



By Email

May 26, 2026

Christal Nieman, Project Manager
Impact Assessment Agency of Canada
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Dear Christal:

Re: Responses to Key Issues within Federal Jurisdiction (JSOIE Table 2)

FPX Nickel Corp. (FPX) proposes to construct, operate, and decommission the Baptiste Nickel Project, located about 80 km northwest of Fort St. James, BC. The Project would have an approximate average processing rate of 162,000 tonnes of ore per day over a 28-year operating life and is therefore potentially designatable under Canada's *Impact Assessment Act* and BC's *Environmental Assessment Act*.

On April 20, 2026, following a comment period on the Project's Initial Project Description and Engagement Plan, the Impact Assessment Agency of Canada (IAAC) and BC's Environmental Assessment Office issued the Joint Summary of Issues and Engagement (JSOIE). The JSOIE summarizes early engagement and comments received from First Nations, federal and provincial government subject matter experts (technical advisors), and the public. IAAC requires that FPX provide a response to the key issues within federal jurisdiction as described in Table 2 of the JSOIE. Table 1 appended to this letter provides FPX's responses to the key issues within federal jurisdiction..

Consistent with guidance in the JSOIE, the responses are high-level and where relevant, they identify how the key issues will be addressed through existing legislative and regulatory frameworks (i.e. legislation or regulation), through the application of standard mitigation measures including the standard mitigation measures identified by IAAC, or through FPX's commitments to best practices, policies or standards, or both.

We appreciate the opportunity to provide clarity on matters of Federal jurisdiction and FPX is available to provide additional clarifications or responses to IAAC, if requested.

Respectfully submitted,

<Original signed by>

Nigel Fisher
Vice President, Environment, FPX Nickel Corp.

Cc: Katherine St James, A/Executive Project Director, Environmental Assessment Office

