ALDERON LRONORECORP

KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, Labrador

Kami Iron Ore Project Amendment to the Environmental Impact Statement VOLUME 1 – SUMMARY

February 2013



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

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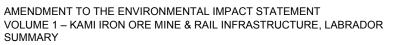
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INTRODUCTION

Alderon Iron Ore Corp (Alderon) is proposing to construct and operate the Kami Iron Ore Project, which will consist of an open-pit iron ore mine and associated infrastructure in Labrador West, as well as a terminal facility at the Port of Sept-Îles, Québec (the Project).

The Project was registered under federal and provincial environmental assessment (EA) processes in October 2011, and required the completion and submission of an Environmental Impact Statement (EIS) under the Newfoundland and Labrador *Environmental Protection Act* (Part X), which also fulfilled the requirements for a Comprehensive Study under the *Canadian Environmental Assessment Act*. Following the receipt of Final EIS Guidelines from the provincial and federal governments in mid-2012, Alderon submitted its EIS in late September 2012, which was subsequently made available for a governmental, Aboriginal and public review period.

In December 2012 the Governments of Canada and Newfoundland and Labrador provided Alderon with a series of additional questions and associated information requests (IRs) resulting from that EIS review process, and required that the Proponent submit additional information to address these as part of the EA process for the Project.

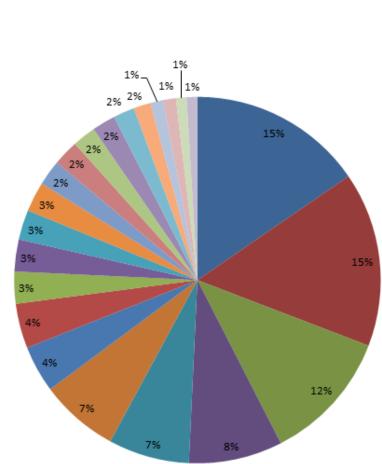
As part of the EIS review process, a total of 421 IRs were received from regulatory agencies, 62 IRs from Aboriginal groups and 14 submissions were received from the public. **Detailed responses and additional information for each of the IRs are provided in Volume 3.**

These IRs pertained to various issues and associated requests for information and clarification that were submitted by government departments and agencies, Aboriginal groups, communities and stakeholder organizations and members of the general public during the EIS review.

The chart below provides a general overview of the IRs received related to the Kami Iron Ore Mine and Rail Infrastructure in Labrador and its associated components of the EIS (Volume 1) and the main topics and themes that they related to.

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Figure 1 Alderon Kami Iron Ore Project: Overview of EIS IRs Received by Topic



- Birds, Other Wildlife and Their Habitat, and Protected Areas
- Project Description
- Species at Risk and Species of Conservation Concern
- Atmospheric Environment
- Wetlands
- Water Resources
- Freshwater Fish, Fish Habitat and Fisheries
- Current Use of Lands and Resources
- Introduction
- Current Use of Lands and Resources for Traditional Purposes
- Effects Assessment
- Community Services and Infrastructure
- Consultation
- Landforms, Soils, Snow and Ice
- Historic and Cultural Resources
- Economy, Employment and Business
- Health and Community Health
- Avoidance and Mitigation
- Cumulative Effects
- Commitments made in EIS
- Environmental Management
- Miscellaneous





AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

This document comprises one component of Alderon's EIS Amendment for the Project. Similar to the nature and structure of the initial (September 2012) EIS submission, and in order to help optimize utility and readability, the EIS Amendment is organized as outlined below:

This document (**Volume 1**) provides a concise summary of Alderon's IR responses related to the Kami Iron Ore Mine and Rail Infrastructure in Labrador, utilizing the same general chapter structure as the original EIS, as follows:

- Chapter 1: Introduction
- Chapter 2: Project Description
- Chapter 3: Description of the Existing Environment
- Chapter 4: Effects Assessment
- Chapter 5: Avoidance and Mitigation Measures
- Chapter 6: Cumulative Effects Assessment
- Chapter 7: Effects of the Environment on the Project
- Chapter 8: Environmental Management
- Chapter 9: Significance of Residual Adverse Environmental Effects
- Chapter 10: Consultation
- Chapter 11: Economic and Social Benefits of the Project
- Chapter 12: Benefits of the EA to Canadians
- Chapter 13: Assessment Summary and Conclusions (including associated EIS Chapter 14 to Chapter 26), and

Chapter 14: Commitments Made in the EIS (Chapter 27 in the original EIS)

Each of the Chapters in this **Volume 1** document provides the following information:

- A brief introductory section, including a high-level overview of the nature and content of the original EIS chapter(s) as background and context;
- A summary of the main IRs that relate to each Chapter's subject matter, that highlights the key questions and comments that are included in them organized by overall topic or theme; and



• A summary of Alderon's responses to the questions and additional information, clarification or analysis being requested in the IRs, addressing the key questions and comments summarized above.

A similar summary of the IRs and associated Alderon responses related to the Kami Concentrate Storage and Load-Out Facility in Québec are provided in **Volume 2** of this EIS Amendment.

Detailed responses and additional information for each of the IRs received on the EIS is provided in the **Volume 3** document.

This document and its supporting studies were prepared by Alderon, Stassinu Stantec and Stantec Consulting Ltd., Amec, Golder Associates and Worley Parsons.



1.0 EIS CHAPTER 1 - INTRODUCTION

Chapter 1 (Introduction) of the Kami Iron Ore Project EIS (Volume 1, Part 1) provides an introduction to and overview of the Project, its Proponent and the EA, including:

- Alderon and its location, corporate composition and relevant personnel;
- Corporate Policies (Environmental, Health and Safety, Benefits, Aboriginal and Communities Relations);
- Environmental Management System;
- EIS Team;
- Project Overview (components, location, surrounding land uses and infrastructure);
- Regulatory Framework for the Project;
- Purpose of the EIS;
- Non-Governmental Participants in the Environmental Assessment;
- Land Claims and Interim Agreements; and
- Other Registrations.

1.1 Information Requests: Overview and Key Topics

The IRs received in relation to this Chapter as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS pertained primarily to the following topics:

- EA Jurisdiction;
- EIS Guidelines;
- Permits; and
- Document Structure.

The chart below provides an overview of these IRs by topic.



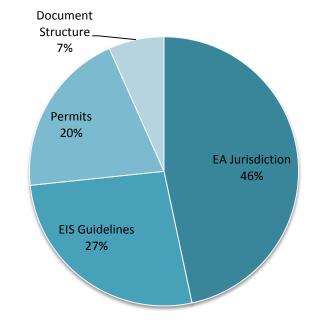


Figure 1.1.1 Information Requests Related to EIS Chapter 1 (Introduction) by Topic

1.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to each identified topic or theme. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

1.2.1 EA Jurisdiction

Summary of Information Requests:

The IRs received related to EA Jurisdiction can be summarized as follows:

- The nature and scale of the Project's environmental effects, and the type and level of EA review required for this Project and all major mining projects in Western Labrador (IR NCC 08);
- The roles and responsibilities of various provincial and federal departments in relation to the Project and its assessment (IR NRCan 10; IR NLTW 02); and
- The potential for the Project's components and its effects to extend into Québec (IR PC 05, IR PC 08), the role of the Québec Government in the EA (IR PC 13), and the relationship of the Kami Project to Québec policies and plans (IR PC 03).



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Summary of Alderon Responses:

The potential environmental effects of the Kami Project (project-specific and cumulative) on the biophysical and socio-economic environments were assessed and described in detail throughout the EIS, including the identification of potential effects and mitigation measures to avoid or reduce them. The results of these environmental effects assessments have indicated that the Project will not likely result in significant adverse environmental effects.

Decisions around whether the Project and its EA (and any other proposed development in Western Labrador) should be referred to a Joint Review Panel or subject to some other type and level of EA is a decision of Governments. This is also the case for governmental decisions and determinations around whether and how federal and provincial EA legislation and regulations (including that of Québec) apply to the Project. Volume 3 (IR NRCan 10; IR NLTW 02) provides the requested additional clarity on the relevant regulatory roles and responsibilities of several provincial and federal departments in relation to the Project and its EA.

All of the proposed mining and mineral processing associated with the Project will take place in Newfoundland and Labrador, and its physical components (including Rose Pit) and activities will not extend into Québec. A portion of the safety perimeter zone for the mine site will (of necessity) cross into that province, but again, Project physical components and activities will not. In recognition of the potential for certain Project-related disturbances and effects to extend into Québec, however, the EA study areas for each relevant VEC have been defined appropriately to address this. Alderon has also conducted significant engagement with the citizens of Fermont and others in Québec as part of the EA process.

1.2.2 EIS Guidelines

Summary of Information Requests:

The IRs received related to the EIS Guidelines can be summarized as follows:

- The development and provision of drafts of each of the environmental plans and programs listed in the EIS and/or specified in the EIS Guidelines (IR IN 01);
- The location of required information on the Project's regulatory framework and the roles and responsibilities of governments in the EIS (IR IN 02; IR IN 03); and
- The role of EA as a Project planning and decision-making tool, and Alderon's retention of an EMPC contractor prior to receiving EA approval for the Project (IR PC 08).

Summary of Alderon Responses:

EA allows for the identification, analysis and evaluation of potential environmental effects at a relatively early stage of project planning and design. It is normal and typical in an EA process to identify mitigation measures and associated (forthcoming) plans for their implementation, which



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

will be developed and defined further as the EA process and project planning and design continue to advance. Indeed, many of the plans and programs referenced in this section of the EIS will be required to incorporate information (including mitigation) that results from the EA process, and therefore it would be premature to complete these prior to EIS submission and review. It is also anticipated that the development, review, finalization and implementation of one or more of these Plans may be an eventual regulatory condition of any EA release for the Project. Government departments and agencies may also choose to consult with Aboriginal groups on these matters. Volume 3 (IR IN 02 and IR IN 03) provides the requested additional clarity on the regulatory framework for the Project and its EA.

Alderon recognizes that the Project is subject to applicable EA and other regulatory approvals, and it will only proceed upon release from the EA process and receipt of other required permits. The Proponent also understands that there are commercial considerations associated with retaining contractor services and advancing other aspects of Project planning at this time. Moving ahead with these arrangements and other such activities concurrent with the completion of the EA is, however, required in order to advance Alderon's planned Project timelines and other key activities.

1.2.3 Permits

Summary of Information Requests:

The IRs received related to Project-related Permits can be summarized as follows:

• Construction and/or operational permits that may be required for the Project, and the applicable regulatory agency(ies) (IR NLPP 11; IR NLWR 03; IR NLTW 01).

Summary of Alderon Responses:

In order to provide the requested additional clarity on Project permitting requirements and the roles and responsibilities of several provincial and federal departments in relation to the Project, Alderon has revised and updated various relevant sections of the EIS (see Volume 3, sections IR NLPP 11, IR NLWR 03, IR NLTW 01).

1.2.4 Document Structure

Summary of Information Requests:

The IRs received related to EIS Document Structure can be summarized as follows:

• A suggestion that the Project Description section of the EIS should identify and describe the waterbodies that will be affected by the Project (IR DFO 02).

Summary of Alderon Responses:

Chapter 2 of the EIS (Project Description) provides information regarding each of the Project's main components, including (through the associated mapping, etc) an indication of the



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relationship of these various Project elements to waterbodies and watercourses in the area. In keeping with standard EA practice and structure, more detailed information on Project-related interactions with the aquatic environment is provided in the relevant VEC Chapters (especially, EIS Volume 1, Chapters 16, 17 and 18).



2.0 EIS CHAPTER 2 - PROJECT DESCRIPTION

Alderon is proposing to construct and operate the Kami Iron Ore Project, which will consist of an open-pit iron ore mine and associated infrastructure in Labrador West, as well as a terminal facility at the Port of Sept-Îles, Québec (the Project). The Project's Labrador components and activities will include the construction, operation and eventual closure and decommissioning of the following key elements:

- Open Pit Mine (Rose Pit);
- Mineral Processing Infrastructure and Site Buildings;
- Waste Rock Disposal Areas (Rose North and Rose South Disposal Areas);
- Tailings Management Facility;
- Access Roads;
- Power / Transmission Lines;
- Rail Infrastructure; and,
- Other Ancillary Infrastructure and Equipment.

Chapter 2 (Project Description) of the Kami Iron Ore Project EIS (Volume 1, Part 1) provides an overview and description of the Labrador components of the Project, including their overall location and layout, main facilities and components, associated construction, operations and eventual closure and decommissioning activities, labour force requirements and schedule.

The iron ore concentrate that is produced by the Project's Labrador mining and processing components will be transported by rail using the existing Québec North Shore and Labrador (QNS&L) Railway and Chemin de Fer Arnaud (CFA) rail infrastructure to the Port of Sept-Îles in Pointe-Noire, Québec. A description of the Project's proposed Québec components and activities was provided in Volume 2 of the EIS.

2.1 Information Requests: Overview and Key Topics

The IRs received in relation to this Chapter as a result of the governmental, Aboriginal and public review of the EIS pertained primarily to the following topics:

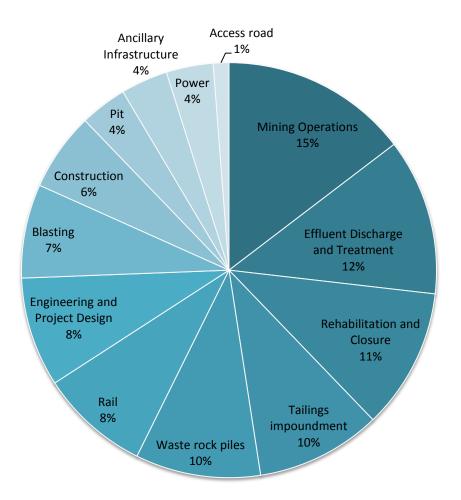
- Mining Operations;
- Effluent Discharge and Treatment;
- Rehabilitation and Closure;
- Tailings Impoundment;
- Waste Rock Disposal Areas;

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- Rail;
- Engineering and Project Design;
- Blasting;
- Construction;
- Open Pit;
- Ancillary Infrastructure;
- Power; and
- Access Road.

The chart below provides an overview of these IRs by topic.

Figure 2.1.1 Information Requests Related to EIS Chapter 2 (Project Description) by Topic



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2.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to each identified topic or theme. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

2.2.1 Mining Operations

Summary of Information Requests:

The IRs received related to Mining Operations can be summarized as follows:

- The planned duration of mining operations and clarification of the stated provision of economic benefits for 30 years, as well as the potential to extend the mine life and consideration of this alterative Project operational scenario in the EA (IR IN 07);
- Worker shift lengths and duration / rotation arrangements during the Project's construction and operations phases and the potential implications of these (IR IN 23);
- The potential technical and economic feasibility of alterative mining approaches (IR NLWD 03);
- The possible future development of the adjacent Mills Lake Basin (deposit) and its consideration in the EA and cumulative effects assessment (IR EC 29);
- Transportation and handling of petroleum products, and the conduct of these activities in compliance with relevant federal and provincial regulations (IR TC 04), as well as the potential transportation of hazardous wastes through the water supply area (IR NLWR 06);
- Possible contaminants, ammonia residues, air emission sources, air sampling stations, noise creation and noise monitoring locations (IR NLWD 04), and compliance with associated regulations (IR NLWD 10);
- The dust collection system associated with the above ground dumping area as material enters the crusher (IR NLWD 10);
- The relationship between seepage and bedrock characteristics and the system of groundwater monitoring (IR NLWD 05);
- Suggestion that although ARD and ML will not likely occur, a plan to monitor and mitigate for this potential should be developed (IR NLWD 11); and
- Corporate responsibility for the preparation and implementation of the Environmental Protection Plan (EPP) within Alderon, and the type and number of employees who will be involved in this (IR NNK 05).



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Summary of Alderon Responses:

The nature and scope of the Project that is planned to be constructed and operated by Alderon is as described in Chapter 2 of the EIS (Project Description).

The current Project schedule indicates that its operations phase will commence in 2015 (pre-production) and extend to approximately 2033, with one production line in place from 2016 to 2018 and two in place from 2019 to 2033 (subject to future Alderon commercial and decisions). In such case, the operational life of the Project would be approximately 17 years. The EIS assessed the environmental effects and benefits of the proposed Project based (conservatively) upon a 17 year mine life, and any additions to this timeframe would result in enhanced and extended economic benefits.

As stated in Chapter 2 of the EIS (Project Description), worker shift lengths and durations / rotation arrangements during the Project's construction and operations phases are not yet defined, and will likely vary somewhat between activities, occupations and employers. As part of its on-going planning for these aspects of the Project, Alderon has reviewed existing and available information and experiences, and will take these into consideration when establishing Project worker rotations, turnarounds and shift durations. Defining and implementing these aspects of the Project will also, however, be influenced by various other factors and interests, including trade union(s) and others.

The primary methods of mineral extraction include open pit and underground mining, with the former approach being proposed for this Project. Underground mining is generally used for deposits at depth and/or those that are smaller in scale than that for this Project. The EA process requires consideration of technically and economically feasible alternative means of carrying out a project, and for the reasons outlined in the EIS, underground mining is not considered to be a feasible operational approach for this Project (see also Volume 3, IR NLWD 03). Also, Alderon's studies and analysis to date have not indicated that the Mills Lake Basin (deposit) is an economically viable source of iron ore, and its development is therefore not part of the Kami Project that is being proposed and assessed here.

The proposed Project will include the transportation, handling, storage and use of petroleum products, all of which will be planned / designed and undertaken to conform to applicable standards and regulations. Alderon is aware of and acknowledges the associated provincial and federal legislation and regulations which apply to these activities. It is currently anticipated that the collection, containment, and off-site transport and disposal of hazardous wastes generated from the Project will be contracted to a licensed hazardous waste contractor, which would involve travelling through the local water supply area for a short distance along the southwest side of Wahnahnish Lake. Appropriate measures to avoid and if necessary respond to any incidents will be implemented by that contractor.

A detailed description of the Project potential air emissions were provided in the EIS (Volume 1, Chapter 14), and Alderon is aware that particulate matter (i.e., dust) and nitrogen oxides (NO_x) are of particular interest. Alderon is committed to appropriate air quality management and



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monitoring during the construction and operation phases of the Project, as outlined and committed to in the EIS, and will design and implement a monitoring program in consultation with applicable regulatory agencies and in accordance with relevant standards and permits.

Details of the proposed Project's groundwater monitoring wells installation and monitoring program will likewise be developed through the detailed design and regulatory permitting process that follow the EA process. If water quality monitoring shows potential effects from ARD / ML, the affected discharge will be treated to meet *Metal Mining Effluent Regulations (MMER)* discharge criteria.

The Project's EPP and the encompassing Environmental Management System (EMS) will be implemented by an environmental team of appropriate size and with the necessary skills and mandates to define, implement and monitor the environmental standards and commitments for the Kami Project. The EMS is a component of the Sustainability Management Framework, which will be implemented as part of the overall Kami Project management systems.

2.2.2 Effluent Discharge and Treatment

Summary of Information Requests:

The IRs received related to Effluent Discharge and Treatment can be summarized as follows:

- A preliminary listing of, and locations for, all Project-related Final Discharge Points under the *Metal Mining Effluent Regulations (MMER)*, and the possibility of consolidating these (IR EC 01, IR EC 15);
- Runoff and seepage generated from the waste rock disposal areas and its treatment as effluent as per the *MMER*, as well as the requirement to ensure that proper runoff and seepage collection and treatment are implemented (IR EC 02);
- Management of site runoff during site preparation and construction, and additional information on planned settling ponds (locations, dimensions, ditching and pumping) and the amount of runoff that would be collected within these (IR EC11, IR EC 12);
- The discharge of the Tailings Management Facility to Long Lake and its consideration as a Final Discharge Point under *MMER* (IR EC 13);
- The likely effectiveness of proposed tailings management alternatives (drawing upon the experiences of other Western Labrador mines), and alternatives for disposing of tailings and waste rock within the Rose Pit (IR IN 04); and
- Red water from Project-related effluent, and the potential effects of iron on fish health (IR EC 14), as well as the pH and dissolved oxygen properties of red water before and after treatment (IR NLWD 07).



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Summary of Alderon Responses:

A summary of the currently planned and identified Final Discharge Points for the sedimentation ponds proposed for the Project were provided in the EIS (Volume 1, Chapter 16, Table 16.51) and are further described in Volume 3 (IR EC 01). Opportunities to consolidate Final Discharge Points will be evaluated during the detailed design phase of the Project.

Project site drainage will be managed as required to prevent water containing sediment and/or other substances from entering adjacent waterbodies and watercourses. At this stage of Project planning, it is expected that small settling ponds will be established around the perimeter of the waste rock disposal areas to collect seepage and runoff and provide retention time for solids settling prior to discharge to the environment. Additional information on the location and design of perimeter drainage collection ditching and sedimentation ponds to treat drainage from the Waste Rock Dumps is provided in the EIS (see Section 16.6.2.2). Management of site runoff will continue to be addressed at all phases of Project design and planning, including in the detailed (subsequent) design and permitting of individual associated components. Alderon also recognizes and acknowledges that the Tailings Management Facility discharge to Long Lake will be a Final Discharge Point as per the *MMER*. There is no opportunity to dispose of tailings in the pit.

Red water is a tailings effluent condition that is often associated with iron ore mining and processing in Western Labrador and elsewhere. Iron precipitation and staining processes resulting from tailings coming in contact with water cause a red discoloration in receiving water. There are no regulatory specifications related to the colour of effluent discharged to the receiving environment, and the main concern with red water is primarily aesthetic. Water treatment (to remove any red water) is planned for any surface water that may be in contact with the iron ore concentrate or the tailings prior to release into nearby waterbodies, and so no associated environmental effects (including on fish health) are anticipated. For a more detailed description of Alderon's proposed treatment of effluent to eliminate the potential for red water issues see Volume 3, IR EC 14.

2.2.3 Rehabilitation and Closure

Summary of Information Requests:

The IRs received related to Project Rehabilitation and Closure can be summarized as follows:

- Alderon's rehabilitation responsibilities and objectives, including a Draft Rehabilitation and Closure Plan (IR IN 12), as well as information on the rehabilitation experiences (successes and challenges) at other mines in the region (IR IN 11);
- Rehabilitation timeframes and expected site conditions following the implementation of this Plan (IR PC 08) including whether and how it will result in the return of the site to a condition that is suitable for traditional harvesting activities (IR IN 13, IR IN 14);



- On-going and eventual rehabilitation of the Project area (IR NLWD 02; IR NLWD 14); and
- Restrictions regarding the use of creosote treated wood near water bodies (IR NLWR 07).

Summary of Alderon Responses:

Alderon has developed and provided a Draft Rehabilitation and Closure Plan, which is based on the current stage of engineering and which will be further advanced through the detailed design stage. Information on the results of rehabilitation at similar mines in the region is generally limited as there have been no recent mine closures in this area. Alderon intends to consult with the other mining operations in the area with respect to their experiences (successes and failures) regarding any implemented rehabilitation approaches and techniques during the various phases of their on-going projects.

Alderon's final Rehabilitation and Closure Plan and its associated activities will outline the measures required to return the site to a conditions that can be safely accessed and which will support flora and fauna species native to the area pre-mine development, pursuant to the requirements of the NL *Mining Act* and other associated guidelines and standards. Approaches for progressive and final rehabilitation will continue to be assessed in the detailed design stages and implementation of the Project. The Draft Rehabilitation and Closure Plan is provided in Appendix A (Volume 3).

Alderon will incorporate the avoidance or restriction of creosote treated wood in the design of the rail infrastructure as required, with materials such as concrete, steel, or plastic composite ties being used within the water supply area.

2.2.4 Tailings Impoundment

Summary of Information Requests:

The IRs received related to Tailings Impoundment can be summarized as follows:

- Upstream dam construction for the Tailings Management Facility, and the testing work that will be completed in the event that this approach is utilized (IR EC 06);
- The establishment of emergency dump stations along the tailings lines (IR EC 09);
- The possibility of acid rock drainage (ARD) which may affect water quality and habitat (IR DFO 04);
- Emergency spill ways for the Tailings Management Facility dams (IR NLWR 05); and
- Whether the Tailings Management Facility will be located within the natural drainage area for Wahnahnish Lake (IR NLWR 05); and its possible future expansion into that drainage area (IR NLWR 08).



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Summary of Alderon Responses:

The detailed design of the Tailings Management Facility, including all stages of and methods for tailings dam construction, will be conducted using applicable industry standards and best practice. The design will be based on the materials test work conducted during this and past phases of engineering, and the associated construction specifications will detail the physical requirements for the properties and placement of all construction materials. The final dam design and material testing specifications will be subject to additional review by regulators as part of the permitting process for the Project.

The current design of the Project includes a Tailings Dump Pond that is located at the toe of the Tailings Management Facility, which is designed hold the volume of the tailings piping in the event that repairs or maintenance are required. Again, the final design will be subject to additional review by regulators as part of the permitting process for the Project.

Based on the experience of past mining activity in the region over several decades, ARD is not expected to be a significant issue during the development of this Project. Appropriate testing procedures have been be implemented in accordance with industry standards (MEND), and if ARD does occur, treatment of acidic leachate and capping of the source will be implemented. No subaqueous disposal in artificial (e.g. open pit) or natural water bodies is currently proposed, and therefore, no effect on waterbodies in the area is anticipated.

While the final locations of the dams will be confirmed during the detailed design of the Kami Project, they are not currently expected to change substantially from those described by Alderon in the EIS and in Volume 3 (see IR NLWR 05). The facility will be designed to contain the 1:100 year 24 hour storm event, and any excess flows that cannot be stored temporarily will be conveyed through an emergency spillway to prevent dam overtopping. Alderon does not intend to develop the Tailings Management Facility within the area defined as the (protected or unprotected) water supply area, nor does it intend to expand the facility to the south and into the natural drainage area for Wahnahnish Lake.

2.2.5 Waste Rock Disposal Areas

Summary of Information Requests:

The IRs received related to Waste Rock Disposal Areas can be summarized as follows:

- The segregation and storage of overburden materials within the waste rock disposal areas (IR EC 03; IR NLWD 08);
- Grading of the final waste rock pile to resemble natural patterns to prevent erosion and sedimentation (IR EC 04), and the criteria that will be used to classify waste rock as "suitable" for use in construction (IR EC 05);
- Alderon's re-location of the Rose South Waste Rock Disposal Area and the requirement to obtain the necessary approvals from existing land rights holders to do so (IR PC 08);



- Potential rain-mediated leaching of nutrients in stockpiled organic soils, mineral soils, and glacial till (IR NLWD 13); and
- Potential Project interactions with, and implications for, other mineral claims in the region (IR PC 14).

Summary of Alderon Responses:

Overburden material will be removed from open pit area and moved to, and stockpiled in, strategic locations around the site for use in progressive and final rehabilitation, the exact locations of which will be determined during the detailed design phase of the Project. Organic soils, mineral soils and glacial till removed during site preparation activities will be segregated and stored at selected areas within the waste rock dump areas and the Tailings Management Facility. The stockpiles will be sloped as per the Project technical specifications, in order to shed rain water and minimize infiltration. This will minimize rain-mediated leaching of nutrients and facilitate erosion control to manage sediment in runoff water.

The waste rock disposal areas will be designed and developed in consideration of stability, materials placement, aesthetics, runoff management and progressive rehabilitation Grading of the final waste rock piles will be completed to optimize revegetation, ensure minimal erosion, and to match the natural landscape and drainage patterns as closely as possible.

Alderon intends to utilize waste rock from the open pit for civil construction purposes where possible (such as general fill and in the construction of roads, containment dykes for some settling ponds, etc). Specifications for the required physical properties of the waste rock will vary according to each intended use, but will be based on criteria for gradation, strength and hardness, resistance to chemical deterioration and non-PAG (potentially acid generating) characteristics.

After consultation with the Town of Fermont and community members, Alderon relocated the proposed Rose South Waste Rock Disposal Facility to reduce the potential for aesthetic effects or other interactions with the community and its residents. The mineral rights to this new location are primarily owned by other parties, but there is a process in Newfoundland and Labrador to obtain surface rights to utilize this area which Alderon has initiated and will conclude prior to construction.

2.2.6 Rail

Summary of Information Requests:

The IRs received related to the Project's Rail components can be summarized as follows:

 Ensuring that the rail infrastructure and activities associated with the Project are designed, constructed and operated in accordance with applicable standards and legislation (IR TC 05);



- Consideration of public use and safety in the design and routing of the rail and road components of the Project (IR PC 01);
- Concerns that the rail infrastructure will overlap with protected water supply areas (IR PC 07; IR NLWR 01);
- Whether the construction of the rail line will run through the province of Québec near Fermont or in the proposed reserve in the Moisie River (IR PC 08); and
- Potential hydrocarbon spills from the Project's proposed railway infrastructure and their possible environmental effects, particularly within the water supply for the Town of Wabush, as well as those which may be associated with the resulting increase use of existing rail systems in the region (IR PC 13).

Summary of Alderon Responses:

A new railway line will be established in order to connect the mine site to the existing QNS&L railway network. Alderon is familiar with, and will adhere to, the relevant design standards and operational procedures that are applicable to the rail component of the Project. The design of the rail / road routing to access the mine site has and will continue to address the safety of residents who use these areas to access recreational areas and trails.

Alderon is aware of the concerns regarding the proposed routing of the Project's rail infrastructure through the public water supply area. An identification and evaluation of various potential rail routing alternatives on the basis of technical, economic and environmental factors was completed as part of the EA (see EIS Section 2.8.3), which concluded that the proposed option is preferred given key technical and other issues. Alderon, the Town of Wabush, and NL DOEC's Water Resources Management Division, have agreed to establish a working group with a mandate to mitigate and resolve these issues.

There is no part of the Kami Rail line located within Québec, and the proposed rail loop in Sept-Îles is within a designated commercial / industrial area (see Volume 3, IR PC 08).

2.2.7 Engineering and Project Design

Summary of Information Requests:

The IRs received related to Engineering and Project Design can be summarized as follows:

- The location and placement of effluent discharge and water intake pipes and other structures, as well as their covering and adjacent fish habitat (IR DFO 11);
- Additional information and clarification regarding the annual precipitation analysis and water balance presented in the EIS (IR DFO 11);
- The possible effects of water withdrawal on water levels in Long Lake and on the littoral zone (IR DFO 16);



- A suggestion that information on baseline levels of certain bacteria in surface water also be collected (IR HC 10);
- The potential for exceedences of applicable guidelines due to the discharge of sanitary waste from the Project site and the existence of other applicable Health Canada standards and guidelines (IR HC 10);
- The applicability of the *Navigable Waters Protection Act* and the possible requirement for relevant review and approval of Project works (IR TC 01, IR TC 02, IR TC 03); and
- Potential Project interactions with and implications for other mineral claims in the region (IR PC 14).

Summary of Alderon Responses:

The Long Lake intake and effluent discharge pipes will be designed in the next phase of Project engineering, which will include the acquisition and consideration of information on the bathymetry of the waterbody. Information on fish habitat present in the vicinity of the structures will also be presented to DFO upon final design / layout of the effluent discharge pipes and other proposed in-water-structures, in accordance with the processes for receipt of the required authorizations. Additional information on precipitation and water balance considerations related to the design and operation of the Project are provided in Volume 3 (IR DFO 11).

Alderon will complete additional water sampling for total and fecal coliforms in Long Lake to identify background levels prior to development of the Kami mine, as recommended. The detailed engineering design of the treatment and discharge system will address the Guidelines for both Canadian Drinking Water Quality and Recreational Water Quality. At this time, the planned discharge of treated effluent is expected to meet these guidelines.

Alderon understands and acknowledges the applicability of the *Navigable Waters Protection Act* to various Project-related components and the requirement for regulatory review and approval of relevant Project works. Analyses and applications have been initiated under the Navigable Waters Protection Program for works associated with watercourse alterations. Also, as described earlier, Alderon is aware of the presence of other mineral claims in the area, including in the proposed location of one of the Project's waste rock piles, and will continue to advance discussions and associated authorization processes.

2.2.8 Blasting

Summary of Information Requests:

The IRs received related to Blasting can be summarized as follows:

 Possible dust, noise, vibrations and other blasting effects and their implications for quality of life and health in nearby Fermont, Québec (IR PC 02);



- Information on planned blasting activities, including their size, timing, and types of explosives (IR PC 08), and possible air quality effects and vibrations and their possible implications for local infrastructure (IR PC 04, IR PC 05, IR PC 13); and
- Possible incomplete combustion associated with the drilling and blasting in wet holes, resulting in an ammonia contamination of pit effluent (IR NLPP 12).

Summary of Alderon Responses:

The potential effects of dust, noise and vibration as a result of the Project as well as proposed mitigation measures to address these effects, were described in detail in Volume 1, Chapter 14 of the EIS. With the implementation of the identified dust, noise and vibration control measures, the quality of life in adjacent communities, including Fermont, will not be adversely affected.

Blast events will be undertaken during daylight hours and may take place on a daily basis at its most active, and this frequency will likely be reduced as the pit develops. Blasts will range in size from approximately 50,000 to 500,000 tonnes of rock blasted. Alderon has engaged a professional blasting consultant to assist in further assessing and addressing possible air blast and ground vibration levels at locations around the Rose Pit. Although it will be possible to feel and hear the blasting activity from the Rose Pit at certain times and locations, the ground vibrations from the blasting will not affect foundations in nearby communities. Alderon will complete a detailed Blasting Plan once the design of the mine is finalized, which will provide detailed information on blasting techniques, procedures, and monitoring. The plan will be developed and implemented to meet applicable regulations with respect to noise and vibration. If required, pre-blast surveys of buildings, towers, and other infrastructure in the area of the mine will be completed.

