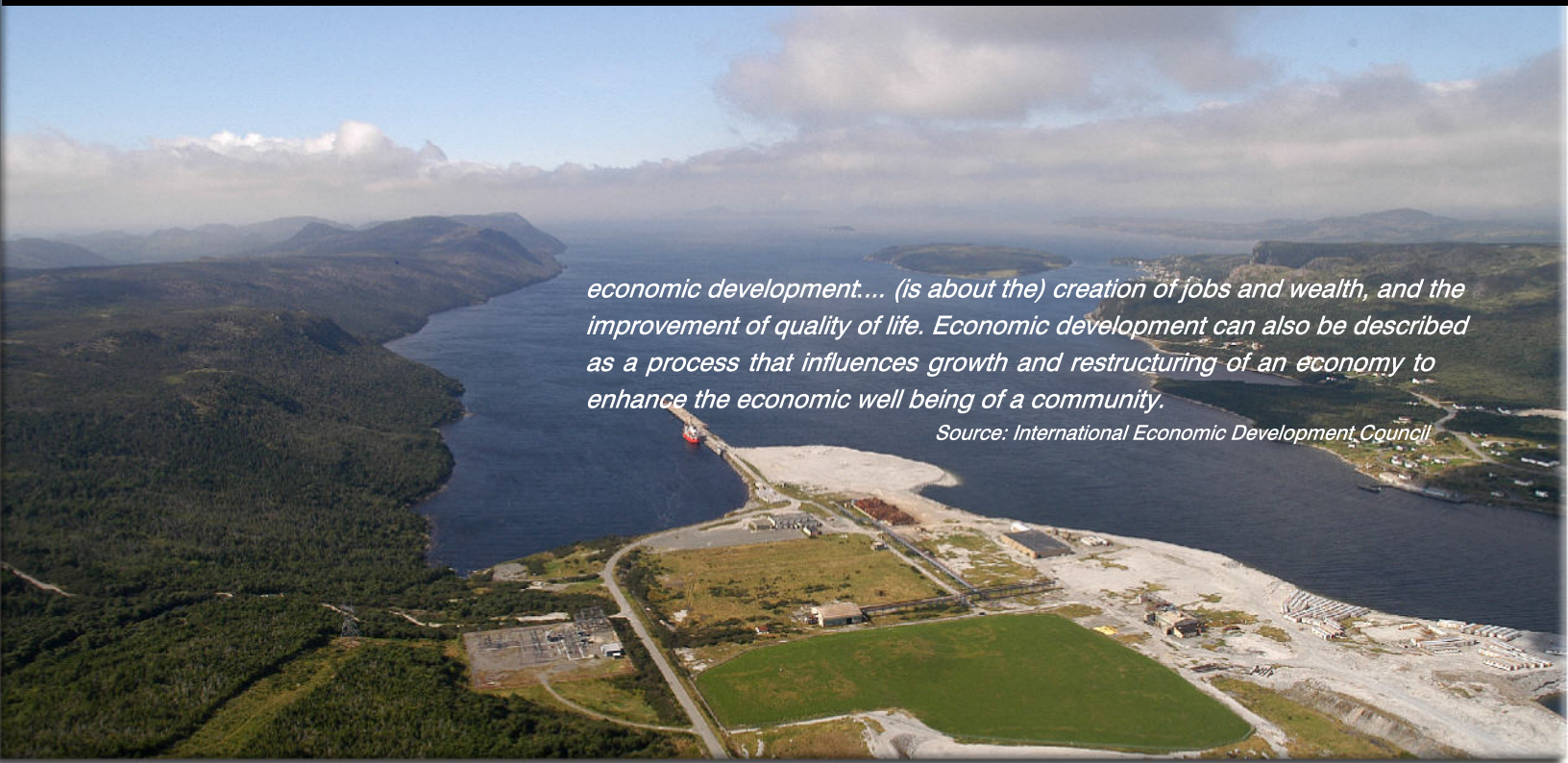


The Long Harbour

Chronicle

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economic development... (is about the) creation of jobs and wealth, and the improvement of quality of life. Economic development can also be described as a process that influences growth and restructuring of an economy to enhance the economic well being of a community.

Source: International Economic Development Council

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Welcome to The Chronicle...The Long Harbour Development Corporation's (LHDC) newsletter. This communications piece is designed to keep community stakeholders and business leaders informed and engaged in the economic, cultural and social development of the town of Long Harbour - Mt. Arlington Heights .

Since it was first incorporated, almost twenty years ago, LHDC has stayed focused on its core mission of creating a solid industrial base for our community that supports long term economic growth. At the same time, LHDC seeks to protect the historical, and cultural cornerstones that are synonymous with the traditional lifestyle of our beautiful community.

