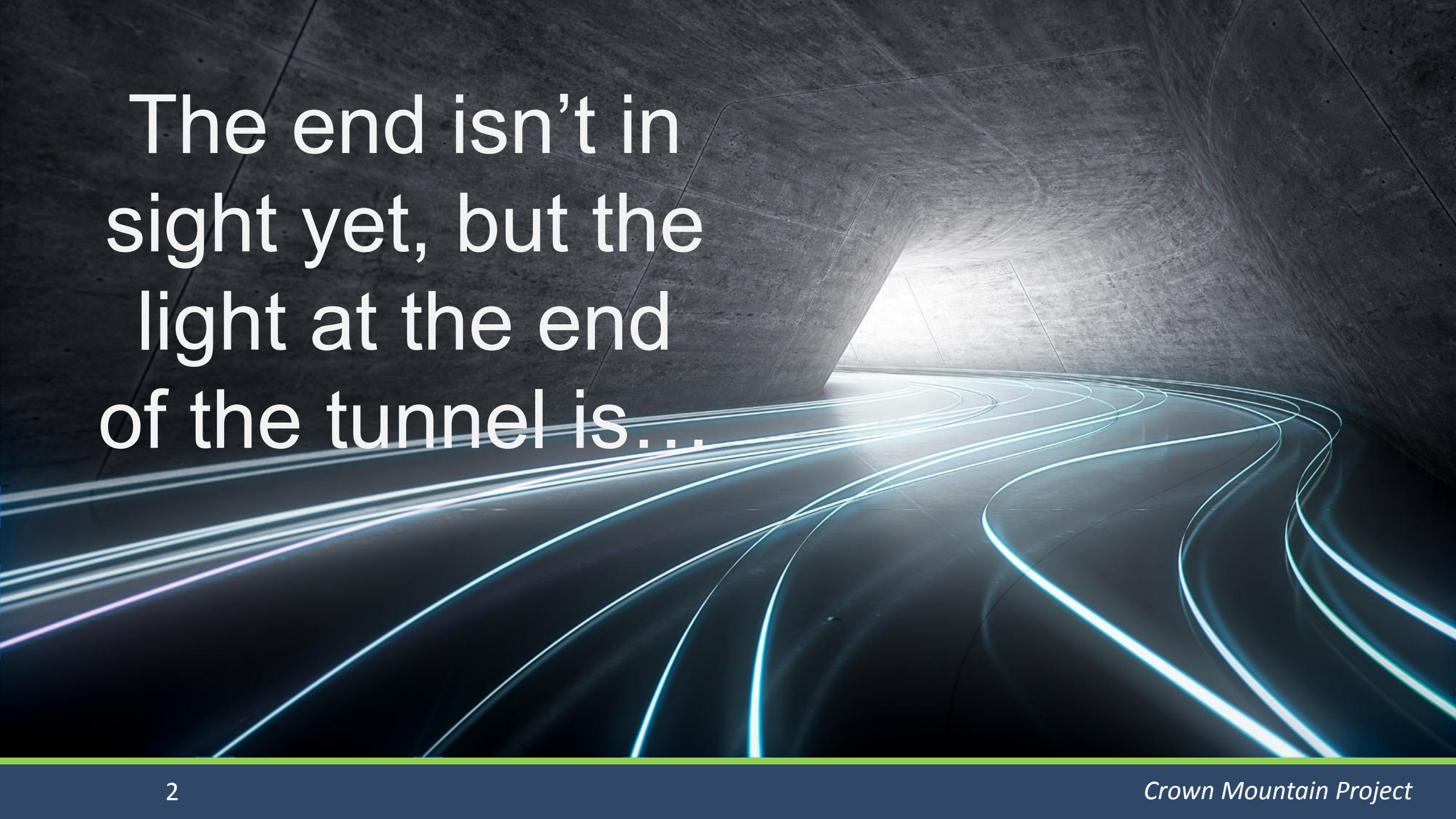


CROWN MOUNTAIN **COKING COAL PROJECT**

The Light at the End of the Tunnel

Coal Association of Canada - September 2025





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

