

GLENCORE

April 15, 2022

Jonathan Savoy
Nunavut Planning Commission
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Cambridge Bay, Nunavut X0B 0C0
Email: jsavoy@nunavut.ca

**Re: Draft Nunavut Land Use Plan Comments or Concerns Relating to Existing Rights of Glencore
Canada Corp. Projects**

Dear Mr. Savoy,

As you know, Glencore Canada Corporation (Glencore) is the owner of the Hackett River Project (Hackett River), a world-class zinc deposit located in Nunavut with the potential to become a cornerstone towards the sustainable development of not only Nunavut but also of a 21st century critical minerals policy. To date, Glencore and its predecessor Xstrata Canada Corporation have spent over \$100 US million in respect of Hackett River, and we regard this as a key asset to the company.

We have reviewed the Draft Nunavut Land Use Plan (LUP; July 2021) and agree that mining projects in particular move through a number of fairly distinct stages. Furthermore, the scope and development of such projects is not restricted directly to the mineral land tenure in question and involve questions of infrastructure, resources and economic development that extend beyond mineral tenure boundaries. Thus, while we appreciate that Hackett River is listed as an Existing Right under the LUP, we hereby submit preliminary comments and concerns related to preserving Glencore's existing rights and interests in Nunavut. Glencore's review and comments have focused on Appendix A and Map A of the Draft Nunavut Land Use Plan. We note that in the interest of time we are submitting these preliminary comments and look forward to discussing further and in greater detail at a later date.

1. Background

The Hackett River Project is an exploration project in the Kitikmeot region. In 2008, a Project Proposal (Proposal) was prepared and submitted to the NIRB for the Hackett River Project that outlined the development of a mine with both open pits and/or underground developments targeting zinc, silver, copper, lead and gold (see NIRB File No. 08MN006). A general overview of potential mine infrastructure was described in the Proposal and other submissions provided during the scoping process and included a conceptual site layout, road routes, and shipping routes. The Proposal also identified the intent to either:

- 1) Construct an all-weather access road connecting to the proposed Bathurst Inlet Port and Road (BIPR) and use of the both the BIPR road and port or
- 2) Construction of an alternate all-weather road and port should BIPR not advance.

Further details of the proposed Project can be found on the NIRB public registry File No. 08MN006.

2. Hackett River Project Ownership

Glencore notes that Hackett River Project (Hackett or Project) is listed three times in Appendix A of the LUP:

- ID: 17 Company: Xstrata Canada Corporation Project: Hackett River Project
- ID: 43 Company: Glencore Canada Corporation (100%) Project: Sabina Hackett River and
- ID: 52 Company: Teck Mining Worldwide Holdings Ltd. (100%) Project: Sabina Hackett River Mine

Glencore has full and sole ownership of the Hackett River Project and, for the purposes of the LUP, Hackett can be listed once as: Hackett River Project, owned by Glencore Canada Corporation. If necessary, Glencore will provide proof of project ownership.

1. Inclusion of the Hackett River Project in Appendix A

Currently, Appendix A of the LUP does not fully depict the proposed Hackett River Project. Glencore respectfully requests that the full rights and interests associated with the Hackett Project Proposal be protected. Glencore can provide this information to the NPC for inclusion in LUP Appendix A when needed.

2. Inclusion of Linear Development in Appendix A

Glencore also recognizes that Map A of LUP Appendix A, which is intended to identify existing rights and interests, does not depict project road corridors or shipping routes. Some road corridors do appear to be captured in the land use designations depicted in LUP Map A, including the BIPR road, but not the proposed access roads which would connect Hackett to BIPR and the alternate Hackett road route (and associated corridors) which would connect Hackett to Bathurst Inlet should the BIPR road not be constructed are also missing. It also appears that shipping routes have not been captured in the LUP maps.

3. Fatal Risks Related to Project Isolation in Limited Use Areas

It is additionally observed that some existing mineral exploration and production projects (including Hackett) fall within 'limited use' areas that prevent linear infrastructure and/or all-weather roads. Although these projects may be named in Appendix A, the roads needed to transport materials to and from the projects do not appear to be protected. As a result, such projects may be effectively be 'isolated' and unable to transport materials (e.g. infrastructure/construction materials/fuel/ore) to or from the mine sites by road. Failing to recognize and protect the linear development components of mineral exploration and production projects (e.g. the roads connecting the projects to the port sites) introduces a huge (if not fatal) risk to project viability given the current wording of LUP 6.1.8-1(a) and 6.1.8-6, which state that mineral exploration and production projects are only exempt based on pre-existing rights and interests if:

6.1.8-1(a) it remains within the same footprint of the project identified in Appendix A

6.1.8-6 The construction of permanent all-season linear infrastructure in an area outside the footprint of a project identified in Appendix A is not authorized if that type of Project is prohibited in that area.

Glencore recommends that such linear infrastructure be included in the protection of Appendix A of the LUP, or the wording of requirements 6.1.8-1(b) and 6.1.8-6 be modified to ensure these critical project components are allowed for pre-existing proposals.

4. Full Consideration of Project Development Areas

Road alignments and conceptual footprints are subject to iterative refinement during the environmental assessment and permitting processes based on alternatives and environmental assessment outcomes, regulatory inputs, refinement of engineering details and site-specific studies. The conceptual site layouts depicted at the Project Proposal phase are only generalizations of the types and sizes of infrastructure required. To recognize and accommodate this, either full Potential Development Areas (PDAs) or analogous buffers should be protected in the LUP Appendix A. Alternately, the wording of requirement 6.1.8-1(b) and 6.1.8-6 may be further revised to allow for adjustments to project footprints, including road alignments or shipping routes, which are related to the original proposal.

5. Use of Static Protection Areas

Glencore recognizes the importance Nunavut's caribou herds and fully supports their protection. The draft LUP outlines caribou protection areas within which activities such as mineral exploration and production, quarries and linear infrastructure are to be prohibited unless protected in Appendix A of the LUP. Projects permitted to operate in these areas *"must cease all uses in those areas, except research and tourism related to caribou conservation, during the dates set out in Table 2 [of the LUP]: Caribou Seasonal Restrictions"*. Glencore is concerned about the usefulness and efficacy of fixed caribou protection areas in managing potential impacts to caribou. These concerns relate to the static nature of these protections, the relevance of the data used in the development of these areas, and the practical ability to completely cease all activities for periods of time without introducing other environmental risks (e.g. related to water management).

Glencore appreciates the opportunity to comment on this draft of the Nunavut LUP and looks forward to further assisting the NPC towards its goal of sustainable development. In the interim, Glencore will be pleased to commence a dialogue with NPC on the above comments and is happy to better explain and define Glencore's Existing Rights in respect of the Hackett River Project to the extent that the NPC wishes to hear more.

Should you have any questions or concerns or require additional information, please do not hesitate to contact me.

Sincerely,



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