Via Electronic Mail: ecc-minister@gov.nl.ca

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Honourable Dr. Scott Reid
Minister of Environment and Climate Change
Minister Responsible for Indigenous Affairs and Reconciliation
Department of Environment and Climate Change
PO Box 8700
St. John's, NL A1B 4J6

Dear Mr. Carter and Honourable Dr. Scott Reid:

RE: Kami Iron Ore Mining Project – Submission of Environmental Impact Statement (EIS) Package

Champion Kami Partner Inc. (referred as Champion in this document) is pleased to submit this Environmental Impact Statement (EIS) Package in support of the proposed new iron ore mining and milling operation in Labrador West, called the Kamistiatusset (Kami) Iron Ore Mine Project (the Project), in the Province of Newfoundland and Labrador (NL). The Project site is located entirely in Labrador, approximately 7 km southwest of the Town of Wabush, 10 km southwest of the Town of Labrador City, and 5 km northeast of the Town of Fermont, Québec. The mining operation is expected to produce an average of 8.6 million tonnes of high-purity iron ore concentrate annually over a 26-year mine life.

The Kami Iron Mine Partnership holds ownership of the Project. In December 2024, Champion Iron, Nippon Steel (Nippon) and Sojitz Corporation (Sojitz) have entered into a binding agreement to form a partnership for the joint ownership and development of the Kami project. Upon closing, the transaction will see Champion hold a 51% equity interest in Kami with Nippon and Sojitz holding minority positions of 30% and 19%, respectively.

The proposed Project includes the construction, operation, and eventual closure of the following primary components: an open pit mine, conveyors, ore stockpiles, a processing plant, a tailings management facility (TMF), an ore concentrate load-out, access roads, workforce accommodations, and a railway corridor to connect the facility to the Quebec North Shore & Labrador Railway.

On May 3, 2024, Champion registered the Kami Iron Ore Mine Project for environmental assessment, in accordance with the provincial Environmental Protection Act. The enclosed EIS has been prepared to satisfy the requirements of the Environmental Assessment Regulations, 2003, under the Newfoundland and Labrador Environmental Protection Act (NLEPA). The EIS also satisfies the requirements outlined in the Environmental Impact Statement Guidelines for Kami Iron Ore Mine, Labrador West, NL, Champion Iron Mines Ltd. (EIS Guidelines) issued by the NL Minister of Environment and Climate Change (the Minister) on December 19, 2024 (Government of NL, 2024).

Champion has prepared this EIS in support of the environmental assessment (EA) of the Project through establishing an experienced team of subject matter experts and qualified professionals to conduct technical studies, to engage with Indigenous communities, local communities, regulators and public stakeholders; and to finalize the EIS.

The enclosed EIS Package consists of the following documents:

- Cover Page
- Executive Summary and Table of Concordance
- Table of Contents
- Abbreviations List
- Glossary
- Chapter 1: Introduction
- Chapter 2: Project Description
- Chapter 3: Project Alternatives
- Chapter 4: Effects Assessment Methodology
- Chapter 5: Air Quality and Climate
- Chapter 6: Noise, Vibration, and Light
- Chapter 7: Groundwater
- Chapter 8: Surface Water
- Chapter 9: Fish and Fish Habitat
- Chapter 10: Vegetation, Wetlands, and Protected Areas
- Chapter 11: Wildlife
- Chapter 12: Heritage and Historical Resources
- Chapter 13: Indigenous Land and Resource Use
- Chapter 14: Other Land and Resource Use
- Chapter 15: Economy and Employment
- Chapter 16: Services and Infrastructure
- Chapter 17: Community Health and Well-being
- Chapter 18: Accidents and Malfunctions
- Chapter 19: Effects of the Environment on the Project
- Chapter 20: Environmental Management, Monitoring, and Follow-up
- Chapter 21: Summary of Significance of Residual Effects
- Chapter 22: Engagement
- Chapter 23: Commitments Made in the Environmental Impact Statement
- Chapter 24: Assessment Summary and Conclusions
- References
- Annexes to the EIS:
  - Baseline Reports (Annexes 1 – 4)
  - Environmental Management Plans (Annex 5)
- Technical support documents (TSDs)

The digital copies (.pdf) of the EIS Package have been prepared following the digital file guidelines in the *Environmental Assessment – A Guide to the Process* (NL, 2025).

High purity iron ore

The purpose of the Project is to develop the high-purity iron ore deposits of the Kami Iron Ore Mine. Once mined, the high-purity iron ore will be refined to produce high-purity iron ore concentrate suitable for export to international steel markets. In June 2024, **Error! Hyperlink reference not valid.** This decision followed those of Newfoundland and Labrador (November 2023) and of Quebec (January 2024) which have also identified high-purity iron ore on their respective lists. This recognition demonstrates that high-purity iron is a rare solution for decarbonizing the steel industry, which accounts for nearly 10% of global greenhouse gas emissions. The Labrador Trough hosts one of the largest resources of high-purity iron globally, creating an exceptional opportunity for Newfoundland and Labrador to become a global sustainable leader in the lower-carbon steel supply chain.

Champion's objective for the Kami Mining Project is to produce Direct Reduction (DR) quality iron ore which enables the steelmaking transition towards direct reduced iron (DRI) and electric arc furnaces (EAF), that produce steel without the use of coal. This can reduce emissions by up to 50% when compared to traditional methods that use the traditional blast furnace or the basic oxygen furnace and by up to 85% if using clean reductant and energy sources like hydrogen and renewable electricity.

Updates to the Project since the Registration

Under its previous owner, Alderon Iron Ore Corporation, Kami underwent provincial and federal environmental assessments. Both levels of government released the project from the environmental assessment processes in 2014 and allowed the project to proceed, but the project never advanced to construction. Champion acquired Kami in 2021. The Company has since made several changes to the project design and has engaged with local stakeholders and Indigenous communities.

