Waste Management Plan
EREX International Ltd.

Project	Yellowknife Lithium Project
Location	Bighill – Hidden – Tanco Lakes area, NWT
Date of Submission	November 8, 2022
Version #	1.1
Prepared & submitted by	Carl Verley
Submitted to	Jen Potten, MVLWB

Table of Contents

Figures

Tables

Appendices

1. Introduction and Project Details

EREX International Ltd ("EREX") has developed this Waste Management Plan (or "Plan") for its Yellowknife Lithium Project, Hidden Lake area in accordance with the Mackenzie Valley Land and Water Board's *Guidelines for Developing a Waste Management Plan*.

1.1. Corporate Contact Information

The following Table 1 presents the key corporate information for EREX International Ltd.

Table 1: EREX International Ltd. - Contact Information

Position	Information
Company (Head Office)	NAME: Carl Verley, P.Geo., Vice-President, Exploration
	ADDRESS: 300 – 1055 West Hasting Street, Vancouver, B.C. V6E 2E9
	PHONE: 604-616-8299
	EMAIL: cverley@telus.net
Project Manager	NAME: Chris Hughes, MSC, P.Geo., Project Manager, Equity Expl'n Consultants Ltd
	MAILING ADDRESS: 1238 – 200 Granville Street, Vancouver, BC V6C 1S4
	PHONE: 604-688-9806
	EMAIL: chrish@equityexploration.com

1.2. Effective Date

This Waste Management Plan is effective as of November 8, 2022. While this Plan is undergoing a public review, the previous version of the Plan shall take precedence and be acted in accordance with until the Board approves a subsequent Plan version.

1.3. Revisions

The Waste Management Plan is a living document that will be reviewed annually, at a minimum, and prior to the start of any site activities, with additional reviews as warranted. Updates should be made to reflect changes in waste management locations and practices, and new personnel and associated contact information. Table 2 presents a summary of the versions of this Plan and any revisions made; it is updated each time a revision is made to the Plan. This ensures stakeholders have the most current copy of the Plan.

Table 2: Version and Revision History

Version #	Date	Sections/Pages revised	Summary of Changes/Comments
1.0	Sept. 15, 2022	n/a	First submission
1.1	Sept 28, 2022	p.6, 12, 13, 14	Access roads, incinerator & sewage disposal, domestic waste, waste disposal, sewage disposal

1.4. Recipients

Table 3 identifies who the most recent version of the Plan has been distributed to:

Table 3: Recipients of this Version of the Waste Management Plan

Name	Position
Ed Sangris, E. Bestina, Johanna Black, Adrian Boyd, Kieron Testart	Yellowknives Dene First Nation (YKDFN)
Senior Administration Officer	Lutselke First Nation (LKFN)
Minnie Whimp	Deninu Kue First Nation (DKFN)
Brett Wheler, Violet Camsell-Blondin, Jessica Pacunayen, Longinus Ekwe, Grace MacKenzie	Tlicho Government
Jessica Poole	Akaitcho Screening Board
Jessica Hurtubise, Noah Johnson	North Slave Metis Alliance

1.5. Copies of Current Version of the Plan

Copies of the most current version of the Waste Management Plan are always available on-site at the following locations:

- Hidden Lake campsite office and Kitchen mess;

Additional copies of the Waste Management Plan can be obtained by contacting EREX International Ltd directly using the contact information in table 1.

1.6. Purpose and Scope

The purpose of this Waste Management Plan is to outline the management of various waste types at the Yellowknife Lithium Project by EREX and all contractors on-site. The Plan identifies the various waste types and characteristics; describes the sources of waste generation; provides estimates of the amounts (volume or mass) of wastes to be produced; and includes consideration of potential environmental effects, social factors, and regulatory factors including compliance with all applicable acts, regulations, authorizations, land use permits, and water licences. The Plan has been prepared to ensure proper disposal of waste.

1.7. Environmental, Health and Safety (EHS)

EREX International Ltd is committed to the concept of sustainable development and the protection of the environment and human health. EREX is committed to effective waste management planning that includes, source reduction, reuse, recycle/recovery, treatment, and release to the receiving environment. EREX's Environmental, Health and Safety (EHS) Policy includes the following:

- Project manager is responsible for ensuring that all the requirements of this EHS Policy are fully implemented.
- Project manager and supervisors are responsible for ensuring that their employees are trained in safe work procedures, to undertake their assigned duties without accidents, injuries or harm to the environment, and for ensuring that employees follow safe work methods and all regulations related to their work.

- All personnel are to:
    - Comply with existing regulations;
    - Protect the environment as is technically feasible and economically practical;
    - Cooperate with other groups on the protection of the environment;
    - Implement, support, and adhere with the EHS Policy and any associated programs by making safety, health and protection of the environment a part of their daily routine;
    - Follow safe work methods and relevant regulations. Where a conflict arises due to different standards or requirements between different regulations or standards, the more stringent of the two will apply;
    - Report unsafe practices or areas in need of improvement; and
    - Keep employees, government officials, and the public informed.

The Waste Management Plan will be presented to all staff (employees and contractors) during their on-site orientation sessions, including where copies of the Plan can be located on-site.

