AMENDED ENVIRONMENTAL COMPLIANCE APPROVAL

NUMBER 6849-DX88HA
Issue Date: September 21, 2026

Cyclic Materials Inc.
650 Cataraqui Woods Dr, No. 108
Kingston, Ontario
K7P 2Y4

Site Location: 650 Cataraqui Woods Drive, Unit 108
Kingston City, County of Frontenac
Ontario

You have applied under section 20.2 of Part II.1 of the Environmental Protection Act, R.S.O. 1990, c. E. 19 (Environmental Protection Act) for approval of:

A metals recycling and rare earth metal recovery facility, include:

pilot scale metals sizing and sorting, having a maximum metal feed rate of 4,532 kilograms per hour of magnet;

production scale metal crushing and chemical leaching for rare earth metals extraction, having a maximum magnet feed rate of 74.4 kilograms per hour; and

bench scale laboratory analysis of feed and products from the processes with two (2) lab fume hoods;

the facility consists of the following equipment and emission sources:

- one (1) knockout pot and demister (Source ID: DC01), serving the grinding mill and screening operations, discharging to the air at volumetric flow rate of 2.36 cubic metre per second, through a stack having exit diameter of 0.41 metre, extending 1.0 meters above the roof and 9.0 meters above grade;

- one (1) Camfil Venturi 11 wet scrubber for dust control (Source ID: DC02), serving the calcination operation, discharging to the air at volumetric flow rate of 3.07 cubic metre per second, through a stack having exit diameter of 0.46 metre, extending 1.0 metre above the roof and 9.0 metres above grade;

- one (1) Camfil Venturi 3.6 wet scrubber for dust control (Source ID: DC03), serving the

crushing area, discharging to the air at volumetric flow rate of 1.29 cubic metres per second, through a stack having exit diameter of 0.31 metre, extending 1.0 metre above the roof and 9.0 metres above grade;

- one (1) venturi wet scrubber (Source ID: SC01), using magnesium hydroxide as a scrubbing media, to control sulphur dioxide and acidic vapours from the HUB500 plant leaching processes, discharging to the air at a volumetric flow rate of 1.68 cubic metres per second, through a stack having exit diameter of 0.36 metre, extending 5.0 metres above the roof and 13.0 metres above grade;

- one (1) Venturi wet scrubber (Source ID: SC02), using magnesium hydroxide as a scrubbing media, to control sulphur dioxide and acidic vapours from the HUB500 plant leaching processes, discharging to the air at a volumetric flow rate of 1.25 cubic metres per second, through a stack having exit diameter of 0.31 metre, extending 5.0 metres above the roof and 13.0 metres above grade;

- one (1) natural gas fired steam boiler, having a maximum thermal input of 5,539,044 kilojoules per hour, discharging to the air through a stack (Source ID: BL01), having a volumetric flow rate of 0.94 cubic metre per second and an exit diameter of 0.38 metre, extending 2.0 metre above the roof and 10 metres above grade;

- one (1) natural gas fired wastewater evaporator equipped with a condenser unit for water recovery, having a maximum thermal input of 527,528 kilojoules per hour, discharging to the air through a stack (Source ID: BL02), having a volumetric flow rate of 0.11 cubic metres per second and an exit diameter of 0.11 metre, extending 2.0 metre above the roof and 10 metres above grade;

- one (1) cooling tower;

- two (2) research and development laboratory fume hoods (Source IDs: EF01 and EF02), each discharging to the air at a volumetric flow rate of 0.56 cubic metre per second, through a stack having exit diameter of 0.15 metre, extending 1.1 metres above the roof and 9.1 metres above grade;

all in accordance with the application for an Environmental Compliance Approval (Air and Noise) submitted by the Company, dated March 16, 2026 and signed by Ahmed Ghahreman, CEO; Emission Summary and Dispersion Modelling Report prepared by Cambium Inc., dated March 16, 2026; and all the information associated with the application.

