

ANALAMAY-MANTADIA Ambatovy supports forest connectivity initiative

A new protected area will soon be created in the Analamay-Mantadia Forest Corridor. This initiative will ensure habitat connectivity between the conservation zones that already exist in the region, including those managed by Ambatovy, the Ankeniheny-Zahamena Forest Corridor, the Mantadia National Park and the Torotorofotsy Wetlands.



Propithecus diadema.

At over 450,000 hectares, this will be one of the largest continuous expanses of protected habitat in Madagascar. Habitats covered will include those of several threatened species such as the critically endangered Diademed sifaka (*Propithecus diadema*). Of particular importance is that this new area will ensure the protection of a surviving population of the Greater Bamboo Lemur (*Prolemur simus*), which is one of the rarest lemurs in Madagascar and among the 25 most endangered primates in the world. (It is considered "critically endangered" by the International Union for Conservation of Nature). According to recent surveys conducted with the help of Ambatovy by the NGO Association Mitsinjo, the Analamay-Mantadia Forest Corridor area contains 50-70 individuals of this species or 10-20% of the known wild population.

To assure the success of this project, Ambatovy works in close cooperation with the regional environment and forestry service, local authorities and Conservation International. Ambatovy also consults with local populations and other concerned stakeholders.

A workshop to facilitate the establishment of this new area was held on Tuesday, August 23, 2011 at the Emeraude Hotel in Moramanga under the direction of the Alaotra Mangoro Region and

the regional environment and forestry service. The objectives of the workshop were to discuss the boundaries of the area and to ensure that key stakeholders are engaged in its creation.

Two sessions were held during the three-day meeting. Scientists, NGOs and research organizations met during the first two days to discuss research results and the inventories that were carried out to determine the boundaries of the area to be protected. On the final day, regional and local authorities, regional technical services and other stakeholders gathered to consider recommendations and express their support for the establishment of the area.

Next steps will include : the issuance of an inter-ministerial order for temporary legal protection that will be valid for two years, an environmental and social impact assessment, public consultations, the development of a management plan and a social protection plan in which alternative income activities for the local population are explored, and, finally, the issuance of a permanent protection decree. Supporting the creation of the Analamay-Mantadia Forest Corridor is one more way in which Ambatovy is helping conserve Madagascar's unique biodiversity.

Contents

Responsibility towards cultural heritage.....	2
Ambatovy extracts natural cobalt.....	3
Ambatovy supports demobilized workers.....	4
Sewing up success.....	4

EDITORIAL

A new era begins

The end of 2011 is quickly approaching. This year that means more than just holiday celebrations. It also signifies the completion of construction activities at Ambatovy. The debut of operations is just over the horizon. Initial production of nickel and cobalt is expected in the first quarter of 2012.

This marks the beginning of a new era. Madagascar will soon enter the circle of nickel and cobalt-producing countries. Indeed, by the time production at Ambatovy reaches cruising speed in 2013-2014, nickel will be one of Madagascar's leading exports.

Since the beginning, Ambatovy has continuously demonstrated its dedication to the development of the "Big Island." It wasn't by chance that the company made the decision to invest in a metals processing plant and refinery right here in Madagascar. As a result, the country will be able to benefit from the added value that fully refined nickel and cobalt will generate. And from the technology transfer and more than 1,000 additional jobs Ambatovy's multi-million dollar investments have created.

Ambatovy is the first huge industrial complex ever built in Madagascar and neighboring communities are concerned about what it all means. As always, Ambatovy remains committed to keeping everyone up to date about our activities, especially about critical safety regulations. In addition to disseminating information, the company is constantly in touch with our stakeholders and local and regional authorities.

Our objective is well known; Ambatovy wants to be a responsible member of the community that stands by its commitments and its dedication to full transparency. Of course, we are not perfect - missteps will occur - but our commitment to dialogue and mutual understanding will allow us to do a better job with each passing year.

The end of the year is upon us. Let us take this opportunity to wish you and yours a Merry Christmas and a Happy New Year 2012.

The Editorial Committee

Please send any comments or suggestions to banjina@ambatovy.mg

AMBATOVY'S ARCHEOLOGICAL RESEARCH

Respecting cultural heritage

Learning about the results of archaeological work in the areas where we are active will always be a milestone for Ambatovy. A few months ago, the Project shared the concrete results of its commitment to respect Madagascar's cultural and religious heritage with the public.

