

[illegible]

July 29, 2021

Mr. Marc Croteau

Deputy Minister and Provincial Administrator for Section 22
of the James Bay and Northern Québec Agreement

Ministère l'Environnement et de la Lutte contre les changements climatiques

Mr. Isaac Voyageur

Regional Administrator for Section 22
of the James Bay and Northern Québec Agreement

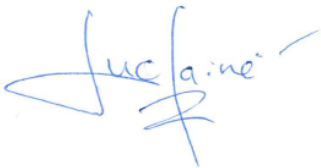
Cree Nation Government

Dear Mr. Croteau and Mr. Voyageur:

On behalf of myself and the members of the Environmental and Social Impact Review Committee (COMEX), I am pleased to send you the report of activities for the year ended March 31, 2021.

I am also taking this opportunity to mention the cumulative impacts of road transportation and how it has become a significant issue in the Eeyou Istchee James Bay territory. The gradual increase in road traffic is a cause for concern and it is time to discuss this complex issue to better prepare and support the impacted communities.

Yours truly,



Luc Lainé

Chairman
Environmental and Social Impact Review Committee

Message from the Chairman

I'm not saying anything new in beginning this message by stressing the effects the COVID-19 pandemic has had on COMEX's operations over the past year.

Like the rest of the world, COMEX rapidly and successfully adopted a virtual modus operandi so that it could continue its work, including following up on project files and holding regular meetings.

Three virtual public hearings on the Rose Lithium-Tantalum Mining Project proposed by Critical Elements Corporation were held in Matagami and the First Nations communities of Nemaska and Eastmain. Moving from in-person to virtual meetings obviously comes with challenges and limitations. However, as this was our first experience, I think we can be easy on ourselves and safely say that the objectives were satisfactorily met.

They say you get better with experience. Therefore, we are confident that next year we'll have fewer problems holding public hearings virtually if need be.

The steady increase in human activity in the territory covered by Section 22 of the James Bay and Northern Québec Agreement brings important issues to the forefront, issues that command the attention of representatives from the government as well as the private sector and society at large. Two examples that illustrate the seriousness of the matter come to mind: first, the growing volume of road traffic and, second, wetland conservation. Although northern and southern Québec are legislatively distinct in terms of their environmental

protection regimes, there are fewer and fewer excuses for not acknowledging that we are all coming to a crossroads and need to do away with these administrative boundaries. We have not reached a critical point yet and I do not want to be an alarmist, but there is no better time than the present to rethink past practices and work together to better prepare for tomorrow.

In the coming year, COMEX has every intention of addressing the issues within its prerogatives and to do so with other delegates, in order to fuel a comprehensive reflection and allow us to benefit from each other's knowledge and experience.

In closing, I wish to thank my colleagues from the Cree Nation Government and the Gouvernement du Québec for their loyal support and professional commitment. I would also like to thank Ms. Vanessa Chalifour, who has taken on new career challenges and, at the same time, welcomed Ms. Sophie Cooper, PhD (Sciences de l'eau), to the COMEX team.

O nenh



Luc Lainé

Chairman

Environmental and Social Impact
Review Committee

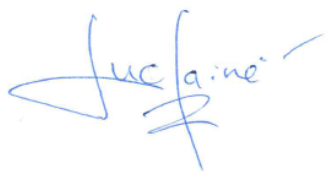
Chairman's Statement

To the best of my knowledge, the annual report 2020-2021:

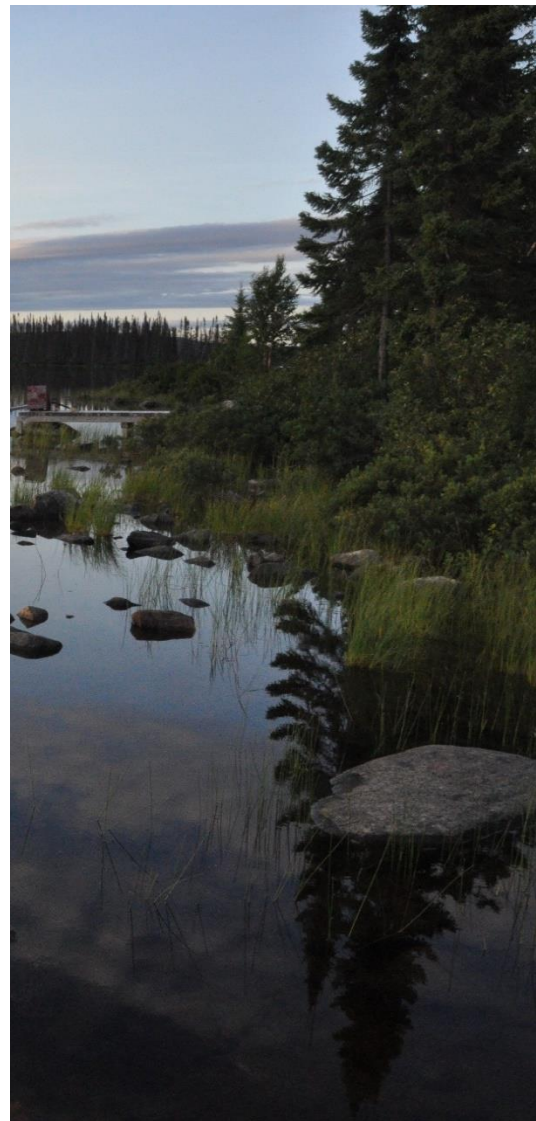
- accurately describes the Review Committee's mission, areas of activity, strategic directions and priorities;
- provides accurate and reliable data covering all of the Review Committee's activities and indicates the degree of achievement of its goals.

In accordance with its mandate, the Review Committee maintained a system for sharing information with the MELCC throughout the fiscal year to ensure sound management of its operations and accountability for the undertakings ensuing from its strategic directions and its goals for 2020-2021.

I am satisfied with the practices and methods used to produce the information contained in this annual report of activities.



Luc Lainé
Chairman
Environmental and Social Impact
Review Committee



List of Acronyms

CA	Certificate of authorization
JBNQA	James Bay and Northern Québec Agreement
COFEX-South	Federal Review Panel – South
COMEX	Environmental and Social Impact Review Committee
CNG	Cree Nation Government
EQA	<i>Environment Quality Act</i>
MELCC	Ministère de l'Environnement et de la Lutte contre les changements climatiques

Table of Contents

About the Review Committee

7	Mission
7	Mandate
8	Territory covered by the Review Committee's mandate
9	Composition of the Review Committee
10	Code of ethics and professional conduct
10	COMEX recommendations
11	Public participation in the Review Committee's work

Current issues for COMEX

12	Cumulative impacts of transportation
13	La Grande Alliance
13	Offsetting wetland loss

Communications, meetings and projects

15	Communications
15	COMEX meetings
16	Projects that were the subject of a full review, a modification or monitoring
17	Projects submitted to public hearings

Resources

18	Human resources and material
19	Finances

About the Review Committee

Mission

The Environmental and Social Impact Review Committee (Review Committee – COMEX) is an independent body reporting to the Ministère de l'Environnement et de la Lutte contre les Changements climatiques (MELCC). Its mission is to contribute to the protection of human health and the environment and to the economic and social well-being of the peoples inhabiting the territory south of the 55th parallel governed by the James Bay and Northern Québec Agreement (JBNQA).

Mandate

The Review Committee was established pursuant to Section 22 of the JBNQA and Title II of the *Environment Quality Act* (EQA). Its mandate is to review development projects submitted to the environmental and social impact assessment and review procedure and recommend to the Provincial Administrator or the Cree Regional Administrator whether or not the project should be authorized and under what conditions. Where necessary, the Review Committee stipulates the appropriate preventive or remedial measures.