For the purpose of this environmental compliance approval, the following definitions apply:

1. "Acoustic Assessment Report" means the report, prepared in accordance with Publication NPC-233 submitted in support of the application, that documents all sources of noise emissions and Noise Control Measures present at the Facility."Acoustic Assessment Report" also means the Acoustic Assessment Report prepared by Cambium Inc, dated March 16, 2026 and signed by Trevor

Copeland;

2. "Approval" means this Environmental Compliance Approval, including the application and supporting documentation listed above;

3. "Best Management Practices Plan" means a document or a set of documents which describe measures to minimize dust emissions from the Facility and/or Equipment;

4. "Company" means Cyclic Materials Inc. that is responsible for the construction or operation of the Facility and includes any successors and assigns in accordance with section 19 of the EPA;

5. "Director" means a person appointed for the purpose of section 20.3 of the EPA by the Minister pursuant to section 5 of the EPA;

6. "District Manager" means the District Manager of the appropriate local district office of the Ministry, where the Facility is geographically located;

7. "EPA" means the *Environmental Protection Act,* R.S.O. 1990, c.E.19;

8. "Equipment" means the equipment and processes described in the Company's application, this Approval and in the supporting documentation submitted with the application, to the extent approved by this Approval;

9. "Facility" means the entire operation located on the property where the Equipment is located;

10. "Manual" means a document or a set of documents that provide written instructions to staff of the Company;

11. "Ministry" means the ministry of the government of Ontario responsible for the EPA and includes all officials, employees or other persons acting on its behalf;

12. "Noise Control Measures" means measures to reduce the noise emissions from the Facility and/or Equipment including, but not limited to, silencers, acoustic louvers, enclosures, absorptive treatment, plenums and barriers.

13. "Publication NPC-233" means the Ministry Publication NPC-233, "Information to be Submitted for Approval of Stationary Sources of Sound", October, 1995, as amended;

14. "Publication NPC-300" means the Ministry Publication NPC-300, “Environmental Noise Guideline, Stationary and Transportation Sources – Approval and Planning, Publication NPC-300”, August 2013, as amended;

15. "Technical Bulletin: Management Approaches for Industrial Fugitive Dust Sources" means the Ministry publication "Technical Bulletin: management approaches for industrial fugitive dust

sources", March 8, 2017, as amended;

16. “Truck(s)” means shipping truck(s) and receiving truck(s).

You are hereby notified that this environmental compliance approval is issued to you subject to the terms and conditions outlined below:

TERMS AND CONDITIONS

1. NOISE

1. The Company shall, at all times, ensure that the noise emissions from the Facility comply with the limits set out in Ministry Publication NPC-300.

2. Truck loading or unloading is restricted to the daytime and evening hours from 07:00 to 23:00;

3. Shipping Trucks shall not idle on facility property at night 23:00 to 07:00.

2. OPERATION AND MAINTENANCE

1. The Company shall ensure that the Equipment is properly operated and maintained at all times. The Company shall:

   a. prepare, not later than three (3) months after the date of this Approval, and update, as necessary, a Manual outlining the operating procedures and a maintenance program for the Equipment, including:

      i. routine operating and maintenance procedures in accordance with good engineering practices and as recommended by the Equipment suppliers;

      ii. emergency procedures, including spill clean-up procedures;

      iii. procedures for any record keeping activities relating to operation and maintenance of the Equipment;

      iv. all appropriate measures to minimize noise and dust emissions from all potential sources; and

      v. the frequency of inspection and replacement of the filter material in the Equipment.

   b. implement the recommendations of the Manual.

3. FUGITIVE DUST CONTROL

1. The Company shall develop in consultation with the District Manager, a Best Management Practices Plan for the control of fugitive dust emissions. This Best Management Practices Plan shall:

    a. at minimum, be prepared in accordance with Ministry Technical Bulletin: Management Approaches for Industrial Fugitive Dust Sources; and

    b. include a list of all Ministry comments received, if any, on the development of the Best Management Practices Plan, and a description of how each Ministry comment was addressed in the Best Management Practices Plan.

2. The Company shall implement the Best Management Practices Plan for the control of fugitive dust emissions to provide effective dust suppression measures to any potential sources of fugitive dust emissions resulting from the operation of the Facility.

4. RECORD RETENTION

1. The Company shall retain, for a minimum of two (2) years from the date of their creation, all records and information related to or resulting from the recording activities required by this Approval, and make these records available for review by staff of the Ministry upon request. The Company shall retain:

    a. all records on the maintenance, repair and inspection of the Equipment; and

    b. all records of any environmental complaints, including:

        i. a description, time and date of each incident to which the complaint relates;

        ii. wind direction at the time of the incident to which the complaint relates; and

        iii. a description of the measures taken to address the cause of the incident to which the complaint relates and to prevent a similar occurrence in the future.

5. NOTIFICATION OF COMPLAINTS

1. The Company shall notify the District Manager, in writing, of each environmental complaint within two (2) business days of the complaint. The notification shall include:

    a. a description of the nature of the complaint; and

    b. the time and date of the incident to which the complaint relates.

