



# **Rose Lithium-Tantalum Project**

**Annual report 2025**

**Presented to :**

**Canadian Impact Assessment Agency  
and  
Cree Nation Government**

**By :**

**Critical Elements Lithium Corporation**

**March 2026**

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## Summary

Since the federal decision was announced on August 21, 2021, Critical Elements Lithium Corporation (“Critical Elements”) has continued its efforts at the provincial level, and on October 31, 2022, the certificate of authorization was issued by the Quebec Ministry of the Environment.

Critical Elements is working on the detailed engineering for the Rose lithium-tantalum project (the “Project”). Consulting services have been retained to develop the monitoring programs and action plans required prior to construction, in accordance with the conditions of the decision statement (the “Decision”) and the certificate of authorization.

Consultations were held with the communities of Eastmain and Nemaska through the environmental committee established for the implementation of the Pihkuutaa Agreement. In 2025, additional fieldwork was conducted regarding groundwater.

Critical Elements obtained the Ministerial Authorization for the development of construction areas for the mine as well as the amendment to the Statement of Decision. While continuing efforts to finalize financing for the Project, Critical Elements will continue in 2026 with the work and consultations necessary to meet the requirements of the Statement and the Certificate of Authorization.

## 1. Introduction

Critical Elements is proposing the construction, operation and decommissioning of an open-pit lithium and tantalum mine on the territory of the Regional Government of Eeyou Istchee, on the traditional lands of the Cree Nation of Eastmain, approximately 38 kilometers north of Nemaska (Figure 1).

As proposed, the Project includes open pit mining, waste rock and tailings management areas, and an industrial ore processing facility. Infrastructure includes access road, camp, explosives and detonator storage, maintenance garage, diesel and gasoline storage, main electrical substation, fresh and potable water supply, wastewater treatment system, surface water management infrastructure with final effluent treatment plant, communications system, guardhouse and administration building.

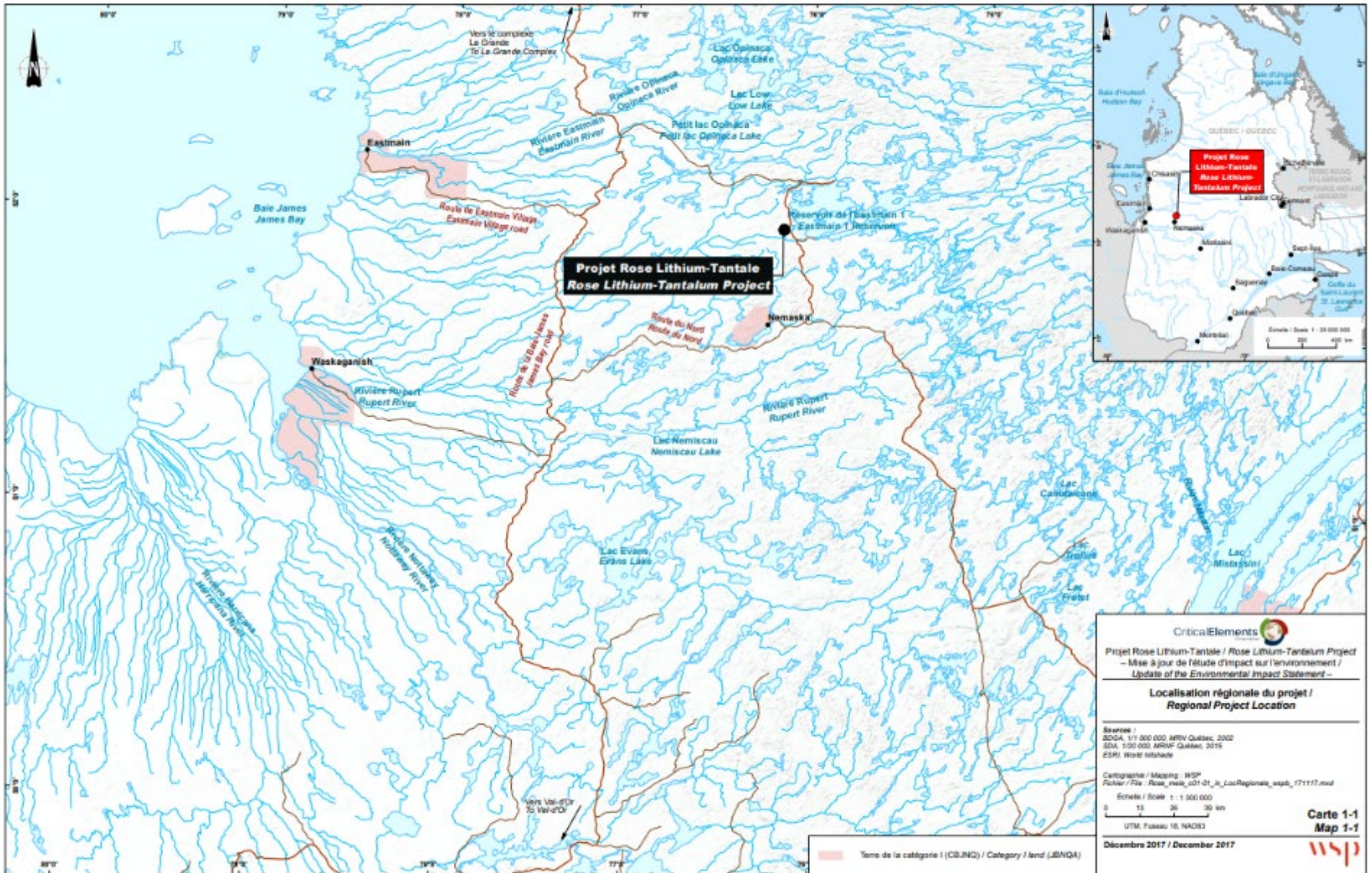
The mine would produce approximately 4,500 tonnes of ore per day over a mine life of more than 17 years. The Project would have a total life of 26 years, including the construction and reclamation phases.

