

RESS & EMAIL

January 8, 2026

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ritchie Murray, Acting Registrar

Dear Mr. Murray:

**Re: Impala Canada Ltd. - Application for Leave to Expropriate (EB-2025-0286) –
Intervention Evidence of North Star Forestry**

We are legal counsel to North Star Forestry Ltd. (“North Star”), intervenor in the above-referenced proceeding. In accordance with Procedural Order No. 1, issued by the OEB on December 8, 2025, we are hereby filing North Star’s evidence, in the form of the attached Affidavit of Mr. Daniel Hudnut.

A copy of this letter has been served on Impala.

Yours truly,



Jonathan Myers

JM

EB-2025-0286

Intervenor Evidence
North Star Forestry Ltd.
Filed: January 8, 2026

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B, as amended (the “OEB Act”);

AND IN THE MATTER OF an Application by Impala Canada Ltd. under section 99(1)2 of the OEB Act for authority to expropriate land for the purpose of operating a transmission line to Impala Canada Ltd.’s mine.

**INTERVENOR EVIDENCE OF
NORTH STAR FORESTRY LTD.**

Affidavit of Mr. Daniel Hudnut
(Affirmed January 8, 2026)

Torys LLP
Box 270, TD South Tower
79 Wellington St. W.
Toronto, ON M5K 1N2

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EB-2025-0286

Intervenor Evidence
North Star Forestry Ltd.
Filed: January 8, 2026
Page 1 of 11

Introduction

1. I, Daniel Hudnut, am the President of Wagner Forestry Management Ltd. (“**Wagner**”) and, as such, have knowledge of the matters described herein. Where my knowledge is based on information and belief, I state the basis for that information and verily believe it to be true.

2. I obtained a B.A. from Princeton University in 1986 and an M.F. in forest management and M.B.A from Yale University in 1993. I am a licensed forester in the States of Maine and Vermont and a Society of American Foresters Certified Forester. I was formerly a Certified General Appraiser in the State of Maine. I joined Wagner in 2001 and have served as its President since June 2020. My primary responsibilities as President include setting strategy and budget priorities, providing direction and support to the managers of our operating companies, communicating with our investors, and maintaining relations with key partners. Prior to taking on my current role, I was integrally involved in forest management planning, strategic dispositions, acquisitions, debt financings, and lease negotiation and administration. I maintain a role in overseeing these activities and in managing certain projects.

3. I swear/affirm this affidavit in connection with the application by Impala Canada Ltd. (“**Impala**”) to the Ontario Energy Board bearing file number EB-2025-0286 (the “**Application**”).

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 2 of 11

Background/Parties

4. Wagner is a company incorporated pursuant to the laws of New Hampshire in the business of managing timberlands as sustainable, long-term investments.

5. North Star Forestry Ltd. (“**North Star**”) is a subsidiary of Wagner.

6. Impala is a subsidiary of Impala Platinum Holdings Limited (“**Implats**”), a South African mining conglomerate. It operates a palladium mine northwest of Thunder Bay called the Lac Des Iles Mine (the “**Mine**”).

The Easement

7. The Application concerns an electricity transmission line over part of parcel 4782, District of Fort William Freehold, being Part of Grand Trunk Pacific Block 1, District of Thunder Bay, designated as Part 1 on Plan 55R-10564 and over part of parcel 4797, District of Fort William Freehold, being Part of Grand Trunk Pacific Block 3, District of Thunder Bay, designated as Part 1 on Plan 55R-10563 (collectively, the “**Easement Lands**”).

8. The Easement Lands are owned by North Star and have been owned by North Star since December 28, 2005, when they were acquired as part of North Star’s purchase of the 480,000-acre ‘Voyageur Tree Farm’ timberland property from the prior owner, Abitibi-Consolidated Inc.

9. Registered title to the Easement Lands is subject to, among other things, two transfers of easement (collectively, the “**Transfers of Easement**”) being:

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 3 of 11

- a. Instrument No. F0092791, a transfer of easement dated February 18, 1999 made between Abitibi-Consolidated Inc. (as transferor) and North American Palladium Limited and Lac Des Iles Mines Ltd. (collectively, as transferee); and
 - b. Instrument No. F0092792, a transfer of easement dated February 18, 1999 made between Abitibi-Consolidated Inc. (as transferor) and North American Palladium Limited and Lac Des Iles Mines Ltd. (collectively, as transferee).
10. The Transfers of Easement are in a form to enable the creation and registration on title of an easement (the “**Easement**”) and contain only limited terms and conditions on the parties thereto.
11. The terms and conditions with respect to the grant and use of the Easement Lands was first established on February 16, 1996 pursuant to an agreement between Abitibi-Price Inc. (as transferor) and North American Palladium Limited (as transferee). A copy of the agreement setting out the terms and conditions with respect to the grant and use of the Easement Lands is attached at **Exhibit A** (the “**Letter Agreement**”).
12. Among other matters, the Letter Agreement provides that:
 - a. The Easement was granted “for an easement term of 25 years such term subject to renewal upon the mutual consent of both parties” (section i);
 - b. The Easement was granted for the purposes of constructing and maintaining a 115kV transmission line for the Lac Des Iles Mine on 41.7 hectares (103 acres) (section i).

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 4 of 11

- c. The grantee's [i.e. Impala's] access to the transmission line and roads on the Easement Lands exist at the grantor's [i.e. North Star's] discretion (section vii); and
 - d. The grantee is obliged to restore the Easement Lands to a natural forested state once the transmission line ceases to be used for the purpose of electrical transmission by the grantee, its assigns, successors or Ontario Hydro, and remove all non-wood transmission line structures and render any land alterations to a natural state at the discretion of the grantor (section xii).
13. To my knowledge, North American Palladium and Abitibi conducted themselves in accordance with the Letter Agreement at all relevant times.
14. I understand that the transmission line is an unlicensed radial line connection facility that conveys electricity solely from the provincial transmission grid (more particularly, Hydro One's transmission system at a point just south of OPG's Silver Falls generating station) to the Mine, that Impala is the sole user of the electricity conveyed by the transmission line, and that Impala has no plans to extend, expand or reinforce the transmission line. I also understand that the Mine has three large diesel power generators on site to provide power to essential services in the event of power outages.¹

¹ A copy of an Impala Executive Summary describing the Mine and the transmission line is attached at **Exhibit B**.

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 5 of 11

15. The initial 25-year term under the Transfers of Easement expired on February 18, 2024. As described in greater detail below, the parties have never mutually consented to renewal.

16. As such, Impala's transmission line has now been occupying North Star's lands despite the expiry of the Transfers of Easement for almost two years.

North Star Attempts to Negotiate an Extension of the Easement with Impala

17. Notwithstanding the expiry and failure to renew the Easement, North Star has never interfered with Impala's access to the Easement or use of the transmission line. Rather, North Star has attempted in good faith to negotiate an extension of the Easement in accordance with the terms of the Letter Agreement.

