

February 2025

Dear Fellow Shareholder,

As it has been a while since I last wrote to you, I thought it would be useful to provide an update on recent events and talk about what they could mean for the Pebble Project in the near to medium term future.

In 2025, we have a renewed sense of optimism about the mining industry in the U.S. and the Pebble Project in particular. Actions and statements made by the Trump Administration, the passing of the Critical Minerals Consistency Act in the House last year, and the strength of our legal case against the Environmental Protection Agency ("EPA") and the U.S. Army Corps of Engineers ("USACE") help fuel this optimism.

I continue to feel that mining is not a business for the faint of heart as, despite providing critical necessities not only for our quality of life, and in many cases essential to life, it suffers from many ups and downs along the way. Knowing how important copper is to our way of life, and that Pebble is host to such a significant deposit of this critical metal (notwithstanding other contained, recoverable critical metals), ensures that I remain enthusiastic moving this project forwards.

It is important that we help people, including those that are in opposition, understand the importance of copper and the opportunity that Pebble represents, and the safety features we have embedded in its proposed development. This motivates us in our goal of seeing the Pebble Project go into production for the benefit of the people of Alaska and the U.S. The reality is that America and its nearby neighbors have a rich endowment of critical minerals; turning these minerals into metal requires responsible mine development and refining operations. The U.S. has environmental and labor laws and regulations second to none in the world; it can ensure that mine developments and ancillary operations are done in a safe, secure and beneficial manner and that ultimate reclamation plans and obligations are done so in a manner to support a positive outcome for all. The Pebble Project's Final Environmental Impact Statement ("FEIS") and ultimate Compensatory Mitigation Plan demonstrates a commitment in law, physically and financially, to these objectives.

So, let's talk about it.

### **The Trump Administration**

Ever since Donald Trump won the U.S. Presidential election on November 5, 2024, the market has been excited about the prospects of a new approach to mining in the U.S., and especially in Alaska, and how it could help projects that have been unfairly treated by past federal administrations.

Several of the nominees put forth by President Trump for key roles in the new Administration, and in some cases already confirmed by the Senate, are emphasizing the need for domestic mining and for security of mineral/metal supply, which is a welcome change.

Before the agencies can do any real work, the other nominees need to be confirmed by the U.S. Senate so they can set about hiring key supporting staff. Once completed, they will be able to get to work on their prioritized agenda items, which includes permitting key projects to enhance investments in the U.S. and production of critical metals. I understand that some of those priorities are to remove impediments to resource permitting and development and streamline the current permitting timelines for domestic mining projects. According to a June 2024 report by S&P Global, "the U.S. has the second longest average development times in the world." This was out of 23 countries they evaluated. According to S&P Global, U.S. mining projects take nearly 30 years to bring online which clearly disadvantages the country, its economy and its citizens. The full report can be found at the following link:

[https://cdn.ihsmarkit.com/www/pdf/0724/SPGlobal\\_NMA\\_DevelopmentTimesUSinPerspective\\_June\\_2024.pdf](https://cdn.ihsmarkit.com/www/pdf/0724/SPGlobal_NMA_DevelopmentTimesUSinPerspective_June_2024.pdf).

### Positive steps toward enhancing the permitting process

Alaska Governor Mike Dunleavy is a steadfast supporter of Alaska's Constitutional right to develop its own resources for the benefit of all Alaskans. In December, Governor Dunleavy sent a (publicly available) report entitled "Alaska Priorities for Federal Transition" to President Trump, along with a letter asking the President to issue an Alaska-specific executive order on his first day in office, reversing several initiatives that are damaging to the resource extraction industry put in place by the Biden Administration. The full report can be found at the following link: <https://gov.alaska.gov/dunleavy-administration-submits-transition-report-to-trump-transition-hq/>.

The document contains many recommendations including, but not limited to, simplification of the Clean Water Act regulations consistent with the Supreme Court's decision in *Sackett v. EPA*, which addressed the definition of Waters of the United States, the requirement for State Approval of 404(c) vetoes under certain conditions, and that changes be made to compensatory mitigation requirements to account for Alaska's unique characteristics in that regard. These recommendations could have a direct and positive impact on the Pebble Project.

We agree with all the Governor's requests as they will enhance the permitting process, allowing for unbiased, science- and fact-based regulatory oversight and process, and helping the U.S. to achieve security of supply of critical metals from American/Alaskan sources. We note that several of the requests relate to the Clean Water Act regulations, as set out above (e.g., *Sackett v. EPA* decision), and to several of the findings and directions within the Remand Order issued by the USACE Administrative Appeal of our Record of Decision denial. The recommendations would empower the State to direct and oversee the permitting process, particularly on State lands, reduce federal agency overreach, reduce duplication of work among federal agencies, simplify the permitting process and help unlock the State's vast critical mineral wealth potential for the benefit of all Americans.

