

## Senate Committee on Academic Development

Report to Senate - Meeting of March 19, 2013

### Proposal to Establish the Allied Nevada Professorship in Surface Mine Planning & Design in the Faculty of Engineering and Applied Science

#### Introduction

The proposal to establish the *Allied Nevada Professorship in Surface Mine Planning and Design* was reviewed by the Senate Committee on Academic Development (SCAD) at its meeting on February 13, 2013. B. Surgenor, Associate Dean, Faculty of Engineering and Applied Science, attended the meeting to speak to the proposal and answer questions from Committee members. Members of SCAD were provided with the academic terms of reference for the Professorship. In addition, budget information associated with the proposed Professor for the first five years and a due diligence report from Advancement were provided and are attached to this report.

#### Analysis and Discussion

The following should be noted:

- A \$2M endowment in support of the proposed Professorship has been established by *Allied Nevada Gold Corporation*;
- The holder of the Professorship will be tasked with:
  - solidifying Mine Planning and Design in the Mining Engineering curriculum;
  - enabling the development of sustainable solutions in surface mines domestically and internationally, and;
  - educating graduate and undergraduate students as well as professionals in the application of modern design concepts and techniques;
- The holder of the Professorship will be appointed for a term of 1 to 5 years and will be selected by the Robert M. Buchan Department of Mining Appointments Committee and the Head of the Department. Internal candidates are eligible to apply.

**Motion**

**that Senate approve the establishment of the *Allied Nevada Professorship in Surface Mine Planning & Design* in the Faculty of Engineering and Applied Science subject to ratification by the Board of Trustees.**

Respectfully submitted,



Laeque K. Daneshmend, PhD, DIC  
Chair, Senate Committee on Academic Development

**Committee Members:**

L. Anstey, PhD'15, Education  
M. Baird, Chemistry  
L. Daneshmend, Deputy Provost (Chair)  
J. Emrich, Faculty of Law  
D. Garvie, Economics  
A. Gill, BCom'15  
I. Johnsrude, Psychology  
L. Long, BComp (Honours)'13  
K. McAuley, Chemical Engineering  
P. Oosthuizen, Academic Colleague

# Memo



TO: Lon Knox, Secretary to Senate

FROM: Ann Messenger, Secretary  
Faculty Board, Faculty of Engineering and Applied  
Science

DATE: January 16, 2013

SUBJECT: Referral of Motion

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FACULTY OF ENGINEERING AND APPLIED SCIENCE  
OFFICE OF THE DEAN

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As required under the Senate "Policy on the Establishment and Designation of Named and Funded Chairs and Professorships", at the meeting of January 16, 2013 the Engineering and Applied Science Faculty considered the proposal on the establishment of "The Allied Nevada Professorship in Surface Mine Planning & Design". The following motion was approved:

*"that the Faculty of Engineering and Applied Science recommend to Senate the establishment of the endowed Faculty Professorship, to be known as The Allied Nevada Professorship in Surface Mine Planning & Design"*

Ann Messenger  
Secretary, Faculty Board  
Faculty of Engineering and Applied Science

Attachment: Proposal

# **Queen's Faculty of Engineering and Applied Science**

## **The Allied Nevada Professorship in Surface Mine Planning & Design**

### **Establishment of Fund**

The **Allied Nevada Professorship in Surface Mine Planning & Design** was established through a gift of \$2,000,000 made to Queen's University at Kingston by **Allied Nevada Gold Corporation**. The gift is to be paid to Queen's University over a four year period, in annual installments of \$500,000 each, commencing January 2013.

### **Purpose**

The Allied Nevada Professorship in Surface Mine Planning & Design will solidify this area in the Mining Engineering curriculum, enable the development of sustainable solutions in surface mines domestically and internationally and educate graduate and undergraduate students as well as professionals in the application of modern design concepts and techniques. The duties of the incumbent of the Professorship are:

- Championing the investigation, development, and application of integrated, systems-based, concepts for holistic solutions to the surface mining life cycle.
- Serving as a focal point, bridging the diverse technical, socio-economic, regulatory, and policy facets of the surface mining life cycle.
- Enhancing the content and relevance of courses in the area of Surface Mining, to undergraduate and graduate students.
- Providing leadership for development and delivery of state-of-the-art professional development courses in this field.

### **Criteria**

Desirable qualifications are a doctoral degree in engineering. He or she should have a record of working with both academics and industry, a developing or developed research and teaching program in surface mine planning and design. The Professorship is to be held by a faculty member in the Robert M. Buchan Department of Mining whose focus of research and teaching is in the area of Surface Mine Planning & Design

**Nomination procedure**

Individuals may be self-nominated or nominated by faculty members of the Robert M. Buchan Department of Mining. In all cases, candidates must provide a current curriculum vitae and a brief summary of their research plans for the next five years, and any other relevant material that they choose. External candidates must follow regular University hiring procedures.