18. In October 2024, Impala first acknowledged that it needed to renew the Easement. Since that time, North Star has consistently engaged in good faith negotiations with Impala with a view to arriving at mutually agreeable terms for an extension of the Easement. By way of example, as recently as September 11, 2025, North Star (via its counsel) offered Impala a temporary extension of the Easement and also advised that, to the extent Impala seeks a permanent easement, North Star remains open to negotiating an agreement on those terms. A copy of North Star's letter of September 11, 2025 is attached hereto as **Exhibit C** (the "**North Star Letter**"). Shortly thereafter, Impala discontinued the negotiation and commenced this Application.

19. Given that some of the negotiations were conducted without prejudice, I have refrained from describing them in detail in this affidavit. However, contrary to the claims at paragraphs 15-

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 6 of 11

17 of Impala's OEB Application dated October 3, 2025, I can advise that the amount of compensation has not been the "only issue outstanding" or "core disagreement" between the parties. In addition to compensation, the parties have differed on whether an extension should be temporary (as provided for in the Letter Agreement and in recognition of the announced closure of the Mine, discussed below) or permanent and, depending on whether the extension is temporary or permanent, what the appropriate compensation should be. Issues of decommissioning and restoration upon cessation of use also need to be discussed.

20. Impala states at paragraph 22 of the Application that it "remains open to engaging in discussions for a reasonable agreement for an indefinite easement". However, Impala has never explained why the Easement must be extended on an "indefinite" basis and has not made any offers since North Star's letter of September 11, 2025.

21. I understand that Impala does not have perpetual rights to the rest of the transmission line, nor to the Mine. In particular, I understand that Impala does not have an easement for the transmission line to cross Crown lands, but instead obtains temporary five or ten-year permits, and that the Mine operates on multiple 21-year leases with the Crown, five of which expire in 2027.

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 7 of 11

Closure of the Mine

22. In the summer of 2025, Impala announced that it would cease commercial production at the Mine on May 31, 2026.² Impala has publicly stated that the primary reason for the cessation of operations is low palladium prices.

23. Public reporting suggests that the proposed closure of the Mine has been met with ambivalence by local First Nations groups. For example, the Chief of the Kiashke Zaaging Anishinaabek (also known as Gull Bay First Nation), where the Mine is located, has publicly stated that he feels “ambivalent” towards the mine’s cessation of operations given how Impala has operated the Mine.³

24. In November 2025, Impala revised its initial announced timetable for ceasing commercial operations and stated that it would extend operations until summer 2027 as a result of a recent increase in palladium prices.⁴ This timing correlates with the 9.5 year life of mine that was estimated for the Mine in 2017.⁵

² A copy of a news article reflecting this announcement dated July 8, 2025 is attached at **Exhibit D**.

³ A copy of a news article dated July 20, 2025 reflecting these statements is attached at **Exhibit E**.

⁴ A copy of a news article dated November 20, 2025 reflecting these statements is attached at **Exhibit F**.

⁵ A copy of Implats’ 2023 Annual Integrated Report is attached at **Exhibit G**. See p. 136.

“A copy of the Mineral Resource and Mineral Reserve Statement for the Mine for 2023 is attached at **Exhibit H**. See p. 89.

EB-2025-0286

Intervenor Evidence
North Star Forestry Ltd.
Filed: January 8, 2026
Page 8 of 11

25. In recent years, Implats publications have underscored the limited remaining life of mine expected for the Lac Des Iles Mine, as follows:

- a. The Implats Annual Integrated Report for 2023, and the Implats Mineral Resource and Mineral Reserve Statement for 2023, report the anticipated life of the Mine as five years as of June 30, 2023.⁶ Implats took a write-down of approximately C\$800 million;
- b. The Implats Annual Integrated Report for 2024, and the Implats Mineral Resource and Mineral Reserve Statement for 2024, report the anticipated life of the Mine as three years as of June 30, 2024, while acknowledging deteriorating prices and limitations in the tailings dam capacity;⁷
- c. The Implats Annual Integrated Report for 2025, and the Implats Mineral Resource and Mineral Reserve Statement for 2025, report the anticipated life of the Mine as eleven months as of June 30, 2025, to the end of May 2026.⁸

⁶ A copy of Implats' 2023 Annual Integrated Report is attached at **Exhibit G**. See p. 136.
A copy of the Mineral Resource and Mineral Reserve Statement for the Mine for 2023 is attached at **Exhibit H**. See p. 89.

⁷ A copy of Implats' 2024 Annual Integrated Report is attached at **Exhibit I**. See pp. 117-118.
A copy of the Mineral Resource and Mineral Reserve Statement for the Mine for 2024 is attached at **Exhibit J**. See p. 95.

⁸ A copy of Implats' 2025 Annual Integrated Report is attached at **Exhibit K**. See p. 111.
A copy of the Mineral Resource and Mineral Reserve Statement for the Mine for 2025 is attached at **Exhibit L**. See p. 95.

EB-2025-0286

Intervenor Evidence

North Star Forestry Ltd.

Filed: January 8, 2026

Page 9 of 11

26. The official closure plan for the Mine does not address close out of the transmission line. The *2019 Amendment to the 2018 Mine Closure Plan Lac des Iles Mine* prepared by CSL Environmental & Geotechnical Ltd. and submitted December 13, 2019 to the Director of Mine Rehabilitation of the Ontario Ministry of Energy, Northern Development and Mines on behalf of North American Palladium Ltd. makes only one mention of the transmission line, stating on page 5-15 that “The transmission line is under an active land use permit.” It makes no reference to the Easements or the closure requirements from the Letter Agreement.⁹

Permanent Expropriation is Unnecessary

27. In NorthStar’s view, there is no need for any expropriation. Rather, the parties should negotiate any extension of the Easement on commercial terms in accordance with the Letter Agreement.

28. However, even if there is to be an expropriation, it remains unclear to North Star how permanently expropriating the Easement is necessary or in the public interest. The transmission line does not serve any customers or sites other than Impala at the Mine site.

29. If Impala believes it will cease production at the Mine in the near term, consistent with its repeated evaluations of the life of the mine, the company could negotiate with North Star for a temporary extension to the Easement that would provide sufficient time for Impala to take the

⁹ A copy of Appendix M to the 2019 Amendment to the 2018 Mine Closure Plan for Lac des Iles Mine obtained from the Ministry of Energy and Mines is attached at **Exhibit M**.

EB-2025-0286

Intervenor Evidence
North Star Forestry Ltd.
Filed: January 8, 2026
Page 10 of 11

necessary steps to safely and responsibly operate the Mine through its operational closure and the following active close-out phase. To date, Impala has not done so.

30. At any time that Impala elects to cease production, it should be required to comply with its contractual obligations in relation to the transmission line across Easement Lands pursuant to the Letter Agreement.

