



Michel Coal Project

2020 SUSTAINABILITY REPORT

TRANSPARENCY

ACCOUNTABILITY

INNOVATION

North Coal acknowledges that the Michel Coal Project (the Project) is located within the traditional territory of the Ktunaxa Nation, in an area known to the Ktunaxa as Qukin ʔamakís, or “Raven’s Land”. The Ktunaxa Nation Council (KNC) is comprised of four member bands: ʔakisq’nuk, ʔaq’am, Yaq’it ʔa·knuk’iʔit, and Yaqan nuʔkiy. In the spirit of reconciliation, North Coal has and will continue to work collaboratively with the Ktunaxa Nation.

The Ktunaxa people have existed on this land for thousands of years; they have a responsibility to protect and support the land so that it will provide for the Ktunaxa people now and in the future. The Project will benefit the economy of local communities, the province of British Columbia and Canada. In the past, many natural resource projects have overlooked the Indigenous communities impacted by their activities. From day one, North Coal has been committed to working with the Ktunaxa Nation in order to respect their beliefs, values, and traditions. Traditional knowledge has been incorporated into project design and decision-making.

A Message from our President	4
About this Report and Global Reporting Initiative Standards	5
Reporting boundary and scope	5
Terminology	5
About North Coal	6
About Steel	7
A Regulated Process	7
2020 Milestones	7
Our Response to COVID-19	8
People First	8
Supporting the United Nations Sustainable Development Goals (SDGs)	9
Materiality assessment	10
Materiality Topics	10
Stakeholders	11
Identification	11
Engagement	11
Materiality Performance	12
Health and Safety	14
Water	16
Climate Change and GHG emissions	18
Air Quality	20
Relationships with Indigenous Communities	21
Relationships with Communities	22
Wildlife Biodiversity	24
Deactivation and Reclamation	26
Watchlist	27
Corruption	27
Human Rights	27
Tailings	30
Looking Ahead	31
Contact Us	31
Forward Looking Statement	31

MESSAGE FROM THE PRESIDENT

Planning for tomorrow with action today.

This past year was one we will never forget. The global pandemic has resulted in significant loss of life, while also placing many countries and people in dire economic and social conditions. Society will call on our collective resilience to recover socially and economically as the pandemic has emphasized the necessity for sustainable long-term growth. Our project will support this recovery by ensuring our commodity - steelmaking coal - is part of this growth. Our steelmaking coal will be mined in a manner that meets global efforts to develop resources in collaboration with Indigenous groups, with lower GHG profiles, and with best practice environmental safeguards integrated into project designs.

These last 12 months have reminded us of how connected we are. We are all global citizens, and our actions impact others. Thankfully, with a tough and disruptive year behind us, 2021 already feels hopeful and full of energy to rebuild. Emerging from COVID-19 looks different for everyone and will have unique impacts on all countries. Canada plays a key role in supplying raw materials to help developing countries and build the necessary infrastructure here at home.

Since the beginning, North Coal has focused on solving the most important challenges facing mines globally, and especially in the Elk Valley, where the impacts from a long history of Elk Valley coal mining are most evident. Our leading approaches to protecting the environment and engaging with Indigenous and local communities are the most important standards for us in developing this project.

Primary blast furnace steelmaking will continue to require steelmaking coal as a chemical in the steelmaking reaction for many years to come until new technologies are commercialized. Until substitution by other reductants (hydrogen) and processes (electric-arc furnace) occurs, steelmaking coal will be required to meet global steel demand, in part for decarbonisation.



At North Coal, we aspire to deliver our steelmaking coal to steel mills with the lowest commercially possible carbon footprint, and we are committed to adopting approaches and technologies, and working with partners towards our target of Scope 1 and 2 carbon neutrality.

Water quality is of utmost concern to local communities as it is to North Coal. We have designed a multi-barrier approach to stop contaminants from entering the water. Our approach will exceed the objectives of the Elk Valley Water Quality Plan and protect our waters long-term. The multiple techniques used in combination will prevent selenium and other elements of concern from impacting rivers and streams, as well as the fish, wildlife, and people that depend on clean water.

We live here. We take our communities' and neighbours' interests and the management of water, land, and wildlife very seriously. From day one, North Coal has been committed to working and collaborating with the Ktunaxa Nation and other First Nations who may be affected by the Project. We are engaged with Indigenous communities, leaders, and organizations across the Project area in British Columbia (BC) and Alberta to ensure the project meets the needs and expectations of today and tomorrow's generations.

As in past years, we have continued to provide support to local organizations that require assistance. As we live in unprecedented times, now more than ever, we must continue to support those less fortunate and do our part to ensure they have a brighter future.

We are excited about the future of North Coal and the opportunities it will provide.



ABOUT THIS REPORT

Global Reporting Initiatives Standards

This report summarizes North Coal's sustainability initiatives and provides an overview of its ongoing commitment to sustainability. This annual report covers operations from January 1, 2020 to December 31, 2020. This is our fourth sustainability report and our second report following Global Reporting Initiative Standards (GRI Standards).

This report's objective is to voluntarily and transparently disclose data following globally accepted sustainability guidelines. This report has been prepared in accordance with the GRI Standards: Core option ([globalreporting.org](https://www.globalreporting.org)). It has also been prepared with guidance from the Sustainability Accounting Standards Board ([sasb.org](https://www.sasb.org)).

For more information on this report, contact:
Patty Vadnais
Manager, Social Responsibility and External Relations

North Coal Ltd.
Head Office:
652F Sparwood Drive
PO Box 576
Sparwood, BC V0B 2G0
778.519.0775
info@northcoal.ca

North Coal is a Canadian resource company and a wholly owned subsidiary of North Coal Pty Limited, a private Australian resource development company.

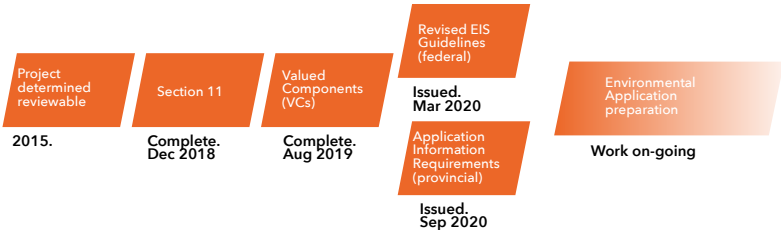
Reporting boundary and scope

This Sustainability Report covers North Coal's development activities focused exclusively on the Michel Coal Project. Our assets do not extend beyond the project.

Terminology

In this report, the terms 'North Coal', the 'company', 'our business', 'organization', 'we', 'us', 'our' and 'ourselves' refer to North Coal Limited.

The North Coal Limited Board of Directors are collectively referred to as 'the Board'.



John Humphrey
President



ABOUT NORTH COAL

At North Coal, our overriding goal is to make positive social, economic, and environmental contributions within the communities where we operate and live. We are in the advanced stages of developing the steelmaking coal Project, with an expected 25-year mine-life that will sustain jobs and support our local and provincial economy. The Project's construction will generate 500 temporary jobs, while post-construction, 300 long-term operational jobs are forecasted over the estimated 25-year Project life.