The Decision Statement (“Decision”) issued under section 54 of the Canadian Environmental Assessment Act, 2012 to Critical Elements for the Lithium-Tantalum Rose Project was signed on August 21, 2021 by Canada's Minister of the Environment and Climate Change. The Decision contains 12 conditions to be met, many of which must be implemented before construction begins, and requires consultation with third parties such as First Nations.

At the provincial level, Certificate of Authorization 3214-14-053 ("CA") was issued on October 31, 2022 by the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs ("MELCCFP"). An amendment to the CA was obtained on August 6, 2024 to add the workers' camp and borrow pits. The certificate and its amendment include 28 conditions to be met, many of which must be implemented prior to the first ministerial authorization allowing construction. The first annual environmental and social monitoring report will be submitted to the provincial administrator when this program is implemented

In accordance with articles 2.11 to 2.13 of the Decision, Critical Elements submits to the Agency and the Cree Nation Government an annual report summarizing the work carried out, the results obtained and the implementation of the Project. This third annual report is available in both official languages and will be submitted no later than March 31, 2026.

**Figure 1** Location of the Rose lithium-tantalum property



## 2. Project Implementation

The project is in the pre-construction phase. In parallel with the search for funding, detailed engineering is continuing. Some studies have been updated, and additional characterization work has been carried out, and is presented in Chapter 5.

### Entente Pihkuutaau

As part of the Pihkuutaau Impact and Benefits Agreement signed in 2019, an Implementation Committee and an Environmental Committee have been formed. Critical Elements can discuss various aspects of the mining project with community representatives, and to address any questions or concerns raised.

Over the course of 2025, several meetings and discussions were held with tallymen, notably concerning fish offsetting plan. Details of the consultation process are presented in Chapter 3 of this report

### Authorizations

During 2025, several authorizations were issued. Table 1 lists the authorizations issued.

**Table 1** List of Authorizations issued

Date	Issued by	Description
2025-02-19	MELCCFP	Ministerial Authorization for early works construction for the mine
2025-05-27	IAAC	Modification of the Decision Statement with the addition of workers camp

MELCCFP: Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs (Ministry of the Environment, the Fight against Climate Change, Wildlife and Parks)