**Selection procedure**

Selection will be made by the Robert M. Buchan Department of Mining Appointments Committee and the Head of the Department.

**Terms of the Award**

The Allied Nevada Professorship in Surface Mine Planning & Design is awarded for a one to five year period. Recipients receive a minimum of \$15,000 in research funding per year during the tenure of the award.

**Renewable**

The Chair will be appointed for a term of 1 year to 5 years. A full review by a committee appointed by the Department will be undertaken upon consideration of renewal of the Professorship regardless of the initial appointment.

## **A CHECKLIST OF INFORMATION REQUIRED BY THE SENATE FOR PROPOSALS TO ESTABLISH AND DESIGNATE NAMED AND FUNDED CHAIRS AND PROFESSORSHIPS**

The Senate determines all matters of an academic character which affect the University as a whole. Senate approves the establishment and designation of named and funded Chairs and Professorships based on the recommendation of the Senate Committee on Academic Development (SCAD) and the Office of the Provost and Vice-Principal (Academic). The Senate will forward the approved proposal to the Board of Trustees for ratification.

The governing policy document is: *Policy on the Establishment and Designation of Named and Funded Chairs and Professorships (2010)*. Based on the parameters provided in the policy, the following information should be included in the proposal submitted to the Senate.

### **1. TITLE**

- Type of proposal:
  - **Professorship**
- Proposed name of the Chair/Professorship and area(s) of academic endeavour.
  - **The Allied Nevada Professorship**
  - **Surface Mine Planning & Design**
- Host department/faculty
  - **Faculty of Engineering and Applied Science – The Robert M. Buchan Department of Mining**
- Term of appointment
  - **1 to 5 years, renewable**

### **2. ACADEMIC INFORMATION**

- Responsibilities of the Professorship
  - Research
    - **He or she will undertake research on the application of integrated, systems-based concepts for holistic solutions to the surface mining life cycle**
  - Teaching and Graduate Supervision
    - **Providing undergraduate and graduate instruction**
    - **Supervising and mentoring grad students**
  - Other (including but not limited to service)
    - **Provide leadership for the development and delivery of state-of-the-art professional courses**
    - **Prepare annual stewardship reports to the donor**
- Identify how the Chair/Professorship will contribute to the goals of the academic unit and the university.

- **The primary contribution is teaching and research in Surface Mining. The chair will stimulate both collaborative research and activity between academia, government and industry, enhance graduate research, and bring additional national and international recognition to the Mining Engineering program at Queen's University.**

- Identify interdisciplinary connections, if applicable.
  - **The Professor will facilitate inter-departmental, inter-faculty and inter-institutional initiatives to be able to bridge technical, socio-economic, regulatory and policy facets of the surface mining cycle.**

- Any other relevant academic information.

### 3. BUDGET INFORMATION

The following table highlights the funding sources available to cover the salary, benefit, and research support costs associated with the proposed Chair for the first five years.

The Allied Nevada Professorship in Surface Mine Planning and Design

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenue Funding</b>					
Endowment value	500000	1000000	1500000	2000000	2000000
Endowment units @2.4376 (Nov. 1012)	205120	410240	615359	820479	820479
Annual yield \$0.1081/unit (Nov. 1012)	22173	44347	66520	88694	88694
<b>Expenses</b>					
Research assistance	15000	15000	15000	15000	15000
Salary (assume 3.4/4.4/3.73/3.73 % increase)	120000	124080	129540	134371	139383
Benefits at 22%	26400	27298	28499	29562	30664
<b>Total</b>	<b>161400</b>	<b>166378</b>	<b>173038</b>	<b>178933</b>	<b>185048</b>
Expenses -Revenue (by Buchan Endowment Fund)	139227	122031	106518	90239	96354

### 4. APPROVAL

Proposals must be signed and dated to indicate department and/or faculty approval.

Faculty:  Date: January 11, 2013  
 Kimberly A. Woodhouse, Dean, Faculty of Engineering and Applied Science

## **5. SUBMISSION TO SENATE**

Submit signed proposal to: Secretary of the Senate

[senate@queens.ca](mailto:senate@queens.ca)

Proposals will be referred by the Secretary of the Senate to SCAD and the Office of the Provost and Vice-Principal (Academic).