Based in Sparwood, British Columbia (BC), the Project is a greenfield venture located in a basin with a long history of mining steelmaking coal. The Project will exclusively produce steelmaking coal for export to steel mills globally, primarily in the Pacific Basin region. Steelmaking coal is a required ingredient in the process of making new steel, which is needed alongside recycled steel to meet ongoing global steel demand. There is currently no economically viable substitute for steelmaking coal in the production of new steel and this situation is not expected to change for many years. As such, we believe it is incumbent on the steel industry to use steelmaking coal with the lowest Scope 1 and 2 emissions and highest ESG standards possible. North Coal is committed to being a key partner with leading steel mills as they make the multi-decade transition to green steel.

We have a strong commitment to Indigenous groups and local communities. From our inception, we have been committed to working and collaborating with the Ktunaxa Nation, including an Engagement Agreement signed in 2018. We are engaged with Indigenous communities, leaders, and organizations across the Project area in British Columbia and Alberta and are fully committed

to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). Our recent stakeholder survey of Elk Valley residents reported nearly 90% public support for mining in the region. Our team lives in the Elk Valley and works every day to earn and keep that support.

We have started from the ground up with innovative, globally proven mine designs that will decisively reduce impacts on water, air, land and wildlife. We have learned from the past to ensure that historic industry mistakes are not repeated and have designed a mine that will protect water at the source. Our planned mine closure ensures the land is returned to a productive state for future generations. We are proud of our approach and designs for the Project.

We are laser-focused on developing a world-class, low carbon footprint mine. This includes using the best available technology to lower emissions, supported by clean BC hydroelectricity. North Coal is setting emission targets that align with Canada and BC's emission targets and the United Nations Sustainable Development Goals (SDGs) #13—Climate Action.

MITIGATION BY DESIGN

By understanding how past mining practices have negatively impacted water, we can design a mine that mitigates those impacts before they start. This design draws on globally proven techniques to manage water quality.



About Steel

Steel is the most widely used alloy in the world. From highways to household appliances, steel is everywhere in our lives. The steelmaking coal the Project will produce is required to make the steel used in buildings (housing, offices, manufacturing, hospitals, and schools), transport (trains, metros, stations, airports, ports, cars, roads, bridges, and tunnels), and other infrastructure (power, renewable energy installations, and transmission infrastructure) — all of which are critical to our daily lives. Steelmaking coal is a catalyst for economic development and developing economies will continue to use new steel as they improve the quality of life of their people.

According to the World Steel Association's Short Range Outlook, global steel demand is expected to grow over multiple decades in part because of the steel required for decarbonisation (renewable energy has a much higher steel intensity than energy from fossil fuels). Key drivers of this growth include global gross domestic product (GDP) growth, population growth, and increasing quality of life.

A Regulated Process

North Coal is in a multi-government environmental assessment review process with the Ktunaxa Nation Council (KNC), the Impact Assessment Agency of Canada (IAAC), and the British Columbia Environmental Assessment Office (BC EAO). The Project falls under the Canadian Environmental Assessment Act, 2012 and provincially under the 2002 Environmental Assessment Act.

In March 2020, IAAC revised the Environmental Impact Statement (EIS) guidelines to expand the Indigenous

groups to be consulted on the Project. In September 2020, BC EAO issued an amendment to the Section 11 Order expanding the list of Indigenous groups that may potentially be impacted by the Project.

The COVID-19 pandemic has presented challenges for in-person meetings; however, despite the challenges, our team connected virtually with all potentially impacted Indigenous groups and work continues into 2021.

2020 Milestones

- March 2020 – IAAC issues revised EIS guidelines
- September 2020 – BC EAO approval of Application Information Requirements
- October 2020 – BC EAO issues Section 13 amendment
- Completion of third party geological modelling auditing
- Multiple meetings with Indigenous Nations
- Collaboration and data sharing with regional initiatives

2 million clean tonnes steelmaking coal

500 Construction jobs

300 Operational jobs

Significant REGIONAL CAPITAL investment

25 YEAR MINE LIFE



North Coal donates to the Sparwood Fish and Wildlife Association Big Ranch project.

Our Response to COVID-19

The COVID-19 pandemic has impacted all of us. Our company’s approach was to protect our workforce and their families, our stakeholders, and partners. Keeping our team and communities safe and healthy was the top priority. On March 13, 2020, our team determined that we would work remotely and all external meetings and travel was suspended. Our team keeps current with and follows all provincial government health orders and recommendations.

As 2020 evolved, our team adapted with respect to workplace attendance and meetings; the team continued to meet with stakeholders via online meetings. We have been diligent about protecting each other and the public. In support of our local communities, North Coal made donations to the Sparwood Food Bank, Elkford Foodbank, and Fernie Women’s Resource Centre. Through ongoing participation with health authorities, we all look to the future when we can meet again in person.

People First

North Coal employees live, work, and play in the Elk Valley. We coach youth sports, volunteer for committees and events, and take part in leisure activities in the area. As we work alongside our family, friends, and neighbours, there is a heightened sense of importance and determination to ensure our environmental management meets regulatory requirements and social expectations. It is this commitment to each other that guides our engagement with local and Indigenous communities. We believe that to conduct a successful project, we must work closely with the communities by listening to them and doing our best to address their concerns. The expected outcome is beneficial for all — be it family supporting jobs which support families, local purchasing, volunteering, or donations.

2020 challenged us to connect with communities differently. We continued to provide quarterly newsletters to keep stakeholders up to date on our progress. Our entire team became skilled in using online video meetings to ensure we could continue conversations with Indigenous groups, as well as local, provincial, and federal governments. The Project’s regulated working group continued to hold meetings and work proceeded for the finalization of the provincial Application Information Requirements in September 2020.

North Coal and its team are proud members of:

- BC Association of Professional Engineers and Geoscientists
- Association for Mineral Exploration British Columbia
- Mining Association of British Columbia
- Cumulative Effects Management Framework
- Canadian Carbonization Research Association
- Elkford Chamber of Commerce
- Fernie Chamber of Commerce
- Sparwood Chamber of Commerce
- Lake Koocanusa Monitoring and Research Committee
- Coal Association of Canada

People are our top priority. We firmly believe that our collective prosperity depends on working together to ensure our operations provide meaningful, lasting benefits that meet the needs and expectations of the communities where we operate. We believe it is possible to leave a positive legacy from responsible mining and are committed to making this a reality.

Sparwood District Fish and Wildlife Association Big Ranch Habitat Enhancement Project, \$5,000 donation.



North Coal sponsored the Sparwood District and Wildlife Association Big Range Habitat Enhancement Project.

The Ecosystem Enhancement Program is a five-year initiative that aims to maintain and improve ecological health and native biodiversity in the region through large-scale, on-the-ground projects with significant and measurable impacts.

Supporting the United Nations Sustainable Development Goals (SDGs)

The United Nations’ Sustainable Development Goals are global initiatives that support and outline a world agenda for sustainable development. Corporations have a role to play in meeting the UN SDGs. North Coal’s strategy for sustainability aligns with the following goals:

SUSTAINABLE DEVELOPMENT GOALS





MATERIALITY ASSESSMENT

As defined by GRI Standards, material topics reflect an organization’s most significant economic, environmental, and social impacts that influence the assessment and decisions of stakeholders. The topics addressed in this report were identified for the 2019 sustainability report by analyzing topics raised and data collected through stakeholder consultation (occurring in the environmental approval process), project studies, and stakeholder surveys. Those topics have been carried into our 2020 sustainability approach. For each topic, we describe our management approach, 2020 performance, and a look ahead. The second section of this assessment will address the topics on our watchlist. Watchlist topics are items we are monitoring as they may become material. For these topics, we describe our management approach only.

