



Municipalité de Duhamel

1890, rue Principale
Duhamel (Québec) J0V 1G0

INTERMUNICIPAL MEETING WITH LOMIKO REPRESENTATIVES HELD AT DUHAMEL OCTOBER 23rd, 2023

Participants :

Municipal representatives :

Mr. Alex Lafleur, Deputy Mayor of the municipality of Chénéville
Ms. Louise Boudreault, Councillor of the municipality of St-Émile-de-Suffolk
Mr. Paul Bourgeois, Mayor of the municipality of Lac-des-Plages
Mr. Jean-Paul Descoeurs, Mayor of the municipality of Lac-Simon
Mr. David Pharand, Mayor of the municipality of Duhamel
Ms. Marie-Céline Hébert, Councillor of the municipality of Duhamel
Ms. Denise Corneau, Councillor of the municipality of Duhamel
Mr. Raymond Bisson, Councillor of the municipality of Duhamel
Mr. Michel Longtin, Councillor of the municipality of Duhamel
Mr. Noël Picard, Councillor of the municipality of Duhamel

Lomiko representatives :

Belinda Labatte, CEO and Director
Gordana Slepcev, COO
Vince Osbourne, CFO
Brad Barr, Environmental coordinator

Representative of Investissement Québec

Mr. Patrick Daher

Words of Welcome

Mr. Pharand welcomes the Lomiko team and the elected representatives of the municipalities, and mentions the intention to create an intermunicipal mining committee in the coming months.

1. Lomiko's vision of critical minerals :

Ms. Labatte uses "Power Point" to present Lomiko's vision, preliminary schedules and to provide clarifications on possible access road options, power line routes and the results of SoftDB's 2022 noise studies. (See attachment)

1.1 Memoir discussion

Ms. Labatte confirms that she has submitted a memoir/brief to the Minister of Natural Resources and Forestry.

Mr. Pharand points out that many of Lomiko's demands are in line with those of the "Mémoire des municipalités".

2. The global importance of graphite and the reduction of greenhouse gas emissions at Lomiko

Ms. Labatte mentions that following China's announcement that it will no longer export graphite, graphite will be in high demand, and that Lomiko wants to develop graphite responsibly to ensure that Quebec's and North America's critical mineral needs are met as part of the transition to green energy.

She informed elected officials that the La Loutre graphite project is located on the unceded territory of the Kitigan Zibi Anishinbeg First Nation, and that Lomiko wants to work with their representatives.

All mining project studies are available on Lomiko's website, and specific community engagement and environmental baseline studies can be found on the community page. Lomiko offers both English and French versions.

The project is scheduled to last 15 years, depending on demand for graphite, which may be longer, and on the resources to be established in the pre-feasibility study.

Question from Mr. Pharand : If production increases from 15 to 30 years, will you reduce productivity or find other deposits to keep production going?

Ms. Labatte : Studies are needed to calibrate the volume to meet market needs and, as far as resources permit.

Question from Mr. Pharand : Does this mean you're going to open up other deposits and bring graphite to La Loutre to make the plant profitable?

Ms. Labatte : We don't know if the claims we have are economically viable, and we'll have to see what we can do in the future. Lomiko is exploring other properties in the region and, while the results are promising, they do not guarantee the discovery of other deposits. A great deal of work and study is still required to determine the economic viability of any deposit, including La Loutre.

3. Answers to questions from Duhamel Town Hall

3.1 Are you planning a dedicated power line for the La Loutre project?

Ms. Labatte mentions that preliminary consultations have been held with Hydro-Québec. Further feasibility studies have not yet been carried out. Two options for extensions to the existing network have been presented by Hydro-Québec. Ten thousand megawatts are needed for the project. (see map)

Mr. Pharand mentions his concern about the need for electricity for industry. Citizens already have to live with numerous power outages.

This power line will be a dedicated line installed to supply power to Lomiko directly without impacting the local grid.

3.2 Should we be concerned about truck traffic on Duhamel roads? If so, on which road ?

Lomiko is studying several options, including existing logging roads, Route 323 and Route 315. The aim is to minimize the impact on residents. Citizens will be consulted. (See map)

Lomiko plans to use electric trucks to transport materials via a new road. Contacts have even been made with the local Lion Electric group regarding the recharging network and the use of its trucks to transport products.

Who do you think you will be selling your graphite to?

Ms. Labatte mentions that there is a possible processing project in Bécancour. There is the possibility of processing graphite in the region too, and having a regional solution.

New gigafactories are being built in Quebec, Ontario and the United States, and further studies are needed to understand the customer base.

3.3 At the time the Carmin claims were acquired, did you know that there were approximately 20 taxpayers on Lac la Rouge?

Ms. Labatte mentions that Lomiko is aware that there are many cottages in the area near Papineau-Labelle Park.

3.4 What are Lomiko's activities for the next 14 months and 2025?

Ms. Labatte confirms that drilling has been completed for exploration. Geotechnical exploration remains a necessity. The pre-feasibility phase will be completed by 2024, with financing and a strategic partner. The feasibility study is scheduled for 2025.

Lomiko plans to carry out engineering studies over the coming winter and summer, as well as geotechnical drilling and test pitting. For any future drilling, SoftDB will contribute to noise studies and designs to minimize noise. We also plan to carry out field work at Carmin over the next week, and have applied for a drilling permit at Carmin.

4. Environment, noise and tailings:

The aim of the mining project is to have electric vehicles on site, therefore less noise.

Mr. Pharand mentions that the local population is afraid of reliving what they experienced during operational drilling (7/7 days, 24/24 hours) and that the effects of blasting are not only noise, but also vibrations.

Lomiko has stated that blasting will have no impact on the foundations of houses at Lac Dore, and will not cause any movement of materials outside the mining areas.

In addition, Lomiko will study the foundations at Lac Dore before construction begins to establish a baseline.

Mr. Pharand mentions dust from mining operations and tailings storage.

Ms. Labatte confirms that dust management is part of daily mining operations and is easily managed by water trucks and water spraying along the roads.

Lomiko will monitor noise during exploration activities and design berms around the project perimeter to prevent noise, as well as erecting fences to prevent animals from entering the work area.

5. Community engagement

Ms. Labatte mentions the possibility of summer shutdowns to accommodate the tourist season and minimize the impact on local residents, allowing them to enjoy the outdoors, as well as on Sundays.

The La Loutre project has the potential to supply enough graphite to manufacture 315,000 vehicles per year.

6. Questions – misc

Mr. Pharand mentions that the municipality of Duhamel and lake associations have tested the water in lakes and certain streams.

Ms. Labatte suggests sharing or exchanging water test results to avoid duplication of field work.

Ms. Labatte says that whatever the Ministry of the Environment requests in the way of studies or tests will be carried out. Lomiko will carry out all required environmental studies in accordance with current regulations.

Lomiko has confirmed that it will provide support and funding if the municipality wishes to conduct an independent review of our study results using a third party.

Reclamation - we discussed the possibility of backfilling the open pits with waste to make them comparable with the original conditions. In addition, Lomiko has proposed to municipalities the use of mining waste as aggregate for road rehabilitation and for sale. Mr. Pharand recognizes that there are many gravel roads to be maintained in the region, and that crushed rock would be a valuable source of aggregates.