A few months ago, an international conference and workshop called "Socio-cultural Archaeology and Anthropology from the Mangoro to the Ivondro" was held at the Malagasy Academy in Tsimbazaza. The objective was two-fold; to present to the Academy discoveries made between Toamasina and Moramanga by Ambatovy during the construction phase and to initiate a debate around excavation strategies and ways to improve archaeology in the eastern part of Madagascar.

Ambatovy is committed to respecting the religious and cultural heritage of Madagascar, and to preserve important archaeological areas. Ambatovy changed the route of our 220 km pipeline to avoid culturally and environmentally sensitive areas. The examination, conservation and treatment of discovered artifacts has been handled in collaboration with the Centre for Ethnological and Linguistic Studies and Research (CEREL, a part of the University of Toamasina), the Art and Archaeology Centre of the University of Antananarivo and the Institute of Civilization/Museum of Archaeology (ICMA). All of the work, which was led by Professor Jean Aimé Rakotoarisoa, was regularly monitored by national experts appointed by the Malagasy government.

Interesting artifacts and antique furniture were discovered by Ambatovy's Archaeological Team between 2005 and 2010 in areas between Moramanga and Toamasina. Among the 4,851 items found were 4,207 clay potteries, 71 chloritoscists and 192 imported ceramics. Among the 262 cultural heritage sites catalogued were 126 archaeological sites, remains of 22 ancient villages, 23 burial sites, 55 sacred sites and 36 sacred stones, the oldest of which date



Interesting discoveries.

back to the thirteenth century and the most recent to the nineteenth century. The results are significant for the areas between Moramanga and Toamasina, particularly along the pipeline. These finds add to archaeological knowledge that can be used to shed light on the rich history of the zone between Madagascar's central highlands and east coast.

Indeed, Ambatovy's goal is to contribute to a broader understanding of history by sharing the results of its work and submitting them for discussion. Ambatovy's discoveries, which were obtained through various activities such as prospection, surface collection, survey and salvage excavation, were presented to an audience of distinguished scholars and national and foreign researchers.

These activities have given a figurative update to the cultural, historical and archaeological atlas of Madagascar. Moreover, they have enabled an understanding of the nature of several sites and the importance of objects and structures hidden in the soils of the areas where Ambatovy is active.



Samples among 4,851 uncovered objects.

THEY SAID:



Désiré Razafindrakaza, Psycho-sociologist
President of the association Amis du patrimoine de Madagascar

"It is definitely an excellent initiative for a private company that wants to promote the importance of the country's culture. It is important to protect the national heritage, to make it known to the public and to give researchers the opportunity to undertake work that will improve our knowledge about Madagascar and its different cultures."



Robert Dewar, Professor
University of Cambridge, United Kingdom
University of Connecticut, United States

"It was a very successful symposium. I noticed that the audience was very attentive and interested. The many questions asked showed the keen interest of participants. The discussions, which were very stimulating, revealed everyone's interest in the history of Madagascar."



Yvette Rabetafika Ranjeva, Former Ambassador
Madagascar's Permanent to UNESCO, member of the Malagasy Academy, Associate ICMAA Researcher

"Ambatovy did a very good job in choosing the Malagasy Academy as a framework for the reporting of its research. But this is only a part of the Project that was revealed to the public. Personally, I would be very interested to know the impacts of Ambatovy's activities on the population in terms of education and instructions. Anyway, I'm really happy about the work that has been done, which will be useful to researchers."



Claude Allibert, Anthropologist
Professor Emeritus
Former Vice-president of the National Institute for Oriental Civilizations and Languages (INALCO), Paris, France

"It was a meeting where everyone benefitted. Universities and researchers came to improve their connections with Ambatovy. Everyone made an effort. Without the researchers, Ambatovy could not have gathered all that information and without Ambatovy, researchers would not

have had the same means available to them. I think this is just the beginning. An extremely promising and high quality beginning."

COBALT RADIOACTIVE? – NOT!

Ambatovy mines natural, non-radioactive cobalt

Many questions have been raised about the nature of the ore that Ambatovy extracts from the mine. In particular, cobalt has aroused the curiosity of some observers and local communities. In response to the misinformation that has circulated about Ambatovy's cobalt, the company wants to reassure everyone by letting you know the facts.