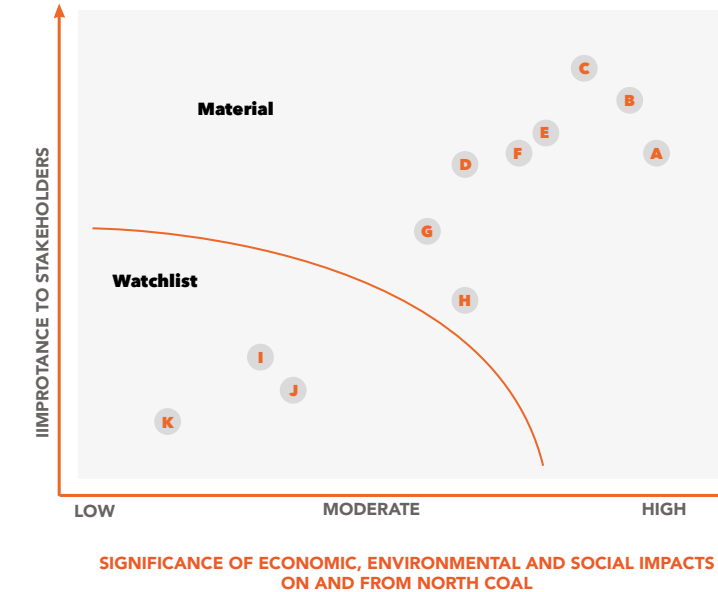
Materiality Topics

North Coal has engaged with stakeholders throughout the environmental assessment process to identify economic, environmental, and social concerns. From that work, our management team has identified the following material topics:

- A:** Health and safety
- B:** Water
- C:** Climate Change and GHG emissions
- D:** Air Quality
- E:** Relationships with Indigenous communities
- F:** Relationships with communities

- G:** Wildlife and biodiversity
 - H:** Deactivation and reclamation
- Watch List**
- I:** Corruption
 - J:** Human Rights
 - K:** Tailings

Critical to our material assessment is a clear and complete understanding of our stakeholders and their interests. We first identify our stakeholders through community engagement, invitations to participate, and active outreach. Our second step is to host conversations and open dialogue to understand their perspective and needs. We work to understand how stakeholders will be affected by the Project and identify shared values. Throughout 2019, we engaged with local communities, Indigenous Peoples, non-profits, regulators, suppliers, contractors, and employees to establish mutual goals, shared values, manage concerns, and understand varying interests in the Project.



Stakeholders

The materiality assessment starts with a clear and complete understanding of our stakeholders and their interests. Indigenous groups are viewed as rights and title holders and are not included in the stakeholder assessment. Our second step is to host conversations and open dialogue to understand their perspective and needs. We work to understand how stakeholders will be affected by the Project and identify shared values.

Our stakeholder engagement approach changed in 2020 due to restrictions on in-person gatherings and, as a result, we adapted to virtual meetings. While we were unable to conduct in-person gatherings, technology allowed us to stay connected and hear from Indigenous groups and stakeholders.

Identification

North Coal identifies stakeholders as any organization or entity that can be affected by or can affect our project. In 2020, we identified the following stakeholder groups:

- Employees and contractors
- Local communities and councils
- Business groups
- Non-governmental organizations and Nonprofit organizations
- Provincial and Federal elected officials
- Guide outfitters
- Trapline holders

- Local utility providers and industry partners with interests in the region
- International governments
- Other potentially affected individuals and businesses.

Engagement

The COVID-19 pandemic heavily impacted our 2020 activities. Many of our engagement activities were held virtually to ensure the safety of all participants. North Coal was able to engage with a wide range of stakeholders following safety protocols. Presentations were given to the municipal councils of British Columbia communities including Sparwood, Fernie, Elkford, and Cranbrook, as well as the Alberta community of the Crowsnest Pass. Our team also met with non-governmental organizations (NGOs) and the College of the Rockies. There were over 30 meetings with communities, government, and NGOs, and over 30 meetings with Indigenous groups. When allowed under government regulations, outdoor site tours occurred with each participant travelling in their own vehicle. Looking into 2021, we anticipate continuing with virtual meetings and will follow all provincial government and health authority requirements and guidelines.



MATERIALITY PERFORMANCE

To report on our material performance, we have provided context for the topic, our management approach, 2020 performance, and a look ahead. For watchlist topics, we describe our management approach only. Refer to the material performance topic list on page (10) for more details.



HEALTH AND SAFETY

Every employee deserves a safe workplace. This importance is noted by the United Nations and listed as Sustainable Development Goal (SDG) #3 — Good Health and Well-being. It is also a component of the International Council on Mining and Metals (ICMM) Critical Control Management framework. Members of ICMM have set the collective goal of zero fatalities and are implementing measures to reduce injuries and to meet this goal. While North Coal is not yet a member of the ICMM, we support this goal.

We take responsibility for the safety of all employees and contractors working on our behalf. In our project development work, we have many contractors on-site working in various environments and different working conditions. A culture of safety is paramount, and all who come on-site are expected to uphold our safety standards and work to protect each other. It is important to us that we see all team members, whether employees of North Coal or contractors, return home healthy and safely to their families at the end of each day.

North Coal’s Approach

North Coal maintains an effective HSMS that integrates multiple elements that include a continuous cycle of planning, implementation, evaluation, and continuous improvement directed towards reducing occupational hazards in the workplace. The HSMS aims to minimize risks and contribute to the well-being of employees, contractors, visitors, and communities. The success of North Coal’s HSMS relies on identifying and controlling risks in the workplace and evaluating and continually improving the system itself.

North Coal has implemented a health and safety management system (HSMS) that complies with the BC Occupational Health and Safety Regulation, the BC Mines Act, and the accompanying Health, Safety and Reclamation Code for Mines in British Columbia (the Code). This legislation aims to protect workers and the public through provisions for minimizing the health, safety, and environmental risks related to mining activities. The Code describes the responsibility of mine managers to determine hazards that may exist, and to ensure workers are not exposed to hazards, including those related to occupational health at mine sites.

WorkSafeBC requires a joint occupational health and safety committee (JOHSC) in workplaces with 20 or more workers, while workplaces with nine to 19 workers requiring a representative who has the same duties and functions as a JOHSC. North Coal employs 10 full-time employees and, in line with WorkSafeBC guidelines, has a delegated health and safety representative.

Our health and safety guiding principles are:

- **Zero Harm:** All injuries and incidents are preventable by following the control hierarchy and order of control measures.
- **No Repeats:** All incidents are investigated to determine the root cause and action taken to prevent a recurrence.
- **Zero Tolerance:** Rules and standards must be simple and non-negotiable, with zero tolerance enforcement.

We pride ourselves on creating a culture of health and safety led by management and supported by continuous improvement. All employees, contractors, and visitors to North Coal are provided with a safety orientation that provides a clear and concise message of our safety expectations. This safety orientation includes specific training on incident reporting, job safety analysis (JSA) of job tasks, and emergency response. Work-related hazards and incidents are reported using digital forms with the North Coal HSMS. Once reported, the health and safety representative will have instant access to the forms for follow-up. All workers are encouraged to report hazards and incidents as outlined in the safety orientation, with a specific focus on no negative repercussions for reporting. All workers are instructed about the right to refuse unsafe work if they believe that performing a job or task puts themselves or someone else at risk. A supervisor or manager must be notified immediately, who will then take the appropriate steps to determine if the work is unsafe and rectify the situation. All incidents are investigated thoroughly post-incident and include identification of root causes and corrective actions, with assigned follow-up.

