

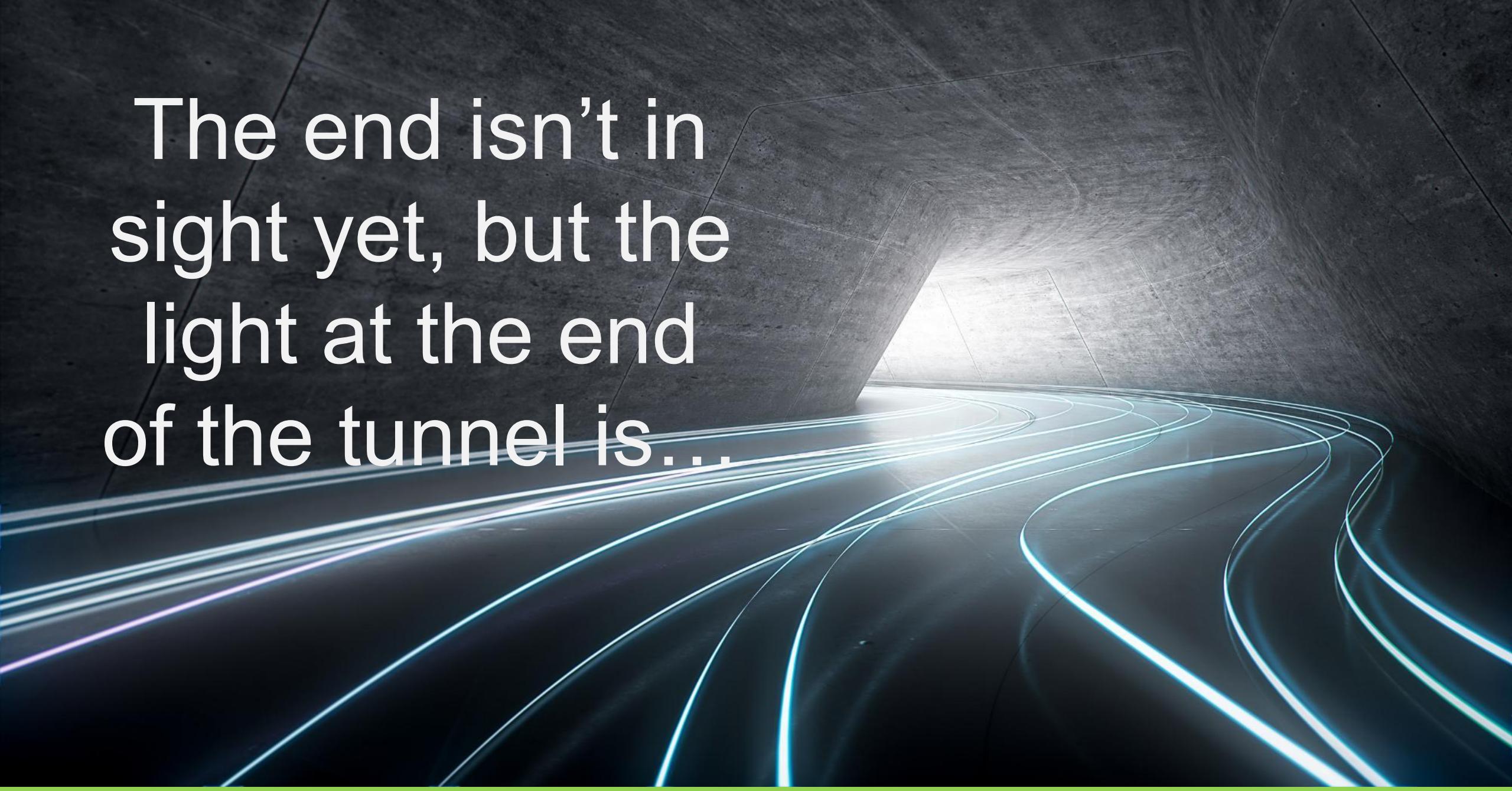
# CROWN MOUNTAIN COKING COAL PROJECT

**The Light at the End of the Tunnel**

RDEK October 10, 2025



**Crown  
Mountain**



The end isn't in  
sight yet, but the  
light at the end  
of the tunnel is...

# The light at the end of the tunnel

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1. Crown Mountain Overview
2. Project *Enhancements*
3. Project *Financials*
4. Regulatory *Progress*
5. Summary

