



CANADA NICKEL
COMPANY

CANADA NICKEL COMPANY—CRAWFORD NICKEL PROJECT
INITIAL PROJECT DESCRIPTION (IPD) MEETING
IPD MEETING REPORT—Smooth Rock Falls

MEETING INFORMATION								
DATE	May 4 th , 2022							
TIME	3:00 – 4:05 PM							
LOCATION	Zoom Meeting							
PARTICIPANTS	Number of people present: 10							
	<table border="0"> <tr> <td><input type="checkbox"/> Véronique Dion, Municipal Clerk</td> <td><input type="checkbox"/> Patrick Roberts, Town Councillor</td> </tr> <tr> <td><input type="checkbox"/> Joanne Landry, Town Councillor</td> <td><input type="checkbox"/> Shannon Michaud, Economic Development Officer</td> </tr> <tr> <td><input type="checkbox"/> Luc Denault, General Manager</td> <td><input type="checkbox"/> Marc Blais, Town Councillor</td> </tr> <tr> <td><input type="checkbox"/> Sue Perras, Mayor</td> <td></td> </tr> </table>	<input type="checkbox"/> Véronique Dion, Municipal Clerk	<input type="checkbox"/> Patrick Roberts, Town Councillor	<input type="checkbox"/> Joanne Landry, Town Councillor	<input type="checkbox"/> Shannon Michaud, Economic Development Officer	<input type="checkbox"/> Luc Denault, General Manager	<input type="checkbox"/> Marc Blais, Town Councillor	<input type="checkbox"/> Sue Perras, Mayor
<input type="checkbox"/> Véronique Dion, Municipal Clerk	<input type="checkbox"/> Patrick Roberts, Town Councillor							
<input type="checkbox"/> Joanne Landry, Town Councillor	<input type="checkbox"/> Shannon Michaud, Economic Development Officer							
<input type="checkbox"/> Luc Denault, General Manager	<input type="checkbox"/> Marc Blais, Town Councillor							
<input type="checkbox"/> Sue Perras, Mayor								
CANADA NICKEL	<ul style="list-style-type: none"> ✓ Pierre-Philippe Dupont, Vice President Sustainability ✓ Alexandra Armstrong, Community Relations & Communications Coordinator 							
FACILITATION	✓ Isaac Gauthier – Facilitator – Transfert Environment and Society (TES)							
OBJECTIVES	<ul style="list-style-type: none"> <input type="checkbox"/> Present an overview of the new Impact Assessment Process <input type="checkbox"/> Present the main elements of the <i>Initial Project Description (IPD)</i> <input type="checkbox"/> Obtain feedback on the preliminary IPD from stakeholders 							
MEETING HOLDER	Canada Nickel Company							
AGENDA	<ol style="list-style-type: none"> 1. Welcome 2. Meeting Agenda Approval 3. The (new) Impact Assessment Process <ol style="list-style-type: none"> 3.1 What has changed? 3.2 Where is Canada Nickel in the process? 4. Initial Project Description <ol style="list-style-type: none"> 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

✓ Smooth Rock Falls	<input type="checkbox"/> Canada Nickel's water discharge location and impacts
✓ Smooth Rock Falls	<input type="checkbox"/> Project benefits to Smooth Rock Falls (employment, procurement, etc.)

SUGGESTIONS

✓ Smooth Rock Falls	<input type="checkbox"/> The Smooth Rock Falls water treatment plant manager should join Canada Nickel's Environmental Impact Committee
✓ Smooth Rock Falls	<input type="checkbox"/> The community can share its internal social profile to Canada Nickel, to further its understanding of the community
✓ Smooth Rock Falls	<input type="checkbox"/> Canada Nickel should work with neighbouring communities to plan its project and manage its impacts
✓ Smooth Rock Falls	<input type="checkbox"/> Canada Nickel should reach out to Boralex to discuss its potential water discharge plans in the Mattagami River

FOLLOW-UPS

✓ Canada Nickel	<input type="checkbox"/> Share the Meeting Report and attached presentation
-----------------	---

GENERAL COMMENTS

✓ Smooth Rock Falls	<input type="checkbox"/> Smooth Rock Falls gets its water from the Mattagami River
✓ Smooth Rock Falls	<input type="checkbox"/> Shuttles to transport workers will have a positive impact on local traffic (Highway 655)
✓ Smooth Rock Falls	<input type="checkbox"/> General positive comment regarding Canada Nickel's presentations and the importance of repeating the information to the community. Smooth Rock Falls will also share the information within its community

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. No questions or comments are raised.

Mr. Dupont adds that the IPD is a very important step in the Impact Assessment Process, where communities have an opportunity to influence the engagement process and the IA towards what they believe is most important or relevant in terms of issues. 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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 1	A participant asks who will participate in the Environmental Impact Committee. They suggest that a member of Smooth Rock Falls could join the Committee.	Ms. Armstrong thanks the participant for the suggestion. Mr. Gauthier adds that during the preliminary discussions on the Committee’s composition, the established aim was to find individuals with an environmental expertise, so they would be able to discuss very technical issues and challenges Canada Nickel could face in terms of environmental management.
	The participant mentions that they understand and proposes that Smooth Rock Falls could set up an applications repository for potential candidates, among which Canada Nickel could choose.	Ms. Armstrong thanks the participant for the suggestion and adds that all Committee reports will be available online, via Canada Nickel’s website, for the community to review.

