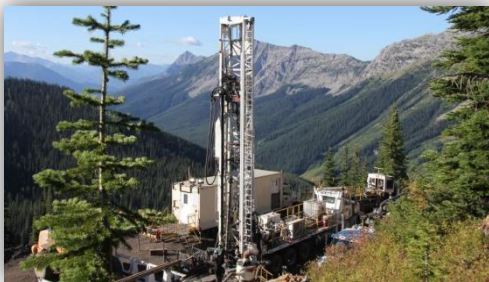


NWP Coal Canada Ltd



Crown Mountain Coking Coal Project

FIRST NATIONS CONSULTATION PLAN



July 2016

Submitted to:

Ktunaxa Nation Council

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Cranbrook, BC

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1.0 INTRODUCTION

1.1 Overview of the Project

The Crown Mountain Coal Project (the Project) is a proposed open pit metallurgical coal mine in the Elk Valley coal field in the East Kootenay Region of south eastern British Columbia (**Figure 1**). The Project consists of five coal tenure licences, including 418150, 418151, 418152, 418153 and 418154, covering a total area of 2,588 ha (referred to as the “Project property”) and one license application. NWP Coal holds 90% interest in the five coal tenure licenses and 100% in the license application. Exploration activities undertaken in 2013 resulted in the definition of a total open pit coal resource of 99 million tonnes for the Project. The anticipated production capacity of the Project is 3.7 million run-of-mine tonnes (M ROMt) per annum (approximately 10,150 tonnes per day [tpd]) for 16 years (not including site decommissioning) and will have a surface disturbance of approximately 1,100 ha which includes the pits, waste rock management areas, buildings, and transportation infrastructure (e.g., haul road and rail load-out). Run of mine coal reserves are estimated at 56 million tonnes, of which 50 million tonnes are proven and 6 million tonnes are probable. Exploration activities to date indicate that the coal at the Crown Mountain site is typical of the coking coals produced from existing mines in the Elk Valley.

