

Glencore Presentation
Draft Nunavut Land Use Plan
September 2022

Who we are

At a glance

As one of the world's largest natural resource companies, we have been transforming the global commodities industry for nearly half a century, acquiring industrial assets with histories going back even further.

One of the world's largest natural resource companies

c.150 sites
35 countries
>30 marketing offices

Two business segments

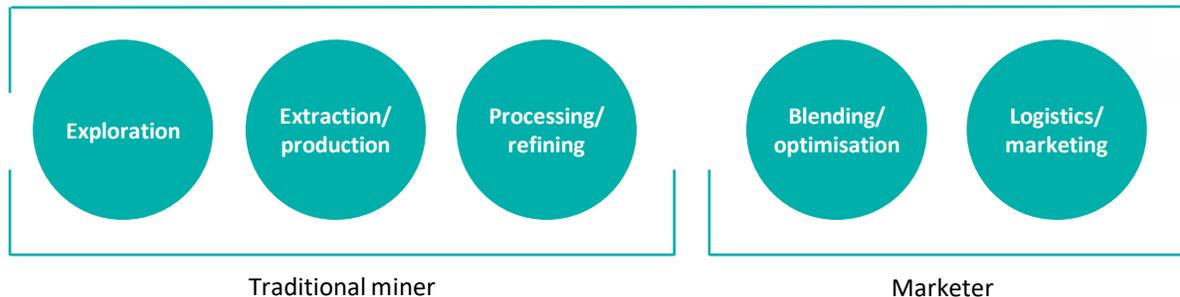


Industrial



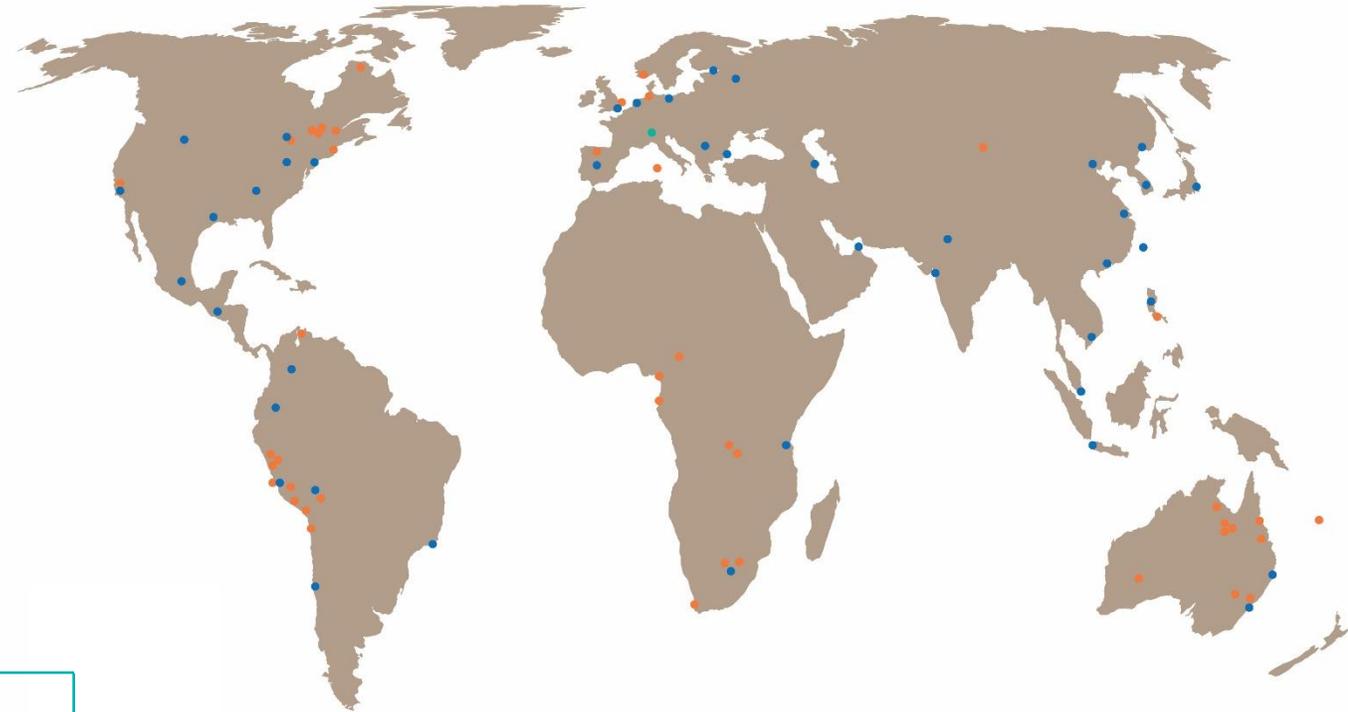
Marketing

Glencore



Map key

● Industrial sites | ● Marketing office/other | ● Head office



Metals & Minerals



- | | | | |
|----------------------|-------------|----|-----------|
| Cu | Copper | Co | Cobalt |
| Ni | Nickel | Zn | Zinc/Lead |
| Fe _{Alloys} | Ferroalloys | Al | Aluminum |
| Fe | Iron Ore | | |

Key Facts - Glencore

- Glencore has mine and smelter operations in northern regions including Canada and Norway. Hackett River has potential for development and exploitation.
- Glencore has demonstrated itself to be a responsible mining company in Canada
- Glencore is committed to sustainability – focused on safety, environment, health, and community and human rights per industry best practices and international standards and guidelines
- Glencore periodically reviews its exploration and operational assets for additional resources and exploitation potential

Key Facts – Canada and Nunavut

- Canada is one of the most established jurisdictions for mining in the world, through economic and political stability
- Canadian mining sector’s commitment to responsible environment and social practices through sustainable development is internationally recognized
- Nunavut has great mineral potential, but is remote, deficient in infrastructure and subject to the Arctic climate, which makes economic considerations for natural resource development challenging
- Nunavut’s requirements and processes for assessment and review, of infrastructure and natural resource development projects, is well established and robust



Hackett River

Key Facts

- Located in the Kitikmeot region, about 350 km southeast of Kugluktuk
- No road/rail access – development required to connect concentrate exports to market
- Project Status: Advanced exploration and early study work on 5 deposits [Jo, Main, Boot Lake, and East Cleaver]
 - Previous studies since 1970s (including baseline), concept project proposal in 2008
- There are no other undeveloped zinc/silver projects of this size in Nunavut
- Project Phase – Advanced Exploration & Preliminary Economic Assessment

Key Competitive Strengths

- The Hackett River Project has the potential to be a major driver of jobs and economic growth for the Kitikmeot Region
- Construction of an access road and port can lead to other major developments in the area
- There will be a need for skilled employees and service providers leading to a high demand for workers of the Kitikmeot Region – especially skilled trades - and opportunities for the next generation of young workers
- Potential for resource and project extension



