



Covia Canada Ltd / Covia Mine Advisory Committee (CMAC)

Date: April 28, 2025

To: CMAC Members

Copies: NSO Covia Canada

CMAC Meeting minutes to be posted on www.CanadianNepheline.ca website

Subject: Meeting Minutes

Meeting Date: Wednesday April 16, 2025

Time: 1:00pm – 2:20pm

Location: Blue Mtn main office conference room

Kasshabog Lake Representative Attendees:

Dawn Mitchell- Member at Large

Rick Rye – Kasshabog Lake West

Robert Milne – Kasshabog Lake West

Peter Patterson – Kasshabog Lake East

Robert Cosgrove - Kasshabog Lake East

Jim Martin – Twp of Havelock

Regrets: Jim Brickell

Covia Canada Representative Attendees:

Cale Reeder – Covia CMAC Facilitator

Dan Lyon – Covia Director – online via Teams

Brett Jeffs – Covia Manager of Health and Safety

Krystle Vermilyea – Covia Senior HR Business Partner

Carol DeNure – Covia Administration

Regrets: Michele Oxlade

Agenda Items:

- Safety Share
- Welcome Robert Cosgrove to Committee
- Review minutes from last meeting
- Plant Operations update
- Environmental update
- Review / Approve Terms of Reference
- Update on the LKRA Benefit Fund (Robert Milne)
- Trent University / Micro Plastics study (Robert Milne)
- Other business

Safety Share

Cale shared our recent ice storm event with the group and reminded everyone that with the hanging limbs there is still danger present and to be mindful when walking in the woods or clearing your properties.

CMAC Team Membership

Cale thanked everyone for attending, and welcomed our new member Robert Cosgrove to the Committee. All staff members introduced themselves to Robert, and then Robert introduced himself and explained his history on the lake.

Review of December 10, 2024 Meeting Minutes

The minutes were reviewed from the last CMAC Meeting on December 10, 2024, no changes were required and the minutes were approved.

Plant Operations Update:

Dan Lyon - Covia site production in 2024 were 3% above the budget for volume and that the operation had a good fiscal year. Covia had improved the operation's business metrics, and the company spent an additional 8 million dollars in capital expenditures in 2024.

The Nephton plant is currently producing approximately 30% of the volume and is still operating on a 3 ½ day a week operation. They run 7am-7pm Monday to Thursday, and shut down Fridays for maintenance. There were 6 more employees from the Nephton plant transferred to the Blue Mountain facility in the last 6 months.

We had a solid 1st quarter in 2025 but see demand softening in 2nd quarter and not sure if this is tariff related or a weakening economy.

Robert Milne – Are you affected by the ongoing threat of tariffs?

Dan Lyon - Currently we are unsure on how the tariffs are going to affect us and for how long. We do see the demand softening currently. Within the first 3 days of the tariffs in February, Covia absorbed the costs. The tariffs have since been pulled back and are not being applied to us at the moment under their current application, due to the existing USMCA Trade Agreement, but the degree of uncertainty is concerning.

Jim Martin: During a recent caucus meeting, our local MPP indicated that Covia wouldn't be affected but, I feel that may not be the case going forward, I think there is a possibility it is going to affect us all.

Rick Rye: Is Covia able to stockpile inventory and able to make adjustments to hold finished product?

Dan Lyon: We do have limited warehouse space in Peterborough that stockpile our finished product.

Robert Milne: Definitely the statement that these are uncertain times is an understatement.

Environmental update:

During the recent March ice storm event Covia lost power for 4 consecutive days which has been the longest that we have been without power in years. There were 2 hydro poles over at the Nephton side that were broken and had to be replaced. When hydro crews arrived, they found nesting owls in one of the poles so, they didn't cut the old pole down, they left it standing to protect the owls.

We have 2 new members on site that have joined the WHC (Wildlife Habitat Committee) to help with the Turtle project and the Wood Duck project on the mine site.

We have retained a few companies to come on site over the next few months to inspect and prepare reports on our Waste Disposal, WSP Engineering firm – to perform Dryer stack testing and Dillan Consulting will be testing for operation related noise and dust emissions.

Dawn Mitchell: Are they coming to install the noise sensors around the lake like they did before? Will then be identifying where the sensors are going to be installed? In the past, John Davison allowed them to put one of the sensors on his property – will the sensors be in the same locations or is that up to the study consultants? We would like to know where the sensors are going to be installed when you do the survey.

Cale Reeder: Dillan Consulting is not coming here for the outstanding Ministry of Environment Conservation and Parks (MECP) noise abatement survey. They are just coming with regards to some of the production equipment specifically that had to be fixed from their last visit. They are coming back to verify it has been fixed.

Covia has a completion timeline of 2 years for the MECP noise abatement survey from the completion of the Site's Modernization Project that you are referring to, and we don't expect it completed until the end of this year. The ball hasn't started on that survey as of yet and I do agree that obtaining an "apples to apples" result means that sampling locations is key. I will get more information on the noise abatement survey for you by the next meeting. I am still getting details and the history on these MECP related testing and reports from Michele Oxlade.