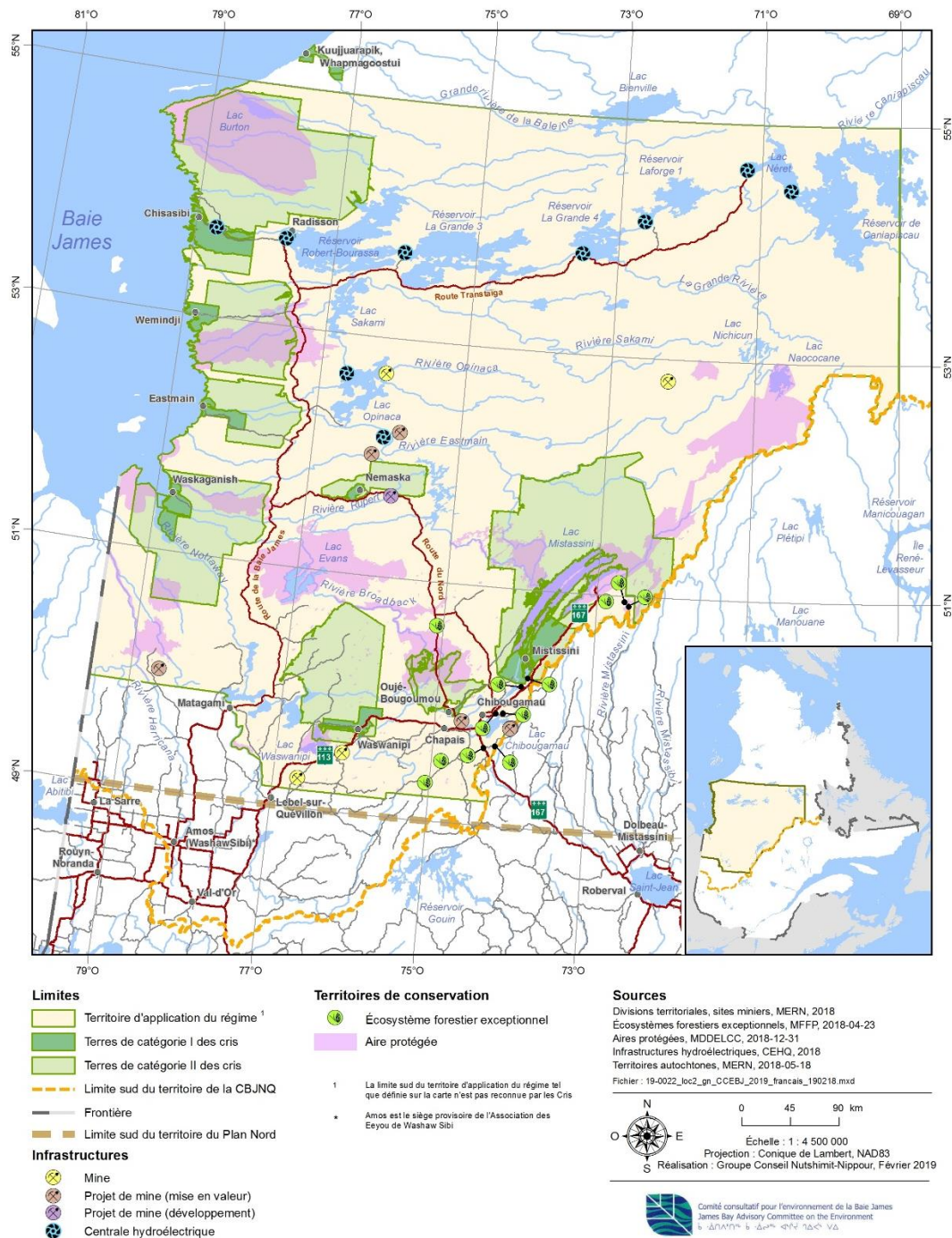
Accordingly, COMEX examines every project subject to the environmental and social impact assessment and review procedure, calling on the relevant expertise of the Québec and Cree Nation governments where necessary. The participation of affected communities and other interested individuals and groups plays an important role in COMEX's approach, helping it to identify the concerns of people living in the territory and, in particular, take into account the traditional knowledge held by Indigenous communities.

In keeping with its mandate, the Review Committee gives due consideration to the following guiding principles:

- ⊕ the protection of the hunting, fishing and trapping rights of the Cree people in the territory;
- ⊕ the environmental and social protection regime;
- ⊕ the protection of the Cree people, societies, communities and economies;
- ⊕ the protection of wildlife resources, the physical and biological environments and ecological systems;
- ⊕ the rights and guarantees of the Cree people within Category II lands;
- ⊕ the involvement of the Cree people in the application of the environmental and social protection regime;
- ⊕ the rights and interests of non-Indigenous people, whatever they may be;
- ⊕ the right to develop by persons acting lawfully in the territory;
- ⊕ the minimizing of negative environmental and social impacts of development on the Cree people and communities by reasonable means with special reference to those measures proposed or recommended by the impact assessment and review procedure.