With operations soon to start, concerns and questions about the alleged harmful effects of cobalt are still a topical issue in the areas surrounding Ambatovy sites and beyond. The extraction of cobalt from Ambatovy's deposit outside Moramanga and its processing at the plant in Toamasina have, in recent years, fueled the circulation of misinformation and rumours about cobalt. Some of the answers Ambatovy representatives have given in response to questions posed by

These studies confirmed the benign nature of Ambatovy's cobalt. Nevertheless, as part of our commitment to open communication and transparency, Ambatovy continues to respond through periodic meetings to local communities' questions, concerns and apprehensions about cobalt. In this way, Ambatovy can address concerns and share information, which helps the public distinguish between the facts and unfounded misinformation.



Ambatovy's Mine site where ore containing cobalt is extracted.

The Technical and Development Director of the INSTN, Joel Rajaobelison, confirmed the facts regarding radioactivity and Ambatovy's cobalt stating, "In May 2005, at the request of Ambatovy, INSTN conducted a field study of Ambatovy's pristine site where ore sampling was carried out. At that time the Project was still in the exploration phase. The results showed that the cobalt that Ambatovy planned to use was

members of the public include "No, Ambatovy's cobalt does not make women infertile." "No, the company's activities do not cause birth defects." "No, cobalt mined by Ambatovy does not cause cancer and does not spread disease." Radioactive cobalt is used in industry and medicine. Many people are aware that radioactive cobalt is a powerful tool used to treat cancer. But Ambatovy's cobalt has nothing to do with radioactive cobalt and the public need not be concerned.

not at all radioactive and was suited for industrial application. That was what the INSTN team upheld in its report by stating that Ambatovy cobalt was a stable isotope, meaning that it is radioactivity-free, and that the nickel was also absolutely radioactivity-free as well."

Despite disturbing rumours, no new disease or public health concerns have been attributed to Ambatovy. Data from 18 health centres in five municipalities affected by the Project - namely Andasibe, Beforona, Ambohibary, Moramanga City and Morarano Gara - have confirmed this. Not a single case of disease diagnosed either at the Moramanga District Hospital or at the District Department of Public Health has been related to Ambatovy's activities. Some of Ambatovy's senior-most employees live right next to the mine site in Moramanga and the plant site in Toamasina. We hope that this fact demonstrates that there are no health risks at the company's two sites and certainly not radioactivity.

Cobalt must be exposed to neutron radiation from a nuclear reactor to be radioactive. As everyone knows, there are no nuclear reactors in Madagascar. Ambatovy mines cobalt in its natural state. Since there are no facilities in Madagascar capable of turning natural cobalt into radioactive cobalt, it should be obvious that there is no radioactive cobalt present at any Ambatovy site or facility. Because misinformation and rumours can raise public suspicion, in 2005, at the behest of the National Environment Office, studies about local cobalt were conducted by the National Institute of Science and Nuclear Technology (INSTN).

THEY SAID :

Dr. Ramiandrisoa Herly Daniel
Medical Inspector
District
Department
of Public Health,
Moramanga



"In my opinion, Ambatovy should initiate an awareness campaign to fight against rumours on radioactivity in Moramanga. Radiation can cause cancer, which scares people the most. Nevertheless, we cannot accuse Ambatovy of being the source of breast cancer for instance, which plagued the district well before the company's establishment. It is certain that, up until now, we have not connected any new diseases or new pathogens with mining activities in the district. We often hear recurring rumours of diseases related to Ambatovy's activities, but they have never been medically proven."



Dr. Ramiaramanana Clément Bruno
Technical
Assistant,
District
Department
of Public Health,
Moramanga,

"These are just rumours. We have never received any valid medical complaints so far. But in case of any doubt, it is our task to check the information on the spot. A few months ago, a sick child had severe skin lesions attributed to a possible contamination of Ampitambe water. After water testing by the company, it was proven that the water was unpolluted while the child's diagnostic tests revealed Lyell Syndrome."

Dr. Ralaivao Jaona
Technical
Assistant,
Head of Welcome,
Emergency and
Statistics Service
Moramanga II
District Hospital



"My responsibilities within the hospital allow me to be aware of all existing diseases and I can say that there is no pathology here, at least for the moment, likely to have any connection with Ambatovy's mining activities."

AIDE PROGRAM **Ambatovy supports workers whose contracts have come to an end**

In November 2010, Ambatovy announced the Assistance Initiative Program for the Demobilized (AIDE), which has been in effect since September 1, 2011. Workers whose employment with Ambatovy subcontractors has ended have started to receive allowances according to principles established last year.



Ambatovy grateful to those who built the facilities.

They number about 15,000. They worked for around 200 different subcontractors. After having contributed to Ambatovy's construction they are now looking for new work. "They" are the beneficiaries of Ambatovy's AIDE program. This program aims to recognize former workers' contributions to the construction of the Ambatovy Project by granting them a monthly allowance that will assist them while they search for other opportunities after their demobilization.