TABLE 1 – RESPONSES TO KEY ISSUES WITHIN FEDERAL JURISDICTION

KEY ISSUE & DESCRIPTION	FPX RESPONSE
<p>Fish and Fish Habitat</p> <p>Concerns were raised about adverse effects to fish and fish habitat for:</p> <ul style="list-style-type: none"> • Rainbow trout in the Baptiste Creek watershed from the open pit, and overburden and rock stockpile, and non-contact water diversion; • Early Stuart Sockeye Designatable Unit 20 (DU20) in the Sidney Creek watershed from the temporary ore and overburden stockpile; • Early Stuart Sockeye Salmon (DU20) habitat in Sidney and Paula Creek watersheds from the tailings management facility (TMF), freshwater supply system reservoir, and from increased sedimentation and habitat loss; and • Late Stuart Sockeye Salmon (DU21) habitat in Trembleur Lake. <p>Provide additional information on how options to avoid, or mitigate harmful alteration, disruption or destruction of fish and fish habitat from project effects were considered, including consideration of relocating and redesigning project components.</p>	<p>The approach to avoid or mitigate potential effects to fish and fish habitat is consistent with the environmental mitigation hierarchy: avoid, mitigate and where required offset. This is consistent with UN Sustainable Development Goals (e.g., Goal 15) and requirements under the <i>Fisheries Act</i> and DFO Policy for applying measures to offset harmful impacts to fish and fish habitat (DFO, 2025). Preliminary design and project component siting, as outlined in the IPD, has been informed by available baseline information i.e., fish habitat mapping and species distribution and early engagement with First Nations and regulatory agencies. Consideration of measures to avoid or mitigation potential effects to fish and fish habitat has included relocation and redesign:</p> <ul style="list-style-type: none"> • Early identification and avoidance of direct effects to salmon and salmon habitat and citing project infrastructure high in the watershed and/or away from water bodies and riparian zones e.g., accommodation facility; • Developing a compact footprint, through a low strip ratio (0.6:1) reducing the area of disturbance; • Constraining the extent of the open pit to avoid overprinting lentic fish and fish habitat and associated riparian habitat used by rainbow trout; • Identifying a preferred tailings option, through early engagement and subject to an alternatives analysis, to reduce direct effects to lentic rainbow trout habitat; • Utilization of existing stream crossings to minimize new disturbance e.g., Sidney Creek; • Covering the coarse ore stockpile to mitigation potential fugitive dust; • Material handling and segregation based on geochemical characteristics as source control for water quality as well as collection of contact water and seepage; • Incorporating measures to optimize water use and reducing freshwater requirements including water reclaim and recycling, while minimizing the volume of contact water through non-contact diversions; • Provision for freshwater supply and storage to planning for instream flow needs; and • Designing for closure e.g., to support reestablishment of natural drainage patterns. <p>These options were considered and informed by the mitigation hierarchy, standard mitigation measures, DFO codes of practice, baseline studies and early engagement. Collaborative design processes, including ongoing baseline data collection and the incorporation of traditional knowledge, where available, are ongoing which will inform the refinement to Project design to avoid and mitigate potential effects. An effects assessment and mitigations will be developed in alignment with the <i>Fisheries Act</i> and <i>Impact Assessment Act</i>, through the Impact Assessment process and permitting. This will include development of monitoring and mitigation plans to determine the effectiveness of avoidance and mitigation measures.</p>
<p>Fish and Fish Habitat</p> <p>The deposition of tailings in waters frequented by fish is subject to the Metal and Diamond Mining Effluent Regulations under the <i>Fisheries Act</i>.</p> <p>Provide conceptual information on how options to avoid, or mitigate harmful alteration, disruption or destruction of fish and fish habitat from the TMF were considered, including consideration of relocating and redesigning project components.</p>	<p>Deposition of tailings in waters frequented by fish is subject to the <i>Metal and Diamond Mining Effluent Regulations</i>. Outcomes of preliminary engagement has identified a preferred Tailings Facility location, as presented in the IPD; however, this is subject to the completion of an alternatives analysis and designation under the <i>Fisheries Act</i> Schedule 2, including identification of candidate alternatives (sites and technologies), pre-screening assessment, alternate characterization, multiple accounts analysis and decision-making including sensitivity analysis.</p> <p>Conceptual information on how measures to avoid or mitigate potential effects to fish and fish habitat from the TMF have been considered to date include:</p> <ul style="list-style-type: none"> • Identifying candidate alternative sites that are proximal to the mineral deposit while avoiding federally or provincially parks / protected areas; • Compact footprint because of a very low strip ratio (~0.6:1) reducing the area required for the project; • Conducting early engagement to identify a preferred tailings facility location avoiding direct effects to lentic fish habitat, noting a multiple accounts analysis is pending; • Incorporating design measures, as outlined in the IPD, to avoid indirect effects including source control for water quality based on material geochemical characterization and incorporating measures to reduce water requirements e.g., water recycling, non-contact water diversion and temporary freshwater storage; and • Closure planning including returning natural drainage patterns, long term stability and water quality including utilization of the pit for waste rock and tailings storage. <p>Ultimately, where required, a fish habitat offsetting plan would be developed consistent with the <i>Fisheries Act</i> and associated regulations, including a monitoring plan to affirm the effectiveness of mitigations and offsets, where required. Further refinement of the TMF design and alternatives will be undertaken during the Impact Assessment, informed by baseline studies and engagement outcomes, including the alternatives assessment.</p>

