



**CANADA NICKEL**  
COMPANY

**CANADA NICKEL COMPANY—CRAWFORD NICKEL PROJECT**  
**INITIAL PROJECT DESCRIPTION (IPD) MEETING**  
**IPD MEETING REPORT – General Public**

MEETING INFORMATION	
DATE	May 16 <sup>th</sup> 2022
TIME	6:00 – 7:34 PM
LOCATION	Zoom Meeting
PARTICIPANTS	Number of people present: 14
CANADA NICKEL	<ul style="list-style-type: none"> <li>✓ Pierre-Philippe Dupont, Vice President Sustainability</li> <li>✓ Alexandra Armstrong, Community Relations &amp; Communications Coordinator</li> </ul>
FACILITATION	<ul style="list-style-type: none"> <li>✓ Isaac Gauthier – Facilitator – Transfert Environment and Society (TES)</li> <li>✓ Anne Bélanger – Project Manager – Transfert Environment and Society (TES)</li> </ul>
OBJECTIVES	<ul style="list-style-type: none"> <li><input type="checkbox"/> Present an overview of the new Impact Assessment Process</li> <li><input type="checkbox"/> Present the main elements of the <i>Initial Project Description</i> (IPD)</li> <li><input type="checkbox"/> Obtain feedback on the preliminary IPD from stakeholders</li> </ul>
MEETING HOLDER	Canada Nickel Company
AGENDA	<ol style="list-style-type: none"> <li>1. Welcome</li> <li>2. Meeting Agenda Approval</li> <li>3. The (new) Impact Assessment Process               <ol style="list-style-type: none"> <li>3.1 What has changed?</li> <li>3.2 Where is Canada Nickel in the process?</li> </ol> </li> <li>4. Initial Project Description               <ol style="list-style-type: none"> <li>4.1 Project Information</li> <li>4.2 Stakeholder, Community, and Indigenous Engagement</li> <li>4.3 Existing Infrastructure and Activities</li> <li>4.4 Proposed Mine Facilities/Infrastructure</li> <li>4.5 Preliminary Decommissioning Approach</li> <li>4.6 Preliminary Schedule</li> <li>4.7 Preliminary List of Activities</li> <li>4.8 Baseline Studies</li> <li>4.9 Approvals</li> <li>4.10 Potential Impacts of the Project</li> </ol> </li> <li>5. Questions and Feedback</li> <li>6. Next steps</li> <li>7. Varia</li> <li>8. Meeting End</li> </ol>

## MEETING HIGHLIGHTS

ISSUES AND CONCERNS	
✓ <b>Public</b>	<input type="checkbox"/> Project pace and development timeline, in the context of government interest in critical mineral development and the Ring of Fire
✓ <b>Public</b>	<input type="checkbox"/> Project economics and financing
✓ <b>Public</b>	<input type="checkbox"/> Downstream processing planning and development
✓ <b>Public</b>	<input type="checkbox"/> Highway 655 relocation planning, costs, and traffic impacts
✓ <b>Public</b>	<input type="checkbox"/> Indigenous and business partnerships and joint ventures

FOLLOW-UPS	
✓ <b>Canada Nickel</b>	<input type="checkbox"/> Share the Meeting Report and attached presentation, via Canada Nickel's website

### 1. WELCOME

Mr. Gauthier, the meeting facilitator, begins the meeting with a brief introduction of the engagement team from TES. Canada Nickel's team is then introduced, namely Ms. Alexandra Armstrong, Canada Nickel's Community Relations & Communications Coordinator and Mr. Pierre-Philippe Dupont, Canada Nickel's Vice President for Sustainability.

Mr. Gauthier mentions that the presentation part of the meeting will be recorded, to allow members of the public that were unable to participate in the meeting to obtain relevant information. He adds that a question-and-answer (Q&A) period will be held at the end of the meeting. The Q&A session will not be recorded, to ensure participant anonymity. With regards to Canada Nickel's engagement process, he further mentions that TES has been acting as its custodian to ensure that Canada Nickel follows best practices, considers local feedback when planning its project, and follows up on its engagement commitments.

### 2. MEETING AGENDA APPROVAL

Mr. Gauthier presents the meeting agenda.

### 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.

### 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.

## 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.

### 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 13<sup>th</sup> and May 16<sup>th</sup>, for which the communications and marketing have recently begun. She particularly thanks the Chamber of Commerce for its support with marketing the events.

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.

### 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.

#### 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<sup>2</sup>) 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 therefore 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 during the Q&A period.

#### 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.

#### 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.

#### 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.

#### 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 in the 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.

## 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.

## 5. QUESTIONS AND FEEDBACK

Ms. Armstrong finishes her presentation. Mr. Gauthier begins the Q&A period by opening the floor to the participants. It is mentioned that the participants can share their questions and feedback in writing or out loud, at the meeting.

QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 1</b>	A participant asks about the delay between the project's approval and the overburden removal. The participant also inquires if the latter will be done simultaneously with the mine's construction.	Mr. Dupont answers that there is an average of 40 meters of overburden to remove, which will necessitate a lot of work. He adds that the mill will be built in parallel, with construction and site preparation taking an approximate two years.
<b>Q &amp; I 2</b>	A participant asks the differences between Royal Nickel's Dumont Project and Canada Nickel's Crawford Project, relating to attracting the interest of a large mining proponent.	Mr. Dupont answers that the two projects are similar in terms of the mined material and ore grades. The main difference resides in the fact that there are many satellite deposits around Crawford and fewer for the Dumont Project. He mentions that since nickel prices went up, there seems to be significant interest in Dumont from potential investors.
<b>Q &amp; I 3</b>	A participant asks if Canada Nickel has engaged with government on the local, provincial, and federal level for the Crawford Project.	<p>Ms. Armstrong answers that Canada Nickel has been engaging continuously with various levels of government. She mentions that regarding the project's power supply, Canada Nickel has been meeting weekly with Hydro-One, local Independent Electricity System Operators (IESO) and TIP1, Taykwa Tagamou Nation's (TTN) Transmission Infrastructure Partnership One joint venture partnership. Canada Nickel is also speaking with representatives of the Ontario Ministry of Transportation (MTO), the Ontario Ministry of the Environment, Conservation and Parks (MECP), as well as the Ontario Ministry of Northern Development, Mines, Natural Resources and Forestry (MNDMNR).</p> <p>Ms. Armstrong further adds that Canada Nickel has been holding monthly meetings with the Impact Assessment Agency of Canada (IAAC) to align the project's schedule with the Agency's work schedule. The meetings also provide Canada Nickel with answers to questions on the IA process.</p>

QUESTIONS AND INTERVENTIONS		ANSWERS
		Mr. Gauthier mentions that reaching out to the Agency early in the process is strongly encouraged by the Agency itself because of the novelty of the process.
<b>Q &amp; I 4</b>	A participant asks if an engineering firm has been identified to help build the project.	Mr. Dupont answers that Canada Nickel is currently working with Ausenco, a firm specialized in milling and processing methods, for completion of the Feasibility Study. He mentions that Ausenco has a good track record in terms of mine design and planning Canada Nickel is also in talks with other groups regarding overburden removal, a challenge for the Crawford Project given the overburden's depth and consistency. He further explains that it is still early in the process to be working on the construction phase.
<b>Q &amp; I 5</b>	A participant asks if there will be a mine access by Red Pine Road, located west of the project's area.	Ms. Armstrong answers that, per her understanding of the road's location, the project will not affect the road access.  Mr. Dupont adds that Highway 655, once relocated, will be the mine's main access.
<b>Q &amp; I 6</b>	A participant shares that they would have an interest in collaborating with Canada Nickel regarding employee transportation, perhaps even at a committee. The participant further mentions that they have collaborated in previous mining projects in the region.	Mr. Gauthier invites the participant to reach out to Ms. Armstrong about their interest.
<b>Q &amp; I 7</b>	A participant asks who will be responsible for the costs of relocating Highway 655 and the 500 kV powerline.	Mr. Dupont answers that Canada Nickel plans to cover the highway relocation costs, but the company is open to any potential scenario.
<b>Q &amp; I 8</b>	A participant asks if the Dumont Project also has iron and chrome by-products, like the Crawford Project.	Mr. Dupont answers that the Dumont Project also has magnetite, but the decision to mine and process the ore depends on the price of iron as it orients the decision to include or not a magnetic recovery line.



QUESTIONS AND INTERVENTIONS		ANSWERS
<b>Q &amp; I 9</b>	Mr. Gauthier asks Mr. Dupont to share information about concentrate processing and downstream processing.	Mr. Dupont explains that there currently is no downstream processing plan for the Crawford Project. The idea of a third-party plant was discussed in the Preliminary Economic Assessment (PEA), which will be further assessed in the Feasibility Study.
<b>Q &amp; I 10</b>	A participant asks if the flow of drilling results have improved.	Mr. Dupont answers that the efficiency for third party assaying is challenging, and Canada Nickel has begun shipping samples to Peru. He mentions that the results will soon be analyzed and eventually published.
<b>Q &amp; I 11</b>	A participant asks if Canada Nickel is open to partnering with companies that have joint ventures or agreements involving multiple Indigenous partners.	<p>Mr. Dupont answers that Canada Nickel has worked with Taykwa Tagamou Nation, Mattagami First Nation, and Matachewan First Nation to sign Impact Assessment Agreements, as well as additional agreements. He mentions that Canada Nickel's objective is to partner with Indigenous owned/operated businesses, or companies with Indigenous partnerships, for the various projects and tasks that will be involved in development of the Crawford Project.</p> <p>Ms. Armstrong adds that businesses who involve, or whose joint ventures involve, multiple Indigenous communities, will certainly be considered for contracting opportunities.</p>
<b>Q &amp; I 12</b>	A participant asks if government assistance will be asked for the Highway 655 relocation, similar to the support provided for the Ring of Fire.	Mr. Dupont answers that government support is always appreciated. He mentions that, contrarily to Quebec, which has an independent public investment arm, Ontario seems to favor a different approach. Currently, no such discussions have occurred with the Ontario government, likely because Crawford's situation is very different from the Ring of Fire. He explains that, usually, mining projects are remotely based and need support to access the mineral deposits. In the case of the Crawford Projects, the access

