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First Nation Consultations for PAK Lithium Project: 2019



Top left and Right: Members of North Spirit Lake, Deer Lake and Sandy Lake First Nation during a site visit to the PAK project in August 2019; Middle left: Presentation of the proposal for Advance Exploration with Chief and Council and members of North Spirit Lake in Winnipeg, December 2019; Middle Right: Trevor Walker , President and CEO of Frontier, discussing the project at Open House in Sandy Lake; Bottom Left: Trevor Walker showing the 3D model to Philip Campbell, Councilor North Spirit Lake FN and Bottom Right Meeting with Members of Council for Keewaywin First Nation in Winnipeg, December 2019

Summary

During 2019, Frontier Lithium’s decision to move forward with Advanced Exploration has been communicated to the First Nation Communities through presentations to the Chief and councils and by use of a web-based share-point site specific to each community. The proposed Advanced Exploration consists of establishing a small pilot plant to operate over a 3-year period to produce up to 35,000 tonnes of lithium concentrate to be tested as a technical grade product.

The discovery of the Spark pegmatite in September 2018 validated the PAK Lithium project as a world class deposit. It is important to maintain strong communications with all the First Nation communities directly impacted by the project. Exploration Agreements have been in place with the three main First Nation Communities since May 2017. Dialogue with Keewaywin First Nation began mid 2019 and by January 2020 an Exploration Agreement had been signed.

On August 7th, 2019, Frontier provided helicopter support to transport up to four members from each of Deer Lake, North Spirit Lake and Sandy Lake First Nation communities to the project. Once on site, a first-hand tour of the PAK deposit and a detailed presentation was provided updating the project including the proposal for the Advanced Exploration.

One of Frontier’s strongest assets has been the relationship with Community Development First (CDF) in Winnipeg, Manitoba. Both Deer Lake and North Spirit Lake First Nations conduct much of their business in Winnipeg. Several band members from the communities also live in Winnipeg. During frequent trips to Winnipeg by the Chief and Council and others, CDF arranges flights, lodging, transportation and provides face-to-face project updates for the PAK Lithium Project. CDF was instrumental in negotiating the Exploration Agreements with all of the partnering communities.

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Introduction

Figure 1 is a location map showing the current Frontier Land tenure in relationship with the four communities. The Land Use areas – Traditional Territories are defined by the Ontario Government issued Trapline map. Note that the entire project area falls within the Traditional Territory of Deer Lake, North Spirit Lake and Sandy Lake First Nation communities, however, the existing Mining Lease Area is totally within the Land Use area of Deer Lake. Although the PAK Project area does not fall within the Traditional Territory of Keewaywin First Nation, members of the Keewaywin community have ties to the area and have been recognized by the Ministry of Energy, Northern Development and Mines (MENDM) and by Frontier as a community impacted by the project.

