Project Description: EV Nickel Inc. – application for the issuance of an unpatented boundary mining claim

BACKGROUND

Under subsection 176(3) of the *Mining Act* (the "Act"), despite anything in the Act, in special circumstances the Minister may, subject to the approval of the Lieutenant Governor in Council, issue an unpatented mining claim on such terms and conditions as the Minister considers appropriate.

EV Nickel Inc. has applied for the issuance of an unpatented mining claim under subsection 176(3) of the *Mining Act* the ("Act"). The area which would be subject to the requested mining claim is not currently available for mining claim registration by licensees due to the existence of two other boundary claims within the cell.

The requested area, approximately 14.79 hectares, is situated within provincial grid cell number 42A06H380. This cell covers part of the east part of the abandoned Langmuir Mine, located approximately 20km southeast of the City of Timmins, at the southeast end of Night Hawk Lake. The historical mine operated from 1973 to 1978 where two million tons of nickel ore was mined. The mine features a tailing dam, polishing pond, head frame and surrounding perimeter road (dyke). Ministry inspections conducted in 2013, 2018 and 2021 observed the dams were stable and showed no signs of impending failure. The site continues to be monitored for maintenance required to clear debris in sewage works that direct water out of the dams.

The former leases issued for the mine terminated in 1992 and the mining rights were reopened to claim registration. The unpatented mining claim that formerly occupied the requested area forfeited in 2019 and the cell has remained unavailable for registration by licensees due to the existence of two other active boundary claims within the cell.

The location of the site is provided below on Figure 1 and Figure 2.

Figure 1



Figure 2



No new environmental impacts associated with the issuance of an unpatented mining claim are anticipated, given the small size of the area, the area being adjacent to the applicant's existing boundary claim, and since activities on the claim are subject to other regulatory authorizations and requirements that govern environmental impacts.

The mining rights are not withdrawn from claim registration and are only unavailable for claim registration because of the existence of other boundary claims. If an unpatented mining claim is issued, the claimholder's activities would be subject to the requirements for exploration plans, exploration permits, or advanced exploration closure plans set out in sections 78.2, 78.3, and 140 of the Act, respectively, and the assessment work requirements in Part II of the Act would apply for the mining claim to remain valid.

EXPLORATION ACTIVITIES

The applicant's proposed exploration program would consist of geophysical surveys, metallurgical test work, surface mapping and sampling along the prospective 10km + CarLang Trend in the area which hosts class 1 nickel. The proposed exploration would also focus on completing diamond drill programs on the high-grade nickel targets within the trend. The applicant represents that the nickel deposit has potential to serve electric vehicle growth in the future.

CLASS EA SCREENING

The proposed project is subject to the Ministry of Mines Class Environmental Assessment (EA) Process. The undertaking has been screened as a Category B project with low potential for environmental effects, in accordance with the requirements of the *Class Environmental Assessment for Activities of the Ministry of Northern Development and Mines under the Mining Act* (amended 2018).

ENVIRONMENTAL EFFECTS AND PROPOSED MITIGATION MEASURES

Several environmental effects associated with the undertaking have been identified during the Class EA screening process. A summary of negative environmental effects and proposed mitigation measures that would negate or reduce the significance of the environmental effects are provided below in Table 1.

Table 1. Environmental Effects

| Environmental Effect | Description | Proposed Mitigation Measure |
|-------------------------------|---|--|
| Ground water quality/quantity | Potential for the contamination of groundwater from historical mine operations. | Tailings dam deemed stable in 2013 by MNDM inspection. No known further instability based on further inspections conducted in 2018 and 2021. |

| Environmental Effect | Description | Proposed Mitigation Measure |
|--|---|--|
| Surface water - quality/quantity | Potential for the contamination of surface water bodies from historical mine operations | Tailings dam deemed stable in 2013, 2018 and 2021. Nickel remains in tailings. Attenuation for all other potential contaminants. |
| Soils - contaminants, sedimentation, erosion | Potential for the contamination of soils from historical mine activities. | Area of subsidence located adjacent to claim area was rehabilitated to standards. Samples taken in 2013 are within standards. (MNDM IR-2013) |
| Wells / drinking water sources | Potential for the contamination of water sources from historical mine tailings | Nearest residential well is >12km away from the historic Langmuir Mine. The south end of Night Hawk Lake is approx. 600m from claim area. Night Hawk Lake is a lake in the city of Timmins. It is in the James Bay drainage basin and is the source of the Frederick House River, which flows via the Abitibi River and Moose River to James Bay |
| Natural or human-made hazards | Industrial hazards on surface (heavy equipment and fixed processing equipment. | Historical mine features on site. Claim area is situated in east section of tailings dam, recycle tailings dam, west section of subsidence and vent raise as per 2013 MNDM inspection report for AMIS-00052 |

NEXT STEPS

The Ministry of Mines is currently seeking input on the proposed disposition of crown mining rights and proposed mitigation measures as part of the Class EA process. The Ministry has also notified proximate Indigenous communities and stakeholders seeking input. Such input will be considered as the application is being evaluated. If the Ministry determines that the application should proceed, the approval of the Lieutenant Governor in Council would be expected to be sought before Fall 2025 (subject to Cabinet scheduling) and the mining claim would be issued shortly after final government approvals. As noted above, the commencement of any exploration activities would be subject to the completion of any permitting requirements associated with such activities.