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COR/2022/00660

Reg. # 2015

Jamie Powell  
Director of Environment and Stakeholder Engagement  
Marathon Gold Corporation  
P.O. Box 4006  
Mount Pearl NL A1N 0A1  
Email: [jpowell@marathon-gold.com](mailto:jpowell@marathon-gold.com)

Dear Jamie Powell:

**Re: Valentine Gold Project EIS Review**

I am pleased to inform you that under the authority of Section 67(3) (a) of the **Environmental Protection Act SNL 2002**, cE-14.2, the Lieutenant-Governor in Council has released the Valentine Gold Project from further environmental assessment, subject to the following terms and conditions:

- a. The Proponent (Marathon Gold Corporation) shall adhere to all mitigation, monitoring and commitments stated in the Environmental Impact Statement (EIS) submitted on November 3, 2020, and in the amended EIS submitted August 6, 2021 and in the second amendment to the EIS submitted on January 7, 2022.
- b. Marathon Gold Corporation shall submit an Environmental Protection Plan (EPP) for all applicable mining construction activities, for the Minister's approval, prior to the start of mining construction. The EPP shall describe the environmental protection and mitigation measures that will be applied throughout the life of this component of the Project to avoid or minimize potential negative effects on the environment associated with the Project, and will be updated by Marathon Gold Corporation as needed.
- c. Marathon Gold Corporation shall submit an EPP for all applicable mining operations activities, for the Minister's approval, prior to the start of mining operations. This EPP will describe the environmental protection and mitigation measures that will be applied throughout the life of this component of the Project to avoid or minimize potential negative effects on the environment associated with the Project, and will be updated by Marathon Gold Corporation as needed.
- d. Marathon Gold Corporation shall implement, review, and update the Caribou Protection and Environmental Effects Monitoring Plan in collaboration with the Department of Fisheries, Forestry and Agriculture (FFA) - Wildlife Division. This review



should occur twice per year, every year of Project operation and prior to each caribou migration, and should include sharing and reviewing of all data collected during the most recent migration, including the operational response of the mine site.

- e. Marathon Gold Corporation shall fund the hiring of one full-time Environmental Ecologist position and one full-time Environmental Effects Monitor position to report to FFA for all phases of the project, and shall provide financial support to offset additional survey activities required by FFA (i.e. winter surveys, fall classifications and surveys specific to monitoring caribou response to the Project).
- f. Marathon Gold Corporation shall provide annual funding to support three graduate students, over all phases of the project, to study specific and cumulative Project effects.
- g. Marathon Gold Corporation shall submit a Fish Data Collection Plan for the approval of the FFA - Wildlife Division by May 1, 2022.
- h. Marathon Gold Corporation shall, in consultation and partnership with the Water Resources Management Division (WRMD) of the Department of Environment and Climate Change, establish a real-time water resources monitoring network that shall be comprised of water quantity, quality, climate and groundwater monitoring stations. Marathon Gold Corporation is to bear all costs associated with the monitoring network and must install the required stations to collect baseline data prior to project commencement, and throughout the life of the project.
- i. Marathon Gold Corporation shall submit a plan, developed in consultation with WRMD, to address remediation of the Victoria River valley in the case of a tailings dam breach that blocks the flow of water in the Victoria River and results in water backing up towards the Victoria Dam prior to commencement of Project construction.
- j. Marathon Gold Corporation shall meet with NL Hydro at least quarterly, commencing with Project construction, to discuss issues of mutual concern including but not limited to dam safety, blasting, site access, and further studies, and shall undertake and cover the cost associated with the following work, in consultation with NL Hydro:
  - i. Modelling of the tailings dam breach that incorporates outflows from the Victoria Reservoir and development of dam breach inundation maps. This shall include assessment of a range of annual exceedance probability floods where incremental differences may be of more impact, and further refinements to improve the accuracy of the model used in the analysis including survey work to establish accurate elevations. The modelling shall be submitted to the WRMD for review prior to the commencement of Project construction;
  - ii. Monitoring and review of ground acceleration and blasting impacts on the Victoria Dam by a qualified geotechnical engineer to ensure impacts are maintained within acceptable limits. NL Hydro shall be consulted on the review