"AIDE will allow me to get through the period while I'm looking for another job," said Armand Gérard Zafilahy, a former employee of Colas, a subcontractor that worked on the construction of Ambatovy facilities.

According to the terms of the program, every eligible employee who has signed up can receive between 43,000 and 65,000 ariary a month for a period varying between three and 21 months. (The total amount depends on the overall duration of the completed employment contract). AIDE is an unprecedented program and

a symbol of Ambatovy's support and recognition of those who worked on the Project. "Ambatovy really appreciates the significant contributions workers made at the plant site, at the mine site and on other locations toward the construction of Madagascar's largest-ever mining project," said a representative of the Project, underscoring Ambatovy's commitment to being a good corporate citizen. Former employees must meet certain criteria to qualify for AIDE: being a Malagasy citizen, providing proof of having had a contract with one of the subcontracting companies eligible under AIDE, being currently unemployed, being registered at one of the Redeployment Centres in Toamasina, Moramanga, Antananarivo or Brickaville and not having been subject to dismissal for misconduct for reasons such as intimidation, violence, fraud or crime.

"AIDE payments are made monthly through banking networks, credit institutions and mobile operators. Each worker's account is credited on a fixed date every month," said Passarella Ralaarimanana, director of TMA Madagascar, Ambatovy's partner for implementation of the AIDE program. "Receiving AIDE does not prevent a former employee from being hired at Ambatovy. However, AIDE payments end as soon as the individual finds a new job," he added. Demobilized workers have been very pleased by the program.

"My hope is that, if and when new opportunities arise, Ambatovy will be able to take in former workers," said Armand Gérard Zafilahy.

It's also important to remember that the Redeployment Centres offer former workers the opportunity to take various training courses offered by Ambatovy, which are mainly focused on agriculture. (See Banjina #2, page 2). Other companies that are in the process of recruiting can benefit by accessing the lists of former Ambatovy workers now looking for work, which are available at the Redeployment Centres.

ENTREPRENEURSHIP: **Sewing up success**

One of Ambatovy's top priorities is to "buy locally, hire locally." The Vonjy Sewing Workshop in Toamasina exemplifies the importance of Ambatovy's vision to increase business opportunities for Malagasy entrepreneurs by helping them become reliable suppliers for the company. Vonjy literally means "rescue" and Ambatovy hopes that by working and collaborating with small, medium and micro enterprises (SMMEs), we will help many of these businesses become sustainable.



Eugenie Razanamalala is a dynamic woman in her thirties who comes from a modest background.

For several years, Eugenie and her mother worked on a single sewing machine to make clothes for their occasional clients.

Completely self-taught, Eugenie has succeeded thanks to her determination. She has no regrets about having knocked on Ambatovy's door in 2007 as having done so has taken her down the exciting path of entrepreneurship.

Now, as the head of a small company with fifteen sewing machines and thirty or so employees, this young woman is a serious entrepreneur who praises Ambatovy



for helping her get her sewing workshop off the ground. It's all part of Ambatovy's strategy to assist small businesses by giving them some of the work that might normally go to industrial-scale enterprises. Vonjy is one of two small sewing workshops in Toamasina that were selected in 2009 to make uniforms for Ambatovy workers. Vonjy supplies Ambatovy with shirts, trousers, overalls and work jackets, the quality of which is similar to those produced by major textile companies. Since December 2009, Eugenie has received orders from Ambatovy for more than 2,500 uniforms. "Ambatovy is a big company. We're working hard to comply with the quality standards required for this type of work," said Eugenie, who hopes that Ambatovy will increase its orders so that she can expand her workshop and go forward with new investments.



Soamanjaka Fanjahery, 38, another seamstress at Vonjy added, "It's well known that Ambatovy finds work for people, which gives a certain sense of stability."

At the beginning, Ambatovy provided Vonjy with fabric, thread and all the materials necessary to complete an order. That's no longer the case as Vonjy is now able to stand on its own two feet. Ambatovy helped Eugenie with training in cash management, cost estimation and production planning.

Thanks to this training, Eugenie is now in the process of getting her accounts in order. To further strengthen her operations, the young businesswoman has hired

a bookkeeper to manage Vonjy's accounting transactions. Ambatovy's overall idea is to strengthen the fabric of the local economy by helping SMMEs generate attractive economic returns, create new and lasting employment, and become generators of new economic opportunities themselves.

Banjina

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