



APRIL 2022

MAGNA MINING INC.

ESG STRATEGY SUMMARY

TSXV: NICU

PILLARS OF OUR ESG STRATEGY

Our objective is to be Canada's first carbon neutral nickel mine.

To achieve this, our approach is to reduce emissions where we can and offset where we can't. Our efforts to reduce emissions include sourcing a B50 biodiesel blend for all diesel vehicles and equipment and incorporating renewable hydro power. These efforts resulted in a 50% reduction in emissions compared to the baseline, and an emissions intensity well below industry averages.

Nickel Sulphides - Critical Minerals for Clean Energy

Shakespeare is one of the few new nickel sulphide projects with near term production potential in a Tier 1 jurisdiction.

Potential to Incorporate Renewable Hydro Power

Proximity to renewable hydro electric power at Espanola would help to avoid one of the major sources of GHG emissions in plant construction and mining operations.

Proximity to Smelters

The Shakespeare project is 70km from the Vale Copper Cliff smelter and 100 km from the Glencore Falconbridge smelter. These smelting options consequently minimise future concentrate transportation related emissions.

Local Stakeholder Support

The project has already established an Impacts and Benefits Agreement (IBA) with Sagamok Anishnawbek First Nations. Magna is in active dialog and consultation with the Sagamok Anishnawbek First Nations in relation to both environmental impacts and job creation.

Award-Winning Tailings Facility Design

Co-disposal system reduces the land required from 150 ha for tailings alone to 90 ha for both waste rock and tailings.

Adherence to Best Practice Canadian Regulations

Policies and regulations related to environmental impacts and mitigation are well established and documented in both Canada and the Sudbury region. Shakespeare already has a approved closure plan. In addition, we are committed to best practice corporate governance policies as outlined in Canadian public company guidance.

A Past Producing Mine

The brownfield, permitted status of Shakespeare allows us to minimise disturbances to the region and further clearing.

ACTIVE ESG INITIATIVES

ENVIRONMENTAL

- M** Integrate co-disposal system in final mine design
- M** Source a B50 biodiesel blend for all vehicles and equipment
- M** Invest in habitat restoration & natural carbon sinks
- M** Carbon Neutral exploration (2021) and Carbon Neutral operations (future)

SOCIAL

- M** Site design priorities: minimal visibility from Agnew Lake & minimal noise emissions from plant
- M** ESG training program for all employees.
- M** Maintain and increase the participation of First Nations communities in project development.
- M** Support community programs and charitable initiatives.

GOVERNANCE

- M** Publish Annual ESG Scorecard
- M** Create Diversity and Inclusion policy
- M** Support Women in Mining Canada
- M** Implement Towards Sustainable Mining best practices