

CANADA NICKEL COMPANY—CRAWFORD NICKEL PROJECT INITIAL PROJECT DESCRIPTION (IPD) MEETING IPD MEETING REPORT — City of Timmins, Timmins Economic Development Corporation (TEDC) & Mattagami Region Conservation Authority (MRCA)

MEETING INFORMATION			
DATE	May 3 rd , 2022		
TIME	1:30 – 2:56 PM		
LOCATION	Zoom Meeting		
PARTICIPANTS	Number of people present: 11 Patrick Seguin, Manager of Engineering, City of Timmins Dave St-Onge, Community Development Planner, City of Timmins Cindy Welsh, Planning Division, City of Timmins Christy Marinig, CEO, Timmins Economic Development Corporation Hack Waldon, Regulations Officer, Mattagami Region Conservation Authority Ken Krcel, Director of Public Works & Environmental Services, City of Timmins Michelle Boileau, Councillor, City of Timmins Dave Landers, CAO, City of Timmins		
CANADA NICKEL	 Pierre-Philippe Dupont, Vice President Sustainability Alexandra Armstrong, Community Relations & Communications Coordinator 		
FACILITATION	 Isaac Gauthier – Facilitator – Transfert Environment and Society 		
OBJECTIVES	 Present an overview of the new Impact Assessment Process Present the main elements of the Initial Project Description (IPD) Obtain feedback on the preliminary IPD from stakeholders 		
MEETING HOLDER	Canada Nickel Company		
AGENDA	 Welcome Meeting Agenda Approval The (new) Impact Assessment Process What has changed? Where is Canada Nickel in the process? Initial Project Description Project Information Stakeholder, Community, and Indigenous Engagement Existing Infrastructure and Activities 		

MEETING INFORMATION		
5. 6. 7.	 4.4 Proposed Mine Facilities/Infrastructure 4.5 Preliminary Decommissioning Approach 4.6 Preliminary Schedule 4.7 Preliminary List of Activities 4.8 Baseline Studies 4.9 Approvals 4.10 Potential Impacts of the Project Questions and Feedback Next steps Varia 8. Meeting End 	

MEETING HIGHLIGHTS

ISSUES AND CONCERNS		
 City of Timmins 	Climate change impacts to the project and its tailings management	
City of Timmins	Canada Nickel's water discharge location and impacts	
 City of Timmins 	Project's social impacts, including housing, road and airport traffic, parking availability, local ATV and snowmobile trails, road service levels (Highway 655)	
City of Timmins	Project's environmental impacts, including wildlife	

COMMITMENTS	5
✓ CNC	Assess project impacts on airport traffic

SUGGESTION	IS
🗸 City of	Review of Timmins' Master Plan by Canada Nickel to ensure project alignment with
Timmins	local policies
 City of 	Review of Timmins' housing and highway policies (Official Plan) by Canada Nickel to
Timmins	ensure a proper assessment of the project's impacts
 City of 	Add forestry, culture, live music and recreotourism as relevant economic sectors or
Timmins 8	recreational activities for Timmins
MRCA	
 City of 	Add Ontario Power Generation, Hydro One and the Ontario government as public
Timmins	sector employers

FOLLOW-UPS	
✓ CNC	Share the Meeting Report and attached presentation
✓ CNC	Engage on the Detailed Project Description in the Fall of 2022

GENERAL COMMENTS		
 City of Timmins 	New housing subdivisions are planned for the City of Timmins	
City ofTimmins	Offer of City of Timmins support for nickel ore downstream processing in the region	

1. WELCOME

Ms. Alexandra Armstrong, Canada Nickel's Community Relations & Communications Coordinator, begins the meeting with a brief introduction of the team and the accompanying engagement consultants from TES.

She mentions that, since many of the participants have already received part of the information shared in the presentation, she will quickly go through some of the slides. Participants are invited to ask questions or share comments freely throughout the meeting, at their discretion. Q&A periods are also planned throughout the presentation.