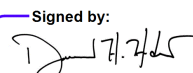
AFFIRMED by **Daniel Hudnut** of the Town of Lyme, New Hampshire, before me at the City of Toronto, in the Province of Ontario, on January 8, 2026, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)

Chris Hunter
LSO No. 65545D

}

Signed by:

2A0236DA29EC475...

Daniel Hudnut

Tab A

This is Exhibit “A” referred to in the Affidavit of Daniel Hudnut affirmed by Daniel Hudnut of the Town of Lyme, New Hampshire, before me at the City of Toronto, in the Province of Ontario, on January 8, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

CHRISTOPHER KINNEAR HUNTER
LSO NO. 65545D

A-11-71

ABITIBI-PRICE

ABITIBI-PRICE INC., Fort William Business Unit,
1735 City Road, P.O. Box 160, Thunder Bay, Ont., P7C 4V8



*mailed
Feb 20/96*

C.G. Trivers Limited
P.O. Box 70, R.R. #2
Thessalon, Ontario
P0R 1L0

Attention: Mr. Colin Trivers
P.Eng. OLS

February 16, 1996

Subject: North American Palladium Ltd.
Lac Des Illes Mine
Proposed Easements Through
Abitibi-Price Inc. Blocks 1 & 3

Colin:

Per our discussions regarding the proposed transmission line crossing Abitibi-Price Inc. private lands, and subject to the execution of an easement agreement between Abitibi-Price Inc. and North American Palladium Ltd; the forestry team has examined the affected lands and is proposing the following terms and conditions.

These terms and conditions of easement will be renegotiated in the event that the current route is altered, the right of way specifications are amended, or any party gives due cause that the proposed transmission line should be reassessed prior to obtaining an agreement for the proposed route in its entirety.

Return the signed Agreement in duplicate and forward the easement draft as directed below.

NOW THEREFORE this Agreement witnesseth that in consideration of the terms and conditions described herein, the parties agree as follows:

- i) North American Palladium Ltd. will pay Abitibi-Price Inc. a one time sum of \$ 38,625 for an easement to construct and maintain a 115kV transmission line, for the Lac Des Illes Mine on 41.7 hectares (103 acres) across Abitibi-Price Inc. private lands at locations indicated by maps faxed to us by yourself, acting as a representative of PowerTel Utilities Contractors Limited and North American Palladium Ltd., for an easement term of. 25 years such term subject to renewal upon the mutual consent of both parties.
- ii) North American Palladium Ltd. will assume all costs of survey and legal costs associated with drafting an easement document. The draft of easement will be submitted to Brian Barker of the Law Department, and Mike Senko, Real Estate Manager, Abitibi-Price Inc., 207 Queen's Quay West, Suite 680, Box 102, Toronto,

Ontario, M5J 2P5. Abitibi-Price Inc. gives North American Palladium Ltd. its permission to make application for the necessary severance approvals required under the Planning Act

- iii) Despite that the proposed right of way corridor will be 30 metres in width more or less, Abitibi-Price Inc. agrees to permit North American Palladium Ltd. to deviate from the right of way corridor for access purposes only, in areas of steep terrain, swamps and/or creek crossings on the right of way corridor. Deviations must be reported to Abitibi-Price Inc. prior to cutting and will be revised and approved at Abitibi-Price Inc. discretion. North American Palladium Ltd. agrees that all operations will conform to logging, clearing and environmental standards acceptable to Abitibi-Price Inc. and those within the guidelines of the Ministry of the Environment, Ministry of Natural Resources , and Ministry of Labour.
- iv) All merchantable timber on the right of way corridor and along any area within the permissible access to right of way deviation, as specified in clause iii, will be felled by North American Palladium Ltd. and will remain the property of Abitibi-Price Inc. After such felling North American Palladium Ltd. will sort by species, forward and delimb the timber within (15) fifteen days to an accessible road location, within the private lands specified by Abitibi-Price Inc., at no cost to Abitibi-Price Inc., for pickup by haul truck before such date as determined by Abitibi-Price Inc. on an annual basis but not later than March 10.
- v) If in the opinion of Abitibi-Price Inc. merchantable timber has been left abandoned in the proposed right of way, or has been declared unsalvageable by North American Palladium Ltd., North American Palladium Ltd. will be levied a charge of \$ 75.00 per cubic metre for all felled or otherwise downed trees, as assessed by Abitibi-Price Inc., plus the cost of scaling approved by Abitibi-Price Inc.
- vi) North American Palladium Ltd. or any of its contractors may be restricted access to areas of regeneration or sites deemed fragile by Abitibi-Price Inc.. In the event that such sites are disturbed, North American Palladium Ltd. will be levied a charge of \$ 3000.00 per hectare affected plus any environmental remediation costs incurred.
- vii) Access to the proposed transmission line and all roads constructed or improved will be at the discretion of Abitibi-Price Inc.. North American Palladium Ltd. will be responsible for obtaining the necessary permits and permissions, and for all costs associated with access, road construction, timber extraction, and clearing.
- viii) Measures will be taken by North American Palladium Ltd. to protect all lakes, ponds, rivers, and streams from contamination, erosion, or deterioration of any kind. Temporary water crossing structures or alterations will be removed prior to North American Palladium Ltd. contractor's site abandonment or before September 30, 1996, whichever comes first.
- ix) Abitibi-Price Inc. must be provided with written details of any proposed operations on Abitibi-Price Inc. private lands, and received by the Fort William Business Unit Forestry Department 7 working days prior to operation commencement. The details will include, but are not limited to: selected contractors, project scheduling,

transmission line engineering at roads and major watercrossings, and environmental remediation plans.

- x) North American Palladium Ltd. shall at all times during the construction of the 115 kV transmission line ensure that all work is done in compliance with the Occupational Health and Safety Act, and all other statutes, by-laws, regulations, orders and directions of the Government and regulatory authorities having jurisdiction affecting the designs, installations, and operation of the hydro transmission line.
- xi) North American Palladium Ltd. will not interfere with, obstruct, or take priority over any operations of Abitibi-Price Inc. or its contractors, or authorized commercial operators, which will include but are not limited to: logging, silviculture, mining, tourism, recreation, and trapping.
- xii) North American Palladium Ltd. will restore the land to a natural forested state once the proposed transmission line ceases to be used for the purpose of electrical transmission by North American Palladium Ltd., its assigns, successors, or Ontario Hydro; through natural regeneration, planting or seeding, at no cost to Abitibi-Price Inc.. All proposed silvicultural or vegetation prescriptions proposed for the right of way must be approved by Abitibi-Price Inc. North American Palladium Ltd. will also remove all non-wood transmission line structures; including, lines, transformers, hardware, structures, and render any land alterations to a natural state, at the discretion of Abitibi-Price Inc. North American Palladium will provide upon request, copies of amendments made by North American Palladium Ltd., of its closure plan filed with the Ministry of Northern Development and Mines as they affect the right of way corridor.
- xiii) In the event that the use of the proposed transmission line should change from its original intent, Abitibi-Price Inc. reserves the right to cancel or renegotiate the terms and conditions of easement, subject to renewal of the term of the easement as specified in clause i.
- xiv) North American Palladium Ltd. shall arrange and maintain at its expense, throughout the term of its works on Abitibi-Price Inc. lands, comprehensive general liability insurance which shall include coverage for personal injury, death and property damage, all on an occurrence basis with respect of all operations carried out upon the land and/or in any building and other facilities and use and occupancy of the land by North American Palladium Ltd., with limits for any one occurrence or claim not less than \$ 5,000,000 (Cdn. dollars). Such insurance will name North American Palladium Ltd. and Abitibi-Price Inc. as co-insured and contain a cross liability clause. A certified copy of such policy(ies) or satisfactory certificates in lieu thereof shall be given to Abitibi-Price Inc. for approval on or before the commencement of the work on Abitibi-Price Inc. lands. Such insurance policies shall contain an endorsement clause that such policies shall not be cancelled or modified except upon 30 days notice in writing thereof to Abitibi-Price Inc.
- xv) North American Palladium Ltd. agrees to comply with all applicable federal, provincial and local environmental laws, regulations, guidelines and policies