QUESTIONS AND INTERVENTIONS		ANSWERS
		road is already present, it simply needs to be relocated, the costs of which will be borne by Canada Nickel.
<b>Q &amp; I 13</b>	A participant further mentions that government is ready to invest in the Ring of Fire, with no such similar sign given to the Crawford Project, even though it meets government objectives of being net zero, having positive Indigenous relations, and providing employment for the North. The participant asks why government hasn't shown interest.	Mr. Dupont acknowledges that Canada Nickel meets all the mentioned objectives. He further mentions that all and any government support is positive. Concerning the Crawford Project, the ongoing discussions with government have been positive and productive.
<b>Q &amp; I 14</b>	A participant asks if the tailings management area could be reduced by raising the dam from the proposed 10 metres to 15 or 20 meters.	M. Dupont answers that because of the amount of clay in the area, it is challenging to raise the height of the tailings management facility (TMF). He adds that all design opportunities are being considered to optimize the dimensions of the TMF.
<b>Q &amp; I 15</b>	A participant asks when the updated resource estimate will be made public.	Mr. Dupont answers that it will be made public before the publication of the Feasibility Study, likely in mid-summer.
<b>Q &amp; I 16</b>	A participant asks if engaging with various Indigenous groups can have an impact on the permitting or operation timelines.	Ms. Armstrong answers that the objective is to have a project that is viewed positively by the local communities, not just tolerated. She mentions that, from a company standpoint, there are only positive aspects to engaging, whether with Indigenous or stakeholder communities, in that it helps to identify potential opportunities for improvement and partnerships.  Mr. Dupont adds that there are more benefits to engaging with First Nations than not engaging. Since access to a trained workforce is one of the project's main challenges, local Indigenous communities will be key in meeting the project's labour requirements. He mentions that Canada Nickel's Memorandum of Understanding (MOU) with Taykwa Tagamou Nation (TTN)

QUESTIONS AND INTERVENTIONS		ANSWERS
		<p>for the construction of the 230 kV powerline is significant in terms of project development. These types of partnerships are advantageous to the project.</p> <p>Mr. Gauthier explains that the new federal Impact Assessment process puts a strong emphasis on Indigenous involvement for major project development, which is the result of government, community, and proponent requests.</p>
<b>Q &amp; I 17</b>	A participant asks what are the Preliminary Economic Assessment's (PEA) estimated capital costs for the Crawford Project.	Mr. Dupont answers that the capital expense in the PEA was around \$1.2 billion, but it will likely be closer to \$2 billion given changes to project life and resource estimates.
<b>Q &amp; I 18</b>	A participant asks if the main open pit could be used for tailings management once it is mined out, to reduce the tailings footprint.	<p>Ms. Armstrong answers that Canada Nickel's intention is to use the Main Zone for storage of tailings from the east and west zone once it is mined out</p> <p>Mr. Dupont adds that the pit's shape can be further designed to enhance this storage, and the objective will be to keep a saddle between the Main Zone and East Zone, to allow for tailings disposal.</p>
<b>Q &amp; I 19</b>	A participant shares their belief that the Crawford Project should be publicly supported, especially in the context of the Ontario election.	Ms. Armstrong thanks the participant for their comment.
<b>Q &amp; I 20</b>	A participant asks about the car travel time from Timmins to the mine site.	Ms. Armstrong answers that depending on the starting location in Timmins, the travel time is between 40 minutes and one hour. The area is about 40 kilometers in a straight line from Timmins.

## 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. MEETING END

Mr. Gauthier thanks the participants for the feedback and questions. He further mentions that Canada Nickel is planning many other engagement opportunities for the community, so they can provide feedback and share comments on the project.

Ms. Armstrong and Mr. Dupont thanks the participants for their presence and time.

The meeting ends at 7:34 PM.

# APPENDIX I PRESENTATION