President Trump responded swiftly and decisively. On January 20, his first day as President, he signed a number of executive orders, including one entitled "Unleashing Alaska's Extraordinary Resource Potential." The executive order can be found at the following link: <https://www.whitehouse.gov/presidential-actions/2025/01/unleashing-alaskas-extraordinary-resource-potential/>.

There are several positive initiatives for the mineral resource industry in Alaska contained in the executive order. Of particular note are the following:

*"It is, therefore, imperative to immediately reverse the punitive restrictions implemented by the previous administration that specifically target resource development on both State and Federal lands in Alaska."*

And,

*"(e) The Assistant Secretary of the Army for Civil Works, under the direction of the Secretary of the Army, shall immediately review, revise, or rescind any agency action that may in any way hinder, slow or otherwise delay any critical project in the State of Alaska."*

Executive orders like this from President Trump give us and the rest of the mining industry comfort that this is an administration with which our industry can do business, for the benefit of all. We will look on with interest as they turn these words into actions, noting that for serious progress to be made, staffing of the various relevant agency departments must be completed, as those are the people who will be doing the actual work. What these orders will mean for the Pebble Project, which is not specifically named in the order, remains to be seen, but it is a good start; a very good start.

Also positive was the statement made by the newly confirmed head of the EPA, Lee Zeldin, who in an interview with the NY Post on January 29, said the following: Actions "have to be a result of a process where I am being briefed on the latest research and science and making a decision after the career professionals at EPA have the opportunity to share their thoughts and research with me. Durability is going to be an important priority for me with initiatives that I take," he said. "If I cut a corner that I'm not allowed to cut or prejudice an outcome that I'm

not allowed to prejudge, and a state brings the EPA to court to challenge the action, a judge can overturn the action because EPA did not follow the processes required by law.”

Statements like this are promising because they suggest a new approach for the EPA, and we look forward to seeing if they translate into positive actions. The complete interview can be viewed at the following link: [Exclusive | New EPA chief Lee Zeldin has an ambitious agenda – and a plan to keep courts from overturning it.](#)

Actions taken by federal agencies under the Biden Administration have hurt Alaska’s ability to harness the amazing power and wealth of its natural resources. The Pebble Project also suffered from agency actions that have hindered its progress.

Now the clouds of federal interference look like they are parting, and Alaska is going to get its much-deserved day in the sun.

### **Critical Mineral Consistency Act**

In November, the Critical Mineral Consistency Act passed in the U.S. House of Representatives with bi-partisan support, recognizing copper is a critical mineral. We are optimistic this bill will get full support to be enacted as law this year.

Arizona Congressman Juan Ciscomani, who sponsored the legislation, said that “Critical minerals are essential for our economy, national security and clean energy technologies. As demand for these strategic resources continues to increase, the United States must ensure access to a reliable supply.”

We couldn’t agree more. Copper is undeniably critical to the U.S. economy. At a time when companies, and the President, are promoting a \$100 billion AI joint venture between Oracle, SoftBank and OpenAI, the need for much more power generation, grid expansion and electricity usage will only increase in the days and years ahead. Simply put, more electricity requires more copper. So, it is important that the U.S. has access to a reliable, secure and responsible supply of the metal. Fortunately, the U.S. has the Pebble Project, the world’s largest undeveloped copper deposit.

Let us get on with it!

### **Legal case update**

The reality of mining in the U.S. is that often you need to take legal actions in order to compel the federal agencies to follow the permitting rules and laws. It is not ideal that in many instances the agencies have gone from being unbiased regulators to being advocates for special interest groups, but that is a topic of discussion for another day.

It would be great if the federal agencies followed the established permitting laws and regulations, which are already among the most stringent in the world (from an environmental, labor and transparency perspective), and hopefully they will going forward. In the meantime, we are pursuing a conservative, thoughtful and determined approach to legal action with the goal of giving us the best chance of success at the lowest possible cost.

We believe that our case against the EPA and USACE is very strong, as is the case being pursued by the State of Alaska, and the case being pursued by the two Native Village Corps, representing six local Native villages close to the Pebble Project. Each case is somewhat different, but all seek a similar result – the fair treatment of the Pebble Project by the federal government and its agencies. A significant additional benefit of this legal action is that it incentivizes the federal government to withdraw the veto; we believe the judicial proceedings will order them to do so, and that this incentive grows the further the case proceeds.

