



FPX Nickel Corp.
TSX-V:FPX

Baptiste Nickel Project

Initial Project Description Summary

PREPARED BY
ERM Consultants Canada Ltd.

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ACRONYMS AND ABBREVIATIONS

BC	British Columbia
cm	centimetre
CMIF	Critical Minerals Infrastructure Fund
CO _{2e}	carbon dioxide equivalent
Cooperation Agreement	Impact Assessment Cooperation Agreement between Canada and British Columbia
DFO	Fisheries and Oceans Canada
EAA	<i>Environmental Assessment Act</i>
EAC	Environmental Assessment Certificate
EAO	British Columbia's Environmental Assessment Office
ECCC	Environment and Climate Change Canada
ENV	Ministry of Environment and Climate Change Strategy
ERM	ERM Consultants Canada Ltd.
EV	electric vehicle
FNHA	First Nations Health Authority
FPX	FPX Nickel Corp.
GHG	greenhouse gas
IAA	<i>Impact Assessment Act</i>
IAAC	Impact Assessment Agency of Canada
IPD	Initial Project Description
JEG	Ministry of Jobs and Economic Growth
km	kilometre
kt	kilotonne
LRMP	Land and Resource Management Plan
MCM	Ministry of Mining and Critical Minerals
MIRR	Ministry of Indigenous Relations and Reconciliation
mm	millimetre
MoF	Ministry of Forests
MOTT	Ministry of Transportation and Transit
Mt	million tonnes
N ₂ O _e	nitrous oxide equivalent
Ni ₃ Fe	nickel-iron alloy

SACC	Strategic Assessment of Climate Change
tCO ₂ e	tonnes of carbon dioxide equivalent
the Project	Baptiste Nickel Project
VC	valued component
WLRS	Ministry of Water, Lands, and Resource Stewardship

1. PART A: GENERAL INFORMATION

This document is a summary of an Initial Project Description (IPD) for the Baptiste Nickel Project (the Project) as required by the Impact Assessment Agency of Canada (IAAC) following Section 3 and Schedule 1 of the *Information and Management of Time Limits Regulations* and Annex I, paragraph 25 of the *Guide to Preparing an IPD and a Detailed Project Description* under the *Impact Assessment Act* (IAA; 2019). It is intended to summarize the IPD in a condensed and accessible format.

This document is divided into five key sections, as follows:

- Part A presents general information about the Project, including its location, the proponent, and Project-specific engagement completed to date;
- Part B presents more detailed information about the Project itself, including anticipated benefits, proposed infrastructure and activities, and schedule;
- Part C presents a summary of the current environmental conditions in the Project area;
- Part D presents the anticipated regulatory requirements to which the Project will be subject, anticipated government involvement, and jurisdictional matters; and
- Part E presents a preliminary overview of potential effects the Project may cause, and potential mitigation.

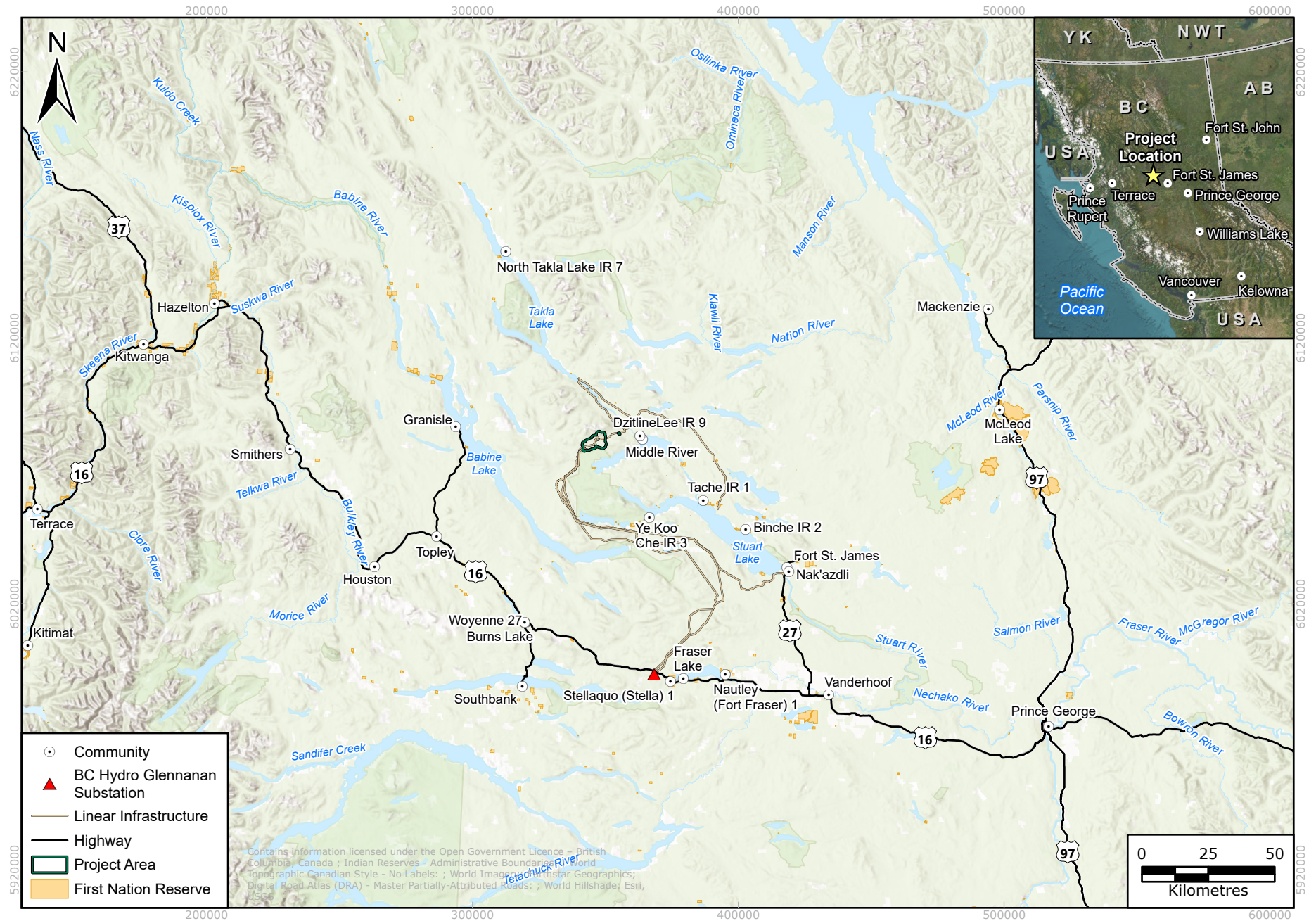
1.1 INTRODUCTION

FPX Nickel Corp. (FPX) is proposing to build and operate a new open pit nickel mine (the Project) located approximately 80 kilometres (km) northwest of Fort St. James, British Columbia (BC; Figure 1.1-1). The Project and portions of the Transmission Line and access route are within the territories of (in alphabetical order) the Binche Whut'en, Lake Babine Nation, Nadleh Whut'en, Nak'azdli Whut'en, Stellat'en First Nation, Takla Nation, Tl'azt'en Nation and Yekooche First Nation.

Nickel is a critical mineral as defined by the governments of Canada, British Columbia and the G7 group of industrialized nations. It is needed for stainless steel and to enable the energy transition, as it is an essential component in renewable energy technologies such as wind turbines and electric vehicle batteries and other energy storage systems. The Project represents an opportunity to develop a low-carbon source of nickel, which is in the form of awaruite, within Canada, in line with the priorities of First Nations, BC's *Critical Minerals Strategy*, and Canada's *Critical Minerals Strategy*. The Project would contribute to Canada's efforts to decarbonize its economy and meet climate change commitments, while also creating economic and social benefits for the region, the province, and the country.

The Project has a planned operational mine life of 28 years, with an estimated average annual processing rate of 108,000 tonnes per day of ore (a mining rate of 60 million tonnes [Mt]/year) for the first 5 years (Phase 1), increasing to an estimated average annual processing rate of 162,000 per day of ore (a mining rate of 120 Mt per year) thereafter (Phase 2). Due to its size, the Project will be reviewed under both the BC *Environmental Assessment Act* (EAA; 2018) and the federal *Impact Assessment Act* (IAA; 2019). Several permits will also be required before construction, operation, and closure can take place.

FIGURE 1.1-1 PROJECT LOCATION



Key components of the Project include:

- An Open Pit mine;
- A Process Plant;
- A Tailings Facility;
- Ore, overburden, rock and topsoil storage areas and stockpiles;
- General Ancillary facilities, such as administration buildings, warehouses and mine services building(s);
- Water management facilities;
- Roads and access routes;
- Accommodation facilities; and
- Other supporting infrastructure, such as laydown areas, a Transmission Line, and a freshwater supply system.

FPX has worked collaboratively with First Nations and local communities to help shape the Project's design and will continue doing so throughout the EA process. This includes integrating Indigenous Knowledge and perspectives into planning and decision-making. FPX remains focused on reducing emissions, minimizing environmental impacts, and planning for land use after mining is complete.

1.2 PROPONENT INFORMATION

FPX is a mining company based in Vancouver, Canada. FPX's focus is the Baptiste Nickel Project, and it conducts exploration globally for similar instances of awaruite. FPX is a publicly traded company listed on the TSX-V as FPX and on the Over-The-Counter Quotation Bureau as FPOCF. FPX's work reflects the company's values of Safety, Respect, and Collaboration.

Contact information for the environmental assessment is below in Table 1.2-1.

TABLE 1.2-1 PROPONENT INFORMATION

Company	FPX Nickel Corp.
Address	Suite 320, 1155 Pender Street Vancouver, BC, Canada, V6E 2P4
Primary Contact	Nigel Fisher, Vice President, Environment nfisher@fpxnickel.com Phone: 604-416-4666
Alternate Contact	Tim Bekhuys, Senior Vice President Environment and Sustainability tbekhuys@fpxnickel.com

1.3 SUMMARY OF ENGAGEMENT

FPX is committed to open and respectful communication regarding the Project with First Nations, local communities, governments, tenure holders, land users and public with interest in the Project

area. This includes early engagement in the design and assessment of the Project. FPX keeps track of engagement activities and feedback and will include a summary of how this input shaped the Project in its Environmental Assessment Certificate (EAC) Application.

Potentially affected governments, stakeholders and the public are listed in Table 1.3-1 below.

TABLE 1.3-1 PRELIMINARY LIST OF AFFECTED GOVERNMENTS, STAKEHOLDERS, AND FIRST NATIONS

Federal Governments	<ul style="list-style-type: none"> • Crown Indigenous Relations and Northern Affairs Canada • Department for Women and Gender Equality • Employment and Social Development Canada • Environment and Climate Change Canada (ECCC) • Fisheries and Oceans Canada (DFO) • Health Canada • IAAC • Indigenous Services Canada • Innovation, Science and Economic Development Canada • Natural Resources Canada • Transport Canada <p>Note: No federal regional or strategic assessments, studies, or plans have been undertaken in the area surrounding the Project.</p>
Provincial Governments	<ul style="list-style-type: none"> • BC EAO • Ministry of Energy and Climate Solutions • Ministry of Environment and Parks (ENV) • Ministry of Forests (MoF) • Ministry of Jobs and Economic Growth (JEG) • Ministry of Transportation and Transit (MoTT) • Ministry of Water, Land, and Resource Stewardship (WLRS) • Ministry of Indigenous Relations and Reconciliation (MIRR) • Ministry of Mining and Critical Minerals (MCM) • Northern Health
Municipalities and Regional Governments	<p>The municipalities were selected based on their proximity to the Project and population size and potential to benefit from Project Development:</p> <ul style="list-style-type: none"> • City of Prince George • District of Fort St. James • District of Vanderhoof • Regional District of Bulkley - Nechako (RDBN) • Village of Burns Lake • Village of Fraser Lake
Local Economy	Nechako Economic Region
Community Health Services	Nechako Local Health Area within the Northern Interior Health Service Delivery Area and Northern Region of the First Nations Health Authority

Regional Plan	<ul style="list-style-type: none"> • Fort St. James Land and Resource Management Plan (LRMP) • Vanderhoof LRMP • Morice LRMP • Lakes District LRMP
Strategic Assessments	Under Section 95 of the <i>IAA</i> (2019), the Project will undergo a Strategic Assessment of Climate Change. No other federal regional or strategic assessments, studies, or plans have been undertaken in the area surrounding the Project.
First Nations	<ul style="list-style-type: none"> • Binche Whut'en • Lake Babine Nation • Nadleh Whut'en • Nak'azdli Whut'en • Stelat'en First Nation • Takla Nation • Tl'azt'en Nation • Yekooche First Nation

1.3.1 FIRST NATIONS ENGAGEMENT

FPX Nickel has been engaging with First Nations potentially affected by the Project for more than a decade. In the Early Engagement Phase, FPX will continue to build on these relationships to support meaningful and inclusive participation. FPX's approach is proactive and seeks to achieve:

- Early and ongoing engagement;
- Formalized agreements; and
- Inclusive and collaborative participation.

To support collaboration, FPX has set up several venues for dialogue and input, including a First Nations Leadership Table, Technical Tables, bilateral meetings with Chief and Council and staff, as well as presentations to the nations' members and Keyoh holders.

The Project and portions of the Transmission Line and access route are within the territories of the Binche Whut'en, Lake Babine Nation, Nadleh Whut'en, Nak'azdli Whut'en, Stelat'en First Nation, Takla Nation, Tl'azt'en Nation and Yekooche First Nation.

Between 2008 and 2024, FPX has developed relationships with several First Nations through early consultations, formal agreements, and collaborative studies. This began with Binche Whut'en and Tl'azt'en Nation in 2008 through an exploration agreement, as well as community presentations, site tours, and cultural awareness training for FPX. Starting in 2024 engagement progressively expanded to include the other First Nations. Over this time, FPX has:

- Supported First Nation-led environmental baseline studies;
- Delivered presentations in First Nation communities to share Project updates and gather feedback; and
- Worked with First Nation staff and affiliated businesses to develop conceptual fisheries, caribou and Whitebark Pine stewardship plans intended to support First Nation led stewardship.

In 2024 FPX jointly established the Project First Nation Leadership Table with Binche Keyoh Bu Society, Takla Nation, Tl'azt'en Nation, and Yekooche First Nation. The Leadership Table has been convened eight times and has expanded to include First Nations along the Transmission Line and access roads corridors. Tl'azt'en Nation Chief and Council has not participated in the Leadership Table in 2025. The purpose of this Table is to provide a solutions-focused venue to discuss the advancement of the Project, to collaborate on key topics of interest or concern and provide information to support each First Nation's decision-making processes.

