

OCT 27 2023

COR-2023-3417

Reg. # 2262

James Powell
VP Regulatory and Government Affairs
Marathon Gold Corporation
7 Queensway
Grand Falls-Windsor NL A2B 1K9
E-mail: jpowell@marathon-gold.com

Dear James Powell:

RE: Valentine Gold Project Expansion – Berry Pit (the Project)

Your proposal has been reviewed by an interdepartmental environmental assessment screening committee and an opportunity to comment has been provided to the public as required by Part X of the Newfoundland and Labrador **Environmental Protection Act**, SNL 2002, cE-14.2. Please be advised that the Project is **released** from further environmental assessment subject to the following conditions:

1. You must uphold all commitments made in your environmental assessment submission to mitigate the effects of the Project on the environment.
2. The Water Resources Management Division (WRMD) of the Department of Environment and Climate Change requires the following:
 - a) A Water Resources Management Plan must be submitted to and approved by the WRMD prior to the commencement of Project construction;
 - b) An updated baseline groundwater quality and quantity report for the Berry Pit area that encompasses all seasonal variations is required to be submitted to and approved by the WRMD prior to the commencement of Project construction;
 - c) A report on hydrogeological testing of the Berry Pit, including testing of the faults/structures and verification that the Berry Pit is suitable (low permeability) for in-pit tailings storage. This report is required to be submitted to and approved by the WRMD, prior to construction; and
 - d) Due to the substantial expansion of Berry Pit, additional real-time stations will be required. Terms and conditions for the additional real time stations will be stipulated in the regulatory permits to be issued for this expansion under the **Water Resources Act**. Marathon Gold Corporation is to bear all

capital, operational and maintenance costs associated with the monitoring network. Stations must be installed prior to the commencement of Project construction. For further information, please contact the WRMD at (709) 729-2563.

3. The Department of Fisheries, Forestry and Agriculture (FAA) requires the following:
 - a) Marathon Gold Corporation must continue to collect data at the Valentine Gold project site (EA Reg. #2015) and at the Berry Pit Project area in cooperation with the Wildlife Division, and assess the degree of caribou response to existing/approved disturbances/obstacles to inform whether additional mitigations at Berry Pit are needed;
 - b) The Caribou Protection and Environmental Effects Mitigation Plan is to be reviewed with the Wildlife Division and required mitigations are to be implemented prior to Project construction. The efficacy of mitigations must be reported to the Wildlife Division prior to each migration period, and adaptive management implemented as needed;
 - c) Data collection and monitoring must be undertaken at the Berry Pit site in cooperation with the Wildlife Division, in addition to data collection and monitoring required at the Valentine Gold project site (EA Reg. # 2015), to enable analysis and evaluation of responses from migrating and resident caribou to new and ongoing activities and changes in landscape features.
 - d) A targeted Short-eared Owl survey must be completed within the Combined Project Area during the next breeding season, and provided to FFA for review. Further mitigations may be required.
 - e) A targeted Common Nighthawk survey must be completed within the Combined Project Area during the next breeding season, and provided to FFA for review. Further mitigations may be required.
 - f) Marathon Gold Corporation must update the Mitigation Measures Plans outlined in Appendix 2E of the environmental assessment submission in consultation with, and for the approval of, the Wildlife Division for the lifetime of the Project. For further information, please contact FFA at (709) 637-2950.

4. The Department of Industry, Energy and Technology (IET) requires the Newfoundland and Labrador Benefits Agreement for the Valentine Gold Project to be updated to include the Berry Pit. The updates must be completed in consultation with, and for the approval of the Minister of IET. The updated Benefits Agreement must include an updated Gender Equity, Diversity and Inclusion Plan that meets the requirements of the Minister responsible for Women and Gender Equality. Marathon Gold Corporation is required to finalize the Benefits Agreement and Gender Equity, Diversity and Inclusion Plan and obtain Ministerial

approval prior to the start of construction. For further information, please contact IET at (709) 729-5811.

5. You must advise the Environmental Assessment Division when the conditions of release have been met, by emailing a written description, documents, and images (where applicable) to demonstrate that the conditions have been fulfilled to EAProjectComments@gov.nl.ca.
6. You must update the Environmental Assessment Division on the status of the Project, including a copy of all permits, licences, certificates, approvals and other authorizations required for the Project, within one year from the date of this release letter and to provide additional updates if required. Please email the Project updates to EAProjectComments@gov.nl.ca.

Although the undertaking as proposed is released from further environmental assessment, it is still subject to other legislative requirements. You must comply with all relevant legislation and obtain all necessary permits and approvals. You must inform this Department of any proposed significant changes to the undertaking.

Please note that in accordance with Section 17 of the Environmental Assessment Regulations, my decision is valid for a period of three years from the date of this letter. If you have not commenced the Project within this three-year period, you may apply to extend the term of my decision for a maximum of three periods of one year. Should the term of my decision expire, the Project will have to be registered again for environmental assessment, if you wish to proceed. For further information, please email EAProjectComments@gov.nl.ca.

If you have any questions about the environmental assessment process, please contact Joanne Sweeney, Director of the Environmental Assessment Division, at (709) 729-0673 or email joannesweeney@gov.nl.ca

Sincerely,

A handwritten signature in blue ink, appearing to be "Bernard Davis", written over a horizontal line.

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

Cc. Andrew Parsons, MHA District of Burgeo - La Poile