

Atlantic Operations

Atlantic Mining N.S. Inc

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June 28, 2022

Kathryn MacCarthy Project Manager – Atlantic Region Impact Assessment Agency of Canada 200-1801 Hollis St Halifax, NS B3J 3N4

Subject: Beaver Dam Mine Project — Request for a Time Limit Extension to Submit Required Information under CEAA 2012

Dear Ms. MacCarthy:

Atlantic Mining Nova Scotia Inc. (AMNS, the Proponent), a wholly owned subsidiary of St Barbara Limited, is writing to request a three-year extension for the Environmental Assessment (EA) for the Beaver Dam Mine Project (the Project).

AMNS understands that the deadline to submit the required information or studies for the Beaver Dam Mine Project is August 28, 2022, and that the Impact Assessment Agency of Canada (IAAC) may grant an extension to the time limit in exceptional circumstances. AMNS believes that the Project meets the key criteria for such circumstances as the Project is well advanced and AMNS is committed to providing the required information within a reasonable timeframe. AMNS intends to use the requested time to:

- provide responses to the Round 3 Information Requests (IRs);
- continue engagement with Indigenous communities;
- assess the need for a potential change in the Project transportation corridor;
- address concerns of Fisheries and Oceans Canada (DFO); and
- provide responses to Round 4 IRs, if required.

We trust that the information provided in the attached document meets IAAC's requirements to grant the requested extension. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely, <Original signed by>

Sara Wallace Head of Permitting Atlantic Mining Nova Scotia Inc. Attachment: Beaver Dam Mine Project – Request for a Time Limit Extension to Submit Required Information under CEAA 2012

c.c.: Mike Atkinson, Impact Assessment Agency of Canada; Melanie Smith, Impact Assessment Agency of Canada



Beaver Dam Mine Project — Request for a Time Limit Extension to Submit Required Information under CEAA 2012

1. Introduction

Atlantic Mining Nova Scotia Inc. (AMNS, the Proponent), a wholly owned subsidiary of St Barbara Limited, has prepared this document to request a time limit extension for the Environmental Assessment (EA) for the Beaver Dam Mine Project (the Project). This document has been prepared in response to correspondence from the Impact Assessment Agency of Canada (IAAC), outlining the deadlines and requirements to support IAAC's review of a request for an extension to the legislated time limit.

AMNS understands that pursuant to subsection 181(2) of the *Impact Assessment Act* (the IAA), there is a three-year legislated time limit during which a proponent must provide required information or studies to IAAC for an EA process that commenced under the *Canadian Environmental Assessment Act, 2012* (CEAA 2012). The deadline to submit the required information for the Beaver Dam Mine Project is August 28, 2022.

AMNS also understands that, in accordance with subsection 181(2.1) of the IAA, IAAC may grant an extension by any period necessary for the proponent to provide the required information or studies, but the extensions are intended for exceptional circumstances. AMNS believes that the status of the Project meets the key criteria outlined by IAAC for such circumstances. Primarily, that the Project is well advanced, and the Proponent can provide the required information or studies within a reasonable timeframe.

AMNS is formally requesting a three-year extension to the legislated time limit to enable the company to provide IR responses to IAAC, complete further engagement with key parties, and address outstanding issues of concern. The request for three years includes contingency to allow for unforeseen events. AMNS will work diligently with IAAC, Indigenous communities, and other stakeholders to achieve shorter timelines in practice, where possible.

This document outlines AMNS's rationale for requesting an extension, explains a potential Project change that may require additional assessment, provides a summary of engagement with key interested parties that have outstanding concerns, summarizes the progress of the EA to date, and presents a work plan to demonstrate that permitting can be completed within the three-year extension requested here.

2. Rationale for the Time Limit Extension Request

As outlined in the following sections, AMNS intends to use the requested time to:

- provide responses to the Round 3 Information Requests (IRs);
- continue engagement with Indigenous communities;
- assess the need for a potential change in the Project transportation corridor;
- address concerns of Fisheries and Oceans Canada (DFO); and
- provide responses to Round 4 IRs, if required.

