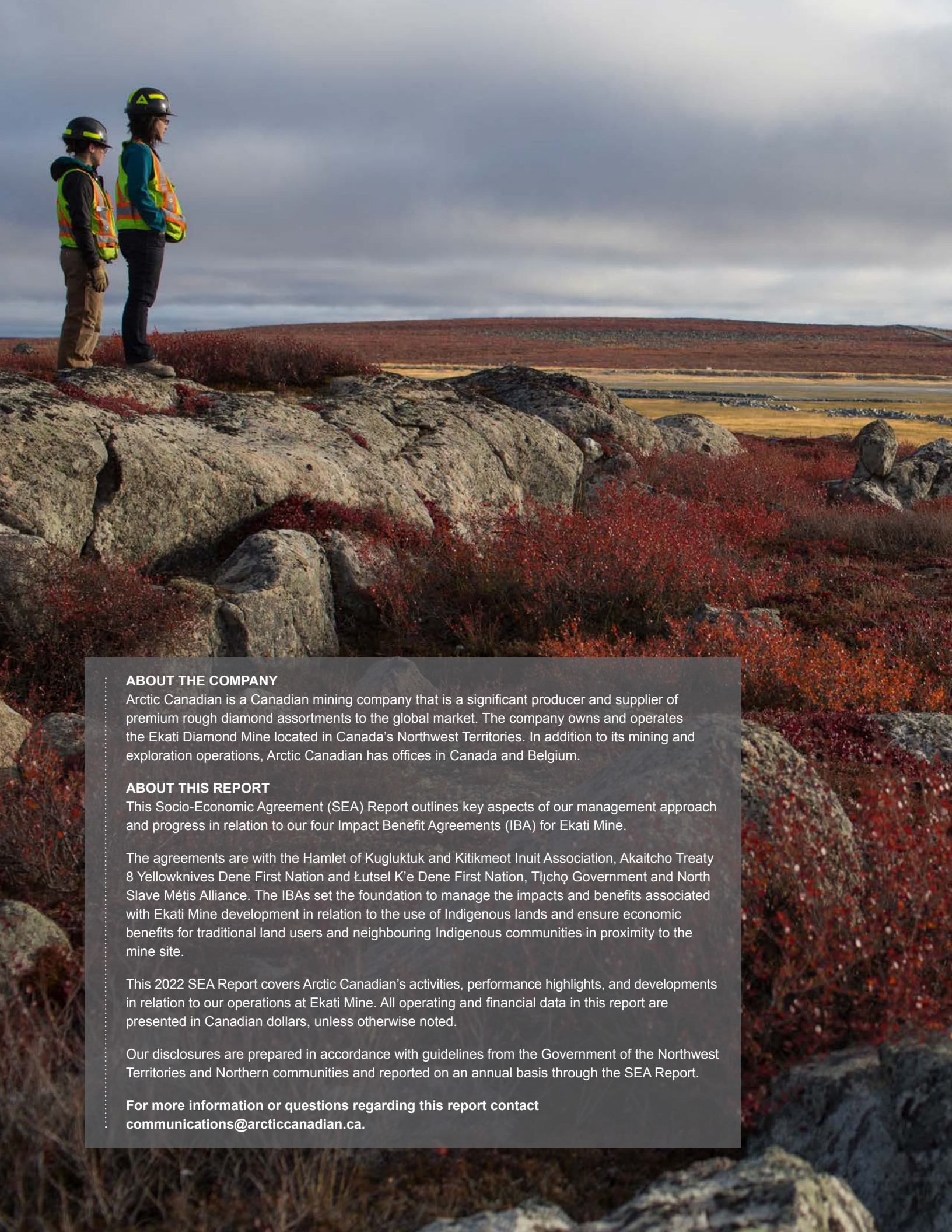


2022

# SOCIO- ECONOMIC AGREEMENT REPORT

 ARCTIC CANADIAN  
DIAMOND COMPANY  
*Naturally Beautiful. Mined Right.*





#### **ABOUT THE COMPANY**

Arctic Canadian is a Canadian mining company that is a significant producer and supplier of premium rough diamond assortments to the global market. The company owns and operates the Ekati Diamond Mine located in Canada's Northwest Territories. In addition to its mining and exploration operations, Arctic Canadian has offices in Canada and Belgium.

#### **ABOUT THIS REPORT**

This Socio-Economic Agreement (SEA) Report outlines key aspects of our management approach and progress in relation to our four Impact Benefit Agreements (IBA) for Ekati Mine.

The agreements are with the Hamlet of Kugluktuk and Kitikmeot Inuit Association, Akaitcho Treaty 8 Yellowknives Dene First Nation and Łutsel K'e Dene First Nation, Tłı̨chǫ Government and North Slave Métis Alliance. The IBAs set the foundation to manage the impacts and benefits associated with Ekati Mine development in relation to the use of Indigenous lands and ensure economic benefits for traditional land users and neighbouring Indigenous communities in proximity to the mine site.

This 2022 SEA Report covers Arctic Canadian's activities, performance highlights, and developments in relation to our operations at Ekati Mine. All operating and financial data in this report are presented in Canadian dollars, unless otherwise noted.

Our disclosures are prepared in accordance with guidelines from the Government of the Northwest Territories and Northern communities and reported on an annual basis through the SEA Report.

**For more information or questions regarding this report contact  
[communications@arcticcanadian.ca](mailto:communications@arcticcanadian.ca).**

## PRESIDENT'S MESSAGE

Arctic Canadian is pleased to present the 2022 Socio-Economic Agreement (SEA) Report for the Ekati Diamond Mine, in which we describe the results of our commitments to the Government of the Northwest Territories (GNWT) as set out in the SEA.



We have made significant progress on our goals after ramping up and restarting our mining operations at Ekati Mine in 2021. The commitments we have with our Northern community partners are focused on providing employment and

training opportunities for Northerners; a safe and healthy environment for our workers; operating in a respectful way with every care taken to minimize the environmental impact of our operations on the land; business opportunities for our Impact Benefit Agreements (IBA) partners and other Northern businesses; and positive socio-economic benefits to the North in general. We are pleased with the progress we made to deliver on our responsibilities under the SEA.

We continue to place a key focus on continuously improving our safety culture and performance. Amidst the sixth wave of the COVID-19 pandemic in the first quarter of the year, we remained resolute in our commitment to protect our workforce. Taking a holistic approach to health and wellness, we developed a comprehensive mental health strategy and gradually lifted COVID-19 restrictions across the organization. We also implemented additional safety programs to improve personal responsibility and accountability for safety. These multi-year safety initiatives focus on reducing hazards and identifying near-miss incidents in the workplace by proactively identifying risks and continuing to reinforce the importance of safety during our daily Safe Shift Meetings.

We were also pleased to make significant progress on the Point Lake Project in 2022. This conventional open pit project is critical for our vision to significantly extend mine life through the testing and ultimate implementation of underwater remote mining at Ekati Mine. Through working collaboratively with stakeholder groups, including the GNWT, our IBA partners, and other interested parties, we were successful in securing all necessary permits to proceed with the project. Development of the Point Lake Project in 2022 included the completion of the fish-out of Point Lake and phase one of the dewatering process.

The Ekati Plus Community Development Program is a community initiative set up to give back through providing financial assistance and in-kind support for sustainable projects that benefit the North. Programs like Ekati Plus and the additional efforts made to focus on increased employment opportunities in professional occupations and trades continue to move us towards contributing and investing in Northern communities. This year, primarily in the third and fourth quarter, we held open houses and career fair events, and expanded the Arctic Canadian Apprenticeship Program. We worked collaboratively with community members, local colleges, and industry associations, to raise awareness about employment opportunities at Ekati Mine to attract Northern talent.

I am proud of our achievements this past year and look forward to continuing to improve on our SEA performance as we build and strengthen our relationships with all stakeholders in the year ahead.

A handwritten signature in black ink, appearing to read 'Rory Moore'.

**Rory Moore**  
President and CEO

## MISSION

To create a brilliant and prosperous future in the North through the ethical and innovative mining of natural diamonds.

## VALUES

Our values communicate what matters most to us at Arctic Canadian and our commitment to our employees, our stakeholders, and the Northern communities we reach. Our values influence the decisions we make and how we evaluate ourselves. We believe that working and living in alignment with our values is essential to our success.

# WE...



### PROTECT

**We care deeply about our people, the environment, and Northern communities.**

Care is at the center of what we do and each decision we make. We care about the safety of our people and those around us who are impacted by our operations. We live this value by treating every person with respect and by defending the rights of our people. We safeguard the communities and the environment in which we operate. We support the communities by listening with the intent of understanding before we act.



### COLLABORATE

**We understand that the team is stronger than the individual.**

We believe our people are at the core of our organization and our success comes from working together. We take pride in the diversity of our workforce and our inclusive environment, and that we collaborate with each other to create the best solutions for the challenges we must overcome. We communicate openly, we ask for help, and we believe our success is ours to celebrate together.



### DELIVER

**We take ownership of our responsibilities.**

We accept our responsibilities and fulfill our commitments by acting with integrity in all that we do. We are accountable to each other, our stakeholders, and the communities of the North. We support each other in achieving our objectives.



### INNOVATE

**We persevere and find solutions to our challenges.**

We succeed through our culture of innovation, challenging the status quo and embracing lifelong learning. Our commitment to the longevity of Ekati Mine and creating a future means that we will continuously improve, innovate, and thrive.

ARCTIC CANADIAN IS PROUD TO  
MAINTAIN OUR COMMITMENTS TO:

# Safety Environment Communities



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## HEALTH AND SAFETY

At Arctic Canadian health and safety are foundational to everything we do. In 2022, we continued to enhance our health and safety measures with the goal of improving our overall safety culture, the well-being of our workers, and the performance of our operations.

As an organization, we believe that working safely always takes priority over getting the job done faster. This is why we communicate and educate our workers on Arctic Canadian's clear safety expectations, implement robust procedures, and provide the leadership and training needed to uphold a strong safety culture.

Our Health and Safety Management System (HSMS) provides the framework for how we conduct our operations. Our workers participate in the development and evaluation of our HSMS through hazard reporting, health and safety committees, management of observation programs, and union participation in rule revisions.

**We work closely with leaders and departments across the organization to ensure that effective process controls and compliance systems are in place to support our HSMS framework.**

In 2022, our focus continued to be the overall improvement of our safety culture, including identifying and mitigating risks, tracking and reporting safety data, appropriately responding to incidents, and enhancement of workplace engagement on safety. To address these elements, we launched the Courage to Care Campaign, a multi-year initiative that will continually review and

improve our health and safety performance for positive impact across our operations.

## COURAGE TO CARE CAMPAIGN

The Courage to Care Campaign is an initiative aimed at helping us better understand the key leading indicators that impact the safety performance of our operations. The campaign focuses on providing our front-line supervisors with the right tools and resources needed to support our workers.

As part of the process, we interviewed supervisors and collected data to identify the challenges they face. We then used the information to develop the following solutions to help them overcome these barriers:

- Restructuring our daily Safe Shift Meetings to encourage more interaction and feedback between leaders and our workers.
- Enhancing our existing training modules to update our front-line supervisors' technical knowledge.
- Providing leadership training on interpersonal skills, conflict resolution, and better communications with our workforce.
- Redefining front-line supervisor roles and responsibilities around health and safety practices, time allotment, giving direction, and setting expectations with direct reports.

Based on these actions, by the end of the year we saw a decrease in worker-related injuries. To promote better hazard recognition and reporting, we also launched Within A Whisker, a program that focuses specifically on hazard mitigation and encourages innovative ideas from our workforce to improve safety in the workplace.



