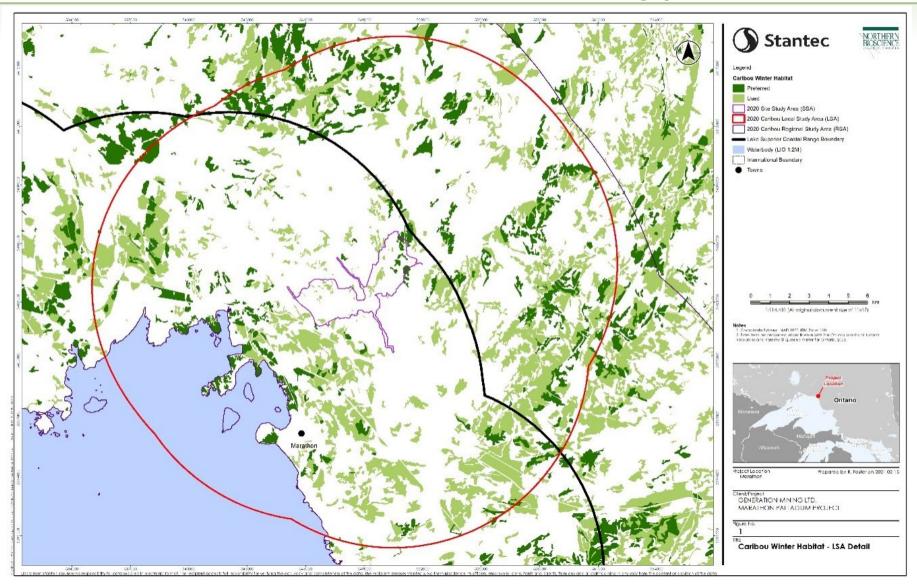
December 2021

MARATHON PALLADIUM PROJECT

Baseline Terrestrial Studies and Caribou Mitigation Planning



Caribou Habitat Modelling)