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



Crown Mountain *Overview*

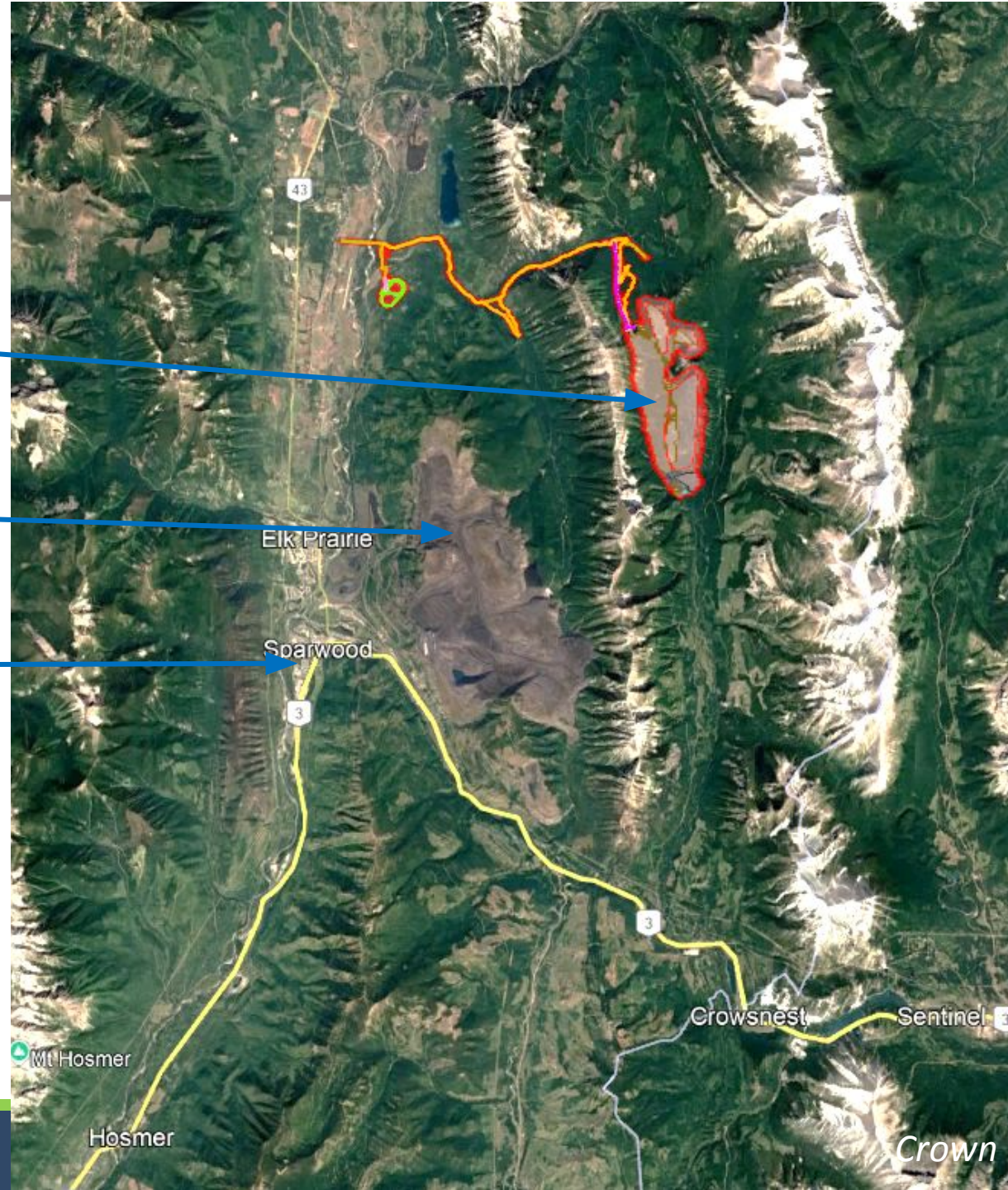
Project Location



Project Site
(in BC)

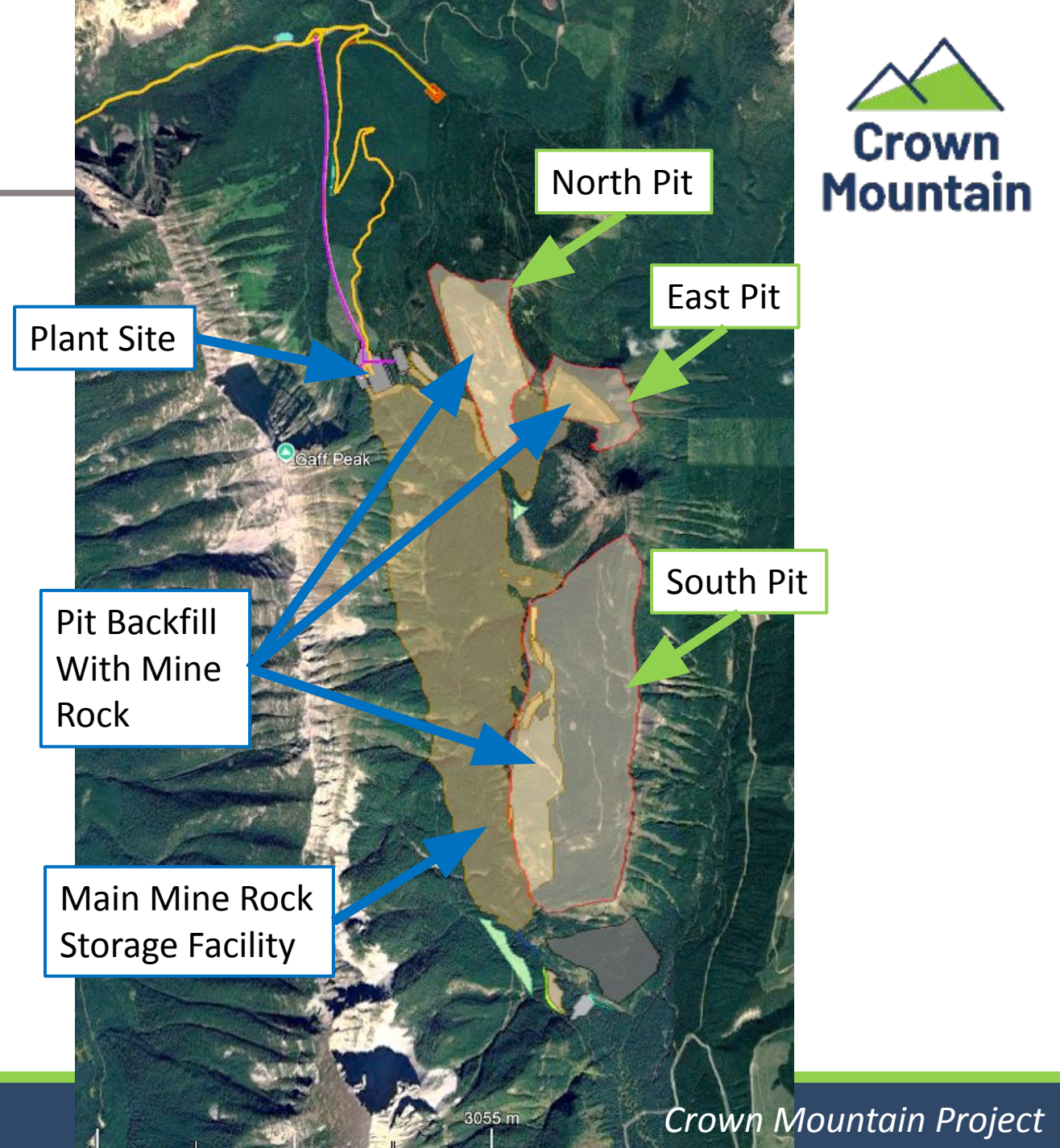
EVR's Elkview
Coal Mine
(in BC)