The following information is provided to outline the specifics for the additional time required and includes background regarding delays caused by COVID-19 and resourcing challenges in the environmental sector.



2.1. Time Required for Responses to Information Requests

AMNS is currently working on responses to IRs received in January and February 2022 (Round 3) after submitting a Revised Environmental Impact Statement (EIS) in October 2021. It is estimated the IRs received to date will be submitted in early fall 2022 such that the issues raised in the IR3's are addressed.

In addition, AMNS has assumed that there is potential for a fourth round of IRs. Time has been included in the work plan to account for Round 4 IR responses, and a subsequent conformity review and technical review.

2.2. Time Required for Indigenous communities Engagement and Issue Resolution

The Mi'kmaq of Nova Scotia have been engaged in the planning stages of the Project since it started in 2015. Over the last year, Millbrook First Nation specifically has provided several of its own studies and has documented its concerns about the Project. AMNS recognizes that there are specific concerns (e.g., harvesting areas, haul road access, water quality, and human health effects) that the community would like to see addressed. AMNS is committed to reviewing aspects of the Project that may warrant change to reduce such concerns (Refer to Table 1: Engagement with Millbrook First Nation below for more details about the concerns).

As a result of the COVID-19 pandemic, efforts to build relationships and engage in a meaningful way have been hampered for over two years. This resulted in a lack of progress with overall engagement (Indigenous and non-Indigenous), which may otherwise have revealed specific community concerns at an earlier stage in the EA process. During the COVID-19 restrictions, AMNS was unable to engage with Millbrook First Nation in person. Once Millbrook First Nation was comfortable with in-person meetings, in May 2022, AMNS was granted a meeting with access to confidential documents and maps that informed AMNS more specifically about the potential Project effects as a result of the haul road route.

Additional time is required to evaluate the feasibility and acceptability of potential alternatives to the existing haul road route with the aim of reducing the adverse effects (e.g., changes to access, safety, and effects on harvesting and recreational use) that were identified through pre-Covid engagement.

2.3. Time Required to Address DFO Concerns

Based on a letter received from DFO in January 2022 and subsequent correspondence from IAAC, AMNS understands that the Project's potential impacts to fish and fish habitat remain of concern.

As presented to IAAC and the Nova Scotia Department of Environment and Climate Change (NSECC) on April 1, 2022, AMNS is committed to working with DFO to resolve these concerns. Based on the feedback received, AMNS is working on a response to the technical comments provided by DFO (refer to Table 2: Engagement Regarding DFO Concerns below for more details). This response will be submitted in two phases: the first phase will address effects to fish and fish habitat and the second phase will address the Habitat Offsetting Plan.

As a result, additional time is required to address the impacts to fish and fish habitat, consult with DFO on the conclusions of the assessment and subsequent work that has been undertaken, and present the resulting mitigation measures and commitments.



2.4. Time Required due to COVID-19

As mentioned above, COVID-19 has changed AMNS' ability to consult with IAAC, Indigenous communities, and other stakeholders from what was originally intended and planned. For example, inperson meetings were cancelled, which hampered the ability to receive Indigenous knowledge and other information that would augment the EIS. It has also limited the ability to exchange information with interested parties, and to hear about concerns and how to address them.

COVID-19 restrictions also hindered the ability of AMNS' environmental consultants and technical specialists to travel, reducing their availability for field work and reducing AMNS' ability to complete the technical work required to respond to IRs efficiently. For example, travel restrictions in Nova Scotia led to us being unable to complete field work during crucial working periods as qualified personnel within and outside of the province were unable to travel to required locations.

Additional time is required to compensate for these unforeseen circumstances which have had a negative effect on EIS progress and schedule.

2.5. Time Required due to Resourcing Challenges and Company Acquisition

While not directly related to the EA process, AMNS acknowledges that there has been considerable turnover in the company and the Project Team since the commencement of the EA process.

In 2019, St Barbara acquired Atlantic Gold, which was the original proponent for the Project. The acquisition necessitated some pauses to review legacy operations and plan for alignment with St Barbara standards and expectations. This initially resulted in some impacts to the Project schedule as new management, technical resources, and objectives were transitioned, and new communication and decision interfaces were established.