Territory covered by the Review Committee's mandate

The Review Committee's mandate covers the territory south of the 55th parallel of latitude and west of the 69th meridian of longitude, as defined in paragraph 22.1.6 of the JBNQA, and including the Category I and II lands of Whapmagoostui, a Cree community just north of the 55th parallel. The land regime established by the JBNQA divides the lands into three categories. Category I lands are reserved for the exclusive use of the Crees and are the lands in and around their communities. Category II lands are public lands where the Crees have exclusive hunting, fishing and trapping rights. Category III lands are public lands where the Crees have the right to hunt, fish and trap at any time without a licence or permit and without a bag or catch limit, subject to the principle of conservation.



Composition of the Review Committee

The Review Committee and its composition were established by paragraphs 22.6.1 and 22.6.2 of the JBNQA.

22.6.1 An Environmental and Social Impact Review Committee (hereinafter referred to as “the Review Committee”) is established which shall be the review body respecting development projects in the Territory involving provincial jurisdiction.

22.6.2 The Review Committee shall have five (5) members. Quebec shall appoint three (3) members and the Cree Regional Authority [now the Cree Nation Government] shall appoint two (2) members. The Chairman shall be appointed by the Lieutenant-Governor in Council from among the members appointed by the Provincial Government. The remuneration of a member and his expenses shall be paid for by the body that appoints such a member. However, the expenses of the Cree representatives shall be part of the costs of the secretariat.

The members of COMEX in 2020-2021 were:

Members appointed by the Gouvernement du Québec

Luc Lainé, Chairman
Daniel Berrouard
Robert Joly

Members appointed by the Cree Nation Government

John Paul Murdoch
Brian Craik



Luc Lainé



Daniel Berrouard



Robert Joly



John Paul
Murdoch



Brian Craik

Code of ethics and professional conduct

COMEX is a public body and its members are deemed to be public office holders within the meaning of the *Public Administration Act*. In the performance of their duties, members are required to respect the ethical principles and the rules of professional conduct set out in the *Regulation respecting the ethics and professional conduct of public office holders*, as well as the code of ethics and professional conduct adopted by COMEX. In case of discrepancy between the texts, the more stringent rules and principles apply. The *Déclaration de valeurs de l'administration publique québécoise* also guides members in the performance of their duties.

COMEX's code of ethics, signed by every member, is available on the committee's website at the following address: <http://comexqc.ca/en/a-propos/ethique-deontologie/>

COMEX recommendations

The JBNQA provides for three administrators for development projects submitted to impact assessment and review: one for matters respecting provincial jurisdiction, one appointed by the Cree Nation Government for proposed development on Category I lands, and one for matters respecting federal jurisdiction. Projects involving federal jurisdiction are submitted to the Federal Review Panel (COFEX-South).

After reviewing a project submitted for its consultation and comments, COMEX forwards its recommendations to the Administrator responsible for Section 22 of the JBNQA. It is up to the Administrator to decide whether or not to authorize a project and, if so, under what conditions. If the Administrator is unwilling or unable to accept any recommendations of the Review Committee or wishes to modify such recommendations, he must consult with the Review Committee to explain his position (para. 22.6.17, JBNQA).

The current Administrator appointed by the Québec government is Mr. Marc Croteau, Deputy Minister of the MELCC. The appointee for the Cree Nation Government is Mr. Isaac Voyageur, Director, Environment and Remedial Works Department, Cree Nation Government.

Public participation in the Review Committee's work

COMEX adopted a directive on public participation that is available on its website at the following address:

<https://comexqc.ca/en/participation-publique/information-generale/>

COMEX's concept of public participation hinges on three elements: information, consultation and public hearings. First, project-related information made available to the public must be complete and accessible. This is the bedrock of any public participation process. In COMEX's case, this means making publicly available all information related to its mandate, procedures and working methods, as well as information about projects that are under review or have completed the review process. Accordingly, all of this information is posted on the COMEX website.