There have been three Technical Table workshops in 2025. The first was held from 27 to 28 May 2025 to review mine design alternatives, specifically Tailings Facility options, the second workshop was held on 10 and 11 September 2025 to discuss offsite linear infrastructure, and a third workshop took place 28 October 2025 to discuss potential nation-led and collaborative assessments of the Project. The nature and ongoing focus of the Technical Table discussions will be determined by the Leadership Table.

The two standing Tables were borne out of a series of workshops FPX convened with participation from Binche Bu Keyoh Society, Takla Nation (Economic Development only), Tl'azt'en Nation, and Yekooche First Nation on Mine Closure Vision in 2023 and Economic Development in 2024. The workshops were designed to learn about the values, interests, and concerns of First Nation communities, and to explore how to incorporate Indigenous Knowledge into the Project's early design and development. The Company also created space to discuss how Indigenous Knowledge can be incorporated into Project design and inform early approaches to work with First Nations.

Key issues raised during workshops, community open houses, Leadership and Technical Table meetings, and FPX's approach to address them, are summarized in Table 1.3-2.

FPX has identified the following early engagement objectives with First Nations:

- Continue to engage in transparent and meaningful dialogue with First Nations to inform FPX of their interests in the Project;
- Provide opportunity for First Nations to lead and participate in baseline assessments to determine potential effects to Indigenous Title, Rights and interests and identify the mitigations to remove or reduce potential effects; FPX has engaged two locally-owned cultural and environmental consulting firms to complete baseline biophysical work;
- Identify the process for incorporating Indigenous Knowledge, interests and concerns in the assessment process;
- Build local capacity by supporting educational opportunities, local youth program(s) and wellness initiatives;
- Identify opportunities for FPX and First Nations to work collaboratively and mutually benefit in relation to the Project, including the Leadership Table and Technical Tables; and
- Support the IAAC and BC EAO goals with respect to Indigenous Rights, knowledge and reconciliation and develop an EA process reflective of First Nations interests and governance processes.

TABLE 1.3-2 SUMMARY OF INTERESTS AND CONCERNS RAISED DURING FIRST NATIONS ENGAGEMENT

Topic	Issues or Interests Raised	FPX Comments or Approach to Addressing Issue/Interest
Agreements	Need for a formal agreement about exploration and development activities	FPX seeks to establish formal agreements with First Nations that establish the framework for participation, economic benefits, and consent-based decision-making, based on principles of FPIC, ensuring that the Project activities continue to respect Indigenous rights and community input.
Business, Employment, Procurement, and Economic Opportunities	Business opportunities and employment for member businesses and individuals, as well as the need for training programs for community members	<p>FPX continues to engage First Nations and affiliated businesses on Project development opportunities. FPX is committed to working with local communities to develop policies and approaches to optimize local employment and contracting, including through the EA process and in all phases of the Project, pending further engagement, this is anticipated to include:</p> <ul style="list-style-type: none"> • Establishing a local community office to provide point of contact for community members; • Providing early information identifying qualifications requirements for major job types onsite; Implementing a Supplier Diversity and Local Procurement Policy; Discussing potential economic opportunities for local businesses, and working to coordinate interests of local First Nations to promote partnerships; • Supporting community bursaries for First Nation members; • Identifying appropriate methods to communicate Project timeline and opportunities for employment and procurement opportunities; and • Developing appropriate monitoring metrics.
Community Well-Being	Concerns pertaining to the potential for social challenges associated with mining projects including addressing social infrastructure gaps and impacts from industrial camps including the addiction crisis and community safety	FPX is seeking to collaboratively design and develop the Project with First Nations. This includes co-developed approaches to addressing potential social impacts (e.g., data collection and assessment) and supporting community-led strategies for closing social infrastructure gaps.
	New access roads and transmission lines could improve housing availability, community access, and services (especially electricity) for First Nation communities	<p>As part of a collaborative design approach with First Nations, FPX is engaged with First Nation to study how the potential access road and new Transmission Line could benefit their communities.</p> <p>Technical Tables are planned to assess linear features (road and Transmission Line) in the fall of 2025. First Nations and other levels of government.</p>

Topic	Issues or Interests Raised	FPX Comments or Approach to Addressing Issue/Interest
Collaboration and Knowledge Sharing	Involvement in the collaborative design process for Project development, and the need for clear and consistent communication throughout the Project, to ensure all community members, regardless of access level, can stay informed and involved	<p>FPX has attended bilateral meetings with all First Nations on which the Project is located and is supporting the First Nation Leadership Table and Technical Tables as a collaborative forum for information sharing and decision-making.</p> <p>FPX has participated in community meetings providing Project related information to members and establishing a model for future engagement. FPX is seeking to support First Nations in providing project information and tailoring communication to support access to information (e.g., an increase in online Project information).</p>
Cultural Awareness	The importance of the Project to be aware and respectful of First Nation culture	FPX has supported cultural awareness training from Elders for non-Indigenous members of the FPX board, FPX staff, and field contractors covering topics such as historical trauma, substance abuse, and the rights of Indigenous peoples to protect culture and land and will continue to seek opportunities to collaborate with First Nations to reinforce cultural values and perspectives in the Project.
Environmental Assessment Process	Need for First Nation self-determined processes and assessments to evaluate the project, and adequate time to allow for these processes to effectively take place	<p>FPX will continue to seek to engage First Nations to include Nation-led processes for evaluation of the Project.</p> <p>FPX's approach to date and going forward will be to advance and evaluate the Project in collaboration with First Nations.</p>
Fish and Fish Habitat, Including Water Quality	Water quality and sediment control and related impacts to important fish habitats, including salmon, and the environmental sensitivity of the Project Area, including Sidney Creek, Middle River, and Trembleur Lake	FPX is conducting environmental baseline studies including fish and fish habitat, hydrology and water quality to inform Project design and assessment including baseline work led by First Nations affiliated businesses. FPX's approach has included engagement with First Nations on development and review of the baseline workplans, communication of findings and the synergistic design of baseline studies (e.g., sharing of baseline workplans). FPX is also developing early plans for fisheries stewardship to support First Nations led fisheries management. Early engagement has informed the IPD for the protection of fish and fish habitat (e.g., siting of major project facilities to avoid habitat used by fish and reducing the number of new creek crossings in the Project Area and linear infrastructure).
Indigenous Knowledge	Importance of incorporating Indigenous Knowledge into the Project	Early and ongoing identification and incorporation of Indigenous Knowledge is a core objective of the collaborative approach that FPX has taken with respect to development of the environmental baseline workplan and execution of studies including Project Design. FPX will continue to pursue methods to engage with First Nations on the review of programs and the potential for the development and incorporation of Indigenous Knowledge into programs and Project design, including support Indigenous Knowledge studies.

Topic	Issues or Interests Raised	FPX Comments or Approach to Addressing Issue/Interest
Land Access	Increased access to First Nation territory via the enhancement of the road infrastructure to the mine site and the construction of the Transmission Line is a concern	FPX is working to advance a collaborative design process with First Nations including the implementation of the Leadership Table and Technical tables. Further review of linear development in the selection, design, study and analysis is anticipated commencing in the fall of 2025. The IPD reflects early engagement outcomes such as those related to linear project components, in reducing new disturbances for the access roads and Transmission Line by utilizing existing linear features (e.g., roads).
Reclamation and Land Use	Concerns about reclamation standards and land use during and after the Project	Inclusion of returning land use (closure) planning is being informed by ongoing baseline studies and collaborative design processes. This has included exploration stage reclamation inspection of exploration drill sites with First Nation representatives to inform returning land use, and FPX will continue engagement around returning land use planning to inform Project design.
Traffic	Concern about increased traffic near First Nation communities	<p>FPX is working to advance a collaborative design process with First Nations including the implementation of the Leadership Table and Technical Tables. Further review of linear development in the selection, design, study and analysis is anticipated commencing in the fall of 2025. The IPD reflects early engagement outcomes related to linear project components, e.g., access road and Transmission Line seeking to reduce new disturbance and utilize existing linear features (e.g., roads).</p> <p>Part of the assessment will be an evaluation of traffic safety for communities and development of appropriate mitigation strategies in collaboration with First Nations.</p>
Whitebark Pine	Concerns about the impact of Project activities on Whitebark Pine	<p>FPX has developed a conceptual Whitebark Pine Stewardship Plan for the Project for collaborative review, refinement and implementation by First Nations. This plan was informed by baseline collected with multiple First Nations in 2024.</p> <p>Further, FPX has developed an exploration phase Whitebark Pine Management Plan and revised based on input from First Nations. This plan was implemented with monitors from First Nation businesses in 2025.</p>
Wildlife and Wildlife Habitat	The effects and cumulative effects on wildlife population and on habitat during all phases of the Project, especially as it relates to food security and cultural significance, including moose and caribou and their habitats	FPX is conducting environmental baseline studies including for wildlife and wildlife habitat to inform Project design and assessment including baseline work led by First Nations affiliated businesses. FPX's approach has included engagement with First Nations on development and review of the baseline workplans, communication of findings and the synergistic design of baseline studies (e.g., sharing baseline work plan). This has been applied to exploration activities in the development and implementation of environmental management plans.

Topic	Issues or Interests Raised	FPX Comments or Approach to Addressing Issue/Interest
		<p>FPX is also developing plans for caribou stewardship to support First Nations-led stewardship. Plan implementation commenced in 2025 with the evaluation of terrestrial lichen restoration opportunities.</p> <p>Early engagement has informed the Initial Project Description by clustering planned facilities in close proximity to the fixed project components (e.g., nickel deposit).</p>

1.3.2 PUBLIC ENGAGEMENT

FPX has engaged with the public in the development of the IPD and will continue to be proactive in creating various opportunities for the public to participate in and contribute to the Project, including local in-person meetings and online resources.

FPX has identified individuals and groups who may be affected or interested—such as private landowners, tenure holders, land users, and local organizations—through public data and community forums.

Between 2024 and late-2025, FPX held twelve open houses in Fort St. James, Vanderhoof, and Fraser Lake, with about 380 people attending. These events help share updates, gather feedback, and build relationships. FPX aims to keep communication open and raise awareness about opportunities related to the Project, including environmental stewardship, procurement, and employment.

Table 1.3-3 summarizes the interests and concerns raised during public open houses, as well as FPX’s approach to address each issue.

TABLE 1.3-3 SUMMARY OF PUBLIC OPEN HOUSE INTERESTS AND CONCERNS RAISED

Topic	Issues or Interests Raised	Comments or Approach to Addressing Issue/Interest
Accidents and Risk Mitigation	Prevention and mitigation of risks associated to accidents that could damage the environment	FPX will identify and assess potential risks associated with accidents and malfunctions which may have adverse environmental effects and where identified include measures to reduce risk in the design, operation and closure of the Project. The assessment will be made publicly available through the EA process.
Air Quality and Fugitive Dust	Dust from operations and traffic could affect the environment and community health	FPX is undertaking environmental baseline studies to collect information to inform Project design and assessment and where required develop mitigation, including potential effects on air quality and dust. FPX will continue to provide updates on baseline study findings.

Topic	Issues or Interests Raised	Comments or Approach to Addressing Issue/Interest
Business, Employment, Procurement, and Economic Opportunities	Local businesses and community organizations seeking opportunities to participate in the Project leading to lasting benefits for communities to provide support and collaborate	<p>FPX is committed to working with local communities to develop policies and approaches to optimize local employment and contracting, including through the EA process and in all phases of the Project, pending further engagement, this is anticipated to include:</p> <ul style="list-style-type: none"> • Establishing a local community office to provide point of contact for community members; • Providing early information identifying qualifications requirements for major job types onsite; • Implementing a Supplier Diversity and Local Procurement Policy; • Discussing potential economic opportunities for local businesses and working to coordinate interests of local First Nations to promote partnerships; • Identifying appropriate methods to communicate Project timeline and opportunities for employment and procurement opportunities; and • Developing appropriate monitoring metrics.
Community Well-Being	Social programs to support opioid crisis and possibility of transient employees and influence of money coming to the community	Work with community leadership, to develop approaches to engage community members during Project planning is ongoing by FPX in seeking to develop community well-being mitigation and monitoring (e.g., identification and implementation of financial planning sessions).
Environmental Impacts	Environmental impacts including water stewardship (quality and quantity) and wildlife (including caribou)	<p>FPX is undertaking baseline studies to collect information to inform Project design and assessment and where required develop mitigation. To date this has prioritized early action based on community feedback as part of exploration and environmental stewardship measures (e.g., habitat restoration and reclamation trials).</p> <p>FPX will continue to provide updates on baseline study findings and stewardship plans and the results of assessments as they become available.</p>
Indigenous Knowledge	The importance of respecting and including First Nations throughout the Project lifecycle	Continue engagement and collaborative mine design processes through the development of agreements with all First Nations potentially affected by the Project, supporting ongoing recognition and respect for Indigenous rights throughout the Project implementation.
Land Access	The impact of the Project on access to private properties or recreation areas	The proposed access road and Transmission Line options seek to align with existing disturbance and linear corridors. The mine site does not overlap private property and has been designed to support continued access along existing or realigned forest service roads. FPX will seek to work with land tenure holders and land users to maintain access and will continue to communicate Project updates.
Traffic	Changes in traffic patterns	FPX has identified multiple potential access routes to the Project for further collaborative decision with First Nations and communities as reflected in the Initial Project Description. A traffic study is planned as part of further engineering study, and the results will be shared during public consultation.

1.3.3 ENGAGEMENT WITH GOVERNMENTS

While informal discussions about the Project have taken place over the past decade, FPX began formal engagement with government agencies in 2024. Early discussions included meetings with the Regional District of Bulkley-Nechako (RDBN) and the Districts of Fort St. James and Vanderhoof. FPX shared the Project timeline, emphasized its interest in local economic development, including creating new opportunities for workers transitioning from forestry to mining. The District of Fort St. James highlighted priorities such as community infrastructure, housing, transit, and community engagement, while RDBN raised interests in water stewardship, waste management, emergency response planning, and housing support during construction and operations.