Champion's redesign of the Project aims to reduce uncertainty and improve design confidence, environmental performance, and social acceptability. Through detailed analysis of previous studies and engagement with Indigenous groups, regulatory agencies, and local stakeholders, Champion identified key areas for improvement, including:

- hydrogeological and hydrological environment
- water management approach, and
- waste management, including tailings and mine rock management

Recommendations identified during the 2014 EA and Champion's operational experience from the Bloom Lake Project were incorporated to refine the Project design. Champion identified the changes to the Project design in the Project Registration document submitted to the Department in April 2024 (WSP 2024). Since the submission of the Project Registration, Champion has continued to refine and optimize the Project to reduce adverse effects and operational risks, maximize benefits, fulfill EIS commitments and EA conditions of release from the previous owner, and incorporate feedback received through engagement with local stakeholders and Indigenous groups. The following changes have been made to the proposed Project since submission of the Project Registration:

- The Rose Pit has been redesigned to improve pit wall stability, enhance ore production, and reduce the amount of mine rock generated.
- The design of the overburden stockpile has been updated to increase storage capacity.
- The design of the mine rock stockpile has been updated to reduce the slope of the stockpile to meet objectives for rehabilitation after closure.
- The alignment of the western access road has been changed to reflect feedback from local cabin owners and stakeholders.
- The alignments of the eastern access road and railway have been updated to avoid the Wahnahnish Lake Public Water Supply Area.
- The water management approach has been updated to reduce the number of discharges and improve overall environmental performance during all Project phases.
- Sources of potable water and approach to sewage management have been updated.

It is recognized that as the Project advances through subsequent stages of design and Champion continues to undertake Indigenous, stakeholder, and regulatory engagement, review and optimization of Project components and activities would occur with identifying opportunities to further enhance the environmental, technical, economic, and social performance of the Project. When applicable, proposed refinements to the Project will be discussed with the Department.

Unique regulatory context

From the onset, Champion has sought to improve and build on the previous iteration of the Project that was released from the EA process in 2014. This has included the review of key issues and concerns raised by Indigenous groups and local stakeholders to understand and address these concerns in the Project updates. Champion has also addressed several conditions of the previous EA release, which has reduced both uncertainty and risk. Updates to the Project include the implementation of comprehensive water management infrastructure, improvements to the design of the tailings management facility, and efforts to incorporate best available control technologies, such as an in-pit crusher and conveyance (IPCC) system to reduce GHG emissions. The table in Appendix A to this letter presents how the project was improved for every Valued Ecosystem Component (VEC).

Approach to Certain EIS Deliverables

Some of the submission requirements in the Final EIS Guidelines cannot be included in the EIS and/or Champion is proposing an alternative approach. Champion provided comments on these items in a letter to the Minister dated September 27, 2024, following the release of the draft EIS Guidelines. The following provides an outline of the deliverables that are not included in the EIS Package, with a rationale for how Champion is addressing each item.

Transportation Impact Study and Traffic Management Plan

The level of detail requested for the Transportation Impact Study in the EIS Guidelines will not be available by the time of EIS submission and has not been included in the EIS Package. Further, Champion will develop a Traffic Management Plan after the submission of the EIS due to the following:

- The Traffic Management Plan will need to be informed by the outcomes of the Traffic Impact Study, which will not be available by the time of EIS submission as noted above.

- Comments on the EIS could influence the transportation and traffic approach for the Project. Developing the Transportation Impact Study and Traffic Management Plan after the EIS submission allows for the development of the study and the plan to consider the concerns from the public and Indigenous Governments and Organizations related to transportation and traffic raised during their review of the EIS.

Champion has included a commitment in the EIS to prepare a Transportation Impact Study and Traffic Management Plan following the submission of the EIS.

Benefit Agreement, Gender Equity and Diversity Plan & Workforce and Employment Plan

Champion is committed to fostering an inclusive work environment dedicated to promoting diversity, equity, and inclusive practices within its organization. These values will be integrated into all aspects of the Kami project's operations, from construction through to mine closure.

Champion acknowledges a Provincial Benefits Agreement, which includes a Gender Equity and Diversity Plan, was signed between the Government of Newfoundland and Labrador and the Kami mine Limited Partnership in 2014. Champion is determined to fulfill the commitments outlined in that Agreement to the best of its abilities.

Champion strongly believes that the Gender Equity and Diversity Plan will address access to training, employment, and procurement opportunities for women, Indigenous peoples, and other underrepresented groups. This Plan will apply to both Champion and its contractors, and it will be reinforced by corporate policies that promote diversity and inclusivity. To make sure it respects current standards and expectations, an assessment of the 2014 Gender Equity and Diversity plan is currently underway to inform the new and up to date Gender Equity and Diversification plan Champion is developing. Following this assessment, the Workforce and Employment Plan will be updated and issued prior to the construction phase.

Champion remains committed to firmly establish local benefits in employment, training and business opportunities as stated in the 2014 Provincial Benefits Agreement. Champion will work in collaboration with industry, various levels of government, educational and training institutions, Indigenous groups, communities and stakeholders to develop strategies aimed at creating local benefits and promoting diversity and inclusion throughout the Project. We strongly believe that a collaborative and inclusive approach is required to unlock the full potential of the Labrador Trough and to maximize the benefits of the Kami project. The Labrador West Alliance will play a key role in leveraging the strengths of all involved parties in achieving those objectives.

Both the Provincial Benefits Agreement and the Gender Equity and Diversity Plan will provide the opportunity for ongoing collaboration with industry, government, educational and training institutions, Indigenous groups, communities, and stakeholders to formulate strategies directed at local benefits creation and diversity and inclusion during the life of the Project. The Plans will outline the goals and initiatives that will be implemented throughout the Project and the measures that will be implemented to ensure, to the extent possible, that there is fair and equitable access to the benefits associated with the Project.