1.8. Project and Site Description

EREX International Ltd. ("EREX") holds 13 mineral leases east of Yellowknife, bounded by the red rectangle in Figure 1 (i.e. latitudes: 62.179129 to 62.854255, and longitudes: 112.135661 to 114.186622); referred to as the Yellowknife Lithium Project (the "Project").

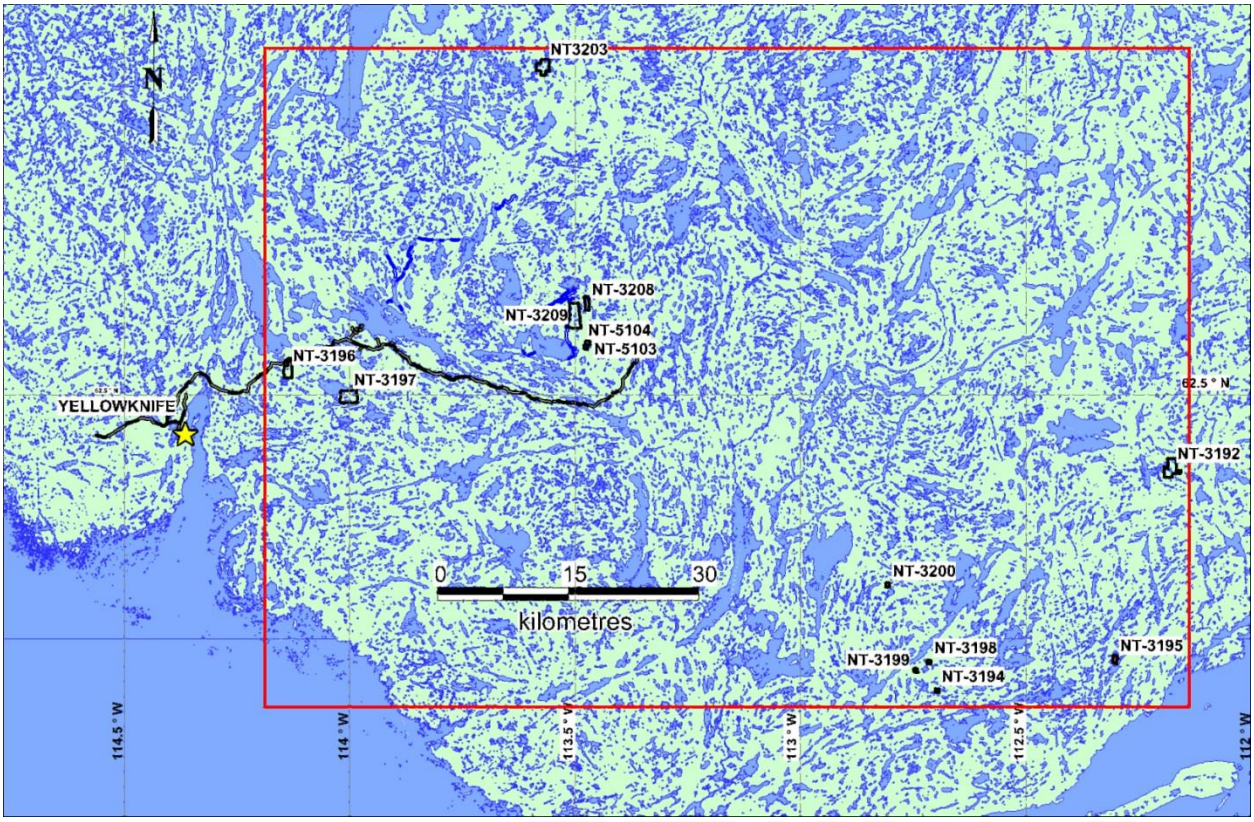

Figure 1. Location map of EREX's lease in the Yellowknife area.

The leases range from 14 km northeast of Yellowknife, in the case of NT-3196 (NITE) and 112 km east in the case of N-3192 (THOR). Yellowknife is, therefore, the closest supply and logistics center.

The purpose of the exploration work is to estimate lithium resources in the pegmatite dykes that are known to occur on the leases. If successful, EREX will then proceed to study the feasibility for extracting the lithium minerals, predominantly spodumene, from the pegmatite rock, as well as, building a mine for that purpose. Production of a spodumene concentrate can be done using conventional mineral processing technology. The tailings and mine waste generated from mining of the pegmatites and surrounding Burwash Formation metasedimentary rocks are believed to be relatively benign in terms of toxicity or acid generating capability.

EREX is applying to the Mackenzie Valley Land and Water Board for a Type A Land Use Permit ("LUP") and Type B Water Licence ("WL") for the following activities:

1. Mineral exploration including diamond core and reverse circulation (RC) drilling, saw-cut channel sampling, and trenching;
2. Use of water for drilling and camp consumption, less than 300 cubic metres/day.
3. Use of equipment, vehicles, and machines;
4. Use and storage of fuel;
5. Use of helicopters and float-equipped fixed-wing aircraft during summer operations;
6. Construction, operation, and maintenance of a temporary camp and potential satellite camps, and;
7. Opening and maintenance of existing winter access road (Thompson-Lundmark road)
8. Establishing and maintaining over the course of the winter program temporary access roads.
9. Engagement with all affected parties to inform them of EREX's plans in a timely manner so that they will be able to fully consider the project and provide their consent to the proposed activities if they are acceptable.