6. CHANGE OF OWNERSHIP

1. The Company shall notify the Director in writing, and forward a copy of the notification to the

District Manager, within thirty (30) days of the occurrence of any of the following changes to Facility operations:

a. the ownership of the Facility;

b. the operator of the Facility;

c. the address of the Company;

d. the partners, where the Company is or any time becomes a partnership and a copy of the most recent declaration filed under the Business Names Act, R.S.O. 1990, c. B.17, shall be included in the notification; or

e. the name of the corporation where the Company is or at any time becomes a corporation, other than a municipal corporation, and a copy of the most current information filed under the Corporations Information Act, R.S.O. 1990, c. C.39, shall be included in the notification.

2. In the event of any change in ownership of the Facility, the Company shall notify the successor of the existence of this Approval and provide the successor with a copy of this Approval, and the Company shall provide a copy of the notification to the District Manager and the Director.

The reasons for the imposition of these terms and conditions are as follows:

1. Condition No. 1 is included to provide the minimum performance requirements considered necessary to prevent an adverse effect resulting from the operation of the Facility.

2. Conditions No. 2 and 3 are included to emphasize that the Equipment must be maintained and operated according to a procedure that will result in compliance with the EPA, the Regulations and this Approval.

3. Condition No. 4 is included to require the Company to keep records and to provide information to staff of the Ministry so that compliance with the EPA, the Regulations and this Approval can be verified.

4. Conditions No. 5 and 6 are included to require the Company to notify staff of the Ministry so as to assist the Ministry with the review of the site's compliance.

Upon issuance of the environmental compliance approval, I hereby revoke Approval No(s). 1105-DJSRF6 issued on August 13, 2025.

In accordance with Section 139 of the *Environmental Protection Act,* you may by written notice served upon me, the Ontario Land Tribunal and in accordance with Section 47 of the *Environmental Bill of Rights,* 1993, the Minister of the Environment, Conservation and Parks, within 15 days after receipt of this notice, require a

hearing by the Tribunal. The Minister of the Environment, Conservation and Parks will place notice of your appeal on the Environmental Registry. Section 142 of the *Environmental Protection Act* provides that the notice requiring the hearing ("the Notice") shall state:

a. The portions of the environmental compliance approval or each term or condition in the environmental compliance approval in respect of which the hearing is required, and;
b. The grounds on which you intend to rely at the hearing in relation to each portion appealed.

Pursuant to subsection 139(3) of the *Environmental Protection Act,* a hearing may not be required with respect to any terms and conditions in this environmental compliance approval, if the terms and conditions are substantially the same as those contained in an approval that is amended or revoked by this environmental compliance approval.

The Notice should also include:

1. The name of the appellant;
2. The address of the appellant;
3. The environmental compliance approval number;
4. The date of the environmental compliance approval;
5. The name of the Director, and;
6. The municipality or municipalities within which the project is to be engaged in.

And the Notice should be signed and dated by the appellant.

This Notice must be served upon:

Registrar*
Ontario Land Tribunal
655 Bay Street, Suite 1500
Toronto, Ontario
M5G 1E5
OLT.Registrar@ontario.ca

and

The Minister of the Environment,
Conservation and Parks
777 Bay Street, 5th Floor
Toronto, Ontario
M7A 2J3

and

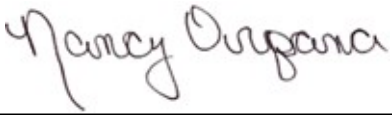
The Director appointed for the purposes of
Part II.1 of the *Environmental Protection Act*
Ministry of the Environment,
Conservation and Parks
40 St. Clair Avenue West, 2nd Floor
Toronto, Ontario
M4V 1M2

*** Further information on the Ontario Land Tribunal's requirements for an appeal can be obtained directly from the Tribunal at: Tel: (416) 212-6349 or 1 (866) 448-2248, or www.olt.gov.on.ca**

This instrument is subject to Section 38 of the *Environmental Bill of Rights,* 1993, that allows residents of Ontario to seek leave to appeal the decision on this instrument. Residents of Ontario may seek leave to appeal within 15 days from the date this decision is placed on the Environmental Registry. By accessing the Environmental Registry at https://ero.ontario.ca/, you can determine when the leave to appeal period ends.

The above noted activity is approved under s.20.3 of Part II.1 of the *Environmental Protection Act.*

DATED AT TORONTO this 21st day of September, 2026



Nancy E Orpana, P.Eng.
Director
appointed for the purposes of Part II.1 of the
Environmental Protection Act

JL/

c: District Manager, MECP Kingston - District
Cody Given, Cambium Inc.