder views.</p> <p>RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in România and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	377
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0773
Proposal	<p>The potential impact has been superficially assessed, and the management plans prepared for the purpose of impact mitigation contain mainly general information. Not even cost estimates are presented for all domains and, even more seriously, the plans are prepared for a short term, for the mine life time, i.e.: 2007 permitting, 2009 construction, 2026 operation and closure.</p>
	<p>We strongly disagree with the assertion that “the potential impact has been superficially assessed.” The Environmental Impact Assessment study report (EIA) that Roșia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roșia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>
Solution	<p>RMGC has also prepared a financial analysis for the benefit of the Romanian state. Among other items, we estimate that with the price of gold at US\$ 600/ounce and the price of silver at US\$ 10.50/ounce, the Romanian state will receive US\$ 1,032 million from its share of the profits and RMGC's payment of profit taxes, royalties, and other taxes such as payroll taxes.</p> <p>Using modern mining techniques, including Best Available Techniques (BAT), we are confident that RMGC will meet the schedule for both operations and closure of the mine. RMGC will continue with the project until mining is completed and its obligations under the mine closure plan have been fully achieved, including environmental rehabilitation, in accordance with Romanian and European law. At Roșia Montană, the Tailings Management Facility (TMF) will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive 2006/21/EC. Thus, over time, the currently polluted waters, such as the Arieș River, will become less polluted as a result of the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	379
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0788
Proposal	<p>The Ministry of Environment holds the following information and, with its consent, it should communicate it to the interested public: RMGC's technical and financial capacity and its mining experience, the evidence attesting to the establishment of the environmental rehabilitation guarantee and of the guarantee for environmental accidents, the joint venture agreement concluded between Gabriel Resources and the Romanian government, acting through Minvest.</p> <p>As related to your comment, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your question (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>Nevertheless, we would like to make the following comments:</p>
Solution	<p>As a condition of beginning operations at Roșia Montană, an Environmental Financial Guarantee ("EFG") is required, to ensure adequate funds are available from the mine operator for environmental cleanup.</p> <p>The Roșia Montană Gold Corporation ("RMGC") has invested significant time, energy, and resources assessing the viability of a mining project in the valley of Roșia Montană. This assessment has led RMGC to conclude that Roșia Montană presents an attractive long-term development opportunity – an opinion confirmed by a variety of lending institutions, who have completed detailed reviews of the project's design and profitability. We have every confidence that we will see the project through to the end of its projected 16-year lifespan, regardless of any fluctuations in the market price of gold.</p> <p>RMGC recognizes that mining, while permanently changing some surface topography, represents a temporary use of the land. Thus from the time the mine is constructed, continuing throughout its lifespan, closure-related activities – such as rehabilitating the land and water, and ensuring the safety and stability of the surrounding area – will be incorporated into our operating and closure plans.</p> <p>The EFG is governed by the Mining Law (no. 85/2003) and the National Agency for Mineral Resources instructions and Mining Law Enforcement Norms (no. 1208/2003). Two directives issued by the European Union also impact the EFG: the Mining Waste Directive ("MWD") and the Environmental Liability Directive ("ELD").</p> <p>The Mining Waste Directive aims to ensure that coverage is available for 1) all the obligations connected</p>

to the permit granted for the disposal of waste material resulting from mining activities and 2) all of the costs related to the rehabilitation of the land affected by a waste facility. The Environmental Liability Directive regulates the remedies, and measures to be taken by the environmental authorities, in the event of environmental damage created by mining operations, with the goal of ensuring adequate financial resources are available from the operators for environmental cleanup efforts. While these directives have yet to be transposed by the Romanian Government, the deadlines for implementing their enforcement mechanisms are 30 April 2007 (ELD) and 1 May 2008 (MWD) – thus before operations are scheduled to begin at Roşia Montană.

RMGC has already begun the process of complying with these directives, and once their implementation instruments are enacted by the Romanian Government, we will be in full compliance.

There are two separate and distinct EFGs under Romanian law.

The first, which is updated annually, focuses on covering the projected reclamation costs associated with the operations of the mine in the following year. These costs are of no less than 1.5 percent per year, of total costs, reflective of annual work commitments.

The second also updated annually, sets out the projected costs of the eventual closure of the Roşia Montană mine. The amount of the EFG to cover the final environmental rehabilitation is determined as an annual quota of the value of the environmental rehabilitation works provided within the monitoring program for the post-closure environmental elements. Such program is part of the Technical Program for Mine Closure, a document to be approved by the National Agency for Mineral Resources (“NAMR”).

Each EFG will follow detailed guidelines generated by the World Bank and the International Council on Mining and Metals.

The current projected closure cost for Roşia Montană is US \$76 million, which is based on the mine operating for its full 16-year lifespan. The annual updates will be completed by independent experts, carried out in consultation with the NAMR, as the Governmental authority competent in mining activities field. These updates will ensure that in the unlikely event of early closure of the project, at any point in time, each EFG will always reflect the costs associated with reclamation. (These annual updates will result in an estimate that exceeds our current US \$76 million costs of closure, because some reclamation activity is incorporated into the routine operations of the mine.)

The annual updates capture the following four variables:

- Changes in the project that impact reclamation objectives;
- Changes in Romania’s legal framework, including the implementation of EU directives;
- New technologies that improve the science and practice of reclamation;
- Changes in prices for key goods and services associated with reclamation.

Once these updates are completed, the new estimated closure costs will be incorporated into RMGC’s financial statements and made available to the public.

A number of different financial instruments are available to ensure that RMGC is capable of covering all of the expected closure costs. These instruments, which will be held in protected accounts at the Romanian state disposal, include:

- Cash deposit;
- Trust funds;
- Letter of credit;
- Surety bonds;
- Insurance policy.

Under the terms of this guarantee, the Romanian government will have no financial liability in connection with the rehabilitation of the Roşia Montană project.

With respect to insurance, RMGC will be purchasing a number of insurance policies, including property, liability, and special purpose (e.g. delayed start up, transportation, non-owned). Thus in the event of

legitimate claims against the company, these claims will be paid out by our insurers.

RMGC is committed to maintaining the highest standards of occupational health and safety for its employees and service providers. Our utilization of Best Available Techniques helps us to ensure this goal is achieved. No organization gains from a loss, and to that end we will work to implement engineering solutions to risk, as they are far superior to insurance solutions to risk. Up to 75% of loss risk can be removed during the design and construction phase of a project.

Yet we recognize that with a project as large as that being undertaken at Roșia Montană, there is a need to hold comprehensive insurance policies (such policies are also a prerequisite for securing financing from lending institutions). RMGC has retained one of the world's leading insurance brokers, which is well established in Romania and has a long and distinguished record of performing risk assessments on mining operations. The broker will use the most appropriate property and machinery breakdown engineers to conduct risk analysis and loss prevention audit activities, during the construction and operations activity at Roșia Montană, to minimize hazards. The broker will then determine the appropriate coverage, and work with A-rated insurance companies to put that program in place on behalf of RMGC, for all periods of the project life from construction through operations and closure.

All insurers and insurance coverage related to the mining operations at Roșia Montană will be in full compliance with Romania's insurance regulations.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	380
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0789
Proposal	<p>The questioner agrees to the project and wants to know whether RMGC has also stipulated in the project the removal of the pollution already existing in Bucium, which is an obstacle against investments or tourism in Bucium.</p>
Solution	<p>We sincerely appreciate your support of this project and thank you for taking the time to participate in this important process of public consultation. The process of consultation does not cease with approval of the project but extends throughout the period of mine operations and the closure of the mine.</p> <p>As Bucium is a separate project, it does not make the object of the current EIA procedure, developed for Roșia Montană Project. Therefore, the issue of pollution for Bucium area has not been addressed in the EIA Report, as it falls out of the scope of this EIA.</p> <p>Regarding Bucium, unfortunately pollution is seen to be present there, as the questioner notes. A part of this pollution comes from the Rodul Frasin, a former mining area, while another part derives from a waste dump at Roșia Poieni. RMGC is the titleholder of Exploration Concession License in Bucium perimeter and has the legal right to directly obtain an exploitation license for Bucium, according to art. 17(1), 18(2) let. a) and 20 of the Mining Law no. (85/2003). Under the exploration license, RMGC has the right to perform only geological research works in order to assess the resources/reserves in the perimeter. RMGC conducted a series of drill programs sufficient to calculate a preliminary resource estimate and complete a preliminary assessment study. If the studies developed by independent experts prove the feasibility of Bucium exploitation, RMGC would apply for an exploitation license and would undertake a separate permitting process. Within this process, the EIA to be developed for Bucium would address and assess the existing pollution and the mitigation methods.</p> <p>Nonetheless, RMGC has currently 13 people employed in Bucium to address issues associated with cultural patrimony. As part of RMGC's "good neighbor" program, we are assisting people in the agricultural zone to, for instance, purchase a pedigreed bull to help improve the quality of the cattle in Bucium. But these efforts, while useful, will not be a complete solution for Bucium's sustainable development.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	381
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0790
Proposal	Concerning the company's PR campaign, the questioner wants to know why the discourse about such a beautiful area was so aggressive. Why did they need to present Rosia Montana like a hog-pen, when it is actually a piece of heaven?
Solution	The response to the questioner's point is that as a part of the EIA process, RMGC commissioned independent studies of baseline conditions in Roșia Montană. Unfortunately, the EIA report indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. Given the community's mining heritage and the valuable ore deposits there, mining presents the best opportunity to revive economic activity there and build a foundation for sustainable economic development. The Project includes an aggressive plan for environmental rehabilitation, including cleaning up pollution from past poor mining practices – the current pollution that was illustrated as part of RMGC's presentation of the Project to the public. Once this pollution is cleaned up, and once the historic center of the village is rehabilitated through RMGC's efforts, Roșia Montană will assume a very different aspect and will have a brighter future.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	381
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0792
Proposal	<p>With the big support of the Romanian authorities, Rosia Montana Gold Corporation offers a plundering and devastating mining operation of the last large deposit existing in Romania - 300 tons of gold will leave Romania; it also offers the transformation of large areas into gigantic pits, flooded by acid waters and barren waste rock dumps.</p>
Solution	<p>Presently, Roșia Montană mining Project (RMP) is at the permitting stage. Neither Romanian nor European law would permit “a plundering and devastating mining operation” and RMGC has no interest in conducting one. Indeed, this is one very important reason why Romanian and European law requires submission of an Environmental Impact Assessment Study Report subject to review by the competent government authorities.</p> <p>Romania’s very rich mineral resources have not yet been sufficiently explored; therefore one cannot say with confidence that the deposit at Roșia Montana is the “last large deposit existing in Romania”. For example, in 1997 it was known that Roșia Montana deposit amounted to approximately 28 tons of gold. In 2000, following a program of modern and intensive geological exploration, which lasted more than three years and cost more than USD 40 million, we were able to state confidently that Roșia Montana’s gold reserves amount to over 330 tons of gold, a figure which has been certified by five international independent audits.</p> <p>As with other commodities, gold is sold on the international market at the market price.</p> <p>In respect to your assertion concerning “the transformation of large areas into gigantic pits, flooded by acid waters and barren waste rock dumps”, please note that the Report on the Environmental Impact Assessment Study for the project includes a mine closure and environmental rehabilitation plan. In particular, tailings that have been detoxified before discharge to the Tailings Management Facility will contain 5-7 parts per million or ppm or mg/l of cyanide, lower than the 10 ppm limit in the recently published EU Mining Waste Directive.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	381
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0795
Proposal	<p>The Canadian company intends to operate for 16 years, taking into consideration that the mining activities will begin with the richest deposit in gold ore, i.e. the Carnic Hill, which contains 52% of the ore reserves. RMGC's listing on the Toronto and Montreal stock exchanges – which are called Sodom and Gomorra in the stock exchange world, due to their immorality and the illicit operations frequently performed there – is limited. Under these circumstances, let's imagine the following scenario: the company begins the mining operations, exhausts the richest deposits existing in the area, within a period of 4-5, maybe 6 years. At that moment, the company's shares quotation will be very high.</p>
Solution	<p>Quite simply, the scenario outlined in the question would not make financial sense. Instead, under the scenario presented, any company having paid down debt and interest would have a clear financial interest to remain and continue to mine profitably, not to walk away from the enterprise. The question references the Montreal exchange, which no longer exists, and unfairly characterizes the TSE – an exchange whose global companies have a collective market capitalization of trillions of dollars, as agents of immorality. Tens of millions of employees who work for and own shares in companies listed on the TSE would respectfully differ. Both the TSE and the companies listed on it are under the direct regulatory authority of the Ontario Securities Commission as well as the authorities in the jurisdictions where the companies are located.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	385
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0799
Proposal	The questioner supports this project. He is a founding member of the Pro Dreptatea Rosia Montana organization.
Solution	We sincerely appreciate your support of this project and thank you for taking the time to participate in this important process of public consultation. The process of consultation does not cease with approval of the Roșia Montană Project but extends throughout the period of mine operations and the closure of the mine.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	387
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0802
Proposal	The questioner wants to know if the project titleholder keeps its local employees informed about the risks related to their jobs. The locals should know, they should also undertake responsibility, if some of the community members suffer any prejudices.
	Roșia Montană Gold Corporation (RMGC) will operate the Roșia Montană Project in full compliance with Romanian and European law, including laws related to workplace safety and the equality of all citizens. RMGC opposes any form of discrimination based on race or ethnicity.
Solution	RMGC will give detailed information in various forms to its employees to promote mine safety. In addition to the policies the Company has adopted in such areas as blasting, noise, and accident prevention, the Company wants to foster a culture of anticipating and preventing risks in all its operations. Similarly, the Company will implement a system to monitor the health of its employees. Finally, it is important to remember that the equipment and devices that will be used during the operational phase of the project represents the best available technology worldwide, which will promote a safe work environment for the RMGC employees.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	387
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0803
Proposal	<p>The questioner considers that those who have disseminated hatred among the inhabitants of Roșia Montana should be ashamed.</p> <p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p>
Solution	<p>Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by Roșia Montană Gold Corporation (RMGC) and undergoing the environment impact assessment procedure, the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>However, we underline that RMGC supports the process of public consultation required by Romanian law as an important part of debate in a democratic society. For our part, we have sought to present our views in a civilized manner and respect the opinions of those who oppose the Roșia Montană. Project (RMP). We hope that over time they will come to agree that the RMP will bring many economic, social, environmental, and cultural benefits to Roșia Montană and to Romania.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	387
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0805
Proposal	<p>Also, those who focus on the economic interest, prejudicing the others' rights provided by the law, sanctioned by the Constitution and the Human Rights Chart, should be ashamed.</p> <p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by Roșia Montană Gold Corporation (RMGC) and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer in this respect.</p> <p>Nevertheless, we would like to make the following comments:</p>
Solution	<p>Far from seeking to prevent others from exercising their rights, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the Environmental Impact Assessment (EIA) process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p> <p>Public consultation will continue through the period of mine operations and closure and reclamation of the mine. We give you our assurance that the Roșia Montană Project (RMP) will be conducted in full compliance with Romanian and European law and in accordance with international best practices and will bring many economic, social, environmental, and cultural benefits to the Roșia Montană area and to Romania.</p> <p>Concerning the initiation, promotion and development of the project proposed by RMGC, such operations may only be carried out in compliance with the relevant legal provisions. The environmental impact assessment procedure is a transparent procedure. It stipulates that the competent environmental authority and the project titleholder have the obligation to inform the stakeholders, including the Technical Evaluation Committee and the public, on the development of the mandatory stages of the environmental permitting process.</p> <p>Any interested person may monitor the compliance with all mandatory legal procedures, may evaluate the assessment method and file objections, according to the law. Notwithstanding the abovementioned, please note that RMGC will take all necessary measures for the accurate and timely performance of the</p>

obligations stipulated by the relevant legal provisions, regarding the promotion, construction and operation of the Roşia Montană Project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	388
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0807
Proposal	<p>This project is compared to Rio Narcea and the Marta mine in New Zealand. However, no other mining project worldwide implies an archaeological heritage like that from Rosia Montana. There is desert in California, desert in New Zealand, the operations in Rio Narcea have been carried out since 1998, 500,000 tons of ore are mined every year. This is a little more than the quantity mined in Rosia Montana until May. Only 500,000, i.e. 26 times less than the quantity stated in the project. On the other hand, that ore has a concentration of 3-5g/t. And in 2004 they began underground mining operations. In Great Britain, in Ireland, where these gentlemen are coming from, there are no gold mining operations. As far as the Marta mine – in New Zealand - is concerned, gold mining operations have been carried out since 1850 (we cannot talk about archaeological remains and historical heritage in this case), and the ore has a gold concentration of 3-5g/t, the mine being 10 times smaller than the gigantic mine proposed to be developed in the heart of Europe. Therefore, no comparison will be in favour of this project.</p>
Solution	<p>The Roșia Montană Project and the Marta project have two things in common: the pits are located in proximity to residential areas and the technologies used are similar. If this can work in New Zealand, we do not see why it cannot work in Romania as well.</p> <p>With respect to Rio Narcea (which is not a project but rather the name of a Canadian mining company), the situation is somewhat different. That company carries out mining projects in Portugal, Spain, and Mauritania aimed at mining gold, nickel, copper and platinum elements deposits. The comparisons made in the EIA refer to the mining activities this company carries out in Spain, the gold mining projects at El Valle near Belmonte de Miranda, Carles located near Salas, and Salave near the ocean. All these deposits are located in the Oviedo province in Asturias in northwestern Spain, a region that is well-known for the historic mining operations that aimed at gold-bearing alluvial deposits and primary gold deposits.</p> <p>All these sites are discussed in Claude Domergue's doctoral thesis (map 6, page 568). M. Domergue, Emeritus Professor at the UTAH (The History and Archaeology Department of the Le Mirail University, Toulouse, France) is one of the founders of mining archaeology as a discipline in Europe. In fact, these mine sites have only been targeted, assessed and inventoried, but they have not actually had formal archaeological digs. It is assumed the sites date back to the Roman times. This assumption was made by analogy with other mine sites that had been investigated in other sectors in north-western Spain. This assumption is further supported by the discovery of some ancient ore crushers and some Roman sites in their proximity.</p>
Solution	<p>It is clear that every project carried out by the Rio Narcea company consisted in continuing operations on ore deposits that had already been mined in ancient times. Ancient mining operations left behind remains that have been inventoried and shown at their best, at least in Claude Domergue's doctoral thesis. No preservative archaeological digs have apparently been carried out in any of these mine sites. Therefore, it is hard to say whether the ancient remains and their spatial distribution have been affected by modern mining operations.</p> <p>It is obvious that there is a significant difference between the situation of the mine sites managed by the Rio Narcea company, where archaeological investigations have been very limited, and the situation of the Roșia Montană sites, where wide-scale investigative archaeological digs have been carried out since 2000. The extent of the archaeological heritage and the importance of archaeological remains from the sites mined by Rio Narcea in Spain are unknown, for lack of an effective archaeological investigation programme. However, in Roșia Montană, both surface and underground archaeological investigations have revealed, as clearly as possible, the mining remains and their importance. While the Rio Narcea company has promised to rehabilitate the mine site and to show some ancient mining remains at their</p>

best, without giving further details, at Roşia Montană the situation is quite different. Following the investigations performed by the a team of French, German and Romanian mining archaeologists, we have acquired detailed knowledge of both the surface and underground mining heritage, from ancient, medieval, modern, and contemporary periods. Further, the archaeological surveys have allowed the reconstruction of the ancient mines in Cârnic, as the 2000 years of ongoing mining of the same ore bodies, first opened in antiquity, have destroyed a part of the ancient mine remains ,and they can only be recognised today by "an expert's eye". Roşia Montană Gold Corporation (RMGC) has fully committed, in front of the competent authorities, to preserve part of these ancient mining vestiges *in situ*, to recreate true copies (at a scale of 1:1) of other types of mining works that are severely deteriorated and can no longer be saved, as well as of other types of works that will be impacted by the beginning of mining operations. This mining heritage will be shown to best advantage, safely, in compliance with national and European regulations, in a new mining museum. The public will be able to see not only evidence of ancient mining (mining works, installations, tools, types of ore), but also evidence of mining activity during the 20th century (such as conveyor belts, jaw crushers, underground mine cars, and ball mills).

Thanks to the Alburnus Maior National Research Programme, entirely financed by RMGC, which has carried out the investigative digs, we can now say that the ancient mine in Roşia Montană is large and that its importance may be supported by evidence. Before the beginning of this broad archaeological research programme, data regarding Roşia Montană's mining heritage was fragmented and limited. Even before approval of the project, RMGC has already begun fulfilling its commitments: the programme for the preservation of some mining works has already been launched, including the ancient installations for mine water drainage (such as the hydraulic wheels within the Păru-Carpeni mining perimeter); the programme for re-opening the Coş mining perimeter (the Cătălina Monuleşti gallery) has also been launched.

RMGC has complied with and continues to comply with national and international law on cultural heritage and the preservation of remains. The magnitude of the remains and heritage has only recently become known, after six years of scientific investigation carried out by the most renowned national institutions in the field. RMGC's investigation of mining archaeology has been carried out by a team of specialists well known in Europe.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	388
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0808
Proposal	<p>The questioner gives examples of risks, based on Gabriel's annual reports for 2003, 2004, 2005. In 2003, the risks related to the project, confirmed by Gabriel, cover three pages, in 2004 the list of risks covers 6 pages, and in 2005 the report included 5 pages of risks. The 2005 annual report stated as follows: "We do not have the necessary funds to begin operation" and "We do not have the necessary financial resources to develop the mine in Rosia Montana" (pages 22 and 32). It is stated in the report that "the failure to obtain additional financing could result in the delay or postponement for an indefinite term of the development of our project, with the possible loss of the company's assets". Then the questioner quotes the 2005 annual report, page 24: "depending on the price of gold or of other minerals produced, we may decide that commercial production is no longer profitable to begin or continue".</p> <p>Can the Romanian Government afford to approve a project which the project titleholder is likely to give up the next day?</p>
Solution	<p>The information discussed by the questioner comes from a section on risk factors prepared for the use of investors and potential investors in the Company. A discussion of potential risks is required by the Ontario Securities Commission for all companies listed on the Toronto Stock Exchange. Discussion of these risks serves to preclude unfair lawsuits that might be brought against Gabriel, or any other public company, if potential risks were not disclosed. Among such risk factors it may be well quoted also political instability, production and price restrictions, unforeseeable legislative, economic and politic evolutions, strikes, wars, riots, terrorism, acts of God. Such risks are uncertain, casual and future, representing a possibility analyzed at theoretical level by a diligent investor and not a confirmation of their occurrence.</p> <p>It was true in 2005 that the Company did not then have the financial resources to begin operation of the mine. The estimated capital cost to complete the development of the Roșia Montană project – including interest, financing, and corporate costs – is approximately USD 750 million. The Company anticipates financing these costs with approximately 20% equity (USD 150 million), and 80% debt, which could include senior and mezzanine or high yield debt. The Company has already raised the USD 150 million equity component and is in final negotiations for the debt component. Subsequent to submission of the EIA, technical experts representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, which should make obtaining debt financing significantly easier for the Company. We anticipate that mine operations will begin in 2009 as scheduled assuming approval of the Project in the summer of 2007.</p> <p>With respect to the statement on the profitability of the project, it was accurate at the time and remains accurate for purposes of securities regulation. However, it is necessary to put that statement in context: The fact is that the Project would still be profitable even if the market prices for gold and silver decline from their currently high levels. The estimated total cash cost to produce gold over the life of the project is USD 237/ounce. Based on a gold price of USD 600/ounce and a silver price of USD 10.50 /ounce, the total profit for all shareholders of the Roșia Montană Project is USD 1,572 million, with an internal rate of return of 26%. So the price of gold would have to drop by over two-thirds – a very unlikely prospect – for the project to be unprofitable. In this circumstance, almost every mining project in the world would be unprofitable as well.</p> <p>The Romanian Government, our partner in this joint venture, should have every confidence that Gabriel and Roșia Montană Gold Corporation RMGC will have the financial, managerial, and technical resources to begin and complete the Project from construction through post-closing activities and will conduct operations in full compliance with Romanian and European law and in accordance with international best practices.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	390
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0815
Proposal	<p>The questioner makes the following comments: The area of the Campeni/Abrud basin is seriously affected by pollution, the incidence of alcoholism and other diseases is very high, and the natural environment is seriously damaged. The cherry tree, the salamander and other animals sensitive to environmental pollution have disappeared. The questioner believes that the inhabitants of Roșia Montana are selling themselves too cheaply.</p>
Solution	<p>Roșia Montană Gold Corporation (RMGC) does not comment on the questioner statement, but references the baseline conditions studies in the Environmental Impact Assessment study report (EIA).</p> <p>These studies show the importance of approving the Roșia Montană Project (RMP). The baseline conditions in the region present a serious impediment to development other than that proposed under the RMP. Remediation of the area would be very expensive and certainly beyond the means of the local community. The RMP will generate 6000 jobs indirectly connected with the mine, and it will remove some obstacles to sustainable development, such as pollution and land dereliction. The Project would therefore serve as a catalyst for economic development in the region and support the community's initiatives to develop industries other than mining, and this is central to the Community Sustainable Development Management Plan within the EIA (Plan L).</p> <p>We disagree that the people of Roșia Montană are "selling themselves too cheaply." Local people will have the first preference for jobs at the mine. Total expenditures related to the project will be US\$ 3.7 billion. Of this US\$ 2.5 billion will be spent in Romania; thus 68% of expenditures will be made either to the Romanian government (US\$ 1.0 billion) or to Romanian suppliers of goods and services (US\$ 1.5 billion). In addition, please note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	390
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0817

Proposal The questioner requests an equitable distribution of the company's profit among all the locals from the basin area, and thus the rest of the country will benefit from this project.

The Project will benefit not only the people of the Roşia Montană area, who will likely comprise most of the workforce, but also the country as a whole. The current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of \$600/ounce and a silver price of \$10.50/ounce:

	Taxes, Fees and Government share of profits (incl. historical taxes paid)	TOTAL (\$USD million)
	-	
	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roşia Montană)	12
	Land taxes (Roşia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Total expenditures related to the project will be \$ 3,703 million. This includes Roşia Montană Gold Corporation's (RMGC) investments in initial capital, sustaining capital, and operating expenses as well as the government's share of profits, profit taxes, royalties, and other taxes such as payroll taxes. Of this \$3,703 million, \$ 2,523 million will be spent in Romania; thus 68% of expenditures will be made either to the Romanian government or to Romanian suppliers of goods and services.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	390
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0819
Proposal	<p>Multinational companies are not charity companies, their objective is to obtain profit, by whatever means, if the law allows them to. If this company has the possibility to make money and the government and the law allows it, the company will do this by causing the pollution of the entire basin of the Apuseni Mountains.</p>
Solution	<p>Roşia Montană Gold Corporation (RMGC) will conduct mine operations in full compliance with Romanian and European law, including environmental law, and in accordance with international best practices.</p> <p>It is also important to remember that the Roşia Montană Project (RMP) covers an area of 16 square kilometers, while the Apuseni Mountains cover an area of 21,000 square kilometers. The Project's impact has been further reduced by reducing the size of three of the four proposed pits in response to public consultations with stakeholders. More directly, at Roşia Montană, the Tailings Management Facility (TMF) will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification of tailings will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive. Thus, over time, the currently polluted waters, such as the Arieş River, will become less polluted.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	391
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0822
Proposal	<p>The questioner makes the following comments:When 4 villages from Rosia Montana are destroyed, no one can say that they are saving Rosia Montana.</p>
Solution	<p>It is important to remember that, as the questioner notes, the Roșia Montană Project (RMP) affects only four of the 16 sub-comuna that comprise Roșia Montană. But it is completely appropriate for Roșia Montană Gold Corporation (RMGC) to suggest that the RMP will save Roșia Montană. In place of 70% unemployment and current pollution from past poor mining practices, RMP will rely on Roșia Montană's mining heritage and tradition to serve as a catalyst for economic development, environmental rehabilitation, and the preservation of the core of Roșia Montană's cultural heritage.</p> <p>Overall, Roșia Montană will be enhanced rather than destroyed. An area of the village of Roșia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p> <p>These efforts, as well as the many economic benefits of RMP, are why we believe it is appropriate to claim that the project will save Roșia Montană and put it on a different path to a better future.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	392
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0827
Proposal	RMGC came to Rosia Montana for the money, not because it cares about the people. How much money will the company gain from this business? How much money will the Local Council of Rosia Montana gain from this business? The questioner wants to know the exact amounts, not statements that it cannot be estimated.
Solution	The Company will gain USD 1,258 million. The local council of Roșia Montană will gain direct financial benefits of USD 35 million in property and land taxes. The direct financial benefits to the Romanian State, at the local, county, and national level, are projected to be US\$ 1,032 million. The average family income in the area around Roșia Montană will also increase as a direct result of the availability of new employment in the area.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	392, 393
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucureşti, 21.08.2006, Bucureşti, 21.08.2006
RMGC internal unique code	MMGA_0829
Proposal	Is Gabriel Resources an "off shore" company? – yes or no.
Solution	No. Gabriel Resources Ltd is a Canadian-based resource company having its shares publicly listed on the Toronto Stock Exchange. Disclosure documents filed by Gabriel Resources with the securities regulatory authorities and all corporate information are available at SEDAR, the electronic filing system for public companies across Canada, as well as on Gabriel Resources official website www.gabrielresources.com .

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	392
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0831
Proposal	What percentage of the population supporting the company a lot has read the impact assessment, in the opinion of the company's representatives?
Solution	Roșia Montană Gold Corporation (RMGC) set up 45 information centers where copies of the Environmental Impact Assessment study report (EIA) were available, and 5,000 copies of the EIA were printed. Beyond this, the company has engaged in a long process of public consultation. Before submission of the EIA, RMGC changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. From the reactions to the proposal in our extensive efforts at public consultation, we are confident that the vast majority of the people of Roșia Montană support the project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	393
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0832
Proposal	How much money will the Local Council of Rosia Montana gain from this business?
Solution	The Local Council of Roșia Montană is projected to receive USD 35 million in land and property taxes over the life of the project. The Local Council will also gain a new village at Piatra Albă with new public and community buildings estimated to cost USD 11 million, all built at RMGC's expense. The Local Council will also benefit from other infrastructure improvements in roads and power.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	393
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0836

Proposal The questioner believes that this project is not profitable for the Romanian state, because the costs are huge, when compared to the 2% that it will receive.

The questioner refers only to a small portion of the direct financial benefits to the Romanian State. The royalty benefit mentioned by the questioner only represents 10% of the direct financial benefits to the Romanian State. In addition to royalties, the Romanian State receives direct financial benefits through its share of profit in RMGC, as well as profit taxes, excise and payroll taxes paid by RMGC. The Romanian State's shareholding of 19.3% is fully carried at no cost to the government. In total the direct financial benefits to the Romanian State are estimated at US\$ 1,032 million, as listed on the table below. In addition, RMGC will purchase US\$ 1.5 billion in Romanian goods and services over the life of the project.