Peter Patterson: was it stipulated as a requirement?

Cale Reeder: Yes, it was all part of the permitting for the modernization project.

Brett Jeffs: I have worked for other companies and can honestly say that Covia has the most policies and procedures in place and take environmental issues very seriously.

CMAC Terms of Reference

The February 2025 draft version of the CMAC'S Terms of Reference were reviewed, all terms agreed on.

Cale Reeder will be going back to our Corporate legal department to advise the Terms of Reference have been approved by CMAC, and will be asking for the clean copy to be returned. Once the clean copy is received Cale will review one last time with the CMAC Team and the Ministry will be notified at that time for their stamp of approval.

Dawn Mitchell - you should check to see what the Ministry guidelines are on that and the timeline that you have to submit from the approval time?

Cale Reeder – yes, we will be looking into that at the same time.

Update on LKRA Benefit Fund:

Rob Milne: As an FYI, in March the LKRA has extended an invitation for lake residents to submit proposals for project funding from the LKRA Benefit Fund. The Benefit Fund was established to fund projects to the benefit of the lake and its community to a maximum of \$2,000 per project.

Trent University / Microplastics Study

Rob Milne: The LKRA has been approached by a lake member to help support a survey on the lake for Microplastics. The survey would be completed by a fourth year Trent University student who is doing a thesis on this topic, but the LKRA has asked Trent University for more details. If approved for funding by the LKRA, the LKRA may subsequently ask for Covia’s support as well.

The LKRA understands that Covia doesn’t use plastics as part of its basic mining operations but does understand that today microplastics are everywhere. The LKRA wants to better understand the intent of this proposed study before approving it. The current LKRA understanding is that the study would be providing another data point to an existing database consisting of several lakes that have been sampled over several years within the Muskoka/Haliburton/Kawartha area. Similar studies have focused on sources and the movement of microplastics through ecosystems. This needs to be confirmed by the University.

Cale Reeder: There are many questions that Covia would have and need to know with regards to this survey if approached for funding. I feel that this should be going through the CMAC committee as a group and not Covia - and then the CMAC committee can approach Covia. There are many details we would need prior to any survey. Where are the testing sites? What are they testing for?

Robert Milne: I believe they would want to take samples from all inflows and outflows to the lake – and that may indirectly include discharges from the tailings ponds that flows to the North River and then into the lake. This sampling would be at the location where the North River flows into the lake and not on Covia property.

Cale Reeder: Our water is tested weekly at all discharge points.

Lake Representatives: All agreed that this microplastic study is outside the mandate of the CMAC committee as outlined in its Terms of Reference. The proposal should be dealt with by the LKRA. If the proposal gathers the support of the LKRA, they may then in turn request Covia to also provide support.

Jim Martin: The Township has grants available for that kind of thing, they should apply through the township and not involve Covia.

Other Business:

Robert Milne: I had asked the Kasshabog Lake Association if they had heard any complaints around the lake regarding the mine operations and they indicated no.

Carol DeNure: With regards to the meeting minutes, who is going to be the final approver? I send the draft out to the members and don’t always hear back from everyone, so I am unsure when and if the review should be deemed completed.

Krystle Vermilyea: If I could suggest that the Lake Representatives get together and do their edits as a group. Assign one person to complete and then that one person forward to Carol for her to finalize. After Carol receives the Lake representative's edits, Carol to correct all changes and then send the final draft to the one person assigned. That one person to give go ahead with final approval for posting the minutes. The CMAC minutes will continue to be reviewed and formally approved at the next CMAC meeting by attendees as per established practice.

Robert Milne: Will Covia have the Bird Watching day again?

Cale Reeder: Yes, you will need to go to the OFO website and go to upcoming events, it is posted there.

Rob Milne: What is the plan for the Covia Open House this year? Can I provide information on it to the LKRA so they can publicize the event with lake residents?

Cale Reeder: Our 2025 Open House event is going to be held Saturday August 23, 2025. The event will be held on only one day this year. Buses will be at the Nephton gate by 8:15. The buses will transport everyone over to the Blue Mountain plant. For those driving directly to the Blue Mountain site, they should plan on being at the site for the 9:00 am start of the Open House presentation. After the presentation, a tour of the quarry will be given. Refreshments and snacks will be provided.

Summary of New Action Items from April 16, 2025:

- 1) Cale Reeder: Term of Reference to go back to Covia legal for completion and final version prepared.
- 2) Cale Reeder: To find out information regarding the MECP noise abatement survey, when it is going to take place and where the sensors will be going.
- 3) Robert Milne: Will send the link to Cale Reeder with regards to the Fanwort study that was performed previously.

Closing

Cale thanked everyone for their time
Meeting adjourned at approximately 2:20pm

Tentative Next Meeting Time: Wednesday October 8, 2025 @ 1:00pm

Reminder: If the team wants a specific item discussed, that the member email Carol DeNure prior to the next meeting, and she will be able to place the item on the meeting agenda. Please email Carol: carol.denure@coviacorp.com