



March 10, 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: Follow up on our unanswered correspondence of February 4 regarding environmental concerns at Ramu nickel and cobalt operation

Dear Mr. Cochrane,

We are writing to follow up on our previous communication with you of February 4, 2020 (copied inline below for your information).

We are disappointed that we have not had the courtesy of a response to our specific inquiries about the Ramu nickel cobalt operation located in Madang Province of Papua New Guinea of which Conic Metals Corp (Conic) holds 8.56% interest. Given the serious environmental concerns related to the Ramu mine's 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, we would expect Conic to seek to actively engage stakeholder concerns.

We reiterate here our specific questions related to the initial findings released in October 2019 of a team of national and international experts contracted by the Madang Provincial government regarding their scientific analysis of the social, environmental and health effects of the Ramu operations. Their report 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, which contradicts company and PNG government reports of no lasting environmental damage or toxic elements.

Please answer the following questions:

- Has 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)'s¹ 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.

- Please provide us with 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