

Yukon Environmental and Socio-economic Assessment Act

Decision Document – Executive Committee Screening

This is the consolidated Decision Document of Natural Resources Canada, Fisheries and Oceans Canada, and Government of Yukon (the Decision Bodies) issued in accordance with the requirements of the *Yukon Environmental and Socio-economic Assessment Act* (YESAA) as Decision Bodies for the Kudze Kayah Project (the Project).

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Abbreviations and Acronyms

AMP.....	Adaptive Management Plan
BMC	BMC Minerals Ltd.
Canada.....	Government of Canada
COPI.....	Contaminants of Potential Interest
Declaration.....	Declaration of the Rights of the Finlayson Caribou Herd
DFO.....	Fisheries and Oceans Canada
DRFN	Dease River First Nation
EAP	Employee Assistance Program
ECCC	Environment and Climate Change Canada
FCH.....	Finlayson Caribou Herd
FCHOC.....	Finlayson Caribou Herd Oversight Committee
FPIC.....	Free, Prior and Informed Consent
Kaska	Kaska First Nations
KCIPR	Kaska-Centric Independent Peer Review
KN	Kwadacha Nation
km.....	kilometers
LFN.....	Liard First Nation
MQes.....	Mine and Quarry Engineering Services
MQes Memo.....	Mine and Quarry Engineering Services Memo (dated July 29, 2025)
NRCAN.....	Natural Resources Canada
Project	Kudz Ze Kayah Project
Proponent.....	BMC Minerals Ltd.
PwC.....	PricewaterhouseCoopers
PwC Report.....	PricewaterhouseCoopers Report (dated June 2, 2025)
QML.....	Quartz Mining Licence
RRDC	Ross River Dena Council
SARA.....	<i>Species at Risk Act</i>
Screening Report	Screening Report and Recommendation
SEPA.....	Socio-Economic Participation Agreement
TAP	Tū Łídlíni Assessment Process
UFA	Umbrella Final Agreement
UNDRIP.....	United Nations Declaration on the Rights of Indigenous Peoples
VESEC	Valued Environmental and Socio-Economic Component

WPP.....Wildlife Protection Plan

YESAA *Yukon Environmental and Socio-economic Assessment Act*

YESAB Yukon Environmental and Socio-economic Assessment Board

YG Yukon Government

Overview

This Decision Document is issued by Decision Bodies pursuant to section 77(3) of YESAA, and subsequent to the December 6, 2024 Decision of the Yukon Court of Appeal, which set aside the Decision Bodies' June 15, 2022 Decision Document and made Decision Bodies' March 8, 2024 Decision Document a nullity. The Yukon Court of Appeal set aside the prior decisions on the basis that Decision Bodies failed to adequately consult Kaska on the topic of the economic feasibility of the Project, but otherwise found Decision Bodies' consultation and accommodation leading up to June 15, 2022 Decision was reasonable, except with respect to the Kaska's June 14, 2022 submission which was the basis upon which the Yukon Supreme Court initially set aside the June 15, 2022 Decision.

By way of this Decision Document, and pursuant to section 77(3) of YESAA, the Decision Bodies vary the Executive Committee's recommendation that the Project be allowed to proceed subject to terms and conditions specified in the Screening Report. This means that: the Decision Bodies concur with the Executive Committee that the Project should be allowed to proceed without a review, subject to terms and conditions, but have made certain changes and additions to the terms and conditions recommended by the Executive Committee, for the reasons described in this Decision Document.

In considering their decision, Decision Bodies have relied on the record of consultation and accommodation undertaken prior to the June 15, 2022 Decision and the March 8, 2024 Decision, as the YKCA only ordered further consultation on the topic of economic feasibility and upheld the YKSC's conclusion that but for their response to Kaska's June 14 submission, consultation with Kaska on their concerns had otherwise been reasonable. Decision Bodies understand that a Decision on the Project must be made anew and Kaska's perspectives on the economic feasibility of the Project are one factor that must be considered as part of this Decision. For reasons of transparency and ease of reference, Decision Bodies have reproduced portions of past Decision Documents and arranged this Decision Document in the following manner:

- Sections 1.0 to 3.0 of this Decision Document reproduces the text of the June 15, 2022, Decision Document, setting out a description of the Project, identification of Decision Bodies, and consultation that occurred up to June 15, 2022.
- Section 4.0 of this Decision Document sets out the rationale for the June 15, 2022 Decision which Decision Bodies incorporate and rely upon for this Decision.
- Section 5.0 of this Decision Document sets out the March 8, 2024 decision, a summary of the consultation meeting that occurred on February 7 and 8, 2024, and the rationale for the March 8, 2024 decision, which again, Decision Bodies incorporate and rely upon for this Decision.
- Section 6.0 of this Decision Document sets out the April 10, 2026 Decision. It includes a summary of the consultation that occurred following the judgement of the Yukon Court of Appeal on December 6, 2024. Section 6.0 also includes the rationale for the new decision, building on the rationale of the June 15, 2022 Decision Document set out in 4.2 and the rationale of the March 8, 2024 Decision Document set out in section 5.2.
- Section 7.0 of this Decision Document sets out terms and conditions that the Project will be subject to, and how those terms and conditions vary from the recommendations of the Executive Committee. Section 7.0 also provides the rationale for the modifications of terms and conditions.

Decision Bodies highlight that Section 6 and the rationale for the modified terms and conditions –Term #10– and for the new terms and conditions –Terms #43-#52– in Section 7 are the portions of this Decision Document that address matters arising from the court-directed consultation on economic feasibility. Sections 1 to 5 and the rationale for the other terms and conditions -Terms #1-9 and #11-42– remain largely unchanged from the March 8, 2024 Decision Document. Where changes have been made, Decision Bodies have endeavored to strike out text that does not support the current Decision.

1 Project

Project Name: Kudz Ze Kayah Project

Proponent Name: BMC Minerals Limited

1.1 Project Description

As per Section 2.2 of the Executive Committee's Screening Report and Recommendation (dated October 13, 2020, but released October 21, 2020):

The purpose of the Project is the construction, operation and closure of a copper, lead and zinc mine using both an open pit and underground mining techniques. Over 10 years of mining operations, the Proponent proposes to mine approximately 5 500 t of ore per day, producing approximately 180 000 t of zinc, 60 000 t of copper and 35 000 t of lead concentrates each year. From construction until the conclusion of Proponent-proposed monitoring, Project activities will span approximately 38 years.

Mining is proposed by both open pit and underground methods. Ore will be processed by sequential flotation through a processing plant that will handle approximately 2 million tonnes (Mt) of ore per year. Tailings will be deposited in a dry stack storage facility, waste rock will be stored in purpose-built facilities, while strongly acid-generating rock will be paste-backfilled into the underground portions of the mine.

The Project is proposed within the Traditional Territories of Liard First Nation and the Ross River Dena Council. It is located within the Pelly Mountain Range and is about 260 km northwest of Watson Lake and 115 km south of Ross River. It lies approximately 25 km to the west of the Wolverine Mine and 24 km south of Finlayson Lake.

1.2 Project Scope

The Project Scope defines the Project to be assessed and includes all activities described in the Project Proposal as well as in any subsequent information provided by the Proponent. The activities included in the Project Scope are listed in Table 6 of the Executive Committee's Screening Report and Recommendation (the Screening Report) (pp. 29 to 35).

2 Other Decision Bodies

Consolidated Decision Document: Yes

Natural Resources Canada

Fisheries and Oceans Canada

Government of Yukon

In accordance with section 78 of YESAA, Natural Resources Canada and Fisheries and Oceans Canada (the federal Decision Bodies) and the Government of Yukon (YG; the territorial Decision Body) have consulted one another on their respective decisions and have agreed to consolidate their Decision Documents as a result.

3 Consultation up to June 15, 2022

The federal Crown and territorial government (i.e., the Decision Bodies under YESAA) each have a legal duty to consult with Indigenous groups whose asserted or established section 35 Aboriginal rights, or treaty rights, have the potential to be adversely impacted by a decision under YESAA. Generally speaking, for any project falling within an asserted or established traditional territory of a First Nation and where there is a federal and/or territorial decision body, the duty to consult will arise for those First Nations whose rights may be adversely impacted by the Project. In the case of the Project, the Decision

Bodies identified that this includes the Ross River Dena Council (RRDC), Liard First Nation (LFN), Kwadacha Nation (KN) and Dease River First Nation (DRFN): all four First Nations have asserted aboriginal rights and title in the Project area. These four First Nations are referred to collectively as the Kaska First Nations throughout this document.

Federal Decision Bodies also determined that they have a duty to consult with Dehcho First Nations and Nahʔą Dehé Dene Band for the Project. The Dehcho First Nations and Nahʔą Dehé Dene Band are each based in the Northwest Territories but have asserted traditional territories in Yukon within which the Project is located (i.e., Dehcho First Nations) or situated upstream of (i.e., Nahʔą Dehé Dene Band).

The Decision Bodies' approach to consultation and accommodation under YESAA is to rely on, to the extent possible, the Executive Committee's existing assessment process to fulfill consultation obligations. Decision Bodies actively participate in the assessment process and augment that process in a complimentary way, where necessary, to ensure the duty to consult and accommodate is met prior to a decision being made, including giving due regard to section 74(2) of YESAA.

In the case of the Project, Decision Bodies determined that Kaska First Nations required consultation at the deep end of the consultation spectrum. Decision Bodies understood that, for the purposes of the Project, Kaska First Nations were primarily represented by LFN and RRDC. Section 74(2) of YESAA also applies to LFN and RRDC.

YESAA sets out a process designed to consider the potential adverse environmental and socio-economic effects of a project, as well as the interests, perspectives, and views of First Nations. Section 74(2) of YESAA imposes an obligation on Decision Bodies to consult with First Nations when considering a recommendation. The Decision Bodies believe that there were reasonable opportunities for First Nations to provide their comments and views during the Project assessment. Funding was made available to support First Nations' engagement in the Project assessment. Decision Bodies note that LFN provided substantial comments with traditional knowledge and traditional land use information through the assessment process via their Kaska-Centric Independent Peer Review (KCIPR) memos and their March 2021 *Interim Report Re: Liard First Nation Use and Occupancy and Kaska Rights in the Kudz Ze Kayah Region* (Interim Report). RRDC also provided comments and views to the Executive Committee during the Project assessment.

During the decision process, Decision Bodies committed to ongoing dialogue with LFN and RRDC in an effort to address key questions and concerns raised. Additionally, the federal Decision Bodies referred the Screening Report back to the Executive Committee for reconsideration, which allowed all First Nations an additional opportunity to provide their views and comments via the assessment process, including on the Screening Report. The Decision Bodies also granted several timeline extensions to LFN and RRDC to enable their review and comments on the draft modified terms and conditions. Decision Bodies made considerable effort to engage LFN and RRDC throughout the process. Decision Bodies acknowledge receipt of a letter on June 14, 2022 from LFN and RRDC that reiterated the concerns and questions that were raised throughout the Project assessment and consultation during the decision phases, including the consultation on February 7 and 8, 2024. Decision Bodies have seriously considered LFN's and RRDC's views in making the decision and this is articulated in the rationale of this Decision Document.

~~In conclusion, Decision Bodies are satisfied they have met their consultation obligations, related both to the duty to consult at common law and pursuant to section 74(2) of YESAA.~~

3.1 Consultation with Liard First Nation and Ross River Dena Council**3.1.1 Procedural Engagement – Screening Process****3.1.1.1 Canada – Ross River Dena Council**

During the Executive Committee's process, Canada (which collectively includes federal Decision Bodies and other departments participating in the assessment) reached out directly to RRDC, via letter, to provide notification of important process milestones including: the initiation of the Project Screening during adequacy review, release of the Executive Committee's Screening Report, the federal Decision Bodies' decision to refer the Screening Report back to the Executive Committee for reconsideration, and the commencement of the reconsideration stage. Specific to federal Decision Bodies' consultation, Canada also wrote to RRDC in May 2017 and September 2020 to inform RRDC of Canada's intention to rely on the Screening process to fulfill consultation obligations, to the extent possible, provide an update on next steps in the Screening process, and offer an opportunity to discuss concerns directly with Canada. Canada actively participated in the Screening process and reviewed RRDC's comment submissions on the Draft Screening Report and on the reconsideration of the Screening Report. Canada also exchanged updates with RRDC through phone calls and email throughout the Project Screening. Canada met with RRDC once by phone during the Screening stage; other meetings attempts were unsuccessful.

Pursuant to section 76(1) of YESAA, the federal Decision Bodies referred the Project back to the Executive Committee for reconsideration, in part, due to outstanding concerns raised by RRDC. Canada engaged in several email and phone call exchanges with RRDC during the first decision stage (October 2020 to January 2021) and the reconsideration period (February to March 2021).

Canada engaged in a series of bilateral meetings with RRDC's technical representatives, two of which took place during the reconsideration stage (in March 2021) and one during the second decision stage (in April 2021). The intention of these meetings was to discuss the federal Decision Bodies' reasons for referral and the reconsideration process, and RRDC's substantive concerns with the Screening process and potential adverse effects of the Project. During the second decision stage (in April 2021), technical representatives from RRDC also attended two consultation meetings between Canada and LFN.

During the Screening process, RRDC expressed capacity concerns due to insufficient funding and the COVID-19 pandemic. Timelines during the Executive Committee's process were extended in an effort to accommodate these capacity issues. Canada also attempted to work with RRDC staff to support their application for the Northern Participant Funding Program (which was offered through Crown-Indigenous Relations and Northern Affairs Canada).

3.1.1.2 Yukon – Ross River Dena Council

YG initiated consultation with RRDC in December 2016, prior to the Executive Committee Screening process, notifying RRDC of the upcoming Project screening. RRDC sent a letter to YG Environment Minister Frost on February 7, 2017, raising concerns with the management of the Finlayson Caribou Herd (FCH) and seeking to work together to minimize impacts of the Project on caribou. On April 4, 2017, Minister Frost responded by letter indicating a willingness to embrace a co-management approach for the FCH. Consultation throughout the adequacy review, seeking views, and information periods, were conducted through written correspondence and phone conversations. Discussions primarily focused on the upcoming assessment process. YG notified RRDC of YG's intention to rely on the Screening process to fulfill consultation obligations, to the extent possible. YG sought clarity from RRDC on their preferred approach for continuing consultation and seeking RRDC views about potential adverse impacts of the Project on Kaska asserted Aboriginal rights. During the assessment process, direct engagement between

RRDC and YG was, for the most part, limited to written correspondence and phone conversations regarding the status of the Project screening.

3.1.1.3 Canada – Liard First Nation

At several points during the Executive Committee's process, Canada reached out directly to LFN, via letter, to provide notification of important process milestones including: the initiation of the Project Screening, the release of the Screening Report, the federal Decision Bodies decision to refer the Screening Report back to the Executive Committee for reconsideration, and the commencement of the reconsideration stage. Canada also wrote to LFN in June 2018 and September 2020 to inform LFN of Canada's intention to rely on the Screening process to fulfill consultation obligations, to the extent possible, provide an update on next steps in the Screening process, and offer LFN an opportunity to discuss concerns directly with Canada.

Canada actively participated in the Screening process and reviewed all of LFN's individual comment submissions, including: two prior to the release of the Draft Screening Report (March 2018 to July 2019), 14 during the comment period on the Draft Screening Report (December 2019 to June 2020), and three before the release of the Screening Report (from December 2019 to October 2020), plus LFN's January 12, 2021 letter to Minister Vandal and Premier Silver, and their two comment submissions on the reconsideration of the Screening Report. LFN's submissions throughout the Executive Committee Screening Process included KCIPR memos related to air and health, water, caribou, socio-economics, and Information Requests #5 and #6; updates and work plans for the KCIPR process; a high-level review of the Proponent's June 2019 NI 43-101 Technical Report; and an Interim Report on LFN use and occupancy and Kaska rights in the Kudz Ze Kayah region. During the Screening stage (from March 2018 to October 2020), Canada exchanged updates and views with LFN various times via phone calls and meetings to discuss LFN's substantive concerns about the Project, the Screening Process, consultation with Canada, the Northern Participant Funding Program, and LFN's KCIPR process.

The federal Decision Bodies referred the Screening Report back to the Executive Committee for reconsideration, in part, due to outstanding concerns raised by LFN. Canada regularly exchanged updates and views with LFN via phone calls, letters and email exchanges throughout the Project Screening and two decision stages.

Throughout the Screening and decision stages, LFN repeatedly expressed capacity concerns due to concurrent consultation demands put forward by Canada, YG and industry proponents, as well as due to the COVID-19 pandemic. Timelines during the Executive Committee's process were extended in an effort to accommodate these capacity issues.

3.1.1.4 Yukon – Liard First Nation

YG initiated consultation with LFN on December 12, 2016, prior to the Executive Committee Screening Process. Consultation throughout the adequacy review and seeking views and information periods was conducted by written correspondence, phone conversations, teleconferences and meetings. YG notified LFN of YG's intention to rely on the Screening process to fulfill consultation obligations, to the extent possible. YG sought clarity from LFN on their preferred approach for continuing consultation and seeking LFN views about potential adverse impacts of the Project on Kaska asserted Aboriginal rights. In the Draft Screening Report stage, consultation was conducted via written correspondence, phone conversations, and teleconference.

In a meeting on March 6, 2018, LFN identified capacity limitations and challenges with Screening timelines. LFN followed up by letter on March 16, 2018, outlining concerns with the consultation process, lack of capacity, and reliance on the YESAA process to discharge consultation responsibilities fully or

partially. YG responded by letter that YG's intention was to continue consultation with Kaska in a flexible and responsive manner throughout the YESAA assessment process and proposed the development of a consultation plan jointly with the four Kaska Nations and requested that LFN identify its financial needs.

YG and LFN representatives had a series of meetings from January to May 2019 to discuss LFN's proposed KCIPR process for the Project and capacity funding to support LFN to undertake the KCIPR to support YG's consultation with LFN on the Project. In a letter to LFN dated March 27, 2019, YG committed up to \$150,000 to support LFN's ongoing participation in consultation for the Project using the KCIPR approach and acknowledged that BMC Minerals Ltd. (BMC) was also providing funding to support the KCIPR. On September 16, 2019, YG and LFN successfully entered into a funding agreement. The funding agreement required a work plan to be developed by LFN and provided to YG to identify milestones in the KCIPR so that funding transfers could be made. To date, a work plan has not been provided to YG.

On June 1, 2020, LFN provided comments to YESAB based on their preliminary KCIPR findings on the Draft Screening Report. LFN provided detailed analysis on the FCH, water issues and socio-economic effects of the Project.

LFN outlined ongoing concerns related to YG's consultation on the Project in a June 22, 2020, letter. YG met again with LFN representatives by teleconference where LFN proposed that YG consider a project-specific government-to-government agreement with LFN to provide a reconciliation framework for dealing with the Project. YG indicated that it was consulting on potential impacts of the Project on asserted Kaska rights, and that YG understood that the KCIPR process that LFN was implementing would inform the consultation. YG repeated that the development of a consultation work plan aimed at identifying how the parties could work together would be beneficial.

LFN provided further comments to YESAB in October 2020 building on LFN's previous input. This information was also based on the KCIPR process. LFN's October 8, 2020, submission included a separate report that outlined concerns related to the Project economics. In the October 21, 2020 Screening Report, the Executive Committee noted that the information provided by LFN was taken into consideration and did not lead to a change to the terms and conditions that they had been preparing and that were included in the October 21, 2020 Screening Report. On November 19, 2020, LFN provided a letter explaining its views on deep consultation and providing an update on the KCIPR process.

Taking all the available information into consideration, YG wrote to LFN December 22, 2020, providing a summary of consultation to date and a summary of YG's understanding of LFN's issues and concerns, as described in the following table.

Topic	Detail
Hunting	Wildlife impacts Impacts from lack of hunted meat to eat and share Cutting off access to preferred hunting grounds Sensory disturbance to hunters when out on the land (noise) Concerns for impacts to species that are hunted Hunt for a moderate livelihood
Caribou	Finlayson Caribou Herd

Topic	Detail
	Reliance on FCH by people who lived at Finlayson Lake, Wolverine Lake, and Frances Lake A threat to the herd threatens or could even extinguish Aboriginal rights to harvest and manage the FCH in Geona creek watershed FCH critical rutting and post-calving habitat adjoin the proposed mine site
Fishing	Geona and Finlayson Creeks, Finlayson and Frances Lake
Trapping	Wildlife impacts Access and use of traplines
Gathering Plants	Food and medicinal purposes
Water	Waterways Water quality Water management Water treatment Effects of potentially toxic water on wildlife Wolverine Lake and areas around Wolverine Lake Geona Creek Watershed
Air Quality	Dust and pollutants and animals that are harvested ingesting these
Travel and Access	To places where rights are exercised (camps, harvesting sites, and other important sites) Increased ore truck traffic Campbell highway follows an ancient Kaska trail As a result of the Wolverine Mine, Kaska citizens limited their travel due to increased actual and perceived road traffic Access road management to ensure safety for those using roads to access hunting spots, also safety for other people and wildlife
Traditional and Current Land Use	Changes in land use effect how rights are exercised Intangible effects [to traditional land use i.e., hunting caribou] related to fear of contamination and reduced sense of connection land, altered by permanently

Topic	Detail
	visible changes to the cultural landscape by industrial development Transmission of cultural knowledge through traditional education
Culture and Spiritual	Spiritual relationship with all potentially harvested things Relationship to caribou Hunt FCH for social and ceremonial purposes Grave sites at Finlayson Lake
Community Wellbeing and Human Health	Need services that are appropriate to gender-diverse and First Nation individuals and families Workplace conflict can exacerbate family and community conflict and feed violence Liard Aboriginal Women's Society (LAWS) is being relied upon to develop, pay for and deliver services – including youth culture and safety services, but BMC has made no financial investment or promises to help pay for their work.
Cumulative Effects	Right to harvest preferred wildlife in a preferred location Removal of opportunities to exercise Kaska rights
Title	Property, economic rights, future continuance Minerals proposed to be removed

Many of these issues were considered through the Executive Committee's consideration of potential Project effects to Valued Environmental and Socio-economic Components (VESECs). Consultation continued into the decision phase, with Decision Bodies aiming to better understand LFN's views on whether the Executive Committee's recommended terms and conditions were sufficient in addressing their concerns.

3.1.2 Procedural Engagement – Decision Phase

YG and federal Decision Bodies began consultation efforts with RRDC and LFN on October 22, 2020, each separately notifying the First Nations that the Screening Report had been issued by the Executive Committee and that Decision Bodies would continue to consult with LFN and RRDC in reaching a decision for the Project. During the first decision stage (October 2020 to January 2021), Canada met with LFN technical representatives twice and exchanged several letters to provide updates and exchange views. In December 2020, the Decision Bodies jointly provided additional time for RRDC and LFN to respond to Decision Bodies, following a request from RRDC for additional time.

On January 8, 2021, RRDC sent a letter to the Decision Bodies indicating that the Project should not be licenced until RRDC is satisfied with the Proponent's response to the YESAB recommendations. RRDC

indicated that discussions with Canada, YG and the Proponent during the regulatory phase will help them to understand solutions to unresolved concerns, and how specific recommendations in the Screening Report will be fulfilled.

On January 15, 2021, LFN requested the federal and territorial governments reject the Project, as proposed, or refer the Project to a panel review based on, in particular, potential impacts to the FCH and Aboriginal rights.

After consulting with LFN and RRDC, the federal Decision Bodies referred the Screening Report back to the Executive Committee for reconsideration on January 22, 2021. During the referral phase (January to March 2021), YG and federal Decision Bodies separately informed LFN and RRDC that they would like to continue consultation on the Project and suggested meetings with LFN and RRDC representatives to discuss the Project. At that time, Decision Bodies understood that LFN and RRDC wished to consult separately with YG and federal Decision Bodies. Federal Decision Bodies met with LFN once, and RRDC twice, during the reconsideration stage. YG continued efforts to meet with LFN and RRDC through February and March 2021.

On March 29, 2021, the Executive Committee issued its Referral Conclusion. On the basis of information generated during the reconsideration stage, the Executive Committee was deadlocked in its reconsideration of the Screening Report and was therefore unable to issue a new recommendation. The Executive Committee was unanimous that the Project, as proposed, would result in significant adverse effects, but did not agree on whether those effects could be adequately mitigated by the application of terms and conditions such that they would no longer be likely, adverse and significant. Given the inability of the Executive Committee to make a recommendation, section 77(2) of YESAA applied to deem that the Executive Committee had made the same recommendation that it made at the conclusion of the screening in October 2020.

Given the Executive Committee's determination, the Chiefs of the Kaska First Nations requested Decision Bodies reject the Screening Report and Recommendations in an April 28, 2021 letter that Decision Bodies received on May 8, 2021. In the letter, Kaska Chiefs shared their view that a rejection would result in the submission of a new and redesigned project.

Following the Executive Committee Referral Conclusion, YG and federal Decision Bodies consulted with each other to develop a preferred approach in response to the Executive Committee's recommendation, the Referral Conclusion, and consultation feedback. YG and federal Decision Bodies considered the following matters:

- 1) Reasons the federal Decision Bodies referred the screening report back to the Executive Committee for reconsideration;
- 2) The submissions made to the Executive Committee during the referral public comment period; and,
- 3) The views LFN and RRDC expressed through consultation.

In July 2021, Decision Bodies jointly requested a meeting with LFN and RRDC indicating that the Decision Bodies had been consulting with each other with the goal of determining a path to a consolidated Decision Document. The Decision Bodies indicated that they were considering varying the terms and conditions recommended by the Executive Committee and requested a meeting between the LFN and RRDC Chiefs and Council with Senior Officials within Decision Bodies to discuss the Kaska Chiefs request and the Decision Bodies' proposed vary approach. LFN responded in August 2021 that a meeting with Chiefs at that time was premature and that further details should be provided to inform technical meetings on various issues.

In September and October 2021, Decision Bodies provided LFN and RRDC with draft modified terms and conditions specific to the FCH, as well as water quality, aquatic life, and air quality, and included rationale for how the modifications address concerns that were raised. The draft modified terms and conditions, with supporting information, described the Decision Bodies' intent to vary the terms and conditions to address the concerns expressed by LFN and RRDC and proposed meetings to discuss these matters directly.

YG and federal Decision Bodies met with representatives from RRDC and LFN in January 2022 and March 2022. The discussions focussed on responding to questions raised by LFN and RRDC regarding the consultation process and the consideration of LFN's and RRDC's views. LFN and RRDC also expressed their views through written correspondence, including the June 14, 2022 letter in which LFN and RRDC reiterated their concerns with the adequacy of currently available information upon which the Project decision was based, and with the mitigation of adverse effects via modified terms and conditions.

The Decision Bodies acknowledge that throughout the Decision stages, LFN and RRDC expressed capacity-related concerns due to concurrent consultation demands put forward by Canada, YG and industry proponents, as well as due to the COVID-19 pandemic. Decision Bodies remained flexible in their approach to consultation with LFN and RRDC, including by making funding available, and granting additional time to prepare for and engage in consultation in relation to the Project, the draft modified terms and conditions, and the decision.

3.1.3 Key Substantive Issues Raised by LFN and RRDC

During the Screening process and through consultation with Decision Bodies, LFN and RRDC raised concerns about several key issues, including the Project's potential to have adverse impacts on LFN's and RRDC's asserted Aboriginal rights. While some of these concerns were considered and discussed in the Screening Report, the Decision Bodies understood that not all issues were addressed, particularly given the Executive Committee's Referral Conclusion. The following sections provide a summary of Decision Bodies' understanding of LFN's and RRDC's key substantive issues raised about the Project and in relation to potential impacts on their Aboriginal rights. The Decision Bodies fully considered these issues and concerns in their decision-making for the Project. Further explanation for how these issues were considered and informed the decision is provided in the "Rationale for Decision" section below.

3.1.3.1 Finlayson Caribou Herd

Throughout the Project assessment, LFN and RRDC repeatedly expressed serious concerns regarding potential impacts to the FCH and subsequent impacts to their traditional harvesting rights. Decision Bodies understand that LFN and RRDC have traditionally relied on the FCH, and that the herd has been in decline since the recovery program ended in the early 1990s.

LFN and RRDC contributed to the assessment process and were of the view that the Project would have serious adverse impacts on their Aboriginal rights in connection with the FCH. LFN and RRDC also raised issues regarding the uncertainties around the significance of the impacts, and the inability to effectively mitigate impacts. The issues they raised, grounded in traditional knowledge, were related to the sensitive nature of the Project location, which they have indicated is in an area of high importance for the FCH. LFN and RRDC also expressed concern regarding incomplete information/lack of detail in the assessment, including: lack of consideration of Kaska-centric perspectives, potential compounding and cumulative effects on the FCH, and uncertainty regarding the effectiveness of project mitigations inclusive of the Executive Committee's recommended terms and conditions and Proponent mitigations. LFN and RRDC also noted concerns regarding inadequate baseline data, uncertainty regarding financial support for implementation of terms and conditions, and a lack of a shared understanding between First Nations, governments and the Proponent of available information and data gaps for the herd.

In the April 2021 letter from the four Kaska Chiefs, where a rejection of the Project (as proposed and recommended) was requested, the Chiefs highlighted the profound importance of the Project area and the potential impacts to their Aboriginal rights. The Chiefs noted that: “...the area is essential to the FCH, and critical to our subsistence practices and food security and is so important, it has been and continues to be considered a sanctuary for caribou and the Kaska”.

The Chiefs believed the Project should not proceed, as proposed, due to insufficient mitigation measures, which were further compounded by extensive cumulative effects due to current and historical activities in the area surrounding the Project and adverse effects of climate change.

Given LFN's and RRDC's concerns raised about the FCH, the Decision Bodies considered modifications to the Executive Committee's recommended mitigation measures and s. 110 monitoring measures related to the FCH.

3.1.3.2 Water Resources and Aquatic Life

LFN and RRDC have both raised concern over the loss of their use of Geona and Finlayson creeks for drinking water, as well as impacts on fish, and their right to fish, in these waterbodies and those downstream (i.e., Finlayson Lake, Finlayson River, and Frances Lake). LFN's and RRDC's concern about water quality, particularly in relation to the proposed Constructed Wetland Treatment System and Waste Rock Storage Facilities, were reiterated in their June 14, 2022 letter to Decision Bodies.

LFN and RRDC also raised concern over the loss of their use of these waterbodies related to impacts to the fish habitat. The Project will physically impair a portion of Geona Creek at the immediate mine site and will isolate the upper reaches of the stream from the lower reaches. The reach of the Geona Creek that will be impacted is known to support grayling during all seasons and is a potential spawning habitat.

3.1.3.3 Air Quality

During the assessment of the Project, the Decision Bodies heard First Nations express concerns regarding potential impacts from dust and airborne contamination to people, animals, and subsequently to the practice of Aboriginal rights in and around the Project area. Concerns regarding potential adverse cumulative effects to air quality due to surrounding resource development and remediation projects, such as the Faro Mine Remediation Project, were also noted. The Decision Bodies also heard comments regarding airborne emission and compound modelling, limited air quality data and knowledge of baseline conditions, and requests for airborne-contaminant monitoring.

3.1.3.4 Traditional Land Use

The Decision Bodies heard concerns from LFN and RRDC that the Project will cause changes in traditional land use and will affect how rights are exercised in and around the Project area. Comments provided by LFN and RRDC during the Project assessment highlighted their concern for the Project to affect important ecological and cultural values within the Project area that are of historical and contemporary importance. This included concerns regarding overall changes to the land, environment and wildlife habitat; interference with the ability to travel through the Project area for cultural purposes and to camp at preferred locations; interference with traditions, culture and infringement on Aboriginal rights and title; and, with these, the potential for long-term disruptions and cumulative effects to traditional land use within culturally important areas. The Decision Bodies also heard concerns about intangible effects of the Project to traditional land use, such as fear of contamination leading to stigma and long-term avoidance, reduced sense of connection to the land due to visible changes to the cultural landscape, and loss of traditional knowledge, which could further impact area-specific traditional land use. These

concerns, and the Kaska's deep attachment to, and importance of, the Kudz Ze Kayah area, were further expressed in their June 14, 2022 letter to Decision Bodies.

Concern about a lack of LFN-held traditional knowledge and traditional land use information, including impacts on rights-based practices, were also raised multiple times during the Project assessment by LFN in relation to the Proponent's Project Proposal and the Project assessment. In their June 14, 2022 letter, RRDC and LFN further re-iterated their concern about a lack of Kaska-centric perspectives in the decision stage, specific to the modified terms and conditions and overall decision-making.

3.1.3.5 Economic Feasibility of the Project

During the Screening process and in consultation with Decision Bodies, LFN and RRDC raised concern and questions about the economic viability and risks of the proposed Project, in light of the history of abandoned mines in Kaska traditional territory, such as the Faro, Cantung and Wolverine mines. LFN and RRDC raised concerns about uncertainties in funding and logistics for mine closure and remediation plans, including uncertainty in the Proponent's costing for closure and post-closure activities. The First Nations also expressed concern about the lack of Kaska input in the Project assessment on the financial impacts of closure (planned or unplanned) and highlighted their need for independent assurance of Project financial viability. LFN sought independent assurance by commissioning their own assessment, which was provided to the Executive Committee in October 2020, prior to release of the Screening Report. During consultation with Decision Bodies, LFN and RRDC sought clarity from Decision Bodies on their consideration of Project financial viability and reiterated their need for assurance that the Project would not become another tax-payer-funded mine clean-up and could also be adaptively managed in spite of potential financial costs of required future mitigation.

3.1.3.6 Cumulative Effects

Throughout the Project assessment, LFN and RRDC raised concerns regarding the Project's potential cumulative effects given the history of development in the region. Specific concerns were noted regarding cumulative and legacy effects of several past large-scale mining operations (e.g., Faro, Cantung and Wolverine mines), mineral claims and exploration projects in the region, and the Robert Campbell Highway. They also expressed concern that the Project would make nearby deposits more attainable, thereby increasing development in the region. LFN and RRDC indicated this is of particular concern given the environmental, social, cultural and economic harm their First Nations endured given abandoned mines and exploration targets in their traditional territory and that no cumulative effects research has yet assessed impacts of past, present and future developments on asserted Aboriginal rights and traditional land uses. In their June 14, 2022 letter to Decision Bodies, LFN and RRDC repeated their concern about this gap in research and understanding, and indicated that this should be filled before a decision on the Project is made.

3.1.3.7 Personal Safety and Community Well-being

The First Nations expressed concern regarding potential social impacts of the Project on individuals and community well-being during the Screening process. LFN and RRDC raised concerns about impacts to Kaska given the expected influx of southern, non-Kaska workers for the Project. LFN also raised concern about the lack of capacity of existing agencies and organizations in Watson Lake and Ross River to offset the potential adverse effects of the Project on community health and well-being. LFN raised additional concern about the Proponent's proposed socio-economic mitigation measures, which lacked a Kaska-centric perspective, and noted that the Executive Committee's assessment and recommendations lacked sufficient information on implementation and community-level impact monitoring.