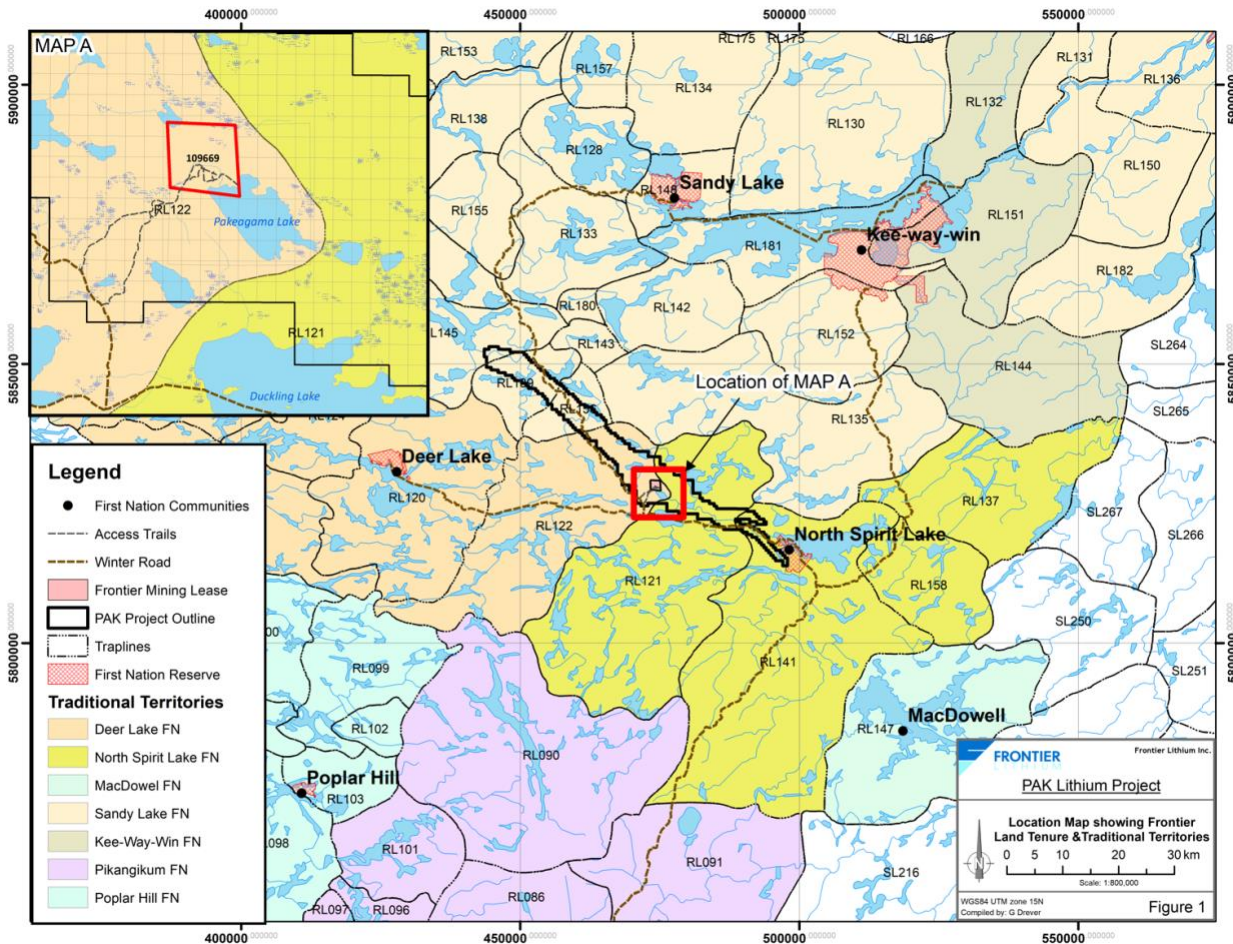


Figure 1: Location Map showing PAK Lithium Project and First Nation Communities

Previous Consultation for PAK Lithium Project

At a meeting in North Spirit Lake on October 25th, 2015 with both North Spirit Lake and Deer Lake Chief and Council as well as Elders and other community members, Frontier Lithium Inc. (Frontier) agreed to cease all exploration on the project until an Exploration Agreement was in place with both communities.

During 2016, Frontier devoted considerable effort in establishing Exploration Agreements with both Deer Lake and North Spirit Lake and also began negotiations with Sandy Lake First Nations to the north. In January 2016 Frontier enlisted the services of Community Development First (CDF), a consulting service in Winnipeg Manitoba with connections to Chief and Council in Deer Lake. Throughout the year Frontier and CDF, with assistance from 3rd party consultants, were able to sign Exploration Agreements with both Deer Lake (June 29th, 2016) and Sandy Lake (September 23rd, 2016).

Negotiations with North Spirit Lake continued into 2017 and on May 25th, 2017, an Exploration Agreement was signed with North Spirit Lake First Nation. The Exploration Agreements allow for open communications between the communities and Frontier's activities on the project. Because both North Spirit Lake and Deer Lake conduct much of their business in Winnipeg, Frontier has continued to engage CDF to help update with face to face communications. Exploration activities resumed in 2017. Frontier continues to update the communities and through the Agreements has been able to hire members of all three communities for field related work including base-line environmental, geological and geotechnical. Members of Sandy Lake Chief and Council visited the exploration camp on June 19th, 2017

Throughout 2018, CDF continued to interact with both North Spirit Lake and Deer Lake during regular trips from the communities to Winnipeg. On several occasions throughout the year Frontier travelled to Winnipeg to participate in the meeting in person. On September 12th, 2018, Frontier travelled to Sandy Lake and set up a shelter with tables, posters and a BBQ to meet in person with community members. With the posters and several 3D models, Frontier staff were able to discuss and answer questions regarding the company and the PAK Lithium project. Frontier provided food and refreshments. Later in October, Frontier visited Deer Lake (October 7th, 2018) and North Spirit Lake (October 8th, 2018) and facilitated the Open Houses.

