ENVIRONMENTAL COMMITEE

Canada Nickel Company —Crawford Nickel-Cobalt Sulphide Project

2nd MEETING REPORT

MEETING INFORMATION		
DATE	March 21st 2023	
TIME	2:00 PM to 3:55 PM	
LOCATION	Videoconference—MICROSOFT TEAMS	
PARTICIPANTS	**Members**	**Presence**
	Jared Alcock, Town of Cochrane	✓
	Brian Finner, Town of Iroquois Falls	
	Scott Tam, City of Timmins & Mattagami Region Source Protection Committee	✓
	Eric Neilson, Town of Smooth Rock Falls	
	Michel Dupuis, Friends of the Porcupine River Watershed	✓
	Lianne Catton, Porcupine Health Unit	✓
	Angie Corsen, Friends of the Porcupine River Watershed	✓
	Suzanne Lajoie, Porcupine Health Unit	✓
	Sue Parton, Cochrane Local Citizen Committee	✓
CANADA NICKEL	✓ Pierre-Philippe Dupont, Vice President Sustainability ✓ Alexandra Armstrong, Community Relations & Communications Coordinator ✓ Mathieu Boucher, Environmental Manager	
FACILIATION	✓ Isaac Gauthier – Facilitator – Transfer Environment and Society (TES) ✓ Anne Bélanger – Note taker – Transfer Environment and Society (TES)	
AGENDA	1. Welcome and Roundtable 2. Meeting Agenda Review & Approval 3. Last meeting report (#2) approval 4. Crawford Project Updates 5. Presentation of Impact Assessment Process 6. Presentation of Baseline Studies 7. Group discussion of IA Process and Baselines 8. Presentation and discussion of value components 9. Next Steps / Next meeting 10. Varia	

MEETING HIGHLIGHTS

COMMITTEE CONCERNS
☐ The Mattagami River is an important source of drinking water for the region.
☐ Canada Nickel should use a variety of tools for engaging with the public, since not everyone has the same access or ability to use online technologies.
☐ Noise impacts on neighbouring residences are of lesser importance to the Crawford Project, whereas the noise impacts from a likely increase in traffic from the project (trucks, trains, personal vehicles) is of importance.

COMMITTEE SUGGESTIONS
☐ There is most probably no caribou in the project area, they are thought to be north of Cochrane.
☐ Sub-population groups that might be affected by the project should include naturalists, urban indigenous people, recreationalists, academics, healthcare partners and employees or contractors of the project.
☐ Canada Nickel should also have these discussions with government representatives.
☐ Members will want information on processing, milling and tailings management.
☐ The relocation of the road will need to be analyzed in regards to impacts on safety, the number of vehicles on the road, and traffic mobility.
☐ The explanation of the notion of valued components will need to be exemplified for the public.
☐ Valued components are different for each community.

1. WELCOME AND ROUNDTABLE

Isaac Gauthier, the meeting facilitator, initiates the meeting and welcomes the members. The meeting starts with a quick roundtable.

2. MEETING AGENDA REVIEW AND APPROVAL

Mr. Gauthier presents the proposed meeting agenda and invites the members to share other topics to add.

No questions or comments are raised.

3. LAST MEETING REPORT APPROVAL

Mr. Gauthier mentions the last meeting report was shared with the members and no comments were received. He asks if there are any questions or comments regarding the document.

No questions or comments are raised. The last meeting report is approved.

4. CRAWFORD PROJECT UPDATES

Ms. Armstrong presents the main project updates:

- Exploration is ongoing at other properties but only Crawford is currently aimed at production.
- Canada Nickel has two active drills, one at Crawford and the other one on a property down south.
- Canada Nickel also acquired Texmont, an old nickel mine that was in production for less than two years in the 1970s before shutting down because of the markets. It was an underground mine and Canada Nickel is working with the authorities to determine the necessary remediation and reclamation actions at the site. For this project, Canada Nickel is looking to go towards production, although it is still at a very early stage.
- Canada Nickel received the *Tailored Impact Statement Guidelines* from the Impact Assessment Agency of Canada (IAAC). IAAC just closed a month of consultations on this document and other related ones such as the *Public Participation Plan*. Canada Nickel is therefore working on the next step of the impact assessment (IA) process which is the *Impact Statement*.
- Canada Nickel attended the Prospectors and Developers Association of Canada Convention (PDAC) in early March.
- A deal with Anglo American was signed for them to acquire 9.9% interest in the company. There will be a sharing of knowledge and technical expertise between both companies.