Second, at the consultation stage, COMEX seeks views and opinions on the projects under review. As soon as the COMEX website announces that a project is “under

review”—and then throughout the review process—any interested party may submit their comments and opinions, either via the COMEX website or by mailing or emailing them to the COMEX secretariat.

Third, the public hearing process consists of an information and consultation session, held in a community at a designated time, to gather comments and opinions on a given project or on any planned changes to a project. The consultation stage is an opportunity for the public, the project proponent and COMEX members to share information and discuss the project. All COMEX hearings are public. In accordance with the directive on public participation, “The Review Committee determines whether a public hearing is needed after taking into account the social and environmental impacts of a project, initiatives undertaken by the proponent, and the comments and concerns it hears during the consultation process.”



Current issues for COMEX

In the last few years, COMEX has taken numerous actions to enhance implementation of the environmental and social assessment regime in the territory of Eeyou Istchee James Bay (the “territory”). Concrete steps were taken to ensure transparency of the general review process and foster more informed participation by the communities affected by projects.

Cumulative impacts of transportation

Of all the projects reviewed by COMEX in recent years, mining projects account for a substantial share of developments in the territory covered by the James Bay and Northern Québec Agreement. Although their environmental footprint is limited to the project site, all mining developments involve transportation for carrying supplies to the mine and hauling the products of mining activities off site.

All of the mining projects, except for the BlackRock project, which will essentially use rail transport, involve transportation by all types of vehicles, including 35-90 tonne trucks. The only roads used will be the Route du Nord, the Billy-Diamond Highway and highways 113 and 167. It is basically a matter of travelling to Matagami in the west and Chibougamau in the east, the two points leading out of the territory to southern Québec.

Road characteristics are not at issue, as the bearing capacity or width of roads is sufficient to meet heavy transport demands. However, COMEX’s reviews and the public consultations held in the communities highlight safety issues. These roads are not just used for industrial purposes. They are also used by the Cree and Jamésien for travelling between communities, for recreation and for traditional pursuits. In addition, more and more tourists are flocking

to the territory, encouraged by the economic development policies implemented by various levels of government.

In addition to safety, other issues of concern include dust raised by vehicles on unpaved roads, noise, and deterioration of air quality and road infrastructure.

COMEX asks every proponent to assess its contribution to the cumulative impacts from the number of vehicles on the roads. However, since this problem involves all proponents, the responsibility for finding an acceptable solution for all involved does not fall on one specific proponent.

Responsibility for the roads is shared among several stakeholders, be it for cleaning, maintaining or setting traffic standards: Ministère des Transports, Hydro-Québec, Ministère des Forêts, de la Faune et des Parcs, not to mention the Société du Plan Nord, which plays a key role in integrated development.

It is COMEX’s hope that a coordinated vision regarding transportation, built on data from every mining project, will help guide actions and control road traffic to ensure that the territory’s roads are safe for all users.

In the coming year, COMEX hopes to hold discussions with the various stakeholders and delegates involved.

La Grande Alliance

On February 17, 2020, the Gouvernement du Québec and the Cree Nation Government officially signed a memorandum of understanding on long-term, balanced economic development in a spirit of respect for Cree values in the Eeyou Istchee James Bay territory. The agreement stems from a consultative process with the Cree communities and calls for community engagement with a view to the development of a thirty (30) year infrastructure development program aimed at achieving balance between environmental and wildlife protection measures such as protected areas and complementary transportation and energy infrastructure that would accommodate socially acceptable natural resource development.

COMEX welcomes the initiative as the proactive approach to will greatly assist in assessing and managing cumulative impacts of activity on the territory and will improve the potential for social acceptability of projects that emerge in the future. Of particular interest to COMEX are the aspects aimed at reducing oil and gas use through electrification of industrial projects and, thereby, getting the GHG emissions from such projects under better control. This involves, among other things, ensuring better management of vehicular traffic with a reduction in heavy haulers, greater energy efficiency and more economic infrastructure use. Lastly, the concern for habitat connectivity will foster the maintenance and recovery of at-risk wildlife populations.