concerning environmental protection, pollution, noise control and abatement while on site. North American Palladium Ltd. agrees not to bring onto Abitibi-Price Inc. lands any material or substance dangerous to the environment, public health, crops water supplies or soil quality, without the prior written approval of Abitibi-Price Inc. North American Palladium Ltd. further agrees not to remove, transport or dispose of any waste materials from the site without first obtaining the necessary permits or approvals to remove, transport or dispose of any such materials on-site without the prior approval of Abitibi-Price Inc. North American Palladium Ltd. also agrees to report any spill or discharge of any material or substance immediately to Abitibi-Price Inc. and to the responsible governmental authorities and take all appropriate actions to stop the spillage, contain the spilled material and remediate the site immediately. North American Palladium Ltd. agrees to follow any government direction or order.

- xvi) North American Palladium Ltd. shall assume all liability and obligation for any loss, damage or injury (including death) to persons or property that would not have happened but for this agreement or anything done or maintained by North American Ltd. under this Agreement or intended so to be; and North American Palladium Ltd. shall, at all times, indemnify and save harmless Abitibi-Price Inc. from and against all such loss, damage, or injury and all actions, suits, proceedings, costs, charges, damages, expenses, claims or demands arising therefrom or connected therewith.
- xvii) North American Palladium Ltd. shall ensure all its employees, servants, agents and contractors in any way involved with the construction of the 115kV transmission line are made aware of and at all times comply with the terms and conditions of this agreement and with all safety and environmental laws and all applicable rules and regulations.
- xviii) Immediately upon completing the construction of the 115 kV transmission line as contemplated under this Agreement, North American Palladium Ltd. shall, at the expense of North American Palladium Ltd., have the 115 kV transmission line inspected by Ontario Hydro or an independent third party engineering firm, approved by Abitibi-Price Inc, whose report of such inspection shall be forwarded to Abitibi-Price Inc. North American Palladium Ltd shall immediately upon the receipt of notice from Abitibi-Price Inc. carry out at its own expense, any and all remedial, additional, corrective or reconstructive work as Abitibi-Price Inc., at its discretion, may require North American Palladium Ltd. to perform to meet the satisfaction of Abitibi-Price Inc. Abitibi-Price Inc. shall not be responsible for damages of any nature or kind as a result of reconstructive work.
- xix) North American Palladium Ltd. agrees to indemnify and save Abitibi-Price Inc. and any of its servants, agents or employees harmless from and against all claims, demands, actions, causes of action, fines, damages, losses, costs, liabilities, expenses of any kind whatsoever (including without limitation, legal fees and the expenses incurred in connection with the enforcement of the indemnity) which may be brought or enforced against Abitibi-Price Inc. both during and following the termination or expiration of this Agreement. North American Palladium Ltd. agrees to pay any government fine or penalty forthwith.


- xx) Neither North American Palladium Ltd. nor Abitibi-Price Inc. shall assign this Agreement without the written consent of the other party.
- xxi) This Agreement shall endure to the benefit of and be binding upon the parties hereto, their respective heirs, legal representatives, successors and permitted assigns.
- xxii) The parties agree that this Agreement shall be governed by the laws of the province of Ontario and the parties agree to submit to the jurisdiction of the courts of Ontario.
- xxiii) During the term of the easement agreement, the transmission line will at all times remain the property of North American Palladium Ltd. and North American Palladium Ltd. will request a separate tax assessment for and pay all additional taxes resulting from the transmission line establishment.
- xxiv) Abitibi-Price Inc. agrees that it will not erect any permanent buildings on the easement during the term of the easement agreement.

Notice shall be deemed to have been given to Abitibi-Price Inc. on the date of receipt at: Abitibi-Price Inc., Fort William Business Unit, 1735 City Road, P.O. Box 160, c/o General Manager, Thunder Bay, Ontario P7C 4V8.

Notice shall be deemed to have been given to North American Palladium Ltd. on the date of receipt at: North American Palladium Ltd., Lac Des Iles Mines Ltd., P.O. Box 3386, Station "P", c/o President & Chief Executive Officer, Thunder Bay, Ontario, P7B 5J9


IN WITNESS WHEREOF the parties hereto have executed this agreement:

ABITIBI-PRICE INC.



Per: Abitibi-Price Inc.
~~General Manager~~
Fort William Business Unit
Fibre Manager

NORTH AMERICAN PALLADIUM LTD.



Per: North American Palladium Ltd.



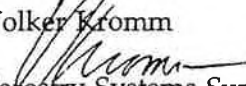
witness:



witness:

Date: FEB 17/96

Date: FEB 19 1996

Volker Kromm

Forestry Systems Supervisor

cc. Herb Krueger,
Brian Stevenson
Brenda MacDonald
Brian Barker
Mike Senko
Malcolm Squires
Steven W. Lukinuk

PowerTel Utilities Contractors Limited
Abitibi-Price Inc., General Manager, Fort William Business Unit
Abitibi-Price Inc., assigned Agreement lawyer
Abitibi-Price Inc., lawyer for Fort William Business Unit
Abitibi-Price Inc., Real Estate Manager
Abitibi-Price Inc., Divisional Forester, Fort William Business Unit
Lukinuk & Mckenzie, Barristers-Solicitors-Notaries, solicitor for North
American Palladium Ltd., Suite 405, 135 North Syndicate Ave.,
Thunder Bay
(807) 622-6413 fax: (807) 622-4290

Tab B

This is Exhibit “B” referred to in the Affidavit of Daniel Hudnut affirmed by Daniel Hudnut of the Town of Lyme, New Hampshire, before me at the City of Toronto, in the Province of Ontario, on January 8, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

CHRISTOPHER KINNEAR HUNTER
LSO NO. 65545D



Executive Summary

Impala Canada Ltd. (Impala) operates the Lac des Iles (LDI) palladium mine and processing mill complex (the Facility) north-northeast of Thunder Bay, Ontario, producing palladium rich concentrate which is shipped off site for further processing and refining. LDI is located approximately 13 km West of Highway 527, 94.5 km north of Thunder Bay, Ontario. The facility operates under Environmental Compliance Approval (ECA) No.1880-CK7NLR (Issued October 26, 2022).