IAAC – Impact Assessment Agency of Canada

### Workers Camp

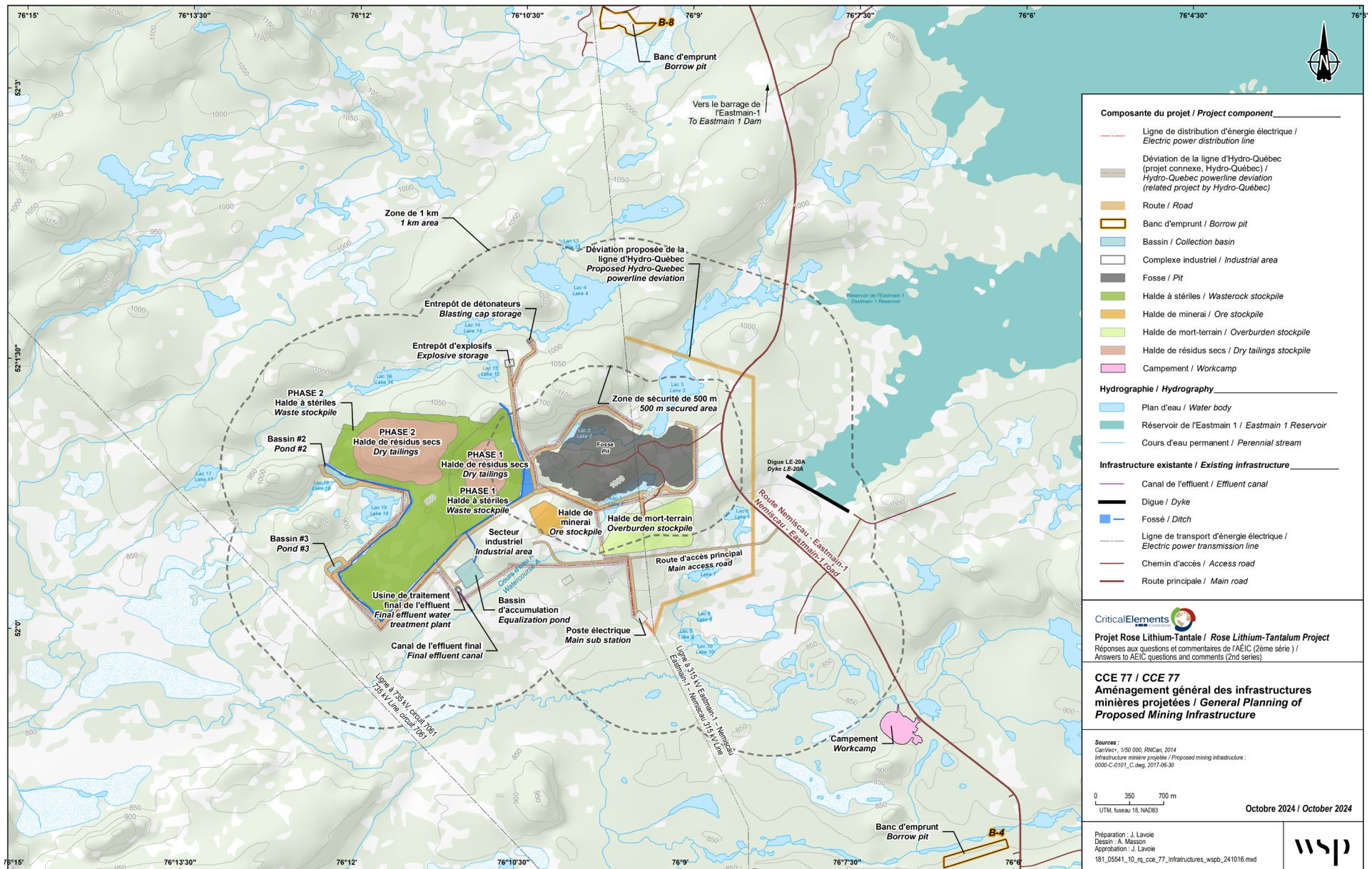
As mentioned in the 2023 annual report, Critical Elements has selected a new site about 3 km from the mine, along the Nemiscau-Eastmain 1 Road. Figure 2 shows the location of the worker's camp. In addition to being close to the mining facilities, which will limit long daily commutes for workers, it will reduce greenhouse gas ("GHG") emissions and minimize the negative effects of road traffic, as well as enhancing the safety of road users. During peak construction of the mine site, there will be close to 500 employees at the camp, while during operations the camp will accommodate approximately 250 employees.

Following the study submitted to the MELCCFP in October 2023, an amendment to the CA was obtained in 2024. In addition, a request of modification was also submitted to the Impact Assessment Agency of Canada for the addition of the workers camp and the borrow pits in the project description. This was approved with the amended Decision Statement issued in May 2025

## Fieldwork

During 2025, Critical Elements continued the baseline information for the groundwater sampling. The results are presented in Chapter 5.