The LUP application will cover a period of five years, with a possible two-year extension. During the operation of the exploration program progressive restoration of drill sites will occur on an ongoing basis. Diamond drilling may consist of up to 180 drill holes per year.

Initially, exploration will focus on the six leases closest to Yellowknife (Figure 2). The Ingraham Trail (Highway 4) passes to the north of the NITE and BIG lease and to the south of the other leases. There is an existing winter road to the abandoned Thompson-Lundmark mine that passes through lease NT-3209 (Fi). Access to these leases is by helicopter or float-equipped fixed-wing aircraft during summer months.

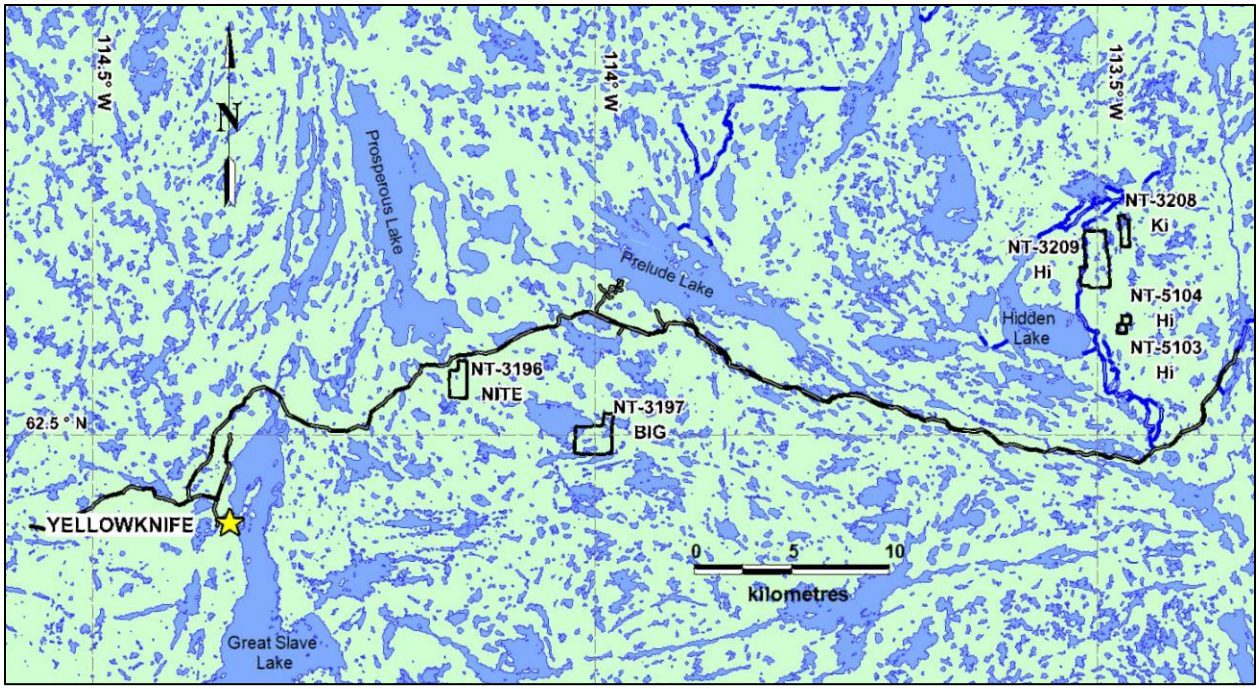

Figure 2. Location map for EREX's mineral leases closest to Yellowknife

It is anticipated that the first phase of work will consist of diamond drilling during winter 2023. The drilling will take place in the areas outlined on Figure 4 and 5, typically during the period February to mid-May, but with climate change that may vary from year to year. The opening of the Thomspon-Lundmark winter road in January 2023 by the proponent will allow for mobilization of camp equipment and fuel into the main camp site that is proposed to be located on land within the reclaimed area of the abandoned Hidden Lake mine. The main camp will consist of accommodations for up to 49 people.