KEY ISSUE & DESCRIPTION	FPX RESPONSE
<p>Fish and Fish Habitat</p> <p>Concerns were raised about the Nechako White Sturgeon listed as endangered under the <i>Species at Risk Act</i> (SARA) and its designated critical habitat at the mouth of Middle River into Trembleur Lake.</p> <p>Provide information on measures to avoid or mitigate effects to the Nechako White Sturgeon, including potential redesign, reconfiguration or relocation of components where feasible to limit impacts to highly sensitive fish and fish habitats.</p>	<p>Designated critical habitat for white sturgeon (Nechako River population) is mapped in Figure 1. The Project and Project components including options identified in the IPD do not directly overlap critical habitat for the species. Measures to further avoid or mitigate effects to white sturgeon (Nechako River population) include those identified in standard mitigations, Fisheries and Oceans Canada Codes of Practice and Environment and Climate Change Canada Environmental Code of Practice for Metal Mines. Further, requirements under BC legislation including the <i>Water Sustainability Act</i>, <i>Mines Act</i> and <i>Environmental Management Act</i> which support protection of instream flows and water quality, including requirements for monitoring and mitigation plans.</p> <p>Specific to project components, the preferred southern road option and location of a freshwater water intake on Trembleur Lake – would, if selected as part of the Project, avoid instream activities in the Middle River, upstream of designated critical habitat.</p> <p>Should the assessment application identify potential effects, further assessment and mitigation development will be undertaken which may include redesign, reconfiguration or relocation in alignment with the recovery strategy and regulatory requirements under the <i>Species at Risk Act</i>.</p>
<p>Fish and Fish Habitat</p> <p>Clarify the process for meaningful engagement and consultation with Indigenous groups in relation to the potential impacts of the project to sockeye salmon and other resident fish species, and how options to avoid, or mitigate harmful alteration, disruption or destruction of fish and fish habitat from project effects were considered, including consideration of relocating and redesigning project components.</p>	<p>FPX is committed to building respectful and transparent communication with individuals and groups that have an interest in the Project, including proactively engaging with First Nations, in order to design and implement a Project that aligns with the interests of local First Nations and communities. This engagement approach requires FPX to seek ongoing opportunities with First Nations and communities to provide input on the Project that can be integrated into the Project's design, development, operation, and closure and returning land use plans. To achieve these objectives, FPX will implement multiple engagement mechanisms, recognizing that no single approach will meet the needs of every group or individual. Therefore, several parallel avenues are outlined and have been provided such that a diversity of perspectives can be heard. An Engagement Plan for the Initial Project Description (Appendix A) which provides results of early engagement and a detailed overview of FPX's approach to engagement which will continue throughout the Project, informed by the Company's Indigenous Peoples Policy includes:</p> <ul style="list-style-type: none"> • Build relationships early and through inclusive processes, understanding the importance of listening; • Provide the resources required to enable meaningful engagement; • Integrate Indigenous knowledge and perspectives into decision-making and project planning; • Acknowledge and respect the distinct cultures, perspectives, and aspirations of Indigenous Peoples, and work with local communities to advance self-determined goals; and • Address potential adverse impacts of any proposed activities, and optimize long-term sustainable benefits and opportunities. <p>FPX is engaged in ongoing discussions with Indigenous Nations to understand questions, interests, and concerns related to fish species, habitats, and culturally important areas, as outlined in the IPD. Indigenous Nations have been and continue to be provided opportunities to participate in, or receive information about, annual baseline data collection programs, including fish and fish habitat, hydrology, and water quality studies. This has included sharing available baseline reports related to the Project Area (mine site). Throughout the Project's design and implementation, FPX will work with local First Nations to understand and apply Indigenous Knowledge, along with Western scientific knowledge, to build an understanding of potential Project impacts consistent with international and national standards. Baseline programs are being led by First Nations-affiliated businesses. As an example of this engagement, FPX has provided opportunities for initial and early engagement in collaborative design and technical discussions and workshops related to Project design and alternative, including both the mine site and linear infrastructure.</p> <p>Early engagement with Indigenous groups, the public and regulatory authorities has informed the Project design presented in the IPD for the protection of fish and fish habitat, e.g., minimizing new disturbance and stream crossings, identification or preferred location of freshwater intake. FPX will continue to collaborate with potentially affected Indigenous Nations in the assessment of effects, development of mitigation, monitoring, and where required offsetting measures, as required under the <i>Fisheries Act</i> and the <i>Impact Assessment Act</i>. This includes an alternatives assessment required for metal mine tailings impoundment areas. Further, FPX supports Indigenous led fisheries management and is seeking to work synergistically with ongoing programs in implementation of fisheries stewardship programs, including long-term monitoring.</p>

