

36437 Main Road, Spuzzum, BC V0K 2S1 Office: 604-863-2395 / Fax: 604-863-2218 www.spuzzumnation.com

July 15th, 2024

We, the Spuzzum First Nation, are an independent and sovereign First Nation with a Traditional Territory located in the Lower Fraser Canyon region of British Columbia between Boston Bar and Yale encompassing both sides of the Fraser River as well as the adjacent Coastal and Cascade Mountain Ranges and associated watersheds. We are a historic member of Nlaka'pamux.

Nicola Mining Inc. (**Nicola**) operates two sites within our traditional territory, Treasure Mountain, which is located within the Similkameen region and is 29 kilometers northeast of Hope, BC and the historic Craigmont Mine Site, located 14km from Merritt, BC.

The historic Craigmont Mine site had been a significant point of contention with members of the Nlaka'pamux Nation Tribal Council¹ (**NNTC**), Citxw Nlaka'pamux Assembly² (**CNA**) and Lower Nicola Indian Band (**LNIB**).

Fugitive dust originating from the approximately 27 million tonnes of tailings is both a nuisance and had potential health risks to the local communities, including the Lower Nicola Regions and LNIB lands. While everyone recognizes that current operations were is associated with the legacy of the historic Craigmont Copper Mine, which operated from 1962 to 1982, and Craigmont Magnetite operations, which operated from 1992 to 2012, all parties were clear in the united demand to reclamated the dust.

Photos from 2014 and 2015 (provided by the Nicola) show the state of the tailings:

The greatest concern from both First Nations and local communities has been the fugitive dust originating from the tailings. For example, LNIB was adamant that friendly relations would be contingent upon active and aggressive dust reclamation. Nicola first approached our band in 2017 and we have been actively engaging and communicating since.

When we first began engaging with Nicola the tailings areas looked terrible and dust was a constant issue in the summers. The photos on the next page show this.

¹ Members include: Lytton, Skuppah, Boothroyd and Oregon Jack Creek (Ntequem, Snepa).

² Ashcroft Indian Band, Boston Bar First Nation, Coldwater Indian Band, Cook's Ferry Indian Band, Nicomen Indian Band, Nooaitch Indian Band, Shackan Indian Band and Siska Indian Band (the Participating Bands).



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Photos 1 (Pre-Reclamation Tailings)







Nicola has actively reached out to communicate with various groups of interest, created a Dropbox for transparency to communities, and provides all First Nations within the territories that it operates bi-annual reports. These reports provide transparency on both operations and reclamation.



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On June 18, 2020, Nicola's Mine Act Permit M-68 was amended, approving the import and storage of fly ash and remediated soils, as well as having test pad trials for reclamation purposes. Test plots (see images and video above) are comprised of soils originating from Nicola Green Energy (fly and bottom ash), remediated, local (mainly from the 2021 flooding), and the Trans Mountain Expansion Project and are placed on top of the tailings at depth of approximately 50-80 centimetres to provide a layer of fertile soil for vegetation to grow.

The plots are subsequently seeded with a native grass seed mix procured from a reputable seed retailer. The following mix, which was recommended by local ranchers and First Nation advisors were applied on the initial plot and reviewed by qualified environmental professionals.

The imported soils have had an immense impact on decreasing dust.

Please see the photos that were taken in the beginning of July 2024 on the next page.



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Photos 2: Post Reclamation Tailings

Central Lower Tailings East Lower Tailings Central Lower Tailings East Lower Tailings

Prior to seeding Nicola reached out to First Nations and local ranchers to develop a seed mix that could thrive locally and had no invasive vegetation. The above photos highlight that vegetation has been thriving.



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Seed Mix: Suggested Seeding Rate: 25 kg/ ha

Bluebunch wheatgrass Idaho fescue

Slender wheatgrass Sandberg's bluegrass

Rocky Mountain fescue Alkali bluegrass and June Grass

In addition to reclamation, Nicola has worked hand in hand with First Nations. In March of 2022, its entered into a Rock and Gravel Extraction and Preferential Engagement Agreement (the "Agreement") with Lower Nicola Site Services Ltd. ("LNSS") an indirectly majority-owned company which is a partnership between the Lower Nicola Indian Band Development Corporation and Infracon Construction Inc.

The Agreement provides LNSS the exclusive right to extract gravel and rock from the Company's Craigmont Mine Site, located approximately 14 kilometers from Merritt, British Columbia ("BC"). Flooding that occurred in November of 2021, not only caused closures of sections of the Trans-Canada Highway, Highway 99, Highway 7, Highway 3, Highway 5, and Highway 8, but destroyed infrastructure, isolated communities, many of which are First Nations, and caused altered river flow.

Under the Agreement, LNSS can extract riprap to be utilized for reconstruction of vital infrastructure adjacent to rivers and streams to help mitigate future flooding damage during spring freshet and high-water events. The need for significant riprap tonnage is increasingly important due to global warming. The Canadian Centre for Climate Modelling and Analysis, in an article published on February 15, 2022, concludes that the odds of what happened to BC in 2021 reoccurring has at least doubled by climate change, and may have been quadrupled.

All proceeds received by Nicola are to be allocated towards Nicola's site maintenance, including annual reports and reclamation obligations.

In addition to the improvements, the following factors should be considered:

To facilitate transparency, all ground water testing is conducted by K'en T'em Limited
Partnership, a for-profit corporation committed to providing the Nlaka'pamux people of
the eight CNA participating bands.



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- To facilitate professionalism and mitigate conflicts of interest, the entire site is monitored externally, via a contract with Core Geoscience Services³. The Company works closely with K'en T'em and advises Nicola on all environmental aspects.
- It's Mine Manager, Garett Hopkins, is First Nations and committed to protecting the environment.

Based on Nicola's commitment to reclaim 1000 acres of land that was used by two previous mining operations, its innovation in getting materials to cap and seed the historic tailings, the company's transparency, and collaboration with Indigenous communities and organizations, we are pleased to nominate Nicola Mining for a Jake MacDonald Annual Reclamation award.

Chief James Hobart

³ Core Geoscience Services: https://coregeo.ca/about/