Hackett River

Project Proposal

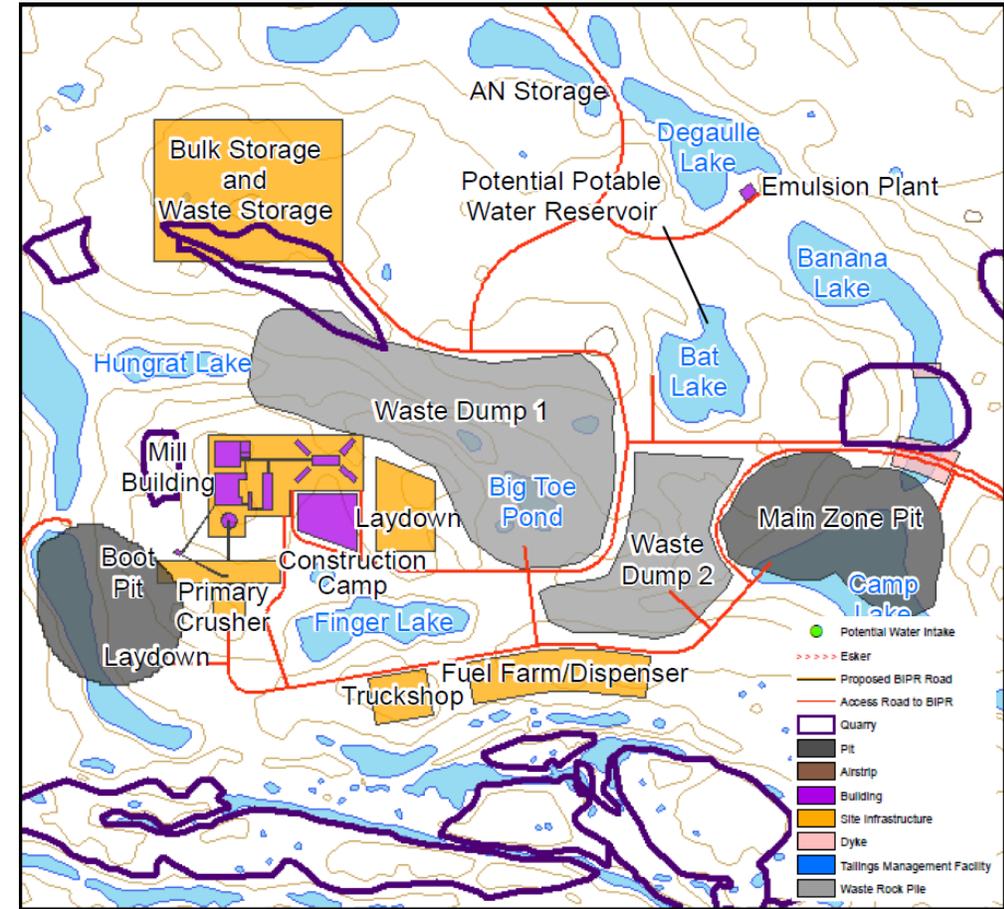
Regulatory Progress

- Hackett River Project Proposal was submitted to the Nunavut Impact Review Board (NIRB) in 2008
 - Described intent to mine in the Hackett River Area
 - Provided an overview of the types of activities and infrastructure to allow the NIRB to determine whether a full Part 5 public review would be recommended for the Project, and to assist the development of Draft Environmental Impact Statement (EIS) guidelines
- Project will evolve in consideration of ongoing exploration, improved economics and optimization

Approval Process:

- During the recommended review process, the conceptual project is further defined and primary project components assessed
- The further defined Project is presented in the submission of a Draft then Final EIS, including supplementary information submissions and comment responses as a result of:
 - Development of project thinking/engineering
 - Analytical assessment of alternatives for each project component
 - Minimization of environmental risks (through design, management and mitigation)
 - Identification of project efficiencies and optimizations, and
 - Consideration of Regulatory, Designated Inuit Organization and stakeholder concerns
- If approved, further refinement would take place during project permitting (e.g., during application for a water license), construction and/or during project amendments