Champion, Nippon and Sojitz strives to create value in a sustainable manner in all the communities where it operates. The Kami project is fully aligned with this objective and with our vision to develop a mining project that future generations of Labradorians will want to contribute to.

Electricity Infrastructure

In Champion's September 27, 2024 letter to the Minister regarding the Draft EIS Guidelines, Champion noted the following:

- Champion is engaged in ongoing consultations with NL Hydro regarding the Project through NL Hydro's regional system impact study relating to generation and transmission in Labrador. Champion understands NL Hydro also intends to complete a regional facilities study. Champion remains engaged with NL Hydro on items related to the impact of the Project on the Province's existing electricity infrastructure.
- The Draft EIS Guidelines as proposed, specifically Section 6.2(f), set out a broad range of assessments to be carried out by the Proponent in respect of the provincial and regional interconnected transmission system. In Appendix "A", Champion has identified a number of areas where it believes that certain information or studies are more appropriate within the mandate and expertise of NL Hydro and/or the Province. NL Hydro is already leading these initiatives. These assessments engage broader policy and electrical planning questions which are not within Champion's purview. Champion is requesting that such assessments be removed from the Guidelines.
- Champion will continue to share information with NL Hydro and the Province about the Project's electricity and transmission requirements to facilitate their assessment of the Project's broader implications on the existing power grid and related socioeconomic impacts.

This feedback was supported by a letter from NL Hydro, which notes that the requirements listed in the EIS Guidelines (i.e., summary of system impact studies, effects on costs and access to power for residents, transmission infrastructure costs, and details on reliability and operating effects) will be provided by NL Hydro in the second half of 2025. Champion is not positioned to share or provide these details as part of the Kami EIS, but can facilitate sharing of outcomes from the NL Hydro Study following its completion and consent from NL Hydro.

Permafrost

The Kami project lies within the isolated patches of the permafrost zone, where between 0% and 10% of the land area is underlain by permafrost (Heginbottom et al. 1995). In addition, for any areas within this zone where there is permafrost, there is between 0% and less than 10% of ground ice content in the upper 10 to 20 m of the ground (Heginbottom et al. 1995). Permafrost was not identified as a potential issue in the previous Alderon Kami Iron Ore Project Environmental Impact Statement (2012). It was also not identified through the completion of detailed terrain mapping (Project Registration Appendix G, Terrain and Soils Baseline Report), and frozen soil was not encountered during field investigations. If encountered, it is anticipated that permafrost will be localised to specific landforms, such as topographic highs, where mean annual air temperatures are lower than regional.

High-resolution terrain mapping has already been provided within the Project area and the need for additional mapping and information related to permafrost is not applicable to the EA. No additional analysis or assessment of permafrost is presented in the EIS.

Additional Avifauna Surveys

Additional, targeted avifauna surveys were identified in the final EIS Guidelines. They would need to occur in the spring/early summer period. The draft EIS Guidelines were issued to Champion in August 2024 and finalized in December 2024. The submission of the EIS in July 2025 did not allow for a sufficient period of time to undertake these targeted surveys.

Champion has performed impact assessments based on data collected in 2023 and 2024, and any future monitoring requirements, including targeted surveys, have been identified in the EIS as a commitment.

Bat Species

The Project Registration presented a monitoring program completed from June through September 2023. Based on the results of this program, bats designated as species at risk were found to inhabit the Project area generally as resident species, with no known hibernacula in the vicinity of the Project. As part of its due diligence, Champion conducted a second round of surveys for breeding bats in 2024. Bat acoustic monitors were installed again in July 2024 (delayed due to forest fires) and a survey was conducted for potential maternity roosting habitat in the Project area, as well as in Duley Lake Provincial Park. These bat acoustic monitors were installed on site until October 31, to capture the fall migratory period. An updated Wildlife Baseline Report is included in the EIS and includes the outcomes of the 2024 bat surveys.

Compared to the migratory period presented in the EIS Guidelines, the only potential gap in monitoring is the spring period (April 15 – June 15). However, monitoring during the migratory period is more critical for wind energy projects, which have a significant impact on long-distance migratory bats. Even then, the fall migration period appears to be more critical. Additionally, studies have shown that bats are generally not active below nighttime temperatures of 10oC (Speakman et al., 2000; Wolbert et al., 2014). Through review of local meteorological stations within the vicinity of the Project, temperatures at the end of April range from -10oC to 5oC at night and 0.0oC to 10oC during the day and temperatures at the end of May range from -2oC to 10oC at night and 5oC to 20oC during the day. It is therefore highly unlikely bats will be active in this area between April 15 and June 15. A separate study conducted in southern Labrador from June 20 to July 2, 2013 attributed low capture rates due to cold nighttime temperatures approaching 0oC (Burns et al., 2015).

In Champion's September 27, 2024 letter to the Minister regarding the Draft EIS Guidelines, Champion suggested that this requirement for additional monitoring in April be removed from the EIS Guidelines, which did not occur. Champion used data collected in 2023 and 2024 for the impact assessment, and any future monitoring commitments have been included in the EIS.

Caribou and Relevant Habitat

Appendix L (Wildlife Baseline Report) of the Project Registration noted that sedentary woodland caribou herds primarily inhabit an area south of Labrador City-Wabush and well outside of the proposed Kami Project site. Champion discussed the requirements for a pre-construction baseline survey and assessing the Project's impact on the caribou with the Department of Fisheries, Forestry and Agriculture - Wildlife Division during a meeting on September 18, 2024. Officials confirmed the requirement was not included in the draft EIS Guidelines, as their data suggests that caribou are not present within the vicinity of the Project.