Alderon will assess and manage the physical and chemical properties of materials collected in pit drainage at all stages of Project development and operation. The final treatment for residual chemistry and solids will be addressed in the design of the sedimentation pond, which receives the pit drainage prior to it being discharged to the environment.

2.2.9 Construction

Summary of Information Requests:

The IRs received related to Construction can be summarized as follows:

- The availability and quality of dam construction materials, and the potential extraction of these from on-site sources (IR EC 07; IR NLWD 09);
- The location of anticipated on-site and offsite-borrow areas and the effects of their development (IR EC 07, IR NLWD 09), as well as the use of existing and available sources of borrow material (IR NLWR 09); and



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• Potential sedimentation events (frequency and duration) and their possible effects on fish and fish habitat, as well as possible mitigation measures to avoid or reduce these (IR DFO 10).

Summary of Alderon Responses:

In order to address the various engineering requirements of Project construction, a variety of borrow types and sources will be required. Alderon's design and geotechnical teams will review available on-site soil and rock materials in terms of their suitability for the various requirements of the Project. The on-site esker will primarily be used as a source of sand for engineered fill and concrete. Other local sources of gravel and fine-grained materials (tills for dam construction) will need to be identified, but may be available within the footprint of the proposed development areas. The specific number, size and locations of these on-site and off-site borrow areas are not (and cannot) be known at the EA stage of Project planning and design, although it is unlikely that all of the borrow materials required will be available on site. Off-site borrow materials are anticipated to be procured from local commercial quarries operated by others. Existing sites and sources will be used wherever possible and practical, and any new quarries or borrow areas will be established and operated in compliance with relevant permits and guidelines.

Sedimentation potential and its management will continue to be addressed using local precipitation data and leading industry standards regarding sedimentation pond design / effluent management throughout the Project site (see Volume 3, IR DFO 10 for further information).

2.2.10 Open Pit

Summary of Information Requests:

The IRs received related to the Open Pit component of the Project can be summarized as follows:

- A perception that the Rose Pit will be located partially in Québec (IR PC 05);
- Requested confirmation that the previously considered Mills Pit has been removed from the Project plan and will not be developed (IR PC 08); and
- Clarification regarding the chosen method of mineral extraction (IR NLWD 01).

Summary of Alderon Responses:

The nature and scope of the Project that is planned to be constructed and operated by Alderon is as described in Chapter 2 of the EIS (Project Description).

The Project involves the development of the Rose Pit on Alderon's Kami Property, which is located entirely in Labrador. Studies and analysis to date have not indicated that the Mills Lake Basin (deposit) is an economically viable source of iron ore, and its development is therefore not part of the proposed Kami Project which Alderon is planning to develop, and for which



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regulatory approvals are being sought. The Project will utilize conventional open pit mining techniques, and underground mining is not considered to be a feasible operational approach for this Project.

2.2.11 Ancillary Infrastructure

Summary of Information Requests:

The IRs received related to the Project's Ancillary Infrastructure can be summarized as follows:

- The number and size of on-site fuel tanks that will be established for the Project, and possible hazardous product storage, use and response plans (IR EC 23);
- The possible use and storage of materials controlled under the *Environmental Emergency Regulations* of the *Canadian Environmental Protection Act* (IR EC 26); and
- The destination of the discharge from the truck wash bay / shop (IR NLWR 04).

Summary of Alderon Responses:

The main substances that will be stored at the Kami mine site will be petroleum hydrocarbon products including diesel for equipment and fuel oil for steam generation, as well as smaller volumes of lubricants, oils and hydraulic fluids and other chemicals.

The fuel storage on the site will include diesel and fuel oil tanks located at the rail unloading area, fuel oil tanks at the process boilers and diesel tanks located near the mine site for vehicle re-fueling. The maximum total capacity for diesel will be 1,400,000 L and the maximum capacity of fuel oil will be 500,000 L. The exact number and configuration of on-site fuel storage tanks will be determined as part of detailed Project design. Any such facilities will require appropriate permits, and further information on these and any associated environmental considerations and mitigation measures will be provided for review and approval at that time.

Based on the current Project design, Alderon does not anticipate that there will be any substances regulated under the *Environmental Emergency (E2) Regulation* stored at quantities above the minimum quantities specified in the regulation. Alderon intends to have appropriate emergency plans and notifications in place prior to any hazardous materials being transported to, and stored or used on the site.

The proposed truck wash bay is located within the mine area and any water collected in the wash bay will be treated and then discharged into the main storm water capture and sedimentation pond for the process area. Water from the sedimentation pond will be either recycled back into the process as make-up water or discharged along with storm water from the mine process area.



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2.2.12 Power

Summary of Information Requests:

The IRs received related to Power can be summarized as follows:

- Whether diesel power is being considered for the operations phase of the Project (IR IN 06);
- Whether and how a new transmission line will be routed and constructed to the Project site from west-central Labrador, and possible increased access and induced human activities and their environmental effects (IR NCC 06); and
- The potential for the Project's power requirements to be addressed through other energy sources and providers outside of Newfoundland and Labrador (IR IN 05);

Summary of Alderon Responses:

The operations phase of the Project will see an overall demand for electrical power in the order of 100 to 120 MW. Diesel power is not being considered for the operations phase of the proposed Project.

The Kami Project mine and rail infrastructure is located entirely within Newfoundland and Labrador. The electrical utility that provides electrical services to customers in the service territory is Newfoundland and Labrador Hydro (NLH), the parent company of which is Nalcor Energy. It is the utility's responsibility to advise if they are able to provide the required power for the proposed Project and to source that power. Nalcor and by extension NLH are wholly owned by the Government of Newfoundland and Labrador and government's policy for electricity rates for industrial customers in Labrador is to ensure that rates are competitive with those of neighbouring provinces.

2.2.13 Access Road

Summary of Information Requests:

The IRs received related to the Access Road can be summarized as follows:

• Possible Project-related traffic to and through the Town of Wabush and the need to consider route alternatives that avoid this (IR PC 01).

Summary of Alderon Responses:

Road access to the property will be by means of a new access road that will extend south from the Trans Labrador Highway to the Project area, as illustrated and described in Chapter 2 of the EIS (Volume 1). As described, Alderon plans to build a new road to access the mine site in order to avoid Grenfell Drive and reduce concerns about increased traffic and lack of safety within the Town of Wabush (for more detail see Volume 3, IR PC 01). Alderon has and will



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continue to work with the Town of Wabush and other stakeholders to discuss and address any potential issues related to Project-related traffic.



3.0 EIS CHAPTER 3 - DESCRIPTION OF THE EXISTING ENVIRONMENT

Chapter 3 of the EIS (Volume 1, Part 1) provides a general and high-level overview of the existing environment (biophysical and socio-economic) in and near the proposed Project area, as background and context for the EA. This includes summary information related to the following components:

- The Project's location, particularly in relation to adjacent communities, regions and ongoing industrial activity;
- Local air and water quality;
- General vegetation types and wildlife species and habitat types in the Project area and larger surrounding region;
- Freshwater fish species and habitats;
- Historic and cultural resources;
- Current land and resource use activities (commercial, recreational, traditional); and
- Aboriginal communities and groups, and their known current use of lands and resources for traditional purposes.

More detailed descriptions of the existing environment are provided for each VEC in Volume 1, Part 2 of the EIS (Chapters 14-26 and associated Appendices).

3.1 Information Requests: Overview and Key Topics

The IRs received as a result of the governmental, Aboriginal and public review of this Chapter of the EIS pertained primarily to the overall ecological context for the Project.

3.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to this Chapter. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

Summary of Information Requests:

The IRs received related to the Description of the Existing Environment can be summarized as follows:

- A reiteration of the ecological and socio-economic importance of wetland areas (IR NLWD 15); and
- The baseline data used to derive habitat types (IR NLWD 16).



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Summary of Alderon Responses:

The existing environment includes designated wetland areas, or Habitat Management Units, in the municipalities of Labrador City and Wabush which were selected for conservation based on several parameters. Alderon recognizes the ecological and socio-economic importance of wetland areas in this and other regions.

An Ecological Land Classification (ELC) was completed to identify, compile and summarize information on vegetation communities and habitats in the vicinity of the proposed Project as baseline environmental information for use in the EIS. Details associated with the ELC methods and outcomes are provided, in part, in a separate environmental study completed for the Project and its EA.



4.0 EIS CHAPTER 4 - EFFECTS ASSESSMENT

Chapter 4 of the Kami Iron Ore Project EIS (Volume 1, Part 1) sets the regulatory and analytical context for the Project and its EA, describing the overall scope of the Project for assessment purposes, setting out the various factors to be considered and their scope, and identifying the various VECs upon which the EIS has focussed, namely:

- Atmospheric Environment;
- Landforms, Soils, Snow and Ice;
- Water Resources;
- Wetlands;
- Freshwater Fish, Fish Habitat and Fisheries;
- Birds, Other Wildlife and their Habitats, and Protected Areas;
- Species at Risk and Species of Conservation Concern;
- Historic and Cultural Resources;
- Current Use of Lands and Resources for Traditional Purposes by Aboriginal Persons;
- Other Current Use of Lands and Resources;
- Community Services and Infrastructure;
- Health and Community Health; and
- Economy, Employment and Business.

The Chapter also describes a number of guiding principles for the EA, including the role of EA as a planning tool, the role and use of local and Aboriginal traditional knowledge, and the relationship of the Project and its EA to the principles of sustainable development and the precautionary approach.

This section then goes on to describe the methods used to complete the environmental effects assessment for each VEC, including each of the following stages:

- VEC Definition and Rationale;
- Selection of EA Boundaries;
- Establishing Standards of Thresholds for Determining the Significance of Environmental Effects;
- Potential Project-VEC Interactions;
- Existing Environment;
- Assessment of Project-Related Environmental Effects;



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- Determination of the Significance of Residual Adverse Environmental Effects;
- Follow-up and Monitoring;
- Accidents and Malfunctions; and
- Capacity of Renewable Resources.

4.1 Information Requests: Overview and Key Topics

The IRs received as a result of the governmental, Aboriginal and public review of this Chapter of the EIS focused generally upon aspects of the overall approach and methodologies used to complete the EA.

4.2 Summary of Information Requests and Alderon Responses

The following section provides an overview of the key questions and comments that are included in the IRs related to this Chapter. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

Summary of Information Requests:

The IRs received related to the Effects Assessment Chapter of the EIS can be summarized as follows:

- Considering and assessing the effects of possible accidental events, such as dam breaches, accidental fuel spills during railway operations (including possible derailments), and others within the EA, based on appropriate scenarios and experience (IR EC 19; IR EC 20; IR NLWR 10; IR NLWR 11);
- The types of accidental events being assessed and considered in the EA, and the nature and magnitude of the possible "worst case scenarios" for spill sizes (IR EC 20; IR IN 08);
- Accidental Event Response and Contingency Plans, and their identification of sensitive areas and measures to be taken to respond to spill events (IR EC 20);
- The potential effects of an accidental event or malfunction on community services and infrastructure and the economy (IR IN 22; IR IN 25);
- The nature and use of Aboriginal Traditional Knowledge in the EA, including associated process, agreements and ownership considerations (IR NCC 01; IR NNK 03), and the appropriateness of using information on Aboriginal environmental knowledge from other sources and contexts in relation to this Project and its EA (IR NNK 03);
- The nature and specificity of mitigation and monitoring commitments made in the EIS (IR NNK 04), and the manner in which the economic and technical feasibility of mitigation has been determined (IR NLWD 49);



- Recognition of the interrelationships between environmental components and the possible limitations of the EA methods and EIS structure in recognizing and addressing these (IR NNK 07); and
- The requirement to adequately and appropriately evaluate the significance of the Project's residual environmental effects, including on the Town of Fermont (IR PC 08).

Summary of Alderon Responses:

The EIS assessed and evaluated the possible environmental effects of accidental events and malfunctions which may occur during the various phase of the Project. Although these potential incidents and their possible environmental consequences may vary greatly in nature and degree, the EA is based on the identification and consideration of reasonable worst-case scenarios as well as the identification of measures to avoid (or as necessary, respond to) such an incident.

With regard to a possible dyke breach at the Tailings Management Facility, for example, these structures will be designed to applicable standards and guidelines and will be subject to a hazard assessment. In the event of a breach, tailings impoundment water would have to migrate through the tailings beach to the breach, and in the process, peak flows would be expected to be attenuated to low consequence levels. The flow path is towards Long Lake and the tailings or water from the facility will not enter the Wahnahnish Lake watershed. Water sampling would be carried out during any emergency discharge. Additionally, further statistics and other information related to railway-related incidents are provided in Volume 3 (IR NLWR 10).

A detailed Emergency Response Plan (ERP) will be developed by Alderon and submitted to appropriate regulatory agencies for review and approval prior to the initiation of on-site Project activities. To provide for comprehensive treatment of various potential accidental events and scenarios, the ERP will be developed such that its procedures will be applicable to all identified accidental events. The ERP will identify the need for issue and site-specific mitigation and response procedures, particularly in relation to identified environmentally sensitive areas.

The potential effects of possible accidental events or malfunctions on each of the biophysical and socio-economic VECs under consideration, including the potential implications of such events upon community services and infrastructure (e.g., possible Project related demands on safety and medical services) and on economy, employment and business (such as in the case of a mine-related safety incident) are assessed in detail in the EIS. Further information and clarification on specific events and their possible effects are provided in Volume 3 (IR IN 22; IR IN 25).

Alderon acknowledges the value of Aboriginal traditional knowledge and its consideration in the EA process, and its Aboriginal engagement activities have included offers to provide funding and other resources to collect traditional knowledge and other information for use in the EA. Where these proposed arrangements and processes were not accepted, Alderon used available and applicable secondary sources in the EIS. Alderon acknowledges that these sources are not



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always specific to the Project site, but rather have been used for regional context in the absence of site and group-specific information.

The EIS includes the identification and discussion of mitigation measures to avoid or reduce the possible adverse environmental effects of the Project and to optimize possible benefits. The EA legislation specifies that an assessment should identify technically and economically feasible mitigation measures. These measures are proposed (and committed to) by Alderon in the EA at the level of specificity which is possible and appropriate at the EA stage of Project planning and design. Mitigation measures will likely evolve and become further defined as Project planning, design and permitting are advanced, and many will be detailed in the eventual Environmental Protection Plan (EPP) and/or permits for the Project's construction and operations phases. Likewise, the final design of follow-up and monitoring programs will involve consultation with relevant government agencies, communities and stakeholders, and must be consistent with relevant permits and approvals.

The EA has been prepared to assess and evaluate the potential effects of the Project on each of the identified Valued Ecosystem Components (VECs), in keeping with standard and accepted EA practice in Newfoundland and Labrador and elsewhere, and as specified and outlined in the EIS Guidelines. Alderon does, however, also acknowledge and recognize the inherent interactions and interrelationships between VECs (and the various elements within each VEC), and has considered these as integrally within each VEC assessment as relevant.

Although all of the proposed mining and mineral processing operations associated with this Project will take place in Newfoundland and Labrador, the potential for certain Project-related disturbances or effects to extend into Québec was also recognized. The EA study areas for each relevant VEC have been defined appropriately to address this. The community of Fermont and potential Project effects that may extend to this community were, for example, given key and integral consideration throughout the EA.



5.0 EIS CHAPTER 5 - AVOIDANCE AND MITIGATION MEASURES

Chapter 5 of the Kami Iron Ore Project EIS (Volume 1, Part 1) describes some of the approaches and measures that have and/or will be implemented during various Project phases in order to avoid or reduce potential adverse environmental effects and/or to optimize Project benefits. These include Project-related plans and procedures related to:

- Environmental effect avoidance and mitigation through Project design;
- VEC-specific environmental mitigation measures; and the
- Environmental Protection Plan (EPP);

More detailed descriptions of specific environmental effects avoidance and mitigation measures are provided for each VEC in Part 2 of the EIS (Chapters 14-29 and associated Appendices).

5.1 Information Requests: Overview and Key Topics

The IRs received as a result of the governmental, Aboriginal and public review of the EIS in relation to this Chapter are summarized below.

5.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to this Chapter. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

Summary of Information Requests:

The IRs received related to Avoidance and Mitigation Measures can be summarized as follows:

- Completion, submission and review of the Project's Environmental Protection Plan, Environmental Management Plans, and Environmental Response Plans (IR NLPP 13; IR NLWD 18), as well as the Avifauna Management Plan that is referenced in the EIS (IR EC 27);
- The definition and consideration of technical and economic feasibility in making Projectrelated decisions (IR NLWD 17);
- The nature and frequency of, and responsibility for, any regular compliance audits for the Project (IR NLWD 19);
- The proposed follow-up program for each VEC and an overall framework for its development and implementation (IR IN 26); and
- Air quality monitoring during Project operations, and the potential establishment of a monitoring station(s) in Fermont with the associated results being made public (IR PC 08).



Summary of Alderon Responses:

Project-related environmental plans (including Emergency Response and Environmental Protection Plans) will be developed within the Sustainability Management Framework (SMF), and more specifically within the Environmental Management System that is one of the components of the SMF. The SMF is part of the overall Kami Project management system that includes quality management systems, document control, risk management and Health, Safety and Environment (HSE) systems. The framework is made up of three main systems, the components of which are:

- The Sustainable Project Delivery (SPD) system will provide a high level approach to sustainability management by establishing clear objectives, tracking of key Project commitments, support for engineering and procurement activities and reporting on overall sustainability performance;
- 2) The Environmental Management System (EMS) will provide detailed management of regulatory and permit requirements and includes environmental protection plans and procedures. The EMS will include environmental monitoring and reporting on specific construction and operational activities. Environmental Management Plans will be developed in consultation with relevant regulatory agencies and stakeholder groups; and
- 3) The **Social Responsibility System (SRS)** will manage and track the commitments made in various guidance documents and contracts (e.g., benefits agreement) as well as establish plans for effective Project communications, community liaison and complaints management.

Working closely with the HSE team, the SMF will ensure that sustainability issues are incorporated into employee orientation, daily tailgate and safety meetings, contractor management, monitoring and incident response procedures.

Relevant Project environmental plans will be developed and submitted to appropriate regulatory agencies for review and approval prior to the initiation of Project activities, in keeping with the requirements of any EA approval. Again, Project-related mitigation measures and monitoring programs will likely evolve and become further defined as Project planning, design and permitting are advanced, and many will be detailed in further detail in the eventual EPP and/or other plans and permits for the Project's construction and operations phases. An Avifauna Management Plan will also be completed prior to construction and submitted to the Canadian Wildlife Service (Environment Canada) for review.

The technical and economic feasibility of the Project has been assessed and evaluated by Alderon on the basis of key industry guidelines and standards. The EA likewise identifies and proposes feasible mitigation measures to avoid or reduce the potential adverse environmental effects of the Project, in keeping with the requirements of the relevant EA legislation. During Project construction, internal compliance audits will take place on a quarterly basis to ensure that the relevant management systems and mitigation measures are adequately and



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appropriately addressing environmental issues. During operations, compliance audits will occur annually and will involve a rotating schedule of internal and external audits.

Alderon is committed to designing and implementing an appropriate and effective environmental monitoring program during Project construction and operations, in keeping with the commitments outlined in the EIS and as required by regulatory agencies as part of Project related EA approvals and/or permitting. The final design of the environmental follow-up and monitoring programs will also incorporate the results of the EA and include consultation with relevant government agencies, communities and stakeholders. As a result, the detailed design of the follow-up and monitoring programs will be developed in accordance with the processes and timelines outlined in the EIS, and a detailed follow-up program will be developed by Alderon and submitted to appropriate regulatory agencies for review prior to the initiation of relevant Project phases.

Project-related environmental monitoring will include the installation of monitoring stations for relevant emissions or effects at suitable locations with respect to nearby communities. Several technical and logistical factors are involved in the identification of an appropriate monitoring location. Alderon will establish a monitoring program that addresses these requirements, and which is transparent with regard to the presentation of its findings.



6.0 EIS CHAPTER 6 - CUMULATIVE EFFECTS ASSESSMENT

Cumulative environmental effects occur as a result of the effects of a project in combination with other projects that have been and will be carried out, where these effects overlap in space and time to affect common environmental components and systems.

Chapter 6 of the Kami Iron Ore Project EIS (Volume 1, Part 1) outlines the various key issues that have been identified and raised related to potential cumulative effects that the proposed Kami Iron Ore Project may contribute to, as well as describing the cumulative effects assessment approach and methods used in this EIS and the "other projects and activities" that are considered in the cumulative effects assessments.

6.1 Information Requests: Overview and Key Topics

The IRs received as a result of the governmental, Aboriginal and public review of this Chapter of the Kami Iron Ore Project EIS related primarily to aspects of the cumulative effects assessment approach and methodology.

6.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to this Chapter. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

Summary of Information Requests:

The IRs received related to the Cumulative Effects Assessment can be summarized as follows:

- The Project's contribution to overall cumulative environmental effects on various aspects of the environment, including air and noise, water, fish, wildlife (especially caribou) and others (IR NCC 11);
- The environmental effects of past and on-going activities, such as low-level flying (IR NCC 11);
- Monitoring of noise and dust levels, and Aboriginal engagement on the design and conduct of these programs (IR NCC 11);
- The use of existing and/or consolidated quarries and waste rock for Project-related needs to reduce overall environmental effects (IR NLWD 20; IR NLWD 22);
- The effects of increased railway traffic on wildlife, especially caribou (IR NLWD 21);
- Consideration of the Romaine River Project in the cumulative effects assessment (particularly with regard to socio-economic issues, such as labour force competition) and possibly other projects in Labrador or eastern Québec (IR IN 10); and



 The cumulative effects of the Project and other current and future mining developments on Aboriginal groups and their territories and traditional activities, including effects that have already occurred and their mitigation by Alderon and other proponents in the region (IR ITUM 11).

Summary of Alderon Responses:

The EIS provides a detailed assessment of the potential environmental effects of the proposed Project, as well as the likely cumulative effects of the Project in combination with other projects and activities that have been or will be carried out. The environmental effects of other on-going and adjacent mining projects, mineral exploration activities, road construction and other developments in Western Labrador were a key consideration of the cumulative effects assessments for all relevant VECs (biophysical and socio-economic). The results of the environmental effects assessments have indicated that the Project will not result in significant adverse environmental effects, either in and of itself or in combination with other projects and activities. Through the EA, Alderon has identified and proposed numerous measures to avoid or reduce the potential effects of the Project's contribution to any cumulative effects that have or will occur. Alderon has no ability to manage the effects of other past or future developments in the area for which it is not the proponent.

The Project is, for example, not anticipated to overlap or interact with the current ranges of either the George River or Lac Joseph caribou herds. It will therefore not result in adverse effects upon caribou, nor contribute to any cumulative effects on these herds. The EIS Guidelines require an assessment of potential Project effects on caribou and other environmental components in the vicinity of the proposed mine and associated infrastructure in Labrador West and at the port facilities in Sept-Iles. The QNS&L was not directly considered in assessing potential project-specific or cumulative environmental effects, as this is existing infrastructure that has been in operation for decades, and the Kami Project will not add significantly to the level of operations or existing disturbance levels.

In terms of the other projects and activities considered, the type, amount and frequency of low level flying activity that is presently taking place in Western Labrador is considerably less than that which occurred in previous decades. For most VECs, any such on-going activity would not likely contribute materially to any cumulative effects in combination with the proposed Project. The specific list of "other projects" to be considered in the cumulative effects assessment was prescribed in Section 4.8 of the EIS Guidelines. The Romaine River Hydroelectric Complex was not specifically included in that list – nor, however, was it specifically excluded from the assessment. The Economy, Employment and Business VEC (Section 26.7), for example, makes reference to projects in Québec and outlines why the economic effects of the Project will not likely overlap with these.

Potential effects on the atmospheric environment (both project-specific and cumulative) resulting from dust, noise and other Project emissions were assessed in detail in the EIS. This also includes proposed follow-up and monitoring activities related to any changes in air quality.



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Future consultation activities involving Alderon and Aboriginal communities or organizations could certainly involve consultation on any such future monitoring activities.

Detailed quarry planning and siting will occur at a later stage of Project engineering design, and will involve the eventual construction contractor(s). As noted in the EIS, Alderon has and will continue to attempt to make use of existing infrastructure, including quarry sites, where possible and practical. In some cases, this would be subject to technical, economic and environmental considerations, as well as having appropriate arrangements in place with relevant municipalities and/or other developers in the region.



7.0 EIS CHAPTER 7 - EFFECTS OF THE ENVIRONMENT ON THE PROJECT

In compliance with the EIS Guidelines and EA legislation, the EIS also provides an assessment of the expected and potential effects of the environment on the design, construction and operation of the Project.

Chapter 7 of the Kami Iron Ore Project EIS (Volume 1, Part 1) describes relevant aspects of the existing environment, including physiography, climate, temperature and ice, precipitation, wind, climate change, geology, seismicity, hydrology and hydrogeology, and describes how these environmental characteristics have and will be considered and addressed in the planning, design and implementation of the Project.

This includes the manner in which these factors have influenced the nature and design of various Project components and activities, including waste rock disposal and overburden storage, the tailings management facility, processing plant and associated facilities and rail infrastructure.

No IRs were received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS that pertained specifically to the content of this Chapter.



8.0 EIS CHAPTER 8 - ENVIRONMENTAL MANAGEMENT

Chapter 8 of the Kami Iron Ore Project EIS (Volume 1, Part 1) describes Alderon's overall approach to environmental management for the Project, including the various planning and management strategies that will be implemented throughout all Project phases to avoid or reduce adverse environmental effects and optimize benefits.

8.1 Information Requests: Overview and Key Topics

The IRs received as a result of the governmental, Aboriginal and public review of the EIS in relation to this Chapter are summarized below.

8.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to this Chapter. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

Summary of Information Requests:

The IRs received related to Environmental Management can be summarized as follows:

- The development, content, review and eventual updating of an Environmental Protection Plan (EPP) and Environmental Monitoring Plan (EMP) (IR DFO 09; IR NLWD 25; IR NLWD 26);
- Environmental monitoring programs and schedules (IR DFO 09);
- The use of local nature plant species in the re-vegetation of disturbed areas (IR NLWD 24); and
- The potential frequency of storm events and their implications for untreated releases into the environment (IR NLWD 23).

Summary of Alderon Responses:

A number of Project-related plans and procedures will be developed and/or further defined as Project planning progress. As indicated previously, an EPP will be developed and submitted to appropriate regulatory agencies for review and approval prior to the initiation of Project activities. A separate environmental follow-up program will also be developed and submitted for review, which will include information on the associated monitoring processes and schedules. This will include processes for change management and continuous improvement that provide the ability to update plans as required. As suggested, Alderon will seek to utilize native plant species for re-vegetating disturbed areas, provided that these species are compatible with the associated requirements and intended land use.



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The stability of the waste rock disposal areas and the integrity of the tailings management facility will be inspected on a regular basis over the life of the Project to evaluate and address any stability and/or integrity issues, including any that may occur as a result of storm events.



9.0 EIS CHAPTER 9 - SIGNIFICANCE OF RESIDUAL ADVERSE ENVIRONMENTAL EFFECTS

The EIS assesses and evaluates the significance of the likely residual environmental effects of the Project on each of the identified VECs. The EA concludes that, with the implementation of the mitigation measures identified and described in the EIS, the Project is not likely to result in significant adverse environmental effects. In some cases, the residual effects of the Project will be positive.

No IRs were received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS that pertained specifically to the content of this Chapter.



10.0 EIS CHAPTER 10 - CONSULTATION

Chapter 10 of the Kami Iron Ore Project EIS (Volume 1, Part 1) includes a detailed description of Alderon's consultation and engagement program, including:

- Objectives;
- Approach;
- Participant identification: and
- Issues identification.

Chapter 10 of the EIS documented and described all consultation and engagement activities completed by Alderon up to July 2012; including:

- A record of Aboriginal, public and regulatory consultation activities; and
- Documentation of questions and comments identified during these consultation and engagement activities.

This Chapter provides a record of all consultation and engagement activities undertaken by Alderon since the preparation of the EIS Chapter 10 in June 2012. This includes activities completed leading up to EIS submission (July 2012-September 2012) and during the period following submission of the EIS (October 2012-December 2012).

This Chapter also includes a summary of the IRs and other comments submitted by Aboriginal groups, members of the public, regulatory agencies and other stakeholders during the EIS public review period (October 1-November 20, 2012). It includes a summary of the issues identified in these submissions that relate to the Kami Iron Ore Mine and Rail Infrastructure (Volume 1), whereas issues identified for the Concentrate Storage and Load-out Facility are documented in Volume 2.

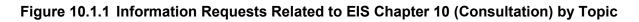
10.1 Information Requests: Overview and Key Topics

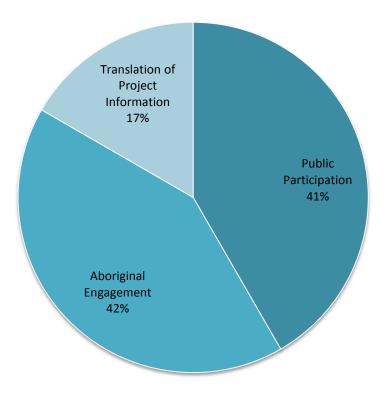
The IRs received in relation to this Chapter as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS pertained primarily to the following topics:

- Public Participation;
- Aboriginal Engagement; and
- Translation of Project Information.

The chart below provides an overview of these IRs by topic.







10.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to each identified topic or theme. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.

10.2.1 Public Participation

Summary of Information Requests:

The IRs received related to Public Participation can be summarized as follows:

- The concerns of, and consultation with, residents of Québec regarding the Project and its potential effects, and the location of the Project (IR PC 03; IR PC 05; IR PC 08);
- The nature and format of Alderon's EIS and its public consultation sessions in Québec (IR PC 04; IR PC 05); and
- Potential Project interactions with, and implications for, other mineral claims in the region (IR PC 14).



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Summary of Alderon Responses:

All of the proposed mining and mineral processing operations associated with this Project will take place in Newfoundland and Labrador, and its associated physical components and activities will not extend into Québec.

In recognition of the potential for certain Project-related disturbances to extend into Québec, however, the EA study areas and analysis for each relevant VEC have fully considered relevant aspects of the biophysical and socio-economic environments and potential effects in that province. This has resulted in the identification and implementation of mitigation measures to attempt to avoid or reduce any such effects, including some associated revisions to the Project design (such as in the case of the re-location of the Rose South Waste Rock Disposal Area). Alderon has also undertaken consultation activities with Québec individuals and organizations as part of the Project's EA, in order to attempt to identify and address any questions and concerns.

Also, as described earlier, Alderon is aware of the presence of other mineral claims in the area, including in the proposed location of one of the Project's waste rock piles, and will continue to advance related discussions and associated authorization processes.

10.2.2 Aboriginal Engagement

Summary of Information Requests:

The IRs received related to Aboriginal Engagement can be summarized as follows:

 The nature of Alderon's consultation activities and efforts with Aboriginal communities and organizations, including the provision of adequate funding and resources, and its relationship to an assessment of Aboriginal rights (IR NCC 04; IR NCC 05; IR ITUM 03; IR ITUM 04; IR ITUM 10).

Summary of Alderon Responses:

Alderon has made significant efforts to appropriately and meaningfully engage all potentially affected Aboriginal groups as part of the EA process, as outlined in detail in Chapter 10 of the EIS and later in this section. Alderon's engagement efforts have included the ongoing provision of Project-related information, as well as meetings and offers to meet to discuss the Project and the provision (or offer) of funding to conduct and report on studies related to land and resource use, traditional knowledge, and the identification of the questions and communities regarding the potential effects of the Project, for consideration in the EIS. Since the submission of the EIS, Alderon has made further offers to facilitate the participation of Aboriginal groups in the EA process.

Alderon will continue to pursue its engagement activities with all potentially affected Aboriginal groups, to discuss, identify and seek to address any community issues or concerns related to the Project as it progresses.



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The EA generally considers the potential existence (and especially, the known assertion) of Aboriginal rights by relevant groups in Labrador and Québec and assesses the potential effects of the Project on current land and resource use activities for traditional purposes by Aboriginal persons.

10.2.3 Translation of Project Information

Summary of Information Requests:

The IRs received related to the Translation of Project Information can be summarized as follows:

• The provision and translation of adequate and appropriate information and materials to allow for French-speaking Québec residents to be informed about the Project and to participate fully and meaningfully in the EA (IR PC 05; IR PC 08).

Summary of Alderon Responses:

Alderon has undertaken significant consultation activities with Québec individuals and organizations as part of the Project's EA, in order to attempt to identify and address any associated questions and concerns, which were a key area of focus in the EIS. This has included the provision (or offer) of information and meetings in French. Aspects of the EIS were also translated into French in full compliance with (and even exceeding) EIS Guidelines specifications.

10.3 Post-Submission EIS Consultation and Engagement

Since the acquisition of the Kami Property in December 2010, Alderon has worked to establish open and transparent communication with potentially interested or affected individuals and organizations. During the EIS post-submission phase, Alderon continued to engage potentially affected Aboriginal communities, including outreach to Band Councils, capacity building, and extending invitations to hold community meetings. Alderon also continued public and stakeholder consultation activities with municipalities, non-governmental organizations (NGOs), community groups and regulators, including information sharing, meetings and Public Information Sessions. As described in the EIS Guidelines (CEA Agency and NL DOEC 2012), the EIS and Plain Language Summary were made available to Aboriginal communities, stakeholders and for public review and comment for 50 days upon submission of the EIS to reviewing agencies.

