NI 43-101 TECHNICAL REPORT AND UPDATED MINERAL RESOURCE ESTIMATE FOR THE MINAGO NICKEL PGM PROJECT, MANITOBA, CANADA

Prepared For:

FLYING NICKEL MINING CORP.

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Effective Date: March 18th, 2024

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CERTIFICATE OF QUALIFIED PERSON

Matthew D. Harrington, P. Geo.

I, Matthew D. Harrington, P. Geo., am employed as President and Senior Resource Geologist with Mercator Geological Services Limited, 65 Queen Street, Dartmouth, Nova Scotia, Canada, B2Y 1GA.

This certificate applies to the technical report titled "NI 43-101 Technical Report and Updated Mineral Resource Estimate for the Minago Nickel PGM Project, Manitoba, Canada" with an effective date of March 18, 2024 (the "Technical Report").

I am a member in good standing with the Association of Professional Geoscientists of Nova Scotia (Registration Number 0254) and the Association of Professional Engineers and Geoscientists of Newfoundland and Labrador (Member Number 09541), and the Ordre des Géologues du Québec (Registration Number 2345). I graduated with a Bachelor of Science degree (Honours, Geology) in 2004 from Dalhousie University.

I have practiced my profession for 20 years. My relevant experience with respect to the Minago Ni-PGE Project includes extensive professional experience with respect to geology, mineral deposits, Mineral Resource estimation, mineral deposit evaluation and exploration activities in Canada and internationally. I have specific experience in assessment of base metal, precious metal, manganese-iron and volcanogenic massive sulphide deposits. I have authored and co-authored numerous related NI 43-101 Technical Reports and other technical documents addressing such topics.

As a result of my experience and qualifications, I am a Qualified Person as defined in National Instrument 43–101 *Standards of Disclosure for Mineral Projects* (NI 43–101).

I am responsible for Sections 1 except 1.6 and 1.8, 2 except 2.3, 3, 4, 5, 6, 7, 8, 11.5, 11.6, 12.1, 12.2.2, 12.3, 12.4, 14 except for 14.5, 23, 24, 25 except 25.5, 26 except 26.3, and 27 of the Technical Report.

I am independent of Flying Nickel Mining Corp. as independence is described by Section 1.5 of NI 43–101.

I was last involved with the Minago Ni-PGE Project in 2022 as a contributor to a Mineral Resource estimate and associated NI 43-101 Technical Report as a consultant with Mercator Geological Services Limited.
I have not visited the property that is subject of this Technical Report.

I have read NI 43–101, and the parts of the Technical Report that I am responsible for have been prepared in compliance with that Instrument.

As of the date of this certificate, to the best of my knowledge, information and belief, the parts of the Technical Report that I am responsible for preparing contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

"***signed and stamped***"

Matthew D. Harrington, P. Geo.
Dated: May 15, 2024

CERTIFICATE OF QUALIFIED PERSON

Rob Smith, P. Geo.

I, Robert Smith, P.Geo., am currently employed as an Independent Geological Consultant based at 41 Village Line Ave., Bible Hill, Nova Scotia, B2N 6R7 Canada.

This certificate applies to the technical report titled "NI 43-101 Technical Report and Updated Mineral Resource Estimate for the Minago Nickel PGM Project, Manitoba, Canada" with an effective date of March 18, 2024 (the "Technical Report").

I am a member in good standing of the Association of Professional Engineers and Geoscientists of Manitoba (P.Geo. Registration No. 22702).

I graduated with a Bachelor of Science degree in Geology from the Dalhousie University in 1981. I worked for Inco / Vale in various geological roles at their nickel mining operation in Thompson, Manitoba from 1981 until 2011 including as Manager for Mines Geology. I have since worked as a geological consultant internationally and in Canada focused on exploration and developing nickel deposits within the Thompson Nickel Belt. This includes designing and supervising diamond drilling programs, core logging and sampling, and geological and structural interpretation of nickel deposits.

I have read the definition of "Qualified Person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101), and past relevant work experience, I meet the requirements to be a "Qualified Person" for the purposes of NI 43-101.

I am responsible for Sections 1.6, 2.3, 9, 10, 11.1, 11.2, 11.3, 11.4, 12.2.1 and 12.2.3 of this Technical Report.

I have read NI 43-101 and this Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1.

I was previously involved with the Project in 2022 as a contributor to the Technical Report as an independent consultant and conducted a site visit between February 26 and 27, 2022.

I completed a personal inspection of the Property between June 6 and 9, 2023.

I am independent of Flying Nickel Mining Corp. as described in Section 1.5 of NI 43-101.

As of the effective date of this Technical Report, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this Technical Report not misleading.

"***signed and stamped***"

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Robert Smith, P. Geo.
Dated: May 15, 2024

CERTIFICATE OF QUALIFIED PERSON

Neil Lincoln, P. Eng.

I, Neil Lincoln, P.Eng. am an independent Metallurgical Consultant engaged as a Principal Process Engineer by AGP Mining Consultants, #246-132 Commerce Park Dr., Barrie, ON, Canada.

This certificate applies to the technical report titled "NI 43-101 Technical Report and Updated Mineral Resource Estimate for the Minago Nickel PGM Project, Manitoba, Canada" with an effective date of March 18, 2024 (the "Technical Report").

- I am a professional engineer in good standing with the Professional Engineers of Ontario (PEO) in Canada (no. 100039153).
- I graduated from the University of the Witwatersrand, South Africa, in 1994 with a Bachelor of Science in Metallurgy and Materials Engineering (Minerals Process Engineering) degree.
- I have practiced my profession in the mining industry continuously since graduation.
- I have 30 years experience as a metallurgist. I have sufficient relevant experience having worked on numerous projects ranging from scoping studies, prefeasibility and feasibility studies to project implementation related to processing plants. My mineral processing commodity and unit operations experience includes precious metals, base metals and industrial minerals covering metallurgical test work to process plant design. As a result of my experience and qualifications, I am a Qualified Person as defined in NI 43–101.
- I have not visited the site.
- I am responsible for Sections 1.8, 13, 25.5, and 26.3 of the Technical Report and accept professional responsibility for those sections of the Technical Report.
- I am independent of Panoro Minerals Ltd. as described by Section 1.5 of the instrument.
- I have not had previous involvement with the Property.
- I have read NI 43–101 and the sections of the Technical Report for which I am responsible havebeen prepared in compliance with that Instrument.

As of the effective date of this Technical Report, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this Technical Report not misleading.

"signed and stamped"

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Neil Lincoln, P. Eng.
Dated: May 15, 2024

CERTIFICATE OF QUALIFIED PERSON

Gordon Zurowski, P. Eng.

I, Gordon Zurowski, P. Eng., am currently a Principal Mining Engineer with AGP Mining Consultants Inc. Suite 246-132K Commerce Park Dr., Barrie, ON L4N 0Z7.

This certificate applies to the technical report titled “NI 43-101 Technical Report and Updated Mineral Resource Estimate for the Minago Nickel PGM Project, Manitoba, Canada” with an effective date of March 18, 2024 (the “Technical Report”).

I am a graduate of the University of Saskatchewan with a degree in Bachelor of Applied Science in Geological Engineering in 1989. I have practiced my profession in the mining industry continuously since graduation. My relevant experience includes over 30 years where I have been directly involved in open pit mining including mine operations, mine design and evaluation in Canada and worldwide. This has been mainly for open-pit precious and base metal and coal mines.

I am a member in good standing of the Professional Engineers of Ontario (Registration Number: 100077750).

I have read the definition of “Qualified Person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101.

I most recently visited the site for one day June 21, 2022, that is the subject of this Technical Report. My previous involvement with the project was in 2006 assisting with mine planning for a PEA study for this project. I also visited the site for one day on July 12th, 2006.

I am responsible for section 14.5 of the Technical Report.

I am independent of Flying Nickel Mining Corp. as described in Section 1.5 of NI 43-101.

I have read NI 43-101 and this Technical Report has been prepared in compliance with NI 43-101 and Form 43-101F1. As of the effective date of this Technical Report, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this Technical Report not misleading.

“signed and stamped”

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Gordon Zurowski, P. Eng.
Dated: May 15, 2024

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1.0 SUMMARY

1.1 Introduction

Flying Nickel Mining Corp. ("Flying Nickel") retained Mercator Geological Services Limited ("Mercator") to prepare an independent National Instrument 43-101 ("NI 43-101") Technical Report (the "Technical Report") disclosing exploration activities for the for the Minago Nickel PGM Project ("Minago" or the "Project"), located within the southern part of the Thompson Nickel Belt in Manitoba ("MB"), Canada. This includes preparation of an updated Mineral Resource Estimate ("MRE") on the Minago Nickel PGM Deposit ("Minago Deposit" or "Deposit"). Flying Nickel is a Canadian mineral exploration company headquartered in Vancouver, British Columbia ("BC") and listed on the TSX Venture Exchange under the stock symbol "FLYN" and on the OTC under "FLTNF".

1.2 Terms of Reference

Flying Nickel is using this Technical Report to disclose an updated MRE of the Deposit and to identify work required to complete more advanced studies. This Technical Report also summaries historical exploration, drilling, and metallurgical studies completed by previous operators, recent drilling and sampling programs completed by Flying Nickel, and makes recommendations for further exploration and development work on the property.

The MRE was completed in accordance with Canadian Institute of Mining, Metallurgy, and Petroleum ("CIM") Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines, November 29, 2019 ("CIM MRMR Best Practice Guidelines") and reported in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves, May 10, 2014 ("CIM Definition Standards").

Measurement units used in the Technical Report are in metric and the currency is expressed in Canadian dollars unless otherwise noted.

1.3 Property Description and Ownership

The Project is comprised of 94 mining claims totaling 19,236 ha (192.36 km^2), and two mining leases totaling 425 ha (4.25 km^2), both 100% owned by Flying Nickel, located in northern MB, Canada within the southern part of the Thompson Nickel Belt, approximately 107 km north of the Town of Grand Rapids (pop. 268) and 225 km south of the City of Thompson (pop. 13,678). Provincial Trunk Highway 6 crosses the eastern portion of the Project. The closest international airport is the Winnipeg James Armstrong Richardson International Airport (YWG) located approximately 536 km south of the Project. Regional airline service (Calm Air and Perimeter Aviation) is also available from Thompson Municipal Airport (YTH) with direct flights from Winnipeg, MB. The Project can be easily accessed via Highway 6, a paved, two-lane highway that originates in Winnipeg and serves as a major transportation route to northern MB including Thompson. The closest town to offer full services is Grand Rapids, which includes full-service accommodations, grocery stores and restaurants, tool rental, hardware stores, and gas stations.

On January 14, 2022, under the terms of the Silver Elephant Arrangement and pursuant to the royalty agreement between Flying Nickel and Silver Elephant dated August 25, 2021 ("Minago Royalty Agreement"), Flying Nickel has granted and agreed to pay, among other things, in each fiscal quarter where the average price per pound of nickel as reported on the Nominated Metals Exchange or Substitute Metals Exchange (in each case as defined in the Minago Royalty Agreement) in the event such pricing is not reported on the Nominated Metals Exchange, exceeds US$15 per pound, a royalty equal to two per cent (2%) of returns in respect of all mineral products produced from certain mining claims and mineral leases in the Project after the commencement of commercial production. Each royalty payment will be provisional and subject to adjustment in accordance with the Minago Royalty Agreement. Oracle Commodity Holding Corp. is the current holder of this royalty.

Mining claim numbers MB8497, P235F, P237F, P238F, and P239F are subject to a NSR royalty interest (the "Glencore Royalty") retained by Glencore Canada Corporation ("Glencore"). The Glencore Royalty in respect of nickel, shall for any calendar quarter be: (i) 2% Net Smelter Return ("NSR") royalty when the London Metals Exchange 3-month nickel price is equal to or greater than US$13,227.74 per tonne in that quarter; and (ii) a 1% NSR when the London Metals Exchange 3-month nickel price is less than US$13,227.74 per tonne in that quarter. The Glencore Royalty in respect of other minerals, metals and concentrates, shall be a 2% NSR. In the event that the Glencore Royalty consists of a 2% NSR royalty, Flying Nickel may purchase a portion of the royalty interest which represents in the aggregate no more than 1% of the royalty interest for $1,000,000. The Glencore Royalty interest shall never be less than a 1% NSR.

On March 14, 2023, Flying Nickel signed an Impact and Benefit Agreement with the Norway House Cree Nation. The Impact and Benefit Agreement sets the terms under which the Project will be advanced and operated with the consent and support of the Norway House Cree Nation.

The Technical Report authors are not aware of any significant factors and risks that may affect access, title, or the right or ability to perform future exploration work programs on the Project. The QPs are also not aware of any environmental liabilities associated with the Project.

1.4 History

The Project began as Geophysical Reservation 34 ("GR 34") covering an area of 19.2 km by 38.4 km that was granted to Amax Potash Ltd. ("Amax") on November 1, 1966 for a period of 2 years and extended in 1968 to April 30, 1969.

In March 1969, Amax converted the most prospective area of GR 34 to 844 contiguous claims and in April 1969, an additional 18 claims were staked. In 1973, the claims covering ground deemed to have the most potential for economically viable nickel mineralization were taken to lease status as Explored Area Lease 3 (North Block) and Explored Area Lease 4 (South Block). In an agreement dated December 12, 1973, Granges Exploration Aktiebolag ("Granges") was granted an option on the Explored Area Leases. In 1977, Granges became a passive partner with a 25% interest and a 0.5% NSR royalty in the leases. On May 18, 1989, Black Hawk Mining Inc. ("Black Hawk") purchased the Amax interest in the Explored Area Leases. On August 2, 1989, Black Hawk purchased the Granges interest and NSR royalty in the Explored Area Leases.

On April 1, 1992, Explored Area Lease 3 and Explored Area Lease 4 were converted to Mineral Lease ML-002 (“ML-002”) and Mineral Lease ML-003 (“ML-003”), respectively. On March 18, 1994, a portion of ML-002 was converted to mining claims KON 1, KON 2 and KON 3, and a portion of ML-003 was converted to mining claim KON 4. On November 3, 1999, Nuinsco Resources Ltd. (“Nuinsco”), and its successor Victory Nickel Corp. (“Victory Nickel”) purchased the Black Hawk interest in the property subject to a graduated NSR royalty based on nickel prices.

1.5 Geology and Mineralization

The regional geology comprises the eastern edge of the Phanerozoic sediments of the Western Canada Sedimentary Basin that unconformably overlie Precambrian crystalline basement rocks that include the Thompson Nickel Belt. The Western Canada Sedimentary Basin tapers from a maximum thickness of approximately 6,000 m in Alberta to zero to the north and east where it is bounded by the Canadian Shield. The Project is located near the northeast corner of the Western Canada Sedimentary Basin where it comprises approximately 50 m of Ordovician dolomite underlain by approximately 10 m of Ordovician sandstone.

The Precambrian basement rocks of the Thompson Nickel Belt form a northeast-southwest trending 10 to 35 km wide belt of variably reworked Archean age basement gneisses with early Proterozoic age cover rocks along the northwest margin of the Superior Province. Lithotectonically, the Thompson Nickel Belt is part of the Churchill-Superior boundary zone.

The Early Proterozoic rocks that occur along the western margin of the Thompson Nickel Belt are a geologically distinguishable stratigraphic sequence of rocks termed the Ospwagan Group that hosts most of the economic nickel mineralization defined to date, almost always within lower Pipe Formation sequences. The rocks of the Thompson Nickel Belt have been complexly folded with three major periods of folding commonly recognized.

The dominant geological feature with mineralization potential underlying the Project is a series of boudinaged nickeliferous ultramafic bodies that are folded in a large Z-shaped pattern. The ultramafic bodies contain intraparental magmatic nickel sulphide mineralization and intrude mafic metavolcanic and metasedimentary rocks. Within the ultramafic rocks, the nickel sulphides are concentrated in several tabular lenses that parallel the trend of the ultramafic bodies. The mafic and ultramafic rocks are cut by granitic clasts, dikes, and sills that are predominantly barren of nickel sulphide mineralization and form intervals of dilution to the overall mineralized body.