**Figure 2** General layout of the mine site and proposed camp



### Next steps

While working to complete the financing of the project, Critical Elements will continue work and consultations in 2026 to meet the requirements of the Decision Statement and Certificate of Authorization.

## 3. Consultations

Condition 2.4 of the Decision Statement specifies the formalities surrounding the community consultation process. This process involves informing and gathering input from the Cree Nation of Eastmain, the Crees of the Waskaganish First Nation, the Cree Nation of Nemaska and/or the Cree First Nation of Waswanipi. As mentioned in condition 2.5, Critical Elements held discussions with representatives of the First Nations to agree on how to meet the requirements. According to condition 13 of the Certificate of Authorization, tallymen must be consulted regarding their interest in participating in the fishery planned prior to the dewatering of lakes 1 and 2. This meeting took place on July 17, and the interest was simply to be informed at the time of the fishing and to relocate the fish in Eastmain-1 reservoir if possible.

Table 2 lists the various meetings with dates, locations and activities that took place in 2025. The consultation process is still ongoing for various programs and action plans. Further consultations are planned for 2026.

Table 2 List of meetings and consultations

Date	Location	Participants	Topics	Concern / comments
January 15 2025	Conference call	Alvin Cheezo (Eastmain) Aurora Hernandez (CNG) Graeme Morin (CNG) Tommy Neeposh (Nemaska) Eva-Maria Hanchar (CNG) & Nancy Duquet-Harvey (Critical Elements) Sébastien Perreault (Critical Elements) Yves Perron (Critical Elements)	Environment Committee Meeting #8  Cree Place Name Glossary Third Party Monitoring; Summary of surface water baseline studies	Ensure that the Cree Nation Government and Committee members are involved in the Request for proposal for the third party monitoring. Consideration to be given to utilize the Mining Association of Canada's Towards Sustainable Mining as an audit tool
February 27 2025	Conference call	Alvin Cheezo (Eastmain) Graeme Morin (CNG) Jean-Philippe Roux-Groleau (Nemaska) Eva-Maria Hanchar (CNG) & Nancy Duquet-Harvey (Critical Elements) Sébastien Perreault (Critical Elements)	Environment Committee Meeting #9  Summary of 2024 Annual Report, permitting update	No concerns raised

<b>Date</b>	<b>Location</b>	<b>Participants</b>	<b>Topics</b>	<b>Concern / comments</b>
May 29 2025	Conference call	Alvin Cheezo (Eastmain) Graeme Morin (CNG) Jean-Philippe Roux-Groleau (Nemaska) Eva-Maria Hanchar (CNG) Tommy Neeposh (Nemaska) & Nancy Duquet-Harvey (Critical Elements) Sébastien Perreault (Critical Elements) Yves Perron (Critical Elements)	Environment Committee meeting #10  DFO progress update on Fisheries Offsetting Plan, presentation on the report regarding Availability of Electric/hybrid vehicles for the project	The CNG will share the results of their discussions with the communities relating to potential mitigation measures to include in the Fisheries Offsetting Plan.
July 3 2025	Val d'Or	Ernie Moses (Eastmain) & Yves Perron (Critical Elements) Lloyd Mayappo (Critical Elements) Jean-Sébastien Lavallée (Critical Elements)	Project Update, discussion regarding support of local entrepreneurs	No concerns raised
November 14 2025	Montreal	Chief Raymond Shanoush (Eastmain) & Jean-Sébastien Lavallée (Critical Elements)	Project Update and Fisheries Offsetting Plan	No concerns raised

## 4. Programs and Action Plans

Critical Elements consulted during 2024 on several programs to address the conditions of the Decision Statement and Certificate of Authorization. The main programs are presented below.

### 4.1 Fisheries Offsetting Plan

In November 2023, Critical Elements submitted an updated fisheries offsetting plan developed as part of the environmental assessment. Following the update of the hydrogeological study, the impact of the lowering of the water table is reduced, and consequently so are the affected water bodies. Habitat losses are now estimated at just under 27 ha.

Following an analysis by Fisheries and Oceans Canada (DFO), offsetting measures were deemed insufficient for the losses caused by the Project. Following additional field work, community consultations and the Cree Nation Government, an updated offsetting plan was submitted in October 2024. The additional offsetting measures of culvert replacement in Chibougamau were not retained by DFO.