Conceptual Infrastructure – Layout Option 1



Hackett River

Project Concept and Potential

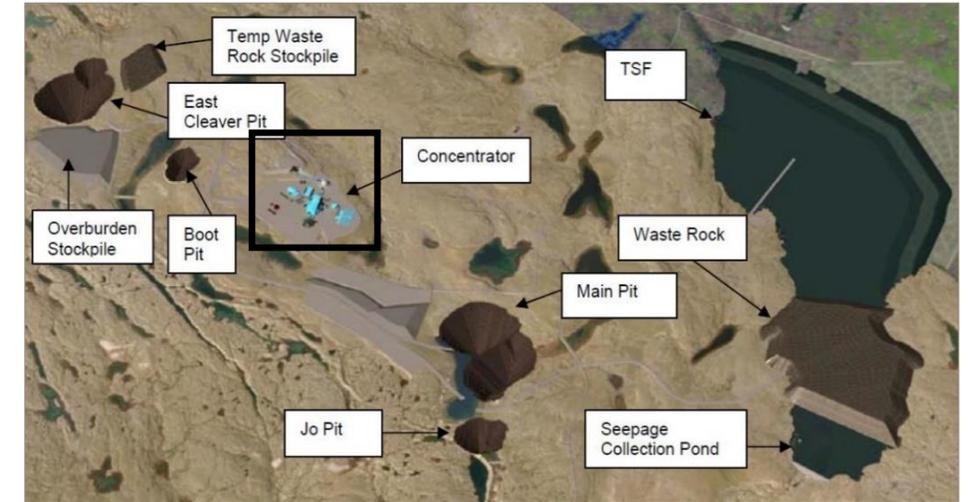
Key Infrastructure, Access and Transport

- Aerodrome with 2km All-Weather Runway (to accommodate 737s & Hercules L100)
- Port Facilities (including wharf facilities, camp, maintenance, laydown areas)
- All-Weather Roads for supplies and mineral concentrate (port to project)

Conceptual Key Infrastructure, Mine Operations

- Power Generation Facilities
- Potable Water Treatment Plant, Effluent and Sewage Treatment Plant, Water Management Facilities
- Personnel Accommodations
- Communication Infrastructure
- Warehouse Facilities
- Concentrator with Crushing Plant
- Concentrate Storage Facility
- Fuel Storage Facility
- Equipment Maintenance Shop
- Internal All-Weather Roads
- Mine Dry and Offices

Conceptual Infrastructure – Layout Option



An infrastructure project to support resource development

Hackett River

Future Considerations

Development Opportunities

- The Hackett River Project has the potential to be a major contributor of metals under the Canadian Minerals and Metals Plan and Critical Minerals Strategy
- The Hackett River Project has the potential to be a major driver of jobs, services and economic growth for the Kitikmeot Region
- Port infrastructure will be key for storage and transportation of concentrate from the project, and bringing in of goods to the project

Additional Opportunities

- Opportunities for capacity building for workers of the Kitikmeot Region, and opportunities for the next generation
- A multi-user port and a road can lead to other future jobs and business opportunities in the area, and may result in lower cost for some goods (i.e., fuel and food)
- Evaluate supply chain opportunities, including potential benefits to local communities
- Investing in and partnering with the communities where we operate – opportunities to develop agreements and social programs, discussing options with local stakeholders
- Opportunities to support scientific research and experimental development in remote region