The financial benefits to the Romanian state are as follows, assuming a gold price of \$600/ounce and a silver price of \$10.50/ounce:

	<u>Taxes, Fees and Government share of profits (incl. historical taxes paid)</u>	<u>TOTAL (\$USD million)</u>
	-	
Solution	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roșia Montană)	12
	Land taxes (Roșia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	393
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0838
Proposal	<p>The questioner emphasizes that the Academy, the Orthodox and Catholic Church, the Reformist Church, the Hungarian state oppose this project, and this should be a warning signal.</p>
	<p>SC Rosia Montana Gold Corporation SA (RMGC) has taken into account the views of these respected institutions. The project proposal submitted to the Ministry of Environment and Water Management (MEWM) takes into account the views of these institutions.</p> <p>The most recent position of the Romanian Academy regarding the Roșia Montană project was made public on February 27, 2006, almost three months before the RMGC submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management. RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the Ministry.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p>
Solution	<p>Based on comments by the Holy Synod and spiritual leaders of other faiths dating back to 2003, the Roșia Montană Project was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p> <p>The fact that 98% of people in the village's industrial zone have scheduled surveys to assess their property indicates they are considering accepting RMGC's offer to purchase their homes. We trust that as the community indicates its support of the RMP, churches will reflect their congregations' wishes. The churches have followed the human communities providing them religious service and support.</p> <p>The Hungarian Government was also given the opportunity to express its views. And following completion of the public consultation process in Romania, two public meetings were held in Hungary, in Budapest and Segzed. An ad hoc committee of European experts (IGIE), which included two Hungarian experts, reviewed our EIA indicating the project was well developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and our response is included as a reference document to the Annex.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	397
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0846
Proposal	<p>The company has beautifully presented other mines from Western Europe and New Zealand, but there have also been numerous accidents in those mines. Why don't they mention anything about them? There was an accident in Italy, due to the failure of the dam of a tailings management facility, which devastated two towns.</p>
	<p>Unfortunately, accidents have occurred in the mining industry as they do in other industries as well. But the industry has learned from these tragic events to improve all aspects of mine safety.</p> <p>The comment refers to the 1985 Stava accident. As a result of that accident, but also of many others (such as that in Seveso in 1976, or that in Baia Mare, in 2000), very strict regulations for the industry and for protection of the environment were adopted, such as the Seveso and Seveso II European directives, as well as the International Cyanide Management Code, which regulates the use of this substance in the industry and the Mining Waste Directive no. 2006/21/EEC. It should be also mentioned that the Mining Waste Directive has not been transposed into Romanian legislation up to date.</p>
Solution	<p>The Roșia Montană project complies with Romanian and European law as well as with the Cyanide Management Code, to which Gabriel Resources Ltd./RMGC is a signatory. The mining projects in Spain and the New Zealand which were presented during the public consultations are examples, along with many others in Europe and around the world, that prove that a mining operation may operate safely.</p> <p>The Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	400
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0862
Proposal	<p>The questioner mentions the official standpoints of the Romanian Academy and the Romanian Orthodox Church, which are against the project.</p> <p>It is important to consider revisions in the plans of Rosia Montana Gold Corporation (RMGC) which address concerns of both the Romanian Academy and the Romanian Orthodox Church.</p> <p>The most recent position of the Romanian Academy regarding the Roșia Montană Project (RMP) was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study (EIA) to the Ministry of Environment and Water Management (MEWA). RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the MEWA.</p>
Solution	<p>We would be happy to meet with the Academy to answer any questions regarding the project.</p> <p>Responding to comments by the Holy Synod dating back to 2003, the Roșia Montană Project was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p> <p>The fact that 98% of people in the village's industrial zone have scheduled surveys to assess their property indicates they are considering accepting RMGC's offer to purchase their homes. We trust that as the community indicates its support of the RMP, churches will reflect their congregations' wishes. The churches have followed the human communities, providing them religious service and support.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	400
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0863

Proposal Concerning the economic benefits of the Romanian state, estimated at approximately 40-50 million per year, the questioner states that the information on the internet indicates that the total project cost is USD 1.6 billion, of which 500 million is the share of the Romanian state, contradicting the company's statements made during the public meeting, according to which the Romania state's share is one billion. The company does not have the exact figures yet, still it asserts them.

The current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of \$600/ounce and a silver price of \$10.50/ounce:

	<u>Taxes, Fees and Government share of profits</u> <u>(incl. historical taxes paid)</u>	TOTAL (\$USD million)
	-	
	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roșia Montană)	12
Solution	Land taxes (Roșia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	400
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0866
Proposal	The questioner thinks that the media supports RMGC, and that this should not happen, because the media is supposed to be objective.
Solution	<p>We express no position on whether the media supports the Project or not, as in all democratic societies, media, should play an important communications role: facilitating public discourse, informing the public, representing the public opinion and acting as a watchdog of the power structures that effect public's well being. Our objective has simply been to present comprehensive views of the project to the public in order to increase awareness on a project that is so important to the economic development of Romania. RMGC believes that this is an important and normal part of debate in a democratic society.</p> <p>As a part of the process for approval of the Project, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law. The company has held 14 public meetings in Romania and two in Hungary because of high public interest there. This is not simply a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	401
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0867
Proposal	<p>The questioner makes the following comment: Since the company's representatives claim that they will provide food, shelter and other things to the locals, since everything will be so beautiful in case of project implementation, why doesn't RMGC add the title "archangel" before the name Gabriel?</p>
Solution	<p>Like any resource industry, gold mining can be carried out responsibly or recklessly, serving the short-term interests of a few or the long-term interests of all. Within the concept of modern business development, RMGC and Gabriel understood the role of sustainable development, pledging – on its own initiative – a responsible cleaning and rehabilitation of the area to ecological health.</p> <p>The endeavor undertaken by us is neither extraordinary nor impossible and we want to show the community another way of mining, where Gabriel and its management seek to conduct their business according to the highest standards of corporate ethics. We will operate the Project in full compliance with Romanian and European law and in accordance with international best practices.</p> <p>Our objective is to leave Roșia Montană better after the Project is completed than it is now. We believe the Project will serve as a catalyst for economic development for the region and lead to many economic, environmental, social, and cultural benefits for the region and for Romania. In the development of the project, Gabriel will work closely with the Romanian state, which is the other principal shareholder in RMGC.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	403
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0873
Proposal	<p>During the public consultation, the company stated that cyanide is as dangerous as the chlorine from the water, therefore RMGC's representatives can be invited to have a glass of water containing cyanide.</p>
Solution	<p>The reference made in the public consultation was to the fact that the water in the Tailings Management Facility at the Roșia Montană Project will comply with the concentration of cyanide than would be permitted under the new EU Mining Waste Directive, as explained below.</p> <p>Cyanide is a toxic compound and it must be handled and managed carefully. Still, it disintegrates rapidly in normal atmospheric conditions into non-hazardous substances, unlike mercury, for instance. The Roșia Montană Project will use the best available technologies for the extraction of gold and management of wastes and will comply with the European Directive regarding management of wastes containing cyanides.</p> <p>Cyanide is one of the few substances that can dissolve gold. It is used in hundreds of gold mines around the world and in many other industries. At Roșia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (approx. 5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive. Mine waste in the EU is currently permitted to have a 50 ppm concentration of cyanide, which the Directive reduces to 10 ppm for new mines. Roșia Montană's TMF will have a concentration of approximately 5-7 ppm.</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this Code. The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Roșia Montană Project is a Best Available Technique as defined by the EU.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	404
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0874
Proposal	The questioner wants to know why the company answers with its own propaganda to all the questions addressed by the public.
Solution	<p>RMGC believes that its endeavor to present comprehensive accurate and scientifically based answers to the justified concerns of the community cannot be interpreted as propaganda and that it is highly important to present such views of the project to the public given the importance of the project to the economic development of Romania. RMGC believes that this is an important and normal part of debate in a democratic society.</p> <p>As a part of the process for approval of the Project, RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law. The company has held 14 public meetings in Romania and two in Hungary because of high public interest there. This is not simply a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p> <p>Our position is not propaganda but a summary of the commitments we have made to the Romanian Ministry of Environment and Water Management and to the local communities for a constructive and sustainable development of the Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	407
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0876
Proposal	<p>How will the Romanian government safeguard the constitutional right to ownership, the right to a healthy environment, if the locals refuse to move from Rosia Montana?</p>
Solution	<p>In order to obtain the private lands necessary to the Roșia Montană Project's implementation, RMGC first of all relied on the "free consent sale and buying principle". Towards such end, RMGC has elaborated correct indemnification offers (rightful compensation) for the locals affected by this project. These offers are in total accordance with the World Bank's policy in this domain, as they are detailed in the Resettlement and Relocation Action Plan, document presented by RMGC for Roșia Montană project on the official company's web-site.</p> <p>The design and placement of the Project's facilities are performed in such way so that the number of the affected people should be as low as possible.</p> <p>The construction and operation of the Roșia Montană Project requires the acquisition of properties in four of Roșia Montană's 16 sub-communes. For the most part, therefore, property ownership in the larger part of Roșia Montană will not be affected by the project. In fact, the number of homes that the company must purchase to construct and operate the project over the life of the mine – 379 homes – is far smaller than the 1000 homes project opponents regularly reference.</p> <p>In order to acquire the necessary properties, the company has established a property purchase program compliant with the RRAP guidelines developed by the World Bank.</p> <p>As the mining project proceeds in phases, it is not necessary to acquire all properties at the outset. Accordingly, the company has focused on properties required for the construction and operation of the mine in its first five years. To date, more than 50% of the properties needed to construct the project and operate the mine for the first five years have been acquired.</p> <p>Of those properties needed, 98% have been presented for surveying by their owners – a step that implies an interest in selling the property to the company. The survey rate suggests that little more than a handful of properties are held by people who might prove unwilling to entertain a sale.</p> <p>Of that small number, some will lie in areas not needed for construction and early operation of the mine.</p> <p>Of the even smaller number of homes that are located in areas in which the construction and early operation of the mine will take place, the company will seek options to redesign the mine plan to allow those owners to retain their property, unaffected by the mine.</p> <p>Of course it may prove, at the end of all of these efforts, that a very small number of property owners – perhaps a few families – will refuse to sell their holdings. At that point, the decision falls to Romanian Government authorities as to whether they will exercise the legal instruments available to them to expropriate the properties. That decision will turn on whether a small number of people, perhaps a handful, should prevail (via a de facto veto power) over the majority will of local residents and Romania's national interests as a whole to benefit from the creation of 600 direct jobs, 6,000 indirect jobs and the infusion of \$2.5 billion USD in investment in a rural region that has been designated a "Disadvantaged Zone" and knows only extreme poverty at present.</p> <p>As for the law itself, the Art.1 of the Law no. 33/1994, regarding the expropriation for cases of public</p>

utility and published in the Romania's Official Gazette Part 1 no. 139/02.06.1994, stipulates that the expropriation of buildings, [...] may be done only for a case of public utility. Also, the Art. 6 from the same law mentions that "the followings are of public utility: geological prospecting and exploring, extraction and processing of utile mineral substances".

In conclusion, the expropriation, performed according to the legal and constitutional provisions, represents therefore one of the obtaining modalities of utilization right over the lands necessary for a mining project development, this modality being expressly stipulated in Art.6 of the Mining Law no. 85/2003 and Art. 6 of the Law no.33/1994.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	407
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0877
Proposal	How will RMGC finance the project, until its completion?
Solution	<p>Gabriel Resources Ltd. is solely responsible for raising the capital necessary to complete this project and is fully capable of doing so. The estimated capital cost to complete the development of the Roșia Montană project – including interest, financing, and corporate costs – is approximately USD 750 million. The Company anticipates financing these costs with approximately 20% equity (USD 150 million), and 80% debt, which could include senior and mezzanine or high yield debt. The Company has already raised the USD 150 million equity component and is in final negotiations for the debt component. Subsequent to submission of the EIA, technical experts representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns. As a result, the company expects to complete financing in parallel with the EIA approval.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	407
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0878
Proposal	Why does the company bribe people? The questioner says that he was invited to Abrud to support Eurogold, for 1 million lei. He cannot give names, but the guys that the company showed to him are the people who offered him the money.
Solution	<p>Both RMGC and Gabriel Resources are deeply committed to compliance with the laws and regulations in all jurisdictions in which they operate. All directors, officers, employees, contractors and consultants, in performing their duties, are required under corporate policy to comply with the laws, rules and regulations of the location in which Gabriel is performing business activities and will provide annual certification to that effect. The Chief Executive Officer of Gabriel will be responsible for ensuring that all annual certifications are obtained on or before the end of the first fiscal quarter of each year, and for providing written confirmation to the Board of Directors that such certifications have been obtained and summarizing the results thereof.</p> <p>No one working for Gabriel, regardless of his or her position, is or will be allowed or determined to commit an illegal or unethical act, and neither will such person be allowed to instruct other employees to do so. For the scope on ensuring the strict observation on the above, each employee will provide annual certification to that effect in accordance with the Company's policy.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	407
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0879
Proposal	The questioner wants RMGC's representatives to tell everybody why, in their opinion, the European Union does not approve the project.
Solution	<p>We respectfully suggest that the questioner's information is inaccurate. One committee of the European Parliament considered a resolution against the Project, but it was not adopted as part of Parliament's formal response to the report on Romanian preparations for accession to the EU. In any event, the Environmental Impact Assessment had not been prepared at that time, so the committee had no information on the project as it was formally submitted for approval. In this context, it is worth recalling that before submission of the EIA, RMGC had changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p> <p>Further, the European Commission has expressed the view that the decision on the Project is within Romania's sole competence.</p> <p>Furthermore, kindly note that in accordance with the relevant Romanian legislation (i.e. art. 45 of Order no. 860/2002) only the Romanian competent authority for environmental protection is entitled to issue or deny the environmental approval for the project, the European Commission having no competence in this subject.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	410
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0880
Proposal	<p>The questioner supports the project and emphasizes that a civilized partnership should be in place, to monitor the operations and, in case of failure to comply with the standards stipulated by the project, the necessary measures to be taken.</p>
Solution	<p>We agree that there is a basis for true partnership between the company and the community.</p> <p>Right from the beginning, RMGC has made it clear that it wants to work with the people who will be directly affected by the project. RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process, with 14 public meetings in Romania. RMGC supports this process and believes it is important in a democratic society.</p> <p>The local region will benefit from the partnership. RMGC currently employs almost 500 people, of whom more than 80 % live in Roșia Montană, Abrud, and Câmpeni. The RMP will employ an average of 1,200 people during the two-year construction period. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs. All this underscores the significant opportunities for the people of Campeni and the entire region.</p> <p>The nation will also benefit. The Romanian government's ownership share of 19.3% is fully carried and results in a profit to the Romanian state of USD 306 million. Total direct cash benefits to the Romanian state, including the payment of profit taxes, royalties, and other taxes such as payroll taxes, are USD 1,032 million.</p> <p>This Project, unlike past mining at Roșia Montană, will be operated in accordance with international best practices for mining. For the first time, it will bring best available techniques (BAT) to Romania. With respect to the cultural heritage of the village, it is important to remember that the project affects only four of the 16 sub-communes that comprise Roșia Montană. An area of the village of Roșia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	414
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucureşti, 21.08.2006
RMGC internal unique code	MMGA_0882
Proposal	The questioner makes the following comments:From the point of view of the country's economy, this project is a disaster, because a Canadian company comes here to mine Romanian gold.
Solution	<p>This is a project of national strategic importance, and RMGC is the largest employer in this disadvantaged region – indeed the whole county – and is the largest local taxpayer. Romania will receive about US\$ 1 billion for its share of the project, and a total of about US\$ 1.5 billion when one includes the value of goods and services procured in Romania.</p> <p>RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. In fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring the best available techniques to Romania. Approval of this project will show the world that Romania welcomes this type of productive foreign investment. The profits from the mine and the jobs provided by the mine are tangible benefits to Romania. In total, on the order of US \$2.5 billion will be infused into the Romanian economy over the life of the mine.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	414
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0885

Proposal	The films presented during the public meetings are not real, these are only scenarios.
	Unfortunately, the situation in Roșia Montană as the Company presented it during the public meetings is accurate. As a part of the EIA process, RMGC prepared several baseline studies which are presented in the EIA relating to health, noise and vibration, the aquatic environment (comprising water quality, biological and bacteriological conditions, and sediments), cultural heritage, hydrogeology, meteorology, biodiversity, air, and soil.
Solution	The EIA report indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. This presents a serious impediment to development other than that proposed under the Project. Remediation of the area would be very expensive and certainly beyond the means of the local community. However, the EIA report also noted that the Project would not halt development of alternative industries in parallel with the Project and would in fact remove some of the current obstacles to sustainable development, such as pollution from past mining. The Project would therefore support the community's initiatives to develop industries other than mining, and this is central to the Community Sustainable Management Plan attached to the EIA report (Plan L).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	419
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0897
Proposal	The organization represented by the speaker considers this project to be immoral, anti-regional, anti-national, anti-European, anti-ecological, aiming to corrupt and disseminate hatred.
Solution	<p>As regards the questioner's allegations, we consider that the RMP is neither immoral, anti-regional, anti-national, anti-European nor anti-ecological.</p> <p>We are lead to this conclusion by the fact that that the RPM is a legitimate business development performed with the strict compliance of all relevant mandatory Romanian and EU laws. Furthermore, the Project, as it is proposed by RMGC, will provide many benefits for the people of Roșia Montană and the entire region, including employment and environmental remediation.</p> <p>Just to name a few of the benefits for Romania, the Romanian Government will receive approximately US\$ 1,032 million from its share of the profits of the Project and profit taxes, royalties, and other taxes such as payroll taxes that RMGC will pay.</p> <p>The Project will fully comply with all Romanian and European law, including the Mining Waste Directive, and in accordance with international best practices.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	421
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0902
Proposal	The questioner thinks that RMGC speculates the future of the locals from Rosia Montana on the stock exchange.
Solution	RMGC's vision is that responsible mining will lead to value for all our stakeholders, including the local population of Roșia Montană. To this end, we raise equity capital on the Toronto Stock Exchange to assist in financing the project. Generally speaking, the Stock Exchange is a system which provides facilities for <u>stock brokers</u> and <u>traders</u> to trade company <u>stocks</u> and other <u>securities</u> . It also provides listed <u>companies</u> with the facility to raise <u>capital</u> for expansion through selling <u>shares</u> to the <u>investing</u> public, at the same time imposing more stringent corporate governance rules for listed corporations such as Gabriel Resources.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	421
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0903
Proposal	<p>The questioner wants to know if the company representatives are going to erase Roșia Montana – as it is now</p>
Solution	<p>The Roșia Montană project as proposed in the EIA does not imply any erasing of the locality of Roșia Montană but also provides viable solutions for improvement and re-habilitation of the entire area, creating the premises for further sustainable development.</p> <p>It is important to remember that the project affects only four of the 16 sub-comuna that comprise Roșia Montană. There is a buffer zone in the village itself, and the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites in the Pietra Albă area (situated at approximately 6 km away from the historical center). This site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. (Only the school will be built in a modern architectural style.) A new neighbourhood will also be built in Alba Iulia. All relocations will be conducted according to the Resettlement and Relocation Action Plan, which fully complies with World Bank standards for involuntary resettlement of individuals.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	421
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0904
Proposal	The questioner thinks that the inhabitants of Rosia Montana are poor and stupid, and that RMGC has starved them in order to make them the company's slaves.
	As regards the questioner's allegations kindly note that RMGC strongly rejects such accusations and to the contrary provides legally compliant and economically viable solutions as to enhance the status of the area and of its inhabitants.
Solution	In support of our affirmations, kindly note that RMGC already legally employs 500 people in the region, and employment will expand as the mine is constructed and begins operations. In addition, about 6000 jobs will be generated indirectly by the Project.
	Above all, RMGC proves its high regard to the members of the community in the area and considers a priority to consult them towards a modern and sustainable development of the area in which RMGC is committed to implement a project that will reinvigorate the local economy and honor cultural patrimony, while setting world-class standards for environmental and social responsibility.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	425
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0916
Proposal	<p>Local inhabitants in Abrud say there is no water available in the area, but the problem was caused by a similar mining project that went wrong. How will they get the necessary water after the closure of the project or even during the project? I happen to know that Piatra Alba area does not have too many springs.</p> <p>Indeed, presently Abrud has problems with the water supply; however this is not due to any mining project. The town of Abrud is facing this problem due to the undersize of the intake, and losses in an antiquated distribution network. The intake is located somewhere at the border with Hunedoara County (Ciuruleasa), the secondary flow being ensured by the catchment of several streams under the Vulcan Mountain.</p>
Solution	<p>In 2004, RMGC provided logistical support to the Town Hall of Abrud, for the execution of deep drillings. However, no significant water resources have been identified, such as to ensure the necessary flow for the town. The only viable solution which currently forms the object of a SAMTID project is a water delivery canal from the Mihoești Dam, which also supplies water to the town of Câmpeni.</p> <p>During the life time of the project, the local wells and streams will be used to supply the drinking water for the site organization. If necessary, the drinking water may be supplied in tanks or bottles, from alternative sources, on a daily basis, as is common in industrial projects of this type.</p> <p>For the Piatra Alba area, the catchment of the streams from the Vârtope area has been considered, for the purpose of supplying water to the resettlement area, and supply is adequate to meet community demand. All details may be found in the documentation prepared for the relocation area project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	426
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	București, 21.08.2006
RMGC internal unique code	MMGA_0920
Proposal	<p>It has been stated in the EIA that the unemployment rate in Rosia Montana is approximately 80%. It is indeed tragic, but it would be even more tragic, for Romania in general and not only for the people in Rosia Montana, if the unemployment rate reached 80% in all Romanian rural areas or in the majority of the Romanian rural areas. Therefore, this is an issue difficult to discuss, unemployment is a national plight.</p>
Solution	<p>In a monoindustrial area as Roșia Montană is, to have a private investor that would act as a catalyst for the economic development of the whole area is viewed by many as a real opportunity.</p> <p>The presence of the Roșia Montană Project as a major investment will improve the area's economic climate (please see Benefits Appendix), encouraging and promoting the development of non-mining activities (please see Annex 4 – Roșia Montană Sustainable Development Programs and Partnerships). It is further expected that the improved investment climate, combined with a functioning market economy, will result in the identification of new business opportunities that can develop concurrent with the Project.</p> <p>Training programs are made available, free of charge, to anyone from the local community interested in working for the company. At the 8 HR offices in Roșia Montană, Abrud, Câmpeni, Bucium, Zlatna, Baia de Arieș, Brad, Vadu Moților, people can find details about the training programs [1]. Should positions still not be filled from labour available at the local level, recruitment will take place at the regional and national level.</p> <p>The United Nations Development Program (UNDP) recently embarked with Alba County authorities on a Local Agenda (21) initiative to help all development opportunities in the Alba County.</p> <p>Reference: [1] Please contact the RMGC's representatives: - at the Rosia Montana office phone number: 0258 783014, - Mihon Dana at ph.no.: 0729 399159; email address: dana.mihon@rmgc.ro, - Mera Tiberiu at ph.no.: 0729 399430; email address: tiberiu.mera@rmgc.ro, - Raul Gombos at ph.no.: 0729 399428; email address: raul.gombos@rmgc.ro</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	433
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0928
Proposal	<p>There was a lot of talk about money, a lot of money - \$ 1 billion - that will be invested in the project, are directed towards the inhabitants. Under these circumstances, anyone will be thrilled at the project. But what will the money be used for? Destroying the environment, leaving behind some “pretty” pits, filling the area with cyanide etc. If a company, a big hotel chain came and offered everyone a job and better salaries, people would approve of it.</p>
Solution	<p>It is understandable that the past history of mining in Romania would leave deep cynicism, but Roşia Montană Gold Corporation (RMGC) is determined to leave a legacy of pride in Roşia Montană. As detailed in the Environmental Impact Assessment study report (EIA), the company will undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current project but to clean up the effects of past poor mining practices as well. There will be less pollution at the site after the mine closure process is complete than there is now.</p> <p>Moreover, this project, unlike past mining at Roşia Montană, will be operated in accordance with international best practices for mining. For the first time, it will bring Best Available Techniques (BAT) to Romania.</p> <p>The EIA that RMGC submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. The EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP).</p> <p>Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	433
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Bucuresti, 21.08.2006
RMGC internal unique code	MMGA_0929
Proposal	The speaker claims that no other investors have come to the region so far because Gabriel Resources is an extraordinary solution for the government: RMGC makes a profit, and so does the Government while people fight among themselves.
Solution	The Roşia Montană mining project will be conducted in full compliance with all Romanian and European law and in accordance with international best practices. As the same rules, regulations and enactments apply to any investor, Government or private companies such as Gabriel Resources can neither prevent nor oblige investors to decide developing their business and injecting capital in a certain area, such as Roşia Montană.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	435
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0934
Proposal	What form will the 68% profit for Romania take?
Solution	The Company has not claimed that the profit for Romania will be 68% but rather that Romania will receive 68% of the economic activity generated by the project. Total expenditures related to the project will be \$ 3,703 million. This includes RMGC's investments in initial capital, sustaining capital, and operating expenses as well as the government's share of profits, profit taxes, royalties, and other taxes such as payroll taxes. Of this \$ 3,703 million, \$2,523 million will be spent in Romania; thus 68% of expenditures will be made either to the Romanian government or to Romanian suppliers of goods and services.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	438
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0936
Proposal	<p>What did the Romanian engineering experts, along with the authorities and the politicians who had ruled the country after 1989, to lead Rosia Montana to closure? Why did the mining exploitation have to end up in bankruptcy?</p>
Solution	<p>The operations in Roşia Montană perimeter of CNCAF Minvest SA - Roşiamin Subsidiary, company whose sole shareholder is the Romanian State, have ceased in accordance with the national policy on state-supported mines, as part of the negotiations paving the way for Romania's accession to the EU.</p> <p>Under The Mining Industry Strategy for 2004-2010 approved by GD no. (615/2004), the closure of unviable mines has been decided by the Government as a measure to mitigate the financial losses of state subsidized mining sector. The causes which led to mine closure are common to all state subsidized sector, as described in The Mining Industry Strategy for 2004-2010 Chapter (1) - Analysis of the mining industry evolution and current status being, among other, the lack of investments, equipment and infrastructure, the oversized employment and old technology.</p> <p>By the end of 2006, the closure of 462 [1] mines and quarries has been approved by Government Decision, and the process continues in 2007 with other mining objectives, among which is the one developed by CNCAF Minvest SA - Roşiamin Subsidiary.</p> <p>Reference: [1] "Status of mine closure and environmental rehabilitation" from the Ministry of Economy and Commerce official website http://www.minind.ro.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	438
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0937
Proposal	<p>The questioner has nothing against investors, but does not agree with them coming and taking all the wealth out of the country.</p>
Solution	<p>The Roșia Montană Project is not a case of taking wealth out of the country – rather, it is an example of Romania taking advantage of foreign investment to develop its resources in a way that will benefit the local community and the country as a whole.</p> <p>That is why no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring best available techniques (BAT) to Romania.</p> <p>To begin with, RMGC assumes the financial risk. By the time production begins, the company will have invested almost US\$1 billion. But many of the direct financial benefits accrue to the Romanian State, which through the Ministry of Industry and Commerce (“MEC”) has a 19.3% ownership interest in the project. Total direct cash benefits to the Romanian state, including the payment of profit taxes, royalties, and other taxes such as payroll taxes are US\$1,032 million.</p> <p>In addition to the direct financial benefits, there are the indirect benefits related to the economic activity generated. A total of US\$ 1.5 billion of Romanian goods and services will be acquired during the life of the project. The approval of the project will also result in the clean-up of pollution from past poor mining practices. In a no-project scenario, the cost of this cleanup would be the responsibility of the Romanian state.</p> <p>Working with international investors offers another benefit, hard to quantify yet valuable nonetheless: Approval of this project will show the world that Romania welcomes this type of productive foreign investment. It will serve as a magnet to foreign direct investment that can help generate wealth creation, jobs and an improved standard of living.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	442
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0942
Proposal	The questioner is surprised to see that Cepromin Deva does not take part in the public debate.
Solution	As far as we know the representatives of Cepromin attended the public consultation meeting in Deva.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	446
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0946
Proposal	The questioner makes the following observations and comments:He says he was surprised to receive the envelope sent by the company and draws attention on the fact that, as a priest, he cannot adopt a different position from that of the Church. Therefore he strongly opposes the project.
Solution	Every person is of course free to decide whether to support this or any project. As for church authorities, while the Holy Synod is often invoked as opposing the Roşia Montană Project based on its 2003 statements, the project being assessed in the present Environmental Impact Assessment study (EIA) process differs significantly from the project as planned in 2003. In the particular case of churches in Rosia Montana, the mine design now limits the number of churches to be moved. Only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of Rosia Montana Gold Corporation (RMGC). Churches construction is a central element in the new community of Piatra Albă being built by the company.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	446
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0947
Proposal	The questioner joins the others in expressing concern over a possible accident.
	<p>Accident prevention begins with an operational and mining plan designed to Best Available Techniques (BAT) and practices consistent with national and international norms for responsible mining.</p> <p>RMGC has adopted Emergency Preparedness and Spill Contingency Plans in accordance with the United Nations Environmental Program "APEL for Mining" the "Seveso II" EU Directive on the control of major accident hazards, and the Romanian regulations and best management practices.</p>
Solution	<p>The Company's Accident Prevention Policy provides procedures and plans for the prevention, minimization, and removal of accidental spills from retention systems, fires, explosions, or equipment failure and procedures for transporting, storing, and handling of hazardous substances, including cyanide; the operation and active monitoring of the Tailings Management Facility; and management of explosives, fuel transport, transfer and storage; and facility safety systems.</p> <p>The Company will be prepared to response with well equipped and trained personnel and to work with the local community, as necessary.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	451
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0955
Proposal	Once the project is launched, does the company plan to invest in Certej also?
Solution	According to public information available on the official site of the National Agency for Mineral Resources www.namr.ro , "Active licenses" section, the exploitation license for Certej perimeter belongs to the company "Deva Gold" - S.A. Gabriel Resources and Roşia Montană Gold Corporation have no plans to invest in the Certej project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	452
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0957
Proposal	The quantity of information available on the ENA website was extremely large and impossible to download, several days were not enough to download it. This is an utter disgrace.
Solution	Roşia Montană Gold Corporation (RMGC) set up 45 information centers where copies of the environmental Impact Assessment study report (EIA) were available, and 5,000 copies of the EIA were printed. So the EIA was made available to the public in other ways besides the Internet. Beyond this, the company has engaged in a long process of public consultation. Before submission of the EIA, RMGC changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. From the reactions to the proposal in our extensive efforts at public consultation, we are confident that the vast majority of the people of Roşia Montană support the project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	455
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0963
Proposal	<p>How do the people who have drafted and have permitted so far the project feel, considering the fact that the landscape will change radically and the gold ore will be mined to exhaustion in a very short time? Roman galleries will be destroyed and the Romanian state and local population will have practically no profit. The only ones to register considerable profit will be the people selling the gold production abroad, taking into account the fact that gold price rose two and a half times in the last two years. Hence the big fight.</p>
Solution	<p>The Roşia Montană Project is projected to last nearly 20 years (2 years of construction followed by 17 years mining operations). Readers will decide whether this is a “very short time” or not, especially for an area with 70% unemployment at present.</p> <p>Overall, the project will infuse more than USD \$ 2,5 billion into the Romanian economy. Here, too, readers can decide whether this is “practically no profit” for Romania.</p> <p>On the subject of destroying patrimony as a result of the mine, the company has invested USD \$ 10 million to recover patrimony dating to ancient Roman times – to the extent it has not been destroyed by time or the indiscriminate mining practices of the past. The special Rapporteur from the Parliamentary Assembly/Council of Europe called the company-financed effort “an exemplary project of responsible development.” Readers will decide whether to accept or reject the Council of Europe’s assessment.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	455
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0964
Proposal	What are the reasons for the Romanian Academy to oppose the project and what did the project leaders answer to the problems raised by this institution?
Solution	<p>The most recent position of the Romanian Academy regarding the Roşia Montană project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment study (EIA) to the Ministry of Environment and Water Management (MEWM).</p> <p>Rosia Montana Gold Corporation (RMGC) made significant changes to the project design, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA.</p> <p>Thus the position does not reflect changes to project design or an analysis of the EIA that was actually submitted to the MEWM.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	455
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0966
Proposal	Where exactly was a similar project carried out in the USA, Canada or the European Union? Why should we always be the first to experiment?
Solution	The mining project proposed for Roşia Montană is not an experiment. Instead, it is a project similar to other projects currently in operation in Europe (EU countries, Russia, and Turkey), North America (USA, Canada), Australia, New Zealand, Asia, and Africa. Around the world, there are over 90 mining operations that use the same or similar technology to that proposed for Roşia Montană.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	455
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0967
Proposal	Taking into the account the fact that operations will be highly automated, where will the jobs be created? On the cyanide lake?
Solution	<p>S.C Roşia Montană Gold Corporation S.A (RMGC) currently employs almost 500 people, of whom more than 80% live in Roşia Montană, Abrud, and Câmpeni. The Roşia Montană Project ("RMP") will employ an average of 1,200 people during the two-year construction period. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of Roşia Montana Project (RMP), with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community. RMGC has already established a protocol with the local authorities to ensure that residents of the local community have first preference for these jobs. Beyond this, we estimate that there will be 6,000 new jobs in the region indirectly resulting from the Project. All this underscores the significant opportunities for the people of the region that approval of the Project offers.</p> <p>To answer the questioner's question, construction of the Tailings Management Facility will require employment during the period of mine operations. The Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	455
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0968

Proposal Although much has been said about the environment problems solved by the project, the Environment Ministry representatives raised the least number of questions on these aspects.

The environmental impact assessment procedure is performed according to the provisions of Order of Ministry of Waters and Environmental Protection no. (860/2002) regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002"). Therefore, please note that the environmental competent authority has the following main competence in this respect:

- (i) art. 2 (1) of Order no. (860/2002) provides that *"the environmental impact assessment procedure is managed by the public environmental protection authorities"*;
- (ii) art. 11 (2) of Government Decision no. 918/2002[1] on the establishing of the framework procedure for the environmental impact assessment and for the approval of the list of private or public projects subject to this procedure ("GD no. 918/2002") provides that the report to the environmental impact assessment study is subject to the comments of the public;
- (iii) art. 12 (1) of GD no. (918/2002) states that *"the competent environmental protection authorities informs the public on any request of environmental approval for the projects subject to the environmental impact assessment procedure within a term as to allow the public to express their opinion before granting the environmental approval"*;
- (iv) art. 28 of the Order (860/2002), provides that " based on the results of the public debate:
 - "a) *the environmental protection relevant authority evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for solving the indicated issues [...]*";
- (v) art. 29 of the Order no. (860/2002), states that after receiving from the project titleholder the appendix to the report on the environmental impact assessment study, which comprises solutions for solving the public proposals/comments, the environment protection public authority:
 - "a) *analyses the report on the environmental impact assessment study, the appendix comprising solutions for solving the public proposals/comments, as well as the information and documents received from the titleholder, including the security report, as the case may be;*
 - b) *calls for a meeting the technical analyses commission;*
 - c) *presents to the technical analyses commission the conclusions regarding the report on the environmental impact assessment study, the security report (as the case may be), the solutions for solving the public proposals/comments and the proposal for the procedure continuation".*

Solution

Moreover, please note that S.C Roşia Montană Gold Corporation S.A (RMGC), organized with the observance of the incident legislation, public consultations in 14 localities in Romania and two in Hungary in order to allow the interested public to express their observations, comments, and questions regarding the Report to the Environmental Impact Assessment study of the proposed project.