3.1.3.8 Request for Rejection

In their January 2021 letter, the LFN Chief requested that federal and territorial governments reject the Project, as proposed, or refer it to a Panel Review. LFN cited their concern about unmitigable impacts to the FCH that threaten the continued viability of their harvesting rights, and their concern about the Proponent's proposed constructed wetland treatment system as an untested technology in Yukon.

In their April 28, 2021 letter, the four Kaska Chiefs requested federal Decision Bodies to reject the Project due to potential impacts to the FCH and their Aboriginal rights. The Kaska Chiefs reiterated the importance of the Project area and the FCH to their subsistence practices and food security, and expressed their belief that the Project should not proceed, as proposed, due to insufficient mitigation measures for the FCH, as well as extensive cumulative effects due to current and historical activities in the area surrounding the Project and the adverse effects of climate change.

The RRDC Chief and LFN representative further suggested that the Project should be rejected in their June 14, 2022 letter to Decision Bodies. RRDC and LFN reiterated their outstanding concerns related to consultation and reconciliation, the FCH, unanswered questions about economic viability and cumulative effects, and resulting impacts and possible infringement on their Aboriginal rights. With these concerns, RRDC and LFN indicated that the Project cannot be allowed to proceed until Decision Bodies meaningfully engage and collaborate with Kaska for decision-making and with regards to reconciliation.

3.2 Consultation with Dease River First Nation and Kwadacha Nation

3.2.1 Procedural Engagement – Screening Process

3.2.1.1 Canada

At several points in the Executive Committee's process, Canada reached out directly to DRFN and KN, via letter, to provide notification of important process milestones including: the initiation of the Project Screening, the release of the Screening Report, the federal Decision Bodies decision to refer the Screening Report, and the commencement of the reconsideration stage. Each notification letter informed DRFN and KN of the federal Decision Bodies intention to rely on the Screening process to fulfill consultation obligations, to the extent possible, and offered an opportunity to discuss concerns directly with Canada. DRFN and KN did not participate in the Executive Committee's Screening process, nor did they respond to Canada's letters.

3.2.1.2 Yukon

On January 7, 2019, YG began consultation with DRFN and KN seeking to clarify and confirm appropriate avenues to consult with DRFN and KN. DRFN confirmed that the Kaska Dena Council does not represent DRFN and YG should contact DRFN for any consultation. Consultation throughout the seeking views and information periods was conducted by written correspondence and meetings. YG met with DRFN on two occasions (August 16 and November 21, 2019) to discuss issues including capacity funding and consultation on the Project. YG confirmed its intent to rely, to the extent possible, on the YESAA process to address consultation obligations and indicated YG would further consult with DRFN and KN on the Screening Report, once issued.

3.2.2 Procedural Engagement – Decision Phase

YG and federal Decision Bodies began consultation efforts with DRFN and KN on October 22, 2020, each separately notifying the First Nations that the Screening Report had been issued by the Executive Committee and that Decision Bodies would continue to consult with DRFN and KN in reaching a decision for the Project.

DRFN and KFN were signatories on the April 28, 2021 letter from the four Kaska Chiefs to Decision Bodies, which requested a rejection of the Project (as proposed and recommended).

Decision Bodies sent responses to this letter to the four Kaska Chiefs in July 2021, requesting a meeting. DRFN and KFN did not directly correspond with Decision Bodies again and did not attend any subsequent meetings that the Decision Bodies held with LFN and RRDC. However, Decision Bodies continued to write directly or copy KN and DRFN on all further correspondence with Kaska First Nations.

3.2.3 Substantive Issues

The concerns raised in the April 28, 2021 Kaska Chiefs letter are addressed in the previous LFN and RRDC section. No additional issues were raised by DRFN and KN.

3.3 Consultation with Dehcho First Nations

3.3.1 Procedural Engagement – Canada

During the Executive Committee's process, Canada reached out to Dehcho First Nations, via letter, to provide notification of important process milestones including: the initiation of the Project Screening, the release of the Screening Report, the federal Decision Bodies decision to refer the Screening Report, and the commencement of the reconsideration stage. Each notification letter informed Dehcho First Nations of Canada's intention to rely on the Screening process to fulfill consultation obligations, to the extent possible, and offered an opportunity to discuss concerns directly with Canada. The Dehcho First Nations did not participate in the Executive Committee's Screening process or respond to letters from Canada.

3.4 Consultation with Nahʔą Dehé Dene Band

3.4.1 Procedural Engagement – Canada

Canada reached out directly, via letter, to Nahʔą Dehé Dene Band several times during the Executive Committee's process to provide notification of important process milestones including: the initiation of the Project Screening, the release of the Screening Report, the federal Decision Bodies decision to refer the Screening Report, and the commencement of the decision stages. Each notification letter informed Nahʔą Dehé Dene Band of Canada's intention to rely on the Screening process to fulfill consultation obligations, to the extent possible, and offered an opportunity to discuss concerns directly with Canada.

Nahʔą Dehé Dene Band wrote to Canada twice during the first decision stage (October 2020 to January 2021) regarding potential downstream impacts on water quality in the lower the Liard River watershed. Canada responded to Nahʔą Dehé Dene Band on November 24, 2020 to provide information on decision stage timelines and context for the Project location within the Liard River watershed, as well as invite additional comments from Nahʔą Dehé Dene Band on their concerns. Nahʔą Dehé Dene Band also submitted their concerns about water quality in the lower Liard River watershed to the Executive Committee during the referral public comment period.

4 June 15, 2022 Decision

4.1 Original Decision

The text of 4.2 below, sets out rationale for the June 15, 2022, Decision. On January 2, 2024, the June 15, 2022, Decision was set aside by the Supreme Court of Yukon for the limited purpose of consulting on Kaska's June 14, 2022 submission. Following that consultation, and in accordance with the timelines ordered by the Yukon Supreme Court, the Decision Bodies issued a new Decision on March 8, 2024.

Kaska appealed the judgement of the Supreme Court of Yukon. On December 6, 2024, the Yukon Court of Appeal concluded Decision Bodies failed to adequately consult on the topic of economic feasibility of the Project but otherwise found Decision Bodies' consultation and accommodation leading up to June 15,

2022 Decision was reasonable, except with respect to Kaska's June 14, 2022 submission (as found by the Supreme Court). As a result, the Court of Appeal set aside the June 15, 2022 Decision, and remitted the matter to the Decision Bodies to allow for consultation on Kaska concerns about the economic feasibility of the Project: the March 8, 2024 Decision was made a nullity. As part of this decision, Decision Bodies relied on the record of consultation and accommodation undertaken prior to the issuance of the June 15, 2022 Decision and the rationale set out below, which address adequacy of Decision Bodies' process leading up to the June 15, 2022 Decision and rationale for key substantive issues raised during prior consultation. For transparency and clarity, the rationale set out in 4.2 below has not been modified, with the exception of part of the rationale on economic feasibility, which has been addressed in section 6.0.

~~By this Decision Document, and pursuant to section 77(3) of YESAA, the Decision Bodies vary the Executive Committee's recommendation that the Project be allowed to proceed subject to terms and conditions specified in the Screening Report. Meaning: the Decision Bodies concur with the Executive Committee that the Project should be allowed to proceed without a review, subject to terms and conditions, but have made certain changes and additions to the terms and conditions recommended by the Executive Committee, for the reasons described in this Decision Document. The Decision Bodies have included the rationale for which they have varied the recommendation, pursuant to section 80(1) of YESAA, as set out in the "Rationale for Decision" below.~~

~~In accordance with section 74(1) of YESAA, the Decision Bodies, in considering the Screening Report and Recommendation, have given full and fair consideration to the scientific information, traditional knowledge, and other information provided with the Screening Report. The Decision Bodies considered section 79 of the *Species at Risk Act*, to the extent appropriate for the assessment. The Decision Bodies consulted one another before this Decision Document was issued, pursuant to section 78(1) of YESAA.~~

~~The decision to vary set out in this Decision Document is grounded in the mitigation measures proposed by the Proponent, listed in Appendix A of the Screening Report, being implemented along with the varied section 110 monitoring requirements (see Table 1) and varied terms and conditions (see Table 2).~~

~~The June 15, 2022 Decision Document was set aside by the Supreme Court of Yukon and has been replaced by the March 8, 2024 Decision Document. To ensure maximum transparency, the text of section 4.2, which was the rationale for the June 15, 2022 Decision Document, has not been modified. The additional rationale for issuing this decision of March 8, 2024, which is discussed in section 5.2, builds upon the rationale set out in 4.2.~~

4.2 Rationale for the June 15, 2022 Decision

The Decision Bodies have relied, in part, on the rationale put forward in the Screening Report in support of their decision, in addition to considering the information submitted during the reconsideration stage, consultation with First Nations, and other new information as described in this Decision Document. The Decision Bodies acknowledge that additional information became available while considering the Executive Committee's Screening Report. To ensure procedural fairness, new information was shared with the Proponent and Kaska First Nations for their consideration as well. The next sections describe the Decision Bodies' process and consideration of additional information, followed by rationale for key substantive issues raised during the Project assessment and decision phase.

4.2.1 Decision Bodies Process

4.2.1.1 Final Screening Report and Recommendation

On October 21, 2020, the Yukon Environmental and Socio-economic Assessment Board's Executive Committee recommended to the Decision Bodies, pursuant to section 58(1)(b) of YESAA, that the Project

be allowed to proceed without a review, subject to the terms and conditions specified in the Screening Report.

4.2.1.2 Referral of the Final Screening Report and Recommendation for Reconsideration

After full and fair consideration to the scientific information, traditional knowledge and other information that was provided with the Executive Committee's recommendation, the federal Decision Bodies referred the recommendation back for reconsideration under s. 76(1) of YESAA on January 22, 2021. The federal Decision Bodies identified the following areas in their referral to the Executive Committee requiring enhancement to improve the analytical basis for the Project recommendation:

1. Insufficient explanation of the supporting analysis as to why the recommended mitigation measures sufficiently eliminate, control or mitigate the associated significant adverse effects.
2. Insufficient explanation regarding how First Nation interests, including from a rights perspective, were considered within the analysis presented in the Screening Report and Recommendation.

As a result of the federal Decision Bodies referral back, YG discontinued its consideration of the Executive Committee's recommendation as required by section 76(3)(a) of YESAA.

The Executive Committee sought views on the reconsideration during a public review period from February 1 to March 8, 2021 and comments were submitted by Pelly Banks representatives, Yukon Status of Women Council, Liard Aboriginal Women's Society, environmental groups, businesses and business organizations, the federal Decision Bodies, RRDC and members of the public, followed by LFN and the Proponent on March 9th.

The federal Decision Bodies made recommendations during the reconsideration period to improve clarity and the understanding of mitigation measures for Wildlife and Traditional Land Use VESECs with suggestions for new terms and conditions to mitigate effects on Water Resources and Human Health and Safety VESECs.

First Nations commented on deficiencies in the Screening Report, uncertainties with how recommended terms and conditions could mitigate significant adverse effects on the FCH, impacts to traditional land use and Kaska Aboriginal rights, and factors to consider in either recommending rejection of the Project or its referral to a review by panel. LFN also provided their Interim Report.

The Proponent's submissions included a response to the Screening Report to assist the Executive Committee with the reconsideration of the recommendation with particular attention to the reasons for the referral and the requests of the federal Decision Bodies. The document included:

- recommendations for the reformatting of the Screening Report;
- a request for a more comprehensive inclusion and consideration of the Proponent's submissions;
- modifications to correct errors and clarify descriptions;
- how the recommended mitigation measures can be demonstrated to effectively mitigate significant adverse effects;
- consideration of how the Proponent considered First Nation interests in the selection of valued components, defined criteria for determining the significance of adverse residual effects and identified mitigation measures; and,
- modifications to monitoring measures and a number of recommended terms and conditions with rationale for the changes.

BMC also submitted documents associated with the RRDC *Review of the Kudz Ze Kayah Project Proposal*, including BMC's responses to questions and recommendations raised in two reports prepared by RRDC consultants in 2017 and 2018, which led to a presentation on the results of the review to the

Chief and Council and Ross River Dena citizens. These documents were submitted to accompany the Proponent's analysis of the statements and assertions made in a letter submitted by the Pelly Banks representatives.

As noted, the Executive Committee issued their Referral Conclusion on March 29, 2022 that confirmed that the four-member committee were deadlocked on whether the significant adverse effects of the Project could be mitigated by the application of recommended terms and conditions such that they are no longer likely, adverse and significant. As noted in the Referral Conclusion, "*The primary point of divergence between members was whether information received during the referral [public comment] period was compelling and novel or largely reiterates and overlaps with previously submitted information*" (p. 3).

Two members of the Executive Committee did not change their conclusion, and remained of the view that the Project is likely to result in significant adverse effects, but that those effects could be mitigated by the application of terms and conditions and would have recommended the Project proceed pursuant to s. 58(1)(b).

Two members were of the view that the Project is likely to result in significant adverse effects that cannot be mitigated by the application of terms and conditions and would have recommended the Project not proceed pursuant to s. 58(1)(c). Additionally, that a panel review could potentially produce information for an alternative recommendation.

Being unable to issue a new recommendation under s. 77(2) of YESAA, the Executive Committee was deemed to have reissued its original recommendation from October 21, 2020.

Due, in part, to the unprecedented Executive Committee conclusion that they were deadlocked in issuing a new recommendation following the referral back for reconsideration, the Decision Bodies required additional time to complete the decision phase beyond the regulatory timeline. The additional time was required to consider:

- the rationale the federal Decision Bodies used to refer the Screening Report back to the Executive Committee for reconsideration;
- the views and information that was provided to the Executive Committee during the public comment period in the referral period;
- consultation between Yukon government and federal Decision Bodies with the goal of issuing a conforming and consolidated decision; and,
- consultation with Kaska First Nations on a potential decision.

YG and federal Decision Bodies each notified the Executive Committee of the extension to the decision-making timeline, and their reliance on section 46.1 of YESAA for doing so, on April 13, 2021. Decision Bodies jointly notified the Executive Committee of further extensions to the decision-making timeline on May 7, 2021 and July 16, 2021.

4.2.1.3 Summary of New Information

In considering their decision on the Project, the Decision Bodies considered the Executive Committee's Screening Report and Referral Conclusion, as well as comments received from First Nations and the Proponent during the public comment period of the referral period. The Decision Bodies also received additional information from First Nations, the Proponent and technical experts over the course of the decision stage. These are summarized below.

4.2.1.4 KCIPR Technical Memorandum:

Review of technical concerns related to efficacy of proposed mitigations for impacts to the Finlayson Caribou Herd (Liard First Nation with Firelight Research Inc, April 2021)

LFN sent federal Decision Bodies a technical memo dated April 9, 2021 specific to the Executive Committee's recommended terms and conditions for the FCH. LFN suggested the Executive Committee's mitigations were unproven and that there was no evidence to indicate the terms and conditions would mitigate effects of the Project. LFN also expressed concern about data gaps and uncertainties, including on the Project impacts and loss of late winter, post-calving and rutting habitats, and the interaction with other disturbances. LFN further suggested that any further reduction in the FCH population should be considered significant due to the importance of the Project area, the unknown efficacy of the recommended terms and conditions, and the lack of a fulsome range planning process for the FCH. Given the above, LFN suggested that varying the terms and conditions would not be an effective way to address Project impacts.

4.2.1.5 Finlayson Caribou Herd

– Technical Rationale to Support Consultation on the Proposed Kudz Ze Kayah Project (Yukon Government Department of Environment, September 2021)

To support consultation with LFN and RRDC on the FCH, Yukon's Department of Environment prepared a technical report that provided an overview of available scientific information related to the FCH. The technical report noted that since the recovery program ended the herd experienced a decline from 1990 to 2017. While the rate of decline from 2007 to 2017 was slower than previously observed (indicating the herd may be stabilizing), an updated population census is required to confirm this. Yukon's understanding of FCH demographics suggests that adult female mortality is a major driver of population trends and harvest of female caribou may be a proximate cause of the observed declines; however, there is uncertainty about the current levels of subsistence harvest and how that influences herd demographics. Current subsistence harvest information and an improved understanding of current range use patterns would enhance overall understanding of herd dynamics. The technical report noted that though there is a poor understanding of how or if the Project has already affected the FCH, an operating mine would have more of an adverse effect on the FCH than the current level of activities in the area.

4.2.1.6 Proponent Views on Draft Modified Terms and Conditions

- related to the Economic Viability of the Project (BMC Minerals Ltd., November 2021)

For reasons of transparency and procedural fairness, Decision Bodies shared with the Proponent modified terms and conditions for the FCH, water quality, aquatic life and air quality, including rationale as to why the changes were proposed. Normally, proponents do not have the opportunity to review modified terms and conditions however due to the Decision Bodies consideration of views and information shared with the Executive Committee during the referral period, the Decision Bodies felt that, for procedural fairness, the Proponent should be provided an opportunity to comment in a limited way. The information was shared to allow BMC an opportunity to review the draft modifications and raise concerns about potential unintended consequences of modifications on the viability of the Project.

On November 1, 2021, Decision Bodies provided BMC a copy of the draft modified terms and conditions as well as a draft process flow chart of the quartz mine licencing process and the technical memo prepared by Yukon's Department of Environment with an overview of available scientific information and analysis related to the FCH. This information was previously shared with LFN and RRDC. Decision Bodies also shared with the Proponent a copy of the draft Risk Characterization developed by Environment and Climate Change Canada (ECCC) on May 13, 2022, for similar reasons.

BMC responded by letter on November 29, 2021, making suggestions in an attached table that, in BMC's view, ensured the Decision Document would be "*clear and unambiguous*" and would bring a more "*disciplined approach to managing the FCH*". After reviewing the ECCC draft Risk Characterization, BMC provided a follow up letter dated May 20, 2022, indicating that they were concerned that the modified terms and conditions that were referenced in the draft Risk Characterization had not included any of BMC's suggestions and stressing that two changes were critical for the Decision Bodies to adopt, including:

- the timing of when YG would prepare a desktop review of the FCH; and,
- that the two years of additional baseline data collection 'may' be required following discussions with YG.

The Decision Bodies have considered BMC's comments made to the Executive Committee during the public comment period in the referral back phase as the Decision Bodies developed the draft modified terms and conditions. The Decision Bodies further considered the Proponent's feedback on November 29, 2021 and May 20, 2022 and have found that the modifications initially proposed by Decision Bodies are necessary to mitigate significant adverse effects of the Project. In response to the BMC's concerns, YG is committed to implementing those terms and conditions that are the responsibility of YG in a timely manner. Where appropriate, YG will consider studies undertaken by BMC since the Screening Report was issued as part of the two years of baseline studies required under term and condition 11(b), should the studies work to fulfill data gaps identified by term and condition 11(a). Therefore, the Decision Bodies did not incorporate BMC's suggestions into the modified terms and conditions.

4.2.1.7 ECCC Draft Risk Characterization for Woodland Caribou

– Northern Mountain Population – Finlayson Herd – Kudz Ze Kayah on the FCH (Environment and Climate Change Canada, April 2022)

Decision bodies have responsibilities under s.79 of Species at Risk Act (SARA), including to ensure that if a project is carried out, measures be taken to avoid or lessen the adverse effects of the Project on the FCH and to monitor the effects. ECCC provided draft advice to assist Decision Bodies in fulfilling their obligations pertaining to SARA. ECCC shared its draft Risk Characterization for the FCH that takes into account best available information that was made available during the Project review (e.g., Indigenous Knowledge), and both literature and information that was made available by the Yukon government during the decision-making phase. The purpose of this assessment is to inform ECCC's views on the Project including proposed mitigations and monitoring programs and the residual adverse effects of the Project on the FCH.

Using best available information and in considering the proposed mitigation measures (i.e., Proponent mitigation measures and modified terms and conditions), the draft Risk Characterization concluded that the Project poses a medium risk of having an adverse effect on the management goals and objectives for Northern Mountain Population. Given ECCC's conclusion that there would be unmitigated, residual adverse effects to the FCH, such as remediated mine site post-closure that is not equivalent to present habitat, it recommends that offsetting measures be considered as the means to ensure that the Project does not prevent the attainment of recovery or management objectives for the species. This document, and advice therein, has been considered in the decision and the varied terms and conditions of this Decision Document.

4.2.1.8 Finlayson Caribou Herd Population Estimate

– 2022 (Yukon Government, Department of Environment, June 2022)

The purpose of this survey was to provide an updated population estimate to better inform management decisions related to the herd. The updated population estimate was made available to Decision Bodies, LFN, RRDC and the Proponent prior to this Decision. The Decision Bodies recognize that the information in the survey includes information related to the status of the FCH, however the information was not relied on in making this decision. These survey results, with future Project monitoring results, will inform management considerations for the herd and the Project through the regulatory review stage and implementation of the terms and conditions.

4.2.2 Rationale for Key Substantive Issues Raised

The Executive Committee determined that the Project will result in significant adverse effects to water resources, wildlife, traditional land use, economy, and human health and safety but that these significant adverse effects can be eliminated, controlled or reduced through the application of recommended mitigation measures. The Decision Bodies have decided to vary the recommendation through new and varied terms and conditions, in addition to changes to recommended monitoring measures, to improve clarity in implementation and to ensure that the significant adverse effects to water resources, wildlife (specifically, the FCH) and air quality are addressed as substantive issues raised by the Kaska First Nations and as identified in the review of the Screening Report by Decision Bodies.

4.2.2.1 Finlayson Caribou Herd

In reaching its conclusion on the significance of adverse effects, the Executive Committee observed that that the Project would result in:

- the direct and indirect loss of preferred rutting and post-caving habitat;
- disruptions in movement (e.g., late winter movement from lowland areas to seasonal ranges in and surrounding the Project) affecting a significant proportion of the population both directly, and through reduced landscape connectivity; and,
- increased mortality due to increases in harvesting with improved access and predation through changes in habitat.

The Executive Committee predicted that the Project would likely reduce or place downward pressure on the herd's population as it takes place in key habitat for multiple life stages of caribou while also increasing potential for direct mortality. Consequently, given the high value of the herd to First Nations and the potential risk to herd sustainability, the Executive Committee determined that the adverse effects would be significant while also recognizing information gaps such as data on caribou mortality and limited data for the quantification of habitat use. The Decision Bodies accept the Executive Committee's determination of the significance of adverse effects and are confident that the significant adverse effects can be eliminated, controlled or reduced through the application of the mitigation measures set out in the varied terms and conditions and explained below.

Given the Executive Committee's conclusion on population decline and uncertainty with respect to information gaps, the Decision Bodies have considered the information in the Screening Report, and Yukon's Department of Environment's September 2021 technical report. The technical report builds on information that was presented during the assessment, along with research conducted by the Department of Environment and other agencies from the 1980s until present. The technical report provided more support for the view that the herd's population is stabilizing and currently mortality (including harvest) likely influences population demographics more than habitat availability.

Given LFN's and RRDC's concerns raised about the FCH and the importance of the FCH and the Kudz Ze Kayah area to the Kaska, the Decision Bodies varied the Executive Committee Screening Report and recommendation to further address adverse effects to the FCH. Modifications primarily center on the Executive Committee's recommendations #10 and #11 and the section 110 recommendations C and D

related to the FCH. The following is an overview of the modifications made, including the rationale for making the revisions.

1. Establishment of a FCH Oversight Committee (FCHOC) with Kaska Nation's representation.

The modifications include:

- Establishment of the FCHOC with strong linkages between it and Yukon government regulators for the Project.
- A timeline for the development of terms of reference for the FCHOC.
- Definition for the mechanisms by which the FCHOC will provide input to the quartz mining licensing process.
- Enhanced definition for how the FCHOC will interact with Project-specific data collection, effects monitoring, mitigation and adaptive management as well as provide input and make recommendations on the range-wide management of the FCH.

These modifications were made in recognition of the concerns and questions raised by LFN, including: uncertainty regarding the role, composition, and Terms of Reference for the FCHOC; how information and data will be collected and made available to the FCHOC for it to make informed decisions; how the FCHOC will reach consensus on appropriate recommendations; and, how these recommendations will be implemented.

2. Yukon government will prepare, in collaboration with the Kaska Nations, a report on the status of the FCH based on western scientific and traditional knowledge.

The modifications include:

- Collaborative development of the status report to reach a common understanding of available western scientific and traditional knowledge about the FCH.
- Use the status report to identify information gaps related to the FCH.
- Provision of the status report to the FCHOC to inform additional Project-specific and range-wide mitigation and monitoring.

These modifications were made in recognition of LFN's concerns regarding how YG and Kaska will work towards a shared understanding of the FCH and reach consensus on appropriate outputs.

3. Require the Proponent to undertake an additional two years of baseline data collection prior to construction.

The Decision Bodies recognize the concerns raised by LFN regarding identified data gaps and the lack of a shared understanding of available data for the FCH. The additional baseline data collection program will expand on and add to existing information to fill the identified data gaps and address key concerns raised during the assessment (i.e., movement corridors, winter and summer habitat) related to the Project.

4. Require the Proponent to develop a caribou effects monitoring and mitigation program as part the Wildlife Protection Plan (WPP) under the Quartz Mining License (QML). The WPP will require review and approval by YG regulators and will require consultation with Kaska First Nations.

The modifications include:

- The FCHOC will have an active role in providing input into the effects monitoring program.
- The FCHOC will review the effects monitoring results annually and propose changes as may be necessary to the caribou effects monitoring program and/or the WPP.

The objective of the caribou effects monitoring program set out in the WPP will be to evaluate the effectiveness of the Proponent's mitigation measures related to FCH and the WPP overall, in addition

to considering the effects of the Project on disturbance and displacement of the FCH during different stages of the Project. The WPP may incorporate adaptive management where necessary.

5. Yukon Government will undertake additional range-wide data collection.

The modifications include:

- The range-wide data collection will be informed by gaps identified by the status report of the FCH (Item #2 above).
- Provision of range-wide monitoring results to the FCHOC for review and additional context to evaluate Project effects and adaptive management throughout the life of the Project.

Items #4 and 5 above recognize concerns raised by LFN regarding identified data gaps and the effectiveness of the mitigation measures for the FCH.

6. YG, in collaboration with Kaska First Nations, will develop a management plan for the FCH.

The modifications include and consider:

- Management planning is an existing process and tool used by YG to develop goals, objectives and recommendations associated with a caribou herd at the range level.
- The data, information and recommendations resulting from the management plan will be provided to the FCHOC for their consideration within the context of the Project.
- The FCHOC can make recommendations and influence the management planning regarding Project pressures on the herd.

The Decision Bodies understand that LFN and RRDC have voiced the importance of the development of a management plan for the FCH.

Decision Bodies understand that LFN and RRDC have outstanding concerns and questions regarding the modified terms and conditions related to the FCH, including about their implementation. The Decision Bodies acknowledge that additional collaborative work and data collection are needed to answer LFN's and RRDC's key questions and to further integrate Kaska knowledge into Project mitigation and operations. The Decision Bodies are confident that this collaborative work will be completed through the regulatory stage and implementation of terms and conditions.

4.2.2.2 Section 79 Species at Risk Act

There are a number of SARA species potentially affected by the Project. Other than caribou, the Decision Bodies are generally satisfied that, based on the information and measures included in the Executive Committee's Screening Report, the Project will either have no impact on these species, or that sufficient mitigation measures have been identified either through Proponent commitments or the terms and conditions such that s.79 concerns have been adequately addressed for these species.

The main wildlife concern during the assessment was related to effects on the FCH, which are Northern Mountain Caribou, a species listed as Special Concern under SARA. The mine site is located in important habitat for the FCH.

The Decision Bodies recognize that there will be adverse effects caused by the Project on the FCH, specifically disturbance, mortality and the loss and fragmentation of functional habitat.

Decision Bodies provided a copy of ECCC's Draft Risk Characterization to Kaska First Nations and the Proponent and informed them that Decision Bodies would incorporate this information into decision-making for the Project, in consideration of meeting their responsibilities, including under SARA.

Decision Bodies fully expect that appropriate offset options will be determined prior to the completion of the regulatory phase. This work will be done in collaboration with the Kaska First Nations and other participants, as required by the implementation of the attached modified terms and conditions and as a

requirement of the territorial QML process. Decision Bodies expect that offsetting details will be refined through the regulatory phase and beyond to incorporate monitoring results and allow for adaptive management. Decision Bodies expect that appropriate offsetting measures may also be identified through the FCH Oversight Committee, the FCH desktop review report, and the development of the FCH management plan, all of which include collaboration with the Kaska First Nations. The monitoring of Project-specific, adverse effects on the FCH and how they have been addressed through offsetting, Proponent commitments, varied terms and conditions and additional measures defined in the regulatory phase, will also be undertaken through a Caribou Monitoring and Mitigation Program developed by the Proponent with review by the FCHOC.

The Decision Bodies are of the view that with implementation of the Proponent's commitments, the mitigation measures outlined in the Executive Committee's Screening Report and the varied terms and conditions in this Decision Document, including provisions for the consideration of appropriate offsetting for residual effects, the objectives of the Minister's species management plan will not be hindered.

4.2.2.3 Water Resources and Aquatic Life

The Executive Committee determined that the Project could have significant adverse effects on aquatic resources in Geona and Finlayson creeks given significant adverse effects predicted for water quality in these waterbodies. These effects on water quality could be permanent and could result in further impacts on fish and fish habitat as well as long-term restrictions on water use in the Project area. Decision Bodies acknowledge the Proponent's commitments, and the Executive Committee's analysis and conclusion however, there was concern the Executive Committee's recommendations were not comprehensive enough as the uncertainties for long-term water quality predictions had not been adequately characterized (e.g., worst case scenario not provided). Some considerations were also missing from the Executive Committee's analysis and recommendations (e.g., ensuring the long-term efficacy of water treatment plans). To support the environmental assessment decision, Decision Bodies added new terms and conditions (Terms #31-#36), going beyond the recommended terms of the Executive Committee, to provide greater clarity around the analysis, monitoring and mitigation measures that will be implemented.

Under the new and varied terms and conditions, the Proponent will be required to identify alternative/contingency measures for treatment of pit water in their comprehensive Adaptive Management Plan (AMP), prior to Project initiation. The AMP will provide descriptions of the types of treatment alternatives and their implementation timelines. The Proponent will identify trigger values for when alternatives must be implemented and, if monitoring shows exceedances and alternative treatment is implemented, how discharges will be addressed until new water treatment becomes operational. The Proponent will assess effluent, as well as predicted concentrations in the receiving environment, for acute toxicity and effects to fish and benthic organisms in the Project's receiving environment. The Proponent will ensure the AMP addresses the potential for leakage from the Class A storage facility. The AMP will outline monitoring, triggers and actions associated with the Class A storage facility that address leakage scenarios. The Proponent will provide the worst-case scenario estimates for water quality predictions for Geona Creek and Finlayson Creek and use this data to reduce the uncertainty in water quality predictions for the Project. The Proponent will develop an updated Water Quality Model and a comprehensive AMP to be included in the licensing process. The Proponent will also be required to develop and implement adaptive management measures based on monitoring for the onset of acidic conditions, that allows for early detection, management, and mitigation of acidic conditions and metal leaching developing on site.

Decision Bodies acknowledge that LFN and RRDC have outstanding concerns about the uncertainties related to Project infrastructure and potential impacts to water quality. Decision Bodies are confident that, with the modified terms and conditions, these concerns will be addressed with information included in water licencing and other regulatory processes, which will reduce uncertainties over water quality

predictions and monitoring, and further mitigate potential significant adverse effects of the Project, and related potential impacts on Aboriginal rights.

The Executive Committee also determined that the Project will likely result in significant adverse effects to aquatic life as a result of physical changes to fish habitat in Geona and Finlayson creeks. However, the Screening Report concluded these effects can be managed through mitigations proposed by the Proponent and compliance with relevant non-discretionary legislation including the territorial *Waters Act* and the federal *Fisheries Act*.

The placement of Project facilities in the floodplain of Geona Creek will result in the direct loss of fish habitat and a restriction of fish access to the upper reaches of the system. To address these impacts the Proponent has submitted a preliminary mitigation and offsetting plan as part of the Project proposal that describes measures that they intend to implement to avoid, mitigate and offset harmful impacts to fish and fish habitat. The conceptual offsetting measures are intended to replace spawning and over-wintering habitat in lower Geona Creek, and reconnect previously isolated fish habitat in Finlayson Creek. Habitat reconnection in Finlayson Creek is intended to improve connectivity for grayling between the lower reaches of Finlayson Creek and its upper drainage, which includes Geona Creek. The Proponent will be required to obtain a federal *Fisheries Act* Authorization for the harmful alteration, disruption or destruction of fish habitat that cannot be avoided or mitigated. This will require the development of a far more detailed offsetting plan that will have to fully counterbalance any residual effects to fish and fish habitat not avoided or addressed through mitigation. The offsetting plan will also be required to include a long-term monitoring plan to confirm the effectiveness of the offsets. As part of the authorization process, the Proponent will also be required to provide an irrevocable letter of credit or other similar form of bond for the full cost of implementing and monitoring the offsets. Based on the above the Decision Bodies believe the concerns about impacts to aquatic life have been addressed and related potential impacts on Aboriginal rights are minimized.

4.2.2.4 Air Quality

During their reconsideration comment submission (March 8, 2021), Canada noted concerns regarding the air quality assessment in the Screening Report, including uncertainty in the characterization of air quality-related health risks, the exclusion of key air contaminants in the analysis, insufficient information on air quality triggers, mitigation measures, and adaptive management, a lack of requirement for follow-up air quality monitoring, and references to ambient air quality standards that would be out-of-date during Project operations.

While the Decision Bodies acknowledge the Proponent's commitments, and the Executive Committee's analysis and conclusion, the Decision Bodies added Term #37 to address First Nations' and Canada's concerns. Term #37 intends to address uncertainties, confirm modelling predictions, and ensure that air quality monitoring and associated management plan requirements will be consistent with the appropriate federal and Yukon standards when the Project is operational. With the addition of this new term, as well as the Proponent commitments and future regulatory processes (which will include review and approval of the Proponent's Air Quality Management Plan), the Decision Bodies are of the opinion that they have been responsive to and adequately addressed the outstanding concerns raised by First Nations and Canada, and that any subsequent potential impacts to Aboriginal rights will be adequately managed.

4.2.2.5 Traditional Land Use

The Executive Committee determined that, without mitigation, the Project is likely to result in significant adverse effects to traditional land use based on the information available to the Executive Committee at the time of drafting the Screening Report. The Executive Committee included traditional harvest, trapping, cultural continuity and the passing on of traditional knowledge as part of their assessment of Project

impacts on traditional land use. The Executive Committee considered the effects assessment to include components of the biophysical environment (e.g., wildlife, water quality, fish) and traditional land use information submitted by the Proponent, RRDC and LFN though also acknowledged that LFN's KCIPR Report of the Project was not available at the time the Screening Report was prepared. The Executive Committee determined that, based on the information available to them, the significant adverse effects to traditional land use can be adequately reduced or controlled through the requirements of relevant legislation, the application of mitigative measures committed to by the Proponent and the Executive Committee recommended terms and conditions.