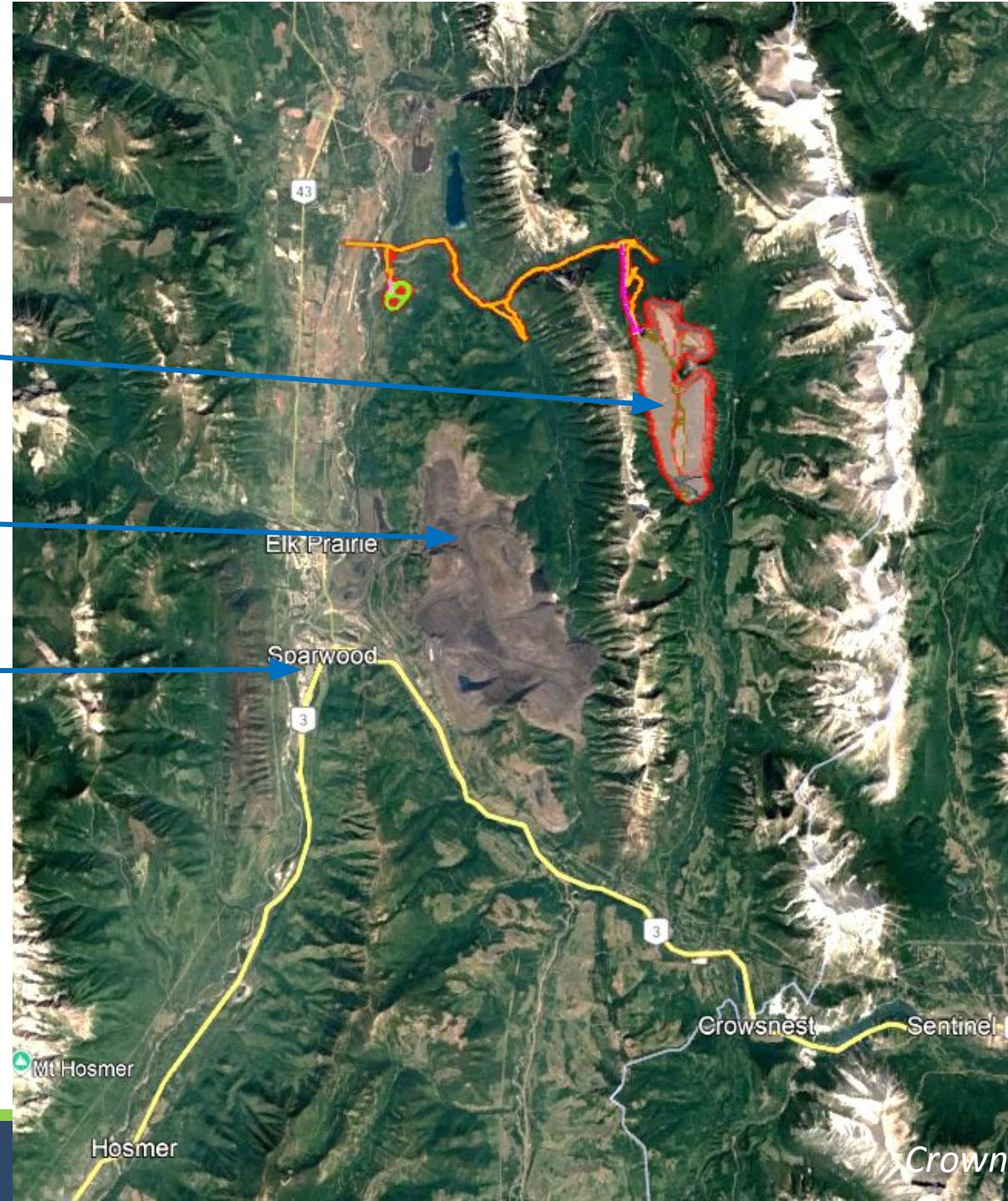


**Crown  
Mountain**

# Crown Mountain Overview

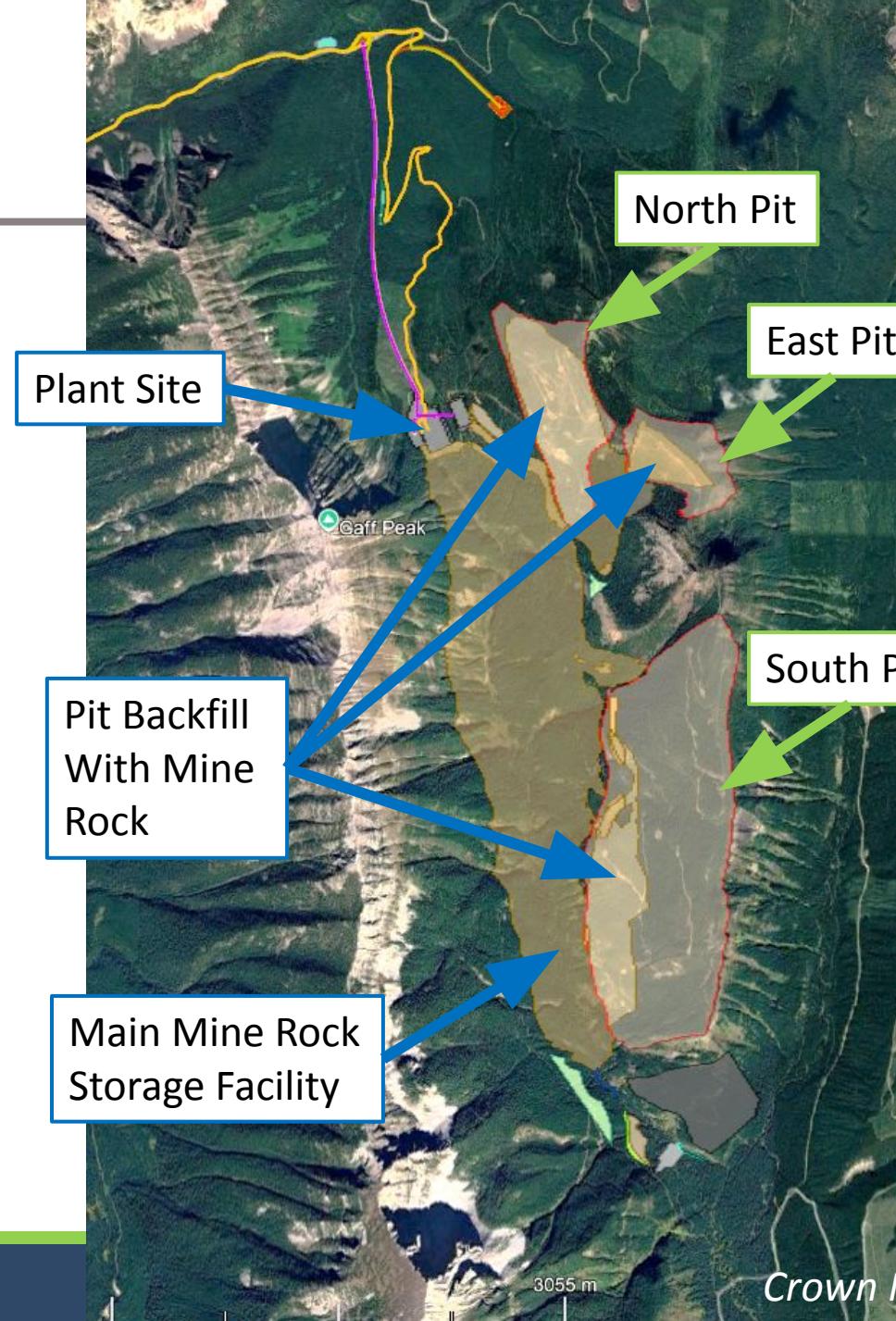
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# Project Location



# Project Layout

- All mine facilities in one watershed – West Alexander Creek
- Three pits on the shoulder of Crown Mountain
  - North Pit – Yrs 1-4
  - East Pit – Yrs 4-5
  - South Pit – Yrs 5-15
- Very small total footprint ~850ha
- 2 Mmt/year for 15 years



# Project *Enhancements*

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# Project Enhancements Since 2024