Starting in the spring of 2024, FPX also had meetings with several provincial and federal agencies to introduce the Project and discuss regulatory coordination. For example:

- BC EAO: FPX met with the EAO to introduce the Project and discuss the Environmental Assessment process, including readiness and guidance for the Initial Project Description (IPD). The EAO also presented to the First Nations Leadership Table to explain its regulatory role and the Environmental Assessment process.
- IAAC: FPX introduced the Project and discussed Environmental Assessment process readiness, IPD requirements, and baseline studies. IAAC also presented to the First Nations Leadership Table to explain the Environmental Assessment process and its role in assessing impacts on Indigenous rights.
- MoF: Multiple meetings were held to provide updates, discuss exploration permitting, forestry data for economic modeling, and resource road planning. Meetings also covered traffic, Transmission Line alignment, and minimizing new disturbances including following First Nation stewardship plans.
- WLRS: FPX held multiple meetings with WLRS to introduce the Project, review baseline studies, and seeking to collaborate on fish and wildlife stewardship. Discussions included caribou stewardship, freshwater storage, and minimizing instream impacts.
- MCM: FPX met with MCM to introduce the Project, discuss engagement with First Nations, and review IPD guidance. Meetings included discussions with First Nations on collaboration, business opportunities, and government-to-government frameworks.
- MIRR: FPX held introductory meetings with MIRR to present the Project and discuss collaboration with First Nation communities.
- ENV: FPX introduced the Project and reviewed baseline programs related to climate, air and water quality, and hydrology. ENV emphasized the importance of these studies for Environmental Assessment readiness.
- MOTT: FPX met with MOTT to discuss traffic volumes, access routes, and road safety. MOTT confirmed its role in reviewing EA documents and offered to share technical input on junction design and axle restrictions.
- JEG: FPX held an introductory meeting with JEG to provide Project updates and discuss regional economic development, jobs and training.

- DFO: FPX provided Project updates and baseline data to DFO, which emphasized salmon recovery efforts and collaboration with First Nations led stewardship. DFO also discussed potential design considerations to protect fish habitat.
- ECCC: FPX introduced the Project and reviewed baseline study needs with ECCC and IAAC, seeking initial feedback on IPD requirements.

2. PART B: PROJECT INFORMATION

2.1 PROJECT NEED, PURPOSE, AND BENEFITS

The Project has the potential to become a foundational component of Canada's supply chains for clean technology and renewable energy. It will supply these sectors, as well as the traditional stainless-steel industry, with nickel produced to some of the highest sustainability standards globally. In doing so, it has the potential to provide a lasting legacy for First Nations and local communities, while promoting responsible economic development across central BC.

Nickel is recognized internationally as a critical mineral due to its role in supporting the energy transition and the decarbonization of the global economy. It is also a key input in manufacturing, commonly used in stainless steel, electroplating, and energy storage systems such as electric vehicle (EV) batteries (Natural Resources Canada 2025).

Nickel was designated as a critical mineral by the Government of Canada in 2021, with this designation reaffirmed in 2024 (Government of Canada 2022). This classification reflects concerns regarding supply chain vulnerability, the potential for domestic production, its importance to national economic and security interests, and its role in enabling Canada's transition to a more sustainable, low-carbon economy. The Project is being advanced in alignment with the critical mineral strategies of Canada, BC, and the First Nations Major Projects Coalition.

Global consumption of nickel increased annually by 4% from 2021 to 2022, rising from 3.0 Mt to 3.3 Mt. This growth has been driven by demand from stainless steel production and the EV battery sector. Higher nickel content in EV batteries enables lighter, more compact designs with extended range and faster charging capabilities. Total annual demand for nickel is projected to approximately double by 2040, reaching 6.2 Mt, primarily due to increased demand from clean technology and EVs as countries pursue their climate commitments (IEA 2025).

This demand projection incorporates Canada's climate objectives as outlined in the 2030 Emissions Reduction Plan. According to the World Bank Group's report, *Minerals for Climate Action: The Mineral Intensity of the Clean Energy Transition*, the production of minerals such as nickel, iron, and cobalt may need to increase by up to 500% by 2050 to meet the requirements of clean energy technologies (WBG 2020).

In 2023, Canada ranked sixth globally in nickel production, producing 159,000 tonnes (4.5% of global output) and exporting nickel and nickel-based products valued at \$6.7 billion (Natural Resources Canada 2025). Notably, none of this production occurred in BC. The Project is expected to increase Canada's nickel output by 1.7 Mt over a 28-year mine life, representing an approximate 40 % annual increase. This volume is sufficient to meet the nickel requirements for 1.3 million EVs per year and is anticipated to be among the lowest in carbon intensity globally, with emissions estimated at less than 1.5 tonnes of carbon dioxide equivalent (tCO_{2e}) per tonne of nickel. This low-carbon profile is enabled by access to clean energy from BC Hydro, the incorporation of low-carbon innovations in mine design, and the unique properties of the mineral awaruite.

The Baptiste deposit contains awaruite, a nickel-iron alloy (Ni_3Fe) that offers several advantages over conventional nickel sources. Unlike sulphide or laterite deposits, awaruite can be separated magnetically from host rock and does not contain sulphur, thereby eliminating the need for energy-intensive smelting. Pilot testing funded by the Government of Canada has demonstrated that over 80% of awaruite can be recovered through magnetic separation and processed into high-grade concentrates exceeding 60% nickel content without smelting. This method reduces the use of chemical reagents compared to conventional flotation processes and enhances water recycling. Additionally, the deposit contains brucite, a mineral capable of naturally sequestering atmospheric carbon, which may support the development of a net-zero emissions mine.

In addition to its contribution to Canada's climate goals, the Project will bring lasting economic benefits. It is expected to sustain about 1,000 direct jobs and 3,200 indirect jobs per year, supporting both First Nations and non-First Nations communities. It will also generate approximately \$20 million per year in municipal taxes, \$200 million annually in provincial taxes, and contribute an estimated \$45 billion to Canada's gross domestic product over its life.

The company is working closely with First Nations to support meaningful participation in planning and decision-making, and to create opportunities for long-term economic, cultural, and social benefits.

2.2 REGULATORY AND POLICY FRAMEWORK

Under current legislation, the Project will be assessed under both the federal IAA (2019) and the BC *Environmental Assessment Act* (2018). The *Impact Assessment Cooperation Agreement between Canada and British Columbia* (Cooperation Agreement; Government of Canada 2019), indicates how the province of British Columbia and the Government of Canada work together. Pending collaboration with First Nations, FPX anticipates that the BC Minister of Environment or delegate will request substitution of the BC Environmental Assessment process for the federal Impact Assessment process shortly after acceptance of the IPD.

If the federal Minister of Environment and Climate Change approves this request, the BC EAO would then commit to meeting all the legislative requirements of the federal Impact Assessment process for the remainder of the assessment. The province would also be responsible for fulfilling the conditions for substitution set out in both the IAA and the Cooperation Agreement. In 2025, following the Cooperation Agreement, IAAC, Natural Resources Canada, the BC EAO, and the BC Ministry of Mines and Critical Minerals created a Commitment Statement to support the development of critical mineral projects. The goal is to better align permitting and authorization processes, improve coordination, reduce duplication, and streamline regulatory decisions across all requirements for these projects.

In addition to the environmental assessment, FPX will require several permits before construction and operation can begin. Examples of the key provincial and federal permits are provided in Table 2.2-1 and Table 2.2-2 of this document.

TABLE 2.2-1 SUMMARY OF ANTICIPATED PROVINCIAL PERMITS, LICENCES, AND APPROVALS REQUIRED FOR THE PROJECT

Authorization	Responsible Agency	Legislation	Purpose
<i>Mines Act</i> Permit	MCM (previously the Ministry of Energy, Mines and Low Carbon Innovation)	<i>Mines Act</i> (1996), Health, Safety and Reclamation Code for Mines in BC (2024)	Approves the mine plan and reclamation program.
Water System Construction Permit Water System Operating Permit	Ministry of Health (MoH)	<i>Drinking Water Protection Act</i> , Drinking Water Protection Regulation (2018)	Authorizes construction and operation of potable water supply systems.
Industrial Camp Approval	MoH	<i>Drinking Water Protection Act</i> (2018), Drinking Water Protection Regulation (BC Reg 237/2018)	Authorizes construction and operation of potable water supply systems.
Food Facility—Health Approval Application	MoH	<i>Drinking Water Protection Act</i> (2001)	Approves opening and operation of food service facility.
Sewage Registration	MoH	<i>Environmental Management Act</i> (2003)	Authorizes sewage treatment plant.
<i>Environmental Management Act</i> Permit (Effluent)	ENV	<i>Environmental Management Act</i> (2003)	Authorizes discharges from sedimentation ponds and seepage.
<i>Environmental Management Act</i> Permit (Air)	ENV	<i>Environmental Management Act</i> (2003)	Authorizes Process Plant discharges.
Hazardous Waste Registration	ENV	<i>Environmental Management Act</i> (2003), Hazardous Waste Regulation	Required to register hazardous waste facility.
Fuel Storage Registration	ENV	<i>Environmental Management Act</i> (2003)	Authorizes fuel storage.
Water Licence and Use Approvals (Section 9, Public Environmental Safety, and Section 10, Summary of Engagement)	ENV	<i>Water Sustainability Act</i> (2014)	Authorizes storage, use or diversion of surface water or groundwater for one or more purposes.
Approval for Works in and about a Stream (Section 11, Potential Effects of the Project)	ENV	<i>Water Sustainability Act</i> (2014)	Approves changes in or about a stream.
Investigation or Inspection Permit	WLRS	<i>Heritage Conservation Act</i> (1996)	Undertake Archaeological Impact Assessment.

Authorization	Responsible Agency	Legislation	Purpose
Site Alteration Permit	WLRS	<i>Heritage Conservation Act (1996)</i>	Required to alter an archaeological site (should any be identified and impacted by the Project).
Occupant Licence to Cut	MoF	<i>Forest Act (1996)</i>	Authorizes cutting and removal of timber on Crown land.
Road Use Permit	MoF	<i>Forest Act (1996)</i>	Authorizes use of existing roads.
Special Use Permit	MoF	<i>Forest Practices Code of British Columbia Act (1996)</i>	Construction and maintenance of mining access roads on Provincial Forest land.
Fish Collection Permit	WLRS	<i>Wildlife Act (1996)</i>	Required for fish salvage (e.g., data collection).
Wildlife Permit	WLRS	<i>Wildlife Act (1996)</i>	Required for amphibian / small mammal capture and release.
Licence of Occupation	WLRS	<i>Land Act (1996)</i>	Required to occupy Crown land (e.g., Transmission Line, temporary borrow and gravel pits, construction staging areas).
Explosives Magazine Storage and Use Permit	MCM (previously the Ministry of Energy, Mines and Low Carbon Innovation)	<i>Mines Act (1996)</i>	To store and use explosives.

Notes:

ENV = Ministry of Environment and Parks; MCM = Ministry of Mining and Critical Minerals, MoF = Ministry of Forests; Project = Baptiste Nickel Project; WLRS = Ministry of Water, Land, and Resource Stewardship

TABLE 2.2-2 SUMMARY OF ANTICIPATED FEDERAL PERMITS, LICENCES, AND APPROVALS REQUIRED FOR THE PROJECT

Authorization	Responsible Agency	Legislation	Purpose
Impact Assessment Decision Statement	IAAC	<i>IAA (2019), Physical Activities Regulations 18(c) and (d) (SOR/2019-285).</i>	Mines and Metal Mills—required for an ore production/ input capacity over 5,000 t/d.
Explosives Permit	Natural Resources Canada	<i>Explosives Act (1985)</i>	Required to manufacture, store, and use explosives.
<i>Fisheries Act</i> Authorization	DFO	<i>Fisheries Act (1985)</i>	Required if the Project will result in the harmful alteration, disruption, or destruction of fish habitat or death of fish.

Authorization	Responsible Agency	Legislation	Purpose
Schedule 2 Amendment	ECCC	Metal and Diamond Mining Effluent Regulations (SOR/2002/222)	Deposit of deleterious mine waste in waters frequented by fish.
Migratory Bird Permit	ECCC	<i>Migratory Birds Convention Act (1994)</i>	Required if nesting habitats used by migratory birds might be impacted or if Project activities occur during the nesting season (e.g., clearing of vegetation).
Species at Risk Permit	ECCC	<i>Species at Risk Act (2002)</i>	Authorizes an activity affecting listed wildlife species, any part of its critical habitat, or the residences of its individuals.
Environmental Emergency Registration	ECCC	<i>Canadian Environmental Protection Act (1999), Environmental Emergency Regulations (2019; SOR/2019-51)</i>	Registers substances over specified volumes. The site must have the suitable emergency response plan for the substances.
Nuclear Safety Authorization	Canadian Nuclear Safety Commission	<i>Nuclear Safety and Control Act (1997)</i>	Required for possession of instruments containing radioactive material, such as nuclear density gauges (portable and fixed).
Radio Licence	Industry Canada	<i>Radio Communication Act (1985)</i>	Authorizes use of radio equipment onsite.
Navigable Waters Approval	Transport Canada	<i>Canadian Navigable Waters Act (1985)</i>	Required for works that take place within navigable waters that do not meet works established under the Minor Works Order and that may interfere with navigation.
Transportation of Dangerous Goods Permits	Transport Canada	<i>Transportation of Dangerous Goods Act (1992)</i>	Authorizes transportation and handling of dangerous goods.
Aeronautical Obstruction Clearance	Transport Canada	Canadian Aviation Regulations (SOR/96-433)	Aeronautical interference from communication towers or Transmission Line poles or wires.

Notes:

DFO = Fisheries and Oceans Canada; ECCC = Environment and Climate Change Canada; MCM = Ministry of Mining and Critical Minerals; Project = Baptiste Nickel Project

At this time, FPX is not aware of any government policies that the Project would be incompatible with. FPX is also not aware of international agreements between Canada or British Columbia with other jurisdictions that may have applicability to the Project.

2.3 PHYSICAL WORKS AND ACTIVITIES

The Project is in the early stages of development, with alternative designs and locations still being considered for major components. FPX is committed to a collaborative design process to better define the final Project design and returning land use (closure) concepts. The Project Area and preliminary arrangement of major infrastructure is presented in Figure 2.3-1. Preliminary routing of offsite infrastructure and the options being considered are presented Figure 2.3-2.

The Project will be an Open Pit mine that uses trucks to move rock, including ore. The ore will be crushed and milled onsite. During mine operations the trucks will be upgraded to use both in pit and ex-pit electric trolley assist systems.

The main building, called the Process Plant, will contain equipment for grinding the ore, separating materials with magnets, further grinding, and using froth flotation to separate valuable minerals. It will also handle tailings treatment, water removal, and packaging of final products.

The Process Plant will produce two types of concentrate:

- Awaruite concentrate, which will be shaped into briquettes or as a concentrate; and
- Mixed hydroxide precipitate nickel concentrate, which will be dried into a filter cake.

Both products will be bagged, placed into standard shipping containers and trucked via third-party transport company to container shipping hubs. From the third-party shipping hub, the containers would transfer the products to markets by a combination of commercial shipping modes.

Tailings, the leftover material after ore is processed, will be sent from the Process Plant to the Tailings Facility using dedicated pipelines.