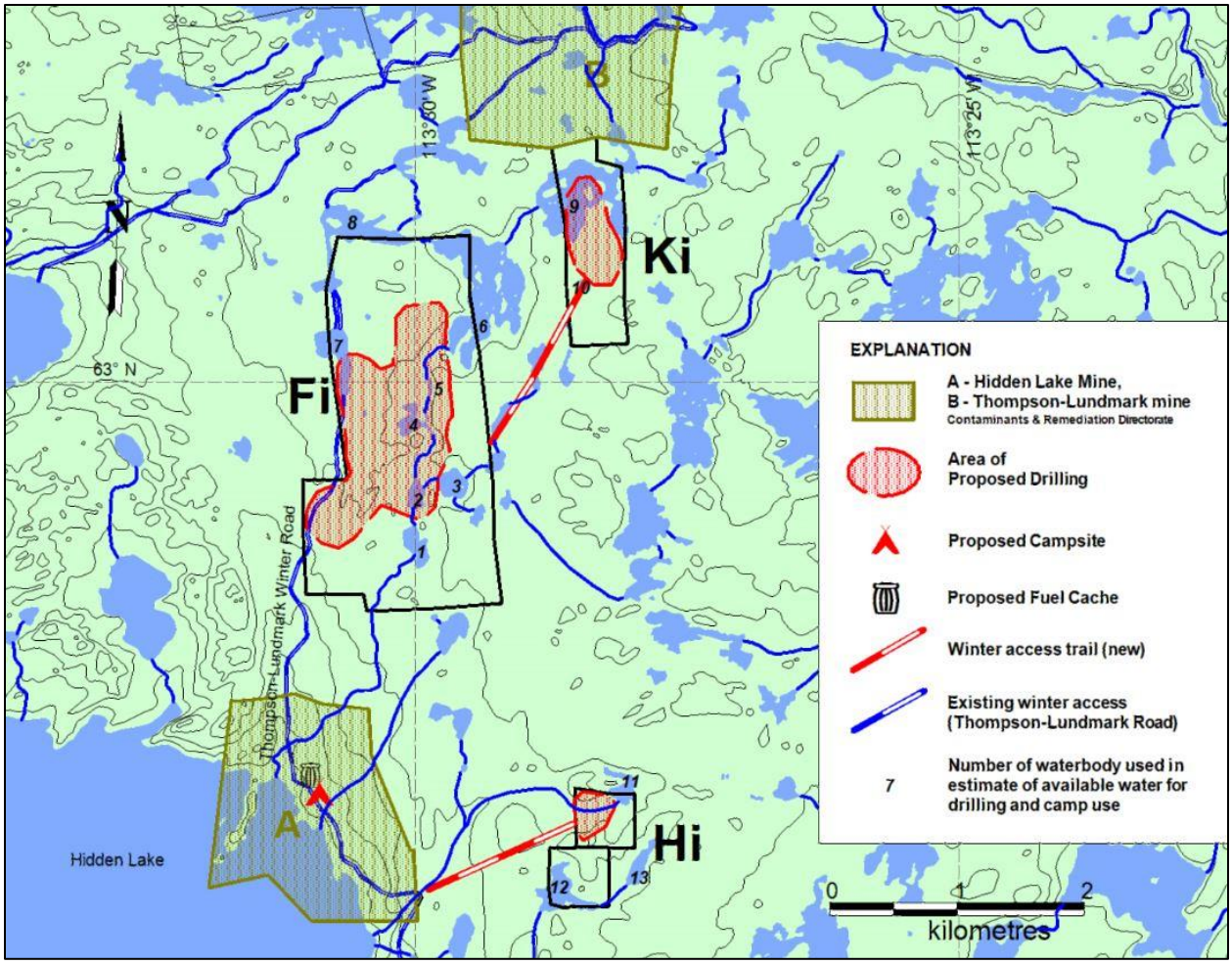

Figure 3. Areas for proposed drilling, campsite and fuel cache, Fi-Hi-Ki leases

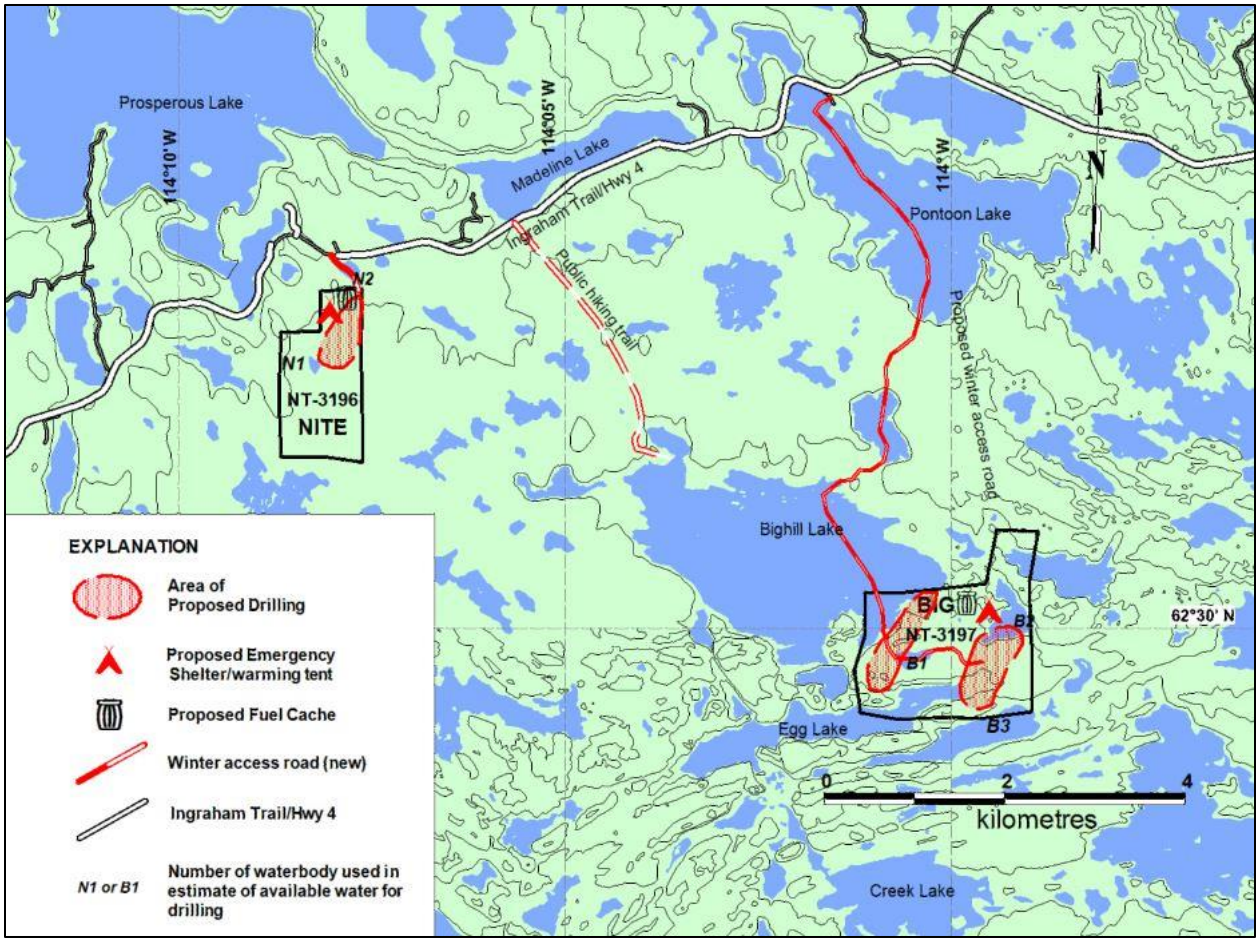

Figure 4. Areas for proposed drilling, shelter, and fuel cache, NITE & BIG leases

During the summer to early fall (mid-June to mid-October) work on the leases will be reduced with two helicopter-supported diamond drills operating on the FI-HI-Ki leases. Two helicopter-supported drills may work with one on each of the NITE and BIG leases.

Drilling may also take place on the THOR lease during the summer. It is anticipated that this work will be conducted out of a smaller, helicopter-supported drill camp that will be established on the lease for that purpose; capable of accommodating 16 persons. Mobilization of camp and fuel by fixed wing aircraft on skis will likely take place in the early spring of 2023 before break-up. Campsite, fuel cache, and proposed drill area locations are illustrated on Figure 6. Fuel cached at the THOR campsite will total a maximum of 50 drums of Jet-B, 50 drums of diesel, 3 drums of regular gasoline at any one time. Water for the camp will be drawn from Tanco Lake; for drilling from the unnamed lake labelled T2 in Figure 5 and possibly from lake T3.