In the October 2020 Screening Report, the Executive Committee had several key comments on traditional land use in the Project area:

- Contemporary uses of the Project area for traditional purposes are not well understood.
- Very little primary data on traditional land use, in particular relating to contemporary land uses, has been made available.
- While limited first-hand land-use information was available for the assessment, sufficient information was presented to determine that the Project region has high cultural significance for RRDC and LFN.
- The Proponent has recognized the importance of the area for traditional land uses and has supported the efforts of RRDC and LFN to collect additional traditional knowledge and traditional land use information about the Project area for assessment, regulatory and Project monitoring purposes.

Prior to the release of the October 2020 Screening Report, LFN urged the Executive Committee to wait for the KCIPR process report, as it would enable LFN's effective and meaningful participation in the assessment by evaluating the potential impacts of the Project through a Kaska-lens using traditional knowledge, traditional land use information, and community participation. It was LFN's view that the KCIPR process would allow the Executive Committee to receive, meaningfully consider, and apply Kaska knowledge and ways of knowing within the Project assessment.

Although the full KCIPR process report was not received by the Executive Committee prior to the release of the October 2020 Screening Report, LFN did submit several KCIPR memos to inform the Screening Report, as well as submitting an Interim Report on their use and occupancy, and Kaska rights in the Project area, during the reconsideration process. Given the deadlock of the Executive Committee after the reconsideration process and the inability of the Executive Committee to revise the Screening Report, LFN's Interim Report was not incorporated into the Screening Report.

While the Screening Report was not revised, Decision Bodies did consider the information in LFN's KCIPR memos and Interim Report to inform variations and additions to terms and conditions specific to caribou, water quality, and air quality. The variations to the terms and conditions were made to further enable the collection, consideration and integration of Kaska traditional knowledge and traditional land use information into future regulatory processes, caribou range management and Project operations. Terms and conditions were also varied to require the collection of an additional two years of FCH baseline information. Terms and conditions were also modified to require the establishment and maintenance of an oversight body that would provide the opportunity for participation of LFN and RRDC in the oversight of monitoring, mitigation planning and management strategies for the FCH.

The Decision Bodies are of the view that LFN did provide substantial comments through the Screening Process via their KCIPR memos and Interim Report. Decision Bodies are satisfied that with the information included in the Screening Report, the Executive Committee's recommended terms #12 to #15, and the varied terms and conditions included in this Decision Document, the Project effects on traditional land use will be adequately addressed. The Decision Bodies understand that LFN and RRDC

remain concerned that the Project will lead to the loss of traditional land use and a way of life in the Kudz Ze Kayah area given the loss of access because of the Project. The Decision Bodies are committed to ongoing government-to-government consultation and the regulatory processes for the Project. The Decision Bodies are further committed to ongoing good faith consultation to understand LFN's and RRDC's concerns and to continue discussion of additional measures that may be necessary.

4.2.2.6 Economic Feasibility of the Project

Kaska have raised questions about the economic viability and risks of the proposed Project, including that the Project may not be appropriately remediated following closure, in light of the history of other mines like Wolverine in Kaska traditional territory. The Wolverine Mine situation provided YG with many lessons learned. PricewaterhouseCoopers (PwC) was contracted by YG to review the appropriateness of actions taken and make recommendations on general improvements to the framework for reclamation and closure of a quartz mine site, including minimizing financial risk. Their final report is publicly available and was provided by email on April 5, 2022, to LFN and RRDC following the March 30, 2022 consultation meeting.

Decision Bodies are aware of the technical memorandum submitted by LFN to the Executive Committee in October 2020 that was prepared by Golder Associates Ltd. There are a number of components/risks identified in LFN's technical memorandum that will be addressed during the regulatory phase of the review process. This includes a thorough review of the site characterization and geochemistry (acid rock drainage and metal leaching potential), metallurgy and mineral processing (milling), site physical stability assessments, and closure planning and the methodology used to prove closure components such as the proposed constructed wetland passive treatment system. Security determinations are also made as part the Quartz Mining Licence review in accordance with:

1. Yukon Mine Site Reclamation and Closure Policy (2006);
2. Yukon Mine Site Reclamation and Closure Policy: financial and technical guidelines (2020);
3. Reclamation and closure planning for quartz mining projects: plan requirements and closure costing guidance (2013); and,
4. Security Regulations (OIC 2007/77)

Decision Bodies followed up with Kaska's concerns in an April 27, 2022 letter regarding mine economics and the regulatory process. In the letter, YG provided assurances that the Kaska will be consulted throughout the regulatory process. Given information provided by LFN and RRDC through the process, including in their June 14, 2022 letter, Decision Bodies acknowledged that LFN and RRDC had questions and concerns remaining about this issue. ~~However, based on the above, and with the implementation of terms and conditions #16 to #20, the Decision Bodies are confident that outstanding questions about the economic viability of the Project would be addressed through further consultation during the regulatory phase, and that potential impacts on Aboriginal rights were sufficiently minimized.~~

4.2.2.7 Cumulative Effects

As noted in the "Consultation" section above, the Decision Bodies acknowledge that LFN and RRDC have outstanding concerns related to cumulative effects. Decision Bodies have considered cumulative effect concerns raised by LFN and RRDC regarding water resources, traditional land use, wildlife (specifically, the FCH) and air quality. Decision Bodies included rationale in the sections above addressing these concerns. Specifically, Decision Bodies have considered the cumulative effects to the FCH including in relation to impacts on asserted Aboriginal rights. The Decision Bodies have reviewed the Screening Report, the comments made during the referral period, views and information shared during consultation with Kaska First Nations (including those reiterated in LFN's and RRDC's June 14,

2022 letter) and the additional information from ECCC's Draft Risk Characterization on the issue of cumulative effects. Decision Bodies acknowledge that a broader study of the issue is required.

To support broader study, the Decision Bodies are committed to using the mitigations related to the FCH, including:

- establishing the FCH Oversight Committee;
- reviewing and doing a gap analysis of available information;
- requiring new monitoring to fill gaps;
- identifying appropriate mitigations and offsets as necessary; and
- developing a management plan for the FCH.

These mitigations will address uncertainties related to the cumulative effects of other activities and projects on the herd. Decision Bodies are committed to implementing the tasks above in collaboration with LFN and RRDC.

4.2.2.8 Personal Safety and Community Well-being

The Executive Committee determined that the Project is likely to result in significant adverse effects to personal safety with respect to workplace harassment and community violence against women and gender and sexual minorities within the Project site and within nearby communities (Ross River, Watson Lake and Whitehorse). The Executive Committee determined that these effects can be reduced, controlled or eliminated through the application of recommended mitigation measures.

The Executive Committee recognized the Proponent's inability to adequately mitigate the Project's social impacts to communities. However, the Executive Committee noted that YG plays an integral role in developing and adding to a community's resilience and suggested YG allocate additional resources in the following areas within Ross River and Watson Lake: childcare, rehab/detox services, counselling services, shelters for victims of abuse and medical services. The Executive Committee also required that effects be monitored to allow for adaptation of resources and services to mitigate effects as they become known.

The Executive Committee also considered the potential for effects to community wellbeing due to increased demand on emergency medical, rescue, fire and law enforcement services. The Proponent predicts no net effect on the emergency services of Ross River, Faro or Watson Lake and the Executive Committee agreed that it was unlikely emergency services would be stressed as local health facilities would generally not be used. Patients from the Project would likely be evacuated to Whitehorse by air. The Executive Committee determined that effects to emergency services would not result from the Project.

Based on the rationale put forward in the Screening Report, including Terms #21 to #30, as well as considering the information submitted during the referral back process and consultation with LFN and RRDC, the Decision Bodies are satisfied that concerns about personal safety and community well-being, including related to potential impacts on Aboriginal rights, can be eliminated, controlled or reduced through the Proponent commitments and application of the Executive Committee recommended mitigation measures (i.e., terms #21 to #30).

5 March 8, 2024 Decision

5.1 Decision

As described above, the March 8, 2024 Decision was made a nullity as a result of the decision of the Yukon Court of Appeal. As part of this Decision, Decision Bodies relied on the record of consultation and accommodation undertaken prior to the issuance of the March 8, 2024 Decision and the rationale set out

below, which address adequacy of Decision Bodies' process leading up to the March 8, 2024 Decision and rationale for key substantive issues raised during consultation on February 7 and 8, 2024. For transparency and clarity, the rationale set out in 5.2 below has not been modified, with the exception of part of the rationale on economic feasibility, which has been addressed in section 6.0, below.

~~By this Decision Document, and pursuant to section 77(3) of YESAA, the Decision Bodies vary the Executive Committee's recommendation that the Project be allowed to proceed subject to terms and conditions specified in the Screening Report. This means that: the Decision Bodies concur with the Executive Committee that the Project should be allowed to proceed without a review, subject to terms and conditions, but have made certain changes and additions to the terms and conditions recommended by the Executive Committee, for the reasons described in this Decision Document. The Decision Bodies have included the rationale for varying the recommendation, pursuant to section 80(1) of YESAA, as set out in the "Rationale for Decision" below.~~

~~In accordance with section 74(1) of YESAA, the Decision Bodies, in considering the Screening Report and Recommendation, have given full and fair consideration to the scientific information, traditional knowledge, and other information provided with the Screening Report. The Decision Bodies also considered section 79 of the *Species at Risk Act* for the assessment. The Decision Bodies consulted one another before this Decision Document was issued, pursuant to section 78(1) of YESAA.~~

~~The decision to vary set out in this Decision Document relies on the mitigation measures proposed by the Proponent, listed in Appendix A of the Screening Report, being implemented along with the varied section 110 monitoring requirements (see Table 1) and varied terms and conditions (see Table 2).~~

5.2 Rationale for Decision of March 8, 2024

On January 2, 2024, Supreme Court of Yukon Chief Justice S.M. Duncan issued her Reasons for Decision in the case of *Ross River Dena Council v. Yukon (Government of)*, 2024 YKSC 1. Chief Justice Duncan found that "[t]he Crown failed in its duty to consult and accommodate in its treatment of the June 14, 2022 submission of Kaska. The failure of the Decision Bodies to respond directly to Kaska about this document before issuing the Decision Document was not reasonable in all of the circumstances. The remedy is to refer the decision to the Decision Bodies for consultation on the June 14, 2022 submission" (Reason for Decision para 7). Chief Justice Duncan set aside the June 15, 2022 Decision Document for the limited purpose of allowing a consultation meeting on the June 14, 2022 submission to occur and ordered that it be held no later than March 2, 2024. Chief Justice Duncan explicitly ordered that "particular attention should be provided to the comments and questions in the submission on the modified terms and conditions".

5.2.1 Consultation Meeting

The ordered consultation meeting was held in-person in Ross River on February 7 and 8, 2024. Territorial and federal Decision Bodies met with RRDC Chief and Council, RRDC and LFN officials, Kaska Elders and community members. A neutral third-party chair, agreed upon by the parties, was brought to Ross River to chair the consultation meeting.

An agenda, agreed to in advance in accordance with Chief Justice Duncan's order, included the following topics for discussion:

- Caribou
- Contamination of Land, Water & Air
- Project Approval, including development of Modified Terms and Conditions by YG and Canada
- Kaska Laws and Jurisdiction
 - Stewardship, Governance, Use and Management of KZK Lands
 - Cultural and Spiritual Rights to the KZK Lands

- Project Economics and Feasibility
- Cumulative Effects

Comments expressed in the consultation meeting clarified and expanded on previously submitted information that had already been considered by Decision Bodies. Decision Bodies heard that Kaska are opposed to the Project and that the Project is in the wrong place. The Kaska reiterated previous views, namely: that the area is sacred and of profound importance to Kaska, essential to the Finlayson Caribou Herd, vital for clean water, critical to subsistence practices and food security, and a sanctuary for both caribou and Kaska people. The area houses archaeological and sacred sites, including a historic caribou fence, and is a place for Kaska to go in times of hardship. The Kaska expressed distrust of both the environmental assessment and regulatory processes, concerns about historic mines in their territory with legacy issues of land and water contamination. The Kaska were also concerned about how this Project would impact their ability to be stewards, govern activities and adhere to Kaska law in their territory.

The Kaska shared personal oral histories and traditional knowledge expressing the ways in which they are connected to the land and the animals of the Kudz Ze Kayah area. Many Kaska Elders, officials and community members expressed their views, in Kaska language and in English.

In accordance with the order and Reasons for Decision of Chief Justice Duncan, the Decision Bodies engaged in dialogue with Kaska in order to understand whether the modified terms and conditions adequately mitigated effects to Kaska rights and if they did not, to understand how they could be varied or what could be added to ensure the continued meaningful exercise of Kaska rights. However, throughout the consultation meeting, Kaska were less inclined to discuss the modified terms and conditions and reiterated the importance of the area for Kaska and their opposition to the Project.

5.2.2 Finlayson Caribou Herd

Kaska representatives described the importance of caribou and expressed that the Project area is in a critical area for calving and habitat. They noted that any impacts to the FCH will impact Kaska's ability to exercise their Aboriginal rights in the area. In the meeting, Kaska continued to hold that the terms and conditions are not adequate, but no specific revisions or additions to the terms and conditions were provided.

Kaska indicated that offsetting is problematic because it does not conform with Kaska law, and it presumes to know "what's best" for caribou. Decision Bodies heard concerns about the effectiveness of offsetting for project effects on caribou and that there needs to be clarity on how offsetting could apply to the Project. Decision Bodies commit to sharing more information with all affected parties on offset ratios, measures to be considered, residual effects, and performance and effectiveness indicators to guide how the Proponent shall go about incorporating offsetting into the Project directly following the issuance of this Decision Document. Decision Bodies have included a new term (Term #41), providing direction to the Proponent to undertake the identification of offsetting measures with the objective to address residual adverse effects to the FCH and their habitat. Decision Bodies acknowledge that offsetting is not Kaska's preferred mitigation; it is nevertheless included in this Decision Document to ensure residual effects to the FCH are comprehensively addressed.

Decision Bodies are confident that through the approaches outlined in section 4.2.2.1, including the establishment of the FCH Oversight Committee with representatives from LFN and RRDC, project effects to caribou are adequately understood by the Decision Bodies, communicated, and mitigated by the terms and conditions, including as modified in this Decision Document. Decision Bodies are committed to ensuring appropriate funding is available for RRDC and LFN in developing the terms of reference of the FCH Oversight Committee and in providing Kaska-generated caribou-related knowledge.

5.2.3 Contamination of Land, Water & Air

Throughout the February 7 and 8 consultation meeting, Kaska representatives highlighted that there were many failed mines in Kaska traditional territory and how impacts to water quality, even if Kaska are told the water is safe, will often lead to Kaska members avoiding the area when exercising their Aboriginal rights. Kaska representatives noted that some of the terms and conditions were included to reduce uncertainty in forecasted impacts to water quality and that in their view a decision should not be made while those uncertainties exist. The Kaska also expressed concerns about monitoring being in place only to identify impacts but not having measures in place to avoid impacts.

Decision Bodies have carefully considered the February 7 and 8, 2024 dialogue and Kaska representatives' expressed concerns and have concluded that two additional terms and conditions should be added to this Decision Document.

The first added term and condition (Term #39) will ensure a water treatment plant is constructed and commissioned prior to material being placed in the Class A facility. While this is a commitment from the Proponent, including it as a term and condition formalizes the obligation, guaranteeing it is tracked within regulatory instruments. The Decision Bodies believe this addition partially addresses concerns raised by Kaska with respect to water quality.

The second added term (Term #40) is to ensure any water discharge that is going into fish habitat offsetting must at a minimum meet CCME requirements for the protection of freshwater aquatic life.

Existing terms and conditions, Terms #1, #5, #8, #31, #33, #34, have been modified to clarify that regulatory processes will require additional information prior to consultation on the regulatory applications and before the Project is potentially licensed. Term #4 has also been amended for added clarity with respect to the water treatment plant to ensure the plant remains operational until another treatment option is proven to be effective at addressing Contaminants of Potential Interest (COPI) concentrations. Term #32 has been modified to include monitoring and adaptive management for mine effluent to protect the receiving environment. Term #36 regarding the adaptive management of acidic conditions has been modified to ensure it applies to all project phases.

Considering the rationale outlined in sections 4.2.2.2 and 4.2.2.3 and in this section, the Decision Bodies are confident that effects to land, water and air can be properly mitigated.

5.2.4 Kaska Laws and Jurisdiction

At the February 7 and 8 consultation meeting, Kaska representatives described Kaska law as instructions that are passed down orally on how to take care and be stewards of the land and how to govern themselves. Kaska have rejected the Umbrella Final Agreement (UFA) as a framework for a Kaska treaty and emphasized in the meeting that they do not recognize the UFA and UFA-based institutions, including YESAB. Further, Kaska do not recognize the 2003 devolution of roles and responsibilities from Canada to the YG. As an exercise of Kaska jurisdiction, Kaska's view is that they have the right to say yes or no to this Project. In Kaska's view, the Project is simply in the wrong place. Kaska concluded that Kaska consent has not been given for this mine to proceed and that the mine going forward does not follow Kaska law.

5.2.4.1 Elders' Pre-Conditions

At the February 7 and 8 consultation meeting, Kaska discussed the RRDC Elders' pre-conditions developed in 2017 and how these represented at the time the absolute minimum standard to be met by the Proponent should the mine proceed. The pre-conditions were non-negotiable; Kaska emphasized that they did not want the Project to proceed at all when the conditions were developed. The Elders' pre-conditions were included in Kaska's June 14, 2022 submission. During the consultation meeting on

February 7 and 8 the Kaska expressed that the RRDC Elders' pre-conditions have not been reviewed since their development and can no longer be interpreted as adequately representing Kaska's current views on the minimum mitigation requirements. Kaska indicated the Elders' pre-conditions would have to be revisited prior to licensing.

Decision Bodies have carefully considered the February 7 and 8, 2024 dialogue and Kaska representatives expressed concerns and have concluded that an additional term should be added to this Decision Document:

Regarding the RRDC Elders' pre-condition that the Project's access road be closed seasonally (from April 15 to May 15, and October 15 to November 15 of each year), Decision Bodies have added a new term regarding the issue of access road management (Term #42), and any necessary period of closure, will be a matter revisited by the FCH Oversight Committee. The FCH Oversight Committee, with representation from LFN and RRDC, will regularly review and consider the success of the Project's mitigation and management strategies – this includes the operation of the access road on a seasonal duration or shorter basis. Decision Bodies are of the view that the RRDC Elders' pre-condition regarding operation of the access road can be further informed by updated baseline information and on-going monitoring.

The FCH Oversight Committee will also consider air travel to the mine site and the effectiveness of air traffic mitigations.

The Decision Bodies also heard that RRDC Elders requested the establishment of a protected area around Kudz Ze Kayah, including the removal of existing mineral claims, and that Inconnu Lodge be purchased as an act of reconciliation. The Decision Bodies wish to commit our governments to ongoing government-to-government dialogue with Kaska on broader issues of protected areas, management of environmental resources, and reviewing territorial mining legislation. Canada and YG are open to working with the Kaska to determine what the appropriate forum may be for these discussions.

Decision Bodies are of the opinion that they have been responsive to and have adequately addressed the concerns raised by Kaska through the amendment of Terms #10 and #12, and commitments discussed in this section.

5.2.5 Cumulative Effects

At the February 7 and 8 consultation meeting, Kaska representatives outlined their concern with free entry mineral staking and with wilderness tourism and outfitters which have contributed and continue to contribute to increased cumulative effects to the project area and the Finlayson Caribou Herd.

Decision Bodies indicated that studies required as part of the terms and conditions may lead to increased certainty and understanding regarding the Finlayson Caribou Herd and sought input from Kaska to determine whether additional measures should be taken to address these concerns. Kaska's representatives did not agree that further terms and conditions would adequately address cumulative effects. Rather, Kaska indicated that cumulative effects need to be addressed more broadly.

Decision Bodies have carefully considered the February 7 and 8, 2024 dialogue and Kaska representatives' expressed concerns and remain confident in the approach of the modified terms and conditions as they enable responsive mitigations to address cumulative impacts. Canada and YG have committed to further dialogue with RRDC and LFN about broader regional cumulative effects. Both governments are open to collaboratively determining with the Kaska what the most appropriate forum for this dialogue would be.

5.2.6 Project Economics and Feasibility

At the February 7 and 8 consultation meeting, Kaska raised the issue of many failed mines within the Kaska traditional territory. Kaska suggested the need for mine economics and project feasibility studies

that consider the mitigations and securities that the Proponent will financially be responsible for. Kaska representatives suggested it is important that the economics and feasibility of the mine be determined early so sufficient funds can be set aside should the Proponent abandon the mine and so there is equity in economic benefits from the mine.

Decision Bodies have carefully considered the February 7 and 8, 2024 dialogue and Kaska representatives' expressed concerns and are confident in the processes under the *Waters Act*. These prohibit the Yukon Water Board from issuing a licence unless the Proponent satisfies the Board that its financial responsibility is adequate for completion of the work described in the licence to implement the required mitigation measures and satisfactorily restore the site in the event of any future closing or abandonment. As outlined in section 4.2.2.5, security determinations are part of the regulatory review. Decision Bodies would like to reiterate that under that review, the Proponent will be required to develop a reclamation and closure plan for the Project which will include a detailed cost estimate so adequate financial security can be determined and held by YG. In addition, existing Terms #19 and #20 require that financial security determinations take into account the potential for care and maintenance costs for the period between a temporary or early closure and decommissioning. These costs will account for the maintenance of environmental protections and safeguards during any and all interim care and maintenance periods. ~~Decision Bodies are confident that considering rationale in section 4.2.2.5 and this section that the regulatory review process would adequately address the concerns raised by Kaska, including at the February 7 and 8, 2024 consultation meeting.~~

5.2.7 Regulatory Process

At the February 7 and 8 consultation meeting, Kaska representatives identified a distrust of the regulatory process and raised concerns that a positive Decision Document meant that the Project would proceed regardless of the input Kaska have already brought forward and may bring forward during the regulatory process. In response, the Decision Bodies confirm that the issuance of a Decision Document does not mean a Project will necessarily move forward; the issuance of a Decision Document only enables Regulators to consider applications for a Project.

Regulators have a statutory responsibility to consult with First Nations prior to authorizing activities; the viewpoints and information brought forward by First Nations during the regulatory processes play a key role in determining the acceptability of a project. Kaska will be consulted throughout the regulatory process on potential impacts to Aboriginal rights as well as on the technical merits of the Project itself.

The regulatory processes are multifaceted with many opportunities for engagement and consultation with Kaska. Regulatory applications will be reviewed to ensure the Project can be undertaken as proposed, undergo a detailed technical review, and will be reviewed to ensure they are consistent with the terms and conditions in this Decision Document. Regulators will consult with Kaska on potential impacts from the Project to Aboriginal rights, the Project overall, and the technical details of the Project. Kaska will play a key role in the review of closure plans, the determination of appropriate closure measures and end land use objectives.

Following this detailed regulatory review, Regulators will determine if the Project can proceed to licensing. Should the Project proceed to licensing, Kaska will be consulted on license terms and conditions, appropriate financial security for the site, and the conditions under which the Proponent must operate.

Should the Project be licensed, Kaska will be consulted throughout the life of the Project to review plans for environmental monitoring and reporting, development and operations, and reclamation and closure. Kaska will be consulted on the determination of financial security throughout the Project and will play a critical role in the review of environmental reporting and determining if Project mitigations are effective or additional mitigations or Project changes are required.

Decision Bodies are committed to working closely with Kaska in the regulatory process to determine if the Kudz Ze Kayah Project can proceed to licensing. Because of this commitment, and after carefully considering the February 7 and 8, 2024 dialogue and Kaska representatives expressed concerns, Decision Bodies have added wording to Term 12 to ensure the Proponent provides support to the Kaska to enable them to participate in this process.

5.2.8 Project Agreements and Kaska Participation

The Decision Bodies recognize that the assessment and regulatory process for a quartz mining project is complex and there is uncertainty for Kaska as to their involvement and influence in the process. As such, and after carefully considering the February 7 and 8, 2024 dialogue and Kaska representatives expressed concerns, the first component to engagement on the Project will be YG and Canada to ask Kaska how they would like to be consulted with and engaged throughout the process.

The Decision Bodies are committed to ensuring Kaska involvement throughout the life of the Project and after carefully considering the February 7 and 8, 2024 dialogue and Kaska representatives expressed concerns, are open to establishing a project agreement with Kaska for the Kudz Ze Kayah Project. A project agreement would be comprised of participants from YG, Canada, LFN, RRDC. Such an agreement would provide direction on how YG, Canada and Kaska work together throughout the life of the Project and provide a framework for identifying and resolving environmental and social/cultural concerns throughout the mine life.

Project agreements could include oversight committees, consultation plans, topic-specific technical working groups, Elder advisory panels and other types of engagement and advisory groups. These types of agreements could outline, among other things, the review of regulatory applications and filings, review of monitoring and reporting throughout the life of the Project, and determination of mitigation effectiveness. The specific terms of reference, roles and responsibilities, for any agreement would be developed by consensus among all parties.

The Decision Bodies see project agreements as an effective tool to formalize how parties work together, confirm roles and responsibilities of each party, enable establishment of committees and working groups, establish communication and reporting requirements, and establish decision making protocols.

Establishing project agreements could enable Kaska to bring forward traditional knowledge throughout the Project and provide opportunities for participation from land stewards and game guardians.

6 April 10, 2026, Decision

6.1 Decision

By this Decision Document, and pursuant to section 77(3) of YESAA, the Decision Bodies vary the Executive Committee's recommendation that the Project be allowed to proceed subject to terms and conditions specified in the Screening Report. This means that: the Decision Bodies concur with the Executive Committee that the Project should be allowed to proceed without a review, subject to terms and conditions, but have made changes and additions to the terms and conditions recommended by the Executive Committee, for the reasons described in this Decision Document.

As the Yukon Supreme Court and the Yukon Court of Appeal have considered the adequacy of consultation undertaken by the Decision Bodies, and the Court of Appeal has directed the Decision Bodies to consult only on the issue of economic feasibility, the Decision Bodies relied on the record of consultation and accommodation undertaken prior to the June 15, 2022 Decision and the March 8, 2024 Decision, as set out in sections 3 and 5.1 above. The Decision Bodies also relied on and incorporated the rationale for varying the recommendation, as set out in sections 4.2 and 5.2 above, except where those sections relate to the economic feasibility of the Project, which conclusions were struck out.

Following further consultation with Kaska, including on the topic of economic feasibility, the Decision Bodies have considered and addressed concerns raised by Kaska during consultation, and pursuant to section 80(1) of YESAA set out in their rationale for the Decision below which builds on and incorporates considerations set out above.

In accordance with section 74(1) of YESAA, the Decision Bodies, in considering the Screening Report and Recommendation, have given full and fair consideration to the scientific information, traditional knowledge, and other information provided with the Screening Report. The Decision Bodies also considered section 79 of the *Species at Risk Act* for the assessment. The Decision Bodies consulted one another before this Decision Document was issued, pursuant to section 78(1) of YESAA.

The decision to vary set out in this Decision Document relies on the mitigation measures proposed by the Proponent, BMC Minerals Ltd. (“BMC”), listed in Appendix A of the Screening Report, being implemented along with the varied section 110 monitoring requirements (see Table 1) and varied terms and conditions (see Table 2 in section 7).

6.2 Rationale for the April 10, 2026, Decision

In February 2024, RRDC appealed the January 2, 2024, decision of the Supreme Court of Yukon. While the appeal was pending, the Decision Bodies completed their consultation and issued a second Decision Document on March 8, 2024. The Court of Appeal of Yukon heard the matter in September 2024 and released its decision on December 6, 2024, nullifying the March 8, 2024, Decision Document and directing the Decision Bodies to undertake additional consultation, specifically on the topic of economic feasibility of the Project. While no timelines were set by the Court of Appeal, it noted all parties should avoid delay in further consultation.

6.2.1 Consultation Process

Following the Court of Appeal's judgment, Decision Bodies undertook to consult in a manner that was reflective of their obligation to avoid delay in this further consultation, as required by the Court of Appeal, and the need to have meaningful dialogue with LFN and RRDC on the issues in order to inform the Decision on the Project. The Decision Bodies' consultation provided opportunity for meaningful dialogue with Kaska on the topic of economic feasibility, and fair consideration of Kaska's concerns in relation to the economic feasibility of the Project. Viewed in the context of the judgment of the Court of Appeal, the concerns raised by Kaska, the deep consultation owed to Kaska in relation to this Project, and the full consultation record, Decision Bodies consider the consultation process and timeframes for consultation to have been reasonable and consultation on the Project to have been meaningful, including in relation to economic feasibility.

Specifically, based on discussions and other engagement with RRDC and LFN, the Decision Bodies understood that the Project's economic feasibility, including Kaska perspectives and concerns that the Project may present financial risks, needed to inform their decision on the Project. During consultation on economic feasibility, and in response to Kaska's views, Decision Bodies also shared their own views on the question of whether the Project was “worth it” and described the factors relating to economic feasibility that Decision Bodies would consider in making their Decision.

To inform those discussions and engage with RRDC and LFN, the Decision Bodies provided RRDC and LFN with relevant Project financial materials, opportunities to review and question key financial inputs and provide Decision Bodies with their perspectives, and capacity funding to secure independent technical advice. Decision Bodies understood that these efforts by Decision Bodies supported both RRDC and LFN in participating in the consultation in a meaningful way: RRDC and LFN had opportunities to understand the information, identify and communicate their concerns, including through informed submissions.

Through this consultation process and the additional analytical work, the Decision Bodies were well-placed to critically consider the Project's economic fundamentals. Ultimately, on the issue of economic feasibility, Decision Bodies have concluded that there does not appear to be a significant risk of early cessation of mine operations. Decision Bodies are of the view that Kaska's concerns regarding the economic feasibility of the Project have been adequately addressed through consultation and through the additional analytical work conducted by the Decision Bodies. Decision Bodies have concluded that the information collected and reviewed, which they consider to be sufficient for this purpose, reasonably supports confidence that the Project is economically feasible and "worth it."

The Decision Bodies understand that Kaska does not want the Project to proceed to the regulatory permitting stage and would prefer that the Decision Bodies obtain Kaska consent prior to making a decision that allows the Project to proceed. The Decision Bodies have sought Kaska's consent throughout the consultation process, while also recognizing that Kaska consent may not be achievable. While Kaska may be dissatisfied with this decision, the Decision Bodies feel confident that they took a flexible and adaptive approach to consultation and thereby enabled an exchange of views and meaningful engagement with Kaska throughout the consultation process, including in relation to economic feasibility.

The Decision Bodies are of the view that the consultation process was fair and supported by a level of due diligence proportionate to the Decision that was to be made. Viewed in the context of the judgment of the Court of Appeal, the concerns raised by Kaska, the deep consultation owed to Kaska in relation to this Project, and the full consultation record, Decision Bodies consider the consultation process and timeframes for consultation to have been reasonable and consultation on the Project to have been meaningful, including in relation to economic feasibility.

The following sections set out in more detail how the consultation work plan and timelines, the funding provided, the level of assessment, as well as the reviews, exchanges of information and submissions leading to this Decision.

6.2.1.1.1 Summary of Consultation Process with RRDC

Decision Bodies and RRDC met on several occasions virtually prior to meeting in person on June 24, 2025, mostly to discuss funding (see section 6.2.1.3) and consultation work plan and timelines (see section 6.2.1.2). At the June 24, 2025, meeting in Ross River, Decision Bodies had just received the PwC Report from RRDC and participants took the opportunity to discuss important aspects related to the Project, including economic feasibility. RRDC community members, Elders, and leadership told Decision Bodies that the Project threatens one of the most culturally and ecologically important areas in Kaska territory, including sacred sites, graveyards, mineral licks, caribou fences, and the heart of the Finlayson Caribou Herd's (FCH) calving and migration routes. They described the land as their "traditional economy" and noted that past mines—Faro, Ketza, Wolverine, MacPass—left contamination, harmed wildlife, and provided almost no lasting benefits. RRDC also raised concerns about the Crown's reliance on BMC's feasibility work. They stressed that meaningful consultation requires an independent technical review and reiterated that they do not consent to the Project, believing the risks to caribou, water, Kaska culture, and future generations are too great.

Throughout the consultation process, the Decision Bodies acknowledged the depth of RRDC's concerns and the community's lack of trust in both BMC and the Decision Bodies. These concerns included skepticism regarding assurances about the Project's economic robustness; concerns about reliance on proponent-provided financial models, assumptions, and sensitivity analyses; doubts regarding the Decision Bodies' confidence in those analyses without access to underlying data; and concerns about the adequacy and effectiveness of proposed mitigation measures intended to minimize risks and effects on Kaska. The Decision Bodies also acknowledged concerns that BMC has not engaged with RRDC in good faith.

The Decision Bodies understood that this lack of trust informed RRDC's request for an independent review of the economic information, which the Decision Bodies supported. Where information gaps were identified through consultation, the Decision Bodies worked collaboratively with RRDC and LFN to refine information requests, sought clarification from BMC, and received substantive responses. BMC's responses were shared with RRDC and LFN on August 11, 2025. The Decision Bodies also committed to providing RRDC with written summaries of their experts' reviews and to considering funding for additional PwC work.

The Decision Bodies and RRDC met on numerous occasions in the fall of 2025 to discuss the PwC reviews and potential funding for a supplemental PwC review. On February 10, 2026, the Decision Bodies and RRDC met in Whitehorse for an in-person discussion to exchange views on the Project's economic feasibility, including RRDC's perspectives on whether the Project is "worth it." This meeting also included discussion of six proposed new terms and conditions developed by the Decision Bodies to address or mitigate RRDC's outstanding concerns related to economic feasibility.

During the same meeting, RRDC reiterated that, from their perspective, the Project is not "worth it" and that the adverse impacts to the Kaska would be significant. RRDC shared their view that the terms and conditions proposed were insufficient and that there were no terms and conditions that could make the Project "worth it" for them. Further, RRDC stated that they still do not consent to the Project due to its location on sacred cultural sites and potential adverse impacts to section 35 rights. Given the history of failed and abandoned mines in the Yukon, RRDC continued to express concerns over the reclamation and closure of the Project and long-term liabilities. Finally, the relationship and partnership between BMC and the Kaska, including profit sharing agreements continued to be of concern for RRDC.

RRDC provided additional written submissions in March and April 2026 which are discussed in section 6.2.1.9 (Draft Decision Document and Subsequent Submissions).

6.2.1.1.2 Summary of Consultation Process with LFN

Despite efforts by the Decision Bodies to meet earlier, the first meeting between Decision Bodies and LFN took place on April 17, 2025, followed by several additional virtual meetings throughout 2025. Much of these discussions focused on consultation funding for LFN and the depth of technical review required in relation to economic feasibility. The Decision Bodies acknowledge that, since early in the process, they and LFN have held differing views on what consultation reasonably required, particularly with respect to the sufficiency of available data and the level of independent verification that LFN believed the Crown should undertake. This difference in perspective persisted throughout the consultation process.

Decision Bodies determined that the depth of information sought by LFN exceeded what was required for informed decision making; however, where information gaps were identified, Decision Bodies sought clarification from BMC and received substantive responses, for example, on water treatment costs and Qualified Persons qualifications.

Decision Bodies recognize that LFN has expressed concerns regarding the nature and depth of consultation, including assertions that consultation was foreclosed, that insufficient technical information was available to provide independent assurance and that LFN submissions were not meaningfully incorporated.