2. MEETING AGENDA APPROVAL

The meeting agenda is approved.

3. THE NEW IMPACT ASSESSMENT PROCESS

Ms. Armstrong presents an overview of the scope and schedule of the new federal Impact Assessment (IA) Process, managed by the Impact Assessment Agency of Canada (IAAC or Agency). She mentions that the new process relies heavily on Indigenous and public participation and will thus involve many phases of engagement and consultations with the community. For further details, please refer to the presentation available in the Appendix, slides 6 to 8.

3.1 What has changed?

Ms. Armstrong mentions that the new process has a strong focus on participation, especially at the early planning phase of a project. Proponents like Canada Nickel will therefore discuss the preliminary design of their projects to gather as much feedback as possible, with the aim of improving project design, identifying a broad scope of issues, and planning appropriate mitigation measures. The process also strongly focuses on Indigenous participation and the assessment of social impacts, in addition to environmental impacts.

Mr. Dupont mentions that the main difference between the previous and the new federal process is that the latter is tailored to each project. In that sense, Indigenous and stakeholder feedback will directly affect what the project's issues will be and how Canada Nickel will need to assess these issues in the Impact Assessment (IA). He gives, as an example, different issues like noise or lights that may be of lesser concern to the community, due to

the project's location. If the case, he mentions that it will be important for the community to inform Canada Nickel, so they can share this information with the Agency and adapt the project's design and the upcoming IA accordingly. No questions or comments are raised.

3.2 Where is Canada Nickel in the process?

Ms. Armstrong mentions that Canada Nickel is currently at the beginning of the Planning Stage of the IA Process, namely engagement on a Draft Initial Project Description (IPD), the preliminary planning document for the Crawford Project. Once Canada Nickel has completed its engagement on the preliminary document, it will integrate the feedback received and submit the formal IPD to the Agency by mid-summer 2022. No questions or comments are raised.

4. INITIAL PROJECT DESCRIPTION

Ms. Armstrong presents an overview of the Crawford Project's design. For further details, please refer to the presentation available in the Appendix, slides 10 to 43.

4.1 Project Information

Ms. Armstrong mentions that the project's design is that of an open pit nickel mine project, the same as what was shared during previous engagement activities. The major difference being that the mine's lifecycle is much longer than originally estimated, going from a 25-year mine life as described in the Preliminary Economic Assessment (2021) to a minimum 40-year mine life. No questions or comments are raised.

4.2 Stakeholder, Community, and Indigenous Engagement

Ms. Armstrong provides an overview of the different engagement phases and activities that were initiated since the project was launched. She mentions that a significant amount of Indigenous and community engagement was undertaken. Of note, two parallel engagement processes are ongoing, an Indigenous process and a community process. Both aim to improve the IPD document through feedback before the final version is submitted to the Agency by mid-Summer.

Ms. Armstrong adds that Canada Nickel is also planning two virtual public information sessions, on May 13th and May 16th, for which the communications and marketing have recently begun.

To sum up Canada Nickel's engagement process, Ms. Armstrong shares the three key takeaways, namely that Indigenous and stakeholder communities will be heard, that the engagement processes are ongoing and flexible, and that Canada Nickel wants to know what the communities and individuals care about in terms of interests and expectations. For further details, please refer to the presentation. No questions or comments are raised.

4.3 Existing Infrastructure and Activities

Regarding the existing infrastructure and activities, Ms. Armstrong mentions that the site is a greenfield site with regards to mining and advanced exploration, that has albeit been extensively logged. Canada Nickel has been undergoing several types of activities, including approximately 3 years of surface drilling. The company is currently looking to identify and locate local hunting blinds or evidence of human activity on the site, to inform

the owners of the mining project. Letters are left when blinds are identified, to ensure communications with the local users.

In addition, the Crawford Project is undergoing different activities, including environmental baseline studies, engineering studies, permitting, etc. Importantly, Canada Nickel plans to have a finalized Feasibility Study by late Q4 2022. No questions or comments are raised.