Sparwood BC



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*

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

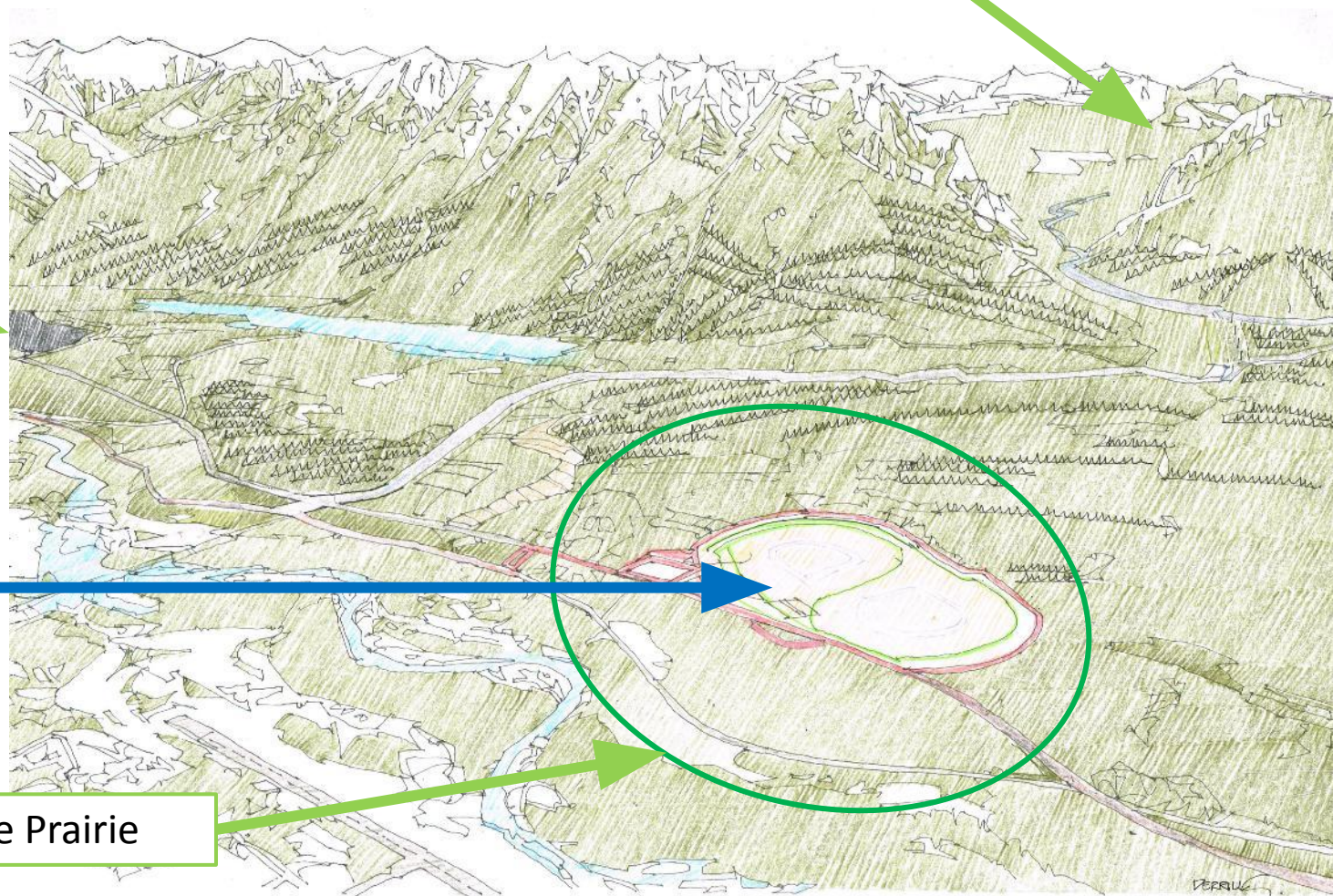
Line Creek Coarse
Coal Reject Dump

Original RLO Location:

- Figure 8 Style RLO
- Located on Grave Prairie

Grave Prairie

Project Location



New RLO Location

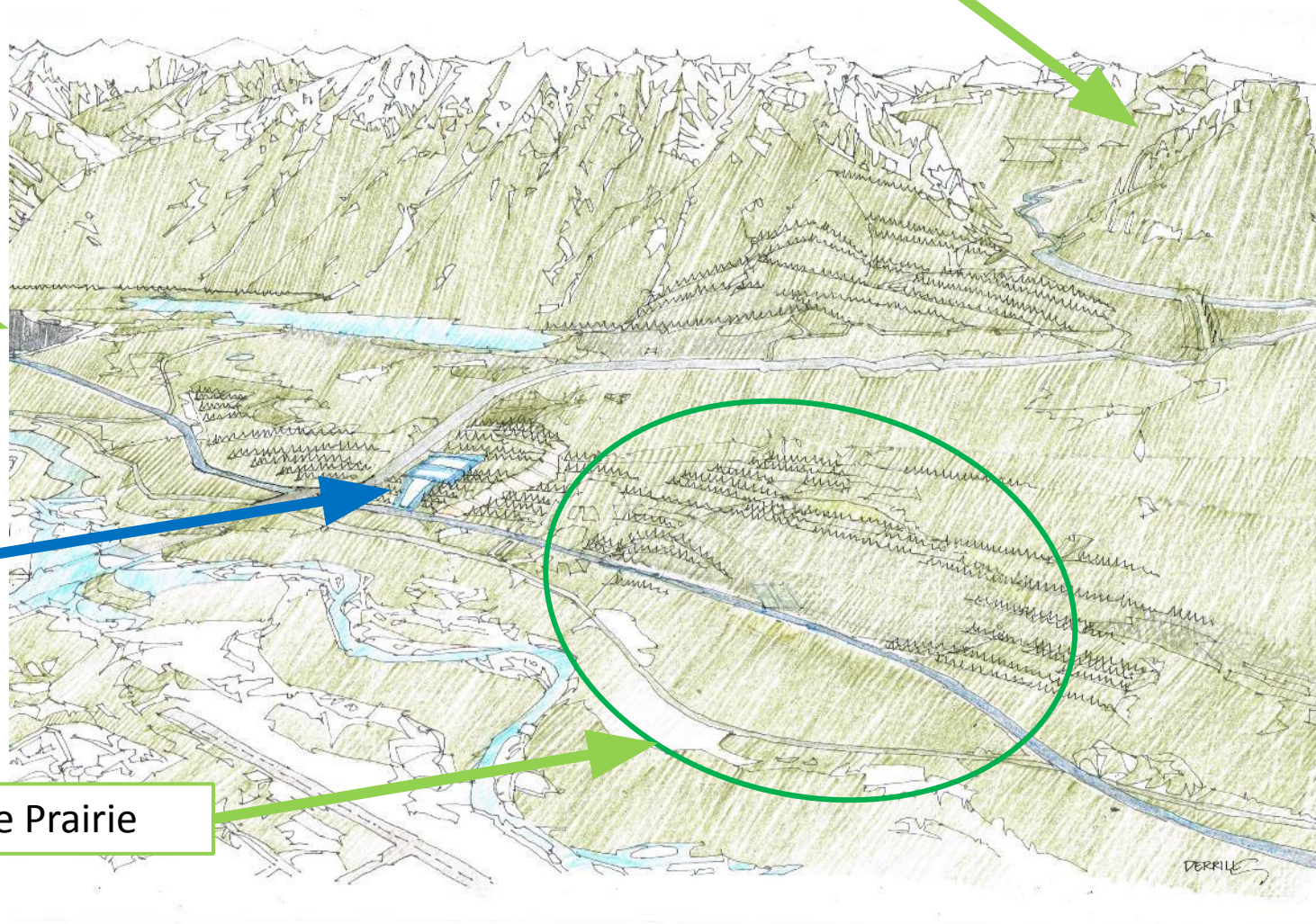
Line Creek Coarse
Coal Reject Dump

Project Location

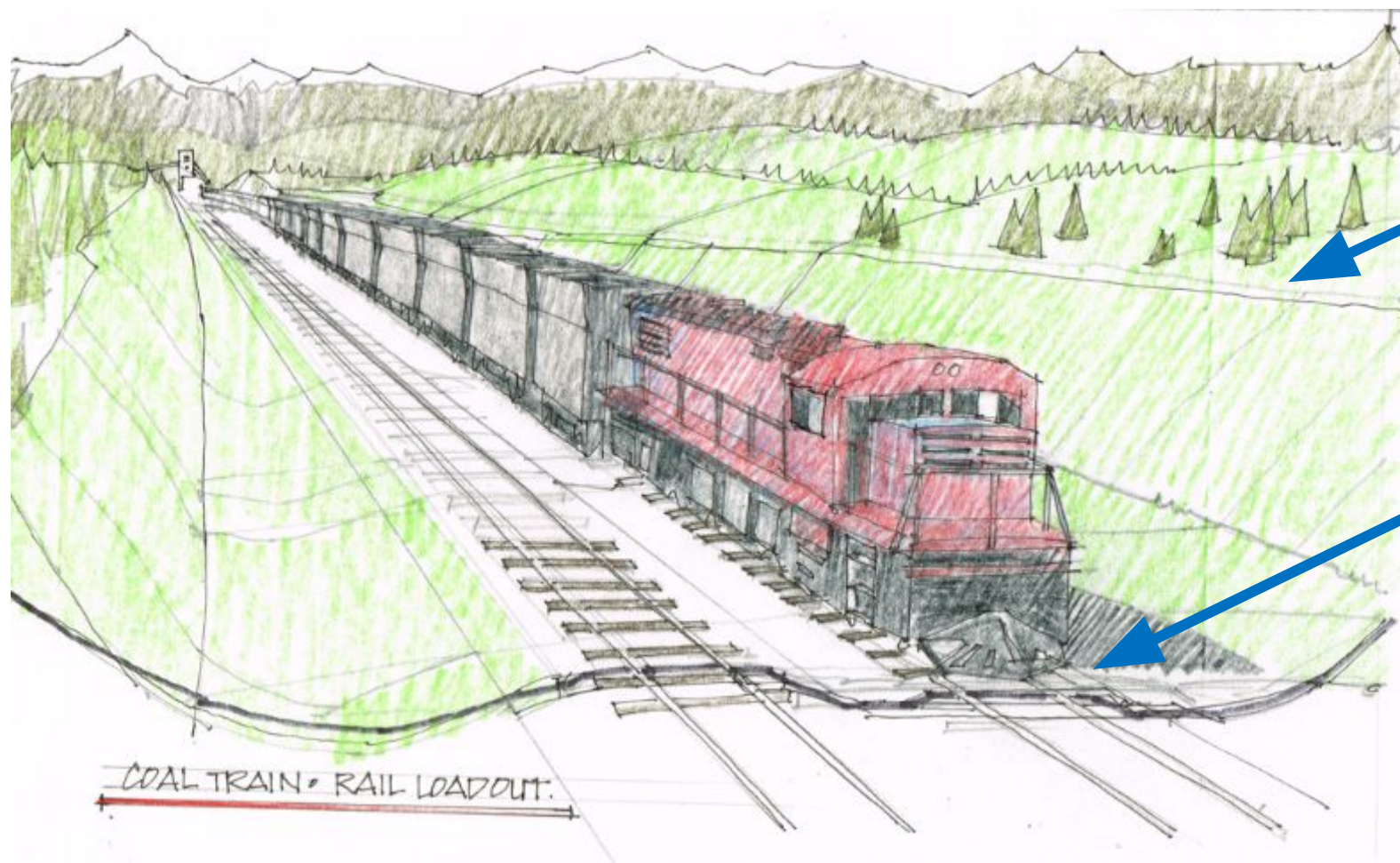