In Champion's September 27, 2024 letter to the Minister regarding the Draft EIS Guidelines, it suggests that this requirement for a pre-construction baseline survey be removed from the EIS Guidelines.

The Final EIS Guidelines retained the requirements for assessing the Project's impact on the caribou, with emphasis on historic use of the railway by the George River Caribou Herd. The scope of the Project only includes the new railway segment that Champion will develop to connect the Project to the existing QNS&L railway. Impacts along the QNS&L corridor are outside the scope of the Project. Champion has requested any available caribou data from the Province within the vicinity of the Project study area for consideration and summary in the EIS.

Champion has received confirmation from the Rio Tinto Iron Ore Company of Canada (IOC) that their Biodiversity Conservation Strategy addresses their mine operation to the port, including the QNS&L railway. This Strategy addresses species including boreal

caribou, gray wolf, moose and black bear, and addresses this portion of the QNS&L railway with respect to potential effects to wildlife. Preventative measures are implemented on the QNS&L to avoid collisions with wild animals, and to ensure appropriate management of collisions and responses.

Next steps

The Project in itself and in combination with Reasonably Foreseeable Developments (RFDs) are not anticipated to have significant adverse effects on biophysical and socio-economic Valued Ecosystem Components (VECs), except for public services and infrastructure. Indeed, the anticipated demand for housing and accommodation, childcare, education and training and health care services was found to exceed the existing capacity of these services and infrastructure in the Local Study Area (LSA). Effects are greatest during the final years of construction and in the initial years of operation, when the demand on these services will be highest. To manage this effect, Champion is committed to continue engaging with the Labrador West Alliance, a Regional Working Group of mining companies, municipalities, provincial, and federal government agencies, and the Labrador West Chamber of Commerce to help address common issues, such as labour supply, health care service capacity, transportation access and housing / accommodations, which could include:

- Coordination with local health care providers and relevant government agencies to notify them of the Project and the potential increases in population associated with the Project workforce
- Coordination with childcare service providers to notify them of the potential increase in demand
- Coordination with community organizations to explore opportunities with affected organizations
- Monitoring adverse effects on flight availabilities and cost
- Managing demand on housing and accommodation, with the priority to make more housing available over time to increase the potential for local employment opportunities
- Creating new residential lots to accommodate population growth

Most of the VEC effect assessments came to similar conclusions to what was assessed previously by Alderon. Where changes to the characterization of residual effects were made, rationale was provided and where required, additional mitigation or monitoring commitments were made. Champion is committed to further improving the Project through an adaptive management process that will reduce uncertainty and further mitigate environmental impacts.

In addition to addressing provincial and federal critical mineral objectives and commitments, the proposed Project would generate substantial socio-economic benefits and opportunities for local communities, Indigenous groups, the Province of Newfoundland and Labrador, and Canada. These include increased direct local and national employment and associated indirect economic benefits and employment at local to national scales. Champion would continue to prioritize training, employment, and business opportunities in local communities closest to the Project.

In conclusion, the Project represents a considerable opportunity to support provincial, national and international sustainable development goals. It not only addresses the critical need for high-purity iron ore to enable the production of low-carbon steel but also provides considerable socio-economic benefits. Champion is dedicated to ensuring the Project's success through transparent engagement, environmental stewardship and adaptive management.

Be assured that we will fully collaborate with your team throughout the EA process. Should you have any clarifications on the EIS Package, please do not hesitate to contact me or a member of my team.