The Ministry of the Environment and of Water Management will analyze this report only after the completion of the information and public consultation phase, including receiving from RMGC answers to the issues raised by the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	456
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0970
Proposal	<p>The questioner mentions the zero alternative and points out the current ecological disaster at Rosia Montana, which will not be solved without a considerable amount of money. The experts' role is to minimise any risks caused by the use of cyanide, as well as by any other activity, since it is well known and generally agreed upon that there are no activities without risks.</p>
Solution	<p>S.C Roşia Montană Gold Corporation S.A (RMGC)agrees with the questioner's view as regards the need of a economically viable investment in the area in order to mitigate the problematic ecological legacy left by the past poor mining practices. At present, the existing condition of the site is characterized by extensive water pollution with derelict mined land and unrehabilitated waste heaps.</p> <p>RMGC is committed to implement and conduct a project that will provide the necessary funding and professional expertise for a benefic ecological rehabilitation of the area to be undertaken in compliance with the relevant mandatory Romanian and EU legislation. At the same time, the hazards posed by the use of cyanide in the proposed RMP have been identified in the EIA report and the ways in which the risks have been reduced have been fully described.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	456
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_0971
Proposal	The questioner hopes that the experience acquired during the Rosia Montana project and during these talks (public consultation meetings – translator's note) will also be of help for the Certej project.
Solution	<p>We appreciate the comment and certainly believe that public consultation is a useful and important part of the permitting and Environmental Impact Assessment process. We hope that the public has achieved a better understanding of the many advantages that use of modern mining techniques can bring to Romania, not only in Roşia Montană, but perhaps in other projects as well.</p> <p>Moreover, we give you our assurance that the Project will be conducted in full compliance with Romanian and European law and in accordance with international best practices. This responsible manner of conducting a mining project, we believe it might set a standard in the Romanian mining industry.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	457
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0972
Proposal	The inquirer wants to know if RMGC has allocated funds for Valea Sesei pond, in order to contribute to the safety works required for the dam, given the fact that the dam shows low stability. At present, MINVEST Deva carries out works meant to ballast the embankment of the dam but it has run out of money.
Solution	We believe that the questioner is mistaking Valea Şesei, which is the tailings dam for Roşia Poieni, with Valea Seliştei, which is the tailings dam for RoşiaMin. It is true that RoşiaMin carried out some work to promote the stability of the dam, but RMGC has no information or involvement in relation to the funds granted or works undertaken. However, RMGC has no authority to work in this area (which is outside the perimeter of our license) but we always expressed our availability to form durable partnerships not only with government but also with NGOs, to concentrate our efforts and make available our knowledge to assist in solving any issues related to environmental protection, a goal in which our Company is investing very large resources.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	459
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0973
Proposal	<p>The questioner asks the following questions: Why is there such an interest in mining the extraordinary quantity of 600 tons of gold and 1,100 tons of silver in Rosia Montana, despite the opposition of a large part of the local population, of Romanian associations and parts of the mass media?</p>
Solution	<p>As an initial matter, the questioner's estimate of the gold and silver deposits is too large. S.C Roşia Montană Gold Corporation S.A (RMGC) evaluated the ore deposit based on a reserve calculation performed after a very detailed and complete exploration program from 1997 to 2006 that produced 191,320 samples from drilling, underground networks, and surface rock. This program is the most extensive such research program ever undertaken in Romania.</p> <p>Each ore sample was analyzed for gold and silver. The resulting database, containing more than 400,000 analyses, was verified by independent experts from both România and abroad. The Romanian company Ipromin SA performed three feasibility studies for the Roşia Montană project. These feasibility studies also contain calculations of resources and reserves. Both Ipromin and external auditors confirmed the results.</p> <p>The Project was subsequently redesigned to reflect stakeholder concerns, and the size of the pits was reduced. Thus, for the smaller pits that are now proposed in the EIA, RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1480.36 tones of silver. Even with this reduced figure, the Roşia Montană ore deposit remains among the top ten gold deposits in the world.</p> <p>We agree with the questioner that gold is an issue of national strategic importance for Romania. This project meets all Romanian and EU standards, provides new jobs for Romanians, especially in the Rosia Montana region, and will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p> <p>The Romanian State through the Ministry of Industry and Commerce ("MEC") has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level is projected to be USD 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by project. The Romanian State will also receive many indirect benefits related to this investment.</p> <p>As a result of our public and stakeholder consultation processes, we are confident that a large majority of the population of Roşia Montană supports the Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	459
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0975
Proposal	How come even the neighbouring countries are against the project, voice concern over the use of cyanide and have started collecting signatures against the Rosia Montana exploitation?
	Under the Espoo Convention, to which Romania is a signatory, large-scale projects with potential transboundary impact must allow for neighboring nations to raise comments and questions during the permitting process. In the case of the Roşia Montană Project, only Hungary took part in the process and raised questions, which were answered in the EIA study. No other neighboring country has raised a question about the Project. Further, RMGC, as part of its public consultation process, held two public consultation meetings in Hungary as well as 14 in Romania to permit the public to ask questions about the process.
Solution	We understand and respect the concerns that some Hungarians have raised because of the tragic accident at Baia Mare in 2000. Baia Mare was a disaster that must not happen again. To avoid this type of accident, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (approx 5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	459
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0977
Proposal	Why wouldn't it be possible to develop ecological mining activities, so that the environment will not be destroyed?
Solution	Fortunately, this is exactly what has been happening during the past few years all over the world. The environmental protection laws that are in effect all over the world, including in România, do not allow the destruction of the environment under any circumstances. The Roşia Montană Project will be conducted in full compliance with Romanian and European environmental and other laws and in accordance with international best practices. The Project will bring best available techniques (BAT) to România, many of which are designed to minimize the impact of mining operations on the environment. Subsequent to submission of the EIA, technical experts representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	459
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0980
Proposal	<p>The questioner thinks that it is an utmost disgrace that marvels created by God be covered in cyanide and hopes that the Romanian government is aware of the activities of Gold in Ghana and will take into account the public debates, artistic shows and the opinions of the following bodies: Avram Iancu and Alburnus Maior associations, The Romanian Academy, The Romanian Patriarchate, so as to take the right decision for the rescue of Rosia Montana, and consequently, of the Apuseni Mountains.</p>
Solution	<p>Roşia Montana Gold Corporation (RMGC) is deeply committed to the preservation of the cultural institutions valued by the people of Roşia Montană and all of Romania. In that context, it is important to keep in mind that the area affected by the Project covers only 16 square kilometers of the Apuseni Mountains' more than 21,000 square kilometers.</p> <p>RMGC has already revised its plans, addressing concerns that have been raised.</p> <p>The most recent position of the Romanian Academy regarding the Roşia Montană Project (RMP) was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study (EIA) to the Ministry of Environment and Water Management (MEWA). RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by questioner, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the MEWA.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p> <p>Based on comments by the Holy Synod and spiritual leaders of other faiths dating back to 2003, the RMP was redesigned to reduce impact on the community's churches. As a result, only two churches and two prayer houses out of a total of 10 places of worship located within the project's footprint must be relocated or restored under the mine plan. Those churches will be moved in accordance with the wishes of the congregation, at the expense of RMGC. Churches construction is a central element in the new community of Piatra Albă being built by the company.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	461
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0985
Proposal	<p>The questioner wants to know why the advertisements aired on television only show the most decayed houses and places in Rosia Montana and why the cultural heritage is not entirely presented. She is upset by the fact that the buildings and institutions symbolizing the origin of Rosia Montana are not included in the advertisement.</p>
Solution	<p>There are major differences between advertisements and documentaries in terms of size, methods and message. As regards the mass-media campaign developed by S.C Roşia Montană Gold Corporation S.A (RMGC) , the overall objective of was not at all to distort reality or to manipulate perceptions, but to clarify myths and already existing distorted information for the public and the stakeholders of this project in order to enable them to receive information, participate in the public debate on this project and finally contribute to its improvement by their positions and comments.</p> <p>On 14.03.2006, the National Council of Audio-Video decided the campaign is legal. A similar resolution in respect of the campaign was passed by the Romanian Advertising Council, who decided RMGC/Gabriel Resources and the ads producers observed the Code of Conduct of the Romanian Advertising Council.</p> <p>The campaign was structured on three levels, using a technique known in the ad industry as “teasing”, respectively the capturing of public’s attention on a certain issue and the subsequent delivery of the solution. The campaign developed as follows:</p> <ol style="list-style-type: none"> 1. An initial ad titled “Landscapes”, presenting real images of the State mining exploitation developed in the Roşia Montană area, using the technique of the contrast between the audio and the visual message, by joining two realities excluding each other, and their blending in a original manner, in order to capture public’s interest. The opposition to this project has so far highlighted only the beautiful parts, however the reality in Roşia Montană has both and our campaign simply speaks about the other side in Roşia, which is also real. Starting from this situation, the advertising campaign aimed at bringing at people’s attention the current environmental situation in Roşia Montană - the other face that the opposition has failed to show so far and which is unfortunately part of the whole reality there: a mining site and a damaged environment, a mono-industrial area with high unemployment rate increasing as a result of the existing state mine closure; 2. A series of locals’ testimonials, respectively of three aged persons and three young persons expressing their point of view on their current situation, the problems they face and their opinion on the project. The people that appear in the testimonials, actually a common advertising technique, have been selected as to represent all the profile of the community with their needs, problems and wishes. They are people with different life experiences: a miner, a person that has already resettled in Alba Iulia, an old man and a young employee of the company who wants to raise his children in a better community. Testimonials do reflect their real opinion without having been taken out of context and the raw filmed material is a proof of that; 3. A series of ads presenting the solution RMGC proposes as a viable alternative for the issues in the area to be solved. <p>Kindly note the <u>broadcasted images are real</u>, being filmed in various locations in the Roşia Montană area. <u>The ad presents realities of the natural and anthropic landscape, without making any judgments on the community or causing prejudice to human dignity.</u></p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	462
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0989
Proposal	The questioner believes that the project is a colonial-like exploitation of the Apuseni Mountains. The Apuseni Mountains will turn into a colony.
	It is important to remember that the affected area of the Roşia Montană Project (RMP) is less than 16 square kilometers, while the total area of the Apuseni Mountains is 21,000 square kilometers. Unfortunately, the immediate area around Roşia Montană has been affected for 2000 years by the effects of primitive, undeveloped, or poor mining practices that have led to environmental degradation and the current polluted state of the area.
Solution	Not only will detoxified cyanide from the mine be contained in a world-class Tailings Management Facility (TMF), but Roşia Montană Gold Corporation (RMGC) is committed to environmental rehabilitation from past poor mining practices within the mining perimeter. The area will be less polluted after the RMP is complete than it is now. But this rehabilitation can take place only if the project is approved.
	Further, the project is in no way a "colonial-like exploitation". This work will be done and these jobs will be held by Romanians. RMGC expects that the staff will be majority Romanian shortly after mine operations begin and has a policy to hire local personnel to the maximum extent.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	465
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0992

Proposal The questioner does not agree with RMGC getting 80% of the profit while the Romanian state only 20 %.

The Romanian government's ownership share of 19.3% is fully carried and results in a profit to the Romanian state of USD 306 million. Total direct cash benefits to the Romanian state, including the payment of profit taxes, royalties, and other taxes such as payroll taxes, are USD 1,032 million.

In addition to the direct financial benefits, there are the indirect benefits related to the economic activity generated. USD 1,5 billion will be spent in Romania acquiring goods and services during the life of the project.

The approval of the project will also result in the clean-up within the limits of the perimeter of Roşia Montană Concession Exploitation License of pollution from past poor mining practices. In a no-project scenario, the cost of this cleanup would be the responsibility of the Romanian state.

The current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of US\$ 600/ounce and a silver price of US\$ 10,50/ounce:

Solution	Taxes, Fees and Government share of profits (incl. historical taxes paid)	TOTAL (\$USD million)
	-	
	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roşia Montană)	12
	Land taxes (Roşia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	466
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0996
Proposal	Past environmental problems must be reconsidered. It is a good thing if the project will be carried out in accordance with the European standards.
Solution	<p>Having in view (i) the existing pollution caused by former mining activities and (ii) the Company's intention to ensure the environmental protection when performing its mining activities, S.C Roşia Montana Gold Corporation S.A (RMGC) proposed in the EIA modern practices and solutions that will lead to the mitigation of pollution from the mining activities, due to the use of best available techniques (BAT).</p> <p>Moreover, please note that the project will comply with all mandatory obligations provided under Romanian and European law and with international best practices. The EIA also details the procedures for closing the mine, which include significant environmental rehabilitation. The Environmental Impact Assessment (EIA) Study was prepared to assess the impact on the environment from the proposed project and to determine the methods to avoid or mitigate environmental harm.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	467
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_0999
Proposal	<p>The questioner wants to know whether the project's impact on the local community in Arad is positive or negative.</p> <p>The project's impact on the local community in Arad is only going to be positive. The benefits resulting from this project will affect the entire area of Apuseni Mountains and even the whole area of central and western România.</p> <p>The presence of the RMP as a major investment will improve the whole area's economic climate, encouraging and promoting the development of non-mining activities. It is expected that the improved investment climate, combined with a functioning market economy, will result in the identification of new business opportunities that can develop concurrent with the RMP.</p> <p>As for local economic impact, the RMP expects to employ on average 1,200 people during the two-year construction period and 634 people, including security, transportation and cleaning contracted personal, during its 16 years of operations. The goal is to source as many of the jobs locally as possible. Training programs are underway to assist people from the local communities around RMP to qualify for positions both during construction and then operations. If the required skills are not available locally, offers would be made to residents within a 100 km radius of RMP, with a preference to residents of Alba county. Based on our preliminary assessment, the majority of jobs both during construction and operations are expected to come from the local community.</p>
Solution	<p>The project will also result in the creation of approximately 6000 indirect employment opportunities locally, regionally and nationally [1]. In addition, a total of US\$1.5 billion of Romanian goods and services will be acquired by the RMP over the life of the project, and given Arad's location the people and business should rep significant benefits from the RMP.</p> <p>Given that RMGC is committed to conducting its business following the strictest EU and international environmental standards, the possibility of a negative impact from pollution is practically inexistent.</p> <p>S.C Roşia MontanăGold Corporation S.A (RMGC) is committed, even in the early stages of design and development to comply with the Romanian legislation, the EU directives and the International Guides and Recommendations, while BAT (Best Available Techniques) and BMP(Best Management Practice) were used to design the Roşia Montană Project.</p> <p>Reference: [1] - Roşia Montană Project, EIA Study Report, Non Technical Summary, vol.(19), pp.(7) identifies 5500 as the numbers of indirect jobs. With inclusion of additional hiring for contracted employment for cleaning, security, transportation, and other ,direct employment is 634 and indirect 6000.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	468
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1004
Proposal	<p>The questioner points out the fact that tourism, and not the mining industry is the number one job creating sector throughout the world. There are countries that rely heavily on tourism, such as Greece, Turkey and so on.</p>
Solution	<p>While the questioner is certainly correct that tourism is an important economic sector throughout the world, we do not believe that the analogy is applicable to Roşia Montană, an underdeveloped, polluted, and relatively inaccessible area could bring a greater amount of economic development.</p> <p>The EIA report indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. This presents a serious impediment to development other than that proposed under the Project. Remediation of the area would be very expensive and certainly beyond the means of the local community.</p> <p>The question of alternatives was considered throughout the public consultation process. Chapter 5 of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the RMP including the “no-project” option. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction. The Project would therefore support the community’s initiatives to develop industries other than mining and this is central to the <i>Community Sustainable Development Management Plan</i> attached to the EIA report (Plan L).</p> <p>Roşia Montană has a strong mining heritage, and given the large quantities of ore in the region, mining offers the best opportunity for reviving the economic life of the area, leading to sustainable development.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	471
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1008
Proposal	<p>The questioner wants to know the company's reasons when it claims that this is a hundred per cent safe project, considering the fact that it has no other previous experience in the mining sector and has never developed large scale mining operations.</p>
Solution	<p>The Company has not claimed that there could never happen an accident at the Project, but merely that the Project will be operated in full compliance with Romanian and European law and in accordance with international best practices. The Project will bring best available techniques (BAT) and modern mining practices to Romania for the first time. These efforts will reduce the risk of accidents.</p> <p>The management of Gabriel Resources Ltd., the major shareholder in S.C Roşia Montană Gold Corporation S.A (RMGC), has over 60 years of experience permitting seven mine projects on four continents. This is an extremely strong foundation for the work on the Roşia Montană Project. RMGC is committed to operating the Project in compliance with Romanian and European law, including environmental law and in accordance with international best practices, many of which relate to environmental protection. We have been working with independent experts and some of the world's most prominent mining consultant companies to ensure the highest level of environmental protection and rehabilitation at the site.</p> <p>For instance, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring.</p> <p>Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive. Thus, over time, the currently polluted waters, such as the Arieş River, will become less polluted as a result of the Project.</p> <p>RMGC has also put in place policies relating to blasting and noise vibration; environmental and social management system plans; and minimization of waste and storage of solid hazardous waste.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	475
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1010
Proposal	The questioner is against gold being mined and used by foreigners and believes that it should remain in the country and be used to produce jewelry. A jewelry manufacturing unit should be created, and it could be located in Arad, where there are skilled artisans. As a result, jobs could be created for the benefit of young people.
Solution	<p>Jewelry manufacturing workshops represent one of the various opportunities for small business that could develop in the Roşia Montană 's Project area once it starts operating. We estimate that the project will lead to 6,000 new jobs indirectly dependent on the mine. Anticipating these opportunities, even before the approval of the project RMGC has supported development of private enterprise in the area. For instance, RMGC has offered free entrepreneurship courses to the community in the affected area as well as opened, in Abrud, of a micro credit institution, Gabriel Finance, in January 2007. This will provide funding and necessary resources to the people of Roşia Montană, Abrud, Campeni and Bucium in supporting them to establish or expand small businesses. RMGC provides free vocational training programs to members of the local community with the aim to raise both the educational profile and the level of skills in the community. Business training is part of this program. A business incubator is in place as well. Thus, although it hasn't been a traditional craft in the Roşia Montană area, should the members of the community show interest in artisan jewelry manufacturing, we will organize training for them.</p> <p>At the same time, beside the entrepreneurship courses, RMGC initiated a program of Professional Qualification and Vocational Formation. Its objective results from the company's commitment towards the community to promote sustainable development in the area. The program aims primarily at expanded the number of trades and professions practiced in the area affected by the project through a qualification certificate recognized by the authorities. This will assist any investor who wishes to start a business in the area to have access to a well- and variedly-qualified work force. We believe strongly that a well-qualified work force is a decisive factor in attracting a larger number of investors whom, by the private initiatives they will develop, will lead to new employment opportunities not related directly to the mining project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	476
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1011
Proposal	<p>From a director's standpoint, the questioner mentions the film presented by the company during the public debates and points out the fact that translation is incorrect: it says in the film that cyanide is harmful for the fish, while the translation says that cyanide can be harmful for the fish.</p>
Solution	<p>Thank you for the correction of our translation error. With respect to cyanide, as you know, cyanide is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive. Mine waste in the EU is currently permitted to have a 50 ppm concentration of cyanide, which the Directive reduces to 10 ppm for new mines. Roşia Montană's TMF will have a concentration of approx. 5-7 ppm.</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this Code. The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Roşia Montană Project is a Best Available Technique as defined by the EU.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	478
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1013
Proposal	The questioner is an Romanian NGO representative and says that, along with 20 other NGOs, they have offered to monitor the project, and the offer has been accepted. He wants to find out if the organizations that oppose the project have come up with similar monitoring offers and if they are willing to have a dialogue with the company.
Solution	This question is better addressed to organizations that have opposed the Project. For our part, we would simply like to thank the representative of this NGO for its interest in the Project and its offer to work with us during mine construction, operations, and closing. Virtually every aspect of the Project will be subject to some sort of monitoring. Both while the project is being constructed and during mine operations, technical consultants from the banks that have lent money to the Project, insurance experts, independent experts, and the Romanian authorities will monitor such areas as environmental protection, protection of cultural heritage, social effects, and health and mine safety. In addition, S.C Roşia Montană Gold Corporation S.A (RMGC) will continue its process of public and stakeholder consultation through the life of the project and will be happy to meet with civil society organizations at any time to discuss project operations.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	485
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1017
Proposal	<p>The questioner asks the company to also address the problems of other mining areas which have been abandoned, where pollution is rampant and where nobody gets alarmed or chains themselves in sign of protest.</p>
Solution	<p>Unfortunately, it is true that there are many abandoned mines around the world where pollution is rampant after a mine has closed. Roşia Montană Gold Corporation's focus in the Roşia Montană Project (RMP) is on the region and people of Roşia Montană. RMGC is committed to operating the mine in Roşia Montană in full compliance with Romanian and European law and in accordance with international best practices. Part of the Environmental Impact Assessment study report (EIA) includes a detailed plan for closing the mine, including environmental rehabilitation not only of RMGC's mining activities but also for past poor mining practices that have left significant pollution in the Roşia Montană area.</p> <p>Moreover, please note that in order to ensure the necessary funds for the environmental recovery, under the terms of the relevant legislation RMGC is <u>also obliged to establish a financial guarantee for the environment rehabilitation.</u></p> <p>According to the provisions of art. 3 (1) item 16 of the Mining Law no. (85/2003), the financial guarantee for the environment rehabilitation represents "<i>the obligation and liability of the natural or legal persons which perform mining activities according to an exploitation license or permit for ensuring the necessary financial stocks for the environment rehabilitation and which can be established as bank deposit, an irrevocable letter of good standing or other methods provided by law</i>".</p> <p>By its value, the financial guarantee for the environmental rehabilitation ensures the performance of the environmental rehabilitation works in case of (i) activity cessation and in case (ii) of not performing the environmental rehabilitation work. The environmental rehabilitation guarantee is annual (guarantees the execution of the environmental rehabilitation works undertaken by the titleholder by the environmental rehabilitation technical project) and final (guarantees the execution of the environmental rehabilitation works provided in the program for the cessation of the exploitation activity).</p> <p>Moreover, we mention that, during the project development, RMGC shall accomplish the obligations regarding the establishment and maintenance of the financial guarantee for the environment rehabilitation and shall do its best efforts for the accomplishment of any other obligations provided by the legal mandatory provisions.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	488
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Arad, 25.08.2006
RMGC internal unique code	MMGA_1018
Proposal	The enquirer believes that the compensation issue has not been fully analyzed and proposes that RMGC offers individual, concrete guarantees for local households, in case of an emergency.
Solution	<p>In order to acquire the necessary properties S.C Roşia Montana Gold Corporation S.A (RMGC) has established a property purchase program compliant with the RRAP guidelines developed by the World Bank, with a very comprehensive compensation package, including:</p> <ul style="list-style-type: none"> - individual development opportunities; - small business compensation and financial support; - professional training and career development; - properties replacement values compensation, including land restoring cost and eventual crop lost; - scholarship; - resettlement sites in both rural area (Piatra Albă – Roşia Montană) and urban one (Furcilor - Alba Iulia); - relocation / resettlement assistance for properties search, registration formalities, health care support, jobs search and training, small savings and investment assistance.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 74015/AF/23.06.2006 (FAX APM ALBA)
RMGC internal unique code	MMGA_1020
Proposal	<p>The questioner protests against the project, which she considers to be a complete disgrace. India bears the consequences of this type of exploitation.</p>
Solution	<p>As related to your allegation, please consider the following aspects:</p> <p>Any comparison to mining practices in India cannot be relevant to our current situation as the Roşia Montană Project will be operated in full compliance with the relevant mandatory Romanian and European law and in accordance with international best practices. The project will bring best available techniques (BAT) to Romania for the first time, many of which are considered with environmental protection. S.C. Roşia Montană Gold Corporation S.A (RMGC) will engage in a strong program of environmental rehabilitation as a part of the mine closure program, including the cleanup of pollution at the site caused by poor mining practices in the past.</p> <p>Specifically to your allegations, according to art. (44) (1) of the Order of the Minister of Waters and Environmental Protection no. (860/2002) regarding the environmental impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. (860/2002) provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any further comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	2
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 107950/27.06.2006 and No. 74041/AF/30.06.2006
RMGC internal unique code	MMGA_1021
Proposal	The er demands that destruction of any kind in Rosia Montana be stopped. He/she is against the Rosia Montana project.
Solution	<p>Regarding your request, please consider the following aspects:</p> <ul style="list-style-type: none"> (i) according to the relevant legal provisions, the public may submit grounded proposals regarding the environmental impact assessment; (ii) art. 44 (1) of the Order no. (860/2002) regarding the environmental impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") regulates that "<i>during the public debate meeting the project titleholder [...], provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing</i>"; (iii) art. 44 (3) of the Order no. (860/2002) states that "<i>based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues</i>". <p>As your allegation (i) does not identify nor indicate issues related to the project initiated by S.C Roşia Montană Gold Corporation S.A (RMGC) and undergoing the environmental impact assessment procedure, (ii) refers only to "destruction activities" without providing any additional information and comments in this respect, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108021/30.06.2006 and No. 74057/AF/04.07.2006
RMGC internal unique code	MMGA_1022
Proposal	The speaker protests against the environmental destruction.
Solution	<p>Environmental protection laws that are in effect all over the world, including in Romania, do not allow the destruction of the environment under any circumstances.</p> <p>The Roşia Montană Project (RMP) will be conducted in full compliance with the relevant mandatory Romanian and European environmental and other laws and in accordance with international best practices. The RMP will bring best available techniques (BAT) to Romania, many of which are designed to minimize the impact of mining operations on the environment.</p> <p>Technical experts, representing several international private sector banks and export credit agencies have concluded that the Environmental Impact Assessment study report (EIA) complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and S.C Roşia Montană Gold Corporation's (RMGC) response is included as a reference document to the present annex of the EIA.</p> <p>As detailed in the EIA study, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	4, 5, 31
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108059/03.07.2006, No. 74056/AF/04.07.2006, No. 108059/03.07.2006, No. 74053/AF/04.07.2006, No. 108034/30.06.2006 and No. 74058/AF/04.07.2006
RMGC internal unique code	MMGA_1023
Proposal	The speaker protests against the Rosia Montana project.
Solution	<p>Regarding your protest, we mention that art. 44 (3) of the Minister of Waters and Environmental Protection Order no. (860/2002) on the environmental impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your protest does not indicate specific possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environmental approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. (45) of the Order no. (860/2002) and <u>only after examining:</u></p> <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	6
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108045/03.07.2006 and No. 75054/AF/04.07.2006
RMGC internal unique code	MMGA_1024
Proposal	<p>In response to the article Rosia Montana published in Formula As, the questioner expresses indignation at the disaster that will occur at Rosia Montana and proposes that :</p> <ul style="list-style-type: none"> - the activities carried out by "foreign gold-seekers" be stopped immediately; - government take measures to build three non-polluting factories so that people could return to Rosia Montana. - the area become attractive for local inhabitants and tourists.
Solution	<p>As an illustration of the economic concept of Foreign Direct Investment – in which non-national companies undertake economic risk with benefits to the host company – this project will provide many benefits to Romania.</p> <p>RMGC has been working on this project since 1998 and has invested over \$ 200 million to date. By the time production begins, the company will have invested almost \$1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. In fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring best available techniques (BAT) to Romania. Approval of this project will show the world that Romania welcomes this type of productive foreign investment. The profits from the mine and the jobs provided by the mine are tangible benefits to Romania – on the order of USD \$ 2,5 billion over the life of the mine infused into the Romanian economy.</p> <p>As a result of past poor mining practices, much of the area around Roşia Montană is severely polluted. Part of Roşia Montană Gold Corporation's investment in the future of Roşia Montană will consist of environmental rehabilitation, both of its own mining activities and of past activities.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	7
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108106/05.07.2006 and No. 74076/AF/07.07.2006
RMGC internal unique code	MMGA_1025
Proposal	<p>Comments on the EIA report to the Roşia Montana Project. Chapter 5 Assessment of the Alternatives Mining is considered to be the only viable and cost-effective alternative for the region. Name one single thriving mining town in this country and tell me: -Could you possibly live and work there?</p>
Solution	<p>One of the many advantages of the Roşia Montană Project is that it will be operated in full compliance with Romanian and European law and in accordance with international best practices. It will bring best available techniques, many of which are concerned with environmental protection, to Romania for the first time. RMGC will also engage in environmental rehabilitation to clean up the effects of pollution from past poor mining practices and is already engaging in efforts to improve the social and cultural life of Roşia Montană.</p> <p>Life in Roşia Montană will be significantly enhanced. An area of the village of Roşia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roşia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p> <p>We have no hesitation in saying that life in Roşia Montană and the region during and after the mine operations will be the best offered by any mining town in Romania.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	7
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108106/05.07.2006 and No. 74076/AF/07.07.2006
RMGC internal unique code	MMGA_1026

Proposal Who will pay the compensations for the Baia Mare accident and who carry out the repair works?

As RMGC has no responsibility for Baia Mare, questions on costs related to the Baia Mare accident should be directed to the Romanian Government.

As for general charges that Roşia Montană is “another Baia Mare”, our project in Roşia Montană bears no comparison. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.

The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Waste Management even before it became law in Europe or Romania.

The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.

The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that not a single exemption from existing or planned laws is necessary. To illustrate our commitment to high standards, wherever Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have as long as 10 years to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.

Solution

A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel Resources/RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.

As for a specific comparison, the Roşia Montană Project (“RMP”) differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.

In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]

The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility (“TMF”) will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (approx. 5-7 parts per million or ppm or mg/l) which is well below the regulatory limit of 10 ppm recently adopted in the EU Mining Waste Directive (2006/21/EC). This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques by the EU.

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism (detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation – storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 metre of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roşia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and perform an independent audit every two years. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials – not rockfill – and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-8} m/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring no special surveillance and monitoring. Roşia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today's projects.

In conclusion, we hope we have provided a detailed account of why our project in Roşia Montană isn't only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards.

Reference:

[1] - Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	7
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108106/05.07.2006 and No. 74076/AF/07.07.2006
RMGC internal unique code	MMGA_1029
Proposal	<p>Environment rehabilitation Questions: What will the economic loss be in case that 1.500 ha of land associated with the mining exploitation will be taken out of the economic circuit?</p> <p>Firstly, we need to make a correction, the Roşia Montană Project (RMP) only affects 1,257 ha, as per the urbanism certificate issued in April 2006 for the industrial zone of Roşia Montană.</p> <p>This industrial zone is superimposed on the former RoşiaMin industrial area, strongly affected by pollution due to poor mining methods. So it is wrong to say this land is somehow only now being "lost" to mining.</p> <p>It is very easy to explain why there will be no losses generated by the change of the land use for the proposed mining project:</p> <ol style="list-style-type: none"> 1. As per the Romanian laws in force, the change of the land use is preceded, compulsorily, by the payment in advance of certain taxes. These taxes are to be paid entirely by the beneficiary of the investment. For the Roşia Montană project, these taxes will exceed the amount of US\$60 million; 2. The lands under the incidence of the project are degraded, with no productive potential and low preservation value. <p>As per the environmental legislation, the obligation of the project titleholder is to rehabilitate the area from an environmental point of view upon closure of the mining activities.</p>
Solution	<p>So, the land is not "taken out of the economic circuit". In fact, Roşia Montană Gold Corporation (RMGC) is committed to responsible mine closure and rehabilitation in Roşia Montană and we have a plan to achieve it. Our Mine Closure and Rehabilitation Management Plan (Plan J in the EIA) sets out a series of measures to ensure that the mine leaves as small an imprint as possible on Roşia Montană's landscape. These measures are as follows:</p> <ul style="list-style-type: none"> • Covering and vegetating the waste dumps as far as they are not backfilled into the open pits; • Backfilling the open pits, except Cetate pit, which will be flooded to form a lake; • Covering and vegetating the tailings pond and its dam areas; • Dismantling of disused production facilities and revegetation of the cleaned-up areas; • Water treatment by semi-passive systems (with conventional treatment systems as backup) until all effluents have reached the discharge standards and need no further treatment; • Maintenance of the vegetation, erosion control, and monitoring of the entire site until it has been demonstrated by RMGC that all remediation targets have been sustainably reached. <p>The mine's rehabilitation will meet or exceed the standards set by the EU Mining Waste Directive, which dictates that RMGC must "restore the land to a satisfactory state, with particular regard to soil quality, wild life, natural habitats, freshwater systems, landscape, and appropriate beneficial uses".</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	7, 1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108106/05.07.2006, No. 74076/AF/07.07.2006, No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1030

Proposal	What will be the costs of loosing water resources?
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The role of the process of assessing the impact on the environment is to evaluate, estimate, quantify and forecast potential impact on the environmental factors as a result of the implementation of certain projects, and not that of providing a financial analysis. In chapter (4.1), section (7) 'Residual Impacts' of the EIA, all impacts (positive and negative) associated to the implementation of the project are assessed and quantified.

