



January 22, 2013

Canadian Environmental Assessment Agency,  
Ontario Region  
55 St. Clair Avenue East  
Suite 907 Toronto ON M4T 1M2  
Attention: David Bell, Project Manager

Dear Mr Bell,

On January 18, 2013 Noront Resources sent copies of Addendum 2 to the Project Description to the communities noted below to inform them of the updated design of the Eagle's Nest Mine project. The content of the cover letter is copied below and the Addendum 2 is attached. The communities include: Aroland First Nation, Attawapiskat First Nation, Mushkegowuk Tribal Council, Constance Lake First Nation, Eabametoong First Nation, Ginoogamang First Nation, Kasibonika First Nation, Long Lake #58 First Nation, Marten Falls First Nation, Mishkeegogamang First Nation, Neskantaga First Nation, Nibinamik First Nation, Ojibway Nation of Saugeen First Nation, Webequie First Nation, and Matawa Tribal Council.

The letter read:

"Noront has advanced the design of the Eagle's Nest Mine project through completion of the Feasibility Study. We are continuing with the Environmental Baseline studies. The Federal Environmental Assessment (EA) process required us to provide a Project Description (PD) at the outset of the EA process. The attached document is the second addendum for the Eagle's Nest Mine PD. It updates the scope of the project as it has advanced in the nearly two years since the PD was first prepared.

The changes mostly reflect the impacts of two key factors: the ability to extend the access road all the way to site, and the discovery of bedrock just a few metres below surface near the deposit. Extending the road to site eliminates the need for a pipeline to pump concentrate slurry across the wetland, but also means all site facilities can be located at the site. This allows regular deliveries of materials and reduces storage requirements at site and the need to build an explosives plant at site<sup>1</sup>. The Webequie Junction facility will be much smaller and used mainly during the 3 years of construction as part of the winter road access to the site.

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<sup>1</sup> Note to CEAA: Noront will require an explosives factory license during the construction phase of mine development.

The areas of high bedrock near the Eagle's Nest deposit provide sites for surface infrastructure to place facilities moved to the mine site from south of Webequie, including the power plant and fuel tanks, concentrate thickeners, dryers and truck loading facilities, plus tailings thickeners, the backfill plant and cement silos, and the surface shop facilities. This infrastructure will be placed in buildings with extra containment so run-off water can be collected for treatment before being either released to the peat bog or sent to the mill as part of the daily water intake. The project still has a net intake of water with no surface tailings ponds, since the tailings will be used as structural (cemented) backfill or as paste backfill underground.

The Province is still deciding on the route to the Ring of Fire, with a preference for a road from Nakina<sup>2</sup>. If the all-season road is extended from the Nakina area, then Noront will develop a railcar loading facility in that area to transfer the concentrate from trucks to railcars for shipping to a customer's smelter in Ontario or elsewhere.

Noront is also expecting a decision by Ontario on connecting the site to the Ontario power grid. Because this is not confirmed, Noront has retained the use of diesel fueled generators in the design.

This Addendum will be forwarded to CEAA shortly and attached to their website. Comments on this document are most welcome. Noront is in the process of completing the EA baseline studies, and has started to write the report which will be reviewed by the government and public. During this process, Noront will supply draft reports for review to all potentially affected communities, and will be seeking input and feedback from these communities to improve the EA Report."

The letter and Addendum were sent by email and by Canada Post. Noront included a copy of our Executive Summary with the mailed document. Please let us know if there is any other action required on this matter.

Regards,

Noront Resources Ltd.

Original signed by

Mark Baker, P.Eng.  
VP Projects

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<sup>2</sup> Noront continues to study the route to Pickle Lake, since it is an alternative to the Nakina access.



**NORONT RESOURCES LTD.  
EAGLE'S NEST PROJECT**

**PROJECT DESCRIPTION, ADDENDUM 2  
(REF. NO. NB102-390/1-2)**

**Section 1.0 - INTRODUCTION**

Noront Resources Ltd. (Noront) submitted a Project Description to the Canadian Environmental Assessment Agency (CEAA) on April 19, 2011 to initiate the Federal Environmental Assessment process for the Eagle's Nest Mine located in the James Bay Lowlands of Northern Ontario. After review of that document, the Federal Government provided comments for Noront to address. Noront prepared Addendum 1 to the Project Description with responses to those comments. This Addendum 2 is being submitted to CEAA to address design advancement, since the project has now advanced beyond Feasibility Study.