Significant activities at the Facility include the operation of:

- the existing and expanded open pit mine,
- the underground mine complex,
- underground and surface raw ore crushing,
- stationary and semi-mobile grinding and stacking equipment and
- a Mill Complex consisting of a number of (wet) fine grinding mills, gravity settling and concentrating processes.

Supporting Facilities on-site include:

- an operations camp,
- tailings and water management facilities,
- ore and waste rock stockpiles,
- maintenance and repair shops,
- a network of unpaved roads and
- a metallurgical Assay Lab.

The Facility is connected to the local power grid, however there are three (3) large emergency diesel power generations on site to provide power to essential services in case of emergency power outages.

This updated Emission Summary and Dispersion Modelling (ESDM) report has been prepared to comply with condition 2: Limited Operational Flexibility of the ECA, which allows for limited modifications to the facility within the original scope of the approval.

This ESDM report has been updated as required under Ontario Regulation 419/05 and the conditions of its ECA to reflect:

- changes to MECP POI standards for a number of metal species,
- changes in road dust estimates to better reflect actual facility operations including changes to production rates from the open pit and underground operations and increased use of the south portal access road, and
- updates to road dust metals concentrations to reflect recently completed ore sampling analysis.

These updates have been documented in the Facility's Modification Log per Condition 5.1 of the ECA.

This ESDM report has been prepared according to the requirements as spelled out in the MECP guidance document "Procedure for Preparing an Emissions Summary Dispersion Modelling Report, Version 3.0, February 2017 [Guideline A-10]" (ESDM Guide).

The Source Summary Tables presenting the Facility's air emission sources and the associated emission rate estimates are presented as Table B1 and Table B1a in Appendix B of this report.



Advanced air dispersion modelling of the Facility's air emissions was performed according to the MECP guidance document "Air Dispersion Modelling Guideline for Ontario, version 3.0, February 2017" (ADMGO); using the Lakes Environmental Inc. AERMOD View (ver.12.0.0) and AERMOD and AERMET version 22112 dispersion modelling software. The maximum Point of Impingement (POI) concentrations for contaminants of concern were determined based on the aggregate worst case contaminant emission rates from the Facility.

The Facility's NAICS code is 212299 (Metal Ore Mining) and as such, is listed under Schedule 4 of O.Reg. 419/05; requiring it to comply with the Point of Impingement (POI) standards set out in Schedule 3 of the regulation.

The maximum modelled concentrations of all contaminants of concern have been compared to the POI limits and guidelines set forth in the MECP's Air Contaminant Benchmarks (ACB) List (2023) to determine compliance with the relevant regulatory standards.

The maximum modeled off site POI concentrations for all contaminants of concern are less than their respective POI limits. This ESDM report demonstrates that the LDI facility is capable of operating in compliance with O.Reg. 419/05 for all contaminants of concern under maximum emission rate, worst case operating scenarios.

An Acoustic Assessment Report has not been prepared for the Facility as the site meets the minimum separation distance from the nearest sensitive receptor (>1km) as per the attached Section 9 Noise Screening form attached in Appendix F.

The Emission Summary Table below (also provided as Table B2 and Table B2a in Appendix B), shows the comparison of modelled results against the relevant regulatory standards for all significant contaminants of concern and demonstrates that LDI is capable of operating in compliance with all applicable POI limits.

**Table 1: Emission Summary Table – Comparison of Modelling Results with MECP POI Standards**

Contaminant	CAS No.	Emission Rate (g/s)	Air Dispersion Model	POI Conc. (ug/m ³)	Avg. Time	POI Limit (ug/m ³)	Limiting Effect	Regulation Schedule #	Category	% of POI Limit	UTM (m East)	UTM (m North)
Carbon Monoxide	630-08-0	14.8	AERMOD (V.22112)	132	1/2 hr	6000	Health	3	B1	2%	310,283	5,448,147
Nitrogen Oxides - 1hr	10102-44-0	4.57		35	1 hr	400	Health	3	B1	9%	310,213	5,448,463
- 24hr		2.6		3.7	24 hr	200	Health	3	B1	2%	308,054	5,450,008
-1/2 hr		21.5		134	1/2 hr	1880	Health	3	B1	7%	310,213	5,448,463
Lead	7439-92-1	0.0074		0.008	24 hr	0.5	Health	3	B1	2%	308,060	5,449,990
				0.002	Month	0.2	Health	3	B1	1%	310,195	5,448,375
MIBC (4-methyl-2-pentanol)	108-11-2	7		13	24 hr	500	Health	3	B2	3%	306,500	5,448,650
Formaldehyde	50-00-0	0.0139		0.026	24 hr	65	Health	3	B1	0%	310,195	5,448,375
Suspended Particulate	N/A - TSP	88.1		71	24 hr	120	Visibility	3	B1	59%	310,195	5,448,375
Antimony-Sb	7440-36-0	0.00001		0.0000	24 hr	25	Health	3	B1	0%	310,195	5,448,375
Arsenic-As	7440-38-2	0.000088		0.00007	24 hr	0.3	Health	3	B1	0%	310,195	5,448,375
Barium-Ba	7440-39-3	0.00634		0.0051	24 hr	10	Health	3	B1	0%	310,195	5,448,375
Cadmium-Cd	7440-43-9	0.0000088		0.000007	24 hr	0.025	Health	3	B1	0%	310,195	5,448,375
Chromium ³ -Cr	7440-47-3	0.0169		0.0136	24 hr	0.5	Health	3	B1	3%	310,195	5,448,375
Cobalt-Co	7440-48-4	0.0079		0.0064	24 hr	0.1	Health	3	B1	6%	310,195	5,448,375
Copper-Cu	7440-50-8	0.0728		0.0585	24 hr	50	Health	3	B1	0%	310,195	5,448,375
Lead-Pb	7439-92-1	0.0009		0.0079	24 hr	0.5	Health	3	B1	2%	310,195	5,448,375
	7439-92-1			0.0020	Month	0.2	Health	3	B1	1%	310,195	5,448,375
Magnesium-Mg	1309-48-4	10.40		8	24 hr	120	Particulate	3	B1	7%	310,195	5,448,375
Manganese-Mn	7439-96-5	0.090		0.072	24 hr	0.4	Health	3	B1	18%	310,195	5,448,375
Mercury-Hg	7439-97-6	0.00001		0.00001	24 hr	2	Health	3	B1	0%	310,195	5,448,375
Mercury-Hg (Alkyl)	7439-97-6	0.00001		0.000	24 hr	0.5	Health	3	B1	0%	310,195	5,448,375
Molybdenum-Mo	7439-98-7	0.00009		0.00008	24 hr	120	Particulate	3	B1	0%	310,195	5,448,375
Nickel-Ni	7440-02-0	0.102		0.0171	AAV	0.04	Health	3	B1	43%	310,195	5,448,375
Palladium-Pd	7647-10-1	0.00026		0.0002	24 hr	10	Health	3	B1	0%	310,195	5,448,375
Platinum-Pt	7440-06-4	0.000021		0.00002	24 hr	0.2	Health	3	B1	0%	310,195	5,448,375
Selenium-Se	7782-49-2	0.000088		0.00007	24 hr	10	Health	3	B1	0%	310,195	5,448,375
Silver-Ag	7440-22-4	0.000014		0.00001	24 hr	1	Health	3	B1	0%	310,195	5,448,375
Strontium-Sr	1314-11-0	0.0174		0.0139	24 hr	120	Particulate	3	B1	0%	310,195	5,448,375
Titanium-Ti	7440-32-6	0.079		0.063	24 hr	120	Particulate	3	B1	0%	310,195	5,448,375
Vanadium-V	7440-62-2	0.0093		0.0074	24 hr	2	Health	3	B1	0%	310,195	5,448,375
Zinc-Zn	7440-66-6	0.00372		0.0030	24 hr	120	Particulate	3	B1	0%	310,195	5,448,375

