GUIDELINES

for

Environmental Preview Report

for the

Hammerdown Gold Mine

Honourable Derek Bennett

Minister Environment, Climate Change and Municipalities

November 12, 2020

Registration No. 2091

ENVIRONMENTAL PREVIEW REPORT GUIDELINES

The following guidelines are intended to assist the proponent, Maritime Resources Corporation with the preparation of the Environmental Preview Report (EPR) for the Hammerdown Gold Mine. The EPR is a report that presents the results of an investigation based on readily available information that supplements the information already provided by the proponent upon registration of the undertaking. The purpose of the information in the EPR is to assist the Minister of Environment, Climate Change and Municipalities in making a determination as to whether an Environmental Impact Statement (EIS) will be required for the proposed undertaking. The EPR is expected to be as concise as possible while presenting the comprehensive information necessary to make an informed decision.

The EPR should include and update the information provided in the original registration and focus on the information gaps identified during the government and public review of the registration. The EPR should address the information gaps in sufficient detail to enable the Minister of Environment, Climate Change and Municipalities to make an informed decision as to the potential for significant environmental effects from the undertaking.

The contents of the EPR should be organized according to the following format:

1. NAME OF UNDERTAKING:

The undertaking has been assigned the Name "Hammerdown Gold Mine."

2. PROPONENT:

Name the proponent and the corporate body, if any, and state the mailing and e-mail address.

Name the chief executive officer if a corporate body, and telephone number, and e-mail address.

Name the principal contact person for purposes of environmental assessment and state the official title, telephone number, and e-mail address.

3. THE UNDERTAKING:

State the nature of the project.

State the purpose/rationale/need for the project. If the proposal is in response to an established need, this should be clearly stated. Identify needs that are immediate as well as potential future needs.

4. DESCRIPTION OF THE UNDERTAKING:

Provide complete information concerning the preferred choice of location, design, construction standards, maintenance standards, etc.

4.1 Geographical Location / Physical Components / Existing Environment:

- Provide an accurate description of the proposed site, access road, facilities and equipment, including GPS location coordinates. Attach an original base map (1:25,000 scale) and/or recent air photos.
- Provide information regarding ownership and/or zoning of the land upon which the project is to be located and any restrictions imposed by that ownership or zoning, including municipal ownership/zoning, Crown, and private land. There is an Agriculture Lease (98154) on the opposite side of Route 391, adjacent to the proposed mine site. This agriculture area is included in the mine proposal. This title is to be excluded from the mine with the appropriate buffers or consultation is to be made with the title holder to re-locate the lease. If relocation occurs, a new application for Crown land is required.

4.2 Construction:

State the time period in which proposed construction will proceed (if staged, list each stage and its approximate duration) and proposed date of first physical construction-related activity.

The details, materials, methods, schedule, and location of **all** planned construction activities must be presented, including:

- A more detailed description of the location and design of settling ponds and other water management infrastructure. If settling ponds are designed using berms to retain water, they may be considered dams and will require approval under Section 48 of the Water Resources Act.
- Provide information regarding Best Available Control Technology (BACT) for both the construction and operations phase of the project as per section 12.1 of the Management of Greenhouse Gas Regulations.

4.3 Operation and Maintenance:

All aspects of the operation and maintenance of the proposed development should be presented in detail, including:

- A Water Management Plan, which should include but not be limited to the location and design of settling ponds and other water management infrastructure.
- Due to dewatering plans and the potential impact on surrounding water bodies, the groundwater quality and water levels need to be monitored and reported annually for the life of the mine. The EPR should include a commitment to this effect.
- Groundwater monitoring should also occur to the northwest of the waste dump, within the Muir Brook-Shoal Pond sub-watershed, as this area is inferred to get most of the groundwater flow in the area at 5.7E-7 m/s (or 18 m/yr) and will require the installation of another monitoring well. The location should be selected in consultation with the Water Resources Management Division.
- A groundwater report is to be submitted to the Water Resources Management Division, Department of Environment, Climate Change and Municipalities in Fall 2021 that includes four seasons of data. Project revisions may be required pending the results of the groundwater monitoring report.
- Maritime Resources Corp. will be required to enter into a Memorandum of Understanding with the Water Resources Management Division for the installation of a real-time water quality/quantity network for surface water/groundwater.
- A Waste Management Plan is required and must include a description of domestic, construction, and hazardous waste storage and management. A Waste Management Plan is used to develop information on the generation of liquid and solid waste (which may include waste/dangerous goods/hazardous waste) at a facility/site. The plan shall be comprehensive including all operations/designs (provide diagrams and photos where applicable) associated with the facility/site. All types of waste shall be identified and a description of how the waste will be managed from generation to treatment/disposal shall be included. An overview shall be provided on each waste type and an estimation of the quantities generated per year. The plan should incorporate the basic waste management principles of reduce, reuse, recycle, and disposal options generated at your facility.