## Section 2.0 - **ADDITIONAL INFORMATION TO THE PROJECT DESCRIPTION**

The following table was prepared by Noront to update information associated with specific sections of the original Project Description.

An updated version of Figure 5.3 has been included. It includes a power plant and concentrate drying and load-out facilities, next to the repositioned portal location. The aggregate stockpile area is repositioned next to the portal and also will hold any sulphide bearing rock that comes to the surface during construction of the mine. Run-off from the stockpile and facilities around the portal will be captured and treated, if necessary, before release into the peat bog to the northeast. The incinerator and waste management facility have been repositioned. The explosives plant has been removed and magazines added.

**Table 1. Description of Design Updates of Noront’s Eagle’s Nest Mine for Addendum 2 to the Project Description (April 13, 2011)**

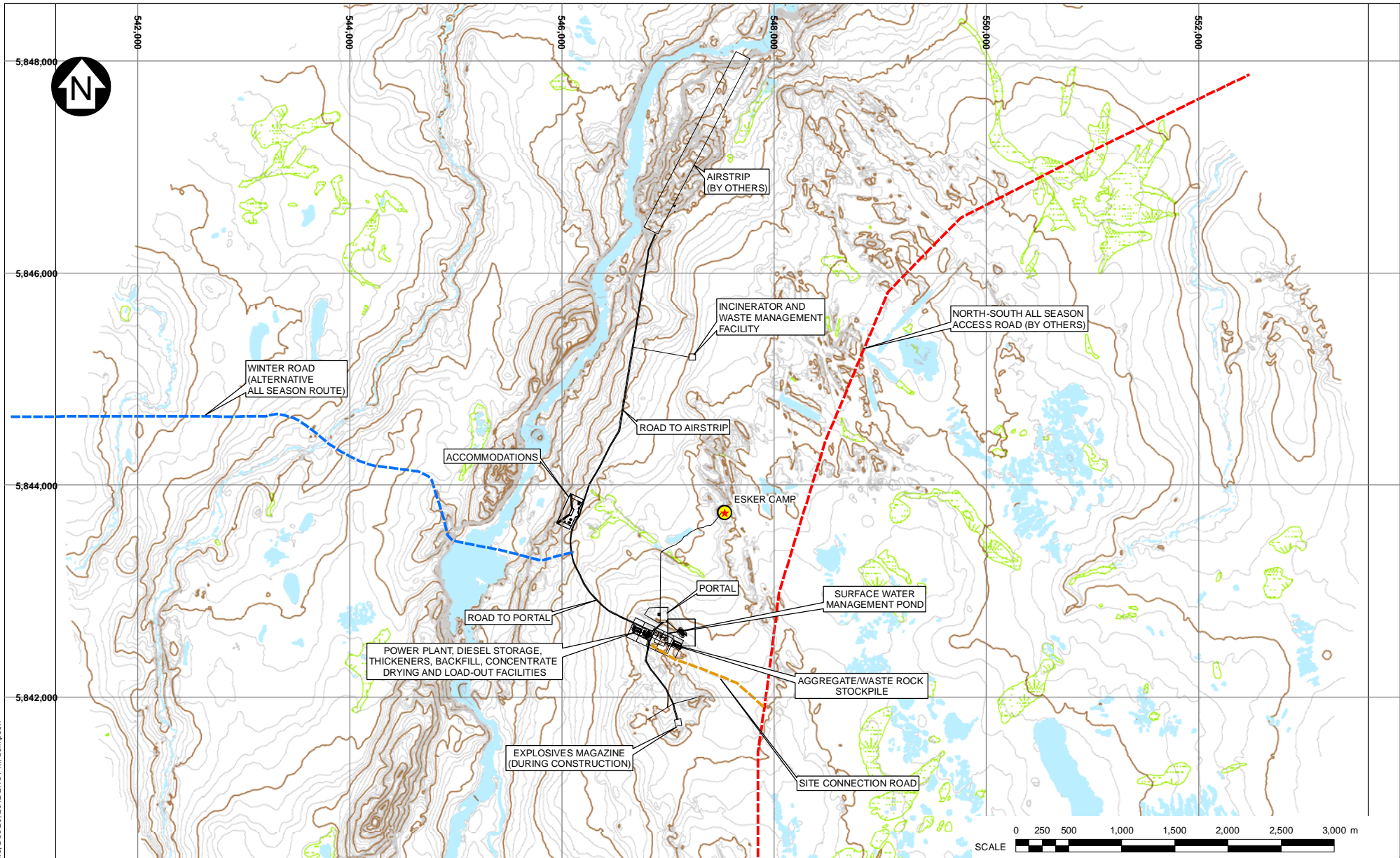
Number	PD Section	Description of Design Update
1	1.3	Mr Jeremy Niemi is no longer employed by Noront Resources.
2	1.4	The list of consultants was changed for the Feasibility Study, with Tetra Tech WEI replacing SNC-Lavalin for facilities design and engineering support for Outotec and Nuna Logistics who joined the team for the areas of metallurgical process design and access corridor and airstrip construction, respectively.
3	1.5	An all season road will extend to site from Nakina (not in Noront’s project as Cliffs Natural Resources is designing this road), so facilities that were noted at Webequie Junction have been moved to the mine site and placed next to the portal. The slurry pipeline has been made redundant by this change. The railcar loading facility will not be placed at Savant Lake and a new facility is proposed near Nakina on Canadian National Railway property. Power will be generated at the mine site. Environmental baseline studies have continued through 2011 and 2012. Construction is now expected during 2014-2016.
4	2.4	The 100 km winter road will be used for construction activities. It is expected the winter road will have a First Nation proponent and be permitted separately from the Eagle’s Nest mine. The all-season access road from Nakina is being constructed by others and is scheduled to be completed in time for mine start up in late 2016.
5	2.5	Charter air services are available from many regional airports.
6	3.1	Noront currently holds 351 claims in the Ring of Fire, totalling approximately 80,016 hectares.
7	4.5	On August 23, 2011, Noront released an upgrade of the resources at Eagle’s Nest to reserves of 11.1 million tonnes of ore with another 9 million tonnes of inferred resources. Only the reserves are included in the mine design. This upgrade did not change the mine design, but confirmed the viability of creating a mine from the mineral resources.