Offsetting wetland loss

In 2017, the National Assembly passed the *Act respecting the conservation of wetlands and bodies of water* for the purpose of offsetting the loss of wetlands and waterbodies in Québec. The Act applies primarily to wetlands and waterbodies in southern Québec, which have become scarce and face constant development pressures. The Act contains provisions related to knowledge, protection and restoration of wetlands and bodies of water, as well as compensation measures in cases where it is not possible to avoid adverse effects. In such cases, compensation in the form of financial contribution have been advised.

COMEX has always taken the loss of wetlands and waterbodies into consideration when assessing the impacts of a project. In recent years, most of the adverse effects on these environments have been caused by mining projects. However, in northern regions, where peat bogs, for example, abound, it is not easy to compensate for wetlands that have been lost or affected by projects in a manner that complies with the steps and terms of the *Act respecting the conservation of wetlands and bodies of water*.

COMEX, in agreement with the MELCC, developed a phased approach that focuses on a better knowledge of these environments which allows the development of an appropriate compensation measures for each specific situation.

To date, COMEX has authorized or reviewed the compensation measures proposed by proponents of several mining projects, including the Whabouchi, Éléonore, Renard, BlackRock, Rose Lithium-Tantalum and Bachelor mines. Approaches include the fundamental research into the characteristics of northern wetlands, the restoration of abandoned borrow pits and road segments, assisted migration and the restoration of ecosystem services, among others.

All projects are subjected to monitoring, but it will take years to assess the benefit and effectiveness of such measures. At this point in the process, COMEX feels the need to take stock of the situation with MELCC authorities to draw parallels and compare the situations in northern

and southern Québec. This review would make it possible to validate whether the approach taken by COMEX was, in fact, effective and eventually adjust how it proceeds with future projects regarding the application of the *Act respecting the conservation of wetlands and bodies of water* to northern environments.

Communications, meetings and projects

Communications

Website

COMEX updates its website on a weekly basis to post the latest news on projects submitted for its review. The main purpose is to ensure greater transparency and allow all interested parties to stay informed about a project or changes to a project and consult the related documents. A continuous effort is made to show due diligence in providing the affected communities, where necessary, with project-related documents in English and Cree, in addition to French.

Between April 1, 2020 and March 31, 2021, 11 130 users visited the website, viewing 34 151 pages in 16 460 sessions. The average session duration was 1 minute 40 seconds. That represents a roughly 19% increase in visits to COMEX's website over the previous year. The increase can be attributed to numerous factors, including use of social media, the arrival of new players and projects in the territory and the public hearings held by COMEX in February 2021.

Social media

COMEX posts certain information on its Facebook and Twitter accounts to reach a wider public.



External communication and information channels

COMEX is always on the lookout for external communication channels and forums for raising awareness and enabling a better understanding of the environmental and social impact assessment and review procedure.

COMEX MEETINGS

In addition to sustained interaction during the year, the COMEX members met by videoconference (Teams), owing to the COVID-19 situation in Québec, eleven times to discuss projects submitted to the environmental and social impact assessment and review procedure.

- ⊕ 383rd meeting: April 29, 2020
- ⊕ 384th meeting: June 4, 2020
- ⊕ 385th meeting: July 9, 2020
- ⊕ 386th meeting: August 27, 2020
- ⊕ 387th meeting: September 29, 2020
- ⊕ 388th meeting: October 29, 2020
- ⊕ 389th meeting: November 25, 2020
- ⊕ 390th meeting: December 16, 2020
- ⊕ 391st meeting: January 28, 2021
- ⊕ 392nd meeting: February 24, 2021
- ⊕ 393rd meeting: March 25, 2021

PROJECTS THAT WERE THE SUBJECT OF A FULL REVIEW, A MODIFICATION OR MONITORING

Between April 1, 2020 and March 31, 2021, several decisions and recommendations were adopted and entered in the decisions register and the various meeting minutes, all of which are available on COMEX's website at: <http://comexqc.ca/en/comex-documents/>.