Lower grade nickel occurs between and adjacent to the higher-grade lenses. Typically, nickel sulphides are fine grained, varying in size from <0.5 to 4 mm (generally 1 to 2 mm) and range in volume from 2 to 15% (generally 2 to 7%). The nickel sulphides predominantly occur as disseminated crystals, small aggregates (<5mm) and occasionally are net textured. The dominant sulphide species are nickel bearing pentlandite with lessor violarite and millerite. Minor amounts of pyrite, pyrrhotite and chalcopyrite are present. Graphitic, coarse grained and sometimes nodular sedimentary and extraparental nickeliferous sulphide mineralization occurs sporadically along the southeast margin of the Project.

1.6 Exploration and Diamond Drilling

Between 1966 and 1972, Amax completed 44 drill holes on the Project focused on the ML-002 and ML-003 areas. A reported 18 diamond drill holes plus 1 wedge hole were initially completed in the Project area, with an additional 14 holes completed on ML-002 and 12 diamond drill holes completed on ML-003. These drilling programs resulted in the discovery of the Nose Zone, which forms a significant part of the Deposit. A total of 29 diamond drill holes, including wedge holes, for a total of 11,581 m are compiled in the Project drill hole database from the Amax drill programs.

Eight diamond drill holes plus nine 9 wedge holes were completed by Granges between 1973 to 1976. A total of 11 diamond drill holes, including wedge holes, for a total of 6,440 m are compiled in the Project drill hole database.

Forty-five holes plus 1 wedge hole were completed by Black Hawk between 1989 to 1991 in the Project area. A total of 52 diamond drill holes, including wedge holes and abandoned holes that intersect or partially intersect the Deposit, for a total of 23,292 m are compiled in the Project drill hole database.

Nuinsco - Victory Nickel completed numerous exploration and diamond drilling programs on the Project from 2005 to 2020. This includes 6 diamond drill holes (2,948.1 m) in 2005, 2 diamond drill holes (1,533.6 m) in 2006, 44 diamond drill holes (13,284.2 m) in 2007, 18 diamond drill holes (9,082 m) in 2008, 26 diamond drill holes (9,647.7 m) in 2010, 20 diamond drill holes (8,873.4 m) in 2011, 10 diamond drill holes (4,137.1 m) in 2012, and 2 diamond drill holes (496 m) in 2022.

Between February 3, 2022, and April 3, 2022, Flying Nickel completed a 6-hole diamond drill program (FN-22-001 to FN-22-06) on the project totalling 2,717.4 m of infill and exploration drilling. Infill drill holes FN-22-001 and FN-22-002 intercepted wide disseminated nickel mineralization at the Nose Zone. FN-22-006 was drilled to test a geophysical anomaly immediately north of the Nose Zone. FN-22-003 and FN-22-005 intersected disseminated nickel mineralization in the North Limb Zone. FN-22-004 was drilled to test a geophysical anomaly north of the North Limb Zone. Flying Nickel also completed a core sample program of the previously unsampled 2020 drill holes VM-20-01 and VM-20-02 drilled by Victory Nickel in 2020.

In 2023, Flying Nickel resubmitted core sample reject material from forty-eight historical drillholes for analysis of platinum, palladium and gold. A total of 3,549 samples including, 59 blanks, 60 duplicates, 59 standards were submitted to SGS Canada Inc. (“SGS”).

Also in 2023, Flying Nickel retained SGS to complete mineralogical examination of 5 drill core samples to determine the overall mineral assemblage of the samples and define the liberation and association attributes of nickel sulphides and Platinum Group Metals (“PGM”). Results of the study helps provides guidance for future test work programs.

1.7 Sample Preparation and Data Verification

The Deposit has been subject to many diamond drilling programs since 1966, resulting in varying sampling preparation, protocols, and quality control and quality assurance ("QAQC") procedures. Core handling and sampling, sample analysis method, density measurement method, chain of custody, and QAQC procedures are well documented and were reviewed in detail for the Nuinsco-Victory Nickel drilling programs. Drilling programs completed prior are not as well documented in respect to sample preparation and were reviewed to the extent possible.

In the opinion of the Qualified Person ("QP"), drill core sampling, analysis and security procedures implemented by Nuinsco-Victory Nickel during the 2005-2020 period were put in place to ensure the integrity of the assay database and were also based on a robust quality control program. Documentation of logging, sampling and analysis procedures used to support the results of assays from the various diamond drilling programs completed on the Project are considered by the QP as best industry practice. A review of the QAQC results of Deposit historical sampling programs did not expose any unaddressed analytical issues.

For the Flying Nickel 2022 drill program, the core was periodically picked up at the drill site by the project geologist and transported by pickup truck to the company owned logging facility in Grand Rapids, MB. There, the core was securely stored indoors, logged and ½ split by sawing. Each sample was placed in a plastic bag along with a uniquely numbered tag, and stapled shut. Samples were shipped by truck to the SGS in Burnaby, British Columbia.

SGS prepared all samples analysed by standard weighing, crushing, splitting, and pulverizing of each sample. Samples from both the 2022 drill program and the infill sample program of 2020 Victory Nickel drill holes were treated as follows:

- Geochemical analysis: all samples were subjected to SGS's Procedure GE_ICM90A50 sodium peroxide fusion (combined inductively coupled plasma atomic emission spectrometry ("ICP-AES")/inductively coupled plasma mass spectrometry ("ICP-MS") (54 elements)).
- All samples were also subjected to SGS's Procedure GE_FAI31V5 30 g fire assay with ICP-OES finish. In addition to GE CSA06V for sulfur and carbon through IR combustion.
- Nickel (metallic/sulphide) assaying by bromine-methanol leach with atomic-absorption ("AA") spectroscopy finish was completed on all samples at SGS's Lakefield site (Code GC_AAS03D250).
- No specific gravity ("SG") determinations were completed on any core samples submitted for assay testing.

Flying Nickel's 2023 infill sampling program reflects 3,549 original core reject samples selected from 48 historic drill holes. The samples were submitted to SGS. The intent of the program was to collect additional Platinium Group Elements ("PGE") results for the deposit.

All samples were treated as follows by SGS:

- All samples were subjected to SGS's Procedure GE_FAI51V5 50 g fire assay with ICP-AES finish.
- No SG determinations were completed on any core samples submitted for assay testing.

The QP is of the opinion that sample preparation, analysis and security methodologies employed during the Flying Nickel sampling programs are designed according to and consistent with CIM MRMR Best Practice Guidelines.

For the 2022 and 2023 sample programs, Flying Nickel implemented a QAQC program that included blank material, ¼ core duplicate, and Certified Reference Material ("CRM" and "standard") inserted in a rotation of 1 in every 20 samples, producing a nominal quality control insertion rate per sample type of 1 in 60. Results of the QAQC programs do not identify any systematic issues within the analytical dataset.

Three site visits have been completed between 2022-2023, the aggregate of which provides a comprehensive independent inspection of the Project site and Flying Nickel drilling programs. Rob Smith, P.Geo., most recently visited the site between June 6 to June 9, 2023. No issues were identified during the site visits that negatively impact the findings and conclusions of this Technical Report.

A comprehensive data verification program was completed for the Project drill hole database that included verification of drill hole collars, downhole surveys, analytical results, lithology, and mineralized intervals against original records, including original drill logs, plan maps, sections, original assay certificates, core photos, presentations, and reports. The QP concludes the results of the data verification program are acceptable and Project drill hole results can be used in the MRE.

1.8 Mineral Processing and Metallurgical Testing

A metallurgical test work program was completed during 2007-2008 at SGS Lakefield Research with the objective of developing a flowsheet and process design criteria to treat nickel bearing material from the deposit. The metallurgical test work scope included grindability tests, mineralogy study, flotation rougher and cleaner bench scale tests, lock cycle tests ("LCT"), and concentrate and tailings dewatering tests. No new metallurgical test work has been conducted on the deposit since then. Test work results were used by Wardrop in 2010 to develop a sulphidic nickel head grade-recovery curve for pit optimization and economic assessment of the open pit portion of the deposit at the time.

The recoveries of platinum and palladium to concentrate and sulphidic nickel head grade-recovery relationship used in this Technical Report are based on historical test work and work completed for the 2010 study.

1.9 Mineral Resource Estimate

An updated MRE for the Minago Deposit was prepared by Mr. Matthew Harrington of Mercator. The effective date for the MRE is March 28, 2024.

Mineral Resources were estimated in conformity with CIM MRMR Best Practice Guidelines as referred to in NI 43-101 (2014) and Form 43-101F, Standards of Disclosure for Mineral Projects. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

The Deposit MRE is comprised of two different zones, the Nose Zone and the North Limb Zone. The two zones were treated collectively in all phases of block model construction, from database validation to Mineral Resource classification and reporting. The following summarizes the estimation methodology:

- Drill hole database validation;
- 3D modelling of geology and mineralization;
- Assay sample and geostatistical analysis including sample frequency, grade relationships and regression analysis, density assignment, capping, compositing and variography;
- Block modelling and grade estimation;
- Block model validation;
- Assessment of reasonable prospects for eventual economic extraction;
- Mineral Resource classification;
- and Mineral Resource reporting.

The Minago Nickel PGM Project MRE is presented in Table 1-1.

Table 1-1: Minago Project Mineral Resource Estimate – Effective Date: March 18, 2024*

Type	Ni % Cut-off	Category	Tonnes (Millions)	Ni %	NiS %	Pd g/t	Pt g/t
In-Pit	0.29	Measured	11.53	0.74	0.53	0.21	0.09
		Indicated	24.44	0.63	0.43	0.16	0.07
		Measured and Indicated	35.97	0.67	0.46	0.18	0.08
		Inferred	3.14	0.66	0.35	0.14	0.06
Underground	0.75	Measured	0.39	0.97	0.75	0.28	0.12
		Indicated	7.08	0.97	0.75	0.29	0.12
		Measured and Indicated	7.47	0.97	0.75	0.29	0.12
		Inferred	6.05	0.97	0.75	0.18	0.08
Combined	0.29/0.75	Measured	11.92	0.75	0.54	0.22	0.09
		Indicated	31.52	0.71	0.50	0.19	0.08
		Measured and Indicated	43.44	0.72	0.51	0.20	0.09
		Inferred	9.20	0.86	0.61	0.16	0.07

***Mineral Resource Estimate Notes:**

1.Mineral resources were prepared in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (MRMR) (2014) and CIM MRMR Best Practice Guidelines (2019).

2. In-Pit Mineral Resources are defined within an optimized pit shell with pit slope angles ranging between 40° and 51° and overall 14.8:1 strip ratio (waste : mineralized material).

3. An exchange rate of 1.35 CAN$/US$ was applied. All prices are in US$ currency.
4. Pit optimization parameters include: metal pricing at $9.20/lb Ni, $1,035/oz Pt, $1,380/oz Pd; costs for mining at $1.35/t waste and $1.54/t processed and an incremental mining cost of $0.03/12m below 244 masl, processing at $11.64/t processed, G&A at $3.38/t processed; recoveries to concentrate of 72.9% sulphide Ni (NiS) (average recovery above the cut-off grade ranging from 45.6% to 91.1%), 44% Pt, and 61% Pd; and a 60% concentrate payable for Pt and Pd. An average Ni recovery of 50% can be calculated using the average NiS recovery and the average ratio of NiS to Ni (68%) reported above the cut-off grade. A potential frac-sand overburden unit was assigned a value of $20/t, a recovery factor of 68.8 %, mining cost of $1.54/t plus $0.03/12m below 244 masl, and processing cost of $6.30/t processed.
5. In-Pit Mineral Resources are reported at a cut-off grade of 0.20 % NiS within the optimized pit shell. The 0.20 % NiS cut-off grade approximates a 0.29 % Ni grade when applying the average ratio of NiS to total Ni for the In-Pit Mineral Resource. The cut-off grade reflects the marginal cut-off grade to define reasonable prospects for eventual economic extraction by open pit mining methods.
6. Underground Mineral Resources are reported at a cut-off grade of 0.58 % NiS. The 0.58 % NiS cut-off grade approximates a 0.75 % Ni grade when applying the average ratio of NiS to Ni (77%) for the Underground Mineral Resource. The cut-off grade reflects total operating costs of $59.46/t processed and an average sulphide NiS recovery above the cut-off grade of 87% (ranging from 81% to 91%) to define reasonable prospects for eventual economic extraction by underground mining methods.
7. Deposit grades were estimated from 2 m downhole assay composites using Ordinary Kriging for Ni % and Inverse Distance Squared for Pd g/t and Pt g/t. No grade capping was applied. NiS % block values were calculated from Ni % block values using a regression curve based on Ni and NiS drilling database assay values. Model block size is 6 m (x) by 6 m (y) by 6 m (z).
8. Bulk density was applied on a lithological model basis and reflects averaging of bulk density determinations for each lithology.
9. Mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
10. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
11. Mineral resource tonnages are rounded to the nearest 10,000.

Factors that may materially impact the Project Mineral Resource include, but are not limited to, the following:

- Assumptions regarding supply demand forecasts and metal pricing may not be realized.
- Changes to the input values for mining, processing, and G&A costs to constrain the Mineral Resource. The Mineral Resource pit optimization assigns value to a frac-sand overburden unit based on historical studies, however, that value is not guaranteed to be realized.
- Mineralization models are inclusive of barren granitic material which will have a dilutive effect on the Mineral Resource.
- Included serpentinite intervals without complete platinum and palladium sampling were infilled by regression equations with total nickel prior to the development of downhole assay composites. This approach will have limitations with respect to local grade variability and precision.
- Density is assigned based on average values for lithological units and has limitations with respect to local variability and precision.
- Sulphide nickel percent block values are assigned based on regression equations with total nickel and have limitations with respect to local variability and precision.

- The recoveries of metals to concentrate and concentrate/grade assumptions used in this Technical Report are based on a combination of historical metallurgical testing programs conducted between 2004 and 2008.
- There are not any known external socio-economic or environmental factors that could jeopardize the Mineral Resource, however, this cannot be ruled out and remains a risk.
- Underground geotechnical studies are limited.

1.10 Conclusions

Mineral Resources were defined for the Minago Deposit. Exploration programs completed by Flying Nickel have greatly improved the understanding of PGEs in the Deposit. The 2023 reject resample program improved the overall density of platinum-palladium samples and successfully supported an initial platinum-palladium Mineral Resource. Historical test work outlined recovery potential of platinum-palladium to concentrate and further work is warranted.

An extensive amount of historical metallurgical testing has been carried out on the Project. In combination with analytical results present in the core drilling database, historical metallurgical testing results indicate that nickel associated with sulphide mineralization in the Deposit represents the most important potential source of recoverable nickel.

Continued exploration is warranted to expand and improve confidence in the current Mineral Resource.

1.11 Recommendations

Recommendations have been broken into 2 phases with Phase 1 addressing metallurgical, environmental, and community relation programs required for a FS and Phase 2 addressing an exploration drilling program, updated MRE and FS. Phase 1 recommendations have been estimated to cost $1.55M and Phase 2 has been estimated to cost $5.55M.