Number	PD Section	Description of Design Update
8	5.1	The underground mine will now have 2 ramps, but no winze or shaft. The 2 mine products will now be a dried concentrate to be shipped to a smelter, and the waste material which will be kept underground as cemented backfill in production stopes or as un-cemented paste backfill in underground aggregate mine stopes.
9	5.6	The Crown Pillar will be mined from underneath in the first three years of the mine operation. Surface investigations showed the overburden to be less than 5 metres thick over the deposit. A barrier will be installed down to bedrock around the deposit and grouting will be injected in the rock to plug the cracks around the opening to hold water back for extraction of the Crown Pillar, similar to the technique proposed to develop the portal area. Overburden material inside the retained area will be excavated and placed in overburden and organic material stockpiles from which it can be used for reclamation.
10	5.10.	The backfill plant, the concentrate and tailings thickeners will be placed on surface next to the portals for the twin ramps. These facilities will be inside buildings which provide secondary containment of any spills. Water that accumulates in the buildings will be added to the water from the thickeners for treatment and reuse in the mill processes.
11	5.12	For the 10.2 year life of the mine, ore will be trucked to the underground crusher. Below the 200m depth, electric powered haul trucks (with regenerative braking systems) will be used to bring ore up to the mill.
12	5.17	The Webequie Junction site will only be used as a construction support site. It will have a cleared area for parking trucks. It will have a temporary construction camp, with water well. Sewage will be processed at site using a bio-rotary contactor, similar as to what is used currently at Noront's Esker Camp.
13	5.18	All mine infrastructure will now be at the mine site. The year-round access road makes possible regular deliveries of consumables so large storage capacities are not required. The largest storage items are diesel fuel and cement. Explosives can be made in a regional facility and shipped to Noront, meaning the explosives plant is not required except during construction prior to the all-season road being built. The camp size has been increased to 350 rooms, since the Webequie Junction facility will not be built.
14	5.19	<p>The all-season road and the discovery of areas of high (near surface) bedrock have made it possible to place more facilities at site on surface. The power plant, diesel fuel, concentrate thickening, drying and load-out, tailings thickening, backfill plant and cement silo, aggregate stockpile and crusher operations are all to be placed near the portal. The power plant has been reduced to 22 MW, with average load around 11 MW. This reduces the impacts at Webequie Junction and adds to the development at the mine site, although facilities to operate the pipeline are eliminated.</p> <p>The airstrip is removed from the project since it was reviewed under a Class EA when it was previously approved.</p>