New RLO Location:

- Parallel Line Style RLO
- Located off Grave Prairie

Grave Prairie



Parallel Line Style RLO



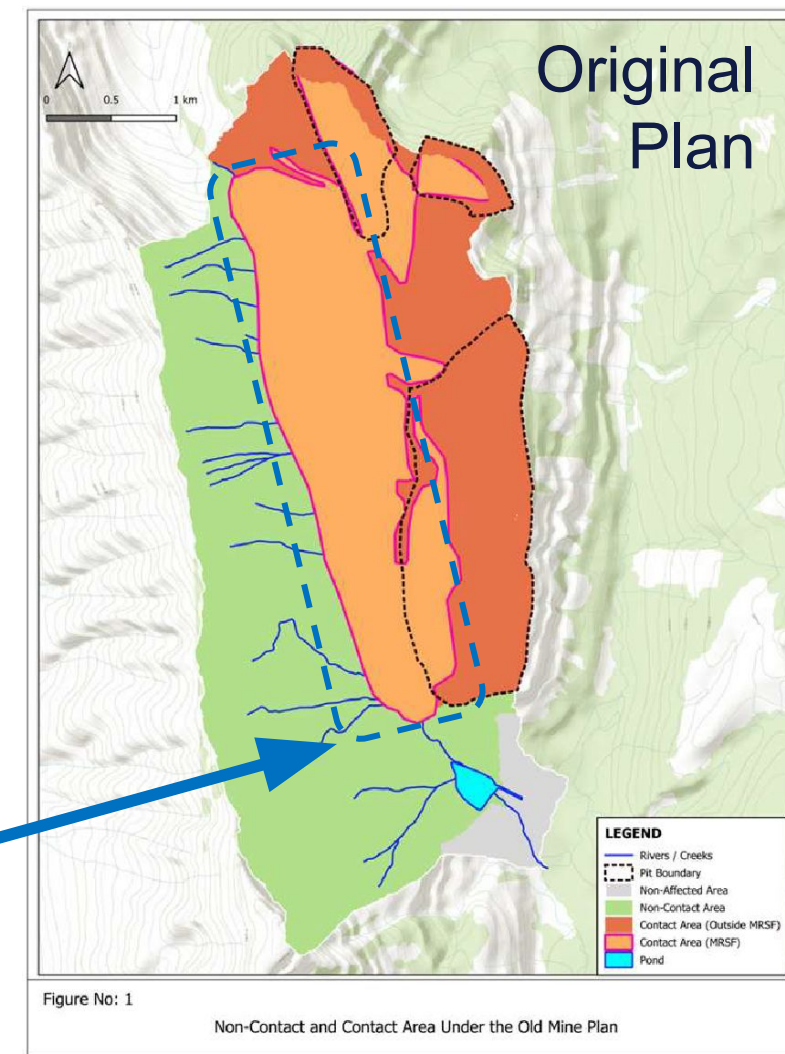
Predominantly inside
existing CPKC Right of
Way