In the final years of the Project's operation, extra pipelines will be installed to allow tailings to be placed directly into the Open Pit. During this time, the system that removes water from the Open Pit will also be upgraded. This will allow most of the water used in the process to be recovered from the pit instead of the Tailings Facility. Using water from open pits instead of tailings is better because it improves water quality, reduces treatment needs, and lowers environmental and safety risks.

Early testing of the ore and waste rock showed that there are two types of waste rock that need to be managed differently:

- Class A waste rock includes ultramafic and mafic rocks. These materials can be used in building parts of the Tailings Facility and mine construction because they have a low risk of causing metal leaching or acid rock drainage (ML/ARD).
- Class B waste rock comes from the Sitlika rock formation. While this counts for less than 5% of material mined, this type has a higher risk of reacting with oxygen and mobilizing metals. To reduce this risk, it will be stored in a way that limits its exposure to oxygen e.g., inside the Tailings Facility.

Contact water will be managed through onsite ponds e.g., those built downstream of the Tailings Facility to collect surface water runoff and water that groundwater seepage. Each pond will have pumps to control water levels and handle incoming seepage which will be pumped back to the Tailings Facility (Figure 2.3-3).

FIGURE 2.3-1 MAJOR MINE SITE INFRASTRUCTURE

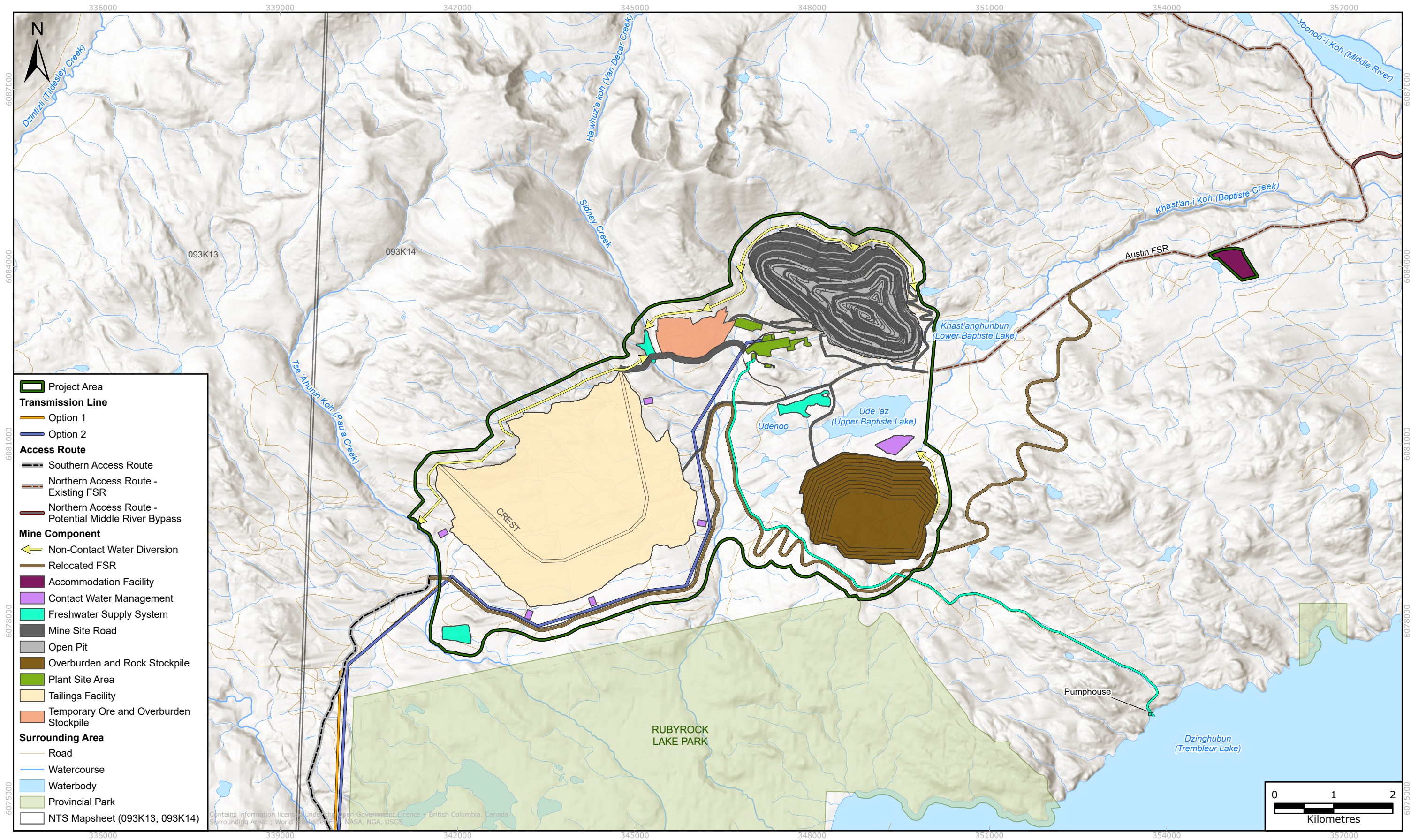


FIGURE 2.3-2 OFFSITE INFRASTRUCTURE

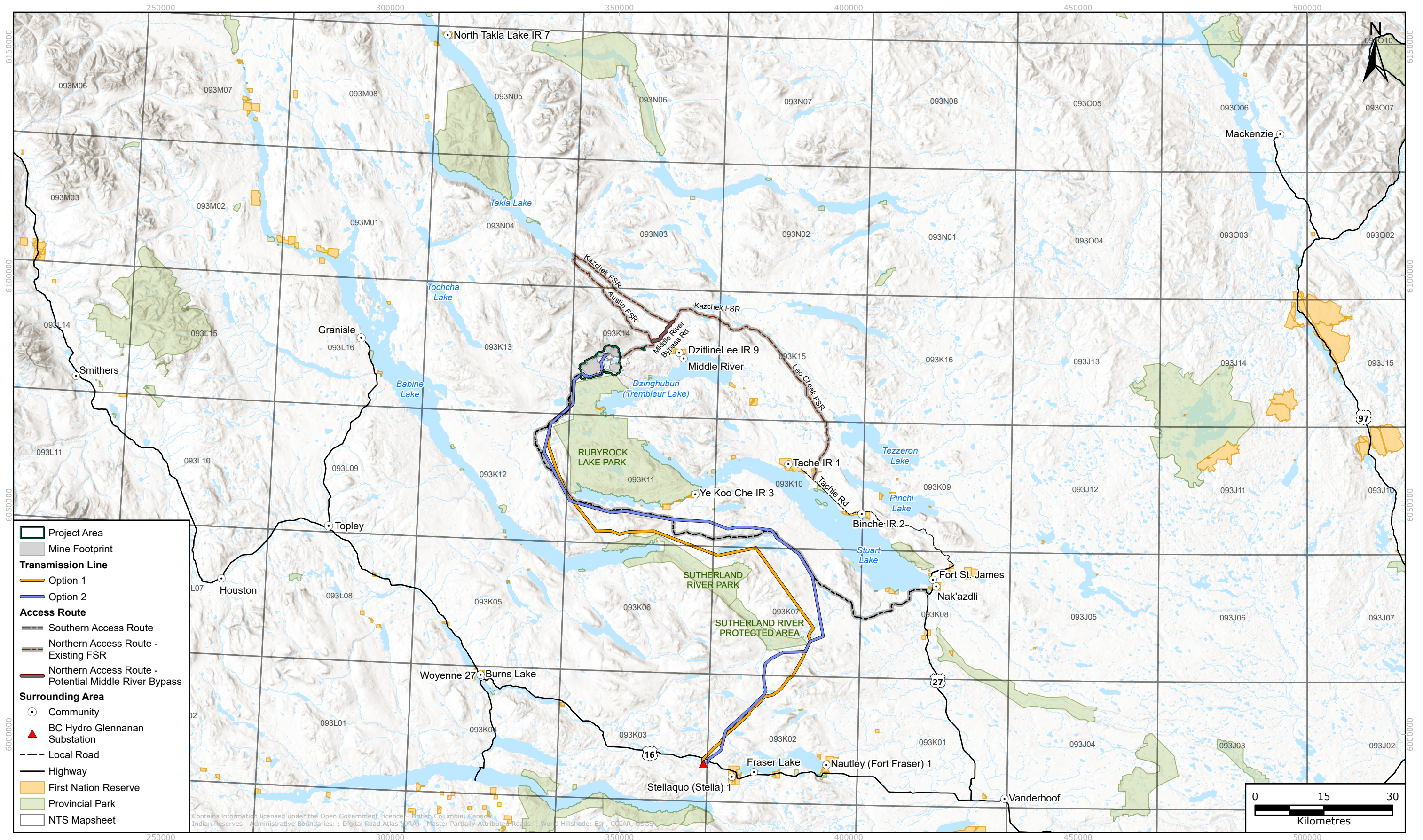
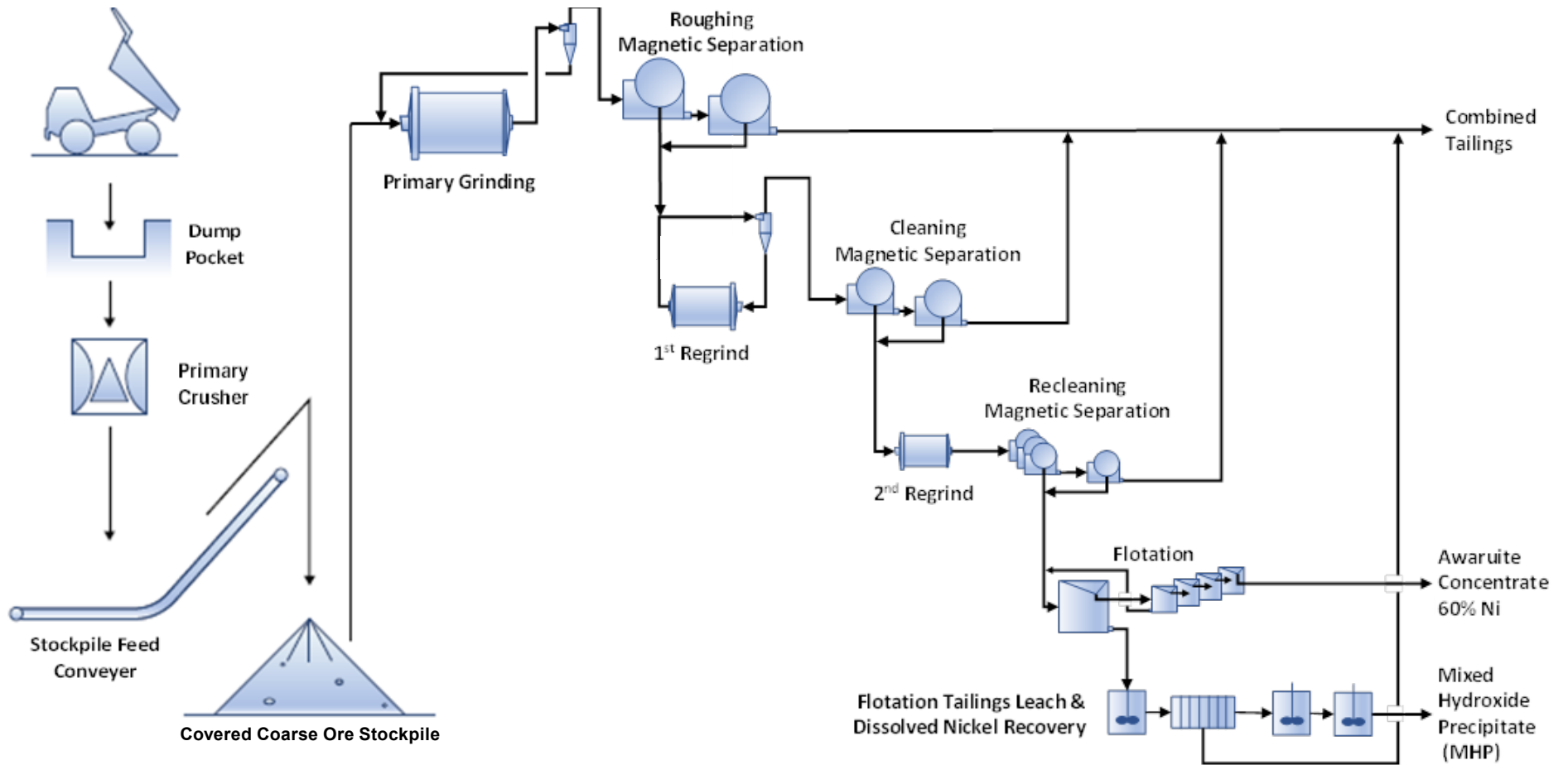


FIGURE 2.3-3 PROCESS FLOW DIAGRAM



Non-contact diversions will be constructed upslope of the Tailings Facility, the Open Pit as well as the Temporary Ore and Overburden Stockpile and Overburden and Rock Stockpile area to divert water and maintain natural drainage patterns based on the Project water balance. Water stored in the Tailings Pond will be reused in mineral processing, using pumps mounted on barges to keep the Project's water withdrawal needs reasonably small.

Power will be supplied to the Project through a 230-kilovolt overhead Transmission Line from BC Hydro's Glenannan substation located approximately 10 km west of Fraser Lake, BC. In 2023, BC Hydro assessed the proposed connection to the Glenannan substation through a formal study in January 2023 and deemed the connection technically viable. The preferred Transmission Line alignment between Glenannan substation and the Project is currently 156 km long (Figure 2.3-2), although there is another line alignment being considered. Both alignments avoid provincial parks and known archaeologically sensitive areas. The final Transmission Line alignment will be determined based on engineering and environmental studies and after collaboration with First Nation communities and local communities.

The Project can currently be reached by road from the existing Fort St. James network using a mix of paved highways and gravel forest service roads, covering about 170 km. The route includes several forest service roads and a bridge crossing over the Middle River. FPX is currently considering two access options: North route (total length: about 132 km from Highway 27 to the Project including a new crossing of the Middle River) and South route (uses a separate 144 km network of gravel roads).

The Project will generate vehicle traffic related to deliveries of construction and operating supplies, equipment, and materials, as well as the transportation of personnel to and from the site. Supplies will come from a variety of locations, with many expected to be sourced locally. During operations, regular vehicular movements will be required to support mining and processing activities, as well as general site needs such as fuel, food, and spare parts.

Most Project-related traffic will be passenger vehicles, which are expected to account for about 30–40% of total trips. Based on publicly available data, the increase in traffic from the Project is anticipated to be modest, adding about 3–6% above current traffic levels on Highway 27 in and around the Fort St. James area.