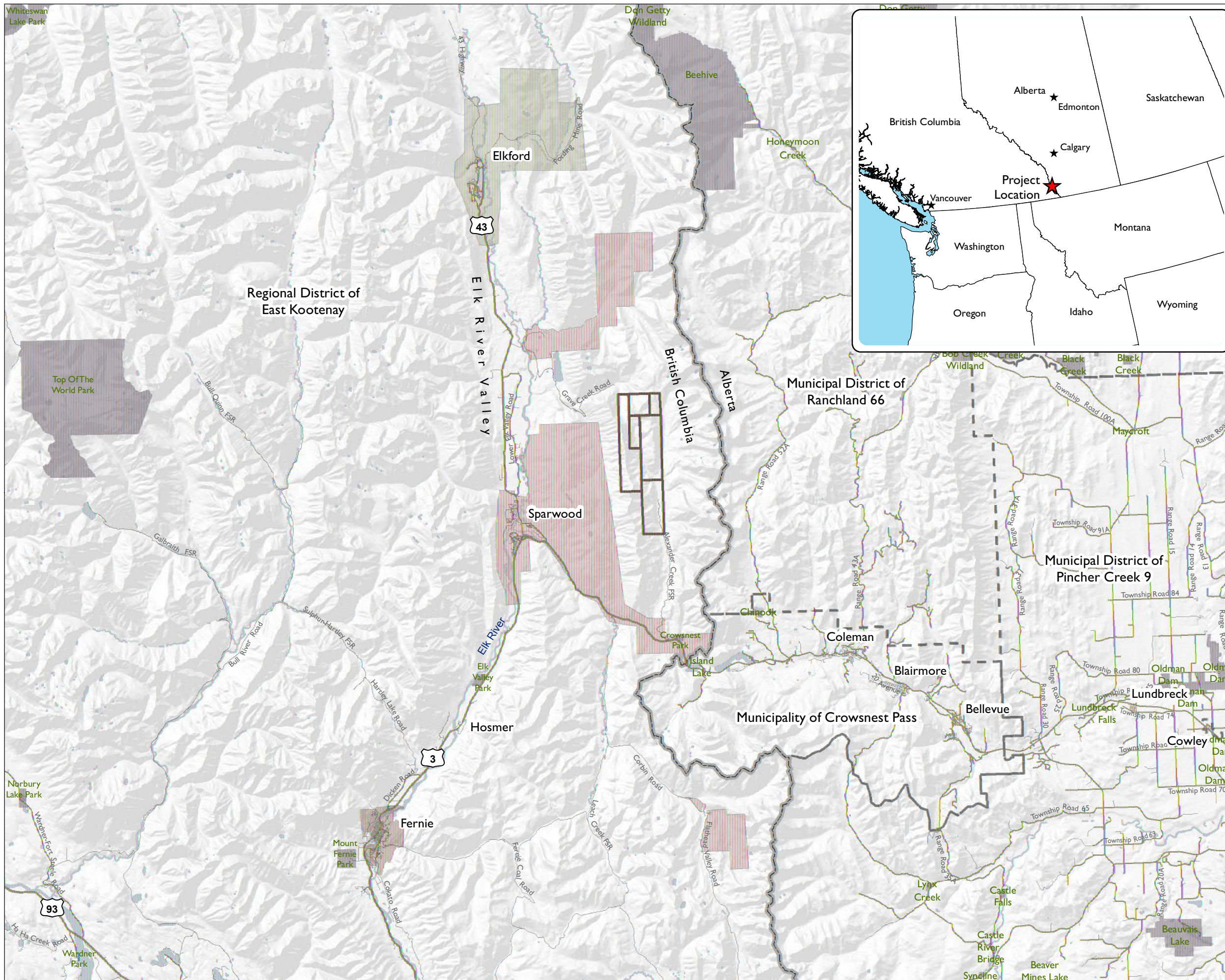
The Project is located approximately 150 km line-of-sight and 300 km by road southwest of Calgary, Alberta and the centre of the Project’s property (i.e., coal licences) is approximately 12 km northeast of the District of Sparwood, British Columbia at 114°43.6’W and 49°48.4’N. The Project is situated in the Front Range of the Rocky Mountains of BC and within the Alexander and Grave Creek watersheds. The area in and around the Project is used for various recreation activities, including fishing, hunting, ATVs, snowmobiles, camping, and hiking. The proposed Project would be located within the asserted traditional territory of the Ktunaxa Nation.

1.2 Proponent Information

The Project proponent is NWP Coal Canada Ltd. (NWP Coal), a wholly owned subsidiary of Jameson Resources Limited (Jameson). NWP Coal is based in Vancouver, BC and the head office of Jameson is based in West Perth, Australia. Jameson is a pure-play coal company that owns projects within Canada’s prolific Elk Valley and Peace River coal fields.

Contact information for NWP Coal Canada is as follows:

Name of Designated Project	Crown Mountain Coking Coal Project
Name of Proponent	NWP Coal Canada Ltd.
Address of Proponent	Suite 800, 1199 West Hasting Street, Vancouver, BC V6E 3T5
Principle Contact Person	Art Palm, CEO, Chairman, and Executive Director

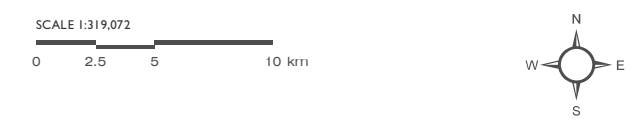


NWP Coal Canada Ltd

Crown Mountain Coking Coal Project

Figure 1
Project Location

- Highways
- Arterial Roads
- Local/Resource Roads
- Regional District/Regional Municipality
- District of Elkford
- City of Fernie
- District of Sparwood
- Rivers/Lakes
- BC/Alberta Parks and Protected Areas
- Coal Tenure Licenses and Application
- BC/Alberta Border



Data Sources: Province of British Columbia, NWP Coal Canada Ltd., Dillon Consulting Limited, ESRI Base Layers, GeoGratis, CanVec. Government of Alberta.