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

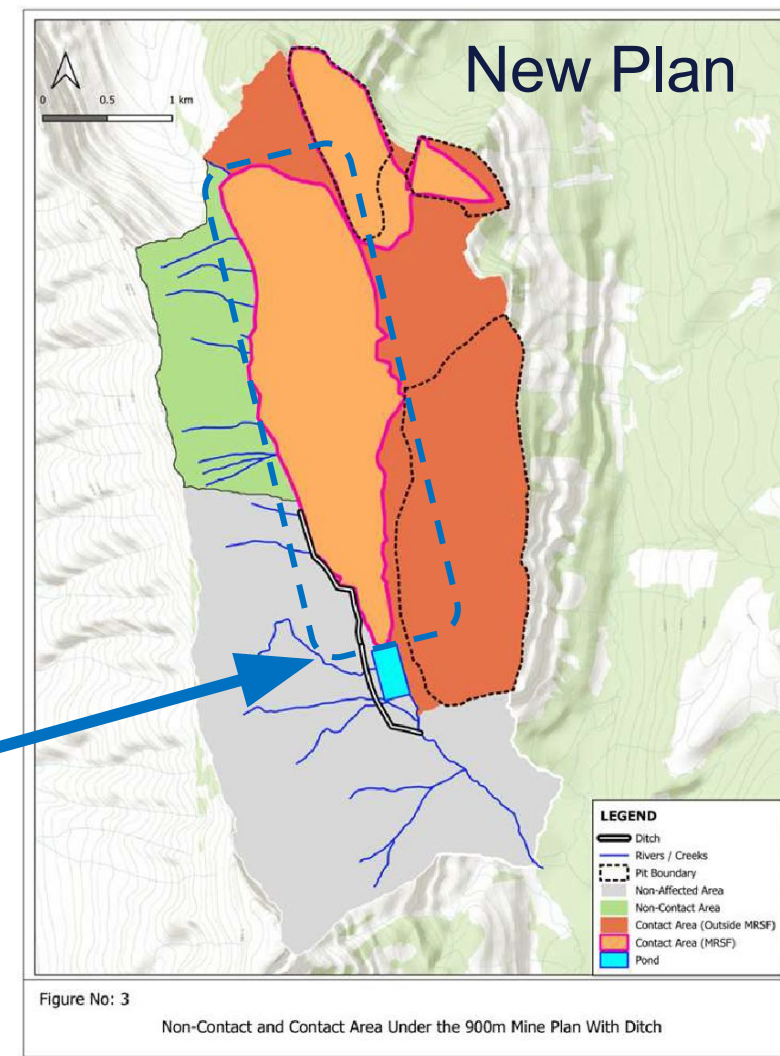
Original Main MRSF



Main MRSF – New Plan

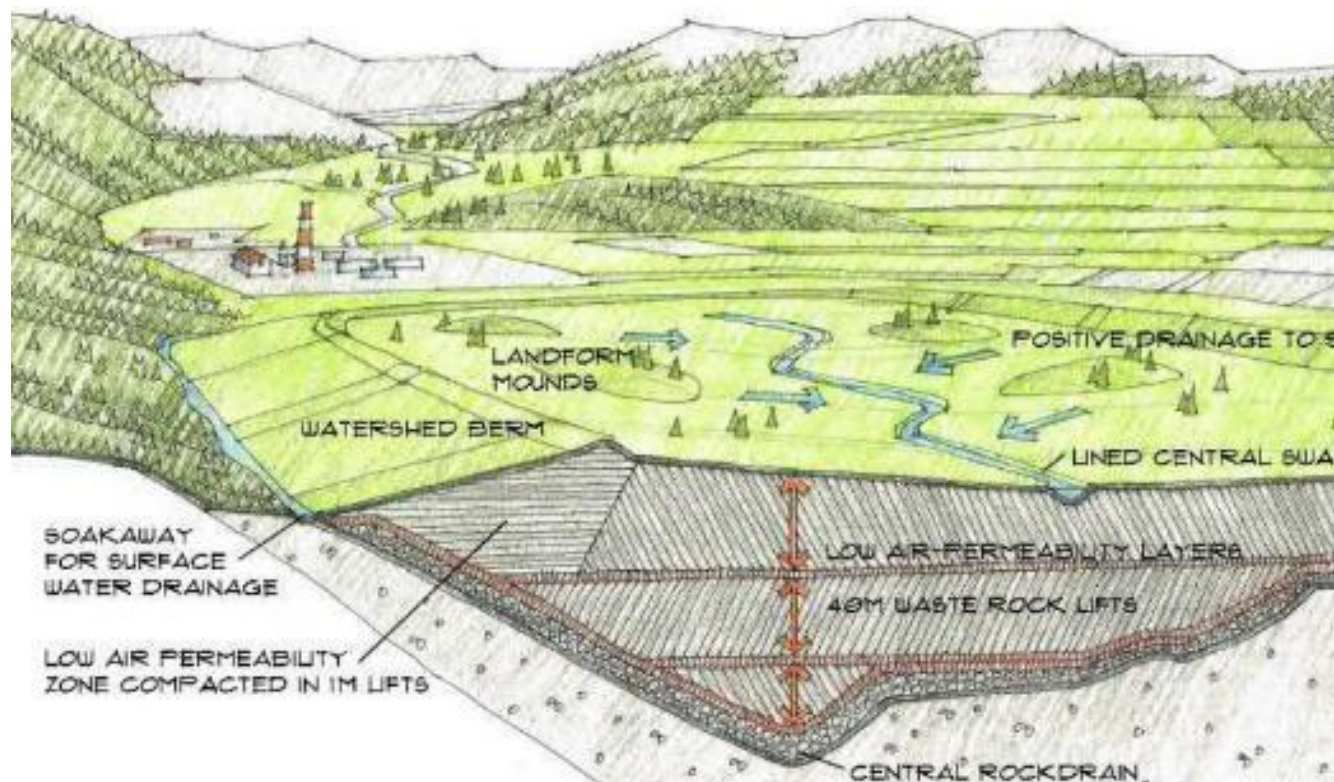
- By stacking the mine rock higher (2010m), the footprint of the MRSF can be reduced
- By leaving the north, east, and west sides essentially unchanged, the footprint reduction pulls the toe of the MRSF upstream about 1 km