For reference, the current average daily traffic volume on Highway 27 at the Necoslie (Stuart River) Bridge in Fort St. James is about 3,377 vehicles, with an average of 3,702 vehicles per day in the summer months (2023 data). On Highway 16, current average daily traffic volume at the Bednesti station is about 4,201 vehicles, increasing to 5,610 during summer months (2015 to 2024 data).

To better understand potential effects and confirm predictions, a traffic study will be completed to inform traffic management planning.

2.3.1 SUMMARY OF PROJECT COMPONENTS

Based on engineering and planning work completed to date, the following key Project components will be required:

Mine and Mine Ancillary Facilities

- Open Pit
- Water Management Systems
- Non-contact Water Diversion Ditches
- Mine Services Building(s)
- Fuel Station Facility
- Operational Ore Stockpile
- Laydown Areas
- Explosives Storage Facility
- Haul Roads and Mine Site Roads

Process and Process Ancillary Facilities

- Primary Crushing
- Covered Coarse Ore Stockpile/Reclaim
- Process Plant
- Plant Services Building (s)
- Water Management Systems
- Plant Site Roads

Mine Waste and Water Management Facilities

- Temporary Ore and Overburden Stockpile
- Overburden and Rock Stockpile
- Topsoil Stockpiles
- Tailings Facility
- Tailings Distribution Pumps and Pipelines
- Freshwater Pond(s)
- Water Reclaim Pumps and Pipelines
- Water Management Ponds Freshwater Pond(s)
- Water Management Ponds and Ditches
- Non-contact Water Diversion Ditches
- Fresh, Process, and Potable Water Storage and Distribution Systems
- Potable Water Well(s)

General Ancillary Facilities

- High Voltage Substation
- E-houses and Control Rooms
- Onsite Transmission Lines
- Utilities
- Administration Services Building(s)
- Core Shack
- Laydown(s)
- Accommodation Facility
- Helipad(s)
- Gatehouse(s) and Truck Scale
- Sewage Treatment Facilities
- Incinerator(s)

Offsite Infrastructure

- Transmission Line
- Access Road(s)
- Freshwater Supply System
- Logistics and Administration Centre

Temporary Facilities

- Various temporary facilities to support construction

2.4 PROJECT PHASES AND ACTIVITIES

Project phases include Construction, Operations, Closure, and Post-closure phases as outlined in Table 2.4-1.

TABLE 2.4-1 PROJECT PHASES AND ACTIVITIES

Phase	Duration	Activities
Construction	Year 0 to Year 3	<ul style="list-style-type: none"> • Build temporary worker housing, then expand it over time • Construct access roads from offsite and pioneer roads onsite • Clear the site of trees, brush, and logs • Set up temporary construction facilities like a batch plant • Put environmental protection measures in place • Stockpile soil and other materials for future use in reclamation or construction • Carry out earthworks, including leveling, laying foundations, and installing underground utilities • Develop site-wide utilities and services • Build roads for the mine, plant, and support areas • Begin preparing the Open Pit, including removing surface layers and managing water • Construct the Process Plant • Build supporting facilities for the Process Plant, mine, and general operations • Start building the Tailings Dam and install pipelines for tailings and water recovery • Construct electrical infrastructure, including Transmission Lines, substations, and distribution systems • Build water management systems like drainage ditches, treatment plants, and collection ponds • Transport materials and supplies to support construction, housing, and site operations
Operations—Phase 1	Year 1 to Year 5	<ul style="list-style-type: none"> • Mine the Open Pit at 60 Mt/year, including drilling, blasting, and excavation activities • Transport ore to the Process Plant • Transport rock and overburden to the Tailings Facility • Process minerals at approximately 40 Mt/year • Transport tailings to the Tailings Facility through a pipeline • Raise the tailings dam as needed over time • Transport concentrates to Prince George • Transport materials and supplies to support construction, the Accommodation Facility, and other site operations • Maintain infrastructure such as roads and Transmission Line corridors • Reclaim disturbed areas progressively where possible • Stockpile topsoil and other materials for future reclamation or construction use • Plan and report on reclamation activities • Implement the Environmental Management System

Phase	Duration	Activities
Operations— Phase 1 (cont'd)	Year 1 to Year 5 (cont'd)	<ul style="list-style-type: none"> Construct Phase 2 components in Years 4 and 5, including upgrades to key infrastructure: <ul style="list-style-type: none"> Process Plant; High Voltage Substation; Tailings Distribution and Water Reclaim Systems; Truck Shop; and Minor expansions of various support buildings, such as the Administration Services Building and Plant Services Building.
Operations— Phase 2	Year 6 to Year 28	<ul style="list-style-type: none"> Mining the Open Pit at 120 Mt/year Mineral processing at approximately 60 Mt/year Continue Phase 1 activities
Closure	Year 29 to Year 30	<ul style="list-style-type: none"> Demolish and remove processing and mine support facilities Sample and clean up the site including contaminated soils Deactivate mine site roads, pipelines, and Transmission Lines (some access may be kept for monitoring) Use Topsoil and Overburden stockpiles to reshape and prepare disturbed areas for reclamation Regrade the Tailings Facility and build covers or spillways as needed Continue environmental monitoring Maintain water management structures and treatment systems
Post-Closure	Year 30+	<ul style="list-style-type: none"> Monitor water quality and reclamation progress Conduct engineering inspections of the Tailings Facility and water management dams, as needed Carry out follow-up actions, maintenance, and repairs when required Creating a pit lake, removing water from tailings, treating the water if needed, and moving into long-term water management

Note:

Mt = million tonnes(s)

The project proposes a three-year construction phase followed by a 28-year Operations phase. Operations are broken into two phases. Phase 1 includes the first five years of Project Operation, and Phase 2 starts at the end of Phase 1, in operating Year 6, with the start-up of the Process Plant expansion to increase the total processing rate.

2.5 PRODUCTION CAPACITY

The Project's production rate is an estimated average annual processing rate of 108 kt of ore per day (a mining rate of 60 Mt/year) for the first five years, increasing to an estimated average annual processing rate of 162 kt of ore per day (a mining rate of 120 Mt of ore per year) thereafter. The Open Pit would be developed in two phases. Initial construction of the Open Pit will be in year 1 to 5, expansion of the Open Pit is expected in year 6. The Project will require two temporary stockpiles within the Project area to support mining operations:

- The Operational Ore and Overburden Stockpile will hold material mined during early Open Pit development and will be used later to keep the concentrator running at full capacity. Any remaining ore will be processed before mine closure; and

- The Overburden and Rock Stockpile will store soil and rock removed in the early stages of mining, which could be used to build the Tailings Dam and later for site reclamation, respectively.

Topsoil will also be stockpiled for future reclamation work. While a dedicated overburden and rock stockpile is currently planned, the location is to be considered based on the final design of the Tailings Facility.

2.6 PROJECT SCHEDULE

Key Project milestones and the expected environmental assessment timeline are shown in Table 2.6-1.

TABLE 2.6-1 PROPOSED ENVIRONMENTAL ASSESSMENT SCHEDULE AND PROJECT MILESTONES

Legislated Time	Milestone/Activity	Start Date	End Date
Regulatory Milestones			
	FPX engages with EAO and IAAC about the Project and potential regulatory process	Q3 2024	Ongoing
	FPX provides the draft IPD and draft Engagement Plan to First Nations for review and comment	Q4 2025	Q4 2025
	FPX submits the IPD and Engagement Plan to EAO and IAAC in fulfillment of BC <i>EAA</i> and federal <i>IAA</i> requirements	Q1 2026	
Early Engagement (90 Days)	The EAO issues Designation as Reviewable Project Order and accepts the IPD and Engagement Plan within 10 days of submission, formally starting the Early Engagement phase of the BC EA process	Q1 2026	
	IAAC issues an acceptance letter to FPX and begins Planning Phase of the IAA process	Q1 2026	
	FPX engages with First Nations, local governments, and stakeholders on the IPD per the engagement Plan	Q1 2026	Q4 2026
	EAO makes the substitution request	Q1 2026	
	Joint (EAO and IAAC) public comment period on the IPD	Q1 2026	
	Joint (EAO and IAAC) engagement and public information sessions	Q1 2026	
	EAO and IAAC issue the Joint Summary of Issues/Engagement (JSOIE)	Q2 2026	
	Technical Advisory Committee / Community Advisory Committee is formed	Q3 2026	
	FPX submits the DPD to EAO in fulfillment of BC <i>EAA</i> requirements	Q2 2027	
Process Planning (120 Days)	EAO issues a Readiness Decision	Q2 2027	
	Federal Minister issues the substitution decision	Q2 2027	
	EAO issues the Process Order	Q3 2027	

Legislated Time	Milestone/Activity	Start Date	End Date
Application Development and Review (180 Days)	FPX submits the EAC Application to the EAO	2029+	
	EAO releases direction for the final EAC Application	2029+	
Effects Assessment (150 Days)	FPX submit the final EAC Application	2029+	
	EAO releases the Assessment Report	2029+	
Decision (30 Days)	EA Certificate and Decision Statement are issued	2029+	
	FPX submits Joint Application for <i>Mines Act</i> (1996) and <i>Environmental Management Act</i> (2003) permits	2029+	
	Issuance of <i>Mines Act</i> (1996), <i>Environmental Management Act</i> (2003), and other permits	2029+	
Project Activity/Milestones			
	Site Investigations, baseline studies, technical studies	Ongoing	
	Construction	Approximately 3 years (following issuance of permits and approvals)	
	Operation	Approximately 28 years	
	Closure	Approximately 2 years	
	Post-Closure	Decades+	

This schedule may change depending on ongoing engineering work, engagement activities, and discussions with the BC EAO and the IAAC. The timeline assumes that a substituted federal impact assessment will be approved and follow the BC Environmental Assessment process. If that does not happen, the schedule will be updated.

2.7 ALTERNATIVES TO AND MEANS OF CARRYING OUT THE PROJECT

FPX evaluated three technically and economically feasible alternatives to the proposed Project. Table 2.7-1 provides a summary of the potential alternative means of carrying out the Project that are technically and economically feasible. FPX will continue to consider potential alternative means as design work, environmental studies, and engagement with First Nations groups and other stakeholder's advance.

TABLE 2.7-1 ALTERNATIVE MEANS OF CARRYING OUT THE PROJECT BEING CONSIDERED

Component/ Activity	Alternatives Being Considered	Preferred Option
Transmission Line Interconnection and Alignment	<ul style="list-style-type: none"> • Different interconnection points to BC Hydro grid • Different Transmission Line alignments 	<p>FPX has evaluated interconnection points to the BC Hydro grid at both Kennedy and Glenannan substations. The Glenannan substation is the preferred location, as directed by BC Hydro.</p> <p>Two preliminary Transmission Line alignments have been identified (see also Section 4.1.7 and Figure 4-2), with Option 2 being the preferred alignment. Further refinement will be a topic of collaboration including with First Nations. The Transmission Line alignment Option 2 has been informed by preliminary engagement including following existing roads and corridors, avoiding known archaeological sites and provincially protected areas.</p>
Access Road	<ul style="list-style-type: none"> • Different access routes (i.e., the northern route, and southern routes 1 and 2) 	<p>Based on studies conducted to date, FPX has identified two credible options for access routes to the Project:</p> <ol style="list-style-type: none"> 1. Northern route from existing Highway 27 and portions of Tachie Road, including the Middle River bypass and the Austin FSR realignment; and 2. Southern route, largely utilizing the Cunningham FSR with a newly constructed extension to the Project which would also provide an alternate emergency egress for Yekooche. <p>The preferred access road option, or potentially a combination thereof, has not been selected and will be a specific topic for collaboration including with First Nations. These alternatives have been identified as they are primarily existing routes and connect local communities to the Project Area.</p>
Freshwater Supply Source	<ul style="list-style-type: none"> • Different source locations (i.e., Trembleur Lake and Middle River) 	<p>Both options are technically viable and have similar length pipelines. Middle River would have a more complex intake structure and has SAR critical habitat in the Middle River (white sturgeon); however, the pipeline would be largely accessed along existing FSRs or previously disturbed areas. Trembleur Lake has been selected as the preferred option as the pipeline is equidistant with the Middle River option, would largely follow an existing road, the lake would provide a more stable hydrological regime, and the intake would avoid SAR critical habitat.</p>
Water Management	<ul style="list-style-type: none"> • Water Stewardship Plans • Alternative discharge locations 	<p>The site's water balance is contingent on the tailing's facility location. Based on water stewardship principles and strategies, alternative options may be considered.</p>
Tailings Management	<ul style="list-style-type: none"> • Siting of the Tailings Facility 	<p>Potential locations for tailings management have been assessed within a 20 km radius from the Open Pit. Site selection was guided in part by engagement with potentially affected First Nations.</p>

Component/ Activity	Alternatives Being Considered	Preferred Option
Tailings Management (<i>cont'd</i>)	<ul style="list-style-type: none"> Siting of the Tailings Facility (<i>cont'd</i>) 	<p>As noted in Table 4.2-1, two Tailings Facility locations advanced to a technical study level. Both design options are technically viable and have similar regulatory requirements and support a compact footprint. The location as presented herein would result in less direct loss of fish-bearing waters and would retain Upper Baptiste Lake. For this reason, this location is selected as the preferred option.</p> <p>FPX is committed to continued engagement and collaboration with potentially affected First Nations on design and siting of key Project components, including the Tailings Facility. Continued technical studies will further guide final siting of the Tailings Facility, including a multiple accounts analysis in support of the EAC Application and Schedule 2 permitting framework, which includes opportunities for additional engagement and collaborative decision making.</p>
	<ul style="list-style-type: none"> Different dam materials 	<p>Dam design options are constrained by location selection. Based on materials characterization and handling, construction of the dam may include different approaches e.g., rock fill and cyclone sand or a combination thereof.</p>
	<ul style="list-style-type: none"> In-pit storage versus external facility 	<p>In-pit storage will be maximized to the extent possible but is only feasible in the later stages of Operations for a portion of the waste rock and total tailings produced.</p>
	<ul style="list-style-type: none"> Different cover options at closure 	<p>Based on preliminary geochemistry analysis FPX anticipates that the Tailings Facility will not require a wet or low-permeability cover at closure, eliminating the need for a tailings pond at the Post-Closure phase. Stockpiled topsoil and overburden will be rehandled to the tailings surface to facilitate revegetation.</p>
Accommodation Facility	<ul style="list-style-type: none"> Different locations 	<p>A site east of the mine site has been selected as the preferred option (Figure 4-1) given proximity to mine operations, flat topography, adjacent to the existing Austin FSR in an area of existing disturbance (forest cutblock).</p>
Mining Fleet	<ul style="list-style-type: none"> Diesel versus electric 	<p>Mining haul fleet is planned as diesel for Phase 1. As mining and technology advances, the mining fleet is anticipated to transition to electric trolley assist.</p>
Waste Management (Sewage, Hazardous, and Solid Waste)	<ul style="list-style-type: none"> Different sewage management approaches 	<p>The preferred option for sanitation management is an onsite sewage treatment facility, with reuse of water for processing or dust control.</p>
	<ul style="list-style-type: none"> Different waste management approaches 	<p>An incinerator will be used onsite for combustible waste disposal. Any other material, including hazardous waste, will be transported offsite to regulated third-party disposal or recycling facilities.</p>

Notes:

FSR = forest service road; FPX = FPX Nickel Corporation; km = kilometre; Project = Baptiste Nickel Project

3. PART C: LOCATION INFORMATION

The Project is in central BC, in the Nechako region, on provincial Crown land. The Project Area sits entirely within the Decar Property claims package, which is fully owned by FPX. FPX is considering two Transmission Line options, both will utilize provincial crown land and a small number of private land parcels. The access roads (most of which are existing forest service roads) are expected to only utilize provincial crown land. Coordinates for the centre of the Project Area, Accommodation Facility, and start and end position of key offsite infrastructure are provided in Table 3-1.

