

# **Engagement Plan**

for the

## **Nechalacho Rare Earth Elements Project**

**NWT Rare Earths Ltd.**

**Pursuant to Authorizations:**

Land Use Permit MV2020D0013

Land Use Permit MV2025C0002

Water Licence MV2020L2-0010

**Version and Date:**

Version 1.1

June 2025

## Version History

Revision #	Section(s) Revised	Description of Revision	Issue Date
0	N/A	Preliminary Engagement Plan	16 January 2014
1	Introduction, Project Background	Updated to include the T-Zone Demonstration Project, assignment of the authorizations to NWT Rare Earths Ltd. Various updates to headings and content to reflect Guidelines.	5 February 2020
1.1	Entire document	Revised to address comments and recommendations of the Tłı̨chǫ Government as per the MVLWB Reasons for Decision dated November 30, 2020. The spelling Tłı̨chǫ has been revised to use Dene fonts.	18 December 2020
1.3	1.0	Updates to the Introduction and Project Description to reflect status of the Project.	21 March 2023
	1.3	Updated corporate contact information.	
	2.0, Table 1	Updated reference to most recent guidelines  Affected party contact information updated and moved to the body of the Plan from the Appendix	
	3.0, Table 2	Engagement Triggers amended to consider new engagement guidelines	
1.4	Table 1	Contact information for Tłı̨chǫ Government updated.	April 2023
1.5	1.3, Table 1, Table 2 added	Update corporate contact information, updated contact information for North Slave Métis Alliance, added NWT Métis Nation	February, 2025
1.6	Front Cover, version table, Sections 1.2, 1.3 & Table 2	The Board requires that the Permittee revise the Engagement Plan and submit Version 1.1, by June 27, 2025, to reflect updates as agreed to during this regulatory proceeding, to reflect the Project activities, to meet the Policy and Guidelines, and to include the following: <ul style="list-style-type: none"> <li>• Updated the authorization list on the cover</li> <li>• Updated the Version number, the current number is Version 1.0, this next version will be Version 1.1</li> </ul>	June 2025

		<ul style="list-style-type: none"><li>• Updated the versioning table</li><li>• Updated the project scope to ensure that it is reflective of the project as presented</li><li>• Updated the contacts for the organizations (i.e. City of Yellowknife)</li></ul>	
1.7			

# Table of Contents

- 1 INTRODUCTION AND PROJECT DETAILS ..... 1**
- 1.1 Background..... 1
- 1.2 Project Description..... 1
- 1.3 Corporate Contact Information..... 2
- 2 ENGAGEMENT STRATEGY AND AFFECTED PARTIES IDENTIFICATION..... 2**
- 3 ENGAGEMENT TRIGGERS AND METHODS..... 6**
- 4 ENGAGEMENT RECORD ..... 8**
- 5 PLAN REVIEW..... 8**
- 6 REFERENCES ..... 8**

## LIST OF TABLES

- Table 1: Potentially Affected Indigenous Communities and Contact Information..... 5
- Table 2: Potentially Affected Non-Indigenous Communities/Stakeholders and Contact Information ..... 6
- Table 3: Engagement Triggers, Methods, and Outcomes..... 7

## LIST OF APPENDICES

Appendix A: Engagement Record

# **1 INTRODUCTION AND PROJECT DETAILS**

## **1.1 Background**

NWT Rare Earths Ltd. is jointly owned by Nechalacho Resources Corp. (“Nechalacho”) and Avalon Advanced Materials Inc. (“Avalon”) and is engaged in the exploration and development of rare mineral deposits in Canada. This Engagement Plan is intended to outline NWT Rare Earths’ engagement to properly inform and collaborate with affected parties. It was prepared following the Engagement Guidelines for Applicants and Holders of Water Licences and Land Use Permits (LWB 2018). Engagement is defined as “the communication and outreach activities a proponent undertakes with affected parties prior to and during the operation of a project”, and the level of engagement should reflect the scale, location, and nature of a proposed activity (LWB 2018). An affected party is defined as “a party that is predicted to be affected by a proposed project, such as an Aboriginal organization/government, an individual occupying land for traditional purposes, a private landowner, or lease holder” (LWB 2014).

## **1.2 Project Description**

The Nechalacho Rare Earth Elements Project is located at Thor Lake in the Mackenzie Mining District of the Northwest Territories. The site is about 5 km north of the Hearne Channel of Great Slave Lake, measuring approximately 100 km southeast of the city of Yellowknife. There are no communities or camps in the vicinity of the exploration camp. The nearest habitation is Blachford Lodge, which is over 5 km from the site.