While LFN has stated that dialogue was limited, Decision Bodies note that numerous options and opportunities for engagement were offered by them to LFN, including written invitations and proposed touchpoints to discuss substantive issues related to economic feasibility. LFN responded to only some of these invitations in a timely manner. Where meetings occurred, consistent with LFN's expressed preferences, discussions focussed primarily on capacity funding and the scope of consultation, rather than the technical aspects of economic feasibility. As a result, despite the Decision Bodies' availability

and willingness to engage on these technical issues, opportunities for substantive technical dialogue with LFN during meetings were limited by LFN's preferred focus, with most engagement occurring through written correspondence.

As reflected in their October 2, 2025; December 5, 2025, and January 12, 2026, correspondence, the Decision Bodies considered LFN's views on what consultation required both procedurally and substantively, provided responses to specific requests, and expressly indicated that they remained open to requesting additional information from BMC should LFN provide sufficient rationale for specific information needs. Consistent with this approach, and in response to LFN's subsequent feedback, federal Decision Bodies requested additional clarification from BMC on March 2, 2026, regarding the Qualified Persons' education and experience relevant to the contributions they provided to the NI 43-101 Technical Report. This engagement continued to evolve in response to LFN's input, which resulted in substantive and useful information on economic feasibility, and greater certainty regarding the reliability of technical information.

LFN provided additional written submissions in March and April 2026, including on the proposed terms and conditions, which are discussed in section 6.2.1.9 (Draft Decision Document and Subsequent Written Submissions).

6.2.1.2 Consultation Work plan and Timelines

Consultation on the Project's economic feasibility began in January 2025 when the Decision Bodies provided RRDC and LFN with a proposed approach and work plan, including funding, and initiated discussions to support participation in the process. Early in the process, Decision Bodies sought to establish a consultation work plan that provided for a series of meetings to support dialogue and the exchange of views on the Project's economic feasibility. Decision Bodies allowed for flexibility by adjusting proposed meeting dates on multiple occasions and accommodated RRDC and LFN based on their availability. Decision Bodies remained open to sharing expert reports and discussing analysis following the exchange of technical information.

6.2.1.2.1 January 17, 2025 – Timelines: Expected Decision at the end of March 2025

To reinitiate the consultation on economic feasibility of the Project, Decision Bodies shared a work plan for consultation with LFN and RRDC in their letter of January 17, 2025. Decision Bodies proposed dates to meet with LFN and RRDC to start the discussion on economic feasibility with a Decision Document being issued by the end of March 2025. After receiving no response from either LFN or RRDC, Decision Bodies followed up in their letter of February 11, 2025, sharing again the same work plan for consultation.

On March 3, 2025, BMC filed a Notice of Motion at the Yukon Court of Appeal indicating that it planned to ask the Court to impose a timeline on the consultation; BMC's proposed order for an April 30, 2025, deadline was dismissed by Justice Groberman at the March 28, 2025, hearing.

6.2.1.2.2 March 25, 2025 – Timelines: Expected Decision in mid-June 2025

As part of the discussions on work plan, RRDC outlined a proposed consultation framework in an email to Decision Bodies dated March 18, 2025. RRDC proposed consultation meetings up to April 2025 and suggested that the parties would decide on next steps following the April meeting, without identifying a decision date. The Decision Bodies responded by confirming that the timelines were reasonable and suggested shifting the April 16 or 17 2025, meeting to April 23 or 24, should RRDC's expert review not be completed by that time.

Based on comments received, the Decision Bodies developed a proposed consultation schedule and shared it with RRDC and LFN on March 25, 2025. This consultation schedule indicated that Decision

Bodies were working to issue a decision on or before June 16, 2025. The schedule was subsequently updated to reflect feedback from RRDC and LFN and the evolving nature of the consultation.

In a letter to the Decision Bodies dated April 11, 2025, LFN noted that the March 25, 2025, timelines (with a decision on or before June 16, 2025) appeared more realistic, but would require further adjustment to account for LFN's scheduling realities. While LFN outlined their scheduling challenges, it did not propose alternative timelines. LFN emphasized the need for reasonable and predictable funding assurances and agreed that consultation on the Project was urgent. LFN also indicated a preference for separate consultation processes with Canada and the Yukon Government (YG). While this was not the preference of Decision Bodies, and was a departure from the manner in which consultation with Kaska had occurred in the months preceding the June 15, 2022 and March 8, 2024 Decisions, the Decision Bodies agreed to work in accordance with LFN's preferences, while supporting coordinated consultation where possible.

In April 2025, federal Decision Bodies met with LFN. The discussion focused on LFN's approach to assessing the Project's economic feasibility, including a proposed two-phase process. The initial phase was intended to develop a clearer understanding of BMC's analysis and to identify the scope of work required for a more detailed second-phase review, including verification of underlying data, modelling, and assumptions. During this period, YG continued to seek a meeting with LFN and reiterated its preference for joint consultation with Canada. YG and LFN met on May 8, 2025, where they discussed LFN's proposed two-phase process and capacity needs.

In response to LFN's request for a Reconciliation Agreement, the Decision Bodies advised that they were not prepared to negotiate an agreement broader than the Project, noting that this consultation process on economic feasibility was focused on assessing Project-related impacts and mitigation measures. Decision Bodies proposed focusing on developing shared understandings and objectives through a work plan or consultation process document. This approach reflected the Decision Bodies' recognition of the importance of reconciliation and their openness to exploring structured approaches to collaboration, while maintaining flexibility regarding how such mechanisms are developed.

6.2.1.2.3 May 9, 2025 – Timelines: Expected Decision in mid-July 2025

As consultation progressed and RRDC and LFN confirmed that independent reviews were ongoing, the Decision Bodies extended the consultation timelines. On May 9, 2025, Decision Bodies shared the revised timelines with RRDC by email and with LFN by letter. The timelines provided RRDC and LFN until the week of July 7, 2025, to submit comments to the Decision Bodies on a draft Decision Document, including any proposed terms and conditions, and stated that Decision Bodies would issue the Decision Document in mid-July 2025. The PwC Report commissioned by RRDC was shared with Decision Bodies on June 13, 2025.

6.2.1.2.4 July 29, 2025 – Timelines: Expected Decision in mid-September 2025

As the Decision Bodies were still awaiting LFN's independent review by Mine and Quarry Engineering Services Inc. (MQes), Decision Bodies circulated a revised consultation timelines on July 29, 2025. Referred to as the Consultation and Decision Pathway (the "Pathway"), the timelines indicated Decision Bodies would work toward issuing a decision in mid-September 2025. RRDC and LFN expressed concerns that Decision Bodies had not provided sufficient detail regarding the steps involved or adequate time to respond meaningfully to Kaska's concerns. The Decision Bodies clarified that the Pathway was intentionally high-level and flexible and would be adjusted as new information became available.

6.2.1.2.5 August 11, 2025 – Timelines: No Date for Expected Decision

The MQes Memo commissioned by LFN was shared with Decision Bodies on August 1, 2025. To accommodate RRDC and LFN, the Pathway was further refined and re-shared, including with BMC, on

August 11, 2025. This version did not include an anticipated decision timeline; however, consultation was to continue in August 2025, with the draft Decision Document to be shared with RRDC and LFN for review thereafter.

6.2.1.2.6 October 15, 2025 – Timelines: Expected Decision in mid-December 2025

To account for scheduling delays in convening meetings with RRDC and LFN, and in consideration of the Yukon election to be held on November 3, 2025, the federal Decision Bodies further refined and re-shared the Pathway with RRDC, LFN, and BMC on October 15, 2025. The revised Pathway indicated that the Decision Bodies were working toward a decision in the week of December 15, 2025.

6.2.1.2.7 January 22, 2026 – Timelines: Expected Decision in March 2026

Following the sharing of RRDC's and LFN's independent reviews, the Decision Bodies anticipated that discussions with Kaska in November and December 2025 would focus on advancing dialogue regarding economic feasibility, including consideration of Kaska experts' perspectives and the adequacy of available information. In practice, these discussions required more time than originally anticipated.

The federal Decision Bodies shared their preliminary views on the Project's economic feasibility and whether the Project was "worth it" with RRDC on November 28, 2025. On December 5, 2025, YG shared their review of the Project's economic feasibility and whether the Project was "worth it" with both RRDC and LFN.

The Decision Bodies met with LFN on December 11, 2025, with the objective of discussing the MQes Memo. However, in accordance with LFN's preference, the discussion continued to focus on disagreements regarding the Court's direction, the depth of technical review required, and funding for LFN. Following this meeting, Decision Bodies determined that the consultation timelines should be further extended to enable additional exchanges.

The Decision Bodies had invited RRDC to meet in mid-December 2025 to discuss the two documents shared on November 28, 2025, and December 5, 2025. However, on December 10, RRDC declined to meet, stating that they had insufficient information from Decision Bodies and requested all of the Decision Bodies' internal and external analysis be shared with them, as well as sufficient time for them to review the information, before they scheduled the next meeting. YG shared their consultant's analysis with RRDC and LFN on December 12, 2025, and informed RRDC that the federal Decision Bodies would share additional information shortly. Federal Decision Bodies shared their analysis of the MQes Memo with LFN and RRDC on January 12, 2026.

On January 22, 2026, Decision Bodies provided a revised version of the Pathway to RRDC and LFN. This version indicated the Decision Bodies' intention to receive final comments from RRDC and LFN by March 6, 2026, and to issue a Decision Document in March 2026. These extended timelines were intended to provide additional opportunities for dialogue on the topic of economic feasibility and the question of whether the Project is "worth it". The Pathway included proposed timeframes for meetings with RRDC and LFN to discuss potential terms and conditions, as well as for the circulation of a draft decision rationale in advance of the final Decision Document.

6.2.1.2.8 Late-stage Consultation

In accordance with this Pathway, the Decision Bodies provided RRDC and LFN with their preliminary views on the "worth it" question – including proposed new terms and conditions – on January 30, 2026.

In accordance with the Pathway, on February 10, 2026, the Decision Bodies and RRDC met in Whitehorse for an in-person discussion to exchange views on the Project's economic feasibility, including RRDC's perspectives on whether the Project is "worth it" and the proposed new terms and conditions.

On February 12, 2026, LFN sent a response to the Decision Bodies' preliminary views on whether the Project is "worth it", and a proposed alternative consultation pathway. Decision Bodies responded by email on February 16, 2026, with a proposed meeting date consistent with LFN's availability, and detailed the next steps toward issuing a decision in March 2026. This included that any comments from LFN and RRDC be received by March 6, 2026.

In accordance with the Pathway, the Decision Bodies shared their draft Decision Document on February 20, 2026, and invited RRDC and LFN to provide comments by March 6, 2026.

Throughout January and February 2026, the Decision Bodies proposed and made themselves available for meetings with LFN on multiple occasions. Decision Bodies and LFN eventually met on March 6, 2026. During the March 6, 2026, meeting, LFN advised the Decision Bodies that it would not be providing comments on the proposed new terms and conditions or the draft Decision Document, taking the position that additional time and funding would be required to do so. Although the Decision Bodies were prepared to discuss any specific portions of the draft Decision Document that LFN identified as inaccurate, incomplete, or requiring clarification, in accordance with LFN's preference, the discussion largely returned to concerns regarding capacity constraints and the scope of the consultation. At that point, these issues had been raised and discussed on multiple occasions, both in meetings and through written correspondence.

RRDC and LFN were initially requested to provide comments by March 6, 2026. RRDC provided its written submissions by that date, including correspondence setting out its views and requesting further engagement at the Ministerial level. LFN did not provide comments by March 6, 2026, and the Decision Bodies subsequently provided LFN with two additional one-week extensions to support LFN's provision of further submissions on the draft Decision Document and proposed terms and conditions. During this extension period, the Decision Bodies sought confirmation from LFN as to whether additional information would be provided by LFN to the Decision Bodies, but did not receive any indication that further extensions would result in submissions on the draft Decision Document or the proposed terms and conditions in the near term. On March 13, 2026, Decision Bodies received a letter from LFN, which included comments on some of the proposed terms and conditions, and a letter from RRDC on cumulative effects of BMC's expansion projects. On March 26, 2026, RRDC also shared by email their Declaration of the Rights of the Finlayson Caribou Herd.

As of March 2026 came to a close, based on the full consultation record including RRDC's and LFN's comments on Decision Bodies' reviews and on proposed terms and conditions, the Decision Bodies considered that the process, funding provided, and timeframes for consultation had been reasonable, in all of the circumstances. RRDC and LFN had been afforded multiple opportunities to meet, raise issues, and submit technical and other information, all of which was considered by Decision Bodies in their decision-making. On March 27, 2026, the Decision Bodies sent RRDC and LFN letters indicating that Decision Bodies' consultation process had concluded and that a decision on the Project would be made by March 31, 2026 ("consultation closeout letters").

On March 31, 2026, LFN asked for an opportunity to respond to Decision Bodies' characterization of the consultation record before the decision was made. In response, federal Decision Bodies decided to delay making their Decision to April 10, 2026, in order to receive and consider any final comments from LFN.

At the same time, federal Decision Bodies decided to offer both LFN and RRDC each a meeting with federal Decision Bodies. This followed RRDC's request for a meeting with federal Ministers and the March 30, 2026, response from the federal Minister of Crown-Indigenous Relations and Northern Affairs of Canada, which declined the request and directed RRDC to raise their concerns with federal Decision Bodies' officials.

On April 2, 2026, RRDC and LFN were invited to meet with federal Decision Bodies on April 7 or April 8, 2026, and LFN was invited to provide concluding written comments and input by April 8, 2026. On April 8, 2026, federal Decision Bodies met with RRDC. On April 8, 2026, LFN provided a response letter to Decision Bodies and, on April 9, 2026, RRDC provided a follow-up letter to Decision Bodies.

The Decision Bodies considered all of those submissions from RRDC and LFN before making their decision and issuing this Decision Document.

6.2.1.2.9 Conclusion of Consultation Work Plan and Timelines

Throughout the consultation process, the Decision Bodies maintained a clear consultation process and extended timelines on multiple occasions to allow for additional engagement, information gathering, and internal review. The Decision Bodies offered multiple opportunities to meet and demonstrated flexibility in receiving feedback from, and meeting with RRDC and LFN.

The Decision Bodies have ultimately decided to make their decision on this date for a number of key interrelated reasons: the importance of timely decision-making under YESAA, the depth of engagement with Kaska to date, the volume and nature of information obtained and received in relation to Kaska concerns, and the opportunities provided for meaningful exchange with RRDC and LFN. Specifically, the reasons for making this decision on this date are:

- The extensive nature of the consultation undertaken with RRDC and LFN, and the significant amount of information obtained and received, following the Yukon Court of Appeal's judgment in December 2024, in relation to Kaska's concerns about the Project's economic feasibility. This consultation and information exchange has included multiple meetings, written exchanges, submissions from RRDC and LFN, expert reports commissioned by Kaska organizations, and the provision of additional technical and economic information by the Decision Bodies. Decision Bodies have a wealth of views and information to inform their decision on the Project;
- The robust consultation process that has taken place since December 2024, which included opportunities afforded throughout the consultation process for dialogue and exchange of views on economic feasibility and the "worth it" question between Decision Bodies and RRDC and LFN. This process included invitation to and conduct of in-person and virtual meetings, exchange of correspondence, and the circulation for RRDC and LFN comment of the Decision Bodies' preliminary views, proposed terms and conditions, and a draft Decision Document. This process was also flexible and adapted to RRDC's and LFN's preferences and requests for additional time: Decision Bodies' anticipated timelines were extended multiple times to allow for further;
- This process was also flexible and adapted to RRDC's and LFN's preferences and requests for additional time: Decision Bodies' anticipated timelines were extended multiple times to allow for further submissions from and dialogue with RRDC and LFN, from an intended March 2025 decision, to successive extensions of that intended decision date to June, July, September, December 2025, and then March 2026, and final to April 10, 2026;
- The importance of avoiding delay in further consultations, as specified by the Court of Appeal in its decision requiring consultation on economic feasibility;
- The importance of making timely decisions under YESAA once recommendations are issued by YESAB;
- The principles of procedural fairness which require that decisions be made within a reasonable timeframe; and
- The Decision Bodies conclusion that, as of April 10, 2026, the record before them was sufficient to support an informed decision, as is articulated below.

6.2.1.3 Funding Provided

Decision Bodies considered and responded to RRDC and LFN's requests for funding to support their participation in the additional consultation on economic feasibility. In light of the amounts requested and provided, including the additional allocations made in response to emerging Kaska needs early in the consultation process, the Decision Bodies have concluded that RRDC and LFN were provided with sufficient funding to support their meaningful participation in the consultation process.

6.2.1.3.1 Initial funding offer from Decision Bodies

In a letter dated January 17, 2025, the Decision Bodies offered RRDC and LFN up to \$30,000 to support their participation in the consultation directed by the Court. In a follow-up letter dated February 11, 2025, the Decision Bodies reiterated their willingness to enter into a financial agreement with each Nation. The Decision Bodies subsequently heard from RRDC and LFN that additional capacity support would be required for them to participate meaningfully in the consultation.

6.2.1.3.2 Funding to RRDC

The Decision Bodies ultimately provided RRDC a total of \$160,745 in capacity funding, up substantially from the initial amount of \$30,000.

In a letter dated February 20, 2025, RRDC confirmed to the Decision Bodies that funding was required to review information prepared by BMC. On March 11, 2025, RRDC submitted a proposed budget to the Decision Bodies totalling \$170,361 to retain a consultant and to undertake related consultation activities. On March 21, 2025, the Decision Bodies responded with proposed revisions to the budget, including rationale, resulting in a reduced total of \$110,745. In that same correspondence, the Decision Bodies confirmed their support for RRDC retaining a consultant up to the revised amount, which RRDC accepted.

Later in the process, and following receipt of BMC's responses in August 2025, the Decision Bodies provided an additional \$50,000 in funding to RRDC. Of this amount, \$25,000 was allocated to enable RRDC to retain a consultant, and \$25,000 was designated to support capacity needs, including legal services, to facilitate RRDC's participation in the consultation process, as set out in the Consultation and Decision Pathway.

6.2.1.3.3 Funding to LFN

The Decision Bodies ultimately provided LFN with a total of \$170,000 in capacity funding to support its participation in the consultation process. The rationale for this capacity funding amount is set out below.

In April 2025, LFN submitted a consultation budget request of \$525,675.35. This included future consultation cost related to economic feasibility (\$284,000), as well as historical expenses (\$242,000). With respect to historical regulatory phase costs, Decision Bodies responded that such costs would not be funded because those were part of another process not related to this Decision Phase. YG also addressed directly this aspect in its correspondence with LFN.

In May 2025, the Decision Bodies offered LFN \$120,000 in capacity funding, in line with amounts provided to RRDC, to advance substantive discussions on the topic of economic feasibility. This included supporting an assessment of whether the information provided by BMC on December 20, 2024, adequately addressed LFN's concerns regarding the Project's economic feasibility.

The Decision Bodies proposed to provide the funding through an agreement with YG, a mechanism previously used that would allow this funding to be delivered more quickly than through the federal financial system. LFN refused to enter into an agreement with YG given past disagreement they have had with YG regarding regulatory work expenses and reimbursement. They expressed a strong preference to

receive the funding from Canada, and the Decision Bodies worked to advance the funding through an agreement with Fisheries and Oceans Canada (DFO), which required additional processing time.

In communications to LFN dated May 9, May 22, and August 8, 2025, the Decision Bodies clarified that the \$120,000 was intended to support LFN's independent review and analysis of existing materials, as well as LFN's participation in the entire consultation process. During this period, the Decision Bodies also indicated an openness to consider additional funding should LFN provide sufficient rationale for the proposed additional studies. This position was clarified in the Decision Bodies' letter of October 2, at which time no further consultation funding was contemplated, seeing as LFN did not provide sufficient rationale to justify financially supporting the proposed additional studies. Based on the rationale outlined by LFN in its letter dated July 17, 2025, and further discussion in subsequent meetings, the federal Decision Bodies offered LFN an additional \$50,000 in capacity funding on August 29, 2025. This funding was intended to support legal costs and consultation-related activities. The Decision Bodies also confirmed that the funding was intended to support LFN's participation through the remainder of the consultation process.

In discussions held in November and December 2025, LFN conveyed its view that the funding provided remained insufficient. In response, Decision Bodies reiterated on multiple occasions that no additional funding would be provided for consultation activities leading up to the issuance of a Decision on the Project.

Funding Agreement under DFO's Indigenous Habitat Participation Program

Capacity funding was ultimately provided to LFN in accordance with LFN's expressed preference through an agreement with DFO. The funding agreement, in the amount of \$170,000, was signed between LFN and DFO on February 4, 2026. The agreement did not preclude LFN from obtaining funding from other sources, including to support activities beyond those funded under the agreement, such as a full Independent Assurance Review.

The funding agreement does not cover all activities proposed by LFN. In particular, the agreement notes the following:

“DFO understands that LFN's perspective is that determining feasibility requires further research, peer review, and analysis of impacts on the Kaska traditional economy which is not funded under the Agreement.”

The agreement also clearly identifies that the funding was intended to support consultation-related activities, including participation in consultation and discussions with Decision Bodies. As set out in the agreement:

“Activities include the preparation of a technical review report, internal coordination, and planning and participation in consultations and discussions with Fisheries and Oceans Canada (DFO), other Crown entities, and affected Kaska First Nations.”

The agreement further specifies consultation-related activities supported by the agreement, including:

- Participation in engagement and consultation sessions with DFO related to the review of the Kudz Ze Kayah (KZK) Project;
- Review of data and reports relevant to the proposed KZK project;
- Provision of a Phase 1 technical report on the proposed KZK project;
- Preparation for and participation in meetings or discussion groups related to the proposed KZK project; and
- Responding to correspondence from DFO and other Crown departments in the consultation process for the KZK project.

LFN's request for additional funding to review the draft Decision Document

At the March 6, 2026, meeting with the Decision Bodies, LFN indicated that it required additional time and capacity funding to participate in the remainder of consultation process, including to provide comments on the draft Decision Document and proposed terms and conditions shared by the Decision Bodies on February 20, 2026. In subsequent email exchanges following the March 6, 2026, meeting, and as part of its request for additional time, LFN requested a further \$55,000 in capacity funding to support continued consultation activities.

The Decision Bodies considered LFN's request and provided time extensions for LFN to submit comments while confirming that no additional capacity funding would be provided.

In reaching this determination, the Decision Bodies took into account that, since their October 2, 2025, correspondence, they had consistently communicated that the \$170,000 in capacity funding provided to LFN was intended to support participation in all consultation activities up until the issuance of a decision document.

The Decision Bodies also considered that this funding represented a substantial and cumulative amount, comparable to funding provided to the RRDC, and was specifically designed to cover consultation-related activities, including technical review, internal coordination, legal support, and engagement with the Decision Bodies.

The Decision Bodies also considered that no new technical information had been provided to LFN since the federal Decision Bodies' response to MQes on January 12, 2026, or since the Decision Bodies' January 30, 2026, correspondence setting out their preliminary views on the "worth it" question, including proposed terms and conditions.

In light of the scope of activities funded, the incremental funding provided as LFN's needs emerged, and the stage of the consultation process, the Decision Bodies concluded that the funding provided was sufficient to support LFN's meaningful participation and that additional funding would not be provided to review the decision document.

The Decision Bodies acknowledge LFN's April 8, 2026, submission, in which LFN articulates its view that dialogue was limited by LFN's limited capacity, which LFN says resulted from Decision Bodies' approach to consultation. LFN alleges refusals to fund LFN research on impacts to the traditional economy and LFN's hiring of technical experts to review the draft Decision Document. The Decision Bodies further acknowledge LFN's view that the funding provided by Decision Bodies was not reasonable and that LFN has proven that funding was inadequate. However, the Decision Bodies are satisfied that, in all of the circumstances, sufficient capacity funding was provided to LFN to support LFN's engagement in meaningful consultation on Kaska concerns about the economic feasibility of the Project.

6.2.1.4 Exchange of Views - Initial Reviews by Decision Bodies

In response to the direction from the Court of Appeal of Yukon, BMC provided the Decision Bodies, RRDC, and LFN with an information package on December 20, 2024, containing additional material intended to address concerns raised in the July 2020 technical report prepared by Golder Associates for LFN ("the Golder Report") and LFN's letter of October 8, 2020.

As part of this consultation, the Decision Bodies commenced their respective technical reviews of the information provided. Federal Decision Bodies undertook an internal review focused on completeness and adherence to recognized industry standards. Based on this review, the federal Decision Bodies concluded that the additional information addressed previously raised Kaska concerns and was consistent with established standards for mineral project disclosure. This internal review was carried out by federal public servants with industry experience and/or academic backgrounds in geology, mineral

exploration, mining engineering, and mining economics, and this expertise was also applied in reviewing the independent analyses submitted by independent reviewers retained by RRDC and LFN, respectively.

YG retained Pakawau Geomanagement to provide YG with additional technical expertise and to assess the adequacy of BMC's responses to issues identified in the Golder Report and LFN's 2020 letter. YG later retained a second external expert, Cupel Advisory, to review the independent analyses prepared for RRDC and LFN.

Both YG and the federal Decision Bodies relied on the analyses of Yukon's external experts, as well as on the federal Decision Bodies' internal technical knowledge. The Decision Bodies are of the view that, collectively, these internal and external reviews provided sufficient expertise to understand and analyze all relevant information related to Kaska concerns about the Project's economic feasibility and to support an informed decision by the Decision Bodies.

In March 2025, the Decision Bodies shared their preliminary views on the Project's economic feasibility with LFN and RRDC, along with an updated NI 43-101 Technical Report prepared by BMC, to support RRDC's and LFN's independent technical reviews and inform upcoming consultation.

6.2.1.5 Exchange of Views - RRDC's Independent Review

In order to assess the Project's economic assumptions, risks, and key feasibility considerations, RRDC retained PricewaterhouseCoopers ("PwC") with funding provided by the Decision Bodies.

6.2.1.5.1 PwC Report

RRDC provided the PwC Report to the Decision Bodies on June 13, 2025, and presented its findings at the June 24, 2025, consultation meeting in Ross River, Yukon. PwC concluded that, based on the information available at that time, the Project presented significant financial risks and that its economic feasibility remained uncertain. RRDC reiterated concerns about potential Project failure, the cultural importance of the Kudz Ze Kayah area, potential impacts on Aboriginal rights, and the legacy of mining in the territory. The Decision Bodies acknowledged that the meeting provided important information to inform their decision.

Federal Decision Bodies and YG each conducted detailed reviews of the PwC Report, assessing its findings, underlying assumptions, and the gaps or uncertainties PwC identified in BMC's analysis. These reviews involved comparing PwC's observations against the NI 43-101 Technical Report and other materials submitted during the consultation.

Where information gaps or inconsistencies were identified, the Decision Bodies developed follow-up questions to seek clarification from BMC and ensured the economic-feasibility assessment was based on complete and accurate information.

To support transparency and Kaska participation, RRDC was invited to review and provide input on the draft questions for BMC. After considering this input, the Decision Bodies finalized an information request to BMC consisting of 28 clarifying questions focused on key issues raised by PwC, including cost assumptions, revenue projections, modelling inputs, and project risks. The questions were sent to BMC on July 24, 2025. BMC's responses—received by the Decision Bodies, RRDC, and LFN on August 7, 2025—informed the PwC's Supplemental Report, which was prepared at the request of RRDC.

The Decision Bodies then reviewed PwC's Supplemental Report. The federal internal review was shared with RRDC on November 28, 2025. In addition to the review conducted by Pakawau Geomanagement, YG retained Cupel Advisory to provide an independent review of both the PwC Report and BMC's responses to the 28 questions. The Cupel Advisory report was shared with RRDC and LFN on December 12, 2025.

6.2.1.6 Exchange of Views - LFN's Independent Assessment Review

In order to assess the Project's economic assumptions, risks, and key feasibility considerations, as well as additional information required as per LFN's proposed Phase 2 Independent Assessment Review, LFN retained Mine and Quarry Engineering Services Inc. (MQes) with funding provided by the Decision Bodies.

6.2.1.6.1 MQes Memo

LFN shared its independent review with the Decision Bodies on August 1, 2025. Set out in the MQes Memo, this review focused on the technical aspects of the Project and it concluded that the Project's economic feasibility could not be independently verified without access to specified underlying data.

LFN also raised concerns about the Decision Bodies' reliance on the NI 43-101 Technical Report and the qualifications of the Qualified Persons whose work informed the technical report, noting in particular that their qualifications and relevant experience had not been independently verified in the assessment of the Project's economic feasibility.

The federal Decision Body internal review of the MQes Memo was carried out by federal public servants with industry experience and/or academic backgrounds in geology, mineral exploration, mining engineering, and mining economics. YG engaged an external consultant, Cupel Advisory, to review the MQes Memo.

In reviewing the MQes Memo, the Decision Bodies recognized that they had already followed up with BMC on many of the issues raised by MQes through a set of 28 questions sent to BMC on July 24, 2025. These questions addressed matters including mine planning—particularly the underground component—capital and operating costs, and financial analysis. Although the 28 questions were initially developed in response to RRDC's external expert report, PwC Report, and internal reviews conducted by the Decision Bodies, they also covered several of the areas highlighted by MQes.

Consistent with the approach taken with RRDC, the Decision Bodies invited LFN to provide input on potential questions to be posed to BMC in order to request additional information. LFN did not provide input. The Decision Bodies subsequently submitted the questions to BMC on September 15, 2025. Drawing on the MQes Memo, the questions addressed potential financial risks associated with increased water treatment costs, including scenarios in which treatment systems underperformed or contaminants such as selenocyanate emerged, as discussed in section 6.2.3.4. BMC's response was received by the Decision Bodies on September 24, 2025, and was shared with LFN on October 3, 2025.

The August 2025 MQes Memo helped inform the preliminary views of the Decision Bodies on the Project's economic feasibility. Decision Bodies communicated to LFN in the October 2, 2025, letter that the proposed independent assurance review goes beyond what is required for Decision Bodies' decision-making process. YG shared its preliminary views with LFN on December 5, 2025, followed by the Cupel Advisory reports on December 12, 2025. The federal Decision Bodies shared their preliminary views to LFN separately on January 12, 2026.

Following the Decision Bodies' detailed responses to the MQes Memo, LFN submitted a subsequent MQes Memo on February 12, 2026. This subsequent MQes Memo reiterated LFN's views and confirmed a fundamental difference of perspective between the Decision Bodies and MQes with respect to the interpretation and sufficiency of technical information, including the resource model, metallurgical sampling, metallurgical test work and concentrate marketability.

The Decision Bodies addressed each of these issues in their March 27, 2026, consultation close-out letter to LFN. In doing so, the Decision Bodies maintained their view that a full independent assurance review

intended to replicate the Project's feasibility analysis, as contemplated in both MQes Memos, was not required to achieve a reasonable degree of confidence in the Project's economic feasibility.

The Decision Bodies remained of the view that the Project demonstrates strong economic fundamentals and that there is no material risk of mine operations ceasing earlier than anticipated.

6.2.1.6.2 LFN proposed "Phase 2" Independent Assurance Review

When submitting the MQes Memo, LFN noted in its cover letter that the memo constituted Phase 1 of a proposed Independent Assurance Review. Based on this cover letter, as well as LFN's August 14, 2025, KZK Consultation Budget, the Decision Bodies understood that the proposed Phase 2, described as Targeted Validation/Reliability, would involve targeted review and analysis of underlying data supporting the BMC 2025 NI 43-101 Technical Report.

After considering the information and rationale provided by LFN in its July 17, 2025, correspondence regarding additional studies in support of its proposed Independent Assurance Review, as well as the scope of work described by MQes for the proposed Phase 2, the Decision Bodies concluded that there was no agreement to proceed with a Phase 2 review.

The Decision Bodies further determined that the work proposed in Phase 2 extended beyond what was reasonably required to inform decision-making on the Project. This conclusion was communicated to LFN in the Decision Bodies' letter dated October 2, 2025.

Further, the Decision Bodies were of the view that the available information, including BMC's responses to their questions, was sufficient to assess the Project's economic feasibility and reasonably understand its financial risks for the purpose of deciding whether the Project should proceed to the regulatory phase.

In addition to their proposed Phase 2, LFN shared their view that the following additional studies were necessary to adequately assess the Project's economic feasibility: (1) an expert assessment of the Proponent's financial health and potential vulnerabilities, (2) a traditional economy impact analysis, (3) an analysis of value of the Socio-Economic Participation Agreement, (4) a water impacts feasibility-related analysis. Decision Bodies responded to each item in their October 2, 2025 letter to LFN, providing specific rationale. These rationales are summarized below:

Proponent's financial health and potential vulnerabilities

The Decision Bodies considered LFN's concerns regarding BMC's financial health and economic viability and, in response, posed targeted questions to BMC. Decision Bodies reviewed the information received, both internally and with the support of external experts, and were satisfied that the BMC's financial structure did not present a significant risk to the economic feasibility of the Project. On this basis, Decision Bodies confirmed that the information available was sufficient to support meaningful consultation and to inform the assessment of the Project's financial risks.

Traditional economy impact analysis

The Decision Bodies recognized that Kaska's traditional economy is intrinsically linked to land use and wildlife management. The mitigation and monitoring measures set out in the Screening Report extend beyond environmental indicators and incorporate socio-economic and cultural indicators related to traditional livelihoods, with the objective of supporting the continued practice of these activities in a meaningful way.

In light of the incorporation of traditional economy considerations into the Screening Report and the recommended terms and conditions, the Decision Bodies concluded that the existing record provides an adequate basis for the current consultation on economic feasibility of the Project. Accordingly, the

Decision Bodies determined that the additional traditional economic impact analysis proposed by LFN was not necessary for the purpose of the consultation.

Analysis of value of the Socio-Economic Participation Agreement

The Decision Bodies acknowledged that LFN and the Proponent have yet finalized the Socio-Economic Participation Agreement (SEPA). In its response dated August 7, 2025, BMC outlined that it submitted a proposal for a modernized SEPA agreement in 2021, which included the establishment of a management advisory committee, a cultural and heritage advisory committee, and an environmental management advisory committee. BMC submitted a draft Socio-Economic Management Plan to Kaska in September 2024, which identified five priority mitigation, management, and enhancement categories: 1) Economy and Sustainable Livelihood Management; 2) Human Health and Well-being Management; 3) Community Vitality Management; 4) Infrastructure and Services Management; and 5) Culture, Language, Traditional Economy, Traditional Land Use Management.

In their assessment of whether the anticipated benefits of the Project justify its potential risks and impacts, the Decision Bodies considered the information presently available regarding the proposed SEPA, including relevant financial figures. The Decision Bodies also took into account that the SEPA remains under negotiation and, accordingly, did not rely on any finalized agreement in reaching their conclusions.

Analysis of water impacts feasibility

The Decision Bodies considered LFN's concerns regarding selenium, cyanide, and other potential compounds having reviewed detailed modelling, pilot testing plans, and proposed water treatment and mitigation measures. To further assess these issues, the Decision Bodies requested additional information from BMC on worst-case water treatment scenarios. The Decision Bodies reviewed the information received, including internal analysis and advice from external consultants, and were satisfied that uncertainties regarding water treatment-related closure costs did not present a significant risk to the Project's economic feasibility.