The introduction of the Vale Nickel Hydromet Processing Plant to our Town presents us with interesting challenges as well as exciting opportunities for long term and sustainable economic growth.

Through the pages of The Chronicle we hope to keep residents informed and engaged in the progress that LHDC is making in addressing the economic needs of our town, and planting the seeds for a secure future. Through the stories and articles featured in our newsletter we will Chronicle the journey we are making together as we work towards a brighter future for our Town. Enjoy The Chronicle

Vale Site Creating Jobs Town Residents Benefit

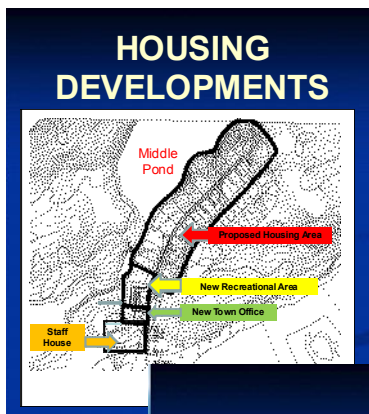
The LHDC recently reviewed the number of town residents who have secured employment during the construction phase at the Vale Nickel Processing Plant site.

Compass Canada has engaged the services of nineteen of town's residents as part of the contingent of new hires employed in providing service for the first phase of the accommodations facility on site. In addition, the Long Harbour Lodge, (staff house) has hired seven people from Long Harbour- Mt. Arlington Heights. The Corporation anticipates additional positions will be available at the Lodge once food and beverage operations are up and running.

Problems with the on-site accommodations potable water system delayed the start date for a number of camp workers, however officials believe that the problems will be overcome quickly and all hands should be at

their respective positions in May. The business manager for the Hotel and Restaurant Workers Union Local 779 is quoted as saying "They had a problem with getting water to the camp", acknowledging that construction delays on major projects aren't out of the norm. "Its difficult to confirm an exact number", said Gary Keating, Chairman, LHDC, " there are likely 65-70 residents of Long Harbour - Mt. Arlington Heights currently employed with some direct link to the Vale Project".

LHDC is encouraging area residents, who want to secure a permanent position at the Vale plant during the operational phase, to ensure their training, and technical skills are in order. LHDC will continue to dialogue with Vale officials in an effort to get a clear understanding of the plant's job requirements as they prepare to move to the commissioning and operational phase of the project.



New Residential Lots Coming

The LHDC Board of Directors is moving ahead with its plans to develop the Middle Pond residential sub-division. It is anticipated that the first set of lots will go on the market in the first half of this year. The Corporation is preparing the first five lots, in the 38 lot subdivision, ready for the market. LHDC believes that there will be a growing demand for quality residential building lots in Long Harbour- Mt. Arlington Hgts. A development strategy will be presented to Town Council for approval and then LHDC will offer the lots to the public for sale.

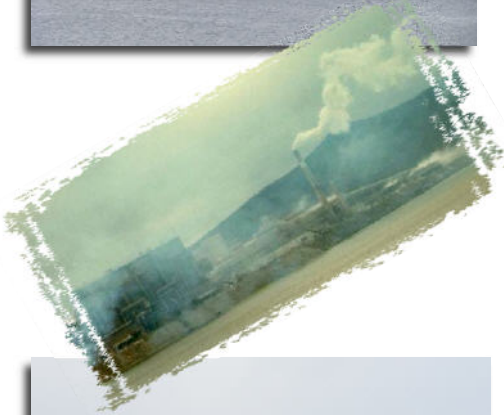
At the outset of the Vale construction project, the Town responded to an immediate demand for additional residential accommodation with the creation of the 28 unit mini-home development.

The Middle Pond sub-division will be aimed at providing high quality building lots for single family units. The sub-division could increase the number of homes in the town by just over 20% from current levels. The added development will be a welcome addition to the town's residential and water tax revenue streams.

The Vale processing plant will be creating close to 450 full time positions. The Corporation is anticipating that a number of those employees with young families will be wanting to set up roots in our beautiful town.

LHDC continues to promote the 40 Acre Business Park at the corner of route 202. The first five acres have been sold and the Corporation will continue to promote the site.

Derelict Buildings to be Removed



The residents of Long Harbour and Mt. Arlington will soon see the last of the two remaining buildings from the Albright & Wilson Phosphorus Plant era. The buildings, that at one time housed the Mud Plant and the Steam Plant, were used in the phosphorus refining process. Both structures have been deteriorating for years. "Their removal is long overdue", said Ed Bruce, member of the LHDC. "It will be great to have those two buildings dismantled and the ground space used to enhance the site across the Harbour", he said.