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<p>Migratory Birds</p> <p>The construction, operation, and decommissioning of the project could impact migratory birds, including:</p> <ul style="list-style-type: none"> those listed on Migratory Birds Regulations Schedule 1; and many of which are also listed on Schedule 1 of the <i>Species at Risk Act</i>. (For those migratory birds that are also species at risk, the conventions under the <i>Species at Risk Act</i> apply on all lands, not just federal lands). <p>The project components and activities may result in individual mortality and the destruction of their habitat, nests and eggs. Well-understood mitigation measures, including the standard mitigation measures identified by IAAC and the Guidelines to Avoid Harm to Migratory Birds, would typically manage potential adverse effects to migratory birds.</p> <p>Provide additional information on any potential effects to migratory birds that are anticipated from the project that would not be managed by standard mitigation measures, and the potential measures to avoid, reduce, and/or offset these effects.</p>	<p>As noted in the Joint Summary, well-understood mitigation measures, including the standard mitigation measures identified by IAAC and ECCC guidelines to Avoid Harm to Migratory Birds, would typically manage potential adverse effects to migratory birds.</p> <p>Based on experience from comparable mining environmental assessments in British Columbia and information in the Initial Project Description standard mitigation measures are sufficient to manage project-related effects to migratory birds, and no unique or novel migratory bird pathways of effects have been identified for the Project. It's noted if species are added to the Species at Risk Act, further evaluation and application of measures to avoid, reduce or offset effects maybe required.</p> <p>Considering the application of standard mitigations the Project and ECCC guidance to avoid harm to migratory birds, the Project can be carried out in a manner consistent with the <i>Migratory Birds Convention Act</i>, 1994 and its regulations or the <i>Species at Risk Act</i> or both.</p>
<p>Indigenous Peoples' Physical and Cultural Heritage, Current Use of Lands and Resources for Traditional Purposes and Rights</p> <p>Concerns were raised about potential effects of the project on species at risk and how these effects could impact Indigenous Peoples' physical and cultural heritage, current use of lands and resources for traditional purposes, and rights and interests. Provide additional information on the following:</p> <ul style="list-style-type: none"> Woodland Caribou (<i>Rangifer tarandus</i>, Southern Mountain Population) Whitebark pine (<i>Pinus albicaulis</i>) Sockeye salmon (<i>Oncorhynchus nerka</i>) White Sturgeon (<i>Acipenser transmontanus</i>; Nechako River population) <p>Provide additional information on critical habitat that may interact with the project and describe how these species may be adversely affected by the project. Describe measures to avoid, lessen or offset the effects of each project activity and stage, and potential monitoring and follow-up measures required. Clarify how the project would comply with the <i>Species at Risk Act</i>.</p>	<p>To inform analysis of how the Project may interact with critical habitat of these species, Figure 1 identifies the Project Area and linear infrastructure related to critical habitat identified through Federal recovery strategies. This includes, for whitebark pine derivation of critical habitat consistent with the proposed recovery strategy, informed by baseline field work conducted for the project.</p> <p>Potential effects include direct effects e.g., habitat loss and indirect effects e.g., sensory disturbance. As mapped there are no anticipated direct effects to aquatic species at risk or caribou critical habitat. Measures to avoid, lessen or offset potential effects follow a mitigation hierarchy which is consistent with FPX environment policy https://fpxnickel.com/wp-content/uploads/2023/10/Environmental-Policy.pdf and include;</p> <ul style="list-style-type: none"> Avoiding new disturbance e.g., use of existing roads, stream crossings and disturbed areas and clustering mine facilities/optimizing footprint e.g., the project has a low strip ratio (~0.6:1) reducing the area needed for the project; Incorporating design measures to avoid indirect effects including source control for water quality based on material geochemical characterization and incorporating measures to reduce water requirements e.g., water recycling, non-contact water diversion and temporary freshwater storage; and Application of standard mitigations measures such as those identified by the Impact Assessment Agency of Canada, including those for noise and fugitive dust https://www.canada.ca/content/dam/iaac-acei/documents/policy-guidance/pg-gp/standard-mitigation-measures/Standard-mitigation-measures.pdf <p>The proposed monitoring and follow-up strategies would be documented in Mitigation and Monitoring plans describing the mitigation and monitoring measures that will be implemented to avoid, reduce and where required offset adverse effects. These plans would align with applicable legislative requirements including recovery strategies under the <i>Species at Risk Act</i>. For example, for fisheries and aquatic resources, a monitoring plan to assess the effectiveness of mitigations is required for an authorization under the <i>Fisheries Act</i> regulations and an Environmental Effects Monitoring (EEM) plan is required under the <i>Metal and Diamond Mining Effluent Regulation</i> (MDMER) and under the <i>BC Environmental Management Act</i>. These plans would be developed and implemented with potentially affected First Nations.</p>