**In 2022, our focus continued to be the overall improvement of our safety culture.**

### **WITHIN A WHISKER PROGRAM**

The Within a Whisker Program was launched in March 2022, as part of the Courage to Care Campaign. The program is designed to increase and sustain the reporting of potential work hazards or near misses and their mitigating controls, resulting in improved safety performance and culture across the organization.

By the end of the year, Within a Whisker generated a total of 162 entries related to potential work hazards identified by our workers, along with suggestions on how we can mitigate or remove these hazards from the workplace.

**Fifty individuals were recognized through the program for their innovative ideas.**

### **Examples include:**

- Installing flashing beacons on various types of mobile equipment to improve visibility and identification when the vehicle is stopped.
- Limiting wildlife encounters by using drones to scan the work areas prior to workers heading out to perform fieldwork.
- Installing mini-wheels on the bottom of doors for some of our heavy-equipment machinery so they open with less resistance, thus reducing the potential for sprain and strain injuries.

Entries were reviewed by the Occupational Health and Safety Committee and where applicable, immediate actionable items were put into practice. Additional items are being considered as part of our 2023 business plan.



Proactive identification and reporting of hazards and near misses by our workers has more than doubled to 5,211 in 2022, compared to 2,565 in 2021. This significant improvement is the result of the collaborative efforts of our workers and leadership across the organization to identify, control, and mitigate risks in the workplace.



## SAFETY PERFORMANCE

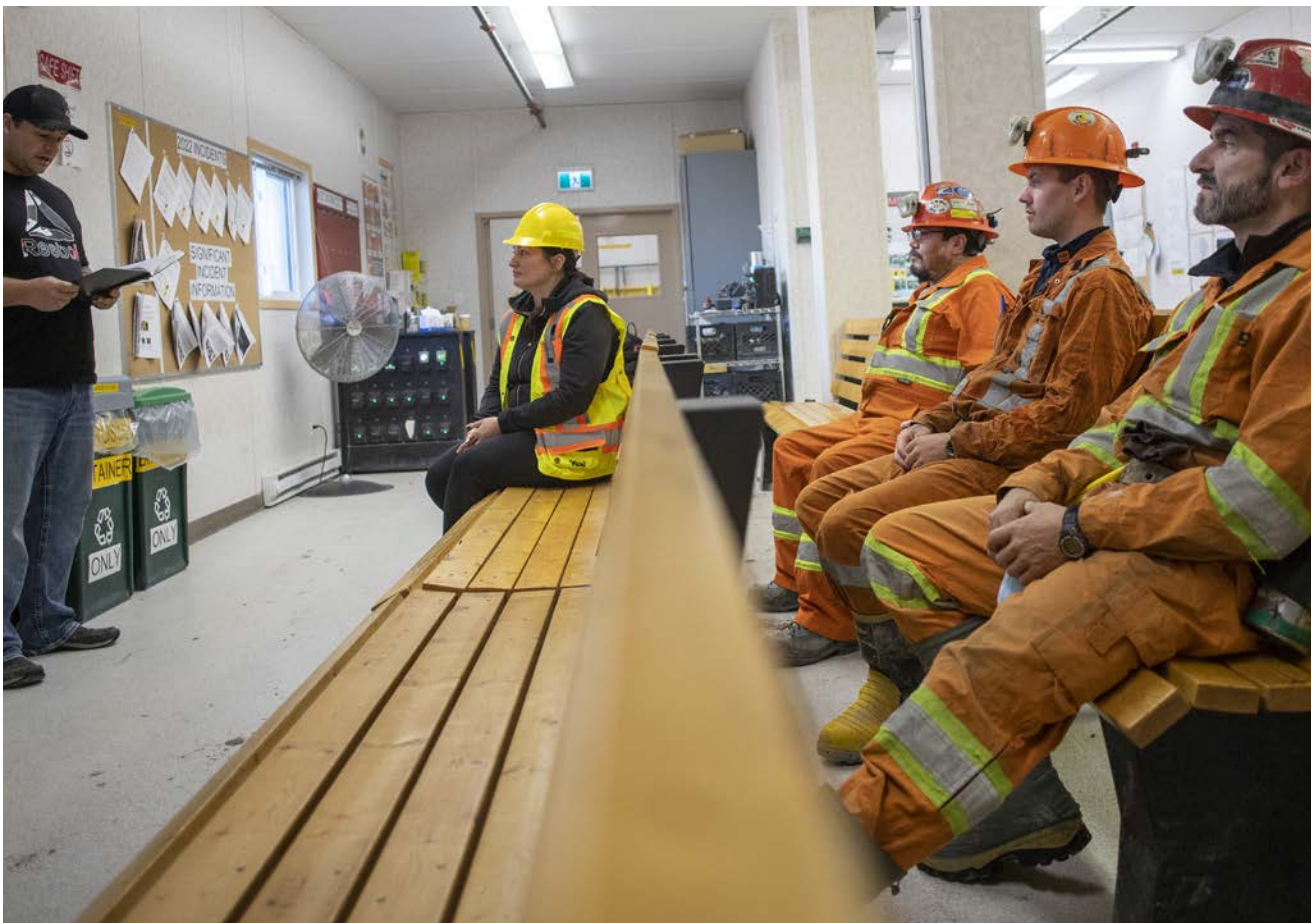
A key indicator for measuring safety performance is through the All-Injury Frequency Rate (AIFR), which includes lost-time injuries, restricted work duties, and medical treatment cases. The AIFR is calculated per 200,000 worker hours. An AIFR rate of 1.00 or lower is considered industry best practice in safety performance.

In 2022, Arctic Canadian set an AIFR target of 0.74. Our performance was short of target with an AIFR rate of 0.90. Although the target was missed, there was a consistent downward trend in injury rates in the last quarter of the year. The Courage to Care Campaign has improved our hazard reporting practices by helping workers proactively identify and address potential work hazards and near misses before they become incidents.

It is through instilling a safety culture that we will continue to focus our efforts on reducing injuries to

meet our AIFR targets and improve our overall health and safety performance. Through the Courage to Care Campaign, we will continue our commitment to strive towards our goal of maintaining strong hazard reporting and risk-mitigation practices throughout 2023 and beyond.

**We'll also continue to audit our daily Safe Shift Meetings for quality engagement and discussion regarding safety risks in the workplace and ensure that workers have access to training and development opportunities.**





## INDUSTRY COLLABORATIONS

Arctic Canadian continued our active participation in quarterly and ad hoc meetings with the Northern Mine Safety Forum and the Mining Safety Roundtable to support incident learnings, COVID-19 best practices, and innovation. These collaborations help us continue to improve our health and safety practices by providing a forum for knowledge sharing and discussion regarding innovation and industry best practices.

## EMERGENCY RESPONSE MANAGEMENT

Effective emergency response management is integral to protecting our workers, the environment, and our operations. In 2022, we facilitated two five-day basic mine rescue courses and added 19 new members to the team. Ekati Mine also facilitated a third party trainer to teach a five-day National Fire Protection Association Rope Rescue Level 1 course on-site. This course provided members with in-depth knowledge to respond to high-angle incidents and each participant received a professional board certification upon the successful completion of the course.



## ⋮ Mutual Aid Exercise

Ekati Mine hosted a successful and extensive mock emergency response exercise with our mutual aid Emergency Response Team (ERT) partners, Diavik Diamond Mine, Gahcho Kué Mine, and the Incident Management Team (IMT) in September. The initiative involved 44 personnel (ERT, IMT, and Physician Assistants) and 15 site representatives from the three mine sites.

The scenario involved a loader operator who inadvertently buried a colleague in a hopper. The loader operator exited the cab of the loader and the loader rolled backwards, impacting multiple work areas and causing injuries to nine personnel. Emergency Response Team members from the three mine sites utilized vehicle extraction tools, high angle rope rescue, technical rescue techniques, and medical aid to support those in need.

Emergency response mutual aid training is critical for handling a major or prolonged emergency that could occur at our remote mine site. This exercise highlighted the collaboration, teamwork, and support required for such an event. A debrief of the mutual aid exercise was held and continuous improvement actions were identified, such as strengthening our crisis management and communications response procedures, and the importance of continuing to onboard new members of the Crisis Management Team.

## HEALTH AND WELLNESS

The well-being of our workers is of the utmost importance and something our Leadership Team fully supports.

**We strive to foster a healthy work environment that enables our workforce to contribute their best every day.**

In 2022, we took a holistic approach to improving health and wellness across the organization by focusing on several initiatives and activities that enabled better access to health and wellness resources for our workforce. Actions included launching an Emerging Safety Plan to help gradually ease COVID-19 restrictions on-site, restarting our health surveillance testing program for our workers at Ekati Mine, providing additional training resources for our on-site Physician Assistants (PAs) and developing a comprehensive mental health strategy to be rolled out across the organization in 2023.



## **EKATI MINE HEALTH SURVEILLANCE PROGRAM**

The purpose of the Health Surveillance Program is to understand exposure and occupational health risks to our workforce depending on their job at the mine. This is done through a variety of tests, which can include respiratory testing, hearing tests, and electrocardiograms to monitor heart health. With the onset of the COVID-19 pandemic in 2020, testing was paused due to public health orders. The program was restarted in the first quarter of 2022 and test rates by the year-end were greater than 73% completion across our workforce. The Health Surveillance Program is instrumental in helping to mitigate potential health concern risks and ensuring that our workforce stays healthy and safe.

## **HEALTH AND WELLNESS RESOURCES**

Our team of PAs at Ekati Mine provides a full range of medical services and testing for both occupational and personal health matters. Their interventions play a valuable role in keeping our workforce healthy while working at the mine, which is located a significant distance from traditional healthcare facilities.

To further aid the physical and mental wellness of our workers, Arctic Canadian has a fully equipped gym at Ekati Mine, which includes a wide range of cardio equipment, weight machines, and free weights, as well as a gymnasium equipped with a running track and squash courts. In addition, we also reintroduced our massage therapist services at the site, which launched in January 2023.

## **MENTAL HEALTH**

Mental health is a critical component of being fit for work and those struggling with mental health issues can experience cognitive and physical fatigue, which can impair decision-making, decrease reaction time, and attention to detail, resulting in an increase of safety incident rates. It is imperative that our workers feel psychologically safe in the workplace to help prevent harm to themselves or others, and that resources are accessible for support.

In 2022, we built a mental health strategy focused on finding innovative ways to prevent and address mental health issues for our workforce. The framework includes:

- Prevention and promotion programs for decreasing stigma around mental health issues with active support from leaders.
- Training for PAs to deal with mental health incidents.
- Educating our workforce on mental health resources that are available.
- A commitment to continue to weave positive mental health practices into Arctic Canadian's work-place culture through empathetic leadership and open communications.

The strategy will be rolled out in 2023 across the organization. Currently, Arctic Canadian offers mental health support resources through the LifeWorks Employee & Family Assistance Program, which includes a wide range of services, such as counselling for employees and their families, stress management, support for those struggling with addictions, and work-life balance practices.



## EMERGING SAFELY FROM COVID-19

As worldwide key health indicators and trends improved and daily case counts decreased, Arctic Canadian took a phased approach towards transitioning and easing restrictions at Ekati Mine, with an emphasis on the wellness and safety of our workers as a top priority.

**Our Health and Safety Team worked in consultation with various stakeholders and in alignment with the GNWT Public Health Guidelines to establish our Emerging Safely Plan for Ekati Mine, which was phased out in four stages:**

1

### Phase one:

- We removed the requirements to complete the self-monitoring form and daily temperature checks, but individuals were still required to report symptoms to the on-site PAs.
- Pre-boarding rapid antigen testing was introduced in January at all fly points as a screening tool to mitigate the risk of transmission prior to arrival on-site. The frequency of PCR testing was reduced to day two and day six on-site, with optional and available outbound testing.
- All individuals deemed low-risk after day two testing were allowed access to the dining room, gymnasium, and recreational areas.
- Self-serving options in the cafeteria were reinstated, as scientific evidence showed that the risk of transmission through food was minimal, yet we continued to enforce good hygiene practices in the kitchens and lunchrooms.