2.0 INTRODUCTION

2.1 Scope of Reporting

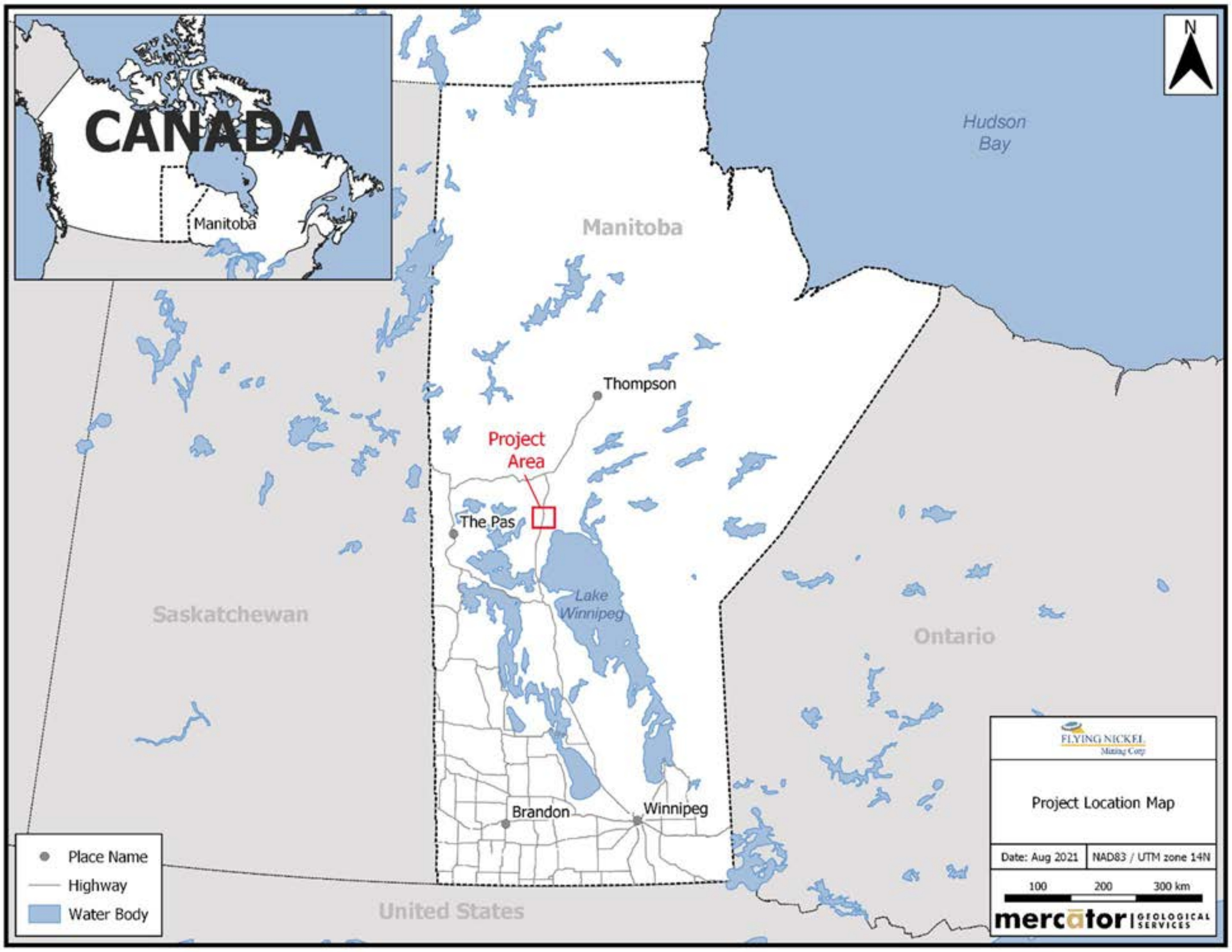
Flying Nickel retained Mercator to prepare a NI 43-101 Technical Report for the Project, located within the southern part of the Thompson Nickel Belt in MB, Canada.Flying Nickel is a Canadian mining exploration company headquartered in Vancouver, BC and listed on the TSX Venture Exchange under the stock symbol "FLYN" and on the OTC under "FLTNF".

This Technical Report presents the updated MRE of the Project. This Technical Report also summarizes both historical exploration and drilling completed by previous operators and recent exploration completed by Flying Nickel on the Project. The Project is held 100% by Flying Nickel (Figure 2-1). The QPs understands that this Technical Report will support the public disclosure requirements of Flying Nickel and will be filed on SEDAR+ as required under NI 43-101 disclosure regulations.

The updated MRE was completed in accordance with the CIM MRMR Best Practice Guidelines and reported in accordance with the CIM Definition Standards.

Measurement units used in the Technical Report are in metric and the currency is expressed in Canadian dollars unless otherwise noted.

Figure 2-1: Location map



2.2 Qualifications of Authors

Table 2-1 presents the authors and co-authors of each Section of this Technical Report, who act as QPs as defined in NI 43-101, and take responsibility for those sections of this Technical Report as outlined in the Certificates of Authors.

Table 2-1: Qualified Person report responsibilities

Qualified Person	Affiliated Firm	Report Item (Section) Responsibility
Matthew Harrington, P. Geo.	Mercator	1 except 1.6 and 1.8, 2 except 2.3, 3, 4, 5, 6, 7, 8, 11.5, 11.6, 12.1, 12.2.2, 12.3, 12.4, 14 except 14.5, 23, 24, 25 except 25.5, 26 except 26.3, 27
Robert Smith, P. Geo		1.6, 2.3, 9, 10, 11.1, 11.2, 11.3, 11.4, 12.2.1, 12.2.3
Gordon Zurowski, P. Eng.	AGP	14.5
Neil Lincoln, P. Eng		1.8, 13, 25.5, 26.3

2.3 Site Visit

Three site visits have been completed between 2022-2023, the aggregate of which provides a comprehensive independent inspection of the Project site and Flying Nickel drilling programs. Rob Smith, P.Geo., most recently visited the site between June 6 to June 9, 2023. The purpose of the visit was to participate in a Project area exploration review facilitated by Flying Nickel. While on site the QP visited the Flying Nickel core facilities at Grand Rapids and reviewed operational procedures with Flying Nickel personnel to ensure continued best practices were being applied during mineral exploration. The personal inspection at the Project enabled the QP to:

- Confirm the core logging facility in Grand Rapids continues to be in good operational condition. The facility remains secure and locked when Flying Nickel personnel are not at site. Starlink high-speed satellite internet has been installed to facilitate the efficient transfer and backup of data.
- The core storage area, immediately north of Grand Rapids remains intact. The racked core, palatized core, sea cans and Atco trailers appear to be in the same condition as on the previous visit (February 2022).
- A locked gate is in place on the Minago Deposit access road at the junction of Highway #6. There does not appear to have been any recent unauthorized access to the property.
- The QAQC procedure of inserting controls every 20 samples continued to be followed. Control samples continue to alternate between blanks, duplicates, and CRMs.
- The chain of custody procedures from sampling to delivery at the laboratory remain the same as observed during the February 2022 visit.

The QP did not complete additional independent witness check sample during the June 2023 site visit and considers previous sampling in this regard acceptable.

2.4 Information Sources

Sources of information, data and reports reviewed as part of this Technical Report can be found in Section 27 (References). The report authors take responsibility for the content of this report and believe the data review to be accurate and complete in all material aspects.

The following technical reports of note have been previously prepared on the Project:

1) Flying Nickel. NI 43-101 Technical Report on the Mineral Resource Estimate for the Minago Nickel Project, Manitoba, Canada" with an effective date of February 28, 2022, prepared by Mercator.
2) Flying Nickel. NI 43-101 Technical Report on the Mineral Resource Estimate for the Minago Nickel Project, Manitoba, Canada" with an effective date of July 2, 2021, prepared by Mercator.
3) Victory Nickel Inc. Feasibility Study for the Minago Nickel Mine, effective date of March 2010, prepared by Wardrop Inc.
4) Victory Nickel Inc. NI 43-101 Technical Report on the Proposed Minago Nickel Mine, effective date of February 20, 2009, prepared by Wardrop Inc.

Exploration claims information, historical assessment and technical reports, and exploration and drilling data were either acquired by the report authors or supplied by Flying Nickel. Author Matthew Harrington acquired mineral titles information on the mining claims and leases that are the subject of this Technical Report from the Manitoba Economic Development, Investment, Trade and Natural Resources Integrated Mining and Quarrying System (known as “iMaQs”). This information showed the subject mining claims and leases to be in good standing as of the effective date of this Technical Report.

Historical and recent drilling data was validated under the supervision of report author Matthew Harrington prior to use in the MRE.

2.5 Abbreviations

Table 2-2 is a list of commonly used abbreviations, company, agency, service providers and Table 2-3 is a list of commonly used units.

Table 2-2: Table of abbreviations

Abbreviation	Meaning
3-D, 3D	three-dimensional
AA, AAS	Atomic Absorption, Atomic Absorption Spectrum
ABA	Acid Base Accounting
AFMAG	Audio Frequency Magnetics
AP	Acid Production Potential
ARD	Acid Rock Drainage
asl	above sea level
BC	British Columbia, Province of
BWi	Bond Work Index
ca	Circa
CALA	Canadian Association for Laboratory Accreditation
Cert.	Certificate
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
CRM	Certified Reference Material also known as Standards
DEM	Digital Elevation Model
Deposit	Minago Nickel and PGE Deposit
DGPS	Differential Global Positioning Satellite
GPS	Global Positioning System
ICP	Inductively Coupled Plasma
ID2	Inverse distance squared
ID3	Inverse distance cubed
IK	Indicator Kriging
iMaQs	Manitoba Economic Development, Investment, Trade and Natural Resources Manitoba's Integrated Mining and Quarrying System
IP	Induced Polarization
ISO	International Organization for Standardization

Abbreviation	Meaning
LiDAR	Light Detection and Ranging ("LiDAR") Sensor
LIMS	Low Intensity Magnetic Separation
MB	Manitoba, Province of
Minago or Project	Minago Nickel and PGE Project
ML	Mineral Lease
MOU	Memorandum of Understanding
MRE	Mineral Resource Estimate
MRMR	Mineral Resources and Mineral Reserves
NAD 83	North American Datum of 1983 – National Geodetic Survey
NI 43-101	National Instrument 43-101
NN	Nearest neighbor methods
No.	Number
NP	Neutralizing Potential
NSR	Net Smelter Return
OK	Ordinary Kriging
ON	Ontario, Province of
PGE	Platinum Group Elements
QAQC	Quality Assurance Quality Control
QP	Qualified Person
RQD	Rock Quality Designation
Sedar, Sedar+	System for Electronic Document Analysis and Retrieval
SK	Saskatchewan, Province of
UTM	Universal Transverse Mercator
	Company, Supplier, Service Provider
Accurassay	Accurassay Laboratories Ltd.
ACME	Acme Analytical Laboratories
AGP	AGP Mining Consultants
ALS	ALS Global
Amax	Amax Potash Ltd.
Black Hawk	Black Hawk Mining Inc.
Condor	Condor Consulting Inc.
Department	Manitoba Department of Agriculture and Resource Development
Element Drilling	Element Drilling Ltd.
Flying Nickel	Flying Nickel Mining Corp.
Granges	Granges Exploration Aktiebolag
Leapfrog	Seequent Leapfrog™ Geo 2023.2
Major Drilling	Major Drilling Group International Inc.
Mercator	Mercator Geological Services Limited
Northwest	Northwest Diamond Drilling
Nuinsco	Nuinsco Resources Ltd.

Abbreviation	Meaning
TSL	TSL Laboratories
SGS	SGS Canada Inc. or SGS Lakefield
Surpac	GEOVIA Surpac™ 2021
Victory Nickel	Victory Nickel Corp.
Xstrata	Xstrata Canada Corporation

Abbreviation	Element	Abbreviation	Element
Ag	Silver	Mg	Magnesium
As	Arsenic	Ni	Nickel
Au	Gold	NiS	Nickel in Sulphide
Ba	Barium	Pb	Lead
Bi	Bismuth	Pd	Palladium
Ca	Calcium	Se	Selenium
Co	Cobalt	Sn	Tin
Cu	Copper	Te	Tellurium
Fe	Iron	Th	Thorium
In	Indium	Tl	Thallium
K	Potassium	W	Tungsten
Mo	Molybdenum		

Table 2-3: Table of Units

Units	Meaning		
k	thousand	No.	Number
Mt	millions of tonnes	%	percent
Ga	Giga annum “billions of years”	Oz/T to g/t	1 oz/T = 34.28 g/t
Ma	Mega annum “millions of years”	°	degree symbol
C	Celsius	mm	millimetre
ha	hectare	cm	centimetre
kg	kilogram	ml	millilitre
km	kilometre	/	per
lbs	pounds	g	gram (0.03215 troy oz)
ft	foot, feet	oz	troy ounce (31.04 g)
"	inch	ppm	parts per million
µm	micrometre	ppb	parts per billion
m	metre	t	tonne (1000 kg or 2204.6 lb)

3.0 RELIANCE ON OTHER EXPERTS

The Technical Report authors are relying upon information provided by Flying Nickel and its legal counsel concerning any legal, environmental, or any option, joint venture or royalty matters relating to the Project. Copies of the land tenure documents, operating licences, permits, and work contracts were not reviewed. The QP's are relying on tenure information from Flying Nickel and has not undertaken an independent detailed legal verification of title and ownership. The QP's have not verified the legality of any underlying agreement(s) that may exist concerning the land tenure, or other agreement(s) between third parties. No warranty or guarantee, be it express or implied, is made by the QP's with respect to the completeness or accuracy of the surface rights and mineral titles comprising the Project.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 Property Description and Location

The Project is comprised of 94 mining claims totalling 19,236 ha (192.36 km^2) and two mineral leases totalling 425 ha (4.25 km2), both 100% owned by Flying Nickel. These mining claims and leases are located in the Thompson Nickel Belt on Highway 6, approximately 225 km south of Thompson, MB, Canada (Table 4-1). The Project is centred at map coordinates 485,000 m easting and 5,995,000 m northing (UTM NAD83 Zone 14N) within NTS Map Sheet 63J/03 (Figure 4-1). Figure 4-2 shows Deposit diamond drilling completed to date in relation to Mineral Lease ML-002.

Table 4-1: Mining claims and mineral lease table

Disposition Number[1]	Disposition Name	Holder	Disposition/Lease Type	Issue Date	Good To Date	Area (ha)
MB10193	VIC 24	Flying Nickel	Mining Claim	2011-04-11	2025-04-11	256
MB10194	VIC 25	Flying Nickel	Mining Claim	2011-04-11	2025-04-11	256
MB10195	VIC 26	Flying Nickel	Mining Claim	2011-04-11	2025-04-11	256
MB10196	VIC 27	Flying Nickel	Mining Claim	2011-04-11	2025-04-11	256
MB10197	VIC 28	Flying Nickel	Mining Claim	2011-04-11	2025-04-11	256
MB10198	VIC 29	Flying Nickel	Mining Claim	2011-04-11	2030-04-11	256
MB10199	VIC 30	Flying Nickel	Mining Claim	2011-04-11	2030-04-11	130
MB11497	VIC 11497	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11498	VIC 11498	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11499	VIC 11499	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11500	VIC 11500	Flying Nickel	Mining Claim	2013-08-30	2028-08-30	102
MB11536	VIC 11536	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11537	VIC 11537	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11538	VIC 11538	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11539	VIC 11539	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11540	VIC 11540	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	187
MB11541	VIC 11541	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11542	VIC 11542	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11543	VIC 11543	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11544	VIC 11544	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	231
MB11545	VIC 11545	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11546	VIC 11546	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11547	VIC 11547	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11548	VIC 11548	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB11549	VIC 11549	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	236
MB11550	VIC 11550	Flying Nickel	Mining Claim	2013-08-30	2024-08-30	256
MB5390	BARNEY 1	Flying Nickel	Mining Claim	2004-07-26	2029-07-26	168
MB5391	BARNEY 2	Flying Nickel	Mining Claim	2004-07-26	2029-07-26	242
MB5392	BARNEY 3	Flying Nickel	Mining Claim	2004-07-26	2029-07-26	170
MB5393	BARNEY 4	Flying Nickel	Mining Claim	2004-07-26	2029-07-26	184