In late 2024, the Federal District Court of Alaska agreed with our motion to add the USACE to the EPA action. Given the circular nature of the decision making by both agencies, we believed that this was the right course of action. And importantly, a win in this case will provide a judicial impetus to affect the Remand Order. The

timeline for the case is not certain yet, but we look forward to having our day in court and exposing the unfair actions of both the USACE and the EPA. We expect significant moves forward this year.

### **What removal of the veto could mean to the project**

It is possible that the EPA will choose to withdraw its veto, or that it is so directed by the court. The removal of the veto is an important step for the project as it clears the way for the USACE to do the work that they were ordered to do by their own Administrative Appeal Review Officer and Regional Commander, in the Remand Order. The Review Officer directed the USACE – Alaska District to amend the many incorrect statements made in the Record of Decision (“ROD”) document that are not supported by the Administrative Record (“the FEIS”) – which they must be. It is possible that once these statements are amended and orders such as the mitigation requirements are corrected by the USACE, a different decision (i.e., positive) could be reached. The permitting process was not allowed to finish due to the actions taken by the USACE and the interference by the EPA. Removal of the veto, and amendment of the ROD decision, puts us on the path to making this happen in a timeframe that is considerably shorter than the fulsome court proceedings would be.

Pebble is in a good position at this time. Removal of the veto would clear the path for a reconsideration of the 404 application as required by the Remand Order and allow for a fair and impartial decision supported by the comprehensive, transparent and very positive FEIS, which shows that the project can be completed with mitigation of any impacts, and can provide many benefits to Alaska and local communities. Much of the heavy lifting has been done, and we look forward to agencies following the established regulations and procedures and using the FEIS to drive their future decisions.

### **Royalty update**

I consider the royalty agreement we put in place a few years ago to be one of the best financings I have seen in the mining industry over my 40-year career. To date, the Royalty Investor has invested in two tranches of US\$12 million (US\$24 million total). Each tranche gives them the right to purchase 2% of the gold production and 6% of the silver production at a set price for the life of the mine. In addition, they have until July 26, 2025, to invest up to an additional US\$36 million in three remaining tranches. I think this is excellent financing because, from our perspective, it is risk capital that we do not have to repay or pay interest on, nor dilute our loyal and supportive shareholders by issuing common shares. Furthermore, it involves the right to purchase gold and silver, not copper – which is the primary metal and the principal reason why the U.S. needs this mine built. In return, the Royalty Investor has the right to receive a stream of gold and silver for the life of the mine, which, subject to permitting, could be multi-generational based on the large size of the resource.

### **Josie Hickel joins the Board of Directors**

We are very excited that Josie Hickel has joined the Board of Directors. Josie played a key role on the Pebble Partnership executive team between 2008 and 2014. A lifelong Alaskan, she has held several top executive positions in her Native Corporation, Chugach Alaska Corporation, including working on natural resource issues. Josie’s addition to the Board further strengthens our Alaska experience, and knowledge in resource, community, government and indigenous matters.

### **Concluding thoughts**

Over the holiday period, I reflected on how adept humankind has been at creating new uses for energy, whether it is faster data centers, electronic devices, vehicles, robots; the list goes on and on. What we haven’t been particularly adept at is creating new energy sources and new energy storage systems. The move from a fossil fuel-based economy to a non-carbon one requires enormous amounts of alternatively (e.g., nuclear) or renewably (e.g., wind, solar) produced electricity to offset the fossil fuels that will no longer be utilized. This, in turn, requires enormous amounts of new copper production because it is the metal that is critical for the creation, management, transportation, distribution and ultimately usage of electricity. As a society, we don’t just need the Pebble Project to go forward, we need all the proposed copper projects that can be built and

operated safely, reliably, and responsibly, particularly from an environmental perspective, to move ahead. We will need all the copper we can get our hands on and, the longer we wait to achieve this, the more challenging it will be to make the energy transition, and the further we in the West will fall behind those economies, societies and political regimes that challenge us.

Fortunately for the U.S., it has the Pebble Project. Rather than just repeating narratives that have proven to be false, those who object to the project should read the independently prepared FEIS and see that the project can not only coexist with the fishery, but also be of great benefit to the fishery, local residents, Alaska and the U.S., and Pebble can help put the U.S. on the path to energy security in a low-carbon energy future. But only if it gets built.