Areas of Concern

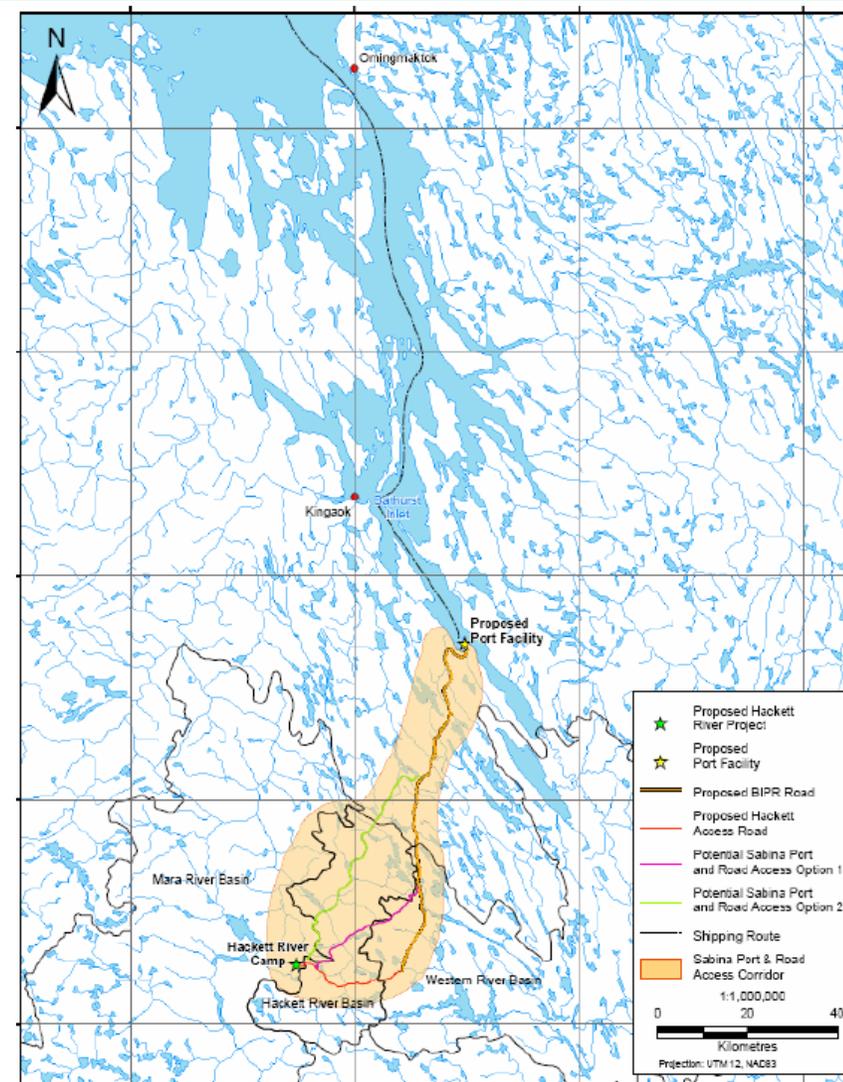
Protection of Project Access Corridors and Design Flexibility

Issue – Road Corridors

- The failure of the DNLUP to recognize proposed and potential road corridors, such as those associated with the Hackett River Project

Importance:

- Projects will be isolated if located within ‘Limited Use’ areas that prohibit linear development or other associated activity
- Without roads, mines would be unable to transport infrastructure, construction materials, fuel, personnel or concentrate
 - For base metal mines mineral concentrate cannot feasibly be transported by air, and road access is required
- For projects which have not completed construction, FLEXIBILITY is required in infrastructure footprints and road routing
 - Proposal stage - conceptual drawings depicting possible mine infrastructure and road routes are prepared to allow government bodies and regulators to determine guidelines for the preparation of an impact assessment
 - These depictions undergo SUBSTANTIAL revision and evaluation over the established regulatory processes
 - This flexibility is often captured using “Potential Development Areas” or similar in Draft and Final EIS applications



Areas of Concern

Protection of Project Access Corridors and Design Flexibility

Recommendations

- Ensure proposed road corridors are included in the protections offered to existing projects
- Ensure project design flexibility is included in protections offered to existing projects and existing property rights, including flexibility for road corridors and exploration
 - Flexibility is CRITICAL for an effective approval and permitting process, to allow project evolution based on:
 - Assessment of project alternatives
 - Environmental, social or archaeological concerns
 - Engineering requirements and constraints
 - Inputs from regulators and stakeholders (including Indigenous groups and communities)
 - Field-fitting construction decisions



Areas of Concern

Periodic Cessation of Activities

Issue:

- The DNLUP proposes 'Limited Use' areas which prohibit any activity whatsoever, except that related to activities such as "research and tourism related to caribou conservation". These areas overlap existing projects.