Map Created By: ECH
Map Checked By: LKD
Map Projection: NAD 1983 UTM Zone 11N

PROJECT: 12-6231
STATUS: FINAL
DATE: 5/13/2015

1.3 Regulatory Framework

The proposed Project is subject to environmental assessment (EA) under both the *Canadian Environmental Assessment Act* (CEAA) 2012 and the British Columbia *Environmental Assessment Act* 2002. Provincially, the Project is considered a Reviewable Project given that the production capacity of the mine will be greater than 250,000 tonnes per year of clean coal and will result in a disturbance greater than 750 hectares (ha) that was not previously permitted for disturbance. Federally, the Project is considered a Designated Project under the CEAA 2012 *Regulations Designating Physical Projects* as the mine will have a production capacity of more than 3,000 tonnes per day. For additional information on the Project, please refer to the Project Description on the EAO's Project Information Centre (e-PIC) and the Canadian Environmental Assessment Agency Registry¹.

The First Nations Consultation Plan developed for the Project is designed to meet the requirements outlined in the Province of BC Public Consultation Policy Regulation (BC Reg. 373/2002) and the consultation provisions described in the BC Environmental Assessment Office (EAO) environmental assessment review procedures ordered under section 11 of the *BC Environmental Assessment Act*. Specific to these requirements, a First Nations Consultation Plan have been developed for the Project to achieve the following:

- Disseminate information on, as well as build awareness of, the Project as well as potential Project effects and proposed mitigation measures;
- Inform First Nations of engagement opportunities that arise over the course of the Project and facilitate methods for providing feedback to allow for input to the Project; and
- Take into consideration input and feedback received on the Project and how it will be considered as the Project progresses.

The section 11 Order issued for the Project details procedural aspects of engagement with First Nations over the course of the Project by the proponent. Procedural aspects and activities required under the section 11 Order include development of a draft and final First Nations Consultation Plan, engagement with First Nations identified in the section 11 Order on the draft Plan, identification of potentially impacted First Nations rights, title and interests, and measures to avoid or mitigate impacts, provide responses to comments received from First Nations, report to the EAO as necessary, and implement additional engagement and accommodation over the course of the Project, as necessary.

¹ Crown Mountain Coal Project, EAO, e-PIC:
http://a100.gov.bc.ca/appsdata/epic/html/deploy/epic_project_doc_index_427.html. CEAA Registry:
<http://www.ceaa-acee.gc.ca/050/details-eng.cfm?evaluation=80087>

1.4 Potentially Affected First Nations

The Project is located within the asserted traditional territory of the Ktunaxa Nation and the Ktunaxa Kinbasket Statement of Intent Boundary (**Figure 2**), indicating the extent of asserted traditional territory used by the Ktunaxa Nation. The Ktunaxa Nation currently consists of four member Bands in BC and two Bands in the United States, covering approximately 70,000 km² of Ktunaxa historical traditional territory (Ktunaxa Nation, 2015). The Ktunaxa member groups in BC are:

- The ?Akisq'nuk First Nation (formally the Columbia Lake Band - Windermere);
- The ?aq'am – St. Mary's First Nation (Cranbrook);
- The yaqan nukiy – Lower Kootenay Band (Creston); and
- The Tobacco Plains Indian Band (Grasmere).