Standard operating procedures (SOPs) are developed and implemented to ensure clear direction and consistency among workers. If an SOP is not in place, workers are encouraged to complete a JSA or risk assessment for the job task they will be performing. Remote workers are required to undertake additional training before working on-site. These workers are required to submit a contractor work plan for each field visit, which details planned work, outlines GPS locations of each planned work area, emergency contacts, and a tailored emergency response.

Monthly safety meetings are held for all North Coal staff to ensure all workers are aware of updates to safety procedures/protocols, to facilitate discussion of safety-relevant topics (including health and well-being), and to review industry incidents or internal incidents. Participation is encouraged by all employees, with an open discussion held during each meeting. Continuous improvement and review and on-site daily safety meetings are held with contractors to communicate any hazards relating to the proposed work. During this time, safety devices are also tested to ensure they are operational before the start of work.

How we performed

North Coal broadened its safety program in 2020 to include the introduction of remote workplace policies, a comprehensive digital health and safety management system, and improvement to potential workplace hazards and risk assessments. In the fall of 2019, we completed a health and safety audit and have since begun implementing the recommendations.

We experienced zero fatalities, zero lost-time incidents, and zero environmental incidents in 2020. We will continue to focus on a safety culture to keep all employees, contractors, and visitors safe and healthy.

What is next

Our 2021 plans include building upon an already comprehensive safety program. In 2021 we will have to adapt to the ever-changing situation presented to us by the COVID-19 pandemic. Standard operating procedures and COVID-19 safety plans will be updated monthly to ensure they comply with the latest provincial and federal advice.

We will be looking to do an internal audit in 2021 to follow through on continuous improvement goals. Furthermore, we will build stronger safety relationships with all contract field staff to ensure that they are continuously improving the HSMS and safety culture at North Coal.

	Total # per employees	Rate per 200,000 hours	Total # per contractor	Rate per 200,000 hours
Fatalities as a result of work-related injury	0	0	0	0
High-consequence work-related injuries (excluding fatalities)	0	0	0	0
Recordable work-related injuries	1	1	0	0
Number of hours worked	23,912	0	863	0
Incident rate	0	1	0	0



WATER

Water is a very important resource to North Coal. It is critical to local communities, Indigenous Peoples, and the health of our environment. It is listed in the United Nations SDG #6 — Clean Water and Sanitation. The effective management, monitoring, and protection of freshwater is vital to North Coal. This commitment began at the Project's conception in 2013 and has been a guiding element of mine design every step of the way. Additionally, North Coal remains steadfast in our commitment to the targets established in the Elk Valley Water Quality Plan (EVWQP).

North Coal's Approach

North Coal will manage water quality by using an innovative and multi-barrier landform design approach. It is an adaptive water management strategy that protects water through clean water diversion systems, passive water treatment, and active water treatment. Water modelling has been completed to show minimal to negligible impact on downstream waters.

The Project's water quality model was developed using GoldSim simulation software and was configured to account for natural background flows and chemical loadings, runoff, and chemical loads reported from undisturbed portions of watersheds and regional groundwater. Additionally, the software considers chemical loads emanating from mine-related facilities and associated water infrastructure. Mine-related and water infrastructure includes mined rock storage facilities, saturated rock fills, active water treatment facilities, contact water ponds, and ditches.

Water quality predictions were modelled with multiple (n=38) iterations of the input climate data series to determine the effect of multiple climate scenarios for a single year of the mine plan. This approach ensures that no assumptions are necessary regarding which year of the mine life will be most sensitive to a wet or dry year,

and that the natural progression of dry and wet periods and the inter-annual variability associated with long-term climate cycles are retained in the model inputs. Water modelling outputs are compared against, and must meet or exceed, the BC Ministry of Environment Approved Water Quality Guidelines: Aquatic Life, Wildlife and Agriculture, and the EVWQP.

How we performed

North Coal is focused on understanding the current state of water in the Project area. In 2020, we gathered water samples from multiple sites and integrated that data in our environmental assessment. In addition to data collected, and as part of the environmental assessment, North Coal is committed to the ongoing monitoring of various aspects of water. That work included:

- *Surface water quality sampling:*

During 2020, scheduled monthly and high-frequency water quality sampling was conducted at various locations along Michel Creek and nearby tributaries, with 25 sites sampled in total. Midway through the year, the focus on water sampling moved away from the environmental assessment and towards ongoing monitoring of strategic locations along Michel Creek. Four locations have been

chosen due to their proximity to the proposed Michel Head and Loop Ridge mine sites. Typically, 10 samples are collected and analyzed per sampling location, in addition to field blanks and duplicates. High-frequency sampling events occur at periods of low or high flow, with five sampling days taking place over a period of 30 days.

- *Hydrology (surface water quantity):*

North Coal also collects data relating to water quantity or surface water flow, in addition to water quality data. The sites in which flow is measured mirror the water quality sampling. During the shift from environmental assessment monitoring to routine monitoring, locations were also chosen strategically. In November, five locations were identified as important for ongoing monitoring. These locations have manual monthly (instantaneous) flow measurements. In addition to manual flow measurements, North Coal also collects data from continuous water level monitoring equipment that is installed at multiple locations. The data from these continuous stations was downloaded at numerous sites along Michel Creek and tributaries. In November, new continuous water level monitoring equipment was installed at four sites along Michel Creek and its tributaries.

- *Groundwater monitoring:*

Water sampling of seven wells was completed during high and low flow conditions (May and September) on Loop Ridge and Michel Head. In addition to the seven wells, where water sampling is completed to assess the water quality, 40 groundwater wells have continuous measuring equipment installed in them, which measures

water levels at various times throughout the day. The data collected from these wells on Loop Ridge, Tent Mountain, and Michel Head, was downloaded monthly, when conditions permitted. Barometric data was also collected from three wells; one on each site.

What is next

North Coal continues to collaborate with external parties to provide transparency on water-related monitoring. We are participating with the Canadian Wildlife Federation's Elk River Watershed connectivity project, launched in 2020, through data sharing and in-kind work, and will this into continue into 2021. We continue to work with regulators, communities, and Indigenous communities to ensure the mine water outputs will meet government regulations for project approval.





CLIMATE CHANGE AND GHG EMISSIONS

North Coal is setting GHG targets in line with Canada and BC’s emission targets, and with the United Nations’ Sustainable Development Goal #13 — Climate Change. Countries around the world are looking for solutions to environmental challenges and to meet the Paris Agreement targets. Steel is the main material used in delivering renewable energy such as solar, tidal, geothermal, and wind. Steelmaking is an important piece of global GHG emission reduction as it accounts for about 7% of global GHG emissions. In addition, the path to de-carbonization will be longer and more complex than for other sectors.

