

Atlantic Operations

Atlantic Mining N.S. Inc

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March 3, 2023

Kathryn MacCarthy Project Manager – Atlantic Region Impact Assessment Agency of Canada 200-1801 Hollis St Halifax, NS B3J 3N4

Subject: Beaver Dam Mine Project — Project Timeline Update

Dear Ms. MacCarthy:

Atlantic Mining Nova Scotia Inc. (AMNS) is writing to provide an update on the three-year extension granted by the Impact Assessment Agency of Canada (IAAC) for the Beaver Dam Mine Project (the Project).

As communicated on December 12, 2022, AMNS has elected to pause the permitting process under the Canadian Environmental Assessment Act, 2012 (CEAA 2012) to provide additional time for further engagement with Mi'kmaq communities and organizations, Department of Fisheries and Ocean (DFO), and other affected stakeholders. Round 3 IR responses will only proceed after AMNS is able to achieve proper engagement and understanding of the project with Mi'kmaq communities and organizations, and DFO.

AMNS understands that as a part of the extension approval, the information or studies for the Environmental Assessment (EA) under CEAA 2012 must be provided within the extension of the time limit that has been granted. Given the recent news of the decision to pause the Project, AMNS is providing an update on the previously submitted proposed work plan.

Progress to Date

In our previous extension request for the Project, we requested additional time to respond to the Round 3 IRs, but more importantly, to allow for meaningful engagement with Mi'kmaq communities and organizations, and DFO. The outcomes of this engagement were a substantial contributor to the decision to pause the permitting process for the Project.

- **IR3 Responses**: Round 3 IR responses are now near completion and could be fully completed within 3 months.
- **DFO Response Plan**: AMNS submitted the response plan to DFO via IAAC and received feedback on what was provided.
- Alternative Haul Road Study: A preliminary investigation on alternative Haul Road options was completed. The results of this study contributed to the decision to pause the Project.
- **IR4 Responses**: Given the decision by AMNS to pause the Project until substantive issues can be resolved with Mi'kmaq communities and organizations and DFO, it is no longer expected that a fourth round of IRs would occur, so this has been removed from the schedule.



Revised Work Plan

The workplan moving forward will focus first on continued engagement with Mi'kmaq communities and organizations, and DFO to determine if a path forward can be developed to resolve the issues identified. This engagement will focus primarily on project interactions with Mi'kmaq of Nova Scotia, and with DFO regarding fish and fish habitat.

The following components, identified in Table 1, comprise the revised work plan:

Pause: The permitting process has been paused with no active work being completed aside from continued engagement.

Updates to IAAC: These will be provided every second quarter and will be an update on engagement and other Beaver Dam Mine Project related information.

Engagement with Mi'kmaq communities and organizations: Ongoing engagement with Mi'kmaq of NS and Atlantic Mining for all projects.

Engagement with DFO: Ongoing engagement with DFO and Atlantic Mining for all projects.

IR3 Response: Finalize and submit the Round 3 IR submission.

Table 1: Beaver Dam Project Workplan Q2, 2022 to Q3, 2025

Project Milestones	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Pause											
Updates to IAAC											
Engagement with Mi'kmaq Communities and Organizations											
Engagement with Federal Agencies including DFO											
IR3 Response											
Conformity Review											
Technical Review											

AMNS will continue to work diligently with IAAC, Mi'kmaq of Nova Scotia, and other stakeholders to achieve shorter timelines in practice, if possible.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

<Original signed by>

Sara Wallace Head of Permitting

Atlantic Mining Nova Scotia Inc.

Attachment: Beaver Dam Mine Project – Request for a Time Limit Extension to Submit Required Information under CEAA 2012