No questions or comments are raised.

5. PRESENTATION OF IMPACT ASSESSMENT PROCESS

Ms. Armstrong explains the main phases of the new IA process, in effect since 2019. She mentions that the Crawford Project qualifies to undergo this process because of its scale, which is significantly over the triggering threshold (120,000 tons per day versus a threshold of 5,000 tons per day). This was confirmed by IAAC on January 5th, 2023.

She goes through the five steps of the IA process explaining roles and responsibilities for Canada Nickel and IAAC (see the attached presentation in the Appendix for the details).

Mr. Gauthier mentions that it is the same process that Canada Nickel has been following since last spring/summer with submission of the *Initial Project Description,* but Canada Nickel feels it is important to go over the steps regularly since it is a relatively new process for all involved. He adds that the process does encourage greater participation from communities in project permitting.

No questions or comments are raised.

6. PRESENTATION OF BASELINE STUDIES AND GROUP DISCUSSION

Ms. Armstrong explains that, regarding baseline studies, the idea is to do a high-level summary which will relate to the information shared with the members prior to the meeting. She invites members to ask their questions and share comments throughout the presentation. She adds that some baselines are still ongoing and that not all information and conclusions can therefore be shared.

Mr. Boucher explains that the reasons companies conduct baseline studies is to understand the current state of environment conditions in the project area and its surroundings to evaluate the project's potential impacts and eventually measure real effects of its operation.

Ms. Armstrong mentions that there are other baseline studies than those that will be discussed in this meeting, such as cultural heritage and archeology, but they will not be discussed in this specific committee where the conversation is concentrated on environmental subjects.

Mr. Boucher then overviews each relevant category of baseline studies:

- **Noise:** Canada Nickel is working on a program for 2023. There will be two baseline campaigns, one in April-May and the second one during the summer.
- **Light:** the study is ongoing and therefore results are not available, though the intention is to measure light levels at night in the project area.
- **Air quality:** monitoring and measuring on site for a broad range of standardized potential contaminants (such as silica, sulphur dioxide, nitrogen dioxide, dust) is ongoing. Because of the remoteness of the area, there are thus far no results that are out of the ordinary.
- **Aquatics:** studies started in 2021 for the four main watersheds in the project area that could be affected by the project. The Mattagami watershed is not as close as others but since it is a potential receptor for water discharge, it has been included in the baseline studies. The aquatics studies cover everything regarding fish habitat, fish tissues and communities, and aquatic environment. Regarding the Mattagami River, the only studies to date were to sample surface water quality. Government data and planning for 2023 will orient the next steps for the Mattagami River and determine if a fish habitat assessment will be conducted. So far, no species of concern were identified in any of the watersheds, although there is potential for lake sturgeon in the relevant stretch of the Mattagami River. There is a low level of metals and suspended solids in the water which is typical for the region.
- **Terrestrial:** studies aimed at identifying flora, vegetation, mammals, bats, amphibians, and birds in the project area. These studies start with a desktop review followed by arial surveys and on ground observations by individuals and devices. An important aspect of the project to note is that it is situated at the southern limit of Kesagami woodland caribou range. No caribou have been observed by Canada Nickel's teams or reported by stakeholders/local experts in or around the project area. Five species of conservation concern were identified in the project idea, with potential for others to be present, though

they have not been observed by studies to date. The 2022 baseline studies are still being analyzed and will provide more information.

