



February 4, 2020

Mr. Justin Cochrane  
President and CEO  
Conic Metals Corp.  
4 King Street West, Suite 401  
Toronto, Ontario  
Canada M5H 1B6

CC: Mr. Craig Lennon, Head of Asia Pacific

RE: Environmental concerns at Ramu nickel and cobalt operation

Dear Mr. Cochrane,

Greetings from Earthworks, a United States based organization dedicated to protecting communities and the environment from the adverse impacts of mineral and energy development, and MiningWatch Canada, dedicated to holding Canadian mining companies to account for the human rights and environmental impacts of their operations overseas. We are writing to inquire about the Ramu nickel cobalt operation located in Madang Province of Papua New Guinea of which Conic Metals Corp holds 8.56% interest.

We have learned of serious environmental concerns related to Ramu operations including harmful effects on the population, flora and fauna at the mine in Kurukumbari, the processing plant at Basamuk Bay, the slurry pipeline, and the submarine tailings disposal pipeline.

A team of national and international experts contracted by the Madang Provincial government held a press conference on October 31, 2019 to detail the [initial findings of their scientific analysis](#) of the social, environmental and health effects of the Ramu operations. At this time, the expert team also released an information packet, noting that additional monitoring and analysis was planned for early 2020. While still preliminary, the information provided raises extremely troubling facts regarding impacts from the Ramu operation on human health, as well as land and marine environments. It also points to a devastating lack of oversight by RamuNico and the Papua New Guinean authorities with regard to mine tailings and waste that goes well beyond the August 2019 slurry spill. It also contradicts company and PNG government reports of no lasting environmental damage or toxic elements.

As such, we are writing to inquire if Conic Metals Corp. has sought independent information regarding these concerning issues, for example from the expert team? If so, what steps has Conic Metals taken to address the concerns raised in the preliminary report? Has Conic Metals Corp. endorsed the completion of the research started by the expert team? Additionally, we are interested to learn what steps Conic Metals has taken to ensure it has complete and independent information regarding Ramu operations impacts on health and the environment?

Conic's November 13, 2019 [press release](#) states that Metallurgical Corporation of China Limited (MCC)'s<sup>1</sup> monitoring of the deep sea tailings system has been in full compliance with its permit since processing started, as is its quarterly reporting of water quality and underwater inspection of impacts of the submarine disposal system. We request copies of these quarterly monitoring reports and other relevant studies conducted to monitor biological effects on marine life.

We also look forward to hearing how you are applying Conic Metals Corp [Corporate Social Responsibility commitments](#), new [ESG Compliance Initiative](#), and stated intention to adhere to the Cobalt Institute's 7-Guiding Principles in this case. From our work with downstream users of battery metals, and in the framework of Earthworks' Making Clean Energy Clean campaign, good-faith adherence to these standards and full transparency in your compliance, is increasingly sought by battery and electric vehicle manufacturers.

Sincerely,

Catherine Coumans  
Asia-Pacific Program Coordinator  
MiningWatch Canada

Ellen Moore  
International Mining Campaign Manager  
Earthworks

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<sup>1</sup>61% interest in MCC Ramu Nico Ltd and the mine's operator