In addition to consultation and engagement activities initiated by Alderon during the EIS postsubmission phase, the Canadian Environmental Assessment Agency (CEA Agency) and/or the NL DOEC also provided opportunities for public comment. The CEA Agency and the NL DOEC issued a public notice of EIS Submission on October 1, 2012. Members of the public, Aboriginal groups, regulatory agencies and other stakeholders were invited to review the EIS and plain language summary and provide written comments. Submissions were requested by November 20, 2012. On October 18, 2012, the NL DOEC issued a public notice advising that amendments



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were proposed to be made to the EIS and invited comments on these proposed amendments during the comment period. A summary of Information Requests and other comments received by the CEA Agency and the NL DOEC on the EIS is provided in the sections below.

10.4 Aboriginal Engagement

There are five Aboriginal groups that have asserted Aboriginal rights or claimed traditional territory within or in proximity to the Project and form the participant list for Alderon's Aboriginal engagement program:

- Innu Nation;
- NunatuKavut Community Council;
- Uashat mak Mani-Utenam;
- Matimekush-Lac John; and
- Naskapi Nation of Kawawachikamach.

The sections below include an overview and documentation of the consultation and engagement activities undertaken for each Aboriginal group, including the following information:

- Attempts to arrange consultation and engagement activities, including letters, phone calls, and emails;
- Summary of completed events, including type of event, dates, attendees, and issues; and
- Summary of information requests received during the EIS review period.

During the review period (October 1-November 20, 2012), the following groups submitted comments or Information Requests to the CEA Agency or NL DOEC:

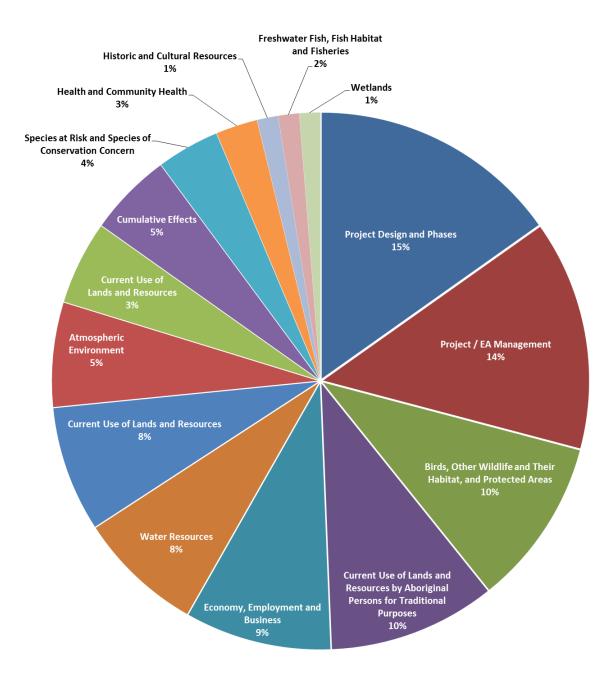
- Innu Nation;
- Naskapi Nation of Kawawachikamach;
- Uashat mak Mani-Utenam; and
- Nunatukavut Community Council.

The comments and requests included within these four submissions are detailed in the sections below. Alderon's responses to these comments are presented in Volume 3. Figure 10.4.1 depicts the proportion of issues raised by Aboriginal groups in each category in these submissions.



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Figure 10.4.1 Proportion of Issues identified by Aboriginal Participants during the EIS Public Review Period



10.4.1 Innu Nation

An overview of engagement activities that occurred with the Innu Nation during the period leading up to and following EIS submission is provided in Table 10.4.1. During the period leading up to EIS submission, Alderon continued to work with the Innu Nation to negotiate a Benefits Agreement, which will address employment, business opportunities and environmental



management throughout all phases of the Project. While a formal agreement has not been reached to date, negotiations are ongoing.

Alderon provided the Innu Nation with a copy of the EIS and Plain Language Summary for review and comment on September 27, 2012. During the EIS review period, Alderon reiterated previous offers to engage community members on the EIS. Engagement activities would include providing information about the technical findings of the EIS, and the opportunity for community members to share information about Labrador Innu land and resource use.

Date	Activity	Participants	Summary
July 26, 2012	Email	Innu Nation Legal Advisor	Alderon provided redraft of Benefits Agreement for review and discussion at next negotiating session.
July 30, 2012	Email	Innu Nation Legal Advisor	Innu Nation provided revised Draft Benefits Agreement and proposed date for next negotiating session.
September 6, 2012	Meeting	Innu Nation Grand Chief, Innu Nation Deputy Grand Chief, Innu Nation Band Council Negotiator, Innu Nation Financial Advisor, Innu Nation Legal Advisor, Innu Nation Advisor, Innu Nation Negotiator	Reviewed most recent Draft Benefits Agreement prepared by Innu Nation in July, 2012. Parties reached substantive agreement on a number of matters and identified next steps.
September 20, 2012	Email	Innu Nation Financial Advisor, Innu Nation Legal Advisor	Follow-up to commitment made by Innu Nation during a meeting held on September 6. Provided materials related to hiring practices and workplace policies and conditions for consideration for incorporation into Benefits Agreement.
September 27, 2012	Letter	Innu Nation Grand Chief, Innu Nation Deputy Grand Chief	Provided copy of EIS, notification of public review period and offered to meet with the community to discuss.
October 1, 2012	Letter	Innu Nation Grand Chief, Innu Nation Deputy Grand Chief	Provided EIS Volume 1 - French Translation.
November 7, 2012	Email	Innu Nation Environmental Analyst	Reiterated Alderon's previous offer to meet with the community to discuss the EIS and make experts available to review results and findings. Invited Innu Nation to provide information about membership's land and resource use in the Project area.
November 27, 2012	Meeting	Innu Nation Environmental Monitor, Advisor, Negotiator, Legal Advisor	Meeting with Innu Nation regarding ongoing Benefits Agreement negotiations.

Table 10.4.1 Summary of Engagement Activities with the Innu Nation



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Date	Activity	Participants	Summary
December 13, 2012	Meeting	Innu Nation Negotiator, Financial Advisor and Legal Advisor	Meeting with Innu Nation regarding Project schedule, contracting opportunities and procurement process.
December 21, 2012	Email	Innu Nation Grand Chief, Deputy Grand Chief, Legal Advisor	Letter thanking group for providing comments on the EIS and advising them of Alderon's intention to submit responses to such comments to regulators by January 31, 2013. Letter offers to meet with Innu Nation in advance of submission to discuss such comments and the EA process and to provide a Project update. Letter advises that a representative of Alderon will be in touch in the new year to discuss the proposed meeting.

The Innu Nation submitted comments on the EIS to the CEA Agency on November 20, 2012. Table 10.4.2 details the issues identified in this submission. A full record of comments submitted by Innu Nation with responses is included in Volume 3.

Table 10.4.2	Issues Raised by Innu Nation in their Comments on the EIS
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Issue Category	Issue Subject
	Accidents and Malfunctions
	Effluent Discharge and Treatment
Project Design and Phases	Power
Project Design and Phases	Mining Operations
	Monitoring and Follow-up
	Rehabilitation and Closure
	EIS Guidelines and Compliance
Project / EA Management	Environmental Management
	Financial Capacity for Consultation on the Project
	Cumulative Effects Overall
Cumulative Effects	Cumulative Effects On Current Use Of Lands And Resources For Traditional Purposes
Water Resources	Groundwater
Water Resources	Water Quality
Freshwater Fish, Fish Habitat and Fisheries	Fish Habitat
Birds, Other Wildlife and Their Habitat, and Protected Areas	Wildlife Habitat
Species at Risk and Species of Conservation Concern	Caribou
Historic and Cultural Resources	Archaeological Sites



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Issue Category	Issue Subject
	Interaction with Existing Aboriginal Rights or Title
Current Use of Lands and Resources by Aboriginal Persons for Traditional Purposes	Cumulative Effects
	Land use for Traditional Purposes
Current Use of Lands and Resources	Land use Activities
Community Services and Infrastructure	Accommodation
Community Services and Infrastructure	Community Infrastructure
Health and Community Health	Human Health
Health and Community Health	Safety
	Aboriginal Employment and Business Opportunities
	Cumulative Effects on Economy, Employment and Business
Economy, Employment and Business	Diversity
	Local Businesses
	Local Economy

10.4.2 Innu of Uashat mak Mani-Utenam

An overview of engagement activities that occurred with the Innu of Uashat mak Mani-Utenam (ITUM) during the period following EIS submission is provided in Table 10.4.3. Alderon provided ITUM with a copy of the EIS and invited comments on September 27, 2012. Since submission of the EIS, Alderon has met and corresponded with ITUM respecting the initiation of Benefits Agreement negotiations and facilitation of ITUM's participation in the environmental assessment process. Although Alderon is aware that on October 18, 2012, ITUM issued a declaration proposing a moratorium on talks with all developers pending the development of a Land Use Plan identifying development areas and protected areas, Alderon remains committed to undertake good faith benefits agreement negotiations as soon as possible. Regardless of the outcome of these negotiations, it is Alderon's wish to work cooperatively with ITUM throughout the life of the Project.

Table 10.4.3Summary of Engagement Activities with the Innu of Uashat mak Mani-
Utenam (July-December 2012)

Date	Activity	Participants	Summary
September 27, 2012	Letter	Innu of Uashat mak Mani-Utenam Chief	Provided copy of EIS, notification of public review period and offered to meet with the community to discuss.
September 27, 2012	Email	Uashat Legal Advisor	Legal advisor provided Alderon with Pre-development Agreement containing the Innu Uashat mak Mani- Utenam First Nation's policy with respect to the study and assessment of new projects on traditional territory.
October 1, 2012	Letter	Innu Uashat mak Mani- Utenam Chief	Provided EIS Volume 1 - French Translation.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Date	Activity	Participants	Summary
October 5, 2012	Email	Uashat Chief of Lands Bureau and Legal Counsel, Uashat Executive Secretary, Uashat Legal Advisor, Innu Uashat mak Mani- Utenam Chief	Provided English notification of EIS submission. Letter confirmed receipt of Pre-development Agreement. Offered to meet with the community to facilitate its participation in the EA process and encouraged them to submit comments to the federal and provincial regulators
October 11, 2012	Meeting	Uashat Legal Advisor	Discussed Pre-development Agreement prepared by Uashat. Also provided an overview of the EA process and discussion of EIS conclusions concerning Uashat's current use of land and resources for traditional purposes in the Project Area.
October 22, 2012	Letter	Innu Uashat mak Mani- Utenam Chief, Uashat Legal Advisor, Uashat Chief of Lands Bureau and Legal Counsel	Follow-up to meeting in response to draft pre- development agreement. Offer to meet with Chief, Band Council and community to discuss the EIS, to make experts available to discuss technical aspects and provide capacity funding for the community to provide information to enhance Alderon's understanding of the impacts of the Project on community's interests, values and asserted rights.
October 31, 2012	Letter	Innu Uashat mak Mani- Utenam Chief, Uashat Chief of Lands Bureau and Legal Counsel, Uashat Legal Advisor, Uashat Executive Secretary	Communicated Alderon's intention to enter into Benefits Agreement negotiations with Uashat, including a commitment to cover Uashat's negotiation costs. Draft Framework Agreement attached for review and comment setting out terms and conditions of proposed negotiations. French version of letter to follow.
November 1, 2012	Email	Uashat Legal Counsel	Advised that a community meeting will be held on November 8 to discuss implications of the Uashat declaration and would advise following this meeting whether they would commence benefits negotiations.
November 6, 2012	Letter	Innu Uashat mak Mani- Utenam Chief, Uashat Chief of Lands Bureau and Legal Counsel, Uashat Legal Advisor, Uashat Executive Secretary	Provided French translation of October 31, 2012 letter.
December 7, 2012	Email	Uashat Legal Counsel and Legal Advisor	Submission of comments on the EIS and response to Alderon's offer to provide funding for participation in the EA process and benefits negotiations.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Date	Activity	Participants	Summary
December 21, 2012	Email	Innu Uashat mak Mani- Utenam Chief, Executive Secretary, Chief of Lands Bureau and Legal Counsel, Legal Advisor	Letter to ITUM (both French and English) thanking the group for submitting comments on the EIS and advising group of Alderon's intention to provide a response to such comments to regulators by January 31, 2013. Letter also proposes a meeting with ITUM prior to the submission of Alderon's response, to discuss comments and the EA Process and to provide a Project update. Letter advises that a representative of Alderon will be in contact in the new year to discuss the proposed meeting.

ITUM submitted comments on the EIS on December 7, 2012. Table 10.4.4 details the issues identified in this submission. A full record of comments submitted by ITUM with responses is also included in Volume 3.

Issue Category	Issue Subject
	Aboriginal Engagement
Project / EA Management	EIS Guidelines and Compliance
	Financial Capacity for Consultation on the Project
	Cumulative Effects Overall
Cumulative Effects	Cumulative Effects on Species at Risk
	Cumulative Effects
Atmospheric Environment	Greenhouse Gas Emissions
Water Resources	Water Bodies
Waler Resources	Water Quality
Birds, Other Wildlife and Their Habitat, and Protected	Wildlife Habitat
Areas	Wildlife Species
Species at Risk and Species of Conservation Concern	Cumulative Effects
	Cumulative Effects
Current Use of Lands and Resources by Aboriginal Persons for Traditional Purposes	Interaction with Existing Aboriginal Rights Or title
	Land use for Traditional Purposes
	Fishing Activities
	Hunting Activities
Current Use of Lands and Resources	Recreational Activities
	Trapping

Table 10.4.4 Issues Raised by Uashat mak Mani-Utenam in their Comments on the EIS



10.4.3 Innu of Matimekush-Lac John

An overview of engagement activities that occurred with the Innu of Matimekush-Lac John during the period following EIS submission is provided in Table 10.4.5. Alderon provided the community with a copy of the EIS and offered to meet to discuss on September 27, 2012. Following EIS submission, Alderon reiterated offers to meet with the community to explain the EIS conclusions and collect information about land and resource use.

Date	Activity	Participants	Summary
September 27, 2012	Letter	Chief of Nation Innue Matimekush-Lac John	Provided copy of EIS, notification of public review period and offered to meet with the community to discuss.
October 1, 2012	Letter	Chief of Nation Innue Matimekush-Lac John	Provided EIS Volume 1 - French Translation.
November 2, 2012	Email	Legal Counsel for Nation Innue Matimekush-Lac John	Discussed status of Project, environmental assessment process and possible community meeting. Legal Council to follow-up on scheduling of community meeting.
November 7, 2012	Email	Legal Counsel for Nation Innue Matimekush-Lac John	Reiterated Alderon's offer to meet with the community to discuss EIS and to make experts available to review findings if community requests. Invited community to provide information regarding land and resource use.
December 21, 2012	Email	Chief of Nation Innue Matimekush-Lac John , Legal Counsel for Nation Innue Matimekush-Lac John	Letter to Matimekush-Lac John (French and English) advising group of Alderon's intention to submit a response to Aboriginal comments on the EIS to regulators in early 2013. Letter advises group of Alderon's wish to meet prior to submission of responses to regulators to discuss such comments and the EA process and to provide a Project update. Letter advises that a representative of Alderon will be in contact in the new year to discuss the proposed meeting.

Table 10.4.5Summary of Engagement Activities with the Innu of Matimekush-Lac John
(July-December 2012)

10.4.4 NunatuKavut Community Council

An overview of engagement activities that occurred with the NunatuKavut Community Council (NCC) during the period leading up to and following EIS submission is provided in Table 10.4.6. In February 2012, Alderon signed a Community Engagement Agreement with the council with provision and funding for a Land and Resource Use Study to be completed by the group. In September, NCC completed the report and Alderon incorporated the contents into the EIS. A copy of the report can be found in Appendix Z (of the EIS). Contents have been incorporated into Chapter 22. Alderon provided NCC with a copy of the EIS and invited comments on September 27, 2012. Since submission of the EIS, Alderon has been working with NCC to organize a community meeting to present the results of the EIS including the Land and Resource Use Study.



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Table 10.4.6 Summary of Engagement Activities with the NunatuKavut Community Council (July-December 2012)

Date	Activity	Participants	Summary
July 31, 2012	Phone Calls	Environmental and Research Manager for NCC	Discussed Land and Resource Use Study, next steps and scheduling of next community meeting.
August 8, 2012	Email	Environmental and Research Manager for NCC	Submitted Draft Land and Resource Use Report.
September 5, 2012	Email	NCC Advisor	Submitted Final Report on NCC Land and Resource Use to replace draft report for inclusion in EIS.
September 7, 2012	Meeting	Environmental and Research Manager for NCC, NCC Advisor	Discussed Project progress, status of EA review and Final Land and Resource Use Report. Three bound copies of the report were provided by NCC. Parties discussed next steps. Agreed to the schedule a follow-up community meeting in Labrador West to discuss: Project update; EA progress; and Land and Resource Use Report.
September 27, 2012	Letter	NCC President	Provided copy of EIS, notification of public review period and offered to meet with the community to discuss.
October 1, 2012	Letter	NCC President	Provided EIS Volume 1 - French Translation.
November 7, 2012	Email	Environmental and Research Manager for NCC	Reiterated Alderon's offer to assist with NCC participation in the EA process by meeting with the community and making technical experts available upon request. Reminded NCC about need for a follow- up community meeting.
November 19, 2012	Phone call	Environmental and Research Manager for NCC	Discussed community meeting in Labrador City to be held in early December to discuss Project status, EA process and the results of the Land and Resource Use Study which had been incorporated into the EIS. Once date has been confirmed, NCC will begin organization of meetings.
November 19, 2012	Email	Environmental and Research Manager for NCC	Contacted to determine potential dates for community meeting in Labrador West.
December 21, 2012	Email	Environmental and Research Manager for NCC	Letter thanking group for submission of comments on EIS, advising of Alderon's intention to provide responses to such comments to regulators by January 31, 2012 and offering to meet with group in advance to discuss comments and the EA process and to provide a Project update. Letter advises that representative of Alderon will be in contact in the new year to discuss the proposed meeting.

NCC submitted comments on the EIS to the CEA Agency on November 23, 2012. Table 10.4.7 details the issues identified in this submission. A full record of comments submitted by the NCC with responses is also included in Volume 3.



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Table 10.4.7	Issues Raised by NunatuKavut Community Council in their Comments on
	the EIS

Issue Category	Issue Subject
Project Design and Location	Power
Project Design and Location	Tailings Impoundment
	EA Jurisdiction
Project / EA Management	EA Methods
	Public Participation
Atmospheric Environment	Air quality
Atmospheric Environment	Cumulative Effects on Atmospheric Environment
Water Resources	Cumulative Effects on Water Resources
Wetlands	Wetlands
Birds, Other Wildlife and Their Habitat, and	Cumulative Effects on Wildlife Species
Protected Areas	Wildlife Habitat
Current Use of Lands and Resources by Aboriginal Persons for Traditional Purposes	Land Use for Traditional Purposes
Current Use of Lands and Resources	Cabins
	Accommodation
Community Services and Infrastructure	Cumulative Effect on Community Services and Infrastructure
	Recreational Infrastructure
Economy Employment and Rusiness	Aboriginal Employment and Business Opportunities
Economy, Employment and Business	Employment

10.4.5 Naskapi Nation of Kawawachikamach

An overview of engagement activities that occurred with the Naskapi Nation of Kawawachikamach during the period following EIS submission is provided in Table 10.4.8. Alderon provided the community with a copy of the EIS on September 27, 2012, and offered to meet with community members to present the information and document their concerns as part of the EA process. Following submission of the EIS, Alderon reiterated offers to meet with the community.

Table 10.4.8 Summary of Engagement Activities with Naskapi Nation of Kawawachikamach (July-December 2012)

Date	Activity	Participants	Summary
September 27, 2012	Letter	Chief of Naskapi Nation of Kawawachikamach	Provided copy of EIS, notification of public review period and offered to meet with the community to discuss.
October 1, 2012	Letter	Chief of Naskapi Nation of Kawawachikamach	Provided EIS Volume 1 - French Translation.

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Date	Activity	Participants	Summary
November 9, 2012	Email	General Advisor to Naskapi Nation of Kawawachikamach	Reiterated Alderon's previous offer to meet with the community and make experts available to discuss the findings of the EIS. Invited community to provide information about land and resource use in the Project area.
December 21, 2012	Email	Chief of Naskapi Nation of Kawawachikamach, General Advisor	Thanked group for providing comments on the EIS and advised that Alderon's intention is to provide responses to such comments to regulators before January 31, 2013. Offered to meet with group in advance of response to discuss comments and the EA process and provide a Project update. Letter indicates that a representative of Alderon will be in contact in the new year to discuss the proposed meeting.
January 2, 2013	Email	Naskapi Nation of Kawawachikamach - Atmacinta	Email to Atmacinta, confirming Alderon's interest in meeting with the Chief and Band Council of Kawawachikamach to discuss comments on the EIS. Commitment to discuss a date for the meeting as well as possible participants.
January 3, 2013	Outgoing Telephone Call	Naskapi Nation of Kawawachikamach - Atmacinta	Phone call to Atmacinta, as a follow-up to an email sent on January 2, 2013, respecting a proposed meeting with the Chief and Band Council. Message left confirming Alderon's agreement to attend a meeting and indicating that Alderon would phone again to discuss meeting dates and potential participants.
January 7, 2013	Email	Naskapi Nation of Kawawachikamach - Atmacinta	Email correspondence respecting a proposed phone call to discuss upcoming meeting.
January 7, 2013	Incoming Telephone Call	Naskapi Nation of Kawawachikamach - Atmacinta	Phone call to discuss upcoming meeting with the Naskapi Nation of Kawawachikamach. January 23rd was tentatively identified as the meeting date. Meeting will be held with Chief and Band Council. Agenda for the meeting confirmed. Purpose is to discuss Kawawachikamach's comments on the EIS and Alderon's proposed responses. Community expressed interest in discussing issues related to caribou, cumulative effects and air quality. Atmacinta undertook to confirm date for meeting and whether translation would be required. Alderon undertook to identify potential participants. Parties agreed to another phone call to discuss arrangements.
January 14, 2013	Email	Naskapi Nation of Kawawachikamach - Atmacinta	Email requesting that meeting originally scheduled for January 23, 2013 be rescheduled until sometime in February to coincide with a series of meetings between the Chief and Council with various mining companies.



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Date	Activity	Participants	Summary
January 14, 2013	Email	Naskapi Nation of Kawawachikamach - Atmacinta	Email confirming that the meeting will be cancelled and that Alderon will attend the rescheduled meeting in February. Email requests information as to new date as soon as time is set.

Naskapi Nation of Kawawachikamach submitted comments on the EIS to the CEA Agency on November 26, 2012. Table 10.4.9 details the issues identified in this submission. A full record of comments submitted by the Naskapi Nation of Kawawachikamach with responses is included in Volume 3.

Table 10.4.9 Issues Raised by the Naskapi Nation of Kawawachikamach in their Comments on the EIS

Issue Category	Issue Subject
Project Design and Location	Rail
Project Design and Location	Transmission Line
Project Phases	Mining Operations
Project Phases	Monitoring and Follow-up
	EA Methods
Project / EA Management	Environmental Management
Atmospheric Environment	Cumulative Effects on Atmospheric Environment
Water Resources	Cumulative Effects on Water Resources
	Cumulative Effects on Wildlife Species
Birds, Other Wildlife and Their Habitat, and Protected Areas	Wildlife Habitat
	Wildlife Species
Species at Risk and Species of Conservation Concern	Caribou
Current Use of Lands and Resources by Aboriginal Persons for Traditional Purposes	Land use for Traditional Purposes

10.5 Public Consultation

Alderon's public participant list includes potentially affected and/or interested stakeholders from the following groups:

- Towns of Labrador City, Wabush, Fermont and Sept-Îles;
- Non-governmental organizations (NGOs);
- Economic development organizations; and
- Outdoor recreation users and outfitters.



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This section includes an overview and documentation of the consultation and engagement activities undertaken for each group during the post-EIS submission phase including the following information:

- Summary of completed events, including dates, attendees, information presented, and methods for feedback;
- Public notices posted for public meetings in accordance with the EIS Guidelines (CEA Agency and NL DOEC 2012);
- Documentation of participants and feedback received at public meetings; and
- Summary of information requests received during the EIS review period.

During the EIS review period (October 1-November 20, 2012), the following public participants submitted comments or Information Requests to the CEA Agency or NL DOEC:

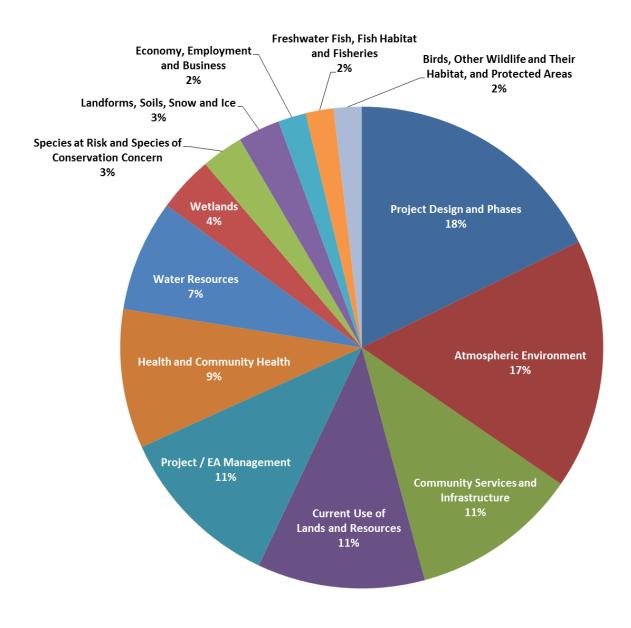
- Town of Wabush;
- Town of Labrador City;
- Ville de Fermont;
- Stewardship Association of Municipalities;
- Nature Newfoundland and Labrador
- Regroupement pour la Sauvegarde de la grande Baie de Sept-Îles;
- Conseil Régional de l'environnement de la Côte-Nord;
- Comite ZIP Cote-Nord;
- Shabogamo Mining & Exploration Ltd.;
- Citizens of Labrador City;
- Citizens of Wabush;
- Citizens of Fermont; and
- Mouvement Citoyen de Fermont.

These comments and requests are detailed in the sections below. Figure 10.5.1 depicts the proportion of issues raised by public stakeholders in each category in these submissions that related to Volume 1 of the EIS. In total 14 submissions were received. It should be noted that additional issues identified within these submissions that applied to Volume 2 of the EIS are not included in this report, and are documented within Volume 2 of the EIS.



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10.5.1 Town of Labrador City

An overview of consultation and engagement activities that occurred with the Town of Labrador City during the period leading up to and following EIS submission is provided in Table 10.5.1. During the period leading up to EIS submission, Alderon provided the Town of Labrador City with a proposed draft Memorandum of Understanding (MOU) that would provide for the foundation for a long-term relationship between the two parties. Alderon also provided the Town of Labrador City with a copy of the EIS and notification of the public review period on September 27, 2012. A copy was made available for public review at the Margaret Butt



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Memorial Library on the same date. A French copy of Volume 1 of the EIS was provided on October 1, 2012. The results of the EIS were presented to the community during a Public Information Session on October 23, 2012.

Date	Activity	Stakeholder Group	Summary
August 16, 2012	Letter	Town of Labrador City	Expressed gratitude for continued collaboration and acknowledged concerns expressed through consultation activities about potential project effects on community infrastructure and accommodation needs. Proposed a Memorandum of Understanding (MOU) that would provide the foundation for a long- term relationship between the Town and Alderon. Enclosed a draft copy of the MOU for the Town's consideration and expressed an interest in beginning discussions.
September 27, 2012	Letter	Town of Labrador City	Provided copy of EIS and notification of public review period.
September 27, 2012	Letter	Margaret Butt Memorial Public Library	Provided copy of EIS to be made available for public review.
October 1, 2012	Letter	Town of Labrador City	Provided EIS Volume 1 - French Translation.
October 23, 2012	Public Information Session	Attended by 67 community members	Presented Project information, answered questions, and received feedback on the Project and the EA process.
December 4, 2012	Email	Town of Labrador City	MOU edits submitted by Town for Alderon's consideration.

Table 10.5.1Summary of Consultation Activities with the Town of Labrador City (July-
December 2012)

The Public Information Session was held on October 23, 2012 from 3:00 PM to 5:00 PM and from 7:00 PM to 9:00 PM at the Knights of Columbus Hall in the Town of Labrador City. A total of 67 people signed in and 24 people completed exit surveys. Notification for the Public Information Session was provided in the Aurora newspaper on October 15, 2012 and October 22, 2012. Notification was also provided on TV channels 22 and 3 (24 hours/day in rotation) from October 15-25, 2012.

Participants were invited to sign in upon arrival and circulate the room where information posters were set up at four stations (Welcome, Environment, Communities and the Kami Project). Alderon representatives and technical experts were present to answer questions, and record concerns. When exiting the Public Information Session, participants were given an exit survey to provide feedback regarding the Public Information Session and the Project in general.

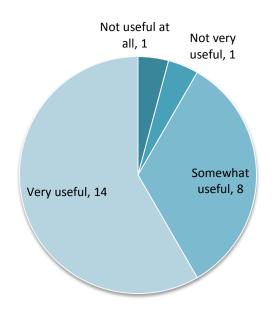
The exit survey provided at the Public Information Session included four questions. Question one asked "How useful was the information presented in explaining the proposed Kami Iron Ore Mine?" The responses to this question are summarized in Figure 10.5.2. The majority found the information presented at this Public Information Session to be "very useful" or "somewhat



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useful". Respondents commented on the speakers and recommended that a presentation with video of the Project area would be useful. There was only one response that the information presented was not very useful; this respondent suggested that more information for cabin owners being affected was required. There was also one response that the information presented was not useful at all.

Figure 10.5.2 Labrador City Response to "How useful was the information presented in explaining the proposed Kami Ore Mine?"



The second and third questions asked respondents "What do you feel are important issues regarding the Kami Iron Ore Mine?", and "What steps do you think Alderon could take to address your concerns?" The majority of participants identified loss of cabin/way of life and the environment (including effects on human health, wildlife and water) as important issues. Other important issues included stakeholder engagement as well as potential effects on the community (including socio-economic impacts) and effects on infrastructure. Respondents recommended that Alderon continue engagement and information sharing, including meeting with cabin owners individually, and updating the project website. Respondents also suggested local hiring strategies and re-routing of snowmobile trails and relocation of tailings. One respondent stated that mining should be halted, and another stated that impacts to wetlands should be minimized.

The fourth question on the exit survey asked participants "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?" The responses to this question are summarized in Figure 10.5.3. The majority of respondents were either satisfied or very satisfied with the Project as it is proposed. Respondents commented that the information boards and representatives were knowledgeable and informative and that they trusted that people and the environment would be protected. They recommended collaborating with other competitors concerning accommodations and bringing up share prices. Those that answered that they were



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either dissatisfied or very dissatisfied about the project development as proposed indicated that their way of life is going to be gone; and that there should be a moratorium on mines.

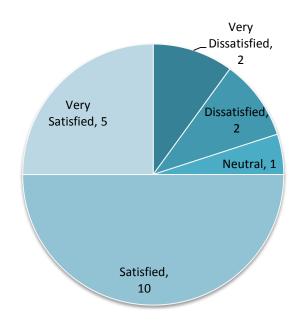


Figure 10.5.3 Labrador City Responses to "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?

Verbal comments, questions and concerns from participants were also recorded during the Public Information Session and Alderon representatives and technical experts were present to answer questions. Participants identified socio-economic impacts and the environment, including toxins from blasting, effects to species at risk, contaminant spills associated with the rail line, and the proximity of the rail line to important watershed characteristics such as Jean Lake Rapids as important issues. Other important issues included the proper identification of trail locations, roads, and important watershed features, communication of blasting activities, effects to nearby cabins, transportation of iron ore, and consultation with Aboriginal groups. Several participants suggested that a realignment of the proposed rail line was necessary to protect water resources. A summary of comments received during the Public Information Session is provided in Table 10.5.2.

Table 10.5.2	Summary of Comments Received During the October 23, 2012 Public
	Information Session in Labrador City

Issue Identified	Comment	Response	
Question 1: "How useful was the information presented in explaining the proposed Kami Iron Ore Mine?"			
Public Participation	An introduction to the design of the meeting would be useful.	The comments are acknowledged. Information stations were set up during the Public	
	Speakers.	Information Sessions where Alderon	
	Speakers.	representatives, including qualified experts,	



Issue Identified	Comment	Response
	More formal presentation rather than informal. Small presentation to start then a walk	provided Project information in specific areas such as Project design, environment and communities. Participants in these sessions were given the opportunity to ask questions about the Project and Alderon representatives were able to provide detailed responses and record community concerns.
	about.	
	General presentation via video to explain the process.	
	Provide a video presentation of the proposed Project including aerial view of area.	
	A sit down format so everyone can ask questions and everyone can hear.	
	Presentation by mine personnel.	-
		The proximity of Project rail infrastructure to the Wabush Protected Public Water Supply Area (PWSA), is addressed in the EIS in Volume 1, Sections 2.8, and Chapters 16 and 23, and in this Amendment in Sections 2.7 and 4.7 of Volume 3.
Location of Rail, Water Supply	Don't want to see railway near water supply (Wabush).	Alderon is developing detailed designs and operational strategies to ensure that the risk of a spill is minimized and in the unlikely event of a spill, mitigation is provided to prevent the spill from impacting the supply of potable water to the Town of Wabush. Alderon will establish and lead a working committee with Water Resources Management Division and the Town of Wabush to ensure that the parties are involved in the design process for the rail routing and selection of an alternative back-up water supply or relocation of the existing PWSA
Cabin	Inform cabin owners if and when they can improve on cabin or it belongs to Alderon.	Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.
	More information for cabin owners being affected.	The comment is acknowledged. Potential effects on property access and other land use activities are addressed in the EIS in Volume 1, Section 23.6, and in Sections 4.6 and 4.7 of the Amendment (Volume 3). Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners.