Disposition Number[1]	Disposition Name	Holder	Disposition/Lease Type	Issue Date	Good To Date	Area (ha)
MB5394	BARNEY 5	Flying Nickel	Mining Claim	2004-07-26	2031-07-26	155
MB5395	BARNEY 6	Flying Nickel	Mining Claim	2004-07-26	2031-07-26	76
MB7027	MIN 1	Flying Nickel	Mining Claim	2006-11-27	2031-11-27	235
MB7028	MIN 2	Flying Nickel	Mining Claim	2006-11-27	2030-11-27	214
MB7029	MIN 3	Flying Nickel	Mining Claim	2006-11-27	2031-11-27	252
MB7030	MIN 6	Flying Nickel	Mining Claim	2006-11-27	2031-11-27	135
MB7031	MIN 7	Flying Nickel	Mining Claim	2006-11-27	2030-11-27	204
MB7032	MIN 9	Flying Nickel	Mining Claim	2006-11-27	2031-11-27	78
MB7033	MIN 8	Flying Nickel	Mining Claim	2006-11-27	2031-11-27	205
MB7066	MIN 10	Flying Nickel	Mining Claim	2007-01-23	2030-01-23	57
MB7067	MIN 11	Flying Nickel	Mining Claim	2007-01-23	2030-01-23	121
MB7141	MIN 12	Flying Nickel	Mining Claim	2007-01-23	2030-01-23	250
MB7142	MIN 13	Flying Nickel	Mining Claim	2007-01-23	2030-01-23	256
MB7143	MIN 14	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	256
MB7144	MIN 15	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	138
MB7145	MIN 16	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	256
MB7146	MIN 17	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	247
MB7147	MIN 18	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	247
MB7148	MIN 19	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	256
MB7149	MIN 20	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	243
MB7150	MIN 21	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	181
MB7151	MIN 22	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	256
MB7152	MIN 23	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	256
MB7153	MIN 24	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	241
MB7154	MIN 25	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	88
MB7155	MIN 26	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	145
MB7156	MIN 27	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	145
MB7157	MIN 28	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	153
MB7158	MIN 29	Flying Nickel	Mining Claim	2007-01-23	2025-01-23	153
MB8497	DAD	Flying Nickel	Mining Claim	2008-05-28	2031-05-28	132
MB8549	TOM F	Flying Nickel	Mining Claim	2008-05-12	2028-05-12	14
MB8780	VIC 1	Flying Nickel	Mining Claim	2009-04-17	2025-04-17	248
MB8781	VIC 2	Flying Nickel	Mining Claim	2009-04-17	2025-04-17	210
MB8782	VIC 3	Flying Nickel	Mining Claim	2009-04-17	2027-04-17	256
MB8783	VIC 4	Flying Nickel	Mining Claim	2009-04-17	2031-04-17	53
MB8784	VIC 5	Flying Nickel	Mining Claim	2009-04-17	2031-04-17	254
MB8785	VIC 6	Flying Nickel	Mining Claim	2009-04-17	2027-04-17	256
MB8786	VIC 7	Flying Nickel	Mining Claim	2009-04-17	2028-04-17	113
MB8787	VIC 8	Flying Nickel	Mining Claim	2009-04-17	2031-04-17	256
MB8788	VIC 9	Flying Nickel	Mining Claim	2009-04-17	2027-04-17	256
MB8789	VIC 10	Flying Nickel	Mining Claim	2009-04-17	2028-04-17	141
MB8790	VIC 11	Flying Nickel	Mining Claim	2009-04-17	2031-04-17	252

Disposition Number[1]	Disposition Name	Holder	Disposition/Lease Type	Issue Date	Good To Date	Area (ha)
MB8791	VIC 12	Flying Nickel	Mining Claim	2009-04-17	2027-04-17	243
MB8792	VIC 13	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	256
MB8935	VIC 19	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	256
MB8936	VIC 20	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	212
MB8937	VIC 21	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	256
MB8938	VIC 22	Flying Nickel	Mining Claim	2009-12-21	2030-12-21	93
MB8939	VIC 23	Flying Nickel	Mining Claim	2009-12-21	2030-12-21	212
MB8947	VIC 16	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	256
MB8948	VIC 17	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	256
MB8949	VIC 18	Flying Nickel	Mining Claim	2009-12-21	2029-12-21	120
MB8979	VIC 14	Flying Nickel	Mining Claim	2009-12-21	2024-12-21	256
MB9000	VIC 15	Flying Nickel	Mining Claim	2009-12-21	2029-12-21	252
P235F[2]	BRY 18	Flying Nickel	Mining Claim	1991-04-08	2028-04-08	192
P237F[2]	BRY 20	Flying Nickel	Mining Claim	1991-04-08	2027-04-08	195
P238F[2]	BRY 21	Flying Nickel	Mining Claim	1991-04-08	2031-04-08	212
P239F[2]	BRY 22	Flying Nickel	Mining Claim	1991-04-08	2028-04-13	256
P2527F	KON 1	Flying Nickel	Mining Claim	1994-03-18	2031-03-18	108
P2528F	KON 2	Flying Nickel	Mining Claim	1994-03-18	2030-03-18	73
P2529F	KON 3	Flying Nickel	Mining Claim	1994-03-18	2029-03-18	43
P2530F	KON 4	Flying Nickel	Mining Claim	1994-03-18	2027-03-18	105
W48594	MIN 4	Flying Nickel	Mining Claim	2006-08-04	2029-08-04	162
W48595	MIN 5	Flying Nickel	Mining Claim	2006-08-04	2029-08-04	256
ML-002		Flying Nickel	Mineral Lease	1992-04-01	2025-04-01	248
ML-003		Flying Nickel	Mineral Lease	1992-04-01	2025-04-01	177
					Total Area in Hectares	**19,661**

[1]Subject to the Minago Royality Agreement

[2]Subject to the Glencore Royality

Figure 4-1: Mining claim and mineral license map

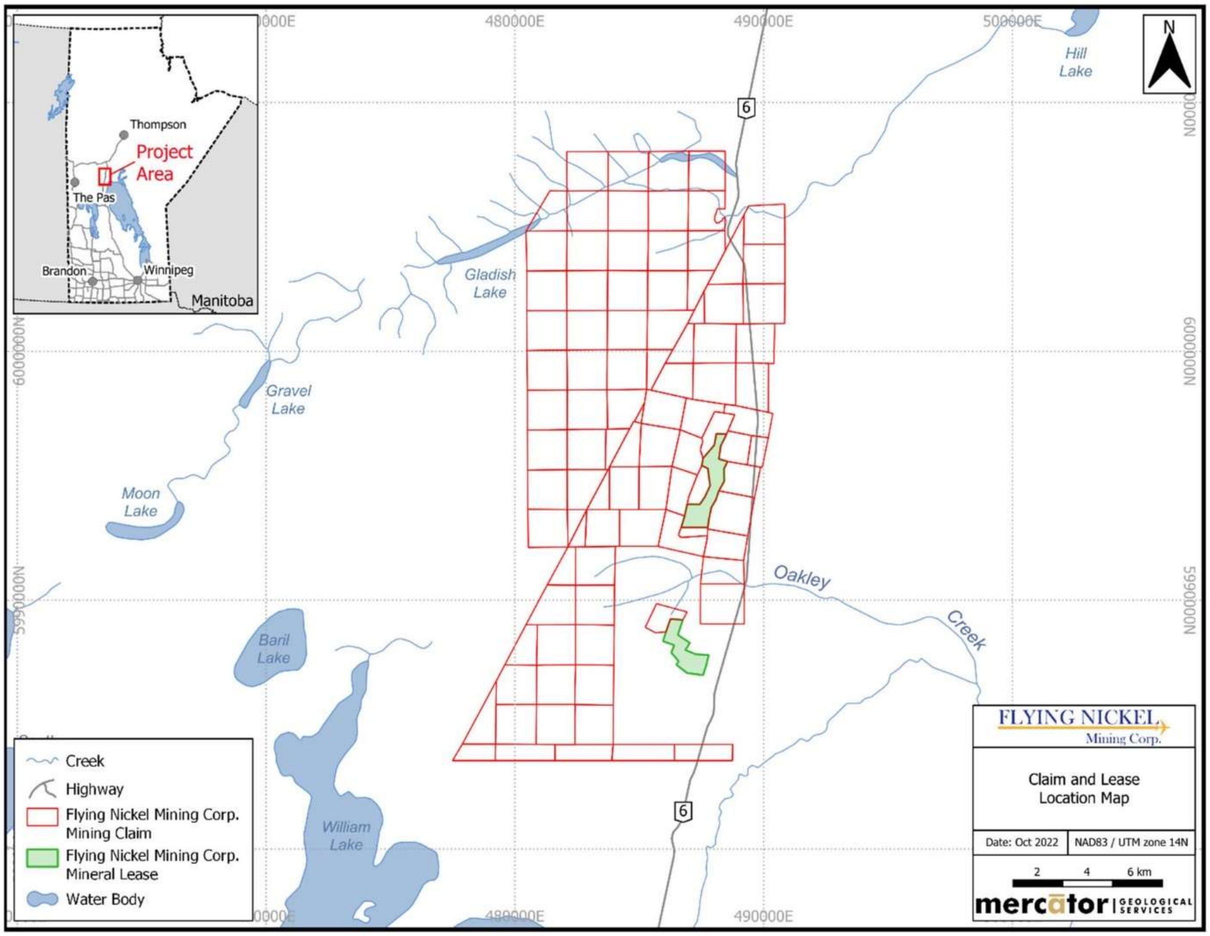
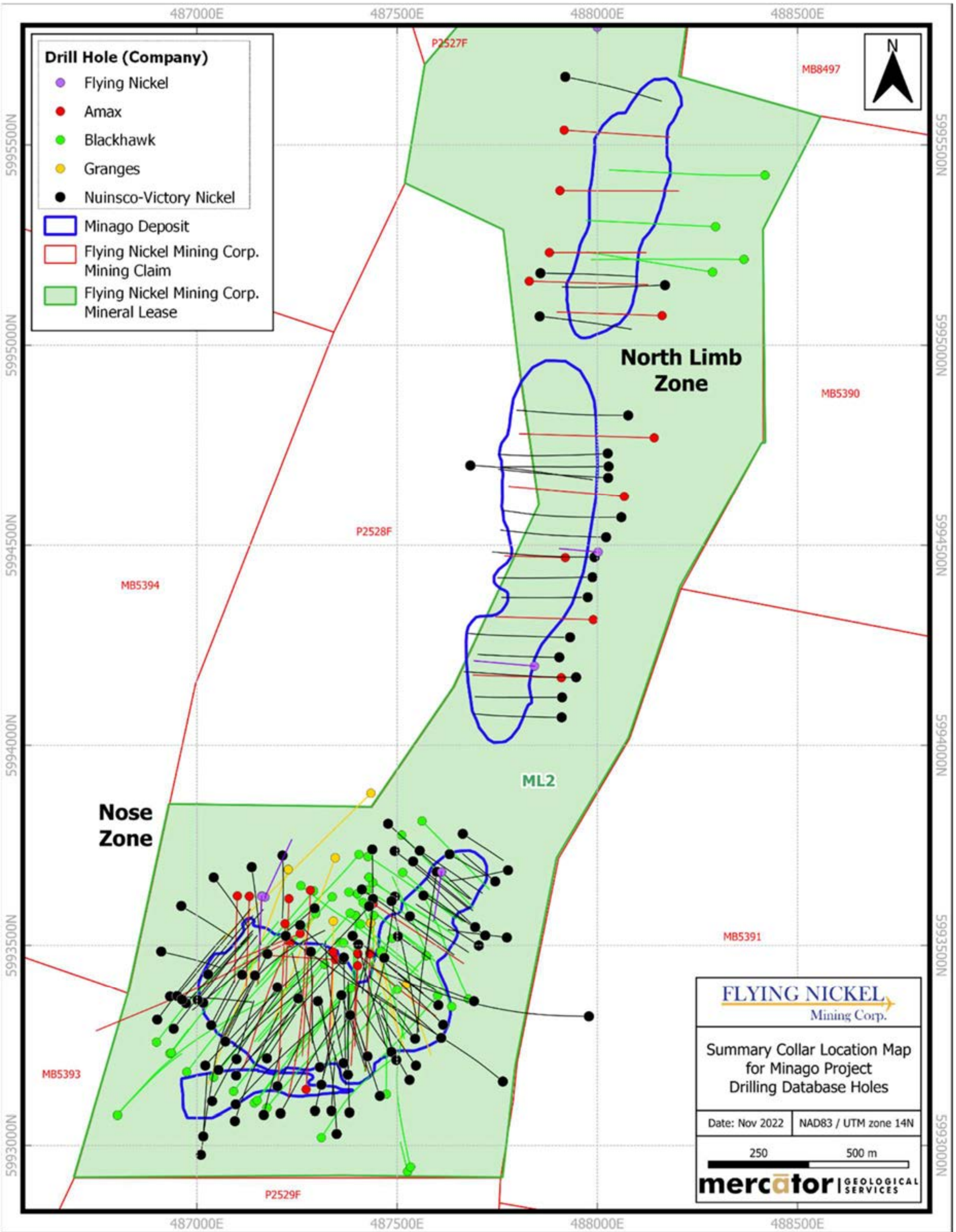


Figure 4-2: Diamond drillholes in relation to the Deposit



4.2 Option Agreements and Royalties

Minago Royality Agreement

On January 14, 2022, under the terms of the Silver Elephant Arrangement and pursuant to the royalty agreement between Flying Nickel and Silver Elephant dated August 25, 2021 ("Minago Royalty Agreement"), Flying Nickel has granted and agreed to pay, among other things, in each fiscal quarter where the average price per pound of nickel as reported on the Nominated Metals Exchange or Substitute Metals Exchange (in each case as defined in the Minago Royalty Agreement) in the event such pricing is not reported on the Nominated Metals Exchange, exceeds US$15 per pound, a royalty equal to two per cent (2%) of returns in respect of all mineral products produced from certain mining claims and mineral leases in the Project after the commencement of commercial production. Each royalty payment will be provisional and subject to adjustment in accordance with the Minago Royalty Agreement. Oracle Commodity Holding Corp. is the current holder of this royalty.

Glencore Royalty

Mining claim numbers MB8497, P235F, P237F, P238F, and P239F are subject to a NSR royalty interest (the "Glencore Royalty") retained by Glencore. The Glencore Royalty in respect of nickel, shall for any calendar quarter be: (i) 2% NSR royalty when the London Metals Exchange 3-month nickel price is equal to or greater than US$13,227.74 per tonne in that quarter; and (ii) a 1% NSR when the London Metals Exchange 3-month nickel price is less than US$13,227.74 per tonne in that quarter. The Glencore Royalty in respect of other minerals, metals and concentrates, shall be a 2% NSR. In the event that the Glencore Royalty consists of a 2% NSR royalty, Flying Nickel may purchase a portion of the royalty interest which represents in the aggregate no more than 1% of the royalty interest for $1,000,000. The Glencore Royalty interest shall never be less than a 1% NSR.

4.3 Surface Rights, Permitting, and Mineral Exploration Titles

According to the Mines and Minerals Act of Manitoba (The Mine and Minerals Consequential Amendment Act, Part 7,108 enacted July 26, 1991), a mineral lease grants to the lease holder:

- The exclusive rights to the minerals, other than quarry minerals, that are the property of the Crown and are found in place on, in, or under the land covered by the lease.
- Mineral access rights that include:
    - The right to open and work a shaft or mine within the limits of the lease area; and
    - The right to erect buildings or structures upon the subject land for the purpose of exploration and/or mining.

According to the same act, the holder of a mining claim is granted:

- The exclusive right to explore for and develop the Crown minerals other than quarry minerals, found in place on, in, or under the lands covered by the claim.

- Subject to certain Ministerial considerations, the holder of a mining claim may enter, use, and occupy the surface of the land that is governed by the claim for the purpose of prospecting or exploring or developing, mining, or producing minerals on, in, or under the land.

In MB, unpatented mining claims require annual exploration assessment expenditures of C$12.50 per hectare per year on claims less than 10 years from the date of registration. The amount changes to C$25.00 per hectare per year for any claims held past 10 years from the date of registration. Previous exploration work can be banked, grouped, and applied as needed to meet assessment requirements. Unpatented mining claims include access to the mining rights only. No outstanding obligations exist regarding the claims comprising the Project. The current required exploration assessment expenditures for the Project mining claims are approximately $423,450.