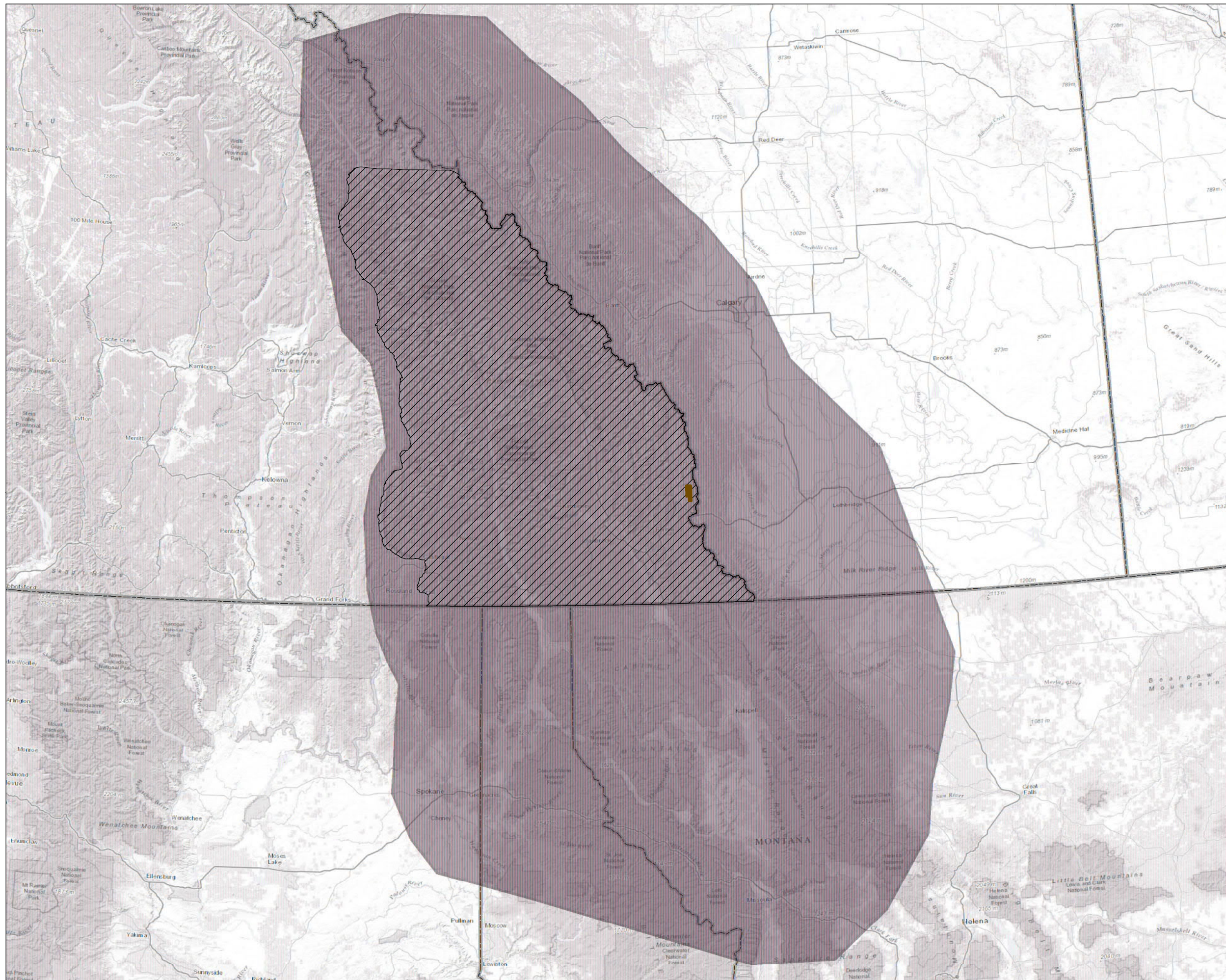
To guide social and political development of the Ktunaxa Nation, the Ktunaxa Nation Council (KNC) was established in 1970 (Ktunaxa Nation, 2015). The KNC represents the Ktunaxa Nation, serves as an umbrella organization for societies, committees, and corporations that provide services and programs to members of the Nation (Ktunaxa Nation, 2015).

