



CANADA NICKEL
COMPANY

CANADA NICKEL COMPANY—CRAWFORD NICKEL PROJECT
INITIAL PROJECT DESCRIPTION (IPD) MEETING
IPD MEETING REPORT—Porcupine Health Unit

MEETING INFORMATION	
DATE	May 20 th 2022
TIME	2:30 –3:35 PM
LOCATION	Zoom Meeting
PARTICIPANTS	Number of people present: 5
	<input type="checkbox"/> Suzanne Lajoie, Public Health Inspector <input type="checkbox"/> Josh Veilleux, Manager of Environmental Health
CANADA NICKEL	<input checked="" type="checkbox"/> Pierre-Philippe Dupont, Vice President Sustainability <input checked="" type="checkbox"/> Alexandra Armstrong, Community Relations & Communications Coordinator
FACILITATION	<input checked="" type="checkbox"/> Anne Bélanger – Project Manager – Transfert Environment and Society
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	
✓ PHU	<input type="checkbox"/> Project environmental and safety impacts, namely on local air and water quality
✓ PHU	<input type="checkbox"/> Safety of Canada Nickel's water discharge, in terms of drinking water impacts
✓ PHU	<input type="checkbox"/> Food and drink inspection requirements in the event of a work camp or cafeteria on site

COMMITMENTS	
✓ Canada Nickel	<input type="checkbox"/> Contact the Health Unit to share and discuss the Impact Assessment's socio-economic and health determinants
✓ Canada Nickel	<input type="checkbox"/> Participate in a meeting with the Health Unit to share information about the project and the new federal Impact Assessment Process

FOLLOW-UPS	
✓ Canada Nickel	<input type="checkbox"/> Share the Meeting Report, presentation and IPD booklet, for review
✓ Canada Nickel	<input type="checkbox"/> Provide a shorter presentation to the Health Unit, to familiarize the team with the federal Impact Assessment process and its requirements

GENERAL COMMENTS	
✓ PHU	<input type="checkbox"/> The PHU may be interested in participating in the upcoming Environmental Impact Committee. In any case, they would like to be made aware of the study results for water discharge and potential health effects for chemicals used on-site to determine potential hazards.
✓ PHU	<input type="checkbox"/> General comment of appreciation towards Canada Nickel's early and ongoing engagement with the 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.

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 also held two virtual public information sessions, on May 13th and May 16th.

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.

Mr. Dupont adds that regarding the federal Impact Assessment process, it goes further in terms of assessing how a major project affects the social determinants of health. Ms. Armstrong mentions that Canada Nickel will reach out to the Porcupine Health Unit to share and discuss the social and economic determinants of health that will be used in the project's Impacts Assessment.

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. 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 1	A participant asks if Canada Nickel has engaged with the Ontario Ministry of Environment to discuss its water discharge.	Ms. Armstrong answers that the provincial process hasn't started yet, but conversations are expected to start in the coming months.
Q & I 2	The participant mentions that the health unit's role is to ensure the safe return of water back to the environment. As for the requirements, they are set by the Ministry of the Environment, Conservation and Parks (MECP). They add that a proponent must make sure its water discharge does not affect the larger capacity of the system as a source of drinking water. They mention that a water treatment plant on site would have to meet the requirements set out by the MECP. The health unit would need to know what the plans are in the event of an environmental spill.	Ms. Armstrong explains that any water brought outside of the site will meet all applicable requirements. She mentions that Canada Nickel's environmental manager is pleased with the results obtained so far in terms of water management, as they think that it will be a relatively simple task to ensure the discharge meets environmental and safety regulations. Mr. Dupont adds that while the current results are positive, certain reactions can take longer to be noticeable, for example acid leaching from a mining site. Therefore, Canada Nickel will be closely monitoring the project's impacts. He mentions that other neighbouring projects have a different mineral signature and thus, different challenges. For the Crawford Project, the main challenge will likely be managing suspended solids and potential blast residue in the water discharge.

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.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 3	A participant asks if Canada Nickel plans to operate a cafeteria at the mine and serve food on site.	Mr. Dupont answers that, if a cafeteria is used on site, mine operators typically partner with local businesses for this type of service. He adds that Canada Nickel doesn't have the full answer yet as this will be resolved closer to operation and construction, but the company will look to keep things simple.
Q & I 4	The participant explains that the question was raised because if there is food and/or drinking water provided on site, the health unit will be responsible for inspection and review. They explain that the idea is to determine whether the site is inspected as just a mine or a mine with a work camp and living quarters.	Mr. Dupont mentions that Canada Nickel is looking to take advantage of the neighbouring communities as far as housing for workers, which is why there are no plans to have a camp on site at this time.
Q & I 5	A participant mentions that, before the project moves forward, it might be necessary to explain it to the whole team at the Health Unit, especially with regards to what will be required of the organization in the federal process.	Ms. Armstrong answers that an abridged version of the presentation can be given, so it is lighter and more specific to the Health Unit. She mentions that the participant can reach out to her whenever the timing is suitable.

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. No questions or comments are raised.

4.9 Approvals

Ms. Armstrong presents the list of preliminary and potential federal and provincial approvals. For further details, please refer to the complete list. 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. No questions or comments are raised.

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 6	A participant mentions there is a lot of information to look at and asks if a copy of the presentation will be made available. They also mention that a Timmins committee is working on a community safety plan and will likely	Ms. Armstrong answers that the presentation will be shared with the meeting report after the meeting. She mentions that she will also provide a booklet that is an abridged version of the presentation, which is also available on the sustainability page of the website.

	<p>have relevant information to share to Canada Nickel.</p> <p>The participant explains that a presentation should be prepared for the Health Unit as a whole from Canada Nickel, and that the organization will reach out to Canada Nickel about the social determinants of health once that stage of the Impact Assessment arises. The participants ask for Canada Nickel's help for the presentation and documentation.</p>	<p>Ms. Armstrong agrees with providing support and mentions that the participant can reach out to her at any time.</p>
Q & I 7	<p>A participant mentions that a lot of the mining sector is now getting community partners involved in their projects and the Porcupine Health Unit appreciates the effort to reach out.</p>	<p>Ms. Armstrong thanks the participant for the comment.</p>
Q & I 8	<p>A participant mentions that water and air requirements for a mining project fall under the Health Unit's prerogative. Regarding the project and its impacts, they propose that a meeting be held internally, and that the feedback be sent to Canada Nickel after.</p> <p>The participant mentions there could be a potential interest. At worst, they mention that the Health Unit could participate in a first meeting and then leave if it is not necessary. They add that the Health Unit would likely be interested in the water discharge results. In the event of a spill, the Health Unit would partner with the Ontario Ministry of the Environment.</p>	<p>Ms. Armstrong thanks the participant for the proposal. She further adds that Canada Nickel will establish an Environmental Impact Committee, and the Porcupine Health Unit could participate if interested.</p> <p>Armstrong explains that the committee is primarily for the preconstruction phase. After that an evaluation and restructuring of the committee will be made. She adds that the purpose of the committee will be to breakdown the baseline studies and to share technical results.</p> <p>Ms. Armstrong mentions that the committee will be established later this year.</p>
Q & I 9	<p>A participant asks what is the anticipated date for the IPD to be submitted to the Agency.</p>	<p>Ms. Armstrong answers likely in July.</p>
Q & I 10	<p>A participant mentions that they will reach out for a presentation to the other Health Unit managers.</p>	<p>Ms. Armstrong mentions that the presentation and the summary document will be shared in advance of the meeting.</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 3:35.

APPENDIX I PRESENTATION