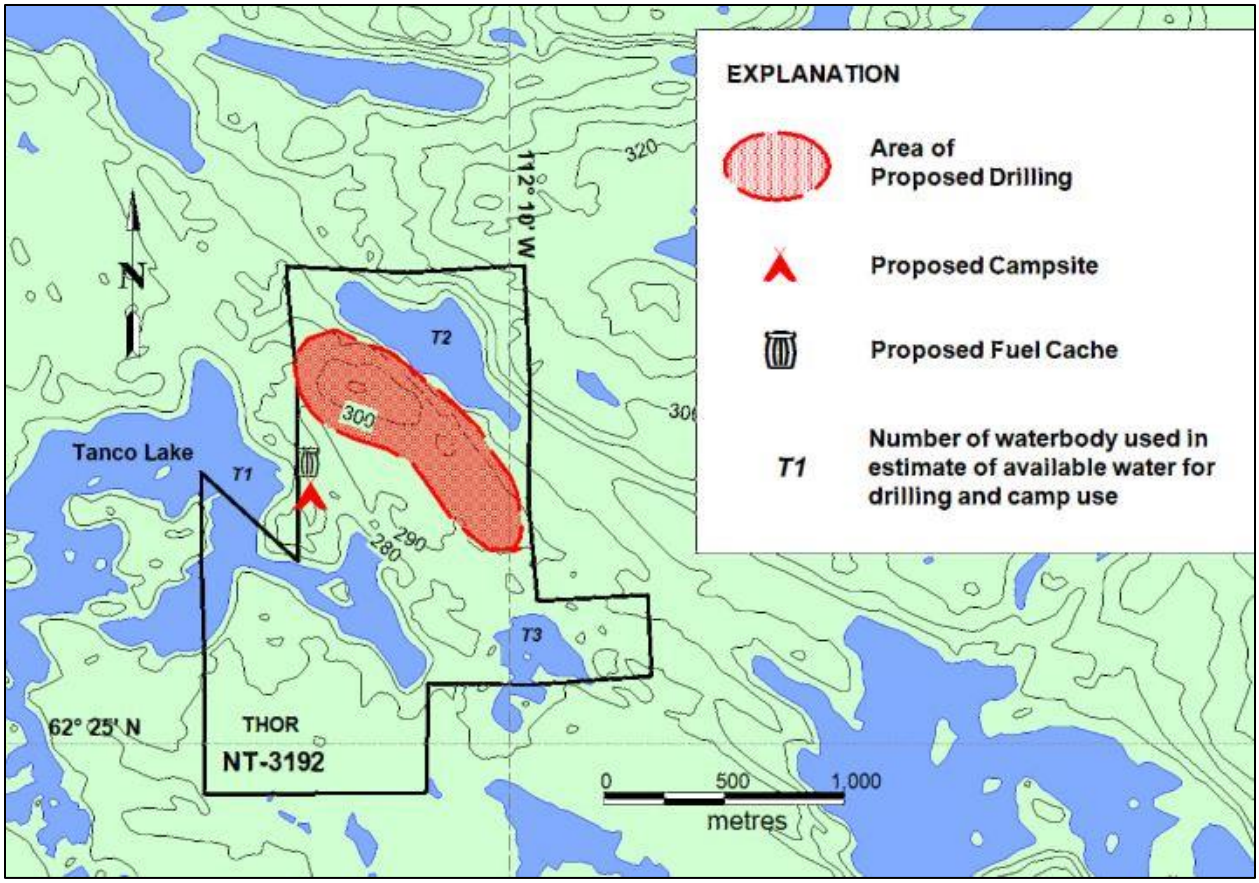

Figure 5. Areas for proposed drilling, camp, and fuel cache, THOR lease

In addition, surface saw-cut channel sampling will be conducted on outcropping exposures of the pegmatite dykes. The channel samples will be located at 100 metres intervals crossing the dykes along the fence lines of the drill holes. The channels will be cut with gas powered cut-off saws equipped with circular saw blades fitted with diamonds for cutting rock. Channels will be approximately 7 centimetres wide and 10 centimetres deep. Samples collected from the channels will be shipped out for lithium analysis. Results will be used in conjunction with the results from drill core to estimate lithium resource for the dykes. Furthermore, at selected sites on some of the dykes trenches may be blasted out to obtain samples of less than one tonne. These samples will be used for metallurgical studies on the recovery of lithium minerals from the dykes and in support of preliminary economic analyses for mine development.

Mapping, prospecting, and surface sampling will continue during summer programs on a project wide basis, focussing on pegmatites on leases: NT-3192, NT-3203, and other leases. It is anticipated that diamond drilling will occur on some of the outlying leases during the term of the permit.

Analyses and assays of rock cores retrieved from diamond drilling, chips from RC drilling, as well as surface saw-cut channel samples, and mini-bulk samples will provide the primary data used in the estimation of the lithium resources for the pegmatites. In addition, the geochemical data derived from this work will provide information on the levels of toxic elements, such as arsenic cadmium, mercury, and selenium, in the rock, that could contaminate the surrounding environment. This

information will help to inform measures to mitigate pollution from these elements should they exceed CCMC allowable levels and should development proceed. It should be noted that in a LUP application (MV2009X0045) submitted by the Contaminants and Remediation Directorate, INAC, for a Remedial Action Plan for the abandoned Hidden Lake Mine, it was pointed out that:

"Acid-base accounting analysis was conducted to determine the acid generating potential of both categories of waste rock. Preliminary investigations determined that a small portion of the waste rock may have some potential to result in metal leaching. However, subsequent evaluations determined that the waste rock has a negligible potential to result in adverse impacts. More specifically, the potential for measurable impacts to Hidden Lake is considered to be nil."

Beyond the first year of the permit, drilling is expected to resume in the winter of 2024 and continue into summer 2024. Additional infill drilling as well as geotechnical drill will also be required in succeeding years of the LUP on the Fi, Hi, Ki, NITE, BIG, and THOR leases in order to upgrade resources to measured and indicated categories to support development planning.

1.9. Site Description

Within the Project area the leases cover low-lying, rolling topography ranging in elevation between 250 and 320 metres above sea level. Muskeg, marshes, and lakes separated by northwesterly to northeasterly trending bedrock ridges are the dominant features. Numerous small lakes occur in the area where drilling is proposed. Recent forest fires have burnt the area covered by several of the leases, others are relatively sparsely treed. There are no major rivers running through the leases. Except for the six leases closest to Yellowknife, there are no communities, lodges, or trap lines in the immediate vicinity of the other leases. Therefore, the impact of the proposed operation is expected to be minimal from a social, as well as environmental point of view. However, parts of the project area are used for food gathering, hunting, and trapping by various aboriginal groups. Bison Historical Services Ltd has prepared an Archaeological Overview Study of the historical resources within and around the lease areas.