The section 11 Order issued for the Project identifies the four member bands of the Ktunaxa Nation (i.e., Tobacco Plains Band, St. Mary's Band, Lower Kootenay Band, and the ?Akisq'nuk First Nation) and the Shuswap Indian Band as First Nations that may be affected by the Project and require consultation and engagement by the EAO and/or NWP Coal. As per the section 11 Order, consultation with Shuswap Indian Band will be limited to consultation by the EAO, including notification of Project milestones (e.g., issuance of section 11 Order, public comment period draft Valued Components document) and the opportunity to provide comments to the EAO during the public comment periods. As such, the focus of this First Nations Consultation Plan is on engagement with the Ktunaxa Nation. Additional First Nations may be identified over the course of the Project by the EAO and should this occur, this First Nations Consultation Plan will be amended, as required.

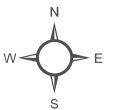
Additional information on engagement with the Ktunaxa Nation is provided in **Section 3.0** of this plan.

Figure 2
 Asserted Traditional Territory and
 Statement of Intent Boundary

- Ktunaxa Nation Asserted Traditional Territory
- Ktunaxa Kinbasket Statement of Intent Boundary in BC
- Coal Tenure Licenses and Application
- Federal, Provincial, and State Borders



SCALE 1:2,953,082
 0 15 30 60 km



Data Sources: Jameson Resources, Dillon Consulting Limited, ESRI Base Layers, GeoBase, First Peoples' Cultural Council (2013), Province of British Columbia (2015).

Map Created By: ECH
 Map Checked By: LKD
 Map Projection: NAD 1983 UTM Zone 11N

PROJECT: 12-6231
 STATUS: FINAL
 DATE: 5/13/2015

2.0 PURPOSE OF FIRST NATIONS ENGAGEMENT

As part of this Project, NWP Coal's primary objective is to effectively communicate information about the proposed Project and involve those who may be potentially affected by, or have an interest in, the Project. The Ktunaxa Nation has the potential to be impacted by the Project, and as such, NWP Coal is required under the section 11 Order to carry out consultation with the Ktunaxa Nation. NWP Coal is committed to creating and sustaining constructive dialogue and relationships with First Nations to support the environmental, social, and economic sustainability of the Project. To achieve this, NWP Coal intends to focus on the following aspects of engagement over the course of the Project:

- Communicating accurate information in a timely and consistent manner with First Nations throughout the lifecycle of the Project;
- Having early, frequent, open, and honest communication to build strong relationships with First Nations that may be potentially affected by the Project;
- Identifying and providing opportunities for information sharing between NWP Coal and First Nations;
- Creating and facilitating opportunities for First Nations to provide input and feedback on the Project, such as documents related to the EA application process;
- Identifying opportunities for First Nations and NWP Coal to work together over the course of the Project in a collaborative manner;
- Providing opportunities for First Nations to be involved throughout the environmental assessment process, including determination of potential impacts to First Nations rights, title, and interests (e.g., archaeology sites, access to land and resources, cultural practices, water resources) and the development of mitigation measures to reduce potential impacts; and
- Fostering strong, collaborative and long-term partnerships with First Nations.

The focus of this First Nations Consultation Plan is to outline the activities that NWP Coal will use to engage and consult with the Ktunaxa Nation over the course of the environmental assessment of the Project. Activities include those mandated by the section 11 Order, as well as additional engagement activities NWP Coal intends to implement to achieve open, frequent, and honest communication over the course of the Project.

This First Nations Consultation Plan may be updated based on outcomes of engagement between NWP Coal and the KNC. NWP will advise the KNC and the EAO of any proposed changes to this consultation plan. The EAO may also request additional engagement activities that would fall under this plan.

3.0 FIRST NATIONS CONSULTATION

Engagement with First Nations is integral to creating and maintaining relationships and open communication with those that may be impacted by the Project. Engagement will occur over four (4) phases: early engagement; pre-application; application review; and on-going engagement. The phases are described in **Sections 3.1 to 3.4**.

3.1 Early Engagement

Early and initial engagement included activities undertaken up to the submission of the Project Description to the EAO and CEA Agency and the issuance of section 10 Order of the BC *Environmental Assessment Act*. The section 10 Order was issued for the Project in October 2014.