Number	PD Section	Description of Design Update
		It will be built by other parties, separate from the Eagle's Nest Project.
15	5.20	The Webequie Junction site will be used as a staging area for the winter road. The access road from Nakina is covered under Cliffs Natural Resources' EA. The all-season road to Highway 808 and the transfer site at Savant Lake are being retained as alternatives in the Eagle's Nest EA.
16	5.21	Approximately 300 people will be at site during construction, and the same number will be employed by the mine when it goes into operation in 2016.
17	5.22	The closure plan is modified for the relocations of facilities noted above. The pipeline and associated infrastructure is no longer in the plan. Most of Webequie Junction is no longer in the plan. Some new buildings planned for the mine site will have to be removed at the end of the mine life and the cleared area returned to nature.
18	5.23 a)	Grid power is still being examined. Options are through Pickle Lake or Nakina. Since the timing for availability of grid power is not committed, the Base Case remains for diesel generators to power the mine initially.
	5.23 b)	The Base Case has all-season road access from Nakina. The Alternative access is the route from the Pickle Lake area, which is also proposed for Base Case winter road access for construction.
	5.23 c)	Concentrate shipping from site is now by truck to a transfer facility near Nakina, where it will be transferred to railcars for shipping to a smelter. The pipeline has been replaced by trucking concentrate since the all season road is to be built to site.
19	Sections 7-10	Comment: Environmental and socio-economic baseline studies have continued. The site-wide water balance and other impacts are being revised based due to the changes to infrastructure at site. The Federal EIS Guidelines have been released. The Provincial TOR document is with the Province for review and signing. Noront has continued its dialogues with First Nation Communities to assess and address the impacts of the project.
20	11	Adjustment to Schedule: Detailed Engineering: 2013 Issue EIS/EA Report: Spring 2013 Commence Major Equipment Purchases: 2013 Permit Preparations: 2013 Construction 2014-2016





- LEGEND:**
- ESKER CAMP
  - NORTH-SOUTH ALL SEASON ACCESS ROAD (BY OTHERS)
  - SITE CONNECTION ROAD
  - WINTER ROAD (ALTERNATE ALL SEASON ROUTE)
  - ACCESS ROAD
  - RIVER/STREAM/DRAINAGE
  - WATER
  - WETLAND

FOR INFORMATION ONLY

- NOTES:**
1. COORDINATE GRID IS IN METRES. COORDINATE SYSTEM: NAD 1983 UTM ZONE 16N.
  2. BASE MAP PROVIDED BY SNC LAVALIN INC., 2010.
  3. INFRASTRUCTURE IS BASED ON INFORMATION PROVIDED BY TETRA TECH (APRIL 19, 2012) AND MODIFIED BY KPL (MAY 2012).
  4. FACILITIES AND INFRASTRUCTURE ARE APPROXIMATE ONLY AND MAY BE SUBJECT TO CHANGE.

NORONT RESOURCES LTD.							
EAGLE'S NEST PROJECT							
<b>PROPOSED MINE INFRASTRUCTURE</b>							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: 0.8em;">P/A NO. NB102-390/1</td> <td style="font-size: 0.8em;">REF NO. NB12-00662</td> </tr> <tr> <td colspan="2" style="text-align: center; font-weight: bold; font-size: 1.1em;">FIGURE 1</td> </tr> <tr> <td style="font-size: 0.7em;">REV</td> <td style="font-size: 0.7em;">A</td> </tr> </table>	P/A NO. NB102-390/1	REF NO. NB12-00662	FIGURE 1		REV	A
P/A NO. NB102-390/1	REF NO. NB12-00662						
FIGURE 1							
REV	A						

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REV	DATE	DESCRIPTION	SRA DESIGNED	AS DRAWN	CWM CHK'D	SRA APP'D
A	20DEC12	ISSUED WITH TRANSMITTAL				

## **EAGLE'S NEST PROJECT PROJECT DESCRIPTION, ADDENDUM 2**

Original signed by

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Approved by:  
Mark Baker, P.Eng., VP Projects  
Noront Resources Ltd.

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