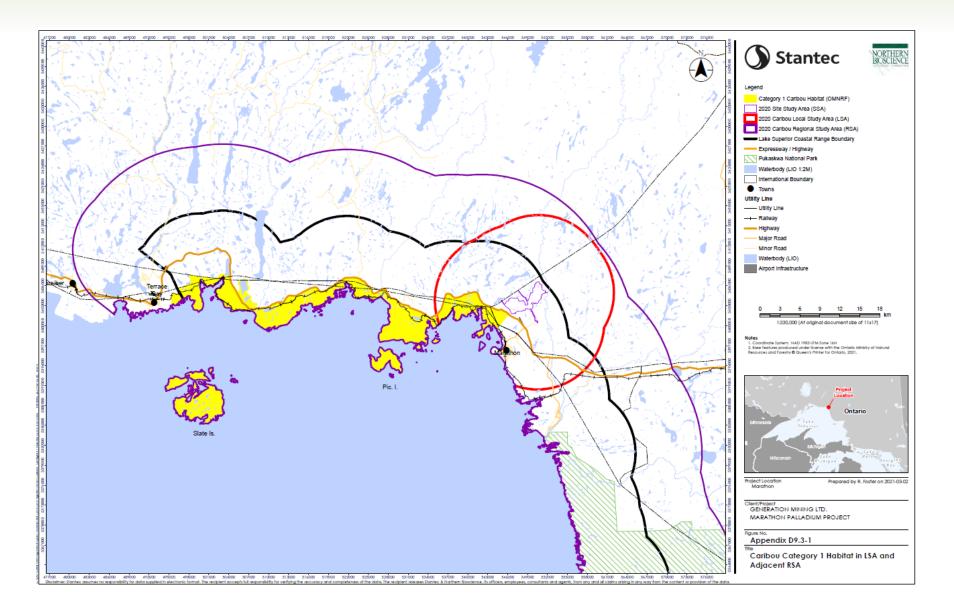


COASTAL RANGE, BORDERING ON THE DISCONTINUOUS RANGE

WINTER HABITAT – 106 HA LOST

REFUGE HABITAT – 732 HA LOST

Caribou Habitat Categorization

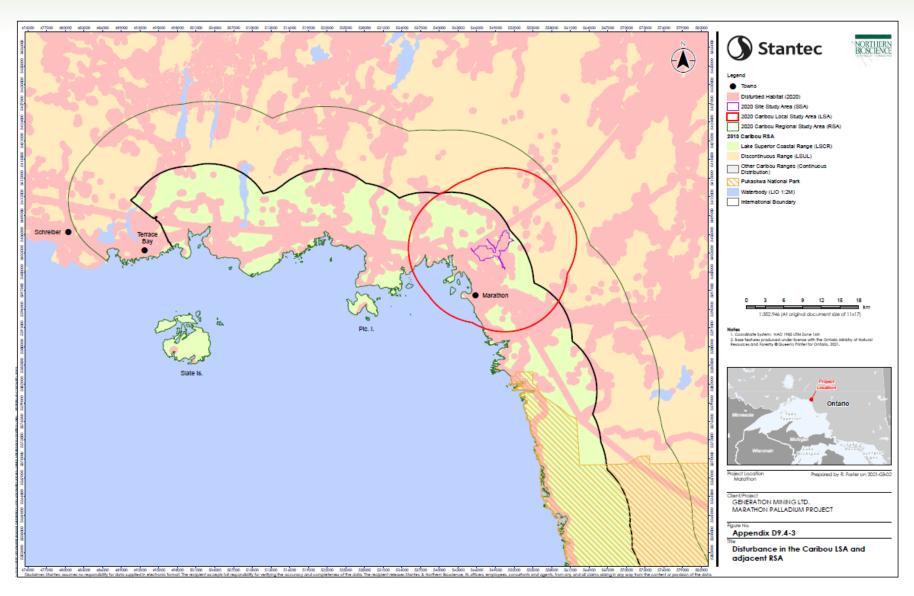


COASTAL RANGE, BORDERING ON THE DISCONTINUOUS RANGE

CATEGORY 1 – NONE PRESENT

CATEGORY 2 & CATEGORY 3-1116 HA LOST

Caribou Habitat Disturbance



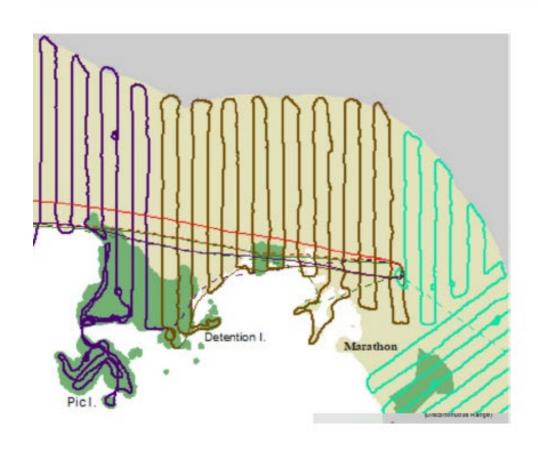
COASTAL RANGE, BORDERING ON THE DISCONTINUOUS RANGE

96% OF THE SSA IS ALREADY DISTURBED

43% OF LSA IS DISTURBED

CARIBOU SURVEYS AND POPULATION ESTIMATES

GENERATIONPGM



- Four aerial surveys conducted since 2014 on mainland and nearshore islands
- Only one caribou seen total
- Tracks of up to 3-4 groups caribou also observed several locations
- No sign observed east of Coldwell Peninsula (Neys P.P.) – none on GenPGM property
- OMNRF's (2018) minimum animal estimate (MAE) is 10 caribou in mainland Coastal Range
- OMNRF estimated a total of 55 ± 13-277 based on modelling of tracks (observed vs. inferred)

MITIGATION APPROACH

- Road and trail decommissioning
 - Active revegetation of linear disturbances
 - Improve long term results through installation of barriers and non-linear features
- Slash pile and chipper debris remediation
 - Three types: old slash, tree length slash and chipper pads
 - Slash can be recovered and used as a soil amendment.
 - Tree length slash can be piled, burned and area replanted
- Enhanced silviculture and Stand improvement
 - 70 ha identified in the Deadhorse Block
 - Birch-dominated stands that are over 110 years of age
 - Poor canopy closure
 - Dense balsam fir understory
 - Implement herbicides, shear blading and infill planting
- Research and enhanced monitoring