Importance:

- Implementation of 'Limited Use' areas that periodically prohibit any project activity will cause serious consequences to the environment and/or property (e.g., breaching of tailings impoundment facilities or water management structures)
 - During active exploration, construction, mining, and/or closure most of these projects would, at a minimum, need personnel on site to:
 - manage critical site infrastructure and utilities, including power, site water management, water treatment, sewage systems and waste management
 - undertake regulatory required and best practice inspections and monitoring
- Temporarily suspending an active mine operation and vacating personnel (often hundreds of people) would be a large, expensive and logistically challenging operation
 - With potentially adverse effects to the environment (e.g., air quality and wildlife disturbance due to additional flights) and socio-economics (e.g., lost pay)
 - Economically prohibitive and may affect decisions on investment



Areas of Concern

Periodic Cessation of Activities

Recommendation:

- Ensure activity related to existing projects is exempted from the requirements outlined for 'Limited Use' areas
- Consider the usefulness and efficacy of static protection areas to manage potential impacts to the environment and wildlife, compared to results of mobile protection measures implemented at mining projects active in Nunavut
 - Efficacy of management and mitigation measures to eliminate or limit potential environmental impacts can only be assessed through collection of monitoring and inspection data at all stages of a project



Areas of Concern

Effective Prohibition of Development of Existing and Future Projects

Issue:

- The Hackett River Project (and possibly others) will be sterilized if the DNLUP is adopted as currently drafted

Importance:

- It appears to be the intent of the DNLUP to protect existing rights of the Hackett River Project, amongst others, listed in Appendix A of the DNLUP
 - However, the protections needed for CRITICAL infrastructure (e.g., road corridors) or activities required to develop and operate such a mine are missing
 - Without an ability to undertake necessary management and mitigation measures for periods of time, or the ability to transport materials to or from a project, projects such as Hackett River can never be feasible
- Such projects each represent:
 - hundreds of millions dollars already invested in them
 - billion(s) of dollars of future investment in infrastructure, supplies, contracts
 - hundreds or thousands of dollars in employment and capacity development (including northern hire initiatives)
 - hundreds of millions of dollars that would be generated in government taxes and royalties
 - opportunities and support for scientific research and experimental development in remote northern areas

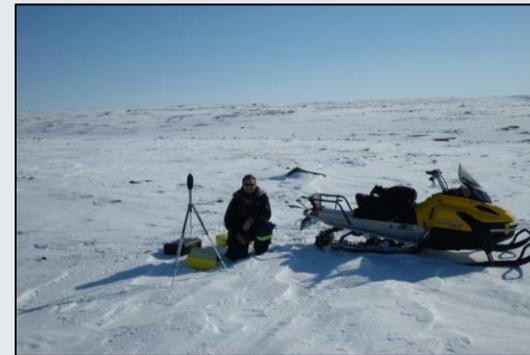


Areas of Concern

Effective Prohibition Development of Existing and Future Projects

Recommendation:

- Consider the science and methodology in determining the 'Mixed, Conditional and Limited Use' areas in the DNLUP and associated prohibitions and restrictions
- Consider the socio-economic impacts of limitations to development or activities in 'Limited Use' areas
- The NPC be required to undertake a strategic or regional assessment of the DNLUP, to assess its environmental and socio-economic impact on the territory and existing property right holders



Conclusions and Impacts

- **Fact:** The Hackett River project contains critical minerals which are essential to Canada's economic security and required for advancing the global economy to a more sustainable future
- **Fact:** Glencore is committed to responsibly sourcing commodities and critical minerals that advance everyday life and has demonstrated a long track record of operating in Northern Canada
- **Fact:** Mining is a capital-intensive industry which requires long timelines and regulatory visibility over years and decades of planning and project progression
- **Introducing the proposed land use plan may annul the Hackett River Project and stifle billions of dollars of future investment in Nunavut**
 - The proposed land use plan should reconsider the science and methodology in determining the land use categories proposed
 - The proposed land use plan should consider the environment and socio-economic impacts of its implementation
- **Revisions to the DNLUP, that protect and promote environmental and social integrity, will allow responsible development of critical mineral resources in Nunavut**



A construction worker wearing a blue hard hat, safety glasses, and a high-visibility yellow and black vest is shown in profile, working on a concrete structure. The worker is holding a tool and appears to be measuring or marking the concrete. The background is a blurred construction site at sunset, with warm light and silhouettes of buildings.

Quana - Thank You Questions and Discussion

*Responsibly sourcing the commodities
that advance everyday life*