- **Hydrogeology:** these baseline studies consist of drilling holes across the project area to learn about the soil and groundwater. At Crawford, there is a clay layer across the project area. Though structurally challenging, from an environmental point of view the clay can be a natural barrier preventing water migration to beyond the site footprint. The team is working on a groundwater model to document how groundwater flows and interacts with surface water onsite.
- **Hydrology:** relates to the study of surface water, primarily a measure of the flow of different waterbodies/watersheds. Ten stations are installed on the project area. There have been new wells installed lately in a specific area of the project where the team might do bulk sampling in the future, in what has been designated that project's "east zone". There has been a recent review of the surface water monitoring program which was improved with new sample locations and a monthly sampling frequency. More information will be shared at the next meeting.

Mr. Gauthier mentions that the next committee meeting is planned to focus solely on water management.

- **Geochemistry:** Mr. Boucher follows with geochemistry baseline studies, explaining there are four types of materials to manage on site on which geochemistry studies are being conducted, which is essentially an assessment of the potential contaminants that could be generated due to the material's natural weathering process. He mentions that studies to date have indicated that the potential for acid drainage is negligible, primarily due to the low concentrations of acid generating elements and high capacity to neutralize acid). Metal leaching concentrations are therefore also extremely low. Data is still being collected on this topic.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 1	A member asks if Canada Nickel has already engaged with the Ministry of Environment, Conservation and Parks.	Mr. Boucher confirms it has been the case.
Q & I 2	A member highlights that the Mattagami River is an important source of water for Timmins.	
Q & I 3		Mr. Gauthier asks Canada Nickel's team if the Mattagami River is one of the water discharge location options?
Q & I 4		Mr. Boucher confirms it is the case. Ms. Armstrong explains that the project is located in a wet area, and that to date it is believed that Canada Nickel may not need to take water from the neighbouring environment. That being said, Canada Nickel will need to discharge water from the site. Collection ponds of contact water (any water

QUESTIONS AND INTERVENTIONS		ANSWERS
		that comes into contact with site infrastructure) will allow the main anticipated contaminant, suspended solids (fine particles of material, like clay) to settle. If required, there will be a water treatment plant before discharging. In terms of discharge locations, there are a few options available and no decisions have been made. The next meeting will provide the opportunity to discuss the water management plan.
Q & I 5	A member asks if Canada Nickel anticipates any losses to natural river systems or tributaries.	Ms. Armstrong mentions that overprinting will occur, mostly on the North Driftwood system, due to the project's size. The team is trying to avoid significantly overprinting the West Buskegau system. Studies and assessments to identify potential impacts are ongoing. Mr. Boucher reiterates that next meeting will be an opportunity to provide more details.
Q & I 6	A member suggests that it might be best to have these conversations with government representatives from relevant ministries.	Ms. Armstrong mentions that the committee's composition is focused on community organizations and individuals that could be more directly involved with or impacted by the project. She mentions it is always possible to have government representatives in the meetings, if there is interest. Mr. Gauthier adds that if members feel like there should be government observers or experts in meetings, it is possible, they only need to suggest it. He mentions that there are advantages and disadvantages to having such experts at meetings. While they have a lot of knowledge to share, this often leads to an overshadowing of other committee members. The committee aims to have local experts share their unique perspective on project issues. The proponent is already