The Project intercepts contaminated water from the Roşia and Corna catchments while diverting as much clean surface water as possible for return to the streams. Nevertheless, part of the waters treated in the ARD waste water treatment plant is discharged back to the streams as compensation flow. The apparent reduction in flow in the two streams (71.9 m³/hr, 20 L/s) is accounted for almost exactly by the intercepted mine water flows which together total 67.3 m³/hr (18.7 L/s) – so the 23% (maximum) reduction in flow is offset by the removal of the most contaminated component. The impact on the River Abrud of the 71.9 m³/hr (20 l/s) reduction is negligible – about 1.4% of its total average flow.

Further, the Project is committed to maintaining minimum flows in the Roşia and Corna streams of 72 m³/hr (20 L/s) and 25.2 m³/hr (7 L/s) respectively. These are the estimated biological compensation baseflows which will be conducive to ecological sustainability when the streams have recovered sufficiently in quality terms to support aquatic fauna and flora. In the case of the Roşia stream lower flows than this minimum flow have already been recorded in the baseline data between 2000 and 2005.

Solution In order to confirm the availability of the water source, the plant water demand was compared to the recorded Arieş River flows during dry periods, combined with the existing authorized water abstraction at Câmpeni and Roşia Poieni. It should be noted that the actual maximum abstraction in the area of Câmpeni to Gârde during 1995 to 2000 was only 1,340 m³/hr (372 L/s), equivalent to only 16% of the licensed abstraction rate.

If the existing users were to abstract up to their maximum licensed amount, the Arieş River would still meet all demands 96% of the time. The remaining 4% of the time represents periods of extreme low flow. Given that actual abstraction is only 16% of the licensed abstraction, it appears unlikely that sufficient flow would not be available. However, if all licensed users utilized their full allotment, there may be a few days when withdrawals from the Arieş River may have to be reduced, with water supply to the Project being made up from storage and temporary reallocations in the water balance. At the moment, the mining of the copper ore in Roşia Poieni has been stopped; the water flow intercepted from the Arieş river is much lower, representing only the water required for the lime installation.

The improvement of the quality of obtained water will go beyond the life of the Project. The Project has committed to rehabilitate the site in such way as to mitigate or eliminate the water pollution sources and treat all residual polluted flows. At project closure, water discharging from the site complies and will continue to comply with the NTPA 001 values. Current pre-Project sources such as waste rock and mine adit flows are included by default in the closure and rehabilitation program. During the course of mining most of the current waste rock piles and mine workings that contribute to impacted discharges will be removed. The water quality improvement associated with these actions will be permanent. The remaining potential sources will largely be associated with the Project. These sources will be closed using source controls to reduce environmental discharges with any residual flow treated to meet water quality

standards. Closure will be implemented in such a way that treatment requirements will decrease in the years following the project. The closure process is described in detail in the Mine Rehabilitation and Closure Plan (ESMS Plans, Plan J).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	8
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	E-MAIL MINISTRY OFFICE No. 74100/AF/12.07.2006
RMGC internal unique code	MMGA_1036
Proposal	<p>The questioner protests against Gabriel Resources, a company that has never developed other activities before developing the present project, whose headquarters are in an apartment and which lacks the necessary financial resources. – The questioner opposes the study submitted by Gabriel Resources to the Ministry of the Environment and Waters Management, considered to be incorrect.</p>
Solution	<p>While Gabriel Resources is a relatively new company, its senior management has over 60 years of experience permitting and developing seven mines on four continents. The headquarters of Gabriel Resources in Toronto employs 20 people and is located in a building in the Toronto business district, not in an apartment as the questioner suggests.</p> <p>It is also inaccurate to suggest that Gabriel lacks the financial resources to complete the project. Roşia Montană Gold Corporation (RMGC) has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. The estimated capital cost to complete the development of the Roşia Montană Project (RMP) – including interest, financing, and corporate costs – is approximately US\$ 750 million. The company anticipates financing these costs with approximately 20% equity (US\$ 150 million), and 80% debt, which could include senior and mezzanine or high yield debt. The company has already raised the US\$ 150 million equity component and is in final negotiations for the debt component.</p> <p>Finally, the questioner raises no specific issues on which the Environmental Impact Assessment study report (EIA) is “considered to be incorrect.”</p> <p>The EIA that RMGC submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM), and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	11
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108246/12.07.2006 and No. 74113/AF/14.07.2006
RMGC internal unique code	MMGA_1040
Proposal	<p>The questioner does not agree with the statements made by the Gabriel Resources representatives:- Rosia Montana is not the sixth most important gold deposit in the world; - it would not be possible for the company to obtain 330 tons of gold, as it has been declared;</p> <p>The assessment of recoverable gold at Roşia Montană is based on the following research and calculations:</p> <p>The Roşia Montană ore deposit evaluation is based on a modern and detailed research and exploration program carried out between 1997 and 2006. This program utilized the most modern procedures existing in domain all over the world. During this program, 1,108 drillings from surface and underground were performed totalizing 136,578 m and 62,754 of channel samples from surface outcrops and existing underground mining works were taken. The drilling network was of 80 x 80 m and in certain areas denser, of 40 x 40 m. The density of the performed works respects the regulations in force elaborated by the National Agency for Mineral Resources (ANRM) regarding the evaluation of the ore deposits of this type. In total, 191,320 samples with a length of 1 meter were collected, each sample being analyzed for gold and silver. All these data constituted the basis of resource estimations performed by independent companies both foreign and Romanian. Among the Romanian companies, Ipromin SA which in the past carried out the resource calculation for Roşia Poieni ore deposit may be listed.</p>
Solution	<p>The resource estimation was performed onto calculation units called "blocks" for which through statistic methods the average grade for Au and Ag was estimated. The total resource for whole ore deposit was obtained summing the blocks. This calculation method is used all over the world and has been certified and validated as a result of ore deposits mining.</p> <p>Reserves were estimated by feasibility studies taking into account these resources, economic criteria and the shape of the designed open pits. Reserves represent the mineralization which will be effectively mined and processed having in regard the gold and silver recovery. Thus, a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag and a total quantity of 314.11 tones of gold and 1480.36 tones of silver was put into evidence. This quantity lists the Roşia Montană ore deposit among the first ten world-wide gold ore deposits known until now. At the processing plant from the total of 314 tones of gold existing in ore, a smaller quantity of gold will be recovered depending on the recovery which is in any case less than 100%. All these documentations of resource and reserve calculations were submitted to ANRM in order to be verified and homologated. Finally, these calculations were audited both by foreign independent experts and project financing banks.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	13
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	FAX No. 74134AF/18.07.2006
RMGC internal unique code	MMGA_1046
Proposal	The questioner is against the Rosia Montana project, considered to be immoral!
	As related to your allegation, please consider the following aspects:
	According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. (860/2002) regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i> .
Solution	At the same time, art. 44 (3) of Order no. (860/2002) provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i> .
	Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by S.C Roşia Montană Gold Corporation S.A (RMGC) and undergoing the environmental impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	20
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108342/17.07.2006 and No. 74157/AF/20.07.2006
RMGC internal unique code	MMGA_1059
Proposal	<p>The questioner demands that other studies, especially those carried out by the Romanian Academy be also assessed;</p> <p>Further to your allegation, please observe the following mandatory legal provisions:</p> <p>(i) art. 11 (1, 2) of Government Decision no. 918/2002[1] on establishing the framework procedure for the environmental impact assessment and for the approval of the list of private or public projects subject to this procedure ("GD no. 918/2002"), providing that the titleholder of the project prepares a report to the environmental impact assessment to be presented to the interested public that may draft grounded/justified proposals in this respect.</p> <p>The analysis of the report of the environmental impact assessment shall be performed by the competent public environmental protection authorities together with the Technical Analysis Committee based on the possibilities of applying/enforcing the project and the evaluation of the grounded proposals of public (art. 2 and art. 45 of Order of Ministry of Waters and Environmental Protection no. (860/2002) on Environmental Impact Assessment and issuance of environmental agreement procedures "Order no. 860/2002").</p> <p>Having in view that (i) the relevant legal procedures exhaustively determine the competence of the authorities entitled to perform an objective analysis of the report on the environmental impact assessment, and (ii) the interested public's right to object on the report is granted by law and observed by S.C Roşia Montană Gold Corporation S.A(RMGC) , we consider that the alternative suggested by you represents a derogation from the mandatory legal provisions, derogations that may be accepted by the Company only in case the legal framework shall provide for the obligation of the titleholder to proceed accordingly to your suggestion.</p>
Solution	<p>The EIA was prepared by over 100 independent experts, some of whom are members of the Romanian Academy.</p> <p>The most recent position of the Romanian Academy regarding the Rosia Montana project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management. RMGC made significant changes to the project design, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to project design or an analysis of the EIA that was actually submitted to the Ministry.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the project.</p> <p>References:</p> <p>[1] We mention the fact that the GD no. (918/2002) was repealed by the GD no. (1213/2006) on the establishing of the framework procedure for the environmental impact assessment for certain private and public projects, published in the Official Gazette, Section I, no. 802 dated 25.09.2006 ("GD no. 1213/2006").</p> <p>Nevertheless, considering the provisions of art. 29 of the GD no. (1213/2006), which provides that "The projects submitted to a competent authority for the environmental protection, with a view to obtaining</p>

the environmental approval and which are subject to the environmental impact assessment procedure, prior to the entering into force of this Decision, are subject to the environmental impact assessment and environmental approval issuing procedure in force at the moment of such submission”, we should specify that, as regarding the RMGC project, the provisions of the GD no. (918/2002) are still applicable.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	61
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108604/28.07.2006 and No. 74224/AF/28.07.2006
RMGC internal unique code	MMGA_1062
Proposal	Huge conflicts of interest on the part of the authorities;
	As related to your allegation, please consider the following aspects:
	According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i> .
Solution	At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i> .
	Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environmental impact assessment procedure, (ii) refers to, issues out of the competence of the titleholder and to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	61
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108604/28.07.2006 and No. 74224/AF/28.07.2006
RMGC internal unique code	MMGA_1063
Proposal	Lack of transparency
	As related to your allegation, please consider the following aspects:
	<p>RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>
Solution	<p>RMGC also set up 45 information centers where copies of the EIA were available, and 5.000 copies of the EIA were printed. Beyond this, the Company has engaged in a long process of public consultation. Before submission of the EIA, RMGC changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. Further to the reactions of the audience during the public consultation, we are confident that the vast majority of the people of Roşia Montană support the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	160, 195, 209, 231, 260BIS, 261, 268, 273, 295, 309, 340, 350, 355, 415, 874, 913, 921, 1231, 1239, 1247, 1258, 1460, 1461, 1480, 1492, 1506, 1507, 1611, 1686, 1710, 2593, 2986, 3229, 3246, 3247, 2/D;5457/B, 5/D;5460/B, 6/D;5461/B, 7/D;5462/B, 9/D;5464/B, 30/D;5609/B, 46, 47, 52, 53, 55, 58
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 108796/02.08.2006, No. 74347/02.08.2006, No. 108859/03.08.2006, No. 74395/04.08.2006, No. 108870/03.08.2006, No. 74409/04.08.2006, No. 108958/04.08.2006, No. 74436/07.08.2006, No. 109006/07.08.2006, No. 112879/25.08.2006, No. 165455/12.09.2006, No. 109012/07.08.2006, No. 74485/08.08.2006, No. 109018/07.08.2006, No. 74490/08.08.2006, No. 109042/07.08.2006, No. 74682/16.08.2006, No. 108946/04.08.2006, No. 74538/09.08.2006, No. 109101/09.08.2006, No. 74555/09.08.2006, No. 109145/11.08.2006, No. 74582/11.08.2006, No. 109150/11.08.2006, No. 74587/11.08.2006, No. 109252/14.08.2006, No. 74660/15.08.2006, No. 109879/21.08.2006, No. 75150/22.08.2006, No. 110062/22.08.2006, No. 75190/23.08.2006, No. 4260/SB/17.08.2006, No. 75215/23.08.2006, No. 109899/22.08.2006, No. 109907/22.08.2006, No. 109916/22.08.2006, E-MAIL MINISTRY OFFICE 4383/SB/24.08.2006, No. 110663/25.08.2006, No. 110660/25.08.2006, No. 110643/25.08.2006, No. 110631/25.08.2006, No. 111066/25.08.2006, No. 111065/25.08.2006, No. 110992/25.08.2006, No. 110787/25.08.2006, No. 110783/25.08.2006, No. 111387/25.08.2006, No. 111758/25.08.2006, No. 112130/25.08.2006, No. 111112/25.08.2006, No. 111111/25.08.2006, No. 114732/31.08.2006, No. 114739/18.09.2006, No. 114738/18.09.2006, No. 114737/18.09.2006, No. 114724/31.08.2006, No. 114456/08.09.2006, No. 115318/26.10.2006, No. 169200/25.10.2006, No. 114897/05.10.2006, No. 114733/25.09.2006, No. 114654/21.09.2006, No. 114659/21.09.2006
RMGC internal unique code	MMGA_1077
Proposal	The questioner opposes the promotion of the Rosia Montana Project.
Solution	<p>Regarding your allegation, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environmental impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environmental approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>:</p> <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	296
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109043/07.08.2006 and No. 74513/08.08.2006
RMGC internal unique code	MMGA_1093
Proposal	Did the RosiaMin mining exploitation close down definitively or temporarily?
Solution	<p>The operations in Roşia Montană perimeter of CNCAF Minvest SA – Roşiamin Subsidiary, company whose sole shareholder is the Romanian State, have permanently ceased in accordance with the national policy on state-supported mines, as part of the negotiations paving the way for Romania's accession to the EU.</p> <p>Under The Mining Industry Strategy for 2004-2010 approved by GD no. 615/2004, the closure of unviable mines has been decided as a measure to mitigate the financial losses of state subsidized mining sector. By the end of 2006, the closure of 462 [1] mines and quarries has been approved by Government Decision, and the process continues in 2007 with other mining objectives, among which is the one developed by CNCAF Minvest SA – Roşiamin Subsidiary.</p> <p>Reference: [1] Reference is made to "Status of mine closure and environmental rehabilitation" from the Ministry of Economy and Commerce official website http://www.minind.ro.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	296
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109043/07.08.2006 and No. 74513/08.08.2006
RMGC internal unique code	MMGA_1094
Proposal	Who asked for the mine to be closed down – was it RMGC or Mininvest?
Solution	<p>The operations in Roşia Montană perimeter of CNCAF Minvest SA – RoşiaMin Subsidiary, company whose sole shareholder is the Romanian State, have ceased in accordance with the national policy on state-supported mines, as part of the negotiations paving the way for Romania's accession to the EU.</p> <p>Under The Mining Industry Strategy for 2004-2010 approved by GD no. 615/2004, the closure of unviable mines has been decided by the Government as a measure to mitigate the financial losses of state subsidized mining sector. By the end of 2006, the closure of 462 [1] mines and quarries has been approved by Government Decision, and the process continues in 2007 with other mining objectives, among which is the one developed by CNCAF Minvest SA - Roşiamin Subsidiary.</p> <p>Reference: [1] Reference is made to "Status of mine closure and environmental rehabilitation" from the Ministry of Economy and Commerce official website http://www.minind.ro.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	296
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109043/07.08.2006 and No. 74513/08.08.2006
RMGC internal unique code	MMGA_1097
Proposal	In what manner did RMGC affect the economic profitability of the mining exploitation from 2000 until it closed down, on May the 15th 2006?
Solution	<p>RMGC had no management role whatsoever in the former RoşiaMin operation and thus did not affect its profitability in any way. The operations in Roşia Montană perimeter of CNCAF Minvest SA – RoşiaMin Subsidiary, company whose sole shareholder is the Romanian State, have ceased in accordance with the national policy on state-supported mines, as part of the negotiations paving the way for Romania's accession to the EU.</p> <p>Under The Mining Industry Strategy for 2004-2010 approved by GD no. 615/2004, the closure of unviable mines has been decided by the Government as a measure to mitigate the financial losses of state subsidized mining sector. The causes which led to mine closure are common to all state subsidized sector, as described in The Mining Industry Strategy for 2004-2010 Chapter 1 - Analysis of the mining industry evolution and current status being, among other, the lack of investments, equipment and infrastructure, the oversized employment and old technology.</p> <p>By the end of 2006, the closure of 462 [1] mines and quarries has been approved by Government Decision, and the process continues in 2007 with other mining objectives, among which is the one developed by CNCAF Minvest SA – Roşiamin Subsidiary.</p> <p>Reference: [1] Reference is made to "Status of mine closure and environmental rehabilitation" from the Ministry of Economy and Commerce official website http://www.minind.ro.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	296
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109043/07.08.2006 and No. 74513/08.08.2006
RMGC internal unique code	MMGA_1098
Proposal	Given the fact that the current exploitation continued to be unprofitable for almost 6 months after it had been taken over by RMGC, who can guarantee that RMGC will be capable of turning the proposed new mining exploitation into a profitable business?
Solution	<p>The questioner is correct that the existing operation, which was closed down in May 2006, was unprofitable. The existing operation was operated by the Romanian State using technology dating back to the 1980's. RMGC's only activities on the property to date have been the followings: exploration to define the size of the ore deposits; project design; permitting activities, as well as, patrimony and community development initiatives. RMGC is proposing a new modern mine for Roşia Montană that is expected to be profitable at virtually any gold price.</p> <p>A bankable feasibility study has been prepared by third party experts and confirmed by the lending institutions that are expected to lend USD 600 million to build the project. Based on the third party analysis, the project would still be profitable even if the market prices for gold and silver decline from their currently levels. Based on a gold price of USD 600/ounce and a silver price of USD 10.50/ounce, the total profit for all shareholders of the Roşia Montană Project (RMP) is USD 1,572 million, with an internal rate of return of 26%.</p> <p>The management of Gabriel Resources Ltd., the major shareholder in RMGC, has over 60 years of experience permitting seven mine projects on four continents. This is an extremely strong foundation for the work on the Roşia Montană Project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3, 300
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Cluj Napoca, 07.08.2006, No. 109047/07.08.2006 and No. 74517/08.08.2006
RMGC internal unique code	MMGA_1116
Proposal	The questioner opposes the proposed gold and silver mining project at Rosia Montana and suggests that it should not be granted the environmental permit.
	As regarding your allegation, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i> .
Solution	Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u> : <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	308
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 74537/09.08.2006
RMGC internal unique code	MMGA_1120
Proposal	Proposal: that the area Rosia Montana - Corna - Bucium be turned into a natural park.
Solution	<p>Even if the Roşia Montană Project were not approved, it would be impossible to designate this area as a natural park. There is no proposal to declare the area as an "SPA" (avifaunistic preservation special areas), and the proposal to declare the area "SCI" (community interest sites) was rejected as unsubstantiated by a commission of technical experts convened for the assessment of the Natura 2000 proposals. Together, these show that the area has a low priority for natural preservation, in part because of pollution from past poor mining practices.</p> <p>The designation of a preservation area must be based on documentation in accordance with Romanian and European law, and must declare an object to be protected. Because the area was not accepted as a preservation area following criteria established by European guidelines (Habitats and Birds), it is very unlikely that there could be found sufficient objects to justify protection of this area, in contrast to the many other areas in Romania which truly deserve to be designated as natural parks.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	384
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109221/14.08.2006 and No. 74624/15.08.2006
RMGC internal unique code	MMGA_1127

Proposal Our country will only have a 2% profit out of the total quantity of extracted gold;

The questioner is only including a small portion of the direct financial benefits to the Romanian State. The royalty benefit, for which the questioner refers, only represents 10% of the direct financial benefits to the Romanian State. In addition to royalties, the Romanian State receives direct financial benefits through its share of profits of RMGC, as well as, profit taxes, excise and payroll taxes paid by RMGC. The Romanian State's shareholding of 19.3% is fully carried at no cost to the government. In total the direct financial benefits to the Romanian State are estimated at US\$ 1,032 million, as listed on the table below. In addition, RMGC will purchase US\$ 1.5 billion in Romanian goods and services over the life of the project.

The financial benefits to the Romanian state are as follows, assuming a gold price of \$ 600/ounce and a silver price of \$ 10.50/ounce:

	Taxes, Fees and Government share of profits (incl. historical taxes paid)	TOTAL (\$USD million)
	-	
Solution	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roşia Montană)	12
	Land taxes (Roşia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	422
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	FAX No. 74667/15.08.2006
RMGC internal unique code	MMGA_1133
Proposal	<p>The questioner opposes the proposed gold and silver mining project at Rosia Montana as it will cause "long term, irreversible destruction".</p> <p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p>
Solution	<p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	451
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109309/15.08.2006 and No. 74697/16.08.2006
RMGC internal unique code	MMGA_1134
Proposal	<p>The questioner does not agree with the proposed gold and silver mining exploitation project at Rosia Montana and brings several newspaper/magazine cuttings in support of his arguments.</p>
	<p>As related to your protest, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p>
Solution	<p>Furthermore, considering the legal wordings quoted above, as your comment does not clearly identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide answer in this respect.</p> <p>As regards some of the comments publicised in the media, we would like to remind the questioner that most of the opposition formed its views about the Roşia Montană Project (RMP) well before the Environmental Impact Assessment was filed last May 2006.</p> <p>RMGC made changes to the project design based on issues raised by stakeholders, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including the media, before submission of the EIA.</p> <p>Thus, the position of the certain members of the media opposing to the project does not reflect the changes to the project design or an analysis of the EIA that was actually submitted to the Ministry.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1006, 1007
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110496/25.08.2006, No. 110495/25.08.2006
RMGC internal unique code	MMGA_1135
Proposal	The questioner does not agree with the promotion of the Rosia Montana Project and recommends that the environment permit for the project should not be granted.
	As regarding your recommendation, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i> .
Solution	Consequently, considering the fact that your proposal is just a recommendation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u> , <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment (EIA); (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1225
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110438/23.08.2006
RMGC internal unique code	MMGA_1137
Proposal	Who claimed that the mining project proposed by RMGC is an absolute must in the current situation and that the means for economic recovery in Rosia Montana are scarce and cannot be contemplated in the absence of massive investment (that is, in the absence of the RMGC project)? Who fixed the economical importance of the investment project developed by RMGC? The Ministry of Culture and Religious Affairs?
Solution	<p>The Roşia Montană Project (RMP) offers the chance to use private money to promote economic development in a disadvantaged area with an extremely strong mining tradition. It will serve as a catalyst for promoting sustainable economic development in the region, as is detailed in several of the appendices to the Environmental Impact Assessment study report (EIA), notably the Community Sustainable Development Plan (CSDP). The current unemployment rate in Roşia Montană is 70%. This is proof of the difficulty of attracting new economic development to an area that is remote underdeveloped, polluted, and relatively inaccessible. The baseline study of economic conditions similarly shows the challenges faced by the area in the absence of the project.</p> <p>The amount of economic benefit to Romania has been calculated precisely based on a sophisticated process to measure the amount of precious metals that will be mined and then multiplying those figures assuming a gold price of US\$ 600/ounce and a silver price of US\$ 10.50/ounce.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1225
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110438/23.08.2006
RMGC internal unique code	MMGA_1138
Proposal	<p>What is the current situation with regard to the Rosia Montana Project? Isn't it true that the government has long time ago and secretly decided that the project will be undertaken? That the Ministry of Environment and Waters Management will grant the environmental permit, in the same way The Ministry of Education and Religious Affairs has granted the archaeological discharges? We witness now a parody of assessment of the 5000 pages report on the EIA submitted by RMGC. In whose interest are all these?</p>
Solution	<p>We can not comment on speculation regarding the government's view of the project.</p> <p>The process of Environmental Impact Assessment (EIA) compliance – involving more than 100 independent technical experts and tens-of-thousands of work hours with a product measured against EU directives, national laws and international standards – is in no way a parody of assessment.</p> <p>The EIA procedure is mandated by the mining laws of Romania, which were harmonized with those of the EU.</p> <p>The EIA that Roșia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roșia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts – IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Responding to stakeholder concerns is an integral part of the EIA process.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. Thus it is not true to assert that RMGC has not responded to stakeholder views.</p> <p>RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1241
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109910/22.08.2006
RMGC internal unique code	MMGA_1140
Proposal	<p>The questioner does not agree with the development of the Rosia Montana project: Technical risks presented are well-grounded.</p>
Solution	<p>First of all, we would like to mention that the EIA study contains a specific section on risk management which details the efforts RMGC will take to minimize technical risks with the Project. More generally, the Project will bring use of best available techniques (BAT) to Romania for the first time. RMGC has also put in place policies relating to blasting and noise vibration; environmental and social management system plans; and minimization of waste and storage of solid hazardous waste. Finally, with respect to the use of cyanide in mining operations, RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this Code. The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Roşia Montană Project is a Best Available Technique as defined by the EU.</p> <p>As regarding your comment, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your protest does not indicate specific possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>:</p> <ul style="list-style-type: none"> - the Report on the Environmental Impact Assessment Study; - the conclusions of the parties involved in the assessment; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1261
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 11043622.08.2006
RMGC internal unique code	MMGA_1143

Proposal The report is not objective, on the contrary it is biased.

In response to the questioner's allegation, kindly note the following:

The Environmental Impact Assessment (EIA) procedure governing the Roşia Montană Project (RMP) is mandated by the mining laws of Romania, which were harmonized with those of the EU.

The EIA study report that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP.

Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts – IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.

Solution Responding to stakeholder concerns is an integral part of the EIA process.

Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. Thus it is not true to assert that RMGC has not responded to stakeholder views.

RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.

Considering the fact that your allegation does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple allegation, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 of the Minister of Waters and Environment Protection on the environment impact assessment procedure and the issuance of environmental agreement and only after examining:

- (i) the report on the environmental impact assessment study;
- (ii) the conclusions of the parties involved in the assessment;
- (iii) the possibilities to implement the project;

(iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1261
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 11043622.08.2006
RMGC internal unique code	MMGA_1145
Proposal	<p>The report is based on incomplete research;</p> <p>It is impossible to assess a general complaint that the Environmental Impact Assessment study report is based on "incomplete research". The EIA process itself is designed to ensure compliance with all key legal and policy-based concerns for a large-scale project of this type. In the case of the Roşia Montană Project (RMP), the EIA procedure is mandated by the relevant mandatory laws of Romania, which were harmonized with those of the EU.</p> <p>The EIA that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts – IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>
Solution	<p>Responding to stakeholder concerns is an integral part of the EIA process.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. Thus it is not true to assert that RMGC has not responded to stakeholder views.</p> <p>RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p> <p>All the preventive archaeological research conducted at Roşia Montană starting with 2001 and until now has been performed under the Alburnus Maior National Research Program. Archaeological research has been scientifically coordinated by the Romanian National History Museum and 21 specialized institutions from Romania and 3 from abroad took part in the process. All research has been conducted as per the legal provisions.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1262
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110435/22.08.2006
RMGC internal unique code	MMGA_1156

Proposal	What are RMGC's reasons to believe that the proposed project will be declared to be of public interest?
Solution	<p>RMGC's approach is not based on the necessity of a determination that the project is in the public interest.</p> <p>To put the issue in larger context, the construction and operation of the Roşia Montană Project requires the acquisition of properties in four of Roşia Montană's 16 sub-comuna. For the most part, therefore, property ownership in the larger part of Roşia Montană will not be affected by the project. In fact, the number of homes that the company must purchase to construct and operate the project over the life of the mine – 379 homes – is far smaller than the 1000 homes project opponents regularly reference.</p> <p>In order to acquire the necessary properties, the company has established a property purchase program compliant with the RRAP guidelines developed by the World Bank.</p> <p>As the mining project proceeds in phases, it is not necessary to acquire all properties at the outset. Accordingly, the company has focused on properties required for the construction and operation of the mine in its first five years. To date, more than 50% of the properties needed to construct the project and operate the mine for the first five years have been acquired.</p> <p>Of those properties needed but not yet acquired, 98% have been presented for surveying by their owners – a step that implies an interest in selling the property to the company. The survey rate suggests that little more than a handful of properties are held by people who might prove unwilling to entertain a sale.</p> <p>Of that small number, some will lie in areas not needed for construction and early operation of the mine. For the near-term, therefore, owners of these properties need not prove any impediment to the mine development.</p> <p>Of the even smaller number of homes that are located in areas in which the construction and early operation of the mine will take place, the company will seek options to redesign the mine plan to allow those owners to retain their property, outside the area directly affected by the mine.</p> <p>Of course it may prove, at the end of all of these efforts, that a very small number of property owners – perhaps a few families – will refuse to sell their holdings. At that point, the decision falls to Romanian Government authorities as to whether they will exercise the legal instruments available to them to expropriate the properties.</p> <p>That decision will turn on whether a small number of people, perhaps a handful, should prevail (via a de facto veto power) over the majority will of local residents and Romania's national interests as a whole to benefit from \$ 2.5 billion USD in investment in a rural region that has been designated a "Disadvantaged Zone" and knows only extreme poverty at present.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1350, 1351, 1360
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110351/24.08.2006, No. 110350/24.08.2006, No. 110273/24.08.2006
RMGC internal unique code	MMGA_1160
Proposal	The questioner asks that the company change plans for the Taul Corna area so that the pond would be maintained in the future;
Solution	Tăul Corna is located immediately under the footprint of the Cârnic waste rock facility. It is therefore directly impacted and unfortunately cannot be preserved in the future. Nonetheless, it should be noted Tăul Corna is not a lake formed as a result of natural causes, but a man-made lake for which analyses of the water samples revealed exceeding values for mercury and selenium (please refer to the Environmental impact Assessment Study Report (EIA) - Water baseline report, page 30).