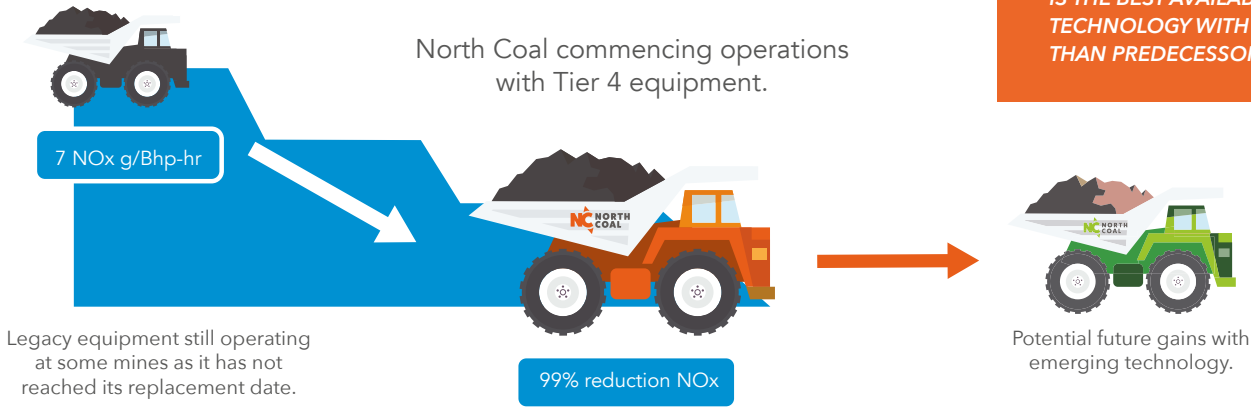
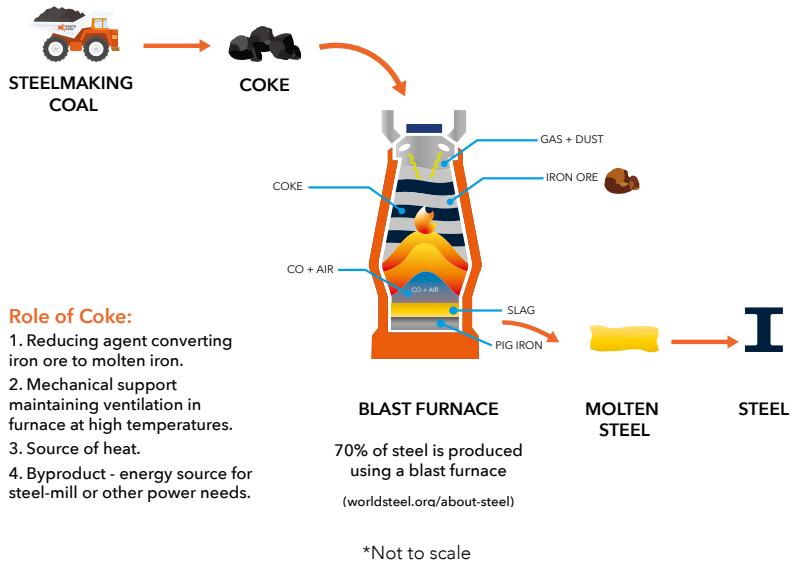
According to the International Energy Agency (IEA, 2020), baseline global steel demand is expected to increase by more than one-third through 2050, partially offset by material efficiency strategies. Improvements will come in two phases. First, end-use material efficiency and technology performance improvements will limit the increase of emissions from steelmaking from now to 2030. Beyond that and towards 2050, carbon capture and storage, electrification, bioenergy, other fuel shifts like hydrogen are expected to reduce steelmaking emissions.

The IEA expects only 8% of global steel emissions in the period 2020-2050 to be displaced by the introduction of hydrogen. As a result, steelmaking coal will continue to be used as the prime reductant in steelmaking for multiple decades to come, even though thermal coal used as an energy source will decline much more quickly.

North Coal’s Approach

Steelmaking coal will continue to be required in steelmaking for several decades to come as the world transitions towards zero-carbon steel. With this in mind, our vision is to help steelmakers achieve net-zero by providing steelmaking coal with net-zero Scope 1 and 2 emissions and world-leading ESG metrics in other key areas. Our Scope 1 emissions are largely associated with major mining equipment, the coal preparation plant, and the preparation of dry tailings (aligned with the Global Tailings Standard).

During mine design and planning, North Coal is investigating ways to minimize our equipment GHG emissions and air quality impacts through innovative new technologies. Modified mining equipment has the biggest potential to reduce operational GHG emissions and improve air quality through reduced particulate emissions.



MODERN TIER-4 MINE EQUIPMENT IS THE BEST AVAILABLE CURRENT TECHNOLOGY WITH LOWER EMISSIONS THAN PREDECESSORS.

Our current base approach is to use Tier 4 diesel equipment as the best commercially available equipment when pre-feasibility studies were completed. Tier 4 refers to advancements in engine technologies in line with regulated emission targets. Significantly reducing the emissions of our mining equipment means that today’s mines produce a smaller environmental impact than yesterday’s.

Moving beyond the standardized Tier 4 equipment, North Coal is assessing alternative approaches to further reduce Scope 1 GHGs. We expect to adopt these as the base case in final production and sourcing plans. These include liquified natural gas (LNG) or compressed natural gas (CNG) equipment conversions that are commercially available now.

Beyond that, we are assessing battery-assisted and hydrogen-powered equipment that are not commercially available at this time. However, one or both may be available when we make a final decision on the equipment fleet. We will also look to improve energy usage in our plant and utilize electric light vehicles at every stage of our project.

North Coal’s commitment to innovation will see the company adopt new technologies to reduce air impacts as they become available.

What is next

Under the Paris Agreement, Canada committed to reducing its GHG emissions by 30% below 2005 levels by 2030. In British Columbia, the Climate Change Accountability Act (the Act) provides a climate change accountability framework. Under the Act, BC’s GHG emissions are to be reduced by at least 40% below 2007 levels by 2030, 60% by 2040, and 80% by 2050 (Climate Change Accountability Act, 2007).

North Coal is developing partnerships and over the next 12 months will work with these partners to develop strategies and targets that will make net-zero emissions a reality. This includes exploring energy efficiencies, equipment selection, renewable energy generation and carbon offsets as tools to reduce GHG emissions. North Coal will help move Canada and BC towards its GHG reduction goals while providing a necessary global commodity that builds tomorrow’s sustainable future.

How we performed

Work has been done to model the Project’s emission from construction to closure using the current best available technology. Construction GHGs are modelled to be 35 kt CO2e/year. These emissions will come from mine site clearing, grubbing, and pre-stripping work. Moving into operations, emissions are predicted to average 172 kt CO2e/year. The main emissions source from operations will be the production plant, mobile equipment, and coal seam methane release. The upstream electricity will be provided by Clean BC hydroelectricity. Closure emissions are predicted to be 7 kt CO2e/year.



AIR QUALITY

Air quality is a primary concern of stakeholders second only to water. Air quality is impacted by fugitive dust created from the blasting and movement of rock associated with mining. Large mobile equipment and earth movement (e.g., stripping, blasting, and dumping) can generate large amounts of fugitive dust. This is a concern to communities near the mine and land-users in the area.

North Coal’s Approach

The mine design has been developed to mitigate fugitive dust. We achieve significant dust mitigation by building ex-pit mined rock storage facilities from the bottom-up. The design of these facilities also allows for progressive reclamation — reclaiming disturbed lands from the very beginning. The return of soil and vegetation to the mined rock storage facilities, as they are built, reduces fugitive dust and improves air quality. Reclaimed lands assist with dust control as well as in the removal of CO₂ from the atmosphere.