TABLE 3-1 GEOGRAPHICAL COORDINATES OF COMPONENTS

Component	Start (Lat/Long)	Finish (Lat/Long)
Project Area (Centre)	54.85260506, -125.38995507	
Accommodation Facility ^a (Centre)	54.88248198, -125.25741514	
Access Road (Northern Route)	54.4736147, -124.1896445	54.85880326, -125.39218382
Access Road (Southern Route)	54.4168307, -124.27431804	54.86450974, -125.38588545
Transmission Line (Option 1 and 2)	54.07543419, -125.01393679 ^b	54.8685903, -125.38055355
Freshwater Supply System ^c	54.86552142, -125.38430726	54.81318153, -125.27586145

Notes:

^a Considered part of the Project Area but separated geographically.

^b BC Hydro Glenannon Substation.

^c Trembleur Lake Shoreline.

The closest municipalities by road are Fort St. James, about 160 km away, and Vanderhoof, about 225 km away.

The Project and portions of the Transmission Line and access route are within the territories of the Binche Whut'en, Lake Babine Nation, Nadleh Whut'en, Nak'azdli Whut'en, Stellat'en First Nation, Takla Nation, Tl'azt'en Nation, and Yekooche First Nations.

3.1 EXISTING PHYSICAL AND BIOPHYSICAL ENVIRONMENT

Characterization of the biophysical and physical environment was informed by extensive baseline sampling and monitoring studies during 2011 to 2014, and 2021 to present day. Ongoing studies are planned for 2025 and 2026 seasons. Further studies may depend on permits, and collaborative studies discussed with First Nations and governments. To date, Project-specific baseline studies have focused on the Project Area. FPX plans to start baseline studies for offsite components beginning in 2026.

Temperatures in the area follow the seasons. July is usually the warmest month, and February is the coldest. The hottest day recorded was 35.2 on 28 June 2021, and the coldest was -31.6 degrees Celsius on 26 December 2021.

In 2024, the area received 740.3 millimetres (mm) of precipitation, which is more than usual compared to nearby weather stations. November was the wettest month with 121.0 mm of rain

and snow, while August was the driest with only 23.2 mm of precipitation. About 55% of the yearly precipitation fell as rain, and 48% fell as snow. The average snow depth in 2024 was 17.2 centimetres (cm), which is less than the 10-year average of 26.9 cm. Winds mostly come from the north and northwest, and are usually light, blowing at speeds between 0.5 and 2.0 metres per second throughout the year. Meteorological studies are planned to continue in 2026 to characterize existing site conditions to inform Project design.

The Project is in the Fraser Basin Ecoregion in central BC. Within the Project area, there are three types of ecosystems based on elevation. At lower elevations, the forest is mostly made up of sub-boreal spruce trees. In the middle elevations, there are Engelmann spruce and subalpine fir trees. At the highest elevations, the landscape changes to alpine grasslands with plants like Altai fescue. These zones reflect the natural changes in vegetation as the land rises. Plant species at risk with potential to occur in the Project Area are as follows:

- Red listed species in BC found in the Project Area include Crumpled tarpaper, Northwest waterfan and California Jacob's ladder; and
- In discussions with First Nations the following preliminary list of culturally significant plant species are identified as juniper, yarrow, alder, balsam fir, red willow, jack pine, lodgepole pine, cranberry, black birch, raspberry, blueberry, soapberry, huckleberry and trembling aspen.

The Project provides habitat for a variety of wildlife species as follows:

- Moose are widely distributed at low elevations and most abundant ungulate in the area. Other ungulates include elk, mule deer, and white-tailed deer.
- Grizzly bears were captured on remote cameras. Grizzly bears are broadly distributed in the area.
- Wolverine, fisher, Canada lynx, and olive-sided flycatcher are broadly distributed in the area. Woodland caribou in the Project area belongs to the Takla herd, which is a sub-herd of Southern Mountain caribou. This population is Red listed in BC as Threatened. The Project Area overlaps with the federally designated caribou Critical Habitat for the Takla herd, as well as caribou Ungulate Winter Range.
- Red listed species in BC found in the Project area include American White Pelican (S1B), Cape May Warbler (S2B), Peregrine falcon (S2, Special Concern), Swainson's Hawk (S2B), Western Grebe (S1S2B, S2N, Special Concern) and Woodland caribou (S1, Threatened; COSEWIC 2023; Government of Canada 2024; BC Conservation Data Centre 2024).
- In discussions with First Nations the following preliminary list of species are identified as culturally important Moose, Woodland Caribou, Black Bear, Grizzly Bear, Fisher, American Marten, Canada Lynx and Beaver.

The Project Area and downstream habitat provide for a variety of fish species as follows:

- Several fish species utilize habitats in the Project area, including rainbow trout, longnose sucker, and Dolly Varden or bull trout.
- In nearby areas downstream of the Project area, other fish like peamouth chub, mountain whitefish, kokanee, and sockeye salmon have been found during seasonal surveys. These salmon species have only been seen in the lower parts of Paula, Sidney, and Baptiste Creeks.

- White sturgeon, which are endangered and protected under federal law, are known to live in the Middle River both upstream and downstream of the Project area. A section of the Middle River and part of Trembleur Lake are officially recognized as critical habitat for this species. Threats to the sturgeon include changes to river flow, loss of habitat, and reduced food supply.
- Two sockeye salmon populations that overlap with the Project area were assessed as endangered in 2017 (COSEWIC 2017). No other fish species at risk have been identified in the Project area.
- Paula Creek and Sidney Creek were designated as Fisheries Sensitive Watersheds in 2018. This means special rules apply to protect fish habitat, such as keeping vegetation along stream banks.
- In discussions with First Nations the following species are culturally important Sockeye Salmon, Kokanee, Lake trout, White sturgeon, Dolly Varden / Bull trout, Rainbow trout, Mountain whitefish, Lake Whitefish, and Burbot (known as lingcod to First Nations).

3.2 EXISTING HUMAN ENVIRONMENT

The closest municipality to the Project is the District of Fort St. James (population 1,386), located approximately 160 km by road. Other nearby communities, identified based on population size and proximity to the Project or access routes (Statistics Canada 2023), include:

- **District of Fort St. James**—population 1,386; ~160 km southeast of the Project;
- **District of Vanderhoof**—population 4,346; ~225 km southeast;
- **Village of Fraser Lake**—population 965; ~265 km south;
- **Village of Burns Lake**—population 1,920; ~335 km southwest.
- **City of Prince George**—population 76,708; ~320 km southeast; and
- **District of Mackenzie**—population 3,281; ~250 km northeast.

There are several First Nations near the Project including on-reserve communities as well as First Nation territories that cover broad areas of land. The Project and portions of the Transmission Line and access route are within the territories of the Binche Whut'en, Lake Babine Nation, Nadleh Whut'en, Nak'azdli Whut'en, Stelat'en First Nation, Takla Nation, Tl'azt'en Nation and Yekooche First Nation.

There are several reserves located near the Project and/or planned access routes; the closest are:

- Dzitline Lee 9 (population 15; 2021) approximately 10 km from the Project;
- Ye Koo Che 3 (population 90; 2021) approximately 30 km from the Project;
- Tache 1 (population 400; 2021) approximately 40 km from the Project;
- Binche 2 (population 118; 2021) approximately 60 km from the Project;
- North Tacla Lake 7 (population 243; 2021) approximately 75 km from the Project; and
- Nak'azdli (population 528; 2021) approximately 80 km from the Project.

First Nations in the area continue to carry out traditional practices that are important for their culture and way of life. These include seasonal activities like fishing, hunting, trapping, and

gathering plants such as berries and herbs. Families use seasonal camps to harvest, prepare, and store food. Lakes and rivers are especially important as they provide fish, serve as travel routes, provide drinking water and connect communities to gathering places and other villages.

The Project is located within four traditional family territories, called keyohs, which are managed by Dakelh families through a hereditary governance system (Nak'azdli Whut'en 2021; Tl'azt'en Nation 2024). These are the Duncan/Hallman, Basil/Anatole, Joseph, and Felix keyohs. FPX is working with these families as part of its engagement efforts. More details about traditional land use will be gathered through ongoing conversations with First Nations and review of public sources like environmental reports and community studies.

The Project is within the boundaries of the Fort St. James LRMP. The Transmission Line also overlaps with the Fort St. James LRMP as well the Lakes District LRMP and Vanderhoof LRMP (Government of BC 1999; Integrated Land Management Bureau 2009).

Mining exploration in the Decar Property Package has occurred since the 1970's. Exploration focused on chromite and platinum metals from the mid-1970s to mid-1980s, and on listwanite-hosted gold from 1987 to 1994. Awaruite was first identified at the Decar Property in 1983 but did not become a focus of exploration until the mid-1990s. Nickel hosted in awaruite was first identified in the Decar Property Package in 1996.

The Nechako economic region in North-Central BC supports a variety of agricultural and natural resource industries. Forestry has long been an important part of the local economy, but activity has slowed in recent years, leading to economic challenges for nearby communities. The decline in timber production has continued, and two more sawmills—one in Fraser Lake and one in Vanderhoof—are expected to close by the end of 2024 (Canadian Forest Industries 2023, 2025; CBC News 2024; Peebles 2024; West Fraser 2024). Mining continues to provide regional employment through several active and proposed major projects (Ministry of Post-Secondary Education and Future Skills 2023). The Mount Milligan mine, located about 78 km from the Project, employed around 485 people in early 2024 and is planning an expansion to extend operations until 2035 (Mining.com 2024). The Blackwater Gold mine, about 180 km from the Project, has recently commenced operations and has an expected 450 full-time workers for its 22-year operations (Government of BC 2023; Artemis Gold Inc. 2024). Once fully operational, it is expected to employ about 450 people each year for 22 years. The Endako molybdenum mine, located roughly 87 km from the Project, used to provide jobs for Fraser Lake residents but has been inactive since 2015 (Paul 2024). The Nechako region also has a growing outdoor tourism industry. Efforts are being made across the region to develop its tourism infrastructure, but it is still in the early stages for many communities (District of Fort St. James 2021).

Land and resource use within the Project area includes mining, forestry, trapping, guided hunting, commercial recreation, and outdoor recreation (including wildlife viewing, boating, angling, hunting, camping, and hiking). Near the Project area, there are mineral leases, a Timber supply area block, oil and gas reserve/notation (Prince Rupert Gas Transmission Project), guide outfitters and traplines. The Project is next to Rubyrock Lake Park (located 0.2 km south of the Project; BC Parks 2024a) and northwest of Trembleur Lake Park (5.1 km from the Project; BC Parks 2024b).

There are 34 private land parcels on the shore of Trembleur Lake located approximately 3.6 km southeast of the Project. There are also private land parcels near Fort St. James and Fraser Lake, at the ends of the South Access Road and Transmission Line, respectively, as well as some along Stuart Lake along the North Access Road.

There are areas of high archaeology potential, which have been investigated from 2022 to 2023. A preliminary fossil impact assessment study has been undertaken. The assessment concluded low likelihood of risk to fossils in the Project Area.

Trembleur Lake is part of a 300 km network of lakes and rivers known as the Stuart-Trembleur-Takla Lakes system. This area is popular for boating and tourism. Because of its scenic value, the province has identified certain landscapes near the Project area as visually sensitive and set Visual Quality Objectives to help limit how much the view is changed by development. As part of the Project's planning, key viewpoints will be chosen and visited to record what the landscape currently looks like.

The Project is located within the Regional District of Bulkley-Nechako (RDBN; population 37,737; Statistics Canada 2023). RDBN contains urban, rural and remote communities of varying sizes and differing demographic, cultural and health profiles. Factors that affect health include income, education, employment, physical environments, health services, social supports, early childhood development and personal health practices.

The Project is in the Nechako Local Health Area, which is an administrative subregion within the Northern Interior Health Service Delivery Area of Northern Health. The Project is located within the Northern Region of the First Nations Health Authority (FNHA; 2024). The FNHA is tasked with overseeing the delivery of First Nations Health Programs in BC in coordination with provincial health ministry and health authorities.

4. PART D: FEDERAL AND PROVINCIAL INVOLVEMENT

4.1 FEDERAL AND PROVINCIAL FINANCIAL SUPPORT

The Project received federal funding in 2023 through Natural Resources Canada's Critical Minerals Research, Development, and Demonstration program and under the Critical Minerals Infrastructure Fund (CMIF) in 2025. The funding enabled demonstration of the technical and economic feasibility of the Project's nickel refinement process at the pilot scale. CMIF funding is designed to support the identification and development of infrastructure required to support critical mineral development.

4.2 FEDERAL AND PROVINCIAL LANDS

Existing forest service roads along the North Access Route that may be used by the Project pass through two Reserves, specifically Binche 2 for 1,995 m and Sisul Tl'ó K'ut 14 for 1,533 m. While FPX has not currently identified any road upgrades required with the two Reserves, this will be confirmed as Project planning progresses. No other federal lands will be used for the Project.

There are several provincial parks nearby the Project and/or planned access routes, they are:

- Rubyrock Lake Park located 0.2 km south of the Project;
- Trembleur Lake Park located 5.1 km southeast of the Project;
- Sutherland River Park and Sutherland River Protected Area (BC Parks 2024c) near the proposed Transmission Line; and
- Stuart Lake Park near the North Access Road.

4.3 FEDERAL AND PROVINCIAL APPROVALS

Potential permits are listed in Tables 2.2-1 and 2.2-2.

4.4 OTHER FEDERAL MATTERS

The Project is not expected to result in changes to the environment on federal lands, or in a province other than BC, or outside of Canada. No federal regional or strategic assessments, studies, or plans have been undertaken in the area surrounding the Project.