**Since 2024, NWP made the following enhancements to the Project:**

- Relocated the RLO to reduce impact on culturally and archaeologically significant areas
- Altered the Project footprint to reduce direct impacts on fish and fish habitat following engagement with YQT
- Added active water treatment, clean water diversion, and more to provide additional security and assurance about long time water management outcomes

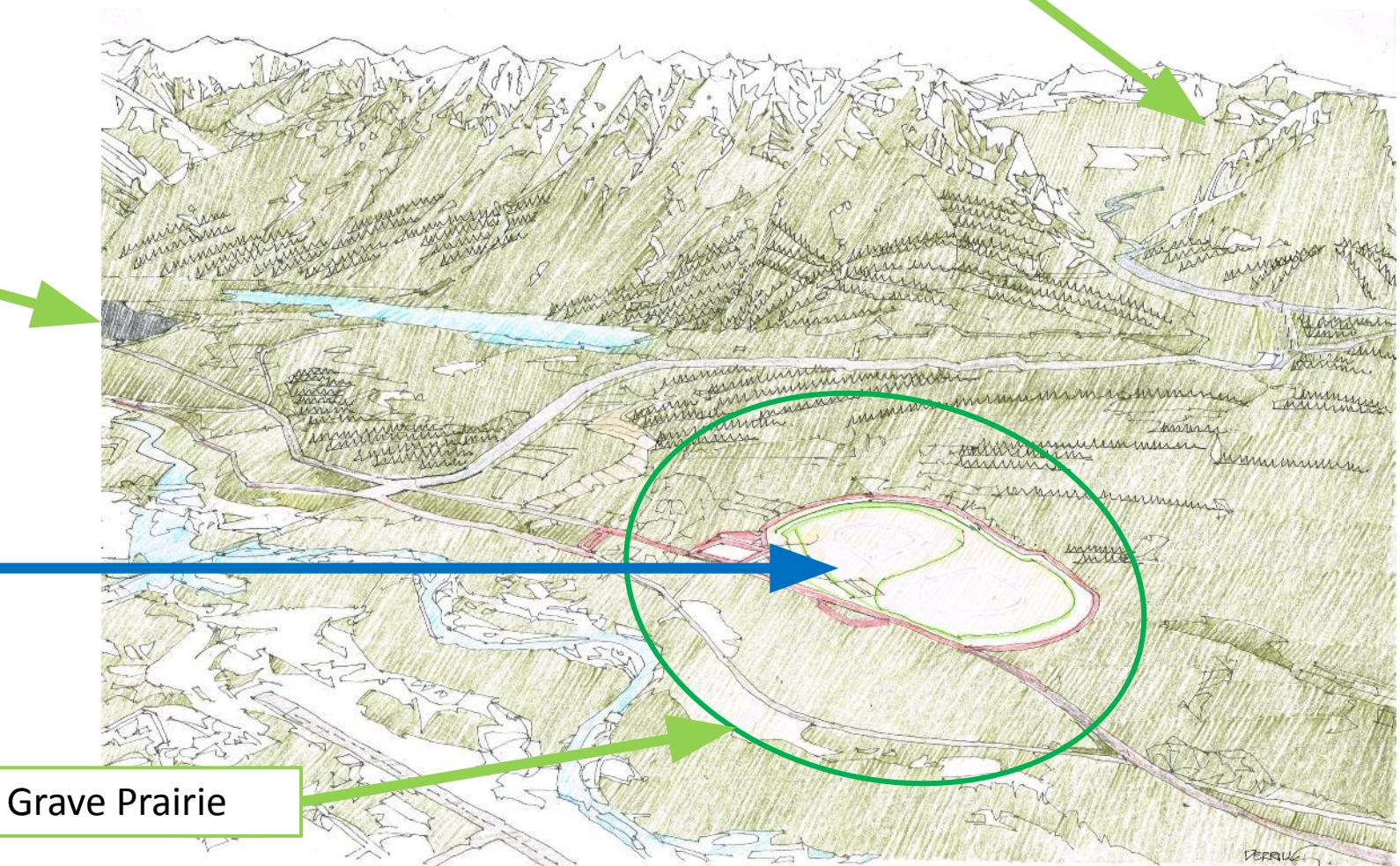
# Original RLO Location



Line Creek Coarse  
Coal Reject Dump

Original RLO Location:  
• Figure 8 Style RLO  
• Located on Grave Prairie

Project Location



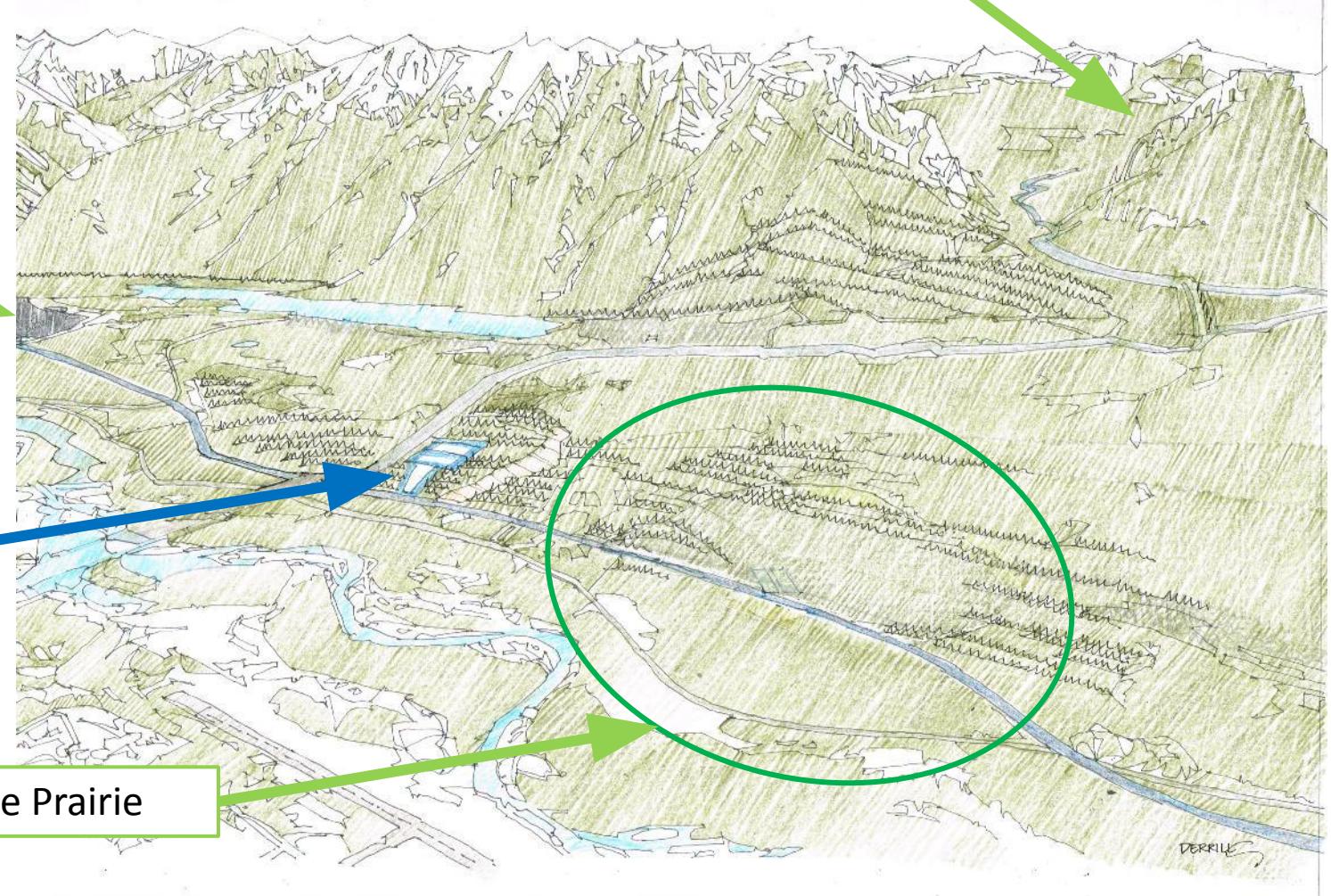
# New RLO Location



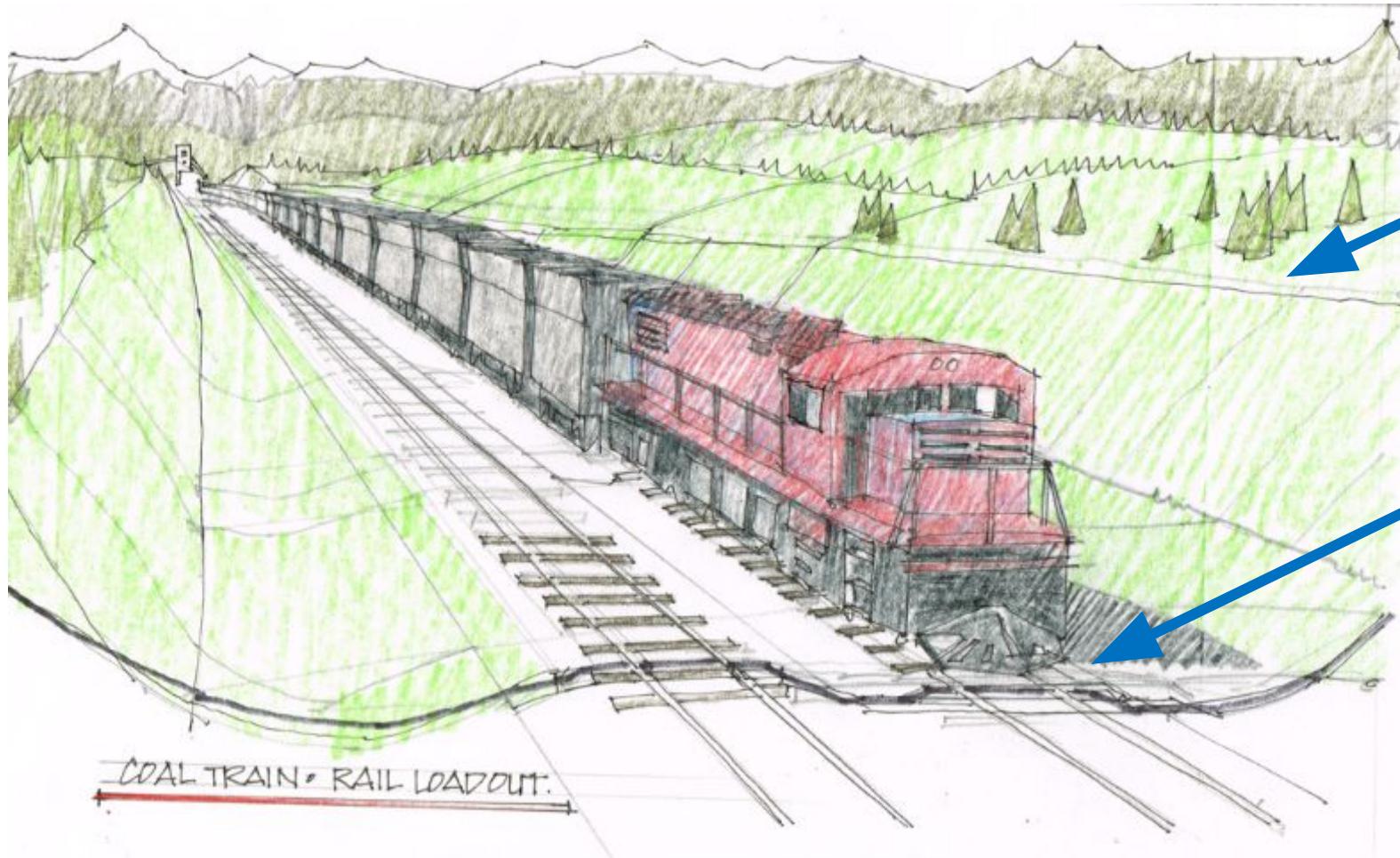
Line Creek Coarse  
Coal Reject Dump

