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10.0 SUMMARY OF BENEFITS

10.1 Benefits of Project Changes

First Mining Gold Corp. (FMG) is committed to developing the Springpole Gold Project (Project) in a responsible manner that contributes to a healthy environment, economy and local communities. Project design is an iterative process, and ongoing refinements have been made since the 2018 Project Description are described in Section 5.21. In May 2021, a Project Description Addendum was issued to update the Impact Assessment Agency of Canada on the Project design, consistent with the information provided in the provincial approved Amended Terms of Reference. The maturing of the Project design is expected to continue through the detailed design and environmental approvals process.

The primary design refinements to the Project to date have resulted from consultation and advancing engineering studies including input from government agencies, Indigenous communities and public stakeholders. Key Project design improvements that were made since circulating the draft Environmental Impact Statement / Environmental Assessment (EIS/EA) which result in a benefit to the environment, Indigenous communities and stakeholders are:

- **Co-disposal Facility (CDF) Tailings Disposal Methods:** Two tailings streams, thickened non-acid generating (NAG) tailings, which makes up 80% by mass of the tailings, and conventional slurry potentially acid generating (PAG) tailings, which makes up the remaining 20% by mass of the tailings will be created in the process plant. The thickened tailings have been proposed rather than the original filtered tailings in order to deposit them hydraulically, resulting in several environmental benefits including:
 - A more robust operation;
 - Reduce energy consumption;
 - Simplified water management;
 - Reduced vehicle emissions and greenhouse gas (GHG); and
 - Reduced dust emissions.

This will result in improved overall tailings management, closure planning and water quality protection.

- **Mineral Waste Storage Approach:** A two-celled co-disposal facility to store NAG and PAG tailings and mine rock is now proposed to provide improved long-term management and mitigation for PAG mine rock and tailings, while avoiding an expanded footprint and logistical complexities with separate facilities. This design will result in improved water management efficiency, water quality protection, smaller Project footprint and facilitate final reclamation.
- **Transmission Line:** The transmission line has been optimized based on feedback from Indigenous communities and government agencies and has been optimized to follow the existing E1C transmission line corridor for 58 km. This will provide opportunities for strengthen the existing regional electrical grid, while minimizing effects to Boreal Caribou and traditional land uses.
- **Ore Stockpiles:** An area has been expanded to allow for temporary storage of ore to provide better continuity with the process plant and improve Project economics, while providing the opportunity to cease mining earlier (while processing continues) and fill the open pit with water sooner. Filling the open pit sooner expedites rehabilitation of the Project site, including for aquatic habitat restoration which will provide valuable fish habitat.

- **Water Management Treatment:** Excess contact water from the Project site will be treated to remove metals and suspended solids. Section 5.12 provides additional detail on the proposed water management treatment methods and effluent treatment plant (ETP). The ETP will be designed and operated to produce an effluent quality appropriate for discharge to the environment in accordance with applicable regulatory requirement to protect the receiving water and aquatic resources.

10.2 Summary of Economic Benefits

The primary economic benefits of constructing and operating the Project include economic development and diversification, training opportunities and job creation. The Project will provide direct and indirect revenue for the local communities as well as for the provincial and federal governments. These revenues can then be used to support public services, such as health care, education and infrastructure.

The Project is expected to have a significant and net positive effect on the regional economy with increasing employment opportunities, during the construction, operations and closure phases. This positive effect will cascade to the provincial economy as a result of Project expenditures, and will stimulate the economy, and create jobs and income across Ontario, and the northwest in particular. The estimated annual benefits that will accrue from the Project based on the economic model prepared for the Project (Appendix Q-2), are summarized as follows:

- **Project Employment:** The Project will create 43,880 person-years of employment (including direct, indirect and induced effects) in Canada during construction, operations and active closure. The Project will directly create 8,890 person-years of employment in Ontario during construction and over its operating life. On average, the Project will result in the equivalent of 2,510 jobs (including direct, indirect and induced effects) in Ontario, in each of the approximately 18 years from construction through active closure. Of these, 510 person-years of employment would be directly associated with the Project. Another 2,000 jobs will result through indirect and induced effects during construction, operation and active closure on average.
- **Project Contributions to Government Revenues:** During the approximately 18 years from construction through active closure, the Project will directly and indirectly create \$944 million in revenues (undiscounted) for the Province of Ontario. This is equivalent to an average of about \$54 million per year. Total revenues for the Government of Canada would amount to \$1,092 million, or an average of about \$62 million per year.
- **Project Contributions to Economic Activity:** During the approximately 18 years from construction through active closure, the Project will directly and indirectly increase economic activity, as measured in terms of gross domestic product by \$7.6 billion in revenues (undiscounted) for Ontario. This is equivalent to an average of about \$432 million per year.
- **Benefits to the local and regional economy:** The Project will positively affect both the local and regional economies primarily through spending on labour, goods and services. FMG will implement measures to enhance contracting and employment opportunities for local and regional residents and businesses, including Indigenous-owned businesses. Project expenditures on labour, goods and services during construction and operation will result in a positive effect on economy by supporting local and regional businesses and allowing them to build capacity and experience in the mining supply and services sector.