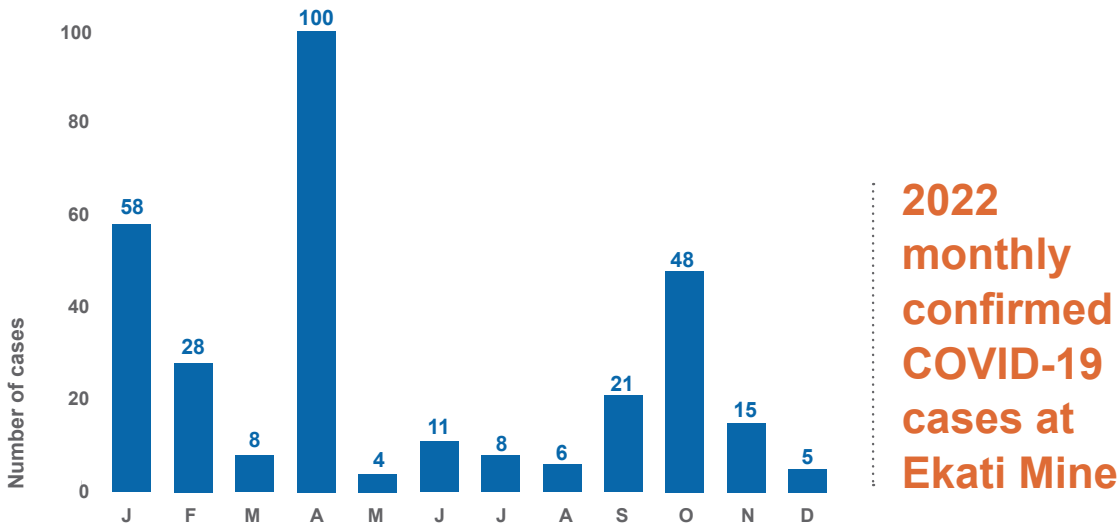
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### Phase two:

- We removed pre-arrival screening and rapid antigen testing at all waypoints.
- The frequency of on-site PCR testing was further reduced to day two and optional on outbound.
- Physical distancing and masking requirements remained in place.



The graph shows the number of confirmed cases on-site in 2022, with January and April having the highest number of cases during the sixth wave of COVID-19 Canada-wide.



**Phase three:**

- Site-wide day two testing was removed, along with on-site restrictions upon arrival to site.
- Only individuals exhibiting symptoms were tested to confirm that they were COVID-19-positive, and were then isolated according to isolation protocols.
- Room occupancy limits and physical distancing were removed while masking requirements remained in place.

**Phase four:**

- Masking requirements were removed but recommended based on personal choice.

COVID-19 cases continued to be managed by following GNWT Public Health Guidelines for isolation periods and notifications were reported to the Workers’ Safety and Compensation Commission when there was a workplace acquisition. During surges, we reinstated mandatory masking to control the number of workplace acquisitions. This was effective in protecting our workers and ensuring the safe continuation of our operations.

In mid-February our workers safely returned to the Calgary corporate office with the implementation of a hybrid work model to enforce COVID-19 controls. This included integration of virtual work and training platforms and safety measures (physical distancing, increased sanitization, personal protective equipment) when in-person meetings were required. These protocols allowed for a progressive return to the office environment after an approximately two-year absence.



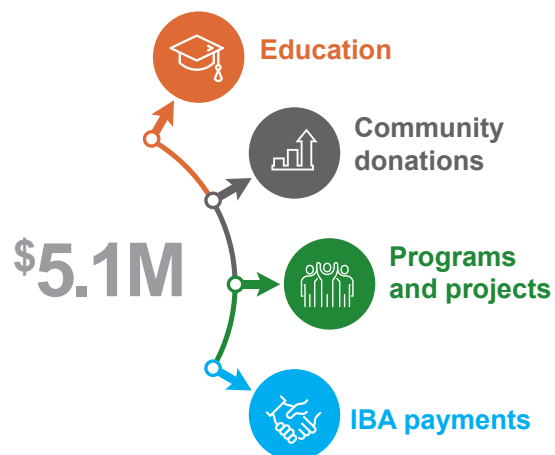
## COMMUNITY DEVELOPMENT

Arctic Canadian is committed to maintaining the relationships we have built over the years with Northern communities and local and territorial organizations.



In 2022, we contributed more than \$5.1 million dollars across the North through IBA payments, community donations, sponsorship of various community programs and projects and scholarships.

**Our efforts were guided by the Ekati Mine Engagement Plan, which outlines activities that play a significant role in maintaining our partnerships with the communities.**







## **Arctic Canadian donates \$20,000 to two Yellowknife-based organizations for youth and seniors**

In partnership with the Union of Northern Workers Local 3050, we have been working with two Northern organizations, Northern Youth Leadership and the NWT Seniors' Society (NWTSS), to give financial assistance where it's most needed. A \$10,000 donation was made to each organization to help fund programming for Northern youth and seniors.

### **Northern Youth Leadership**

Northern Youth Leadership brings together youth from across the NWT for remote land-based programming. The organization facilitates the development of leadership skills and resources needed for youth to overcome challenges, reach their full potential, and create positive change in their communities. "We have been working with Northern Youth Leadership for over 10 years," said Rebecca Plotner, Community Relations Advisor with Arctic Canadian. "It's been gratifying to see the program grow from grassroots to where it is today."

### **NWT Seniors' Society**

NWTSS is a non-profit, volunteer-run organization that provides information and resources for supporting seniors and Indigenous elders. Their programs and services are offered in partnership with the GNWT and various other organizations, and focus on promoting the independence and well-being of older citizens.

The \$10,000 donation from Arctic Canadian will continue to support these programs and ensure that the most vulnerable in the community are cared for. "We believe the efforts of both these organizations, and Arctic Canadian's contributions, play a vital role in allowing Northern communities to thrive and work towards a brighter future," said Plotner.

## EKATI PLUS PROGRAM

Arctic Canadian invests in innovative projects that support healthy, vibrant Northern communities through the Ekati Plus Community Development Program (Ekati Plus Program).

**We identify needs and opportunities, and invest in viable solutions to help communities become resilient, resourceful, and ready for the future.**

The program assists communities to achieve their goals by providing financial assistance or in-kind support for sustainable projects that benefit the people of the North.

In 2022, we focused on fully reinstating the Ekati Plus Program, which was largely scaled back during COVID-19 public health orders. This also included our Post-Secondary Scholarship Program and the School Partnership Program, which are both part of the Ekati Plus Program. We reconnected with various stakeholders and organizations and supported a variety of community development projects.



**Below is a list of community development projects Arctic Canadian supported in 2022 through the Ekati Plus Program:**

- Adopt a Family
- City of Hay River – Flood Relief
- Community Government of Behchokò
- Community Government of Gamèti
- Community Government of Wekweètì
- Community Government of Whatì
  - Fire Department
- CR Oilers Minor Hockey Association
- Denesoline – LKDFN Pop Up Café
- Deninu Kùé First Nation
- Fort Resolution Métis Government
- Hamlet of Kugluktuk
- K'àlemì Dene School
- Kaw Tay Whee School
- Kugluktuk District Education Authority
  - Jimmy Hikok Ilihakvik Elementary School
  - Kugluktuk High School
- Łutsël K'é Dene First Nation
  - Cord of Wood Program
  - Desnedhe Che Spiritual Gathering
  - Shoreline Cleanup Project
- North Slave Métis Alliance
  - Business Development Officer
  - Community Garden
  - Revitalization Project
- NWT Recreation & Parks
  - Walking Challenge
- Potential Volleyball Club
- Polar Pond Hockey Association
- Stanton Territorial Hospital Foundation
- Tide Canada – Leadership
- Tłıchq Community Services Agency
  - Alexis Arrowmaker School
  - Chief Jimmy Bruneau Regional High School
  - Elizabeth Mackenzie Elementary School
  - Jean Wetrade Gamèti School
  - Mezi Community School
- Tłıchq Government
- Yellowknife Seniors' Society
- Yellowknives Dene First Nation
  - Dechįta Nàowo

## COMMUNITY CONSULTATIONS

The Point Lake Project is in the development stage, with open pit mining operations slated to commence in 2023. The project received approval from the Minister of Environment and Natural Resources in May 2022.

### Arctic Canadian consulted with Northern Indigenous communities, government, intergovernmental organizations, and agencies on multiple occasions throughout the year about the Point Lake Project.

Consultation with stakeholders included a Point Lake Project engagement workshop in February and an Ekati Mine tour of the Point Lake Project area in June. The workshop and tour outcomes were helpful for the

Point Lake Project planning process and reflect the collaborative approach between participants and the company.

During the stakeholder consultation process, as part of the regulatory process participants provided valuable insights, recommendations, and discussion on the following topics:

- Wildlife Effects Monitoring Program
- Caribou research, design, and objectives for collar data analysis and regional Bathurst research
- Point Lake Waste Rock Storage Area Design

In June, Arctic Canadian brought the parties to Ekati Mine for a tour of the Point Lake Project area. The workshop and tour outcomes were helpful for the Point Lake Project planning process and reflect the collaborative approach between participants and the company.

As part of our 2023 engagement activities for the Point Lake Project, we will continue to collaborate with communities and regulators on specific details, such as approvals for the design of the Waste Rock Storage Area and the post-closure environmental monitoring at the project site.

The Ekati Plus Program assists communities to achieve their goals by providing financial assistance or in-kind support for sustainable projects that benefit the people of the North. In 2022, we contributed more than \$5.1 million to various initiatives and programs in the North.





## ENVIRONMENT

The Ekati Mine is located in one of Canada's most pristine ecosystems – the Arctic tundra. Preserving this environment and minimizing our operational footprint is of the utmost importance, which is why we are committed to mining in the most environmentally responsible and sustainable way.