St Barbara's management structure is now in place with local corporate leadership to ensure expedited decision making for the remainder of the Project's execution. Likewise, a new environmental planning and permitting team has been put in place, with new resources now up to speed and actively participating and engaging with regulators and stakeholders to progress the Project and EA process.

3. Changes to the Project or Environment

As mentioned above, AMNS is committed to addressing the concerns of Millbrook First Nation and is exploring alternative transportation options for the haul road that was proposed in the EIS document.

AMNS will require time to evaluate the feasibility of new transportation options, and to consult with IAAC, Indigenous communities, and other stakeholders. If a new preferred transportation route is identified, it may result in a need to complete additional field work and effects assessments.

The anticipated timeframe to undertake these activities is incorporated into the work plan in Section 6. If it is determined that the currently proposed route is the most preferred, the schedule proposed in the work plan may be shortened.



4. Engagement Record

The following section summarizes the engagement that has taken place since the last comment period on the Revised EIS and Revised Summary of the EIS, focusing on the key issues identified above in relation to the concerns of Millbrook First Nation and DFO.

4.1. Millbrook First Nation

The following is a summary of engagement with Millbrook First Nation since October 2021, which was when the EIS was submitted and when AMNS was able to have an in-person meeting with Millbrook First Nation after COVID-19 restrictions lifted.

Date	Description
October 8, 2021	AMNS and Millbrook First Nation's Consultation Coordinator exchanged emails regarding an in-person meeting being scheduled in the community to allow AMNS to review confidential community reports and mapping to support the EA process.
November 5, 2021	AMNS and Millbrook First Nation exchanged emails regarding a time to meet and agreed on a time for a call the following week.
November 22 - 29, 2021	AMNS emailed Millbrook First Nation to ask if they could catch up on a few items. Millbrook First Nation indicated that it could reply to questions by email but was too busy to meet. AMNS indicated it wanted to provide notice that it was planning some exploration drilling on private land and that the nearest Millbrook community is IR# 36. AMNS committed to providing mapping and coordinates.
November 29, 2021	Millbrook First Nation emailed AMNS indicating that Chief and Council did not have interest in meeting the company's newly appointed President. It was also noted that Council would be submitting a response that would indicate that they are not convinced that the Project, as it stood, is in the best interest of the community and that they still have serious concerns (environmentally and from a health perspective).
December 15, 2021	Millbrook First Nation emailed AMNS regarding concerns from a band member from Beaver Lake I.R. 17, alleging that AMNS had done some clear cutting for the haul roads across from the Beaver Dam Mine Road. AMNS looked into the issue and suggested a meeting to explain what had happened so far, and to help improve communications going forward.
December 17, 2021	Millbrook First Nation wrote to AMNS to indicate that the community has reserve lands in Beaver Dam, near the proposed mine site - Beaver Lake I.R. 17 and has concerns relating to the adverse impacts on their collective harvesting rights because many of the residents of Beaver Lake I.R. 17 are sustenance harvesters (hunting, fishing, trapping, and gathering). There is concern that the mine site and its infrastructure will contribute to a long-term loss of Crown lands, resulting in a loss of harvesting area, and that the proposed mine may

