

CHAMPION IRON 🖄

Bloom Lake, April 28, 2020 755, route 389, Fermont QC G0G 1J0

SUBJET: COVID-19 MEASURES

Dear M. Benoît,

Following our discussion and your communication, we would like to respond to your concerns with regards to the COVID-19 pandemic and its impact on our operations and its surrounding communities. First of all, I would like to mention that we share the same concern as you for the protection of your citizens, your community and workers in the exceptional context we are going through

The health and safety of our employees, partners and communities is a priority for Québec iron ore. As we abide by government guidelines, we also appreciate that the Bloom lake mine operations are closely integrated to the surrounding communities including Labrador West and Fermont. Rest assured that our company is addressing the COVID-19 crisis thoroughly. As such, we are fully committed to follow and exceed the special measures required by the Newfoundland Chief Medical Officer of Health and by the Santé Publique of Québec.

Our company is rapidly and vigorously adapting to the fast-evolving situation. Effective April 15, 2020, mining activities were to be considered a "priority service" and allowed to resume normal operations in the province of Québec, conditional on the implementation of guidelines aiming to contain the risks related to COVID-19. As such, preventive measures will continue to be enforced for our employees and contractors. Following agreements relating to the implementation of the Government guidelines by the Company, its unionized workforce and partners, operations are expected to gradually ramp-up over the coming weeks.

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With a commitment to participate in the collective effort to limit the spread of COVID-19, we remain attentive to the concerns of the surrounding First Nation groups and local communities to implement adaptive measures aiming to preserve everyone's health and safety. As directed by the authorities, only essential work will be completed at site to ensure the continuity of our operations and to reduce the risk of contagion to local communities. In line with Government guidelines, our company has implemented several measures in its efforts to mitigate risks related to COVID-19, which apply to its workforce and contractors. Implemented safety precautions include:

Reduced workforce and rotation

- → Minimized workforce to individuals essential to the operations;
- → Implemented shift rotation of 21/21 days vs 14/14 days previously, which will materially reduce the volume of travelers to the region; and
- \rightarrow Optimized shift rotation schedules to minimize inbound flights.

Contractors

- → All contractors must obey issued government directives and additional measures implemented by our company;
- \rightarrow All discretionary growth expenditure has been suspended;
- → Only contractors necessary to the continuity of operations are granted access to the site;
- → Enhanced schedule for maintenance "shut-downs" to reduce requirements for external contractors at site;
- → Contractors must attend a mandatory information session explaining all the rules and regulations;
- → Contractors are not permitted to leave their lodging or visit any establishments in Fermont, Labrador City, Wabush or surrounding communities; and
- → Contractors to be transported by way of company busses, provided food deliveries to avoid the cafeteria and contact with other workers and be subject to all medical monitoring and screening as per the company's procedures.

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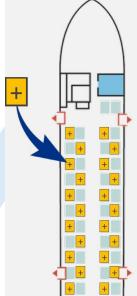
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Administration

- → Established a crisis management team at the site adapting to the daily measures taken in response to the changing situation;
- → Frequent conference call with the executive management to follow the evolution of the situation and respond to the concerns of our employees, communities and partners; and
- \rightarrow All employees able to telework must remain at home.
- → Continuous dialogue with local municipalities to respond and adapt to residents' questions and concerns.

<u>Air transport</u>

- → First screening is performed prior to departure (3 days). Employees are contacted by the site to review their health status;
- → All employees must complete a health and travel questionnaire before boarding one of our chartered aircraft;
- → A healthcare professional takes the temperature of every person prior to boarding and confirms absence of symptoms or risk factors;
- → Fly-in and fly-out airport terminals across Québec have been reconfigured to maintain social distancing in waiting areas and check-in counters;
- → Doubled aircraft capacity to allow appropriate social distancing between travelers (zig zag seating to maximize distance);
- → Aircrafts are sanitized prior to every flights and all travelers are provided masks mandated to be worn during air transportation; Employees will embark and disembark the plane directly to the company buses, bypassing the Wabush terminal and surrounding communities for both incoming and outgoing traffic. All travelers are directed to use facilities onboard the aircraft to further avoid unnecessary contacts in regional airports.



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Mine site

- \rightarrow Everyone looking to enter the mine site must undertake a thermal scan control;
- → All employees residing in Fermont are either working from home or isolated from other workers on site to avoid contact from workers originating from different regions;
- → The number of buses has been doubled to allow recommended social distancing during land transportation;
- → Dedicated additional employees to disinfect work areas daily including railings, door handles and other surfaces;
- → A team is dedicated to review working methods of our employees and adjust when necessary;
- \rightarrow Toolbox meeting are held with necessary distancing;
- \rightarrow Disinfection stations have been installed across the site;
- → Additional medical support staff have been deployed;
- → Additional security guards have been deployed to monitor safe handling of parts delivery and audit all personnel;
- \rightarrow 7/7 work schedules have been eliminated to reduce employees travel volumes;
- \rightarrow Work hours have been shifted to further avoid employee interactions;
- → Measures implemented to avoid contact with external deliveries including local goods and operational supplies. Goods are dropped off at site entrance then recovered by our employees after departure of delivery personnel; and
- → Implemented isolation measures for all contractors (from Lab City and surrounding communities) from our regular staff to avoid potential contamination.

Fermont Facilities

- → A directive was issued to avoid all public areas in the town of Fermont and surrounding communities;
- \rightarrow Additional hygiene measures for washing hands thoroughly have been added;
- \rightarrow A person is posted at the cafeteria entrance to ensure that each person washes their hands upon arrival;
- \rightarrow A small convenient store has been set up in our complex to prevent employees from shopping at the local stores in town.

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- → The seating arrangement of the cafeteria has been reorganized to respect the recommended social distancing;
- → Markers were added on the floor to enforce social distancing in the cafeteria lineup;
- → Maximum occupancy of each room is now displayed to reflect social distancing requirements;
- \rightarrow We offer take-out meals and encourage people to eat in their respective rooms;
- $\rightarrow\,$ All foods have been individually portioned and wrapped to avoid buffet service; and
- → Community facilities have been closed (gym, ice rink, etc.); and



The current measures in place are evolving, monitored and revised daily. All measures apply to Quebec Iron Ore employees and its subcontractors.

For any questions or concerns, please do not hesitate to contact me.

Sincerely yours,

Marc Beaubien General Manager of Operations

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