FOREST MANAGEMENT PLANNING

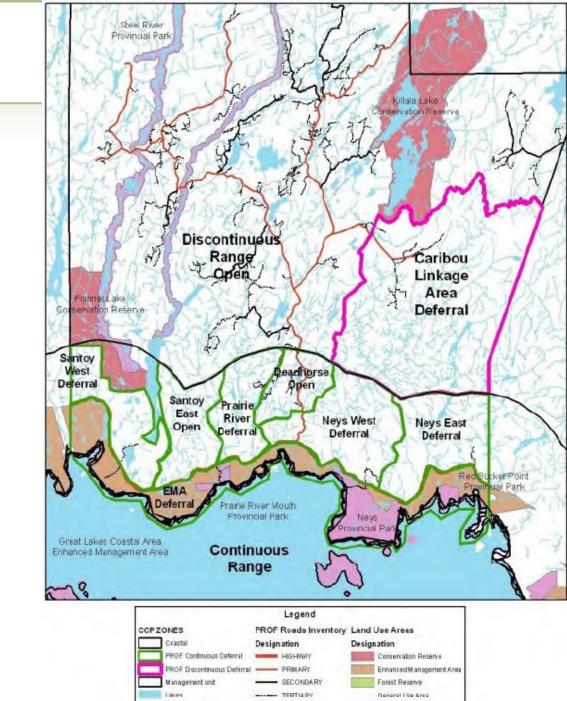
22 blocks in Clusters #2-5 are currently preferred focus for activities

Represent a total potential remediation area of 466 ha

Focused in Neys-Killala Corridor of discontinuous range

Includes all available blocks in the coastal range

- Active road decommissioning
- Enhanced silviculture
- Vegetation management
- Infill planting
- Long term health of conifers



Rivers & Streams

IDENTIFIED OFF-SITE MITIGATION MEASURES

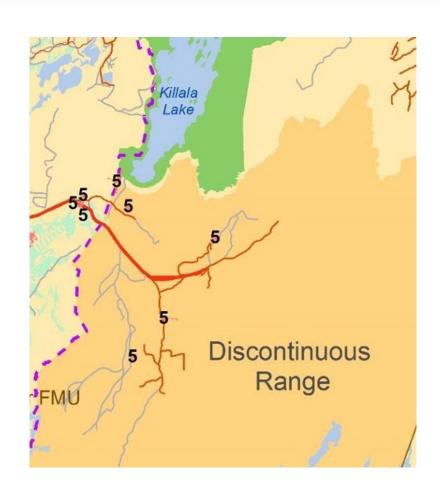
GENERATION PGM

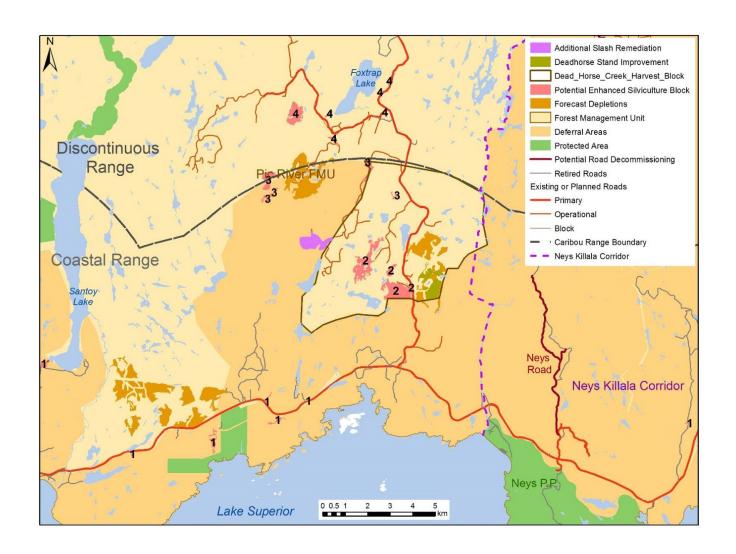
- 1. Active decommissioning and planting of approximately 55 km of the Nama Creek Road Network;
- 2. Active decommissioning of approximately 9 km "Neys" Retired Road;
- 3. Active road decommissioning of approximately 13 km of **Vein Lake West Road Network** with enhanced silviculture and slash pile remediation in adjacent roadside areas; and
- 4. Active road decommissioning and enhanced silviculture, including vegetation management and infill planting in the **80-ha Deadhorse Creek / McLaren Lake Block** to increase the conifer component and improve future potential caribou habitat.