New RLO Location:  
• Parallel Line Style RLO  
• Located off Grave Prairie

Project Location



# Parallel Line Style RLO



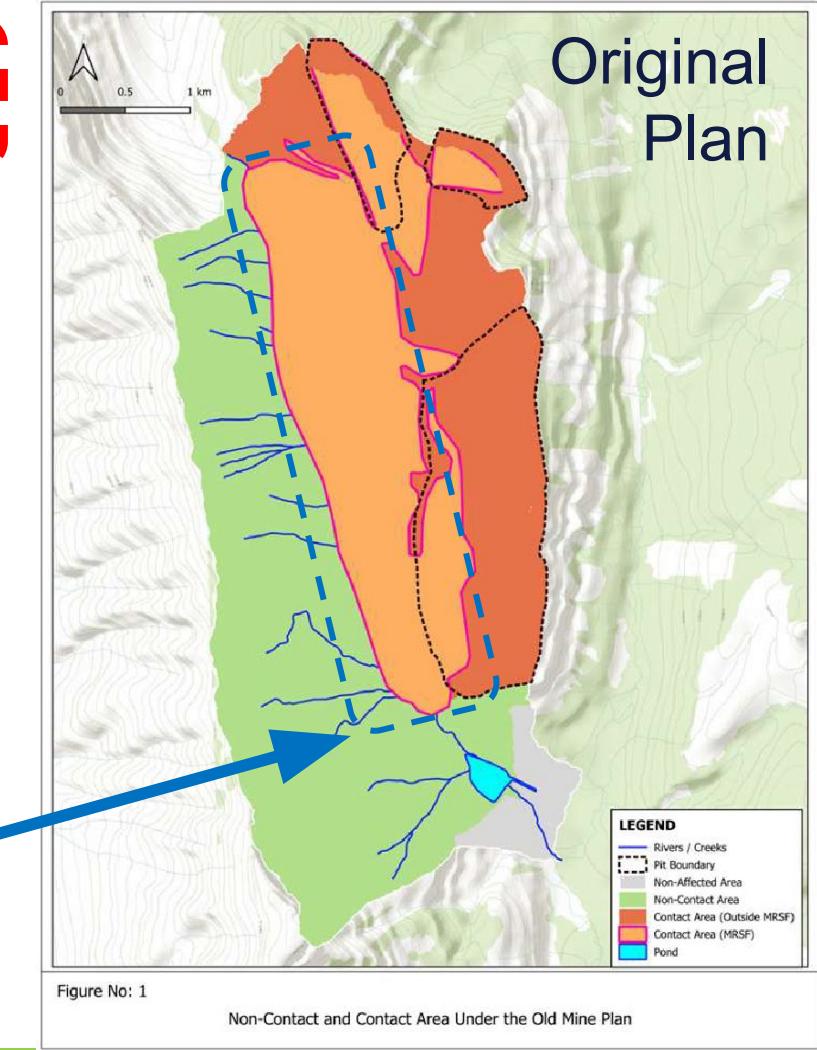
Predominantly inside  
existing CPKC Right of  
Way

New track laid beside main  
line – partially on existing  
disturbance to minimize new  
disturbance

# Main MRSF - Original Plan

- Initial application based on long low design for main Mine Rock Storage Facility (MRSF)
  - Maximum height 1960m
  - Mine rock movements short and mostly downhill
  - Built progressively north to south creating extensive opportunities for progressive reclamation
  - Directly impacted much of West Alexander Creek
  - Combined with water quality uncertainty, impacted almost all of West Alexander Creek