Future exploration work conducted on the project mining claims will require work permits from the Manitoba Department of Agriculture and Resource Development (the "Department"). The Department also has a duty to consult with First Nations, Métis communities, and other Aboriginal communities prior to granting work permits for mineral exploration and mine development projects.

Mineral Lease ML-002 ("ML-002") held by Flying Nickel is a renewable 21-year lease covering 248 ha of the Project. The lease was issued by the Province of Manitoba on April 1, 1992. The lease was renewed for another 21 years on 1 April 2013 and is set to expire on 1 April 2034. The annual lease rental payment is $2,976 ($12/ha) and due on May 1st of each year. As of the effective date of this Technical Report the annual lease rental payment has been paid and the mineral lease was in good standing until May 1, 2025.

Mineral Lease ML-003 ("ML-003") held by Flying Nickel is a renewable 21-year lease covering 177 ha in the Project area. The lease was issued by the Province of Manitoba on 1 April 1992. The lease was renewed for another 21 years on 1 April 2013 and is set to expire on 1 April 2034. The annual lease rental payment is $2,124 ($12/ha) and due on May 1st of each year. As of the effective date of this Technical Report the annual lease rental payment has been paid and the mineral lease was in good standing until 1 May 2025.

The iMaQs system confirms that all mining claims and leases comprising the Project as described above in Table 4-1 were, at the effective date and report date, in good standing, and that no legal encumbrances were registered with the Department against these mining claims. The QP makes no further assertion concerning the legal status of the properties. None of the properties have been legally surveyed to date and there is no requirement to do so at this time.

4.4 Permits or Agreements Required for Exploration Activities

The holder of a mining claim in MB has the exclusive right to explore for and develop the Crown minerals, other than the quarry minerals, found in place on, in or under the lands covered by the claim [The Mines and Minerals Act, 73(1)].

The lessee of a mineral lease has the exclusive right to the Crown minerals, other than quarry minerals, that are the property of the Crown and are found in place or under the land covered by the mineral lease.

Furthermore, the lessee has access rights to open and work a shaft or mine and to erect buildings or structures upon the subject land [The Mines and Minerals Act, 108(a), (b), (i), (ii)].

Prior to commencing exploration activities on mining claims and mineral leases, a work permit describing each work activity must be obtained from the Department and a letter of advice is obtained from the Federal Department of Fisheries and Oceans. The Manitoba government has a duty to consult with First Nations, Métis communities and other Aboriginal communities when a mineral exploration permit is submitted for approval by the claim holder.

4.5 Impact and Benefit Agreement with Norway House Cree Nation

On March 14, 2023, Flying Nickel signed an Impact and Benefit Agreement with the Norway House Cree Nation. The Impact and Benefit Agreement sets the terms under which the Project will be advanced and operated with the consent and support of the Norway House Cree Nation. Specific terms of the agreement remain confidential, but generally, include cooperation between Flying Nickel and Norway House Cree Nation by:

I) establishing a cooperative and mutually respectful long-term relationship;
II) providing employment capacity support and business opportunities to Norway House Cree Nation and its members;
III) providing an independent director seat on the Flying Nickel board (to be nominated by Norway House Cree Nation);
IV) providing a specialized mechanism for Norway House Cree Nation to subscribe to Flying Nickel common shares to increase project participation;
V) revenue-sharing payments to Norway House Cree Nation based on nickel revenues generated by the Project; and
VI) a joint effort minimizing unforeseen disruption and providing certainty for investment, access, and ownership of resource rights in respect to the Project.

4.6 Other Liability and Risk Factors

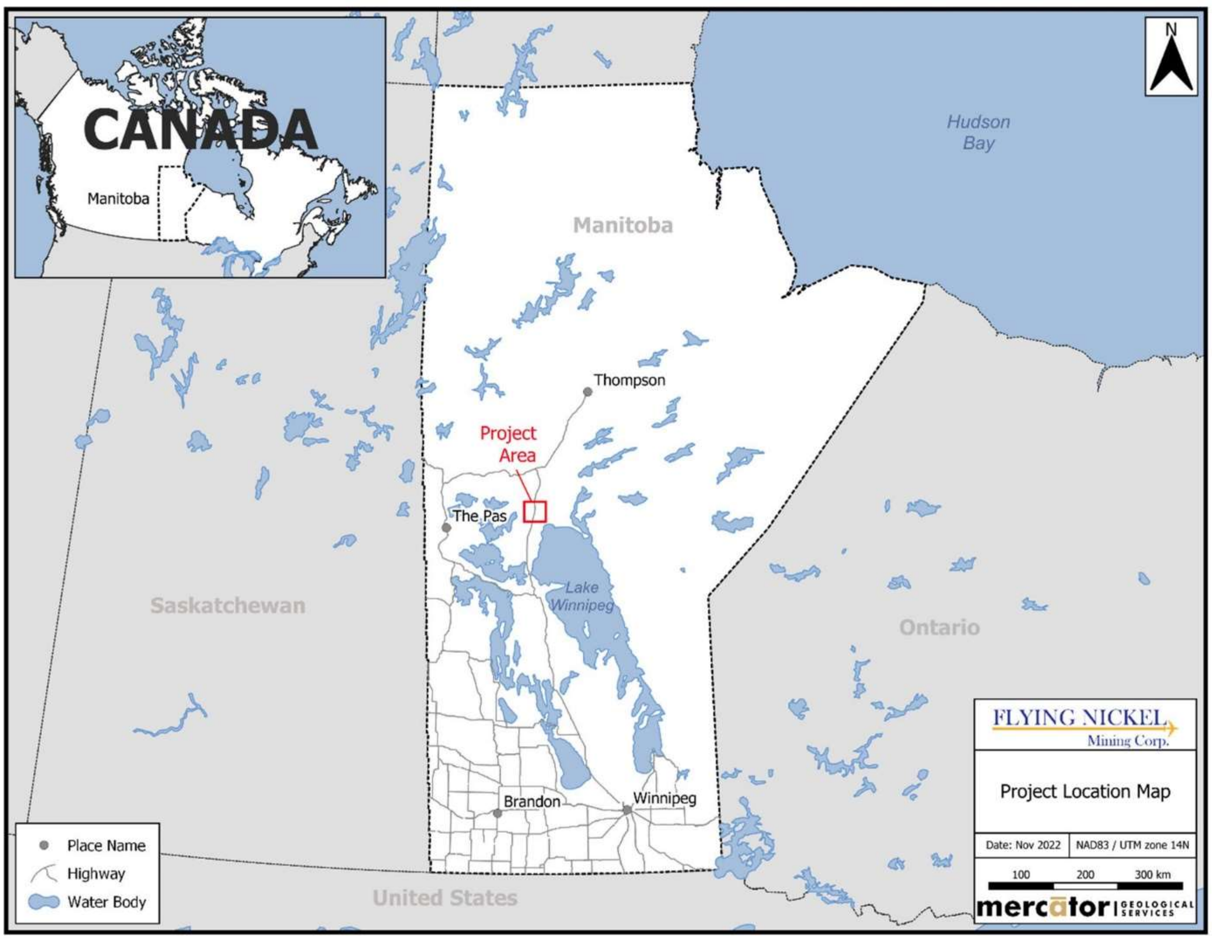
The Technical Report authors are not aware of any other significant factors and risks that may affect access, title, or the right or ability to perform the recommended work programs on the Project. The QPs are also not aware of any environmental liabilities associated with the Project.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

The Project is in northern MB, Canada within the southern part of the Thompson Nickel Belt, approximately 107 km north of the Town of Grand Rapids (pop. 213, census 2021) and 225 km south of the City of Thompson (pop. 13,035, census 2021). Provincial Trunk Highway 6 crosses the eastern portion of the Project (Figure 5-1). The closest international airport is the Winnipeg James Armstrong Richardson International Airport (YWG) located approximately 536 km south of the Project. Regional airline service (Calm Air and Perimeter Aviation) is also available from Thompson Municipal Airport (YTH) with direct flights from Winnipeg. The Project can be easily accessed via Highway 6, a paved, two-lane highway that originates in Winnipeg and serves as a major transportation route to northern MB including Thompson. The closest town to offer full services is Grand Rapids, which includes full-service accommodations, grocery stores and restaurants, tool rental, hardware stores, and gas stations.

Figure 5-1: Location map



5.2 Climate and Physiography

The Project is in the humid continental climate zone of North America with vast seasonal differences. January is the coldest month of the year with a daily temperature averaging -19.7 °C and a range from +7.5°C to -43.0°C. July is the warmest month of the year with daily temperature averaging +18.6°C and a range of +36.5°C to +3.3°C. Total annual precipitation is 473.7 mm comprising 111.5 mm of snow and 362.2 mm of rain with 57.5% of the total precipitation occurring in the four months from June to September. Mineral exploration field programs can efficiently be undertaken from June through to late November in all areas. Programs such as drilling and geophysical surveys can also be implemented year-round but delays due to poor winter weather conditions such as heavy snow fall should be expected.

The Project is located within almost entirely swampy muskeg and topographic relief is less than 3 m. Elevations in the area vary between 220 to 225 m above sea level. Vegetation consists of sparse black spruce and tamarack. Oakley Creek runs along the south side of the mining claims and drains into Lake Winnipeg.

5.3 Local Resources and Infrastructure

The Project is well positioned with respect to infrastructure. The City of Thompson offers motels, medical services, hardware stores, grocery stores, gas stations, commercial airport facilities, and industrial services required to support the long-time mining and processing activities that have been carried out in this region since discovery of nickel in the 1950's. Grand Rapids is served by a Royal Canadian Mounted Police (RCMP) detachment, a nursing station, daily bus and truck transportation to Winnipeg, a 1.02 km grass/turf airstrip, and several small supply and service businesses.

The Hudson Bay Railway line owned by Arctic Gateway Group LP connects the southern prairie region of western Canada to Churchill, MB (a seasonal seaport) and crosses Provincial Highway 6 approximately 60 km north of the Project. Manitoba Hydro high voltage alternating and direct current transmission lines parallel Highway 6 and cross a portion of the property.

The extensive surface drainage systems present in the Project area provide readily accessible potential water sources for incidental exploration use such as diamond drilling. They also provide good potential as higher volume sources of water such as those potentially required for future mining and milling operations.

Exploration staff and consultants, as well as heavy equipment and drilling contractors can be sourced from within MB and surrounding provinces such as Ontario ("ON") and Quebec ("QC"). Mining is the dominant industry in the area. The local rural and urban economies provide a large base of skilled trades, professional, and service sector support that can be accessed for exploration and resource development purposes.

6.0 HISTORY

6.1 Summary

The Project began as GR 34 covering an area of 19.2 km by 38.4 km that was granted to Amax on November 1, 1966 for a period of 2 years and extended in 1968 to April 30, 1969. Reference to Amax in this Technical Report includes the subsidiaries and successor companies of Amax Potash Limited, namely Amax of Canada Limited, 121991 Canada Limited and Canamax Resources Inc.

In March 1969, Amax converted the most prospective area of GR 34 to 844 contiguous claims and in April 1969, an additional 18 claims were staked. In 1973, the claims covering ground deemed to have the most potential for economically viable nickel mineralization were taken to lease status as Explored Area Lease 3 (North Block) and Explored Area Lease 4 (South Block). In an agreement dated December 12, 1973, Granges was granted an option on the Explored Area Leases. Reference to Granges in this report includes the subsidiaries and successor companies of Granges Exploration Aktiebolag, namely Granges Exploration Ltd. and Granges International Ltd. In 1977, Granges became a passive partner with a 25% interest and a 0.5% NSR royalty in the leases. On May 18, 1989, Black Hawk purchased the Amax interest in the Explored Area Leases. On August 2, 1989, Black Hawk purchased the Granges interest and NSR royalty in the Explored Area Leases. On April 1, 1992, Explored Area Lease 3 and Explored Area Lease 4 were converted to ML-002 and ML-003, respectively. On March 18, 1994, a portion of ML-002 was converted to mining claims KON 1, KON 2 and KON 3, and a portion of ML-003 was converted to mining claim KON 4. On November 3, 1999, Nuinsco, and its successor Victory Nickel purchased the Black Hawk interest in the property subject to a graduated NSR royalty based on nickel prices.

6.2 Amax Exploration Work – 1966 to 1972

Amax conducted a regional scale exploration program on the southern extension of the Thompson Nickel Belt and concluded that the corporate threshold for deposit size justifying production would not be achieved on the Project. A summary of work conducted by Amax is as follows:

- Audio Frequency Magnetics ("AFMAG") airborne survey with nominal 1,609 m line spacing.
- Helicopter airborne magnetic survey with nominal 402 m line spacing.
- Turair EM survey.
- Line-cutting at 305 m line spacing with ground geophysical surveys including magnetic (Askania magnetometer), EM (Radem Vertical Loop EM (VLEM)), dipole-dipole induced polarization (McPhar) and gravity surveys.
- 18 diamond drill hole plus one wedged hole.
- 14 diamond drill holes on ML-002.
- 12 diamond drill holes on ML-003.
- Completion of a now historical mineral resource estimate. This historical estimate is not considered relevant or reliable and was completed prior to the implementation of NI 43-101 and CIM standards.

6.3 Granges Exploration Work – 1973 to 1976

Granges focused their efforts on the deposit and completed now historical resource estimates and mining, metallurgical and milling studies. These historical estimates are not considered relevant or reliable and were completed prior to the implementation of NI 43-101 and CIM standards. Eight diamond drill holes and 9 wedge holes were completed by Granges with limited in-hole surveys completed.

Granges concluded that the deposit was sufficiently confirmed, and that further delineation and exploration should be conducted from underground workings.

6.4 Black Hawk Exploration Work – 1989 to 1991

Black Hawk conducted a deep penetrating ground EM survey and interpreted a helicopter-borne EM and magnetic survey covering the Project area obtained from Falconbridge Limited. Black Hawk also completed a now historical resource estimate, and mining, metallurgical and milling studies. This historical estimate is not considered relevant or reliable and was completed prior to the implementation of NI 43-101 and CIM standards.

Forty-five core holes were drilled in the vicinity of the Project. Collars were surveyed for location and in-hole orientation surveys were conducted on most holes.

6.5 Nuinsco and Victory Nickel – 2005 to 2020

Nuinsco and its successor company Victory Nickel completed numerous exploration and diamond drilling programs on the Project from 2005 to 2020. Details on these exploration and drilling programs are discussed in Section 10 of this Technical Report. Nuinsco and Victory Nickel completed several now historical resource estimates between 2006 and 2009 and historical mining studies in 2006 and 2010. The historical mining studies are no longer relevant or reliable. A QP has not done sufficient work to classify the historical resource estimates as current Mineral Resources and Flying Nickel is not treating these historical resource estimates as current Mineral Resources. The current MRE disclosed in Section 14 of this Technical Report supersede all prior historical estimates for the Project.

A tabulation of the major programs carried out by Nuinsco and Victory Nickel during the 2005 to 2020 period is presented below in Table 6-1 This work includes completion of a comprehensive VTEM airborne geophysical survey in 2007, a summary of which is included below in Section 6.6.

Table 6-1: Exploration and evaluation programs by Nuinsco and Victory Nickel on the Deposit – 2005 to 2020

Company	Period	Activity Completed
Nuinsco	Jan to Apr 2005	6 diamond drill holes (2,948.1 m)
Nuinsco	Mar to April 2006	2 diamond drill holes (1,533.6 m)
Nuinsco	October 2006	Historical resource estimate
Nuinsco	November 2006	Historical mining study (PEA)
Victory Nickel	March 2007	Airborne VTEM and magnetics survey
Victory Nickel	Jan to Mar 2007	44 diamond drill holes (13,284.2 m)
Victory Nickel	Jan to May 2008	18 diamond drill holes (9,082 m)
Victory Nickel	2007 to 2008	Comprehensive metallurgical testing program by SGS
Victory Nickel	Jan to May 2010	26 diamond drill holes (9,647.7 m)
Victory Nickel	February 2009	Historical resource estimate
Victory Nickel	March 2010	Historical mining study (FS)
Victory Nickel	Feb to April 2011	20 diamond drill holes (8,873.4 m)
Victory Nickel	Feb to April 2012	10 diamond drill holes (4,137.1 m)
Victory Nickel	Mar to April 2020	2 condemnation diamond drill holes (496 m)

6.6 VTEM Survey

In 2007, Victory Nickel contracted Condor Consulting Inc. ("Condor") to process and analyze VTEM 30 Hz EM and magnetics data over the South Block property within the Project. The VTEM survey was carried out between March 25-30, 2007, by Geotech Ltd. The principal task of this VTEM survey was to identify other zones of potential nickel mineralization which could then be followed up by detailed ground geophysical work, soil sampling, geological mapping and/or by drilling. The nominal line spacing was 100 m with an average EM bird height of 40 m. The magnetometer was mounted in a separate bird flown at an average height of 67 m above ground. A total of 767-line km of data were processed and analyzed.