| Cluster | # Blocks | Minimum Block Size (ha) | Maximum Block Size (ha) | Mean Block Size (ha) | Total Block Area (ha) | MNR Caribou Range | Approx. Distance from Coastal Range | Approx. Distance from Project (km) | Former FMU | Inside Killala Corridor | Inside Deferral Area | Priority |
|---------|-------------|-------------------------------|-------------------------------|-------------------------|--------------------------|----------------------|--|--|------------|-------------------------------|----------------------------|----------|
| 2 | 5 | 0.4 | 81.8 | 35.3 | 176.6 | Coastal | 0 | 25 | Pic River | no | no | high |
| 3 | 5 | 4.5 | 29.2 | 11.8 | 59.0 | Coastal | 0 | 30 | Pic River | no | partial | high |
| 4 | 6 | 0.8 | 47.2 | 10.7 | 64.0 | Discontinuous | 2 | 30 | Pic River | no | no | high |
| 5 | 6 | 3.5 | 11.8 | 6.8 | 40.8 | Discontinuous | 10 | 25 | Pic River | yes | yes | high |

DEADHORSE CREEK AND MCLAREN LAKE

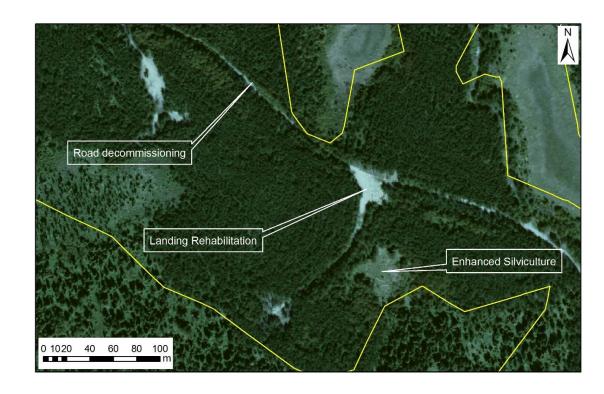
GENERATION PGM

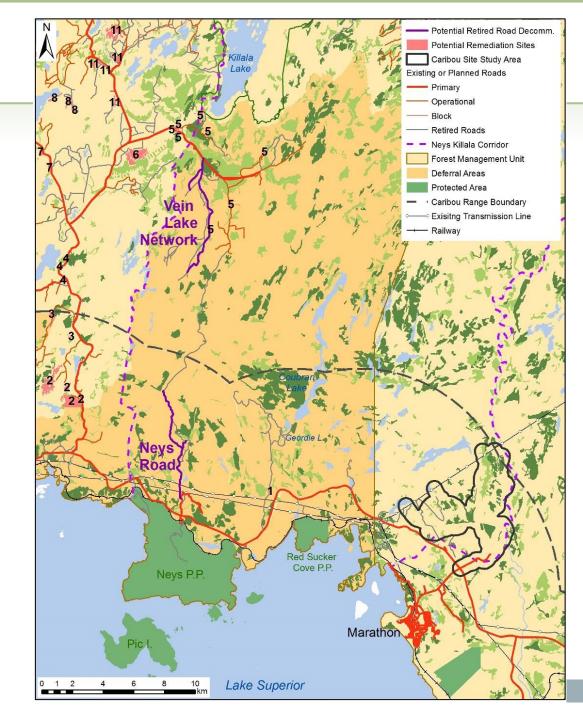




NEYS AND VEIN LAKE

- Retired roads, mostly impassable but some recreational use
- Neys: 9 km of potential decommissioning work
- Vein: 13km of potential rehabilitation