Policy: <http://www.queensu.ca/secretariat/senate/policies/chairses.html>

## MEMO

To: Dr. Tom Harris, Vice Principal, Office of Advancement  
Dr. Kim Woodhouse, Dean, Faculty of Engineering and Applied Science  
Steve Hornsby, Executive Director, Advancement Services

Re: Overview of Allied Nevada Gold (TMX: ANV)

Prepared by: Prospect Research, Office of Advancement

Date: January 14, 2013

### **Risk Assessment**

A review of selected news, environmental and legal resources did not uncover any information which would cause significant concern regarding Allied Nevada's corporate and social responsibility record. The most recent news for the company is the Nevada Department of Environmental Protection's approval of the construction of milling facilities at the Hycroft Mine. Construction of the Mill is expected to be completed in 2014. A search of the Nevada's DEP's website does not provide any significant or negative information related to Allied Nevada. As well, a search of case law sites, both in the U.S. and Canada, does not return any information related to past, current or outstanding legal proceedings involving the company.

### **Overview of Operations**

Allied Nevada produces gold and silver from its Hycroft Mine property in Nevada. The Hycroft site encompasses approximately 96 square miles and has proven and probable mineral reserves of about 3 million ounces of gold and nearly 50 million ounces of silver. The company is conducting feasibility studies for a mill on the property that would process sulfide and other high oxide ores. Allied Nevada Gold also explores for gold, silver, and other minerals on more than 100 properties in the state. The company was spun off from Vista Gold in 2007 when it acquired its former parent's Nevada mining operations.

The company's exploration properties include Three Hills, Hasbrouck, Mountain View, Pony Creek/Elliot Dome, and Wildcat projects along with a 45% joint venture with Silver Standard Resources dubbed the Maverick Springs project. Allied Nevada recovered 104,000 ounces of gold and 479,000 ounces of silver in 2011 for total revenues of \$152M. A review of publically available information suggests that the company does not have any mining operations, or planned operations, outside of the State of Nevada.

### **Corporate Responsibility**

Allied Nevada has taken strong policy positions with respect to social responsibility, health & safety, environmental impact and a business code of ethics. As per the bulleted points below, Allied Nevada has clearly defined its position and responsibilities in each of these categories.

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- “**Social responsibility** [for Allied Nevada] is part of our culture. Management and the Board of Directors are dedicated to making a positive impact on our employees and the communities in which we work. We integrate our business goals and objectives with the interests and values of all stakeholders affected by our Company...”
- “Allied Nevada is committed to protecting and promoting the **health and safety** of our employees, and protecting the health and safety of others while working at or visiting an Allied Nevada location.
- “[The company] recognizes its responsibility to manage the environmental change associated with its operations. **Environmental leadership** in the mining industry is a strategic business objective of the Company. Maintaining this standard is vital to the Company's success and continued development. It is our goal to operate to the benefit of our shareholders and our local communities, without compromising the long-term capacity of these areas to support productive post-mining uses.”
- Allied Nevada has identified six objectives within its Code of Ethics framework. The objectives are:
  1. Honest, ethical and moral conduct;
  2. Ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  3. Full, fair, accurate, timely and transparent disclosure;
  4. Compliance with the applicable government and self-regulatory organization laws, rules and regulations;
  5. Prompt internal reporting of Code violations; and
  6. Accountability for compliance with the Code.

### Senior Officers

<b>Name</b>	<b>Position</b>
Robert M. Buchan	Chairman
Scott A. Caldwell	President, CEO
Hal D. Kirby	EVP & CFO
David Hill	VP, Metallurgy
Deborah Lassiter	VP, Corporate Environmental Affairs
Scott Anderson	VP Technical Services

### Additional Resources

- Allied Nevada Receives Positive Record of Decision for the Hycroft Heap Leach Expansion Environmental Impact Statement.  
<http://uk.reuters.com/article/2012/08/15/idUS109776+15-Aug-2012+MW20120815>  
 Wed Aug 15, 2012 1:30pm BST
  - Nevada DEP Approves Construction of Allied Nevada Gold Corp. (ANV) Mill  
 December 17, 2012.  
<http://www.streetinsider.com/Corporate+News/Nevada+DEP+Approves+Construction+of+Allied+Nevada+Gold+Corp.+ANV+Mill/7953843.html>
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- Allied Nevada Gold controls 63 exploration properties throughout Nevada. It has 12,375 claims and 254,925 acres. The more advanced development projects appear in the table below.  
<http://seekingalpha.com/article/291884-allied-nevada-gold-growing-like-gangbusters>
  - Final Environmental Impact Statement for the Hycroft Mine Expansion Project  
August 1, 2012.  
<http://www.epa.gov/region9/nepa/letters/nv/hycroft/HycroftMineExpansProjFEIS.pdf>
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