### LONG LAKE CONTAINMENT FACILITY RECLAMATION RESEARCH

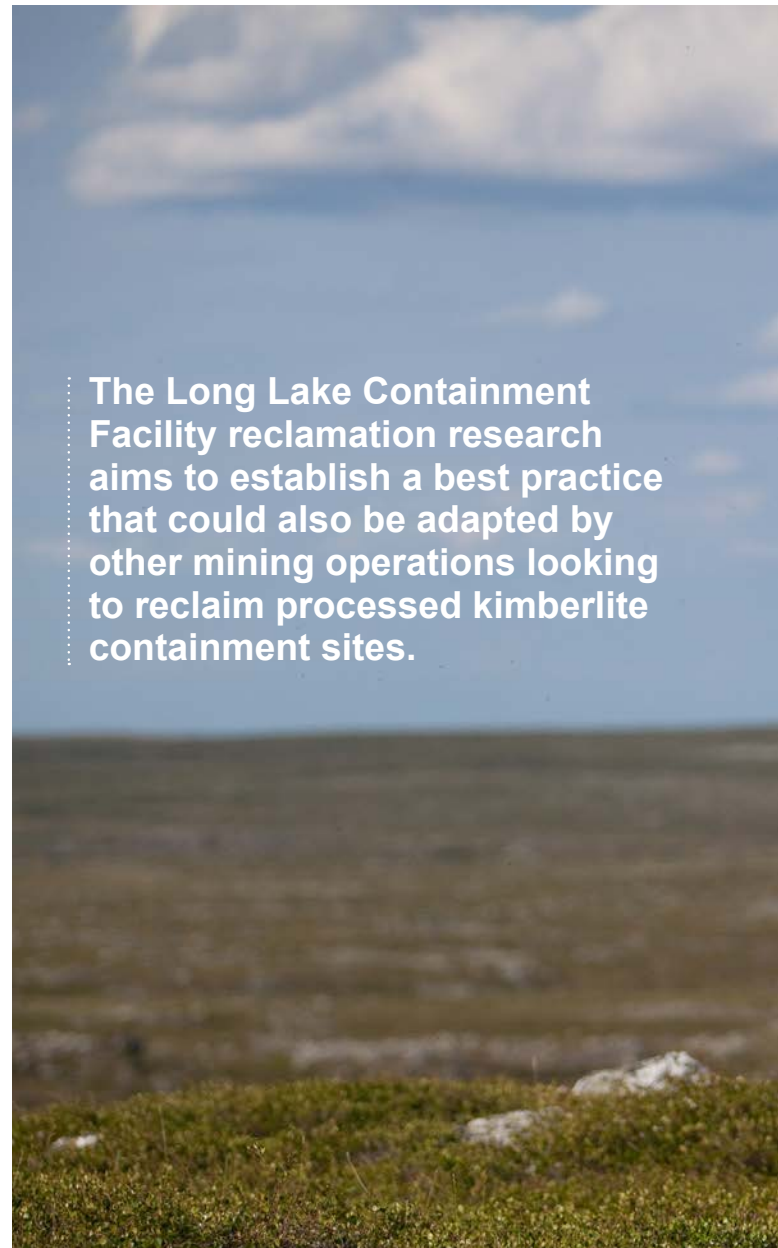
Since 2012, reclamation research has been ongoing at Cell B of the Long Lake Containment Facility (LLCF) with the overall intent of addressing uncertainties with the proposed final LLCF cover design.

Arctic Canadian's short-term research goal has been to establish and evaluate the vegetation growth directly within processed kimberlite (PK). High sodium concentrations and low organic matter content present challenges, but also provide opportunities for innovative research to improve environmental conditions and lead to a final closure design.

The main components of the 2022 LLCF reclamation research included evaluation of soil amendments, rock/vegetation combinations, annual crop cover, plant species trials, Kugluktuk species trial evaluations, mycorrhizae trials, mine-generated organic matter application, seed collection and distribution, and natural vegetation colonization.

The LLCF reclamation research aims to establish a best practice that could also be adapted by other mining operations looking to reclaim PK containment sites.

Annual vegetation monitoring and continued program expansion aid in reaching that goal. Arctic Canadian has included traditional knowledge, scientific knowledge, as well as regulatory and community input as a key component of LLCF reclamation research planning and final cover design. We have been reporting on the overarching closure of the LLCF through reports and studies as well as annual progress reports, and we continue to do so.



The Long Lake Containment Facility reclamation research aims to establish a best practice that could also be adapted by other mining operations looking to reclaim processed kimberlite containment sites.

## FISHERIES

Arctic Canadian is committed to conducting scientific studies in a collaborative, innovative, and progressive manner that can be of an overall greater benefit.

In 2022, Arctic Canadian contributed significantly to the greater body of scientific knowledge on fish populations in Arctic lakes by completing the Point Lake Fish-out Study according to *Fisheries Act* Authorization No. 21-HCAA-02471. Following discussion and engagement with Fisheries and

Oceans Canada (DFO), it was determined that the Point Lake Fish-out Study would use a modified version of Ontario's Broad-scale Monitoring (BsM) Program, adapted to suit the Arctic environment. The BsM Program was developed to improve the understanding and management of fisheries resources by using stratified random sampling (gillnetting) and standardized effort, coupled with fish habitat assessments to determine habitat associations.

### The Point Lake Fish-out Study was successfully completed in the summer of 2022.

This included involvement from Northern community members, and relevant information being shared with DFO to help build the body of knowledge on fish populations in Arctic lakes.

In 2022, Arctic Canadian also completed our first year of fisheries monitoring in collaboration with the community of Łutsel K'e, for the Pike Creek Enhancement Project, as part of the Lynx Offsetting and Fish-out Plans for the dewatering of Lynx Lake (*Fisheries Act* Authorization No.15-HCAA-00266).

Offsetting and stream restoration works were completed in 2018 and included the installation of an all-terrain vehicle bridge, stream bank fortification, and fish habitat and passage improvement. Monitoring in 2022 found that adult northern pike were then able to move into Upper Pike Creek (the remediated portion) with an increase in fisheries production of 85 kg of harvestable (adult) northern pike, compared to pre-remediation work, which fulfills 27% of the 10-year cumulative requirement from the development of Lynx Pit.

Arctic Canadian conducted a smaller non-lethal fisheries study in Connor Lake and its outflow and included this information in the development of a monitoring plan that has been established to detect downstream effects, if any, of dewatering Point Lake.



## DIGITAL DATA COLLECTION FOR THE WILDLIFE EFFECTS MONITORING PROGRAM

In 2022, Arctic Canadian successfully transitioned our traditional extensive data collection under the Wildlife Mitigation and Monitoring Program from manual paper data recording to a digital platform. Consequently, wildlife survey data at Ekati Mine is now being recorded using tablet technology. This digitization optimizes data accuracy and minimizes human error when documenting wildlife-relevant metrics at Ekati Mine. It is also the first step to identifying potential effects to wildlife; e.g., by comparing waste storage performance or wildlife survey observations over time, which can be correlated with wildlife attractants (and therefore potential wildlife-infrastructure interactions) and species presence or absence, respectively.

## POINT LAKE PROJECT

On May 28, 2021, Arctic Canadian submitted applications to the Wek'èezhii Land and Water Board requesting approval of the Point Lake Project. The permitting process carried out was conducted throughout 2021 and into 2022, with the public hearing for the project taking place in November 2021 and closing arguments submitted in February 2022. The official decision to approve the Point Lake Project was delivered from the Minister of Environment and Natural Resources in May 2022. Stage one of Point Lake dewatering and fish-out took place in the summer of 2022. The access road to the future site of the open pit has been constructed.



**Wildlife survey data at Ekati Mine is now being recorded using tablet technology. This digitization optimizes data accuracy and minimizes human error when documenting wildlife-relevant metrics at Ekati Mine, which is the first step to identifying potential effects to wildlife.**

Valuable feedback and traditional knowledge have been incorporated into the project design based on the consultation process. We are currently collaborating with communities and regulators on specific details of the project, including the design of the Waste Rock Storage Area and post-closure environmental monitoring at the project site. Arctic Canadian continues to engage with interested parties to ensure that the Point Lake Project will be executed in an environmentally and socially responsible manner.

## WATER LICENCE RENEWAL

The Ekati Mine Water Licence W2020L2-0004 is set to expire in October 2023, so in early November 2022, Arctic Canadian submitted a Water Licence Renewal Application to the Wek'èezhii Land and Water Board with a proposed new 10-year term.



Arctic Canadian conducted several stakeholder engagement sessions with communities and regulators in the months leading up to the submission. The permitting process for the water licence renewal will take approximately one year to complete and will include both a technical session in Yellowknife and a public hearing in Behchokò.

The water licence renewal process is Arctic Canadian's opportunity to look at the future of mining operations at Ekati Mine and ensure that all critical authorizations are in place to achieve the company's goals.

### Proposals put forth by Arctic Canadian in the Water Licence Renewal Application include:

- Water use allowances to begin progressive reclamation and pit backflooding, as described in the Interim Closure and Reclamation Plan.
- New ways of regulating Waste Rock Storage Area seepage at Ekati Mine.
- Updates to the Surveillance Network Program that will align monitoring requirements with current and future operations.
- Incorporation of new standard conditions that have been developed by the Land and Water Boards of the NWT.

**We will continue working with regulators and Indigenous partners to develop a water licence that is protective of the environment and aligns with Arctic Canadian's vision for the future.**




## ENVIRONMENTAL PERFORMANCE

Arctic Canadian is committed to ongoing environmental compliance with Ekati Mine's regulatory authorizations, including the site's water licence and land use permits. Arctic Canadian performs routine internal inspections on-site, and the mine is visited regularly by the GNWT Department of Lands' Inspector. No major concerns were noted by the inspector in 2022, and no aspects of the operation were deemed unacceptable during inspections.

We are currently planning a trial of the Underwater Remote Mining System at the Lynx Pit. Underwater remote mining would significantly reduce carbon emissions by eliminating waste rock generation, waste rock transport, and blasting from the mining process.

**The company continues to see benefits for existing emission-reduction initiatives such as the composter, the hauling efficiency of the dual-powered road trains, and the recent upgrade to LED lighting, both indoors and outdoors, across the mine.**





## Ekati Mine receives MAX Award for exceptional ESG performance

Ekati Mine is the proud recipient of the 2022 Environmental, Social and Governance Mining and Exploration (MAX) Award. The MAX Awards celebrate excellence across the many areas that our industry contributes to the NWT. MAX Award recipients have played an enormous role in responsible and successful resource development, generating opportunities and demonstrating leadership within their respective categories. Contributions include finding and developing resources, engaging with the public and governments, ensuring Indigenous participation, creating jobs and business benefits, and training Northerners, all of which adds to the well-being of the NWT.

### **The Environmental, Social and Governance Award honors outstanding achievements in two areas:**

- Initiative, leadership, stewardship, and accomplishment in protecting and preserving the natural environment.
- Establishing good community relations during an exploration program or operation of a mine.

“Thank you to the entire Ekati workforce for your contribution to the achievement of this recognition,” said Rory Moore, President and CEO, who accepted the award on behalf of Arctic Canadian.

Gahcho Kué and Diavik Mines were also recognized alongside Ekati Mine in the Environmental, Social and Governance category. The Max Awards Gala takes place yearly in November as part of the Yellowknife Geoscience Forum and is co-sponsored by the NWT & Nunavut Chamber of Mines.



**In April 2022, Arctic Canadian became a member of the Responsible Jewellery Council, the world's leading standards authority for ethically mined jewellery.**

