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Giant Mine Remediation Project

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GMOB Request for GMRP Budget Estimates

Natalie;

The revised budget estimate for the GMRP was recently revealed to be \$4.38 billion. The information released provided little context regarding where this money will be spent across the Project Implementation Plan. This is a problem because it prevents an accurate assessment of the economic effects of the Project.

The economic contribution of the Project is significant and should be a central part of the Project's messaging. This story cannot be told without first conducting an economic effects assessment, and that cannot happen without an understanding of where money will be spent.

In the spring of 2022, GMOB committed to building a preliminary economic model of the GMRP. This work was completed over the summer of 2023. It was built using the Project Implementation Plan and assumptions on the Project's budget. The purpose of this work is to establish a baseline for understanding and assessing the economic contribution of the Project.

GMOB would like to complete this work and share the results with the Project Team and all Parties to the Project. This requires the estimated cost of the Project's planned work packages.

Appreciating that the Project Team has stated it cannot release this information over concerns that it might jeopardize the competitive bidding process, GMOB proposes a Non-Disclosure Agreement regarding the data, and will agree to use it for the purpose of developing an economic effects assessment exclusively, and will only communicate the results of the assessment (not the detailed data that was used to produce it).

The PIP has been organized into eleven primary activities, common site services, and common support services. These eleven activities are divided further into numerous work packages, while there are six distinct common site services and fourteen distinct common support services identified. The PIP also describes Site Services beyond 2035 and Off-site Support Services. Each of these represents expenditures on goods and services. An economic model traces the flow of money from each expenditure to determine the overall economic effect on the NWT and Canadian economies.

Having these data is the ideal scenario to conduct a comprehensive economic assessment, offering the opportunity to communicate a relatively accurate understanding of the baseline economic effects, and allowing the Project to communicate better its contribution to Yellowknife and the NWT. Anything less requires the introduction of assumptions and guesswork that introduces unknown bias into the results. It is not ideal.

GMOB requests the detailed GMRP budget, including the estimated cost of each work package, common site and support service activities, site services beyond 2035 (if budgeted), and off-site services. GMOB will hold these data in confidence for the exclusive purpose of conducting an economic effects assessment of the Project. These data will not be disclosed to any individual or party outside GMOB.

Should this request prove impossible, a compromise is to model the eleven primary activities without further division into the associate work packages, while continuing to include the six common site services, fourteen common support services, site services beyond 2035, and the off-site support services as individual expenditures. This would alleviate concerns regarding competitive bidding on work packages, though it does introduce assumption bias into the work.

We look forward to your response.

A handwritten signature in blue ink that reads "Livingstone". The signature is written in a cursive style with a large initial "L".

David Livingstone
Chair