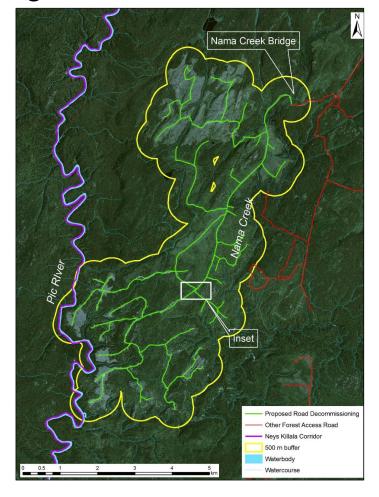


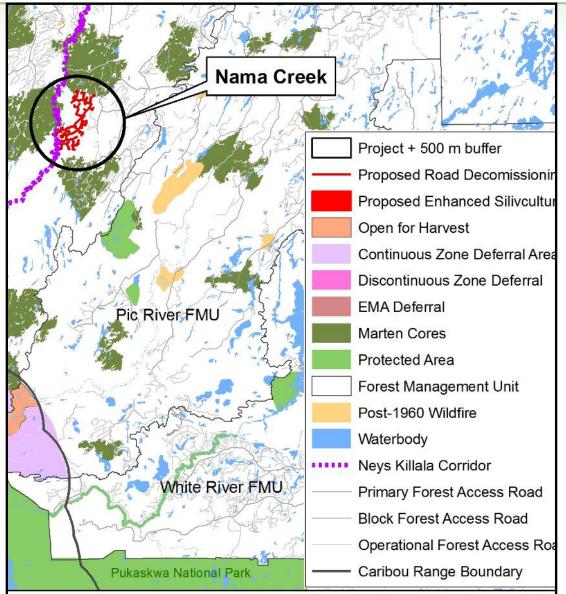
NAMA CREEK ROAD

GENERATION PGM

Decommissioning

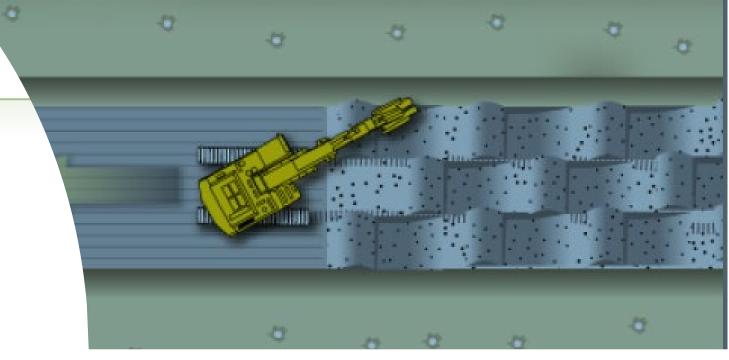
of 55 km of roadbed resulting in approximately 80 ha of new refuge habitat.





ROAD DECOMMISSIONING

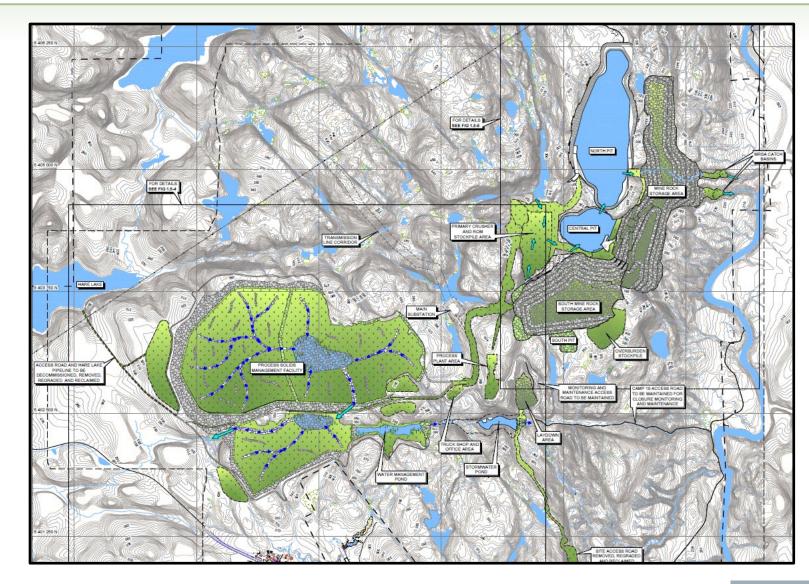
- Blocking of entrance through berms, ditches, boulders,
- Removal and remediation of water crossings
- Contouring of roadway
- Revegetate roadway through scarification of roadbed
- Planting or seeding to discourage access
- Placement of organic or inorganic debris to impede human or animal movement
- Full obliteration, recontouring, and restoring natural slopes to eliminate roadway





Developing closure plan to implement re-vegetation and reclamation activities on the Project site

Focus is on returning environment to near predevelopment state and minimizing use of non-native species



HABITAT MONITORING

Effectiveness monitoring will evaluate the success of treatments and guide further actions:

- Regeneration surveys will be undertaken
- Structural complexity will be assessed
- Human access will be assessed by
- Trail cameras will be installed



More Information on the Project can be found at

www.genmining.com

and the Impact Assessment Registry at

https://iaac-aeic.gc.ca/050/evaluations/proj/54755?culture=en-CA

If you have additional questions,

please email us at comments@genpgm.com