On this basis, Decision Bodies concluded that the information available was sufficient to form a reasonable view on the Project's economic feasibility and that additional funding for further review on this issue was not required. This conclusion was informed by BMC's responses regarding water treatment considerations, the proposed terms and conditions related to water treatment and closure components, and the understanding that further detailed review would occur during the regulatory phase, including through processes before the Water Board.

6.2.1.6.3 Conclusion on LFN's Independent Assurance Review

A fundamental disagreement persisted throughout the consultation between LFN and the Decision Bodies regarding the appropriate level of assessment required for the purpose of the consultation. LFN emphasized the need for extensive independent assurance and review to determine whether the Project was economically feasible and "worth it".

The Decision Bodies determined that the level of assessment sought by LFN exceeded what was required to support their decision-making process and went beyond what is reasonably required of decision makers under YESAA. In particular, the Decision Bodies concluded that independently verifying or re-analyzing all underlying source data, modelling, and analysis completed by BMC was not necessary to reach a reasonable understanding of the Project's financial risks. Cupel, an independent expert retained by YG, also concluded that such a review was not required, stating:

"Embedding financial viability testing within permitting would mark a major departure from established practice. Unless the Yukon Government is itself a capital provider, its focus should

remain on whether environmental and social effects are acceptable and adequately mitigated. Financial viability properly resides with the market and its investors.” Cupel, 2025.

6.2.1.7 Exchange of Views - Decision Bodies’ Preliminary Views on Economic Feasibility

YG shared with LFN and RRDC on December 5, 2025, its preliminary view that the Project is economically feasible, based on independent expert advice and a review of materials including the Federal Decision Bodies’ review of the PwC Reports, the Golder Report, BMC’s submissions, the PwC Report, BMC’s responses to Decision Bodies’ questions, the PwC Supplemental Report, the MQes Memo, and comments received from Kaska during consultation.

Federal Decision Bodies shared their preliminary views on economic feasibility as part of their responses to RRDC and LFN on their PwC and MQes reviews, respectively on November 28, 2025, and January 12, 2026.

The Decision Bodies’ views on the Project’s economic feasibility were informed by a comprehensive set of technical, financial, and consultation-related materials, including:

- The Golder Report;
- The December 2024 BMC information package;
- Reviews by Pakawau Geomanagement, Cupel Advisory, and federal analysts;
- RRDC’s PwC Report and Supplemental Report;
- LFN’s MQes Memos;
- BMC’s responses to additional information requests;
- Consultation meetings between Decision Bodies and Kaska; and
- Written communications between Decision Bodies and Kaska.

Taken together, these internal reviews, external expert analyses, BMC submissions, and consultation inputs provided the Decision Bodies with a robust and sufficiently comprehensive understanding of the Project’s economic risks, assumptions, and feasibility. In their documents sharing their preliminary views on the Project’s economic feasibility, the Decision Bodies explained their rationale for addressing concerns that have been repeatedly brought up, including geology and mineral resource estimates, the planning of the mine, metallurgy and mineral processing, and the financial analysis. This integrated body of information formed the basis for the Decision Bodies’ assessment and supported informed Crown decision-making at this stage.

In those documents, Decision Bodies highlighted that the Project demonstrates strong economic fundamentals, including an after-tax payback period of approximately 2.2 years, favourable capital intensity, and limited sensitivity to changes in capital and operating costs. While acknowledging that BMC employed certain optimistic assumptions, and that the application of higher contingencies or more conservative inputs could result in increased costs or reduced internal rates of return or net present value, the Decision Bodies concluded that such adjustments would not materially undermine the Project’s overall economic feasibility.

The Decision Bodies concluded that the size and grade of the deposit appear sufficient to support profitable extraction while recognizing the presence of risks, including those related to the resource estimate, concentrate marketability, and BMC’s status as a junior single-asset company. Decision Bodies determined that these risks do not outweigh the Project’s strong economic fundamentals. On this basis, the Decision Bodies reached a preliminary determination that the Project is economically feasible and do not consider there to be a significant risk that mine operations would cease earlier than planned.

6.2.1.8 Exchange of Views - Decision Bodies' Preliminary Views on "Worth It"

In their January 30, 2026, letter to RRDC and LFN, the Decision Bodies reiterated their preliminary views on the Project's economic feasibility and shared their perspectives on whether the Project is "worth it".

In the letter, Decision Bodies explained that they must balance the Project's potential economic benefits against its environmental, socio-economic, and Indigenous rights impacts, particularly on Kaska section 35 asserted rights. In their preliminary assessment, the Decision Bodies considered the potential positive impacts, such as the employment opportunities and the significant capital investment, against the potential adverse impacts, such as impacts to wildlife, specifically the FCH, and cumulative effects. Decision Bodies acknowledged these concerns and, with the input received from Kaska during consultation and economic feasibility analysis, maintained that the Project is likely economically viable and "worth it," provided additional terms and conditions are applied to further address Kaska's ongoing environmental, cultural, and rights-related concerns. The section 6.2.3 below talks about the Question of whether the Project is "worth it".

As part of that letter, the Decision Bodies have proposed new terms and conditions in order to address concerns expressed by RRDC and LFN related to the economic feasibility of the Project, abandoned mines in the asserted Kaska traditional territory, inadequate financial security and public and environmental liabilities.

- Financial forecast reporting that will reveal financial risk signals and allow time for security review to reduce the risk of under-secured reclamation obligations (Term #43).
- Performance audits on key performance indicators and key mining infrastructure to provide further oversight in the design, construction and operation of critical infrastructure and their performance (Term #44).
- Independent third-party engineering audits of Engineered Structures to verify that facilities are built and capable of operating as designed, reducing the likelihood of failures, shutdowns, or unplanned costs that could jeopardize the Project's financial viability (Term #45).
- The Proponent to make reasonable efforts to negotiate or amend a SEPA with RRDC and LFN, ensuring that Kaska secure meaningful and reliable economic benefits—such as jobs, contracting, revenue sharing, and oversight roles (Term #46).
- Security to be based on peak liabilities in a 5-year period from the point of determination and that updates to the security determination may be required outside of a regulated timeframe, thereby allowing regulators to ensure that funds are available to fully implement closure and reclamation in the event of default, insolvency or abandonment (Term #47).
- YG to review updated financial information and, if warranted, trigger a financial-security reassessment outside the regular cycle, ensuring security amounts remain aligned with current project and company risk profiles (Term #48).

Additionally, existing Terms #19 and #20 require that financial security determinations take into account the potential for care and maintenance costs for the period between a temporary or early closure and decommissioning.

LFN responded to Decision Bodies preliminary views on is it "worth it" in their February 12, 2026, letter, to reiterate that the Crown's feasibility analysis for the Project was incomplete, unsupported by evidence. LFN stated that essential data—including a full feasibility study and offtake agreements—had not been provided. LFN continued to be of the view that the Decision Bodies have ignored their expert's concerns and relied inappropriately on NI 43-101 Technical Reports and Qualified Persons. LFN did not provide any comment on the proposed new terms and conditions before Decision Bodies shared with RRDC and LFN the draft Decision Document on February 20, 2026. Decision Bodies requested comments on the

draft Decision Document, including proposed terms and conditions, by March 6, 2026: those comments are discussed further below.

6.2.1.9 Exchange of Views - Draft Decision Document and Subsequent Submissions

In accordance with the Pathway, Decision Bodies considered input from RRDC and LFN and shared, on February 20, 2026, the draft Decision Document with RRDC and LFN. The draft Decision Document included a new section on the consultation that occurred since the Court of Appeal decision in December 2024, which included the summary of the technical information on economic feasibility, including conclusion, and the rationale on the question of “worth it”. It also included proposed terms and conditions and rationale for any proposed changes. Decision Bodies requested comments from RRDC and LFN by March 6, 2026: those comments are discussed further below.

6.2.1.9.1 Meeting and written submissions with RRDC

RRDC wrote to Decision Bodies on March 6, 2026, with feedback on the draft Decision Document. The Decision Bodies responded to RRDC in their letter of March 27, 2026, describing proposed terms and conditions that were added or adjusted based on input from this letter.

In their March 9, 2026, letter to the Ministers of Crown-Indigenous Relations and Northern Affairs Canada, Natural Resources Canada, and Fisheries and Oceans Canada, RRDC urged the Crown to take immediate steps to reject the Project. They stated that if the Decision Bodies approved the Project, they would seek financial redress for the lands and resources taken without their consent. RRDC reiterated their commitment to rebuilding trust and advancing reconciliation but expressed their belief that the federal Decision Bodies’ actions were undermining recent progress in government-to-government relations. Given the imminent Project decision, RRDC requested an urgent meeting with the Ministers during the week of March 9, 2026.

In a March 13, 2026, letter, RRDC wrote to Decision Bodies to express their concern that the Proponent intended to consolidate multiple mining properties into the “KZK Project,” and that the Crown had not assessed the cumulative effects of this broader development plan. RRDC noted that projects across their asserted traditional territory were advancing without their consent, including within the Protected Area Feasibility Study region.

In an email response to RRDC’s request for a meeting with Ministers dated March 17, 2026, federal Decision Bodies noted their availability and interest in meeting with RRDC to discuss their concerns and welcomed any additional views RRDC wished to provide. RRDC responded that they did not wish to pursue further meetings with federal Decision Bodies, expressing the view that additional discussions at that level would not be productive, and requested a direct response from federal Ministers.

On March 26, 2026, RRDC shared with Decision Bodies the *Declaration of the Rights of the Finlayson Caribou Herd* (the Declaration), a declaration asserting inherent rights of the FCH. RRDC stated that any decision made by the Decision Bodies in RRDC’s Tū Łídlīni Area must be consistent with the inherent rights of the FCH. In their March 27, 2026, letter to RRDC, Decision Bodies acknowledged the importance of the FCH to Kaska rights, culture, and way of life and noted the numerous terms and conditions developed through consultation with RRDC to minimize and mitigate any harm to the FCH from the Project.

On the same date, RRDC shared the working paper titled “Uncertain Benefits, Known Costs”, which was also shared with Decision Bodies by LFN on March 4, 2026. RRDC stated that this paper reinforced RRDC’s position that the Project’s economic justifications are misleading and must be addressed before any Decision Document is issued. In their March 27, 2026 response to RRDC, the Decision Bodies acknowledged that the paper raised considerations about potential uncertainties in the economic benefits

of mining projects generally, while noting that key aspects of the report recommendations were reflected in the consultation process and in the terms and conditions of the Decision Document (see Section 6.2.2.5 for more details).

The federal Minister of Crown Indigenous Relations and Northern Affairs sent a letter to RRDC on March 30, 2026, replying to RRDC's correspondence of March 5 and 19, 2026, declining the request for a meeting and directing RRDC to follow up with Decision Bodies instead. In an email dated April 2, 2026, the federal Decision Bodies invited RRDC to meet virtual meeting on April 7 or 8, 2026, and provided RRDC with the opportunity to submit final comments by April 8, 2026, for consideration in the decision-making process.

On April 7, 2026, RRDC sent a letter (dated April 1, 2026) to Decision Bodies in response to their March 27, 2026, letter. RRDC stated their strong disagreement with the project and especially with the response from Decision Bodies following their Declaration. RRDC also attached to the letter the Stop Work Notice that RRDC issued to BMC on March 31, 2026, in relation to BMC's Class 3 exploration project (YESAB 2024-0119). Decision Bodies acknowledge RRDC's concerns that BMC may have been non-compliant with the terms of the Class 3 exploration Decision Document. Decision Bodies took RRDC's concerns about non-compliance seriously and conducted an additional review of the Project's Terms and Conditions with specific consideration for monitoring and enforcement. New Terms #43, #44, #45 and #48 include additional reporting requirements which support monitoring and increased ability to respond to issues related to the financial health of the operator, risks of physical failures, and the intended operation of mine components as they arise. Regulators are required to reflect the terms of this Decision Document in any authorizations that may be issued for the Project. Where an operator has contravened the terms of a quartz mining license or water licence (or may otherwise cause unnecessary harm to persons, property, or the environment), inspectors have the authority to issue directions to maintain or restore compliance including measures to limit or suspend work.

During the April 8, 2026, meeting with federal Decision Bodies, RRDC reiterated their fundamental disagreement with Decision Bodies of whether the Project's impacts can be mitigated through the proposed terms and conditions. RRDC reiterated their firm opposition to the Project within their unceded, core title area, and their assertion that the Project would severely and unjustifiably infringe their Aboriginal title, rights, governance, and stewardship responsibilities—especially regarding the FCH. RRDC expressed their view that Decision Bodies had failed to meaningfully recognize their title, ignored their lack of consent, and relied on procedural consultation rather than substantive engagement. RRDC took the position that the Project was being pushed forward despite clear evidence of unacceptable impacts and in contravention to the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) obligations.

In response, federal Decision Bodies expressed their view that they had meaningfully consulted RRDC, including by modifying terms and conditions in response to RRDC input, and shared their informed view that impacts could be mitigated by the terms and conditions for the Project. They acknowledged disagreement between Decision Bodies and RRDC, but also acknowledged that, while RRDC consent was sought in relation to a decision on the Project, consent is not always achievable. Federal Decision Bodies indicated that they would consider the information raised by RRDC during the meeting as part of their final decision.

On April 9, 2026, RRDC sent a letter to Decision Bodies, generally reiterating comments made during the April 8, 2026, meeting.

6.2.1.9.2 Meeting and written exchanges with LFN

In their March 4, 2026, letter, LFN provided their perspective on the Decision Bodies preliminary views on economic feasibility and whether they believe the project is “worth it”.

At the March 6, 2026, meeting, Decision Bodies and LFN discussed the scope and the funding of consultation, and whether the Project is “worth it”. LFN remained of the view that they are underfunded and had limited capacity to participating in this consultation. LFN was of the view that some aspects require expert analysis and that MQes would provide LFN with an analytical lens that would allow LFN the same opportunity as the Crowns to provide detailed views on the draft Decision Document.

LFN also stated that there was new information to consider and that they wanted the opportunity to do the due diligence to be able to respond to the new information and determine if the proposed mitigations in the terms and conditions are appropriate. LFN specified that the new information included the information that BMC released as part of their Initial Public Offering in December 2025. Decision Bodies specified that this publicly available information was inevitably going to be updated as the market changes, however, the information doesn’t reset the review.

Decision Bodies and LFN then discussed whether or not the Project was “worth it”. Decision Bodies heard that LFN had held a community workshop the week of March 2, 2026, where community members expressed concerns around impacts on health, wildlife, and the exercise of Kaska rights as well as the question of if remediation can truly “clean up” sites, or if it just seeks to contain the contamination.

LFN also raised the concern about the Decision Bodies’ reliance on Qualified Persons and available information. Decision Bodies informed LFN that they had sent a request for information to BMC in early March 2026 regarding the Qualified Persons’ education and experience relevant to the contributions they provided to the NI 43-101 Technical Report. Decision Bodies shared BMC’s responses with LFN, for their information, on March 30, 2026. Decision Bodies clarified that BMC’s response was reviewed as part of the Decision. LFN maintained that it is not possible to determine whether the Project is “worth it” and had a difference in views than the Decision Bodies as to what “de-risking the Project” means.

Following the meeting, Decision Bodies wrote to LFN via email to inform them that no more funding would be available from the Decision Bodies for the consultation process. However, as they heard that LFN had recently experienced significant events in the community the week of March 2, 2026, Decision Bodies would provide LFN an additional week to comment on the draft Decision Document and the terms and conditions.

LFN sent an email to Decision Bodies on March 10, 2026, with an estimated cost of \$55,000 for them to complete consultation. Decision Bodies replied by email on March 12, 2026, letting LFN know that, as it has been stated before, there was no additional funding available. The Decision Bodies did, however, extend the final submission date by a week, to March 19, 2026, to allow LFN further time to provide their views.

On March 13, 2026, LFN sent a letter to Decision Bodies expressing their view that this consultation had been a failure. That letter also touched on the strength of claim/level of impact, the cumulative effects assessment and accommodations, the foreclosure of consultation, the new information and necessity of capacity, and the Crown conduct in consultation and moving forward. In the same letter, LFN also provided comments regarding some of the proposed terms and conditions.

In the March 13, 2026 letter, LFN stated that consent to the Project, in a matter that accords with UNDRIP, would only be possible if be if they were a) properly informed by sufficient analysis in this feasibility and “worth it” consultation, and b) a modern, amended, and sufficient SEPA approved in accordance with Kaska law and custom. LFN also indicated that any consent would require a Project Agreement that guarantees sufficient funding for the whole life of the mine, including the regulatory and

development period. Regarding the FCH, LFN wrote that there are no mechanisms proposed that would be effective in reversing the effects of the Project on the herd. LFN wrote that they have no confidence in YG to successfully regulate the mine throughout its life as it is described in the Terms and Conditions, that monitoring is not the same as mitigation, and all the steps the Decision Bodies have proposed to de-risk the mine have only added risk.

Decision Bodies took these concerns under considerations in making their decision and responded to LFN's concerns in their consultation closeout letter of March 27, 2026.

LFN sent an email on March 31, 2026, responding to the Decision Bodies' closeout letter, requesting an opportunity to respond on the record prior to a decision being made. On April 2, 2026, Decision Bodies replied by email and offered to meet virtually on April 7 or 8, 2026 as well as have LFN provide any written comments by April 8, 2026 for them to be considered in the decision making, which the expectation to issue a Decision Document by April 10, 2026.

In their April 8, 2026, letter, LFN reiterated that resource limitations prevented a comprehensive response to Decision Bodies' closeout letter. LFN continued to be of the view that Decision Bodies have not meaningfully responded to their concerns. LFN concluded by sharing their view that rejecting the proposed project on the basis of insufficient information and unmitigable impacts on Kaska rights was the only appropriate decision.

6.2.1.10 Conclusion on the Consultation Process

The Decision Bodies recognized that a deep level of consultation was owed to both RRDC and LFN in relation to the Project. Throughout the consultation process, RRDC and LFN were provided with multiple opportunities to participate meaningfully, raise concerns, and identify information gaps relevant to informed decision-making.

Overall, and throughout the consultation process, the Decision Bodies provided a clear consultation process and extended consultation timelines on multiple occasions to allow for additional consultation, information gathering, and internal review. The Decision Bodies proposed numerous opportunities to meet, demonstrating flexibility in receiving feedback and adjusting process steps where appropriate.

Based on the funding provided, including additional allocations made in response to emerging needs early in the consultation process, the Decision Bodies are of the view that RRDC and LFN had sufficient capacity support to obtain independent technical advice and to participate meaningfully in the assessment of the Project.

Where Kaska's submissions identified gaps, uncertainties, or matters requiring clarification, the Decision Bodies sought additional information directly from BMC. Supplemental questions were issued on specific aspects of the Project information, and BMC provided detailed responses. These responses were reviewed alongside external independent technical advice obtained specifically for the purposes of this consultation.

The Decision Bodies relied on external independent reviews conducted by qualified professionals, including Pakawau Geomanagement, Cupel Advisory, PwC, and MQes. Collectively, these reviews provided scrutiny and verification of key aspects of the Project information considered during consultation. The Decision Bodies determined that it was reasonable to rely on these for expert advice in support of a robust consultation record.

The Decision Bodies also acknowledge that a fundamental disagreement persisted throughout the consultation process regarding the appropriate depth of assessment required for consultation on the Project. In particular, LFN consistently emphasized the need for extensive independent assurance work,

while the Decision Bodies took a different view as to the scope of work required to support a reasonable level of assurance regarding the Project's financial risks.

Despite this disagreement, the Decision Bodies' flexible and adaptive approach to consultation enabled an exchange of views among participants. While consensus was not achieved, the Decision Bodies are of the view that the consultation process was robust, fair, and supported by a level of due diligence proportionate to the decision that was to be made.

The result of the consultation process was that Decision Bodies shared and received information and views with and from RRDC and LFN, considered that information and those views, and had dialogue with RRDC and LFN about their concerns in relation to the Project's economic feasibility and on the question of whether the Project is "worth it." The following sections set out how the Decision Bodies considered the information and views that were provided during the consultation on economic feasibility (Section 6.2.2) and how related views concerning whether the Project is "worth it" were considered (Section 6.2.3).

6.2.2 Review of the Project's Economic Feasibility

Further to the exchange of views (described above), Decision Bodies reviewed the Project's economic feasibility based on the full record of information, including independent experts hired by RRDC, LFN and YG, BMC's technical submissions, BMC responses to information requests, and feedback received from RRDC and LFN during the consultation. A suite of submissions was considered in the review by Decision Bodies, including the following:

- June 2019: The Proponent's NI 43-101 Technical Report;
- December 20, 2024: BMC's Additional Information for Consultation with Kaska First Nation on the Economic Feasibility of the Kudz Ze Kayah Project;
- March 2025: The Proponent's Updated NI 43-101 Technical Report;
- March 28, 2025: Federal Decision Bodies' Completeness Review of the Golder Report Items and BMC Additional Documentation;
- March 10, 2025, and May 20, 2025: Pakawau Geomanagement's Review of Economic Feasibility Concerns of the Kudz Ze Kayah Project, Yukon;
- June 2, 2025: PwC's Review of the Project's Economic Feasibility;
- July 29, 2025: MQes Memo;
- August 8, 2025: BMC's Formal Response to the Questions from Decision Bodies;
- September 14, 2025, and October 26, 2025, Cupel Advisory Corp. Memos. These were shared with RRDC and LFN on December 12, 2025.
- September 24, 2025: BMC Formal Response to the Additional Question from Decision Bodies;
- October 10, 2025: PwC's Supplemental Report Response to BMC;
- February 9, 2026: MQes Supplemental Memo;
- February 12, 2026: Response from LFN on Federal Decision Bodies' review of MQes Memo; and,
- March 4, 2026: Response from LFN on Decision Bodies' preliminary views on "worth it" as of January 30, 2026.
- March 6, 2026: RRDC's comments on the Draft Decision Document and on the proposed terms and conditions.
- March 13, 2026: LFN's comments on the proposed terms and conditions.
- April 8, 2026: LFN's comments on conclusion of consultation on economic feasibility.
- April 9, 2026: RRDC letter reiterating their views stated at the April 8, 2026, meeting,

Preliminary views on the economic feasibility of the KZK Project by Decision Bodies were shared with RRDC and LFN, including the following:

- November 28, 2025: Federal Decision Bodies' Preliminary Views on the Economic Feasibility of the KZK Project, informed by PwC review;
- December 5, 2025: YG's preliminary views on economic feasibility, informed by PwC and MQes reviews;
- January 12, 2026: Federal Decision Bodies' Preliminary Views on the Economic Feasibility of the KZK Project; informed by MQes review; and
- January 30, 2026: Decision Bodies' preliminary views on "worth it".

Key areas of concerns raised by RRDC and LFN regarding the Project's economic feasibility are set out in the sections below.

6.2.2.1 RRDC concerns - Inadequacy of Economic Information

RRDC raised concerns about the economics of the project in the following areas: 1) market and economic environment; 2) financial analysis and valuation; 3) capital expenditure and operating expenditure evaluations; and 4) closure costs. In response, Decision Bodies re-examined the relevant economic information identified by RRDC and PwC. This review included consideration of:

1. whether the information was generated using acceptable industry standards and/or met the reporting requirements under the *National Instrument 43-101 Standards of Disclosure for Mineral Projects*;
2. whether comparable projects exist that demonstrate accepted methodologies for calculating specific economic components;
3. whether economic values may be overstated due to the underrepresentation or omission of risks;
4. how economic outcomes may vary if key assumptions were adjusted; and
5. whether any additional limitations or gaps in the economic information existed that had not been previously identified.

Based on the review, and supplemented where necessary by clarifications provided by BMC, Decision Bodies explained to RRDC how each variance or concern raised was, upon examination, reasonable, as the information was prepared in accordance with accepted industry practice and established calculation methodologies.

Decision Bodies tested certain assumptions underpinning the financial analysis and valuation to assess the potential sensitivity of Project economics to changes in key variables and reviewed comparable projects to determine whether similar calculation methodologies were employed.

The rationale supporting the adequacy of the economic information for each component identified by RRDC as being of concern was provided to RRDC in the November 28, 2025, version of the federal Decision Bodies' preliminary views on the economic feasibility of the Project and in the December 5, 2025, version of YG' preliminary views on economic feasibility.

6.2.2.2 LFN concerns - Inadequacy of Technical Information

LFN raised concerns regarding gaps in information across various technical aspects of the Project, including: 1) geology and mineral resource estimates; 2) mine planning; 3) metallurgy; 4) capital and operating costs; and 5) financial analysis. LFN further emphasized the need for access to underlying source data to enable independent verification or re-analysis of the data, modeling, and analysis prepared by or on behalf of BMC. In response, and consistent with the approach taken by Decision Bodies in their review of concerns raised by RRDC, Decision Bodies re-examined the technical and financial information identified by LFN. This review included consideration of:

1. whether reliance on the NI 43-101 Technical Report was appropriate, and the rationale for such reliance;
2. whether the information was required to be disclosed pursuant to applicable regulatory requirements, including National Instrument *43-101 Standards of Disclosure for Mineral Projects*;
3. whether any gaps in technical or financial information existed that had not already been identified during prior reviews;
4. whether comparable projects exist that demonstrate accepted industry methodologies for calculating specific economic inputs; and
5. the extent to which economic outcomes could vary if key assumptions were adjusted.

Where there was sufficient information in the documents provided to Decision Bodies, such as the NI 43-101 or additional information provided by BMC, the Decision Bodies tested certain assumptions underpinning the financial analysis and valuation to assess the potential sensitivity of Project economics to changes in key variables and reviewed comparable projects to determine whether similar calculation methodologies were employed.

Based on the review, and supplemented where necessary by clarifications provided by BMC, Decision Bodies explained to LFN how each variance or concern raised was, upon examination, reasonable and consistent with industry practice and established calculation methodologies.

Additional details supporting the adequacy of the information identified by LFN as being of concern were provided to LFN in the December 5, 2025, letter from YG and the January 12, 2026, letter setting out Decision Bodies' preliminary views on the review of the MQes Memo.

6.2.2.3 LFN Concerns – Reliance on Qualified Persons

During the consultation, LFN raised concerns regarding the qualifications and relevant expertise of several Qualified Persons who certified the NI 43-101 Technical Report and argued that governments should independently verify each Qualified Person's credentials and technical competencies. LFN also questioned the Crown's reliance on the NI 43-101 Technical Report itself, asserting that additional verification and underlying technical data were required before the Report could be considered a reliable basis for assessing the Project's economic feasibility.

In their letter of January 12, 2026, the Decision Bodies explained why they consider the level of due diligence required for the Technical Report, under the NI 43-101 *Standards of Disclosure for Mineral Projects*, to be sufficient for the purposes of consultation and decision-making at this stage. NI 43-101 is the legally mandated Canadian standard for the disclosure of technical and scientific information related to mineral properties and is enforceable under Canadian securities law. Misrepresentation or fraud can result in regulatory and professional consequences, including cease-trade orders, fines, sanctions, and criminal enforcement. The instrument is also periodically reviewed and modernized by securities regulators to ensure clarity, consistency, and alignment with current industry practices.

Under NI 43-101, a Technical Report must be prepared by Qualified Persons—registered professional engineers or geoscientists in good standing in a Canadian jurisdiction—who must demonstrate a minimum of five years of relevant professional experience in a senior technical capacity. Qualified Persons are legally and professionally accountable for the accuracy and adequacy of their work; misrepresentation may result in disciplinary action by their professional associations and enforcement measures by securities regulators, including suspension or loss of licence. These accountability mechanisms are intended to ensure that Qualified Persons meet regulatory expectations and that publicly disclosed technical information is prepared to a consistent standard of quality.

For these reasons, the Decision Bodies initially concluded that it was not necessary to independently verify the qualifications or relevant experience of every Qualified Person who contributed to the 2025 NI

43-101 Technical Report, nor to re-analyze or independently replicate BMC's geological or metallurgical modelling, mine-planning work, or underlying source data published in the NI 43-101 Technical Reports. As outlined in the federal Decision Bodies' review of the MQes Memo, such verification was not required for the purposes of informed Crown decision-making or meaningful consultation with Kaska at this stage of the Project, particularly where the technical work has been prepared and certified by Qualified Persons in accordance with NI-43-101. Decision Bodies understand that, in this context, a fundamental disagreement persists with LFN concerning the level of due diligence the Crown is required to undertake for this consultation.

In its letter dated February 12, 2026, LFN raised specific concerns regarding the sufficiency of the Qualified Persons' qualifications, and the federal Decision Bodies determined that it was appropriate to request additional details from BMC regarding the education and experience of the responsible Qualified Persons, which were requested on March 2, 2026, and received on March 6, 2026. Following a review of BMC's supplemental information on the Qualified Persons' qualifications, and through triangulation with the Qualified Person certificates included in the 2025 NI 43-101, the Decision Bodies were sufficiently confident in the Qualified Persons' qualifications and suitability to render professional estimates, designs, and management plans pertaining to the sections of the mining project for which they are responsible. Accordingly, and as outlined in the federal Decision Bodies' review of the MQes Memo, reanalysis or independent verification of BMC's primary data was not required to support an informed decision based on meaningful consultation with Kaska as Decision Bodies trust the information provided by Qualified Persons in the Technical Report.

The NI 43-101 Technical Report offers a level of detail that reasonably supports the decision-making process, as it sets out the Proponent's technical and economic assumptions in a manner that is regulated, independently prepared by qualified professionals, and widely used across the mining sector for investor disclosure and investment decisions. Decision Bodies are satisfied that NI 43-101 provided a sufficiently robust foundation for assessing economic feasibility and the Project's financial risks.

In their letter from April 8, 2026, LFN reiterated that reliance on a NI 43-101 Technical Report was a mistake and they are dissatisfied with the use of this Report even after the information on the Qualified Persons was shared.

6.2.2.4 Kaska Concerns

6.2.2.4.1 Review of Offtake Agreements

LFN raised concerns that the Decision Bodies did not examine the Project's detailed offtake agreements as part of the Decision Bodies' consideration of Kaska's economic feasibility concerns, despite a suggestion by YG's independent expert that the YG, as a Decision Body, should consider those agreements to better assess risks associated with concentrate marketability under prevailing global conditions, including low treatment and refining charges and contractual thresholds for payable metals and deleterious elements. RRDC raised a similar concern.

Offtake agreements are negotiated commercial instruments that frequently contain commercially sensitive and confidential terms, including pricing formulas, penalties and delivery flexibilities, and other contractual conditions. Offtake agreements are typically required by project financiers, equity investors and credit agencies to assess the viability of investing in a proposed commercial project. While it is common industry practice for offtake agreements to be reviewed by financiers, investors, or creditors, these agreements are typically confidential and are not usually required to be submitted to or reviewed by decision-makers in the context of environmental assessments. It is not standard practice under the YESAA process to require, obtain, or review offtake agreements.

National Instrument 43-101 (NI 43-101) is a Canadian legal standard governing public disclosure of scientific and technical information regarding mineral projects and is enforced by the Canadian Securities Administrators (CSA). The instrument requires that technical reports and disclosures be prepared by a qualified person (QP) using standardized terminology established by the Canadian Institute of Mining, Metallurgy, and Petroleum. In this context, economic feasibility assessments rely on reasonable economic assumptions, market-based inputs, transparent methodologies, and sensitivity and scenario analyses. The Decision Bodies understand that even within this framework, the absence of a review of offtake agreements does not, in and of itself, indicate a deficiency in the economic information required to assess economic feasibility.

The Decision Bodies elected not to require BMC to provide the offtake agreements, as receipt and review of these agreements could result in the inadvertent disclosure of confidential commercial information. To address the concerns raised by LFN and RRDC that offtake agreements should be considered, the Decision Bodies nonetheless assessed economic assumptions that would typically be reflected in offtake agreements. Specifically, on July 23, 2025, the Decision Bodies sought clarification from BMC regarding how prevailing market conditions were incorporated into revenue assumptions and risk analysis, and whether the contemplated offtake agreements were subject to any Project-specific timelines or performance-based conditions. Questions related to concentrate offtake agreements were developed by Decision Bodies in collaboration with Cupel Advisory.

In response, BMC confirmed on August 8, 2025, that the concentrate sales contracts align with assumptions set out in the updated 2025 NI 43-101 Technical Report and described the associated risk management strategies, noting that such contracts are typically entered into in advance to establish product marketability. The Decision Bodies also noted BMC's August 8, 2025, response to the Decision Bodies' request for additional information, which stated that the offtake agreements reflect the projected concentrate quality, including consideration of potential deleterious materials.

BMC further indicated that major buyers have agreed to a three-to-four-month grace period to allow time for mine processes to be optimized, during which buyers will accept concentrate meeting minimum grade requirements. BMC also identified contractual provisions allowing for renegotiation should concentrate grades consistently fall outside of specified parameters following the expiration of the grace period.

Finally, Decision Bodies considered the information provided by BMC, consulted internal technical experts, and reviewed documented risk mitigation measures addressing concentrate quality that are described in publicly available materials. This consideration, consultation and review were informed by advice from Cupel Advisory and supported by analysis conducted by Decision Bodies' technical staff. Based on this work, the Decision Bodies determined that sufficient information was available to reasonably evaluate the Project's economic and market-related risks without requiring review of the detailed offtake agreements themselves.

6.2.2.4.2 BMC Feasibility Study

In response to requests from RRDC and LFN, on July 23, 2025, Decision Bodies sent a letter to BMC requesting a copy of any additional feasibility studies for the Project. The purpose was to seek additional information, other than the information presented in the NI 43-101 Technical Report. BMC responded that the 2017 Prefeasibility Study, and 2019 Feasibility Study (since updated and restated into the 2025 Technical Report) were the only consolidated technical reports BMC had. To the question whether BMC engaged independent consultants to audit or validate key elements of its feasibility study and/or Technical Report, BMC responded that they had not engaged independent consultants to audit or validate key elements of the feasibility study and Technical Report. However, they noted that the Qualified Persons that worked on the Technical Report are all independent of BMC and have taken responsibility for the accuracy and reliability of the information reported, as per NI 43-101 requirements. The qualifications of

these Qualified Persons were submitted to Decision Bodies and reviewed internally. Internal NRCan staff, with deep expertise in the mining industry, reviewed the qualifications and indicated they were well positioned and appropriate experts to undertake the NI 43-101. BMC also noted that since completion of the 2019 Feasibility Study, two new investors undertook their own due diligence, including independent assessment of the feasibility study, and in each were satisfied and proceeded with the proposed investment.