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1169
Proposal	The questioner opposes the project and brings the following argument: in the event that it will be carried out, the project will create a dangerous precedent and will affect Certej, Bucium, Blaj, Sacaramb and other places with similar mines where similar projects could be developed.
	In response to your comment, kindly note that the RMP as it was proposed will be an example of responsible mining carried out in accordance with the strict mandatory legal requirements under both Romanian and EU specific legislation.
Solution	We consider that the project will create but a benefic precedest and not a dangerous one, because we believe that the Roşia Montană Project will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development. However, we do not express any opinion on the likelihood of mining operations being started at any of the places you mentioned.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1170
Proposal	The project will affect Tara Motilor;
Solution	<p>The overall development of the Roşia Montană Project (RMP), as currently proposed by Roşia Montană, will certainly affect the area and the whole country in a benefic way. Considering the above statement, kindly note that the Romanian state will gain approximately US\$ 1.0 billion from its share of the profits from the Project and profit taxes, royalties, and other taxes such as payroll taxes that RMGC will pay.</p> <p>Furthermore, the Project will indirectly generate 6,000 jobs in the region, and RMGC's environmental rehabilitation program will help clean up pollution from past poor mining practices in Roşia Montană that affect the region. Given the strong tradition of mining in the region, we believe the Project will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1171
Proposal	The costs for Romania are extremely high and disproportionate compared to the possible benefits.
	The financial costs of this project to Romania are nil.
Solution	In fact, The Romanian State through the Ministry of Economy and Commerce (MEC) has a 19.3% ownership interest in Roşia Montană Gold Corporation (RMGC), thus in Rosia Montana Project (RMP). This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level, is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1. 5 billion of Romanian goods and services will be acquired by the project. That leads to a total of US\$ 2.5 billion in Romania.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1176
Proposal	<p>RMGC avoids to respond to specific questions concerning the possible negative socio-economic impact on sectors such as agriculture and tourism.</p>
Solution	<p>Ample information on existing and potential industries, such as agriculture and tourism, is provided in the Environmental Impact Assessment Study Report (EIA) and supporting documents. This information was presented primarily so that an assessment could be completed on the potential effects of the proposed project on these industries. Roşia Montană Gold Corporation (RMGC) is not in a position to comment on alternative development options. However, the company is committed to promoting long term development opportunities as part of the sustainable development plan. Under the auspices of the UNDP (United Nations Development Program), a number of working groups will be established – one of which will be assigned the task of exploring development opportunities. These working groups will be made up of Government, community representatives and RMGC. The working groups will welcome suggestions and contributions from all interested parties.</p> <p>Chapter 5 of the EIA Study Report identifies and assesses project alternatives, including tourism. Importantly, the EIA concludes that the project does not preclude the development of other industries such as tourism. On the contrary, the mining project would remove some of the existing significant impediments to establishment of other industries, such as pollution, poor access and other problems that have arisen through lack of inward investment. As described in Volume 14, 4.8 Social and Economical Environment, and in Volume 31, Community Sustainable Development Management Plans, there are currently some tourism activities in Roşia Montană. However the tourism industry is not at present a significant economic driver.</p> <p>The role of commercial agriculture in the economy in Roşia Montană is effectively minimized by the altitude, steep slopes, and poor (and polluted) soils. Currently, approximately 7% of the land in Roşia Montană is arable. The agricultural activities that do occur are primarily related to subsistence and supplement income from wage employment. Agricultural activities may continue in Roşia Montană, even if the mine proceeds, in the areas where the General Urban Plan (PUG) allows it. During the mine's life, if people wish to develop agriculture as an economically sustainable practice, RMGC in cooperation with community stakeholders will provide assistance. In the CSDP land-based livelihoods including organic farming were presented as possibilities for development. It requires community parties to actively desire to undertake these activities. Agricultural activities may also continue post mine closure depending on whether there is a desire by people to practice it.</p> <p>Roşia Montană could continue to develop its tourism potential. There are initiatives to do so, such as "Tourism development model and its contribution to sustainable development in Zlatna, Bucium, Roşia Montană and Baia de Arieş as alternative to mono-industrial mining activities" prepared by the National Institute for Research and Development in Tourism (INCDT) published in April 2006, just as the Environmental Impact Assessment Study Report (EIA) was being submitted to the Ministry of Environment and Water Management.</p> <p>RMGC has also commissioned a study, which sets out how the potential tourism markets and how these might best be approached in an integrated project:</p> <p>"From experience, tourism will be possible and profitable only when there is something to offer to tourists in terms of clean environment, proper infrastructure (good roads, accommodation, restaurants, running water, proper sewage system, waste disposal facilities, etc.), attractions (museums, other things to see</p>

such as historical monuments, etc). A mining project such as the one proposed by RMGC will provide, through taxes, and the development of service industries, the necessary funds to improve the infrastructure. Through the RMP and its heritage management plans, US\$ 25 million will be invested by the company in the protection of cultural heritage in such a way to support tourism. A training program will provide the necessary skills to develop tourist activities and the Roşia Montană Micro Credit will support people in starting pensions, restaurants, etc., all needed for attracting tourists. At the end of the project, there will be a new village, plus the restored old centre of Roşia Montană with a museum, hotels, restaurants and modernized infrastructure, plus restored mining galleries (e.g. Cătălina Monuleşti) and preserved monuments such as the one from Tău Găuri - all of which would serve as tourist attractions. Further to this, it is understood that the government will be acting locally to encourage economic growth.”(see Roşia Montană Initial Tourism Proposals Gifford Report 13658.R01).

This study [1] was prepared by Gifford, a leading British consultancy of heritage specialists and engineers.

The Roşia Montană Project (RMP) will be a catalyst for local and regional economic development. Beneficial impacts will be maximized by involving local and regional governments and other interested parties from the community in development initiatives as part of a participatory approach of the Community Sustainable Development Management Plans. Negative impacts will be mitigated through measures as described in the EIA report. RMGC is committed to working proactively to create an enabling business environment promoting local sustainable development to be developed during the life of the project and designed to operate independently following mine closure.

Reference:

[1] Roşia Montană Initial Tourism Proposals, Gifford, 2006.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1178

Proposal	<p>What will be the cost of loosing tourism resources and access to structural funds for tourism activities?</p> <p>The access to structural funds for tourism activities isn't conditioned in any way by the Roşia Montană Project (RMP). Each project, financing application or entity which wants to access the structural funds must satisfy the eligibility criteria and then convince financier (EU) about the proposal feasibility.</p> <p>Through the implementation of the Roşia Montană project, respectively Cultural Heritage Management Plans, about USD \$25 million will be invested within the Roşia Montană community. This fact will act as a strong catalyst for the development of tourism activities and services.</p> <p>Roşia Montană could continue to develop its tourism potential. There are initiatives to do so, such as "Tourism development model and its contribution to sustainable development in Zlatna, Bucium, Roşia Montană and Baia de Arieş as alternative to mono-industrial mining activities" prepared by the National Institute for Research and Development in Tourism (INCDT) published in April 2006, just as the Environmental Impact Assessment Study Report (EIA) was being submitted to the Ministry of Environment and Water Management.</p> <p>RMGC has also commissioned a study, which sets out how the potential tourism markets and how these might best be approached in an integrated project:</p>
Solution	<p>"From experience, tourism will be possible and profitable only when there is something to offer to tourists in terms of clean environment, proper infrastructure (good roads, accommodation, restaurants, running water, proper sewage system, waste disposal facilities, etc.), attractions (museums, other things to see such as historical monuments, etc). A mining project such as the one proposed by RMGC will provide, through taxes, and the development of service industries, the necessary funds to improve the infrastructure. Through the RMP and its heritage management plans, US\$ 25 million will be invested by the company in the protection of cultural heritage in such a way to support tourism. A training program will provide the necessary skills to develop tourist activities and the Roşia Montană Micro Credit will support people in starting pensions, restaurants, etc., all needed for attracting tourists. At the end of the project, there will be a new village, plus the restored old centre of Roşia Montană with a museum, hotels, restaurants and modernized infrastructure, plus restored mining galleries (e.g. Cătălina Monuleşti) and preserved monuments such as the one from Tăul Găuri - all of which would serve as tourist attractions. Further to this, it is understood that the government will be acting locally to encourage economic growth."(see Roşia Montană Initial Tourism Proposals Gifford Report 13658.R01). [1]</p> <p>Reference: [1] Roşia Montană Initial Tourism Proposals, Gifford, 2006.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1181
Proposal	How much agriculture subsidies will receive local farmers for their contaminated land?
Solution	As the land required for the project footprint will be acquired from private owners and institutions, no further subsidies will be paid. The existing contaminated land will be mined or rehabilitated. In order to be able to construct the designated facilities for the project, RMGC will apply to change the land use designation of the land from agricultural to industrial. After closure, the land use status will be changed as agreed upon by the stakeholders.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1184

Proposal What will be the fiscal impact for Romania? Is the Project worthwhile?

The current projections for the financial benefits to the Romanian state are as follows, assuming a gold price of \$600/ounce and a silver price of \$10.50/ounce:

	<u>Taxes, Fees and Government share of profits (incl. historical taxes paid)</u>	<u>TOTAL (\$USD million)</u>
	-	
Solution	Payroll taxes	177
	Profit tax (16% Corporate tax rate)	284
	Royalties (2% net smelter revenue)	101
	Property taxes (Roşia Montană)	12
	Land taxes (Roşia Montană)	21
	Forestry taxes	13
	Agriculture taxes	1
	Land registration taxes	3
	Customs and excise taxes	113
	Other taxes & fees	1
	Dividends (Ministry of \industry and Commerce)	306
	Total	1,032

Beyond this, there will be other indirect benefits for the Romanian economy. Thus, the Project is worthwhile from an economic perspective for Romania.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1356, 1357
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110300/24.08.2006, No. 110302/24.08.2006
RMGC internal unique code	MMGA_1186
Proposal	Who are the winners and who are the losers?
Solution	<p>The manner in which the RMP was designed is intended to provide a win-win situation for all the stakeholders.</p> <p>This Project, unlike past mining at Roșia Montană, will be operated in accordance with international best practices for mining. For the first time, it will bring Best Available Techniques (BAT) to Romania.</p> <p>An area of the village of Roșia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p> <p>As detailed in the EIA study, RMGC will undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, at no costs to the Romanian Government.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1358
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110298/24.08.2006
RMGC internal unique code	MMGA_1188
Proposal	<p>The questioner does not agree with the promotion of the Rosia Montana project and draws up a report comprising expert analysis carried out by independent experts in the following areas: archaeology and cultural heritage, legislation, water, socio-economic aspects, resettlement and biodiversity.</p> <p>Such a report that the report the questioner refers to we received from the Ministry of Environment and Waters Management (MEWM) and it has been answered as part of the present Annex.</p>
Solution	<p>The Environmental Impact Assessment Study Report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the Ministry to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad-hoc committee of European experts (International Group of Independent Experts – IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1391
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110599/25.08.2006
RMGC internal unique code	MMGA_1193
Proposal	<p>If the RMGC project is permitted, underground resources will suffer complete depletion;</p> <p>RMGC's evaluation of the ore deposit is based on a reserve calculation performed after a very detailed and complete exploration program from 1997 to 2006 that produced 191,320 samples from drilling, underground networks, and surface rock. This program is the most extensive of this kind ever undertaken in Romania.</p> <p>Each ore sample was analyzed for gold and silver. The resulting database, containing more than 400,000 analyses, was verified by independent experts from both Romania and abroad. The Romanian company Ipromin SA performed three feasibility studies for the Roșia Montană project. These feasibility studies also contain calculations of resources and reserves. Both Ipromin and external auditors confirmed the results.</p> <p>While the figure of 330 tons of reserves was correct in 2004, the project was subsequently redesigned to reflect stakeholder concerns – for instance, creating larger buffer zones that allowed several village churches to remain where they are - and the size of the pits was reduced. Thus, for the smaller pits that are now proposed in the EIA, RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1480.36 tones of silver. Even with this reduced figure, the Roșia Montană ore deposit remains among the top ten gold deposits in the world.</p>
Solution	<p>Thus, a minimum of 16 tons remains underground in the proposal offered in the EIA. Further, the reserves proposed for mining do not include the reserves situated at depth, namely the reserves which could be identified beneath the floor of the open pits proposed in the EIA. For instance, in the Cetate open pit, the mineralization continues at depth below the floor of the proposed open pit. This fact was proved by underground drilling carried out from the level of the main transport Horizon (+714m RL). Further, RMGC did not investigate ore situated below the historic area and the protected zone of Roșia Montană, even though this area undoubtedly possesses an important potential because the Cătălina Monulești gallery of Roman mining is located here. Beyond this, there is a good potential for additional resources in the area around the perimeter of the Roșia Montană concession license, where alluvial gold has been identified. In order to investigate and identify new resources in these areas, systematic programs of exploration with drillings, sampling works both in underground and surface, chemical analyses and other specific works would be necessary.</p> <p>For these reasons, the assertion that the mining resources of the region would be totally depleted if the Roșia Montană mining project were approved is not accurate. Scientific evidence shows that gold and silver would still exist at Roșia Montană in significant quantities, to say nothing of other deposits elsewhere in a resource-rich region.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1479
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110644/25.08.2006
RMGC internal unique code	MMGA_1197
Proposal	<p>The questioner opposes the promotion of the Rosia Montana project and asks the government to investigate possible conflicts of interest within the local council in Rosia Montana;</p> <p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p>
Solution	<p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the Report on the Environmental Impact Assessment Study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to competences of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1479
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110644/25.08.2006
RMGC internal unique code	MMGA_1199
Proposal	<p>The questioner asks the government to investigate the activities of the local council in the Alba County;</p> <p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p>
Solution	<p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>" based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure and (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1479
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110644/25.08.2006
RMGC internal unique code	MMGA_1200
Proposal	<p>The questioner asks the government to investigate the activities of the Alba prefecture in relation to the project.</p> <p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p>
Solution	<p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure and (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1510, 1514, 1723, 1870, 1871, 1872, 1873, 2613, 3123, 3124, 3125, 3126, 3127, 3233
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111063/25.08.2006 and No. 75904/04.09.2006, No. 111059/25.08.2006, No. 110779/25.08.2006, No. 110933/25.08.2006, No. 110932/25.08.2006, No. 110931/25.08.2006, No. 110930/25.08.2006, No. 112385/25.08.2006, No. 112880/25.08.2006, No. 112875/25.08.2006, No. 112868/25.08.2006, No. 112873/25.08.2006, No. 112874/25.08.2006, No. 111448/25.08.2006
RMGC internal unique code	MMGA_1208
Proposal	80 % of the precious metals extracted will go to RMGC;
Solution	<p>According to art. 38 letter c) of the Mining Law no. 85/2003, <i>"the titleholder of the license/permit has the following rights: to dispose of the quantities of mining products achieved"</i>. Therefore, this is a legal right of all mining licenses titleholders, irrespective of the mineral resources/reserves for which mining activities are granted into concession.</p> <p>Mining activities are developed by titleholders on their own risk and using their own financial resources for scoping of resources/reserves and for projects permitting and operation. Apart from the exploration/exploitation tax, which is a fix amount to be paid for each perimeter irrespective of the activities developed, the titleholders are bound to pay to the state the mining royalty. The mining royalty is set up by art. 45 of the Mining Law no. 85/2003 as a quota from the value of the mining production achieved.</p> <p>The Romanian State has the legal right to purchase precious metals through the National Bank of Romania (NBR). The NBR purchases precious metals when it deems necessary and as per the legal provisions in force, being also the only one able to decide the volume of the gold reserves of the Romanian state. In this respect, art. 30 and 31 let. a) of the Law no. 312/2004 for the NBR Statute approval provide: <i>"The NBR, observing the general rules regarding liquidity and external assets specific risk, establishes and maintains international reserves, so as to be able to determine at any moment their size. Such reserve is cumulatively or selectively composed of: gold within state thesaurus or deposited abroad; [...]. The National Bank of Romania monitors the maintaining of the gold reserve at a level it deems as being appropriate for the external transactions of the state"</i> respectively <i>"the NBR is authorized, under the conditions it establishes and modifies from time to time, to perform the following operations: to sell, buy and perform any other transactions with gold ingots and coins and other precious metals"</i>.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1533
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111040/25.08.2006
RMGC internal unique code	MMGA_1212
Proposal	The Project falls outside the competence of any of the ministries or of the Romanian government.
	<p>As per the Romanian legislation, the competence to grant or not the environmental permit falls under the responsibility of local or central environmental protection authorities. In the case of large projects – such as the Roşia Montană Project (RMP), the environmental permit will be granted or not by the Romanian Government, at the recommendation of the Ministry of the Environment and Water Management (MEWM).</p> <p>As per the Emergency Ordinance no. 195 dated 22.12.2005 Art. 19 – the environmental permitting for mining activities using hazardous substances, for production rates exceeding 5 million tons/year and/or if the project surface exceeds 1000 ha, will be given by the Romanian Government by means of a Governmental Decision, at the recommendation of the central public authority for environmental protection.</p> <p>Thus, as long as there are legal provisions that regulate the development of such activities, the environmental permitting must comply with those.</p>
Solution	<p>It is not up to Roşia Montană Gold Corporation (RMGC) to comment on the competence of the Government of Romania. However, it is fair to point out that the Government has run a process providing wide opportunities for public comment. Certainly, the people of Romania stand to benefit a great deal from the proposed project. For this project, the distribution of benefits would be more favorable for Romania than is typical of mining projects worldwide. The Romanian State through the Ministry of Economy and Commerce (MEC) has a 19.3% ownership interest in Roşia Montană Gold Corporation (RMGC), thus in Roşia Montană Project (RMP). This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level, is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project. That leads to a total of US\$ 2.5 billion in Romania.</p> <p>The approval of the project will also result in the clean-up of pollution from past poor mining practices. In a no-project scenario, the cost of this cleanup would be the responsibility of the Romanian state.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1614
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110989/25.08.2006
RMGC internal unique code	MMGA_1213
Proposal	The questioner requests not to approve the operation planned by the Canadian company on cyanide basis.
	As your allegation refers to two different aspects, please observe the following:
	(i) According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i> .
Solution	At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>" based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i> ;
	(ii) With respect to the use of cyanide at the mine, please note that cyanide is one of the few substances that can dissolve gold. Cyanide is used in many gold mines around the world. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million – ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1831
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110972/25.08.2006 and No. 165086/07.09.2006
RMGC internal unique code	MMGA_1222
Proposal	Why are the recommendations of academicians and expert professors ignored?
Solution	<p>They are not being ignored. We value the suggestions we have received during the public consultation process, including from members of the Romanian Academy. The most recent position of the Romanian Academy regarding the Roşia Montană Project (RMP) was made public on February 27, 2006, almost three months before the submission of the Environmental Impact Assessment Study Report to the Ministry of Environment and Water Management (MEWM).</p> <p>Roşia Montană Gold Corporation (RMGC) made significant changes to the project design, notably a reduction in the size of three of the four proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the Environmental Impact Assessment Study Report (EIA). Thus the position does not reflect changes to project design or an analysis of the EIA that was actually submitted to the Ministry.</p> <p>We would be happy to meet with the Academy to answer any questions regarding the RMP.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1884, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110919/25.08.2006, No. 112093/25.08.2006, No. 112092/25.08.2006, No. 112091/25.08.2006, No. 112090/25.08.2006, No. 112089/25.08.2006, No. 112088/25.08.2006, No. 112087/25.08.2006, No. 112086/25.08.2006, No. 112085/25.08.2006, No. 112084/25.08.2006, No. 112083/25.08.2006, No. 112083/25.08.2006, No. 112082/25.08.2006, No. 112081/25.08.2006, No. 112080/25.08.2006, No. 112079/25.08.2006, No. 112078/25.08.2006, No. 112077/25.08.2006, No. 112076/25.08.2006, No. 111551/25.08.2006, No. 111552/25.08.2006, No. 111553/25.08.2006, No. 111554/25.08.2006, No. 111555/25.08.2006, No. 111556/25.08.2006, No. 111557/25.08.2006, No. 111558/25.08.2006, No. 111559/25.08.2006, No. 111560/25.08.2006, No. 111560/25.08.2006
RMGC internal unique code	MMGA_1231
Proposal	The questioner does not agree to the Rosia Montana project approval for ecological and social reasons and for earth protection for the next generations;
Solution	<p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the Report on the Environmental Impact Assessment Study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure and (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1922
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110902/25.08.2006
RMGC internal unique code	MMGA_1249
Proposal	<p>The questioner requests the MEWM not to issue the environment permit for the Rosia Montana mining project. The questioner formulated the following remarks: The project implementation represents a real threat that would lead to the environment destruction both within the area and surrounding regions</p>
Solution	<p>We strongly disagree with the view that the Project will lead to environmental destruction in the Roşia Montană area and the surrounding region.</p> <p>The environmental protection laws that are in effect all over the world, including in Romania, do not allow the destruction of the environment under any circumstances. The Roşia Montană Project will be conducted in compliance with Romanian and European environmental and other laws and in accordance with international best practices. The Project will bring best available techniques (BAT) to Romania, many of which are designed to minimize the impact of mining operations on the environment. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>As detailed in the EIA study, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1922
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110902/25.08.2006
RMGC internal unique code	MMGA_1250
Proposal	<p>The project would have a long term destroying impact on the natural landscape and human settlements</p> <p>The questioner's assertion is inaccurate. As is described in Table 3-1, p.19 of Chapter 4.7 ("Landscape") of the Environmental Impact Assessment Study Report, the current use of land by surface area within Roșia Montană (approx. 1646 ha) is as follows: the largest percentage consists of hay lands, at 60% of the total surface, followed by forests with 17.7%, and by built-up areas with 12%. The remaining surface is covered by non-productive land 5%, roads 3%, arable land 1%, cemeteries 0.5%, and waters 0.8%.</p> <p>Under the Project as proposed in the EIA study:</p> <ol style="list-style-type: none"> 1. The key elements of the landscape – such as protected areas, cultural patrimony – are preserved or protected; 2. The aesthetic value and visual beauty of the landscape will not be diminished. Measures for the reconstruction and rehabilitation of the landscape will be taken; 3. The only long-term impact on the landscape will be some changes to the natural framework; 4. During the Project, the use of land as measured by total surface area will not be greatly changed; waters (0.5%) and forests (approx. 12%) will be slightly lower and hay lands (approx. 37.5%) will temporarily decline; 5. But the Project's Closure and Rehabilitation Management Plan includes the rehabilitation of 335 ha of forests; therefore, after closure of the mine the surface area covered by forests will be larger than currently, and the surface area covered by water will be almost equal because of the Cetate Pit. The surface area of hay lands will be reconstructed by conducting the progressive rehabilitation and re-vegetation program that will eventually increase their surface area.
Solution	<p>It must be stated that landscape impact will only exist locally, both from the point of view of visual-aesthetics and of the alterations of land use categories and elements of natural landscape.</p> <p>All these prove that after the Project's closure the structure of land use is not going to be significantly altered, reaching equivalent percentages to those existing before the initiation of the Project.</p> <p>The human settlements will be enhanced, rather than destroyed. An area of the village of Roșia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roșia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	2431
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112110/25.08.2006
RMGC internal unique code	MMGA_1253
Proposal	<p>The questioner does not agree to the Rosia Montana project promotion formulating the following remarks and comments: We refer here to an aggression attempt at our national security and unity;</p> <p>Further to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures (Order no. 860/2002) <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p>
Solution	<p>Considering (i) the legal wordings quoted above and (ii) the fact that your allegation does not identify nor indicate issues related to the project initiated by Roşia Montană Gold Corporation (RMGC) undergoing the environment impact assessment (EIA) procedure and does not provide any additional comments and/or specifications in this respect we mention that the project titleholder is not in the position of providing an accurate answer.</p> <p>However, please note that this work will be done and these jobs will be held by Romanians. RMGC expects that the staff will be completely Romanian shortly after mine operations begin and has a policy to hire local personnel to the maximum extent.</p> <p>Further, the Romanian State through the Ministry of Economy and Commerce (MEC) has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1510, 1514, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2594
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111063/25.08.2006 and No. 75904/04.09.2006, No. 111059/25.08.2006, No. 111392/25.08.2006, No. 111399/25.08.2006, No. 111400/25.08.2006, No. 111401/25.08.2006, No. 111401BIS/25.08.2006, No. 111393/25.08.2006, No. 111395/25.08.2006, No. 111396/25.08.2006, No. 111397/25.08.2006, No. 111398/25.08.2006, No. 111391/25.08.2006, No. 111390/25.08.2006, No. 111389/25.08.2006, No. 111388/25.08.2006, No. 111378/25.08.2006, No. 111394/25.08.2006, No. 111403/25.08.2006, No. 111404/25.08.2006, No. 111405/25.08.2006, No. 111406/25.08.2006, No. 111407/25.08.2006, No. 111377/25.08.2006, No. 111375/25.08.2006
RMGC internal unique code	MMGA_1257
Proposal	<p>The questioner does not agree to the proposal regarding the Rosia Montana gold and silver mining operation, formulating the following remarks and comments: The lack of correct information and transparency on behalf of MMGA; SEE THE CONTENT OF THE TYPE 1 CONTESTATION</p>
Solution	<p>As related to your allegation, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") "<i>during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing</i>".</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that "<i>based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues</u></i>".</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure and (ii) refers to situations under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	2926BIS
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112963/25.08.2006
RMGC internal unique code	MMGA_1263
Proposal	The questioners request the Ministry of Environment not to grant the permit for the proposal of Rosia Montana gold and silver mining operation
Solution	<p>As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, <u>the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public</u> and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>:</p> <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	2984
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111777/25.08.2006
RMGC internal unique code	MMGA_1264
Proposal	The questioner requests the MEWM the rejection of the Rosia Montana mining project formulating the following remarks, questions and comments: The Rosia Montana project presents a "scenario" quite identical with Rosia Poieni project;
Solution	<p>While we disagree with your conclusion, we respect your opinion and thank you for participating in this important process of public consultation.</p> <p>Nonetheless, it should be noted there are no resemblances between the Roşia Montană Project and Roşia Poieni exploitation, other than their location in the same Apuseni Mountains area. Roşia Poieni is a copper deposit, operated by Cuprumin SA Abrud, a 100% state owned company, which is confronted with the problems common to all state subsidized mining companies. In its turn, RMGC, a private company, is committed to building a new state-of-the-art mining facility that will reinvigorate the local economy and honor cultural patrimony, while setting world-class standards for environmental and social responsibility. The region of Roşia Montană suffers today from the ravages of 2000 years of uncontrolled mining. By building a modern mine based on Best Available Techniques and implementing the highest environmental standards, RMGC's project creates an opportunity to remediate past damage, leaving the region's rivers and soil cleaner than we found them. The project will be the first permitted under the European Union's new, more stringent, environmental laws – creating a model mining project not only for Romania and the EU but for future mining projects worldwide.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	2984
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111777/25.08.2006
RMGC internal unique code	MMGA_1281
Proposal	It is not specified from where the drinking water for 1,200 workers employed during the construction period will be supplied.
Solution	The drinking water needs can be met by the existing water supply, which will not be impaired by the project. Should at any point existing supply be insufficient perhaps due to temporary spikes in use, water tanks will be brought to site, as is customary in construction efforts.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3021
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112891/25.08.2006
RMGC internal unique code	MMGA_1306
Proposal	<p>The questioners do not agree to the Rosia Montana gold and silver mining project formulating the following remarks and comments: Cyanide and imminent danger of an ecological accident</p>
Solution	<p>With respect to the use of cyanide at the mine, it is true that cyanide is one of the few substances that can dissolve gold. Cyanide is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards and in compliance with the Romanian and EU relevant legislation. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring.</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility ("TMF") will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (approx. 5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p> <p>The proposed dam at the Roşia Montană TMF and the secondary dam at the catchment basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution.</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this code. Also, the transporter will comply with ICMC.</p> <p>The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide in the manner discussed above is a Best Available Technique as defined by the EU.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3023
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112906/25.08.2006
RMGC internal unique code	MMGA_1309
Proposal	The questioners request the MEWM not to grant the environment permit for the Rosia Montana mining project. The questioners formulated the following questions and remarks: RMP is not an advantageous solution for Romanian State from economic point of view;
Solution	<p>The Romanian State through the Ministry of Industry and Commerce ("MEC") has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefits to the Romanian State, at the local, county, and national level is projected to be USD1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. The Romanian government share of the profits is 45% (1,032 million) while RMGC's share is 55% (1,258 million). An additional USD 1.5 billion of Romanian goods and services will be acquired for the project.</p> <p>RMGC has already invested over USD 200 million in the project and expects to invest nearly USD 1,000 million during the life of the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3023
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112906/25.08.2006
RMGC internal unique code	MMGA_1310
Proposal	The influence of the works stipulated in RPM will be dangerous and uncontrollable for environment;
Solution	<p>We strongly disagree with the view that the Project will lead to environmental destruction in the Roşia Montană area and the surrounding region. The environmental protection laws that are in effect all over the world, including in Romania, do not allow the destruction of the environment under any circumstances.</p> <p>The Roşia Montană Project will be conducted in compliance with all relevant Romanian and European environmental and other laws and in accordance with international best practices. The Project will bring best available techniques (BAT) to Romania, many of which are designed to minimize the impact of mining operations on the environment. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>As detailed in the EIA study, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3023
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112906/25.08.2006
RMGC internal unique code	MMGA_1313
Proposal	The excavating works will lead to massive destructions of the ecological vestiges from area
Solution	<p>We strongly disagree with the view that the Project will lead to environmental destruction in the Roşia Montană area and the surrounding region. The environmental protection laws that are in effect all over the world, including in Romania, do not allow the destruction of the environment under any circumstances.</p> <p>The Roşia Montană Project will be conducted in compliance with all relevant Romanian and European environmental and other laws and in accordance with international best practices. The Project will bring best available techniques (BAT) to Romania, many of which are designed to minimize the impact of mining operations on the environment. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that it complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts – IGIE)) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>As detailed in the EIA study, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it.</p> <p>As regards the vestiges in the area, through the RMP and its heritage management plans, US\$25 million will be invested by the company in the protection of cultural heritage. At the end of the project, there will be a new village, plus the restored old center of Roşia Montană with a museum, hotels, restaurants and modernized infrastructure, plus restored mining galleries (e.g. Cătălina Monuleşti) and preserved monuments such as Tăul Găuri - all of which would serve as tourist attractions.</p> <p>Details referring to the commitments assumed by RMGC may be consulted in the Cultural Patrimony and Tourism Strategy Management Plan included as a reference document, attached as annex to the present form.</p>

Domain

GENERAL

MMDD's item no. for the question which includes the observation identified by the RMGC internal code

3023

MMDD's identification no. for the question which includes the observation identified by the RMGC internal code

No. 112906/25.08.2006

RMGC internal unique code

MMGA_1316

Proposal

In the case of RPM approval which will be the price received by Romanian State per extracted gold and silver gram?