Maher's Industrial Services have been awarded the contract for the demolition work. A spokesperson for Maher's Industrial said, "the process will begin immediately, that space will then be used as a lay-down area for the Vale construction project".

The Vale construction project will be hitting it's peak this summer and suitable space in close proximity to the Vale site is at a premium. The open space created by the removal of the two buildings in question will be a big asset in improving the efficiency of stock piling materials that are critical to the construction site.

In addition to the removal of the derelict buildings, LHDC is encouraged to learn that the remediation work that was started on the slag pile last year, and subsequently postponed to address an environmental issue, will begin again this summer. The remediation work that is planned for the property adjacent to the Vale site will greatly improve the esthetics of the area. All of these improvements greatly enhance Long Harbour - Mt. Arlington Heights as the town continues its march towards new economic growth.

Industrial Complex Brings Benefits

Spring is a time for renewal and new growth. As a long hard winter gives way to the warming sunshine of spring the residents of Long Harbour - Mt. Arlington Heights are witnessing many changes in their town.

The town has a new Fire Hall and pumper-truck that are fully operational, The Long Harbour Lodge (staff house) is fully functional and hosting guests, and the new Vale Training Centre, (that will be converted to a new town hall in 2013), is in the final stages of construction. These three properties alone have a an estimated price tag in excess of \$9 million.

The Chronicle has learned that existing tax agreements, capital projects and

infrastructure development works carry a direct capital benefit to the town of more than \$25 million.

Included in that figure is the 10 year tax agreement that the town signed with Vale. That tax agreement has a face value of \$5 million over the life of the agreement. When you factor in infrastructure upgrades to the water system, mini-home development, and land and building acquisitions over the past two years it is easy to see why Long Harbour-Mt. Arlington Heights has a new confidence.

LHDC believes that the town will continue to grow and prosper and new families will begin to see our town as the ideal rural environment to settle and raise a family.



LHDC Board of Directors

<i>Gary Keating</i> _____	<i>Chairman</i>
<i>Harold Keating</i> _____	<i>Vice-Chairman</i>
<i>Lou Ennis</i> _____	<i>Sec./Treasurer</i>
<i>Ed Bruce</i> _____	<i>Member</i>
<i>Gerry Norman</i> _____	<i>Member</i>
<i>Joe Bennett</i> _____	<i>Executive Director</i>

LHDC Hires New Executive Director

Meet the New Guy



The Long Harbour Development Corporation's Board of Directors extends a warm welcome to the Corporation's new Executive Director, Joe Bennett. Joe joined our staff in early March and has been busy familiarizing himself with many of the LHDC's files. Joe's experience at the senior management level in both the private and public sector will be a valuable asset to the Corporation and the Town as we prepare to embrace new and interesting development opportunities. The Corporation is in the process of developing a new strategic plan to guide our business focus through the next phase of our development. Joe replaces Noreen King who retired her position after 15 years of exemplary service to LHDC. "I am looking forward to working with the Board and other community stakeholders in advancing the economic objectives of the Corporation, there have been many successes in recent times and I am looking forward to continuing in that pattern of positive growth", said our new Executive Director.



Joe Bennett, Executive Director LHDC.

Vale Consults Local Fishers

New Lobster Habitat Created

"Our priority is on the replacement of lobster habitat. Our goal is the creation of new reefs, which are expected to attract marine life and become a productive part of the area's ecosystem". Brenda Brown, Environmental Superintendent, Vale - Quote from December 2010 The Gossan

Last fall, after consultation with local fishers, Vale constructed an artificial reef in the waters of Long Harbour to provide marine habitat for lobsters and other species. The reef was made of gravel to boulder size material that was dropped from a barge to the ocean bottom. The barge was in plain view so local residents could easily see the barge at work doing this construction.

Similar reef structures have been developed elsewhere in Palcentia Bay and fishers are pleased with outcomes in those areas. The reef adds variety to the habitat and provides a lot of nooks and crannies where juvenile lobster and small fish can hide. Also kelp grows and provides more hiding places, food and

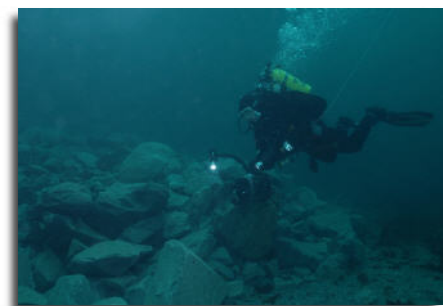
Vale will monitor the reef this summer and in four other years until 2019 to provide information to DFO to determine the long-term success of the project. The expectation is that the reef system will be of benefit to local fish harvesters.



Crab on new rock-reef, one week after construction.



Rock-Reef Under Construction Using Spud Barge



Post Construction Dive Survey.