QUESTIONS AND INTERVENTIONS		ANSWERS
		obligated to engage with government authorities as part project permitting.
Q & I 7	A member mentions that, as a public servant that works for a government-funded organization, they frequently sit on government committees. They thank Mr. Gauthier for clarifying their role. Another member also adds that they also sit on MRCA.	Ms. Armstrong confirms with the member that they are referring to the Mattagami Region Conservation Authority (MRCA). She mentions a member is involved in the City of Timmins and MRCA.
Q & I 8	A member asks if Canada Nickel's team can share more information about the company's plans for on-site ore processing, milling and tailing's management.	Ms. Armstrong answers that, at present, Canada Nickel plans to produce two nickel concentrates onsite and one iron concentrate. All the concentrates will be transported elsewhere for further processing. She mentions there will be a tailings management facility onsite. The tailings management facility's (TMF) large footprint is mainly a result of the clay, which makes poor foundation for large infrastructure – as a result, the TMF is built wide as opposed to high Normally, tailings could be piled up to 70-100 meters, but geotechnical considerations have resulted in CNC's TMF standing at 10 meters high, One advantage to this formation relates to the geology's carbon sequestration potential. By exposing more tailings to the atmosphere, this will allow more carbon to be captured and sequestered in the rock.
Q & I 9		Mr. Gauthier asks if Ms. Armstrong could provide a site layout map to explain the above.
Q & I 10		Ms. Armstrong presents the site layout map to explain the different project areas. She adds that during the mine's life cycle, the high-grade material will be processed first, followed by the lower grade material (which will be temporarily stockpiled). During the last ~10 years of the project, there will be no

QUESTIONS AND INTERVENTIONS		ANSWERS
		mining but only low-grade processing and progressive closure. She adds that a higher resolution layout map will be shared with the meeting report.
Q & I 11		Mr. Gauthier suggests that the site's infrastructure and layout be presented at the next meeting before discussing water management.
Q & I 12	A member asks if there will be environmental monitoring during the mine's entire life or only at the beginning of the project.	Mr. Boucher answers that monitoring varies for each environmental consideration. Some will be done only prior to construction, while others will continue even after mine closure. For example, water management will be ongoing until post-closure, but the sampling locations may change. For geochemistry, a lot of monitoring is done early in the project's planning. Throughout operations, it is done punctually. For terrestrial monitoring, the program and studies may change significantly between the baseline phase and the project's implementation. During the initial baseline a large list of species is targeted over the whole project area and its surrounding, where during operation it can be limited to more specific and targeted studies on certain species and locations.
Q & I 13	A member asks how the impacts of the highway relocation will be assessed, since there will be impacts to safety, number of vehicles on the road, and traffic mobility.	Ms. Armstrong answers that IAAC's assessment considers the highway relocation and transmission line, as well as the planned rail spur. Traffic is a topic that will be assessed, in addition to noise and other related considerations. She mentions that one potential mitigation measure to an increase in traffic would be to use shuttles for workers, which is under consideration.
Q & I 14		Mr. Gauthier mentions that the committee's next two meetings will focus on water management and greenhouse gases. He explains that if members want to address specific topics, they should be mentioned

QUESTIONS AND INTERVENTIONS		ANSWERS
		and Canada Nickel will look to adjust the proposed committee calendar.

7. PRESENTATION AND DISCUSSION ON VALUED COMPONENTS

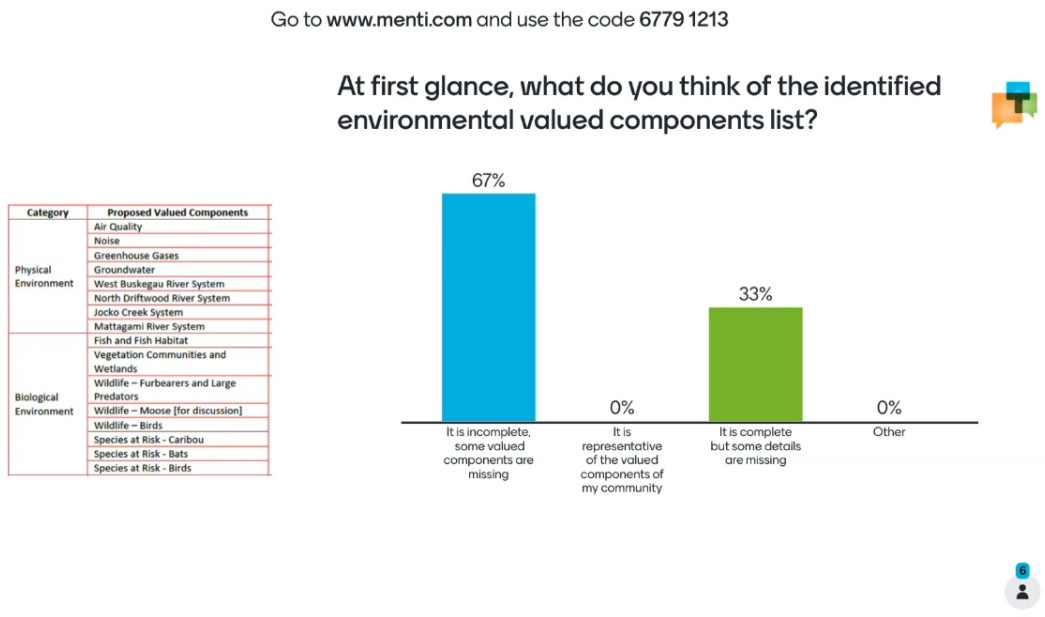
Ms. Armstrong explains that the concept of valued components is a big part of the IA process. The proposed list is a combination of what both IAAC and Canada Nickel understand as the issues of importance for the neighbouring communities and those that will be affected by the Crawford Project.