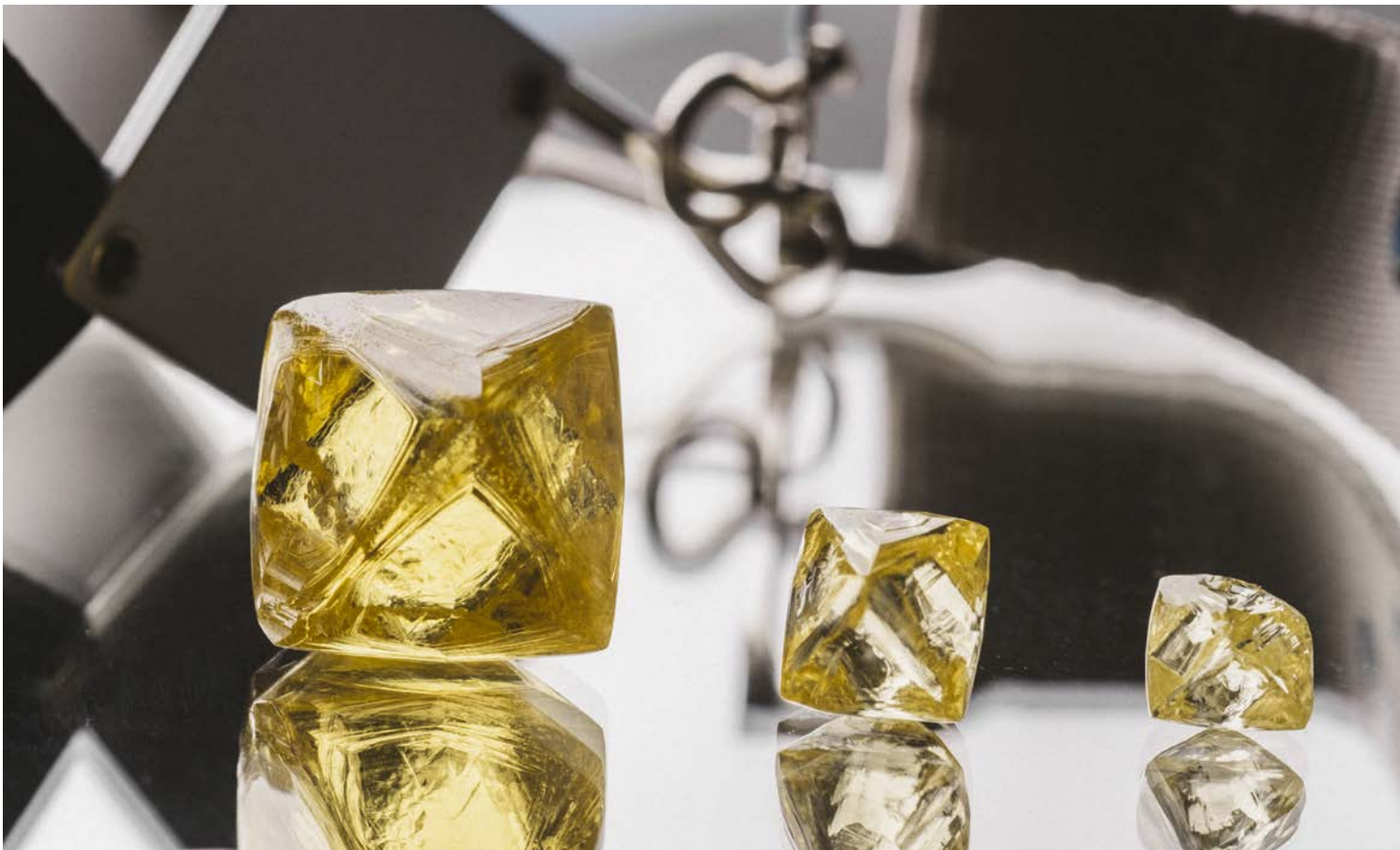
## RESPONSIBLE BUSINESS PRACTICES

In April 2022, Arctic Canadian became a member of the Responsible Jewellery Council (RJC). The RJC was founded in 2005 and has become the world's leading standards authority for ethically mined jewellery.

**Auditors from a third party certification company visited Ekati Mine and the Calgary office in December to audit Arctic Canadian against the RJC Code of Practices.**

A final audit of Arctic Canadian's operations was conducted in the Antwerp office in February 2023. Overall, the auditors found that Arctic Canadian operates in line with RJC standards. A full report of the results will be published by the auditors in the coming months.

Arctic Canadian became a member of the Mining Association of Canada (MAC) in November 2021. Membership provides the company with a strong voice in the Canadian mining industry. Arctic Canadian self-assesses against the MAC Towards Sustainable Mining (TSM) protocols on an annual basis. Examples of protocols from the TSM standard are Biodiversity Conservation Management, Safety and Health, and Indigenous and Community Relationships. The company's performance against the protocol indicators is scheduled to be externally verified by a third party auditor in 2023. Arctic Canadian continues to adapt plans and procedures to align with the evolving guiding principles of the MAC TSM initiative.





## EMPLOYMENT

Cultivating a skilled workforce is critical to Arctic Canadian's growth and success. To attract the best candidates, we maintain a recruitment strategy that encourages a diverse pool of skilled applicants from Northern communities and provides development and training programs that are integral to the a resilient workforce.

The first two months of the year were challenging for everyone associated with Ekati Mine, as the prevalence and impact of COVID-19 resulted in significant disruptions to our abilities to source and hire new employees. Our objectives and intentions are always to hire more workers from the North, but our efforts were hampered by restrictions in activities and access to Northern communities.

This limited our abilities to reach candidates and made it challenging for the completion of pre-employment requirements, such as medical clearances, when access and capacity at medical facilities was extremely stretched. In addition, opportunities for in-person meetings and career fairs were postponed due to public health measures.

**Arctic Canadian remains committed to hiring and developing workers from the North and in partnership with the local communities.**

Despite the difficult start to the year, we did see a slight increase in the hiring of Northern and Indigenous workers, mostly in the second half of 2022, once COVID-19 restrictions were lifted. This is due in part to our outreach efforts, which included career fairs and various community visits to promote employment opportunities at Ekati Mine. These engagement activities will continue in 2023, with additional open house events and career fairs.

As part of our people development strategy, we also created a number of trainee roles targeting Northern workers in the process plant, haul truck operations, and within our Apprenticeship Program. The intent is to provide opportunities for the next generation of Northerners at the mine.





As COVID-19 restrictions impacting Northern communities were lifted, we were able to connect with potential candidates via career fairs and highlight employment opportunities at Ekati Mine.



Job-specific training and adult education initiatives where required, are provided to new hires and existing employees to support their growth and development. In addition, we have created several initiatives to develop individuals on-site and to cross-train several Northern personnel into new and different roles:

1

We trained members of the housekeeping staff into different roles, including operating haul trucks and as dewatering operators at the underground mine.

2

We created four trainee roles for Northern-based employees to undergo a training program as equipment operators.

3

We hired four Northern community members into trainee roles within the process plant on a training progression plan. On successful completion of the program, they will become fully qualified process plant technicians.

4

We further enhanced our Apprenticeship Program. We are committed to hiring up to eight apprentices over the next two years.

These roles will provide opportunities for members of the Northern communities to develop technical and trade skills, in roles such as a millwright, heavy equipment technician, electrician, plumber, and carpenter. Recruitment will commence in January 2023, and candidates will undergo the four-year Apprenticeship Program at Ekati Mine.

## BUILDING STRONGER CONNECTIONS

In September, we hired a Recruitment and Development Coordinator to help us improve the hiring and development of potential workers from Northern communities.

Since her hire, she has focused on building stronger connections with Northern communities by meeting with community leaders, attending career fairs, and various other community meetings. She continues to provide greater understanding and support to community members and organizations with:

- Different types of roles at Ekati Mine.
- Requirements of our recruitment process and the skill sets and education required to work at the mine.
- Supporting community members with the application process for various positions.
- Fostering relationships with education and training providers such as Aurora College.

Prior to hiring a Recruitment and Development Coordinator, the efforts of the Recruitment Team were aided by our Community Relations Advisor who assisted with sharing job opportunities directly to the communities and reviewing postings to ensure inclusive language.

## COLLECTIVE BARGAINING

The collective agreement between Arctic Canadian, the Public Service Alliance of Canada, and the Union of Northern Workers, expired at the end of May. During 2022, negotiations were held between the company and the unions to reach a mutually beneficial agreement. In November, a tentative agreement was reached and a new four-year deal was ratified by both parties in December.

As part of the collective agreement negotiations, Arctic Canadian and the unions agreed to set up a joint committee composed of union members and management to focus on increasing Northern recruitment, progression, and advancement. The first meeting will be held in early 2023 and will focus on establishing terms of reference and proposing various priority areas for review.

## WORKPLACE POLICIES

Arctic Canadian is committed to an inclusive environment that values diversity of thought and individuality – attributes essential to the success and growth of our organization. We have several policies and procedures in place that our workers are expected to adhere to, which ensure that Ekati Mine is a welcoming place for all, including:



**We provide job-specific training and adult education initiatives where required, to new hires and existing employees to support their growth and development.**

## TRAINING AND DEVELOPMENT

As the workforce steadied from the impacts of COVID-19, we were able to prioritize the development of our people with two large technical training projects, achieving favorable results with further development opportunities planned in 2023.

In surface mining, great work was done to cross-train our operators on various equipment using a multi-layered approach, which included the use of simulators, in-field coaches, and trainers. This project helped to improve our resiliency against COVID-19-related-absences, and increased the crew's flexibility on both production and support gear.

In mobile maintenance, external technical training specialists were brought in to facilitate various courses on four key pieces of mining machinery for our heavy equipment technicians. The courses were taught over the span of six months and combined classroom learning with practical field experience. These courses helped drive continuous improvement within our workforce. Additional sessions are already planned for 2023.

## MINE TRAINING SOCIETY

Arctic Canadian re-established our presence as a member of the Board of Directors for the Mine Training Society (MTS) and placed our General Manager of Operations on the organization's Oversight Committee. As the MTS moves through this transition period, Arctic Canadian remains hopeful that the MTS will be able to offer their full suite of training programs in 2023.

## COMMUNITY TOURS AND IBA MEMBER TRAINING

The first of four planned community visits to the Tłı̄ch̄q Region commenced in December. These visits included Ekati Mine workers and corporate office employees participating in a career fair event hosted in Wekweèti. The event was a success with approximately 20 people from Wekweèti attending. Three follow-up visits in the Tłı̄ch̄q Region are scheduled for 2023 and plans are being developed to visit our other IBA communities, and to continue building positive and respectful relationships that further drive opportunities for Northern residents.

## NORTHERN LEADERSHIP DEVELOPMENT PROGRAM

The Northern Leadership Development Program teaches participants valuable leadership lessons and personal insights into problem solving and conflict resolution. This past year, Arctic Canadian celebrated the graduation of three individuals from the program and enrolled two participants in the 2023 cohort. Plans are being developed to support extended learning opportunities postgraduation.

## LEADERSHIP TRAINING

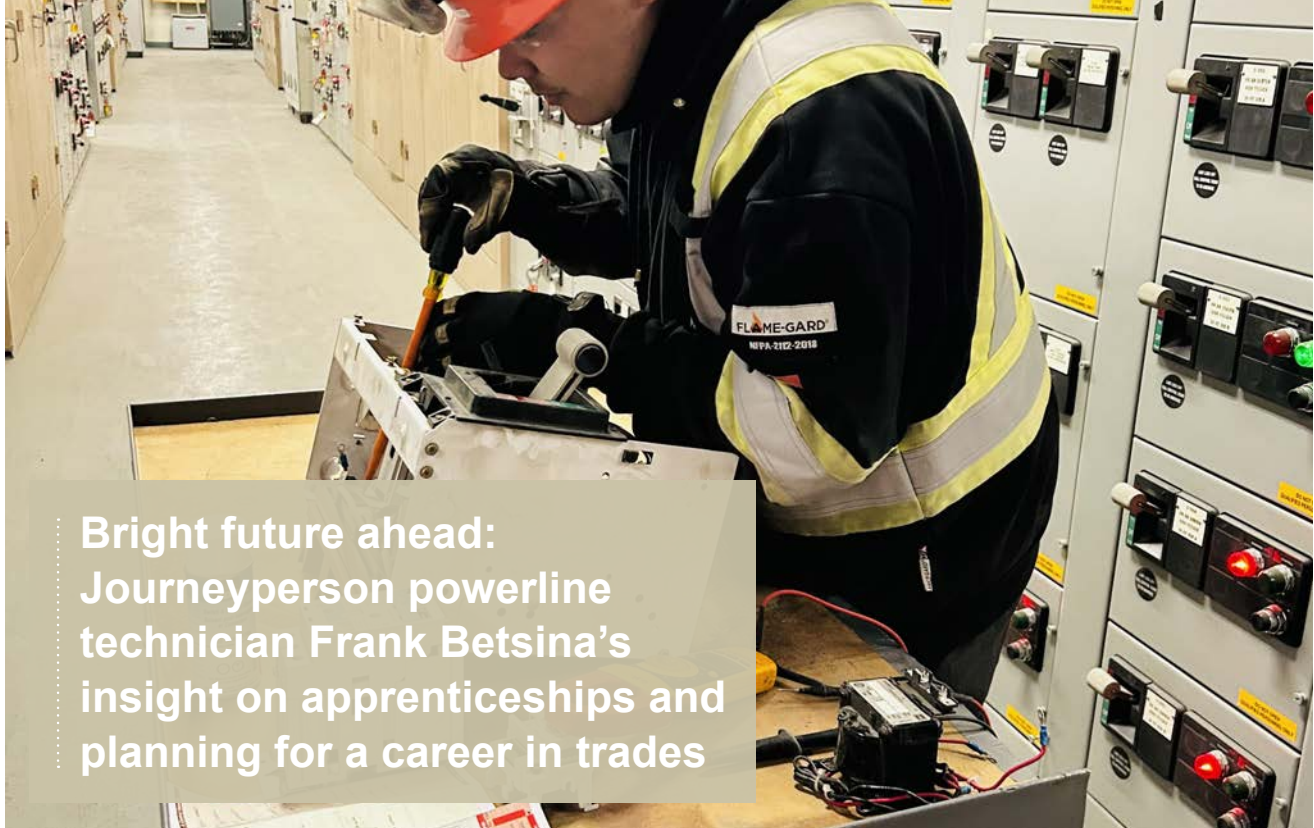
The first phase of a four-part leadership program designed to support our front-line leaders in core leadership competencies was delivered in the fourth quarter. The training was met with positive feedback and was an encouraging step towards building and improving company culture and values. The training also provided opportunities for cross-departmental work, a forum for discussion and knowledge-sharing, and established a foundation upon which future training and development can be built upon.