3.2 Pre-Application Review Phase

3.2.1 Engagement Activities

The Pre-Application phase of consultation includes engagement undertaken up to the submission of the Environmental Assessment Certificate (EAC) Application. Pre-Application phase consultation occurs following issuance of the Section 11 Order by the EAO. For the purposes of this plan, engagement prior to the issuance of the Section 11 is referred to as early engagement.

During the Pre-Application Review Phase, NWP Coal intends to undertake a variety of activities to fulfil mandated consultation requirements of the section 11 Order, and also carry out additional activities to ensure open dialogue over the Project. Activities to be carried out during the pre-application phase include:

- **Review and Comment on the First Nations Consultation Plan** – NWP Coal engaged with the KNC on the draft and final First Nations Consultation Plan for the Project. A draft plan was provided to the KNC by NWP Coal for review, input, and for the KNC's comment on the adequacy of proposed engagement methods and activities. The draft plan was updated by NWP Coal to reflect comments received from KNC on the draft plan and the final plan was developed. NWP Coal will provide the KNC with an updated First Nations Consultation Plan for comment should the EAO order additional engagement activities.
- **Participation in Valued Components Working Group** – A Working Group meeting on the draft Valued Components (VC) for Environmental Assessment document was held in October 2015 to facilitate discussion and feedback on the draft Valued Components (VC) document, and to gather feedback from the Working Group on completed and proposed baseline studies. Working Group meeting was led by the EAO and was attended by provincial and federal government representatives, the KNC, and NWP Coal. As part of the province's duty to consult, the EAO invited the KNC to participate in the Working Group and/or subcommittee meetings.

A summary of the meeting(s) and comments raised was recorded by NWP Coal and formed part of the reporting requirements as outlined in **Section 3.2.2**.

- **Regulatory Document Review and Comment** – NWP Coal will work with the KNC to ensure that First Nations rights, title, and interests are considered in the preparation of pre-application regulatory documents (such as the EA Application), as well as appropriate mitigation measures to reduce the potential for impacts on rights, title, and interests. The EAO will provide the KNC with the opportunity to review and comment on the following pre-application regulatory documents:
 - Draft VC for Environmental Assessment;
 - Application Information Requirements; and
 - Sections of the environmental assessment Application, as applicable, based on discussions and engagement or as directed by the EAO.
- **In-person Meetings** – In person meeting will be held between the KNC and NWP Coal if requested by the KNC to discuss the Project. Should meetings be held, meeting agendas and minutes will be prepared for review by the KNC, and when finalized, will be provided by NWP Coal to the EAO. Meetings with the KNC may also include formal presentations to provide updates regarding the Project.
- **Site Tour** – NWP Coal facilitated a site tour of the proposed Project area for the Working Group in October 2015. NWP Coal will accommodate additional site tours for the KNC and others involved in the Working Group, if requested.
- **Information Distribution** – To ensure that the KNC has opportunities to provide feedback and participate in engagement over the course of the Pre-Application phase.
- **Engagement/Communications Log** – NWP Coal will maintain a log of all communications with the KNC, which can be reviewed by the EAO and the KNC, if requested.
- **Issues Tracking and Reporting** – NWP will manage and maintain a tracking document for issues brought forward by the KNC during engagement activities. Responses will be prepared by NWP Coal for all issues or comments received during engagement. All issues and responses will be formally tracked, and where appropriate, NWP will discuss with the KNC any follow-up required or outstanding issues. Additional information on reporting requirements, including requirements for reporting to the EAO, for the pre-application stage are provided in **Section 3.2.2**.

NWP Coal will engage with the KNC to discuss appropriate financial support for the Nation's involvement and assistance in the fulfilling the engagement activities and objectives outlined in this First Nation Consultation Plan.

