



Saskatoon Regional Economic Development Authority (SREDA)
Suite 103, 202 Fourth Avenue N | Saskatoon, SK

MEMO

TO: Mike Voth, Director of Corporate Revenue
City of Saskatoon

FROM: Cam Broten, Chair
SREDA Board of Directors

RE: Vital Metals Business Development Tax Incentive Application Review

DATE: July 18, 2022

The Saskatoon Regional Economic Development Authority's Board of Directors reviewed the tax incentive application from Vital Metals and has determined that it meets the eligibility requirements of the City of Saskatoon Business Development Incentives Policy, C09-014.

Vital Metals is Canada's first rare earths producer, with production underway at Nechalacho (NWT) in June 2021. The company's goal is to create an efficient global rare earth elements (REE) supply chain.

In April 2022, Prairies Economic Development Canada announced \$5M of repayable funding for Vital Metals to assist with working capital during the ramp-up of the company's operations and establishment of the Saskatoon facility which will recycle and reuse most of the REE process water and chemicals. The estimated investment into the facility is \$20M, and its establishment will create 60 FTEs within five years.

They meet all relevant eligibility criteria; as Vital Metals is leasing the property and is not responsible for the submission of the building permits, it is SREDA's opinion that criteria 3.3.1(h) regarding submission timelines is not applicable to this particular application.

SREDA's Board of Directors approved the following resolution on June 29, 2022:

Recommendations

THAT the SREDA Board of Directors approve the recommendation from the Incentive Committee to submit Vital Metals' application to the City of Saskatoon for approval.

The Board's recommendations are forwarded to City Council for consideration and approval. A summary of the tax abatement application from Vital Metals is attached for reference, along with the Eligibility Criteria Checklist.

Cam Broten
Chair, Board of Directors
SREDA