## APPRENTICESHIPS

**The Arctic Canadian Apprenticeship Program is expanding in 2023, with the addition of up to eight new apprenticeship opportunities over the next two years in the following trades: heavy equipment technician, millwright, electrician, plumber, and carpenter. The Apprenticeship Program has been very successful with 16 apprenticeships currently active at Ekati Mine.**

Arctic Canadian looks forward to supporting the development of this cohort and is very encouraged by the investment in Northern communities.





**Bright future ahead:  
Journeyman powerline  
technician Frank Betsina's  
insight on apprenticeships and  
planning for a career in trades**

The Arctic Canadian Apprenticeship Program offers a combination of on-the-job training, work experience, and technical training from some of the most knowledgeable journeymen in the mining industry.

Frank Betsina is a graduate of the program, having completed his journeyman powerline technician ticket in 2022. He is heading back to school in January 2023 for another four years, as an electrician apprentice, to complete his second trade ticket.

Betsina grew up in Ndilq ('di:loo), a small Yellowknife Dene First Nations community. His father, one of his two brothers and uncles, all work in Operations at Ekati Mine. Having started in the powerline trade very young,

Betsina was looking for an opportunity to expand his knowledge and skills when he saw an electrical apprentice position advertised with Arctic Canadian.

"I wanted to build on my powerline technician apprentice experience, so I asked if I could complete the 1,000 hours I had left in my powerline technician apprenticeship and have the company sign off on my Blue Book to obtain my powerline technician ticket. Now I am working towards my electrician ticket," said Betsina.

When asked about his experience in the program, Betsina mentioned that the most important things are having an open mind and the willingness to learn.

"Although I already had my prior experience to rely on, the journeymen and Management Team at Ekati were always willing to help and teach me. They made sure I was safe, prepared, and had what I needed to get the job done," said Betsina. "I would advise anyone interested in a career in trades to keep an open mind and remain teachable. This will benefit your career overall and it's a big part of becoming a master of your craft."



**If you would like more information about the Arctic Canadian Apprenticeship Program please contact [careers@arcticcanadian.ca](mailto:careers@arcticcanadian.ca) or visit [www.arcticcanadian.ca/careers](http://www.arcticcanadian.ca/careers) to view available job opportunities.**



### Total Workforce

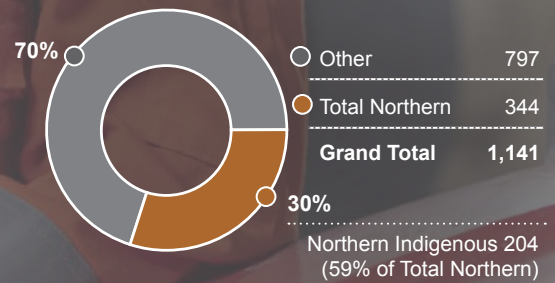


TABLE 1

### Employment by Priority Group

PERSON YEARS	Northern Indigenous	Northern Other	Total Northern	Other	Grand Total	Indigenous
Employees	156	73	229	498	727	198
Contractors	48	67	115	299	414	64
<b>Total</b>	<b>204</b>	<b>140</b>	<b>344</b>	<b>797</b>	<b>1,141</b>	<b>262</b>
<b>By Percentage (%)</b>						
Employees	21%	10%	31%	69%	100%	27%
Contractors	12%	16%	28%	72%	100%	15%
<b>Total</b>	<b>18%</b>	<b>12%</b>	<b>30%</b>	<b>70%</b>	<b>100%</b>	<b>23%</b>

Note: There may be variances in the total numbers presented in the Employment and Business Spend data tables of this report, due to rounding to the closest whole number.

## Employment by Skill Level

**TABLE 2A**  
**EMPLOYEES**  
(person years)

	Northern Indigenous	Northern Other	Total Northern	Other	Grand Total	Indigenous
Management	0	7	7	35	42	2
Professional	1	3	4	65	69	2
Skilled	42	35	77	242	319	56
Semi-skilled	91	24	115	139	254	112
Entry	22	4	26	17	43	26
<b>Total</b>	<b>156</b>	<b>73</b>	<b>229</b>	<b>498</b>	<b>727</b>	<b>198</b>

**TABLE 2B**  
**CONTRACTORS**  
(person years)

Management	1	0	1	3	4	1
Professional	0	1	1	5	6	0
Skilled	5	16	21	180	201	13
Semi-skilled	13	19	32	89	121	19
Entry	29	31	60	22	82	31
<b>Total</b>	<b>48</b>	<b>67</b>	<b>115</b>	<b>299</b>	<b>414</b>	<b>64</b>

**TABLE 2C**  
**EMPLOYEES & CONTRACTORS**  
(person years)

Management	1	7	8	38	46	3
Professional	1	4	5	70	75	2
Skilled	47	51	98	422	520	69
Semi-skilled	104	43	147	228	375	131
Entry	51	35	86	39	125	57
<b>Total</b>	<b>204</b>	<b>140</b>	<b>344</b>	<b>797</b>	<b>1,141</b>	<b>262</b>

**TABLE 2D**  
**EMPLOYEES & CONTRACTORS**  
(% of Total)

Management	2%	15%	17%	83%	100%	7%
Professional	1%	5%	7%	93%	100%	3%
Skilled	9%	10%	19%	81%	100%	13%
Semi-skilled	28%	11%	39%	61%	100%	35%
Entry	41%	28%	69%	31%	100%	46%
<b>Total</b>	<b>18%</b>	<b>12%</b>	<b>30%</b>	<b>70%</b>	<b>100%</b>	<b>23%</b>

## Employment by Gender & Priority Group

**TABLE 3A**  
**EMPLOYEES**  
(person years)

	Northern Indigenous	Northern Other	Total Northern	Other	Grand Total	Indigenous
Men	139	66	205	411	616	172
Women	17	7	24	87	111	26
<b>Total</b>	<b>156</b>	<b>73</b>	<b>229</b>	<b>498</b>	<b>727</b>	<b>198</b>

**By % by gender**

Men	89%	90%	90%	83%	85%	87%
Women	11%	10%	10%	17%	15%	13%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**TABLE 3B**  
**CONTRACTORS**  
(person years)

Men	31	55	86	277	363	41
Women	17	12	29	22	51	23
<b>Total</b>	<b>48</b>	<b>67</b>	<b>115</b>	<b>299</b>	<b>414</b>	<b>64</b>

**By % by gender**

Men	65%	82%	75%	93%	88%	64%
Women	35%	18%	25%	7%	12%	36%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**TABLE 3C**  
**EMPLOYEES & CONTRACTORS**  
(person years)

Men	170	121	291	688	979	213
Women	34	19	53	109	162	49
<b>Total</b>	<b>204</b>	<b>140</b>	<b>344</b>	<b>797</b>	<b>1141</b>	<b>262</b>

**By % by gender**

Men	83%	86%	85%	86%	86%	81%
Women	17%	14%	15%	14%	14%	19%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

## Female Employees (Traditional & Non-Traditional Roles)

TABLE 4A FEMALE EMPLOYEES (person years)	Northern Indigenous	Northern Other	Total Northern	Other	Grand Total	Indigenous
Non-traditional	14	7	21	66	87	23
Traditional	3	0	3	21	24	4
<b>Total</b>	<b>17</b>	<b>7</b>	<b>24</b>	<b>87</b>	<b>111</b>	<b>27</b>

FEMALE EMPLOYEES						
Non-traditional	82%	100%	88%	76%	78%	85%
Traditional	18%	0%	13%	24%	22%	15%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

TABLE 4B  
FEMALE CONTRACTORS (person years)

Non-traditional	7	7	14	12	26	10
Traditional	10	5	15	10	25	13
<b>Total</b>	<b>17</b>	<b>12</b>	<b>29</b>	<b>22</b>	<b>51</b>	<b>23</b>

FEMALE CONTRACTORS						
Non-traditional	41%	58%	48%	55%	51%	43%
Traditional	59%	42%	52%	45%	49%	57%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

TABLE 4C  
FEMALE EMPLOYEES & CONTRACTORS

Non-traditional	21	14	35	78	113	33
Traditional	13	5	18	31	49	17
<b>Total</b>	<b>34</b>	<b>19</b>	<b>53</b>	<b>109</b>	<b>162</b>	<b>50</b>

FEMALE EMPLOYEES & CONTRACTORS						
Non-traditional	62%	74%	66%	72%	70%	66%
Traditional	38%	26%	34%	28%	30%	34%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

TABLE 4D  
FEMALE EMPLOYMENT

	Management	Professional	Skilled	Semi- skilled	Entry Level	Grand Total
Employees	9	16	35	47	4	111
Contractors	1	0	11	9	30	51
<b>Total</b>	<b>10</b>	<b>16</b>	<b>46</b>	<b>56</b>	<b>34</b>	<b>162</b>

FEMALE EMPLOYMENT (% by priority group)

Employees	8%	14%	32%	42%	4%	100%
Contractors	2%	0%	22%	18%	59%	100%
<b>Total</b>	<b>6%</b>	<b>10%</b>	<b>28%</b>	<b>35%</b>	<b>21%</b>	<b>100%</b>

## Apprenticeships by Priority Group

TABLE 5A

**APPRENTICESHIPS**  
(head count)

	Northern Indigenous	Northern Other	Total Northern	Other	Grand Total	Indigenous
Employees	2	0	2	0	2	2
Contractors	5	9	14	0	14	9
<b>Total</b>	<b>7</b>	<b>9</b>	<b>16</b>	<b>0</b>	<b>16</b>	<b>11</b>

TABLE 5B

**APPRENTICESHIPS**  
(person years)

Employees	2	0	2	0	2	2
Contractors	3	6	9	0	9	5
<b>Total</b>	<b>5</b>	<b>6</b>	<b>11</b>	<b>0</b>	<b>11</b>	<b>7</b>