Issue Identified	Comment	Response
Access to Property	Access to cabins from Wabush Sand Pit Road to turn off to other cabins areas.	The comment is acknowledged. Potential effects on property access and other land use activities are addressed in the EIS in Volume 1, Section 23.6, and in Section 1.1 of this Amendment to the EIS. Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.
Question 2: "What o	do you feel are important issues regardin	g the Kami Iron Ore Mine?"
	Good job, well done. Everything covered as far as I can see.	The comment is acknowledged and no response is required.
	Keeping the general public informed of changes and progress.	The comment is acknowledged. All updates and decisions will be posted on the Canadian Environmental Assessment Agency
Public Participation	Information to general public.	website, as well as on the Alderon website. Alderon will continue to communicate and consult with stakeholders, including community members in Labrador City.
	My issues have been addressed! Thank you!	The comment is acknowledged and no response is required.
	From my observation of the displays the sponsors have consulted with the many stakeholders and that is a positive.	The comment is acknowledged and no response is required.
Economic Feasibility	Producing and constructing mine within budgets.	The Project will be constructed, owned and operated by Alderon Iron Ore Corp. Pre- construction feasibility studies have included a consideration of economic feasibility. Information on Project costs is presented in the EIS Volume 1, Chapter 26 and in this Amendment to the EIS, in IR No. NCC-09.
Engineering and Project Design	Location – development.	The comment is acknowledged. The location of the Project is discussed in detail in Chapter 2 of the EIS.
Location of Tailings Impoundment, Dust	Tailings location and dust.	 Alderon recognizes the potential for dust emissions during the operation of the Project and will implement dust control measures as listed in Volume 1, Section 14.6.2.1 including, but not limited to: Dust suppression on roads; Crusher buildings equipped with dust collection systems; Enclosed crushed ore reclaim tunnel;
		 Process plant feed system enclosed with dust collection;



Issue Identified	Comment	Response
		 Wet processing; Rail car loading hopper equipped with dust collection system; and Progressive reclamation of the tailings pond. The results of the dust modelling are shown on Figures 14.6, 14.7, and 14.8 of the EIS Volume 1. Since issuing the EIS, additional dust modelling has been undertaken using a refined set of inputs. Model results show no exceedance of Newfoundland and Labrador standards for dust due to the contribution of the Project. Results of this additional dust modelling are presented in this Amendment in response to IR No. PC-01. Information pertaining to the location of the tailings pond is presented in Section 2.5 of the
	My most important is the impact on my cabin and a way of life I have enjoyed for	EIS, Volume 1.
	the last 30 years. Effects to community and cabin owners.	on property access and other land activities are addressed in the EIS in Volume 1, Section 23.6, in the Amendment in Sections 4.6 and 4.7. Alderon has initiated discussions with individual
	Going to lose my cabin. Been on Duley Lake for 42 years!	cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.
	Effects it is going to have on all cabin owners.	
Cabin	Environment.	The comment is acknowledged. Potential effects on the environment in areas with cabins is addressed in the EIS in Section 23.6. The potential effects of the Project on the Environment are addressed in the EIS in several chapters including: Atmospheric Environment (Chapter 14); Landforms, Soils, Snow and Ice (Chapter 15); Water Resources (Chapter 16); Wetlands (Chapter 17); Freshwater Fish, Fish Habitat and Fisheries (Chapter 18); Birds, Other Wildlife and Their Habitats, and Protected Areas (Chapter 19); and Species at Risk and Species of Conservation Concern (Chapter 21). Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in t this Amendment Volumes 1 and 2, Chapter 10.



Issue Identified	Comment	Response
Access to Property	Access.	The comment is acknowledged. Potential effects on property access and other land use activities are addressed in the EIS in Volume 1, Section 23.6, and in the Amendment in Section 1.1. Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this
	Jobs in Labrador, and specifically Labrador City area.	Amendment Volumes 1 and 2, Chapter 10. The potential effects on employment and the economy are discussed in Chapter 26 of the
Availability of Local Workers	More work for people of Newfoundland and Labrador.	EIS. The Project will have beneficial effects such as employment and business opportunities for communities and residents.
Community Infrastructure	What will it do for our existing infrastructure.	The potential effects of the Project on the infrastructure within the Town of Labrador City are presented in the EIS in Volume 1, Section 24.6.
Wildlife, Health and Community Health	Environment issues - effects on humans and wildlife.	The potential effects of the Project on human health and the health of communities are addressed in Chapter 25 of the EIS. The potential effects of the Project on Birds, Other Wildlife and Their Habitats, and Protected Areas are assessed in Chapter 19, and Species at Risk and Species of Conservation Concern are assessed in Chapter 21 of the EIS.
	Environment.	The potential effects of the Project on Birds, Other Wildlife and Their Habitats, and Protected Areas are assessed in Chapter 19, and Species at Risk and Species of Conservation Concern are assessed in Chapter 21 of the EIS.
Water Quality	Water and effluents.	The potential effects of the Project on Water Quality are assessed in Volume 1, Section 16.6 of the EIS.
Question 3: "What s	steps do you think Alderon could take to	address your concerns?"
Public Participation	Public meetings like this and more information on web page. Perhaps a digital version of the proposed design.	The comment is acknowledged. All updates and decisions will be posted on the Canadian Environmental Assessment Agency website, as well as on the Alderon website. Alderon will continue to communicate and consult with stakeholders, including community members in Labrador City.
	Not much - update by web page.	The comment is acknowledged. All updates and decisions will be posted on the Canadian Environmental Assessment Agency website, as well as on the Alderon website. Alderon will continue to communicate and consult with stakeholders, including community



Issue Identified	Comment	Response
		members in Labrador City.
	No concerns at this time.	The comment is acknowledged and no response is required.
	MOU is in process with Town of Labrador City.	Alderon has recently completed Memorandums of Understanding (MOUs) with the Town of Wabush and the Town of Labrador City to establish a constructive and cooperative long-term relationship over the life of the Project to address the potential impacts of the Project on community infrastructure and accommodations. Additional information on the MOUs is presented in this Amendment in response to IR No. IN 21.
Mining Operations	Halt mining.	The comment is acknowledged. Mining is the largest sector of the economy in western Labrador. Because of the mining industry, western Labrador has the average lowest unemployment rate and the highest average wages in the Province.
Location of Tailings Impoundment	Move tailings to a further away location.	The location of the tailings management facility was chosen based on environmental (including social), engineering, and economic considerations. Additional information is provided in Section 2.8 of Volume 1 of the EIS.
	Meet owners individually to discuss compensation.	Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.
Cabins	Individual consultations on cabins.	
	Stop beating around the bush as to what effects the cabin owners and let us know	The comment is acknowledged. Potential effects on property access and other land use activities are addressed in the EIS in Volume 1, Section 23.6, in the Amendment in Sections 4.6 and 4.7. Alderon has initiated discussions with
	how we will be affected and what you will do for us.	individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.
Availability of Local Workers	Be prepared to hire and train people in	The potential effects on employment, the economy and business are addressed in Chapter 26 of the EIS.
	positions that require special training.	Alderon has initiated discussions with training institutions in western Labrador to review Project requirements.



Issue Identified	Comment	Response
Snowmobile Trails	Make sure snowmobile trail around mine.	Alderon acknowledges that local residents use snowmobiles for riding on trails and on frozen ponds and lakes. They use these machines to access remote areas and participate in activities such as hunting, ice-fishing, trapping, travelling to cabins and collecting firewood. A network of local and long distance groomed trails ranges from west of Fermont to Churchill Falls. Some of these trails intersect with Project features near Wabush (Section 23.5.4). For public safety reasons, access will be limited in restricted zones for the life of the project (Section 23.6.1). Signs will be posted to alert users of areas to be avoided. Progressive rehabilitation will be used so that restricted areas become available as soon as possible. Alderon will work with the White Wolf Snowmobile Club to address Project effects.
Local Economy	I have no special concerns but I do expect that the people of Newfoundland will be the major beneficiaries of the development.	The potential effects on employment and the economy are presented in Chapter 26 of the EIS. Alderon and the Government of Newfoundland and Labrador are currently negotiating a Benefits Agreement, which includes a Benefits Plan and Diversity Plan, that will provide commitments for the delivery of employment, business and other benefits to the province and its citizens. The Agreement and Plans will require approval by the Minister of Natural Resources and the Minister Responsible for the Status of Women.
Wetlands	Minimize impact on wetlands.	In the EIS, Alderon assessed the potential effects of the Project on wetlands. The results of this assessment are presented in EIS Chapter 17. Alderon will minimize interaction with wetlands and compensate for residual effects that cannot be minimized. Alderon will develop a wetland mitigation and monitoring plan as part of the EPP, incorporating this hierarchical progression of mitigation alternatives, where feasible.
Question 4: "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?"		
Public Participation	Very informative display boards and knowledgeable representatives.	The comment is acknowledged and no response is required.
Mining Operations	I feel there is enough mining as it is today. There should be a moratorium on mines here.	The comment is acknowledged and no response is required.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Issue Identified	Comment	Response
Quality of Life	Our way of life is going to be gone.	The Project will have beneficial effects such as employment and business opportunities for communities and residents. Effects of the Project on quality of life have been assessed in EIS Chapter 25 and address nuisance effects such as traffic, visible Project features, air quality, noise, vibrations and dust as well as outdoor recreation. Mitigations have been identified and incorporated into Project design to reduce adverse effects of the communities.
Local Businesses	Collaboration with other competitors with over concerning accommodations.	Alderon developed a Project accommodation strategy which addresses housing issues during the construction and operation phases. The principles of this strategy are outlined in the Amendment in response to IR No. IN 21. Alderon will consider employing a fly-in / fly-out workforce during the construction phase; it anticipates hiring a residential workforce during operations and maintenance.

The Town of Labrador City submitted comments on the EIS to the CEA Agency on November 23, 2012. Table 10.5.3 details the issues identified in this submission. A full record of comments submitted by the Town of Labrador City with responses is included in Volume 3.

Table 10.5.3	Issues Raised by the Town of Labrador City in their Comments on the EIS
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Issue Category	Issue Subject
Atmospheric Environment	Dust
Atmospheric Environment	Noise
Water Resources	Water Quality
Wetlands	Wetland Stewardship Areas
	Cabins
Current Use of Lands and Resources	Land Use Activities
Current Use of Lands and Resources	Recreational Activities
	Snowmobile Trails
	Accommodation
	Community Infrastructure
Community Services and Infrastructure	Community Services
	Cumulative Effect on Community Services and Infrastructure
	Health Services
Health and Community Health	Visual Aesthetics
Economy, Employment and Business	Financial Benefit for Municipality



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

10.5.2 Town of Wabush

An overview of consultation and engagement activities that occurred with Town of Wabush during the period following EIS submission is provided in Table 10.5.4. During the period leading up to EIS submission, Alderon provided the Town of Wabush with a proposed draft Memorandum of Understanding (MOU) that would provide for the foundation for a long-term relationship between the two parties. A final MOU was signed on November 18, 2012. Alderon provided the Town of Wabush with a copy of the EIS and notification of the public review period on September 27, 2012. A French copy of Volume 1 of the EIS was provided on October 1, 2012. The results of the EIS were presented to the community during a Public Information Session on October 24, 2012.

Table 10.5.4Summary of Consultation Activities with the Town of Wabush
(July-December 2012)

Date	Activity	Stakeholder Group	Summary
August 2, 2012	Meeting	Town of Wabush	Provided a project update, answered questions and addressed concerns. Identified socio-economic issues, and issues related redirection of the rail spur, discussed planning options for construction camp, and requested information about EIS prior to Public Information Session.
August 16, 2012	Letter	Town of Wabush	Expressed gratitude for continued collaboration, acknowledged concerns related to potential effects of the Project on community infrastructure and accommodation needs and provided a draft Memorandum of Understanding for consideration by the Town.
September 27, 2012	Letter	Town of Wabush	Provided copy of EIS and notification of public review period.
October 1, 2012	Letter	Town of Wabush	Provided copy of the French translation of EIS Volume 1.
October 24, 2012	Public Information Session	Attended by 58 community members	Presented Project information, answered questions, and received feedback on the Project and the EA process.
November 13, 2012	Letter	Town of Wabush	Sent Memorandum of Understanding to Alderon with minor edits to be made before final sign-off.
November 14, 2012	Letter	Town of Wabush	Returned signed Memorandum of Understanding signed by Alderon Iron Ore and Town of Wabush.

The Public Information Session was held on October 24, 2012 from 3:00 PM to 5:00 PM and from 7:00 PM to 9:00 PM at the Royal Canadian Legion Hall in the Town of Wabush. A total of 58 people signed in and 6 people completed exit surveys. Notification for the Public Information Session was provided in the Aurora newspaper on October 15, 2012 and October 22, 2012.



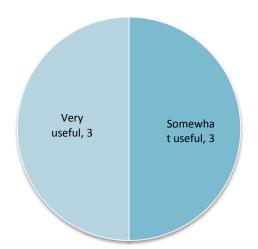
AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Notification was also provided on TV channels 22 and 3 (24 hours/day in rotation) from October 15–25, 2012.

Participants were invited to sign in upon arrival and circulate the room where information posters were set up at four stations (Welcome, Environment, Communities and the Kami Project). Alderon representatives and technical experts were present to answer questions, and record concerns. When exiting the Public Information Session, participants were given an exit survey to provide feedback regarding the Public Information Session and the Project in general.

The exit survey provided at the Public Information Session included four questions. Question one asked "How useful was the information presented in explaining the proposed Kami Iron Ore Mine?" The responses to this question are summarized in Figure 10.5.4. All respondents found the information presented at this Public Information Session to be "very useful" or "somewhat useful". Respondents recommended a more formal presentation and question and answer period. Others commented that the information was very clear and there were many representatives to answer questions. One identified an issue with access to cabins from Wabush Sand Pit Road.

Figure 10.5.4 Wabush Responses to "How useful was the information presented in explaining the proposed Kami Ore Mine?"



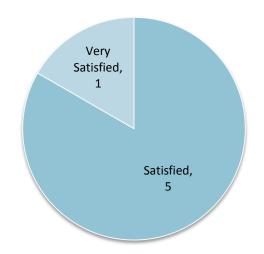
The second and third questions asked respondents "What do you feel are important issues regarding the Kami Iron Ore Mine?", and "What steps do you think Alderon could take to address your concerns?" The majority of the participants identified the environment (including dust and tailings) and socio-economic impacts as important issues. Other important issues included safety issues with respect to the new road/rail construction, effects on local traffic, construction scheduling, and work camp location. Respondents recommended that Alderon could address these concerns by addressing access issues related to cabins, implementing dust control measures, and sharing information (especially for tenders and camp plans) and continuing public consultation.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

The fourth question on the exit survey asked participants "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?" The responses to this question are summarized in Figure 10.5.5. All respondents were either satisfied or very satisfied with the Project as it is proposed. Only one respondent provided additional information, stating that their satisfaction with the Project as proposed was dependent on environmental issues and impacts to the Town of Wabush being addressed by Alderon.

Figure 10.5.5 Wabush Responses to "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?"



Verbal comments, questions and concerns from participants were also recorded during the public information session. Participants verbally identified the environment, including potential effects of dust, tailings and prevailing winds as well as potential effects to waterbodies, especially (Duley) Long Lake as well as access to recreational areas, snowmobile trails and cabins, as important issues. Other important issues included the location of the rail line, the proper identification of cabins, emergency procedures for spills and water contamination, transportation of explosives, location of construction camps, socio-economic impacts and consultation with Aboriginal groups. Participants requested detailed information about the status of the access road and the proximity of cabins to the rail line. A summary of comments received during the Public Information Session is provided in Table 10.5.5.

Table 10.5.5Summary of Comments Received During the October 24, 2012 PublicInformation Session in Wabush

Issue Identified	Comment	Response
Question 1: "How useful was the information presented in explaining the proposed Kami Iron Ore Mine?"		
Public Participation	Speaker to do Q & A period.	The comments are acknowledged.



Issue Identified	Comment	Response
	More formal presentation.	Information stations were set up during the Public Information Sessions where Alderon representatives, including qualified experts, provided Project information in specific areas such as Project design, environment and communities. Participants in these sessions were given the opportunity to ask question about the Project and Alderon representatives were able to provide detailed responses and record community concerns.
	Information is very clear and many people around from Kami to answer any questions.	The comment is acknowledged and no response is required.
		The comment is acknowledged. Potential effects on property access and other land use activities are addressed in the EIS in Volume 1, Section 23.6, and in the Amendment in Section 1.1.
Access to Property	Access to cabins from Wabush Sand Pit Road to turn off to other cabins areas.	Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.
Question 2: "What do you f	feel are important issues regarding the Ka	mi Iron Ore Mine?"
Project Schedule	Scheduling of construction engineering buildings and conveyor, etc.	Project construction is scheduled to begin in Q4 2013 and be complete in 2015. A high level schedule is provided in the EIS, Volume 1, Section 2.6. A detailed construction schedule will be developed during the detailed engineering phase.
Quality of Life	Camp location and attracting qualified construction personnel.	Alderon developed a Project accommodation strategy which addresses housing issues during the construction and operation phases. The principles of this strategy are outlined in the Amendment in response to IR No. IN 21. During the construction phase, all contractors and their employees will be housed in a construction camp. The construction camp will most likely to be situated within the Town of Wabush, although the exact location of the camp is yet to be determined. Additional information on the camp is provided in the



Issue Identified	Comment	Response
		Amendment in response to IR No. IN 21. Alderon is working with the Government of Newfoundland and Labrador, professional associations, economic development agencies, training institutions and others to identify, attract and train qualified construction personnel
	Dust emissions.	 Alderon recognizes the potential for dust emissions during the operation of the Project and will implement dust control measures as listed in Volume 1, Section 14.6.2.1 including, but not limited to: Dust suppression on roads; Crusher buildings equipped with dust collection systems; Enclosed crushed ore reclaim tunnel; Process plant feed system enclosed with dust collection; Wet processing; Rail car loading hopper equipped with dust collection system; and Progressive reclamation of the tailings pond. The results of the dust modelling are shown on Figures 14.6, 14.7, and 14.8 of Volume 1. Since issuing the EIS, additional dust modelling has been undertaken using a refined set of inputs. Model results show no exceedance of Newfoundland and Labrador standards for dust due to the contribution of the Project. Results of this additional dust modelling are presented in the Amendment in response to IR No. PC-01
	Tailings disposal.	A description of the Tailings Management Facility is provided in the EIS, in Volume 1, Section 2.5.
Dust, Tailings, Availability of local workers, Traffic, Health and Community Health	Local jobs/business opportunities.	The potential effects on employment and the economy are discussed in Chapter 26 of the EIS. The Project will have beneficial effects such as employment and business opportunities for communities and residents. Alderon is developing a Project Benefits Plan that includes a wide range of initiatives designed to enhance the benefits to the Province of Newfoundland and Labrador, and especially Labrador



Issue Identified	Comment	Response
		and Economic Zone 2, such as employment and contracting opportunities.
	Dust control (tailings/pits).	 Alderon recognizes the potential for dust emissions during the operation of the Project and will implement dust control measures as listed in Volume 1, Section 14.6.2.1 including, but not limited to: Dust suppression on roads; Crusher buildings equipped with dust collection systems; Enclosed crushed ore reclaim tunnel; Process plant feed system enclosed with dust collection; Wet processing; Rail car loading hopper equipped with dust collection system; and Progressive reclamation of the tailings pond. The results of the dust modelling are shown on Figures 14.6, 14.7, and 14.8 of Volume 1. Since issuing the EIS, additional dust modelling has been undertaken using a refined set of inputs. Model results show no exceedance of Newfoundland and Labrador standards for dust due to the contribution of the Project. Results of this additional dust modelling are presented in the Amendment in response to IR No. PC-01.
	Traffic flow around town.	Alderon has committed to constructing a separate access road to route traffic around the Town of Wabush. Information on the access road is provided in EIS Volume 1, Section 2.5.
	Safety of new road/rail kids (snowmobile).	An assessment and evaluation of the likely environmental and socioeconomic effects and benefits of the proposed Project is provided in the EIS. This includes information on recreational land use such as access to recreational areas (Chapter 23). Potential effects and mitigation measures for outdoor recreation activities and land
		for outdoor recreation activities and land use are described in Section 23.5.4. Access to the Project site will be restricted to ensure the safety of workers and the public. A new access road is



Issue Identified	Comment	Response
		proposed to be located to the east of Wabush to minimize the effects of Project traffic on the communities and recreation areas. Alderon has committed to working with local user groups (e.g. snowmobile clubs) to address specific project concerns (Sections 23.6.1).
	Dust emissions.	 Alderon recognizes the potential for dust emissions during the operation of the Project and will implement dust control measures as listed in Volume 1, Section 14.6.2.1 including, but not limited to: Dust suppression on roads; Crusher buildings equipped with dust collection systems; Enclosed crushed ore reclaim tunnel; Process plant feed system enclosed with dust collection; Wet processing; Rail car loading hopper equipped with dust collection system; and Progressive reclamation of the tailings pond. The results of the dust modelling are shown on Figures 14.6, 14.7, and 14.8 of Volume 1. Since issuing the EIS, additional dust modelling has been undertaken using a refined set of inputs. Model results show no exceedance of Newfoundland and Labrador standards for dust due to the contribution of the Project. Results of this additional dust
	Tailings disposal.	modelling are presented in the Amendment in response to IR No. PC-01. A description of the Tailings Management Facility is provided in the EIS, in
		Volume 1, Section 2.5.
Question 3: "What steps do	o you think Alderon could take to address	
	Advise via email or website progression and tenders.	All updates and decisions will be posted on the Canadian Environmental
Public Participation	Public consultation on effects to residents of town.	Assessment Agency website, as well as on the Alderon website. Alderon will continue to communicate and consult with stakeholders, including community
	Publicize plans for camps.	members in Wabush.
Access to Property	Access road to cabins in other areas using Elephant Head (present road) e.g., Lower Loon and Upper Loon lakes.	Potential effects on property access and other land use activities are addressed in the the EIS in Volume1, Section 23.6, and in Section 1.1 of this Amendment.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Issue Identified	Comment	Response	
		Alderon has initiated discussions with individual cabin owners on potential compensation for affected cabin owners. Information on engagement with cabin owners is provided in the EIS, Volume 1, Section 10.4 and in this Amendment Volumes 1 and 2, Chapter 10.	
Dust	Use modern dust control measures such as seeding tailings as deposited.	 Alderon recognizes the potential for dust emissions during the operation of the Project and will implement dust control measures as listed in Volume 1, Section 14.6.2.1 including, but not limited to: Dust suppression on roads; Crusher buildings equipped with dust collection systems; Enclosed crushed ore reclaim tunnel; Process plant feed system enclosed with dust collection; Wet processing; Rail car loading hopper equipped with dust collection system; and Progressive reclamation of the tailings pond. The results of the dust modelling are shown on Figures 14.6, 14.7, and 14.8 of Volume 1. Since issuing the EIS, additional dust modelling has been undertaken using a refined set of inputs. Model results show no exceedance of Newfoundland and Labrador standards for dust due to the contribution of the Project. Results of this additional dust modelling are presented in the Amendment in response to IR No. PC-01. 	
Question 4: "How satisfied	Question 4: "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?"		
Public Participation	Provided environmental/town issues/concerns are looked after.	The comment is acknowledged and no response is required.	

The Town of Wabush submitted comments on the EIS to the CEA Agency on November 13, 2012. One participant from Wabush also submitted comments to the CEA Agency on October 30, 2012. Table 10.5.6 details the issues identified in these submissions. A full record of comments submitted by participants from the Town of Wabush with responses is included in Volume 3.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Table 10.5.6	Issues Raised by the Town of Wabush in their Comments on the EIS
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Participant	Issue Category	Issue Subject
	Drainet Design and Leasting	Access Road
	Project Design and Location	Rail
Anonymous Wabush - 1	Atmospheric Environment	Dust
Anonymous Wabush - 1	Current Use of Lands and Resources	Recreational Activities
	Community Services and Infrastructure	Road traffic
	Health and Community Health	Safety
Town of Wabush	Project Design and Location	Rail
	Wetlands	Wetland Stewardship Areas
	Species at Risk and Species of Conservation Concern	Species at Risk
	Current Use of Lands and Resources	Cabins

10.5.3 Town of Fermont

An overview of consultation and engagement activities that occurred with the Town of Fermont during the period leading up to and following EIS submission is provided in Table 10.5.7. Alderon provided a copy of the EIS to the Town of Fermont and made a copy available for public review at the Bibliothèque de Fermont on September 27, 2012. A French translation of Volume 1 of the EIS was provided to the Town of Fermont on October 1, 2012. On October 25, 2012, Alderon met with the Town Council and presented information about the project and answered concerns. On the same date, a Public Information Session was held to present the EIS to the community. Alderon held a follow-up meeting with a councillor from the Town of Fermont to provided information on Project geology and the potential effects of groundwater movement on Lac Daviault.

Table 10.5.7Summary of Consultation Activities with the Town of Fermont
(July 2012-December 2012)

Date	Activity	Stakeholder Group	Summary
July 12, 2012	Phone Call	Town of Fermont	Discussed Alderon's response to the Mayor's letter of May 29, 2012 in which the Town of Fermont requested formation of a monitoring and follow-up committee including Fermont representatives. Alderon explained that there is plenty of time for Fermont to present its case about their participation in the monitoring and follow-up program. The Mayor indicated that she would communicate Alderon's process to the Council and respond further to Alderon in the future.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Date	Activity	Stakeholder Group	Summary
August 14, 2012	Meeting	Anonymous Fermont community members	Reported that Arrow heads were reported to have been found at an unconfirmed location on Lac d'Aigle near Fermont, Québec. It was reported by the informant that the artifacts were analyzed and dated to the first Innu.
September 27, 2012	Letter	Bibliothèque de Fermont	Provided copy of EIS to be made available for public review.
September 27, 2012	Letter	Town of Fermont	Letter providing notification of EIS Submission.
October 1, 2012	Letter	Town of Fermont	Letter providing notification of EIS Submission - French Translation.
October 25, 2012	Meeting	Town of Fermont	Answered questions on the EIS, including questions about engagement methods, waste rock, the status of Mills Pit, tailings, dust, site rehabilitation, site closure plan, translation of technical summaries, toxic fumes from blasting, effects of dust on snow and health, air quality monitoring and availability of data, ground water sampling, ground water hydrology, noise and frequency of blasting, communication to residents about blasting, and Newfoundland and Quebec legislation for air quality and noise.
October 25, 2012	Public Information Session	Attended by 35 community members	Presented Project information, answered questions, and received feedback on the Project and the EA process.
October 26, 2012	Email	Councillor, Town of Fermont	Requested that a member of the Comité de sécurité de la route 389 be added to the list of invitees for the next meeting.
November 9, 2012	Email	Councillor, Town of Fermont, and Le Mouvement citoyen de Fermont	Requested meeting to ask additional questions on Project geology.
November 18, 2012	Meeting	Councillor, Town of Fermont	Provided information on Project geology and the potential effects of groundwater movement on Lac Daviault from which the Town of Fermont may obtain its future municipal water supply. Provided information on the dispersal of dust and nitrous oxide as well as blasting noise and potential effects on the Town of Fermont.

The Public Information Session was held on October 25, 2012 from 3:00 PM to 5:00 PM and from 7:00 PM to 9:00 PM at Syndicat Métallos Hall in the Town of Fermont. A total of 35 people signed in and 5 people completed exit surveys. Notification for the Public Information Session was provided on TV and local radio (Diffusion Fermont) from October 15–25, 2012 inclusive.

Participants were invited to sign in upon arrival. Alderon delivered a Project information presentation at 7:00 PM. Following the presentation, participants were invited to circulate the

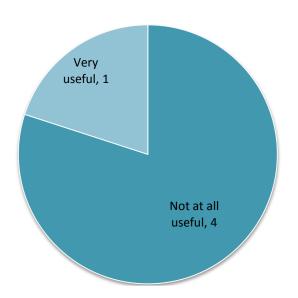


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room where information posters were set up at four stations (Welcome, Environment, Communities and the Kami Project). Alderon representatives and technical experts were present to answer questions, and record concerns. When exiting the Public Information Session, participants were given an exit survey to provide feedback regarding the Public Information Session and the Project in general.

The exit survey provided at the Public Information Session included four questions. Question one asked "How useful was the information presented in explaining the proposed Kami Iron Ore Mine?" The responses to this question are summarized in Figure 10.5.6. The majority found the information presented at this Public Information Session to be "not at all useful". Responses commented that representatives should be more prepared to answer their questions.

Figure 10.5.6 Fermont Responses to "How useful was the information presented in explaining the proposed Kami Ore Mine?"



The second and third questions asked respondents "What do you feel are important issues regarding the Kami Iron Ore Mine?", and "What steps do you think Alderon could take to address your concerns?" The majority of participants identified quality of life and the environment (including dust and noise) as important issues. Other important issues included the socio-economic and visual impacts of the Project. Respondents recommended that Alderon could address these concerns by terminating the Project or finding a different location. One respondent suggested that Alderon could place greater emphasis on answering community members' questions, while another expressed that they have no concerns with the Project.

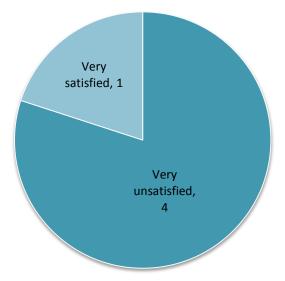
The fourth question on the exit survey asked participants "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?" The responses to this question are summarized in Figure 10.5.7. One respondent was very satisfied while the remainder indicated that they were very unsatisfied with the Project as it is proposed. The majority of the respondents



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provided additional information about the negative effects they felt the Project would have on their community and way of life.

Figure 10.5.7 Fermont Responses to "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?"



Verbal comments, questions and concerns from participants were also recorded during the public information session. Participants identified socio-economic impacts and the environment, including potential effects of dust, tailings waste rock and potential effects to water, especially Lac Daviault as important issues. Other important issues included the timing of revegetation associated with mine closure, mitigation strategies for spills and water contamination, environmental monitoring, noise and toxins associated with blasting, light pollution, safety issues with respect to snowmobile traffic, and nearby roads and quality of life. Participants requested detailed technical information about potential environmental effects including information on tailings management, waste rock management. Participants also requested the translation of consultation materials into French. A summary of comments received during the open house is provided in Table 10.5.8.

Table 10.5.8	Summary of Comments Received During the October 25, 2012 Public
	Information Session in Fermont

Issue Identified	Comment	Response	
Question 1: "How useful was	s the information presented in explainin	g the proposed Kami Iron Ore Mine?"	
	Have a clear and precise response to question from 'citizens' concerning this project.	The comments are acknowledged. Information stations were set up during the Public Information Sessions where Alderon representatives, including	
Public Participation	To have an organized presentation.		
	Answer to residents questions (not only "According to Studies".	qualified experts, provided Project information in specific areas such as Project design, environment and	
	Respond to questions .	communities. Participants in these	



Issue Identified	Comment	Response	
	Come prepared with answers to our questions.	sessions were given the opportunity to ask question about the Project and Alderon representatives were able to provide detailed responses and record community concerns.	
Question 2: "What do you fe	el are important issues regarding the K	ami Iron Ore Mine?"	
Health and Community Health, Quality of Life	Operate with respect for the environment and the population.	As stated in its Environmental and Community Relations policies, Alderon is committed to developing and operating the Project in an environmentally sustainable manner. Through its continuous engagement process, Alderon's goal is to build and maintain positive, long term and mutually beneficial relationships with stakeholders. Alderon's policies are presented in the EIS, Volume 1, Section 1.1.1.	
	Health, quality of life, town, everything is very negative for us.	Effects of the Project on quality of life have been assessed in the EIS Volume 1 and included an assessment of the following: visible Project features (Chapter 23), air quality, noise, vibrations and dust (Chapter 14), health and quality of life (Chapter 25), as well as recreational activities (Chapter 23). Mitigation measures have been identified and incorporated into Project design to reduce adverse effects to community members.	
Quality of Life	Everything relate to the quality of life.	Effects of the Project on quality of life have been assessed in the EIS Volume 1 and included an assessment of the following: visible Project features (Chapter 23), air quality, noise, vibrations and dust (Chapter 14), health and quality of life (Chapter 25), as well as recreational activities (Chapter 23). Mitigation measures have been identified and incorporated into Project design to reduce adverse effects to community members	
Dust, Noise, Visual Aesthetics, Quality of Life	Dust, noise, visual impact, quality of life.	The Project effects on surrounding communities (including Fermont) and the environment have been comprehensively assessed pursuant to the Canadian Environmental Assessment Act, the NLEPA and the EIS Guidelines. The Project, should it proceed, will be further subject to permitting and approval conditions so	



Issue Identified	Comment	Response
		that significant adverse effects are avoided or mitigated appropriately. The results of detailed viewshed analyses are presented in Volume 1, Chapter 23. The Project has been designed to have minimal visibility from the surrounding communities, including Fermont. Project effects on Health and Community Health are presented in Chapter 25. People living in Fermont have a low potential of exposure to Project emissions. Furthermore, Project emissions are not expected to result in changes to air, water or soil that would likely pose a threat to human health. Alderon values the concerns of public stakeholders, including the Town of Fermont and Fermont residents. As a result of concerns raised by residents of Fermont, Alderon redesigned the Project and moved the Rose South Waste Rock Disposal Area approximately 5 km east to minimize potential effects to viewscapes in and near Fermont.
Question 3: "What steps do	you think Alderon could take to address	s your concerns?"
Public Participation	Answer questions honestly.	The comment is acknowledged and no response is required.
	Terminate the project, and let's not discuss it further.	The comment is acknowledged and no response is required.
	I have no concerns, I have faith in the project.	The comment is acknowledged and no response is required.
Project Location and Project Description	Find a different location.	Alderon values the concerns of public stakeholders, including the Town of Fermont and Fermont residents. The overall location of the Project is based on the location of the mineral resource, which cannot be moved. However, as a result of concerns raised by residents of Fermont, Alderon redesigned the Project and moved the Rose South Waste Rock Disposal Area approximately 5 km east to minimize potential effects to viewscapes in and near Fermont.
	To not pursue this project in the region.	The comment is acknowledged and no response is required.