4.4 Proposed Mine Facilities/Infrastructure

In terms of the project's design considerations and its facilities and infrastructure, Ms. Armstrong mentions from the start that the site layout has changed significantly since Canada Nickel last engaged with the community. The project's footprint is currently between 80 and 90 square kilometers. The layout involves efforts to minimize the project's footprint and encroachment on local waterbodies, notably the West Buskegau River. Ms. Armstrong notes that, during drilling and exploration activities, the project will maintain a 100 meters minimum distance with local waterbodies wherever possible, instead of the regulatory 30 meters.

Canada Nickel will also avoid the relocation of the 115 kV powerline that is located east of the project, while relocating the existing 500 kV powerline and building a new 230 kV powerlines. Both these powerlines will be located to the west of the site, along the new location for Highway 655. Mr. Dupont adds that both powerlines and the Highway will form a corridor. For further details, please refer to the presentation.

Concerning the layout, Canada Nickel is planning three open pits, named the Main, East, and West Zones. Before accessing the ore, approximately 40 meters of overburden will need to be removed, composed of clay, sand, and gravel. Due to the structural quality of the ground, Canada Nickel will be unable to stack its tailings, overburden, or waste rock to the heights (50 to 70 meters) that are sometimes seen at other projects. The maximum height will therefore be around 10 meters. Regarding the footprint, it will grow progressively, over time. The early years' processing capacity will be of 42 500 tonnes per day before expanding to a maximum processing of 120 000 tonnes per day. The Main Zone will be mined first, followed subsequently by the East and West zones.

Ms. Armstrong mentions that the tailings management facility will be the largest area (29 km²) of the site. While the tailings from the main zone will be stored in the surface facility, the tailings from the East and West zone will be stored in the mined out main zone pit. While the tailings have a large footprint, Canada Nickel sees advantages in this design, as it reduces the height of the tailings and thus the risks of dam failure. In addition, a larger tailing footprint will encourage greater carbon sequestration by exposing more tailings surface to the atmospheric conditions.

Ms. Armstrong mentions that Canada Nickel does not plan to build a work camp, due to the proximity of nearby communities. The site will also exclude an explosives manufacturing site, even though explosives will be stored on-site. A processing plant is also planned for the site. In terms of energy, the project will require a large amount of power, due to the heavy automation planned for the mining site. It is for this reason that a new 230 kV line is to be built from the nearby Porcupine Substation. While current large haul trucks are not yet fully electrified, Canada Nickel expects that this technology may be made available in the coming years, which will put added pressure on the project's energy requirements.

Regarding water management, Ms. Armstrong mentions that it is a topic for which Canada Nickel is particularly looking for feedback. While Canada Nickel has identified the Mattagami River for technical and financial considerations in the upcoming Feasibility Study as its intended water discharge location, this design decision is

not yet concluded. The company is currently considering four water discharge locations, namely the Mattagami River, the North Driftwood River, the West Buskegau River or a potential combination of those locations. Regarding the project's water usage, Ms. Armstrong mentions that dewatering of the open pit, collection of runoffs, and recycling through the process will provide sufficient water for the processing system. It is anticipated that the site will collect more water than is needed for the system and will therefore have to discharge beyond the site's footprint – noting that water that leaves site will meet regulatory requirements prior to discharge to the environment. Thus, Canada Nickel will have to identify a location for its discharge.

Regarding the Mattagami River, it offers significant advantages, due to its size and flow and therefore capacity to accept additional water from the discharge. The project currently has minimal impact in that watershed since the river is located approximately 10 km from the site and therefor would require a pipeline for transport of discharge. These impacts will have to be included in the IA, though it is anticipated the total water flow added to the system will be less than 1%.

While the West Buskegau River is closer to the project, there has been an effort to avoid the river system in site design. The river also has an uneven and limited seasonal flow. Thus, a large amount of water discharged into the West Buskegau could have a significant impact, equivalent to approximately 30 % of the system's natural flow. A similar issue would occur in the North Driftwood River, as its flow is lower and inconsistent. Since the project currently encroaches on the North Driftwood, which itself feeds the site with water, the impacts would be held within an approximate closed loop.