Table 1: Engagement with Millbrook First Nation



Date	Description
	compromise the quality and abundance of natural resources that they rely on for food security.
December 17, 2021	Millbrook First Nation provided a letter to IAAC with responses to focused questions (compiled through in-person community engagement with the eastern shore reserves and Chief and Council, as well as online engagement with the broader community) to provide feedback regarding the impacts to the nearest Indigenous communities. Key issues of concern included harvesting areas, haul road access, water quality and human health effects. A Wellness Study was also attached to the letter.
January 13, 2022	IAAC provided a letter to AMNS indicating that it had completed its technical review of the Round 2 IR responses, the revised EIS, and the EIS Summary for the Project, and had determined that additional information was required, attaching additional IRs (Round 3). IAAC indicated that it was still considering the need to issue additional IRs, specifying that concerns remain regarding the potential impacts to current use of lands and resources by the Mi'kmaq of Nova Scotia, particularly by members of Millbrook First Nation. ASMN was advised to review the advice that Millbrook First Nation had provided to IAAC in the letter dated December 17, 2021.
January 17, 2022	AMNS emailed the contact at Millbrook First Nation asking if they could meet on some information requests that AMNS had.
January 24, 2022	AMNS reached out to Millbrook First Nation requesting a call to discuss a few issues. Millbrook First Nation replied indicating that the following day would work.
January 25, 2022	AMNS met with Millbrook First Nation to continue engagement on the recent EIS submission.
February 11, 2022	An Expression of Interest (EOI) was sent to Millbrook First Nation on behalf of AMNS for winter and spring moose tracking surveys to support on-going environmental baseline work at the Beaver Dam Mine.
March 15, 2022	AMNS emailed Millbrook First Nation hoping to follow up on a few items including a potential meeting with its CEO, the Traditional Land and Resource Use Study for another project (the Fifteen Mile Stream Gold Project) and some further information on its recent EA submission for the Touquoy Gold Mine.
April 1, 2022	Millbrook First Nation provided a letter to grant permission to allow two AMNS staff members to access the confidential TLRUS report and maps, as well as to use the information contained within the Community Consultation Report that was prepared in response to the Proponent's proposed mitigations (re: alternative harvesting areas and haul road systems). The letter contained restrictions against referring to specific information and reproducing maps. The Millbrook First Nation also responded to a request to meet with Chief and Council and offered to host a call on April 12th.



Date	Description
May 11, 2022	AMNS met with Millbrook First Nation in-person to sign confidential agreements and received access to sensitive data around traditional land use.
May 17, 2022	AMNS emailed thanking Millbrook First Nation for the meeting on May 11 and to follow up on an offer by the Millbrook First Nation to allow a few additional key members of the Project Team to gain access to the information shared, proposing a date the following week.
May 19, 2022	AMNS followed up by email on its request to have the additional members of the Project Team signed up under a Confidentiality Agreement to help promote understanding of the issues of concern.
May 24, 2022	Millbrook First Nation provided a letter to AMNS to state that the newly formed Millbrook Chief and Council opposes the proposed Project.

4.2. Fisheries and Oceans Canada

The following is a summary of engagement in relation to DFOs concerns since January 13, 2022, when IAAC determined that additional information was required and issued IR Round 3, highlighting that DFO concerns remained regarding the Project's impacts to fish and fish habitat, including such matters as flow reductions, decreased water quality, sedimentation, and inadequate offsetting.

Date	Description								
January 13, 2022	AMNS received a letter from IAAC on behalf of DFO, dated December 15, 2021, outlining the comments DFO had on the Beaver Dam Mine Project.								
February 8, 2022	IAAC reached out requesting a meeting to discuss the EA process and next steps as a result of the DFO letter.								
February 14, 2022	A meeting was held between AMNS, IAAC, and NSECC. IAAC conveyed that DFO did not believe that AMNS could complete the Project without having a significant effect to the environment.								
February 18, 2022	Another meeting with IAAC, NSECC, and AMNS was held. DFO's thoughts on the Projects were communicated again.								
March 11, 2022	AMNS sent a letter to IAAC indicating that AMNS acknowledged the advice that was received from DFO. The letter outlined AMNS' plan forward and requested a meeting with IAAC and DFO to review the plan and receive feedback.								
March 29, 2022	AMNS received a response to the letter from IAAC outlining times IAAC and DFO would be able to meet. The meeting was set for April 1, 2022.								
March 31, 2022	AMNS received an email from IAAC stating that DFO would not attend the April 1 meeting.								
April 1, 2022	A meeting with IAAC and NSECC was held. AMNS communicated that it believed it would be able to address the concerns DFO had about the Project. AMNS								



Date	Description							
	presented what it was working on in response to the DFO Technical Review Comments. AMNS received positive feedback on the plan, particularly on its proposal for a salmon smolt to adult rearing program. IAAC stated that it would forward the information to DFO to obtain its feedback.							
April 7, 2022	AMNS provided IAAC with the PowerPoint presentation from the April 1, 2022, meeting, and the salmon smolt to adult rearing proposal.							
April 21, 2022	AMNS received feedback from IAAC and DFO, by email, indicating that they would need more detail to be able to comment on the methodology that would be used to address issues. They recommended that AMNS:							
	• focus on the proximity of the open pit to the Killag River/Cameron Flowage and the discharge of mining effluent to the Killag River, as that is the primary concern;							
	 redesign the Project to avoid impacts to important habitat for Atlantic Salmon, e.g., that sediment and mining effluent is not released into important Atlantic Salmon habitat; and rely on the DFO Comments dated December 15, 2021, with respect to issues regarding offsetting for fish habitat. 							