The ultramafic unit that hosts the deposit shows up as a clear magnetic source. The unit is also an early-mid time EM responder but overall is interpreted as a relatively weak conductor and does not show as either a late-time amplitude response or AdTau feature. The magnetic response shows the deposit to be located at what appears to be the nose of a fold or flexure. An approximate outline of this horizon is indicated as an orange line in the TMI-1stVD image (Figure 6-1). This suggests that there was both a folding, potentially a drag fold due to compression, and a break in the horizon.

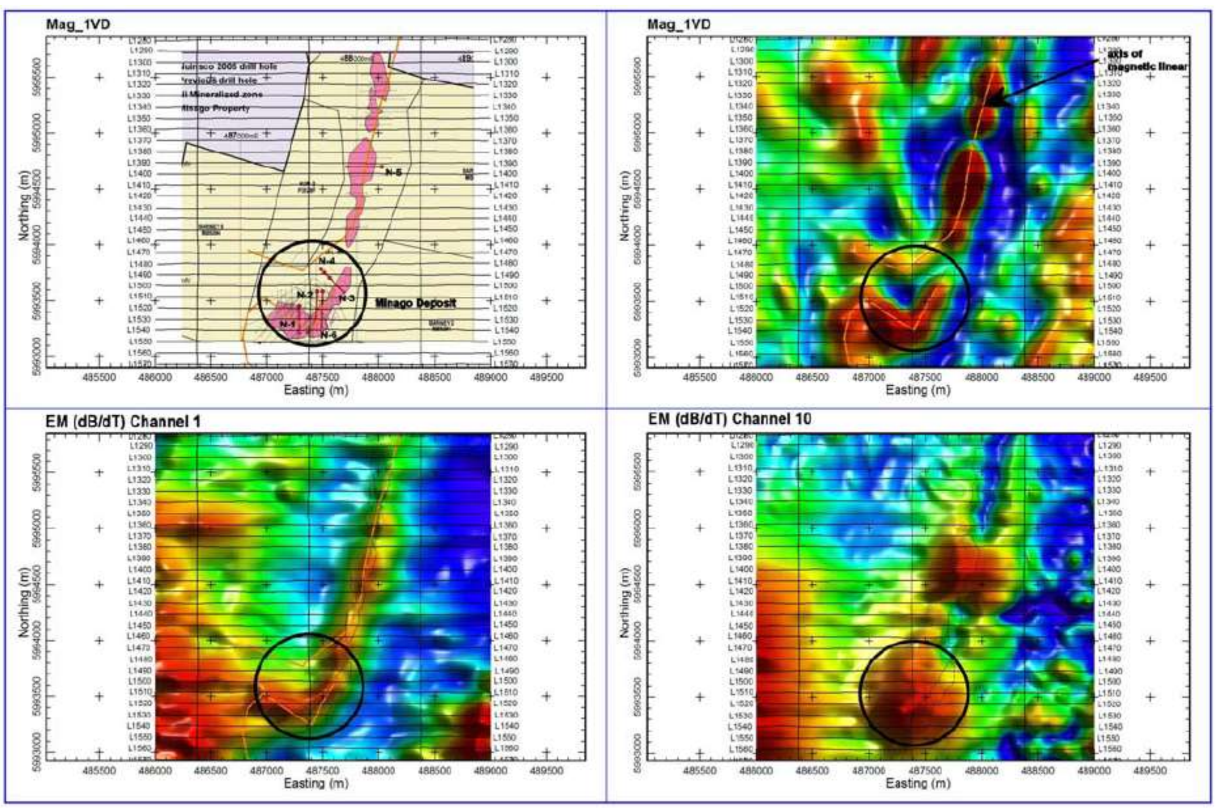
The EM shows a different, somewhat more complex pattern. At early time, there is a close correspondence between the EM and magnetic responses over the North Limb Zone and Nose Zone Deposit areas. At mid-time (channel 10) however, the EM collapses into two highs, one over the main Deposit and the other centred near drill hole N-05-05. As well, at both early and mid-time, the just described "hooked" magnetic feature appears to be attached to a massif of conductivity to the west; an area that is non-magnetic. A MultiPlot (Figure 6-2) section through the Deposit (L1530) shows the EM results (dB/dT and Bfield) in profile form and CDSs. While the large conductor to the west is quite apparent (located at approximately 486 000E) it is clear there is very little EM response over the deposit apart from early times.

In summary, the Condor assessment showed that the geophysical signature of the Deposit is not diagnostic in terms of an EM response and that the weak conductivity response over the Deposit is likely due to serpentinized ultramafic rocks and not the sulphide mineralization associated with the Deposit. A 3D magnetic model was generated over the Project area but the EM response lacked sufficient character to warrant producing a 3D conductivity model.

The Condor assessment identified 10 zones as targets for future exploration and these target zones were ranked according to how well they fit one of two target models developed for the property, a (1) low conductance-magnetic model styled after the Deposit, and a (2) high conductance-high magnetic target based on the traditional Thompson-style deposit.

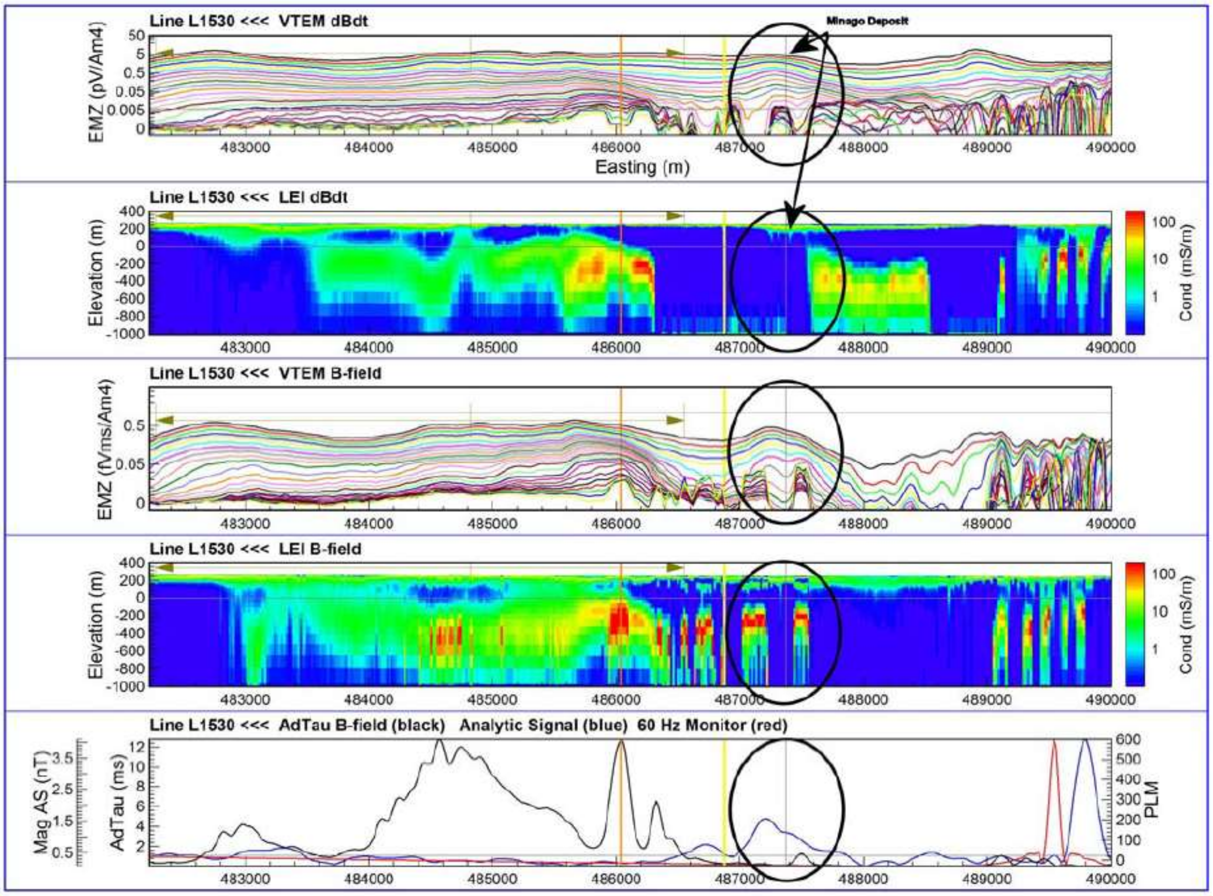
Condor concluded the IP-resistivity technique might be better suited for follow-up rather than ground EM in the Project area, requiring a calibration survey over the deposit. The EM and magnetic data sets showed significant character that is attributed to the regional geology and a better understanding of the property scale geology was recommended to assist in defining the mineralization potential of the area.

Figure 6-1: Magnetics 1stVD, EM Channel 1 and EM Channel 10 responses over the Deposit



Source: Victory Nickel, 2007

Figure 6-2: MultoPlot for L1530 over the Deposit for both the dB/dT and Bfield outcomes



Source: Victory Nickel, 2007

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology

The regional geology comprises the eastern edge of the Phanerozoic sediments of the Western Canada Sedimentary Basin that unconformably overlie Precambrian crystalline basement rocks that include the Thompson Nickel Belt. The Western Canada Sedimentary Basin tapers from a maximum thickness of approximately 6,000 m in Alberta to zero to the north and east where it is bounded by the Canadian Shield. The Project is located near the northeast corner of the Western Canada Sedimentary Basin where it comprises approximately 50 m of Ordovician dolomite underlain by approximately 10 m of Ordovician sandstone.

The Precambrian basement rocks of the Thompson Nickel Belt form a northeast-southwest trending 10 to 35 km wide belt of variably reworked Archean age basement gneisses with early Proterozoic age cover rocks along the northwest margin of the Superior Province. Lithotectonically, the Thompson Nickel Belt is part of the Churchill-Superior boundary zone. The Archean age rocks to the southeast of the Thompson Nickel Belt include low to medium grade metamorphosed granite-greenstone and gneiss terranes and the high grade metamorphosed Pikwitonei Granulite Belt. The Pikwitonei Granulite Belt is interpreted to represent exposed portions of deeper level equivalents of the low to medium grade metamorphosed granite-greenstone and gneiss terranes. The Superior Province Archean age rocks are cut by mafic to ultramafic dikes of the Molson swarm dated at 1,883 million annum (Ma). Dikes of the Molson swarm occur in the Thompson Nickel Belt, but not to the northwest in the Kisseynew domain. The early Proterozoic rocks of the Kisseynew domain are interpreted to represent the metamorphosed remnants of a back arc or inter arc basin.

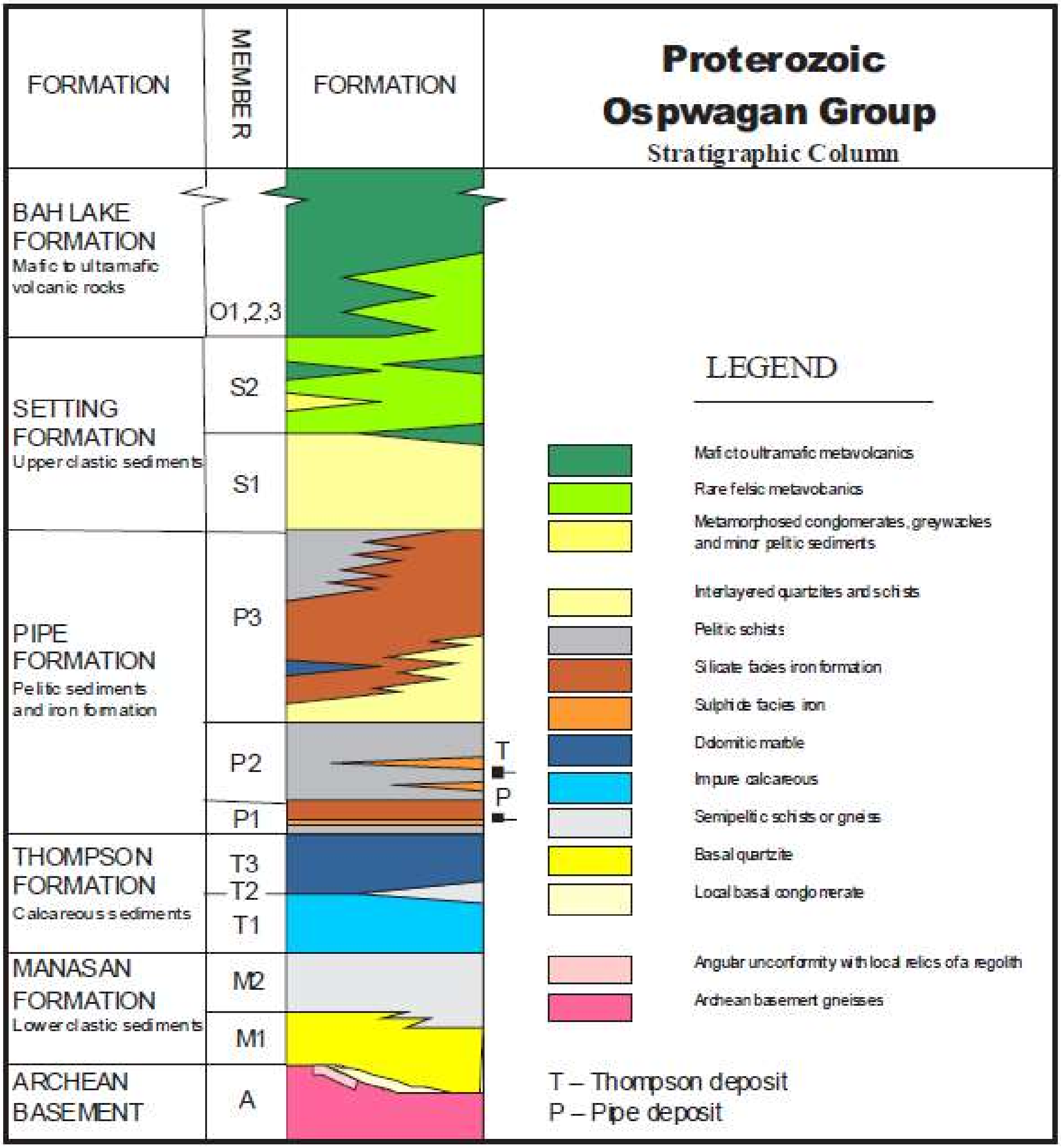
The Early Proterozoic rocks that occur along the western margin of the Thompson Nickel Belt are a geologically distinguishable stratigraphic sequence of rocks termed the Ospwagan Group that hosts most of the economic nickel mineralization.

7.2 Stratigraphy of the Thompson Nickel Belt

The Ospwagan Group hosts most of the nickel deposits of the Thompson Nickel Belt, almost always within lower Pipe Formation sequences.