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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 2	A participant mentions that a Smooth Rock Falls community member was looking to reach out to Canada Nickel regarding their hunting spot.	Ms. Armstrong mentions that she left her contact information with the person, but they haven’t reached out yet. She encourages the participant to remind the citizen to reach out to Canada Nickel.
Q & I 3	A participant asks if the mine’s footprint is 80 square kilometers.	Ms. Armstrong answers that the footprint is indeed 80 to 90 square kilometres, but it will progressively reach this size.
Q & I 4	A participant mentions that Canada Nickel will be mostly using water from the ground, and thus the North Driftwood river system. They ask if it wouldn’t be better to discharge the water back into the same system.	Ms. Armstrong answers that it is indeed an important consideration, but the challenge is to manage the impact of Canada Nickel’s discharge on the North Driftwood’s flow, which is limited and varies seasonally. Mr. Dupont mentions that the total water discharge will be higher than what the project will be removing from the North Driftwood, because of the pit’s dewatering. This will create a stronger discharge which could likely affect the river’s flow.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 5	A participant asks if Canada Nickel will treat its discharge water.	Ms. Armstrong answers that regardless of the discharge location, all the water leaving the site will meet regulatory requirements.
Q & I 6	A participant asks if the water discharge location will be discussed by Canada Nickel's Environmental Impact Committee.	Ms. Armstrong answers positively, which explains why Canada Nickel is looking for local environmental expertise to get into the technical aspects of the project's issues and identify acceptable mitigation measures.
Q & I 7	<p>A participant suggests that the person responsible for Smooth Rock Falls' water management plant be nominated to the Environmental Impact Committee.</p> <p>Another participant agrees with the proposal.</p>	Ms. Armstrong thanks the participant for the suggestion. She asks the participant if they could share the person's contact information and ultimately distribute the Environmental Impact Committee's application process to the person.

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. 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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 8	<p>A participant mentions that the Cochrane District Social Services Administration Board (CDSSAB) and the Porcupine Health Unit should be engaged by Canada Nickel as they will likely have feedback on the baseline studies and the project.</p> <p>The participant adds that Smooth Rock Falls also has community profile that could be shared with Canada Nickel.</p> <p>The participant answers that Smooth Rock Falls is a part of the PHU, and that Mayor Perras is the chair of the Porcupine Health Unit.</p>	<p>Ms. Armstrong mentions that Canada Nickel has been in touch with both groups, with a recent meeting with the CDSSAB and a meeting planned shortly with the Porcupine Health Unit.</p> <p>Ms. Armstrong thanks the participants for the information. She asks if Smooth Rock Falls is part of the Porcupine Health Unit, or if the community is affiliated with another Health Unit.</p>

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. No questions or comments are raised.

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 9	A participant comments that due to the Crawford Project's location, most of the impacts do not affect neighbouring communities.	Ms. Armstrong acknowledges the participant's comment.
Q & I 10	<p>A participant asks if Canada Nickel's use of the Mattagami River as a potential discharge location will affect the Yellow Falls power dam.</p> <p>The participant asks if Canada Nickel will get in touch with Boralex, the operators of the Yellow Falls power dam. They believe it would be a courtesy to contact them.</p>	<p>Mr. Dupont mentions that the project's discharge would be approximately less than 1 % of the Mattagami River's flow, which should therefore have a minor impact on the river.</p> <p>Ms. Armstrong thanks the participant for the suggestion.</p>
Q & I 11	A participant adds that there are other dams, namely from the Gemini Power Corporation, along the Mattagami River. They also mention that Smooth Rock Falls draws water from the Mattagami River. The town's water treatment plant's general manager should therefore be invited to provide feedback on the discharge location.	Ms. Armstrong thanks the participant for the suggestion.
Q & I 12	A participant suggests that Canada Nickel work in collaboration with the concerned municipalities regarding local planning and the Crawford Project.	Ms. Armstrong agrees with the proposal and shares her appreciation to the participant.
Q & I 13	A participant comments that Smooth Rock Falls has worked closely with proponents like Boralex, namely for identifying procurement opportunities within the community.	Ms. Armstrong thanks the participant for the suggestion and mentions that Canada Nickel will indeed look to collaborate on such a topic, namely through the Community Contributions and Procurement Committee, on which Smooth Rock Falls now sits.

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 14	<p>A participant mentions that the Detour Mine has shuttle service which has worked well.</p> <p>Another participant mentions that the project's estimated employee numbers will likely lead to a lot of additional traffic on Highway 655.</p> <p>Another participant agrees, mentioning that shuttles would have a positive impact of highway traffic.</p>	<p>Ms. Armstrong thanks the participants for their comments and agrees that road traffic will be an issue of importance to the project.</p>
Q & I 15	<p>A participant thanks Canada Nickel's team for the presentation, adding that by repeating the project's information at each meeting, it helps make things clearer for the participants.</p>	<p>Ms. Armstrong thanks the participant for the comment.</p>
Q & I 16	<p>A participant mentions that anything deemed important should be shared to the community, so the population is kept in the loop. They add that the Town will spread the word about the project among the constituents.</p>	<p>Ms. Armstrong thanks the participant for the comment and remarks on the strong community presence at the last meeting.</p> <p>She also mentions that she will be attending the upcoming waterfront event hosted by Smooth Rock Falls, albeit virtually.</p>

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 4.05 PM.

APPENDIX I PRESENTATION