The Property is remote but accessible year-round by float/ski/wheeled planes and helicopters from Yellowknife and seasonally by barge from Yellowknife or Hay River. The Property also has the potential for seasonal accessible via ice road from Yellowknife and snowmobile.

The existing exploration camp is located on the northwest shore of Thor Lake and will be maintained under the existing authorizations. The camp consists of twenty (20) wood frame sleeping structures and a few small wood framed buildings. Additional facilities associated with this camp include a wood frame building with kitchen facilities, a 27-kW generator and a similar standby generator, outhouses, fuel storage area, and a waste storage area. Potable water is typically sourced from Thor Lake and filtered as needed.

In addition to past mineral exploration programs, Nechalacho Resources initiated a bulk sample at the North T-Zone location in 2021. The North T-Zone operation included a small scale open-cast surface operation, stockpiles, plant, and equipment storage area. A small volume of mineralized rock was beneficiated onsite and

transported offsite in 2021/22, the material was subsequently sold to the Saskatchewan Research Council in 2024 to support federally funded REE process development. This program is permitted to continue as a source feed for Rare Earth Element research. The bulk sample project used and will continue to use the existing accommodation camp and support facilities at Thor Lake.

Avalon Advanced Materials was approved to advance an underground bulk sample project into the Tardiff Lower zone, following the completion of an environmental assessment process. At this time, Avalon has not initiated that project approved under MV2020D0013.

### **1.3 Corporate Contact Information**

#### **Corporate Contact**

Nicole Tews

Director of Human Resources, Community and Government Relations

Phone: 867-920-7273

Email: [ntews@vitalmetals.com](mailto:ntews@vitalmetals.com)

Address: 5110 49th St, Yellowknife, NT, Canada, X1A 1P8

#### **Site Contact**

## **2 ENGAGEMENT STRATEGY AND POTENTIALLY AFFECTED PARTIES IDENTIFICATION**

This document was prepared using the following guidelines:

- Engagement Guidelines for Applicants and Holders of Water Licenses and Land Use Permits (LWB 2018)
- Guidelines for Proponents of Development (Tłıchǵ Government 2022)

The Guidelines provide requirements and recommendation to proponents for meeting the Board's requirements for engagement. Specifically, the Guidelines outline:

- The proponent's submission requirements for engagement prior to and during the life of the project and authorization.
- The engagement criteria against which the Board will assess adequacy of engagement.

- The recommended step by step process for successful engagement outcomes
- Suggested best-practices for conducting engagement.

The purpose of this Engagement Plan is to provide a formal written framework on how NWT Rare Earths will communicate with and reach out to potentially affected parties throughout the various phases of the development of this specific Demonstration Project. NWT Rare Earths recognizes the political, social, environmental, and economic landscape of the North and acknowledges that the Demonstration Project is located on the traditional lands of Indigenous peoples. NWT Rare Earths considers the Engagement Plan to be a living document, meaning that it will evolve and be updated as site activities progress, change, or advance towards further development.

Further engagement will be conducted if NWT Rare Earths needs to apply to or request the following items from the Mackenzie Valley Land and Water Board (MVLWB): amendments, modifications, extensions, renewals, storage authorizations, or assignments.

It is understood that changes in staff, addresses, e-mails, phone numbers, titles etc. will not trigger an update in the Engagement Plan, rather these minor changes will be updated during the next update of the Engagement Plan.

NWT Rare Earths recognizes that the benefits of engaging are long-term and are an investment in achieving our vision of being a responsible and welcome member of the communities in which we operate.

For this Demonstration Project, potentially affected parties were identified based on proximity to the Demonstration Project, current and historic use of the Nechalacho/Thor Lake area, and an interest in the Project based on contributions to the review of the existing authorizations. The affected parties and their contact information is provided in Table 1.

### **Indigenous Communities in the Project Area**

The Nechalacho Project is located approximately 5 km north of the Hearne Channel of Great Slave Lake and about 100 km southeast of Yellowknife. The project area overlaps with the traditional territories and land claim areas of several Indigenous groups, including the Akaitcho Dene First Nation, the Tłı̨chǫ, and two Métis communities.