An inventory of project-related air contaminant emissions was developed using estimated future activity data for the Project, in conjunction with published emission factors for the expected types of activities. Air quality effects were assessed by predicting future concentrations using an air dispersion model for the following air contaminants of potential concern, and comparing them to the relevant air quality objectives and standards:

- Total suspended particulates (TSP).
- Particulate matter of up to 10 µm diameter (PM10), also known as inhalable particulate matter.
- Particulate matter of up to 2.5 µm diameter (PM2.5), also known as respirable particulate matter.
- Nitrogen dioxide (NO₂).
- Sulphur dioxide (SO₂).

How we performed

Air quality has been monitored since 2014 within the Project area and continued into 2020. The monitoring includes meteorological information, dustfall, and background air quality. Dustfall data is collected at three locations within the Project site, with total and speciated dustfall data collected monthly from these sites. The data is expected to represent two facets: first, the metal composition in dustfall and second, in suspended particulate matter for the unpopulated areas of the meteorology and air quality study area.

What is next

Air quality modelling will continue to support baseline data. Once mining operations start, progressive reclamation, which starts in year two of operations, will be a critical component of air protection measures. Reclaimed lands aid in dust control as well as in the removal of CO₂ from the atmosphere.



RELATIONSHIPS WITH INDIGENOUS COMMUNITIES

First Nations, Inuit, and Métis (Indigenous Peoples of Canada) have constitutionally protected rights. Such constitutional rights protect and affirm the Government of Canada’s duties and obligations towards Indigenous Peoples. Indigenous rights may also arise from treaties entered between the British Crown and Indigenous Peoples in colonial times (1701-1923), and newer treaties subsequently signed. Modern-day treaties are known as comprehensive land claim settlements that are still in the process of being settled.

In November 2019, the Government of British Columbia passed legislation to implement the United Nations Declaration on the Rights of Indigenous People (UNDRIP). The BC Declaration on the Rights of Indigenous Peoples Act (BC DRIPA) aims to create a path forward that respects the human rights of Indigenous people. Resource development in Canada has been a long-standing tool for economic reconciliation with Indigenous groups.

North Coal’s Approach

North Coal respects the rights of Indigenous Peoples and is committed to UNDRIP and the BC DRIPA. In particular, the respect for the rights of Indigenous Peoples in communities affected by exploration and mining is integral to sustainable and successful mining operations and a fair, just, and well-functioning society.

North Coal deeply values its partnership with the Ktunaxa Nation. Dialogue and engagement with the Ktunaxa are fundamental components of North Coal’s philosophy, as we seek to build a sustainable long-term relationship with the Ktunaxa Nation and the individual communities that comprise the Ktunaxa Nation. The relationship will help identify opportunities for cooperation and leverage the economic potential and social opportunities for both parties resulting from the Project’s development. Most importantly, our approach is to build a relationship that will remain intact throughout and beyond the Project’s life.

In March 2020, North Coal was issued the revised Environmental Impact Statement Guidelines by the Impact Assessment Agency of Canada, which expanded the list of Indigenous groups that could be potentially impacted by the Project. In October 2020, the BC Environmental Assessment Office further expanded

the list of Indigenous groups that may be impacted by the Project. North Coal has worked within the safety precautions of COVID-19 to engage and consult with these additional Indigenous groups and will continue to do so throughout the Project review and into operations.

How we performed

Our team meets regularly with local and regional Indigenous Peoples. In 2020, we held more than 34 meetings with First Nations and Metis communities. The meetings included Chiefs and Council meetings, Indigenous community members, Metis Associations, and youth groups.

What is next

North Coal will continue meaningful engagement with Indigenous groups to ensure their interests are reflected in the Project, where possible. We will work collaboratively to mitigate potential project impacts on Indigenous traditional rights and titles. Work will also begin on reclamation and closure goals identified by Indigenous knowledge holders. This includes working with Indigenous groups to collect seeds from the Project area for future reclamation activities.



RELATIONSHIPS WITH COMMUNITIES

North Coal’s operation is in the Elk Valley, in the southeastern corner of British Columbia. The area has a long coal mining history extending over a century and it is currently one of the world’s largest seaborne steelmaking coal regions. Each community in the Elk Valley has, or historically has had, a strong connection to the mining industry with mining and mining services employing roughly 30% of the Elk Valley’s population today. Tying into this rich history, North Coal has focused on building a workforce from the local area and procurement plans that draw on local service suppliers.

Our team engages with local communities regularly, in good faith, with open and transparent communication. We seek to ensure our engagement respects human rights and that diverse voices are heard. Our formal outreach is through engagement with local environmental groups, nonprofit organizations, business organizations, and municipal councils. We engage with communities to identify social, economic, and environmental priorities and to define mutually desired outcomes and measures of success. We collaborate to develop a mutual understanding of cultural, environmental, and recreational values, and to create broad awareness within local communities regarding the opportunities of employment, training, and contracting associated with the Project.

North Coal’s Approach

North Coal is fortunate to have the expertise of ten full-time employees and countless expert consultants and contractors. Our team’s remuneration is based on our collective performance to the standards in this report. Whenever possible, our team contracts local businesses to supply environmental monitoring, professional services, and media services, along with other goods and services. Our Local Procurement Policy defines ‘local business’ as business operations within the BC areas of the Elk Valley, Grasmere, Cranbrook, Creston, and Invermere, as well as the Crowsnest Pass, Alberta area.

As our project progresses through the environmental assessment process, we are committed to meaningful and sustainable engagement with our neighbours and surrounding communities. We regularly engage with all communities through public events and through municipal governments. We also share company and project information and collect feedback. These sessions generate meaningful dialogue and help advance our sustainability initiatives by providing personal and

community-based feedback for the Project. We listen to our communities and integrate their feedback into our work.

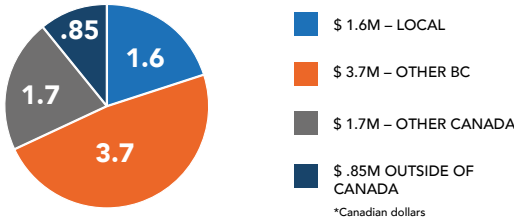
North Coal also conducts an annual survey of individual households in the region. Our 2020 survey asked a number of questions relating to mining and major concerns regarding the Project. The information collected plays an integral role in informing the Project design, and in terms of which information is shared with stakeholders.

How we performed

North Coal’s workforce is stable with a high retention rate of team members and contractors. Our expert team has moved the Project forward by meeting internal targets and moving closer to development. The workforce remained constant throughout 2020, with zero new hires and zero turnover. All employees are full-time, with extended health benefits and life insurance. Parental leave is provided in line with the current British Columbia labour laws. No employees took parental leave in 2020.



Distribution of supply expenditure



In 2020, our public consultation pivoted to keep communities safe. We focused on using both paper and electronic media to share information about the company and the Michel Coal Project. The North Coal website was regularly updated with project information. The website also introduced community feedback “contact us” forms. Our number of newsletter subscribers grew by roughly 50% in 2020. Our stakeholder survey results reported that the Elk Valley is a rural, resource-oriented region with local communities that are supportive of responsible and responsive resource development. The results reported a near 90% of survey takers support steelmaking coal in the region. Their main concerns were found to be on water and air quality.

Another topic commonly raised by local communities is access to recreational areas. Areas of the Project fall within provincially regulated Access Management Areas (AMAs); Loop Ridge, Loop South, and Tent Mountain. Within these AMAs, the province requires users to obtain a permit if accessing the areas using a motorized vehicle. The areas can be accessed on foot without a permit. Upon the initiation of construction, North Coal will develop maps that clearly illustrate safe and restricted access areas. It is anticipated that these maps will be created annually once the Project moves into the construction phase and then into operations. Our 2020 work included aiding the province in managing access to the AMAs by installing clear signage near main entry points communicating the prohibition of motorized vehicles, as well as monitoring gate access with locks.