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 (~1Mm3)
 - 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

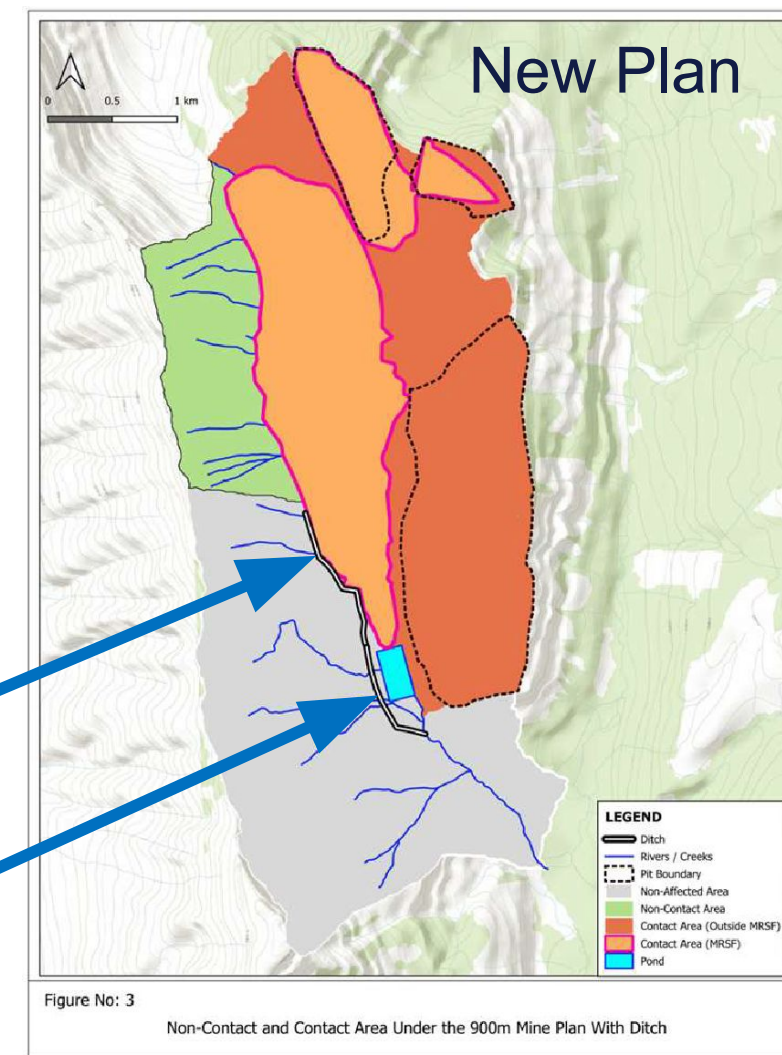
Along with adding Active Water Treatment and reducing the Main MRSF footprint other water management changes have been added

- 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*

Project Feasibility Update



Time	Study	Capex	Production Cost	HCC Price	Post-tax NPV ₁₀
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

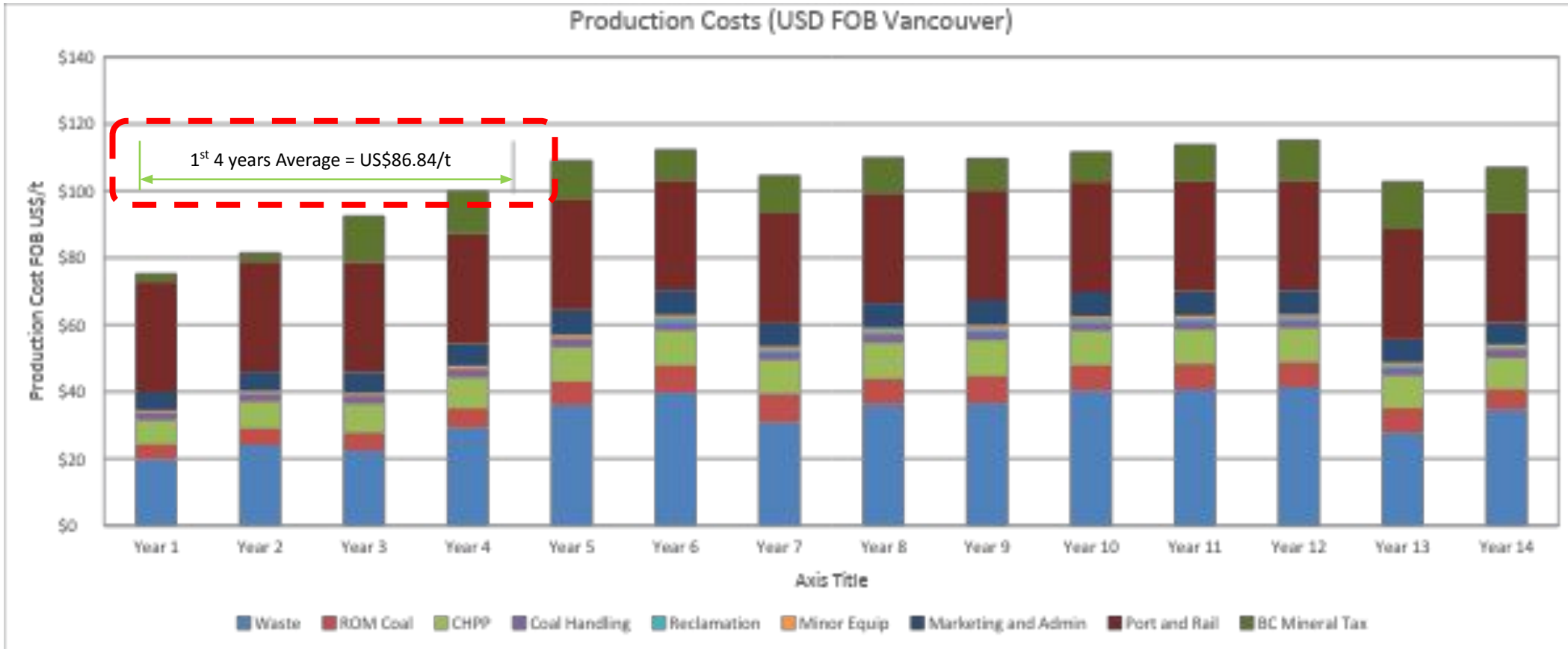
2025 Price forecast based on average of published forecasts including Nov-24 Anglo–Peabody deal, KPMG and McCloskey Metallurgical Coal Market Briefing