The Project is not expected to result in changes to interprovincial or international waters. The Project has received federal funding under Natural Resources Canada's Critical Minerals Research, Development and Demonstration program (Natural Resources Canada 2023).

Under Section 95 of the *IAA*, the Project will undergo a Strategic Assessment of Climate Change (ECCC 2021). To FPX's knowledge, no other regional or strategic assessments, studies, or plans have been undertaken in the area surrounding the Project under Sections 92, 93, or 95 of the *IAA* (2019).

The Project has the potential to affect components within the legislative authority of the Federal Government including fish and fish habitat, aquatic species at risk, migratory birds, and aeronautical and marine navigation.

5. PART E: POTENTIAL EFFECTS

5.1 POTENTIAL EFFECTS OF THE PROJECT

The potential effects of the Project on environmental, economic, social, heritage, and human health will be assessed as part of the federal and provincial assessment processes. The assessment would focus on specific valued components (VCs) identified in collaboration with First Nations, government agencies, and the public. The assessment of potential effects to VCs will include consideration of mitigation measures and plans to avoid, minimize, rehabilitate, or offset impact; residual and cumulative effects associated with the Project; and reasonably foreseeable developments. A preliminary list of potential effects is provided in Table 5.1-1.

The EAC application will assess the Project's potential cumulative effects due to changes to environmental, economic, social, cultural, and health values caused by the combined effect of past, present, and potential future human activities. Based on publicly available information, Figure 5.1-1 shows the approximate location of these projects in the region.

5.2 PUBLIC AND ENVIRONMENTAL SAFETY

Unplanned events from Project-related accidents or equipment failures could affect the environment, economy, communities, culture, or health. These events may also impact First Nations' rights and interests. The EAC Application will include a review of possible malfunctions and accidents. It will also describe what effects they could have and what steps will be taken to reduce the chance of them happening. Accidents and malfunctions for further assessment in the EA application could include:

- Spill incidents affecting the land, water or air, including the release of hazardous materials stored onsite (reagents, fuel, or oils);
- The release of contaminants to watercourses;
- Slope failures in the Open Pit or rock and overburden stockpile;
- Failure of stockpiles;
- Failure or breach of water containment structures;
- Motor vehicle accidents;
- Accidents resulting from explosive malfunctions such as fly rock or excessive noise;
- Fire or fire-related explosions; and
- Prolonged power failure.

Emergency response, emergency preparedness and community response plans will be developed with input from First Nations and regulators consistent with the BC Health, Safety and Reclamation Code. These plans will include contact information for First Nations, BC government agencies, and affected communities so they can be notified in the event of an emergency and engaged in larger responses, as needed.

FIGURE 5.1-1 HISTORIC, CURRENT, AND REASONABLY FORESEEABLE PROJECTS IN THE REGION

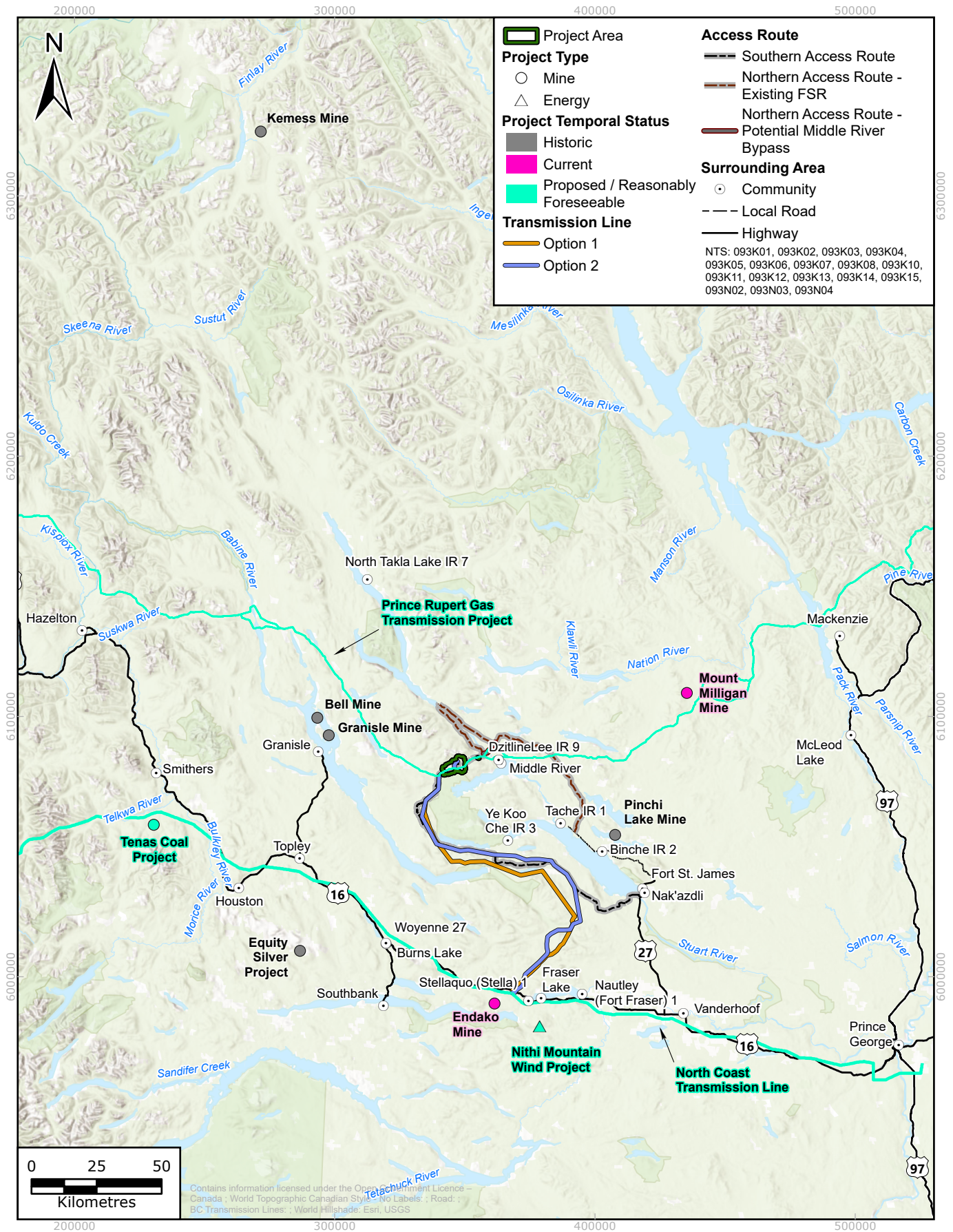


TABLE 5.1-1 POTENTIAL PROJECT EFFECTS AND MITIGATIONS

Component	Potential Effect	Example of Potential Mitigation
Physical Environment		
Air Quality	Activities at the Project area—like blasting, moving materials, and using vehicles—can create dust and air pollution. This can affect the health of people, wildlife, plants, and nearby waterbodies. Dust can settle on vegetation and in lakes, while emissions from engines can release pollutants like nitrogen dioxide (NO ₂) and sulfur dioxide (SO ₂).	<ul style="list-style-type: none"> • Limiting how much vegetation is removed by using already disturbed areas • Using dust control equipment like cyclones and air scrubbers • Operating vehicles and equipment efficiently to reduce GHG emissions • Watering roads when needed to control dust • Replanting vegetation on soil piles and cleared areas as soon as possible • Put waste rock back into the pit to avoid clearing more land • Follow a plan to control air pollution and dust • Cover and plant on soil piles to stop erosion and dust
Noise and Vibration	Mining activities can create noise and vibrations that may affect people, wildlife, and the stability of nearby structures. Blasting and heavy equipment are the main sources of these impacts.	<ul style="list-style-type: none"> • Use noise minimization equipment where appropriate • Install engineering controls on equipment (e.g., mufflers, buildings or enclosures, and air intake treatments) • Maintain equipment on a regular basis (e.g., replace worn parts, lubricate as required) • Use material to create berms and barriers • Implement a noise management plan, including scheduling blasting events during daytime hours or other times to accommodate identified receptors • Consider vibration as part of geotechnical design criteria, if required • Include potential vibration impacts in reviews of geotechnical stability • Follow best management practices for blasting and vibration when in and around fish and fish habitat
Geology, Soils, and Terrain	Mining activities can change the land by removing vegetation and soil, storing rock and overburden stockpile, and creating the Open Pit. These changes can affect soil quality and reduce its ability to support plant growth, especially if soil is stored for long periods.	<ul style="list-style-type: none"> • Conduct soil salvage, stockpiling, and placement management • Implement an erosion and sediment control plan • Follow a land reclamation and closure plan that includes soil management and goals for future land use
Groundwater	Mining activities can affect groundwater by changing its quality and quantity. This can happen through chemical spills, overuse, or changes to the land that disturb underground water flow. Groundwater can also be affected when it mixes with water from the mine or flows through areas like pit walls and rock and overburden stockpile.	<ul style="list-style-type: none"> • Use groundwater management and monitoring plans throughout the life of the mine to track water conditions and update predictions • Follow the erosion and sediment control plan • Recycle contact water for processing to reduce the need for fresh water • Use best practices and engineered controls to safely store and handle chemicals and fuel and prevent spills • Include groundwater protection in the land reclamation and closure plan, including a water management plan for after the mine closes
Hydrology and Surface Water Quality	Mining activities can affect water quality and flow in nearby rivers and lakes. Treated water from the site, erosion, blasting residue, and accidental spills can change the chemical makeup of surface water. These changes may affect aquatic life and how the water can be used downstream. Mining can also change how water flows through the area, leading to erosion or sediment buildup, and may affect how groundwater and surface water interact.	<ul style="list-style-type: none"> • Implement a surface water management plan during the life of the Project • Design the Project area for closure in a way that reduces mine water discharge and restores natural drainage • Use proven safety practices and engineered systems to manage chemicals and fuel • Monitor storage and usage to help prevent spills or leaks • Include water management in the reclamation and closure planning • Follow a ML/ARD Plan

Component	Potential Effect	Example of Potential Mitigation
Biological Environment		
Fish and Fish Habitat / Aquatic Resources	Mining activities can affect fish and aquatic habitats by changing water quality, stream flows, and the physical environment. These changes can impact fish, amphibians, birds, and other aquatic life by reducing the amount and quality of habitat available, and by making it harder for species to migrate or reproduce.	<ul style="list-style-type: none"> • Avoid or minimize direct loss of aquatic habitat by carefully choosing locations for the mine pit and rock and overburden stockpile • Use best practices and environmental management plans to protect aquatic resources • Minimize the mine's footprint through phased development and maximize backfilling of rock and overburden • Follow standards for working in and around streams and implement erosion and sediment control plans • Work together with First Nations to create stewardship plans that support their initiatives and help make up for unavoidable damage to fish habitat • Develop a stewardship plan to offset any unavoidable damage to fish habitat • Manage surface water quality to protect aquatic ecosystems • Create a plan to monitor water and aquatic life near the Project site and check if environmental protection measures are working as planned
Vegetation and Ecosystems	Mining activities can affect local ecosystems by removing vegetation, disturbing soil, and changing the landscape. These changes can harm sensitive plant species and reduce biodiversity. If not managed properly, invasive plants may take over, and the land may lose its ability to support native ecosystems.	<ul style="list-style-type: none"> • Implement appropriate management practices and ecosystem / species management plans • Avoid or minimize interaction with sensitive and at-risk ecosystems and biodiversity elements • Design the site for closure in a way that allows natural ecosystems to recover, prevents invasive plants, and reuses already disturbed areas • Minimize the Project's footprint through progressive and interim reclamation • Use design strategies to protect sensitive vegetation and preserve soil quality for future land use • Follow a returning land use (Reclamation and Closure) Plan with clear goals for restoring the land • Implement air quality and dust control plan • Implement a stormwater runoff control plan
Wildlife and Wildlife Habitat	Mining activities can affect wildlife by removing habitat, creating noise and light, and disrupting movement patterns. Animals like moose, bears, and small mammals may be impacted by changes in their environment, including shifts in predator-prey relationships. Wildlife may also be harmed by vehicle collisions or changes in air, water, and soil quality. Riparian areas—wetlands and streambanks—are especially important for birds and amphibians and may be affected by land clearing.	<ul style="list-style-type: none"> • Use a closure design that supports the return of wildlife-friendly ecosystems • Develop management plans in collaboration with others to protect wildlife habitats • Minimize direct interaction between the Project and wildlife • Follow a returning land use (Reclamation and Closure) Plan with goals for restoring wildlife habitat • Reduce habitat loss for migratory birds by reusing already disturbed areas and reclaiming land quickly • Implement erosion and sediment control measures, such as sedimentation ponds • Avoid clearing habitat during bird nesting season, following the <i>Migratory Birds Convention Act</i> (1994) • Work together with First Nations to create stewardship plans that support their initiatives and help make up for unavoidable damage to wildlife habitat • Use best practices to reduce risks to wildlife • Follow a traffic management plan to reduce wildlife-vehicle collisions
Social, Health, and Economic Environment		
Community Infrastructure and Services, and Community Well-Being	The Project could affect the health and well-being of individuals and communities. This could include social well-being associated to changes in income or Project workforce participation, including increased consumption of drugs or alcohol, and changes in risk of sexual and gender-based violence. The Project may increase demand on local services and infrastructure, especially if the population grows due to Project-related employment. Worker and public health and safety are also important considerations.	<ul style="list-style-type: none"> • Conduct community planning with First Nations and other stakeholders to address service needs and community well-being • Community-based monitoring plans that include gender-based plus analysis for differentiated population effects • Seek input on long-term land use goals • Implement a returning land use (Reclamation and Closure) Plan that aligns with those goals • Develop occupational health and safety plans for employees • Work with local governments and emergency services to prepare for changes in population and service demand • Create programs to help employees grow their skills, such as paying for job-related courses or training • Implement a traffic management plan