3.2.2 Documentation and Reporting

Over the course of the pre-application phase, NWP Coal will document all consultation and engagement activities outlined in this First Nation Consultation Plan. Information documented and gathered as part of engagement will be used to complete and adhere to reporting requirements mandated under the section 11 Order issued for the Project. As per the section 11 Order, NWP will complete the following reporting activities:

- Preparation of First Nations Consultation Reports, which will outline the following:
 - Summarize efforts undertaken to consult with the KNC;
 - Identify and outline feedback and information received from the KNC during engagement;
 - Identify potential adverse impacts of the Project on First Nations rights, title, and interests;
 - Identify how potential adverse impacts of the Project on First Nations rights, title, and interests would be avoided, mitigated, addressed, or accommodated, as appropriate;
 - Provide responses prepared by NWP Coal on issues and feedback noted during engagement;
 - Identify how the Project and EA documents, including the VC document and Application Information Requirements, if applicable, have altered based on consultation feedback on the Project from the KNC;
 - Identify issues or concerns raised by NWP Coal regarding engagement with the KNC; and
 - Outline the next steps and future engagement activities, other than those outlined in the First Nations Consultation Plan.
- Provide First Nations Consultation Reports to the EAO following the deadline for Working Group comments on the draft Application Information Requirements or at any other time within the pre-application phase if requested by the EAO.

3.3 Application Review Phase

The application review phase is initiated upon acceptance of the EA Application for review by the EAO for an EAC and continues throughout the Application Review phase of the Project. Once the EAC

Application is submitted, NWP Coal will provide the KNC copies of the Application and work with the EAO to complete the following activities:

- **Review and Comment on the Application** – NWP Coal will provide the KNC with copies of the Application for review and comment when the Application review period is initiated.
- **In-person Meetings** – NWP Coal will meet with the KNC, at the KNC's request, throughout the Application review phase to discuss feedback and comments on the Application (including feedback on First Nations, rights, title, and interests), mitigation measures, outstanding Project-related issues, and discuss post-EAC engagement activities.
- **Notification and Information Distribution** – To ensure that the KNC is aware of notifications of comment periods, NWP Coal will work closely with the EAO as per the mandated requirements for the EAO in the section 11 Order for notification of comment periods for the Application review period.
- **Engagement/Communications Log** – NWP Coal will continue to maintain a log of all communications with the KNC, which can be reviewed by the EAO, if requested.
- **Issues Tracking and Reporting** – NWP will also continue to manage and maintain a tracking document for issues brought forward by the KNC during the Application review phase. Responses will be prepared by NWP Coal for all issues or comments received. Additional information on reporting to be carried out during the Application review phase is detailed in **Section 3.3.1**.

3.3.1 Documentation and Reporting

First Nations Consultation Reports will also be completed during the Application review phase to summarize activities, feedback, and issues identified during this phase and to meet reporting requirements detailed in the section 11 Order. NWP Coal will continue to work closely with the KNC during this phase to facilitate additional engagement or accommodation measures that may be required by the EAO. Reporting to be carried out during the Application review phase includes:

- Preparation of First Nations Consultation Reports, as detailed in **Section 3.2.2**, which will include:
 - Summarize efforts undertaken to consult with the KNC;
 - Identify and outline feedback and information received from the KNC during consultation;
 - Identify potential adverse impacts of the Project on First Nations rights, title, and interest;

- Identify how potential adverse impacts of the Project on First Nations rights, title, and interests would be avoided, mitigated, addressed, or accommodated, as appropriate;
- Provide responses prepared by NWP Coal on issues and feedback noted during engagement activities;
- Identify how the Project has been changed or adapted to address potential impacts to First Nations rights, title, and interests;
- Detail outstanding issues related to the Project and/or engagement; and
- Outline steps for on-going and future engagement activities.