- **Critical Minerals:** The Project primary targets gold and silver resources; however, the deposit also contains critical minerals such as tellurium and fluorspar. Of the 31 critical minerals listed, tellurium, zinc, fluorspar and lithium occur in various quantities in and around the Project site.

10.3 Summary of Environmental Opportunities

The planning for the Project has been carried out with environmental protection as a priority and the ongoing progression of the Project presents environmental opportunities as follows:

- **Data and Research Collection:** Baseline environmental research has been ongoing for several years and an extensive data set has been collected. This includes comprehensive information on water and air quality, fish communities, Species at Risk such as Caribou, local geochemistry, as well as other disciplines. This has resulted in the development of substantial knowledge and understanding of the local existing environment that can be used by government and others, for future planning and studies.
- **Fisheries Compensation Opportunities:** The fisheries compensation plan for the Project leverages the mine development sequence to restore, expand and enhance fish habitat and proposes various other measures such as investigating and studying Lake Sturgeon, as well as coordinating with the provincial government to implement the reclamation of the abandoned South Bay Mine.
- **Renewable Energy:** Further investigations are proposed for the potential application of wind and solar power as supplemental power sources for the Project. These would provide long-term clean energy sources that would remain in place to support regional needs and continue to benefit the region.
- **Boreal Caribou:** The Project is located within the northern portion of the Churchill range for Caribou (Boreal population). FMG has initiated an extensive caribou collaring study in the region appreciating Caribou and their habitat are protected under the *Endangered Species Act*. As part of the Project, and in addition to ongoing research and monitoring initiatives, FMG will seek to implement habitat restoration and rehabilitation on site as well as off site. In addition, the aerial surveys, satellite telemetry, and other studies carried out by FMG will help inform government management and protection plans for the species over the longer term.
- **Net-Zero Strategy:** FMG is committed to supporting the federal and provincial target of net-zero through the development and implementation of a Net-Zero Strategy (Appendix I-2). The Strategy details FMG's plan for a net-zero Project and to embed a climate positive approach to all aspects of the Project.

10.4 Summary of Community and Social Benefits

FMG is dedicated to establishing productive local partnerships that contribute to achieving development goals identified by the communities, to address local priorities and concerns, and to have communities benefit from the Project. The following social benefits are predicted as a result of the Project:

- **Increased Labour Force Capacity:** FMG will encourage and support processes for local residents and Indigenous communities to acquire the necessary skills to help prepare for Project employment, particularly for the operations phase of the Project. This includes working with communities and training institutions to seek funding for employment readiness and skills training.

- **Reduced Unemployment:** It is expected that the Project employment opportunities will encourage skilled and non-skilled workers to remain in the local communities and/or return in both the short and long term.
- **Increased Personal and Family Income:** Project employment will provide relatively high income for workers and their families, including for residents of the local communities, local Indigenous communities and the District of Kenora.
- **Increased Income for Regional Businesses:** Project purchases of goods and services will provide expansion and diversification opportunities for businesses in the local communities, businesses operated by local Indigenous people and businesses in the District of Kenora. FMG has and will continue to work with local and Indigenous-owned businesses on Project contract opportunities regarding the supply of goods and services.
- **Health and Wellness Strategy:** FMG is committed to providing employees with access to the health and wellness support and services they need to achieve their potential and be successful in the workplace and beyond. FMG's Employee Health & Wellness Strategy (Appendix Q-3) takes a progressive approach to account for the broader geographic, economic, social and community factors that underpin an individual's ability to bring their best self to work and home after work.
- **Supports Local Initiatives and Growth:** The Project supports economic diversification in the local area and provides impetus for the development and implementation of training initiatives to facilitate employment growth in the region and the acquisition of transferable skills for generations to come. In addition, FMG supports local initiatives and sponsors community-based land use, social and recreational activities to facilitate improvements in overall health and well-being of local communities.

The Project is expected to have a significant and net positive effect on community and social benefit locally as training, work experience and related business experience gained through the Project are anticipated to result in skills that are transferable to other economic sectors to further support the regional economy after the decommissioning and closure of the Project. In addition, the infrastructure requirements for the Project including the transmission line provides a potential long-term sustainable business opportunity for local First Nations. FMG will pursue discussions with the local First Nations during the life of mine to explore opportunities to leverage the power infrastructure for long-term community benefits.