CANADA NICKEL COMPANY

CANADA NICKEL COMPANY—CRAWFORD NICKEL PROJECT
INITIAL PROJECT DESCRIPTION (IPD) MEETING
IPD MEETING REPORT—College Boreal

MEETING INFORMATION	
DATE	May 12th,2022
TIME	12:00 – 1:28 PM
LOCATION	Zoom Meeting
PARTICIPANTS	Number of people present: 13 ☐ Daniel Giroux, President, Collège Boréal ☐ Brian Vaillancourt, VP Business Development, Collège Boréal ☐ Julie Nadeau, Director Business Development ☐ Mélanie Dufresne, Director Timmins Campus ☐ Michelle Lebel, Director of Hearst and Kapuskasing Campuses, Collège Boréal ☐ Jean Cotnoir, Dean School of Business and Online Training, Collège Boréal ☐ Robin Craig, Director of Research and Innovation, Collège Boréal ☐ Daniel Leduc, Dean School of Trades, Applied Technology and Natural Environment, Collège Boréal ☐ Nancy Raymond, Director of Development, Collège Boréal ☐ Chantal Carré, Director of Employment Services, Collège Boréal ☐ Denis Brouillette, Manager of Trades and Apprenticeships, Collège Boréal
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	1. Welcome 2. Meeting Agenda Approval 3. The (new) Impact Assessment Process 3.1 What has changed? 3.2 Where is Canada Nickel in the process? 4. Initial Project Description

	4.1 Project Information 4.2 Stakeholder, Community, and Indigenous Engagement 4.3 Existing Infrastructure and Activities 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 5. Questions and Feedback 6. Next steps 7. Varia 8. Meeting End

MEETING HIGHLIGHTS

ISSUES AND CONCERNS	
✓ **Collège Boréal**	☐ Project's labour requirements and the necessary housing to host the workforce, especially low-income housing
✓ **Collège Boréal**	☐ Project ability to attract local, immigrant, and Indigenous workers
✓ **Collège Boréal**	☐ Project impacts, including its water discharge

COMMITMENTS	
✓ **Canada Nickel**	☐ Share the project's workforce requirements to Collège Boréal, per type of worker

SUGGESTIONS	
✓ **Collège Boréal**	☐ Strong interest in participating in the Employment and Training Committee
✓ **Collège Boréal**	☐ Canada Nickel should look to encourage various types of housing to host different types of workers

FOLLOW-UPS	
✓ **Canada Nickel**	☐ Share the Meeting Report and the attached presentation

GENERAL COMMENTS	
✓ **Collège Boréal**	☐ Important advantages for Canada Nickel to plan its labour requirements in advance
✓ **Collège Boréal**	☐ Collège Boréal has specialized training programs that will meet Canada Nickel's training needs (immigrant & Indigenous workers, environmental management, mining technicians, etc.)
✓ **Collège Boréal**	☐ General appreciation towards the engagement process and Canada Nickel's intention to partner with Collège Boréal for its labour planning

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. 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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 1	A participant asks what is the Agency.	Ms. Armstrong answers that it refers to the Impact Assessment Agency of Canada or IAAC. Mr. Gauthier shares more details about the new IAAC, and its role as the federal assessment authority for major project development in Canada.

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. She adds that Canada Nickel will also be using Committees to manage different key issues and topics. So far, it has established a Community Contributions and Procurement Committee, with plans to establish an Environmental Impacts Committee and an Employment Training Committee. She mentions that she suspects Collège Boréal will have an interest in the latter committee.

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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 1	A participant mentions that Collège Boréal is very interested in participating in the Employment and Training Committee. They add that international students will likely be key, in addition to Indigenous workers. They mention that Collège Boréal has specific training programs for both. They also mention that there is a significant advantage in early planning, which is positive for Canada Nickel.	Ms. Armstrong thanks the participant for their interest. She adds that early employment estimates are of a peak of 1100 workers during construction, with an average of 900 workers. During operations, there will be between 450 to 600 workers on site.
Q & I 2	A participant asks if the construction work will be contracted out.	Ms. Armstrong answers that it will be contracted out. Mr. Dupont mentions that there will certainly be multiple contractors (including subcontracting opportunities) on the site, due to the project's size.

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 km^2) 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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 3	A participant asks if the smelting process will be on site.	Ms. Armstrong mentions that there will be on-site concentration, for three different types of concentrate: high-grade nickel, low-grade nickel, and an iron concentrate. The downstream processing will happen off-site, but the location hasn't yet been determined.
Q & I 4	A participant asks how much water discharge will Canada Nickel be releasing.	Mr. Dupont answers that early estimations are 140 000 cubic meters of water. He adds that the core of the water would come from the pit's dewatering., Ms. Armstrong adds that the project will most likely require a water treatment plant to remove potential contaminants including fine particulates and blasting residue from the water.