Ms. Armstrong invites the participants to share feedback on this crucial design issue. No questions or comments are raised.

4.5 Preliminary Decommissioning Approach

Ms. Armstrong mentions that Canada Nickel's decommissioning approach is not the project's final Closure Plan. Here again, the participant's feedback will be used to improve and refine the decommissioning approach and ultimately, the Closure Plan. Overall, it is mentioned that the actual objective is to rehabilitate the open pit into a lake. She adds that Canada Nickel will be able to undertake this approach due to non-acid bearing nature of its mine rock, ore, and tailings. For further details, please refer to the presentation. No questions or comments are raised.

4.6 Preliminary Schedule

Regarding the schedule, Ms. Armstrong mentions that the project's schedule has changed significantly since previous presentations, due to the mine's extended lifetime of a minimum of 40 years. For further details, please refer to the presentation. No questions or comments are raised.

4.7 Preliminary List of Activities

Ms. Armstrong provides a quick overview of the project's list of activities during the construction, operations, and closure phases. A few of the highlights concern the relocation of Highway 655, the relocation and construction of the 500 kV and 230 kV powerlines, the open pit development, etc. For further details, please refer to the presentation.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q&I1	A participant from the City of Timmins asks if the tailings management plan will consider climate change and an increase in the frequency of precipitations.	 Mr. Dupont answers that all project designs undergoing a federal review must consider climate change and its effects, including extreme weather events. Mr. Dupont mentions that the tailings management facility is not a water management facility, which helps to reduce the risks sometime associated with extreme weather such as extreme rainfall. Ms. Armstrong also adds that Canada Nickel is looking to increase the weathering of the tailings, as it increases the carbon sequestration process.
Q & I 2	A participant from the City of Timmins mentions that if Canada Nickel discharges into the Mattagami River, the discharge will spread into the local watershed. The participant asks if the 230 kV line is a designated powerline for Canada Nickel. The participant further mentions that several issues come to mind regarding the Crawford Project, namely housing, road traffic and airport traffic. The participant mentions that the City of Timmins is working on a Master Plan for the airport, to improve the city's economic attractiveness. They invite Canada Nickel to contribute their ideas or suggestions to this Master Plan, when relevant. They further mention that some issues have already been	Ms. Armstrong acknowledges that the discharge will indeed be returned to the environment, adding that it will meet all applicable regulations. Ms. Armstrong answers positively, mentioning that the 230 kV powerline will first aim to serve Canada Nickel's energy needs. She adds that Taykwa Tagamou Nation's joint venture (Transmission Infrastructure Partnership One or TIP1), the owners and operators of the transmission line, are looking to connect the area to the broader grid, especially north of the project. This is a project distinct from the Crawford Project and Canada Nickel. Ms. Armstrong mentions that the issues raised are on Canada Nickel's radar, especially housing. She mentions that airport traffic is a novel issue though and will thus be added to the list. She shares the preliminary employee numbers for the project, namely 900 to 1100 workers during construction and