2. Waste Types, Management Methods, and Infrastructure

2.1. Waste Types

The waste types generated on-site will include the following:

- Hazardous or potentially hazardous wastes:
    - Ash or incinerator residue
    - Lead acid batteries and alkaline batteries
    - Equipment containing ozone depleting substances (e.g., refrigerators)
    - Chemical wastes – liquid or solids (e.g., paint)
    - Electrical equipment
    - Contaminated soils
    - Used oil, fuels, lubricants, greases, oil filters, and solvents

- Non-mineral wastes:
    - Domestic refuse
    - Bulky metals (vehicles, equipment)
    - Scrap metal
    - Inert waste
    - Plastics
    - Construction materials
    - Rubber products (e.g. tires and conveyor belts)
    - Sewage

- Mineral wastes:
    - Drill cuttings

2.2. Waste Management Methods

(i) ***Ash or incinerator residue*** – These results from incineration of food waste and packaging. Food waste and associated packaging will be collected daily from the kitchen and drill site and incinerated in a fuel-fired, double chambered incinerator. The residue from the incinerator will be collected and placed in plastic trash bags and stored in containers that will prevent wildlife access to waste. Waste will then be transported to Yellowknife on weekly supply runs. In Yellowknife the waste will be disposed of at the City of Yellowknife solid waste facility. Recyclable packaging, such as plastic and glass bottles, will also the transported to Yellowknife and disposed of at appropriate facilities. The estimated mass of this type of waste is expected to be less than 20 kg/day on average.

(ii) ***Batteries (Alkaline/ Lead Acid)*** – The source of this type of waste is from heavy machinery such as a truck and field equipment such as GPS units. The estimated mass for this is 20 kg over the course of one month. This type of waste will be collected and brought to Yellowknife for appropriate disposal.

(iii) ***Equipment containing ozone depleting substances (e.g. refrigerators):*** this equipment is rented and will be returned to the supplier at the end of the field season.

(iv) ***Fuels, lubricants, greases, solvents, and chemical wastes*** – These types of waste are also hazardous or potentially hazardous waste. They are usually generated from vehicles such as drill rigs, generators or other heavy equipment and are estimated to accumulate to not more than 50 litres over the course of one month. This waste will be carefully collected in labelled containers with lids, stored at least 100 m from a water body and then transported to a designated waste site in Yellowknife.

(v) ***Electrical equipment (generators and associated wiring):*** this equipment is rented and will be returned to the supplier at the end of the field season.

(vi) ***Drill waste and cuttings*** – These are non-soluble mineral waste with an estimated maximum production of 300 kg/day sourced from the diamond drilling. These will be disposed of in a natural depression or sump at or very near the drill site.

(vii) ***Contaminated Soils*** – Every effort will be made to reduce any chances of soil contamination, including the use of absorbent geotextile mats placed under machinery that has the potential to leak oil or fuel. In the situation where soil becomes contaminated it will be dug up, placed in plastic trash bags and transported to an approved disposal site in Yellowknife. Over the course of the summer program, it is estimated that not more than one cubic metre of contaminated soil will accumulate due to the operation.

(viii) ***Sewage*** – *Incinolet* toilets will be used to gather human excreta and associated products, which will be securely stored in wildlife proof containers onsite and then shipped offsite for proper disposal at a licensed facility in Yellowknife.

(ix) ***Domestic waste*** consists primarily of food waste and packaging, which will be incinerated. The burnt residue will be transported to Yellowknife for disposal at the City of Yellowknife's solid waste disposal facility.

(x) ***Bulky or scrap metal:*** the project is not expected to generate much scrap or bulky metal objects. Most scrap metal will be from the drilling operation, consisting of worn or broken drill rods broken drill motor parts, etc. These will be transported back to Yellowknife for recycling.

(xi) ***Construction material:*** these will consist primarily of wood used in construction of tent floors and drill platforms. At the end of the season these will be transported back to contractors in Yellowknife.

(xii) ***Brush and Trees*** – Brush and trees will be de-limbed and cut into suitable lengths so that all parts of the tree lie flat on the ground surface. They will then be spread in the adjacent forest or over a completed drill site.

2.3. Waste Management Infrastructure

On-site waste management infrastructure and facilities include the following (refer to Map 4):

- Waste Storage or Disposal Facility, including temporary facilities:
  Waste produced from the camp operation and drilling will in most cases be incinerated on site in a double chambered, fuel-fired incinerator. Solid non-hazardous, non-combustible waste such as metals parts, broken drill rods, will be temporarily stored on site and then along with residue from combusted trash, trucked out during winter, or flown out during summer to the City of Yellowknife's solid waste disposal facility;
- Sump – a sump for the disposal of grey water from the dry tents and kitchen tent will be dug into the overburden at the campsite;
- Sewage Containment and Disposal Facility – by way of a pit latrine in summer; *incinolet* toilets in winter with waste being disposed of off-site;
- Combustion Equipment (Incineration) – double chambered, fuel-fired incinerator, such as Inciner8's model i8-40A or similar.

2.3.1. Waste Storage and Disposal

On site waste storage will be in plastic bags held in covered 32-gallon plastic trash containers stored inside camp facilities to protect from wildlife incursions.

Food and general camp waste will be stored in these bins and at the end of each day the accumulated trash will be incinerated. Incineration will take place in a double chambered, fuel-fired incinerator to enable combustion of camp trash in a confined space to reduce the risk of accidental, uncontrolled fire. Non-combustible residue will be transferred to plastic trash bags and held bins until it can be taken out to Yellowknife and then to the City of Yellowknife solid waste facility for disposal. It is expected that waste will be flown out to Yellowknife on a weekly basis. In addition to the camp waste, and waste resulting from our proposed diamond drilling program, such as oil cans and plastic pails, lubricant tubes, bentonite/cement bags, broken metal drill parts will be collected and also sent out for disposal in Yellowknife. Material that is recyclable will be distributed to recycling facilities where possible. It is anticipated that the average volume, by weight, of non-combustible waste generated by our project will be 50 kg per week.