#### **Akaitcho Dene First Nation**

The Akaitcho Dene First Nation holds traditional and historical ties to the project area. Several Akaitcho communities may be impacted by activities in this region:

- **Yellowknives Dene First Nation-** Dettah and Ndilq both adjacent to Yellowknife.
  - Located 100 km to the North-West of the site
- **Deninu Kué First Nation-** Fort Resolution
  - Located 177 km to the South-west of the site
- **Łutsël K'é Dene First Nation -** Łutselk'e
  - Located approximately 100km to the North-east of the site

The project area falls within the Akaitcho Territory land claim area, which remains subject to an **interim agreement with the Government of Canada**. This agreement acknowledges Akaitcho Dene rights and interests while ongoing negotiations continue toward a final land claim settlement.

### **Tłıchǫ Lands**

The Nechalacho Project is also situated within **Mowhi Gogha de Niilee**, a region defined under the **Tłıchǫ Land Claim Agreement**. This agreement recognizes Tłıchǫ governance and rights in designated areas, including some overlapping regions with the Akaitcho territory.

### **Métis Communities**

Two Métis groups also have recognized rights and interests in the project area:

1. **Northwest Territory Métis Nation (NWTMN)**
  - Represents Métis communities with historical and contemporary ties to the land.
  - The **Government of Canada, the Government of the Northwest Territories, and NWTMN** have signed a framework agreement to advance reconciliation, support self-determination, and strengthen Indigenous governance.
  - This agreement also contributes to ongoing **NWTMN land claim negotiations**.

## 2. North Slave Métis Alliance (NSMA)

- Represents Métis people of the Great Slave Lake area.
- NSMA members assert **Aboriginal harvesting rights** recognized and affirmed under **Section 35(1) of the Constitution Act, 1982**.
- These rights include **hunting, fishing, and cultural practices** within the region.

### Engagement and Considerations

Given the presence of these Indigenous communities, consideration must be given to potential impacts on their land use, governance, and rights. **Engagement with all affected groups** should be undertaken to ensure their interests are acknowledged and incorporated into the permitting process.

**Table 1: Potentially Affected Indigenous Communities and Contact Information**

Organization	Contact Name	Contact Information
Yellowknives Dene First Nation	Ryan Miller	ryanm@ykdene.com 867-446-7926
Łutselk'e Dene First Nation	Tas-Tsi Catholique	lkdfnlands@gmail.com 867-370-7013
Tłı̨chǫ Government	Violet Camsell-Blondin	Violet.CamsellBlondin@tlichoc.ca Copy: lands@tlichoc.ca
NWT Métis Nation	Lorne Napier	lands@nwtmetis.ca
North Slave Métis Alliance	Alan Alex Noah Johnson	alan.alex@nsma.net 867-873-6762 noah.johnson@nsma.net
Deninu Kų́ę First Nation	Chief Louis Balsillie	admin@dkfn.ca

### Non-Indigenous Communities/Stakeholders in the Project Area

Given the location of the project site, it is anticipated that the project will rely on both the City of Yellowknife and Hay River to support the project through the transportation of material and personnel to and from the site, as well providing employment opportunities within the region. Table 2 lists the current Non-Indigenous communities and/or stakeholders.

**Table 2: Potentially Affected Non-Indigenous Communities/Stakeholders and Contact Information**

Organization	Contact Name	Contact Information
City of Yellowknife	Mayor Ben Hendriksen	mayor@yellowknife.ca 867-920-5693
Town of Hay River	Mayor Kandis Jameson	mayor@hayriver.com 867-874-6522
Blachford Lodge by Arctic Kingdom	Amy Isaikina	amy.isaikina@arctickingdom.com 613-206-5531

This information is subject to change based on updated information that may be received from the affected party.

### **3 ENGAGEMENT TRIGGERS AND METHODS**

Engagement triggers are implemented at various Demonstration Project activities. Engagement may be conducted as written notification, e-mail, teleconferences, a face-to-face meeting, or a community public meeting, once consideration is given to the following guiding principles, as recommended by the Guidelines:

- 1) The nature and scope of engagement efforts should reflect the magnitude and complexity of the Project or magnitude of change from exiting or historical conditions.
- 2) Both the affected parties and/or Proponent can run the risk of “consultation fatigue” from too many or inappropriate engagements. Engagement methods and schedules must, by mutual agreement, be reasonable and sustainable for both Proponents and affected parties.
- 3) The nature of the Engagement methods and frequency of engagement will change through time as affected parties and Proponents gain trust and the Project develops. The Engagement Plan should be reviewed as the relationship of the affected parties and Proponent and/or Project reaches mutually determined milestones.

