

May 8, 2018

Mr. Steve Moran  
President and CEO  
Corridor Resources Inc.  
#301, 5475 Spring Garden Road  
Halifax, NS B3J 3T2

Dear Mr. Moran: *Steve*

I am writing in response to your letter dated April 2, 2018 wherein you indicated that Corridor Resources Inc. ("Corridor") was planning to reactivate the Environmental Assessment (EA) of proposed exploratory drilling for the Old Harry prospect on Exploration Licence (EL) 1153.

Our responses to your key assumptions, proposed approach and anticipated timelines for completing the EA follow, in the same sequence as in your letter.

**Key Assumptions:**

1. The Canadian Environmental Assessment Agency has confirmed that the EA for EL 1153 does not require a new assessment pursuant to the *Canadian Environmental Assessment Act, 2012*, and the requirements of the original Scoping Document will be applied while the EA is updated. Under proposed Bill C-69, which is currently before Parliament, EAs for projects initiated pre-CEAA 2012 (including the Corridor EA for EL 1153) that have not been completed upon Bill C-69 coming into force are to be terminated.
2. With respect to 2a and 2b, while the *Accord Acts* do not recognize EA decisions as a form of assignable right or transferable interest, Corridor bringing on a partner or a full transfer of EL 1153 would not detract from an ongoing EA process unless a change to the project was proposed. In other words, it is a change to a project that would drive the need for changes to the EA process, rather than Corridor bringing on a partner or transferring its EL.

With regards to 2c, while an Operations Authorization (OA) can be filed before EA completion, the partner would have to be the Operator of the EL to file an OA application. Corridor would not be able to file an OA with the C-NLOPB and then hand it off to a partner later.

Regarding 2d, if your reference to "partner" means that the partner in this case is also the Operator, then your assumption is correct. The applicant for authorization for work or activity is the "Operator". In limited circumstances, interest holders may contract with a third party operator to conduct the work on their behalf. It would be that Operator who would be ultimately responsible for ensuring a complete application was filed, including an Oil Spill Response plan and Declaration of Fitness acceptable to the Board. That Operator also would be responsible and accountability for safety, environmental protection, resource management and local benefits once the authorization is granted. However, it is notable there are duties on the individual interest holders, such as those enumerated in section 205.035 of the *Accord Acts*.

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**Environmental Assessment Update:**

The list of information to be updated, as outlined in your letter, seems appropriate. However, it is possible that additional information may be requested during the public comment period.

**Oil Spill Modelling:**

The C-NLOPB has reviewed your proposed approach to oil spill modeling and obtained input from relevant government departments and agencies. Overall, the proposed approach and identified data sources appear to be appropriate. That said, there were concerns previously identified from the review of the Corridor Resources EA with respect to oil spill modeling that will need to be addressed by the proposed modeling approach. The C-NLOPB's Environmental Affairs Department will follow-up with you on specifics.

**Consultation and Engagement:**

During the April 16, 2018 conference call between representatives of Corridor, the C-NLOPB, Natural Resources Canada (NRCan) and the Newfoundland and Labrador Department of Natural Resources, the key steps and estimated timelines for consultation and engagement through to completion of the EA process were outlined (see summary attached).

On April 18, 2018, NRCan provided you with a list of Indigenous groups identified to date for consultation/engagement, noting there may be additional groups identified once consultations commence.


In your letter, you noted that Corridor was proposing to consult with commercial fisher harvesters and other stakeholders that were consulted for the 2013 EA. This should include the St. Lawrence Coalition, as they provided a response during the EA review period.

**Updated EA Review and Response to Comments:**

In your letter, you refer to January 31, 2019 as an assumed date for EA approval. On the issue of timing, the C-NLOPB will work diligently in response to the receipt of required EA-related information and documentation from Corridor but we cannot firmly commit to a specific date for EA approval. There are too many timing factors that are beyond our control, including the amount of time a proponent requires at various stages in the process.

In closing, if you have any questions or comments pursuant to this letter please let me know. In the meantime, our Environmental Affairs Department will follow-up with you to discuss the EA process and information requirements in more detail. Finally, please be advised that we plan to publicly post both your April 2 letter and this response on the C-NLOPB website in the near future.

Regards,



Scott Tessier  
Chair and CEO  
Attachment

- c. Terence Hubbard, Natural Resources Canada  
Gordon McIntosh, Newfoundland and Labrador Department of Natural Resources

**Key Steps and Estimated Timelines**  
**Potential Continuation of EA for Corridor Resources' Exploratory Drilling on EL 1153**

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EA Step	Estimated Timing
1. Natural Resources Canada (NRCan) sends letter to 1) notify Indigenous groups that EA is potentially restarting 2) outline the proposed consultation process and 3) offer Participant Funding	May 2018
2. Indigenous Participant Funding Application Deadline	30 days after letter is sent
3. Corridor submits updated EA documents to C-NLOPB ( <i>*translation required</i> )	[Proponent time]
4. C-NLOPB reviews EA documents for completeness and informs Proponent	1-2 weeks
5. Proponent revises and resubmits EA documents (if required)	[Proponent time]
<b>6. Once C-NLOPB determines that documents are complete it formally restarts EA process</b>	<b>Restart of EA</b>
7. Public and technical comment period on updated EA Report (including the oil spill modeling component of the EA)	6-7 weeks
8. Meetings with Indigenous groups concurrent with public comment period on updated EA report (including oil spill modeling component)	
9. NRCan drafts, translates and submits summary of Indigenous comments on updated EA documents to C-NLOPB	2-3 weeks
10. C-NLOPB analysis of comments; transmission to Corridor to address	1-2 weeks
11. Corridor addresses comments and submits responses to comments to C-NLOPB ( <i>*translation required</i> )	[Proponent time]
12. Public and technical review of Corridor's response to comments. Responses sent to parties that submitted comments	3 weeks
13. Indigenous review of Corridor's responses to issues raised by Indigenous groups. Responses sent to Indigenous groups that submitted comments	
14. If required, additional round(s) of comment-response with Corridor	[Proponent time], if required
15. C-NLOPB updates the EA Screening Report	4-5 weeks

**Key Steps and Estimated Timelines**  
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16. Public comment period on Screening Report	4-5 weeks
17. Indigenous review of Screening Report and meetings with Indigenous groups	
18. NRCan drafts, translates and submits summary of Indigenous comments on Screening Report to C-NLOPB	2 weeks
19. C-NLOPB considers public and Indigenous comments and finalizes Screening Report	2-3 weeks
20. C-NLOPB issues EA Determination	1 week <i>Completion of EA</i>
<b><i>Total government/regulatory time [excluding proponent driven timeline]:</i></b>	<b><i>25-31 weeks</i></b>