Questions and comments sent

- ⊕ Processing of gold ore from the Barry and Moroy projects
 - ⊕ Environmental and social impact assessment
- ⊕ Rose Lithium-Tantalum Mining Project
 - ⊕ Environmental and social impact assessment
- ⊕ Chapais cogeneration plant
 - ⊕ Application to amend the CA – Installation of a steam pipeline
- ⊕ Fenelon Gold Project
 - ⊕ Environmental and social impact assessment (documents missing from the impact assessment)

Questions and comments sent

- ⊕ James Bay Mine Project
 - ⊕ Environmental and social impact assessment
- ⊕ Éléonore Mine Project
 - ⊕ Application to amend the CA – Operation of the storage tailings facility
- ⊕ New landfill site in Wemindji
 - ⊕ Environmental and social impact assessment
- ⊕ Processing of gold ore from the Barry and Moroy projects
 - ⊕ Environmental and social impact assessment (documents missing from the answers to the first series of questions and comments)

Recommendations

- ⊕ Construction of forest access roads “H, Section west” and “I”
 - ⊕ Application to amend the CA – Changes to the opening and operation of borrow pits and regarding road classes and features
- ⊕ Project to dewater the J-4 and 87 pits of the old Troilus Mine
 - ⊕ Environmental and social impact study
- ⊕ Project to dig and operate continuous trenches rather than in-trench disposal sites – LEET Oujé-Bougoumou
 - ⊕ Application to amend the CA
- ⊕ Project to restore the Principale Mine
 - ⊕ Application to amend the CA
- ⊕ Renard Diamond Project
 - ⊕ Application to amend the CA – Environmental and Social Monitoring Program
- ⊕ Éléonore Mine Project
 - ⊕ Application to amend the CA – Operation of the storage tailings facility

Follow-up of conditions, annual and/or other monitoring

- ⊕ Whabouchi Mine Project
 - ⊕ Follow-up on the amendment to the CA for relocation of the temporary construction camp on the mine site
- ⊕ Iron-vanadium mining project, BlackRock Metals Inc.
 - ⊕ Follow-up on the conditions of the CA
- ⊕ Solid waste disposal site project in Waswanipi
 - ⊕ Follow-up on a condition of the CA
- ⊕ Troilus Mine Project
 - ⊕ 2019 annual report on post-closure environmental monitoring and inspection
- ⊕ Éléonore Mine Project
 - ⊕ 2019 environmental monitoring report
- ⊕ BlackRock mining project
 - ⊕ Follow-up on conditions of the amendment to the CA
- ⊕ Development of a new landfill in Whapmagoostui
 - ⊕ Follow-up on the conditions of the CA
- ⊕ Solid waste disposal site project in Waswanipi
 - ⊕ Follow-up on a condition of the CA
- ⊕ Chapais cogeneration plant
 - ⊕ Application to amend the CA – Installation of a steam pipeline (project already built, transmission of correspondence only)
- ⊕ Rose Lithium-Tantalum mining project
 - ⊕ Announcement of public hearings
- ⊕ BlackRock mining project
 - ⊕ Follow-up on a condition of the amendment to the CA
- ⊕ Fenelon Gold Project
 - ⊕ Analysis of the impact statement put on hold

PROJECTS SUBMITTED TO PUBLIC HEARINGS

COMEX held public hearings in virtual mode (videoconference) on February 15, 2021 in Matagami, and in hybrid mode (combination of in-person and videoconference) on February 16 and 18, 2021, in Eastmain and Nemaska, respectively. The purpose of the hearings was to get the public's views, opinions, and concerns regarding Critical Elements' Rose Lithium-Tantalum Mining Project.

COMEX is reviewing the project based on the outcome of the hearings and, after completion, will make a recommendation to the Provincial Administrator regarding whether to authorize the project.

