

**CANADA NICKEL COMPANY—CRAWFORD NICKEL-COBALT SULPHIDE PROJECT**  
**CRAWFORD PROJECT - PRESENTATION AND ENGAGEMENT ACTIVITIES**  
**LOCAL CITIZENS' COMMITTEE MEETING REPORT**

MEETING INFORMATION	
DATE	October 14 <sup>th</sup> 2021
TIME	6:00pm to 6:55 pm
LOCATION	Videoconference—MICROSOFT TEAMS (Invitation by LCC)
PARTICIPANTS	LOCAL CITIZENS COMMITTEE
	<input type="checkbox"/> Tim Wallen <input type="checkbox"/> Krista Mayrand (NDMNRF) <input type="checkbox"/> Chad Anderson (NDMNRF) <input type="checkbox"/> Mike Montfort <input type="checkbox"/> William Moryto (NDMNRF) <input type="checkbox"/> Rick Beadman <input type="checkbox"/> Sue Parton <input type="checkbox"/> Lino <input type="checkbox"/> Kenny Johnston <input type="checkbox"/> Mark Jones <input type="checkbox"/> Patrick Roberts
CANADA NICKEL	<input checked="" type="checkbox"/> Pierre-Philippe Dupont – Vice President Sustainability <input checked="" type="checkbox"/> Alexandra Armstrong – Community Relations and Communications Coordinator
FACILITATION	<input checked="" type="checkbox"/> Anne Bélanger – Secretary – Transfer Environment and Society
OBJECTIVES	<input type="checkbox"/> Present the Crawford Project <input type="checkbox"/> Present the current baseline study results <input type="checkbox"/> Present the Preliminary Stakeholder Engagement Plan <input type="checkbox"/> Discuss and review the Preliminary Stakeholder Engagement Plan and accompanying activities, tools, and schedule
MEETING HOLDER	Canada Nickel Company
AGENDA	<ol style="list-style-type: none"> <li>1. Introductory Roundtable</li> <li>2. Canada Nickel and the Crawford Project</li> <li>3. Baseline Studies – Preliminary Results</li> <li>4. Preliminary Engagement Plan</li> <li>5. Group Discussion/Q&amp;A</li> <li>6. Next Steps</li> </ol>

## MEETING HIGHLIGHTS

ISSUES AND CONCERNS	
✓ LCC	<input type="checkbox"/> Project impacts to the drainage of the North Driftwood and West Buskegau rivers.
✓ LCC	<input type="checkbox"/> Smaller community participation in the project's committees.
✓ LCC	<input type="checkbox"/> Canada Nickel's engagement with Indigenous groups.

SUGGESTIONS	
✓ LCC	<input type="checkbox"/> Canada Nickel should engage with the forestry companies who have activities near the project's location.

FOLLOW-UPS	
✓ Canada Nickel	<input type="checkbox"/> Share the meeting presentation, the Meeting Report, and the Preconsultation Survey
✓ LCC	<input type="checkbox"/> Send to Canada Nickel the application form for a mining representative position on the committee.

GENERAL COMMENTS	
✓ LCC	<input type="checkbox"/> Regarding open house activities, participants usually attend only if they are directly impacted or interested by a project.
✓ LCC	<input type="checkbox"/> The community may be interested by the Crawford Project because of its environmental, hunting and fishing impacts and its labor opportunities.
✓ LCC	<input type="checkbox"/> Advertisements for an open house should focus on clarifying the objective and outcome of the meeting.
✓ LCC	<input type="checkbox"/> Newspaper and radio are not effective methods to reach out to the community. Canada Nickel should rather put letters in mailboxes or go directly to people.
✓ LCC	<input type="checkbox"/> An open house should include a presentation by Canada Nickel followed by a Q&A period.
✓ LCC	<input type="checkbox"/> General appreciation for Canada Nickel's willingness to engage early in the process.

## 1. INTRODUCTION & ROUNDTABLE

Alexandra Armstrong, the Community Relations and Communications Coordinator at Canada Nickel initiates the meeting by presenting the team at Canada Nickel and the consultant from TES. She proceeds with a brief overview of the meeting's objectives and agenda.

Ms. Armstrong invites the participants to share their questions and comments freely throughout the presentation. She further mentions that the presentation will be shared electronically after the meeting to the participants with the meeting report, in addition to an anonymous online survey.

For details regarding the presentation, please refer to the Appendix.

## 2. CANADA NICKEL & CRAWFORD PROJECT OVERVIEW

Ms. Armstrong shares a brief overview of Canada Nickel and the Crawford Project. She mentions that the Crawford Project itself is planned as a large open-pit mining project, 45 kilometres north of Timmins, along Highway 655. Because of the location of the Highway, a partial relocation will be required to access the underlying nickel deposit. She mentions that the project aims to take advantage of the waste rock's and tailings' natural ability to capture and store CO<sub>2</sub>.