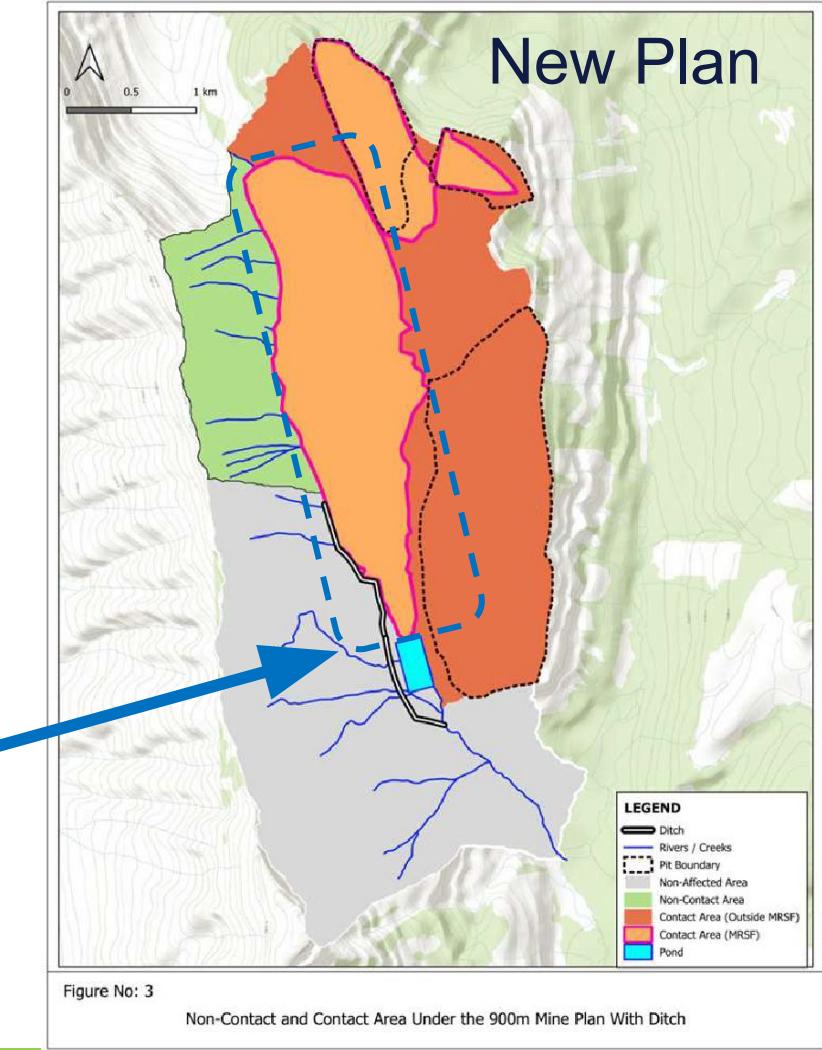
Original Main MRSF



# Main MRSF – New Plan

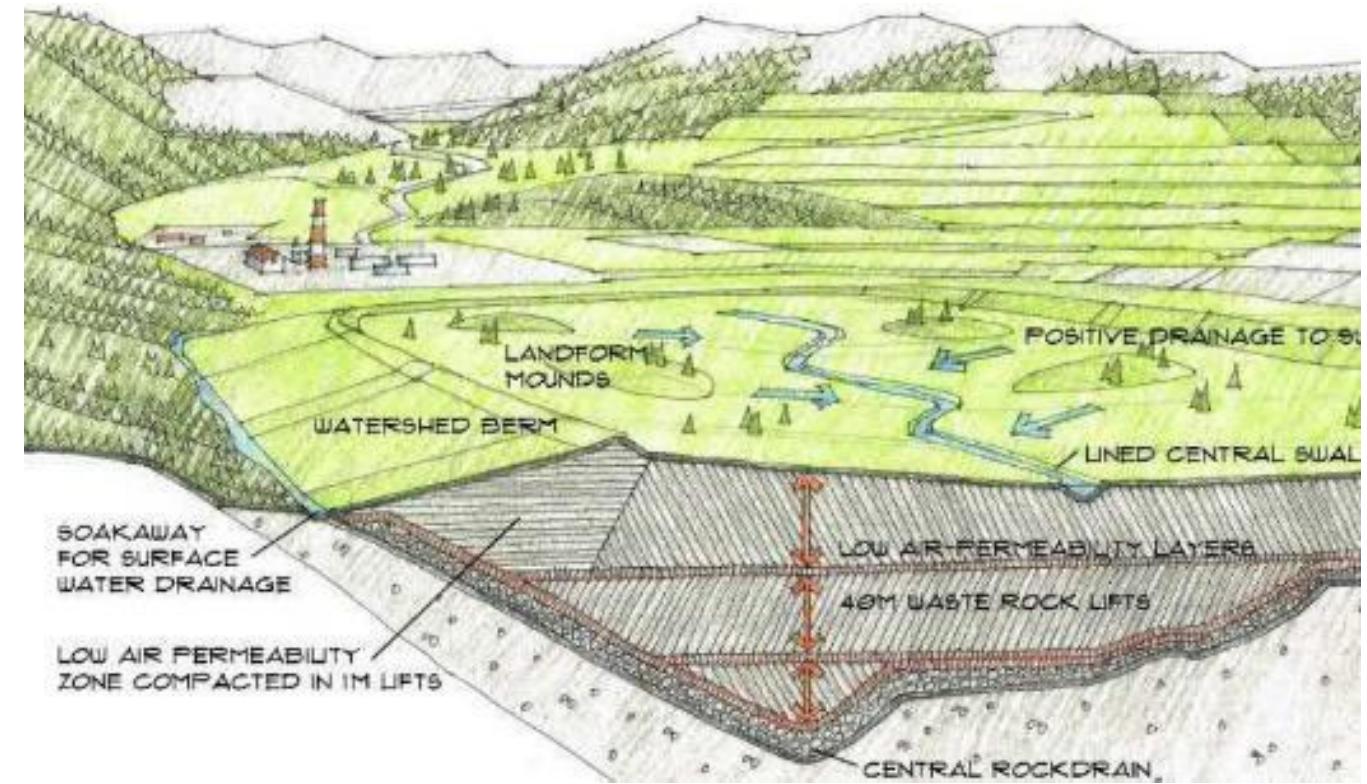
- By stacking the mine rock higher (2010m), the footprint of the MRSF can be reduced
- By leaving the north, east, and west sides essentially unchanged, the footprint reduction pulls the toe of the MRSF upstream about 1 km

New Main MRSF



# Water Quality - Original Plan

- Initial application based on source control to manage water quality
  - NWP proposed a multi-layer approach including a 'layer cake' mine rock storage facility design.
  - This approach is proven elsewhere, but not in the Elk Valley. As such, all significance determinations had to be treated as moderate to low confidence.