Best regards,

Michel Groleau,

Principal Director Sustainable Development

APPENDIX A: Summary of Valued Environmental Component Assessment

EIS Chapter	VECs	Baseline	Assessment Approach	Effects	Monitoring	Key Environmental Design Features and Mitigations
Chapter 5: Air Quality and Climate	Air Quality	Additional baseline survey was completed in 2023 in addition to the two baseline surveys completed for the previous EIS in 2011/2012. Background concentrations were updated for current assessment.	Similar, updated modeling to reflect current background conditions. Concentrations were modelled to maximum ground-level concentrations near the Project boundary and to receptors, whereas Alderon's assessment focused only on receptors.	No significant Project or cumulative effect are predicted. The previous EIS had similar conclusions, although the magnitude of effects is now considered higher for TPM and PM10 due to updated modeling methodology and updated background concentrations.	An ambient air quality monitoring plan will be developed and implemented as part of the Environmental Effects Monitoring Program.	Environmental Design Features: — Use of an in-pit crusher and conveyance system — Implementation of dome above crushed ore stockpile — Electrified equipment and vehicles Mitigation: — Implement dust suppression — Enforce speed limits — Maintain equipment — Limit idling of equipment — Compensation program for cabin owners
	Climate	Not applicable	GHG emission calculation was completed for the 2025 EIS	No significant effect is predicted. Average annual Project GHG emissions would be less than 1% of the 2022 provincial annual total GHG emissions and approximately 0.01% of the 2022 federal annual total GHG emissions. The Project GHG estimates demonstrate that the current Project Scope 1 GHG emissions intensity is significantly lower than the proposed project in the previous EIS.	Report emissions under the provincial Management of Greenhouse Gas Act (MGGA) and Government of Canada Greenhouse Gas Reporting Program.	
Chapter 6: Noise, Vibration and Light	Noise	Additional baseline survey was completed in 2023 in addition to the two baseline surveys completed for the previous EIS in 2011/2012.	Similar, although the current assessment identified additional potential points of reception that would be considered more remote than the locations identified in the previous EIS, resulting in the current EIS characterizing the existing acoustic environment with lower (more conservative) existing noise levels than the previous EIS.	No significant Project or cumulative effect are predicted. During the construction phase, noise levels are expected to be within Health Canada criteria close to the Project boundary and not observed in communities. The previous EIS had similar conclusions.	Noise monitoring plan will be developed and implemented as part of the Environmental Effects Monitoring Program.	Environmental Design Features: — Changed alignment of access road and railway away from Wabush residential area Mitigation: — Enforce speed limits — Maintain equipment — Investigate noise concerns as they arise through a complaint resolution mechanism
	Vibration	No baseline vibration measurements were completed for the current or previous EIS. There are no known vibration generation sources identified near the Project site. Most normal industrial vibration sources are attenuated below perception 100m from the source.	Vibration estimates for the Project were calculated using published vibration attenuation model and compared to different guidelines.	No significant Project or cumulative effect are predicted. The previous EIS had similar conclusions, although the magnitude of effects is now considered higher for the Construction phase (same predicted magnitude for Operations). The magnitude during construction in the current study was conservatively determined to be moderate based on the available information and the proposed mitigation measures.	Vibration monitoring plan will be developed and implemented as part of the Environmental Effects Monitoring Program.	Environmental Design Features: — Changed alignment of access road and railway away from Wabush residential area Mitigation: — Avoid operating equipment that is expected to generate significant vibrations at the same time. — Investigate vibration concerns as they arise through a complaint resolution mechanism
	Light	Additional baseline surveys were as completed in 2023 in addition to the two baseline surveys completed for the previous EIS in 2011/2012.	Potential effects from the Project on light were assessed qualitatively. A change in light levels may be perceptible at times but applicable light trespass and sky glow criteria are expected to be met for Project Construction and Operations.	No significant Project or cumulative effect are predicted. The previous EIS had similar conclusions, although the magnitude of effects is now considered higher for the Construction phase (same predicted magnitude for Operations). The magnitude during construction in the current study was conservatively determined to be moderate based on the available information and the proposed mitigation measures.	No monitoring is proposed for light emissions. Light concerns will be actioned as they arise through a complaint resolution mechanism	Environmental Design Features: — Changed alignment of access road and railway away from Wabush residential area Mitigation: — Design and install lighting systems to meet industry-recommended minimum lighting levels, while minimizing light spill offsite and non-essential lighting. — Leave tree cover in place, where feasible, to reduce the visibility of mobile equipment lighting
Chapter 7: Groundwater	Groundwater Quantity Groundwater Quality	Several additional baseline surveys were completed since 2023 based on 2014 ministerial conditions. Results of those surveys are not presented as part of the EIS as the data is still under review. Those surveys consist include additional water quality sampling, hydraulic conductivities measurements and a pumping test.	Potential effects from the Project on groundwater were assessed by developing an updated 3-dimensional numerical groundwater flow model, which addressed conditions of release of the previous EIS.	The updated model led to the conclusion that much of the dewatering during the Operation phase was related to dewatering through fault zones in the Rose Pit area, and that these faults may be hydraulically linked to surface water bodies such as Pike Lake. No significant Project or cumulative effect is predicted. The previous EIS had similar conclusions; however, it should be recognized that the previous effects assessment was not based on the results of the updated hydrogeological modelling, which has reduced uncertainty in the hydrogeological environment and increased confidence in effect predictions.	A groundwater monitoring plan will be developed and implemented as part of the Environmental Effects Monitoring Program.	Environmental Design Features: — **Additional water management infrastructure to mitigate effects predicted by hydrogeology model** Mitigation: — Water withdraw will be completed in accordance with provincial and federal standards and licence/permit conditions — **Instrumentation of wells will be completed to allow for threshold values for groundwater level to be established, potentially leading to creation of a Trigger-Action-Response Plan (TARP) to be adhered to during operations.**