She mentions that the valued components are environmental, socio-economic, and indigenous in nature. Canada Nickel's previous engagement activities helped tailor the proposed list. She adds that the idea is to validate the valued components list with communities and obtain their comments. For this committee, she explains that the discussions will be focused on the environmental valued components. This list aims to help Canada Nickel tailor its impact assessment efforts and approach to mitigating project impacts, per what is of particular value to communities.

Mr. Gauthier adds that the impact assessment process has been reviewed to focus on what communities' value in order to prioritize and adjust the assessment. This means that studies are better tailored to regional and community context. Ms. Armstrong explains that a participatory interactive workshop will be led by Mr. Gauthier to gain feedback on the list of valued components and to begin discussions.

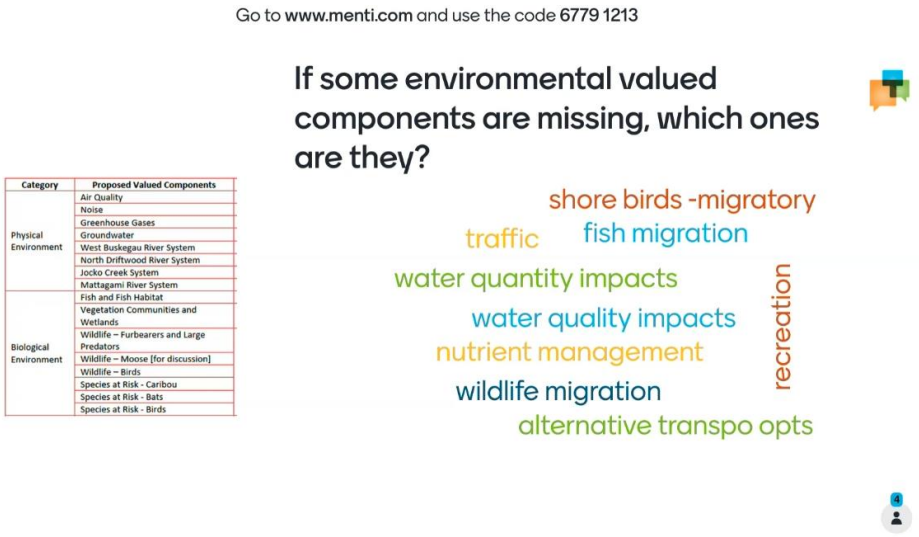
Mr. Gauthier introduces the polling tool that will provide live results.