2019 Consultation

During 2019, Frontier Lithium's decision to move forward with Advanced Exploration has been communicated to the First Nation Communities through presentations to the Chief and councils and by use of a web-based share-point site specific to each community. The proposed Advanced Exploration consists of establishing a small pilot plant capable of processing up to 100,000 tonnes of ore over a 3-year period to produce up to 35,000 tonnes of lithium concentrate to be tested as a technical grade product.

The discovery of the Spark pegmatite in September 2018, and subsequent investigation by drilling and surface sampling throughout 2019 validated the PAK Lithium project as a world class deposit. It became very important maintain strong communications with all the First Nation communities directly impacted by the project. On August 7th, 2019, Frontier provided helicopter support to transport up to four members from each of Deer Lake, North Spirit Lake and Sandy Lake First Nation communities to the project. Once on site, a first-hand tour of the PAK deposit was provided showing the exposed pegmatite, the site of the 2015 bulk sample that was extracted from the high-grade lithium zone and the contacts with the granite and the metasediments. During lunch at the exploration camp, a detailed presentation was given by Trevor Walker updating the project including the proposal for the Advanced Exploration.

Exploration Agreements had been in place with Deer Lake, North Spirit Lake and Sandy Lake First Nations since May 2017. Dialogue began mid 2019 with Keewaywin First Nation and by January 2020 an Exploration Agreement had been ratified.

One of Frontier's strongest assets has been the relationship with Community Development First (CDF) in Winnipeg, Manitoba. Both Deer Lake and North Spirit Lake First Nations and to some extent Sandy Lake First Nation, conduct much of their business in Winnipeg. Several band members of the communities also live in Winnipeg. Carolina Buquing, managing Director of CDF, meets with Chief and council of both North Spirit Lake and Deer Lake on most trips to Winnipeg. CDF arranges flights, lodging, transportation and provides constant face-to-face project updates for the PAK Lithium Project. CDF was instrumental in negotiating the Exploration Agreements with both communities. Both Sandy Lake and Keewaywin First Nation have limited involvement in Winnipeg, however, the initial meetings between Frontier and Keewaywin occurred at CDF's office in Winnipeg and CDF maintains involvement some involvement with both communities. Beginning in May 2019 CDF has been guiding Deer Lake Chief and Council through the process of Federal Government Assistance with housing Initiatives in the community. Although not directly related to the PAK Lithium Project, portions of each meeting on Housing was devoted to updated on progress with the PAK project.

Details of communication with each of the communities is included in Appendix 1. Table 1 is a summary of First Nation Consultation Costs for 2019. A detailed list is included in Appendix 2. Note that because CDF is also involved with Community based initiatives such as Housing and local businesses, portions of the CDF invoices have been deducted from the total submitted beginning in May 2019.

Table 1: Summary of Consultation Expenditures for 2019

Cost Category	Deer Lake FN	North Spirit Lake FN	Sandy Lake FN	Keewaywin FN	All FN	Totals
2019						
Document Preparation		\$4,307	\$1,846	\$1,200		\$7,353
Honoraria		\$5,000				\$5,000
Meeting Costs	\$400	\$2,285	\$789	\$1,673		\$5,147
Other Costs	\$1,230	\$3,279	\$1,846	\$1,846	\$82,500	\$90,701
Travel Expenses	\$4,047	\$8,028	\$5,983	\$5,361		\$23,420
Administration (10%)	\$568	\$2,290	\$1,046	\$1,008	\$8,250	\$13,162
Grand Total	\$6,246	\$25,188	\$11,510	\$11,088	\$90,750	\$144,783

Appendices (included as separate document)

Appendix 1: Details of 2019 Consultation Communications

Summary for Communications per Community

Details for Communications per Community

Summary of CDF Communications per Community

Appendix 2: Details of Communications with Expenditures

Summary of Expenditures per Community

Details of Expenditures per Community

Appendix 3: Expenditure Receipts

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