EIS Chapter	VECs	Baseline	Assessment Approach	Effects	Monitoring	Key Environmental Design Features and Mitigations
Chapter 8: Surface Water	Surface water quantity	Two additional baseline programs were completed (2023 & 2024) in addition from the 2012 EIS (2011/2012)	Based on the results of the hydrogeological model which resulted in the need for additional water management infrastructure, a site-wide water balance and water quality model was completed to inform the site water management strategy and to predict concentrations of contaminants in the receiving environment from Project effluent. The site-wide water balance and water quality model was used to inform the assessment of the surface water quantity and surface water quality VECs. Project effect assessment of sediment quality was also completed qualitatively and in a semi-quantified manner in relation to predictions of water quality. A notable missing piece from the previous EIS was the water balance and water quality modelling. The findings from the previous EIS in regard to water quality and hydrology and their effects are not comparable to the outcomes of the updated assessment for potential residual effects to surface water.	No significant residual Project and cumulative effects are predicted. The net change to the flows during the life of the Project, especially considering that the net change to discharges at the Duley Lake outlet, was considered to be within the natural variation of flows. The Project effects on local watersheds will be managed using water management infrastructure and will be mitigated.	A surface water monitoring plan will be developed and implemented as part of the Environmental Effects Monitoring Program, and include monitoring for surface water quantity, quality and sediment quality.	Environmental Design Features: — **Additional water management infrastructure to mitigate effects predicted by hydrogeology model** — **Water diversion from Duley Lake to Pike Lake to maintain water levels** — **Recycle and re-use process water to reduce freshwater intake and release to environment** Mitigation: — Sediment and erosion control measures — Complete in-stream construction during periods of low or no-flow, where possible — **Characterize, identify, and manage potentially acid generating mine rock**
	Surface water quality	Two additional baseline surveys were completed (2023 & 2024) in addition from the 2012 EIS (XXXX)		No significant residual Project or cumulative effects are predicted. Water quality contaminants were predicted to generally increase above the background concentrations during Operations, but generally below guidelines/thresholds in the receiving environment. Though the predicted concentrations of selenium and cobalt exceeded Canadian Council of Ministers of the Environment (CCME) guidelines these were found below their respective Site-Specific Water Quality Objectives (SSWQO) during all Project phases to demonstrate that the water quality of the environment is protective of the aquatic life.		
	Sediment quality	Two additional baseline surveys were completed (2023 & 2024) in addition from the 2012 EIS (XXXX)		No significant residual Project or cumulative effects are predicted. Residual effect is predicted to be not significant. During Project Operations sediment quality is expected to change and exceed some CCME interim sediment quality guideline thresholds; however, the predicted concentrations would generally return to near/below background conditions during the Closure phase and post-closure period.		
Chapter 9: Fish and Fish Habitat	Fish Habitat / Productivity	Two additional baseline surveys were completed (2023 & 2024) in addition from the 2012 EIS (2011/2012). No species of conservation interest has been identified within the RSA.	Fish habitat/productivity losses were calculated based on the footprint of the Project which was extended to take in consideration water management infrastructure required to manage groundwater and surface water inflows. The site-wide water balance and water quality model was used to inform the assessment of the changes in water chemistry that the effluent release and seepage could have on fish health / mortality.	Loss of fish habitat is considerable, however, following the implementation of a measures outlined int e Fish Habitat and Offsetting Plan (TSD IX) significant adverse effects on fish and fish habitats are unlikely . The plan is intended to meet the requirements for offsetting under section 35 of the Fisheries Act.	A fish and fish habitat monitoring plan will be implemented, as part of the Environmental Effects Monitoring Program. This plan will include monitoring requirements for fish and fish habitat from affected waterbodies near the Project site and for monitoring the effectiveness of offsetting measures. Champion has proposed to manage uncertainty through adaptive management. The objective of adaptive management is to identify risks and uncertainties that may result in adverse effects to the environment and develop a management plan that allows for continual improvement through review and analysis of uncertainties and risks for a project.	Environmental Design Features: — **Additional water management infrastructure to mitigate effects predicted by hydrogeology model** — **Water diversion from Duley Lake to Pike Lake to maintain water levels** — **Recycle and re-use process water to reduce freshwater intake and release to environment** Mitigation: — Sediment and erosion control measures — Follow applicable guidance and best management practices from DFO. — Complete in-stream construction outside of sensitive spawning periods. — Implement the compensation measures in the Fish Habitat and Offsetting Plan.
	Fish Health or Mortality			Following the adaptive management approach and implementation of additional measures, effects to fish health as a result of changes in water chemistry from treated effluent discharge and seepage are expected to be not significant. The previous EIS completed had similar findings; however, a notable missing piece from the previous EIS was the water balance and water quality modelling (TSD VI), which depicts the predicted increase in metals that could effect fish health. The inclusion of the model is crucial for understanding the long-term effects that fish may experience as a result of Project activities, and that additional adaptive management measures will be required to mitigate effects to fish health. In absence of this modelling, the findings from the previous EIS are not comparable.		

EIS Chapter	VECs	Baseline	Assessment Approach	Effects	Monitoring	Key Environmental Design Features and Mitigations
Chapter 10: Vegetation, Wetlands and Protected Areas	Vegetation	Two additional baseline surveys were completed (2023 & 2024) in addition from the 2012 EIS (2011). An updated ecological land classification (ELC) mapping was completed.	Calculation of the area of losses based on updated project footprint and the development of a larger assessed area (site assessment area) to facilitate optimization of the project during future phases.	No significant residual Project or cumulative effects are predicted. This conclusion is very similar to effect predictions in the previous EIS, although it should be noted that a comparison of the 2012 EIS effect estimate with the current SSA effects is complicated because of the change in ELC areas caused by the higher accuracy of the recently updated mapping. Also, the two effect areas are different Project footprint of the previous EIS was only 2,377.5 ha whereas the more conservative SSA in the current assessment is 4,323 ha. When considering only the Project infrastructure, the current EIS proposes a Project footprint of 1,971 ha, reflecting how Champion has centralized the footprint of the Project. Although some species of conservation concern and their habitats may be affected, these habitats are well represented in the broader Regional Study Assessment and western Labrador region. Therefore, the Project is not expected to hinder the persistence of these species.	Invasive species monitoring will be included as a component of the Environmental Effects Monitoring Program. Should a species at risk or species of conservation concern be identified, mitigation will be implemented with monitoring to avoid any Project effects.	Environmental Design Features: — **Reduce the size of the Project footprint by 20%** Mitigation: — Sediment and erosion control measures — Schedule clearing activities to avoid sensitive time periods — Implement Strawberry Lake Stewardship Agreement to mitigate effects wetlands and protected areas — Implement progressive rehabilitation, where feasible
	Wetlands			No significant residual Project or cumulative effects are predicted. The wetland areas within the SSA have a high likelihood of being permanently lost. The area of possible effects within the SSA is conservatively estimated to be 879.63 ha; however, the anticipated likely direct effect area in the Project footprint will be closer to 443 ha. The residual effects on wetland area and function will be offset by a commitment to the Strawberry Lake Stewardship Agreement; therefore, it is considered that the overall effects on wetlands will be not significant. This conclusion is very similar to effect predictions in the previous EIS, although the area of directly effected wetland in the Project footprint (443 ha) has decreased compared to the Alderon assessment (572 ha) due to design optimizations, which include a 40% reduction from the refinement of the eastern access road and infrastructure layout.	A wetland monitoring plan will be included as part of the Environmental Effects Monitoring Program	
	Protected areas			No significant residual Project or cumulative effects are predicted. The primary adverse effect is the loss of Pike Lake South MU, totalling 610 ha which will be compensated by the designation of the Strawberry Lake MU, with an equivalent area of 610 ha The total effect footprint in Duley Lake Provincial Park will be approximately 32 ha, representing 4.2% of the park total area (763 ha) and 1.4 % of all protected areas in the RSA (2,351 ha). The measurable effects are restricted to an area far below the 20% significance threshold of total conservation areas in the RSA. The predicted area of effect is similar to the 2012 Alderon EIS, although access road alignment changes avoided the previous encroachment in the Jean Lake Rapids MU but added footprint within the southwest edge of Duley Lake Provincial Park.	No monitoring is proposed for protected areas.	