5. Advancement of the EA

AMNS is committed to advancing the EA and has been working through the process to the best of its ability given the recent pandemic and general resourcing issues in the Canadian market (as discussed in Section 1). Pauses to the EA timelines have generally occurred to allow time for additional study or information gathering, which has been essential to meeting the requirements and expectations of federal and provincial authorities, the Mi'kmaq of Nova Scotia, and the public. AMNS feels that the additional time is warranted to advance the Project

The following is a summary of the progress of the EA over the last several years.

- December 7, 2015: The Canadian Environmental Assessment Agency issued the Notice of Commencement for the Project.
- January 19, 2016: The Final Environmental Impact Statement (EIS) Guidelines were released.
- March 27, 2017: After completing several studies, AMNS submitted an EIS to IAAC for a conformity review.
- April 27, 2017: IAAC responded that the EIS did not fully conform to the requirements in the EIS Guidelines and requested a revised EIS with the deficiencies addressed.
- June 12, 2017: AMNS provided the revised EIS, which was deemed to conform to the Guidelines by IAAC and was posted for review.
- June 28, 2017: A Public Notice inviting comments on the Summary of the EIS was posted by IAAC.
- August 2017: Based on IAAC's technical review of the EIS and comments received from regulators, Indigenous peoples and other stakeholders, IAAC requested additional information



in the form of Information Requests (IRs) Round 1: Parts 1 and 2. NSECC also submitted Round 1 IRs.

- With the issuance of the IRs, IAAC paused the EA timelines until it felt that acceptable responses to all the IRs were received, including those submitted by NSECC.
- September 2017 to February 2019: Due to the nature of the IRs, AMNS undertook substantial additional studies (e.g., quantitative predictive modelling was completed to evaluate potential connection between surface and groundwater, noise impact study, air dispersion modelling, light impact assessment, ARD Assessment, etc.).
 - Due to the substantive changes, including new technical reports and analyses of effects, several sections of the EIS (e.g., Air, Groundwater, Surface Water, Indigenous Peoples, and Cumulative Effects) were completely replaced, while the other sections were substantively revised with changes tracked.
 - The revised EIS also considered micro-siting of Project infrastructure, and changes to the boundary of the Beaver Dam Mine Site component of the Project Area as a result of comments received.
- February 28, 2019: AMNS submitted its responses to the IR1's in a revised EIS and a revised EIS Summary.
- May 2019: IAAC completed its technical review of the revised EIS and determined that additional information was required. IAAC issued Round 2: Part 1 on May 8, 2019, and Part 2 IRs on June 12, 2019. NSECC issued Round 2 IRs on May 6, 2019, as well.
 - With the issuance of the IR2's, IAAC again paused the federal timeline within which the Minister of Environment and Climate Change's decision must be made.
- June 4, 2021: IAAC received responses from AMNS to Round 2 IRs.
- June 16, 2021: IAAC received the revised EIS and Revised Summary of the EIS from AMNS. IAAC then conducted a completeness check and solicited input from other federal authorities, the Mi'kmaq of Nova Scotia, and the public.
- July 15, 2021: IAAC posted its conclusion that the responses provided to Round 2 IRs were not adequate. IAAC requested revised responses relating to several topics.
- October 29, 2021: AMNS responded to IAAC, providing revised responses to the Round 2 IRs, inclusive of a revised EIS and Revised Summary of the EIS.
 - IAAC posted the revised EIS and Revised Summary of the EIS on the Canadian Impact Assessment Registry (the Registry) on the same day.
- November 15, 2021: IAAC released the outcome of its conformity review to the revised Round 2 IRs, indicating that the Round 2 IR responses conform (with the exception of one).
- November 16, 2021: IAAC invited comments on the Round 2 IR responses, the revised EIS, and the EIS Summary.
- December 13, 2021: AMNS provided its response to the one outstanding Round 2 IR's (i.e., the exception mentioned above).
- November 2021 through January 2022: Several public comments were received and posted on the Registry.
- January 13, 2022: Based on the review and comments received, IAAC determined that additional information was required and issued IR Round 3. NSECC issued its Round 3 IRs on January 28, 2022.
 - This again paused the clock for the federal EA.