First impression of valued components list



Category	Proposed Valued Components
Physical Environment	Air Quality
	Noise
	Greenhouse Gases
	Groundwater
	West Buskegau River System
	North Driftwood River System
	Jocko Creek System
	Mattagami River System
Biological Environment	Fish and Fish Habitat
	Vegetation Communities and Wetlands
	Wildlife – Furbearers and Large Predators
	Wildlife – Moose [for discussion]
	Wildlife – Birds
	Species at Risk - Caribou
	Species at Risk - Bats
	Species at Risk - Birds

Missing valued components



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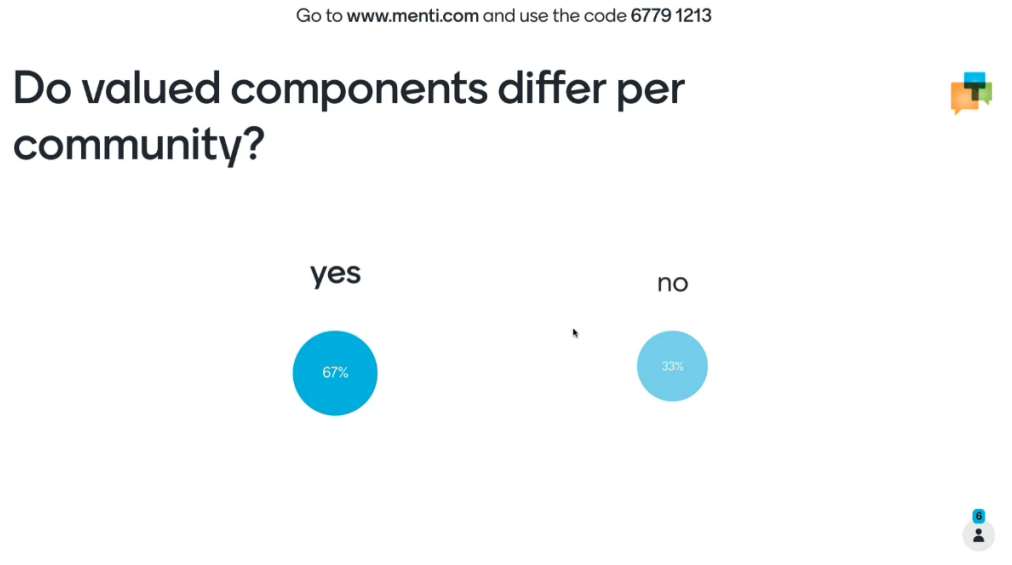
QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 15		Ms. Armstrong mentions that river systems fall into the component of water quality.

Difference per community



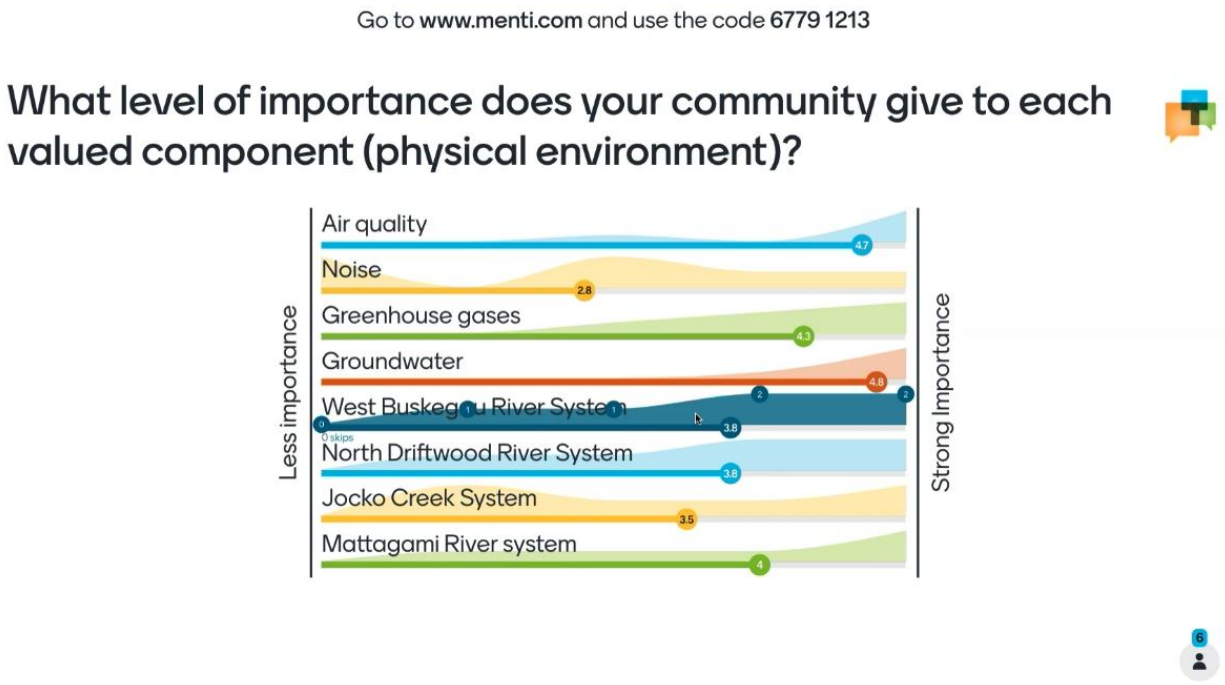
QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 16		Ms. Armstrong mentions that the term "community" in this question refers mainly to the four neighbouring communities to the project which are represented in the committee's composition, and excludes