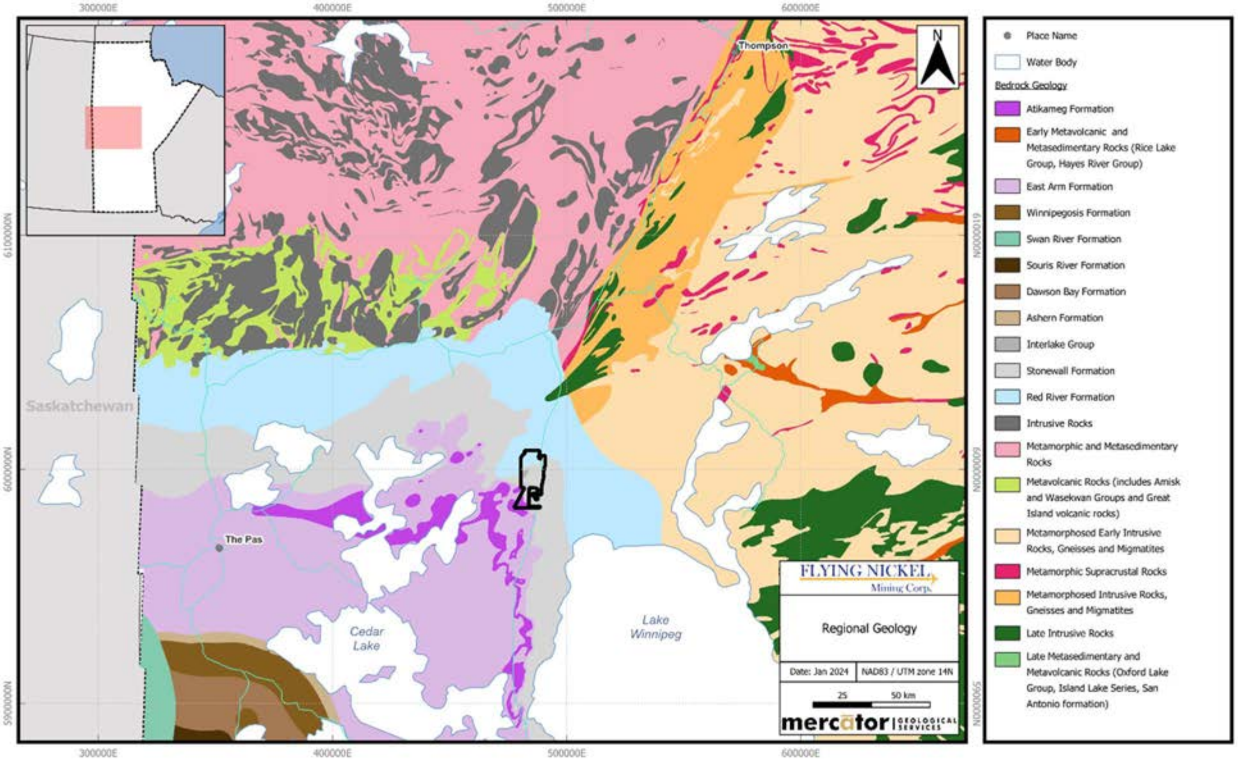
Bleeker (1990) proposed a stratigraphic nomenclature for the Proterozoic rocks within the Thompson Nickel Belt that is summarized in the stratigraphic column shown in Figure 7-1.

Figure 7-1: Stratigraphic column for Thompson Nickel Belt (after Bleeker, 1990)



The rocks of the Thompson Nickel Belt have been complexly folded with three major periods of folding commonly recognized. The earliest structures due to compressional tectonism are isoclinal F1 folds that may be of regional extent. F1 preceded the emplacement of Molson dikes. The metamorphic regime during F1 is unknown. F1 is overprinted by F2 isoclinal folds that developed under high temperature and caused folding of the Molson dikes. The thermal peak of regional metamorphism overprinted F2. At least 30 million years later, and at much lower temperatures, intense sinistral transpression produced high amplitude, nearly upright, doubly plunging F3 folds that transposed the pre-existing recumbent fold pile into a steep gneiss and schist belt (Figure 7-2).

Figure 7-2: Regional Geology



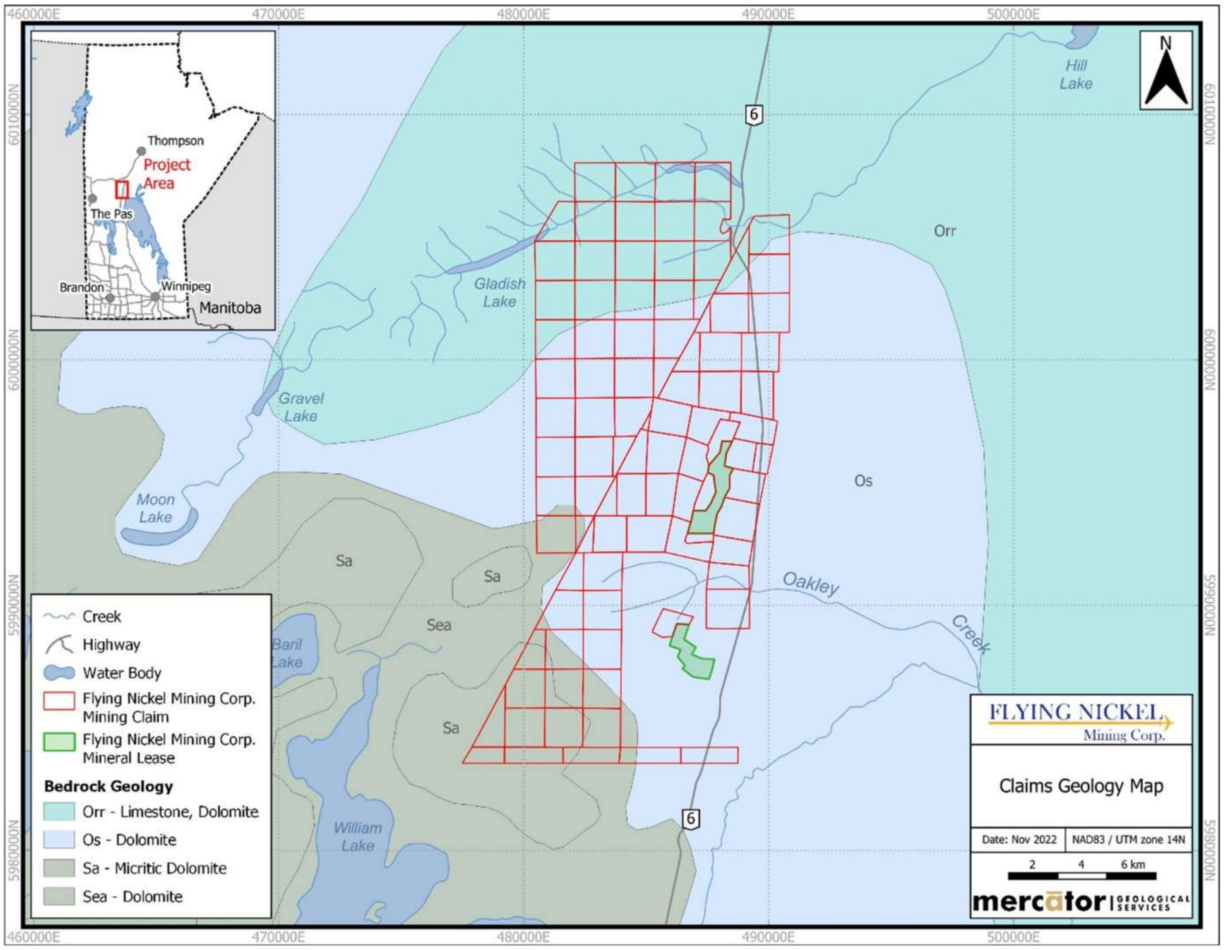
7.2 Property Geology

Underlying the surficial cover are flat lying Ordovician dolomite and sandstone (Figure 7-3). The dolomite is fine grained, massive to stratified and varies in color from creamy white to tan, brown to bluish grey. Dolomite thickness ranges from approximately 40 to 60 m with thickness increasing southward. The upper part of the sequence is stratified with horizontal clay / organic beds 1.0 to 5 mm in thickness at intervals ranging from millimeters to a meter. A stratified zone of dolomite breccia and microfracturing characterized by dolomite clasts in a carbonate clay matrix and varying in thickness from 0.3 to 3.0 m is located between depths of approximately 15 and 20 m below the top of the unit. Scattered throughout the dolomite are occasional soft clay seams ranging from 1 to 2 cm in thickness. The seams may contain dolomite fragments and sand grains and vary in orientation from semi horizontal to semi vertical.

The Ordovician sandstone occurs stratigraphically below the dolomite and occurs approximately 45 to 75 m below surface. The constituent sandstone units range in thickness from 5.0 to about 15 m. Cohesiveness varies from consolidated, carbonate cemented to semi consolidated, friable and clay / silt rich, to unconsolidated sand. Clay / silt rich zones are brown grey in color while white zones are carbonate cemented. Core recovery of the sandstone ranges from 15% to 98%.

Below the Paleozoic sandstone the Precambrian rocks are intensely weathered below the unconformity, typically over distances ranging from about 0.5 to 35 m, sometimes with complete obliteration of original textures. Alteration minerals include kaolin, sericite, chlorite, biotite, and carbonate. The alteration is whitish green to bluish green in color, soft, and can be semi consolidated, friable and/or unconsolidated. Weathering persists along zones of intense fracturing down to depths of 60 m below the Paleozoic-Precambrian unconformity. At depth, the weathering is most apparent in granitic rocks where fracture cleavage is prominent, resulting in alternating zones of altered fractured rock, and unaltered rock that vary in width from about 0.15 m to greater than 3 m. The alteration varies from weak to intense with intensely altered rock being poorly consolidated.

Figure 7-3: Property geology



The Precambrian basement comprises a variety of lithologies that are briefly described and listed below in decreasing order of abundance:

1. Granitic rocks include granite, granitic gneiss (foliated granite) and pegmatite sills and dikes. Typically grey to pink, the granitic rocks range from almost white to almost red in colour. Grain size ranges from fine to coarse with medium to coarse grain size predominating. Textures vary from massive to strongly foliated. The granitic rocks are mostly potassium (K) feldspar rich, may contain up to 15% biotite and appear to intrude all other rock types.

The fine to coarse grained ultramafic rocks that host the Deposit include serpentinized dunite, peridotite (harzburgite, lherzolite, wehrlite) and pyroxenite (orthopyroxenite, websterite, clinopyroxenite). The ultramafic rocks dip vertically to near vertically with individual bodies having strike lengths up to 1,525 m and widths up to 457 m. Serpentinization varies from intense to weak and appears to decrease with depth, most markedly a change is observed at approximately 400 m below surface. Scoates et. al (2017) attribute the change in serpentinization to a change from retrograde metamorphism (serpentine-talc-tremolite- calcite) in the upper part of the ultramafic to prograde metamorphism (tremolite-hornblende-phlogopite) at depth. Zoned contact alteration on a centimeter to meter scale occurs adjacent to granite and some fractures. From most intense (adjacent to granite or fracture) to least intense (furthest from granite or fracture) the alteration typically comprises biotite/phlogopite-chlorite-tremolite. Varying abundances (< 1% to > 50%) of fine to coarse grain pseudomorphs of olivine, orthopyroxene and clinopyroxene occur over core intervals ranging from several centimeters to several tens of meters. Magnetite concentrations up to 50% occur locally. Sulphide content is usually < 15%.

2. Metavolcanic rocks, interpreted to be Bah Lake Formation, include chlorite-biotite schist and amphibolite. Amphibolite is dark green to black, fine to medium grained, foliated, and lineated.

3. Metasedimentary rocks, interpreted to be Pipe Formation comprise sillimanite paragneiss, siliceous sediments, skarn, iron formation, graphitic sediments, semi-pelite and calcsilicate. Distinctive minerals include graphite, sillimanite, garnet, diopside, carbonate, muscovite, and very fine grain quartz. Sulphide facies iron formation comprises semi-massive to massive pyrite and pyrrhotite, sometimes nodular, and associated with detrital metasediments often containing siliceous fragments and includes sulphide breccia in zones of cataclastic deformation.

4. Molson dykes and sills (mafic) that are olivine rich.

7.2.1 Structure and Metamorphism

The Precambrian lithologies have undergone complex multiphase ductile and brittle deformation. Interpretations of magnetic data suggest that the ultramafic rocks hosting the Deposit have undergone dextral strike slip fault movement which resulted in a large Z shaped drag fold and that the deposit is located on an eastern limb. Vertical longitudinal sections of the mineralized zones indicate that the fold plunges steeply towards the southeast.

Observations of the mineralized lenses indicate lateral / vertical displacement resulting in the development of drag folds and boudins. In some cases, the mineralization has been folded, creating mineralized zones of economic interest with true widths of up to approximately 25 m, or has been apart, creating parallel zones of the same lens.

Cataclastic deformation with lateral and vertical displacement is indicated by fault gouge and fault breccia zones in both ultramafic rocks and granitic rocks. These zones range in width from 1 mm to 10 cm, are subvertical to vertical, and parallel the trend of the ultramafic rocks. Fault gouge is characterized by clay rich seams with or without fragments. Fault breccia is characterized by angular fragments in a matrix of serpentine, carbonate, and clay minerals.

Cataclastic zones in serpentinitized ultramafic rocks are grey in color, soft, and associated with massive and fine-grained units, whereas in granitic rocks they are red to brown in color and associated with fracture cleavage. Cataclastic deformation confined to relatively fresh ultramafic rocks has a ground appearance, is brittle and poorly consolidated. Mylonite has an aphanitic to vitreous texture and is light to dark in color. Mylonitization in granitic rocks is proximal to contacts between the granitic rocks and serpentinized ultramafic rocks.

Fracture cleavage occurs adjacent to zones of cataclastic deformation and folding. More readily observed in granitic rocks, the fractures also occur in serpentinites as open fractures and minor shears that are schistose and contain talc, chlorite, phlogopite and biotite. Two fracture cleavage orientations are indicated: parallel to foliation and acute to approximately perpendicular to foliation. Fractures filled with carbonate and serpentine are cohesive. Fractures filled with sericite and clay minerals lack cohesion and possess slickensides.

7.2.2 Mineralization

The dominant geological feature with mineralization potential underlying the Project area is a series of boudinaged, nickeliferous ultramafic bodies folded in a large Z-shaped pattern. The ultramafic bodies contain intraparental magmatic nickel sulphide mineralization and intrude mafic metavolcanic and metasedimentary host rocks interpreted to be Lower Pipe Formation stratigraphy. Within the ultramafic rocks, the nickel sulphides are concentrated in tabular lenses that parallel the trend of the ultramafic bodies. Two main, drilling-defined areas of nickel mineralization comprise the Minago Deposit, these being the Nose Zone and North Limb Zone.

The Nose Zone has been most extensively investigated by drilling to date. The combined strike length of the mineralized zones is approximately 2,500 m and mineralization has been defined to a depth of at least 925 m in the Nose Zone and to at least 450 m in the North Limb Zone. The southern part of the Project area has not had any significant work since the 1970s period. Several other intersections of nickel-bearing ultramafics have been encountered elsewhere on property and are described in historical reporting.

Lower grade nickel occurs between and adjacent to the higher-grade lenses. Typically, nickel sulphides are fine grained, varying in grainsize from < 0.5 to 4 mm (generally 1 to 2 mm) and range in volume from 2 to 15% (generally 2 to 7%). The nickel sulphides predominantly occur as disseminated crystals, small aggregates (< 5mm) and occasionally are net textured. The dominant sulphide species are nickel bearing pentlandite with lesser violarite and millerite. Minor amounts of pyrite, pyrrhotite and chalcopyrite are present. Graphitic, coarse grained and sometimes nodular sedimentary and extraparental nickeliferous sulphide mineralization occurs sporadically along the southeast margin of the Deposit.

8.0 DEPOSIT TYPES

8.1 Deposit Types

Nickel sulphide mineralization hosted by sedimentary or intrusive rocks are recognized as the two main forms of economically important deposit types in the Thompson Nickel Belt. These are often closely related spatially and can be distinguished based on field observations, structural, textural, mineralogical, and chemical criteria.