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Issue Identified	Comment	Response			
Question 4: "How satisfied a	Question 4: "How satisfied are you with the Kami Iron Ore Mine development as it is proposed?"				
Public Participation	Have faith, inhabitants of Fermont will not give you their support easily.	The comment is acknowledged and no response is required.			
Project Location	Leave the territory.	The comment is acknowledged and no response is required.			
Quality of Life	Quality of life will decrease. Scary for the future of our life.	Effects of the Project on quality of life have been assessed in the EIS Volume 1 and included an assessment of the following: visible Project features (Chapter 23), air quality, noise, vibrations and dust (Chapter 14), health and quality of life (Chapter 25), as well as recreational activities (Chapter 23). Mitigation measures have been identified and incorporated into Project design to reduce adverse effects to community members.			
Health and Community Health	It is not only a mental health, but physical that the project will affect. It is my city, my nature, my life.	Project effects on Health and Community Health are presented in Chapter 25 of the EIS, Volume 1. People living in Fermont have a low potential of exposure to Project emissions. Furthermore, Project emissions are not expected to result in changes to air, water or soil that would likely pose a threat to human health.			

The Town of Fermont submitted comments on the EIS to the CEA Agency on November 26, 2012. One participant from Fermont also submitted comments to the CEA Agency on November 1, 2012 and two participants submitted comments on November 20, 2012. Table 10.5.9 details the issues identified in these submissions A full record of comments submitted by participants from the Town of Fermont City is included in Volume 3.

Organization	Issue Category	Issue Subject
	Atmospheric Environment	Dust
Anonymous Fermont - 3		Noise
	Current Use of Lands and Resources	Blasting Operations
	Project / EA Management	EA Jurisdiction
		Public Participation
Anonymous Formont 1	Atmospheric Environment	Dust
Anonymous Fermont - 1		Noise
	Water Resources	Water Supply
	Current Use of Lands and	Land Use Activities



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Organization	Issue Category	Issue Subject
	Resources	
	Community Services and Infrastructure	Community Services
		Human Health
	Health and Community Health	Quality of life
		Visual Aesthetics
	Project Phases	Mining Operations
	Project / EA Management	Public Participation
		Air quality
	Atmospheric Environment	Dust
Anonymous Fermont - 2		Noise
Anonymous Fermont - 2	Current Use of Lands and	Blasting Operations
	Resources	Recreational Activities
	Health and Community Health	Human Health
		Quality OF Life
		Visual Aesthetics
		EA Jurisdiction
	Project / EA Management	Public Participation
		Translation of Project Information
	Project Design and Location	Pit
		Air Quality
	Atmospheric Environment	Noise
Town of Fermont		Vibration
	Water Resources	Water Quality
	Water Resources	Water Supply
	Current Use of Lands and Resources	Blasting Operations
		Recreational Activities
	Community Services and	Community Infrastructure
	Infrastructure	Light

10.5.4 City of Sept-Îles

An overview of consultation and engagement activities that occurred with the City of Sept-Îles during the period following EIS submission is provided in Table 10.5.10. A copy of the EIS was provided to the Mayor of the City of Sept-Îles, and made available for public review at the Bibliothèque Louis Ange Santerre on September 1, 2012. A copy of the French translation of Volume 1 of the EIS was provided on October 1, 2012.



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Table 10.5.10 Summary of Consultation Activities with the City of Sept-Îles (July-
December 2012)

Date	Activity	Participant	Summary
September 27, 2012	Letter	Bibliothèque Louis Ange Santerre	Provided copy of the EIS to be made available for public review.
September 27, 2012	Letter	Mayor City of Sept-Îles	Provided copy of the EIS for review and offered meeting.
October 1, 2012	Letter	Mayor City of Sept-Îles	Provided French translation of EIS Volume 1.

10.5.5 Non-Governmental Organizations and Special Interest Groups

An overview of consultation and engagement activities that occurred with non-governmental organizations and special interest groups during the period leading up to and following EIS submission is provided in Table 10.20.

Table 10.5.11 Summary of Consultation Activities with Non-Governmental Organizations and Special Interest Groups (July-December 2012)

Date	Activity	Stakeholder Group	Summary
August 1, 2012	Meeting	Labrador Grenfell Health	Provided an overview of the Project, EA process, timeline, engagement and approach and methods for the Health and Community Health VEC, preliminary results and proposed mitigation that will be included in EIS. Discussed workforce housing, construction and operations, housing issues in Labrador West, medical support and capacity of medical staff in Labrador West, facilities and services provided in the camp, water quality, mitigation measures for dust, cumulative effects, particularly with Muskrat Falls, capacity to respond to the needs of all projects. Also discussed communicable disease and sanitary conditions in work camp. Inquired as to who is sitting on Lab West Regional Task Force from Labrador- Grenfell health. Communicated that there is only one environmental health officer for all of Labrador, who is located in Labrador City. Inquired about data and statistical abilities of Labrador-Grenfell Health, Chronic diseases in Lab West, baseline data on existing contaminant levels in fish.
August 7, 2012	Phone call	Labrador West Chamber of Commerce	Informed Alderon that an updated list of member companies of the Chamber of Commerce has been provided. Indicated that the Chamber would welcome a presentation from Alderon. Also inquired as to the status of selection of an Alderon staff representative in Labrador West.
August 8, 2012	Email	Labrador Grenfell Health	Provided a copy of the company presentation as well as additional information on information sources, community initiatives and composition of flocculent as



Date	Activity	Stakeholder Group	Summary
			a follow-up to the meeting held on August 1, 2012.
August 22, 2012	Meeting	White Wolf Snowmobile Club	Provided an update on the Project and discussed potential effects of the Project on snowmobile trails.
September 19, 2012	Email	Newfoundland and Labrador Outfitters Association	Provided a map of the Project in Labrador West and indicated availability for questions or comments.
September 27, 2012	Letter	Cabin owners	Letter to cabin owners in the Project area providing notification that Alderon is currently analyzing results from a number of environmental studies pertaining to potential effects on cabin owners. Alderon commits to contacting cabin owners in November 2012 regarding the outcome of the analysis and plans for mitigation.
October 21, 2012	Letter	Le Mouvement citoyen de Fermont	Requested Alderon's participation in a local consultation committee pertaining to the potential effects of the Project on the residents of Fermont.
October 22, 2012	Meeting	Conseil régional de l'environnement de la Côte-Nord (CRE), Corporation de protection de l'environnement de Sept-Îles (CPESI)	Provided an update on the Project and an overview of the EIS. Discussed environmental issues including mitigation measures for dust, water resources and cumulative effects, ZICO status of Sept-Iles Bay, impacts to migratory birds and the Project's proximity to a recreational area as well as an ecologically important wetland at the entrance of Pointe-Noire. Discussed socio-economic considerations including local contracting issues and investment in recreational and municipal infrastructure in Sept-Iles. Provided contact for archeology and traditional land use contact at the Musee Regional de la Cote-Nord. Recommended a more comprehensive public consultation program including the development of an interactive website, the presence of display panels in a visible location and the incorporation of a community liaison office in Sept-Iles. Invited Alderon to participate in the "Table de concentration sur la qualité de l'air a Sept-Îles" and suggested the City contact Alderon to invite their participation in the monitoring Project in the Bay of Sept-Iles.
October 25, 2012	Meeting	Le Mouvement citoyen de Fermont	Answered questions on the EIS, including questions pertaining to engagement methods, waste rock, the status of Mills Pit, tailings, dust, site rehabilitation, site closure plan, translation of technical summaries, toxic fumes from blasting, effects of dust on snow and health, air quality monitoring and availability of data, ground water sampling, ground water hydrology, noise and frequency of blasting, communication to residents about blasting, and Newfoundland and Quebec legislation for air quality and noise.
October 26, 2012	Telephone call	Cabin owner (cabin 200)	Informed Alderon of cabin ownership (cabin 199).
November 2,	Meeting	Regroupement pour la	Provided technical workshop in French on



Date	Activity	Stakeholder Group	Summary
2012		sauvegarde de la grande Baie de Sept- Îles and Comité de défense de l'air et de l'eau de Sept-Îles	atmospheric environment, water resources and wildlife upon request from the Regroupement pour la sauvegarde de la Baie de Sept-Îles and the Comité de défense de l'air et de l'eau.
November 7, 2012	Telephone call	Newfoundland and Labrador Canadian Boreal Initiative	Requested a meeting with Alderon to discuss the EIS. Asked questions regarding caribou, potential effects of increased rail traffic on caribou, and the degree of consideration given to planned/future protected areas in the EIS.
November 7, 2012	Email	Newfoundland and Labrador Canadian Boreal Initiative	Provided summary of questions asked during the telephone call with Alderon and provided information about their organization including a copy of the Boreal Forest Conservation Framework, a guiding vision for CBI and the Boreal Leadership Council.
November 9, 2012	Email	Le Mouvement citoyen de Fermont	Provided additional information to answer questions from Mouvement citoyen de Fermont during the meeting held on October 25, 2012.
November 13, 2012	Telephone call	Cabin owner (Cabin 135)	Inquired about the status of his cabin as it pertains to the Kami Project, and about the significance of the letter sent to him on September 27, 2012. Alderon explained that it has committed to contacting all cabin owners within the survey area in November 2012 and committed to explaining information about the outcomes of environmental studies as they relate to potential effects on cabin owners, and discuss possible mitigation measures as required.
November 14, 2012	Meeting	Labrador West, College of the North Atlantic	Discussed apprenticeship and training, the status of the Project. Campus Administrator indicated that Alderon had been in discussions with the College about potential future training options for labour and indicated that the College would be happy to consider how to meet Alderon's needs in the future. Indicated primary contacts and contact information for future training requirements.
November 14, 2012	Meeting	Labrador West Chamber of Commerce	Provide project information, answered questions and address concerns about the Project. Representatives of the Chamber expressed support for the project and asked to receive updates from time to time. They also noted plans to hold a supplier symposium in fall 2013.
November 16, 2012	Telephone call	Regroupement pour la sauvegarde de la grande Baie de Sept- Îles	Provided responses to question from the stakeholders which required follow-up after the meeting held on November 2, 2012.
November 21, 2012	Letter	Le Mouvement citoyen de Fermont	Thanked the Mouvement citoyen de Fermont for contacting the company about their concerns. Explained that Alderon has made a commitment to participate in a committee initiated by the Town of Fermont involving local mining companies and



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Date	Activity	Stakeholder Group	Summary
			community stakeholders to work together to monitor and help mitigate effects from the local mining industry on the Town of Fermont.
November 26, 2012	Letter	Cabin owners	Letter sent to 86 cabin owners in the Project area explaining the outcome of Alderon's analysis of potential effects on their respective properties, appropriate mitigation measures and next steps.

Nature Newfoundland and Labrador, Stewardship Association of Municipalities, Shabogamo Mining and Exploration Itd, Comité ZIP Côte-Nord du Golfe, Le movement citoyen de Fermont and Conseil régional de l'environnement de la Côte-Nord (CRE) submitted comments to the CEA Agency on the EIS. Table 10.5.12 details these submissions and the issues identified. A full record of comments submitted is included in Volume 3.

Table 10.5.12 Issues Raised by Non-Governmental Organizations and Special Interest Groups in their Comments on the EIS

Organization	Issue Category	Issue Subject
	Freshwater Fish, Fish Habitat and Fisheries	Fish Compensation Plan
Nature Newfoundland and Labrador	Birds, Other Wildlife and Their Habitat, and Protected Areas	Parks and Protected Areas
	Species at Risk and Species of Conservation Concern	Caribou
Stewardship Association of Municipalities	Wetlands	Wetland Stewardship Areas
Shabogamo Mining & Exploration Ltd.	Project Design and Location	Waste Rock Piles
Shaboyanto Mining & Exploration Etc.	Project Phases	Engineering and Project Design
Comité ZIP Côte-Nord du Golfe	No issues were identified in this submission that related to Volume 1. A record of comments and questions is included in Volumes 2 and 3.	
		Accidents and Malfunctions
	Project Design and Location	Rail
		Blasting
	Project / EA Management	EA Jurisdiction
	Atmoonhoria Environment	Air quality
Conseil régional de l'environnement de	Atmospheric Environment	Noise
la Côte-Nord (CRE)	Landforms, Soils, Snow and Ice	Surficial and Bedrock Geology
	Water Resources	Water Quality
	Freshwater Fish, Fish Habitat and Fisheries	Fish Habitat
	Community Services and Infrastructure	Railway Traffic
	Health and Community Health	Visual Aesthetics



Organization	Issue Category	Issue Subject	
		Pit	
	Project Design and Location	Rail	
		Waste Rock Piles	
	Draiget Dhagag	Monitoring and Follow-up	
	Project Phases	Rehabilitation and Closure	
		EA Jurisdiction	
		EA Methods	
	Project / EA Management	EIS Guidelines and Compliance	
	r lojeet / E/ Wanagement	Public Participation	
		Translation of Project Information	
		Air quality	
	Atmospheric Environment	Dust	
		Noise	
	Landforma Saila Show and loo	Reclamation & Rehabilitation	
Le Mouvement citoyen de Fermont	Landforms, Soils, Snow and Ice	Surficial and Bedrock Geology	
		Groundwater	
	Water Resources	Water Quality	
		Water Supply	
	Wetlands	Wetlands	
	Birds, Other Wildlife and Their Habitat, and Protected Areas	Wildlife Species	
	Species at Risk and Species of Conservation Concern	Species at Risk	
	Current Use of Lands and Resources	Blasting Operations	
		Cabins	
		Recreational Activities	
	Community Services and Infrastructure	Community Infrastructure	
	Health and Community Health	Visual Aesthetics	
	Economy, Employment and Business	Financial Benefit for Municipality	
Regroupement pour la sauvegarde de la grande Baie de Sept-Îles	No issues were identified that related to Volume 1. A record of comments and questions is included in Volumes 2 and 3.		



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10.6 Sponsorship and donations

Alderon is committed to making a positive contribution to the communities in which it operates. Following EIS submission, Alderon supported the following community organizations:

- Toys for Joys Roger Lyon Memorial Fundraiser;
- Maison de transmission de la culture Innu Shaputuan;
- Labrador Winter Games;
- Rodney Fitzgerald; and
- Innu Nation.



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10.7 Regulatory Consultation

A complete record of regulatory consultation activities undertaken leading up to and following submission of the EIS is included in Table 10.7.1. This includes documentation of all consultation activities held with provincial and federal agencies, departments, and ministries, including meetings, teleconferences, workshops, and site visits. Key issues discussed and event outcomes are identified.

Date	Activity	Stakeholder Group	Summary
July 11, 2012	Letter	NL DOEC, Environment, Lands Branch	Letter requesting a Land Freeze on new cabin development in Kami project vicinity.
July 11, 2012	Email	Fisheries and Oceans Canada	Invited comments or questions on the draft reports provided to date and committed to providing notice of upcoming updates.
July 19, 2012	Meeting	NL Intergovernmental and Aboriginal Affairs - St. John's	Provided update on Aboriginal engagement and an overview of the proposed structure of the EIS. Described integration of engagement data into the EIS. Provided an update on status of ongoing engagement initiatives with each of the Aboriginal groups potentially affected by the Project.
July 31, 2012	Meeting	NL DOEC, Environmental Assessment	Provided an update on the Project, the EIS and the timelines. Discussed the potential to hold an EA committee meeting with a site tour. Informed NL DOEC that they will be holding Public Information Sessions in October and welcomed their participation.
August 2, 2012	Meeting	Fisheries and Oceans Canada	Provided an update on the Project, field studies and Aboriginal land and resource use. Fisheries and Oceans Canada provided an overview of the new legislation and confirmed that Alderon will still require authorization under the <i>Fisheries Act</i> for the Project
August 7, 2012	Meeting	NL Department of Transportation and Works	Provided an update on the Project and answered questions. Newfoundland and Labrador Department of Transportation raised the issue of power and indicated the need for Alderon to receive information about the model being proposed for Labrador Industrial Rate and allocated transmission costs.
August 13, 2012	Phone call	Health Canada	Provided a Project update and an overview of the approach and preliminary results for the Health and Community Health VEC. Health Canada confirmed their interest in attributes of biophysical health (noise, air quality, drinking water, flora, fauna, aquatic species and recreational health) particularly at the mine site.

Table 10.7.1Summary of Consultation Activities with Regulatory Agencies(July-December 2012)



Date	Activity	Stakeholder Group	Summary
August 13, 2012	Meeting	Atlantic Canada Opportunities Agency Newfoundland and Labrador (ACOA), and NL Assistant Deputy Minister, NL Labrador Affairs Office	Delivered Project presentation.
August 13, 2012	Meeting	Associate Minister of National Defense, and Minister of State, ACOA; and Minister of Intergovernmental Affairs and President of the Queen's Privy Council Office	Provided an overview of the Kami Project, and participated in a roundtable discussion with other mining companies operating in Labrador.
August 27, 2012	Meeting	Assistant Deputy Minister, NL Department of Advanced Education and Skills	Discussed skilled labour in the province, and a proposed advertising campaign aimed at drawing Newfoundlanders / Labradorians back to the province as well as Alderon's participation in a ministerial Task Force.
August 27, 2012	Meeting	NL Research and Development Corporation (RDC)	RDC explained its organization history, mandate and programs, with an emphasis on the GeoEXPLORE. Also outlined a fellowship program funded by a partnership between RDC and NSERC. Discussed funding for R & D initiatives and R & D opportunities in Alderon.
August 27, 2012	Meeting	Assistant Deputy Minister, NL Department of Municipal Affairs	Discussed recruitment of skilled labour, shortage of skilled trades and steps that are being taken to overcome those shortages. Discussed the challenges associated with the construction phase of the Project.
August 27, 2012	Meeting	NL Department of Executive Council - Women's Policy Office	Provided Project information and discussed approaches for maximizing opportunities for employment of women on the Project.
August 27, 2012	Meeting	NL Department of Natural Resources	Outlined a list of items and issues to include in Alderon's NL Benefits Plan and Agreement.
August 28, 2012	Meeting	Assistant Deputy Minister, NL Department of Municipal Affairs	Discussed the regulatory process and timelines with respect to amending municipal plans.
August 29, 2012	Meeting	Transport Canada	Provided an overview of the Project and preliminary information for the Navigable Waters Protection Act application. Transport Canada provided information about requirements under NWPA.
September 5, 2012	Letter	Ministère du développement durable, de l'environnement et des parcs (MDDEP)	Outlined that the Kami Terminal located at Pointe- Noire, Sept-Iles, will be subject to a Certificate of Approval pursuant to Article 22 of the Quebec Environmental Quality Act.



Date	Activity	Stakeholder Group	Summary
September 6, 2012	Meeting	Fisheries and Oceans Canada, Natural Resources Canada, NL DOEC, NL Department of Natural Resources	Provided an update on the Project and an overview of the EIS followed by a helicopter tour of the Project site. NL DOEC commented that cumulative effects were one of the main issues.
September 7, 2012	Meeting	NL DOEC	Provided a Project update, an overview of the EA, a summary of the baseline studies and effects assessment and overview of consultation to date and issues raised by stakeholders. NL DOEC asked questions about the water inside the pit, water collection in the waste rock pile area, the size of the TMF dams, the composition of the tailings and the potential for ARD, the potential effects on Long Lake, and the distance of the rail from the Wabush water supply intake.
September 19, 2012	Email	NL Department of Tourism, Culture & Recreation,	Requested a meeting to discuss the Project and potential outfitters in the area.
September 19, 2012	Meeting	CEAA-Halifax;, NL DOEC, NL Department of Municipal Affairs, NL Department of Executive Council - Women's Policy Office	Provided an update on the Project and an overview of the EIS followed by a helicopter tour of the Project site.
September 19, 2012	Meeting	NL Department of Executive Council - Women's Policy Office	Discussed components of the NL Diversity Plan and the Women's Employment Plan.
September 21, 2012	Email	NL Department of Tourism, Culture & Recreation,	Provided a map of the Project area to the Administrator Officer 1 and proposed a meeting time to identify outfitting operations in the project area.
September 24, 2012	Email	NL Department of Tourism, Culture & Recreation,	Confirmed that no outfitting operations existed within the project and cancelled scheduled meeting.
September 24, 2012	Letter	CEA Agency – Halifax, Environment Canada, Fisheries and Oceans Canada, Health Canada, Natural Resources Canada, NL DOEC, Environmental Assessment, Transport Canada	Letter regarding EIS Submission.
September 26, 2012	Meeting	Assistant Deputy Minister, NL Department of Natural Resources	Refine understanding of the priorities of the provincial government with respect to the NL Benefits Plan.

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Date	Activity	Stakeholder Group	Summary
September 27, 2012	Meeting	NL Department of Justice NL Intergovernmental and Aboriginal Affairs - St. John's	Reviewed the EIS and the reports of experts respecting Aboriginal land and resource use in the Project area. Discussed the EIS, next steps, and Alderon's engagement initiatives with Aboriginal groups. Discussion centred around the nature of interests in the Beaver reserves.
September 27, 2012	Meeting	NL Department of Executive Council - Women's Policy Office	Discussed a framework agreement leading to the completion of NL Diversity Plan and Women's Employment Plan.
September 28, 2012	Meeting	CEA Agency- Halifax	Reviewed the EIS and the reports of experts respecting Aboriginal land and resource use in the Project area. Discussed the EIS, next steps, and Alderon's engagement initiatives with Aboriginal groups.
September 28, 2012	Meeting	Transport Canada	Discussed the Navigable Waters Protection Act application. Transport Canada provided additional detail to Alderon.
October 1, 2012	Letter	CEA Agency – Halifax, NL DOEC, Environmental Assessment, Environmental Assessment, MDDEP	Provided EIS Volume 1 - French Translation.
October 2, 2012	Letter	Environment Canada, Fisheries and Oceans Canada, Health Canada, Natural Resources Canada, Transport Canada	Provided EIS Volume 1 - French Translation.
October 10, 2012	Letter	CEA Agency – Halifax, NL DOEC, Environmental Assessment, Environment Canada, Fisheries and Oceans Canada, Health Canada, NRCAN, Transport Canada	Notice of EIS Amendment.
October 18, 2012	Meeting	Assistant Deputy Minister, NL Department of Natural Resources	Discussed issues pertaining to the NL Benefits Plan and Agreement.
October 22, 2012	Meeting	MDDEP	Provided a Project update and clarified the requirement for an application of a certificate of authorization under Section 22 of the <i>Quebec Environmental Quality Act</i> .
November 2, 2012	Meeting	CEA Agency - Halifax	Meeting to provide an update on Aboriginal engagement efforts.



Date	Activity	Stakeholder Group	Summary
November 15, 2012	Meeting	Fisheries and Oceans Canada	Presented an update on the Project and overview of data presented in the EIS for the Freshwater Fish, Fish Habitat and Fisheries VEC. Also presented some preliminary compensation options.
November 20, 2012	Meeting	Assistant Deputy Minister, NL Department of Natural Resources	Discussed issues pertaining to the NL Benefits Plan and Agreement.
November 21, 2012	Meeting	Transport Canada	Provided an overview of the Project, the EIS and the NWPA application.
November 22, 2012	Meeting	NL Department of Executive Council - Women's Policy Office	Tabled a draft framework for developing the NL Women's Employment Plan.
December 4, 2012	Incoming Letter	Transport Canada	Confirmed that Alderon's Navigable Waters Application is being reviewed.
December 5, 2012	Meeting	Senior officials in NL Department of Natural Resources	Discussed details pertaining to the NL Benefits Plan and Agreement.
December 7, 2012	Email	CEA Agency - Halifax	Provided copy of letter from the CEA Agency to Innu Nation outlining the proposed consultation approach of the federal government in relation to the environmental assessment of the Kami Project. Letter was sent to Innu Nation on November 21, 2011. A copy was provided to Alderon in response to an email request on December 7, 2012. Alderon became aware of the letter as a result of Innu Nation comments on the Environmental Impact Statement.
December 14, 2012	Meeting	CEA Agency - Halifax	Meeting with the CEA Agency to provide a Project update, discuss IRs and provide an update on Aboriginal Engagement.
December 19, 2012	Meeting	NL Intergovernmental and Aboriginal Affairs - St. John's	Alderon explained approach to be taken to responses to stakeholder comments and information requests in respect of the EIS and reviewed questions submitted by Aboriginal groups and organizations to discuss provincial government approach to certain issues.
December 20, 2012	Meeting	NL DOEC, Environmental Assessment	Meeting to provide a Project update and discuss approach to answering comments on the EIS.
January 7, 2013	Meeting	Health Canada	Meeting to provide a Project update and discuss approach to answering comments on the EIS.
January 8, 2013	Meeting	Natural Resources Canada	Meeting to provide a Project update and discuss approach to answering comments on the EIS.
January 8, 2013	Email	Natural Resources Canada	Follow-up on meeting to plan a meeting with Acid Rock Drainage experts. Informed Alderon that their Acid Rock Drainage expert is not available to meet. They suggest that Alderon submits their responses and they will review at that time.



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

During the review period (October 1-November 20, 2012), the following regulatory agencies submitted comments or Information Requests to the CEA Agency or NL DOEC:

- Health Canada;
- Transport Canada;
- Environment Canada;
- Fisheries and Oceans;
- Natural Resources Canada;
- NL Provincial Archaeology Office;
- NL DOEC Pollution Prevention Division;
- NL DOEC Water Resources Management Division;
- NL DOEC Wildlife Division;
- NL DOEC Parks and Natural Areas Division;
- Dept. of Municipal Affairs;
- Dept. of Natural Resources;
- Dept. of Advanced Education and Skills; and
- MDDEFP.

A total of 14 submissions were received, Table 10.7.2 details these submission and the issues identified. A full record of comments submitted by agencies with responses is included in Volume 3. Figure 10.7.1 depicts the proportion of issues raised by regulatory agency in each category in these submissions.

Table 10.7.2 Issues Raised by Regulatory Agencies in their Comments on the EIS

Organization	Issue Category	Issue Subject
		Accidents and Malfunctions
		Ancillary Infrastructure
	Project Design and Phases	Effluent Discharge and Treatment
		Rail
Environment Canada		Tailings Impoundment
		Waste Rock Piles
		Water Collection and Treatment
		Construction
		Mining Operations
	Project / EA Management	EA Methods



Organization	Issue Category	Issue Subject
		Project Schedule
	Atmospheric Environment	Air Quality
	Landforme Caile Crew and les	Acid Rock Drainage
	Landforms, Soils, Snow and Ice	Reclamation & Rehabilitation
		Cumulative Effects on Water Resources
	Water Resources	Water Quality
		Water Quantity
		Wetland Stewardship Areas
	Wetlands	Wetlands
	Freshwater Fish, Fish Habitat and Fisheries	Fish Population
	Birds, Other Wildlife and Their Habitat,	Cumulative Effects on Wildlife Species
	and Protected Areas	Wildlife Habitat
		Wildlife Species
	Species at Risk and Species of Conservation Concern	Cumulative Effects on Species at Risk
	Current Use of Lands and Resources by Aboriginal Persons for Traditional Purposes	Land Use for Traditional Purposes
		Access Road
		Accidents and Malfunctions
	Project Design and Location	Effluent Discharge and Treatment
		Rail
		Tailings Impoundment
	Project Phases	Construction
		Engineering and Project Design
Fisheries and Oceans Canada		Mining Operations
	Project / EA Management	Environmental Management
	Landforms, Soils, Snow and Ice	Acid rock drainage
		Water quality
	Water Resources	Water quantity
	Freshwater Fish, Fish Habitat and Fisheries	Fish Compensation Plan
		Fish Habitat
		Fisheries
	Current Use of Lands and Resources	Fishing Activities
Health Canada	Atmoonhorio Environment	Air Quality
Health Canada	Atmospheric Environment	Dust



Organization	Issue Category	Issue Subject
		Noise
	Water Resources	Water Quality
	Water Resources	Water Supply
	Project Phases	Engineering and Project Design
	Current Use of Lands and Resources	Cabins
	Health and Community Health	Exposure Pathways
		Human Health
	Water Resources	Groundwater
Natural Resources Canada	Londformo Soilo Scoward las	Acid Rock Drainage
	Landforms, Soils, Snow and Ice	Surficial and Bedrock Geology
	Project Design and Location	Rail
	Project Phases	Engineering and Project Design
Transport Canada	FIDJECT FILASES	Mining Operations
	Community Services and Infrastructure	Air travel
	Health and Community Health	Safety
		Parks and Protected Areas
NL DOEC, Parks and Natural Areas	Birds, Other Wildlife and Their Habitat, and Protected Areas	Wildlife Habitat
74000		Wildlife Species
	Project Phases	Rehabilitation and Closure
	Project / EA Management	Permits
NL DOEC, Pollution Prevention		Air Quality
	Atmospheric Environment	Dust
	Current Use of Lands and Resources	Blasting Operations
	Project Design and Location	Effluent Discharge and Treatment
		Pit
		Waste Rock Piles
	Project Phases	Construction
		Mining Operations
		Rehabilitation and Closure
NL DOEC, Wildlife	Project / EA Management	EA Methods
	Cumulative Effects	Cumulative Effects Overall
		Wetland Stewardship Areas
	Wetlands	Wetlands
	Freshwater Fish, Fish Habitat and Fisheries	Fish Population
	Birds, Other Wildlife and Their Habitat, and Protected Areas	Cumulative Effects on Wildlife Species

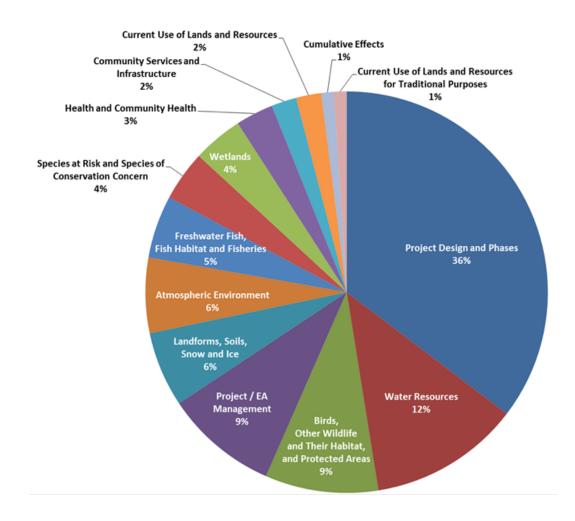


Organization	Issue Category	Issue Subject
		Wildlife Habitat
		Wildlife Species
		Caribou
	Species at Risk and Species of Conservation Concern	Cumulative Effects on Species at Risk
		Species at Risk
		EA Jurisdiction
NL Department of Transportation and Works	Project / EA Management	Permits
	Community Services and Infrastructure	Road Traffic
NL Provincial Archaeology Office	No issues identified.	
		Ancillary Infrastructure
	Project Design and Location	Rail
		Tailings Impoundment
	Desired Dhases	Mining Operations
	Project Phases	Rehabilitation and Closure
NL DOEC, Water Resources		EA Methods
Management	Project / EA Management	Permits
	Landforms, Soils, Snow and Ice	Acid rock Drainage
	Water Resources	Groundwater
		Water Quality
		Water Quantity
		Water Supply



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Figure 10.7.1 Proportion of issues identified by Regulatory Agencies during the EIS Public Review Period





11.0 EIS CHAPTER 11 - ECONOMIC AND SOCIAL BENEFITS OF THE PROJECT

Chapter 11 of the Kami Iron Ore Project EIS (Volume 1, Part 1) describes the likely social and economic effects of the Project, including associated employment, business and other socioeconomic benefits to the Province of Newfoundland and Labrador and its residents.

No IRs were received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS that pertained specifically to the content of this Chapter.



12.0 EIS CHAPTER 12 - BENEFITS OF THE EA TO CANADIANS

Chapter 12 of the Kami Iron Ore Project EIS (Volume 1, Part 1) describes the role and benefits of the Project's EA to Canadians. This includes a description and discussion of the following outcomes:

- Maximized environmental benefits;
- Supporting sustainable development;
- Public participation;
- Technical innovations;
- Increases in scientific knowledge; and
- Community and social benefits.

No IRs were received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS that pertained specifically to the content of this Chapter of the EIS.