* Concentration of COC in Ore taken as the maximum measured between 2012 and 2024 (with data from 2002, 2010, 2011 where newer data is unavailable)

** Emission Rate_{Metals} = Ore Concentration_{Metals} x total Particulate Matter emission rate

*** Annual Assessment Value and Annual Standards - compared against the worst case annual average POI concentration based on the worst case 24hr emissions 365days/year

¹ Calculated from 24hr POI Concentration of total Particulate Matter x Composition of each metal species

² Calculated as 24hr POI Concentration of total Particulate Matter x Composition of each metal species

Note: estimates are expected to be conservative, as the POI Concentration of Particulate Matter includes sources.(diesel Generators) that would not be expected to contain these metal species

³ Chromium compounds present on site comes from mineralogical sources (naturally occurring mineral dust) and is not expected to be present in the Hexavalent form

Tab C

This is Exhibit “C” referred to in the Affidavit of Daniel Hudnut affirmed by Daniel Hudnut of the Town of Lyme, New Hampshire, before me at the City of Toronto, in the Province of Ontario, on January 8, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

CHRISTOPHER KINNEAR HUNTER
LSO NO. 65545D

September 11, 2025

VIA EMAIL

Cassels Brock & Blackwell LLP
888 3rd Street SW, Suite 3700
Calgary, Alberta T2P 5C5

Attention: Jeremy Barretto
Dear Mr. Barretto:

Re: Expired Easement in favour of Impala Canada with respect to certain lands owned by North Star Forestry Ltd.

We are counsel to North Star Forestry Ltd. ("**North Star**") and Wagner Ontario Forest Management, Ltd. ("**Wagner**").

We write to you in response to your letter dated September 2, 2025 to North Star on behalf of Impala Canada ("**Impala**") and in connection with the expired easement over part of parcel 4782, District of Fort William Freehold, being Part of Grand Trunk Pacific Block 1, District of Thunder Bay, designated as Part 1 on Plan 55R-10564 and over part of parcel 4797, District of Fort William Freehold, being Part of Grand Trunk Pacific Block 1, District of Thunder Bay, designated as Part 1 on Plan 55R-10563 (collectively, the "**Easement**").

As you may be aware, the Easement was transferred by North Star's predecessor in title (Abitibi-Price Inc.) to Impala's (North American Palladium Ltd.) "*in perpetuity [...] for a term of 25 years such term subject to renewal upon the mutual consent of both parties*". This 25-year period expired on February 18, 2024 and the parties (including their respective successors in interest) have never mutually consented to renewal. As such, Impala's transmission line has now been occupying North Star's lands unlawfully for over 18 months.

For your information, we attach the letter agreement between the original parties to the deeds dated February 16, 1996 (the "**Letter Agreement**") which includes the terms and conditions binding on the parties with respect to the grant and use of the Easement. Notably, that Letter Agreement also:

- confirms that the Easement was granted only "*for a term of 25 years such term subject to renewal upon mutual consent of both parties*";¹

¹ Section (i).

- expressly provides that the grantee's access to the transmission line and roads on the Easement exists at the grantor's discretion;² and
- obliges the grantee to restore the lands subject to the Easement to a natural forested state once the transmission line ceases to be used for the purposes of electrical transmission by the grantee and remove all non-wood transmission line structures and render any land alterations to a natural state at the discretion of the grantor.³

To the extent Impala continues to seek a permanent easement, North Star and Wagner remain open to renewing the Easement in perpetuity, on substantially the same terms as the Letter Agreement. However, we understand negotiations between the parties reached an impasse.

It has come to our attention that Impala intends to close the Lac des Iles Mine in May 2026. We also understand that Impala will have to conduct certain remediation works following the closure of the mine in accordance with the closure plan, with an active phase of perhaps three years.

In the circumstances, North Star and Wagner are prepared to discuss a short-term renewal of the Easement which would enable Impala to continue using the easement lands through closure and remediation of the Lac des Iles Mine at a reduced cost relative to a permanent Easement.

Specifically, North Star and Wagner are prepared to agree to an extension of the term of the Easement to December 31, 2029 on substantially the same terms as the Letter Agreement, in exchange for the payment of \$800,000 plus HST.

If Impala instead proceeds with the threatened filing for expropriation authority, North Star and Wagner will vigorously defend their interests in any proceeding before the Ontario Energy Board.

We look forward to hearing from you in respect of the above. To the extent helpful, we would be pleased to arrange a telephone call to discuss the matter directly.

Yours truly,



Andy Gibbons
Attachments

c. Chris Hunter
Daniel Hudnut

² Section (vii)

³ Section (xii)

Tab D

This is Exhibit “D” referred to in the Affidavit of Daniel Hudnut affirmed by Daniel Hudnut of the Town of Lyme, New Hampshire, before me at the City of Toronto, in the Province of Ontario, on January 8, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

CHRISTOPHER KINNEAR HUNTER
LSO NO. 65545D

Slumping palladium prices forcing closure of Lac des Iles mine, says Impala Canada

Ian Ross | Northern Ontario Business

Jul 8, 2025 10:59 AM



Lac des Iles mine (Company photo)

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00:05:57

South Africa miner Impala Platinum's (Implats) global business plan beyond 2026 does not include the Lac des Iles mine in northwestern Ontario.

Plummeting palladium prices are being blamed by Impala Canada for its decision to cease commercial production at the Lac des Iles mine near Thunder Bay on May 31, 2026.

Located 90 kilometres northwest of the city, LDI is one of two pure palladium producing mines in North America.