## Employment by Priority Group

TABLE 6

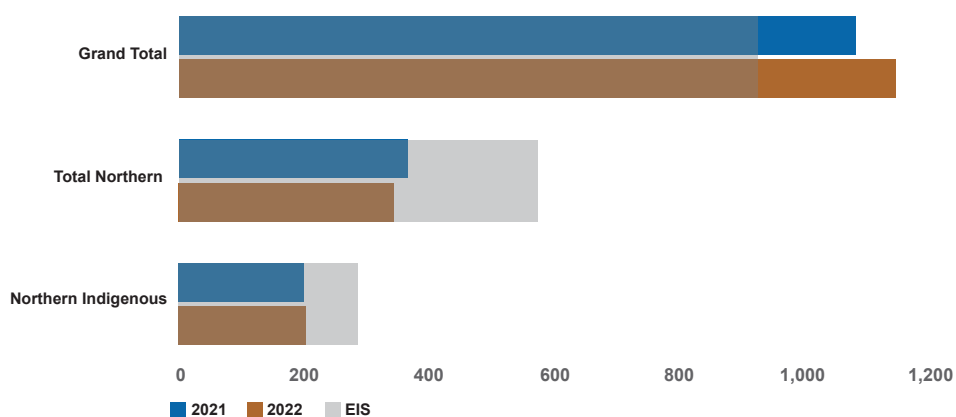
**PERSON YEARS**

	2021	2022	Total
Northern Indigenous	200	204	404
Northern Other	166	140	306
Total Northern	366	344	710
Other Employees	717	797	1,514
Grand Total	1,083	1,141	2,224
Northern % of Total	34%	30%	32%
Northern Indigenous % of Northern Total	55%	59%	57%

## Actual Employment Compared to the Environmental Impact Statement (EIS) Employment Predictions<sup>1</sup>

PERSON YEARS	2021	2022	Total
Grand Total	1,083	1,141	2,224
Total Northern	366	344	710
Northern Indigenous	200	204	404
<b>EIS EMPLOYMENT PREDICTIONS (person years)</b>			
Grand Total (EIS)	926	926	1,852
Total Northern (EIS)	574	574	1,148
Northern Indigenous (EIS)	287	287	574
<b>EIS EMPLOYMENT PREDICTIONS (EIS ACTUAL MINUS TARGET) (person years)</b>			
Grand Total	157	215	372
Total Northern	(208)	(230)	(438)
Northern Indigenous	(87)	(83)	(170)

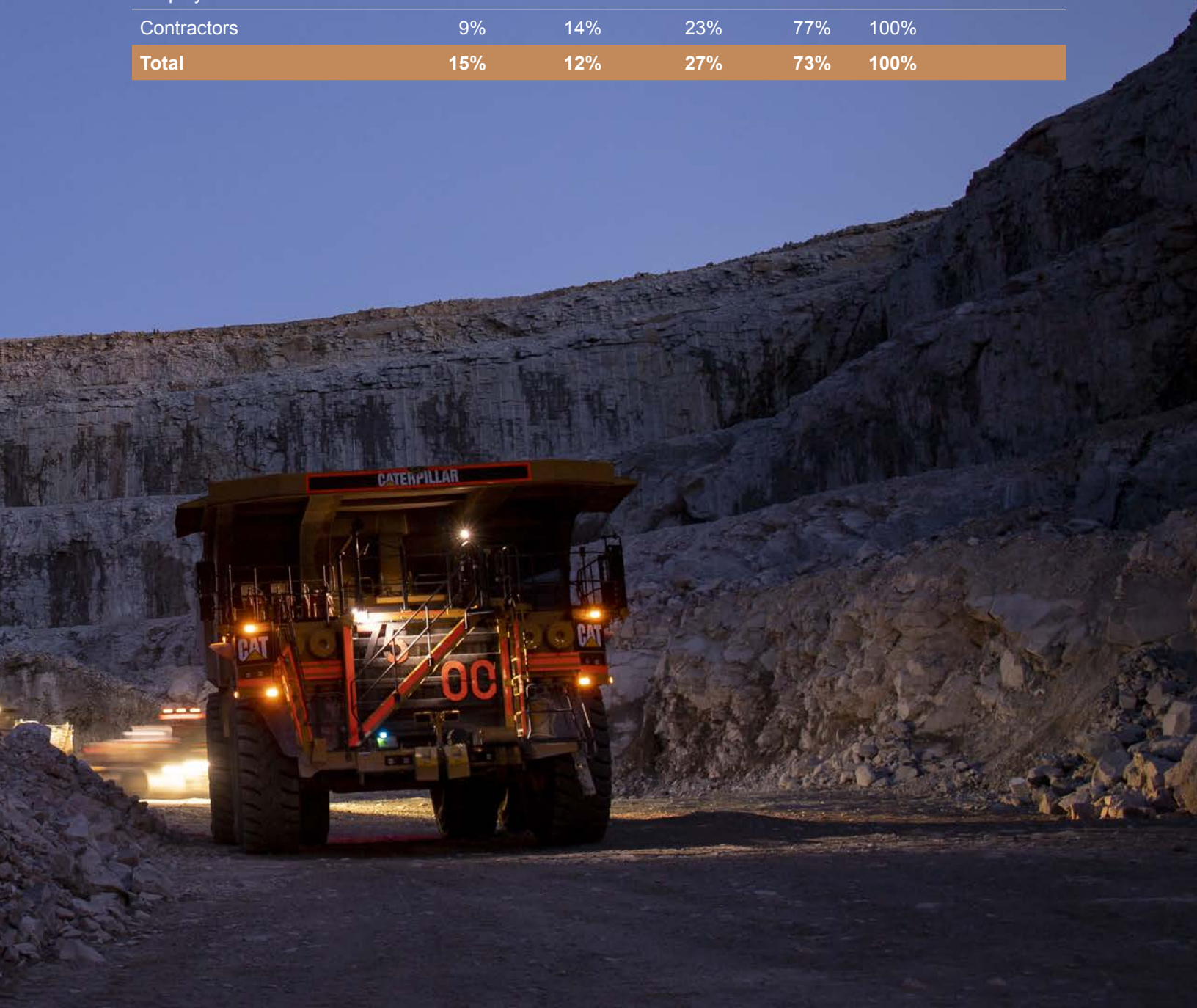
**GRAPH 7**  
**ACTUAL EMPLOYMENT COMPARED TO THE**  
**EIS EMPLOYMENT PREDICTIONS (person years)**



1. The predictive numbers for the data presented in Table 7 are based on the original EIS from 1995.

## Total Operations & Capital Employment by Priority Group

TABLE 8 HEAD COUNT	Northern Indigenous	Northern Other	Total Northern	Other	Grand Total	Indigenous
Employees	169	74	243	542	785	215
Contractors	83	129	212	710	922	112
<b>Total</b>	<b>252</b>	<b>203</b>	<b>455</b>	<b>1,252</b>	<b>1,707</b>	<b>327</b>
<b>By % of Total</b>						
Employees	22%	9%	31%	69%	100%	
Contractors	9%	14%	23%	77%	100%	
<b>Total</b>	<b>15%</b>	<b>12%</b>	<b>27%</b>	<b>73%</b>	<b>100%</b>	





## Total Operation & Capital Employment by Priority Group & Skill Level

(head count)

<b>TABLE 9A EMPLOYEES</b>	<b>Northern Indigenous</b>	<b>Northern Other</b>	<b>Total Northern</b>	<b>Other</b>	<b>Grand Total</b>	<b>Indigenous</b>
Management	0	6	6	29	35	2
Professional	2	3	5	59	64	4
Skilled	41	36	77	278	355	55
Semi-skilled	96	23	119	150	269	117
Entry Level	30	6	36	26	62	37
<b>Total</b>	<b>169</b>	<b>74</b>	<b>243</b>	<b>542</b>	<b>785</b>	<b>215</b>

**TABLE 9B  
CONTRACTORS**

Management	1	1	2	13	15	1
Professional	0	3	3	32	35	0
Skilled	6	31	37	466	503	20
Semi-skilled	25	35	60	156	216	37
Entry Level	51	59	110	43	153	54
<b>Total</b>	<b>83</b>	<b>129</b>	<b>212</b>	<b>710</b>	<b>922</b>	<b>112</b>

**TABLE 9C  
CONTRACTORS & EMPLOYEES**

Management	1	7	8	42	50	3
Professional	2	6	8	91	99	4
Skilled	47	67	114	744	858	75
Semi-skilled	121	58	179	306	485	154
Entry Level	81	65	146	69	215	91
<b>Total</b>	<b>252</b>	<b>203</b>	<b>455</b>	<b>1,252</b>	<b>1,707</b>	<b>327</b>

**TABLE 9D  
CONTRACTORS & EMPLOYEES (% of Total)**

Management	2%	14%	16%	84%	100%
Professional	2%	6%	8%	92%	100%
Skilled	5%	8%	13%	87%	100%
Semi-skilled	25%	12%	37%	63%	100%
Entry Level	38%	30%	68%	32%	100%
<b>Total</b>	<b>15%</b>	<b>12%</b>	<b>27%</b>	<b>73%</b>	<b>100%</b>



## BUSINESS SPEND

Arctic Canadian is committed to maintaining positive working relationships with suppliers to build capacity for Northern business and to promote economic growth.

Indigenous businesses have secured numerous contracts supporting Ekati Mine, including mining services, explosives and blasting supply, catering and janitorial services, freight management and transportation services, including air freight, passenger flights and ground transportation.

### BACKGROUND FOR 2022 BUSINESS SPEND

Arctic Canadian increased total spend on goods and services with local business in its first full calendar year of production. Additionally, the impacts of COVID-19 eased as the year progressed, which allowed the mine to operate at a greater capacity relative to 2021.

The increased activity at Ekati Mine led to growth in demand for mining services from our Indigenous partners. This resulted in an increased demand for camp and catering services, which are provided exclusively by Indigenous and Northern businesses. Indigenous freight management and transportation companies also saw business increase as Arctic Canadian ramped up shipping on the winter road.

### 2022 BUSINESS SPEND SUMMARY

Total business spend increased by 20% to \$367 million as Arctic Canadian completed our first full year of regular mining activity.

#### Indigenous Spend

Spend with our Indigenous partners, critical to mining operations, increased from \$112 million in 2021 to \$159 million in 2022 (a 42% increase of \$47 million) and accounted for 43% of Arctic Canadian's total spend.

**Spend with Indigenous companies increased more than any other groups since this group is focused on activities directly related to mining operations.**

#### Non-Indigenous Northern Spend

Non-Indigenous Northern spend increased from \$56 million in 2021 to \$63 million in 2022 (a 13% increase of \$7 million) and accounted for 17% of Arctic Canadian's total spend. The increased activity at Ekati Mine brought an increase in scheduled maintenance and repairs to the trucks and heavy equipment. Many of the necessary parts are sourced from our partners in Yellowknife.

Overall, 60% of the company's 2022 business spend took place with our Indigenous partners and other Northern businesses.

Efforts will continue to create opportunities for Northern businesses to participate directly or in association with non-Northern corporations. Where Indigenous or Northern corporations provide the best value offering, then additional opportunities will be realized.