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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 5	A participant asks if Canada Nickel feels confident regarding the project's financial sustainability.	Ms. Armstrong mentions that the challenge for large mining projects is financing the construction. The capital expense (CAPEX) for Crawford will be approximately 1.2 billion, per the Preliminary Economic Assessment. A

QUESTIONS AND INTERVENTIONS		ANSWERS
		few strategies are being looked at, but Canada Nickel is confident in the future demand for nickel, especially carbon neutral nickel. Mr. Dupont mentions that the project will begin with an early start-up at 42 500 tonnes per day, instead of the 120 000 tonnes per day by the project's full production. He explains that this will help scale up the project and generate cash flow.
Q & I 6	A participant comments that since Canada Nickel isn't looking to build a work camp, housing and lodging will be a significant issue. They ask if there has been any feedback on this topic. The participant adds that access to low-income housing will be critical to attract skilled workers, especially from outside of the region and outside Canada.	Ms. Armstrong mentions that Canada Nickel has had good conversations on this topic. While an obvious challenge, some of the feedback has been that the promise of new workers may drive the construction of new lodgings. She further mentions that it is one of the topics to be discussed at the Community Contributions and Procurement Committee. One approach that was discussed is to identify legacy projects where Canada Nickel could contribute, with housing being a potential option. Mr. Dupont also mentions that the issue will be fully assessed in the Impact Assessment.
Q & I 7	A participant mentions that a plurality of housing types will also be beneficial, to attract different types of workers and encourage their long-term stay in the region.	Ms. Armstrong thanks the participant for their feedback.

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. No questions or comments are raised.

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. No questions or comments are raised.

4.9 Approvals

Ms. 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 8	A participant mentions that Collège Boréal has significant expertise and skilled labour among its students.	Ms. Armstrong acknowledges the participant's comment.
Q & I 9	A participant asks if the Indigenous feedback regarding the project has been positive.	Ms. Armstrong answers that the engagement has been positive. The typical issues raised are related to environment and employment opportunities. She adds that Canada Nickel recently announced Impact Assessment Agreements with a few Indigenous communities, to facilitate meaningful participation in the project's Impact Assessment.
Q & I 10	A participant asks if Indigenous communities have sufficient leverage to slow or stop the project.	Mr. Dupont answers that all communities, Indigenous and otherwise, have the leverage to slow or stop a project. He adds that the new federal Impact Assessment Process puts a strong emphasis on engagement, especially with regards to Indigenous participation.
Q & I 11	A participant mentions that Collège Boréal would appreciate any case study data from Canada Nickel's baseline studies to use as teaching material. They believe it would be useful for local education and training, at college but also at high school level.	Ms. Armstrong thanks the participant for the comments. She adds that all of Canada Nickel's documents will be available publicly, so Collège Boréal is more than welcome to use the baseline studies.

QUESTIONS AND INTERVENTIONS		ANSWERS
	A participant mentions that there is a job fair in Kapuskasing next week if Canada Nickel is interested. A participant mentions that by knowing the types of jobs available, Collège Boréal will be able to plan and establish initiatives to match future workers with the Crawford Project.	She adds that Canada Nickel is not looking to go into high schools independently to attract future workers but is open to assisting Collège Boréal and other training or labour institutions in doing so. She mentions that Canada Nickel has few job opportunities for now but are eager to participate in events that support education and the potential for future employment, and will be happy to participate in job fairs at a later date as opportunities arise. Mr. Dupont answers that Canada Nickel will soon work on a breakdown of its worker requirements, to allow matching with local education and training institutions. He mentions that new job opportunities will likely be created by the project, due to the mine's electrification.
Q & I 12	Ms. Armstrong asks who is the best point of contact at College Boréal for job opportunities or collaboration.	A participant answers that it should go to the Director of the Timmins Campus.

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.

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 13	A participant comments positively on Canada Nickel's engagement and the Crawford Project. They mention that they appreciate the opportunity to share feedback and participate in the project's planning.	Ms. Armstrong thanks the participant for the comments and for taking the time.
Q & I 14	A participant asks when will Canada Nickel look to establish the Employment and Training Committee. To Ms. Armstrong's comment, the participant agrees that working on such a document will help College Boréal plan its different programs and training.	Mr. Gauthier mentions that the aim is to establish the Committee by late Summer or early Fall, depending on the team's availability. Ms. Armstrong adds that the worker requirements document prepared by Canada Nickel may also be a good opportunity to begin discussions on the Employment and Training Committee.

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 1:28.

APPENDIX I

PRESENTATION