We communicated this to local clubs and users to ensure land users understood the changes and had the opportunity to provide feedback into how we can work together on the land base.

Our team provided updates to the municipal governments in Elkford, Sparwood, Fernie, Cranbrook, and the Crowsnest Pass in 2020. We also had regular communication with local chambers of commerce, the Elk River Alliance, and the Sparwood Fish and Wildlife Association, among several other groups.

In response to the COVID-19 pandemic, North Coal made donations to the Elkford Food Bank, the Sparwood Food Bank, and the Fernie Women’s Resource Centre to help those in our region most greatly affected by the pandemic.

What is next

As we progress through the environmental approval process, we will continue to host open house events and presentations regarding the Project with interested parties. Our commitment does not end at the regulatory requirements. We are proud of our participation in the local area and look to continue to engage with stakeholders to understand the Project’s benefits and impacts on the Elk Valley.



The North Coal team participates in Fernie, BC Griz Days Bed Races competition, March 7, 2020



Grizzly captured on the Loop Ridge on the BC/AB border monitoring camera.

WILDLIFE BIODIVERSITY

North Coal’s mine plan has been designed to minimize disruption to wildlife corridors and biodiversity. We are working with Indigenous communities and stakeholders to implement impactful solutions. Our strategies align with the goals and targets of SDG #15 — Life on Land. This goal includes targets focused on inland freshwater ecosystems, conservation of the biodiversity found in mountain ecosystems, and the halt of the loss of habitat.

In 2013, North Coal joined a regional cumulative effects team called the Elk Valley Cumulative Effects Management Framework (CEMF). CEMF aims to manage environmental, social, and economic components associated with industrial development in the Kootenay-Boundary region in southeastern BC. CEMF is working to examine the cumulative effects from the various industries operating in the Elk Valley using five valued components, including Westslope Cutthroat Trout, Grizzly Bear, Bighorn Sheep, Old and Mature Forest, and Riparian Habitat. This involves ensuring habitats remain effective, secure, and well connected so they can continue to support stable and resilient ecosystems, and their associated wildlife populations.

North Coal’s Approach

Following collaboration with the Ktunaxa Nation, North Coal reduced its proposed project footprint. Through this collaboration, the Ktunaxa identified lands that were culturally important and high-value wildlife habitat. This land was initially planned to be disturbed and was defined as the Tent Mountain deposit in the original Project Description. The removal of Tent Mountain from the Project was noted as a significant project attribute by the Ktunaxa Nation Council, as this area will allow for long-term wildlife migration and utilization of identified high-value habitat. The Tent Mountain area was also noted to contain important traditional lands, whereby the natural mountain pass would have been a travel corridor for Ktunaxa peoples before contact with early Europeans.

Through the regulated environmental approval process, 17 species of conservation concern were identified to potentially occur in the study areas. These species include the American Badger, Grizzly Bear, Little Brown Myotis, Northern Myotis, Wolverine, Western Toad, Gillette’s Checkerspot, Swainson’s Hawk, Bank Swallow, Barn Swallow, Black Swift, Common Nighthawk,

Olive-sided Flycatcher, Northern Goshawk, Lewis’ Woodpecker, Williamson’s Sapsucker, and the Western Screech Owl. Several of these species of conservation concern are also migratory birds under the Migratory Birds Convention Act. The Project site has no reserves or protected areas within the proposed mining areas and no endangered species, as recognized by the Government of Canada. Known threatened species in the area include Grizzly Bears and Badgers.

North Coal has 11 permanent wildlife cameras across the site recording animal presence and monitoring their movement patterns. We have done extensive tracking of these animals throughout the licensed area to understand behaviours and critical corridors and will manage habitat to support healthy future populations.



Moose captured on a Michel Head monitoring camera

How we performed

2020 was an active year for wildlife and biodiversity monitoring and tracking. We collected data on habitat, ecology, distribution, and reproduction for 17 wildlife species. Extensive field studies were also completed on soil, flora, and fauna in the area. The data collected provides a robust baseline data set. This dataset informs our mine planning to ensure environmental protections are incorporated into the design.

Wildlife monitoring: Data downloaded from 11 camera sites from within and surrounding the Project area during the spring and fall.

Bat monitoring: Deployed and retrieved four sets of bat monitoring equipment for the North American Bat Monitoring Program.

Along with our work, North Coal contributed to the Sparwood and District Fish and Wildlife Association Big Ranch project. Big Ranch is owned by The Nature Trust of BC and is located between Elkford and Sparwood. The five-year project, led by the Sparwood and District Fish and Wildlife Association, involves activities such as removing trees to allow light to reach the understory,

fertilizing grasses, and treating invasive weeds. Other steps include creating wildlife trees, repairing a wetland complex, and planting trees in some areas to create visual buffers between humans and wildlife. We continue to look for ways to work with local organizations to support wildlife biodiversity.

What is next

North Coal will continue its commitment to the CEMF working group to support the regional wildlife management goals. North Coal has a land-use agreement in place with the landowner that identifies and preserves specific conservation areas.

We are also working with local biodiversity projects like the Canadian Wildlife Federation on the Elk River Watershed Connectivity and Remediation Project. Our participation includes Working Group activities and sharing water quality data for the Elk River watershed.

We will also build on past collaborations with the Elk River Alliance and the Sparwood and District Fish and Wildlife Association.

WILDLIFE MONITORING AND TRACKING:

- | | |
|-------------------------------|------------------------|
| Grizzly Bear | American Marten |
| Rocky Mountain Elk | Little Brown Myotis |
| Rocky Mountain Big Horn Sheep | American Dipper |
| Moose | Olive-sided Flycatcher |
| Wolverine | Common Nighthawk |
| Canada Lynx | Western Toad |
| American Badger | |

Grizzlies captured on Loop Ridge monitoring camera





DEACTIVATION & RECLAMATION

North Coal believes that the legacy of the Project must be considered from the early stages of planning and development and that mining is only a temporary use of the landscape. We have worked closely with Ktunaxa elders and knowledge holders who encouraged us to think of how future generations - two, three, and four generations from now - will use the land. That work led to the cocreation of a closure goal that is to return the land to a place where people can hunt, fish, trap, and gather.

Our reclamation and closure plans are based on and guided from collaboration with Indigenous knowledge holders. This knowledge is incorporated into all stages of project reclamation planning. Operations must consider the established end-use goals and consider how the land will evolve physically, chemically, ecologically, and socially. To meet Ktunaxa closure goals, we must ensure reclamation and restoration of mine-affected areas establish diverse, resilient, and culturally and ecologically effective landscapes following disturbance. This reclamation species utilized will incorporate the use of culturally important plants (CIPs).

North Coal’s Approach

North Coal’s progressive reclamation and closure objectives are based on traditional use values, traditional knowledge, and scientific understanding of natural ecosystems’ structural and functional characteristics. They guide the selection of closure criteria and are implicit in achieving the end land-use goals. Specific reclamation and closure objectives for the project include:

- *Physical stability*
- *Chemical stability*
- *Minimal post closure care requirements*
- *Future use, including aesthetics and values.*

Progressive reclamation, or reclamation completed on an ongoing basis, will enable us to better manage air quality and water quality while protecting native wildlife and their natural habitats. Our mine closure plans are designed to ensure that the reclaimed mine site has healthy wildlife habitat and water treatment systems that are designed and modelled to provide long-term, ongoing water protection.