The exact price per extracted gram will depend on market conditions. To be as exact as possible, the chart below spells out the economic impacts of the project to the Romanian State based on US\$ 600 per ounce of gold:

Solution

<u>Taxes, Fees and Government share of profits</u> <u>(incl. historical taxes paid)</u>	TOTAL (\$USD million)
-	
Payroll taxes	177
Profit tax (16% Corporate tax rate)	284
Royalties (2% net smelter revenue)	101
Property taxes (Roşia Montană)	12
Land taxes (Roşia Montană)	21
Forestry taxes	13
Agriculture taxes	1
Land registration taxes	3
Customs and excise taxes	113
Other taxes & fees	1
Dividends (Ministry of \industry and Commerce)	306
Total	1,032

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3023
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112906/25.08.2006
RMGC internal unique code	MMGA_1317
Proposal	Which is the real identity of the "Gabriel" company which owns 80% from the RMGC's shares?
Solution	<p>Gabriel Resources Ltd. is a Canadian company listed on the Toronto Stock Exchange. Its management team has 60 years of experience permitting and operating seven mines on four continents.</p> <p>Gabriel Resources has adopted a corporate structure similar to all other Canadian-based resource companies operating worldwide. The Roşia Montană Project will be operated by Roşia Montană Gold Corporation S.A. which is a subsidiary of Gabriel Resources Limited.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3023
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112906/25.08.2006
RMGC internal unique code	MMGA_1318
Proposal	What concrete experience has RMGC regarding the avoidance of ecological accidents?
Solution	<p>The management of Gabriel Resources Ltd., the major shareholder in RMGC, has over 60 years of experience permitting seven mine projects on four continents. This is an extremely strong foundation for the work on the Rosia Montana Project. RMGC is committed to operating the Project in full compliance with Romanian and European law, including environmental law and in accordance with international best practices, many of which relate to environmental protection. We have been working with independent experts and some of the world's most prominent mining consultant companies to ensure the highest level of environmental protection and rehabilitation at the site.</p> <p>For instance, at Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive. Thus, over time, the currently polluted waters, such as the Arieş River, will become less polluted as a result of the Project.</p> <p>RMGC has also put in place policies relating to blasting and noise vibration; environmental and social management system plans; and minimization of waste and storage of solid hazardous waste.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3027
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111774/25.08.2006
RMGC internal unique code	MMGA_1328
Proposal	Within the report there are tables, diagrams, maps, annexes without translation into English
Solution	If Roşia Montană Gold Corporation (RMGC) inadvertently missed translation of certain tables, diagrams, or maps into English, we apologize; such small mistakes can sometimes happen in the translation of a document running to several thousand pages. But, under Romanian law, the environmental Impact Assessment study report (EIA) itself was presented to the public in English as well as Romanian and provides sufficient information for the public to comment in either language. Of course, the Romanian Ministry of Environment and Water Management (MEWM) has sole responsibility for approval of the project; therefore the Romanian text should be considered legally authoritative.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3027
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111774/25.08.2006
RMGC internal unique code	MMGA_1329
Proposal	The report has missing data
Solution	<p>Having in view the fact that the questioner makes no additional comments and/or references for allowing us to understand the data he refers to, please note that the Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the Ministry to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3029
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111761/25.08.2006
RMGC internal unique code	MMGA_1337
Proposal	Gold, silver and other precious metals will not revert to the Romania;
Solution	<p>Gold and silver are the only metals that will be extracted at RMGC's Roşia Montană mine. The Romanian government, like any other individual or entity, is able to purchase precious metals at the prevailing market rate.</p> <p>While gold and silver mined in Romanian will be sold on the international market, the nation will certainly reap huge economic benefits from the Roşia Montană project. Assuming that the price of gold is US\$ 600, the Romanian Government will receive about US\$ 1 billion for its share of the project, and a total of about US\$1.5 billion when one includes the value of goods and services procured in Romania.</p> <p>This project will provide many benefits to Romania. RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. In terms of employment, the project will create 600 direct and 6,000 indirect jobs for Romanian people. Over the life of the project, the mine will infuse approximately US\$ 2.5 billion into the Romanian economy – a significant contribution to the wealth of the country and well-being of Romania's people.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3029
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111761/25.08.2006
RMGC internal unique code	MMGA_1339
Proposal	The lack of information and transparency regarding this project on behalf of the MMGA;
Solution	<p>As related to your allegation, please consider the following aspects: According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to situations under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3030
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112171/25.08.2006
RMGC internal unique code	MMGA_1340
Proposal	The questioner requests the MEWM not to emit the environment permit for Rosia Montana project expressing the following remarks and comments: The EIA report was elaborated in order to mislead. Within the contestation annex the legislation infringements regarding the cultural heritage are presented
Solution	<p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	<p>647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 901, 911, 1092, 1093, 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108, 1109, 1110, 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1119, 1120, 1121, 1122, 1123, 1124, 1125, 1126, 1127, 1128, 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1136, 1137, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, 1148, 1149, 1150, 1151, 1152, 1153, 1154, 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, 1163, 1164, 1165, 1166, 1167, 1168, 1169, 1170, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1179, 1180, 1181, 1182, 1183, 1184, 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1880, 1885, 1886, 1887, 1889, 1890, 1891, 1892, 1893, 1894, 1895, 1910, 1911, 1913, 1914, 1915, 1916, 1917, 1918, 2994, 2995, 2996, 2997, 2998, 2999, 3002, 3003, 3004, 3005, 3006, 3007, 3008, 3009, 3010, 3011, 3012, 3013, 3014, 3017, 3018, 3031, 3032, 3033, 3036, 3037, 3063, 3074, 3077, 3078, 3079, 3080, 3081, 3082, 3083, 3084, 3085, 3086, 3087, 3088, 3089, 3090, 3091, 3092, 3093, 3094, 3095, 3096, 3097, 3098, 3099, 3100, 3101, 3102, 3103, 3104, 3105, 3106, 3137, 3138, 3139, 3140, 3141, 3142, 3143, 3144, 3145, 3146, 3147, 3148, 3149, 3150, 3151, 3152, 3153, 3154, 3155, 3156, 3157, 3158, 3167, 3168, 3169, 3170, 3171, 3172, 3173, 3174, 3175, 3176, 3177, 3178, 3179, 3180, 3181, 3182, 3183, 3184, 3185, 3186, 3187, 3188, 3248, 3249, 3250</p>
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	<p>No. 109602/18.08.2006 and No. 74921/21.08.2006, No. 109603/18.08.2006 and No. 74922/21.08.2006, No. 109604/18.08.2006 and No. 74923/21.08.2006, No. 109605/18.08.2006 and No. 74924/21.08.2006, No. 109606/18.08.2006 and No. 74925/21.08.2006, No. 109607/18.08.2006 and No. 74926/21.08.2006, No. 109608/18.08.2006 and No. 74927/21.08.2006, No. 109609/18.08.2006 and No. 74928/21.08.2006, No. 109610/18.08.2006 and No. 74929/21.08.2006, No. 109611/18.08.2006 and No. 74930/21.08.2006, No. 109612/18.08.2006 and No. 74931/21.08.2006, No. 109613/18.08.2006 and No. 74932/21.08.2006, No. 109614/18.08.2006 and No. 74933/21.08.2006, No. 109615/18.08.2006 and No. 74934/21.08.2006, No. 109616/18.08.2006 and No. 74935/21.08.2006, No. 109617/18.08.2006 and No. 74936/21.08.2006, No. 109618/18.08.2006 and No. 74937/21.08.2006, No. 109619/18.08.2006 and No. 74938/21.08.2006, No. 109620/18.08.2006 and No. 74939/21.08.2006, No. 109621/18.08.2006 and No. 74940/21.08.2006, No. 109622/18.08.2006 and No. 74941/21.08.2006, No. 109623/18.08.2006 and No. 74942/21.08.2006, No. 109624/18.08.2006 and No. 74943/21.08.2006, No. 109625/18.08.2006 and No. 74944/21.08.2006, No. 109626/18.08.2006 and No. 74945/21.08.2006, No. 109627/18.08.2006 and No. 74946/21.08.2006, No. 109628/18.08.2006 and No. 74947/21.08.2006, No. 109629/18.08.2006 and No. 74948/21.08.2006, No. 109630/18.08.2006 and No. 74949/21.08.2006, No. 109631/18.08.2006 and No. 74950/21.08.2006, No. 109632/18.08.2006 and No. 74951/21.08.2006, No. 109633/18.08.2006 and No. 74952/21.08.2006, No. 109634/18.08.2006 and No. 74953/21.08.2006, No. 109635/18.08.2006 and No. 74954/21.08.2006, No. 109636/18.08.2006 and No. 74955/21.08.2006, No. 109637/18.08.2006 and No. 74956/21.08.2006, No. 109638/18.08.2006 and No. 74957/21.08.2006, No. 109639/18.08.2006 and No. 74958/21.08.2006, No. 109640/18.08.2006 and No. 74959/21.08.2006, No. 109641/18.08.2006 and No. 74960/21.08.2006, No. 109643/18.08.2006 and No. 74961/21.08.2006, No. 109644/18.08.2006 and No. 74962/21.08.2006, No.</p>

110424/24.08.2006, No. 110425/24.08.2006, No. 110426/24.08.2006, No. 110427/24.08.2006, No. 110428/24.08.2006, No. 110429/24.08.2006, No. 110430/24.08.2006, No. 110431/24.08.2006, No. 110432/24.08.2006, No. 110433/24.08.2006, No. 110434/24.08.2006, No. 110923/25.08.2006, No. 110918/25.08.2006, No. 110917/25.08.2006, No. 110916/25.08.2006, No. 110914/25.08.2006, No. 110913/25.08.2006, No. 110912/25.08.2006, No. 110911/25.08.2006, No. 110910/25.08.2006, No. 110909/25.08.2006, No. 110908/25.08.2006, No. 110884/25.08.2006, No. 110883/25.08.2006, No. 110881/25.08.2006, No. 110880/25.08.2006, No. 110879/25.08.2006, No. 110878/25.08.2006, No. 110877/25.08.2006, No. 110876/25.08.2006, No. 111341/25.08.2006, No. 111340/25.08.2006, No. 111339/25.08.2006, No. 111338/25.08.2006, No. 111337/25.08.2006, No. 111336/25.08.2006, No. 111333/25.08.2006, No. 111332/25.08.2006, No. 111331/25.08.2006, No. 111330/25.08.2006, No. 111328/25.08.2006, No. 111329/25.08.2006, No. 111327/25.08.2006, No. 111326/25.08.2006, No. 111325/25.08.2006, No. 111324/25.08.2006, No. 111323/25.08.2006, No. 111322/25.08.2006, No. 111321/25.08.2006, No. 111320/25.08.2006, No. 112997/25.08.2006, No. 110872/25.08.2006, No. 110873/25.08.2006, No. 110874/25.08.2006, No. 110870/25.08.2006, No. 110865/25.08.2006, No. 111786/25.08.2006, No. 112950/25.08.2006, No. 112951/25.08.2006, No. 111365/25.08.2006, No. 111299/25.08.2006, No. 111366/25.08.2006, No. 111147/25.08.2006, No. 111158/25.08.2006, No. 111157/25.08.2006, No. 111156/25.08.2006, No. 111155/25.08.2006, No. 111154/25.08.2006, No. 111153/25.08.2006, No. 111152/25.08.2006, No. 111151/25.08.2006, No. 111150/25.08.2006, No. 111193/25.08.2006, No. 111192/25.08.2006, No. 111191/25.08.2006, No. 111190/25.08.2006, No. 111189/25.08.2006, No. 111188/25.08.2006, No. 111186/25.08.2006, No. 111185/25.08.2006, No. 111184/25.08.2006, No. 111183/25.08.2006, No. 111182/25.08.2006, No. 111181/25.08.2006, No. 111180/25.08.2006, No. 111179/25.08.2006, No. 111178/25.08.2006, No. 111177/25.08.2006, No. 111176/25.08.2006, No. 111175/25.08.2006, No. 111174/25.08.2006, No. 111173/25.08.2006, No. 111172/25.08.2006, No. 111171/25.08.2006, No. 111170/25.08.2006, No. 111169/25.08.2006, No. 111168/25.08.2006, No. 111166/25.08.2006, No. 111162/25.08.2006, No. 111161/25.08.2006, No. 111160/25.08.2006, No. 111159/25.08.2006, No. 111364/25.08.2006, No. 111363/25.08.2006, No. 111362/25.08.2006, No. 111361/25.08.2006, No. 111359/25.08.2006, No. 111352/25.08.2006, No. 111360/25.08.2006, No. 111351/25.08.2006, No. 111309/25.08.2006, No. 111308/25.08.2006, No. 111307/25.08.2006, No. 111306/25.08.2006, No. 111305/25.08.2006, No. 111304/25.08.2006, No. 111303/25.08.2006, No. 111302/25.08.2006, No. 111301/25.08.2006, No. 111300/25.08.2006, No. 111298/25.08.2006, No. 111297/25.08.2006, No. 111296/25.08.2006, No. 111295/25.08.2006, No. 111293/25.08.2006, No. 111292/25.08.2006, No. 111291/25.08.2006, No. 111290/25.08.2006, No. 111289/25.08.2006, No. 111288/25.08.2006, No. 111287/25.08.2006, No. 111286/25.08.2006, No. 111317/25.08.2006, No. 111316/25.08.2006, No. 111149/25.08.2006

RMGC internal unique code

MMGA_1343

Proposal

The questioner requests the MEWM not to emit the environment permit for Rosia Montana mining project. The questioner expresses the following remarks: The gold and silver reserves from Rosia Montana represent one of the strategic reserves of Romania SEE THE CONTENT OF THE TYPE 2 CONTESTATION

Solution

The Romanian Mine Law, Law 85/2003, does not put any restrictions on the licenses to be given for exploration for gold and development of gold reserves. Both Romanian and foreign companies, both public and private companies, may apply to obtain a license to work a gold deposit. The Romanian state no longer has a monopoly on gold production.

We agree that Roşia Montană represents an issue of national strategic importance, designed to raise the bar for long-term investment in Romania. RMGC is the largest employer in this disadvantaged region and

indeed the whole county and is the largest local taxpayer. Romania will receive about US\$ 1 billion for its share of the project, and a total of about US\$ 1.5 billion when one includes the value of goods and services procured in Romania. The project meets or exceeds all Romanian and EU standards, creates new jobs for Romanians, especially in Roşia Montană and the surrounding region, and will be a catalyst for reviving the mining sector, which is strategic to the Romanian economy and an important tool for rural development.

However, we disagree that this means the project should not be approved. RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US \$1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1,000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. In fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring the best available techniques to Romania. Approval of this project will show the world that Romania welcomes this type of productive foreign investment. The profits from the mine and the jobs provided by the mine are tangible benefits to Romania.

As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that *"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"*.

Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and only after examining:

- (i) the Report on the Environmental Impact Assessment Study;
 - (ii) the conclusions of the parties involved in the assessment;
 - (iii) the possibilities to implement the project;
 - (iv) the titleholder answers to the grounded proposals/comments of the public.
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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	<p>647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 901, 1085, 1086, 1087, 1088, 1089, 1090, 1091, 1092, 1093, 1094, 1095, 1096, 1097, 1098, 1099, 1100, 1101, 1102, 1103, 1104, 1105, 1106, 1107, 1108, 1109, 1110, 1111, 1112, 1113, 1114, 1115, 1116, 1117, 1118, 1119, 1120, 1121, 1122, 1123, 1124, 1125, 1126, 1127, 1128, 1129, 1130, 1131, 1132, 1133, 1134, 1135, 1136, 1137, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, 1148, 1149, 1150, 1151, 1152, 1153, 1154, 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, 1163, 1164, 1165, 1166, 1167, 1168, 1169, 1170, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1179, 1180, 1181, 1182, 1183, 1184, 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1880, 1885, 1886, 1887, 1889, 1890, 1891, 1892, 1893, 1894, 1895, 1910, 1911, 1913, 1914, 1915, 1916, 1917, 1918, 2994, 2995, 2996, 2997, 2998, 2999, 3002, 3003, 3004, 3005, 3006, 3007, 3008, 3009, 3010, 3011, 3012, 3013, 3014, 3017, 3018, 3031, 3032, 3033, 3036, 3037, 3063, 3074, 3077, 3078, 3079, 3080, 3081, 3082, 3083, 3084, 3085, 3086, 3087, 3088, 3089, 3090, 3091, 3092, 3093, 3094, 3095, 3096, 3097, 3098, 3099, 3100, 3101, 3102, 3103, 3104, 3105, 3106, 3137, 3138, 3139, 3140, 3141, 3142, 3143, 3144, 3145, 3146, 3147, 3148, 3149, 3150, 3151, 3152, 3153, 3154, 3155, 3156, 3157, 3158, 3167, 3168, 3169, 3170, 3171, 3172, 3173, 3174, 3175, 3176, 3177, 3178, 3179, 3180, 3181, 3182, 3183, 3184, 3185, 3186, 3187, 3188, 3248, 3249, 3250</p>
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	<p>No. 109602/18.08.2006 and No. 74921/21.08.2006, No. 109603/18.08.2006 and No. 74922/21.08.2006, No. 109604/18.08.2006 and No. 74923/21.08.2006, No. 109605/18.08.2006 and No. 74924/21.08.2006, No. 109606/18.08.2006 and No. 74925/21.08.2006, No. 109607/18.08.2006 and No. 74926/21.08.2006, No. 109608/18.08.2006 and No. 74927/21.08.2006, No. 109609/18.08.2006 and No. 74928/21.08.2006, No. 109610/18.08.2006 and No. 74929/21.08.2006, No. 109611/18.08.2006 and No. 74930/21.08.2006, No. 109612/18.08.2006 and No. 74931/21.08.2006, No. 109613/18.08.2006 and No. 74932/21.08.2006, No. 109614/18.08.2006 and No. 74933/21.08.2006, No. 109615/18.08.2006 and No. 74934/21.08.2006, No. 109616/18.08.2006 and No. 74935/21.08.2006, No. 109617/18.08.2006 and No. 74936/21.08.2006, No. 109618/18.08.2006 and No. 74937/21.08.2006, No. 109619/18.08.2006 and No. 74938/21.08.2006, No. 109620/18.08.2006 and No. 74939/21.08.2006, No. 109621/18.08.2006 and No. 74940/21.08.2006, No. 109622/18.08.2006 and No. 74941/21.08.2006, No. 109623/18.08.2006 and No. 74942/21.08.2006, No. 109624/18.08.2006 and No. 74943/21.08.2006, No. 109625/18.08.2006 and No. 74944/21.08.2006, No. 109626/18.08.2006 and No. 74945/21.08.2006, No. 109627/18.08.2006 and No. 74946/21.08.2006, No. 109628/18.08.2006 and No. 74947/21.08.2006, No. 109629/18.08.2006 and No. 74948/21.08.2006, No. 109630/18.08.2006 and No. 74949/21.08.2006, No. 109631/18.08.2006 and No. 74950/21.08.2006, No. 109632/18.08.2006 and No. 74951/21.08.2006, No. 109633/18.08.2006 and No. 74952/21.08.2006, No. 109634/18.08.2006 and No. 74953/21.08.2006, No. 109635/18.08.2006 and No. 74954/21.08.2006, No. 109636/18.08.2006 and No. 74955/21.08.2006, No. 109637/18.08.2006 and No. 74956/21.08.2006, No. 109638/18.08.2006 and No. 74957/21.08.2006, No. 109639/18.08.2006 and No. 74958/21.08.2006, No. 109640/18.08.2006 and No. 74959/21.08.2006, No. 109641/18.08.2006 and No. 74960/21.08.2006, No. 109643/18.08.2006 and No.</p>

110416/24.08.2006, No. 110417/24.08.2006, No. 110418/24.08.2006, No. 110419/24.08.2006, No. 110420/24.08.2006, No. 110421/24.08.2006, No. 110422/24.08.2006, No. 110423/24.08.2006, No. 110424/24.08.2006, No. 110425/24.08.2006, No. 110426/24.08.2006, No. 110427/24.08.2006, No. 110428/24.08.2006, No. 110429/24.08.2006, No. 110430/24.08.2006, No. 110431/24.08.2006, No. 110432/24.08.2006, No. 110433/24.08.2006, No. 110434/24.08.2006, No. 110923/25.08.2006, No. 110918/25.08.2006, No. 110917/25.08.2006, No. 110916/25.08.2006, No. 110914/25.08.2006, No. 110913/25.08.2006, No. 110912/25.08.2006, No. 110911/25.08.2006, No. 110910/25.08.2006, No. 110909/25.08.2006, No. 110908/25.08.2006, No. 110884/25.08.2006, No. 110883/25.08.2006, No. 110881/25.08.2006, No. 110880/25.08.2006, No. 110879/25.08.2006, No. 110878/25.08.2006, No. 110877/25.08.2006, No. 110876/25.08.2006, No. 111341/25.08.2006, No. 111340/25.08.2006, No. 111339/25.08.2006, No. 111338/25.08.2006, No. 111337/25.08.2006, No. 111336/25.08.2006, No. 111333/25.08.2006, No. 111332/25.08.2006, No. 111331/25.08.2006, No. 111330/25.08.2006, No. 111328/25.08.2006, No. 111329/25.08.2006, No. 111327/25.08.2006, No. 111326/25.08.2006, No. 111325/25.08.2006, No. 111324/25.08.2006, No. 111323/25.08.2006, No. 111322/25.08.2006, No. 111321/25.08.2006, No. 111320/25.08.2006, No. 112997/25.08.2006, No. 110872/25.08.2006, No. 110873/25.08.2006, No. 110874/25.08.2006, No. 110870/25.08.2006, No. 110865/25.08.2006, No. 111786/25.08.2006, No. 112950/25.08.2006, No. 112951/25.08.2006, No. 111365/25.08.2006, No. 111299/25.08.2006, No. 111366/25.08.2006, No. 111147/25.08.2006, No. 111158/25.08.2006, No. 111157/25.08.2006, No. 111156/25.08.2006, No. 111155/25.08.2006, No. 111154/25.08.2006, No. 111153/25.08.2006, No. 111152/25.08.2006, No. 111151/25.08.2006, No. 111150/25.08.2006, No. 111193/25.08.2006, No. 111192/25.08.2006, No. 111191/25.08.2006, No. 111190/25.08.2006, No. 111189/25.08.2006, No. 111188/25.08.2006, No. 111186/25.08.2006, No. 111185/25.08.2006, No. 111184/25.08.2006, No. 111183/25.08.2006, No. 111182/25.08.2006, No. 111181/25.08.2006, No. 111180/25.08.2006, No. 111179/25.08.2006, No. 111178/25.08.2006, No. 111177/25.08.2006, No. 111176/25.08.2006, No. 111175/25.08.2006, No. 111174/25.08.2006, No. 111173/25.08.2006, No. 111172/25.08.2006, No. 111171/25.08.2006, No. 111170/25.08.2006, No. 111169/25.08.2006, No. 111168/25.08.2006, No. 111166/25.08.2006, No. 111162/25.08.2006, No. 111161/25.08.2006, No. 111160/25.08.2006, No. 111159/25.08.2006, No. 111364/25.08.2006, No. 111363/25.08.2006, No. 111362/25.08.2006, No. 111361/25.08.2006, No. 111359/25.08.2006, No. 111352/25.08.2006, No. 111360/25.08.2006, No. 111351/25.08.2006, No. 111309/25.08.2006, No. 111308/25.08.2006, No. 111307/25.08.2006, No. 111306/25.08.2006, No. 111305/25.08.2006, No. 111304/25.08.2006, No. 111303/25.08.2006, No. 111302/25.08.2006, No. 111301/25.08.2006, No. 111300/25.08.2006, No. 111298/25.08.2006, No. 111297/25.08.2006, No. 111296/25.08.2006, No. 111295/25.08.2006, No. 111293/25.08.2006, No. 111292/25.08.2006, No. 111291/25.08.2006, No. 111290/25.08.2006, No. 111289/25.08.2006, No. 111288/25.08.2006, No. 111287/25.08.2006, No. 111286/25.08.2006, No. 111317/25.08.2006, No. 111316/25.08.2006, No. 111149/25.08.2006

RMGC internal unique code

MMGA_1344

Proposal

From economic point of view, the distribution of the benefits resulted from gold and silver extraction is opposite to the international practice
SEE THE CONTENT OF THE TYPE 2 CONTESTATION

Solution

Unlike the common international practice related to the distribution of profits, it should be noted that in relation to the Roşia Montană Project, the distribution of benefits is more favorable to Romania/Romanian State than to the investor/the titleholder of the project.

Furthermore, please observe that the Romanian government has an ownership stake in the project

(without putting up any capital) and has a direct share in the profits in the expected amount of USD 306 million, along with the right to receive profit taxes, royalties and other taxes and fees. Nowhere else in the developed world does a government have a direct profit sharing interest in a mining project such as this.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3035, 3242
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110871/25.08.2006, No. 111123/25.08.2006
RMGC internal unique code	MMGA_1350
Proposal	<p>The questioner does not agree to the Rosia Montana project implementation and proposes the adoption of a law that forbids the utilization of noxious substances (cyanide).</p> <p>In response to your question, kindly note the following:</p> <p>Toxic substances, including cyanides, are used in several other industrial branches, not only in the mining industry. For instance, only 13% of the world cyanide production is used in the mining field. The rest of 87% is used in the pharmaceuticals industry, cosmetics, plastic industry, chemical synthesis products etc.</p> <p>The existence and functioning of a 21st century modern society is unconceivable without the use of such substances. But the existing legislation in Romania, in the European Union as well as worldwide strictly regulates the use of such substances. Moreover, there is an International Cyanides Management Code, and Gabriel Resources is the only company in the European mining field that has been accepted as signatory of the above-mentioned code.</p> <p>A bill must consider both existing legislative drawbacks as well as the uniqueness of the regulation in a certain field. From this point of view, the object of the legislative proposal is generically found in already adopted pieces of legislation, amongst which we would like to mention: Government Emergency Ordinance no. 152/2005 regarding prevention and integrated control of pollution, that sets necessary measures for the prevention, if this is not possible, mitigation of emissions, including measures regarding management of wastes, in order to reach a high level of environmental protection. Cyanides can also be found among the relevant polluting substances to be considered when setting the limit values of emissions as per the mentioned ordinance.</p>
Solution	<p>Moreover, aspects related to usage, transportation and manipulation of toxic substances (including CN) are regulated by law no. 360/2003 on hazardous substances regime, Government Decision no. 347/2003 on restricting introduction on the market and use of certain substances and hazardous chemical compounds, Government Emergency Ordinance no. 200/2000 on classification, labeling, and encasement of chemical hazardous substances and compounds as well as the norms of application of this ordinance that has been approved by means of Government Decision no. 490/2002, Government Decision no. 856/2002 on the evidence of management of wastes and for the approval of the list containing wastes, including hazardous wastes.</p> <p>Consequently, one may not consider that there is any legislative insufficiency regarding the regulation of the use of the hazardous substances (including cyanide).</p> <p>Furthermore, as per Law no. 24/2000 regarding the norms of legislative techniques for the drafting of normative acts, the solutions contained by a piece of legislation must be very funded, and must consider social interest, the Romanian legislative politics and the requirements to correlate with internal regulations ensemble, must consider the harmonization of national legislation with the European legislation as well as with the international treaties that Romania has taken part in. Thus, the reference made in the question regarding the prohibition of cyanides, related to the necessity to harmonize legislation is redundant, due to the fact that, at least as far as environmental protection, wastes and hazardous substances are concerned; the European legislation is substantially transposed into the internal legislation.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3038
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112920/25.08.2006
RMGC internal unique code	MMGA_1351
Proposal	The questioner requests the MEWM not to emit the environment permit for Rosia Montana mining project. The questioner expresses the following remarks: - The project constitutes a national disaster on short, medium and long term
Solution	<p>As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, <u>the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public</u> and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible specific problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>:</p> <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3046
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112982/25.08.2006
RMGC internal unique code	MMGA_1358
Proposal	<p>AD ASTRA association requests the MEWM not to emit the environment permit for Rosia Montana project expressing the following remarks and comments: The study does not respond convincingly to the signals launched by academic community, non governmental organizations and mass-media in connection with the problems of economic efficiency, environmental protection, sustainable development and cultural heritage preservation</p>
Solution	<p>The position of those opposing groups mentioned by the questioner regarding the project date back to well before the project was redesigned to reflect concerns from stakeholder groups, including the academic community, non governmental organizations and mass-media in connection with the problems of economic efficiency, environmental protection, sustainable development and cultural heritage preservation related to the Roşia Montană Project (RMP), as well as, before the Environmental Impact Assessment study report (EIA) was submitted in May 2006.</p> <p>The EIA that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists, renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the RMP. Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (international Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Before submission of the EIA, RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. Thus it is not true to suggest that RMGC has not responded to stakeholder or opposition views.</p> <p>RMGC has engaged in a broad process of public consultation in compliance with Romanian and European law as part of the EIA process. The company has held 14 public meetings in Romania and two in Hungary. This is not a public relations campaign but rather an integral part of a serious process of public consultation before the project is approved. RMGC supports this process and believes it is important in a democratic society.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3065
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111729/25.08.2006
RMGC internal unique code	MMGA_1365
Proposal	RMGC did not realize other similar projects
Solution	The management of Gabriel Resources Ltd., the major shareholder in RMGC, has over 60 years of experience permitting seven mine projects on four continents. This is an extremely strong foundation for the work on the Roşia Montană Project.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	1085, 1086, 1087, 1088, 1089, 1090, 1091, 3250
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109909/22.08.2006, No. 110090/23.08.2006, No. 110091/23.08.2006, No. 110092/23.08.2006, No. 110093/23.08.2006, No. 110094/23.08.2006, No. 110095/23.08.2006, No. 111149/25.08.2006
RMGC internal unique code	MMGA_1372
Proposal	<p>The questioners request the MEWM not to emit the environment permit for Rosia Montana mining project. The questioners formulate the following remarks: The gold and silver resources from Rosia Montana represent one of the strategic reserves of Romania SEE THE CONTENT OF THE TYPE 2 CONTESTATION</p>
Solution	<p>The Romanian Mine Law, Law 85/2003, does not put any restrictions on the licenses to be given for exploration for gold and development of gold reserves. Both Romanian and foreign companies, both public and private companies, may apply to obtain a license to work a gold deposit. The Romanian state no longer has a monopoly on gold production.</p> <p>We agree that Roşia Montană represents an issue of national strategic importance, designed to raise the bar for long-term investment in Romania. RMGC is the largest employer in this disadvantaged region and indeed the whole county and is the largest local taxpayer. Romania will receive about US\$1 billion for its share of the project, and a total of about US\$ 1.5 billion when one includes the value of goods and services procured in Romania. The project meets or exceeds all Romanian and EU standards, creates new jobs for Romanians, especially in Roşia Montană and the surrounding region, and will be a catalyst for reviving the mining sector, which is strategic to the Romanian economy and an important tool for rural development. But we disagree that this means the project should not be approved.</p> <p>RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1,000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. In fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring the best available techniques to Romania.</p> <p>Approval of this project will show the world that Romania welcomes this type of productive foreign investment. The profits from the mine and the jobs provided by the mine are tangible benefits to Romania.</p> <p>As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>:</p> <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3111
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	-
RMGC internal unique code	MMGA_1373
Proposal	<p>The questioner presents under the titles "Genocide through polluting-poising with cyanide = destruction weapon - mass annihilation - terrorist weapon, at Baia Mare" and "Gold operations in Baia Mare" articles from press as well as references regarding the ecological catastrophe caused by SC Aurul Baia Mare; specifications regarding the human rights, environment protection in mining industry.</p> <p>CONTESTATION SUBMITTED DURING THE PUBLIC DEBATES; THIS IS INCLUDED INTO THE FORM WHICH IS THE ANNEX "A" AT THE SUBMITTING LETTER TO SC RMGC SA</p>
Solution	<p>Our project in Roşia Montană bears no comparison to the mine in Baia Mare. From design to management of the facility itself, financial assurance, public reporting, stakeholder involvement, verification procedures, and compliance – all of which are followed to the highest standards in our project – the two projects are vastly different.</p> <p>Also, as the Questioner makes the charge of genocide – intentional murder on a mass scale – we note that to our knowledge no one died as a result of the Baia Mare accident.</p> <p>The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Waste Management even before it became law in Europe or Romania.</p> <p>The Baia Mare accident has fundamentally changed the rules and regulations in Europe for the production, transportation and use of cyanide. The new stricter standards (toughest in world) make it impossible for any new mining project with a design and operating procedures similar to the Baia Mare mine to ever be permitted in Europe.</p> <p>The Environmental Impact Assessment (EIA) study we submitted last year is the first in Romania to be EU compliant and is designed so that no exemption from the mandatory applicable legal framework is necessary. To illustrate our commitment to high standards, in many cases where Romanian and EU requirements differ, RMGC has chosen to abide by the stricter of the two. In addition, while existing gold mines will have buffer periods to come into compliance with stricter regulatory standards, our Roşia Montană Project will meet these standards from the first day of operation.</p> <p>A large part of the changes since the Baia Mare accident is the introduction of the International Cyanide Management Code, to which Gabriel/RMGC is a signatory, and which stipulate strict guidelines for the production, transportation and use of cyanide. The Code also includes requirements related to financial assurance, accident prevention, emergency response, training, public reporting, stakeholder involvement and verification procedures. The International Cyanide Management Code can be referenced at www.cyanidecode.org.</p> <p>As for a specific comparison, the Roşia Montană Project ("RMP") differs from Baia Mare on every key indicator – such as cyanide detoxification in the process plant, design and construction of the Tailings Management Facility (TMF) and embankments, management of the facility itself, financial assurance, public reporting, stakeholder involvement and verification procedures.</p> <p>In short, the Roşia Montană Project is in no way comparable to Baia Mare. [1]</p> <p>The cyanide used in the RMP will be subject to a cyanide destruction process and residual cyanide deposited with the process tailings in the Tailings Management Facility ("TMF") will degrade rapidly to levels well below maximum regulatory levels. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (approx. 5-7 parts per million</p>

or ppm or mg/l) which is well below the regulatory limit of 10 ppm recently adopted in the EU Mining Waste Directive 2006/21/EC. This system of use and disposal of cyanide in gold mining is classified as Best Available Techniques by the EU.

This is a key difference with Baia Mare: Baia Mare did not have a cyanide destruction mechanism (detoxification process) in the process plant, as the RMP has. As a result, the concentration of cyanide in the tailings disposed in the TMF at Baia Mare was between 120-400 ppm of cyanide. The near-zero content of the RMP solution would therefore, in the unlikely event of a spillage, mean that the quantity of cyanide in the water would be a small fraction of what was experienced at Baia Mare.

The proposed dam at the Roşia Montană Tailings Management Facility (TMF) and the secondary dam at the intake basin are rigorously designed to exceed Romanian and international guidelines, to allow for significant rainfall events and prevent dam failure due to overtopping and any associated cyanide discharge, surface or groundwater pollution. Baia Mare was not designed to the same high standards and did not have the requisite capacity to withstand the storm event in 2000.

In order to ensure sufficient capacity to avoid overtopping, the elevation of each stage of the TMF through the life of the project is determined as the sum of the design volume required to: (1) store process water and tailings for the maximum normal operation volume of tailings and the average decant pond volume; (2) store run-off resulting from two PMP – Possible Maximum Precipitation - storms and, (3) Provide a tailings beach and additional freeboard for wave protection to the tailings volume at each stage during operations; a conservative freeboard criterion is based on the PMF storage plus 1 meter of wave run-up.

The TMF has been designed to meet the more stringent PMP event. Furthermore, in order to ensure that the TMF can store a full PMF volume at all times, it is actually designed to safely hold the flood waters from two consecutive PMP events. The Roşia Montană TMF is therefore designed to hold a total flood volume over four times greater than the Romanian government guidelines and 10 times more than the rainfall that was recorded during the Baia Mare dam failure. An emergency spillway for the dam will be constructed in the unlikely event that pumps fail due to malfunction or power interruption at the same time as the second PMP event. The TMF design therefore very significantly exceeds required standards for safety. This has been done to ensure that the risks involved in using Corna valley for tailings storage are well below what is considered safe in every day life.

The TMF for RMP will be built along the centerline method, by using borrowed rockfill and waste rock – which is BAT for the industry. The EIA describes how the dam will be built with solid rock materials, designed and engineered by MWH, one of the leading dam designers in the world and reviewed and approved by certified Romanian dam safety experts, (members of ICOLD committee). Prior to operation, the dam must be certified for operations by the National Commission for Dams Safety (CONSIB) and perform an independent audit every two years. RMGC has utilized the world's foremost experts in these areas to ensure the safety of the project's workers and the surrounding communities. Baia Mare was built of coarse tailings materials -- not rockfill -- and therefore was not able to handle the additional weight of the storm event in 2000.

RMP will have a free draining structure above the starter dam, and a system of under-drains, granular filter zones and pumps – as per BAT – to collect, control and monitor any seepage. Specifically, the tailings ponds and tailings dam have been designed to the highest standards to prevent pollution of groundwater, and to continuously monitor the groundwater and extract any seepage detected – a system verified by hydro-geologic studies. Specifically, the design features include an engineered low permeability soil liner system within the TMF basin to meet a permeability specification 10^{-8} m/s, a cut-off wall within the foundation of the starter dam to control seepage, a low permeability core for the starter dam to control seepage, and a seepage collection dam and pond below the toe of the tailings dam to collect and contain any seepage that does extend beyond the dam centerline.