13.0 EIS CHAPTER 13 - ASSESSMENT SUMMARY AND CONCLUSION

Chapter 13 of the Kami Iron Ore Project EIS (Volume 1, Part 1) provides a concise yet comprehensive summary of the key results and findings of the environmental effects assessments for each of the VECs upon which the EIS has focussed, namely:

- Atmospheric Environment;
- Landforms, Soils, Snow and Ice;
- Water Resources;
- Wetlands;
- Freshwater Fish, Fish Habitat and Fisheries;
- Birds, Other Wildlife and their Habitats, and Protected Areas;
- Species at Risk and Species of Conservation Concern;
- Historic and Cultural Resources;
- Current Use of Lands and Resources for Traditional Purposes by Aboriginal Persons;
- Other Current Use of Lands and Resources;
- Community Services and Infrastructure;
- Health and Community Health; and
- Economy, Employment and Business.

This includes a summary of each of the following components of the environmental effects assessment for each VEC:

- Issues;
- Methodology;
- Existing Environment;
- Effects Assessment;
- Avoidance and Mitigation Measures;
- Cumulative Effects Assessment;
- Accidents and Malfunctions; and
- Significance of Residual Adverse Environmental Effects.

The detailed environmental effects assessments for each VEC were provided in Volume 1, Part 2 of the EIS.



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The following sections provide an overview of the key questions and comments that are included in the IRs related to each identified topic or theme. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses.



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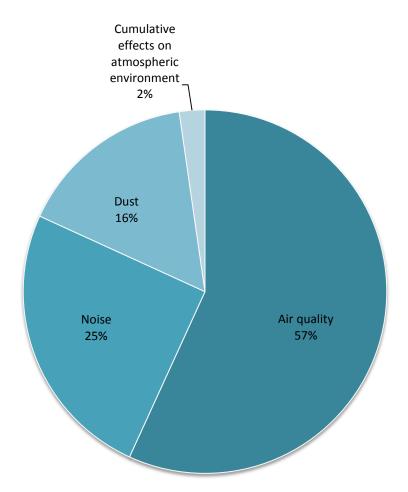
13.1 Atmospheric Environment

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Air Quality;
- Noise;
- Dust; and
- Cumulative Effects on the Atmospheric Environment.

The chart below provides an overview of these IRs by topic.

Figure 13.1.1 Information Requests Related to Atmospheric Environment by Topic





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13.1.1 Air Quality

Summary of Information Requests:

The IRs received related to Air Quality can be summarized as follows:

- Questions and clarifications regarding the air emissions information and/or air quality modeling that was completed for the EA, including the methodologies used and the various inputs to, assumptions for, and results of the analyses (IR EC 36; IR NLPP 01; IR NLPP 02; IR NLPP 03; IR NLPP 04; IR NLPP 05; IR NLPP 06; IR NLPP 07; IR NLPP 08; IR NLPP 09; IR NLPP 16; IR NLPP 17);
- Measurement and modelling of non-criteria air contaminants, and the evaluation of baseline metal concentrations in dust in the region against applicable regulatory criteria (IR HC 01; IR HC 02; IR HC 04);
- Operational mitigation and monitoring of ambient air quality and consideration of particulate composition (IR HC 16; IR HC 17; IR HC 18);
- Possible issues and toxic emissions associated with blasting, and measures to avoid interactions between people and communities and the air emissions generated by blasting operations (IR PC 04; IR PC 08);
- The potential for effects to extend into Québec, the relevance of Labrador baseline information for this area, and the relationship of Project air emissions to Québec regulations and criteria (IR PC 05; IR PC 08);
- Air quality monitoring during Project operations, and a request that a monitoring station(s) be established in Fermont (IR PC 08); and
- Reiterated support for Alderon's decisions to re-locate the waste rock disposal area to an alternate location that reduces potential interactions with the Town of Fermont (IR PC 13).

Summary of Alderon Responses:

The EA included detailed air quality modelling based on anticipated Project-related air emissions and with consideration of site-specific atmospheric conditions and other aspects of the existing biophysical and socio-economic environments. Additional information and detailed and specific clarifications regarding the air emissions information and/or modeling that was completed for the EA, including the information and methodologies used and the results of the analyses are provided in the relevant sections of Volume 3 (see in particular those sections that correspond to the IRs listed above).

The baseline monitoring study and its methods were developed in consultation with the Newfoundland and Labrador Department of Environment and Conservation including the list of contaminants to be included. Since issuing the EIS, additional and more detailed information has become available regarding the Project processes and activities that have the potential to



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

generate particulate emissions. Alderon has therefore conducted additional air dispersion modelling for total suspended particulate (TSP), particulate matter less than 10 microns in diameter (PM_{10}) and particulate matter less than 2.5 microns in diameter ($PM_{2.5}$), based on refined input data and dust control measures. The methods and results of this additional modelling are also described further in Volume 3. Predicted project air emissions are not expected to exceed Newfoundland and Labrador or Québec Regulations.

Ambient air quality monitoring, including particle size distribution and confirmation of chemical composition, as required, will be a component of Alderon's further environmental management and monitoring plans. These will incorporate industry best practices in the air quality monitoring and mitigation procedures to reduce and evaluate any adverse effects from Project activities on ambient air quality.

A Blasting Plan will be developed and implemented by Alderon, which will help ensure that the Project and its emissions adhere to applicable regulations and standards with respect to noise, vibration and other atmospheric emissions.

In response to concerns raised by the Town of Fermont and community members, Alderon relocated its proposed Rose South Waste Rock Disposal Area to reduce the potential for aesthetic effects or other interactions with that community and its residents. The Proponent remains committed to this location and design concept, and it is this location that has been included as part of the scope of the Project for which EA approval is being sought.

13.1.2 Noise

Summary of Information Requests:

The IRs received related to Noise can be summarized as follows:

- Analysis of construction noise levels and associated mitigation (IR HC 07; IR PC 03; IR PC 04);
- Noise modeling, including sound level adjustments, and mitigation measures to reduce levels (IR HC 05; IR HC 06);
- Measures to avoid or reduce the potential effects of noise on adjacent cabin owners (IR HC 08);
- The potential magnitude and extent of noise from blasting activity at Rose Pit, and its potential to reach the Town of Fermont (IR PC 04);
- The relationship of Project emissions to Québec air quality regulations and criteria (IR PC 02; IR PC 05); and
- The likely extent / zone of influence of Project-related disturbances and associated environmental effects (IR PC 06).



AMENDMENT TO THE ENVIRONMENTAL IMPACT STATEMENT VOLUME 1 – KAMI IRON ORE MINE & RAIL INFRASTRUCTURE, LABRADOR SUMMARY

Summary of Alderon Responses:

The EA included detailed noise modelling for the Project, as described in EIS Chapter 14. In assessing the quantity and magnitude of noise sources during the construction and operation phases of the Kami mine, it was determined that the noise emissions of the operational phase of the project would be greater than noise emissions from the construction phase. Therefore, separate noise modelling for the construction phase was not conducted. Mitigation measures (including those outlined in the referenced *New South Wales Construction Noise Guideline)* will be implemented by Alderon as applicable. In terms of sound level adjustments considered during the noise related modelling and analysis, a +10 dB adjustment for a rural setting (as per ISO 1996-1:2003) was not applied in the acoustics analysis, as mining and other activities are intrinsic to the communities and the surrounding region.

Alderon recognizes the importance of cabins and their use in the region, and the potential effects on cabin users as a result of Project-related noise and other disturbances were a key consideration in the EA. There are some cabins located close to the processing areas that will likely be affected. Alderon has begun discussions with those cabin owners in pursuit of a mutually agreeable solution to this issue.

The EA has included detailed air and noise modelling which have confirmed that Project-related air, vibration and noise emissions will not have significant effects on human health or quality of life in adjacent Labrador and Québec communities, including Fermont. Alderon will comply with relevant provincial and regulations and applicable guidelines throughout the various phases of the Kami Project. The Blasting Plan that will be developed will be designed for compliance with applicable regulations with respect to noise and vibration.

13.1.3 Dust

Summary of Information Requests:

The IRs received related to Dust can be summarized as follows:

- Dust control measures and the possible effects of dust on the Town of Wabush (IR PC 01);
- The potential effects of dust and other emissions such as noise and vibrations on quality of life in Fermont (IR PC 02; IR PC 03; IR PC 04);
- Possible air quality effects in adjacent communities due to dust / blasting and wind patterns, and the application of relevant regulations and standards in Labrador and Québec (IR PC 04; IR PC 08);
- The requirement to assess the Project's effects on ambient air quality due to particulate matter (e.g., dust) and other potential air contaminants during construction activities (IR NLPP 10); and



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• The potential zone of influence of Project-related effects and disturbances on adjacent land uses, communities and other aspects of the environment, and the requirement to consider this in the analyses (IR PC 06).

Summary of Alderon Responses:

Alderon recognizes the potential for dust emissions during the various phases of the proposed mine, and has completed detailed analyses of this issue as well as identifying and committing to a number of dust control measures. Dust emissions from the mine are subject to provincial regulations in Newfoundland and Labrador and in Québec.

As described earlier, the Project's EA has been conducted with a "zone of influence" based analysis, considering (and in the case of the Atmospheric Environment, modelling) the nature, timing and geographic extent of potential project-related emissions, disturbances and effects. The effects on ambient air quality due to particulate matter and other potential air contaminants during construction activities were assessed in Section 14.6.1 of the EIS. The EIS Guidelines did not specifically state that construction emissions were to be modeled, and it was concluded that the operations modeling would be illustrative (and encompassing) of the possible air emissions and effects that may be associated with construction phase of the Project.

Since issuing the EIS, additional dust modelling has been undertaken based on a refined set of inputs. The results of this additional dust modelling showed that the maximum predicted 24-hour concentrations of TSP, PM_{10} and $PM_{2.5}$ within the town of Wabush are below the limits stipulated in the provincial *Air Pollution Control Regulations* (see Volume 3, IR PC 01). Modeling results likewise show no exceedance of Québec standards for dust or noise in Fermont due to the contribution of the Project.

As a result, and with the implementation of the proposed mitigation measures, the quality of life in the communities of Labrador City, Wabush or Fermont will not be adversely affected as a result of Project-related dust, noise or vibrations.

13.1.4 Cumulative Effects on the Atmospheric Environment

Summary of Information Requests:

The IRs received related to Cumulative Effects on the Atmospheric Environment can be summarized as follows:

• The proposed addition of another mine to the region, and its addition to current occasional exceedences of air and water quality standards in the area (IR NNK 06).

Summary of Alderon Responses:

The EIS assesses the potential effects of the Project on air (and water) quality, with consideration of existing (baseline) conditions, which inherently include the effects on existing projects and activities in the region, as well as the Project's likely contribution to these through



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EA modelling and analyses. The EIS also identified specific mitigation measures to reduce the effects of the Project on air quality, including the use of dust suppressants, covered conveyors, water sprays, and dust collection systems where practical. Air quality monitoring will be carried out as indicated to further evaluate the Project's air emissions, and thus, its contribution to any regional (cumulative) effects.



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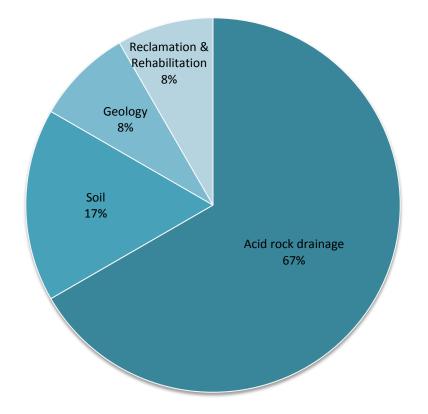
13.2 Landforms, Soils, Snow and Ice

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Acid Rock Drainage;
- Soil;
- Geology; and
- Reclamation and Rehabilitation.

The chart below provides an overview of these IRs by topic.

Figure 13.2.1 Information Requests Related to Landforms, Soils, Snow and Ice by Topic



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13.2.1 Acid Rock Drainage

Summary of Information Requests:

The IRs received related to Acid Rock Drainage can be summarized as follows:

- Potential long-term ARD / ML potential drainage from waste rock and tailings, and Alderon's plans for treating pit discharge in order to meet *MMER* discharge criteria should ARD / ML be encountered (IR EC 37; IR EC 38);
- A request that supplementary acid-base accounting (ABA) analysis be undertaken (IR NRCan 01), and for updated PAG / NAG classifications based on total available carbonate and other updates to the analyses (IR NRCan 02; IR NRCan 03); and
- Additional information on estimated PAG materials, development and management plans for the waste rock disposal areas, and other associated analysis and information (IR NRCan 04; IR NRCan 05).

Summary of Alderon Responses:

Based on the knowledge that there have been no ARD issues in the over 60 year history of iron ore mining in Labrador West, and based on the testing and analysis completed by Alderon to date, it is considered very unlikely that serious ARD issues will occur at the Kami facility. As a precautionary measure, however, Alderon will be operating overburden, waste rock and tailings storage facilities and programs to monitor for ARD, and detailed engineering designs will incorporate the ability to add ARD treatment in the future if this becomes an issue. Long-term ARD potential will be evaluated via kinetic tests which have already commenced. Additional information on previous and planned ARD related analysis and management is provided in Volume 3 (see IR NRCan 01 to IR NRCan 05).

13.2.2 Soil

Summary of Information Requests:

The IRs received related to Soil can be summarized as follows:

- Potential effects on water quality in adjacent streams and groundwater due to soil modification from blasting (IR PC 08); and
- Possible soil and water contamination resulting from the transportation of hydrocarbons (IR PC 13).

Summary of Alderon Responses:

The EA assesses the potential effects of all relevant Project components and activities on water quality, including through associated groundwater and surface water issues such as



sedimentation, blasting and other Project-related activities. The risk of hydrocarbon spills related to any aspect of Project construction, operation or closure will be addressed via an integrated Environmental Management System that will address preventative and risk-reduction measures, maintenance, and emergency response plans as further described in Volume 3. Further information and analysis related to potential accidental events is provided in Volume 3 (IR EC 20; IR DFO 14).

13.2.3 Geology

Summary of Information Requests:

The IRs received related to Geology can be summarized as follows:

• The inclusion of detailed surficial and bedrock geology information in the EIS (IR NRCan 06).

Summary of Alderon Responses:

Additional information regarding regional and site specific geology and mineralization is provided Volume 3 (IR NRCan 06).

13.2.4 Reclamation and Rehabilitation

Summary of Information Requests:

The IRs received related to Reclamation and Rehabilitation can be summarized as follows:

 Waste rock disposal areas and their potential effects on visual aesthetics and air quality (dust) and the need for adequate and appropriate re-vegetation and other measures to limit dust (IR PC 08).

Summary of Alderon Responses:

Alderon has planned (and in some cases, revised) its Project design to avoid or reduce environmental issues and effects, including the re-location of one of the proposed waste rock disposal areas based on visual aesthetic and other concerns by community residents in Fermont. The EIS also identified and proposed additional mitigation and rehabilitation measures to help address potential air quality or visual effects.

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13.3 Water Resources

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Water Quality;
- Water Supply;
- Groundwater;
- Water Quantity;
- Accidents and Malfunctions;
- Surface Water;
- Water Management; and
- Cumulative Effects on Water Resources

The chart below provides an overview of these IRs by topic.

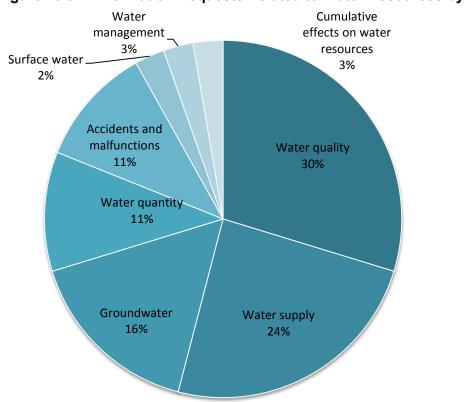


Figure 13.3.1 Information Requests Related to Water Resources by Topic



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13.3.1 Water Quality

Summary of Information Requests:

The IRs received related to Water Quality can be summarized as follows:

- Clarification of some aspects of the statistical analysis and terminology used in the surface water analysis (IR EC 39);
- The collection of additional baseline water quality samples and their comparison to applicable guidelines (IR HC 09);
- Potential lowering of the water table and implications for nearby water bodies, including the presence of hydraulic boundaries (IR PC 05);
- The potential zone of influence of Project-related effects and disturbances on adjacent land uses, communities and other aspects of the environment (IR PC 06);
- The location of the Project in proximity to the Town of Fermont, and possible contamination of water supplies (IR PC 08);
- The potential for a tailings dam failure resulting in spillage of water or tailings into the natural drainage area of Wahnahnish water supply area (IR NLWR 02);
- Potential soil and water contamination from the transportation of hydrocarbons (IR PC 13);and
- Various information corrections and clarifications (IR NLWR 17; IR NLWR 18; IR NLWR 19; IR NLWR 20).

Summary of Alderon Responses:

Additional information and clarification on the water quality analyses undertaken for the EA are provided in Volume 3 (IR EC 39). Future surface water quality sampling will be compared to the *Guidelines for Canadian Drinking Water Quality* (GCDWQ).

Based on the assessment of the area, Gleason Lake should provide a hydraulic boundary condition that will maintain groundwater levels in this area. Upland lakes in predominantly bedrock dominated topography are expected to have very low bottom sediment permeability; otherwise the lake would not persist in the dry season. Depending on the permeability of the lake bottom, exfiltration may not be significantly increased even with a decrease in water level below the lake. Therefore, surface water recharge to Gleason Lake would continue to follow its current drainage route to Daviault Lake. Although further assessment using groundwater-surface water modelling approach may be useful, more detailed site data including the results from additional hydraulic testing would be required for model calibration.



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Surface water from the development of the Rose Pit and Rose North Waste Rock Disposal area will not drain towards Fermont. Surface water from the Rose Pit will be managed by pit dewatering, and external drainage routing toward the pit will be collected in pit perimeter drainage ditches. The Rose North Waste Rock Disposal Area will also be designed with perimeter ditches to divert non-contact external drainage around the area, as well as a sedimentation pond to provide increased sediment capture to waste rock area runoff. The proposed Tailings Management Facility is located within the Long Lake watershed, and in the case of a tailings dam breach, the flow path would be towards Long Lake and with no discharge into the Wahnahnish Lake watershed.

As described previously, the Project's EA has been conducted with a "zone of influence" based analysis, considering the nature, timing and geographic extent of potential project-related emissions, disturbances and effects This has included effects on the VEC in question, as well as possible resulting effects on other aspects of the biophysical and socio-economic environments. The potential effects of an accidental hydrocarbon release were assessed in Section 16.8 of the EIS and elsewhere. Alderon will implement measures to reduce the risk of accidents and malfunctions, as well as appropriate emergency spill response plans.

13.3.2 Water Supply

Summary of Information Requests:

The IRs received related to Water Supply can be summarized as follows:

- The potential for minerals to be exposed as a result of mine development, and then carried into water supplies (particularly, for Fermont) (IR PC 03);
- The potential for the lowering of water tables, resulting in effects on local lakes and adjacent watercourses, with associated ecosystem effects (IR PC 05);
- Possible effects on the Town of Fermont's current and potential drinking water supplies, and the need to ensure these waterbodies are included in the assessment and on relevant mapping (IR PC 08);
- The potential effects of Project construction and operation on public drinking water supplies (IR NLWR 13; IR NLWR 21; IR NLWR 26); and
- Various information corrections and clarifications (IR NLWR 14; IR NLWR 15; IR NLWR 16).

Summary of Alderon Responses:

Fermont is located several kilometres west of a major watershed divide and a large lake which would act as a boundary to any seepage. During normal operating conditions, all groundwater flow will be inward towards the open pit mine. As noted and described above, the lowering of water tables and associated effects on local lakes and adjacent watercourses is not expected



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due to the presence of a hydraulic boundary condition and other characteristics that will help maintain groundwater levels in this area.

Lac Perchard is identified as the municipal drinking water source in Chapter 16 of the EIS (p. 16-33 and 16-54), and Lac Daviault is also identified. As stated in the EIS (page 16-54), Lac Perchard and Lac Daviault drain south toward the Gulf of St. Lawrence, whereas surface water in the PDA / LSA drains east towards the Labrador Sea. Potential Project-related interactions with and effects on local water supplies were considered and included in EIS Chapter 16 and elsewhere. Any Project activities within or near such areas will be undertaken in accordance with relevant policies and regulations. Additional and more detailed information on associated plans and mitigation measures to be implemented during Project construction and operation are provided throughout the EIS.

13.3.3 Groundwater

Summary of Information Requests:

The IRs received related to Groundwater can be summarized as follows:

- Analysis and testing related to groundwater drawdown, hydraulic conductivity, geology, existing wells, slug tests, calculations, values and other items (IR NRCan 07; IR NRCan 08; IR NRCan 09);
- The potential effects of blasting on groundwater in Québec, the direction of groundwater flows and the possible need for additional studies and testing to validate this information (IR PC 08);
- The potential for altering groundwater divides through pit construction, and the effect of a possible shift in groundwater flow on recharge to surface water sites (IR NLWR 22); and
- The identification and mapping of all water wells in the area (IR NLWR 27).

Summary of Alderon Responses:

Additional information clarification on the various groundwater related testing and analysis are provided in Volume 3 (see IR NRCan 07 to IR NRCan 09). Based on the information and analysis provided in the EIS, groundwater flows in the area are such that these (and any associated effects) would not extend toward or reach groundwater sources in Québec. Alderon's analysis indicates that there should be very little alteration to the groundwater divide due to the development of the open pit. The distribution of precipitation will be maintained on each side of the surface/groundwater divide and rate of groundwater infiltration and overland flow should not be altered. The available water well data for Newfoundland and Labrador does not identify any existing wells in the area.



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13.3.4 Water Quantity

Summary of Information Requests:

The IRs received related to Water Quantity can be summarized as follows:

- Information on how adequate flows will be maintained to ensure that there will be no associated effects on fish and fish habitat (IR DFO 18); and
- Various information corrections and clarifications (IR NLWR 23; IR NLWR 24; IR NLWR 25).

Summary of Alderon Responses:

Appropriate flows will be maintained within the Pike Lake Watershed as further described in the detailed response (see Volume 3, IR DFO 18). The downstream portion of TDA-02 will not be maintained and is addressed via fish and fish habitat compensation requirements. Various text sections, tables and figures are updated as noted in Volume 3 (IR NLWR 23 to IR NLWR 25) to address the various other items noted.

13.3.5 Accidents and Malfunctions

Summary of Information Requests:

The IRs received related to Accidents and Malfunctions can be summarized as follows:

- The requirements for a detailed contingency and mitigation plan for each of the dyke break scenarios (IR EC 21);
- Possible fuel product transfer accidents / malfunctions and associated procedures and plans (IR EC 22);
- Emergency containment and recovery measures specific to preferential paths towards receiving waters and drainage features (IR EC 24); and
- Procedures to quickly recover any hydrocarbons from the sedimentation ponds in the event that they are used for emergency containment (IR EC 25).

Summary of Alderon Responses:

The proposed Tailings Management Facility will be designed, constructed and operated in accordance with applicable standards and regulatory approvals. Hazard consequence assessment will be conducted during the detailed design stage when adequate information is available. The Canadian Dam Safety Guidelines (CDA) will be followed to address emergency spillway discharges, tailings dam breach, and polish pond dam breach. Each potential incident will be evaluated to establish appropriate preventive, mitigative or remedial measures. The



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emergency spillway will be located such that the flow path will be through the existing watercourse channel to Long Lake. The emergency spillway flow path to the tailings dam will be via the polishing pond and will reduce the suspended solids concentration leaving from the polishing pond. Water sampling will be carried out during any emergency discharge to measure the TSS concentration entering downstream waterbodies.

Alderon will develop a detailed Emergency and Spill Response Plan (ESRP) during the design phase of the Project, a preliminary Table of Contents for which is provided in Volume 3 (Appendix I, Volume 3). The potential for a fuel product transfer accident / malfunction at the mine site was assessed in the EIS, and will be further addressed through the measures and procedures outlined in that Plan. Relevant federal and provincial regulatory guidance regarding fuelling and fuel transfer facility planning will be incorporated into the detailed design process to ensure that the design of fuel transfer facilities reduces the possibility of associated accidents and malfunctions.

The fuel tank farm is proposed to be located downstream of the tailings dam and east of the small tributary of Long Lake. The preferential spill flow paths are overland towards the small tributary and then into Long Lake via the small tributary in the case of secondary containment breach. Further details on the emergency containment and recovery plans specific to the preferential flow path are provided in Volume 3 (IR EC 24).

Alderon will develop a detailed Emergency Response Plan during the detailed design phase of the Project. It is anticipated that a number of required environmental approvals will be made contingent on the submission of a Project detailed Plan acceptable to regulatory authorities.

13.3.6 Surface Water

Summary of Information Requests:

The IRs received related to Surface Water can be summarized as follows:

• Alteration of topography and surface water flow (and quality) as a result of the development of the Rose North waste rock disposal area (IR PC 08).

Summary of Alderon Responses:

Surface water from the Rose Pit will be managed by pit dewatering, and external drainage routing toward the pit will be collected in pit perimeter drainage ditches. The Rose North Waste Rock Disposal Area will also be designed with perimeter ditches to divert non-contact external drainage around the area, as well as a sedimentation pond to provide increased sediment capture to waste rock area runoff. Surface water from the development of the Rose Pit and Rose North Waste Rock Disposal area will not drain towards Fermont or Lac Daviault.

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13.3.7 Water Management

Summary of Information Requests:

The IRs received related to Water Management can be summarized as follows:

 Seepage from the waste rock disposal area and its potential effect on the quantity of water entering Mills Lake (IR EC 40).

Summary of Alderon Responses:

The expected increase in runoff to Mills Lake from the Rose South Waste Rock Disposal Area is 19 percent under normal conditions. Runoff from the Rose South Waste Rock Disposal Area will be discharged to Mills Lake via two sedimentation ponds in a controlled manner. The expected change in the water levels and velocity are minimal due to the size of the Mills Lake and the lake's entire receiving watershed area. However, there will be velocity increases in local zones at sedimentation pond outlets to Mills Lake. Appropriate erosion protection will be provided at sedimentation pond outlets.

13.3.8 Cumulative Effects on Water Resources

Summary of Information Requests:

The IRs received related to Cumulative Effects on Water Resources can be summarized as follows:

• Potential interaction between effluent from the Kami Project and that from Wabush Mines and its consideration in the cumulative effects assessment (IR EC 28).

Summary of Alderon Responses:

The environmental effects of other on-going and adjacent mining projects and other projects and activities were a key consideration of the cumulative effects assessments for all relevant VECs, and were considered integrally within the analyses. Wabush Mines discharges effluent through its Tailings Management Facility at Flora Lake, which discharges to Wabush Lake. As described in EIS Chapter 16 (p 16-67 to 16-68), the Project effluent assimilative mixing zone boundary is defined as the point at which water quality re-attains baseline or CWQG concentrations, and as the mixing zone was contained within the LSA and did not extend to the RSA, no effluent water quality cumulative effect would occur. Project mixing zone boundaries are contained within the LSA boundary, therefore no effluent water quality cumulative effect is anticipated.

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13.4 Wetlands

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Wetland Stewardship Areas; and
- Wetlands

The chart below provides an overview of these IRs by topic.

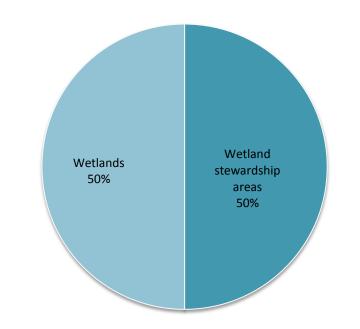


Figure 13.4.1 Information Requests Related to Wetlands by Topic

13.4.1 Wetland Stewardship Areas

Summary of Information Requests:

The IRs received related to Wetland Stewardship Areas can be summarized as follows:

- Additional details on the referenced Corporate Municipal Stewardship Agreement (IR EC 43; IR NLWD 35; IR NLWD 36; IR NLWD 37; IR NLWD 43; IR NLWD 44; IR NLWD 45; IR NLWD 46);
- Potential effects on the Pike Lake South Management Unit established under the Municipal Wetland Stewardship Agreement that the Town of Labrador City has entered in to with the Province, and a request for compensatory, restorative and monitoring measures by Alderon in relation to these effects (IR PC 06; IR PC 10; IR NLWD 34; IR NLWD 41);



- The location of a portion of the Project's rail infrastructure within the Town of Wabush's protected watershed area, and potential effects on the Jean Lake Rapids Management Unit and possibly others (IR PC 07; IR NLWD 33; IR NLWD 39);
- The importance and ecological value of the river rapids as a congregating resting / feeding area for migratory waterfowl and other avian species in the early spring and late fall (IR NLWD 40);
- Consideration of alternative rail and road routings to address potential environmental effects by avoiding interactions with these areas (IR PC 10);
- Potential Project effects on the Elephant Head Management Unit during Project construction and/or operations and associated mitigation measures (IR NLWD 32; IR NLWD 38); and
- Possible monitoring of seasonal effects on water quality and quantity, which may affect vegetation growth and wildlife (IR NLWD 42).

Summary of Alderon Responses:

Alderon proposes to enter into Corporate Municipal Stewardship Agreements with the Towns of Labrador City and Wabush. Although the specific details of such agreements will be the subject of bilateral negotiations between each municipality and Alderon, their objectives would be to protect and enhance local wetlands and waterfowl habitat and to encourage environmental awareness, and in doing so, to help further ensure that the Project will proceed in a manner consistent with the goals of sustainability, biodiversity and corporate responsibility.

The Pike Lake South Management Unit overlaps in its entirety mineral licence 0011927M which was issued to Altius Resources Inc. by the Department of Natural Resources on April 24, 2006. This licence was ultimately grouped as mineral licence 15980M and transferred to Alderon Iron Ore Corp. on December 8, 2010. It is Alderon's position that the establishment of the Pike Lake South Management Unit failed to take into account prior and existing mineral claims held by Altius Resources Inc. and therefore the rights of the license holder were not considered. Alderon proposes to work with the Town of Labrador City to implement a strategy that will permit the development of the Project while advancing the protection of wetlands. The proposed Corporate Municipal Stewardship Agreement to be negotiated with the Town of Labrador City will identify community conservation initiatives to address the loss of a portion of the Pike Lake South Management Unit.

The conservation function provided by the Jean Lake Management Unit will remain following the development of the Kami Project. Alderon has designed its activities to utilize the same location as the current overpass, which will include enhancing it during construction and ensuring that appropriate mitigation measures are implemented to avoid or reduce potential disturbances for potential Harlequin Duck staging or other sensitive environmental components. An Avifauna Management Plan will be developed and implemented for the Project, with mitigation measures to reduce effects on such species, including avoidance of sensitive species and their habitats and compliance with provincial and federal legislation, permits, approvals and guidelines.



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An identification and evaluation of various potential road / rail routing alternatives on the basis of technical, economic and environmental factors was completed as part of the EA (see EIS Section 2.8.3). Potential Project-related interactions with and effects on local water supplies, wetlands and other environmental components were considered and included in EIS Chapters 16, 17 and elsewhere. Any Project activities within or near such areas will be undertaken in accordance with relevant policies and regulations. Additional and more detailed information on proposed plans and mitigation measures to be implemented during Project construction and operation are provided in Volume 3.

Alderon has committed to the implementation of various mitigation measures to avoid or reduce potential effects on avifauna and other wildlife species, and on wetlands (as outlined in detail in the EIS and in Volume 3 of this document). Project effects on habitat and protected areas will occur primarily during the construction phase of the Project. Any effects due to operational activities will be managed so that erosion and sediment runoff are controlled.

13.4.2 Wetlands

Summary of Information Requests:

The IRs received related to Wetlands can be summarized as follows:

- The applicability of the *Federal Policy on Wetland Conservation*, and its consideration in Project planning and implementation (such as through avoidance, buffer zones, run off management etc.) (IR EC 41);
- The rehabilitation of wetlands affected by the Project, including the total area to be rehabilitated (IR EC 42);
- Possible rehabilitation of previously disturbed wetland areas in the region (IR EC 44);
- Clarification of the size (in hectares) of the Local Study Area (LSA) for the environmental effects assessment for this VEC (IR EC 45) and the relationship of the Regional Study Area (RSA) to watershed boundaries (IR NLWD 47):
- The rationale for the selection of the rail route and the consideration of other alternatives which would avoid interactions with wetlands (IR EC 46);
- Additional information on the amount of wetland and the wetland functions that would be affected by each Project component (IR EC 47);
- Consideration of, and potential effects on, wetlands in Québec (IR PC 08);
- The value of wetlands in the boreal ecosystem for carbon storage (IR NLWD 48); and
- Various terminology and methodological clarifications (IR EC 48, IR EC 49; IR EC 50; IR NLWD 50; IR NLWD 51; IR NLWD 52; IR NLWD 53; IR NLWD 54; IR NLWD 55; IR NLWD 56).



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Summary of Alderon Responses:

As identified and assessed in the EIS, the development of the Kami Project will inevitably result in some degree of clearing, filling, dredging or draining of wetlands, through excavation and the construction of associated mine infrastructure. This will result in adverse effects on approximately 572 ha of wetlands and associated wetland function (including the permanent loss of approximately 526 ha of wetland and temporary alterations or disturbance to 46 ha). Tables 17.9 and 17.10 in the EIS provide information on the wetland areas and functions estimated to be directly affected by the Project and its associated components and activities. An identification and evaluation of various potential Project alternatives on the basis of technical, economic and environmental factors was completed as part of the EA (see EIS Section 2.8.3). The rail line cannot be re-routed to completely avoid the referenced wetlands because of design / technical constraints, including various associated risks to rail operations.

Alderon acknowledges the *Federal Policy on Wetland Conservation* and the federal government's goal of "no net loss" of wetland function, as well as recognizing that peatlands throughout the boreal ecosystem are among the most important stores of atmospheric carbon available.