- February 3, 2022: IAAC issued IR Round 3: Part 2.
- February to May 2022: Comments from Indigenous communities and other stakeholders continued to be posted on the Registry.

Per the work plan below, AMNS is currently working to respond to the Round 3 IRs.

6. Proposed Work Plan to Completion

AMNS is actively working on responding to the Round 3 IRs. Based on the recent input received, we are requesting additional time to respond to the Round 3 IRs, but more importantly, to allow for meaningful engagement with Millbrook First Nation and DFO over the coming months.

- **IR3 Responses**: Round 3 IR responses will continue to be drafted over the summer for submission in early fall. The work plan assumes time for the conformity review and technical review to be facilitated by IAAC.
- **DFO Response Plan**: AMNS will work concurrently on the responses to DFO, using the twophased approach described in Section 2.3.
- Alternative Haul Road Study: The work plan assumes one or more alternative transportation options may be assessed if a feasible option is identified. The schedule for this evaluation will include identifying technical, environmental, and social constraints, including engagement with Indigenous community and other stakeholders. The assessment will be submitted in the technical update to IAAC.
- **IR4 Responses:** Given that new information may be provided (e.g., in the Technical Update which would include any changes to the EIS from updated ore transportation), AMNS has included additional time to respond to a fourth Round of IRs and assumes that the responses will undergo a conformity and technical review.

Once there are no further IRs, it is understood that IAAC will prepare its draft EA Report based on the information provided by AMNS, advice from DFO, the Mi'kmaq of Nova Scotia, and other comments received during the public comment period.

Table 3 outlines how the additional time requested would be used to provide the required information.

Project Milestones	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
IR3 Responses														
Conformity Review														
Technical Review														
DFO Response Plan - Phase 1														
DFO Response Plan - Phase 2														
Alternative Haul Road Study														
IR4 Responses														
Technical Update														
Conformity Review														
Technical Review														

Table 3: Beaver Dam Project Workplan Q2, 2022 to Q3, 2025

Note: The dark green shading is the anticipated plan; the light green shading illustrates contingency where a longer timeline may be required (e.g., to accommodate COVID-19 restrictions, field data collection, stakeholder protocols for engagement, and questions from regulators).



AMNS will continue to work diligently with IAAC, Indigenous communities, and other stakeholders to achieve shorter timelines in practice, if possible (e.g., if a new alternative route is not required, the timeline to completion may be substantially shorter than depicted below).

7. Conclusion

AMNS appreciates the opportunity to make this request for an extension for the Beaver Dam Mine Project.

AMNS believes that the EA process is well advanced. It is nearing the completion of the current Round 3 IR stage, with only a few issues remaining to be resolved. AMNS' engagement with IAAC, Indigenous communities and other stakeholders has been on-going and comprehensive, apart from the limitations imposed by COVID-19. AMNS is concerned that a re-start of the EA process under the IAA2019 could undermine the existing working relationships, and cause confusion among stakeholders and engagement fatigue, possibly surfacing as resentment towards the Project and the regulators. AMNS is confident that re-commencing the EA under the IAA2019 is not required to provide a sufficient review process given the current issues-resolution process, and the ongoing involvement of key parties such as DFO and Millbrook First Nation.

AMNS is committed to providing the information within the extension period granted by IAAC before the time limit has expired, and in doing so, wishes to avoid detrimental impacts such as engagement fatigue, unnecessary use of federal government resources, and duplication of effort by all parties involved.