# Water Quality – New Plan

- Active Water Treatment added (water treatment plant)
  - Co-located water treatment with Coal Handling and Processing Plant
  - Two release points – West Alexander and Main Alexander
  - Water storage in back-filled North Pit (~1Mm<sup>3</sup>)
  - Main pond (yrs 5+) separated into a capture section and a polishing section



From: <https://liveinharmony.ca/harmonys-advanced-water-system-turns-on-the-tap/>

# Water Management Additions

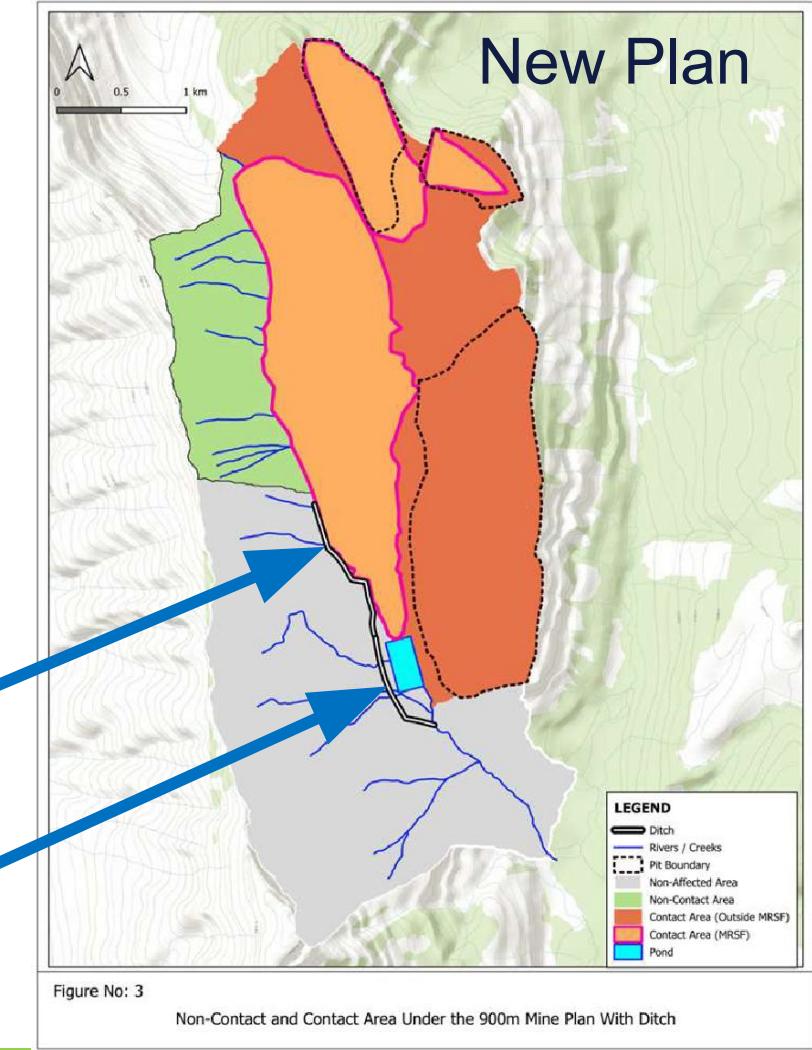
Along with adding Active Water Treatment and reducing the Main MRSF footprint other water management changes have been added