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<p>Impact to Federal Lands</p> <p>Existing forest service roads along the North Access Route that may be used by the project pass through two Reserves, specifically Binche 2 (Binche Whut'en) for 1995 metres, and Sisul TI'o K'ut 14 (TI'azt'en Nation) for 1533 metres.</p> <p>To the extent possible, identify whether any road upgrades will be required within the two reserves and if so, provide additional information (e.g. a description of the extent of land disturbance, potential adverse effects to Indigenous communities, and proposed mitigation).</p>	<p>Portions of the existing site access and the proposed North Access Route for the project are proximal to Federal Reserve lands, specifically Binche 2 Reserve and Sisul TI'o K'ut 14 Reserve, associated with Binche Whut'en and TI'azt'en Nation, respectively. FPX has reviewed provincial and federal databases, in particular BC's Tantalus Crown Land Registry and ParcelMap BC, as well as Canada's Indian Lands Registry. Based on this analysis and project requirements, no road upgrades will be required for the Project within federal lands.</p> <p>The portion of the existing road which passes through the Binche 2 Reserve, is known as the Tachie Road and is currently a provincially-managed road by the Ministry of Transportation and Transit. The road is paved and is available for public use. FPX has not identified any necessary upgrades to the road, and use of the road would not require any permits or authorizations.</p> <p>The portion of the existing and proposed North Access Route for the Project that is proximal to Sisul TI'o K'ut 14 Reserve is the provincially managed Leo Creek Forest Service Road (FSR). The road is a gravel road and is available for industrial and public use. While it's noted the Crown Land Registry shows overlap with the reserve it does not show overlap with federal lands and is tenured by the province of British Columbia. BC Ministry of Forests confirms that the FSR has a dedicated right-of-way that has been delineated from the Federal Reserve Land and does not overlap. At present, eight (8) parties hold Road Use Permits for the Leo Creek FSR in this area issued under the BC <i>Forest Range and Practices Act</i> by the BC Ministry of Forests. At construction, and for the duration of project operations and into closure, it's anticipated FPX would become an industrial user of the FSR and as such require a Road Use Permit. Terms of a Road Use Permit may include requirements to follow safe operation of the FSR including conducting maintenance activities. Maintenance activities would occur within the existing provincially tenured road corridor and may include brushing, dust suppression, grading/re-surfacing, erosion / sediment control and culvert maintenance.</p>

FIGURE 1 – OVERVIEW OF THE SPECIES AT RISK CRITICAL HABITAT IN THE VICINITY OF THE BAPTISTE NICKEL PROJECT