How we performed

No reclamation activities were carried out during 2020; however, deactivated roads were inspected and repaired where required. After the winter and spring, annual

road maintenance on Loop Ridge was carried out to repair and improve drainage throughout the entire site, ensuring that North Coal is meeting its commitments to stakeholders and to comply with its obligations under the Mines Act and the Health, Safety and Reclamation Code for Mines in British Columbia.

Upon completing each year’s exploration activities and review of results, an assessment is conducted to determine the future need for each trail and exploration site. If a trail or site is determined to be unnecessary for future exploration activities, it is scheduled for reclamation as soon as it is practical to do so. Trails and sites identified for future exploration or scheduled to be disturbed under future development are deactivated to a geotechnically and hydrologically stable state.

What is next

North Coal is committed to a partnership that protects Indigenous rights, interests, and the rich cultural significance of the Project site and surroundings. We will also ensure our project meets the obligations of provincial and federal regulations that govern mining projects. We have worked closely with the Ktunaxa Nation to ensure culturally important plants are incorporated into the reclamation plant species mix for establishment. To be prepared for reclamation, we will stockpile topsoil, collect native seeds, and create an inventory of plants for the reclamation to be consistent with the biogeoclimatic zone.



WATCHLIST

The following items were assessed and have not been included in our material risk assessment because they are considered low risk to North Coal and our current and future work. We report on them in our watchlist because they are important and common issues for the mining industry and, as such, some commentary is warranted.

Corruption

Mining operations have the opportunity to promote SDG #16 – promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels. It promotes the rule of law. It is important that we uphold the laws of the land in which we operate. While Canada is ranked as a low corruption risk jurisdiction, ranking #11 in the 2020 Transparency International Corruption Perceptions Index, with a score of 77/100, we still must be vigilant and aware of potential risks.

North Coal’s Approach

North Coal has a zero-tolerance policy towards corruption and does not consider corruption a material risk to its operations based on the following considerations. We operate exclusively within the province of British Columbia, Canada where there are few opportunities for high risk interactions.

North Coal is aware of and aligned with the Extractive Industry Transparency Initiative (EITI) and we do build the underlying principles of EITI into our business processes. However, given the low corruption risk in British Columbia, North Coal is not a member of the EITI.

Human Rights

North Coal is committed to the United Nations’ Guiding Principles on Business and Human Rights. More emphasis has been placed on the resource and extractive sector in recent years to ensure human rights are not being negatively affected. We believe in respecting human rights and contributing to the realization of the UN SDGs.

North Coal’s Approach

North Coal operates in accordance with Canadian and British Columbia Employment Standards, which protect human rights. Canada ranked #6 out of 162 countries in the 2020 Fraser Institute Human Freedoms Index and has improved its score year-on-year. As we operate solely in British Columbia, with 90% of our supply expenditure in Canada and the balance in OECD countries, North Coal considers human rights risks a low risk to its operations at this time. We will monitor this as we move to development and production, with a particular focus on our supply chain.





LOOKING AHEAD

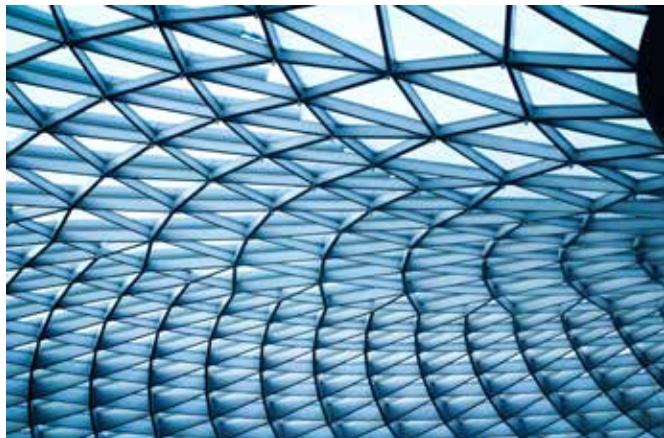
Tailings

North Coal recognizes that Tailings Storage Facility failure is arguably the key material risk facing many mining companies and the industry. We acknowledge the targets developed in the Global Tailing Standard sponsored by the United Nations Environment Program, the International Council on Mining and Metals, and the Principles for Responsible Investing. The Global Tailing Standard establishes an international standard for the safer management of tailing facilities everywhere.

North Coal's Approach

North Coal wholly supports and has adopted the Global Tailings Standard sponsored by the Global Mining & Tailings Safety Initiative (supported by the United Nations Environment Program, United Nations Principles of Responsible Investing, and the International Council on Mining and Metals).

North Coal has, through design and technology, eliminated the need for tailings ponds at its facility. Instead, water will be separated from processed tailings and recycled, and the resulting dry tailings will be blended with mine rock and returned to the mined pits or mined rock storage areas. In this regard, the initiative at North Coal to dry stack tailings is wholly aligned with best practice, as outlined in the Global Tailings Standard, and with society's expectations for today and the future.



STEELMAKING COAL

Steel is a critical component in the production of numerous energy-producing technologies upon which the world depends as it transitions to a global energy mix with a reliance on environmentally sustainable energy sources. Steel will continue to play an ever-growing role in the production of renewable infrastructure such as hydroelectric dams, wind turbines, tidal turbines, solar panels, and LEED-certified buildings. Steel-making coal will continue to be in high demand as the global economy grows and innovates, as infrastructure is rebuilt, and as emerging countries improve their quality of life.

North Coal understands that it has a responsibility as a steward of the land, and every action that it takes will impact the land's future use and viability. We are taking a holistic approach, incorporating and considering every element and aspect of our operations when planning for mine operations and closure. It is this awareness of the future and careful consideration of our present impact that shapes our sustainability efforts, planning objectives, and legacy.

As we move towards construction and production we will, in collaboration with stakeholders, set environmental, social, and governance targets and metrics for the Project. We will report publicly against these targets, at a minimum, annually in our sustainability report.

Our employees live in and contribute to the Elk Valley communities; this is our home, and we are actively working to ensure the sustainable development of the Michel Coal Project to ensure it provides a positive legacy for our communities and the Elk Valley.

North Coal has engaged with Indigenous communities and local stakeholders, and we value and incorporate their feedback. As a result, we are moving forward with an innovative approach that integrates environmental requirements and forward-looking strategy into the mining process. We are sharing our plans and are open to questions, and we hold ourselves responsible for the decisions we make.

Connect With Us



Community information sessions



northcoal.ca



info@northcoal.ca



NorthCoal

Forward Looking Statement

Forward looking statements may be identified by the use of terminology including, but not limited to; 'intend', 'aim', 'project', 'anticipate', 'estimate', 'may', 'should', 'will', 'continue', or similar words. These statements discuss future expectations or provide other forward-looking information.

Forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control and which may cause actual results to differ materially from those expressed in the statements contained in this report. Readers are cautioned to not put undue reliance on forward looking statements.

Past performance cannot be relied on to guide future performance.



**TOGETHER WE WILL
BUILD A FUTURE –
ONE BASED ON TRANSPARENCY,
COLLABORATION AND RESPECT.**



652F Sparwood Dr.
Sparwood, B.C. V0B 2G0
Canada