QUESTIONS AND	INTERVENTIONS	ANSWERS
QUESTIONS AND	INTERVENTIONS identified, including parking availability for incoming workers.	ANSWERS 450 to 600 during operations. She mentions that Canada Nickel will look to employ its workforce locally, but because of the numbers required and current issues regarding workforce availability, there is a strong chance that Canada Nickel will need to bring in external workers. Regarding the issue of traffic, Canada Nickel will be assessing the topic during the project's engagement process and in the IA. One option that was discussed in another stakeholder meeting is to use shuttles for workers, to minimize the number of vehicles on the road. Ms. Armstrong thanks the participant and agrees with the suggestion. She adds that Canada Nickel is looking to avoid fly-in/fly- out workers.
		Mr. Dupont further mentions that Canada Nickel will need to have a better picture of the available workforce closer to the construction and operations phase of the project before it can provide definitive answers on this issue. He adds that the company is also discussing with local Indigenous communities to complement the project's workforce.
Q & I 3	A participant from the City of Timmins comments that a local ATV club is likely affected by the project's footprint. They propose to find the relevant info and share the details with Canada Nickel.	Ms. Armstrong thanks the participant for the suggestion.
Q & I 4	A participant from the City of Timmins mentions that the level of service provided by the Ontario Ministry of Transportation (MTO) will likely be affected by Canada Nickel's project. They suggest discussing with the MTO.	Ms. Armstrong answers that Canada Nickel is already in discussion with the MTO and that an evaluation of increased traffic will be part of the IA.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 5	A participant from the City of Timmins mentions that housing is a big issue for the City, adding that it is open to partnerships for creative solutions. The participant mentions that subdivisions will soon be ready for construction.	Ms. Armstrong mentions that Canada Nickel is open to such suggestions. She asks if the City has current plans to develop more housing. Ms. Armstrong thanks the participant for the information. She further mentions that through the Community Contributions and Procurement Committee, Canada Nickel will look to tackle important issues like housing, which has already been identified as a potential topic to address.
Q & I 6	A participant from the City of Timmins further adds that the City is reviewing its housing plans and they suggest that Canada Nickel could look at the City's housing policies in the Official Plan, to provide feedback.	Ms. Armstrong thanks the participant for the suggestion and agrees with the proposal.

4.8 Baseline Studies

Ms. Armstrong shares details on the ongoing and upcoming baseline studies, including field studies. The list of baseline studies includes air quality, noise/light/vibrations, cultural heritage and archeology, geochemistry, hydrogeology, hydrology, social, economic & health context for the concerned communities, flora and vegetation, and land and aquatic wildlife. For further details, please refer to the presentation.

Ms. Armstrong adds that in terms of species of concern, no woodland caribou were identified within the project's area, despite being the in extreme south of the caribou range. She further mentions that the baseline studies will continue in 2022. Finally, she adds that Indigenous communities will have their own process regarding many of the baseline studies, notably archeology and traditional land use.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 7	A participant from the Mattagami Region Conservation Authority mentions that the forestry industry could appear on the list of significant economic sectors. Another participant from the City of Timmins mentions that forestry often appears under manufacturing in government assessments, hence why it	Ms. Armstrong thanks the participants for their input.

QUESTIONS AND	INTERVENTIONS	ANSWERS
	has likely not been included at this stage.	
Q & I 8	A participant from the City of Timmins mentions that live music and concerts also are of relevance in terms of popular recreational activities in the City. Another participant from the City adds that cultural activities are also of importance, especially concerning tourism.	Ms. Armstrong thanks the participants for their input.
Q & I 9	A participant from the City of Timmins mentions that Ontario Power Generation (OPG) and Hydro One could also fall under the public sector. A participant from the City adds that the provincial government also has offices in Timmins.	Ms. Armstrong thanks the participants for their input.
Q & I 10	A participant from the City of Timmins mentions that she is uncertain about the relevance of dog sledding and trapping. Another participant from the City of Timmins suggests recreotourism, such as cycling and hiking, as a replacement for dog sledding and trapping.	Ms. Armstrong thanks the participants for their input.
Q&I11	A participant from the TEDC asks if the list of species at risk identified in the baseline studies are from the provincial or federal lists. A participant from the City of Timmins mentions that lynx were at some point also considered as of concern in the region.	 Mr. Dupont mentions that the species listed are from both the provincial and federal lists. Ms. Armstrong mentions that species of concern will also be assessed, even though they are not considered at-risk. Ms. Armstrong answers that bats will indeed be assessed in both studies.

QUESTIONS AND INTERVENTIONS		ANSWERS
	Another participant from the City asks if bats will be part of the baseline studies and the IA.	