No one from Impala Canada's senior management was available for an interview, but a company spokesperson attributed the closure to plunging prices of the metal.

"The primary reason driving the plan to cease commercial operations next May is palladium prices," said Emily Robb by email. "We've been in a prolonged period of low prices, and as a result, the business is not generating the cash flow required to sustain the operation despite the team's strong performance."

LDI has been in commercial production since 1993, mostly under the North American Palladium flag, as the mine gradually transitioned from an open-pit to an underground operation. It was placed on care-and-maintenance shutdown between 2008 and 2010 during a period of low metals prices.

Impala acquired LDI for \$1 billion in 2019.

Back in 2017, NAP [released an updated feasibility study](#) that the discovery of new underground reserves should deliver 10 more years of mine life to LDI. At the time, the company regarded LDI as one of the lowest cost underground mines in Canada to withstand any volatility in the market.

Robb said the company has not been reducing production since the beginning of the year.

"We've not curtailed production. Our fiscal year just began on July 1, and the next 11 months is a full production business year with a continued focus on safety, production and planning for a responsible closure."

On what the guidance (annual production target) is for LDI and what its projected daily throughput will be, Robb answered that the parent company, Implats, will disclose that information by late summer as part of its regular reporting and disclosure processes.

As to what the processing of shuttering the mine will look like, Robb said: "We are still in the process of planning for the post-operations period."

CEO Tim Hill circulated the mining company's decision to the 750-member workforce last Thursday after spending a week at the northwestern Ontario operation.

"Looking ahead, we have plenty of work to do: we must prioritize safety, operating efficiently and plan for the responsible closure of the mine. Each one of us has a role to play in this work, and I have every confidence in this team," said Hill.

A closure date could arrive sooner. In his email, Hill said a final decision on operations depends on factors such as available tailings capacity and the mine meeting production targets.

“Our next goal is to make this last year at LDI a great one. Many of us take pride in being part of this remarkable team at Impala Canada. Let’s keep our collective focus on safety and excellence, so we can compete this last year at the mine with our heads held high, proud of what we’ve accomplished together.”

Officials from United Steelworkers Local 9422, representing production and maintenance workers, were not available for an interview, but a spokesperson called Impala’s decision “very unfortunate news,” in an email.

Staff representative Cody Alexander said senior management gave assurances last fall that the operation was safe for the time being.

“We do not have much detailed information to share as of today because we are still working out a closure agreement with management,” said Alexander.

“Our goal is to ensure that our members' rights are maintained during this process and to help with their transition, wherever we can.

“We had in-depth discussion in collective bargaining with the employer last October and they went to great efforts to show us that there was no concern of the mine closing in our three-year (collective agreement) term. Now, six months later, they are announcing a complete closure mid-contract. Palladium prices are continuing to rise and there is plenty of material left to process underground.”

The union local represents 480 in the mining unit with Impala and 50 in the camp services with Amik-East Coast Catering.

Palladium prices have been rallying in June and July in the range of US\$1,100 an ounce after a volatile spring where prices varied between \$880 and to more than \$1,000.

“This management decision not only impacts our members, but it is going to have ripple effects into all the surrounding northern communities. The government needs to start looking into this to see if they can help and we will be doing our part to inform them. There remains plenty of opportunity at the mine site.”

But Nico Miller, CEO of Impala Platinum Holdings (Implats), the parent company of Impala Canada, commented in February that the South African miner was “continuously evaluating the future” of LDI as the price of the metal using in catalytic converters had dropped 70 per cent over three years.

During the final six months of 2024, LDI contributed seven per cent of the company’s production over that period.

“I would not be surprised if, in the course of the next few months, we come to a position that an accelerated and responsible wind down of that operation seems to be economically the most effective way to deal with (Impala) Canada,” [Muller said in a Reuters report](#).

Comments ⁽⁰⁾

Tab E

This is Exhibit “E” referred to in the Affidavit of Daniel Hudnut affirmed by Daniel Hudnut of the Town of Lyme, New Hampshire, before me at the City of Toronto, in the Province of Ontario, on January 8, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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Current Problems

Business and Reconciliation (92)

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Kiashke Zaaging Anishinaabek chief 'ambivalent' about Lac Des Iles mine closure

July 20, 2025

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Impala Canada announced they will shut down operations at the palladium mine by May 2026.



Impala Canada, which owns and operates the Lac Des Iles (LDI) mine, announced plans to shutter operations at the site by May 2026. (Adam Lach/Sandvik)

CBC Indigenous: The closing of Impala Canada's Lac Des Iles palladium mine is being greeted with a mixture of ambivalence and confusion by those close to the site. Over the past decade, the mine has been a source of tension between various owners of the operation, and the local First Nation.

The palladium mine is located within Kiashke Zaaging Anishinaabek, also known as Gull Bay First Nation, roughly 90 kilometres northwest of Thunder Bay. Impala Canada's CEO, Tim Hill, announced the mine's closure on July 3.

Kiashke Zaaging Anishinaabek's chief, Wilfred King, says very few of the mine's employees are members of the First Nation. Despite the mine being located on their land, King describes Kiashke Zaaging Anishinaabek's relationship with Impala as minimal, which adds to why he feels "ambivalent" toward the mine's closure.

In 2018, the mine's previous owner, North American Palladium, and Kiashke Zaaging Anishinaabek announced they had signed a [letter of intent](#). North American Palladium was acquired by Impala Canada in October 2019. King says dialogue was not carried over with the new owners.

"We were involved in the negotiations with Impala to look at a community benefit agreement and they basically shut the negotiations down," King said, adding Impala notified Kiashke Zaaging Anishinaabek "that they were no longer interested in developing a relationship with Gull Bay First Nation."



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Chief Wilfred King of Gull Bay First Nation in northern Ontario says he feels "ambivalent" about the closure of the Lac Des Iles palladium mine. (Marc Doucette/CBC)

The relationship between Impala Canada and Kiashke Zaaging Anishinaabek got off to a rocky start, due to a COVID-19 outbreak within the community the following May, with King [attributing](#) it to a previous outbreak at the mine.

Despite a lack of a community benefit agreement with Kiashke Zaaging Anishinaabek, Impala Canada spokeswoman Emily Robb confirmed the company has community benefits with Fort William First Nation and Whitesand First Nation.

"Impala Canada is always striving for and working towards caring and respectful relationships with all of our community partners, Indigenous communities, and the Union representing our workforce, and we will continue to do so," Robb said in a statement to the CBC.

Union left scratching its head over closure

Impala's decision to close the mine was rooted in a nearly two year period of slumping palladium prices, according to Robb.

When the company first purchased North American Palladium, the cost of palladium per ounce was roughly \$2416.63 on the New York Mercantile Exchange. By the end of April 2021, the stock price had risen 68 percent to \$4065.57 per ounce.