QUESTIONS AND INTERVENTIONS		ANSWERS
		Indigenous communities for which alternative engagement activities are being conducted. She also asks if the members heard the term "valued components" before.
Q & I 17	A member mentions that the terminology would likely have to be explained to most stakeholders.	Mr. Gauthier makes a note of the comment and asks if the context in this presentation gave sufficient clarity as to the meaning of the term.
Q & I 18	A member adds that it would be useful to use plainer language.	Ms. Armstrong notes that there will be an effort put into better defining specific valued components when Canada Nickel is looking for feedback.
Q & I 19	A member suggests giving examples to clarify the issues and valued components that are linked together, for example issues and valued components that are related to traffic. The member adds that communities will assess valued components differently.	Mr. Gauthier highlights the importance of the comment and adds that the committee will aim to discuss these topics in depth. Other engagement activities will also do the same.

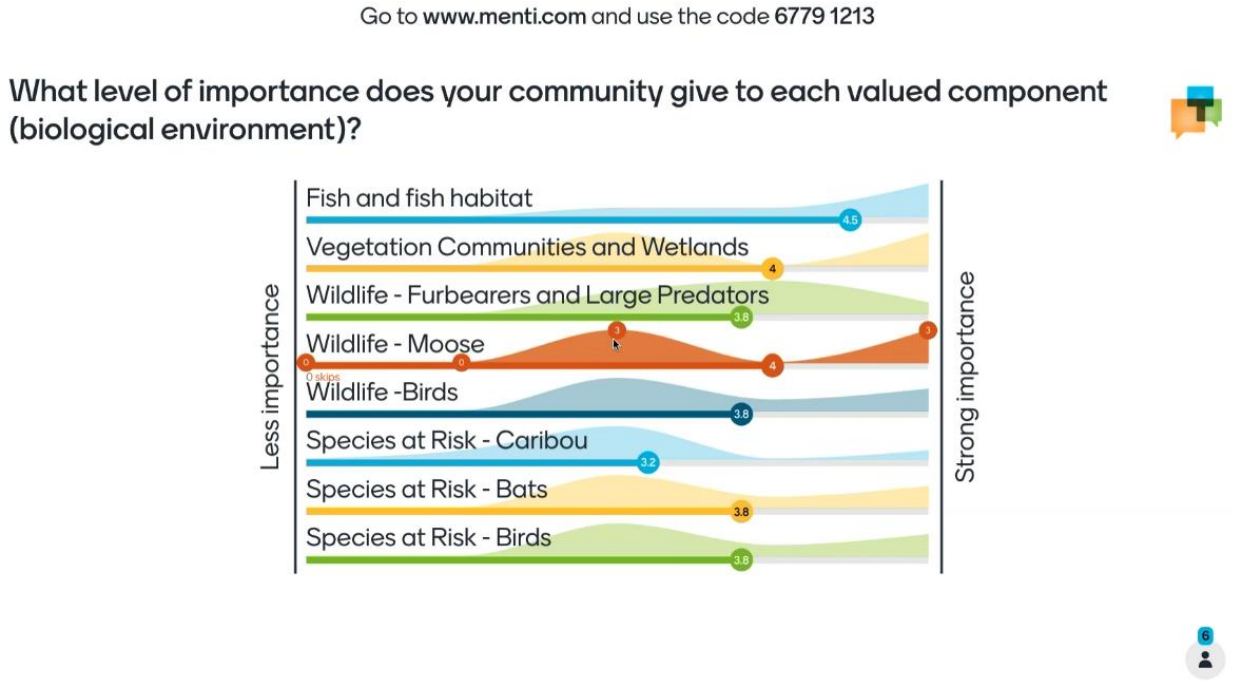
Sub-populations or groups most affected

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 20		Ms. Armstrong asks if the word “naturalist” refers to bird watchers, etc. She also asks if the members who mentioned schools are referring to post-secondary, middle school, elementary or all of the above.
Q & I 21	A member answers that naturalist does refer to bird and other wildlife watching. Another member mentions that academics of all types should be on the list as well as all the people (CNC employees, contractors, etc.) involved in the project. They mention that it is important to keep the discussions simple and to reach out to everyone, not only academics.	

Level of importance



QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 22	A member mentions that this is a good example where having more precise definitions for noise would be helpful. They mention that noise in the remote project area would be of less importance than noise from increased traffic and transportation within the communities.	Mr. Gauthier mentions that the term valued components is relatively new and the comments help tailor their use in the best way possible.



QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 23		Ms. Armstrong asks about the score related to woodland caribou.
Q & I 24	A member mentions not thinking there is any in the project area, adding that they are more north of Cochrane.	