3.4 On-going Engagement

NWP Coal is committed to creating and sustaining constructive dialogue and relationships with First Nations over the course of the Project. Should the Project be successful in receiving an EAC, engagement post-EAC and prior to construction of the Project will include:

- **Meetings and Presentations** – NWP Coal will continue to meet with the KNC to discuss the Project, updates, issues and concerns, and mitigation measures to be implemented.
- **Telephone and Email Inquiry Program** – A phone and email inquiry program will be established to allow stakeholders an avenue to provide feedback and ask questions related to the Project.
- **Letters and Mailing Lists** – To allow for communications to reach all interested parties, letters and mailing lists will be developed to communicate Project updates.
- **Company Website** – NWP Coal will post all Project updates and communication materials relevant to engagement on a company website.

4.0 ENGAGEMENT MILESTONE SUMMARY

A proposed timeline for First Nations engagement activities is provided in **Table 1**. The timeline is based on the current Project design and the submission date of the EAC Application will be determined as the Project moves forward.

Table 1: Engagement Activities

Activity	Desired Outcome(s)	Anticipated Completion Date
Various meetings with the KNC	<ul style="list-style-type: none"> • Introduction to the Project, information distribution and gathering, discussion of exploration programs (e.g., Notice of Work review and comment), and discussion of baseline activities. 	Beginning in 2011, various meetings were held and correspondence took place between NWP Coal and the KNC to discuss the Project.
Meeting with KNC – Project Description	<ul style="list-style-type: none"> • Discussed Project Description, identified Project concerns and issues, discussed expectations for engagement 	November 17, 2014 (complete)
Meeting with KNC – Draft VC document and First Nations Consultation Plan	<ul style="list-style-type: none"> • Discussion of draft Valued Components document and draft First Nations Consultation Plan 	Winter 2015 to Spring 2016 (complete)
Working Group meeting on the draft VC document	<ul style="list-style-type: none"> • Discussion of draft VC document with Working Group members 	October 15, 2015 (complete)
Site Tour	<ul style="list-style-type: none"> • Tour of the proposed Project area with KNC representatives and Working Group members 	October 15, 2015 (complete)
Open House on the VC document	<ul style="list-style-type: none"> • Community open house to be held to discuss draft VC document 	May 25, 2016 (complete)
Submission of final First Nations Consultation Plan to the EAO	<ul style="list-style-type: none"> • Finalization and agreement on pre-application phase engagement activities 	July 2016
Draft Application Information Requirements (dAIR)	<ul style="list-style-type: none"> • Discussion of the dAIR • Information distribution and gathering • Identification of issues and concerns • Discussion of mitigation measures 	Summer 2016
Meeting with KNC – EA scope and involvement	<ul style="list-style-type: none"> • Discuss EA scope • Information distribution and gathering • Discuss Chapter C and KNC involvement with preparation of EA sections 	Second half of 2016
Distribution of EA sections and baseline reports, as applicable to Chapter C	<ul style="list-style-type: none"> • Information distribution and gathering • Issues and concerns identification • Identification of mitigation measures 	To be determined
Meeting with KNC – Chapter C of EA	<ul style="list-style-type: none"> • Discuss Chapter C with the KNC • Discuss engagement for Application phase 	To be determined
Distribution of EA Application	<ul style="list-style-type: none"> • Distribution of Application for review and comment by KNC when Application review period formally initiate 	To be determined

Activity	Desired Outcome(s)	Anticipated Completion Date
Meeting with KNC – EA Application	<ul style="list-style-type: none">• Information distribution• Discuss EA Application	To be determined
Communications and on-going engagement	<ul style="list-style-type: none">• On-going engagement and integration of KNC into the Project and proposed mitigation measures	On-going, as necessary
Issues Tracking and Reporting	<ul style="list-style-type: none">• Manage and maintain log of issues brought forward by KNC and responses to each issue by NWP Coal	On-going, as necessary
Engagement/Communications Log	<ul style="list-style-type: none">• Maintain log of all communications with KNC	On-going, as necessary

5.0 REFERENCES

First Peoples' Cultural Council. (2013). First Peoples' Language Map of British Columbia. Retrieved May, 2015 from http://maps.fphlcc.ca/fphlccmap/?zoom=7&lat=50.0500000&lon=-116.0500000&highlight_lang=ktunaxa.

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