Hazardous waste generated by our project is expected to consist mainly of incinerated camp waste residue. Occasional alkaline batteries and rare lead acid batteries will be contained in segregated plastic containers and removed from the campsite for disposal the hazardous waste section of the City of Yellowknife's solid waste facility. Used oil, fuels, lubricants, greases, oil filters, and solvents resulting from the proposed drilling operation will also be segregated into leak-proof bins and then transported to Yellowknife for disposal.

Other hazardous materials, such as, equipment containing ozone depleting substances (e.g. refrigerators), chemical wastes – liquid or solids (e.g. paint), electrical equipment and contaminated soils, are expected to be very limited. Refrigerators/freezes and electrical equipment will be returned to Yellowknife at the end of seasonal programs unless a caretaker is managing the camp. Chemical wastes, such as aerosol paint spray cans, will be segregated and returned to Yellowknife for disposal in the appropriate facility there.

2.3.2. Sump

A sump for containing and dissipating grey water into the surround glacial till will be dug behind or between the dry and kitchen tents. The sump will be approximately one metre long, half a metre wide and half a metre deep. PVC pipes from the dry and kitchen tent will direct grey water resulting from showers, clothes washing and kitchen clean-up to the sump. The sump will be fitted with a plywood cover. At the end of the operation the sump will be backfilled. It is anticipated that approximately 1,500 litres of grey water will enter the sump over the course of a day. The sump will be monitored daily to make sure that grey water is able to percolate into the surrounding soil. If the sump is unable to handle the greywater load, then it will either be expanded in size or relocated to a place nearby with adequate drainage.

2.3.3. Sewage Containment and Disposal Facility

For winter and summer programs *incinolet* or similar toilets will be brought to the main camp and sewage residue from these toilets will be transported to Yellowknife for disposal. Pit latrines will be used at the smaller outlying summer camps. Pits will be filled in at the end of each season.

2.3.4. Combustion Equipment (Incineration)

A double chambered, fuel-fired incinerator, such as Inciner8's model i8-40A or similar, will be used for the purpose of burning waste.
The incinerator will be in a cleared area downwind and away from nearby tents.
Residue from the incinerator will be collected and transported to the City of Yellowknife solid waste facility during weekly supply runs.
The Project Manager will delegate the task of daily incineration of waste to the Camp Attendant after safety training in the operation of the incinerator.

3. Off-Site Waste Disposal

As part of the waste management plan, the City of Yellowknife was contacted to gain permission to dispose of waste at their landfill site, located in the city of Yellowknife. Permission was granted on September 16, 2022 (see Appendix A).

4. Waste Management Plan Review and Update

Waste generated by the project will be closely monitored by the project manager to:

1. Make sure that waste is classified and contained appropriately,
2. Make sure that waste is handled in such that wildlife will not be attracted, and containment of waste is wildlife proof,
3. Make sure that the amounts of waste in a particular category do not exceed the limits anticipated by this Waste Management Plan, by monitoring the amounts of waste daily,
4. If the amount of waste in each category does exceed the amount anticipated by this plan, then the reasons for that overage must be determined and measures must be implemented to:
   - Attempt to reduce the overage, or
   - Make sure there is the ability to handle and safely dispose of the excess waste.
5. The project manager will involve all members of the crew, including contractors, to be aware of their personal role in reducing waste and the importance of taking such action.

Appendix A: Correspondence

Letter from:

- City of Yellowknife, Public Works and Engineering, Re: Solid Waste Management.

CITY OF YELLOWKNIFE

September 16th, 2022

EREX International Ltd.
300-1055 West Hasting Street
Vancouver, B.C.
V6E 2E9

Attention: Mr. Carl Verley, P. Geo

Dear Carl,

RE: Acceptance of inert mixed solid waste from the EREX International Ltd. Bighill and Hidden Lake Diamond Drilling Program at the City of Yellowknife Solid Waste Facility.

I am pleased to inform you that the City of Yellowknife has approved the request for the use of the Yellowknife Solid Waste Facility for the disposal of inert mixed solid waste (i.e. non-combustible incineration residue and separated recyclables). Prior to disposal, waste shall be separated according to the categories listed in the City of Yellowknife Fees and Charges By-Law No. 4436 to the fullest extent possible. Any hazardous or combustible wastes generated at either site by EREX International Ltd. (e.g. batteries, oil, etc.), will not be accepted at the City of Yellowknife Solid Waste Facility.

The City of Yellowknife Solid Waste Facility is regulated by the Mackenzie Valley Land and Water Board (MVLWB) water licensee MV2021L3-0003. If waste generated by the project interferes with the regulations set out in this or a future water license, the City reserves the right to terminate this agreement at any time.

This acceptance letter covers inert mixed solid waste disposal at the Yellowknife Solid Waste Facility until October 31, 2023.

Sincerely,

Chris Greencorn
Director, Public Works

DM# 709448