On a final note, I hope you found this letter helpful in understanding where we are and where we are going this year. I would like to thank you for your continued support, and for your patience as we navigate the U.S. permitting approvals process; it really means a lot to the team. Together we will continue to push the project forward, hopefully within the backdrop of a more positive political environment.

The U.S. needs the copper, and Alaska needs the economic investment that a mine like this will bring. We believe in the project, and the future looks bright!

Let's go!

Warm regards,

*/s/ Ron Thiessen*

Ron Thiessen  
Chief Executive Officer

### **Forward Looking Information and other Cautionary Factors**

This document includes certain statements that may be deemed "forward-looking statements" under the United States Private Securities Litigation Reform Act of 1995 and under applicable provisions of Canadian provincial securities laws. All statements in this presentation, other than statements of historical facts, which address permitting, including the effects of the incoming Trump Administration and the proposed Critical Mineral Consistency Act, development, production for the Pebble Project and the ability of the Company to successfully complete the full royalty financing transaction announced on July 27, 2022 (the "Royalty Financing") are forward-looking statements. These include statements regarding (i) the development plan for the Pebble Project (ii) the right-sizing and de-risking of the Pebble Project, (iii) the design and operating parameters for the Pebble Project development plan, including projected capital and operating costs, (iv) the social integration of the Pebble Project into the Bristol Bay region and benefits for Alaska, (v) the political and public support for the permitting process, (vi) the ability of the Pebble Project to ultimately secure all required federal and state permits, (vii) the ability of the Company and/or the State of Alaska to challenge the EPA's Final Determination process under the Clean Water Act and ultimately the USACE ROD decision through legal actions; (viii) exploration potential of the Pebble Project, (ix) future demand for copper, gold and other metals, (x) if permitting is ultimately secured, the ability to demonstrate the Pebble Project is ultimately commercially viable, (xi) the potential addition of partners in the Pebble Project, and (xii) the successful completion of the full Royalty Financing. Although NDM believes the expectations expressed in these forward-looking statements are based on reasonable assumptions, such statements should not be in any way be construed as guarantees that the Pebble Project will secure all required government permits or regarding the ability of NDM to develop the Pebble Project in light of the USACE remand decision and the EPA's Final Determination, establish the commercial feasibility of the Pebble Project, achieve the required financing or develop the Pebble Project.

Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by NDM as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Assumptions used by NDM to develop forward-looking statements include the assumptions that (i) the Pebble Project will obtain all required environmental and other permits and all land use and other licenses without undue delay, (ii) any feasibility studies prepared for the development of the Pebble Project will be positive, (iii) NDM's estimates of mineral resources will not change, and NDM will be successful in converting mineral resources to mineral reserves, (iv) NDM will be able to establish the commercial feasibility of the Pebble Project, and (v) NDM will be successful in its legal action against the EPA and the USACE and any action taken by the EPA in connection with the Final Determination will ultimately not be successful in restricting or prohibiting development of the Pebble Project.

The likelihood of future mining at the Pebble Project is subject to a large number of risks and will require achievement of a number of technical, economic and legal objectives, including (i) the current development plan may not reflect the ultimate mine plan for the Pebble Project, (ii) obtaining necessary mining and construction permits, licenses and approvals without undue delay, including without delay due to third party opposition or changes in government policies, (iii) finalization of the mine plan for the Pebble Project, (iv) the completion of feasibility studies demonstrating that any Pebble Project mineral resources that can be economically mined, (v) completion of all necessary engineering for mining and processing facilities, (vi) the ability of NDM to secure a partner for the development of the Pebble Project, and (vi) receipt by NDM of significant additional financing, including the full Royalty Financing, to fund these objectives as well as funding mine construction. NDM is also subject to the specific risks inherent in the mining business as well as general economic and business conditions. Investors should also consider the risk factors identified in the Company's Annual Information Form for the year ended December 31, 2023, as filed on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and included in its annual report on Form 40-F filed on EDGAR ([www.sec.gov](http://www.sec.gov)), as well as the risk factors set out in the Company's subsequent public continuous disclosure filings available on SEDAR+ and EDGAR. For more information on the Company, Investors should review the Company's filings with the United States Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov) and its home jurisdiction filings that are available at [www.sedarplus.ca](http://www.sedarplus.ca).

The National Environment Policy Act Environmental Impact Statement process requires a comprehensive "alternatives assessment" be undertaken to consider a broad range of development alternatives, the final project design and operating parameters for the Pebble Project and associated infrastructure may vary significantly from that currently contemplated. As a result, the Company will continue to consider various development options and no final project design has been selected at this time.