In their review for YG, Cupel Advisory Corp. did not raise any issue with the provided NI 43-101 (which is industry standard) but did suggest that, for transparency reasons, BMC should disclose to Decision Bodies, RRDC and LFN all feasibility material, including models and appendices underpinning the NI 43-101 Technical Report, including the offtake agreements, with confidential schedules redacted as appropriate. Specifically, Cupel stated:

“NI 43-101 Technical Report vs. Feasibility Study (FS): It is correct that a NI 43-101 Technical Report is not, in itself, a Feasibility Study. However, Technical Reports on economic studies summarize and rely on inputs from those studies. The appropriate remedy to semantic disagreements is transparency: provide Decision Bodies, and potentially LFN and RRDC, with the full underlying FS and supporting data for their independent review.” – Cupel Advisory Corp. 2025

In considering BMC’s response, Decision Bodies were of the view that the information received from BMC provided a sufficient basis to engage in meaningful consultation with RRDC and LFN. The NI 43-101 Technical Report offers a level of detail that reasonably supports the decision-making process, as it sets out the Proponent’s technical and economic assumptions in a manner that is regulated, independently prepared by qualified professionals, and widely used across the mining sector for investor disclosure and investment decisions. Decision Bodies were satisfied that NI 43-101 provided a sufficiently robust foundation for assessing economic feasibility and Project’s financial risks.

In addition to this, the Terms and Conditions 43 and 44 have been designed to ensure that RRDC and LFN are provided with information on economic feasibility through the life of the Project. For the reasons set out above and in subsequent sections immediately below (6.2.2.1 through 6.2.2.9) Decision Bodies were of the view there is sufficient information to make a decision on the Project.

6.2.2.5 Financial Analysis and Valuation

RRDC and LFN, supported by independent expert reviews, shared their perspectives that some figures from BMC’s economic estimates seem optimistic and there remain several uncertainties in the Project that without the necessary background data, they are unable to determine the Project’s economic feasibility. While some of BMC’s assumptions—whether related to costs, production, pricing, or other inputs—may be considered optimistic, Decision Bodies’ analysis shows that the Project would remain economically feasible even under more conservative scenarios. Decision Bodies also acknowledge that all projects have associated uncertainty and risks and that no mine will ever have certainty at this specific stage of the project. Taking into consideration all these factors, including the YG analysis and the federal Decision Bodies reviews, the Decision Bodies have reasonable confidence that the Project is likely to be economically feasible. Given the Project’s strong economic fundamentals, the Decision Bodies do not consider there to be a significant risk that mine operations would cease earlier than planned.

As outlined in YG’s Economic Feasibility Analysis shared on December 5, 2025, YG reviewed all relevant materials, including the independent expert reports submitted by RRDC and LFN, and concluded that the Project is economically feasible. While PwC raised valid concerns—such as discount rate selection, cost escalation, and inflation—YG found that these observations do not demonstrate that the Project is unfeasible. YG also noted that although some of BMC’s estimates could have been prepared using

alternative approaches, the budgets and underlying assumptions are reasonably consistent with industry standards and fall within BMC's prerogative.

The Project showed strong economic fundamentals, including an after-tax payback period of approximately 2.2 years and limited sensitivity to capital or operating cost changes. YG found that adjusting BMC's more optimistic inputs would have negligible effect on overall feasibility and that the Project remains robust even under more conservative cost and discount rate assumptions. YG also observed that PwC's analysis focuses on cost escalation without considering offsetting increases in metal prices, which further strengthen the Project's economics

Federal Decision Bodies provided RRDC and LFN with their reviews of the PwC Report, the Supplemental Report, and the MQes Memo, indicating that they consider the Project economics to be positive and unlikely to be materially affected by the risks raised by PwC and MQes. Based on the analysis completed to date on all submissions the Decision Bodies' view is that the Project has strong economic fundamentals.

Federal Decision Bodies agreed with PwC that while the Project's Internal Rate of Return (IRR) of 35.4% may seem somewhat overstated due to a limited risk adjustment in the discount rate, federal Decision Bodies noted that it remains high relative to industry benchmarks, indicating that the Project would remain economically attractive even with substantial downward adjustments. Federal Decision Bodies also confirmed that the use of a 7% discount rate is consistent with industry norms for advanced-stage polymetallic projects and represents a reasonable midpoint. In considering PwC's recommendation of a 12% discount rate, federal Decision Bodies recalculated the NPV at approximately C\$494 million, which corresponds to an IRR of around 25%—still an economically attractive and feasible outcome based on the benchmarks applied in their review

Decision Bodies consider that the range of independent analyses—BMC's submissions, LFN's and RRDC's expert reviews, and the reviews conducted by YG and federal Decision Bodies—provide a sufficiently robust evidentiary basis to reach a conclusion on economic feasibility at this stage.

6.2.2.6 Capital Expenditure and Operating Expenditure Evaluations

PwC raised concerns about BMC's cost estimate class and contingencies, however, YG notes that an Association for the Advancement of Cost Engineering ("AACE") Class 4 estimate appropriately carries higher uncertainty at this stage of project design. While Decision Bodies would have preferred greater clarity on which components met Class 3 versus Class 4 standards, AACE classifications are not a requirement, and cost estimates prepared by Qualified Professionals are expected to meet the Canadian Institute of Mining, Metallurgy and Petroleum feasibility-level standards. Decision Bodies agree that higher contingencies could have been applied—particularly for underground works—but find that these adjustments would not materially alter overall project economics. Decision Bodies also observe that PwC's analysis considers only cost escalation and not the offsetting effects of rising metal prices, and that the Project's economics are not highly sensitive to reasonable cost or discount-rate changes. In the Decision Bodies' view, even with higher contingencies and more conservative assumptions, the Project remains economical.

BMC noted that the underground portion of the Project meets a AACE Class 4 cost estimate and indicated that they will take a phased approach to the Project, meaning that it will be built in a later phase of the Project. Decision Bodies noted in their reviews of the PwC Report and MQes Memo that this presents a risk of the underground portion not proceeding. However, MQes noted that the underground portion contributes to only 5% of the value of the declared Mineral Reserve. As such, Decision Bodies noted while this is unlikely to affect overall economic feasibility, it could shorten mine's lifecycle and reduce related benefits such as extended cash flows, employment, and regional economic contributions.

6.2.2.7 Closure Costs

Federal Decision Bodies are of the view that sufficient information and contingency have been provided by BMC regarding closure costs, as outlined in the 2025 NI 43-101 Technical Report and the updated Reclamation and Closure Plan Rev05 submitted under the regulatory process. Decision Bodies also note that, should the Project proceed to the regulatory phase, the Reclamation and Closure Plan Rev05 and closure costs will undergo further detailed review and revision throughout the life of the project.

Regarding potential risks of undervalued closure costs, BMC has committed to conducting progressive reclamation during operations, which will reduce the estimated cost at closure. Under the Government of Yukon's regulatory framework, security must be posted prior to the initiation of any activities authorized under the Quartz Mining Licence (QML). BMC will be required to meet this requirement through a combination of cash-backed and/or surety bonds, estimated at about C\$100M, which is likely to increase to considerably more with a five-year time horizon, if no progressive reclamation occurs. Federal Decision Bodies also note that under YG's regulatory framework, security costs are updated every two years for inflation and escalation, and escalation is included in the regulatory estimate. In addition, BMC has included a 20% contingency allowance to account for uncertainties at the current design level. These measures appear reasonable to mitigate risk.

Federal Decision Bodies understand that the regulatory process will require BMC to submit a closure cost estimate that complies with YG's standards. Therefore, the final closure security amount will be determined in accordance with YG's requirements during the permitting phase.

6.2.2.8 Inherent Mining Risks

YG's external consultant, Cupel Advisory, provided detailed commentary on both general mining risks and project-specific uncertainties for the Project. Cupel wrote that all development stage enterprises have associated uncertainty and risk. No mine has ever had certainty at this stage of the project. The most significant risk for mining projects is the mineral resource estimates. If the minerals are not present in the amount and grade modelled, the project economics will be altered. Uncertainty is typically lessened as project work progresses, and more information is generated. It is acknowledged that root causes of mining project impairments may result from the forecasting bias. Companies raising capital or seeking acquisition are motivated to present favourable numbers and Qualified Persons may face principal-agent conflicts that incentivise more optimistic studies. These risks are not company or industry-specific but can be considered when determining risk tolerance in decision-making.

Several project-specific issues increase uncertainty. YG considers BMC to be a junior company. BMC is a small, private (prior to December 12, 2025), single-asset company with no operating cash flow, that is dependent on external financing to advance the Project. The participation of GNRI, Orion, and VSG is encouraging and provides financing strength, but does not eliminate risk. BMC is distinct from its financial backers, and though financiers may have an incentive to remain involved, they can exercise the option to divest. As demonstrated by their involvement as financial backers in some notable mine failures, GNRI and Orion's presence does not guarantee outcome or eliminate risk. Further, concentrate marketability remains a material risk. Although BMC reports having secured binding offtake agreements, these contracts would be contingent on meeting specifications for minimum payable metals and deleterious elements thresholds. The Project's complex milling system will need to operate within expected performance to generate consistently sealable concentrates. The Decision Bodies recognize there is inherent risks in mining however conclude that the project economics is robust enough to mitigate most foreseeable risks.

6.2.2.9 UBC Paper “Uncertain Benefits, Known Costs”

On March 4, 2026, LFN provided the Decision Bodies with a working paper titled “Uncertain Benefits, Known Costs” authored by Jixiang Wang, Jessica Dempsey, and Rosemary Collard, published in 2025 by the University of British Columbia Centre for Climate Justice. RRDC shared this report with Decision Bodies on March 26, 2026. The report focused on how the economic benefits of mining projects compare to the projections made during a mine’s assessment.

The report makes three main recommendations: (i) to strengthen economic information requirements during the YESAB process; (ii) embed transparency and post accountability in Yukon mining regulations; (iii) ensure government oversight and accountability mechanisms. While these recommendations raise important considerations, the Decision Bodies acknowledged that the report is broader than the Project and view it as providing general guidance on potential uncertainties in economic benefits of mining projects generally, rather than definitive evidence of the Project’s economic performance or benefits. The first recommendation from this paper is in line with the review of the technical reports that were undertaken under this consultation process. Aspects of the second and third recommendations have already been integrated in the terms and conditions for the Project:

- Terms #43 and #44 strengthen reporting clarity, transparency, and information availability.
- Terms # 19, #20, #47, and #48 strengthen the financial security and accountability to ensure adequate closure and remediation.

6.2.2.10 Conclusion on the Economic Feasibility of the Project

These consultations were an opportunity for Decision Bodies to review the Project’s economics in a manner not previously undertaken for a mining project in the Yukon. The Decision Bodies considered the information submitted by RRDC and LFN, the external consultant reviews engaged by YG, BMC’s responses to Decision Bodies’ questions and all other available information in determining that the Project demonstrates strong economic fundamentals, including an after-tax payback period of approximately 2.2 years, a capital intensity of 1.2, and an initial capital cost of approximately \$670 million. The payback period falls below the industry standard range of 3 to 5 years, placing the Project among the more rapidly recovering mining developments globally. The capital intensity metric aligns with the lower to mid-range of industry averages, indicating efficient use of capital relative to comparable projects. The Project’s economic outcomes show limited sensitivity to changes in capital or operating costs. The principal sensitivities relate to head grade and metal prices. Current market conditions, including higher prices for copper, zinc, gold, and silver, would materially improve net present value, cash flow, and payback period. Record-low treatment and refining charges for copper and zinc concentrates further improve overall Project economics. Given the Project’s strong economic fundamentals, the Decision Bodies do not consider there to be a significant risk that mine operations would cease earlier than planned.

6.2.3 The Question of Whether the Project Is “Worth It”

As part of the Yukon Court of Appeal’s decision, the Decision Bodies were directed to undertake further consultation specifically on the Project’s economic feasibility. The Court emphasized that assessing economic feasibility requires a “multifaceted cost-benefit analysis” that considers both BMC’s and Kaska’s perspectives, noting that this analysis “requires more than an assessment of environmental impacts: it requires considering whether the Project is worthwhile for the people of Yukon, including First Nations”. In this context, the Court recognized that Kaska had raised a broader underlying concern: that uncertainty regarding the mine’s economics could present a risk of operations ceasing earlier than anticipated, which could in turn result in fewer benefits than expected, including reduced employment opportunities and other socio-economic benefits. Given the potentially significant adverse effects associated with such an outcome, Kaska questioned “why approve the Project in the first place—is it even worth it?”

During consultation, Kaska sought to be consulted on the question of is it “worth it”. The Yukon Court of Appeal only directed the Crown to consult on economic feasibility and upheld the YKSC’s finding that consultation and accommodation of Kaska’s concerns was otherwise reasonable except for the absence of dialogue on the June 14, 2022, submission. Accordingly, Decision Bodies initially viewed consultation on this issue to be beyond the scope of consultation but were responsive to Kaska’s desire to exchange views on the broader question considering the views expressed during consultation.

In discussions with LFN and RRDC during 2025-26, both First Nations confirmed that from their perspective, the Project is not worth it given the risks that it may not deliver the full anticipated benefits and the limited benefits expected for Kaska.

The following section addresses how the Decision Bodies considered this broader question considering the views expressed during consultation. The Decision Bodies “worth it” analysis was completed after consideration of the preliminary determination of economic feasibility of the Project, and was informed by previous exchanges of information between RRDC, LFN, and Decision Bodies, as well as the broader concerns raised by Kaska throughout consultation on the Project which are addressed in the rationale. Decision Bodies understood that economic feasibility was only one of many factors to be considered when answering this question.

6.2.3.1 Decision Bodies’ Perspectives

For transparency purposes, the Decision Bodies shared, in their letter of January 30, 2026, with RRDC and LFN, what the Decision Bodies would need to consider before determining whether the Project should be approved or not. For this Project, the Decision Bodies must weigh the potential negative environmental and socio-economic impacts the Project may create, along with adverse impacts on Kaska’s asserted section 35 rights, and the potential benefits that the Project may provide to Canada, and Yukon citizens, including to Kaska communities. Following this complex weighing of potential impacts against potential benefits, the Decision Bodies would determine whether to approve or reject the Project.

In their January 30, 2026 document entitled “Preliminary views from Decision Bodies on economic feasibility and the question of whether the Project is “worth it”, the Decision Bodies shared that their views that, at that stage, “the potential benefits of the Project outweigh the risks and detriments, provided that those can be sufficiently reduced or avoided. The potential benefits of the Project seem significant, but we have also heard through consultation that the adverse impacts to the Kaska will also be significant, including but not limited to impacts relating to traditional land use, the Finlayson Caribou herd and aquatic resources.” Decision Bodies also noted that no final decision had been made and that they were sharing their preliminary views to support continued consultation, acknowledging that their assessment of economic feasibility could be refined based on RRDC and LFN input.

On the April 8, 2026, meeting, RRDC indicated to federal Decision Bodies that the rights of Kaska as rights holders cannot be considered equivalent to other stakeholders in Canada when Decision Bodies assess the cost and benefits of the Project. The Decision Bodies acknowledge and agree with RRDC that potential adverse impacts to Aboriginal rights require significant consideration and deep consultation with RRDC. While consideration of impacts and benefits to Canadians and Yukoners is relevant to decision-making, it does not reduce the Crowns’ obligation to fully consider and address impacts to the Kaska’s asserted Aboriginal rights.

Having not made a final decision until the end of the consultation process, the Decision Bodies remained open to either approving or rejecting the Project until they were able to weigh all of the available information in order to make their decision, which are described in the sections below.

6.2.3.1.1 Project's Benefits

Decision Bodies considered the potential positive socio-economic and community-level outcomes associated with the Project to include:

- more than \$700 million in capital expenditures into the economy, stimulating local businesses through contracting in construction, transportation, environmental services, and camp operations. According to BMC, this would include a minimum of \$50 million in potential contracting and business opportunities for Kaska-owned businesses;
- opportunities for employment, training, and skill development for Yukon and Kaska citizens;
- contributions to the territorial economy through wages, local spending, and tax and royalty revenues (more than \$600 million in taxes and royalties, supporting both federal and territorial revenues);
- long-term improvements in regional infrastructure and services associated with mine development; and
- broader economic benefits linked to responsible resource development, including the production of critical minerals such as zinc and copper, which would contribute to supply chains for clean energy technologies.

6.2.3.1.2 Project's Significance and Contribution to Canada's Critical Minerals Strategy

Decision Bodies also considered that the Project is expected to be a responsible and globally significant producer of gold, silver, copper, zinc, and lead. Once operational, the project may be in the top 25 zinc producers and top 100 silver producers globally. Copper and zinc are identified as critical minerals in Canada. Copper was identified in the *Canadian Critical Minerals Strategy* as one of six top priority critical minerals essential for clean technology, advanced manufacturing, and modern infrastructure. Zinc is likewise essential to enabling clean technologies and advanced manufacturing. This project will supply copper and zinc ensuring Canada maintains its reputation as secure and reliable supplier of critical minerals for domestic and global markets.

In 2024, Canada ranked as the fourth-largest producer of gold globally, with mines yielding over 200 tonnes of gold. Gold remains one of the most economically important minerals in Canada, underpinning substantial export value, investment, and employment across mining regions. The Project's expected gold production would not only contribute to maintaining Canada's global standing but would also strengthen the Project's economic resilience by providing a stable revenue stream that complements the production of critical minerals such as copper and zinc. This diversified production profile enhances project feasibility and supports long term regional economic benefits, especially when considering the consistent rise in commodity pricing.

A diversified polymetallic operation strengthens the long-term economic viability of the Project, which in turn can support more stable opportunities for employment, contracting, and community investment for Kaska over the life of the mine. A strong and reliable production base reduces exposure to single-commodity price fluctuations and supports more predictable economic contributions to Kaska.

6.2.3.1.3 Project's Adverse Impacts

In terms of potential adverse impacts, the Decision Bodies have relied on the YESAB Executive Committee's assessment to mitigate of a range of potential adverse effects associated with the Project, including the recommended terms and conditions, and all the consultation that occurred with First Nations during the different phases of the assessment (see Sections 3, 5.2.1 and 6.2.1).

The Decision Bodies considered the perspectives shared by Kaska since the beginning of the Project assessment and during consultation, including the principles of Kaska law that emphasize collective

stewardship responsibilities, the interrelationship between land, water, wildlife, and people, and the obligation to protect these relationships for present and future generations. Kaska representatives explained that under Kaska law, decisions of this magnitude must reflect respect for ecological balance, the spiritual significance of all living things, and the precautionary principle, particularly in areas such as the proposed mine site, which they described as a longstanding breadbasket and sanctuary essential to the Kaska traditional economy. They further stated that strangers may be welcomed in Kaska territory only if they can first demonstrate they will do no harm.

The Decision Bodies incorporated these perspectives into their balancing of impacts and benefits, recognizing that, while they must apply the statutory framework under YESAA, Kaska law provides essential context for understanding how adverse effects translate into impacts on Kaska culture, governance, and the meaningful exercise of Aboriginal rights. The Decision Bodies considered Kaska's traditional knowledge, land use information, and submissions regarding cumulative effects in developing the following sections.

6.2.3.2 Kaska Perspectives

Throughout the consultation, the Decision Bodies understood that RRDC and LFN have expressed the following concerns regarding the expected benefits of the Project broadly, and for Kaska specifically.

- Whether the Project will be constructed and remain in service for its intended lifespan such that the anticipated employment and other socio-economic benefits would be realized.
 - Given the Project's strong economic fundamentals and the independent and internal reviews undertaken, the Decision Bodies consider the risk of early cessation of operations to be low and are satisfied that the Project is reasonably likely to operate for its intended lifespan such that the anticipated employment and other socio-economic benefits would be achieved.
- Whether the compensation is adequate for the impacts on Kaska asserted s.35 rights.
 - The Decision Bodies understand that the adequacy of compensation for impacts on Kaska asserted s.35 rights is a central concern. RRDC and LFN expressed the view that no level of compensation could offset the cultural, environmental, and rights-related impacts of the Project, and the Decision Bodies acknowledge these perspectives. While compensation falls outside the scope of the YESAA process, the Decision Bodies are confident that the proposed terms and conditions mitigate potential impacts to Kaska asserted s.35 rights. In addition, Term #46 requires the Proponent to make reasonable efforts, satisfactory to the Decision Bodies, to enter into new or amended Socio-economic Participation Agreements with RRDC and LFN, which are intended to support benefit-sharing and broader socio-economic outcomes through negotiations between the Proponent and the First Nations.

Since the Court of Appeal of Yukon set aside the March 8, 2024 Decision Document, Decision Bodies have heard from RRDC and LFN that, from their perspective, the Project is not "worth it" for the following reasons:

- The Kaska relationship and partnership with BMC is problematic, including on profit sharing agreements.
- The mine site area is a breadbasket for the Kaska people. It is a place where the Kaska people go in times of need, preserved as an area of abundance.
- The mine will affect the FCH, which the Kaska rely on. The mine site is in an important corridor for migration and calving.

- The mine will affect water quality and quantity. Kaska people rely on clean water to drink and sustain healthy fish populations.
- The Kaska are stewards of the Project area.
- There is history associated with and Kaska connection to the Project area: there are artefacts and burial sites there.
- Past approved mines have failed that have left long-lasting environmental and social effects.
- There is concern about Kaska being able to access the land around the Project area.
- There is concern about the cumulative disruption of the natural environment and the displacement of Kaska people exercising their Aboriginal rights. This is one of a number of impacted sites.
- Whether the Project will undergo future mine expansions and the expressed desire for future expansions to be subject to First Nation structured consent pathways.
- Whether the proposed measures can reasonably mitigate adverse effects to an area considered by the Kaska to be their breadbasket.
- Whether the Project will be constructed and remain in service for its expected lifespan, so that it will be able to provide employment and other socio-economic benefits.
- Whether the project will be appropriately closed and reclaimed and how reclamation and closure will be funded.

During the March 6, 2026 meeting between Decision Bodies and LFN, Decision Bodies heard that LFN does not consider the Project to be “worth it”. LFN held a community workshop during the week of March 2, 2026, on failed mines in their territory and had established that the impacts on human health, risk of environmental contamination, loss of wildlife especially to big game like moose and caribou, and the fear of returning to affected areas show that the benefits do not outweigh the risks. Community members raised concerns with whether remediation efforts can truly “clean up” sites or if it’s meant to contain the contamination. Decision Bodies heard that LFN is looking to de-risk this Project through their independent assurance process due to a lack of public trust in the Government of Yukon and the Government of Canada. LFN was concerned about whether the Decision Bodies considered the growing cumulative effects from multiple new BMC applications in the area. Decision Bodies pointed to the recommendations that were proposed by the Executive Committee and varied by Decision Bodies to better accommodate Kaska concerns on cumulative effects and caribou.

During the April 8, 2026 meeting between federal Decision Bodies and RRDC, RRDC reiterated their firm opposition to the Project within their unceded, core title area, and their assertion that the Project would severely and unjustifiably infringe their Aboriginal title, rights, governance, and stewardship responsibilities—especially regarding the FCH.

Taken together, Decision Bodies consider these points reflect the significant adverse impacts that RRDC and LFN believe the Project may pose to their rights and lands. The sections that follow consider each of these concerns and describe how Decision Bodies have addressed them, including through the recommended terms and conditions intended to mitigate potential adverse effects.

6.2.3.3 Finlayson Caribou Herd

Impacts to FCH have been a focal point of the Executive Committee Screening and consultation by Decision Bodies. Decision Bodies are aware that LFN and RRDC’s perspective is that the Project will have significant impact to the herd.

The Decision Bodies are confident that through the approaches outlined in section 4.2.2.1 and 5.2, including the establishment of the FCH Oversight Committee (“FCHOC”) with representatives from LFN and RRDC, Project effects on caribou are adequately understood by the Decision Bodies, communicated,

and mitigated by the terms and conditions, including as modified in this Decision Document. Decision Bodies are committed to ensuring appropriate funding is available for RRDC and LFN in developing the Terms of Reference of the FCHOC and in providing Kaska-generated caribou-related knowledge.

In addition to the mitigation approaches described above, Decision Bodies also considered progress made since the June 15, 2022, Decision Document. Since that time, BMC has completed the two years of additional baseline data collection as per section term and condition #11b) Decisions Bodies expect that as per 11b) that the Proponent will include and use the additional two years of data collection to inform the Caribou Effects Monitoring and Mitigation Program that will form a part of BMC's regulatory application.

11(b) The Proponent shall undertake additional data collection (habitat, distribution and movement) for a period of 2 years prior to initiation of construction, to inform the development and approval of a Caribou Effects Monitoring and Mitigation Program (Term No. 38⁽¹⁾), AMP and the WPP.

The design and methodology for this data collection will be developed in cooperation with Kaska and YG. The data collection shall commence once YG approves the Proponent's study design and methodology, following the issuance of this Decision Document.

During the March 6, 2026 meeting between Decision Bodies and LFN, Decision Bodies heard that LFN considers the FCHOC to be inadequate because there is no mechanism for the FCHOC to develop or contribute to policies to examine cumulative effects on the caribou, for example. LFN was concerned about whether the Decision Bodies considered the split views in the Executive Committee about the impacts to caribou. Decision Bodies clarified that they considered the Executive Committee's split decision, which was used as the basis of consultation.

On March 6, 2026, RRDC provided feedback on the draft Decision Document, specifically highlighting issues related to the FCH Oversight Committee. RRDC proposed the FCHOC must establish that a threshold reduction in the FCH population caused by Project impacts will result in the revocation of Project approval.

Decision Bodies note that it will not be possible to attribute fluctuations in FCH populations specifically to the Project with confidence. The Decision Bodies also note that mine approvals cannot simply be revoked once infrastructure is constructed; while some operations may be halted, others may need to continue to ensure the safety of the infrastructure and manage potential impacts to the environment. The terms and conditions for the Project, including as modified by the Decision Document, allow for the development of targets and management actions that could suspend certain activities where necessary, safe and appropriate. Accordingly, the Decision Bodies are of the view that a specific term requiring the Project to stop in response to FCH population decline is unwarranted, as there are other mechanisms to prevent, minimize and mitigate Project-related effects on the FCH.

Decision Bodies have made a modification to the previously proposed Term #10 on the FCHOC to directly respond to concerns raised by Kaska throughout the consultation process regarding clarity, transparency, accountability, and meaningful participation in the oversight of Project impacts on the FCH. The Decision Bodies restructured the original text of Term #10 into a clearer, more accessible, and enforceable format by introducing numbered clauses (10(a)–10(e)) and separating responsibilities into distinct subsections. This restructuring makes it easier for Kaska to see how their input has shaped concrete oversight mechanisms, including the establishment of the FCH Oversight Committee, the requirement for a detailed Terms of Reference, ongoing annual and seasonal review processes, explicit roles in licence and plan review, and formal channels for recommendations to regulators. By clarifying processes for monitoring, adaptive management, decision-making, and communication, the revised structure strengthens Kaska's ability to participate meaningfully, ensures their concerns are formally

embedded in project governance, and reinforces accountability in how commitments are implemented and reviewed. Decision Bodies also want to note that the FCHOC is broader than just the Project and its main focus is the protection of the herd, including from Project's impacts and cumulative effects. Altogether, the Decision Bodies are of the view that the modified terms and conditions are sufficient to address concerns related to FCH, as they provide for the establishment of triggers and corrective actions.

As mentioned above, on March 26, 2026, RRDC shared with Decision Bodies the *Declaration of the Rights of the Finlayson Caribou Herd* (the Declaration), which asserts the herd's inherent rights. RRDC stated that any decision made by the Decision Bodies in RRDC's Tū Łıdlıni Area must be consistent with those rights. Having previously considered the importance of the FCH to Kaska rights, culture, and way of life, after receiving the Declaration, the Decision Bodies further assessed whether the proposed terms and conditions would mitigate potential adverse impacts on the rights of FCH as asserted in the Declaration. The Declaration identifies five rights to FCH: 1) the right to exist and thrive; 2) the right to habitat and ecological protection; 3) the right to be free from destructive industrial activity; 4) the right to respect for its natural migrations; and 5) the right to representation and legal protection. While the Decision Bodies remain open to further discussions regarding the Declaration, they are of the view that the terms and conditions developed through consultation with RRDC and LFN (Terms #10, 11, 38, 41 and 42) are sufficient to minimize and mitigate the Project's impacts on the FCH and remain appropriate to address potential concerns related to FCH protection.

At the April 8, 2026, meeting with federal Decision Bodies, and again in their April 9, 2026 letter to Decision Bodies, RRDC indicated that the proposed FCH Oversight Committee (Term #10) was insufficient as it only reviews annually the effectiveness of the Project's mitigation measures and caribou population status, and does not provide sufficient oversight to mitigate harm to the caribou. Following that meeting, Federal Decision Bodies re-reviewed the proposed Terms #10, #11, #38, #41 and #42, and determined that the nature of the oversight committee, in relation with other FCH terms, extend beyond monitoring, and will have the mandate to recommend to Yukon regulators changes needed to improve on the Project's mitigation measures, as required, to protect the FCH population.

Consistent with this approach, Decision Bodies are hopeful that Kaska will assume a substantive role in the stewardship and protection of the herd by engaging fully and meaningfully with the FCHOC, including ensuring that the desktop review, coordinating committee, and related mechanisms operate effectively and produce concrete, actionable recommendations based on their Kaska knowledge and for the protection of the FCH.

6.2.3.4 Water Resources, Aquatic Resources and Air Quality

Decision Bodies acknowledge that LFN and RRDC continue to have concerns regarding uncertainties related to Project infrastructure and potential impacts on water quality. However, Decision Bodies are confident that the modified terms and conditions—supported by information to be generated through water licensing and other regulatory processes—will address these uncertainties relating to water-quality prediction and monitoring, and further mitigate potential adverse effects of the Project, including those related to Aboriginal rights.

To address concerns regarding potential financial risks associated with increased water-treatment costs, including scenarios where treatment systems underperformed or contaminants such as selenocyanate emerged, the Decision Bodies requested that BMC provide a worst-case water-treatment scenario with associated costs and contingencies. Upon review, the Decision Bodies determined that the level of information provided was sufficient to support consultation and informed decision-making.

The modifications outlined in the March 8, 2024, Decision Document to terms governing regulatory information requirements, water treatment, mine-effluent management, and adaptive management further

reinforce this conclusion. When combined with mandatory compliance under territorial and federal legislation and the forthcoming detailed Fisheries Act authorization and offsetting plan, these measures provide robust safeguards to manage potential effects on water, aquatic resources, and air quality. The Decision Bodies therefore consider the existing terms and conditions sufficient to ensure environmental impacts—and associated impacts on asserted s.35 rights—are appropriately mitigated and did not identify a need for additional measures.

6.2.3.5 Traditional Land Use – Value of the Land

In the February 10, 2026, meeting, RRDC emphasized the cultural, ecological, and subsistence value of the land for Kaska. They described the area as a vital source of water, a place containing burial sites and artefacts, a refuge for wildlife including caribou, and an important provider of fish and other traditional foods, their breadbasket. It was also mentioned that the mine was at the wrong place, and should the mine be approved, the traditional economy would be affected.

RRDC requested the protection of the Kudz Ze Kayah Land for the practice of traditional land use. On this matter, the Decision Bodies wish to commit our governments to ongoing government-to-government dialogue with Kaska on broader issues of protected areas. This includes the Memorandum of Understanding, signed on December 4, 2024 by RRDC, YG, and Parks Canada, to assess the suitability and feasibility of protecting land within the Tū Łídlíni (Ross River) area. The study area spans approximately 39,300 square kilometers. Areas with existing Class 3 and 4 quartz mining approvals as of the December 4, 2024 signing date of the Memorandum of Understanding are excluded. The three governments have established a steering committee to complete a feasibility study in the study area and are working together to study options for potential new protected areas within the study area.

Further, Decision Bodies have included an additional term and condition for the Project to address the impact of the gate that limits RRDC members to exercise their asserted s.35 rights and traditional land use in areas beyond the gated road.

On March 6, 2026, RRDC provided feedback on the draft Decision Document, specifically proposing terms and conditions for accessing burial sites and sacred sites. RRDC proposed a 50m buffer around RRDC-identified burial sites, and a policy created by BMC, in collaboration with RRDC to allow RRDC members to access those sites. RRDC specified that BMC should provide adequate funding to ensure RRDC's meaningful participation in the development of the policy. The same applies to sacred sites, with the difference being a 75m buffer around identified sacred sites. The Decision Bodies have responded to this request by suggesting three new terms and conditions, Terms #50, #51, and #52. These establish procedures that must be followed if previously unidentified heritage resources are encountered during Project activities. The Decision Bodies are of the view that these new terms and conditions provide a more structured approach to mitigating and managing heritage resources throughout the life of the Project and provides RRDC with opportunities to identify areas of heightened cultural significance to inform appropriate management approaches in relation to those areas, including RRDC access to those sites.

Decision Bodies considered traditional economy as intrinsically linked to land use and wildlife management and that the proposed monitoring measures relied primarily on environmental indicators. Decision Bodies also considered that additional socio-economic and cultural indicators tied to traditional livelihoods were recommended to help ensure these activities could continue in a meaningful way. When Decision Bodies asked BMC clarifying questions in July 2025, they asked how BMC would protect Kaska's traditional economy. BMC's reply expressed their belief that commitments, monitoring, and engagement processes already addressed potential impacts on Kaska traditional economy. Given the depth of analysis that has been undertaken, and the incorporation of traditional economy considerations into both the Screening Report and subsequent recommendations, the Decision Bodies consider that

issues related to traditional economy have been addressed and that Decision Bodies were sufficiently informed for the purpose of consultation on economic feasibility.

6.2.3.6 Cumulative Effects

As described in Section 3.1.3.6 and Section 4.2.2.7 of the previous Decision Documents, Decision Bodies previously undertook detailed consideration of cumulative effects in response to concerns raised by RRDC and LFN. In those sections, Decision Bodies acknowledged the historical and ongoing impacts of development in the region, including the legacy environmental and social effects associated with the Faro, Cantung, and Wolverine mines, as well as the influence of mineral claims, exploration projects, and the Robert Campbell Highway. RRDC and LFN also expressed concern that approval of the Project could increase access to nearby deposits, contributing to further cumulative disturbance.

In both sections, Decision Bodies noted that RRDC and LFN consider these accumulated impacts to have caused significant harm to their communities and lands, and that no comprehensive cumulative effects research has yet been undertaken to assess the combined impacts of past, present, and foreseeable development on Kaska asserted Aboriginal rights and traditional land use. RRDC and LFN reiterated this point in their June 14, 2022 correspondence, emphasizing that this gap should be addressed prior to a decision on the Project.

Sections 3.1.3.6 and 4.2.2.7 documented how Decision Bodies considered cumulative effects in relation to water resources, traditional land use, wildlife (particularly the FCH), and air quality. Decision Bodies reviewed the YESAB Screening Report, referral-period comments, perspectives shared through consultation with Kaska First Nations, and additional technical information, including draft cumulative effects analysis from Environment and Climate Change Canada.

Decision Bodies therefore previously committed to a set of mitigations focused on the FCH—central to Kaska cultural practices and rights—including:

- establishing a FCH Oversight Committee;
- completing a review and gap analysis of existing information;
- undertaking new monitoring where gaps are identified;
- identifying and applying additional mitigations and offsets as required; and
- developing a comprehensive herd management plan.

These commitments, described in Sections 3.1.3.6 and 4.2.2.7, were intended to address uncertainties surrounding cumulative effects and to support broader regional understanding in collaboration with RRDC and LFN.

During this more recent consultation, RRDC and LFN consistently expressed concerns regarding cumulative effects on Kaska territory, noting that the Project is located near three abandoned, failed mines and forms part of a broader pattern of past disturbance.

