



CANADA NICKEL COMPANY

**CANADA NICKEL COMPANY—CRAWFORD NICKEL SULPHIDE PROJECT
INTRODUCTORY MEETING AND PROJECT OVERVIEW
MEETING REPORT—COCHRANE BOARD OF TRADE**

MEETING INFORMATION	
DATE	May 5 th , 2022
TIME	6:00 – 7:20 PM
LOCATION	Zoom Meeting
PARTICIPANTS	Number of people present 5
	<input type="checkbox"/> Faiza Bushra Quraishi <input type="checkbox"/> Luke Dinan <input type="checkbox"/> Frank Louvelle <input type="checkbox"/> Dan Belisle <input type="checkbox"/> Tina Janson
CANADA NICKEL	<input checked="" type="checkbox"/> Pierre-Philippe Dupont, Vice President Sustainability <input checked="" type="checkbox"/> Alexandra Armstrong, Community Relations & Communications Coordinator <input checked="" type="checkbox"/> Kenzie Tyler, Geotechnician, Note Taker
OBJECTIVES	<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	
✓ Cochrane Board of Trade	<input type="checkbox"/> Project size and footprint
✓ Cochrane Board of Trade	<input type="checkbox"/> Water discharge location and environmental impacts
✓ Cochrane Board of Trade	<input type="checkbox"/> Crawford Project energy requirements, power availability in the region and project impacts on the price of electricity
✓ Cochrane Board of Trade	<input type="checkbox"/> Project workforce requirements and workforce availability in the region, due to ongoing shortages

SUGGESTIONS	
✓ Cochrane Board of Trade	<input type="checkbox"/> Canada Nickel should consider both the healthcare and housing sectors for its community contributions and benefits

FOLLOW-UPS	
✓ Canada Nickel	<input type="checkbox"/> Share the Meeting Report and attached presentation, for review and validation

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.

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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 1	A participant asks how does this project compare to other nickel operations, in terms of scale.	Ms. Armstrong answers that Canada Nickel’s project would be one of the largest base metal mines in Canada, and one of the top 5 nickel producers in the world.
Q & I 2	A participant asks how this project compares to others around the world, specifically regarding its environmental impact management.	<p>Ms. Armstrong answers that there are a lot of natural advantages in the Cochrane area, such as access to Ontario’s hydroelectric power and the project’s geologic characteristics. She adds that Canada Nickel is also striving to be an industry leader, by operating as a net zero project. She also mentions that Canada has strict environmental regulations for major mining projects, like the Crawford Project.</p> <p>Mr. Dupont adds that à Crawford compares advantageously to nickel laterite projects, the more common form of nickel production worldwide. He mentions that these projects are very energy intensive, have large greenhouse gas (GHG) emissions, and have a significant footprint in environmentally sensitive ecosystems, like tropical areas of Indonesia or New Caledonia. Canada Nickel’s goal is to provide “cleaner” nickel that can replace those suppliers.</p>

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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 3	A participant asks if the presentation will be shared after the meeting.	Ms. Armstrong answers that the presentation will indeed be available.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 4	A participant asks if Canada Nickel’s water discharge will pollute the environment.	<p>Ms. Armstrong answers that there will be a water treatment plant onsite as necessary, meaning all the water would be treated before leaving the site. The quality of the water leaving the site would also be monitored to ensure compliance with regulatory requirements.</p> <p>Mr. Dupont adds that because initial tests have shown the mine’s ore, waste rock and tailings are non-acid generating, it is anticipated that there will be no acid runoff in the water discharge or on the site. The biggest potential challenge will thus be to manage suspended solids and potential nitrates left as residue after blasting. He mentions that this will be managed through the monitoring and treatment of the water before it leaves the site.</p>
Q & I 5	A participant asks if Canada Nickel will monitor the nearby river systems.	<p>Ms. Armstrong answers that there will be constant monitoring throughout the project to ensure that the environment is not impacted.</p> <p>Mr. Dupont adds that there are strict regulations when a mine discharges water into the environment. Monitoring and studies will be ongoing during production and closure. He adds that Canada Nickel will likely need to apply the metals and diamond mining effluent regulations, which are generally the most technical and comprehensive of these types of studies.</p>
Q & I 6	A participant asks if there will be enough energy in the area to meet the project’s need and, if there will be an impact on the local community as far as electricity pricing and availability.	Mr. Dupont answers that the Crawford Project will use a new 230 kV line which will connect to the Porcupine substation. Taykwa Tagamou Nation (TTN) will be the owners and operators of the 230 kV line, through TTN’s Transmission Infrastructure Partnership One (TIP1) joint venture. He mentions that TIP1, separate from Canada