In terms of management, Baia Mare was rated a Category C facility – requiring no special surveillance and monitoring. Roşia Montană Project, however, is Category A, meaning that a full EIA detailing baseline conditions, project impacts and mitigation measures, is required before receipt of permits, as well as future monitoring and reporting requirements.

Finally, Baia Mare lacked a Cyanide Management Plan. By comparison, the Roşia Montană Project has a

Cyanide Management Plan, in compliance with the International Cyanide Management Code (ICMC) – BAT for today’s projects.

In conclusion, we hope we have provided a detailed account of why our project in Roşia Montană isn’t only vastly different from the mine in Baia Mare but that it is also designed to be a model of responsible mining, incorporating Best Available Techniques and implementing the highest environmental standards. Also, to our knowledge, no one died as a result of the Baia Mare accident.

The mine at Rio Narcea in Spain, unlike the one at Baia Mare, is comparable to ours for many reasons, as explained by presenters during the public meetings held last year. Rio Narcea’s mine in Spain was permitted under European mining law, which is also the case with the Roşia Montană project, while the Baia Mare mine *was not* permitted under European law and its design *would never* be permitted under the strict rules in place in Europe today.

In fact, the Roşia Montană project is subject to even stricter standards than Rio Narcea’s mine in Spain *because* of the Baia Mare accident. The Romanian Government, in our Terms of Reference, requested that we follow the new European Directive on Waste Management even before it became law in Europe or Romania.

Reference:

[1] Please see Baia Mare information sheet in the Annex, for a detailed comparison between Roşia Montană and Baia Mare, including results of the UNDP assessment of Baia Mare.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3118
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112998/25.08.2006
RMGC internal unique code	MMGA_1399
Proposal	The questioner requests the MEWM not to issue the environment permit for Rosia Montana gold and silver mining project, formulating the following remarks, and comments: The EIA report does not describe and assess the project impact in a professional and objective manner
Solution	<p>We do not agree with the questioner's comment that the Environmental Impact Assessment study report (EIA) is not professional and objective.</p> <p>The EIA that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP).</p> <p>Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response are included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3073, 3129, 3232, 3244
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112121/25.08.2006, No. 112147/25.08.2006, No. 111093/25.08.2006, No. 111114/25.08.2006
RMGC internal unique code	MMGA_1401
Proposal	The questioner requests the MEWM not to emit the environment permit for Rosia Montana mining project
	As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, <u>the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public</u> and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i> .
Solution	Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u> : <ul style="list-style-type: none"> - the Report on the Environmental Impact Assessment Study; - the conclusions of the parties involved in the assessment; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3135
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 112122/25.08.2006
RMGC internal unique code	MMGA_1404
Proposal	<p>The questioner requests the MMGA not to emit the environment permit for Rosia Montana mining project. The questioner formulated comments as follows: The project may be a catastrophe for the Rosia Montana area</p>
Solution	<p>We disagree that the project may be a catastrophe for the Roşia Montană area. On the contrary, it offers numerous benefits to the region, including direct and indirect employment, environmental rehabilitation of pollution caused by past poor mining practices, preservation of the area's cultural and mining heritage, and social benefits.</p> <p>The Project will operate in compliance with relevant mandatory Romanian and European law and in accordance with international best practices. It will bring best available techniques (BAT) to Romania for the first time. The project has been carefully designed.</p> <p>Before submission of the EIA, RMGC changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations. From the reactions to the proposal in our extensive efforts at public consultation, we are confident that the vast majority of the people of Roşia Montană support the project.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3230
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111105/25.08.2006
RMGC internal unique code	MMGA_1412
Proposal	<p>As regards the submitted report:- The information is too general, unspecific and without direct reference at the impacted area – Minimization of the impact effect - Speculations which are scientifically unproved- The whole report denotes a study elaborated by amateurs and not by specialists</p>
Solution	<p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices.</p> <p>Contrary to your allegations, please note that more than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP).</p> <p>Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response are included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3234
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Nr. 111435/25.08.2006
RMGC internal unique code	MMGA_1413
Proposal	<p>The questioner requests the MMGA not to issue the environment permit for the Rosia Montana mining project. The questioner formulates the following comments: The environment problems from Rosia Montana are in close connection with the mining technologies and with occurred social and economic aspects</p>
Solution	<p>We strongly disagree with the view that the mining technologies to be used in the Roşia Montană Project (RMP) will cause environmental damage. In fact, the modern mining technologies to be used in the Project will minimize environmental damage. The RMP will be conducted in compliance with relevant mandatory Romanian and EU law and in accordance with international best practices. It will bring Best Available Techniques (BAT) to Romania for the first time.</p> <p>Roşia Montană Gold Corporation (RMGC) has also committed to a strong plan of environmental rehabilitation so that the area will be cleaner after the project than it is now. RMGC will clean up the pollution from past poor mining practices.</p> <p>As an example of the use of modern mining technologies, consider the way cyanide will be used at the mine. It is true that cyanide is one of the few substances that can dissolve gold. Cyanide is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility (TMF) will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (approx. 5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU in the Mining Waste Directive.</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this code. The Report on Environmental Impact Assessment Study (EIA) also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide in the manner discussed above is a BAT as defined by the EU.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3235
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111424/25.08.2006
RMGC internal unique code	MMGA_1419
Proposal	The questioner requests the MEWM not to grant the environment permit for Rosia Montana mining project The questioner formulates the following comments: The RMGC Company has not credibility;
Solution	RMGC is a Romanian company whose majority shareholder is Gabriel Resources, Ltd. Gabriel is a Canadian company listed on the Toronto Stock Exchange. Its management team has 60 years of experience permitting and operating seven mines on four continents, including gold and silver mining operations. Gabriel Resources has adopted a corporate structure similar to all other Canadian-based resource companies operating worldwide.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3239
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111073/25.08.2006
RMGC internal unique code	MMGA_1423
<p data-bbox="97 539 422 629">Proposal</p> <p data-bbox="97 629 422 1279"></p> <p data-bbox="97 1279 422 1984">Solution</p>	<p data-bbox="422 539 1410 629">The questioner does not agree to the Rosia Montana project implementation formulating the following remarks and comments: The quality of the study is unrealistic;</p> <hr/> <p data-bbox="422 629 1410 1122">We do not agree with the assertion that the study is unrealistic. The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response are included as a reference document to the present annex of the EIA.</p> <p data-bbox="422 1122 1410 1279">Further, if the questioner is alleging that the project is unrealistic from a geological perspective, again, we strongly disagree. RMGC is confident of its estimate of the ore deposit. Its evaluation of the ore deposit is based on a reserve calculation performed after a very detailed and complete exploration program from 1997 to 2006 that produced 191,320 samples from drilling, underground networks, and surface rock. This program is the most extensive such research program ever undertaken in Romania.</p> <p data-bbox="422 1279 1410 1458">Each ore sample was analyzed for gold and silver. The resulting database, containing more than 400,000 analyses, was verified by independent experts from both Romania and abroad. The Romanian company IPROMIN SA performed three feasibility studies for the RMP. These feasibility studies also contain calculations of resources and reserves. Both IPROMIN and external auditors confirmed the results.</p> <p data-bbox="422 1458 1410 1682">While the figure of 330 tons of reserves was correct in 2004, the project was subsequently redesigned to reflect stakeholder concerns, and the size of the pits was reduced. Thus, for the smaller pits that are now proposed in the EIA, RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1480.36 tones of silver. Even with this reduced figure, the Roşia Montană ore deposit remains among the top ten undeveloped gold deposits in the world.</p> <p data-bbox="422 1682 1410 1839">In conclusion, considering the fact that your question is just a simple allegation which does not indicate specific possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple allegation, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>,</p> <ul data-bbox="422 1839 1410 1984" style="list-style-type: none"> - the Report on the Environmental Impact Assessment Study; - the conclusions of the parties involved in the assessment; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3239
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111073/25.08.2006
RMGC internal unique code	MMGA_1425
Proposal	The level of study approaching is under- minimal compared with the project importance;
Solution	<p>We strongly disagree with the assertion that the level of study here is inadequate.</p> <p>With respect to the ore deposit, Roşia Montană Gold Corporation (RMGC) is confident of its estimate. Its evaluation of the ore deposit is based on a reserve calculation performed after a very detailed and complete exploration program from 1997 to 2006 that produced 191,320 samples from drilling, underground networks, and surface rock. This program is the most extensive such research program ever undertaken in Romania. Each ore sample was analyzed for gold and silver. The resulting database, containing more than 400,000 analyses, was verified by independent experts from both Romania and abroad. The Romanian company IPROMIN SA performed three feasibility studies for the Roşia Montană project. These feasibility studies also contain calculations of resources and reserves. Both IPROMIN and external auditors confirmed the results.</p> <p>While the figure of 330 tons of reserves was correct in 2004, the project was subsequently redesigned to reflect stakeholder concerns, and the size of the pits was reduced. Thus, for the smaller pits that are now proposed in the Environmental Impact Assessment study report (EIA), RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1,480.36 tones of silver. Even with this reduced figure, the Roşia Montană ore deposit remains among the top ten undeveloped gold deposits in the world.</p> <p>With respect to the quality of the EIA report RMGC submitted, responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that this documentation provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response are included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3242
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111123/25.08.2006
RMGC internal unique code	MMGA_1428
Proposal	The project will affect both the area and the whole country
Solution	<p>The overall development of RMP, as currently proposed by Roşia Montană, will certainly affect the area and the whole country in a benefic way. Considering the above statement, kindly note that the Romanian state will gain approximately US\$1.0 billion from its share of the profits from the Project and profit taxes, royalties, and other taxes such as payroll taxes that RMGC will pay.</p> <p>We agree that the exploitation of gold reserves is an issue of national strategic importance for Romania and therefore we are proposing a project that not only meets all relevant mandatory Romanian and EU standards but also provides new jobs for Romanians, especially in the Roşia Montană region, and will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3242
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111123/25.08.2006
RMGC internal unique code	MMGA_1431
Proposal	The project is unprofitable from economic point of view
Solution	The assertion is not accurate. The project would still be profitable even if the market prices for gold and silver decline from their currently high levels. The estimated total cash cost to produce gold over the life of the project is USD 237/ounce. Based on a gold price of USD 600/ounce and a silver price of USD 10.50/ounce, the total profit for all shareholders of the Roşia Montană Project ("RMP") is USD 1,572 million, with an internal rate of return of 26%.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3245
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111115/25.08.2006
RMGC internal unique code	MMGA_1433
Proposal	The project affects gravely the life span and population and ecosystem equilibrium
Solution	<p>We strongly disagree with the assertion that the project will gravely affect human lifespan, human population in the region, and the equilibrium of ecosystems in the area. For this reason, we have undertaken several baseline studies, including with respect to current human health and environmental conditions.</p> <p>At present, both the average lifespan and the population's health in Roşia Montană is lower than in neighbouring localities, in the county, and in Romania. But the health of the people and the average lifespan is expected to improve with approval of the Project, thanks to the mine closure and environmental rehabilitation plan that RMGC proposed in the Report to the Environmental Impact Assessment study.</p> <p>The fully balanced state of an ecosystem known as <i>climax</i> is extremely rare in nature, because of extensive human interventions. The Roşia Montană area is characterized by significant human impact and thus prohibits the state of climax at the regional, local or micro environmental levels.</p> <p>It is nevertheless true that the mining project is considered to have a significant environmental impact, namely with regard to the environmental factors (water, air, soil, subsoil, flora and fauna), according to the documents submitted as part of the EIA. But that merely requires a higher state of review for the project. The project will be operated in compliance with relevant mandatory Romanian and European law, including environmental law, and in accordance with international best practices, many of which improve the state of environmental protection. For instance, the impact on the flora and fauna during mine operations will occur only at the local level and will not lead to the extinction of any species.</p> <p>With the approval of the Project the extensive environmental rehabilitation plan RMGC has proposed will take place and thus the environment of the local ecosystem improve at no cost to either the Romanian State or Romanian tax payers.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3252, 3253, 3254, 3255, 3256
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111108/25.08.2006, No. 111136/25.08.2006, No. 111135/25.08.2006, No. 111129/25.08.2006, No. 111128/25.08.2006
RMGC internal unique code	MMGA_1437
Proposal	The questioner does not agree to the Rosia Montana project implementation formulating the following remarks and comments: The project affects the whole region ("Tara Motilor")
Solution	<p>The overall development of the RMP, as currently proposed by Roşia Montană, will certainly affect the area and the whole country in a benefic way. Considering the above statement, kindly note that the Romanian state will gain approximately US\$ 1.0 billion from its share of the profits from the Project and profit taxes, royalties, and other taxes such as payroll taxes that RMGC will pay.</p> <p>Furthermore, the Project will indirectly generate 6,000 jobs in the region, and RMGC's environmental rehabilitation program will help clean up pollution from past poor mining practices in Roşia Montană that affect the region. Given the strong tradition of mining in the region, we believe the Project will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3252, 3253, 3254, 3255, 3256
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111108/25.08.2006, No. 111136/25.08.2006, No. 111135/25.08.2006, No. 111129/25.08.2006, No. 111128/25.08.2006
RMGC internal unique code	MMGA_1438
Proposal	The cost for Romania will be disproportioned as compared with the benefits
Solution	<p>RMGC acknowledges that the mine will have some costs—particularly to those individuals who must relocate. We are continually working to mitigate the costs to individuals and to the communities in the four of the 16 sub-comuna impacted in Roșia Montană. For example, we will be constructing a new village in Piatra Alba where whole communities can relocate (should they desire to do so) and have adjusted our mine design to ensure that all 41 historic structures in Roșia Montană are protected.</p> <p>That said, the Roșia Montană Project will create many economic opportunities for Romania and Romanians—particularly for residents in Roșia Montană and the surrounding region, which has suffered from dire economic conditions for decades. The Romanian State through the Ministry of Industry and Commerce (MEC) has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefit to the Romanian State at the local, county, and national level is projected to be US\$ 1,032 million. This includes the government's share of the profits, profit taxes, royalties, and other taxes (i.e. payroll taxes). An additional US\$ 1.5 billion of Romanian goods and services will be acquired over the life of the project.</p> <p>At the level of the individual, the mine project will create 600 direct jobs – jobs that are sorely needed in Roșia Montană - and 6,000 indirect jobs across Romania.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3262
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111343/25.08.2006
RMGC internal unique code	MMGA_1443
Proposal	Who did receive commission from the above referred to company for this lease and how much was this commission?
	As related to your question and allegation, please consider the following aspects: According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i> ;
Solution	At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i> . Considering the legal wordings quoted above, as your question and allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3262
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111343/25.08.2006
RMGC internal unique code	MMGA_1444
Proposal	Why we are put illegally in a situation for which important sums of money were engaged?
	As related to your question, please consider the following aspects: According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i> ;
Solution	At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u>.</i> Considering the legal wordings quoted above, as your question and allegation does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3593, 3594, 3595, 3596, 3816
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 111127/25.08.2006, No. 111126/25.08.2006, No. 111125/25.08.2006, No. 111124/25.08.2006, No. 111121/25.08.2006
RMGC internal unique code	MMGA_1449
Proposal	The questioner does not agree to the Rosia Montana project implementation formulating the following remarks and comments: The project will destroy the Rosia-Bucium-Certej-Brad-Sacaramb area;
	We do not agree to your point of view and on the contrary believe that the Roşia Montană Project will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.
Solution	We do not express any opinion on the likelihood of mining operations being started at any of the places you mentioned.
	At Roşia Montană, RMGC will engage in a strong program of environmental rehabilitation which will clean up the effects of pollution from past poor mining practices.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	4016
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 113014/25.08.2006
RMGC internal unique code	MMGA_1454
Proposal	<p>The questioner does not agree to the Rosia Montana project implementation formulating the following remarks and comments: The EIA is subjective and manipulative;</p>
Solution	<p>We disagree with the assertion that the Environmental Impact Assessment study report (EIA) is subjective and manipulative. We base our opinion on the fact that the EIA that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices.</p> <p>More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response are included as a reference document to the present annex of the EIA.</p> <p>Considering that your allegation does not specifically identify nor indicate relevant issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, but merely provides a general comment, we mention that the project titleholder cannot and does not have the capacity to provide any further comments in this respect.</p>

Domain	GENERAL	
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	3/D;5458/B	
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114721/28.08.2006	
RMGC internal unique code	MMGA_1460	
Proposal	Ecological deterioration within area	
Solution	<p>We strongly disagree with the assertion that the project will result in ecological deterioration of the area. In fact, due to the mine closure and environmental rehabilitation plan that RMGC proposed in the Report to the Environmental Impact Assessment study, the state of the local environment will sharply improve with the approval of the Project.</p> <p>It is nevertheless true that the mining project is considered to have a significant environmental impact, namely with regard to the environmental factors (water, air, soil, subsoil, flora and fauna), according to the documents submitted as part of the EIA. But that merely requires a higher state of review for the project. The project will be operated in full compliance with Romanian and European law, including environmental law, and in accordance with international best practices, many of which improve the state of environmental protection. For instance, the impact on the flora and fauna during mine operations will occur only at the local level and will not lead to the extinction of any species.</p> <p>With the approval of the Project the extensive environmental rehabilitation plan RMGC has proposed will take place and thus the environment of the local ecosystem improve at no cost to either the Romanian State or Romanian tax payers.</p>	

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	4/D;5459/B
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114716/28.08.2006
RMGC internal unique code	MMGA_1463
Proposal	The foreign companies want to profit by our mining resources
Solution	<p>In response to your allegation, please note that the Romanian State through the Ministry of Economy and Commerce ("MEC") holds a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment.</p> <p>The direct financial benefits to the Romanian State, at the local, county, and national level are projected to be of approximately US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired over the life of the project.</p> <p>RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion.</p> <p>Mining is a high risk industry; it is an industry rule of thumb that for every 1,000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. Approval of this project will show the world that Romania welcomes this type of productive foreign investment.</p> <p>As to the gold remaining in the possession of the Romanian people, the Romanian National Bank will have the option to purchase any gold produced at Roşia Montană if it wishes.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	8/D;5463/B
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114735/15.09.2006
RMGC internal unique code	MMGA_1465
Proposal	There is no economic scenario that can be decisive for the project;
Solution	The assertion is not accurate. The project would still be profitable even if the market prices for gold and silver decline from their currently high levels. The estimated total cash cost to produce gold over the life of the project is USD 237/ounce. Based on a gold price of USD 600/ounce and a silver price of USD 10.50/ounce, the total profit for all shareholders of the Roşia Montană Project ("RMP") is USD 1,572 million, with an internal rate of return of 26%.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	8/D;5463/B
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114735/15.09.2006
RMGC internal unique code	MMGA_1467
Proposal	The "The polluter pays" principle is not applied;
Solution	<p>The Roşia Montană Project (RMP) will be conducted in full compliance with all Romanian and European law, including environmental law, and in accordance with international best practices. Roşia Montană Gold Corporation (RMGC) has taken and will take every possible step to minimize the possibility of any environmental damage resulting from its operations. In the unlikely event that environmental damage were to occur, the company would be liable for this damage if the Romanian Government were to determine that the damage resulted from the RMGC's fault.</p> <p>The RMP will actually improve the environmental situation in Roşia Montană. Part of the project includes an aggressive plan of environmental rehabilitation, including in the mine closing plan, so that RMGC will also clean up the pollution that currently exists in the area from past poor mining practices. If anything, RMGC is assuming liability that under a strict definition of the "polluter pays" principle should belong to the previous operator of the mine. It is assuming this responsibility in good faith and because of its strong commitment to environmental protection.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	35
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 116015/08.12.2006
RMGC internal unique code	MMGA_1480
Proposal	<p>The questioner does not agree to the Rosia Montana Project and formulates the following remarks and comments: The opinion of the scientists against the project must be taken into consideration;</p>
Solution	<p>The views of scientists have been fully considered throughout the public consultation process. We value the suggestions we have received during the public consultation process, including from members of the Romanian Academy and other scientists.</p> <p>The most recent position of the Romanian Academy regarding the Roşia Montană Project (RMP) was made public on February 27, 2006, almost three months before the submission of the Environmental Impact Assessment Study Report (EIA) to the Ministry of Environment and Water Management (MMGA), while statements from other scientists date back well before 2006.</p> <p>RMGC made changes to the project design based on issues raised by stakeholders, including scientists, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, before submission of the EIA. Thus the position of the scientists does not reflect the changes to the project design or an analysis of the EIA that was actually submitted to MMGA.</p> <p>Further, it is important to remember that the EIA was prepared by over 100 consultants, (certified) experts and Romanian and foreign specialists, including members of the Romanian Academy.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	35
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 116015/08.12.2006
RMGC internal unique code	MMGA_1483
Proposal	<p>The richness of the Romanian people should not be exploited, for a song, by foreigners because the next generations would remain without nothing;</p> <p>As related to your comment, please consider the following aspects:</p> <p>According to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Please note that the Environmental Impact Assessment Study Report (EIA) indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. This presents a serious impediment to development other than that proposes under the Project. Remediation of the area would be very expensive and certainly beyond the means of the local community. However, Chapter 5 of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the Roşia Montană Project ("RMP") including the "no-project" option.</p>
Solution	<p>The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the RMP. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction. The Project would therefore support the community's initiatives to develop industries other than mining and this is central to the <i>Community Sustainable Development Management Plan</i> attached to the EIA report (Plan L). Additional supplementary information/study materials completed since the submittal of the EIA, reflecting comments received during the public consultation process, further expands on our community sustainable development efforts, has been included as reference documents to the Annex 4 – Roşia Montană Sustainable Development Programs and Partnerships.</p> <p>As for the claim that Romania is somehow loosing its richness "for a song", please note that, as at the end of 2006, RMGC had invested over US\$ 200 million, and the company expects to invest nearly US\$ 1 billion before production begins, all part of US\$ 2.5 billion infused into Romanian Economy. The direct financial benefit to the Romanian State, at the local, county, and national level is projected to be US\$ 1.0 billion. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and some services will be acquired by the project, including US\$ 400 million during construction (2 years) and US\$ 1.1 billion during production, from Romania (16 years).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	35
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 116015/08.12.2006
RMGC internal unique code	MMGA_1484
Proposal	<p>The Government members should go to the area and take measures of infrastructure rehabilitation and tourism promotion;</p> <p>With respect to your comment, please note that according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by Roşia Montană Gold Corporation (RMGC) and undergoing the environment impact assessment procedure (EIA), (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot provide an answer in this respect.</p>
Solution	<p>However, the questioner's concern – doing something positive for the Rosia Montana region, be it tourism or other development – is understandable and commendable.</p> <p>We would like to underline that the Roşia Montană Project (RMP) will infuse so much economic activity into the region and Romania as a whole.</p> <p>As an illustration of the economic concept of Foreign Direct Investment – in which non-national companies undertake economic risk with benefits to the host company - this project will provide many benefits to Romania. RMGC has been working on this project since 1998 and has invested over \$200 million to date. By the time production begins, the company will have invested almost \$1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. In fact, no country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and will bring best available techniques (BAT) to Romania. Approval of this project will show the world that Romania welcomes this type of productive foreign investment. The profits from the mine and the jobs provided by the mine are tangible benefits to Romania – on the order of USD \$2.5 billion over the life of the mine infused into the Romanian economy.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	37
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 115950/04.12.2006
RMGC internal unique code	MMGA_1487
Proposal	<p>The questioner requests the deputies elected by people to stop the Rosia Montana project commenting that the gold is of the Romanians and not of the foreigners who want to take it away.</p> <p>As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, <u>the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public</u> and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p>
Solution	<p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>,</p> <ul style="list-style-type: none"> - the Report on the Environmental Impact Assessment Study; - the conclusions of stakeholders involved the assessment; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	38
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 115692/20.11.2006
RMGC internal unique code	MMGA_1488
Proposal	<p>The questioner manifests its disagreement with the Rosia Montana mining project and requests the Romanian authorities to give publicly assurances to the citizens that Rosia Montana will not be destroyed and will not become a desert place. The contestation contains annexed a copy of an article from press which presents Mr. Aurel Santimbreanu's opinion.</p>
Solution	<p>Roşia Montană will certainly not be destroyed and will not become a “desert place.” Here are at least three reasons that come to support this statement:</p> <ol style="list-style-type: none"> 1. The laws of Romania, an European Union member state (EU), have been aligned with the European legislation. As RMP is designed to meet Romanian law as well as EU directives – and, where they differ, the stricter of the two – this project will be governed by standards far stronger than any previous mining project built in Romania; 2. The Environmental Impact Assessment study report (EIA) for the Roşia Montană project (RMP) presents the way in which Roşia Montană will become a better and a more valuable community from an economical, social and cultural point of view, with benefits for Romania as a whole; 3. According to the legal provisions, <u>the titleholder of the exploitation license</u> is obliged to create a financial guarantee for the environmental recovery. To this end, please consider that the financial guarantee for the environmental recovery is regulated by (i) the Mining Law no. 85/2003 (“Law no. 85/2003”), (ii) the Norms of enforcement of Law no. 85/2003 and by (iii) Order no. 58/2004 for the approval of the Technical Instructions on the enforcement and monitoring of the measures established by the conformation program, the environmental recovery plan and the technical project, as well as the regulation of the manner to operate with the financial guarantee for the recovery of the environment affected by mining activities (“Order no. 58/2004”). The financial guarantee for the environmental recovery is annual and final. <p><u>Annual financial guarantee for environmental recovery</u></p> <p>According to art. 131 of the Norms of enforcement of Law no. 85/2003, “<i>the financial guarantee for the environmental recovery, in case of the exploitation license, is created annually, in the first month of the period it refers to, and it is established within the license, so that it cover environmental recovery works specified in the environmental recovery plan and in the technical project</i>”.</p> <p>According to art. 133 (1) of the Norms of enforcement of Law no. 85/2003, the financial guarantee for the environmental recovery cannot be under the value of the environmental recovery works related to the respective year, so that the guarantee cover the rehabilitation works, in case the license’s titleholder ceases the mining activity and does not fulfill the rehabilitation activities.</p> <p><u>Final financial guarantee for environmental recovery</u></p> <p>According to the provisions of art. 15 of Order no. 58/2004, the final financial guarantee for the environmental recovery is created annually and computed as a quota of the value of the environmental recovery works, according to the monitoring program for the post-closing environmental factors, which is included in the clearing technical program.</p> <p>As for the insurance, please note that the provisions of art. 81 (2) of the former environmental law no. 137/1995, according to which “in case of activities with major risk, the insurance for damages is mandatory”, have been abrogated by GEO no. 195/2005, and that no legal provision applicable requires the creation of an insurance.</p>
	<p>The Directive no. 2004/35/CE on the liability for the environmental pollution and prevention and</p>

remedying of the damages to the environment, published in the Official Journal of the European Community no. L143/56 ("Directive no. 35/2004"), establishes the general regulating framework in the field of the liability for the pollution of the environment.

According to the provisions of art. 1 of the Directive no. 35/2004 "*the purpose of this directive is to establish a general framework in the field of liability for the environment, based on the principle the polluter pays, of preventing and remedying the damages caused to the environment*".

The Directive no. 35/2004 establishes at principle level, in the content of the provisions of art. 14 (1), the fact that "*The Member States shall take all necessary measures for the development of the markets and financial instruments of guaranteeing, through the means of the economic and financial operators, inclusively financial mechanisms in case of insolvency, for the purpose of insuring the operators with the financial guarantees necessary for the obligations undertaken by the directive*".

Moreover, according to the provisions of art. 19 (1) of the Directive no. 35/2004, the Member States will implement in the internal legislation the provisions of the Directive until 30.04.2007. We underline that, up to now, the Directive no. 35/2004 was not adopted by our legislation. Considering the above mentioned, please note that the project RMGC proposes does not breach the Directive no. 35/2004, as there are no internal regulations with a normative character which should establish the material and procedural aspects concerning the creation of such a guarantee/insurance.

Nevertheless, to the extent there will be specific legal provisions in regard of the creation of guarantees, RMGC shall take all necessary measures to fulfill the legal obligations incumbent on it.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	39, 40, 41
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 115500/06.11.2006, No. 169326/06.11.2006, No. 169325/06.11.2006
RMGC internal unique code	MMGA_1489
Proposal	<p>The questioner opposes to the project implementation on behalf of the citizens from historical Bucovina formulating the following comments: The Gold Corporation company will cause through the project implementation repercussions as follows: a tailings management facility of about 600 ha full with cyanide; demolition of 41 houses historical monuments; destruction of 9 churches and 10 cemeteries; disappearing of the Roman galleries - unique in Europe; affecting of 4 mountains which will become 4 craters; budget expenses of EURO 2 billion for environment rehabilitation.</p>
Solution	<p>This question provides an opportunity to clear up a number of misconceptions.</p> <p>From the beginning please note that, the only authority able to analyze the Environmental Impact Assessment Study Report (EIA) is the environment authority. In this respect, we mention the provisions of art. 45 of Order no.860/2002 on the procedure for environmental impact assessment and the issue of environment approval ("Order no.860/2002") <i>"subsequent to the examination of the report on the environmental impact study, of conclusions of the parties involved in the assessment, of the possibilities to apply the project and of the <u>motivated evaluation of public proposals, the relevant environment protection public authority makes the decisions on the issue of the environment approval/integrated environment approval or the motivated refusal of the project on the respective location</u>".</i></p> <p>Cyanide used in operations will be carefully handled according to EU guidelines and safely contained. Cyanide rapidly breaks down to harmless substances under normal atmospheric conditions – it is short-lived to the environment. The cyanide used in the project will be subject to a cyanide destruct process, and residual cyanide deposited with the process tailings in the Tailings Management Facility (TMF) will degrade rapidly to levels well below maximum regulatory levels. This system of use and disposal of cyanide in gold mining is classed as Best Available Techniques (BAT) by the EU. A simplified description of the ore processing system and the use and management of cyanide is provided in the Non-Technical Summary.</p> <p>As the owner of buildings classified as historical monuments, Roşia Montană Gold Corporation (RMGC) is committed to maintain and use them strictly in accordance with the provisions of the law. To fulfill this commitment, RMGC has recruited and trained a local team led by a civil engineer, to implement repair and restoration of these monuments. This team has taken all the necessary measures to preserve the historical monuments at least in the state they were when acquired by the company. All the buildings classified as historical monuments acquired by RMGC have gone through an initial rehabilitation. Pending approval of the Rosia Montana project (RMP), all houses classified as historical monuments, owned by RMGC will be included in a comprehensive restoration and preservation program. Any other houses classified as historical monuments – in the historical area or the industrial area – will be restored in compliance with special regulations issued by the Romanian Ministry of Culture and Religious Affairs. Responding to comments by the Holy Synod and spiritual leaders of other faiths dating back to 2003, the RMP was redesigned to reduce impact on the community's churches. As a result, 6 of Rosia Montana's 10 churches and prayer houses, will remain where they are. Two churches and two prayer houses will move in accordance with the wishes of their congregations, at RMGC's expense; the churches following the human communities, providing them religious service and support.</p> <p>Six of the 12 cemeteries in Roşia Montană stand to be affected by the project, and approximately 410 graves will require relocation. A large area of 13 hectares has been allocated at the Piatra Albă site for cemeteries, to replace cemeteries in Roşia Montană impacted by the new mine and to fulfill the future requirements for the community. Cemeteries in the Corna Valley/ Gura Cornii area that are impacted by the new mine are planned for relocation. If desired by the family, a priest will conduct a service for both the reopening of the grave and the subsequent burial – all costs relating to the relocation of graves and</p>

associated ceremonies will be funded by RMGC. The grave of the local hero Simeon Balint will not be directly impacted by the Project. The access to this grave will be maintained during the life of the Project, although the access might be regularly restricted for safety reasons.