In their March 6, 2026 letter to Decision Bodies, RRDC provided feedback on the draft Decision Document, specifically on cumulative effects, requesting that the reviews of potential project expansions be subject to RRDC's approval through their structured consent pathway: the Tū Łídlini Assessment Process (TAP). RRDC submitted another letter to provide comments on cumulative effects and concerns for BMC's planned mine expansion on March 13, 2026. RRDC stated that it had assessed BMC's Pelly (Class 1), Kona (Class 1), GP4F (Class 1), Pelly (Class 3), and Kona (Class 3) through TAP and denied consent for each. RRDC is concerned that Pelly (Class 3) and Kona (Class 3) are located within RRDC's Protected Area (national Park) Feasibility Study region, pursuant to the December 2024 Memorandum of Understanding between RRDC, YG and the Government of Canada. RRDC stated that they were not aware of BMC's plans for claims "1st Base", "Mer", "Rivier", and "RB".

The Decision Bodies recognize the Executive Committee Screening Report did not include a potential expansion of the Project within its cumulative effects assessment. However, the Report did consider the significance of adverse cumulative environmental or socio-economic effects on Valued Environmental or Socio-economic Components, including on the FCH and traditional land use. This analysis informed the recommendation of terms and conditions to address cumulative effects. The terms and conditions are intended to guide project implementation, support adaptive management, and generate information and lessons learned that would inform the assessment and management of any future projects or activities in the region. The Decision Bodies also note that Project expansions would be subject to additional reviews and cumulative effects considerations.

While Decision Bodies acknowledge the longstanding broader regional issues highlighted by the Kaska, they are of the view that the terms and conditions now proposed in this decision—including those related to the FCH, water quality, monitoring, and adaptive management—reasonably mitigate the Project-specific cumulative-effects concerns raised in this process. The subsections that follow provide further analysis of cumulative effects at the landscape level, consider the implications of potential future mine expansion, and outline how cumulative-effects considerations have been addressed through this consultation and in the proposed terms and conditions.

6.2.3.6.1 Landscape-Level Cumulative Impacts

In a letter to Decision Bodies dated May 23, 2025, LFN emphasized that the Project is situated within an area long recognized as central to the exercise of Kaska rights in the Yukon. LFN expressed that, despite extensive disturbance across this broader landscape, YG has not adequately assessed cumulative effects on Kaska rights at a landscape scale. From LFN's perspective, the Project cannot be viewed in isolation, and the cumulative impacts of successive developments—including but not limited to mining—must be considered in evaluating the Project's potential impacts on the exercise of rights.

LFN further highlighted that this issue is not unique to this Project, describing it as part of a systemic challenge in how cumulative rights impacts are addressed in Yukon. LFN referenced the 2021 decision in *Yahey v. British Columbia*, in which the British Columbia Supreme Court found that a failure to account for cumulative impacts led to significant and unlawful infringements of treaty rights. In that case, the Court noted a persistent pattern in which government officials redirected cumulative effects concerns to other processes or forums, often without practical means of addressing them. The Court also observed that, despite sincere efforts by some officials, the regulatory framework did not equip them with the tools to deny or modify authorizations based on cumulative impacts, effectively deferring cumulative-effects concerns to other processes or forums—often without practical means of addressing them. This resulted in what the Court described as a “death by a thousand cuts” to the exercise of rights.

LFN stressed that similar dynamics are occurring in the Yukon, where site-specific mitigations cannot address broader concerns about the ongoing, incremental degradation of the landscape on which Kaska rights depend. They emphasized that cumulative-effects considerations cannot be deferred to other departments, future reconciliation processes, or separate initiatives without undermining the meaningful protection of Kaska rights. Citing *Yahey*, LFN noted that while individual mitigations—such as relocating a particular activity—may address localized impacts, they do not resolve landscape-level effects where multiple industrial activities collectively erode the conditions necessary for the exercise of Aboriginal rights. From LFN's perspective, the Project must therefore be assessed in the context of existing and ongoing pressures on the land, not through isolated, project-specific measures alone.

Decision Bodies have carefully considered the dialogue to date and the concerns raised by Kaska representatives. They remain confident that the modified terms and conditions provide an appropriate and responsive approach to mitigating cumulative effects. Canada and YG are committed to continuing

discussions with RRDC and LFN on broader regional cumulative effects, and both governments are open to working with the Kaska to determine the most suitable forum for this ongoing dialogue.

6.2.3.6.2 Potential Future Mine Expansion and Cumulative Effects Considerations

The Decision Bodies recognize that the Screening Report did not include a potential expansion of the Project within its cumulative effects assessment. However, the Report did consider the significance of adverse cumulative environmental or socio-economic effects on Valued Environmental or Socio-economic Components, including on the FCH and traditional land use. This analysis informed the recommendation of terms and conditions to address cumulative effects. The Decision Bodies also noted that Project expansions would be subject to additional reviews and cumulative effects considerations.

In their July 31, 2025, letter, LFN raised concerns regarding BMC's references to potential future mine extensions or resource conversion, which could introduce new cumulative impacts not previously assessed. LFN emphasized that the Crown appears to be envisioning such expansions without acknowledging their potential cumulative implications. They maintain that any cumulative impacts of future expansions or additions on Kaska rights and title must be fully considered in the environmental assessment process in order to determine whether the mine is "worth it" in the circumstances.

RRDC's March 13, 2026, letter expressed specific concerns about mine expansion and exploration and development activities in the Kudz Ze Kayah area and more broadly. While cumulative effects may not fully be addressed through project-specific terms and conditions, they inform the determination of the significance of the effects and the need for additional mitigations. Pursuant to subsection 42(1)(d) of the Yukon Environmental and YESAA, the consideration of cumulative effects is a key contextual factor in determining the significance of a project's potential effects. Each proposed project must undergo its own YESAA assessment, consultation, and regulatory review, at which time cumulative effects are considered.

The impacts of past, present, and reasonably foreseeable future projects are considered during project assessment. Should the cumulative effects of those projects be deemed to be significant, terms and conditions are identified to mitigate those impacts. However, the mitigations are only applicable to the project currently being assessed as it is proposed. The terms and conditions in this Decision Document are intended to mitigate impacts of the proposed Project and are not created or applied to mitigate undefined impacts of potential future projects.

The Decision Bodies recognize that mining companies often pursue ongoing exploration to extend the life of a project. This can enhance long-term economic viability and increase the potential for sustained benefits—such as employment, contracting opportunities, and community investments. The prospect of a longer mine life may address some of LFN's concerns regarding the economic feasibility of the current proposal and its ability to generate lasting value, as it could amplify anticipated benefits and socio-economic opportunities for the region, including for the Kaska. At the same time, this Decision Bodies acknowledge that any potential expansion could raise additional concerns about cumulative effects. While the Screening Report did not assess a future expansion scenario, it did evaluate the significance of adverse cumulative environmental and socio-economic effects on key components, including the FCH and traditional land use, resulting in terms and conditions designed to address these issues. The Decision Bodies reiterate that certain expansions would require further reviews, during which cumulative effects would again be assessed.

6.2.3.7 Past Failed Mines and Financial Security for Closure

Throughout the consultation process, Kaska raised the issue of the many failed mines within the Kaska traditional territory (Wolverine, Faro, Ketza, Să Dena Hes, etc.), the recent physical failure at Victoria Gold

Mine and that taxpayers should no longer take on the costs of such restoration. Furthermore, Kaska raised concerns in terms of YG not having financial capacity to take on another failed mine.

Kaska suggested the need for mine economics and project feasibility studies that consider the mitigations and securities that BMC will financially be responsible for. Kaska representatives suggested it is important that the economics and feasibility of the mine be determined early so sufficient funds can be set aside should BMC abandon the mine and so there is equity in economic benefits from the mine.

The Decisions Bodies would like to reiterate that under the regulatory review, BMC will be required to develop a reclamation and closure plan for the Project which will include a detailed cost estimate so adequate financial security can be determined and held by YG. In addition, existing Terms #19 and #20 require that financial security determinations take into account the potential for care and maintenance costs for the period between a temporary or early closure and decommissioning. These costs will account for the maintenance of environmental protections and safeguards during any and all interim care and maintenance periods.

Decision Bodies have also added a new Term #47, which requires financial security for the Project to be based upon the peak liabilities in a five-year period from the point of determination, rather than the standard, two-year peak liability. At least every 24 months, YG will reevaluate the liability associated with site activities, based on the more conservative five-year time horizon, and adjust financial security to ensure adequate amounts are held by YG at all times. In addition to the scheduled reviews of financial security, YG will also assess financial security requirements when there are changes to: liabilities on site; authorized activities; on-site environmental liabilities; objectives or required measures in a reclamation and closure plan; or material corporate or economic changes. New Terms #43, #44, and #45 provide mechanisms for closer monitoring of material and on-site changes which trigger an assessment of financial security requirements. RRDC and LFN will have the opportunity to review and comment on BMC's updated reclamation and closure plan and cost estimate that is submitted as part of regulatory reviews.

Based on information received from LFN and RRDC regarding legacy mining in the area and cumulative effects, Decision Bodies proposed new terms and conditions for RRDC and LFN to consider. Those terms and conditions provide:

- Financial forecast reporting which will reveal financial risk signals and allow time for security review to reduce the risk of under-secured reclamation obligations (Term #43).
- Performance audit on key performance indicators and key mining infrastructure to provide further oversight in the design, construction and operation of critical infrastructure and their performance (Term #44).
- Security of facility be based on peak liabilities in a 5-year period from the point of determination and that updates to the security determination may be required outside of a regulated timeframe allowing regulators to ensure that funds are available to fully implement closure and reclamation in the event of default, insolvency or abandonment (Term #47).

6.2.3.8 Oversight and Compliance and Proposed Project Agreement

Decision Bodies acknowledge that LFN has raised concerns about the effectiveness of compliance and inspection regimes, particularly considering past mine failures in the Yukon. Decision Bodies remain committed to Kaska involvement throughout the life of the Project. The proposed terms and conditions for the Project include several measures intended to enhance oversight, accountability and Kaska participation throughout its life cycle including:

- The establishment of the FCH Oversight Committee (FCHOC), with representation from LFN and RRDC, tasked with reviewing monitoring results, recommending adaptive management actions, and participating in regulatory reviews.
- Annual review of mitigation effectiveness, including triggers for corrective actions and recommendations for additional measures (Term #10).
- Requirements for adaptive management plans that include early warning triggers, contingency measures, and worst-case scenario modelling for water quality and infrastructure risks (Terms #31–36).
- Participation of Kaska in the development and review of environmental and socio-economic management plans, including closure objectives and monitoring programs (Term #12).
- Requirements that the Proponent's reports be made available to Kaska so that Kaska may meaningfully understand ongoing risks posed by the Project and their potential impacts on their asserted s.35 rights and interests (Terms #43–#45)

As discussed in section 5.2.8 of this Decision Document, Decision Bodies are open to establishing a project agreement for the Kudz Ze Kayah Project with participation from YG, Canada, LFN, and RRDC. Such an agreement would guide how the parties work together, including how environmental, social, and cultural concerns are identified and addressed over the mine life. Project agreements may include mechanisms such as oversight committees, consultation plans, technical working groups, Elder advisory panels, and other forms of engagement. They can outline processes for reviewing regulatory filings, monitoring and reporting, and evaluating mitigation effectiveness. Terms of reference, roles, and responsibilities would be developed collaboratively by all parties. It would also include commitments to share monitoring results and decision rationales with oversight bodies, including explanations of how Kaska recommendations were considered. A project agreement would also provide a structured way for Kaska to bring forward traditional knowledge and create opportunities for participation by land stewards and game guardians.

6.2.3.9 Socio-economic Participation Agreement (SEPA)

During the February 10, 2026, meeting between RRDC and the Decision Bodies in Whitehorse, the subject of the SEPA was brought up. When Decision Bodies raised the recommendation for a new T&C related to SEPA, RRDC explained that they already have one with BMC, but they believe BMC had “weaponized it” to advance the Project without RRDC’s consent.

The SEPA that is currently in place is from an agreement from 1994 with Kaska and Teck Cominco, the company that owned the Project from the 1990s until 2015. When BMC purchased the KZK property from Teck Cominco, they inherited the previously established SEPA. BMC submitted a SEPA Modernization proposal in 2021, but it has not yet been finalized.

- RRDC described the SEPA as a hollow commitment that does not incorporate the UNDRIP or the Free, Prior and Informed Consent (FPIC), which they require for responsible development.
- They recalled that in 2023 they asked BMC to enter into a new agreement and BMC refused.
- RRDC stated that the SEPA provisions do not provide meaningful protection.

They gave the example of the agreement they just signed with Fireweed Metals. Fireweed Metals and RRDC signed, in February 2026, an Exploration and Collaboration Agreement for two critical mineral projects located in Kaska Territory. The agreement sets out communication protocols, environmental and cultural safeguards, capacity funding, economic opportunities, and requires Indigenous-led review through the Tū Łídlíni (Ross River) Assessment Process before the projects can advance.

Based on feedback from LFN and RRDC, the Decision Bodies proposed terms and conditions for their consideration on January 30, 2026. Among these was a requirement that the Proponent make reasonable

efforts—satisfactory to the Decision Bodies—to enter into a new SEPA, or amend an existing SEPA, with RRDC and LFN to support the equitable distribution of economic benefits to each First Nation.

In their March 6, 2026 letter to Decision Bodies, RRDC suggested changes to Term #46: “Within one year of the issuance of this Decision Document, the Proponent shall make reasonable efforts, satisfactory to each of the Decision Bodies and Ross River Dena Council (RRDC), to either enter into a new Socio-economic Participation Agreement (SEPA) or amend any existing SEPA with RRDC, for the benefit of the Kaska Nation. Any such SEPA must (i) recognize RRDC’s representative role on behalf of the Kaska Nation as the Project is within the Ross River Area and will have the most severe impacts to RRDC members; (ii) be consistent with the *United Nations Declaration on the Rights of Indigenous Peoples*, including the requirements for RRDC’s free, prior, informed consent regarding Project development; (iii) provide concrete economic benefits to RRDC, subject to defined milestones and reporting requirements; (iv) provide RRDC with Project governance mechanisms.”

Term #46 supports a mechanism to ensure participation and secure defined, predictable benefits to RRDC over the life of the project. The Decision Bodies continue to hold this view and that RRDC and BMC are best positioned to negotiate a SEPA that reflects their respective interests. Decision Bodies strongly encourage all parties to work together in good faith to foster meaningful and effective participation in process.

The Decision Bodies note that where collaboration with First Nations is identified in the Terms and Conditions of the Decision Document, YG will ensure funding for participation in those activities is provided, should a First Nation choose to participate. YG will determine the amount of funding to be provided, taking into account the nature, scope, and anticipated level of participation required.

6.2.3.10 Conclusion on Whether the Project is “Worth It”

The Decision Bodies recognize that determining whether the Project is “worth it” requires weighing a wide range of considerations, including both the potential benefits the Project may generate and the potential adverse environmental, socio-economic, and rights-related impacts it may create. This assessment also reflects the substantial work already completed through previous consultation processes, as well as the additional consultations with RRDC and LFN on economic feasibility.

The Decision Bodies have undertaken extensive work to evaluate the Project’s economic feasibility, together with RRDC and LFN. As noted above, the Decision Bodies’ current view is that the Project is likely to be economically feasible and that there is no significant risk of mine operations ceasing earlier than anticipated.

Having considered the full range of factors assessed—both for and against the Project—together with the input received from Kaska throughout the consultation process and the consideration of articles 26, 29, and 32 of UNDRIP, the Decision Bodies concluded that the Project is “worth it,” provided that the terms and conditions set out in this Decision Document, including the additional ones, are applied and, where appropriate, enforced to further address the concerns raised by Kaska.

6.2.4 Conclusion for Decision

The Decision Bodies recognized that a deep level of consultation was owed to both RRDC and LFN in relation to the Project. Throughout the consultation process, RRDC and LFN were provided with multiple opportunities to participate meaningfully, raise concerns, and identify information gaps relevant to informed decision-making.

Throughout the consultation process, Decision Bodies provided a clear consultation framework, extended consultation timelines on multiple occasions, and proposed numerous opportunities to meet in order to support additional consultation, information gathering, and internal review. The Decision Bodies also

undertook consultation in a manner that was reflective of their obligation to reach a decision in a timely manner, as per the principles of procedural fairness, which require that decisions be made within a reasonable timeframe. Based on the funding provided, including additional allocations made in response to emerging needs early in the consultation process, the Decision Bodies are of the view that RRDC and LFN had sufficient capacity support to obtain independent technical advice and to participate meaningfully in the consultation process.

The Decision Bodies acknowledge that a fundamental disagreement persisted throughout the consultation process regarding the appropriate depth of assessment required for consultation on the Project's economic feasibility. In particular, LFN consistently emphasized the need for extensive independent assurance work, while the Decision Bodies took a different view regarding the scope of work required to provide a reasonable level of assurance on the Project's economic feasibility. The Decision Bodies concluded that the level of assessment sought exceeded what was reasonably required by the court, to support their decision-making process, particularly given their view that the Project does not present a material risk of economic failure or early mine closure.

The federal *United Nations Declaration on the Rights of Indigenous Peoples Act* advances the implementation of UNDRIP and establishes a framework to advance reconciliation and renew Canada's relationship with Indigenous Peoples. In assessing the adequacy of its consultation, Decision Bodies considered UNDRIP, including articles 26, 29(1), 29(2) and 32 and the requirement for FPIC set out therein. FPIC, referenced throughout the UNDRIP, emphasizes effective and meaningful participation of Indigenous Peoples in decisions that affect them. In the view of the federal Decision Bodies, FPIC should strive to achieve consensus and requires the Crown and Indigenous communities to work together in good faith on decisions that impact Indigenous rights. While achieving consent is the objective, the principle of FPIC does not provide a veto to Indigenous rights holders nor does it guarantee a specific outcome.

The Decision Bodies sought Kaska's consent throughout the consultation process and recognize that consent may not always be achievable. The Decision Bodies note that Kaska made it clear that consent has not been provided for the Project.

In reaching their decision, the Decision Bodies carefully considered the comments and concerns raised by Kaska throughout the consultation. These views informed the Decision Bodies' assessment of the Project's economic feasibility, their consideration of whether the Project is "worth it," and the development of modified terms and conditions intended to address those concerns and mitigate potential adverse impacts.

The consultation process provided the Decision Bodies with an opportunity to review the Project's economics and potential financial risks in a manner not previously undertaken for a mining project in the Yukon. In doing so, Decision Bodies confirmed the Project's strong economic fundamentals.

As a result, the Decision Bodies do not consider there to be a significant risk that mine operations would cease earlier than planned and the Decision Bodies are of the view that Kaska's concerns on that matter have been adequately addressed.

The proposed terms and conditions include measures intended to enhance oversight, accountability, and Kaska participation in the Project, including measures aimed at addressing concerns related to early mine closure and unrealized community benefits.

Accordingly, Decision Bodies are hopeful that Kaska will assume a substantive role by engaging meaningfully in the regulatory phase of this Project, including through the Kaska's role in the stewardship and protection of the Finlayson Caribou Herd within the FCHOC. The Decision Bodies value Kaska traditional knowledge and look forward to working in partnership with Kaska.

Overall, while consensus was not achieved, with Kaska on the decision for the Project, the Decision Bodies' flexible and adaptive approach to consultation enabled Kaska to meaningfully engage and exchange views on the issues raised. The Decision Bodies are of the view that consultation was carried out in a manner that was fair and supported by a level of due diligence proportionate to the decision that was to be made and that the Project is "worth it".

7 Terms and Conditions

Table 1: Section 110 Monitoring recommended by the Executive Committee in the Kudz Ze Kayah Project Screening Report and Recommendation (October 21, 2020) and as varied by Decision Bodies

Number	YESAB Term & Condition	April 10, 2026	Status	Rationale
A	~~YESAB: The Proponent shall implement water quality monitoring of COPIs as early as possible beneath storage facilities and beneath their respective covers. Monitoring shall continue through operations and closure phases.~~		Remove	[2022-06-15] S. 110 Monitoring Measure A has been incorporated into Term 33.
B	~~YESAB: The Proponent shall develop and implement adaptive management measures based on monitoring for the onset of acidic conditions that allows for early detection, management, and mitigation of acidic conditions and/or ML developing on-site~~		Remove	[2022-06-15] S. 110 Monitoring Measure B has been incorporated into Terms 31 and 33.
C	~~YESAB: The Proponent shall implement, in collaboration with Government of Yukon, a survey program to monitor:~~ ~~a. Caribou distribution in the Project area during the post-calving.~~		Remove	[2022-06-15] S. 110 Monitoring Measure C has been incorporated into Term 11.
D	~~YESAB: Government of Yukon shall implement a range wide survey program to monitor:~~ ~~a. Caribou herd composition and distribution during the rut period.~~ ~~b. Caribou distribution during late winter.~~ ~~c. Caribou distribution and movement in spring.~~		Remove	[2022-06-15] S. 110 Monitoring Measure D has been incorporated into Term 11.

Number	YESAB Term & Condition	April 10, 2026	Status	Rationale
E	YESAB: That a survey program be instituted to monitor moose during late winter from construction through closure stages of the Project. This survey program shall be designed through collaboration with affected First Nations.	That a survey program be designed and instituted by the Proponent to monitor moose during late winter from construction through closure stages of the Project. This survey program shall be designed through collaboration with affected First Nations.	Varied	[2024-03-08] Term varied to clarify language and responsibility.
F	YESAB: The Government of Yukon or a delegate body shall establish a monitoring program, after consulting with LFN, RRDC, LAWS, and Yukon Status of Women Council (YSWC) to measure potential project effects against pre-project baseline data. This program shall determine the extent to which the Project's effects are associated with violence against women (with special consideration for Indigenous women) and gender and sexual minorities in Ross River, Watson Lake, and Whitehorse. The development of the monitoring program should consider currently known effects but should also remain flexible so that unforeseen effects can be incorporated. The results of the monitoring shall be shared with LFN, RRDC, LAWS, and YSWC.		Accept	

Table 2: Terms and Conditions recommended by the Executive Committee in the Kudz Ze Kayah Project Screening Report and Recommendation (as varied by Decision Bodies).

Term No.	YESAB Term & Condition	June 15, 2022 Variation	March 8, 2024 Variation	April 10, 2026	Status	Rationale
1	~~YESAB: The proponent shall update the geochemical modelling during operations to inform detailed design of the cover systems, with the aim of reducing acid production and COPI loadings from storage facilities.~~		The Proponent shall update the geochemical modelling and submit as part of regulatory applications to inform the detailed design of the cover systems and the Waste Rock Management Plan, with the aim of reducing acid production and Contaminants of Potential Interest (COPI) loadings from storage facilities.		Varied	[2022-06-15] Term has been revised for clarity and to ensure the results of geochemical modelling are incorporated into any revisions to the Waste rock Management Plan. [2024-03-08] Term has been revised to clarify what is required during the regulatory review process.
2	~~YESAB: The proponent shall advance development of the WTP design and confirm expected performance for all relevant COPIs during licensing to optimize design and ensure timely implementation.~~		The Proponent shall advance development of the water treatment plant (WTP) design and confirm expected performance for all relevant Contaminants of Potential Interest (COPI) during licensing to optimize design and ensure timely implementation.		Varied	[2024-03-08] Term has been varied to spell out acronym.

Term No.	YESAB Term & Condition	June 15, 2022 Variation	March 8, 2024 Variation	April 10, 2026	Status	Rationale
3	~~YESAB: The Proponent shall conduct pilot studies for in-situ pit treatment and the CWTS during operations to confirm their expected performance for all relevant COPI's, optimize their respective designs and ensure timely implementation.~~		The Proponent shall conduct pilot studies for in-situ pit treatment and the constructed wetland treatment system (CWTS) during operations to confirm their expected performance for all relevant Contaminants of Potential Interest (COPI), optimize their respective designs and ensure timely implementation.		Varied	[2024-03-08] Term has been varied to spell out acronym.
4	~~YESAB: The Proponent shall implement additional treatment options if the proposed CWTS cannot be demonstrated to reduce COPI concentrations to background levels consistently.~~	The Proponent shall implement additional treatment options if the proposed CWTS cannot be demonstrated to reduce COPI concentrations to levels that are consistently below the defined regulatory thresholds.	The Proponent shall implement additional treatment options if the proposed constructed wetland treatment system (CWTS) cannot be demonstrated to reduce Contaminants of Potential Interest (COPI) concentrations to levels that are consistently below the defined regulatory thresholds.		Varied	[2022-06-15] Term has been modified to better reflect the Proponent's proposed approach to developing water quality objectives and linkages to regulatory processes for the setting of thresholds. [2024-03-08] Term has been varied to spell out acronym.
5	~~YESAB: The Proponent shall revise~~		Prior to licencing, and as necessary, the		Varied	[2024-03-08] Term has been revised to clarify what

Term No.	YESAB Term & Condition	June 15, 2022 Variation	March 8, 2024 Variation	April 10, 2026	Status	Rationale
	~~WQOs as necessary to ensure they are based on the most recent toxicological information and guidance from CCME and BCMOE.~~		Proponent shall revise the use-protection water quality objectives to ensure they incorporate the most recent toxicological information and guidance from Canadian Council of Ministers of the Environment (CCME) and British Columbia Ministry of Environment (BCMoE) for the protection of freshwater aquatic life.			is required during the regulatory review process and to spell out acronym.
6	~~YESAB: The Proponent shall establish effluent quality standards for the Project based on achieving WQOs in the receiving environment in Geona Creek (KZ-37) and in Finlayson Creek (KZ-15).~~		The Proponent shall establish effluent quality standards for the Project based on achieving water quality objectives (WQO) in the receiving environment in Geona Creek (KZ-37) and in Finlayson Creek (KZ-15).		Varied	[2024-03-08] Term has been varied to spell out acronym.
7	~~YESAB: The Proponent shall conduct ongoing investigations into WRSA liners and cover systems to~~	The Proponent shall conduct ongoing investigations into WRSA liners and cover systems to ensure that the expected liner and	The Proponent shall conduct ongoing investigations into waste rock storage area (WRSA) liners and cover systems to ensure that		Varied	[2022-06-15] Term has been modified for clarification, recognizing that further design refinements will occur

Term No.	YESAB Term & Condition	June 15, 2022 Variation	March 8, 2024 Variation	April 10, 2026	Status	Rationale
	~~ensure that the performance objectives used in the water quality model are achieved during all Project phases.~~	cover performance is achieved during all Project phases.	the expected liner and cover performance is achieved during all Project phases.			through regulatory licensing. [2024-03-08] Term has been varied to spell out acronym.
8	~~YESAB: The Proponent shall commit to ongoing geochemical studies for WRSA A and B, and studies to optimize the performance of the proposed CWTS to address the potential for acidic conditions to develop in the future.~~		The Proponent shall commit to ongoing geochemical studies for tailings and waste rock storage areas, and studies to optimize the performance of all water treatment facilities and processes to address the potential for acidic conditions to develop in the future		Varied	[2024-03-08] Term has been varied to capture all mine waste management facilities and spell out acronyms.
9	YESAB: The Proponent shall ensure the WTP remains operational until it has been demonstrated that surface water from the site meets WQOs for the receiving environment in Geona Creek (KZ-37) and in		The Proponent shall ensure the water treatment plant (WTP) remains operational until it has been demonstrated that surface water from the site meets water quality objectives (WQO) for the receiving environment in Geona Creek (KZ-37)		Varied	[2024-03-08] Term has been varied to spell out acronym.

Term No.	YESAB Term & Condition	June 15, 2022 Variation	March 8, 2024 Variation	April 10, 2026	Status	Rationale
	Finlayson Creek (KZ-15).		and in Finlayson Creek (KZ-15).			
10	~~YESAB: Government of Yukon shall oversee the establishment and maintenance of an oversight body, financed by the Proponent, comprised of participants representing the Proponent, Government of Yukon, LFN, and RRDC.~~ The proponent will be required to include in the wildlife management plan (a component of the QML), any outputs and actions agreed to by the oversight body. These components of the plan will be updated as required based on the seasonal nature of the outputs or actions. The oversight body shall require the	Within six months of issuance of a Decision Document the Government of Yukon (YG) shall establish an independent KZK-FCH Oversight Committee (FCHOC) comprised of participants representing the YG, Liard First Nation (LFN), and Ross River Dena Council (RRDC). Establishment of the FCHOC will include the development of a Terms of Reference that describes: - Establishment of roles, responsibilities, and participants. The role of the Proponent as a member of the FCHOC. - Participant funding (RRDC and LFN).	Within six months of issuance of a Decision Document the Government of Yukon (YG) shall establish an independent KZK-FCH Oversight Committee (FCHOC) comprised of participants representing the YG, Liard First Nation (LFN), and Ross River Dena Council (RRDC). Establishment of the FCHOC will include the development of a Terms of Reference that describes: - Establishment of roles, responsibilities, and participants. The role of the Proponent as a member of the FCHOC. - Participant funding (RRDC and LFN).	10(a) Within six months of issuance of a Decision Document the Government of Yukon (YG) shall establish an independent KZK-FCH Oversight Committee (FCHOC) comprised of participants representing the YG, Liard First Nation (LFN), and Ross River Dena Council (RRDC). 10(b) Establishment of the FCHOC will include the development of a Terms of Reference that describes: (i) Establishment of roles, responsibilities, and participants. The role of the Proponent as a	Varied	[2022-06-15] The term is varied to create stronger linkages between all of the FCH related terms leading to a more effective mitigation approach within YG's regulatory framework. In addition to the variance of terms 10 and 11, an additional term was added (New Term 38) to support the development of a caribou effects monitoring, mitigation and adaptive management program. Variance of term 10 includes a timeline for establishment and development of a TOR for the FCHOC, connection to data collection and monitoring inputs from term 11 and plan reviews in connection with the QML process and subsequent amendments as required in relation to adaptive management.

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	implementation of mitigations, and monitoring of their effectiveness, considering the following mitigation and management strategies: a. In general: i. When and how to apply mitigation measures pertaining to caribou referred to in Appendix A (Proponent commitments) ii. The prioritization of methods for reducing sensory disturbance. iii. The establishment of objectives, methods and prioritization for	- Process for review of information (western scientific and traditional knowledge). - Process for decision-making. - A mechanism for conflict resolution. - Other matters as agreed to by the parties. - Communication protocols between the FCHOC (chaired by YG), the regulator, and the Proponent. Review throughout the life of the Project: The FCHOC will be engaged during the life of the KZK Project to annually review monitoring and the effectiveness of the Project's mitigation measures. The FCHOC will consider, at a minimum, the following mitigation and	- Process for review of information (western scientific and traditional knowledge). - Process for decision-making and reporting. - A mechanism for conflict resolution. - Other matters as agreed to by the parties. - Communication protocols between the FCHOC (chaired by YG), the Regulators, and the Proponent. Review throughout the life of the Project: The FCHOC will be engaged during the life of the KZK Project to annually review monitoring and the effectiveness of the Project's mitigation measures. The FCHOC will consider, at a minimum, the following	member of the FCHOC. (ii) Participant funding (RRDC and LFN). (iii) Process for review of information (western scientific and traditional knowledge). (iv) Process for decision-making and reporting. (v) A mechanism for conflict resolution. (vi) Other matters as agreed to by the parties. (vii) Communication protocols between the FCHOC (chaired by YG), the Regulators, and the Proponent. 10(c) Review throughout the life of the Project: The FCHOC will be engaged during the life of the KZK Project		Established mechanisms exist for affected First Nations to provide input to the QML process via the regulatory plan review and approval processes through governments duty to consult; however, the FCHOC will provide an additional instrument to allow for periodic discussion, recommendations and updates to existing plans associated with the QML. FCHOC will interact with project specific data collection, effects monitoring, mitigation and adaptive management as well as provide input and receive recommendations related to the range wide management of the FCH. [2024-03-08] Term varied to remove the term daily as it is necessary to allow for seasonal or shorter basis closure of the road. [2026-04-10] Term varied to improve organization and

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	~~effectiveness monitoring.~~ iv. ~~The identification of triggers and corrective actions within the adaptive management plan.~~ v. ~~The identification of additional mitigations that may be necessary to reduce adverse effects based on new knowledge.~~ vi. ~~Educational and outreach activities regarding caribou in relation to the project.~~ b. ~~On a seasonal or shorter duration basis:~~	management strategies, and their implementation, as necessary: a. Annually: i. When and how to apply the Proponent's mitigation measures pertaining to caribou referred to in Appendix A (Proponent commitments). ii. The prioritization of methods for reducing sensory disturbance. iii. The establishment of objectives, methods and prioritization for effectiveness monitoring. iv. The identification of triggers and corrective actions within the adaptive	mitigation and management strategies, and their implementation, as necessary: a. Annually: i. When and how to apply the Proponent's mitigation measures pertaining to caribou referred to in Appendix A (Proponent commitments). ii. The prioritization of methods for reducing sensory disturbance. iii. The establishment of objectives, methods and prioritization for effectiveness monitoring. iv. The identification of triggers and corrective actions within the	to annually review monitoring and the effectiveness of the Project's mitigation measures. The FCHOC will consider, at a minimum, the following mitigation and management strategies, and their implementation, as necessary: (i) Annually: 1) When and how to apply the Proponent's mitigation measures pertaining to caribou referred to in Appendix A (Proponent commitments). 2) The prioritization of methods for reducing sensory disturbance. 3) The establishment of objectives, methods and prioritization for		readability of numbering and heading hierarchy. Updates clarify the intended meaning of the term by making relationships between provisions more explicit. No substantive changes have been made to text.

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	i. ~~The implementation of daily timing windows for or temporary suspensions of blasting and crushing~~ ii. ~~The implementation of daily timing windows for or temporary suspensions of truck transportation~~ iii. ~~The limiting of speeds on the access road~~ iv. ~~Restrictions on flights based on daily timing windows~~ v. ~~Modification of flight paths~~ vi. ~~Suspension of helicopter use~~	v. The identification of additional mitigations such as offset measures that may be necessary to reduce adverse effects based traditional knowledge or new information from project-specific or range-wide monitoring. vi. Educational and outreach activities regarding caribou in relation to the Project. b. On a seasonal or shorter duration basis: i. The implementation of daily timing windows for temporary	adaptive management plan. v. The identification of additional mitigations such as offset measures that may be necessary to reduce adverse effects based traditional knowledge or new information from project-specific or range-wide monitoring. vi. Educational and outreach activities regarding caribou in relation to the Project. b. On a seasonal or shorter duration basis: i. The implementation of timing windows for temporary suspensions of	effectiveness monitoring. 4) The identification of triggers and corrective actions within the adaptive management plan. 5) The identification of additional mitigations such as offset measures that may be necessary to reduce adverse effects based traditional knowledge or new information from project-specific or range-wide monitoring. 6) Educational and outreach activities regarding caribou in relation to the Project. (i) On a seasonal or shorter duration basis:		

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	~~vii. The use of convoys for transportation~~ ~~viii. The intervals between and location of breaks in snow berms on the access road.~~	suspensions of blasting and crushing. ii. The implementation of daily timing windows for temporary suspensions of truck transportation. iii. The limiting of speeds on the access road. iv. Restrictions on flights based on daily timing windows. v. Modification of flight paths. vi. Suspension of helicopter use. vii. The use of convoys for transportation. viii. The intervals between and location of breaks in snow berms on the access road. The FCHOC will review the initial Quartz Mining	blasting and crushing. ii. The implementation of timing windows for temporary suspensions of truck transportation. iii. The limiting of speeds on the access road. iv. Restrictions on flights based on timing windows. v. Modification of flight paths. vi. Suspension of helicopter use. vii. The use of convoys for transportation. viii. The intervals between and location of breaks in snow berms on the access road. The FCHOC will review the initial QML application and any subsequent amendments to the	1) The implementation of timing windows for temporary suspensions of blasting and crushing. 2) The implementation of timing windows for temporary suspensions of truck transportation. 3) The limiting of speeds on the access road. 4) Restrictions on flights based on timing windows. 5) Modification of flight paths. 6) Suspension of helicopter use. 7) The use of convoys for transportation. 8) The intervals between and location of breaks in snow berms on the access road.		