- prior to the undertaking of any blasting operations that have the potential to impact existing NL Hydro assets, including the Victoria Dam.
- iii. Notification of NL Hydro of changes to the project design, site access, the commencement of major works that may result in increased vehicle traffic on the access road, blasting operations, and any other activities, which may affect the operations of NL Hydro or the safety of its' assets, including the Victoria Dam.
  - k. Marathon Gold Corporation shall undertake further investigation to confirm the hydraulic conductivity of the Valentine Lake thrust fault. Marathon Gold Corporation shall also undertake further characterization of the Victoria Lake Group rock units. Full characterization of these units must be undertaken prior to the start of mine development. The data shall be used to update the groundwater model and the new modelling results shall be submitted and found by the WRMD to be sufficient, prior to the start of mine development.
  - l. The Department of Industry, Energy and Technology requires the development of a Benefits Agreement that meets the approval of the Minister of Industry, Energy and Technology. The Benefits Agreement must also include a Gender Equity, Diversity and Inclusion Plan that meets the requirements of the Minister responsible for Women and Gender Equality. Marathon Gold Corporation is required to finalize the Benefits Agreement and Gender Equity, Diversity and Inclusion Plan and obtain Ministerial approval prior to the commencement of site activities.
  - m. Marathon Gold Corporation is required to submit an Outfitter Environmental Effects Monitoring Plan (OEEMP) in partnership with the Newfoundland and Labrador Outfitters Association (NLOA) that aligns with the Memorandum of Understanding that Marathon Gold Corporation and the NLOA signed on October 4, 2021. The OEEMP must be submitted to the Department of Tourism, Culture, Arts and Recreation for review in consultation with the NLOA and must be approved by the Department of Tourism, Culture, Arts and Recreation prior to construction activities.
  - n. Marathon Gold Corporation is required to construct its facility and operate it in a manner consistent with the Management of Greenhouse Gas best available control technology requirements prescribed in the Management of Greenhouse Gas Regulations.

The Department of Industry, Energy and Technology advises that Marathon Gold Corporation must submit an Acid Rock Drainage and Metal Leaching (ARD/ML) Plan, development plan and a rehabilitation and closure plan as required under Section 4 of the **Mining Act**. They also advise that Marathon Gold Corporation must include a satisfactory ARD/ML Report with



the submission of the development plan and the rehabilitation and closure plan, as required under Section 4 of the **Mining Act**. The ARD/ML Report must:

- i. Characterize and evaluate the potential for and mitigation of ARD/ML at the project using all sampling data collected to date;
- ii. Conform to the "Prediction Manual for Drainage Chemistry from Sulphidic Geological Materials, MEND Report 1.20.0, December 2009;"
- iii. Include an interpretation of results by an ARD/ML Qualified Professional (ARD/ML QP);
- iv. The report must include:
  - a. Discussion of the adequacy of the number of samples collected on each geologic material and types of tests conducted on the samples;
  - b. Interpretation of the analytical and test results and justification for further sampling, testing and investigation recommendations;
  - c. Review the ARD/ML Management Plan, the ARD Block Model and the design and operation of all aspects of the project, including the waste rock piles, tailings management facility, low grade ore stockpile and high grade ore stockpile;
  - d. Recommendations for ARD/ML prevention, mitigation, and management including practical considerations for the project regarding storage, handling, and long-term disposal of ore, waste rock and tailings;
  - e. A statement of qualifications by the ARD/ML QP;
  - f. All analytical results must be appended.

Health Canada acknowledges Marathon Gold Corporation's commitment to establishing a Grievance Process, including complaints about noise, and recommends that the Grievance Process include:

- i. method(s) for receiving complaints (e.g. website, telephone #, etc.);
- ii. response time to complaints;
- iii. method(s) for complaint resolution and additional mitigation measures if required for all phases of the project including construction, operations and closure.

Although the undertaking as proposed is released from further environmental assessment, it is still subject to other legislative requirements. A summary of the comments received from government agencies during the review is attached to provide an indication of likely applicable permits, approvals and legislative requirements. You must comply with all relevant legislation



and obtain all necessary permits and approvals. You are required to inform this Department of any significant changes to the undertaking.

Please be advised that the Environmental Protection Plans and Environmental Effects Monitoring Plans are subject to Cost Recovery as per fee policy at <https://www.gov.nl.ca/ecc/env-assessment/fees/>.

Please note that in accordance with Section 17 of the Environmental Assessment Regulations, the Minister's decision is valid for a period of three years from the date of this letter. If you have not commenced your Project within this three-year period, you may apply to extend the three-year period for a maximum of three one-year periods. Failure to apply for an extension will result in the expiry of the Minister's decision, and your Project will have to be registered again for environmental assessment, should you wish to proceed. For further information, please email [EAProjectComments@gov.nl.ca](mailto:EAProjectComments@gov.nl.ca).

I would like to take this opportunity to thank you for your cooperation in the environmental assessment process. If you have any questions concerning these matters, please contact Joanne Sweeney, Director of Environmental Assessment Division at (709) 729-0673 or email [joannesweeney@gov.nl.ca](mailto:joannesweeney@gov.nl.ca) or Eric Watton, Chair of the Project Environmental Assessment Committee, at (709) 729-0834 or email [ericwatton@gov.nl.ca](mailto:ericwatton@gov.nl.ca).

Sincerely,

A handwritten signature in blue ink, appearing to be "Bernard Davis", with a stylized flourish extending to the right.

**HON. BERNARD DAVIS, MHA**  
District of Virginia Waters – Pleasantville  
Minister

Enclosures

Cc: The Honourable Andrew Parsons, MHA, District of Burgeo – La Poile  
Brent Keeping, Impact Assessment Agency of Canada