Resources

Human and material resources

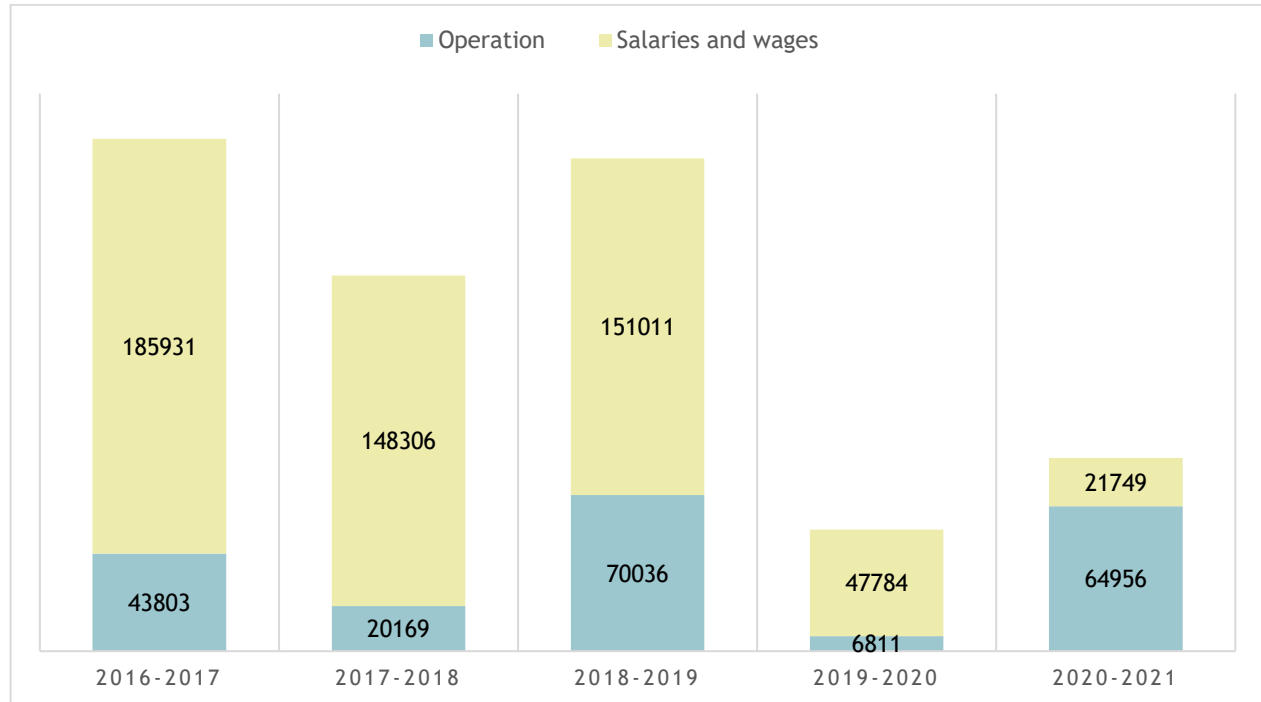
The JBNQA stipulates that the Review Committee “shall be provided with an adequate staff to fulfil its functions and such staff shall be maintained and funded by Québec” (para. 22.6.3). Accordingly, the Ministère de l’Environnement et de la Lutte contre les changements climatiques (MELCC) handles the operations and associated costs of the Review Committee’s secretariat. It also appoints some of its employees to assist in the analysis of projects reviewed by COMEX.

The secretariat is headquartered in the city of Québec and has its office at the MELCC. The executive secretary manages the official documents of the Review Committee, sees to the organization of meetings and writes up the minutes. She also follows up on official correspondence and is the administrative contact person. The executive secretary is also charged with updating COMEX’s website. The position of executive secretary was held by Ms. Vanessa Chalifour until March 21, 2021. It is currently being held by Ms. Sophie Cooper.

The Cree Nation Government (CNG) maintains its own environmental and social assessment secretariat. In consultation with the executive secretary of COMEX, the CNG secretary follows up on official correspondence and is the administrative contact person for the Regional Administrator, the CNG-appointed members of COMEX and CNG project analysts. She also stays in close, constant contact with the members of the Cree communities. The position was held by Ms. Kelly Leblanc.

Finances

As stipulated in paragraph 22.6.3 of the JBNQA, the Review Committee is provided with an adequate staff to fulfil its functions and such staff is maintained and funded by Québec, “subject to the approval of budget for same.” The following chart shows the expenditures incurred by the Review Committee in recent years:



Total expenditures funded by the Québec government.
Expenditures paid by the Cree Nation Government are not shown.

[illegible]