4.9 Approvals

Armstrong presents the list of preliminary and potential federal and provincial approvals. For further details, please refer to the complete list.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 12	A participant from the City of Timmins mentions that Canada Nickel should overview the City's Official Plan, available on its website (Schedule D), to ensure that the Highway 655 relocation project aligns with the Plan.	Ms. Armstrong thanks the participant for the suggestion and mentions that Canada Nickel will take the Plan into account for the Highway relocation project.

4.10 Potential impacts of the Project

Ms. Armstrong provides a detailed overview of the project's potential impacts and proposed preliminary mitigation measures. For specific details, please refer to the presentation.

She adds that per the new IA Process, the Agency, and by extension, Canada Nickel, is looking for feedback on potential impact topics that are of lesser relevance to the project and its eventual IA, due in part to its location and design. She cites, as examples: noise, ambient light, and vibrations as potential impacts of this type. Regarding carbon capture, she mentions that Canada Nickel is aiming for net-zero and with the project's current design, she believes that there is a strong chance of success. She adds that the project may even be able to sell carbon credits.

Regarding the project's social and public health impacts to Indigenous and local communities, Ms. Armstrong mentions that Canada Nickel will focus on the use of a local workforce, which will likely have impacts on the host communities, including in terms of housing, traffic, access to social and health services, education, changes of economic statuses, etc. She commits that Canada Nickel will look to work with the communities to identify impacts and appropriate mitigation measures. As an example, she cites a previous meeting where participants identified an increase in traffic as a potentially significant impact. The participants further suggested that Canada Nickel uses shuttles to transport its workers to the mine site, to reduce such an impact. She concludes by saying that each potential project impact will be assessed in the engagement process, the IA and through the project's different committees, for example the Community Contributions and Procurement Committee.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 13	A participant from the TEDC asks where Canada Nickel will process its ore.	Ms. Armstrong mentions that Canada Nickel has not decided yet, but they would aim to have the downstream processing happen in Northern Ontario. Mr. Dupont adds that Agency is also asking this question to Canada Nickel, as the downstream processing will have impacts in the region, including in terms of traffic. He further mentions that Crawford Mine will be generating three different types of concentrate: an iron concentrate used in stainless steel, a high-grade nickel concentrate, potentially used in the battery metal industry, and a low-grade nickel concentrate, potentially further processed by conventional smelting and refining. The path to downstream processing and refinement has not yet been settled, as it will be further defined with the project's eventual partners.
Q & I 14	A participant from the City of Timmins mentions that Mayor Pirie is committed to connecting the region and local industry to the rail network. The City could therefore be a partner for Canada Nickel regarding downstream processing discussions, in the form of support and information sharing. They further mention that local processing would be good news for the region.	Ms. Armstrong and Mr. Dupont thank the participant for their offer. Mr. Dupont adds that as a northern community, Timmins would very likely benefit from the economic diversification brought by base metal development and potential downstream processing and refinement.

5. QUESTIONS AND FEEDBACK

Ms. Armstrong opens the floor to the participants by asking them if there are any impacts that seem to be of lesser relevance to the project, per its initial design.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 15	A participant from the City of Timmins asks when will Canada Nickel reach back to the group for further engagement on the project.	Ms. Armstrong mentions that Canada Nickel will hold engagement meetings on the Detailed Project Description (DPD) likely somewhere in the Fall of 2022. Mr. Gauthier confirms the statement.
		Ms. Armstrong adds that she remains available in the meantime if the participants have any questions or comments after the meeting or the coming days.
Q & I 16	A participant from the City of Timmins asks if the presentation will be shared.	Mr. Gauthier answers that it will be attached to the Meeting Report that will be shared to the participants for review. The Report will also eventually be added online to Canada Nickel's website. Ms. Armstrong reminds the participants that the Reports are anonymous.

6. NEXT STEPS

Ms. Armstrong presents the next steps in terms of Canada Nickel's Indigenous and stakeholder engagement process. For further details, please refer to slide 46 of the presentation.

7. VARIA

No varia are proposed.

8. MEETING END

The meeting ends at 2:56.

APPENDIX I PRESENTATION