Regarding the Roman Galleries, a team of archeologists was contracted to research all of the underground galleries, and make recommendations as to which should be preserved. The team's recommendations were passed on to the National Commission of Archeology of the Romanian Ministry of Culture and Religious Affairs, which has final say over which galleries must be preserved.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	50BIS
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114725/31.08.2006
RMGC internal unique code	MMGA_1496
Proposal	The questioners oppose categorically to the project implementation
	As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, <u>the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public</u> and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i> .
Solution	Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u> : <ul style="list-style-type: none"> - the Report on the Environmental Impact Assessment Study; - the conclusions of the parties involved in the assessment; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	57
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114670/02.10.2006
RMGC internal unique code	MMGA_1504
Proposal	<p>The questioner does not agree to the Rosia Montana mining project implementation and formulates the following remarks and comments: The material presented within the three report chapters was elaborated in order to mislead;</p>
Solution	<p>The Environmental Impact Assessment study report (EIA) that Roşia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference (TOR) proposed by the Ministry of the Environment and Water Management (MMGA) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MMGA to make its decision on the Roşia Montană Project (RMP). Subsequent to submission of the EIA, it has been reviewed by two different sets of experts. Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions.</p> <p>A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	59
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114672/21.09.2006
RMGC internal unique code	MMGA_1506
Proposal	<p>The leasing and abusively placement at the foreign investors' disposal of the richest area from the Golden Quadrilateral of the Apuseni Mountains;</p> <p>The concession of mining activities in Roşia Montană perimeter was made in full observance of the Romanian applicable laws, therefore it may not be qualified as abusive. It should be noted that according to the public data available on the National Agency for Mineral Resources official website www.namr.ro there are numerous companies, other than Roşia Montană Gold Corporation (RMGC), which is a Romanian company, holding exploration and exploitation licenses and permits in the Golden Quadrilateral of the Apuseni Mountains. In fact, Romania will receive many economic benefits from the development of Roşia Montană Project (RMP).</p> <p>No country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk and applies best available techniques (BAT). RMGC has been working on this project since 1998 and has invested over US\$ 200 million to date. By the time production begins, the company will have invested almost US\$ 1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. Approval of this project will show the world that Romania welcomes this type of productive foreign investment.</p>
Solution	<p>The Romanian State through the Ministry of Industry and Commerce ("MEC") has a 19.3% ownership interest in the project. This interest is a fully carried interest with no obligation to fund its share of the capital investment. The direct financial benefit to the Romanian State, at the local, county, and national level is projected to be US\$ 1,032 million. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired over the life of the project.</p> <p>Out of total expenditures related to the project of US\$ 3,703 million, Romania will receive 68% of the economic activity generated by the project.</p> <p>The project initiated by RMGC complies with (i) the Terms of Reference proposed by the Ministry of the Environment and Water Management (ii) the relevant legal provisions, including the provisions of Order of Ministry of Waters and Environmental Protection no. 863/2002 on approval of the methodological guidelines applicable to the stages of the environmental assessment procedure ("Order no. 863/2002"), (iii) the best international relevant practices, as well as with (iv) EU standards, provides new jobs for Romanians, especially in the Roşia Montană region, and will serve as a catalyst for reviving the important mining sector, which is strategically important for the Romanian economy and an important part of rural development.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	59
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114672/21.09.2006
RMGC internal unique code	MMGA_1507
Proposal	<p>The intention publicly manifested to valorize the gold and silver ore reserves from Rosia Montana area without to take into account: nature preservation and environment protection, pollution and environment degradation prevention (air, water, soil).</p>
Solution	<p>We strongly disagree with the view that the Roşia Montană Project (RMP) will lead to environmental destruction in the Roşia Montană area and the surrounding region. The environmental protection laws that are in effect all over the world, including in Romania, do not allow the destruction of the environment under any circumstances. The Roşia Montană Project will be conducted in full compliance with Romanian and European environmental and other laws and in accordance with international best practices. The RMP will bring best available techniques (BAT) to Romania, many of which are designed to minimize the impact of mining operations on the environment. Technical experts, representing several international private sector banks and export credit agencies have concluded that the Environmental Impact Assessment Study Report (EIA) complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts - IGIE) has publicly stated that the EIA was well-developed, taking into consideration their recommendations and suggestions. A copy of the IGIE report and RMGC's response is included as a reference document to the present annex of the EIA.</p> <p>Romanian law requires an environmental impact assessment study specifically to ensure that a project such as Roşia Montană will be assessed from an environmental perspective before being approved.</p> <p>As detailed in the EIA study, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well. There will be less pollution at the site after the mine closure process is complete than there is now.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	60
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114557/14.09.2006
RMGC internal unique code	MMGA_1508
Proposal	<p>The questioner does not agree to the Rosia Montana project and addresses the following questions: Why was such public consultation regarding the mining and processing of this ore deposit not organized before granting the lease?</p>
Solution	<p>As regarding your claims, we mention that the public consultation method within the environment impact assessment procedure is provided by Order of the Minister of Waters and Environmental Protection no. 860/2002 on the environmental impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002").</p> <p>Article 39 (1) of the Order no. 860/2002 provides that <i>"after performing the environment impact assessment and drafting the report on the environment impact assessment study, the relevant environmental protection authority and the project titleholder inform the public, [...], within <u>at least 30 working days prior to the date of public debate meeting</u>, on the following aspects: (i) the location and the date of the public debate, (ii) the location and the date when the report on the environment impact assessment study is available for consultation and (iii) the address of the public authority for the environment protection where the grounded proposals of the public regarding the report on the environment impact assessment study are submitted"</i>;</p> <p>According to art. 41 of the Order no. 860/2002, the public debate meeting is held in the presence of the representatives of the relevant public authority for the environment protection, in the area where the project should be implemented and out of the working hours.</p> <p>The practical method for organizing public debate meetings was provided by the Ministry of Environment and Waters Management, according to the capacities of the environmental protection authority in this field based on the provisions of the Order no. 860/2002 and the relevant environmental protection legislation.</p> <p>In addition, please note that the Roşia Montană Gold Corporation (RMGC) has been engaging in a public consultation process since the beginning of its work, meeting with many stakeholders of all types, NGOs, and other interested parties.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	61
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 114567/14.09.2006
RMGC internal unique code	MMGA_1511
Proposal	<p>The questioner thinks that the approval of this project by MEWM would be a mistake and proposes the adoption of a law in order to forbid the use of these substances.</p> <p>As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>,</p> <ul style="list-style-type: none"> - the report on the environmental impact assessment study; - the conclusions of the parties involved in the assessment; - the possibilities to implement the project; - the titleholder answers to the grounded proposals/comments of the public.
Solution	<p>Furthermore, without entering into the debate of the opportunity of such an initiative, we should underline that the Ministry of Environment and Waters Management, by the Wastes Management and Hazardous Chemical Substances Direction, has requested, in the decision of the technical analysis commission, during the framing stage, that this project <i>"must be in compliance with the provisions of the new CE Directive on the management of the wastes in the extractive industry"</i>. Or, the very preamble of the Directive no. 21/2006/EC on the management of the wastes resulting from the extractive industry provides the <u>need to reduce the concentration of cyanide</u> in the decantation ponds, due to its toxic and harmful effects, to the lowest degree possible, by using the best techniques. According to art. 13 paragraph 6 of the above mentioned Directive, there are established the maximum limits of the cyanide concentration allowed in the decantation ponds and their periodical reduction until 2018, <u>but its use is not forbidden</u>.</p> <p>We also specify that this enactment has to be adopted in the national legislations of the member states, therefore in the Romanian legislation as well, until 2008. In conclusion, by its content, such a legislative initiative would come against art. 21 (1) of the Law no. 24/2002 on the norms of legislative techniques for the drafting of the laws, which provides that <i>"the legislative solutions considered by the new regulation must take into account the applicable regulations of the European Union, ensuring the compliance with the latter"</i>.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	62
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 115998/07.12.2006
RMGC internal unique code	MMGA_1512
Proposal	<p>It is presented the declaration adopted by the Romanian Spirituality Congress on the 3th of December 2006 at Alba Iulia regarding the stopping of the project of exploration and exploitation of the gold and silver ore deposits</p>
Solution	<p>With respect to your comments, according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures (Order no. 860/2002) <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the justified proposals of the public, which were received under a written form, previously to the respective hearing"</i>;</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by Rosia Montana Gold Corporation (RMGC) and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	64
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 120301/22.01.2007
RMGC internal unique code	MMGA_1514
Proposal	<p>The questioner addresses the MEWM the request not to grant the environment permit for Rosia Montana project. The Union's members expressed their concern, declaring that through this project implementation, Romania will suffer huge damages, the Roman galleries, forests, lakes, important flora and fauna species will be destroyed. The biggest danger could be that one generated by the cyanide evaporation from the tailings management facility.</p>
Solution	<p>As for the allegation that the project will destroy the Roman galleries at Roşia Montană, the truth is quite the opposite: Roşia Montană gold Corporation (RMGC) has financed – at a cost of US\$ 10 million to date – a program of rescue archaeology. As required by law, RMGC has contracted Romanian and international experts from diverse backgrounds to perform the archaeological, architectural, oral history, and ethnological investigations of the RMP – affected area as the first archaeological program of this scale in Romania in the last decade. Forty-one buildings in Roşia Montană are classified as historic monuments under Law 422/2001, including a Romanian Catholic Church and a Greek Catholic Church. The archaeological vestiges on Carpeni Hill, the Roman galleries from Piatra Corbului, the Roman funerary enclosure from Tăul Găuri and the Cătălina Gallery – were zoned as protected areas. According to the legal regulations, the Historical Centre Roşia Montană is classified as a protected area as well. All 41 historic structures will remain unaffected by the RMP mine plan.</p> <p>At Roşia Montană about 140 km of underground galleries have been surveyed. The underground archeological investigations have been performed by a team of French specialists, coordinated by Dr. Beatrice Cauuet, a well-known in Europe mining archaeologist. The scientific publishing started and will continue through the following years. The investigated underground networks are very important having almost 7 km of ancient mining works. Thus, the restoration operations will be extremely ample, very expensive, to which an important maintenance cost must be added on long term. For example, even if the connected mining networks from the central-southern part of Cărnic massif represents a beautiful ensemble, the same type of mining works exists in several points of this ensemble, so that a certain repetition within this mining area may be noticed. A large number from these types of works can be encountered within the sectors which will be protected, for example the Coş, Păru-Carpeni and Piatra Corbului areas, all having unique and representative elements which argue the scientific decision of <i>in situ</i> preservation. In this context, the integral restoration of such mining ensemble is not compulsory taking into account both the very high costs of such action and the costs which follow in the stage of maintenance and utilization as a cultural and tourism resource.</p> <p>In order to organize a museum <i>in situ</i> with preservation of some mining vestiges, the selection of remarkable areas with several types of mining works specific for the ancient mines from Roşia Montană is more indicated. In order to valorize the ancient mining works, a concentration of the existing technical and financial resources for the restoration of a more restricted sector may be taken into account. This sector must be situated with priority within an area near to the other historical monuments which follow to be emphasized, such as the historical centre of Roşia Montană commune. In this vision, the Cătălina Monuleşti ancient mining network situated in Coş massif seems to be the most suitable for such aim as compared to the large interconnected works crossed by modern mining works which are encountered in the southern versant of Cărnic massif. The Cătălina Monuleşti network does not include within its perimeter all types of mining works put into evidence in Cărnic, Orlea or Țarina massifs, respectively inclined planes of access from surface, investigation galleries equipped with steps, mining chambers with pillars, spiral shafts and vertical works. In turn, a reconstitution program may be assured in order to construct underground copies of some representative mining structures, which have been investigated, are in a precarious state of preservation and do not allow a coherent and sustainable program for their including into a public visit circuit. In this way, the authenticity of the mining vestiges which follow to be</p>

put into evidence in Coș, Carpeni and Piatra Corbului sectors will be completed.

Finally, there are also other areas more restricted within the site, situated outside the impact perimeter of the mining project, such as the eastern versant of Cârnic – Piatra Corbului sector and Pâru Carpeni sector which could be suitable for an arranging program having in regard the public access. In particular, in Piatra Corbului sector there are Roman mining works excavated by means of fire, extraordinary vestiges, impressive through their large dimensions. Their location in the close vicinity of the future open pit must be taken into account in order to provide measures of adequate protection.

As for the charges relating to bio-diversity, here are the facts:

- overall, approximately 1600 hectares (ha) are required for the RMP of which 205 (ha) are required for mining operations. Of the 205 ha required almost half (95 ha) has already been impacted by historical mining activities. Apart from the mining operations, the RMGC has designed the project to minimize tree cutting wherever possible. During the life of the mine a program of re-forestation will take place around the fragmented forest remnants to increase the extent of the forested areas. Corridors will also be planted joining these forested areas to promote biodiversity by creating links between the forested areas for the animals to move along. In addition, we have undertaken a progressive rehabilitation plan for the mine as areas required for the project are completed;
 - during the baseline studies, no endangered or protected species of plants or species were found in the RMP area. The RMP has been designed to increase biodiversity of the area on long term, while the project will require land take of a relatively large area and will affect forests, lakes and local biodiversity in the short term. The improvements to water quality from the implementation of the project will significantly improve aquatic habitat conditions for flora and fauna species. The local streams will see a return of water life that is currently not sustainable in the existing polluted environment (damaged by past poor mining practices);
 - the biodiversity management plan allows for the enhancement of the existing areas of biodiversity interest and for the creation of a biodiversity curtain around the mine site. It also allows for the re-establishment of biodiversity in the mine site area and on the waste dumps once the RMP's mining operations are complete;
 - as for the impacts of cyanide (CN=), there is no possibility of cyanide evaporation from the tailings management facility ("TMF") to affect either RMGC employees or local residents. The industry has developed significant knowledge of HCN ("hydrocyanic acid cyanide") in the ambient air. Experts have reviewed the all areas of the project to determine HCN levels to ensure compliance with Romanian and EU law. Once released from the TMF, the CN is subject to certain chemical reactions at low pressure to form ammonia. The mathematical modeling of the HCN concentrations within the ambient air (if the HCN released in the air is not subject to chemical reactions) emphasized the highest concentrations being at ground level, within the industrial site, namely within the area of the TMF and within certain areas of the process plant could reach a maximum concentration of 382 $\mu\text{g}/\text{m}^3/\text{h}$, which is 2.6 times lower than the limit value stipulated by the national legislation for labor protection. The HCN concentration within the ambient air from the populated areas close by the RMP would be a maximum of 4 to 80 $\mu\text{g}/\text{m}^3/\text{h}$, while the limit stipulated by the national legislation for labor protection is 5,000 $\mu\text{g}/\text{m}^3/\text{h}$ (Romanian and EU legislation on air quality does not stipulate limits for the population's health protection).
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Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	911
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110064/22.08.2006 and No. 75188/23.08.2006
RMGC internal unique code	MMGA_1522
Proposal	as far as the economic side concerns, the distribution of the benefits to result from the gold and silver mining are in contradiction to the worldwide practices.
Solution	<p>In a certain sense, the questioner is correct. In this project, the distribution of benefits is more favorable for Romania than is typical of mining projects worldwide. No other country in the developed world is currently involved directly in assuming the risk of mining operations; instead, private capital assumes the risk while Romania will reap its share of the benefits without putting any capital into the project. Here, the risk is entirely borne by RMGC. RMGC has been working on this project since 1998 and has invested over US\$200 million to date. By the time production begins, the company will have invested almost US\$1 billion. Mining is a high risk industry; it is an industry rule of thumb that for every 1,000 projects considered, 100 merit drilling, and only one is opened as an actual productive mine. Approval of this project will show the world that Romania welcomes this type of productive foreign investment.</p> <p>Overall, the Roşia Montană Project is expected to generate US\$2.5 billion in financial benefits for Romania. The Romanian State stands to receive US\$1.0 billion in financial benefits from its share of the projects profits, profit taxes, royalties and other taxes, including payroll taxes. An additional US\$1.5 billion of Romanian goods and services will be acquired by the project over the life of the operation.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	750
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 109707/21.08.2006 and No. 75024/21.08.2006
RMGC internal unique code	MMGA_1543
Proposal	Questions 5 and 6 are related to the acidic waters phenomenon, of high content of heavy metals which occurred during the old mining activities. These waters reached Abrudel river (via Rosia and Izbicioara creeks).
Solution	<p>RMGC is determined not to leave that kind of legacy of shame. As detailed in the EIA study, RMGC will undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it. That is a legacy of pride, one that RMGC is determined to leave.</p> <p>Moreover, this Project, unlike past mining at Rosia Montana, will be operated in accordance with international best practices for mining and the best available techniques (BAT).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	893
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110081/22.08.2006 and No. 75170/23.08.2006
RMGC internal unique code	MMGA_1557
Proposal	<p>The Questioner disagrees with the Rosia Montana Project, and asks the following questions, observations and comments:- there is a large number of deficiencies of the Project and its EIA Report</p> <p>-the lack of real interest shown by the Administration in regards to finding solutions for sustainable development of the environment in the area;</p>
Solution	<p>As regards your comment, please note according to art. 44 (1) of the Order of the Minister of Waters and Environmental Protection no. 860/2002 regarding the environment impact assessment and the issuance of environmental agreement procedures ("Order no. 860/2002") <i>"during the public debate meeting the project titleholder [...], provides grounded answers to the <u>justified proposals of the public</u>, which were received under a written form, previously to the respective hearing"</i>.</p> <p>At the same time, art. 44 (3) of Order no. 860/2002 provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection <u>evaluates the grounded proposals/comments of the public and requests to the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</u></i>.</p> <p>Considering the legal wordings quoted above, as your allegation (i) does not identify nor indicate issues related to the project initiated by RMGC and undergoing the environment impact assessment procedure, (ii) refers to decisional capacities under the competence of certain public authorities, issues to which RMGC is not in the position to answer, we mention that the project titleholder cannot and does not have the capacity to provide an answer or make any comments in this respect.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	893
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110081/22.08.2006 and No. 75170/23.08.2006
RMGC internal unique code	MMGA_1559
Proposal	-RMGC didn't take into consideration the environment protection principles: sustainable development, prevention, caution in taking decisions, overall approach, preservation of the environment.
Solution	<p>We strongly disagree with the questioner's assertion. The Environmental Impact Assessment study report (EIA) that Roșia Montană Gold Corporation (RMGC) submitted responded fully and professionally to the Terms of Reference proposed by the Ministry of the Environment and Water Management (MEWM) and complied with the relevant legal provisions and international practices. More than 100 independent consultants, (certified) experts and specialists renowned at the national, European, and even international levels, prepared the report. We are confident that the EIA provides sufficiently detailed information and reasoning for its conclusions to permit the MEWM to make its decision on the Roșia Montană Project (RMP). RMGC had previously changed various parts of the proposal, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations before submission of the EIA. Further, we believe the project will support the community's initiatives to develop industries other than mining, and this is central to the Community Sustainable Development Management Plan attached to the EIA report (Plan L).</p> <p>Technical experts, representing several international private sector banks and export credit agencies have concluded that the EIA complies with the Equator Principles designed to promote responsible lending by financial institutions to projects which raise environmental and social concerns, and an ad hoc committee of European experts (International Group of Independent Experts – IGIE) has publicly stated that the EIA was well-developed, taking into considerations their recommendations and suggestions. A copy of the IGIE report and RMGC's response are included as a reference document to the present annex of the EIA.</p> <p>We further disagree with the view that the project will lead to environmental destruction in the Roșia Montană area and the surrounding region. The environmental protection laws that are in effect all over the world, including in Romania, do not allow the destruction of the environment under any circumstances. The RMP will be conducted in full compliance with Romanian and European environmental and other laws and in accordance with international best practices. The Project will bring Best Available Techniques (BAT) to Romania, many of which are designed to minimize the impact of mining operations on the environment.</p> <p>As detailed in the EIA, RMGC will also undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current project but to clean up the effects of past poor mining practices as well. There will be less pollution at the site after the mine closure process is complete than there is now.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	893
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110081/22.08.2006 and No. 75170/23.08.2006
RMGC internal unique code	MMGA_1562
Proposal	<p>-The size of the Project, the large quantity of hazardous chemicals (cyanide) used for technological processes, the large quantity of wastes (residue) remained and stored for long time are subject to questioning the technical and technological feasibility of the Project;</p>
Solution	<p>Cyanide is a toxic compound and it must be handled and managed carefully. Still, as it disintegrates rapidly in normal atmospheric conditions into non-hazardous substances, unlike mercury, for instance. The Roşia Montană Project will use the best available technologies for the extraction of gold and management of wastes and will comply with the European Directive regarding management of wastes containing cyanides.</p> <p>Cyanide is one of the few substances that can dissolve gold. Cyanide is used in hundreds of gold mines around the world and in many other industries. At Roşia Montană, the Tailings Management Facility will be constructed to the highest international standards. It will be an environmentally safe construction for permanent deposition of detoxified tailings resulting from ore processing. Sophisticated equipment will be used for geotechnical and water level monitoring. Because detoxification will take place before the tailings are deposited to the TMF, they will contain very low concentrations of cyanide (5-7 parts per million or ppm or mg/l), which is below the regulatory limit of 10 ppm recently adopted by the EU Mining Waste Directive 2006/21/EC. Mine waste in the EU is currently permitted to have a 50 ppm concentration of cyanide, which the Directive reduces to 10 ppm for new mines. Roşia Montană's TMF will have a concentration of 5-7 ppm.</p> <p>RMGC has signed and will comply with the International Cyanide Management Code (ICMC), which requires the use of best practices in the field of cyanides management. RMGC will obtain the cyanides from a manufacturer that also complies with this code. Also, the transporter will comply with ICMC. The EIA study also evaluated alternatives to cyanide from the economic, process applicability, and environmental perspectives. The study concluded that the use of cyanide as it will be used in the Roşia Montană Project is a Best Available Techniques as defined by EU Directive 96/61/EC (IPPC).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	893
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110081/22.08.2006 and No. 75170/23.08.2006
RMGC internal unique code	MMGA_1563
Proposal	- Financial resources for starting the investment;
Solution	<p>The estimated capital cost to complete the development of the Roşia Montană project – including interest, financing and corporate costs – is approximately USD 750 million. The Company anticipates financing these costs with approximately 20% equity – USD 150 million and 80% debt. The equity component has been raised and the debt component is in final negotiations.</p> <p>While the risk attendant on developing Roşia Montană Project is carried by the company, the benefits that will flow from its successful development will infuse USD \$2.5 billion into the Romanian economy over the life of the mine.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	905
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110070/22.08.2006 and No. 75182/23.08.2006
RMGC internal unique code	MMGA_1568
Proposal	<p>The Questioner disagrees with the proposed gold and silver mining Project in Rosia Montana, presents a description of the mining in the area and emphasizes the fact that the continuation of mining will affect the historical vestiges, the health of the environment and the development of the future economy.</p> <p>This Project, unlike past mining at Roşia Montană, will be operated in accordance with international best practices for mining. For the first time, it will bring best available techniques (BAT) to Romania. With respect to the cultural heritage of the village, it is important to remember that the project affects only 4 of the 16 sub-comuna that comprise Roşia Montană. There is a buffer zone in the village itself, and the proposal includes the renovation and restoration of the historical center of Roşia Montană and the construction of two new relocation sites in the Piatra Alba area (situated at approximately 6 km away from the historical centre). This site will be the new civic centre of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centres, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. (Only the school will be built in a modern architectural style.) A new neighbourhood will also be built in Alba Iulia. All relocations will be conducted according to the Resettlement and Relocation Action Plan, which fully complies with World Bank standards for involuntary resettlement of individuals.</p>
Solution	<p>As detailed in the EIA study, RMGC will undertake a significant plan of environmental rehabilitation at the site not only to mitigate the environmental effects of the current Project but to clean up the effects of past poor mining practices as well, leaving the area cleaner than we found it.</p> <p>The EIA report indicates that the existing baseline conditions are characterized by widespread water pollution and the presence of large areas of derelict mined land and waste heaps. This presents a serious impediment to development other than that proposed under the Project. Remediation of the area would be very expensive and certainly beyond the means of the local community. However, Chapter 5 of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the RMP including the “no-project” option. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction. The Project would therefore support the community’s initiatives to develop industries other than mining and this is central to the <i>Community Sustainable Development Management Plan</i> attached to the EIA report (Plan L). Additional supplementary information/study materials completed since the submittal of the EIA, reflecting comments received during the public consultation process, further expands on our CSDP efforts, has been included as reference documents to the Annex.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	905
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 110070/22.08.2006 and No. 75182/23.08.2006
RMGC internal unique code	MMGA_1569
Proposal	<p>The Questioner proposes an emergency issuance of a law to stop Rosia Montana project and any other similar activity which it would bring impact on the historical vestiges, health of the environment and future development.</p>
Solution	<p>As regarding your request, we mention that art. 44 (3) of the Minister of Waters and Environment Protection Order no. 860/2002 on the environment impact assessment and the issuance of environmental agreements Procedures ("Order no. 860/2002") provides that <i>"based on the results of the public debate, the relevant authority for the environmental protection evaluates the grounded proposals/comments of the public and requests the titleholder the supplementation of the report on the environmental impact assessment study with an appendix comprising solutions for the solving of the indicated issues"</i>.</p> <p>Consequently, considering the fact that your proposal is just an allegation which does not indicate possible problems, nor provide additional information, we mention that the decision on the issuance or refusal of the environment approval cannot be made only by considering a simple proposal, but according to certain objective criteria provided by the wording of art. 45 of the Order no. 860/2002 and <u>only after examining</u>,</p> <ul style="list-style-type: none"> (i) the Report on the Environmental Impact Assessment Study; (ii) the conclusions of the parties involved in the assessment; (iii) the possibilities to implement the project; (iv) the titleholder answers to the grounded proposals/comments of the public. <p>Overall, Roşia Montană will be enhanced rather than destroyed. An area of the village of Roşia Montană has been designated as a protected area, the proposal includes the renovation and restoration of the historical center of Roşia Montană and the construction of two new relocation sites: one in the Piatra Albă area (situated at approximately 6 km away from the historical center) and one at Dealul Furcilor, a subdivision of Alba Iulia, the county's capital. Piatra Albă site will be the new civic center of the commune, which will be the most modern in Romania. In addition to individual homes, new and modern quarters for the City Hall, cultural and community centers, a police station, a dispensary, a school, and other buildings will be built. This new and modern location will preserve the character and tradition of the mountain villages of the Apuseni Mountains but will benefit from all the advantages and facilities of 21st century construction. The school will be the only building built in a modern architectural style. Please also note that the property purchase program established by the company has been designed according to World Bank guidelines, and is based on a "willing seller, willing buyer" model, offering individual development opportunities and various support programs. To this extent, RMGC provided fair compensation packages for the affected inhabitants of the impacted area, in full compliance with the World Bank policies in this field, as detailed in the Resettlement and Relocation Action Plan (RRAP) developed by RMGC, which may be found on company's official website.</p> <p>As for economic development, Chapter 5 of the EIA Report (<i>Assessment of the Alternatives</i>) examines alternative options for the RMP including the "no-project" option. The EIA considered alternative developments that include agriculture, grazing, meat processing, tourism, forestry and forest products, cottage industries, and flora/fauna gathering for pharmaceutical purposes. It concluded that none of these industries could provide the economic stimulus to assure sustainable prosperity for local communities as is forecast for the Project. However, it also noted that the Project would not halt development of alternative industries in parallel and would indeed remove some of the current obstacles for sustainable development, such as pollution and land dereliction. The Project would therefore support the community's initiatives to develop industries other than mining and this is central to the <i>Community Sustainable Development Management Plan</i> attached to the EIA report (Plan L).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	906
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 4273/SB17.08.2006 and No. 75183/23.08.2006
RMGC internal unique code	MMGA_1570
Proposal	A group of TV reporters of Deva local station, based on a 6 weeks documenting period, have made a 30 minutes documentary trying to catch the spirit of the area and the voices of the people.
Solution	We sincerely appreciate the efforts of these reporters to understand the Project and to inform the public of this important issue and we hope their interest will continue throughout the period of mine construction, operations, and closure. For our part, we have engaged in a long process of public and stakeholder consultation and look forward to working with them and other members of the Romanian press.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	922
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 4277/SB/17.08.2006 and No. 75216/23.08.2006
RMGC internal unique code	MMGA_1576
Proposal	Why is RMGC willing to spend so much money if they wouldn't know the expected gain?
	<p>RMGC has carefully evaluated the prospects for mining in Roşia Montană and is confident that its efforts will produce a significant profit for all shareholders, including the Government of Romania. RMGC's evaluation of the ore deposit is based on the most extensive calculation of reserves ever performed in Romania, which produced 191,320 samples from drilling, underground networks, and surface rock. Its calculations have been verified by independent analysts.</p>
Solution	<p>The project as proposed in the EIA (Environment Impact Assessment) reflects stakeholder comments and reduced the size of the proposed pits. For the project as proposed in the EIA, RMGC's survey calculates a reserve of 215 million tones of ore with an average grade of 1.46 g/t Au and 6.9 g/t Ag, respectively, for a total amount of 314.11 tones of gold and 1480.36 tones of silver.</p> <p>Based on a gold price of USD 600/ounce and on a silver price of USD 10.50/ounce, RMGC is projecting a total net profit of USD 1,572 million and an internal rate of return (IRR) of 26%. Because the estimated total cash cost to produce gold over the life of the project is USD 237/ounce, the project would still be profitable even if the market prices for gold and silver decline from their currently high levels.</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	922
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 4277/SB/17.08.2006 and No. 75216/23.08.2006
RMGC internal unique code	MMGA_1578
Proposal	Why so many voices of Romanian and foreign scientists are not taken into consideration?
Solution	With respect to one prominent group of Romanian Scientists, the members of the Romanian Academy, the most recent position of the Romanian Academy regarding the Roşia Montană Project was made public on February 27, 2006, almost three months before the submission of the report to the Environmental Impact Assessment Study to the Ministry of Environment and Water Management. RMGC made changes to the design of the project to incorporate stakeholder concerns, including those mentioned by the Romanian Academy and foreign scientists, notably a reduction in the size of several proposed pits as well as enhancing sustainable development activities, and a stronger commitment to preservation of cultural patrimony including a reduced impact on local churches, in response to stakeholder consultations, including with members of the Academy, before submission of the EIA. Thus the position does not reflect changes to the project design and an analysis of the EIA that was actually submitted to the Ministry.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	922
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 4277/SB/17.08.2006 and No. 75216/23.08.2006
RMGC internal unique code	MMGA_1579
Proposal	<p>Why the TV stations intoxicates us with the commercials of RMGC whose aim is to steal the riches of our country?</p>
Solution	<p>RMGC believes that informing people is an important part of debate in a democratic society.</p> <p>For many years, the public heard just what RMP's opponents said, avoiding any mention of the benefits of the project and the social problems of a mining area.</p> <p>The Romanian Mining Law "assures maximum transparency of the mining activities and a fair competition without discrimination between the property forms, the origin of capital and the nationality of the operators."</p> <p>With that provision in view, the company launched at the end of 2006, a campaign in order to create a current of opinion and to properly inform the public on the Roşia Montană Mining Project and of the benefits above-mentioned Project brings. The Roşia Montană project has been subject of public debates over the past years, largely due to lack of dialogue and information and mainly through the voice of the opposition. We have started this campaign acknowledging this lack and because we strongly believe in the right of the public to have correct and complete information about Roşia Montană reality.</p> <p>The overall objective of the campaign was to clarify controversial aspects and already existing distorted information for the public and the stakeholders of this project in order to enable them to receive information, participate in the public debate on this project and finally contribute to its improvement by their positions and comments.</p> <p>Finally, in contrast to the claim that RMGC's project will "steal Romanian riches", as at the end of 2006, RMGC had invested over US\$ 200 million, and the company expects to invest nearly US\$ 1 billion before production begins, all part of US\$ 2.5 billion infused into Romanian Economy. The direct financial benefits to the Romanian State, at the local, county, and national level are projected to be US\$ 1.0 billion. This includes the government's share of profits, profit taxes, royalties and other taxes such as payroll taxes. An additional US\$ 1.5 billion of Romanian goods and services will be acquired by the project, including US\$ 400 million during construction (2 years) and US\$ 1.1 billion during production, from Romania (16 years).</p>

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	922
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	No. 4277/SB/17.08.2006 and No. 75216/23.08.2006
RMGC internal unique code	MMGA_1580
Proposal	Who is responsible for and who charges the ones who destroy for all what they destroy?
Solution	The Roşia Montană Project is not about "destroying" anything in Roşia Montană bur rather of making an investment in the area's future. RMGC will operate the project in full compliance with Romanian and European law and in accordance with international best practices. The Project will bring best available techniques (BAT) to Romania. The Company will have invested nearly a billion dollars by the time the mine opens, and its mine closure plan includes an extensive plan for environmental rehabilitation, leaving the area cleaner than we found it.

Domain	GENERAL
MMDD's item no. for the question which includes the observation identified by the RMGC internal code	450
MMDD's identification no. for the question which includes the observation identified by the RMGC internal code	Deva, 23.08.2006
RMGC internal unique code	MMGA_2000
Proposal	- he did not take the floor
Solution	<p>(i) According to the provisions of MO 860/2002, which provides the procedures governing preparation of environmental impact assessment and issuance of environmental permit ("Order no. 860/2002") art. 44: <i>"during the public debate meeting, the titleholder [...], <u>will provide answers accompanied by arguments to the reasoned proposals of the public, which the titleholder has received in writing before the initiation of the respective meeting</u>"</i>;</p> <p>(ii) art. 44 (3) of Order no. 860/2002 <i>"based on the results of public debates, the competent authority for environmental protection <u>assesses the public's reasoned proposals/comments and invites the titleholder to complete the Environmental Impact Assessment Study with an annex which should include solutions for the issues that have been brought forth</u>"</i>.</p> <p>As the statement: "The questioner did not attend" doesn't identify or bring forth issues associated with the project initiated by RMGC, and submitted to environmental impact assessment procedure, RMGC has no right to state anything on this issue; we would like to underline the fact that the titleholder cannot and does not have the authority to issue an answer or to make any comments related to this issue.</p>