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		Licence (QML) application and any subsequent amendments to the Wildlife Protection Plan (inclusive of the Caribou Effects Monitoring and Mitigation Program), AMP and any other applicable plans. The FCHOC will be provided all available information to support their reviews, including the results of data collection and monitoring on the FCH. The FCHOC shall submit recommendations related to addressing potential impacts on the FCH from the Project to YG regulators. YG shall give full and fair consideration to recommendations from the FCHOC, and to the extent of its authority under applicable legislation, YG shall incorporate the recommendations into	Wildlife Protection Plan (inclusive of the Caribou Effects Monitoring and Mitigation Program), AMP and any other applicable plans. The FCHOC will be provided all available information to support their reviews, including the results of data collection and monitoring on the FCH. The FCHOC shall submit recommendations related to addressing potential impacts on the FCH from the Project to YG regulators. YG shall give full and fair consideration to recommendations from the FCHOC, and to the extent of its authority under applicable legislation, YG shall incorporate the recommendations into project authorization requirements. Any other outputs of the FCHOC related to the status of the FCH across its range	10(d) The FCHOC will review the initial QML application and any subsequent amendments to the Wildlife Protection Plan (inclusive of the Caribou Effects Monitoring and Mitigation Program), AMP and any other applicable plans. The FCHOC will be provided all available information to support their reviews, including the results of data collection and monitoring on the FCH. 10(e) The FCHOC shall submit recommendations related to addressing potential impacts on the FCH from the Project to YG regulators. YG shall give full and fair consideration to recommendations from the FCHOC, and		

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		project authorization requirements. Any other outputs of the FCHOC related to the status of the FCH across its range shall be provided to the appropriate YG officials. Upon decision, the YG regulator(s) shall submit to the FCHOC an explanation of how the Committee's recommendations were taken into consideration.	shall be provided to the appropriate YG officials. Upon decision, the YG regulator(s) shall submit to the FCHOC an explanation of how the Committee's recommendations were taken into consideration.	to the extent of its authority under applicable legislation, YG shall incorporate the recommendations into project authorization requirements. Any other outputs of the FCHOC related to the status of the FCH across its range shall be provided to the appropriate YG officials. Upon decision, the YG regulator(s) shall submit to the FCHOC an explanation of how the Committee's recommendations were taken into consideration.		
11	~~YESAB: Government of Yukon shall, in collaboration with affected First Nations and communities, develop a comprehensive long-~~	11(a) The Government of Yukon (YG), in collaboration with affected First Nations, shall prepare a desktop review report of the FCH (FCH), based on all available western	11(a) The Government of Yukon (YG), in collaboration with affected First Nations, shall prepare a desktop review report of the FCH (FCH), based on all available western		Varied	[2022-06-15] The term is varied to address and expand upon project specific and range wide concerns raised during the assessment process. The revised term is divided into four key components,

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	~~term range management plan for the FCH based on the following principles:~~ ~~• Be informed by best available scientific and traditional knowledge~~ ~~• Acknowledge and be guided by people's relationship with caribou~~ ~~• Help to promote the social, economic, and cultural well-being of people in the Yukon~~ ~~• Promote transparency in decisions made during the range planning process~~ ~~• Respect the need for a collaborative process for co-management of resources with~~	scientific and traditional knowledge. The results of the desktop review will inform the following: - The need for and collection of additional data and project effects monitoring information, and identification of offset measures as required for unmitigated effects. - Range wide herd population dynamics, distribution, health, and habitat surveys. - Examination of cumulative effects and risks to the herd based on existing land use information. The results of the desktop review will be made available to the FCHOC. The FCHOC will review and provide	scientific and traditional knowledge. The results of the desktop review will inform the following: - The need for and collection of additional data and project effects monitoring information, and identification of offset measures as required for unmitigated effects. - Range wide herd population dynamics, distribution, health, and habitat surveys. - Examination of cumulative effects and risks to the herd based on existing land use information. The results of the desktop review will be made available to the FCHOC. The FCHOC will review and provide recommended actions,			which together with term 10 and New Term 38 provide a robust path forward to create certainty around effective mitigation and monitoring of the FCH at the project and range levels. The revised components provide clarity and alignment with existing government processes and include key deliverables, opportunities for First Nation input, and builds a foundation for effective monitoring, mitigation and adaptive management actions for the FCH over the long-term. The path forward in the varied term is to collaborate with affected First Nations to get a common understanding of all available western scientific data and traditional knowledge which will be used to identify information gaps related to the FCH (11a). The desktop review report will be made available to the FCHOC to

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	~~affected First Nations.~~ • ~~Recognize the potential for and encourage local community engagement and involvement in implementing the range plan~~ ~~The plan should include the following sections in relation to the FCH:~~ ~~a. Management principles and goal: Identification of the principles underlying the planning process and the management goal.~~ ~~b. Current conditions: Best available information will be used to identify the health, trend and condition of the population and its habitat.~~	recommended actions, as appropriate, such as offsetting measures, to the YG regulator(s) for any additional mitigations or monitoring. 11(b) The Proponent shall undertake additional data collection (habitat, distribution and movement) for a period of 2 years prior to initiation of construction, to inform the development and approval of a Caribou Effects Monitoring and Mitigation Program (Term No. 38⁽¹¹⁾), AMP and the WPP. The design and methodology for this baseline data collection will be developed in cooperation with YG. The baseline data collection shall commence once YG approves the Proponent's study	as appropriate, such as offsetting measures, to the YG regulator(s) for any additional mitigations or monitoring. 11(b) The Proponent shall undertake additional data collection (habitat, distribution and movement) for a period of 2 years prior to initiation of construction, to inform the development and approval of a Caribou Effects Monitoring and Mitigation Program (Term No. 38⁽¹¹⁾), AMP and the WPP. The design and methodology for this data collection will be developed in cooperation with Kaska and YG. The data collection shall commence once YG approves the Proponent's study design and			inform additional project specific and range wide mitigation, monitoring and management. To address concerns raised in the referral back period, an additional 2 years of data will be collected by the Proponent prior to construction (11b). This program will build off existing information where possible and address key concerns raised during the assessment (i.e., movement corridors, winter and summer habitat) related to project effects. Yukon government will commit to additional range wide data collection to support a stronger understanding of all pressures on the FCH based on gaps identified by the desktop review (11c). This monitoring falls within YG's mandate to manage wildlife and will not be tied to project specific timelines. However, monitoring

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	~~c. Limiting factors: Best available information will be used to identify the factors limiting the population including: habitat, predation, climate, and human activities (harvest and land use).~~ ~~d. Future conditions: Identify scenarios and projections of likely sources and locations of future impacts from development, wildfire, and climate, and their implications for the population and its habitat, including consideration of predation.~~ ~~e. Management objectives and thresholds: Identify specific management objectives related to population and~~	design and methodology, following the issuance of this Decision Document. 11(c) YG will undertake additional range wide data collection and monitoring based on the results of the desktop review. The results of this monitoring will be shared with the FCHOC. 11(d) YG, in collaboration with affected First Nations, will develop a management plan for the FCH. The parties will determine management goals and objectives through a collaborative process. The FCH management plan will consider the following topic areas upon further discussion with affected First Nations: a. Management principles and goal	methodology, following the issuance of this Decision Document. 11(c) YG will undertake additional range wide data collection and monitoring based on the results of the desktop review. The results of this monitoring will be shared with the FCHOC. 11(d) YG, in collaboration with affected First Nations, will develop a management plan for the FCH. The parties will determine management goals and objectives through a collaborative process. The FCH management plan will consider the following topic areas upon further discussion with affected First Nations: a. Management principles and goal b. Current conditions			results will be made available to the FCHOC for consideration when evaluating project effects and adaptive management throughout the life of the Project. Yukon government will engage with affected First Nations to initiate the development of a collaborative management plan for the FCH (11d). Management planning is an existing process and tool used by YG to develop goals, objectives and recommendations associated with a herd at the range level. Data, information, and recommendations will be made available to the FCHOC to be considered at a project specific level and the FCHOC can make recommendations to the management planning team about project pressures on the herd.

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	habitat, and thresholds of change in population and habitat related to achieving these objectives. ~~f. Management tools and actions: Identify specific population and habitat management tools and actions (voluntary and non-voluntary) required to achieve objectives, and the relationship of these tools and actions to community-based, regulatory and land-use planning processes.~~ ~~g. Implementation: Describe how the plan will be implemented in a collaborative and timely manner.~~	b. Current conditions c. Limiting factors d. Future conditions e. Habitat restoration and rehabilitation measures, and other offsetting measures where required f. Management objectives and thresholds g. Management tools and actions h. Implementation i. Monitoring j. Adaptive management and review Communication	c. Limiting factors d. Future conditions e. Habitat restoration and rehabilitation measures, and other offsetting measures where required f. Management objectives and thresholds g. Management tools and actions h. Implementation i. Monitoring j. Adaptive management and review k. Communication			[2024-03-08] Term varied to remove the word 'baseline' to avoid conflating terminology and clarify intent.

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	h. ~~Monitoring: Identify ongoing monitoring needs including outstanding questions and uncertainties faced in developing and implementing the range plan, and develop time-bound learning plans to address key uncertainties.~~ i. ~~Adaptive management and review: Identify how monitoring results and new knowledge will be incorporated into revisions to the plan.~~ j. ~~Communication: Establish methods of ongoing communication to ensure that advice, guidance, feedback, monitoring results, and implementation~~					

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	~~results can be shared easily and widely with communities and decision makers~~					
12	YESAB: The Proponent shall ensure that LFN and RRDC have opportunities to participate in and influence the development of environmental and socio-economic management plans and closure objectives developed for the Project to ensure that potentially affected First Nations can collaboratively design, collect, report, manage and communicate the results of the monitoring programs to their citizens.		The Proponent shall ensure that LFN and RRDC have opportunities to participate in and influence the development of environmental and socio-economic management plans and closure objectives developed for the Project to ensure that Kaska can collaboratively design, collect, report, manage and communicate the results of the monitoring programs and adaptive management plans to their community members. The Proponent will make participant funding available to Kaska to support the incorporation of Kaska perspectives		Varied	[2024-03-08] Term varied to align with commitments made by Decision Bodies in the text of the decision document and ensure there is adequate support for Kaska participation in the regulatory review process

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			on Kaska laws as well as support the inclusion of Kaska members, including Elders and land stewards, in the regulatory process, the monitoring of impacts, the implementation of adaptive management and the Proponent's commitments for the life of the Project (regulatory to reclamation).			
13	YESAB: The Proponent shall ensure that LFN has the opportunity to be part of the Proponent–Kaska environmental, cultural and heritage management program.		N/A		Accept	
14	YESAB: The Proponent shall sponsor on-the-land culture activities that promote sharing of Traditional Knowledge and practices in the Project area for the duration of construction and		N/A		Accept	

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	operation of the mine. The camp details, location and structure will be developed by potentially affected First Nations and span construction, operational and closure phases of the Project.					
15	YESAB: The Proponent shall provide allowance for up to 14 days of unpaid leave to all Yukon First Nation employees to allow for the exercising of Aboriginal rights related to: a. the pursuit of traditional land use activities; this will be 14 days to allow sufficient time on the land; and attending culturally important events (potlaches, dances,		N/A		Accept	

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	ceremonies, culture camps).					
16	YESAB: Proponent shall maintain in trust a transition fund with sufficient funds to ensure, in the event of an unscheduled closure: a. Funds for education and retraining; b. Maintenance of the employee assistance program (EAP); and c. Payment of back wages and severance for affected employees from Watson Lake and Ross River employed by the Project at time of closure. The amount of funds and their administration shall be conducted by a suitable party. The administrator shall		N/A		Accept	

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	have a local representative in either Ross River or Watson Lake to aid in ensuring the fund meets its objectives.					
17	YESAB: Shall ensure staff have access to money management and budgeting information and resources through on-line tools.		N/A		Accept	
18	YESAB: Recruitment for care and maintenance positions shall be done with preference for former qualified mine employees by the body overseeing care and maintenance.		N/A		Accept	
19	YESAB: The setting of security shall take into account the potential for care and maintenance costs required to maintain environmental protections over a		N/A		Accept	

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	period between a temporary closure and decommissioning.					
20	YESAB: Security requirements shall take into consideration the potential for early unscheduled closure and the need for care and maintenance requirements to maintain environmental safeguards prior to decommissioning.		N/A		Accept	
21	YESAB: The Proponent shall develop mandatory, regular harassment prevention training in consultation with a qualified expert, to be delivered to all the Proponent's employees, contractors and consultants working at the site.		N/A		Accept	
22	YESAB: The Proponent shall		N/A		Accept	

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	ensure that human resource staff complete training to enable them to effectively support employees who disclose workplace harassment. In order to increase reporting of sexual harassment and assault, human resource staff shall provide all new staff with information about ways in which they may best record and provide evidence of harassment or bullying and what happens after they make a disclosure of workplace harassment and how they will be protected from reprisals.					
23	YESAB: Proponent shall modify their proposed Mentor program for Yukon First Nations employees to:		N/A		Accept	

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	- ensure that women have access to a mentor or supervisor who regularly checks in to address any negative experiences related to the male-dominated work environment, and who pays special attention to potential cases of abuse; - develop a formal feedback process to ensure that enquiries are regularly made to First Nations employees to ensure that they are able to voice concerns and have addressed any negative experiences; and - involve both LFN and RRDC in further developing this Program to					

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	ensure that it meets the needs of First Nation employees.					
24	YESAB: The Proponent shall, in consultation with a qualified expert and both LFN and RRDC, develop gender appropriate and gender- and sexuality-specific policies and processes which promote a safe, respectful and inclusive environment for women and gender and sexual minorities.		N/A		Accept	
25	YESAB: The Proponent shall develop, with a qualified expert, an Anti-Harassment and Bullying Policy that outlines processes and actions to address any harassment or bullying which may take place		N/A		Accept	

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	within the Project's scope.					
26	YESAB: The Proponent shall ensure that the on-site First Aid Technician or Emergency Medical Technician is trained in Mental Health First Aid and/or has formal mental health training to provide short-term or crisis support at the mine site, referrals to other mental wellness supports or navigation to other systems.		N/A		Accept	
27	YESAB: The Proponent shall ensure that on-site employees have the ability to utilize the EAP services available (i.e. ensure that a private phone line or Internet is available to discretely reach EAP services).		N/A		Accept	
28	YESAB: To address and mitigate impacts		N/A		Accept	

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	to employees who are or become victims of domestic abuse, the Proponent must create a policy that: • outlines clear procedures for the workplace to work with affected employees and provide appropriate resources and support; • plans for and addresses safety concerns that affected employees may have while at work to ensure all workers are safe from threats of domestic violence; and • includes a personal safety plan for employees suffering from					

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	domestic violence.					
29	YESAB: The Proponent shall inform all BMC employees that their eligible dependents have access to the Employee Assistance Plan (EAP).		N/A		Accept	
30	YESAB: The Proponent shall develop standards for behavior at work and codes of conduct against sexual harassment and gender-based violence on the job site and in the broader community, including standards/codes of conduct in relation to the sex trade, and shall distribute education and awareness campaign materials on gender-based violence.		N/A		Accept	

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31	N/A	The Proponent shall identify alternative/contingency measures for treatment of ABM pit water in their updated comprehensive Adaptive Management Plan, prior to project initiation. The AMP shall provide descriptions of the types of treatment alternatives and their implementation timelines, prior to project initiation. The Proponent shall identify trigger values for when alternatives must be implemented and, if monitoring shows exceedances and alternative treatment is implemented, how discharges will be addressed until new water treatment becomes operational.	The Proponent shall identify alternative/contingency measures for treatment of ABM pit water in their updated comprehensive Adaptive Management Plan (AMP), in regulatory applications. The AMP shall provide descriptions of the types of treatment alternatives and their implementation timelines, in regulatory applications. The Proponent shall identify a modelling and monitoring approach including trigger values for when alternatives must be implemented and, if monitoring shows exceedances and alternative treatment is implemented, how discharges will be addressed until new water treatment becomes operational.		New Term	[2022-06-15] The 2018 Water Quality Model report, included as part of the Proposal documentation, provided a summary of the in-situ treatment method that is proposed for treatment of ABM pit water, including an overview of the results obtained using this method at various pit lakes in the United States. However, the rationale and scientific basis for the parameter percent removals assigned to the in-situ treatment in the water quality model were not provided in sufficient detail. [2024-03-08] Term has been varied to clarify what is required during the regulatory review process.
32	N/A	The Proponent shall assess the effluent, as	The Proponent shall assess the effluent, as		New Term	[2022-06-15] New term added to ensure that

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		well as predicted concentrations in the receiving environment, for acute toxicity and effects to fish and benthic organisms in the Project's receiving environment. This should reflect the species and populations in the receiving environment.	well as predicted concentrations in the receiving environment, for acute toxicity and chronic effects to fish and benthic organisms in the Project's receiving environment. This should be included in environmental monitoring, reporting and adaptive management plans and reflect the species and populations in the receiving environment.			effluent is protective of the receiving environment for fish and fish habitat and specific to the environment and species observed. [2024-03-08] Term has been varied to include monitoring and adaptive management for mine effluent to protect the receiving environment.
33	N/A	The Proponent shall ensure the Adaptive Management Plan addresses potential leakage from the Class A storage facility. The AMP should outline monitoring, triggers and actions associated with the Class A storage facility that address leakage scenarios.	The Proponent shall ensure the Adaptive Management Plan addresses potential leakage from tailings and waste rock facilities. The Adaptive Management Plan should outline monitoring, triggers and actions associated with these facilities that address leakage scenarios.		New Term	[2022-06-15] New term requiring an Adaptive Management Plan (AMP) to identify, capture and treat any leakage from the Class A storage facility. [2023-03-08] Term has been varied to clarify that all facilities should be monitored.

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34	N/A	The Proponent shall provide to responsible regulators the worst-case scenario estimate for water quality predictions for Geona Creek and Finlayson Creek and use this data to reduce the uncertainty in water quality predictions for the Project.	The Proponent shall provide, as part of regulatory applications, the worst-case scenario estimate for water quality predictions for Geona Creek and Finlayson Creek, and responsible regulatory authorities shall use this data to reduce the uncertainty in water quality predictions for the Project and establish appropriate water quality standards or objectives.		New Term	[2022-06-15] New term requiring that water quality modelling predictions including the worst-case scenario are provided to regulators. [2024-03-08] Term has been revised to clarify what is required during the regulatory review process and why the information is necessary.
35	N/A	The Proponent shall develop an updated Water Quality Model and a comprehensive Adaptive Management Plan to be included in the licensing process. The AMP should address potential changes in WQ in Geona Creek d/s of the CWTS.	The Proponent shall develop an updated Water Quality Model and a comprehensive Adaptive Management Plan to be included in the licensing process. The Adaptive Management Plan shall address potential changes in water quality in Geona Creek downstream of the constructed wetland treatment system. The		New Term	[2022-06-15] New term added to require updated modelling and AMP for the regulatory licensing process. [2024-03-08] Term has been revised to remove acronyms. Term has been modified to clarify that the Adaptive Management Plan will include proactive responses. To address Kaska concerns about

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			Adaptive Management Plan shall include early warning triggers and identify effective and timely mitigation measures to ensure protection of water quality.			monitoring being in place only to identify impacts but not having measures in place to avoid impacts.
36	N/A	The Proponent shall develop and implement adaptive management measures based on monitoring for the onset of acidic conditions, that allows for early detection, management, and mitigation of acidic conditions and metal leaching developing on site.	As a part of regulatory applications, the Proponent shall develop and implement adaptive management measures based on monitoring for the onset of acidic conditions, that allows for early detection, management, and mitigation of acidic conditions and metal leaching developing on site during operations, closure and post-closure.		New Term	[2022-06-15] Term has been modified for clarification and is now included as a specific mitigation instead of a s.110(b). [2024-03-08] Term has been revised to clarify what is required during the regulatory review process and ensure this term applies to all project phases.
37	N/A	The Proponent shall develop an ambient air monitoring and adaptive management plan for all Criteria Air Contaminants (CACs),	The Proponent shall develop an ambient air monitoring and adaptive management plan for all Criteria Air Contaminants (CACs),		New Term	[2022-06-15] New term added to ensure that air quality monitoring and associated management plan requirements will

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		based on updated (2025) standards.	based on updated (2025) standards.			comply with the 2025 standards.
38	N/A	The Proponent shall develop a Caribou Effects Monitoring and Mitigation Program, as part of the WPP for review and approval under the QML. The Proponent will provide the proposed program for review to the FCHOC. As described in Mitigation No. 10, the FCHOC will review and provide input on the effects monitoring program that will be incorporated into the approval of the program during the QML review. The Caribou Effects Monitoring and Mitigation Program shall be designed in consideration of the following objectives: 1. Evaluating effectiveness of the Proponent's	The Proponent shall develop a Caribou Effects Monitoring and Mitigation Program, as part of the wildlife protection plan for review and approval under the QML. The Proponent will provide the proposed program for review to the Finlayson Caribou Herd Oversight Committee (FCHOC). As described in Mitigation No. 10, the FCHOC will review and provide input on the effects monitoring program that will be incorporated into the approval of the program during the QML review. The Caribou Effects Monitoring and Mitigation Program shall be designed in consideration of the following objectives:		New Term	[2022-06-15] This term is added to replace and expand on monitoring conditions s.110 C and D. The Caribou Effects Monitoring and Mitigation Program will set out effects hypothesis, clear objectives, methods and adaptive management to ensure that project related effects can be accurately monitored and mitigated, in relation to all stages of the Project. The Program will use existing baseline data, the additional 2 years of data collected by the Proponent (term 11b) and any new range wide data as inputs to understanding project related effects. The development and initiation of this program will provide a robust understanding of project interactions with the FCH. Throughout the life of the Project, the FCHOC will

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		caribou mitigations/Wildlife Protection Plan. 2. Evaluating effects of the Project on disturbance and displacement of the FCH. Consideration of effects at various stages of the Project, including during pre-construction, construction, operations, and closure phase.	1. Evaluating effectiveness of the Proponent's caribou mitigations/Wildlife Protection Plan. 2. Evaluating effects of the Project on disturbance and displacement of the FCH. 3. Consideration of effects at various stages of the Project, including during pre-construction, construction, operations, and closure phase.			have an active role in providing input into the Caribou Effects Monitoring and Mitigation Program through the Wildlife Protection Plan. The FCHOC will review effects monitoring results annually and provide direction to adapt the monitoring program, and/or the Wildlife Protection Plan, as needed. [2024-03-08] Term has been revised to remove acronyms
39			The Proponent shall have a water treatment plant constructed and commissioned prior to placing material in the Class A facility.		New	[2024-03-08] Term has been added to ensure this Proponent commitment is tracked through regulatory instruments.
40			The water quality of any mine affected water flowing into proposed fish habitat offsetting must at a minimum meet the use-protection or		New	[2024-03-08] Term has been added to clarify water quality requirements if fish habitat offsetting is required for the Project.

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			Canadian Council of Ministers of the Environment (CCME) requirements for the protection of freshwater aquatic life.			
41			The Proponent shall undertake the identification of offsetting measures and develop a plan, with the objective to address residual adverse effects to the Finlayson Caribou Herd and their habitat in consideration of the Management Plan for the Northern Mountain Population of Woodland Caribou (<i>Rangifer tarandus caribou</i>) in Canada. The Proponent shall develop the plan in consultation with Kaska, including a schedule for implementation.		New	[2024-03-08] The term has been added to support inclusion of Kaska knowledge and law into the design of any necessary caribou offsetting plan.
42			As part of the Finlayson Caribou Herd Oversight Committee's (FCHOC) review of mitigation and management strategies,		New	[2024-03-08] The term has been added to acknowledge the project location and Kaska concerns about impacts

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			the FCHOC will review and may make recommendations on whether activities on the mine access road, other than for ingress and egress of employees and for site safety, will be suspended for one month in the spring and one month in the fall each year to allow for seasonal migration of the FCH.			from road on caribou seasonal movements.
43				Annually, the Proponent shall submit a financial forecast to the Government of Yukon for the current calendar year, and a financial forecast for the next calendar year. The Proponent shall provide RRDC and LFN with a copy of any financial forecast submitted to the Government of Yukon under this term subject to the	New	[2026-04-10] Financial forecast reporting is intended to give the Government of Yukon an early warning system for financial risk while also more accurately predicting financial benefits, e.g., royalty payments or economic benefits to First Nations. Cash flow stress, deferred capital, inventory buildup, and reliance on optimistic price assumptions reliably precede abandonment. Requiring annual, forward-

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				redaction of confidential material. The financial reports must be sufficiently detailed to provide an understanding of, and a forecast for, the following: a) revenue generated from the Undertaking; b) mineral/commodity sales or transfers; c) capital expenditures; d) costs associated with development, operation, and maintenance of the Undertaking; e) depreciation expectations; and f) expected inventory of minerals at the end of the calendar year.		looking financial forecasts reveals financial risk signals allowing time for preparation and response, ensuring monitoring and management are appropriately aligned with current company and project risk profiles and potentially triggering a security review to reduce the risk of under-secured reclamation obligations with current company and project risk profiles and potentially triggering a security review to reduce the risk of under-secured reclamation obligations.
44				The Proponent shall submit, to the Government of Yukon, a performance audit report on the actual	New	[2026-04-10] Based on the key performance indicators, the Government of Yukon regulator may determine that additional conditions

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				performance of mine components relative to approved design or expected performance. The Proponent shall provide RRDC and LFN with a copy of any performance audit report submitted to the Government of Yukon under this term subject to the redaction of confidential material. a. The report must be of sufficient detail to enable an understanding of current performance and to identify trends that could materially affect mine outcomes. b. The timing and frequency of reporting shall be indicated by the Government of Yukon regulator.		are required, including but not limited to issuance of Inspector's Directions, limitations on authorized activities, or suspension of work until the Regulator is satisfied that the identified risks are adequately addressed. This term is consistent with the recommendations put forward by the Independent Review Board on the Eagle Gold heap leach failure where the Board recommended additional oversight in the design, construction and operation of critical infrastructure and recommended increased performance monitoring throughout the life of a project. This term mitigates risks related to failed mines and environmental liabilities raised by Kaska and reduces the potential detriments of the project.
45				Prior to the commencement of	New	[2026-04-10] Verification that key mining

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				operations of an Engineered Structure, and at any time or frequency indicated by the Government of Yukon, the Proponent shall submit a third-party engineering audit for that facility. The Proponent shall provide RRDC and LFN with a copy of any third-party engineering audit report submitted to the Government of Yukon under this term subject to the redaction of confidential material. The audit must be sufficiently detailed to provide an independent assessment of whether the facility has been constructed and is capable of operating in accordance with approved designs,		infrastructure has been constructed and can operate in accordance with approved designs and performance assumptions will reduce the risk of operational failure, environmental harm, and unplanned shutdowns. Independent engineering review prior to the commencement and periodically during operations provides assurance that critical systems have been properly constructed, commissioned, and are suitable for their intended use. • Reduces the likelihood of infrastructure failure by identifying defects before operations begin. • Lowers the risk of tailings release, contamination, or geotechnical instability. • Reduces the probability of costly unplanned

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				specifications, and operating plans. Each engineering audit must: a) be prepared by a qualified independent professional engineer or engineering firm acceptable to the Government of Yukon; b) be funded by the Licensee; c) assess whether the Engineered Structure has been constructed in accordance with approved designs, permits, and specifications; d) assess the readiness of the facility to operate safely and effectively within its design parameters; e) identify any deficiencies, departures from approved designs,		shutdowns and retrofits during operations. This term is consistent with the recommendations put forward by the Independent Review Board on the Eagle Gold heap leach failure where the Board recommended additional oversight in the design, construction and operation of critical infrastructure and recommended increased performance monitoring throughout the life of a project. This term mitigates risks related to failed mines and environmental liabilities raised by Kaska and reduces the potential detriments of the project.

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				commissioning issues, or conditions that may affect operational performance, environmental protection, or closure obligations, and; f) satisfy any scope requirements identified by the Government of Yukon. Where an engineering audit identifies deficiencies or conditions requiring corrective action, the proponent must address those deficiencies to the satisfaction of the Government of Yukon prior to commencing or continuing operation.		
46				The Proponent shall make reasonable efforts, satisfactory to the Decision Bodies to either enter into a new	New	[2026-04-10] A Socio-economic Participation Agreement (SEPA) is a privately negotiated, legally binding contract between a

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				Socio-economic Participation Agreement (SEPA) or amend any existing SEPA with: a. the Ross River Dena Council; and b. the Liard First Nation.		proponent and one or more Indigenous governments that sets out conditions under which a project with impacts to Indigenous rights may proceed. It typically allocates economic benefits and participation, such as jobs, contracting, revenue sharing, environmental oversight, and governance roles, in exchange for project support and procedural certainty for the proponent. The requirement for a SEPA fosters the development of an equitable agreement that secure meaningful benefits for Kaska and provides an avenue to address concerns about early mine closure and unrealized community benefits.
47				Financial security for the Project should be based upon the peak liabilities in a 5-year period from the point	New	[2026-04-10] The purpose of financial security is to ensure that sufficient funds are available to fully implement closure and

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				of determination and should not account for revenues generated during the closure period.		reclamation obligations in the event of default, insolvency, or abandonment, without reliance on the proponent's continued operation or financial viability. Basing financial security on peak liabilities within a five-year period provides a more risk-averse and precautionary approach to security determination in response to concerns about proponent financial viability and project feasibility expressed by RRDC and LFN during consultation.
48				As a part of the financial review identified in (Term #43) the Government of Yukon should review estimated liabilities for the project and determine if a financial security review is required	New	[2026-04-10] By allowing the Government of Yukon to assess updated financial health estimates following regular financial review and trigger a security review if warranted, this term reduces the risk of under-secured reclamation obligations. It strengthens fiscal protection by

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				outside of the regulated time frame.		ensuring that financial security remains aligned with current project and company risk profiles. This term adds another layer of assurance and provides a tool for ensuring that security amounts remain accurate and up-to-date, in response to concerns about proponent financial viability and project feasibility expressed by RRDC and LFN during consultation.
49				The Proponent shall incorporate into the Operational Plan and shall implement measures and procedures which accommodate the use of the road by persons holding valid authorizations under the Resource Roads Regulation for the purpose of exercising existing or asserted	New	[2026-04-10] This new term seeks to prevent potential barriers to access that could be encountered by persons seeking to exercise asserted or established Aboriginal or treaty rights in the Kudz Ze Kayah area. This Term ensures that persons who apply for authorization under the Resource Roads Regulation and hold valid authorizations have

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				Aboriginal or treaty rights. The Permittee shall not impose restrictions or requirements that would materially impede access by access authorization holders, except where necessary to address reasonable concerns respecting safety, environmental protection, or the operational integrity of the road.		reasonable use of the Resource Road.
50				The Proponent shall implement an approved Heritage Resource Management Plan, and site-specific management plans where required, which shall include, but not be limited to, the following measures: a) Effects to known heritage resources	New	[2026-04-10] New term added to ensure a structured approach to identifying, mitigating and managing heritage resources throughout the life of the project.

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				shall be avoided and if they cannot be avoided, effects shall be minimized where possible, or mitigated through systematic data recovery conducted in accordance with accepted archaeological standards. For greater certainty, this requirement does not apply to heritage resources that have been mitigated to the satisfaction of Government of Yukon. b) If a previously unidentified heritage resource is encountered (a “chance find”), the Proponent shall: i) immediately stop work in the vicinity, mark and protect the site; ii) notify RRDC, LFN, and the Government		

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				of Yukon as soon as practicable; and, iii) follow Government of Yukon guidance with respect to the management of chance finds. c) Any materials discovered shall be assessed for potential heritage significance by a qualified archaeologist in consultation with the Government of Yukon and representatives of RRDC and LFN. Based on that assessment, appropriate mitigation measures shall be identified. d) The Proponent shall work collaboratively with the Government of Yukon and representatives of RRDC and LFN to determine and implement actions		

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				required in response to a chance find.		
51				The Proponent shall complete a heritage resource impact assessment prior to undertaking any land-altering activities in areas that have not previously been subject to heritage resource investigations to the satisfaction of the Government of Yukon. Results from HRIAs shall be submitted to the Government of Yukon.	New	[2026-04-10] New term added to ensure a structured approach to identifying, mitigating and managing heritage resources throughout the life of the project.
52				The Proponent shall not undertake land-altering activities within 30 m of a known heritage resource or within 50 m of known human remains, unless otherwise authorized by the Government of Yukon.	New	[2026-04-10] New term added to ensure a structured approach to identifying, mitigating and managing heritage resources throughout the life of the project.

8 Authority

By signing below, the Decision Bodies Government of Yukon have exercised their authority as per YESAA s.76 to issue a decision document on the Project.

Name: Alston Bonamis

Position: Director, Fish and Fish Habitat Protection Program, Ecosystem Management Branch

Phone: 604-340-3359

Email: alston.bonamis@dfo-mpo.gc.ca

Signature: Bonamis, Alston
Digitally signed by Bonamis,
Alston
Date: 2026.04.10 12:54:10
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Date: _____

Name: Deborah Yu

Position: Director General, Explosives, Regulatory and Business Services Branch, Lands and Minerals Sector

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-04'00'

Date: _____

Name: Brooke Gibbons

Position: Assistant Deputy Minister, Executive Council Office

Phone: 867-334-7425

Email: brooke.gibbons@yukon.ca

Signature: Brooke Gibbons

Date: APRIL 10, 2026

9 Distribution

Project Proponent	☒ Yes	☐ No
Other Decision Bodies	☒ Yes	☐ No
MPY, Executive Council Office	☒ Yes	☐ No
YESAB Designated Office	☐ Yes	☒ No
YESAB Executive Committee	☒ Yes	☐ No
Minister of Environment (Canada)	☒ Yes	☐ No
Yukon Surface Rights Board	☐ Yes	☒ No
Yukon Water Board	☒ Yes	☐ No
Land Use Planning Commission	☐ Yes	☒ No
Independent Regulatory Agency	☐ Yes	☒ No
Other Body/Person as Required	☐ Yes	☒ No