EIS Chapter	VECs	Baseline	Assessment Approach	Effects	Monitoring	Key Environmental Design Features and Mitigations
Chapter 11 - Wildlife and Wildlife Habitat	14 wildlife VECs, including species at risk and migratory birds, bats, woodland caribou, large mammals, furbearers, upland gamebirds, and amphibians	Two additional baseline surveys were completed (2023) in addition from the 2012 EIS (2011/2012). Habitat suitability mapping was also generated based on the updated ELC.	Calculation of the area of losses based on updated project footprint and the development of a larger assessed area to facilitate optimization of the project during future phases.	No significant residual Project or cumulative effects are predicted. No effects were predicted for harlequin duck and woodland caribou, as these species are not expected to occur within the Project study area. Negligible effects were identified for a range of pathways affecting all VECs, including increased edge habitat, linear barriers, injury and mortality from clearing, increased predator and public access, vehicle collisions, wildlife attractants, introduction and spread of invasive plants, deposition of suspended solids in emissions, sedimentation altered site drainage, and treated effluent discharge. Residual effects were identified for habitat loss, habitat alteration, and sensory disturbance across all VECs. Habitat loss estimates used the SSA to predict effects, which reflect a conservative assumption for direct effects from the Project. When considering only the Project infrastructure, the current EIS proposes an area of 1,971 ha, compared to a larger area of 2,377 ha previously proposed for Project infrastructure in the previous EIS, reflecting how Champion has centralized the footprint of the Project. Therefore, the predicted losses of habitat loss for the wildlife VECs is likely an overestimate and intended to provide conservatism in the assessment.	Avifauna, species at risk/species of conservation concern and invasive species and monitoring will be included as a component of the Environmental Effects Monitoring Program.	Environmental Design Features: — **Reduce the size of the Project footprint by 20%** Mitigation: — Schedule clearing activities to avoid sensitive time periods — Deter wildlife interactions — **Implement progressive rehabilitation, where feasible**
Chapter 12	Heritage and Historical Resources	A cultural heritage screening and desktop archaeological review were completed in 2023 to supplement the desktop work completed for the previous EIS in 2011.	Areas of archaeological potential were identified considering the updated project footprint and the larger assessed area to facilitate optimization of the project during future phases.	No significant residual Project or cumulative effects are predicted. The previous EIS concluded that no palaeontological or architectural resources were present, and Champion has confirmed these findings. The Cultural Heritage Screening Report confirmed that there are no built heritage resources or cultural heritage landscapes within the SSA. Areas of archaeological potential were identified, and archaeological assessment should occur prior to ground disturbance to determine presence of any archaeological resources. As such, no effect pathways are anticipated for heritage and historical resources, as mitigation measures for archaeological, built heritage, and cultural landscapes will be implemented prior to construction.	Complete additional archaeological assessment, where required and.	Environmental Design Features: — Reduce the size of the Project footprint by 20% Mitigation: — Develop and implement "Accidental Discovery of Artifact or Human Remains" protocol — If the SSA is expanded beyond the areas assessed in the baseline reports, additional archaeological and cultural heritage screening will be required.

EIS Chapter	VECs	Baseline	Assessment Approach	Effects	Monitoring	Key Environmental Design Features and Mitigations
Chapter 13	Indigenous Land and Resource Use	Engagement with Indigenous Groups was undertaken by Champion to validate findings of the previous EIS and adapt when required previous design features and mitigations.	If traditional land and resource use information was not provided through engagement with Indigenous groups, public information sources were used to inform the assessment, including information shared through the previous EIS.	During Champion's engagement process, several Indigenous communities advised Champion that they could not share information on contemporary Traditional Land and Resource Use, because of ongoing land claims negotiations or disputes with the Crown on recognition of Aboriginal Rights. Champion invited all identified Indigenous groups to review the previous land and resource use information provided in the 2012 EIS and provide pertinent information for the current EA process. To date, none of the Indigenous groups have provided information in that regard. Given the limited available information respecting land and resource use by the identified Indigenous groups in the SSA or LSA, combined with the adoption of a conservative approach for the effects assessment, no residual effect pathways are anticipated for Indigenous Land and Resource Use. The previous EIS had arrived at the same conclusion.	No monitoring is proposed for Indigenous land and resource use	Environmental Design Features: — Reduce the size of the Project footprint by 20% Mitigation: — Implement the Kami Engagement Plan and continue to engage with Indigenous groups on the Project.
Chapter 14	Other Land and Resource Use	Engagement with land users was undertaken by Champion to validate findings of the previous EIS and adapt when required previous design features and mitigations. A desktop socio-economic and land use baseline report was developed, reflecting existing conditions.	Similar	No significant residual Project or cumulative effects are predicted. Residual adverse effects pathways were identified for tourism and recreation, as well as harvesting land uses. With implementation of mitigation measures, residual effects of the Project on recreation and tourism and harvesting are anticipated to be low in magnitude. During Construction and Closure, residual effects are expected to be of short-term duration, periodic in frequency with an increase in the winter months for applicable activities. During Operations, they are expected to be medium term and continuous in frequency.	No monitoring for other land and resource use is proposed.	Environmental Design Features: — **Reduce the size of the Project footprint by 20%** — **Align the access road and railway outside of the Wahnahnish Lake protected water supply area.** Mitigation: — Implement a cabin owner compensation program — Implement the Kami Engagement Plan and continue to engage with land users, including the municipalities, cabin owner associations and snowmobile club — Compensate for loss of snowmobile trails
Chapter 15	Economy and Employment	A desktop socio-economic and land use baseline report was developed, reflecting existing conditions.	Similar	The Project is expected to generate positive residual effects on several economic and social indicators. These benefits are also expected to extend to under-represented groups in both Labrador West and Newfoundland and Labrador, as well as residents and businesses in Fermont.	No monitoring for economy and employment.	Mitigation: — A Benefits Agreement/ Gender Equity and Diversity Plan was signed between the Government of NL and the Kami Mine Limited Partnership in 2014 will continue to apply to the Project. Champion has committed to updating the Gender Equity, Diversity and Inclusion Plan to reflect current conditions. — Prepare a workforce and employment plant
Chapter 16	Services and Infrastructure	A desktop socio-economic and land use baseline report was developed, reflecting existing conditions.	Similar	A significant adverse effect on housing and accommodation, child care, education and training, and health care services is predicted. These services and infrastructure are experiencing challenges meeting the demand of the existing population, and any population growth associated with the Project would increase demand and possibly lead to exceeding capacity. Although mitigation measures have been proposed, the ability for this to effectively manage or minimize adverse negative effects is limited. The previous EIS did not find significant adverse effects for services and infrastructure, which indicates the presence of increasing sensitivities and demands that have been placed on existing services in the time since the EIS was prepared.	No specific monitoring is proposed, however, to address these challenges, ongoing collaboration with local stakeholders, service providers, government, and other regional operators is essential to manage potential adverse negative effects, and to allow adaptation to changing socio-economic conditions.	Environmental design features: — **Permanent camp located on-site** Mitigation measures: — Prepare a workforce and employment plant — Participate in the Labrador West Alliance, a Regional Working Group of mining companies, municipalities, provincial and federal government agencies, and the Labrador West Chamber of Commerce, to jointly address community service and infrastructure issues.