5. SOCIO-ECONOMIC CONSIDERATIONS

Provide an in-depth consideration of the potential positive and negative impacts
of this proposal on the health of local residents, visitors, and business owners.
Potential impacts should include work-life balance effects on employees'
families, road safety, boomtown effects for nearby communities, food security
and access to country foods, housing, demand for health and community

services, and other social determinants of health. Plans for enhancing positive impacts and mitigating negative impacts should also be provided.

- Develop a Gender Equity and Diversity Plan (GEDP) in consultation with the Office for the Status of Women that meets the approval of the Deputy Minister of OSW. The GEDP should include commitments and accountability measures (including contractors and sub-contractors) that promote the employment and leadership of women through each phase of the project. Acknowledge support for an annual report and an annual meeting with OSW representatives to discuss any issues with designing and implementing the GEDP.
- Additional information related to occupations such as: clarification on all the hiring arrangements for all occupations associated with the project (i.e. which ones will be filled by existing company staff, which will be new and direct hires to the company, which will be contracted out or some other form of hiring arrangement). Also, to be included is the positions associated with ore transport from the Project site to the Nugget Pond Mill and for the Mill facility. Provide NOC CODE chart by the year of the project similar to what has been provided for the open pit, underground mine and sorting plant.

6. ALTERNATIVES

Alternative means of carrying out the project to meet the stated purpose and rationale must be provided.

The EPR must identify and describe alternative means and locations of carrying out the Project that are technically and economically feasible.

7. POTENTIAL ENVIRONMENTAL EFFECTS and MITIGATION:

Provide detailed information regarding the potential effects of the project on the environment and the proposed mitigation to be used to avoid adverse environmental effects, including:

- Cottage owners in the area (i.e. Shoal Pond and Murrs Pond): describe buffer zones around cottages and how access roads that pass through the proposed mine site will be maintained or alternate access provided.
- Recreational trails in the area (i.e. Newfoundland and Labrador Snowmobile Federation): describe buffer zones around trails and how trails that pass through the proposed mine site will be maintained or alternate access provided.
- Results of the September 2020 bat survey (Myotis spp.) are to be included. Myotis spp. are listed as Endangered under the federal Species at Risk Act. The survey results are to be provided to the Wildlife Division and any potential

mitigation measures are to be finalized in agreement with the Wildlife Division.

- Describe the location and distance from the project site(s) to all potential human receptors (permanent, seasonal or temporary), taking into consideration the different types of land uses (e.g. residential, recreational, industrial, etc.), and identifying all sensitive people (e.g. in schools, hospitals, retirement complexes or assisted care homes).
- Describe the potential land and resource access conflicts during operations that could limit public use of the surrounding area (i.e. outfitters in the vicinity, a snowmobile trail, local cabin owners and recreational activities in the area, e.g., hunting, berry picking).
- Describe the potential effects of noise on the nearby cabins and salvage yard.
- Provide details on the truck traffic and noise for the full transport route from
 the mining site to the processing mill (i.e. Hammerdown Project site to the
 Nugget Pond Mill), including the potential receptors along the entire
 transportation route, especially portions of the route in close proximity to
 receptors. All communities and potential receptors should be consulted in this
 process, especially if there is existing public concern about truck traffic.
- Describe if there any local resident users who practice cultural activities in or around the study area (i.e. fishing, hunting, forestry and berry picking, etc.).
- Consultation is required with the outfitters identified in the area, as well as engagement with the Newfoundland and Labrador Outfitters Association (i.e. Cyril Pelley of Island Aviation Ltd., Island Safaris, Juniper Lodge on Indian Pond; and, Barry Strickland of Blackridge Outfitters Ltd., Gull Lake Lodge).
- Provide annual greenhouse gas (GHG) emissions for activities (during the operations phase) for each facility to be operated as part of the Hammerdown Gold Mine project. Note that section 2(c) of the Management of Greenhouse Gas Act (MGGA) defines a facility as "a site or 2 or more contiguous or adjacent sites that are operated and function in an integrated fashion where greenhouse gas is emitted." If the processing mill is "off-site" as determined by the definition given above, then the GHG emissions for this facility would be excluded (and provided separately) from calculations of GHG emissions from the main mining site.
- Any existing tree screen concealing the operation from public view is to be maintained.
- The extent of land clearing and grubbing should be restricted such that naturally vegetated areas between the site and surrounding properties and thoroughfares are maintained.