At the EIS stage, final engineering information for all Project elements is not yet available, and a detailed and site-specific wetland mitigation and monitoring plan cannot be developed until Project design is completed. Mitigation measures, including those identified by Environment Canada promoting wetland conservation, have been incorporated into the design of the Project thus far and/or will be applied during the construction and operation phases of the Project. *In situ* reclamation opportunities associated with those affected wetlands are not considered possible or practical. Rather than undergoing rehabilitation, a portion of those wetlands which will be permanently altered will be offset through compensation. Alderon will pursue opportunities within the region to participate in efforts aimed at wetland reclamation / rehabilitation.

The size of the LSA for the Wetlands VEC is approximately 16,100 ha, with the boundaries of the RSA being based on the extent of existing watershed boundaries where applicable.With regard to potential effects on wetlands in Québec, it should be noted that the provincial border is defined by the existing watershed boundaries between the two provinces. Effects on topography, local hydrology and surface water (including wetlands) associated with Rose Pit and the Rose North Waste Rock Disposal Area will occur to the east of this topographic divide, and are therefore primarily restricted to Labrador. Adverse effects on wetlands in the area of Lac Daviault, Fermont and beyond are thus not anticipated.



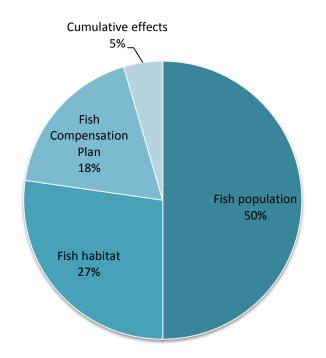
13.5 Freshwater Fish, Fish Habitat and Fisheries

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Fish Population;
- Fish Habitat;
- Fish Habitat Compensation Plan; and
- Cumulative Effects.

The chart below provides an overview of these IRs by topic.

Figure 13.5.1 Information Requests Related to Freshwater Fish, Fish Habitat and Fisheries by Topic



13.5.1 Fish Population

Summary of Information Requests:

The IRs received related to Fish Population can be summarized as follows:

• The status of various fish species of special conservation concern and their designations (including the four horn sculpin, American eel and banded killifish) (IR DFO 15); and



 Questions and clarifications regarding the fish sampling undertaken as part of the EA (IR NLWD 57; IR NLWD 58; IR NLWD 59; IR NLWD 60; IR NLWD 61; IR NLWD 62; IR NLWD 63; IR NLWD 64; IR NLWD 65; IR NLWD 66).

Summary of Alderon Responses:

The information and clarification provided regarding the status of these fish species is acknowledged, and appropriate revisions have been made to the applicable section of the EIS to address these (see Volume 3, IR DFO 15). While the information regarding each species status has been updated, it has also been restated that no listed species is known to occur within the Project area.

Additional information and requested clarifications related to the methodology used for the fish sampling and associated data analysis are also provided in the detailed responses in Volume 3 (in particular, those sections that correspond to the NLWD IRs listed above). Data collection has primarily been completed to comply with the requirements of the assessment and the *Fisheries Act* as per guideline documents issued by Fisheries and Oceans Canada. Additional population and sampling effort was recognized and identified in the baseline studies and results of these will be provided to Fisheries and Oceans Canada as the *Fisheries Act* authorization process continues.

13.5.2 Fish Habitat

Summary of Information Requests:

The IRs received related to Fish Habitat can be summarized as follows:

- The design of the various identified stream crossings associated with the Project's access road and rail line components, including any associated stream alteration requirements (IR DFO 05);
- The potential implications of the Loon Pond at Flora Lake stream crossing on existing fish habitat compensation at that location (IR DFO 06);
- The potential for effects to fish and fish habitat as a result of red water generated by the Project (IR DFO 07);
- The potential for interactions between various Project components and activities and fish and fish habitat, and the applicability of standard and additional mitigation measures to address the potential effects resulting from these interactions (IR DFO 12);
- The nature and magnitude of any residual effects to fish and fish habitat, particularly as a result of potential accidental events or malfunctions (IR DFO 14); and
- A concern that vibrations from increased train traffic may result in sedimentation of watercourses (IR PC 13).



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Summary of Alderon Responses:

The EIS identifies and provides general information on proposed and potential watercourse crossings, at a level of detail that reflects the current stage of Project planning and engineering, and which is appropriate for EA purposes. Detailed design work for these crossings is on-going, and will be based on applicable guidelines and regulations. Further details have or will be provided as part of Project-related permitting.

The design of the Loon Pond at Flora Lake stream crossing is likewise in progress, and will conform to the applicable requirements of the *Fisheries Act*. Alderon has had discussions with Cliff's Natural Resources regarding the crossing and analyses are ongoing towards obtaining a mutually beneficial design that does not adversely affect the existing fish habitat compensation in the area.

Fish habitat effects will occur during Project construction, and appropriate authorization(s) will be sought from DFO. Red Water will be treated and removed from effluents prior to release so potential effects are avoided or mitigated.

The EIS Guidelines require an assessment of potential Project effects on fish and other environmental components in the vicinity of the proposed mine and associated infrastructure in Labrador West and at the port facilities in Sept-Iles. The QNS&L was not directly considered in assessing potential project-specific or cumulative environmental effects, as this is existing infrastructure that has been in operation for decades, and the Kami Project will not add materially to the level of operations or existing disturbance levels.

Additional information and clarification regarding the EA methodology, its application to this VEC and the findings of the associated environmental effects assessment are provided in Volume 3 (IR DFO 12 and IR DFO 14).

13.5.3 Fish Habitat Compensation Plan

Summary of Information Requests:

The IRs received related to the Project's Fish Habitat Compensation Plan can be summarized as follows:

- The nature and purpose of a fish habitat compensation plan, and the provision of adequate and appropriate information to DFO on the specifics of this plan (including the raw data used for HADD quantification) (IR DFO 03; IR DFO 19; IR PC 09); and
- The planned transfer of fish from waterbodies prior to dewatering, and the requirement for approvals for any incidental fish mortality (IR DFO 13).



Summary of Alderon Responses:

Alderon is familiar with, and recognizes the importance and necessity of, a fish habitat compensation plan for development activities that will affect fish habitats and which require associated approvals under the federal *Fisheries Act*. Compensation options have been described in the EIS and discussions with DFO have been ongoing regarding the fish habitat compensation plan. All associated data required by DFO for HADD quantification will be provided.

An approved Fish Relocation Plan will be required for the transfer of fish from all authorized waterbodies / streams prior to de-watering. Experience suggests that not all fish can or will be captured with absolute certainty, and therefore, a Section 32 *Fisheries Act* authorization will likely be required and requested.

13.5.4 Cumulative Effects

Summary of Information Requests:

The IRs received related to Cumulative Effects can be summarized as follows:

• Information and analysis related to the potential effects of the Project on water quality downstream, including adjacent fish habitat compensation sites (IR DFO 08).

Summary of Alderon Responses:

No significant residual effects are predicted downstream of the Project, and existing Fish Habitat Compensation sites within Wabush Lake are not predicted to be adversely affected.



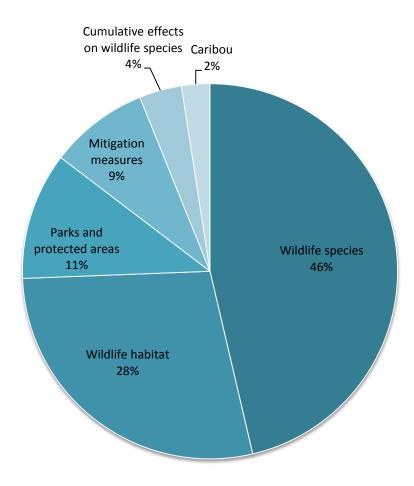
13.6 Birds, Other Wildlife and Their Habitats, and Protected Areas

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Wildlife Species;
- Wildlife Habitat;
- Parks and Protected Areas;
- Mitigation Measures;
- Cumulative Effects on Wildlife Species; and
- Caribou.

The chart below provides an overview of these IRs by topic.

Figure 13.6.1 Information Requests Related to Birds, Other Wildlife and Their Habitats, and Protected Areas by Topic





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13.6.1 Wildlife Species

Summary of Information Requests:

The IRs received related to Wildlife Species can be summarized as follows:

- The geographic extent of effects on birds and the rationale for having different assessment areas for wetlands and birds (IR EC 30, IR EC 31), as well as clarification on how the RSA was established (IR NLWD 69);
- The timing, sample sizes and methodologies for bird surveys (IR EC 32, IR EC 33, IR EC 51; IR EC 52; IR NLWD 84) and those for amphibians (IR NLWD 79, IR NLWD 88).;
- The submission and availability of additional wildlife baseline studies in support of the EIS (IR NNK 10);
- Clarification that the Common Nighthawk has been observed in the Labrador City area (IR EC 34);
- Bat species and potential effects to them, and their consideration in development planning (IR NLWD 74);
- The presence of species at risk in Québec, and consideration of possible effects on these as a result of the Project and the applicable provisions of relevant Québec legislation (IR PC 08);
- The use and appropriateness of the VEC approach, including the consideration of a wide range of wildlife species in a single VEC (IR NNK 02);
- The anticipated availability of wildlife habitat following site decommissioning (IR NLPN 10);
- Methods to be used for invasive species management (IR NLPN 15);
- Guidelines used to determine acceptable level of species mortality (IR NLPN 11, IR NLWD 77);
- Future monitoring of measurable parameters related to this VEC (IR NLWD 72); and
- Various information corrections and clarifications (IR NLPN 12, IR NLPN 13, IR NLPN 18, IR NLWD 67, IR NLWD 68, IR NLWD 70, IR NLWD 71, IR NLWD 73, IR NLWD 75, IR NLWD 80, IR NLWD 81, IR NLWD 82, IR NLWD 83, IR NLWD 85, IR NLWD 86, IR NLWD 87, IR NLWD 89).

Summary of Alderon Responses:

It is generally acknowledged that an EA should identify and focus on those components of the environment that have the potential to be materially affected by the proposed project in question, including those which are particularly valued by society and/or which can serve as recipients, pathways and/or indicators of environmental change. In an EA context, these are



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known as Valued Environmental Components (VECs), and may include both biophysical and socio-economic elements of the environment.

Birds, Other Wildlife and Their Habitats, and Protected Areas were identified and assessed as a single VEC in the EA, as specified by the EIS Guidelines and in order to provide for a more holistic approach while at the same time reducing repetition and optimizing brevity. That being said, however, the environmental effects assessment for this VEC also recognizes and evaluates any species-specific effects or issues, and considers key species or species groups individually and in detail, where and as appropriate.

The EA considered and assessed the likely nature and degree (including geographic extent) of Project-related disturbances and associated effects on the various wildlife species that were included in this VEC. This included defining an LSA within which the direct effects (physical site disturbance) and indirect effects (e.g., noise, visual) are expected to occur (based on physical parameter modelling), as well as a larger RSA that provides regional information and perspectives as to the nature and extent of these effects. The RSA for the "Birds, Other Wildlife and Their Habitats, and Protected Areas" VEC considers the nature and distribution of the various wildlife species and species groups included therein, and is therefore not based solely upon the physical characteristics of their habitats (such as wetlands).

Various environmental studies were conducted during 2011 and 2012 in support of the Project and its EA. Five supporting baseline studies were submitted as appendices to Volume 1 of the EIS, including: 1) Air Quality Monitoring Baseline Report; 2) Water Resources Baseline Report; 3) Fish, Fish Habitat, and Fisheries Baseline Report; 4) Wetlands Baseline Report; and 5) Socio-economic Baseline Report, as specified by the EIS Guidelines. Additional environmental studies were also conducted and were subsequently submitted under the EA process in support of the EIS (Appendix J of Volume 1 in the EIS). Additional, detailed information on the methodologies used in Project-related bird surveys are provided in the Avifauna Baseline Reports completed for the Project and its EA, and in Volume 3 of this submission. For the avifauna point-count surveys, field effort was directed at optimizing the overall sample size as opposed to increasing the number of point counts repeated. The methods used to conduct the amphibian surveys are also presented in the amphibian baseline survey report and in Volume 3 (IR NLWD 79).

The EIS text has been updated to reflect that the Common Nighthawk has been observed in the Labrador City area, based on observations recorded on ebird (See Volume 3, IR EC 34.). Alderon is also aware of the recent listings of the bat species identified as endangered by COSEWIC and any associated mitigation measures will be included and implemented through the EPP (see Volume 3, IR NLWD 74). The Kami Iron Ore Mine and Rail Infrastructure is located entirely in Newfoundland and Labrador, and is not subject to EA under Québec legislation. The EA has, however, considered whether and how any Project-related effects may extend into Québec. The species listed on the *Loi sur les espèces menacées ou vulnérables* (LEMV) that occur in the vicinity of Labrador West (and possibly within the RSA) were addressed in the EIS as either part of the Species at Risk VEC (e.g., Barrow's Goldeneye,



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Harlequin Duck) or were included within the Birds, Other Wildlife and Their Habitats, and Protected Areas VEC (e.g., Bald Eagle).

Additional information related to potential wildlife species mortality, the availability of wildlife habitat following site decommissioning, methods for invasive species management, and future monitoring related to this VEC are provided in Volume 3.

13.6.2 Wildlife Habitat

Summary of Information Requests:

The IRs received related to Wildlife Habitat can be summarized as follows:

- Details on the Ecological Land Classification (ELC) used to support the assessment, including the associated ground truth field surveys (IR EC 18; IR NLWD 151) and its relationship to wildlife surveys (IR NLWD 152);
- Evaluation of habitat loss and quality as affected over the lifetime of the project (IR NLPN 09, IR NLPN 14; IR NLPN 16, IR NLWD 76), and the assessment and description of residual effects (e.g., proportion of a population affected) (IR NLWD 93);
- Potential inclusion of the little brown bat in ecotype mapping (IR NLWD 153);
- The removal and planned retention of habitat structural features to support wildlife movements across and around the Project site (IR EC 55);
- The potential effect of fuel spills on wetlands (IR NLWD 78); and
- Various associated information corrections and clarifications (IR EC 54, IR NLWD 91, IR NLWD 92, IR NLWD 154, IR NLWD 155, IR NLWD 156, IR NLWD 157, IR NLWD 158, IR NLWD 159, IR NLWD 160, IR NLWD 161, IR NLWD 161).

Summary of Alderon Responses:

The Ecological Land Classification (ELC) was designed and conducted through a combination of field surveys and remote sensing techniques to understand and map vegetation communities and habitats throughout the region, as a key input to the EA analysis and in the design and conduct of the environmental baseline studies. Further details on its methods (including associated field surveys) and results are provided in the associated ELC Report and in Volume 3.

The wildlife species that the EA has focussed upon comprise a representative selection of those that are found in the region and which may be affected by the Project. The habitat preferences of these species are discussed in relation to the various ecotypes that are present in the area. The wildlife surveys used the ELC mapping to identify relationships between the ecotypes and the wildlife species present in the area. Certain species (such as little brown bat, for example) and their habitats are not amenable for such analysis given the nature of their habitat requirements and the nature and scale of the ELC modelling.



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Where possible, the EA attempted to incorporate semi-quantitative measures into the environmental effects analysis, such as in calculating the percentage / proportion of a measurable parameter that would be affected within LSA as a proportion of that which exists within the RSA. The ELC was therefore an important tool in assessing the nature and degree of the possible loss or alteration of habitat for select species as a result of the Project. Habitat quality and other measurable parameters (e.g., primary or other sensitive and limiting habitats, reproductive outputs and success) are all considered in the context of assessment criteria (e.g., magnitude, reversibility) in order to draw conclusions as to the significance of the resulting effect. Alderon did not identify situations where most or all of the individuals or important supporting habitat quantity or quality at the regional level would be affected by the Project.

Although the Project will represent a physical structure on the landscape, this is most applicable for any wildlife species that regularly occur in and move across the landscape. Caribou do not occur in or near the Project area and avifauna species are highly mobile and can access other available habitat as required. Other species in the area have localized home ranges and do not make large movements across a landscape, and/or co-exist with existing developments in the area.

13.6.3 Parks and Protected Areas

Summary of Information Requests:

The IRs received related to Parks and Protected Areas can be summarized as follows:

- Potential environmental effects to Duley Lake Provincial Park, including water quality and hydrology (IR NLPN 02, IR NLPN 03; IR NLPN 04, IR NLPN 06); and
- Various information corrections and clarifications (IR NLPN 05, IR NLPN 07, IR NLPN 08, IR NLPN 17).

Summary of Alderon Responses:

Duley Lake Provincial Park Reserve is located outside of the Project footprint. Although there will therefore be no direct interaction between the Project and the Park, its proximity to certain Project elements creates some potential for interactions due to noise, dust and other disturbances. Alderon has assessed each of these potential effects in the EIS under the respective VECs, and a summary of potential effects in relation to Duley Lake Provincial Park Reserve is provided in Volume 3 (see IR NLPN 02). The Project is not expected to result in any effects on Duley Lake Provincial Park Reserve that would affect the ecological integrity or use of the area, or which would be in non-compliance with the NL *Provincial Park Regulations*.



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13.6.4 Mitigation Measures

Summary of Information Requests:

The IRs received related to Mitigation Measures can be summarized as follows:

- The potential effects of Project activities (including clearing) on migratory birds and their nests, eggs and habitats, and various recommendations for mitigation (IR EC 53);
- A suggestion that mitigation be identified through an EPP that should be approved by the appropriate regulatory bodies (IR NLWD 90);
- The potential attraction of avifauna to Project lighting and potential mitigation (IR NLWD 94); and
- Various information corrections and clarifications (IR NLPN 01, IR NLWD 95, IR NLWD 97, IR NLWD 98).

Summary of Alderon Responses:

An Avifauna Management Plan to address issues with respect to potential effects on migratory birds and their nests, eggs and habitats (incidental take) will be developed and submitted to the Canadian Wildlife Service prior to the start of construction. An EPP outlining relevant mitigation measures (including with regard to birds and other wildlife) will be developed and submitted to appropriate regulatory agencies for review prior to Project commencement.

13.6.5 Cumulative Effects on Wildlife Species

Summary of Information Requests:

The IRs received related to Cumulative Effects on Wildlife Species can be summarized as follows:

- Potential Project and cumulative effects on caribou and the application of mitigation, as well as associated implications for the possible return of caribou to the area and on caribou recovery efforts (NNK 08; NNK 09);
- The scope of the Project for EA purposes, and the consideration of whether and how associated overall rail traffic may affect caribou herds and where and how these issues are assessed and managed (NNK 09); and
- The level of likely cumulative effects, and a suggestion that those species that are habitat specialists be considered more closely (IR NLWD 96).

Summary of Alderon Responses:

The Project is not anticipated to overlap or interact with the current ranges of either of the caribou herds that occur in Western Labrador, and therefore will not likely result in any adverse



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effects upon caribou or their habitats. Caribou are mobile and require large tracts of undisturbed land without human developments that may act as barriers to movement. The Project area is located within the existing industrial area of Labrador West, and given the existing developments in the area it is unlikely that this area would support caribou in the foreseeable future.

The EIS Guidelines issued by the provincial and federal governments for the EA require an assessment of the potential environmental effects of the proposed mine and associated infrastructure in Labrador West and at the port facilities in Sept-Iles. The QNS&L Railway and associated activity on it was not directly considered in assessing potential project-specific or cumulative environmental effects, as this is existing infrastructure that has been in operation for decades. The railway's current operations involves approximately 12-14 trains per day, and it is not anticipated that the Kami Project will cause a substantial change to or increase in this, as the Project will contribute 1-2 additional trains per day as described in EIS Chapter 2 (Project Description). In consideration of past and existing operation levels and any overall future growth in the use of the QNS&L Railway (which are certainly not specific to Alderon's activities), the Kami Project's incremental contribution to these activities are not anticipated to be material, or especially, to increase or change existing environmental disturbance levels.

Mining in Labrador West and in the vicinity of Fermont has been ongoing for decades, and the flora and fauna of the region are a reflection of this previous activity. Although the loss of 22 km² of habitat will cause the displacement of flora and fauna within the LSA, the sustainability of the identified species would not be compromised by the Project and the existing biological diversity would be maintained.

13.6.6 Caribou

Summary of Information Requests:

The IRs received related to Caribou can be summarized as follows:

- The potential effects of various Project components on caribou, as well as key areas within the ranges of these herds (IR PC 09); and
- The capability of the Project area to support woodland caribou and the effects of the Project on potential caribou habitat and associated Aboriginal activities (IR IN 18).

Summary of Alderon Responses:

The Project is not anticipated to overlap or interact with the current ranges of either of the caribou herds that occur in Western Labrador, and therefore will not likely result in any adverse effects upon caribou or their habitats. Current information indicates that the George River Herd is known to occur to the north and northeast of the Project area, whereas the range of the sedentary Lac Joseph herd occupies an area to the south and east. This was further confirmed by the fact that none of the survey work (aerial and ground) undertaken for the Project to date have observed any caribou in or near the project area, as well as through input received from



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local residents and others during the public consultation activities completed by Alderon as part of the EA process.

The estimated area of potential caribou habitat affected due to Project infrastructure is approximately 21 km². Again, however, the ranges of animals in the sedentary Lac Joseph herd and migratory George River caribou herd do not currently overlap with the Project area. There is therefore no anticipated interaction expected between the Project and caribou, and thus, on any associated Aboriginal land and resource use activities (see Volume 3, IR IN 18).

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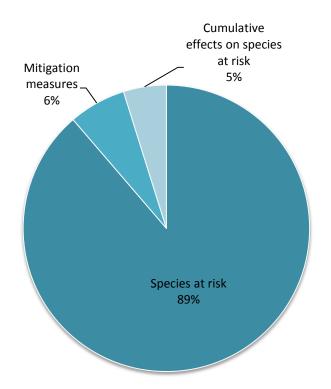
13.7 Species at Risk and Species of Conservation Concern

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Species at Risk;
- Mitigation Measures; and
- Cumulative Effects on Species at Risk.

The chart below provides an overview of these IRs by topic.

Figure 13.7.1 Information Requests Related to Species at Risk and Species of Conservation Concern by Topic



13.7.1 Species at Risk

Summary of Information Requests:

The IRs received related to Species at Risk can be summarized as follows:

 The observed presence of Common Nighthawk in the Labrador City area, and the habitat preferences of this and other species at risk (IR EC 17, IR EC 56, IR EC 57, IR EC 58, IR EC 59, IR EC 60, IR EC 61, IR EC 64, IR NLWD 123, IR NLWD 125, IR NLWD 131);



- Species that are under consideration for listing under the NL Endangered Species Act (NL ESA) (IR NLWD 99, IR NLWD 100);
- Species at risk in Québec and possible effects on these as a result of the Project and the applicable provisions of relevant Québec legislation (IR PC 08, IR NLWD 129);
- Mapping of survey effort when assessing areas of concern with respect to species at risk (IR NLWD 102);
- The location of the Project's rail infrastructure and potential effects on the Jean Lake Rapids Management Unit as well as its associated wildlife (IR PC 07);
- The scale of the ELC analysis and its appropriateness for evaluating habitat effects for some species (IR NLWD 124), and the percentage of habitat area in the RSA affected as classified by the ELC (IR NLWD 101);
- Clarification of the term "substantially reduced" in the context of reduction in long-term viability of a survival of a population (IR NLWD 111), and the implications and significance of ecological thresholds for some species at risk (IR NLWD 112);
- The classification of potential environmental effects for Project activities (IR NLWD 115), and the consideration of past and present effects when assessing and evaluating cumulative effects (IR NLWD 118);
- Determination of an "acceptable" level of species mortality (in relation to population size, distribution, and management concerns) (IR NLWD 119);
- The identification and consideration of adjacent areas exhibiting similar environmental properties for species at risk (IR NLWD 138);
- The potential for adverse effects on populations of both plant and animal SAR/SOCC (IR NLWD 149); and
- Various information clarifications (IR NLWD 75, associated corrections and IR NLWD 104, IR NLWD 103. IR NLWD 105, IR NLWD 107, IR NLWD 108, IR NLWD 109, IR NLWD 110, IR NLWD 113, IR NLWD 114, **IR NLWD 116.** IR NLWD 117, IR NLWD 121, IR NLWD 122, IR NLWD 126, IR NLWD 127, **IR NLWD 128,** IR NLWD 130, IR NLWD 132, IR NLWD 133, **IR NLWD 134**, IR NLWD 135. IR NLWD 136, IR NLWD 137, IR NLWD 140, IR NLWD 141, IR NLWD 142, IR NLWD 146, IR NLWD 148).

Summary of Alderon Responses:

A range of plant and wildlife species occur within or near the Project area, including several that have been designated as vulnerable. The EA included a key focus on species at risk (SAR) and species of conservation concern (SOCC), as identified (or considered) under Newfoundland and Labrador, Québec and Canadian legislation, where these are known or likely to occur in the region and may therefore be affected by the Project. The EIS text has been updated to provide additional information and clarification on various avifauna species at risk and their habitats,



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including the Common Nighthawk. Additional information is also provided on wildlife survey work that has been completed for the Project and its EA (Volume 3).

The Project is being designed, and will be constructed and operated, so to avoid or reduce any potential effects on SAR / SOCC that could result during planned activities as well as from any associated accidental events or malfunctions. The implementation of an EPP and an Emergency Response Plan will reduce the likelihood, extent and magnitude of any such potential effects. Alderon also plans to develop and submit an Avifauna Management Plan for the Project. Alderon has planned and designed its Project activities to help ensure that local conservation strategies are not compromised by the development of the Kami Project, such as the conservation function provided by the Jean Lake Management Unit (see Volume 3, IR PC 07).

In order to determine the known or likely presence of wildlife species and their habitats in or near the PDA, an ELC study and associated habitat analysis was performed. Alderon acknowledges that the inevitable scale of an ELC may not always fully address the specific habitat characteristics of some species. Alderon has therefore considered a range of other relevant factors and parameters in the environmental effects assessment.

When assessing the potential effects of the proposed Project on wildlife and plant species, the determination of significance evaluates if the sustainability of the identified species would be compromised by the Project and whether existing biological diversity will be maintained. Within the area of disturbance (LSA), Alderon did not identify any situations where a majority or all of the individuals or important supporting habitat at the regional level would be at risk from the Project. An "acceptable" level of mortality is therefore considered to be one where, if it were to occur, there would be no resulting decline or other effect on the sustainability of the population at risk.

13.7.2 Mitigation Measures

Summary of Information Requests:

The IRs received related to Mitigation Measures can be summarized as follows:

- The identification and presentation of mitigative measures through an EPP, and its review and approval by government (IR NLWD 139);
- Management of re-vegetation activities to limit invasive / exotic species (IR NLWD 143);
- Potential ways to discourage nesting by species without harming individuals (IR NLWD 144); and
- The possible use of directional lighting as a mitigation (IR NLWD 145).



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Summary of Alderon Responses:

An EPP will be developed and submitted to appropriate regulatory agencies for review prior to Project commencement. Details on any measures to manage invasive and exotic species will be identified in the EPP, which will include the use of native species during re-vegetation efforts to the extent that is possible and practical. As part of its EPP and on-going Project design and planning, Alderon will also investigate potential approaches to discouraging nesting in the affected areas, as well as the feasibility of using coloured lighting to reduce attraction of birds to site lighting.

13.7.3 Cumulative Effects on Species at Risk

Summary of Information Requests:

The IRs received related to Cumulative Effects on Species at Risk can be summarized as follows:

- The level of analysis provided in the assessment of the cumulative effects for species at risk (IR NLWD 147), and the inclusion of past and present projects and their effects in the assessment (IR NLWD 118); and
- Consideration of the proportion Western Labrador's dolomite area will be affected by the Kami Project, as well as the amount of area that has been affected by previous projects (IR NLWD 150).

Summary of Alderon Responses:

The assessment of cumulative effects for this and other VECs involved consideration of the nature and condition of the existing (baseline) environment in the region, which inherently includes the effects of past and on-going projects and activities. Mining has been on-going in Labrador West and in the vicinity of Fermont for decades, and therefore the flora and fauna of the region are a reflection of this previous activity and its effects.

The cumulative effects assessment then considers the likely contribution of the Project to these effects, as well as those of other future projects and activities in the regions whose effects may affect the same populations. Detailed calculations of the area (and habitats) to be affected by the Project as well as other projects and activities in the region are provided in the EIS and in Volume 3.

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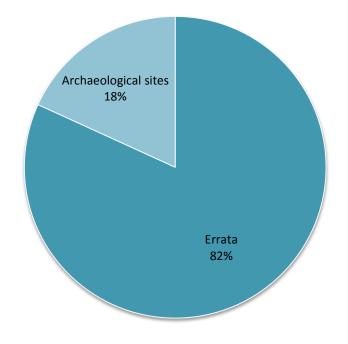
13.8 Historic and Cultural Resources

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Various errata (required clarifications); and
- Archaeological Sites.

The chart below provides an overview of these IRs by topic.

Figure 13.8.1 Information Requests Related to Historic and Heritage Resources by Topic



13.8.1 Archaeological Sites and Errata

Summary of Information Requests:

The IRs received related to Archaeological Sites and the various identified errata in this section of the EIS can be summarized as follows:

- Clarification regarding the presence of historic or cultural resources within the Regional Study Area (RSA) for this VEC (IR IN 19);
- Mitigation measures to prevent damage to historic or cultural resources in areas that have high potential for containing such resources (IR IN 20); and



 Various wording corrections and clarifications associated with this section of the EIS (IR NLAP 01; IR NLAP 02; IR NLAP 03; IR NLAP 04; IR NLAP 05; IR NLAP 06; IR NLAP 07; IR NLAP 08; IR NLAP 09).

Summary of Alderon Responses:

There are various known historic and cultural sites within the overall RSA for this VEC, as described in the EIS, none of which are located in the immediate vicinity of, or likely to be affected by, the Project.

A Project specific EPP will be developed and implemented for the Project, which will outline procedures and mitigation measures to be followed in the event that historic or cultural resources are discovered during Project activities. This will include appropriate training and orientation of construction personnel. Taking a further precautionary approach, Alderon will also use the archaeological potential mapping completed for the LSA in order to plan further field investigations and mitigation as Project planning progresses, consistent with provincial guidelines.



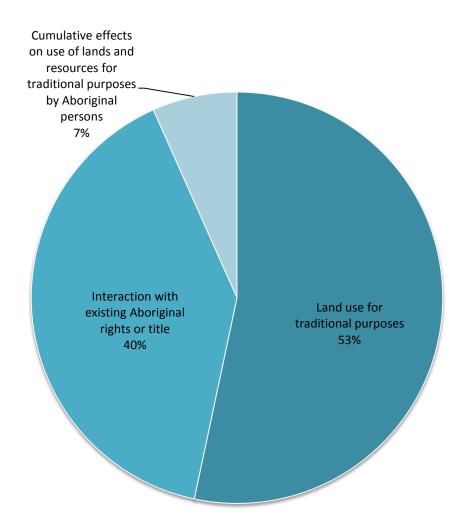
13.9 Current Use of Lands and Resources for Traditional Purposes by Aboriginal Persons

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Land Use for Traditional Purposes;
- Interaction With Existing Aboriginal Rights or Title; and
- Cumulative Effects on the Use of Lands and Resources for Traditional Purposes by Aboriginal Persons.

The chart below provides an overview of these IRs by topic.

Figure 13.9.1 Information Requests Related to Current Use of Lands and Resources for Traditional Purposes by Aboriginal Persons by Topic





13.9.1 Land Use for Traditional Purposes

Summary of Information Requests:

The IRs received related to Land Use for Traditional Purposes can be summarized as follows:

- Clarification of whether an information source indicated that the Labrador Innu hunt small game within the assessment area (LSA) (IR EC 62);
- The use of terminology regarding "traditional uses" and "use for traditional purposes" in a section of the EIS (IR EC 63);
- Whether certain land and resource use activities in Western Labrador represent "traditional uses" by Aboriginal persons (IR NCC 10);
- The provision of adequate funding to the NCC and its members to allow them to be consulted appropriately on the Project and its EA (IR NCC 12);
- Perceived issues and biases stemming from the fact that Aboriginal persons and companies from multiple groups were not involved in the EA studies (IR NCC 12);
- A summary of the issues and concerns raised by NCC members regarding the Project and its potential effects, and the stated need for a mitigation and compensation agreement between Alderon and the NCC in relation to the Project (IR NCC 13; IR NCC 14);
- Clarification from the NNK that, notwithstanding any statements that may have been during consultations or any associated misinterpretations, NNK members do indeed undertake land and resource use activities in Western Labrador (IR NNK 01); and
- The potential effects of the Project on the traditional land use activities of the Uashaunnuat (including various beaver reserve lots) (IR ITUM 06).

Summary of Alderon Responses:

Alderon has undertaken significant engagement efforts with all relevant Aboriginal groups in order to identify and attempt to appropriately address the questions and issues identified by their membership. Engagement efforts have included the provision of Project-related information, meetings, and the funding of a land and resource use and issues scoping study. These engagement efforts have identified a number of issues and concerns, which have been fully assessed in the relevant VEC chapter(s) of the EIS.

The EIS assesses the potential effects of the Project on the Current Use of Lands and Resources for Traditional Purposes by Aboriginal Persons. The EA for this VEC concluded that, notwithstanding the importance of such activities for Aboriginal persons and communities in Labrador and Québec, the existing and available information does not indicate that the Labrador Innu, Québec Innu, and Naskapi Nation of Kawawachikamach currently undertake activities in the vicinity of the Project. No adverse effects were therefore predicted.