APPENDIX A: Summary of Valued Environmental Component Assessment

EIS Chapter	VECs	Baseline	Assessment Approach	Effects	Monitoring	Key Environmental Design Features and Mitigations
Chapter 17 Community Health and Well-Being	Human Health	Baseline data collection for air quality, surface water and soil quality were completed in 2023 and 2024, in addition to the baseline data collected for the previous EIS A country foods study was completed in 2025 to inform dietary assumptions for the human health risk assessment model.	A human health risk assessment model was developed. This model included a multi-pathway assessment to determine if changes to soil quality, water quality and country foods concentrations posed a risk to human health. The model also included an inhalation assessment to predict predicted potential risks to human receptors from changes in air quality. The assessment of air quality, noise, light and vibration also informed the assesment to human health.	No significant residual Project or cumulative effects are predicted. Negligible residual effect pathways were identified for human health, based on the results of the human health risk assessment. These results are similar to the previous assessment.	Ambient air quality, noise and surface water monitoring will be included in the Environmental Effects Monitoring Program.	Environmental design features: — **Use of an in-pit crusher and conveyance system** — **Water management approach** — **Reducing the Project footprint by 20%** Mitigation: — **Mitigation applicable to air quality, noise, light, vibration and surface water**
	Viewscapes	Pictures from different view points around the Project were taken based on feedback through consultation.	The viewpoints were used to generate simulations of the Project and complete a visual aesthetics impact assessment to determine the potential effects to viewscapes.	No significant residual Project or cumulative effects are predicted. While the Project may produce some effects on community health and well-being through altered viewscape, no long-term adverse effects beyond the lifetime of the Project should be anticipated. These results are similar to the previous assessment.	No monitoring associated with viewscapes is proposed.	Environmental Design Features: — **Located stockpiles to minimize visibility of the Project** Mitigation measures: — Retaining existing vegetation and landforms, to the extent practicable. — **Complete progressive reclamation, where feasible.**
Chapter 18	Accidents and Malfunctions	Not applicable	A total of 133 potentially hazardous situations were initially identified and screened from these three bounding scenarios were carried forward for detailed analysis and risk analysis.	The previous EIS focused on four main accident and malfunction scenarios including a train derailment; a forest fire; a polishing pond dam failure; and a chemical release at the port facility. In contrast, the current assessment adopted a more comprehensive, risk-based approach that evaluated a broader range of potential scenarios across all Project activities and throughout the mine's life. While two scenarios from the previous EIS (e.g., train derailment and forest fire) were re-evaluated in the current assessment and again, found to post low risk, the other two (e.g., polishing pond dam failure, and chemical release at the port facility) were excluded.	Operational monitoring of key Project facilities (i.e., dam and contact water containment features) will be completed.	The assessment of these scenarios concluded that risks can largely be mitigated through engineering design and adherence to industry best practices that reduce risk associated with hazard scenarios to As Low as Reasonably Practicable (ALARP) (e.g., characterized as a tolerable level of risk). An emergency response plan will be implemented for the Project to outline procedures and protocols for responding to emergency scenarios.
Chapter 19	Effects of the Environment on the Project	Not applicable	There is potential for effects to the Project from climate hazards including extreme temperatures, major precipitation events, severe storms, high winds, drought, wildfire, snowstorms, as well as geohazards including geology, hydrogeology, and streamflow. The assessment for potential effects of the Environment on the Project also identified that physiography, permafrost, and seismicity are not anticipated to result in effects on the Project.	A range of mitigation measures have been incorporated into the Project, as well as design features and operational practices that are expected to reduce the potential for effects. With the mitigation identified for these effects, significant residual effects are not expected.	Operational monitoring of key Project facilities (i.e., dam and contact water containment features) will be completed.	The mitigation measures outlined within the Emergency Response Plan, Waste Management Plan, the Sediment and Erosion Control Plan, and Environmental Protection Plan will provide further mitigation to potential natural and climate-related hazards. **The development of an Adaptative Management Plan it is expected that the Project will be resilient to potential effects of the environment, including the effects of climate change.**

Note: **Bolded** environmental design features and mitigation are supplemental to what was proposed for the Project by the previous proponent.