Component	Potential Effect	Example of Potential Mitigation
Social, Health, and Economic Environment (cont'd)		
Human Health	Exposure to dust (PM _{2.5} , PM ₁₀), contaminated plants, poor water quality, and increased noise and traffic can pose health risks such as respiratory issues, metal ingestion, and stress-related effects like sleep disturbance. Potential effects are related to the Project's potential and perceived impacts to the biophysical environment and to social and economic factors (e.g., related to food security, transmission of knowledge, and employment).	<ul style="list-style-type: none"> • Implement an air quality and dust control plan • Implement a water stewardship plan for storm water runoff control plan • Implement noise mitigations • Implement a traffic management plan • Monitor workers' exposure to air quality / dust factors and utilize enhanced dust controls to minimize health effects from dust exposure
Employment and Economy	The Project can affect the local and provincial economy by creating jobs, increasing income, and generating government revenue. It may also affect training opportunities, population changes, traditional activities like hunting and gathering and create social inequalities with potential negative effects on First Nation populations, and particularly women and the elderly.	<ul style="list-style-type: none"> • Implement returning land use (Reclamation and Closure) Plans consistent with end land use objectives • Implement skills inventory, training, and skills development with First Nations and local communities • Conduct employment planning • Plan for local procurement of goods and services • Transition planning for mine workers at the end of mine life • Support First Nations with a skills inventory, training, and skills development
Land Use	<ul style="list-style-type: none"> • Changes to opportunities associated with public and tenured land and resources, including changes to the use of and/or access to certain public lands and waters and availability of certain species. • Changes in the ability to access preferred locations used for traditional, cultural and spiritual purposes, including seasonal camps. • Changes to the safe and productive use of the land for traditional purposes by First Nations, including fishing, hunting, trapping, and the gathering and harvesting of plants, including medicinal plants. • Changes in the presence, absence, abundance, quality or spatial distribution of fresh water, terrestrial, or other resources that are currently used for traditional, non-traditional and recreational purposes. • Changes in the quality of experience associated with the current use of lands and resources for traditional, non-traditional and recreational purposes as a result of Project effects such as increased activity in the area, noise, dust, and light. • Changes to First Nation interests including socio-economic status, community well-being, and cultural sustainability (e.g., the ability to transfer Indigenous Knowledge). 	<ul style="list-style-type: none"> • Seek and implement input on maintaining commercial tenure and recreational access and returning land use objectives • Implement returning land use (Reclamation and Closure) plans consistent with land use objective • Work cooperatively with First Nations to identify concerns and develop specific mitigation plans that address use of lands and resources to facilitated ongoing access • Incorporate Indigenous Knowledge and traditional land use in Project planning • Maintain an ongoing dialogue with First Nations to identify and recognize that their specific interests and concerns are understood and that such First Nations have the information required to inform consideration of potential effects • Mitigation as discussed earlier for noise, dust, water quality, traffic, are culturally appropriate • Develop participation agreements with First Nations
Visual Resources	The Project may change how the area looks, including the natural landscape and nighttime lighting.	<ul style="list-style-type: none"> • Seek and implement input on end land use objectives • Progressive reclamation • Use of LEDs and full cutoff fixtures for outdoor lighting
Physical and Cultural Heritage	Changes to resource integrity and increased or decreased accessibility to palaeontological, archaeological, or historical sites during all Project phases.	<ul style="list-style-type: none"> • Conduct an Archaeological Impact Assessment • Develop an archaeology chance find procedure • Implement a heritage resources management plan that outlines any areas where ground disturbance should be avoided and mitigative strategies if disturbance to archaeological sites is anticipated e.g., site alteration permitting if required

Component	Potential Effect	Example of Potential Mitigation
Components of the Environment that are Within the Legislative Authority of the Federal Government		
Fish and Fish Habitat / Aquatic Species at Risk	Mining activities can affect fish and aquatic habitats by changing water quality, stream flows, and the physical environment. These changes can impact fish, amphibians, birds, and other aquatic life by reducing the amount and quality of habitat available, and by making it harder for species to migrate or reproduce.	<ul style="list-style-type: none"> • Avoid or minimize direct loss of aquatic habitat by carefully choosing locations for the mine pit and rock and overburden stockpiles • Use best practices and environmental management plans to protect aquatic resources • Minimize the mine's footprint through phased development and maximize backfilling of waste rock • Follow standards for working in and around streams and implement erosion and sediment control plans • Work together with First Nations to create stewardship plans that support their initiatives and help make up for unavoidable damage to fish habitat • Develop a stewardship plan to offset any unavoidable damage to fish habitat • Manage surface water quality to protect aquatic ecosystems • Create a plan to monitor water and aquatic life near the Project site and check if environmental protection measures are working as planned
Migratory Birds	Loss and/or alteration of migratory bird habitat, from land clearing and mine construction.	<ul style="list-style-type: none"> • Reduce habitat loss by using already disturbed areas and restoring land quickly • Clear vegetation outside of nesting season to protect birds and follow legal Guidelines and other provisions of the <i>Migratory Birds Convention Act (1994)</i>
Aeronautical and Marine Navigation	Tall structures like towers or utility poles may interfere with airplane navigation. Boats could also face challenges when traveling near stream crossings or areas with underwater structures, such as water intakes. These potential impacts should be considered during Project planning to ensure safe navigation for both aircraft and watercraft.	<ul style="list-style-type: none"> • Add markings or lights to structures when needed for safety • Plan construction and operations to avoid problems for aircraft and boats, especially near water crossings or in-water work • Follow rules for minor work orders when required
Potential Changes Outside of BC and Canada		
Potential Changes Outside of BC Within Canada	No potential effects are anticipated outside of BC within Canada. The Project is approximately 340 km from the nearest interprovincial border (Alberta) and 290 km from the nearest international border (United States of America).	<ul style="list-style-type: none"> • Not applicable
Potential Changes on Federal Lands	Existing forest service roads along the North Access Route that may be used by the Project pass through two Reserves, specifically Binche 2 for 1,995 m and Sisul TI'o K'ut 14 for 1,533 m. While FPX has not currently identified any road upgrades required with the two Reserves, this will be confirmed as Project planning progresses. No other federal lands will be used for the Project.	<ul style="list-style-type: none"> • Not applicable
Potential Changes Outside of Canada	No potential effects are anticipated outside of Canada.	<ul style="list-style-type: none"> • Not applicable

Notes:

BC = British Columbia; ML/ARD = metal leaching / acid rock drainage; GHG = greenhouse gases; NO₂ = nitrogen dioxide; PM_{2.5} = fine particulate matter with a diameter of 2.5 microns or less; PM₁₀ = particulate matter with a diameter of 10 microns or less; the Project = Baptiste Nickel Project; SO₂ = sulphur dioxide

5.3 EMISSIONS, DISCHARGES, AND OTHER WASTE

The Project is anticipated to generate air emissions, water discharge, sanitary sewage, domestic waste, and hazardous waste. Additional design work is currently underway to minimize emissions and the impact to the environment.

5.3.1 GREENHOUSE GAS EMISSIONS

GHG emissions from the life of the Project were estimated using the methodology in Section 3 of the *Strategic Assessment of Climate Change* (ECCC 2020). GHG emissions estimates will be reviewed as the Project design is further refined.

Based on the *Strategic Assessment of Climate Change*, net GHG emissions are quantified as follows:

- Net GHG emissions = Direct GHG emissions + Acquired energy GHG emissions – CO₂ captured and stored – Avoided domestic GHG emissions – Offset credits.
- At this stage, only direct GHG emissions (also referred to as Scope 1) and acquired energy GHG emissions (Scope 2) can be quantified based on available information. All other terms in the net GHG emissions equation are assumed to equal zero or less. Net GHG emissions were calculated for the Project's Construction, Operations and Closure phases.

Direct Greenhouse Gas Emissions

The Project will produce GHG emissions during construction, operations, and closure. Most emissions come from diesel use, explosives, and some industrial processes. Early estimates show that diesel accounts for about 85% of emissions. Improvements in equipment efficiency and the use of technologies like trolley assist have helped lower the Project's carbon intensity to below 1.5 t of carbon dioxide (CO₂) per t of nickel.

At this stage:

- Only direct emissions (from fuel use and operations) and emissions from purchased electricity are included;
- Emissions from land use changes and propane heating are not yet estimated but are expected to be minor; and
- Methane and nitrous oxide emissions are also included but are very small.

At this stage of Project planning, the estimated total emissions are:

- Construction: approximately 84,880 tCO_{2e};
- Operations: approximately 1,848,554 tCO_{2e}; and
- Closure: approximately 17,947 tCO_{2e}.

Estimates for diesel use were also used to calculate direct emissions for methane and nitrous oxide. These gases contribute to climate change but are released in much smaller amounts. Approximately 96.0 tonnes of methane and 56.0 tonnes of nitrous oxide equivalent will be released over the life of the Project. These emissions are expected to stay low but are included based on the latest available data.

Acquired Greenhouse Gas Emissions

The Project will use electricity from BC Hydro, which produces some GHG emissions. These emissions are called acquired GHG emissions because they come from energy purchased from outside sources. During construction, operations, and closure, the Project will use large amounts of electricity, especially in the operations phase.

Using BC Hydro's emission rate, the total acquired GHG emissions over the life of the Project are estimated to be 642,089 tCO_{2e}. This includes emissions from generating and transmitting the electricity used.

CO₂ Captured and Stored, Avoided Domestic Greenhouse Gas Emissions, and Offset Credits

The Project's mine waste and tailings may help absorb CO₂ naturally, thanks to minerals like brucite and serpentine. Early lab and field tests show potential, but no carbon capture benefits are currently included in the Project's economic or emissions estimates. FPX plans to keep exploring this opportunity with experts and stakeholders as the Project moves forward. For now, the Project is not expected to further reduce domestic GHG emissions.

Net Greenhouse Gas Emissions

The Project is expected to produce a total of 2.59 million tCO_{2e} over its lifetime, including emissions from construction, operations, and closure. The Project's peak annual GHG emissions are expected to be 133,844 million tCO_{2e} in Year 15, which is about 0.35% of BC's *Climate Change Accountability Act* (2007) 2030 climate target (38,800,000 tCO_{2e} per year) and 0.52% of the *Climate Change Accountability Act's* 2040 target (25,900,000 tCO_{2e} per year).

Net-Zero Plan

According to the federal *Strategic Assessment of Climate Change* (ECCC 2020) a credible net-zero plan is required for projects with a lifetime that extends beyond 2050. Since the Project will operate beyond 2050, a credible net-zero plan is required as part of BC's new *Greenhouse Gas Industrial Reporting and Control Act* (2014). Most remaining emissions are expected to come from diesel use and electricity. As the Project design is refined and emissions estimates are updated, a net-zero plan will be developed to meet these requirements.

5.3.2 WATER EMISSIONS

The Project will manage water carefully to protect the environment. Water emissions for the Project include contact water (water that touches mine areas) and non-contact water (from upstream catchments, clean). Contact water that touches mine areas will be captured and treated as required before being released to the environment. FPX is considering a closure plan that would support re-establishing natural drainage patterns, as such, the three main subwatersheds (Khast'an-i Koh [Baptiste Creek], Sidney Creek and Paula Creek) in the Project Area may receive discharge depending on the final Project design, results of water-related modelling, and collaborative design with First Nations. Water discharge monitoring would be a fundamental component of the Environmental Management System. Water discharge will meet provincial permit limits and federal standards.

The Tailings Facility will play a key role in managing both waste and water throughout the life of mine. A water stewardship plan will guide decisions, focusing on:

- Respecting water as a shared resource important to ecosystems, operations, and First Nation cultural practices;
- Including water planning in all stages of the Project, from development to closure;
- Using water efficiently and reducing waste early in the design process;
- Considering long-term and area impacts when making water use decisions;
- Working with First Nations and other water users;
- Minimizing land disturbance and following the environmental mitigation steps: avoid, minimize, restore, and offset;
- Meeting all legal requirements; and
- Supporting broader efforts to conserve water and build climate resilience.

FPX will continue to refine Project design and water management through technical studies and collaboration with First Nations.

5.3.3 OTHER WASTES

During Operations and Closure, FPX will operate onsite sanitary sewage treatment facilities, with the largest demands from the Process Plant area and Accommodation Facility. However, during the Construction phase, temporary sanitary sewage systems may be used. Design, selection, and location of these facilities will be consistent with applicable legislation.

Waste management will focus on diversion, reducing, sorting by waste stream, and recycling waste. Depending on the phase of the Project, this will include marked bins, incineration, and safe storage and disposal for hazardous materials. Hazardous waste will be sent offsite to approved disposal or recycling facilities. All waste handling will follow applicable health guidelines and legal regulations.

6. CLOSING

This document is a summary of an IPD for the Project as required by the IAAC following Section 3 and Schedule 1 of the Information and Management of Time Limits Regulations and Annex I, paragraph 25 of the Guide to Preparing an IPD and a Detailed Project Description under the IAA (IAA 2019). It is intended to summarize the IPD in a condensed and accessible format. This document was divided into five key sections, as follows:

1. Part A presents general information about the Project including its location, the proponent, and Project-specific engagement completed to date.
2. Part B presents more detailed information about the Project itself including anticipated benefits, proposed infrastructure and activities, and schedule.
3. Part C presents a summary of the current environmental conditions in the Project area.
4. Part D presents the anticipated regulatory requirements to which the Project will be subject, anticipated government involvement, and jurisdictional matters.
5. Part E presents a preliminary overview of potential effects the Project may cause, and potential mitigation.

The Baptiste Nickel Project is a proposed open-pit nickel mine about 82 km northwest of Fort St. James, BC, with parts of the Site and infrastructure located within the territories of the Binche Whut'en, Lake Babine Nation, Nadleh Whut'en, Nak'azdli Whut'en, Stelat'en First Nation, Takla Nation, Tl'azt'en Nation and Yekooche First Nation. The key Project components include an Open Pit mine, Process Plant, Tailings Facility, Ore, overburden, rock and topsoil storage areas and stockpiles, roads and access routes, general ancillary buildings, accommodation facilities, a freshwater supply system and a transmission line.

The Project has a planned operational mine life of 28 years, with an estimated average annual processing rate of 108,000 tonnes per day of ore (a mining rate of 60 Mt/year) for the first 5 years, increasing to an estimated average annual processing rate of 162,000 per day of ore (a mining rate of 120 Mt per year) thereafter. Due to its size, the Project will be reviewed under both the BC EAA (2018) and the federal IAA (2019).

Nickel is a critical mineral as defined by the governments of Canada, British Columbia and the G7 group of industrialized nations. It is needed for stainless steel and to enable the energy transition, as it is an essential component in renewable energy technologies such as wind turbines and electric vehicles batteries and other energy storage systems. The Project represents an opportunity to develop a low-carbon source of nickel, which is in the form of awaruite, within Canada, in line with the priorities of First Nations, BC's *Critical Minerals Strategy*, and Canada's *Critical Minerals Strategy*. The Project would contribute to Canada's efforts to decarbonize its economy and meet climate change commitments, while also creating economic and social benefits for the region, the province, and the country.

Through this IPD, FPX is providing an early overview of the Project with the intention that this document will form the basis for the Early Engagement phase of the Environmental Assessment process. The Environmental Assessment process will be initiated when the EAO and IAAC accept the IPD and seek public comments. Regulators, agencies, First Nations, and the public will have the opportunity to provide initial feedback on the Project and its components. In the Detailed Project Description, FPX will present a more refined design that considers the collaboration and review provided by government agencies, First Nations, and the public.

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