QUESTIONS AND INTERVENTIONS		ANSWERS
		Nickel, is aiming to extend the connection even further north, to the Hunta substation, which will increase the energy capacity in Northern Ontario. He adds that accessing a sufficient electrical feed could become an issue if Canada Nickel were to implement downstream processing of the ore in Northern Ontario. This would, however, be a distinct project from the Crawford Project.
Q & I 7	A participant asks about the project's employment potential.	Ms. Armstrong answers that she only has early numbers, but the project is expecting an approximate of 1100 workers during peak construction, averaging around 900, and between 450 and 600 workers throughout production.
Q & I 8	A participant asks how Canada Nickel will encourage people to come work for the project since there is already a shortage of workers in the region.	Ms. Armstrong answers that finding the workforce will indeed be difficult as it is such a large project. Canada Nickel is working with local colleges and training institutes to encourage enrollment in programs directly related to upcoming jobs at the Crawford Project. The company aims to employ as many local and Indigenous workers as possible, though it is possible that Canada Nickel may need external workers.
Q & I 9	A participant asks if the company plans on talking to high school students.	Ms. Armstrong answers that any engagement with high schools will be undertaken through Canada Nickel's relationships/partnerships with post-secondary institutions or other training/employment organizations Mr. Dupont adds that it is necessary to be careful when engaging with youth. As a mining company, it can look inappropriate to independently approach students about careers in mining. One opportunity for Canada Nickel is to participate in encouraging youth enrolment or general interest in the industry. This can be done by participating in large events with other companies/industries present, such as job fairs.

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.

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 Project Impacts

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 10	A participant asks if Canada Nickel will allocate funding to healthcare and housing.	Ms. Armstrong answers that a Community Contributions and Procurement Committee has been created to establish how Canada Nickel will provide contributions. This could include different programs to help manage the impacts of many new workers in the region. One idea being discussed is to direct contributions towards projects and programs that relate directly to the project’s potential impacts. These guidelines are being informed by community representatives who make up the committee.
Q & I 11	A participant asks if there will be a work camp on-site.	Ms. Armstrong answers that no work camp is planned on-site. However, housing availability could be an issue if people from outside the community arrive in large numbers. This potential impact will be assessed in the Impact Assessment and Canada Nickel will be working with local groups, like the Cochrane District Social Planning Council and municipalities, to find solutions.
Q & I 12	A participant asks if Canada Nickel plans to invest in housing, since there could be an issue if new workers arrive in the community.	Ms. Armstrong answers that the company is currently working with local groups to plan for the potential demand. Canada Nickel is open to potential partnerships and projects relating to such issues, per the discussion it

QUESTIONS AND INTERVENTIONS		ANSWERS
		<p>has had at the Community Contributions Committee.</p> <p>Mr. Dupont adds that it is too early to know what the demand will be, therefore Canada Nickel cannot commit to anything for the moment. Within the next few years, data regarding the number of available workers will be better understood, allowing Canada Nickel to better determine its next steps. He adds that by supporting the sectors affected by the arrival of new workers, like housing or healthcare, Canada Nickel could ensure better worker retention.</p>

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 shares their appreciation of Canada Nickel considering a potential commute plan, including a shuttle service. They believe this will help with traffic issues and will have a positive environmental impact.	Ms. Armstrong thanks the participant for their comments.
Q & I 14	A participant mentions they have lived in Northern Ontario their whole life and seen many mines open and close. This is the first time a company takes the time to reach out to the local communities and share its plans. They mention that it is appreciated.	Ms. Armstrong thanks the participant for their comments, adding that Canada Nickel is glad the engagement has met the communities' expectations to date.
Q & I 15	A participant comments that they are excited to work in partnership with Canada Nickel to help solve potential issues as they arise.	Ms. Armstrong thanks the participant for their comment.

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 7:20.

APPENDIX I PRESENTATION