Since then, discussions have taken place with DFO, following which a set of mitigation measures has been proposed. These measures include, in particular, the development of a lake sturgeon spawning ground on the Eastmain River, the development of brook trout spawning grounds near the Project, and the establishment of a dedicated budget for research and development activities in the Eeyou Istchee James Bay region. The research and development components would be developed in collaboration with neighboring communities and the Cree Nation government over a five-year period following the granting of regulatory authorization.

It is important to note, however, that these measures remain, at this stage, proposals deemed technically acceptable during discussions with DFO, but have not yet been formally approved. Consequently, their implementation and final scope may be adjusted based on the requirements established under the authorization pursuant to the *Fisheries Act*.

## 5. Characterization and Results

Given that the Mining Project is in the pre-construction phase, there are no specific environmental monitoring requirements. The 202 surveys were carried out to update some of the baseline information, mainly concerning groundwater.

## 5.1 Groundwater

Groundwater sampling took place in May and August 2025 in the nine observation wells mentioned in the monitoring program (WSP, 2023) in order to acquire more data on the current state of this component prior to the establishment of the Mining Project (Stantec, 2025). As indicated in the monitoring program, the parameters to be analyzed were selected on the basis of site use, and include those required under Directive 019.

Considering that the groundwater at the study site could resurface in surface water, the criteria applicable to the assessment of the environmental quality of groundwater are the "resurgence in surface water" (RES) criteria presented in the MELCCFP's Intervention Guide. Furthermore, given the presence of a surface water body hydraulically downstream of the site, alert thresholds equivalent to 50% of the RES criteria will be used.

Water level measurements indicate that groundwater within the bedrock flows toward the southwest. Observation well PO-16-09R could not be sampled because it was dry during both campaigns.

Analysis results for groundwater samples show concentrations exceeding RES criteria for the following parameters:

- Silver in observation wells PO-16-10S and PO-16-12R in May and PO-16-12R in August 2025;
- Copper in observation wells PO-16-10S and PO-16-12R in May and August 2025;
- Zinc in observation well PO-16-08S in May 2025 for the alert threshold only.

These results establish the baseline condition of groundwater quality prior to the start of construction and mine operations

## 6. Mitigation Measures

Project mitigation measures were developed as part of the environmental assessment. At this stage of the Project, no changes to these mitigation measures or additional measures have been considered.

## 7. Accidents and Malfunctions

According to the communication plan developed with First Nations, accidents and malfunctions that may cause adverse environmental effects must be communicated in writing at the time of the event. This section of the annual report will summarize any such events.

No accidents or malfunctions occurred in 2025.

## 8. Calendar

Condition 12.3 of the Decision Statement states that Critical Elements shall update implemented schedules of conditions and construction activities annually. Since the Project is in the pre-construction stage, no schedules have been submitted to the Agency. These schedules will be prepared and submitted to the Agency and the Cree Nation Government 60 days prior to the start of construction.

## 9. Anticipated Changes to the Project

The Agency has been informed of the addition of the workers' camp and two borrow pits in accordance with condition 2.17 of the Decision Statement in 2023. Following its review, the Agency issued an amended Decision Statement on May 27, 2025. Other than the project description, no other conditions within the Decision Statement were modified.

## 10. Conclusion

Critical Elements is currently in the pre-construction phase of the Project. To meet the requirements set out in the Decision Statement and the provincial CA, Critical Elements has pulled together a multidisciplinary team and retained the services of qualified and recognized firms to assist in the development of the Project, applying industry best practices. Through communications, discussions and community consultations, the team is working carefully and prudently to develop the Project.

During 2025, certain permits were issued and the team will continue the search for financing, detailed engineering and the process of obtaining the necessary permits to begin construction

The 2026 annual report will be submitted no later than March 31, 2027.

## References

CRITICAL ELEMENTS LITHIUM CORPORATION. 2024. Rose Lithium-Tantalum Mining Project. Glossary of Cree place names. 14 p.

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Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs (MELCCFP). 2022. Certificate of authorization N/Réf : 3214-14-053.

Stantec. 2025. Suivi environnemental de l'eau souterraine 2025 – Projet minier Rose lithium-tantale. 77 p. et annexes.

WSP. 2024. Rose Lithium-Tantalum Project. Fish habitat Offsetting plan - 2024 update. Report produced for Lithium Critical Elements Corporation. 93 p. and appendices.