- Diversion ditch for portion of west side of Main MRSF
- Main pond moved upstream on West Alexander
- Seepage collection system added upstream and downstream of main pond

~35% of West Alexander watershed no longer interacts with mine site vs ~3% under original plan

New Diversion Ditch

New Main Pond Location



# Project *Financials*

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# Project Feasibility Update



Time	Study	Capex	Production Cost	HCC Price	Post-tax NPV <sub>10</sub>
March 2015	Pre-Feasibility Study	US\$281M	US\$ 85.28/t	US\$ 155/t	\$267 M
July 2020	Bankable Feasibility Study	US\$309M	US\$ 93.17/t	US\$ 165/t	\$217 M
August 2021	Yield Optimisation Study	US\$309M	US\$ 89.41/t	US\$ 165/t	\$276 M
May 2025	Feasibility Update	US\$ 397M	US\$ 102.79/t	US\$ 225/t	\$549 M

**Jan-April 2025 – Independent Review of economic inputs to 2020 BFS to review**

- *Capital cost inflation*
- *Operating cost inflation*
- *Project Modifications*
- *Increased coal price forecasts*
- *Revised currency forecasts*

**Project Reserve confirmed and updated Project and provide update on project economics**

# 2025 Feasibility Update – Capital and Operating Costs



CAPITAL COST (pre-production capital excl contingency)		BFS July 2020	Feasibility Update 2025	Change	Source
	Mobile Mining Equipment	US\$92M	US\$111M	20%	Komatsu/SMS
	Wash Plant and Coal Handling	US\$102M	US\$131M	28%	Sedgman
	Infrastructure (rail load-out, roads, power, offices, shop etc)	US\$78M	US\$111M	42%	Sedgman/Tri-Innovations/BC Hydro
	Pre-Strip and Indirects	US\$37M	US\$41M	11%	Stantec
	Total	US\$309M	US\$394M	28%	

OPERATING COST		BFS July 2020	Feasibility Update 2025	Change	Source
	Diesel	C\$0.97/l	C\$1.31/l (incl carbon tax)	35%	Market rate
	Electricity	C\$0.069/KWh	C\$0.0653/KWh	-6%	BC Hydro published rate
	Mining Labour (operator)	C\$41.97/hr	C\$46.57/hr	11%	Fording River Union Award 2025
	CHPP Operations	C\$5.10/ROM tonne	C\$5.86/ROM tonne	15%	Sedgman
	Total Operating Cost (FOB Vancouver)	US\$89.41/tonne	US\$102.79/tonne	15%	

# 2025 Feasibility Update – Coal Price Forecasts



2020 BFS	Product Type	LOM Production	Received Price (US\$/tonne)	
			North and East Pits	South Pit
	PLV Hard Coking Coal	24.7Mt	US\$ 165/t	US\$ 146/t
	PCI Coal	3.8Mt	US\$ 115/t	US\$ 112/t

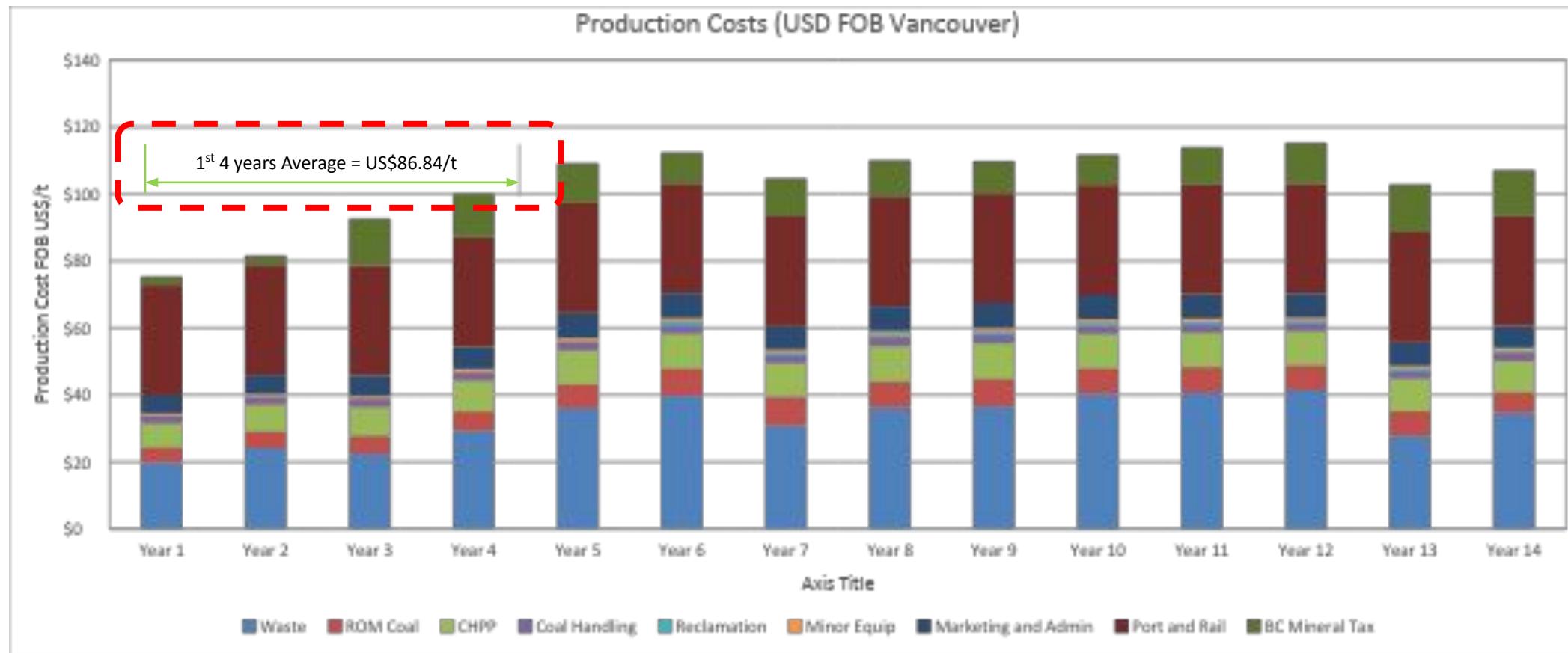
2025 Price forecast based on average of published forecasts including Nov-24 Anglo–Peabody deal, KPMG and McCloskey Metallurgical Coal Market Briefing