- The extent of land clearing and grubbing should be restricted such that a 30 metre undisturbed buffer is maintained between the site and any surrounding watercourse or water body.
- No vegetation clearing is to occur within 800 metres of a bald eagle or osprey nest during the nesting season (March 15 to July 31) and 200 metres during the remainder of the year. The 200m buffer also applies to all other raptor nests (e.g. Northern Goshawk, Sharp-shinned Hawk, Merlin, American Kestrel, Great-horned Owl, Boreal Owl, Northern Saw-whet Owl). The location of any raptor nest site must be reported to the Wildlife Division.
- A minimum 30 metre naturally vegetated buffer be maintained along wetlands, streams and waterbodies to protect sensitive riparian and aquatic species, and their habitat.

8. DECOMMISSIONING and REHABILITATION:

Describe all aspects of the decommissioning and rehabilitation plans for the project.

9. PROJECT- RELATED DOCUMENTS:

Provide a bibliography of all project-related documents already generated by or for the proponent (e.g., feasibility study, engineering reports, etc).

10. PUBLIC INFORMATION MEETING:

A Public Information Session will be required in order to:

- provide information concerning the undertaking to the people or other stakeholders whose environment may be affected by the undertaking;
- record and respond to the concerns of the local community regarding the environmental effects of the undertaking; and
- present the information gathered to fulfill the requirements of Section 5 of these guidelines.

The Public Information Session must adhere to all restrictions to mitigate the impacts of COVID-19 that are in place at the time of the session. Information sessions may be conducted by virtual means through a live streaming, video conferencing or teleconferencing process, such as Facebook Live, Zoom, Microsoft Teams, Skype, Webex, Go To Meeting, and others.

You are required to notify the Minister and the public of the scheduled meeting **not fewer than 7 days** before that meeting. Public concerns shall be addressed in a separate section of the EPR.

Protocol for these public sessions will comply with Section 10 of the Environmental Assessment Regulations, 2003. Public notification specifications are outlined in Appendix A, and additional measures to notify the public of the information session shall be undertaken, such as the use of twitter and Facebook, notification on the proponent's web site and if permitted, on local community web sites and local community TV channels.

11. APPROVAL OF THE UNDERTAKING:

Provide a complete list of the main permits, licences, approvals, and other forms of authorization required for the undertaking, together with the names of the authorities responsible for issuing them (e.g., federal government department, provincial government department, municipal council, etc.).

The required 3 copies of the EPR, and an electronic version for posting to the Environmental Assessment website, should be sent together with a covering letter to:

Minister Environment, Climate Change and Municipalities P.O. Box 8700 St. John's NL A1B 4J6

APPENDIX A

Public Notices

Under the provisions of the Environmental Assessment Regulations 2003, Section 10, and where the approved Guidelines require a public information session(s), the following specified public notification requirements must be met by the proponent prior to each meeting:

PUBLIC NOTICE

Public Information Session on the Proposed

Name of undertaking Location of undertaking

shall be held at Date and Time Location

This session shall be conducted by the Proponent,

Proponent name and contact phone number,
as part of the environmental assessment for this Project.

The purpose of this session is to describe all aspects of the proposed Project, to describe the activities associated with it, and to provide an opportunity for all interested persons to request information or state their concerns.

ALL ARE WELCOME

MINIMUM INFORMATION CONTENT OF PUBLIC ADVERTISEMENT

- Minimum newspaper ad size: 2 column widths. Minimum posted ad size: 7" x 5"
- Minimum newspaper ad coverage: Weekend preceding meeting and 3 consecutive days prior to meeting date; to be run in newspaper locally distributed within meeting area or newspaper with closest local distribution area.
- If daily newspapers are not available, weekend newspaper ad may be supplemented with ads on community television channels, Town web site, Facebook, Twitter, etc.
- Minimum posted ad coverage: Local Town or City Hall or Office, and local Post
 Office, within town or city where meeting is held, to be posted continually for 1 full
 week prior to meeting date.