Although prices dropped below \$1237.11 last May, they have been steadily on the rise ever since. On Thursday, the closing stock price for an ounce of palladium was \$1809.36.

The rise in stock prices over the past year has left the union representing the mine's workers baffled at Impala's decision to close down its Lac Des Iles operations. United Steel Workers (USW) currently represents 530 workers at the site.

- [New research explores impact of Ring of Fire mining on First Nations in northern Ontario](#)
- [Robinson Superior Treaty annuities case heads back to court after settlement talks fail](#)

"I'm not buying it's because of low palladium prices," said Cody Alexander, USW's staff representative for Thunder Bay and the surrounding area. "It seems like there's a failure to have meaningful relationships with the First Nations there in order to get the support that they need to expand those ponds."

Alexander added Hill sent out a memo last March indicating the company was financially stable, a sentiment that was later reiterated at a collective bargaining meeting between the company and USW in October.

A history of environmental concerns

Issues relating to the mining site's tailing pond have arisen in repeated accusations of environmental damage from Kiashke Zaaging Anishinaabek.

In 2015, before Impala Canada took over operations, [untreated water spilled](#) over from the tailings pond into the adjacent Lac Des Iles after a period of heavy spring rain.

And in the days prior to signing a letter of intent with North American Palladium, members of Kiashke Zaaging Anishinaabek [blocked off the flow of traffic](#) on the private road leading into the mine, in part due to the environmental impact of the mine.

"Very little benefit accrued to Gull Bay First Nations by the results of that mining operation in the core of our traditional territory," King said.

Regarding Impala's efforts to operate in an environmentally responsible manner, Robb said "we have worked very hard to care for the environment, we have always complied with environmental regulations, and we will do so going forward as well."

Kiashke Zaaging Anishinaabek's chief confirmed that the tailings pond was at capacity, and said that expanding the tailing pond had been discussed, but that the First Nation had repeated concerns over the design and methods used for any proposed expansion to the pond.

If the tailings ever breached the dam, copper would flow into the adjacent lake, King said, adding that after the tailings leak in 2015, Kiashke Zaaging Anishinaabek was never "given any kind of assurances that this would never happen again."

Next steps

In his memo to Lac Des Iles staff, Hill said the mine would work to shut down operations by the end of May next year, though the final closing date is dependent on multiple factors including tailings pond capacity, and the company's ability to meet production targets.

Currently, the company is in negotiations with USW to formulate a closure agreement. Alexander said for steel workers, the union is looking for enhanced severance above Employment Standards Act standards, including a retention bonus for employees who decide to stay on to help with the closure of the mine and extended benefits.

Upon closure, the mine will be returned to Kiashke Zaaging Anishinaabek, though King sees little evidence the site can be remediated, calling it a "wasteland."

However, King did not rule out the possibility of continuing mining operations at the site after Impala's closure, so long as the right agreements are in place. He also says that a separate tailings facility would have to be built.

"We're not against development," King said. "Our first and foremost concern has always been the environment, and we're for development providing it's done in a sustainable way and that there are minimal impacts to the environment."

ABOUT THE AUTHOR

[Liam Baker](#), Reporter

Liam Baker is an associate producer and reporter for CBC Thunder Bay. He has also reported and produced for CBC Yukon, CBC Ottawa and CBC Toronto's Enterprise unit. You can reach him at liam.baker@cbc.ca

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[Business and Reconciliation \(92\)](#)

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[Business](#) (19)

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Tab F

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Thunder Bay

Lac-des-Iles mine to stay open until 2027, says Impala Canada

In July, the company said it was planning to close the site next spring, citing slumping palladium prices

[Liam Baker](#) · CBC News · Posted: Nov 20, 2025 4:00 AM EST | Last Updated: November 20, 2025

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Impala Canada, which owns and operates the Lac Des Iles (LDI) mine, announced the company plans to continue operations at the site until summer 2027. (Adam Lach/Sandvik) (Adam Lach/Sandvik)

Impala Canada's Lac-des-Iles palladium mine is extending operations until summer 2027, the company announced in an internal memo last Thursday. The news is being greeted with a sigh of relief, as well as some disappointment from the company's employees.

In July, the company informed the site's employees that it would be shuttering the site, which is located roughly 90 kilometres northwest of Thunder Bay, next spring. At the time, company spokesperson Emily Robb told the CBC in a statement the decision was rooted in a nearly two year period of declining palladium prices.

The reasoning was met with skepticism from the United Steelworkers union, which represents most of the mine's roughly 750 employees, as the stock price per ounce of

palladium has been steadily on the rise since May 2024.

Over the past four months, the price of palladium has continued to rise, with the price of palladium per ounce closing at \$1960.74 on Wednesday.

- [Kiashke Zaaging Anishinaabek chief 'ambivalent' about Lac Des Iles mine closure](#)
- [New research explores impact of Ring of Fire mining on First Nations in northern Ontario](#)

“The recent increase to the palladium price enables Impala Canada to make the investments required in tailings facilities, underground development, equipment, etc., to continue operating until June 2027,” Impala Canada spokesperson Emily Robb said in a statement to the CBC.

Impala’s decision to extend its operations at the site comes with little surprise to Cody Alexander, the union’s staff representative for Thunder Bay and the surrounding area.

Yet, he adds that the extension is disappointing to union members who had left the mine due to what he calls a “premature [closure] announcement.”

Searching for environmental solutions

The mine’s tailings pond has long been a concern for Kiashke Zaaging Anishinaabek, upon whose traditional territory the mine is located. The community, also known as Gull Bay First Nation, have repeatedly accused the mine, and its owners, of [environmental damage](#).

In July, Kiashke Zaaging Anishinaabek’s chief Wilfred King said the [tailings pond was at capacity](#). He added that while plans to extend the pond had been discussed, they’d repeatedly been rejected by the First Nation over concerns pertaining to the design and methods.

In Hill’s memo, he said the one year extension is an opportunity to continue the company’s work towards a long-term tailings solution, which could allow the mine to continue operations for “years to come.”

Signs to remain open

According to Alexander, the company’s actions in the months prior to Thursday’s announcement raised questions over whether the mine was in fact preparing to shut down. He says talks between the union and Impala over a closure agreement broke down in August, and there hasn’t been any progress made to prepare for the mine’s closure.

In the months since the closure announcement, Alexander says the company has hired dozens of people to replace those who left the company.

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"They've been hiring other people in to fill the positions, which is kind of one of those things we're scratching our heads about," Alexander said. "They announced that they were closing and people started looking for different jobs, rightfully so, our members, but they [Impala] would still hire other people into those roles."

In the company's internal memo, Hill said the success of the mine continues to depend upon palladium prices and production rates at the site. According to Alexander, the overall mood of the union's members at the mine is one of joy, as the site has the potential to stay open for years to come if it is managed sustainably.

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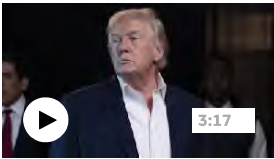


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