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As a "traditional use" is generally understood to mean activities that have been exercised (and are being exercised) by an identifiable Aboriginal community since before European contact or control of a specific area, the identified land and resource use activities by NCC may not be considered traditional in that they may not necessarily be a continuation of ancestral activities that took place historically within this area of Western Labrador. Alderon takes no position on whether or not proven current land and resource by NCC members is for a 'traditional purpose'. The objective of the EIS was to assess potential effects of the Project on current traditional land and resource use. However, notwithstanding the classification of land and resource use as traditional or otherwise, the results of the assessment demonstrate that significant residual adverse effects are not anticipated on any land and resource use activities.

The EA and its associated studies were prepared by Alderon with the assistance of qualified, experienced and reputable environmental consultants, and the nature and findings of the EA have not in any way been biased according to the cultural affiliation of the persons or companies that have been involved in these studies. The EA contains a balanced presentation of the existing and available information, and moreover, the results of the EA and baseline studies are all being subject to detailed review and comment by any and all interested parties, through an open and transparent EA review process.

Alderon acknowledges and appreciates the clarification from the NNK that its members do undertake land and resource use activities in western Labrador. However, none of the available information indicates that such activities currently occur within the proposed Project Development Area (PDA) or Local Study Area (LSA), and no adverse effects upon such activities are therefore anticipated.

13.9.2 Interaction with Existing Aboriginal Rights or Title

Summary of Information Requests:

The IRs received related to Interaction with Existing Aboriginal Rights or Title can be summarized as follows:

- The relationships between other components of the biophysical and socio-economic environments and Aboriginal rights, including potential effect pathways and interrelationships (IR IN 17); and
- The potential effects of the Project on the natural environment and the associated land use activities of the Uashaunnuat (including various beaver reserve lots) in the area, and the viewpoint that Aboriginal consent is required for the Project to proceed (IR ITUM 01; IR ITUM 02; IR ITUM 05; IR ITUM 09; IR ITUM 12).

Summary of Alderon Responses:

As indicated in the EIS, Aboriginal traditional uses are often considered to refer to the practices, traditions and customs that distinguish the distinctive culture of an Aboriginal group and which were practiced prior to European contact or control. The EA generally considers the potential



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existence (and especially, the known assertion) of Aboriginal rights by relevant groups in Labrador and Québec, and assesses the potential effects of the Project on current land and resource use activities by Aboriginal persons.

The EIS (and in particular, Chapter 22) assesses the potential environmental effects of the Project on the Current Use of Land and Resources for Traditional Purposes by Aboriginal Persons, including those undertaken by the Innu of Labrador. The environmental effects assessment for this VEC recognizes and considers the potential for such land and resource use activities to be affected both directly (through direct disturbance) and indirectly (as a result of any associated environmental effects on other components of the biophysical and socio-economic environments), and these potential "pathways" have been considered integrally within the assessment.

Based on the available information and the associated analyses presented in the EIS, it is Alderon's conclusion that there is no evidence that the Project will have significant adverse effects upon the current use of lands and resources by any Aboriginal community (including the referenced Saguenay Beaver Reserve Lots 244 and 245). As noted throughout, Alderon has made significant and repeated efforts to appropriately engage relevant Aboriginal groups in relation to the Project and its EA.

13.9.3 Cumulative Effects on the Use of Lands and Resources for Traditional Purposes by Aboriginal Persons

Summary of Information Requests:

The IRs received related to Cumulative Effects on the Use of Lands and Resources for Traditional Purposes by Aboriginal Persons can be summarized as follows:

• The cumulative effects of the Project and other current and future mining developments on the Uashaunnuat and their territory and traditional activities, including issues and effects that have already occurred and the mitigation of effects by Alderon and other proponents in the region (IR ITUM 7).

Summary of Alderon Responses:

The EIS provides a detailed assessment of the potential environmental effects of the proposed Project, as well as the likely cumulative effects of the Project in combination with other projects and activities that have been or will be carried out. The environmental effects of other on-going and adjacent mining projects and other developments in the region were a key consideration of the cumulative effects assessments for all relevant VECs (biophysical and socio-economic). Through the EA, Alderon has identified and proposed measures to avoid or reduce the potential effects of the Project on the environment and on Aboriginal groups and their activities, and therefore, the Project's contribution to any cumulative effects that have or will occur. Alderon clearly has no ability to manage the effects of other past or future developments in the area.

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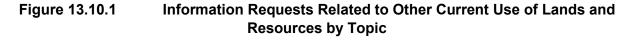


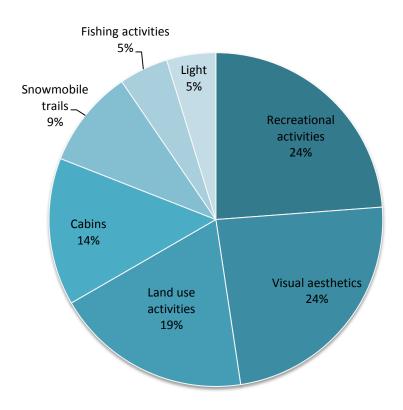
13.10 Other Current Use of Lands and Resources

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Recreational Activities;
- Visual Aesthetics;
- Land Use Activities;
- Cabins;
- Snowmobile Trails;
- Fishing Activities; and
- Light.

The chart below provides an overview of these IRs by topic.







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13.10.1 Recreational Activities

Summary of Information Requests:

The IRs received related to Recreational Activities can be summarized as follows:

- The Project's road and railway components, planned use of existing access infrastructure, and potential safety implications due to interactions with local recreational activities (IR PC 01; IR PC 05);
- The importance of recreational activities to local residents and communities and potential interactions with local activities and facilities, including the Lac Daviault park area (IR PC 04);
- The potential effects of blasting and other Project activities on participation in, and enjoyment of, outdoor recreational activities (IR PC 08); and
- A "zone of influence" approach to assessing Project effects (due to dust, noise, changes in water quality or viewscapes) on recreational activities (IR PC 06).

Alderon is committed to helping protect public safety, and fully recognizes the importance of outdoor recreational activities and pursuits in the region. Access to the Project site during construction and operations will have to be restricted to ensure the safety of workers and the public. The construction of an access road is proposed east of Wabush to minimize any effects of Project-related traffic on communities and recreational areas. The Company is also committed to working with communities and local user groups address any Project access issues and associated safety concerns. The relevant provincial Transportation Departments regulate highway construction, use and maintenance, and will ensure that proper procedures and safety precautions are in place for provincial highways in their respective jurisdictions.

The EIS and its associated environmental effects assessments were conducted using a "zone of influence" approach with respect to the potential effects, including with regard to air quality (noise and dust), water and viewscapes and the potential nature and geographic extent of these effects and their implications for local land and resource use activities. The Project will not overlap or otherwise interact with Lac Daviault and, therefore, will not affect current recreational use of the lake for boating, camping or floatplanes. Some waste rock areas will likely be visible from the western shores of the Lake, but neither blasting vibrations or elevated dust levels will be felt in that area, nor are blasting noise levels predicted to exceed Health Canada's guidelines. Following EA approval, a Blasting Plan will be developed and implemented in compliance with all applicable laws, regulations and industry best practices and with consideration of safety, environmental and social issues identified throughout the EIS.



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13.10.2 Visual Aesthetics

Summary of Information Requests:

The IRs received related to Visual Aesthetics can be summarized as follows:

- The Project's location relative to the Town of Fermont and possible visual effects on some recreational users and on the community's overall quality of life (IR PC 03; IR PC 04; IR PC 08); and
- Reiterated support for Alderon's re-location of the Rose South waste rock disposal area (IR PC 13);

Summary of Alderon Responses:

Concerns were expressed by some residents, particularly in Fermont, about the location of certain Project components in relation to the community. As a result, a detailed viewshed analysis was undertaken for the EA, the results of which are presented in EIS Volume 1, Chapter 23. The study focused on the location of the Project in relation to communities, parks and recreational areas and assessed the potential visibility and appearance of the Project from such locations. As part of the analysis, site specific photosimulations were created to provide a comparison of the "no Project" and "with Project" visual environments, some of which were in relation to strategic points near Fermont and Lac Daviault.

Based on the results of EA-related consultations and analyses, the Project has been designed (and in some cases, re-designed) to have minimal visibility from the surrounding communities. For example, following concerns raised by, and consultation with, the Town of Fermont, Alderon relocated its proposed Rose South Waste Rock Disposal Area to reduce the potential for aesthetic effects. The Proponent remains committed to this location, and it is this design concept that has been included as part of the scope of the Project for which EA approval is being sought.

13.10.3 Land Use Activities

Summary of Information Requests:

The IRs received related to Land Use Activities can be summarized as follows:

- Potential reduced access to, and use and enjoyment of, local lands and water due to noise, dust, blasting, deterioration of water quality and viewscapes and/or other disturbances (particularly around Fermont, including Daviault Lake) (IR PC 03; IR PC 04; IR PC 06; IR PC 08); and
- The need for a "zone of influence" approach to assessing and evaluating potential effects on land use activities (IR PC 06).



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Summary of Alderon Responses:

The VEC effects assessments (including the associated study areas) utilized a "zone of influence" approach with respect to assessing the nature and extent of potential effects. Fermont and Lac Daviault are included within the Regional Study Area (RSA) and/or Local Study Areas (LSA) for the assessments of water, air, noise, viewscapes and other components. As discussed earlier, the Project will not overlap with Lac Daviault and, therefore, will not affect the current use of the lake for swimming, boating, camping, floatplanes, etc. Neither blasting vibrations nor elevated dust levels will be felt in that area. The assessments therefore concluded that no likely significant residual effects would occur to the current use of lands and resources in both Labrador West and Québec as a result of the Project.

13.10.4 Cabins

Summary of Information Requests:

The IRs received related to Cabins can be summarized as follows:

- Potential Project-related noise, dust, water quality and viewscapes issues, which could affect cabin use and enjoyment (IR PC 06; IR PC 08);
- The potential implications of the Project for access to existing cabins and associated safety issues (IR PC 08); and
- The location of the Project within the local "Rural / Cottage" zone and required municipal zoning amendments by Council (IR PC 07).

Summary of Alderon Responses:

The EIS and its associated environmental effects assessments were conducted using a "zone of influence" approach for Project-related disturbances and assessing their potential effects on local land and resource use activities. This included a key focus on cabins and their use in the EIS, as well as the potential effects of the Project on them, with a number of associated mitigation measures described or under development. Alderon acknowledges that the Kami Project falls within the Rural Use zone. The Wabush Municipal Council has the authority to approve mineral working as a discretionary use in the Rural Use zone, or to amend its zoning regulations so that proposed mining areas would be rezoned to Mineral Workings Zone where such activities are a permitted use.

13.10.5 Snowmobile Trails

Summary of Information Requests:

The IRs received related to Snowmobile Trails can be summarized as follows:

 Potential implications for access to existing snowmobile trails, including one such trail along the Labrador – Québec border (IR PC 06; IR PC 08).



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Summary of Alderon Responses:

A network of local and long distance groomed trails extend from west of Fermont to Churchill Falls. Some of these trails intersect with proposed Project features near Wabush. Alderon will work with the White Wolf Snowmobile Club to address any such Project effects. No snowmobile trails on the Québec side of the border are known to be located near the Project footprint.

13.10.6 Fishing Activities

Summary of Information Requests:

The IRs received related to Fishing Activities can be summarized as follows:

• Additional information on recreational fishing activities in the region (IR DFO 17).

Summary of Alderon Responses:

Existing and available information does not indicate that any commercial, recreational, or Aboriginal fisheries occur directly within the Project footprint area, and suggests that recreational fishing activity is relatively limited in the surrounding area. The main summer and winter recreational fishing areas reported by residents are those within easy road access and in proximity to recreational cabins, as well as number of more remote locations.

13.10.7 Light

Summary of Information Requests:

The IRs received related to Light can be summarized as follows:

• The potential effect of Project lighting on the quality and enjoyment of recreational wilderness activities (IR PC 05).

Summary of Alderon Responses:

Alderon recognizes the importance of the night sky and its associated aesthetic value to local recreational and tourism activities. Alderon will incorporate horizontal cutoff lighting into the Project design, which directs light downward rather than upward towards the sky, while also maintaining requirements for on-site safety and security. This type of lighting can greatly reduce the glow and glare associated with industrial developments, and thus, offsite light-related effects.





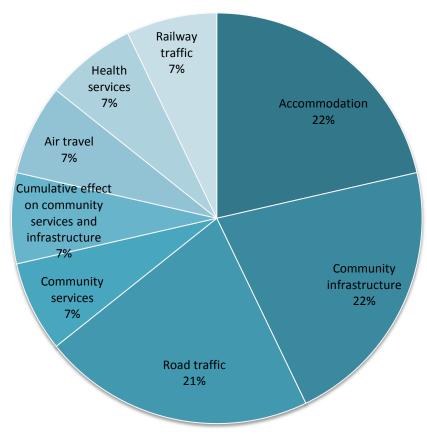
13.11 Community Services and Infrastructure

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Accommodations;
- Community Infrastructure;
- Road Traffic;
- Community Services;
- Cumulative Effects on Community Infrastructure and Services;
- Air Travel;
- Health Services; and
- Railway Traffic.

The chart below provides an overview of these IRs by topic.







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13.11.1 Accommodations

Summary of Information Requests:

The IRs received related to Accommodations can be summarized as follows:

- The need for an Accommodations Strategy that maximizes direct, indirect and induced socio-economic housing benefits and minimizes adverse effects (IR IN 21);
- A description of the Western Labrador Regional Task Force, along with measures it intends to implement to address cumulative effects on community services and health (IR IN 21);
- Consultation with appropriate stakeholders in developing effects management strategies related to accommodations (IR PC 06); and
- Whether accommodations units (either temporary or permanent) will be established in Fermont (IR PC 08).

Summary of Alderon Responses:

Alderon is taking a multi-faceted approach to accommodations and housing requirements and issues related to the Project. This approach is necessary because of the public concern expressed about the shortage of affordable housing in Labrador West, the need for Project accommodations for the construction and operations / maintenance phases, and the desire of Alderon to maximize beneficial housing effects and minimize adverse housing effects for both the Company and the community.

To help define potential Project-related requirements for and effects on accommodations, the Company:

- Has reviewed other projects' approaches, strategies and experiences related to worker accommodations; and
- Is a member of the Labrador West Task Force that is involved in planning and preparing for community infrastructure and services needs in the region, as well as the Community Advisory Panel (CAP) which looks at specific issues (e.g. housing) and solutions in Labrador City and Wabush.

Further, Alderon is preparing a Kami Project Accommodations Strategy, and has signed Memorandums of Understanding (MOUs) with the Town of Wabush and the Town of Labrador City that address issues of mutual interest. The general purpose of the MOUs is to establish a constructive and cooperative long-term relationship over the life of the Project in order to address the potential effects of the Project upon community infrastructure and accommodations. Each MOU has provisions for the establishment of a committee with a mandate to address issues related to the following topics: land use planning, Project employee accommodations, community infrastructure, community services and any other matter agreed to by the Parties.



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The Accommodations Strategy for the Kami Project contains specific details regarding Project accommodations requirements, plans and effects management strategies (policies and planning) to maximize housing benefits and minimize adverse housing effects.

The Project's construction workforce will likely be housed in temporary facilities for the two year construction phase. This will be followed by a transition period between temporary construction workers and operations employees and their more permanent housing requirements. Once mining operations are underway, the temporary accommodation facilities will be dismantled, and all operations employees are intended to be Labrador West residents by December 31, 2017.

The Project will therefore not cause significant adverse effects on local housing during construction because most of the workers will be transitory, housed in temporary accommodations and likely use a rotational fly-in / fly-out system. During operations and maintenance, approximately 800 new residents will relocate to the region, many with families. However, this should not significantly affect the region as it will not occur for two or more years from now, an accommodations strategy will be in place, a number of effects management strategies will have been enacted, some new housing will have been built for Alderon's employees, and housing needs will continue to be carefully monitored. Alderon will also develop transportation arrangements for both to/from Labrador West and within the region.

Both the MOU and the Accommodations Strategy will therefore help to avoid or reduce any adverse Project effects on accommodations in the region by ensuring that:

- Information on existing and available accommodations is collected;
- Potential Project-related demands for and effects on local accommodations are identified;
- Innovative and creative accommodation approaches are identified and considered;
- Housing information is supplied to employees;
- Partnership opportunities between the Towns and Alderon are explored; and
- A comprehensive planning process is established.

To date, consultations and discussions regarding local accommodations has occurred primarily between Alderon and appropriate community and regional groups (Western Labrador Regional Task Force, CAP and municipalities). The Western Labrador Regional Task Force addresses accommodations issues on a regional basis, and CAP on a more local basis. The Task Force and CAP consist of the major stakeholders in the region (community, mining industry and government personnel) and provide a process that allows for regular input into identifying and resolving community issues that have resulted from an increase in mining activities throughout the region.



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13.11.2 Community Infrastructure

Summary of Information Requests:

The IRs received related to Community Infrastructure can be summarized as follows:

- Potential deterioration of existing transportation and other infrastructure caused by increased use (Project-specific and cumulative) in both Labrador and Québec (IR PC 05; IR PC 06); and
- The potential effects of the Project's blasting activities on community infrastructure (IR PC 08).

Summary of Alderon Responses:

Monitoring and managing local, regional and provincial demands on community services and infrastructure is the role and responsibility of relevant government departments and other agencies, and is part of their normal planning and administrative processes. Alderon will continue to assist in these processes by liaising with the appropriate departments and organizations, as requested, and through the associated timely provision of information about Project activities and plans.

Although it will be possible to feel and hear the blasting activity from the Rose Pit at certain times and locations, the ground vibrations from blasting will not affect infrastructure in nearby communities. Alderon will complete a detailed Blasting Plan once the design of the mine is finalized, which will provide detailed information on blasting techniques, procedures, and monitoring. The plan will be developed and implemented to meet the local regulations with respect to noise and vibration. If required, pre-blast surveys of buildings, towers, and other infrastructure in the area of the mine will be completed.

13.11.3 Road Traffic

Summary of Information Requests:

The IRs received related to Road Traffic can be summarized as follows:

- The consideration of alternative road access routes, and assurance that the Town of Wabush will not become a throughway for the property and work camp (IR PC 01);
- Additional information on the anticipated number and location of at-grade rail crossings of Route 500 and the likely number of construction and operation vehicles accessing the mine site from the Route 500 access point (IR NLTW 03; IR NLTW 04).

Summary of Alderon Responses:

Alderon has and will continue to consult with the Town of Wabush and with transportation authorities to help plan for and manage any transportation demands or issues caused by the



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Project. Alderon will build a new road to access the mine site, thereby avoiding Grenfell Drive and addressing concerns about increased traffic and safety in the Town. The location of this road can be found in Chapter 2, Section 2.4.1 of the EIS. Further, Alderon will make arrangements to transport workers by bus between the airport, the camp and the Project site, thereby minimizing the number of Project-related vehicles on the road. The proposed Kami rail line will not cross Route 500.

13.11.4 Community Services

Summary of Information Requests:

The IRs received related to Community Services can be summarized as follows:

- Local capacity to address issues and demands related to child care, health care, seniors' facilities, women's shelters, women's resources and counselling (IR PC 06); and
- Consultation with stakeholders in developing effects management strategies (IR PC 06).

Summary of Alderon Responses:

Alderon will continue to work with CAP, the Labrador West Regional Task Force and other appropriate organizations and agencies on these issues.

During the construction phase, it is unlikely that the Project and its workers will directly affect these services because most of the workers will be transitory, housed in temporary accommodations, and will use a rotational fly-in / fly out system. These construction workers are therefore unlikely to bring their families to the area and, thus will not contribute to local demands. Alderon will also provide appropriate medical and other services at the site, as well as relevant training and orientations.

During Project operations there is increased potential for workers and their families to contribute to local demands for certain services and facilities, but these demands will not be specific to the Kami Project. Alderon will continue to work with the responsible authorities (e.g. Labrador-Grenfell Health and the Towns of Labrador City and Wabush, CAP and the Regional Task Force) to help identify and plan for any such effects. Because this phase is several years away, time is available to collectively address possible increasing demands.

13.11.5 Cumulative Effects on Community Services and Infrastructure

Summary of Information Requests:

The IRs received related to Cumulative Effects on Community Services and Infrastructure can be summarized as follows:

• The collective demands of this and other projects on community services and infrastructure in Labrador West, and the consideration of these in future planning (IR PC 06).



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Summary of Alderon Responses:

Alderon is a new member of the Labrador West community and wants to ensure that the Kami Project will benefit the region overall. The Company will continue to be an active member of community organizations such as CAP and the Regional Task Force and other collaborative initiatives to address the issues.

13.11.6 Air Travel

Summary of Information Requests:

The IRs received related to Air Travel can be summarized as follows:

- The adequacy of existing airport infrastructure and services to meet future demands both scheduled and charter (IR TC 06); and
- The need for Alderon to work closely with Airport management when scheduling chartered flights to avoid conflicts with regularly scheduled air traffic (IR TC 06).

Summary of Alderon Responses:

Transport Canada owns and operates the Wabush Airport, which will be used to transport Project personnel and materials to and from the site. Recent infrastructure additions and improvements were made at the airport as a result of past passenger traffic increases, and a new Wabush Airport Master Plan is currently being developed. Alderon will liaise with federal and local authorities to provide them with timely information on Project plans and requirements, in order to help facilitate future infrastructure and operational planning.

13.11.7 Health Services

Summary of Information Requests:

The IRs received related to Health Services can be summarized as follows:

 Local capacity to address issues and demands related health care services, and consultation with appropriate stakeholders in developing effects management strategies (IR PC 06).

Summary of Alderon Responses:

During the construction phase it is unlikely that the Project and its workers will directly affect local health services because most of the workers will be transitory are therefore unlikely to bring their families to the area. Alderon will also provide appropriate medical and other services at the site, as well as relevant training and orientations. During Project operations there is increased potential for workers and their families to contribute to local demands for certain services and facilities. Alderon will continue to work with the responsible authorities



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(e.g., Labrador-Grenfell Health and the Towns of Labrador City and Wabush, CAP and the Regional Task Force) to help identify and plan for any such regional issues.

13.11.8 Railway Traffic

Summary of Information Requests:

The IRs received related to Railway Traffic can be summarized as follows:

• The Project's contribution of the type and level of railway activity on the QNS&L Railway, and the potential environmental effects of this (IR PC 13).

Summary of Alderon Responses:

The federally regulated Québec North Shore and Labrador Railway (QNS&L) is owned and operated by the Iron Ore Company of Canada (IOC), and provides rail services for both IOC operations as well as various third party clients (including other existing and future mining operations). The Railway and its activities were not directly considered in assessing potential Project-specific or cumulative environmental effects, as this existing facility and its operations have been in place for over 50 years. The railway's current operations involves approximately 12-14 trains per day, and the Kami Project's 1-2 additional trains per day will not substantially change this operation. Should future upgrades or expansions be required to the QNS&L Railway to support future growth and requirements, these would be completed by the railway owner in compliance with applicable regulatory requirements.

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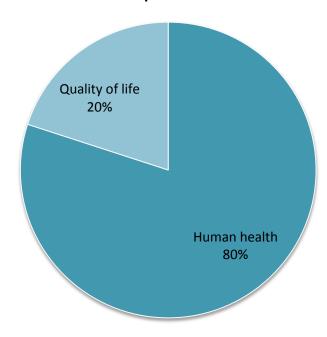
13.12 Health and Community Health

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Human Health; and
- Quality of Life

The chart below provides an overview of these IRs by topic.

Figure 13.12.1 Information Requests Related to Health and Community Health by Topic



13.12.1 Human Health

Summary of Information Requests:

The IRs received related to Human Health can be summarized as follows:

- The purpose of a Human Health Risk Assessment (HHRA), and various questions and requested clarifications regarding the methodology used and its outcomes (IR HC 03; IR HC 11; IR HC 12; IR HC 13; IR HC 15);
- The potential conduct and use of a country food baseline monitoring program (IR HC 15); and
- The importance of outdoor recreational activities and the potential for the Project to affect waterbodies, as well as to have an adverse effect on residents' mental health (IR PC 03; IR PC 04).



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Summary of Alderon Responses:

Additional information and detailed clarifications regarding the HHRA methodology used and the results of the analyses (including the metals selected for evaluation, definition of repeated exceedances of an environmental quality objective or standard, interpretation of air quality predictions, the provision of sample calculations, and the potential use of a multi-media approach) are provided in the relevant sections of Volume 3. Although Project emissions are not predicted to result in increased health risk, and a baseline sampling of country foods is not required as part of Project approvals, a country food baseline sampling program will be initiated by Alderon in 2013.

The EA included a detailed assessment of potential Project-related emissions and other disturbances, and their potential direct and indirect effects on local land and resource use activities and other aspects of the socio-economic environment. As noted in the EIS, local residents enjoy a high quality of life and well-being overall, due at least in part to the employment opportunities and associated incomes in the region that have resulted from the mining industry. As noted in the EIS, the Project is intended to contribute further to these positive socio-economic characteristics and benefits, and a number of measures will be implemented to avoid or reduce any adverse effects on local residents and their activities, health and well-being.

13.12.2 Quality of Life

Summary of Information Requests:

The IRs received related to Quality of Life can be summarized as follows:

• The importance of maintain the current quality of life of residents of Fermont and other communities in the region, and a long-term commitment by the company to take appropriate measures to do so (IR PC 03; IR PC 04).

Summary of Alderon Responses:

Project emissions are not expected to result in changes to air, water or soil that would likely pose a threat to human health, nor are Project-related components or activities expected to significantly affect the well-being of those who reside in Labrador West or Fermont. Various measures to further avoid or reduce any adverse effects on local residents and their activities, health and well-being have been identified and committed to in the EIS (or are under development), and Alderon is committed to implementing measures to avoid or reduce Project effects and optimize benefits throughout the life of the Project.



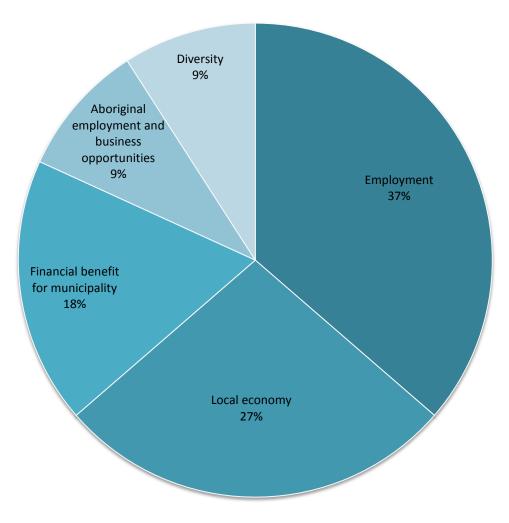
13.13 Economy, Employment and Business

The IRs received as a result of the governmental, Aboriginal and public review of the Kami Iron Ore Project EIS in relation to this VEC pertained primarily to the following topics:

- Employment;
- Local Economy;
- Financial Benefit for Municipality;
- Aboriginal Employment and Business Opportunities; and
- Diversity.

The chart below provides an overview of these IRs by topic.

Figure 13.13.1 Information Requests Related to Economy, Employment and Business by Topic





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13.13.1 Employment

Summary of Information Requests:

The IRs received related to Employment can be summarized as follows:

- Additional information on the various occupations that will be required during Project construction and operations, including the actual number of positions associated with each National Occupational Classification (NOC) code (over time) and numbers of apprentices (by level) and journeypersons (IR NLAE 01; IR NLAE 02; IR NLAE 03); and
- A request for a copy of the referenced Human Resource Plans once finalized prior to Project start (IR NLAE 04).

Summary of Alderon Responses:

Further to the information contained in the EIS, Alderon has provided additional details on Project labour requirements for specific NOC codes during the construction and operations phase (see Volume 3, NLAE 01, 02). Opportunities for the employment of apprentices during construction will be limited, but contractors will be encouraged to use apprentices wherever it is possible and practical. However, Alderon commits that upon reaching the operations phase, 15% of its maintenance workforce covering all of the conventional trades will be apprentices at varying levels of the apprenticeship programs. The Company will work closely and collaboratively with the College of the North Atlantic as well as the Newfoundland and Labrador Department of Advanced Education and Skills (DAES) staff to identify training needs and opportunities and will enhance utilization of services offered through these and other learning institutions.

There will be two Human Resources Plans developed, one covering the construction phase and one to deal with the operational phase. These plans will be provided to the relevant government department prior to the commencement of each phase of the Project.

13.13.2 Local Economy

Summary of Information Requests:

The IRs received related to Local Economy can be summarized as follows:

- The role, and availability or status, of the Benefits Plan, Benefits Agreement and Diversity Plan referenced in the EIS (IR NLNR 01), and their eventual approval (IR NLNR 02); and
- The effects and operational implications of a temporary (days or weeks) or prolonged (months or years) shutdown of the Project (IR IN 09).



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Summary of Alderon Responses:

Alderon and the Government of Newfoundland and Labrador will have a contractual Benefits Agreement in place that will include commitments for the delivery of employment, business and other benefits to the province and its citizens. The Project Benefits and Diversity Plans will describe how Alderon will satisfy the provisions of the Benefits Agreement, both generally (in the case of the Benefits Plan) and with respect to the interests of under-represented groups (in the case of the Diversity Plan, which will incorporate a Gender Equity Plan). These Plans will set out Alderon's approaches, targets and initiatives for delivering benefits, including mechanisms to measure and report on success.

Alderon is working with the provincial government to finalize the Benefits Agreement, and with the government and other stakeholders to develop the Benefits and Diversity Plans. As per Section 4.28.4 of the EIS Guidelines, the Benefits Plan will require approval by the Minister of Natural Resources and the Diversity Plan will require approval by the Minister of Natural Resources and the Minister Responsible for the Status of Women.

13.13.3 Financial Benefit for Municipality

Summary of Information Requests:

The IRs received related to Financial Benefits for Municipalities can be summarized as follows:

- Clarification that mineral extraction within the planning area of the Town of Labrador City is subject to an annual grant-in-lieu of tax (IR PC 06); and
- The potential payment of municipal taxes to the town of Fermont as well as mining royalties in Québec (IR PC 08).

Summary of Alderon Responses:

Alderon recognizes that it has an obligation to contribute appropriately to the tax base of Labrador West municipalities because of the Project location, and has completed an MOU with each Town that will provide a forum for discussion of a suitable municipal tax contribution. As the Kami Mine is located entirely in Labrador, it is not subject to taxation or royalty requirements in Québec.

13.13.4 Aboriginal Employment and Business Opportunities

Summary of Information Requests:

The IRs received related to Aboriginal Employment and Business Opportunities can be summarized as follows:

• Potential Project-related environmental effects and possible benefits to NCC members and communities (IR NCC 09).



Summary of Alderon Responses:

The EIS provides a detailed description and analysis of the potential environmental (biophysical and socio-economic) effects of the Project, as well as an overview of the likely nature and distribution of the likely socio-economic benefits of the Project during its construction and operations phase (particularly, in Chapters 11 and 26, which presented the result of Alderon's economic benefits modelling). Further information and analysis is provided in Volume 3 (IR NCC 09).

13.13.5 Diversity

Summary of Information Requests:

The IRs received related to Diversity can be summarized as follows:

• The availability or status of the referenced Diversity Plan for the Project (IR IN 24).

Summary of Alderon Responses:

Alderon is working with the provincial government to finalize the Benefits Agreement and with the government and other stakeholders to develop the Benefits and Diversity Plans, which will require approval from the Ministers prior to EA release.



14.0 EIS CHAPTER 27 - COMMITMENTS MADE IN THE EIS

The Kami Iron Ore Project EIS (Chapter 27, Volume 1) concludes with a summary listing of the various commitments made by Alderon throughout the EIS related to environmental mitigation and monitoring.

14.1 Information Requests: Overview and Key Topics

The IRs received as a result of the governmental, Aboriginal and public review of the EIS in relation to this Chapter are summarized below.

14.2 Summary of Information Requests and Alderon Responses

The following sections provide an overview of the key questions and comments that are included in the IRs related to this Chapter. All of the IRs received are presented in their entirety in the Volume 3 document, along with detailed Alderon responses

Summary of Information Requests:

The IRs received related to the Commitments Made in the EIS can be summarized as follows:

- The potential for a spill to affect municipal water supplies and watershed areas (IR NLWR 26);
- Invasive species and their management and monitoring (IR NLWD 28);
- The potential for wildlife species relocations (IR NLWD 29);
- Compliance monitoring and how it will be carried out (IR NLWD 30); and
- Proposed environmental education initiatives (IR NLWD 31).

Summary of Alderon Responses:

Potential Project-related interactions with and effects on local water supplies were considered and included in EIS Chapter 16 and elsewhere. Any Project activities within or near such areas will be undertaken in accordance with relevant policies and regulations. Additional and more detailed information on proposed plans and mitigation measures to be implemented during Project construction and operation are provided in Volume 3.

An Invasive Species Management Plan will be prepared to mitigate adverse effects on native biodiversity, including rare plant species. Animal relocations could include netting water bodies where amphibian larvae are present during the early summer and moving the larvae to suitable habitat.

Environmental compliance monitoring involves monitoring activities during project construction and/or operations to evaluate adherence to relevant environmental regulations. These are



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typically defined and/or prescribed as part of the final design and permitting stage of a project. Environmental education initiatives may also be developed with the objective to encourage greater use of the area for educational activities and events focused on the natural environment.



10 Fort William Place, 8th Floor St. John's, NL A1C 5W2

Tel: (709) 576-5607 Fax: (709) 576-7541