NWT Rare Earths’ triggers, methods, and outcomes of engagement for the Demonstration Project are provided in Table 3. At each significant stage of engagement, the existing Engagement Record will be updated and will be submitted to the Mackenzie Valley Land and Water Board. An Engagement Record is provided in Appendix A of this document. The Engagement Record is submitted as a separate document from the Plan however, both documents work together. An Engagement Record will be complete for each trigger outlined below.

**Table 3: Engagement Triggers, Methods, and Outcomes**

Engagement Trigger	Purpose for Engagement	Format of Engagement	Information to be Recorded
Pre-submission of land use permit or water license: Amendments, Modifications, Extensions, Renewals, Storage authorizations, Assignments	To inform parties of upcoming applications	Email followed by phone call if requested	Email will be retained to support Engagement Record Telephone calls will be reported in Engagement Record
Submission of land use permit or water license: Amendments, Modifications, Extensions, Renewals, Storage authorizations, Assignments	To inform parties of posted applications	Via the MVLWB public registry	Application will become a matter of public knowledge
Pre-submission of requested significant changes to management plans: Spill Contingency Plan, Waste Management Plan, Engagement Plan	To inform parties of proposed changes	Email	Email will be retained to support Engagement Record
Submission of updated and revised management plans: Spill Contingency Plan, Waste Management Plan, Engagement Plan	Dissemination of the updated Plan	Via the MVLWB public registry	Application will become a matter of public knowledge
Prior to commencement of seasonal activities not previously identified in the LUP application	Inform organizations	Email	Email will be retained to support Engagement Record
Notification of any reportable spills or unauthorized reportable discharges as outlined in the Spill Contingency Plan	Dissemination of information to affected parties	Email followed by phone conversation if requested	Email will be retained to support Engagement Record
Completion of any environmentally related baseline reports	Dissemination of baseline environmental monitoring	Email with accompanying report(s) in electronic format	Email will be retained to support Engagement Record
Renewal of any authorization or right issued by a government department (i.e. quarry or timber permit, mineral right, fisheries-related authorizations)	Dissemination of information to affected parties	Email	Email will be retained to support Engagement Record
Archaeological Discoveries	Inform organizations	Email	Email will be retained to support Engagement Record
Other	As requested by affected parties	As requested	Meeting minutes will be recorded.

## 4 ENGAGEMENT RECORD

During engagement activities, NWT Rare Earths will track concerns received relating to a permitted or licensed activity and will provide a summary as detailed in above. To process concerns throughout the engagement process, NWT Rare Earths will endeavor to respond in a timely manner, respecting the nature of the concern. A summary of all engagement undertaken for the Project based on the engagement triggers is recorded in an Engagement Record. The Engagement Record includes an entry for each engagement, including the following information:

- Date of engagement
- Name of party / group
- Issue or topic of the engagement
- Concerns raised and resolutions where possible and appropriate.
- The type of engagement (e.g. written notification, phone calls, emails, meetings)
- Attendees / individuals involved

The Engagement Record is provided in Appendix A. Additional engagement activities are document in earlier versions of the Engagement Plan which were maintained by Avalon Advanced Materials.

Further to this, the Engagement Record may also include an Engagement Summary to document the discussion and resolution of issues. Engagement Summaries will be included as required.

## 5 PLAN REVIEW

It is important that engagement efforts be monitored and where a method does not appear to be effective or when the scope of importance of an issue changes, it may be necessary to modify the Engagement Plan. Evaluating the effectiveness of the engagement process is a fundamental part of the Engagement Plan as it is important to understand what was done well and what could be improved upon. NWT Rare Earths and the affected parties will assess the effeteness of its engagement efforts over the course of time and will make necessary changes. Any significant revisions to the Engagement Plan will be forwarded to the Mackenzie Valley Land and Water Board.

## 6 REFERENCES

LWB. 2018. Land and Water Boards of the Mackenzie Valley. Engagement Guidelines for Applicants and Holders of Water Licenses and Land Use Permits. September 2018. [LWB Policies and Guidelines | Mackenzie Valley Land and Water Board \(mvlwb.com\)](https://www.mvlwb.com)

Weghàà Eleyatits'eedi: Guidelines for Proponents of Development. 2022. Tłıchǫ Government. 16 November 2022.

[https://www.tlicho.ca/sites/default/files/documents/government/2022\\_11\\_14\\_tlicho\\_government\\_guidlelines\\_for\\_land\\_use.pdf](https://www.tlicho.ca/sites/default/files/documents/government/2022_11_14_tlicho_government_guidlelines_for_land_use.pdf)

## **Appendix A: Engagement Record**