<u>2025 Feasibility Update</u>	Product Type	LOM Production	Received Price (US\$/tonne)	
			North and East Pits	South Pit
	PLV Hard Coking Coal	24.7Mt	US\$ 223/t	US\$ 205/t
	PCI Coal	3.8Mt	US\$ 144/t	US\$ 140/t

Currency Forecasts (source RBC – Feb 2025)

- 2020 BFS CA\$ 1.0 = US\$ 0.75
- 2025 Update CA\$ 1.0 = US\$ 0.70

# 2025 Feasibility Update – *Operating Costs*



- Competitive operating costs due to low strip ratio and lower Canadian labour costs compared to Australia
- BC Mineral Tax substantially lower than comparable Queensland Government royalty
- LOM Average Production Cost US\$102.79/tonne FOB - First 4 years – average production cost US\$86.84/t FOB

# Regulatory *Progress*

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# Making Regulatory Progress – Next Steps



2024

## Regulators

### Technical Review:

- Comments and concerns from regulators, Indigenous Nations, and the public

2025

## Crown Mountain

- Collect additional data
- Design and modelling updates
- Engagement

2026

## Regulators

### Technical Review:

- Formal review of responses

## Crown Mountain

- Reviewing planned responses with authors

## Crown Mountain

- Submit responses to regulators

# Making Regulatory Progress – Final Steps

**2026**

## **Crown Mountain**

- Revise Final Application

**2027**

## **Regulators**

Internal review

- Provide recommendation to minister(s) w/ Indigenous Nations
- Ministerial decision

**2028**

## **Crown Mountain**

- Permit applications

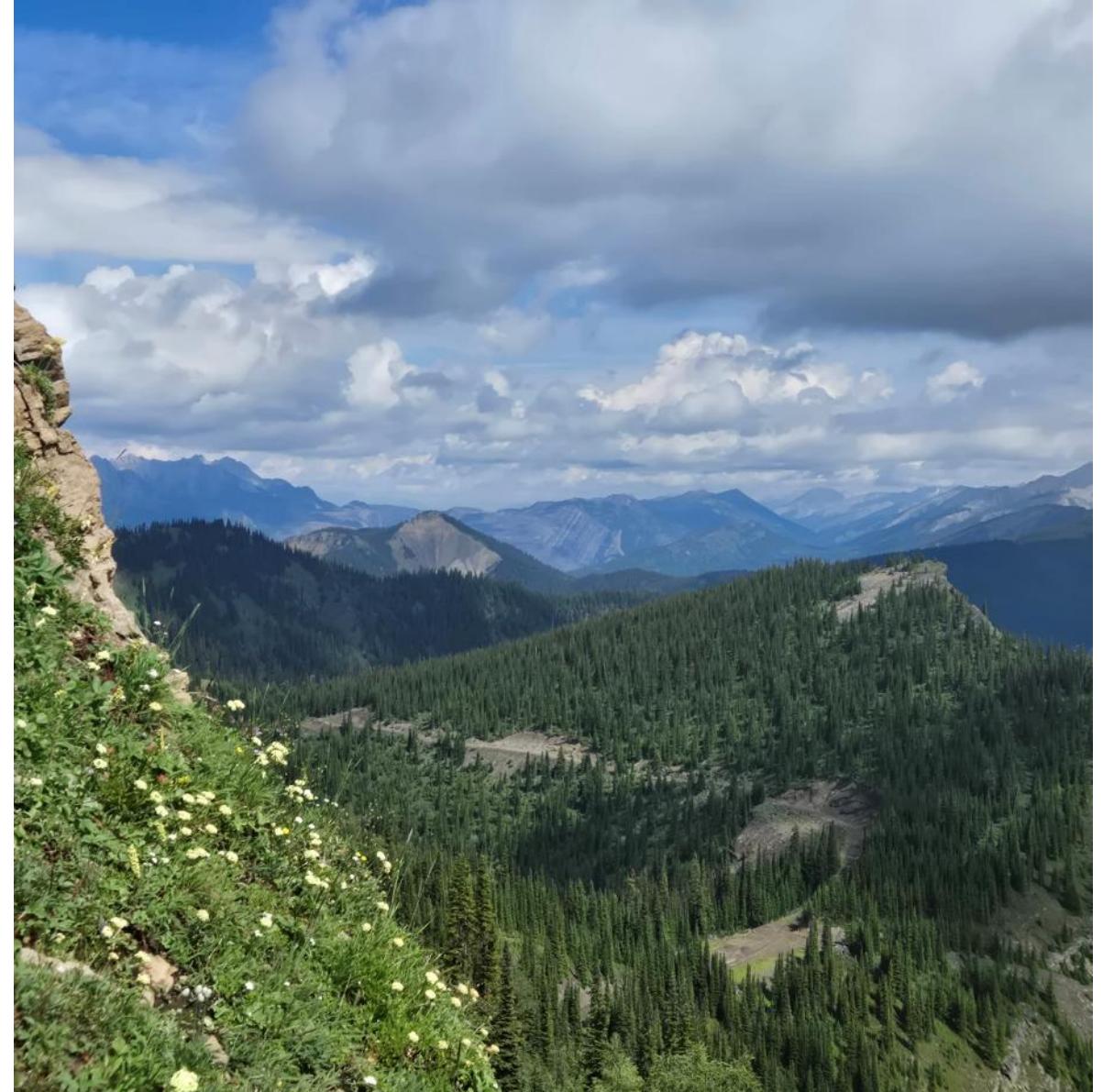
## **Regulators:**

- Permit Review

# Summary

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- Project adjustments making for a better outcome
- Project financials look rosy
- Making meaningful regulatory progress





Thank you  
for your time &  
attention!