She further mentions that Canada Nickel released the Project's Preliminary Economic Assessment (PEA) in June 2021, with positive results. The rate of return is 16%, which is positive for base metals, and the mine's potential lifetime presented in the PEA is of 25 years. She adds that on-ground drilling results now predict a potential lifetime of 40 years. The presented site layout is built on the PEA results and is currently being reviewed as Canada Nickel is preparing its Feasibility study. The project will have a general footprint of 30 km<sup>2</sup>, making it a very large mining project, even for the area.

Ms. Armstrong presents the preliminary layout mentioning it has changed since the PEA and Canada Nickel is expecting to have a confirmation of the new layout in the upcoming Initial Project Description. She explains that the 500 kV power line will be relocated with the road, but that Canada Nickel is looking to avoid moving the 120kV power line.

She also presents the project's anticipated timeline, adding that the permitting and construction phases are scheduled from 2022 to 2025.

For further details regarding the Crawford Project's overview, please refer to the presentation available in the Appendix.

QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 1</b>	A participant asks Canada Nickel's team to explain the meaning of the waste rock's and tailings' natural ability to capture CO <sub>2</sub> .	Ms. Armstrong explains that the mined rock is serpentine, which, when weathered, can absorb and sequester CO <sub>2</sub> , by converting into carbonates. She mentions that Canada Nickel is still studying the process and looking at ways to optimize it.

QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 2</b>	The participant further asks if the process consists of putting the rock on the ground for it to absorb the CO <sub>2</sub> .	Ms. Armstrong mentions that the waste rock and tailings will naturally absorb CO <sub>2</sub> , but Canada Nickel is looking at methods to accelerate the process, especially in such a large footprint.  Mr. Dupont adds that this natural process is not unique to the Crawford deposit. It has been seen in other mining projects, in British Columbia and with the Dumont project, in the Abitibi region of Quebec. The latter is of a similar size to the Crawford Project. He mentions that Queen's University is involved in identifying methods to optimize the natural sequestration process.
<b>Q &amp; I 3</b>	The participants asks if the carbon is permanently sequestered in the rock.	Ms. Armstrong confirms it is the case.

### 3. BASELINE STUDIES – PRELIMINARY RESULTS

Mr. Armstrong presents the various results gathered during the baseline studies undertaken by Canada Nickel's consultants regarding the following topics:

- Terrestrial field investigations (wildlife)
- Fish habitat
- Geochemical, hydrological, and hydrogeological

As a reminder, baseline studies aim to establish a current environmental and social portrait of the area concerned by the Crawford Project, prior to its development. This helps assess the scope of the project's future cumulative impacts and an eventual path to its closure.

Concerning the terrestrial and aquatic wildlife baseline studies, the assessments were undertaken by Woods and included sampling in the North Driftwood River and West Buskegau River and their associated water bodies. No species at-risk were identified in the area, even though it is within the southern range of the woodland caribou. One species of special concern was identified within the area, the Olive-sided Flycatcher, although no nesting grounds were identified.

Regarding the geochemical, hydrological, and hydrogeological assessments, these were undertaken by Golder. One of the main highlights is that the geochemical analysis has confirmed that the ore and waste rock are non-acid generating, due to the local geological signature (low sulphide). Flow and quality monitoring stations have also been installed in the North Driftwood River and West Buskegau River systems. For further details regarding the baseline studies results, please refer to the presentation available in the Appendix.

QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 4</b>	A participant asks if the mine will be underground or an open pit.	Ms. Armstrong answers that the project is an open pit mine, with the project's site and infrastructure approximately covering 30 square kilometers.  M. Dupont mentions that the deposit starts as the surface of the bedrock under approximately 40 meters of overburden of sand, gravel, and clay. For this reason, mining an underground mine would be difficult.
<b>Q &amp; I 5</b>	A participant mentions being a resident of Smooth Rock Falls and would like to confirm that the mine will be along Highway 655.	Ms. Armstrong confirms that the project is indeed along and partially over Highway 655.
<b>Q &amp; I 6</b>	The participant mentions that there is a lake within the mine's location.	Ms. Armstrong agrees, adding that there are a few small lakes located at the periphery of the project. At this stage, it is unclear how and if they will be affected by the project.
<b>Q &amp; I 7</b>	The participant asks if the mine will affect the drainage of both the North Driftwood and West Buskegau rivers.	Ms. Armstrong mentions that the upcoming Impact Assessment will fully assess this topic.
<b>Q &amp; I 8</b>	A participant asks how deep the project's open pit will be.	Ms. Armstrong answers that it is still under analysis, mentioning that to date the depth is under 1000 meters.

QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 9</b>	A participant mentions that another mining project focused on extracting minerals for batteries, likely lithium, is also planned near the Crawford Project.	<p>Ms. Armstrong answers that she is unaware of such a project near the Crawford Project.</p> <p>M. Dupont answers that the Crawford Project is mainly nickel, with a bit of cobalt as well as PGM (platinum group metals) and an iron biproduct called magnetite. Canada Nickel is looking at feeding the battery industry, but the main planned output used in the preliminary economic assessment was for the stainless-steel industry. He adds that there is a possibility to roast the iron and create a calcine that can be used directly by the stainless-steel industry without needing to go through the usual smelting and refining path.</p>
<b>Q &amp; I 10</b>	A participant asks when the Crawford Project planning is to enter operations.	<p>Ms. Armstrong answers that the optimistic scenario is 2026-2027.</p> <p>M. Dupont adds that the permitting phase is planned from 2022 to 2025 and when the permits are delivered, the construction phase will begin. He mentions that construction will last approximately two years being a large-scale project.</p> <p>Regarding delays and permitting, Mr. Dupont adds that the environmental upside of the project is the CO<sub>2</sub> sequestration and the fact that it isn't a sensitive area in a biodiversity perspective. One of the project's constraints is that it is located at the southern edge woodland caribou range. However, this issue is likely mitigated as the area has been logged repeatedly over the years.</p>
<b>Q &amp; I 11</b>	A participant highlights a significant presence of moose along Highway 655 and near the project. The participant adds that Canada Nickel should be careful.	Ms. Armstrong acknowledges the comment.

## 4. PRELIMINARY ENGAGEMENT PLAN & GROUP DISCUSSION

Ms. Armstrong presents the proposed guidelines, activities, engagement tools and schedule of the stakeholder engagement process. She reiterates that the feedback shared in the engagement questionnaire from June 2021 helped confirm and guide the Preliminary Engagement Plan that is presented today while adding that the meeting's main objective is to have the participants review, comment, and ultimately approve the Plan.

For details regarding the various guidelines, activities, engagement tools and schedules, please refer to the presentation available in the Appendix.

QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 12</b>	A participant mentions that residents of Smooth Rock Falls would likely be interested in the project's thematic committees. He asks if the committees could occur in the smaller communities, or the meetings would be held online.	Ms. Armstrong asks the participant what would be their suggestion for the committees, and if Canada Nickel should create a smaller committees for each community or if it should organize a single committee that groups every community.
<b>Q &amp; I 13</b>	The participant answers that their concern would be that smaller communities be left out, as is often the perception. Regarding the size of the committees, it is mentioned that they are more relevant when small.	Ms. Armstrong thanks the participant for the feedback.
<b>Q &amp; I 14</b>	The participant further proposes to have a committee for each small town and a chair of each committee to meet with Canada Nickel.	Ms. Armstrong mentions that similar feedback was shared previously, regarding select committee representatives meeting occasionally to share a summary of the results of the discussions at each committee.
<b>Q &amp; I 15</b>	Ms. Armstrong asks the participants for their thoughts regarding the use of open house events.	<p>A participant from Smooth Rock Falls mentions that 75 to 100 people will usually attend.</p> <p>A participant from Cochrane answers that people attend open house events when they are directly impacted by a project. If it doesn't impact them or they are not interested, they won't likely participate. They add that the Crawford Project will likely have environmental impacts, for example towards hunting and fishing activities. It will also have labour impacts which, together, will likely interest the community. As such, the advertising of an open house event will need</p>

QUESTIONS AND INTERVENTIONS		ANSWERS
		<p>to focus on the event’s objective and expected outcome.</p> <p>A participant agrees with the previous statement.</p> <p>A participant mentions that regarding forestry planning open house events, few participants show up unless the organizers directly reach out to the community.</p>
<b>Q &amp; I 16</b>	<p>Ms. Armstrong asks the participants if, for open houses, they would prefer a presentation by Canada Nickel followed by a Q&amp;A session or if Canada Nickel should install information booths to allow the community to visit and discuss with the team on their own time.</p>	<p>A participant answers that they would prefer a formal presentation followed by a Q&amp;A session.</p>
<b>Q &amp; I 17</b>	<p>Ms. Armstrong further asks the participants if the media, specifically newspapers and radio, is a good tool to reach out to the community.</p>	<p>A participant answers negatively, adding that direct communications with the community is more effective (ex. letters). However, they add that because of the job outlook for the Crawford Project, the community will be interested.</p> <p>A participant further adds that participants usually show up when they are negatively affected by a project.</p>
<b>Q &amp; I 18</b>	<p>A participant asks if Canada Nickel has entered discussions with the forestry companies that are logging in the area.</p>	<p>Ms. Armstrong answers that Canada Nickel has indeed discussed with forestry companies in the area.</p> <p>M. Dupont mentions that most of the land is patented land and Canada Nickel has already entered discussions with Haliburton Forest Products and its subsidiaries even though the impacts could occur in 2026.</p>



QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 19</b>	The participant asks the team how have the discussions been going.	M. Dupont answers that they have been positive and constructive, no issues have yet been raised. He mentions that the area has been previously logged, which likely reduced the value of the local fiber.
<b>Q &amp; I 20</b>	A participant mentions that the Crawford Project's site will be reclaimed after its operations cease.	M. Dupont confirms that mining projects are now designed to be closed through a closure plan, which wasn't the case 20 or 30 years ago.
<b>Q &amp; I 21</b>	A participant remarks that the committee does not have any Aboriginal representatives and asks if Canada Nickel are engaging or negotiating with local Indigenous groups.	<p>Ms. Armstrong mentions that Canada has indeed been negotiating with Matachewan First Nation, Mattagami First Nation and Taykwa Tagamou Nation (TTN).</p> <p>M. Dupont adds that the negotiations with the Wabun Tribal Council have been according to a traditional IBA framework, with the target being to reach an agreement by the end of 2021. He adds that with regards to TTN, the approach has rather been of a long-term business relationship. As such, two agreements are being negotiated, one for building the power infrastructure and providing the power to the mining site, in collaboration with Hydro One. The second concerns a partial financing of the project's haulage fleet, including job access and maintenance.</p> <p>Mr. Dupont also mentions that Canada Nickel has begun discussions with the Metis Nation of Ontario, Region 3.</p>
<b>Q &amp; I 22</b>	A participant asks if the project's site layout can be shared.	Ms. Armstrong answers that the presentation, the meeting report, and a short survey will all be shared after the meeting. She adds that members can reach out to her at any time.
<b>Q &amp; I 23</b>	A participant asks if Canada Nickel is planning any worker housing at the mining site.	Ms. Armstrong answers that because of the site's proximity to the local communities, Canada Nickel does not believe it will need worker housing at the mining site. She adds

QUESTIONS AND INTERVENTIONS		ANSWERS
		that the company aims to rely on a local workforce as much as possible, even though even though it will likely need external workers. She adds that one of the committee's purposes is to limit the impacts of external workers on the community, including local housing.
<b>Q &amp; I 24</b>	A participant asks if Canada Nickel will use 12-hour work shifts.	M. Dupont mentions that because the project is still in its planning phase, he cannot confirm so. He adds that for these types of projects, there are usually night and day shifts.
<b>Q &amp; I 25</b>	A participant asks if the Crawford nickel deposit is bigger or smaller compared to the one in Sudbury.	M. Dupont answers that the deposits are different, and that Canada Nickel also has other nearby potential deposits. He explains that the Crawford deposit was identified through geophysics and that Canada Nickel owns the rights on multiple other deposits in the area. He adds that the total amount of nickel mined north of Timmins could potentially be larger than the deposits in Sudbury, although with a lower grade (by percentage). Historically, the Sudbury deposit has been 3% to 4% nickel concentration, while the Crawford deposit is at approximately 0,3%. This explains why the project is an open pit. At its highest tonnage, the Crawford Project will extract 120 000 tons per day.
<b>Q &amp; I 26</b>	<p>A participant mentions that there is a local vacancy for a mining representative on Local Citizens Committee. The participant invites Canada Nickel to participate in the committee, adding that its purpose is to review local forest management plans. By accepting the proposal, Canada Nickel's representative would represent the mining industry.</p> <p>A participant mentions that the application and the terms can be forwarded to Canada Nickel's representatives. The application is then</p>	<p>Ms. Armstrong thanks the participant for the offer and asks where to send an application.</p> <p>M. Dupont mentions that in the Abitibi area in Quebec, similar committees exist which also tend to include a mining representative. He adds that Canada Nickel will apply to the committee.</p>

QUESTIONS AND INTERVENTIONS		ANSWERS
	reviewed by the district manager who decides who sits on the committee.	
<b>Q &amp; I 27</b>	A participant mentions that there is private land within the project's area, in addition to the crown land.	M. Dupont answers that most of the private land is owned by the Haliburton Forest Products or its subsidiaries, with whom Canada Nickel is discussing. He adds that Canada Nickel is also the owner of some of the land.
<b>Q &amp; I 28</b>	A participant mentions being pleased that Canada Nickel took the time to present its project to the Committee and for its early engagement process.	Ms. Armstrong thanks the participant for their comment.

# APPENDIX I PRESENTATION