<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*

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

Crown Mountain

- Reviewing planned responses with authors

Crown Mountain

- Submit responses to regulators

2026

Regulators

Technical Review:

- Formal review of responses

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

Crown Mountain

- Permit applications

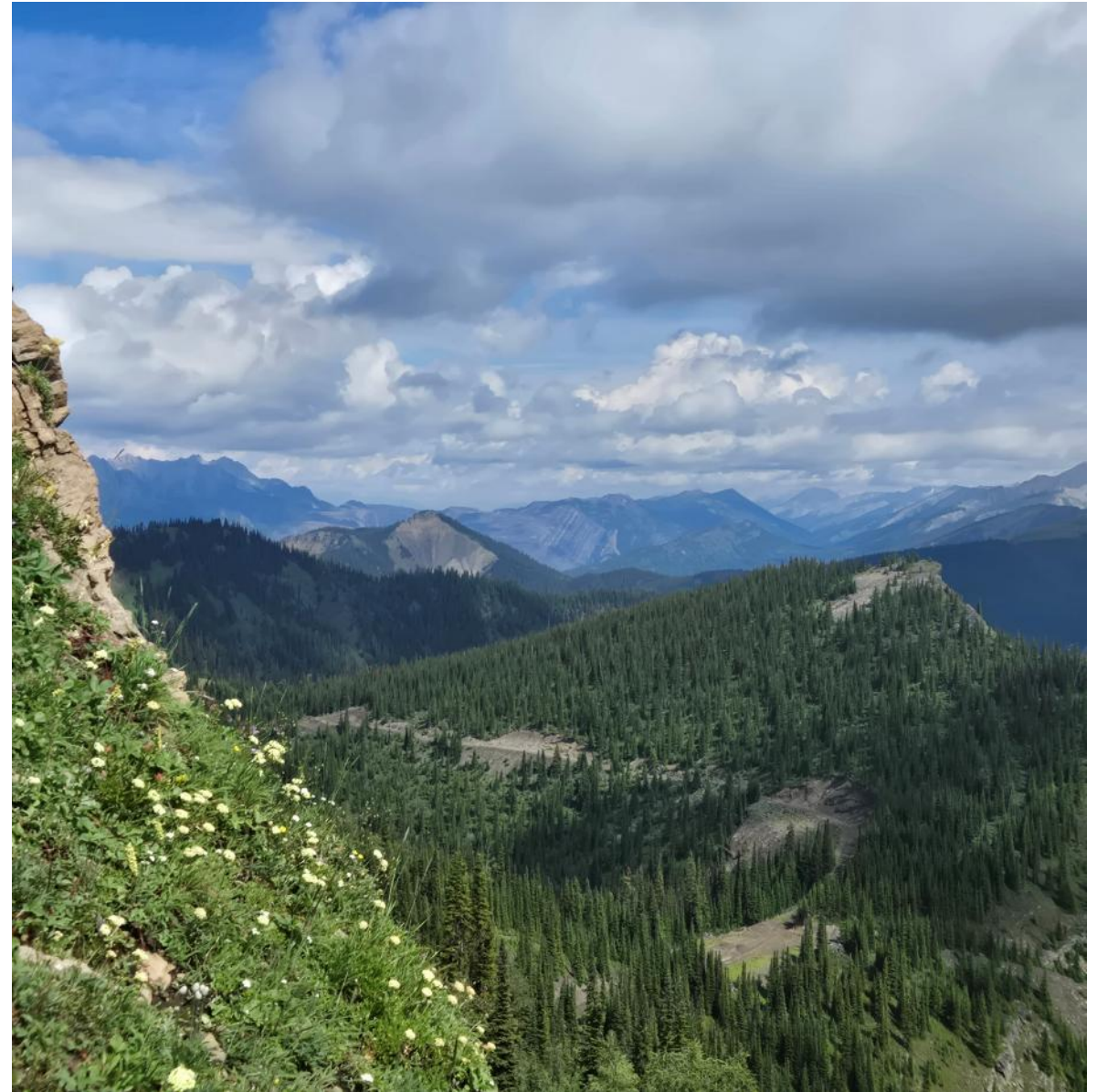
2028

Regulators:

- Permit Review

Summary

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



A long, curved tunnel with glowing blue light trails on the floor and a bright light at the end.

Thank you
for your time &
attention!