

From: [Winsor, Jennifer \(CC\)](#)
To: [Winsor, Jennifer \(CC\)](#)
Subject: Re-allocation of concentrate storage material - NoA Nov 14/16
Date: July 2, 2020 11:07:19 AM

From: Lyle Safronetz
Sent: November 21, 2019 10:11 AM
To: Winsor, Jennifer (SD) <Jennifer.Winsor@gov.mb.ca>
Cc: Burland Ross, Siobhan (SD) <Siobhan.BurlandRoss@gov.mb.ca>
Subject: Re-allocation of concentrate storage material - NoA Nov 14/16

Hi Jennifer;

I'm following up on my VM's; I have not heard back – I hope everything is ok on your side.

Vale is requesting permission to reallocate the storage space granted under the NoA for Concentrate load-out facility (November 14, 2016). Condition 6 allows Vale to store 2,000 tons of nickel/copper concentrate that the does not specifications in the VBN Receiving Building, the smelter, intermediate storage area and/or thaw shed.

Vale is requesting permission to alter condition 6 to allow the storage of *on-spec or off-spec* product in these areas, not exceeding a total of 2,000 tons.

The rationale for this request is based on the following:

1. Our truck to rail project is in progress, however our current trucking contractor is not able to sustain the levels of trucks per day required to keep the inventory at a manageable level as most of the drivers realize the end of trucking is soon upon us and have moved to other work. We had hoped to be using rail cars by now to off-set this, however building engineering/alterations are taking more time than anticipated.
2. Due to reduced mining feed availability, the production schedule of our mill has been altered. Previously our mill was working 4/3 schedule of operating/not operating days. Trucking 6 days a week allowed us to reduce inventory during the mills off-days. As a result of limited feed availability from the mines this is not sustainable. We now are running a 7/5 or even 9/3 schedule which builds up surplus product.
3. The recent CN strike is also causing us grief, and the additional on-spec storage capacity would assist until contingencies are in place.

The same processes would be used as before; covered trucks to move the material from the concentrate storage building to the other locations. Loading of hi-way trucks would be done indoors from these alternate location when possible (i.e. building space allows it), otherwise the material would be trucked back (covered trucks) to the concentrate loading building and loaded into hi-way trucks as per standard practice.

Can you please review and let us know if this re-allocation can be granted.

If you have any questions, or require any further information please let me know.

Lyle.

Lyle Safronetz

Manager; Decommissioning

Vale – Manitoba Operations