Q & I 25	A member adds that there have been some sightings near the Detour Mine, but none to their knowledge between Timmins and Cochrane.	
Q & I 26	A member mentions that the project isn't close enough to the tundra for caribou.	

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 27	A member asks if any caribou have been spotted in the project area.	Ms. Armstrong answers that there have not been any sightings. Mr. Gauthier mentions that the project is located in the historical range of caribou, but human activities over the last century has modified their habitat, which likely explains why there have been no sightings. Ms. Armstrong mentions that the main reason she has heard is that caribou don't cross the highway in Cochrane.
Q & I 28		Mr. Gauthier mentions that the survey tool that was used in the meeting was a test and he would appreciate feedback on it. Ms. Armstrong adds that the tool is being considered for large groups. She further asks if it is easy to use.
Q & I 29	A member mentions that it can't be the only tool, because not everyone has the same access or experiences barriers to technology. They mention that storytelling is sometimes better than electronic tools.	Mr. Gauthier acknowledges the comment, and mentions that the idea is to use various tools, to maximise outreach and engagement.

8. NEXT STEPS / NEXT MEETING

Ms. Armstrong thanks the members for their participation and mentions that the meeting report will be shared with them shortly, before it is posted on the website. She adds that Canada Nickel will be working on the next meeting and invites members to reach out to her if specific topics are of interest to them, so they can be integrated in the upcoming meetings.

QUESTIONS AND INTERVENTIONS		ANSWERS
Q & I 30		Ms. Bélanger asks the members if the information document that was sent in advance was appropriate in terms of length, format, and information.
Q & I 31	A member answers that it is appreciated to receive a document in advance which gives an overall context. They mention that for water management, it will be important to have information in advance to come prepared to the meeting. Length was good and proportionate to the amount of information that was shared.	
Q & I 32	Two other members concur with the comment.	

Mr. Gauthier invites members to reach out to the to coordination team if needed and a proposal for a next meeting date will be shared with the meeting report.

Mr. Gauthier, Ms. Armstrong, and Mr. Dupont thank the members for their participation. The meeting ends at 3:55 PM.

APPENDIX I

PRESENTATION