*Note: Government, royalty and donation payments that were not commercial business spend are not reflected in this report.*

TABLE 10

### Expenditures by Priority Group

	Expenditures	% of Total Northern	% of Total Spend
Northern Indigenous Businesses	\$159,083,081	72%	43%
Other (Non-Indigenous) Northern Businesses	\$63,349,018	28%	17%
<b>Total Northern</b>	<b>\$222,432,098</b>	<b>100%</b>	<b>60%</b>
Other (Non-Northern) Business	\$144,667,193	N/A	40%
<b>Total Spend</b>	<b>\$367,099,291</b>		

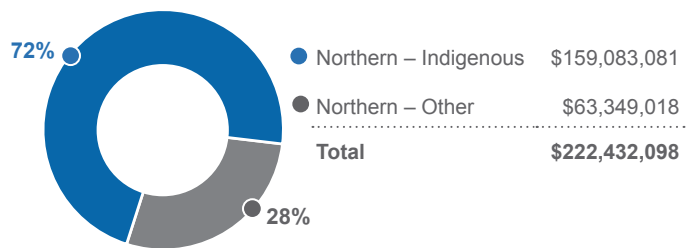
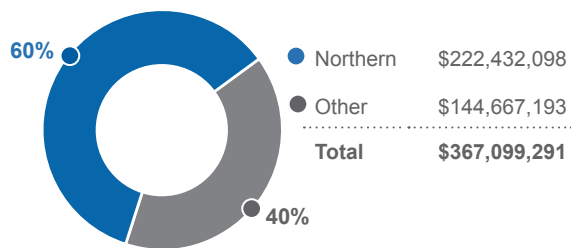


TABLE 11

### Northern Expenditures by Category

(millions of dollars)

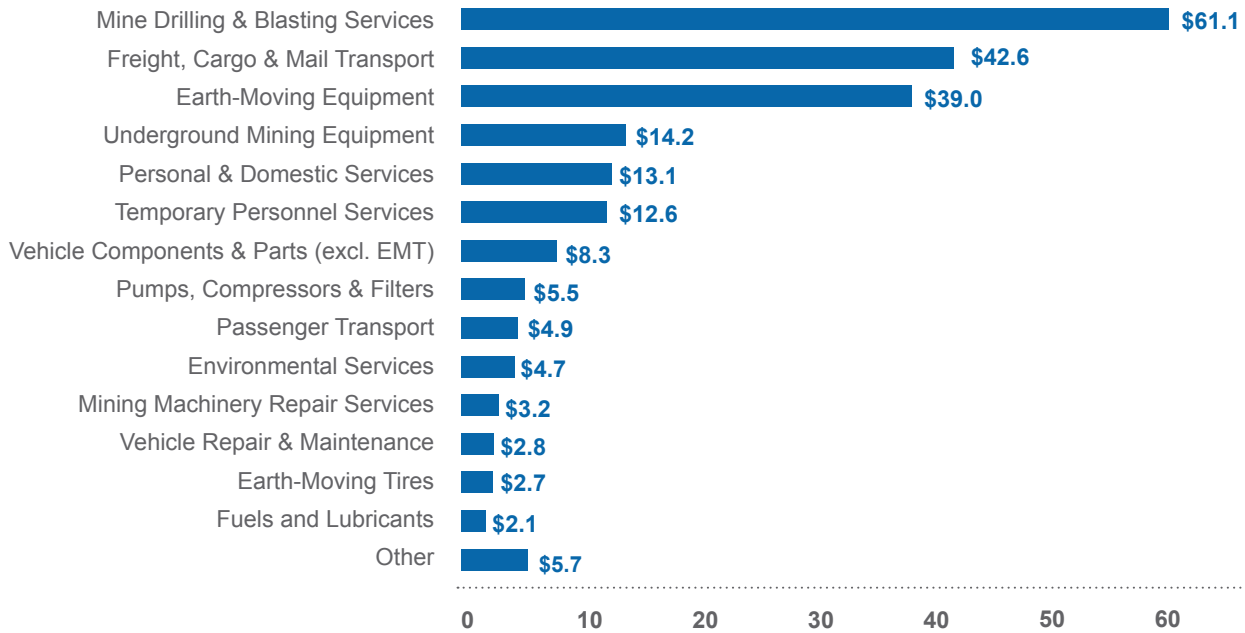


TABLE 12A

## Expenditures by Priority Group

(millions of dollars)

	2021	2022	Total
Northern Indigenous Businesses	112	159	271
Other Northern Businesses	56	63	119
<b>Total Northern</b>	<b>168</b>	<b>222</b>	<b>390</b>
Other Businesses	139	145	284
<b>Total Spend</b>	<b>307</b>	<b>367</b>	<b>674</b>

TABLE 12B

## Expenditures by Priority Group

(% )

	2021	2022	Total
Northern Indigenous Businesses	36%	43%	40%
Other Northern Businesses	18%	17%	18%
<b>Total Northern Spend</b>	<b>55%</b>	<b>60%</b>	<b>58%</b>

TABLE 13

## Actual Spending Compared to the EIS Spending Predictions

(millions of dollars)

	2021	2022	Total
Actual Total Spend	307	367	674
Actual Northern Spend	168	222	390
<b>Northern Percent of Total</b>	<b>55%</b>	<b>60%</b>	<b>58%</b>
Northern Target Percent	70%	70%	70%
Northern Target Calculated at 70%	215	257	472
<b>Actual Minus Target</b>	<b>-47</b>	<b>-35</b>	<b>-82</b>

TABLE 14  
Spend by Geographical Location

Location	Expenditure
Hay River	\$7,990,218
Yellowknife	\$174,062,016
Other	\$40,379,864
<b>Total Northern Spend</b>	<b>\$222,432,098</b>



# Appendices



## Appendix A: Position Listings

### Female Non-traditional Positions

Position	Skill Level
Advisor, Health and Safety	Skilled
Airport Technician	Skilled
Assistant MGR Diamond Control	Management
Assistant Process Plant	Skilled
Aviation Coordinator	Skilled
Chief Financial Officer	Management
Contract Specialist	Skilled
Diamond Controller	Semi-skilled
Director of Operations	Management
Dispatcher Surface	Semi-skilled
Environmental Advisor	Professional
Environmental Specialist	Skilled
Equip. Op. Production Loader	Semi-skilled
Equip. Op. Road Train	Semi-skilled
Equip. Op. Support	Semi-skilled
Equip. Op. Truck	Semi-skilled
Equip. Op. Truck Trainee	Entry
Equip. Op. Utility 1	Semi-skilled
Financial Accountant	Professional
Geologist-In-Training	Professional
Head, HSSEC	Management
Head of Finance	Management
Heavy Equipment Technician	Skilled
Hydrocarbon Technician	Skilled
Inventory Analyst	Skilled
Investigator	Skilled
IT Business Analyst	Skilled
JP Millwright	Skilled
Maintenance Planner	Skilled
Manager, SCM Business Support	Management
Physician Assistant	Professional
Procurement Specialist	Skilled
Security Officer	Skilled
Service Advisor	Skilled
Services Coordinator	Semi-skilled
Sr. Financial Analyst	Professional
Sr. Manager Diamonds	Management
Sr. Tax Advisor	Professional
Supt. Health & Safety	Management
Technician, Communications	Skilled
Technician, Process Control	Skilled
Technician, Mining	Skilled
TL Health & Safety	Professional
TL Process Plant	Skilled
Warehouse Technician	Skilled

### Female Traditional Positions

Position	Skill Level
Accounts Payable Administrator	Semi-skilled
Administrative Assistant	Semi-skilled
Advisor, Communications	Skilled
Community Relations Advisor	Skilled
Document Control and Admin. Specialist	Semi-skilled
HR Business Analyst	Professional
HR Business Partner	Professional
HR Coordinator	Semi-skilled
Lab Manager, Medical Services	Skilled
Manager, Corporate Communications	Management
Office Assistant	Semi-skilled
Office Manager	Skilled
Payroll & Benefits Administrator	Skilled
Recruitment & Development Coordinator	Professional
Sr. HR Business Partner	Professional
Sr. Payroll Administrator	Skilled
Sr. Talent Acquisition Specialist	Professional
Supervisor, Accounts Payable	Skilled
Travel Coordinator	Semi-skilled

### Abbreviations in Position Listings

Abbreviation	Meaning
Admin.	Administration
HR	Human Resources
HSSEC	Health, Safety, Security, Environment & Communities
IT	Information Technology
JP	Journey person
MGR	Manager
SCM	Supply Chain Management
Sr.	Senior
Supt.	Superintendent
TL	Team Lead

## Appendix B: Interpretations and Definitions

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### EMPLOYMENT COMMITMENTS

In the Socio-Economic Agreement (SEA), the following targets are set for Northern Resident employment and Indigenous employment for the Operations Phase of the project:

- Northern Resident employment will be 62% of the total Arctic Canadian and Contractor employment.
- Indigenous employment will equal at least 50% of Northern Resident employment.

### BUSINESS SPEND COMMITMENTS

The SEA target for Northern business spend is 70% of the total annual value of goods and services purchased during the Operations Phase.

### JOB CLASSIFICATIONS

The skills and knowledge to perform the duties of a position fall into five basic categories. The following classification and criteria are used:

**Management:** Characterized by high levels of responsibility, accountability, and subject matter expertise. Expertise is acquired through either formal education or extensive occupational experience.

**Professional:** Position requires a university degree (e.g., accountant, engineer, geologist).

**Skilled:** Position requires a college or technical school diploma, or certification in specialized trades (e.g., surveyor, technician, administrative assistant).

**Semi-skilled:** Position requires a General Educational Development (GED) Test and related work experience (e.g., equipment operator).

**Entry:** Description for entry-level positions is non-specialized; GED Test is preferred.

### NUNAVUT

The SEA was signed on October 22, 1996, prior to the division of the Northwest Territories and the formation of Nunavut. Employment and business expenditure data from the Hamlets and Kugluktuk and Cambridge Bay are also included in the report.

### ROUNDING

The totals in the tables in this report may differ slightly, due to rounding to the closest whole number after the addition of the non-rounded numbers has taken place.

### STANDARD CONTRACT EMPLOYER PRACTICES

Arctic Canadian requires all contract employers to support our commitments to the peoples of the North by preferentially hiring Northern residents and Indigenous individuals when it is reasonably practicable.

### TRADITIONAL & NON-TRADITIONAL OCCUPATIONS FOR WOMEN

As per the SEA, Arctic Canadian is required to report the number of women working in traditional and non-traditional occupations. For the purpose of this report, a woman who works outside the home in a job that is not historically categorized as a female occupation is considered to be working in a non-traditional occupation. For more accurate reporting, Arctic Canadian has also included female employment by skill level as shown in Table 4D. Classifications for traditional and non-traditional positions are reported in Appendix A.



## DEFINITIONS IN THIS REPORT

**Contractor:** Every contractor and sub-contractor used by Arctic Canadian for the project.

**Head Count:** The number of individuals who have worked in connection with Arctic Canadian, irrespective of the number of hours worked.

**Indigenous:** A First Nations, Inuit, or Métis person who originates from the Northwest Territories (or Nunavut after 1999).

**Indigenous Business:** A business wholly owned by, or in partnership with, an Indigenous group. Indigenous businesses have a physical presence in the Northwest Territories; Kugluktuk and Cambridge Bay are self-declared to be an Indigenous business regardless of where the business is headquartered and/or whether it is ultimately parented by an Indigenous business.

**North/Northern:** The region covered by the Northwest Territories and Nunavut.

**Northern Business:** A business organization that may be an incorporated company, unincorporated joint venture, partnership, proprietorship, or cooperative acting for the benefit of any Northern Resident in which Northern residents shall have substantial management authority, or in which Northern residents shall have a significant working interest.

**Northern Indigenous:** An Indigenous person who resides in the North.

**Northern Other:** A Northern Resident who does not meet the definition of Indigenous, as used in this report.

**Northern Resident:** A person who maintains a self-contained domestic establishment in the Northwest Territories (or Nunavut) other than a residence at a remote work site, and who primarily resides at that domestic establishment when not residing at a remote work site or attending an educational institution full time, and who:

- I. Has continuously been a Northwest Territories (or Nunavut) resident for a period of at least six months immediately prior to being hired; or
- II. Is Indigenous.

**Operations Phase:** That period of time commencing on the date when the first mine goes into commercial production (when diamonds in sizable quantities are recovered and offered for sale on a regular basis), within the claim block, until the permanent closure of the last mine of the project.

**Person Year:** For operations, one person year equals 2,080 hours per year. For construction, one person year equals 2,736 hours per year.



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