The nickel mineralization of the Thompson Nickel Belt is hosted almost exclusively within Lower Pipe Formation sequences. All mineralization of potential economic interest is considered to have a magmatic origin and is associated with evolution of the large volumes of ultramafic and mafic intrusive rocks that are present in this area. Magmatic nickel sulphide mineralization can be intraparental or extraparental, based on whether it occurs within, or external to, the magmatic, commonly ultramafic, parent rocks. Typically, massive extraparental sulphide mineralization occurs as pods and lenses of variable size within host pelitic schist units adjacent to source ultramafic intrusions that have been deformed into large boudins by regional deformation processes. The interpretation of the magmatic affinity of the extraparental mineralization is based on certain shared chemical characteristics with the intraparental mineralization. Intraparental mineralization occurs as lower abundances of disseminated, interstitial sulphide and semi massive to massive concentrations of sulphide in veins and breccias, all of which occur within their source ultramafic intrusions.

For current purposes, Deposit mineralization is classified as being of magmatic origin and associated with emplacement of large ultramafic intrusions. The intrusions were preferentially emplaced into the Lower Pipe Formation and then subjected to multi-phase deformation that resulted in development of extraparental styles of nickel sulphide mineralization in addition to widespread intraparental styles.

9.0 EXPLORATION

9.1 Relogging and Infill Sampling Program – 2022

Flying Nickel conducted a re-logging and re-assaying program carried out by Flying Nickel staff and supervised by Rob Smith, P. Geo, and Dr. Peter Lightfoot. Five holes, (V-10-10, V-10-15, V-10-16, V-11-09, and V-11-10), have been relogged and rejects from hole V-10-15 were sent to SGS for re-assay. In instances where rejects were missing, staff resampled (1/4 core) the interval to send for analysis. Results from the relogging program has shown no substantive departures from previously logged geology.

Flying Nickel also completed a core sample program of the previously unsampled drill holes VM-20-01 and VM-20-02 drilled by Victory Nickel in 2020. These were exploration drill holes completed regional to the Deposit. A total of 21 samples including drill core and QAQC materials were sent for nickel, copper, sulphide nickel, palladium, platinum, and gold analysis.

9.2 Infill Sampling Program – 2023

Reject material of core samples from forty-eight historical drillholes (B-08-89, B-11A-89, N-07-01, N-07-02, N-07-03, N-07-04, N-07-06, N-07-07, N-07-09, N-07-10, N-07-11, N-07-12, N-07-13, N-07-19, N-07-20, N-07-21, N-07-22, N-07-23, N-07-25, N-07-26, N-07-27, N-07-28, N-07-30, N-07-31, N-07-32, N-07-33, N-07-34, N-07-35, N-07-36, N-07-37, N-07-38, N-07-39, N-07-41B, N-07-42, N-07-43A, N-07-44, V-08-03, V-08-04B, V-08-05, V-08-06, V-08-07, V-08-08, V-10-01, V-10-03, V-10-04, V-10-05, and V-10-06) were resubmitted for analysis of platinum, palladium and gold. A total of 3,549 samples including, 59 blanks, 60 duplicates, 59 standards were submitted to SGS. The purpose of the program was to supplement the historical PGM dataset to be sufficient to include in an updated MRE. Results, along with the historical dataset, provided a sufficient data density to support an interpolant of platinum and palladium in the MRE block model. Additional sampling throughout the Nose Zone and North Limb Zone is recommended.

9.3 Diamond Drilling

Between February 3, 2022, and April 3,2022, Flying Nickel completed a 6 drill hole drill program totalling 2,717.4 m of infill and exploration drilling (FN-22-001 to FN-22-006). Detailed description of the program, logistics and significant results are compiled in Section 10.

9.4 SGS 2023 Mineralogical Examination

Five core samples from drill hole FN-22-001 and FN-22-002, D00229694, D00229695, D00229696, D00229697, and D00229698, were submitted to the Advanced Mineralogy Facility at SGS by Flying Nickel for mineralogical examination. The mineralogical work was conducted with Quantitative Evaluation of Materials by Scanning Electron Microscopy ("TIMA-X"), Electron Probe Micro-Analysis ("EPMA"), Laser Ablation by Inductively Coupled Plasma Mass Spectrometry ("LA" by "ICP-MS"), X-ray diffraction analysis ("XRD"), and chemical assays. The purpose of this test program was to determine the overall mineral assemblage of the samples, define the liberation and association attributes of nickel sulphides and PGMs.

The TIMA-X analysis was conducted at 4 size fractions per sample to determine the liberation characteristics of the sulphides, and as a single fraction for the PGM mineralogy. A summary of the recommendations and conclusions, as presented in An Investigation into "Mineralogy of Variability Samples from the Minago Nickel Project" prepared by SGS on February 9th, 2023, is provided below.

- The samples display variability which is expressed by the type and grade of nickel sulphides, but also the platinum and palladium grades.
- The samples are low in sulfur grades which reflects the low grade of the sulphides, and low grade of copper and iron sulphides.
- Nickel grades range from 0.76% to 0.88%.
- D00229695 appears to be distinct compared to the other four samples based on the fact that it hosts mainly pentlandite as the main nickel sulphide, and its overall mineral assemblage (e.g., significantly higher mica grades).
- The P_{80} grain size of the samples varies significantly despite the fact that the same procedure and time of grinding was applied to all of them. It is likely the P_{80} differences reflect the hardness of the rocks.
- Liberation nickel sulphides accounts for 64% in the D00229695 to 83% in the D00229698. The remainder of the nickel sulphides occurs in association with iron sulphides (8-21%), middlings with Mg-(Fe,Al)-silicates (3-6%), and complex particles (4-8%). Note that the liberation of the nickel sulphides variably increases from the coarse (+150 µm) to the fine fraction (-25 µm) by 14% to 53% in the samples. Bulk flotation of the sulphides, followed by regrinding of the tails at a P_{80} of 75 µm (liberation increases below this size) would likely further liberate the sulphides.
- The type and proportions of nickel sulphides and the nickel grade in the sulphides will affect the final nickel grade in a concentrate. This is suggested based on:
  - the type and proportion of nickel sulphides in the samples varies significantly. For example, D00229694 hosts roughly equal proportions of pentlandite, millerite and violarite; D00229695 is dominated by pentlandite, D00229696 and D00229697 host mainly millerite and violarite at various proportions and lacks significant pentlandite, and D00229698 hosts ca. equal amounts of violarite and millerite and elevated pentlandite (compared to D00229696 and D00229697). The grade of the copper sulphides and iron sulphides also varies among the samples.
  - Nickel concentrations in the sulphide; pentlandite averages 37.05%-41.12%, millerite 60.02-61.27%, and violarite 37.11-41.24%.
  - Note that the nickel concentration of the pentlandite in the D00229695 varies from 31.76-40.79% and averages 37.05%, and in D00229694 it varies from 40.21-41.99% and averages 41.12%.
- Note the high amounts of phyllosilicate minerals (chlorite and micas), and talc which can interfere with flotation.
- The best nickel grades and recoveries are projected for D00229696 and the lowest for D00229695. Thus, nickel grades of ca. 54% to 49% for recoveries of 61% to 92% are projected for D00229696; and nickel grades of ca. 39% to 33% for recoveries of 52% to 90% are projected for D00229695.

- Nickel sulphides account for 83-87% of the total nickel in the samples. The bulk of the remainder occurs in silicates and it is considered refractory.
- Palladium grades (0.12 to 0.28 g/t) are almost double those of the platinum (0.06 g/t to 0.11 g/t), but generally both are of low grade. The Sink fractions account for 23% to 53% for the total platinum, and 31% to 59% of the total palladium, and 7.8-11.3% of the total mass of the samples. The mineralogical analysis indicates that some of the PGM are lost in the Float fractions as liberated grains, and in association with sulphides. Liberated grains are lost likely due to entrainment and their fine-grained nature. It is also possible that that PGM are still associated with iron-, nickel-, copper- sulphides which are lost due to their poor liberation at a P_{80} of 106 µm. Therefore, recovery of the PGM would require flotation. Tails should be re-ground and re-processed to increase the PGM recovery.
- As noted above, bulk flotation of the sulphides, followed by regrinding of the tails at a P_{80} of 75 µm would likely further liberate the sulphides and the PGM. Thus, recovery of the NiS/FeS/CuS along with the PGM might be a route to avoid over grinding of the samples to liberate only the PGM.
- Submicroscopic platinum (13% to 20.5%), and palladium (47.9% to 87.3%) is hosted mainly by nickel sulphides. The proportion of the platinum and palladium is expected to reflect the grades in a concentrate. The presence of the submicroscopic platinum and palladium is an additional reason to avoid purely a concentration of the PGM/PGE.
- Thus, bulk recovery of the sulphides is suggested to minimize the PGE losses.
- It is apparent that the 5 samples might reflect different geological domains based on their Pt-Pd, Ni-Cu-S, gangue minerals, and proportions of nickel sulphides. The present data must be evaluated within the context of geology and mine plan to better utilize them.
- The mineralogical analyses provide data to guide but they do not substitute the metallurgical test work.

10.0 DRILLING

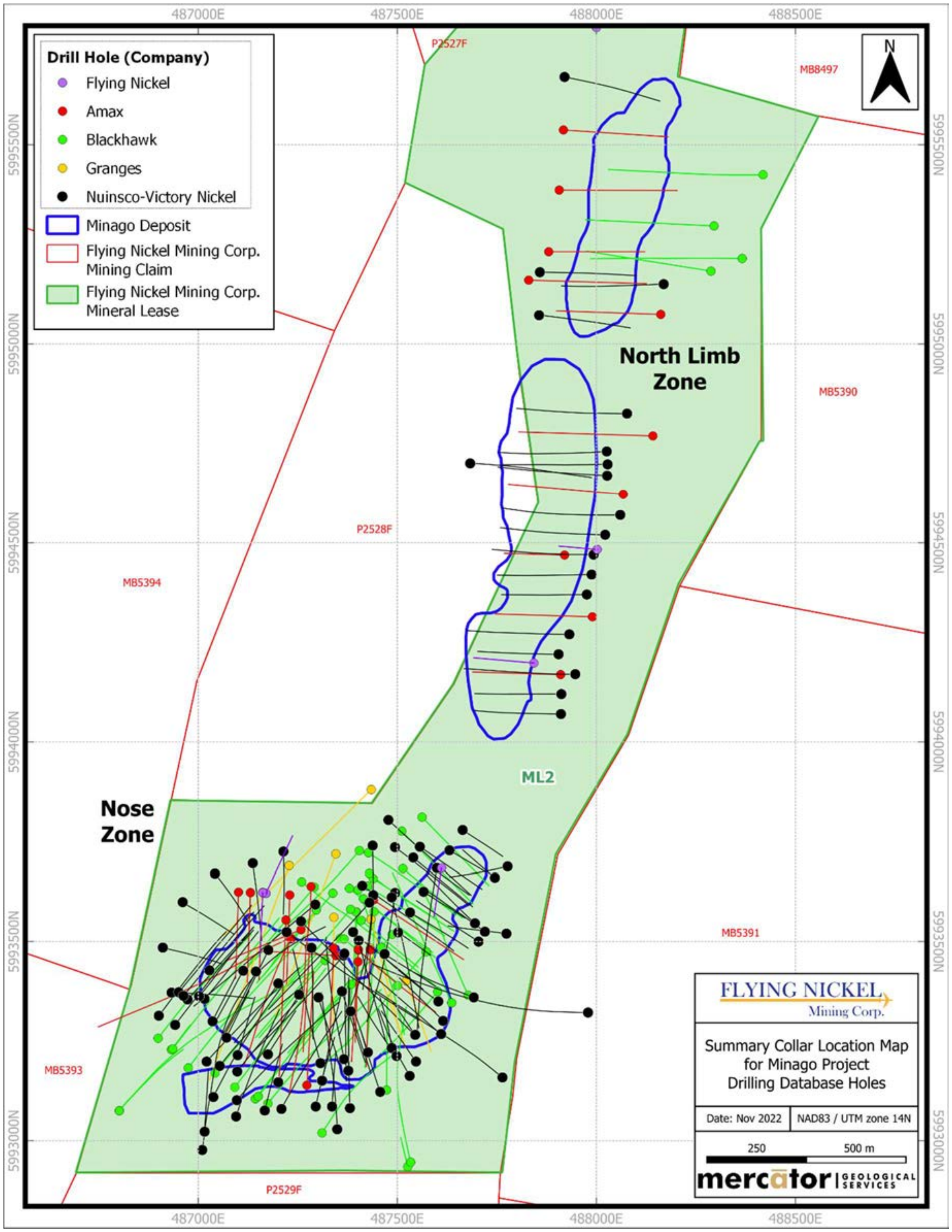
10.1 Summary

Information pertaining to historical and recent drilling programs completed by Amax, Granges, Black Hawk, Nuinsco, Victory Nickel and Flying Nickel between 1966 and 2022 is presented below in chronological order of the program initiation. Flying Nickel completed a diamond drilling program from February to April 2022 and this is referred to in this Technical Report as the 2022 Flying Nickel drilling program. The 2022 Flying Nickel drill holes are located both within the current Deposit resource shells, twinning historic drill holes, as well as in new targets areas north of the Nose and North Limb Zones. Results for the 2022 Flying Nickel drilling program are presented in Section 10.11 and the field attributes reflect 2022 site visit investigations carried out by Mr. Kevin MacRae, P. Geo, who was an employe of Mercator at the time.

Report author Matthew Harrington has investigated and verified, where possible, the drilling, core logging, sampling, and QAQC procedures used during the 1966 to 2022 drilling programs and is of the opinion that field staff used procedures meeting the exploration best practice guidelines at the respective times. Detailed data from all drilling programs described below have been incorporated into the validated drilling database that supports the MRE described in Section 14 of this Technical Report. Figure 10-1 provides a summary collar location plan for the referenced drill holes and identifies the Nose Zone and North Limb Zone areas of the Minago Deposit.

Drill hole intercepts presented in this Section are based on analytical results compiled and validated in the Project drill hole database and may not reflect original sampling results of the respective drill hole program. Subsequent resample and infill sampling programs may have been given priority during the MRE data verification program and as a result weighted average grades over downhole lengths presented herein may not match historical reporting. Most of the drilling completed on the Minago Deposit occurs perpendicular to the deposit strike with an average drill hole dip of 55⁰. Both the Nose Zone and North Limb Zone support near vertical geometries and as such intercept downhole lengths in general represent 40 to 60% of true widths.

Figure 10-1: Summary collar location map for Project drillhole database



10.2 Amax, Granges, and Black Hawk Drilling – 1966 to 1991

Between 1966 and 1972, Amax completed 44 drill holes on the Project focused on the ML-002 and ML-003 areas. A reported 18 diamond drill holes plus 1 wedge hole were initially completed in the Project area, with an additional 14 holes completed on ML-002 (Figure 10-2 through Figure 10-6) and 12 diamond drill holes completed on ML-003 (Figure 10-7). These drilling programs resulted in the discovery of the Nose Zone, which forms a significant part of the Minago Deposit as addressed in this Technical Report. A total of 29 diamond drill holes, including wedge holes, for a total of 11,581 m are compiled in the Project drill hole database from the Amax drill programs.

Eight diamond drill holes plus nine 9 wedge holes were completed by Granges between 1973 to 1976 (Figure 10-2 through 10-6). Limited in-hole surveys were completed for the drill program. A total of 11 diamond drill holes, including wedge holes, for a total of 6,440 m are compiled in the Project drill hole database from the Granges drill program. Drill holes excluded from project database were either lost or abandoned prior to intersecting the Deposit or occur outside of the Deposit peripheral limits.

Forty-five holes plus 1 wedge hole were completed by Black Hawk between 1989 to 1991 in the Project area (Figure 10-2 through 10-6). Collars were surveyed for location and in-hole orientation surveys were conducted on most holes. A total of 52 diamond drill holes, including wedge holes and abandoned holes, intersect or partially intersect the Deposit for a total of 23,292 m compiled in the Project drill hole database.

Figure 10-2: Collar location Map 1 for Amax, Granges, and Black Hawk drill holes on ML-002

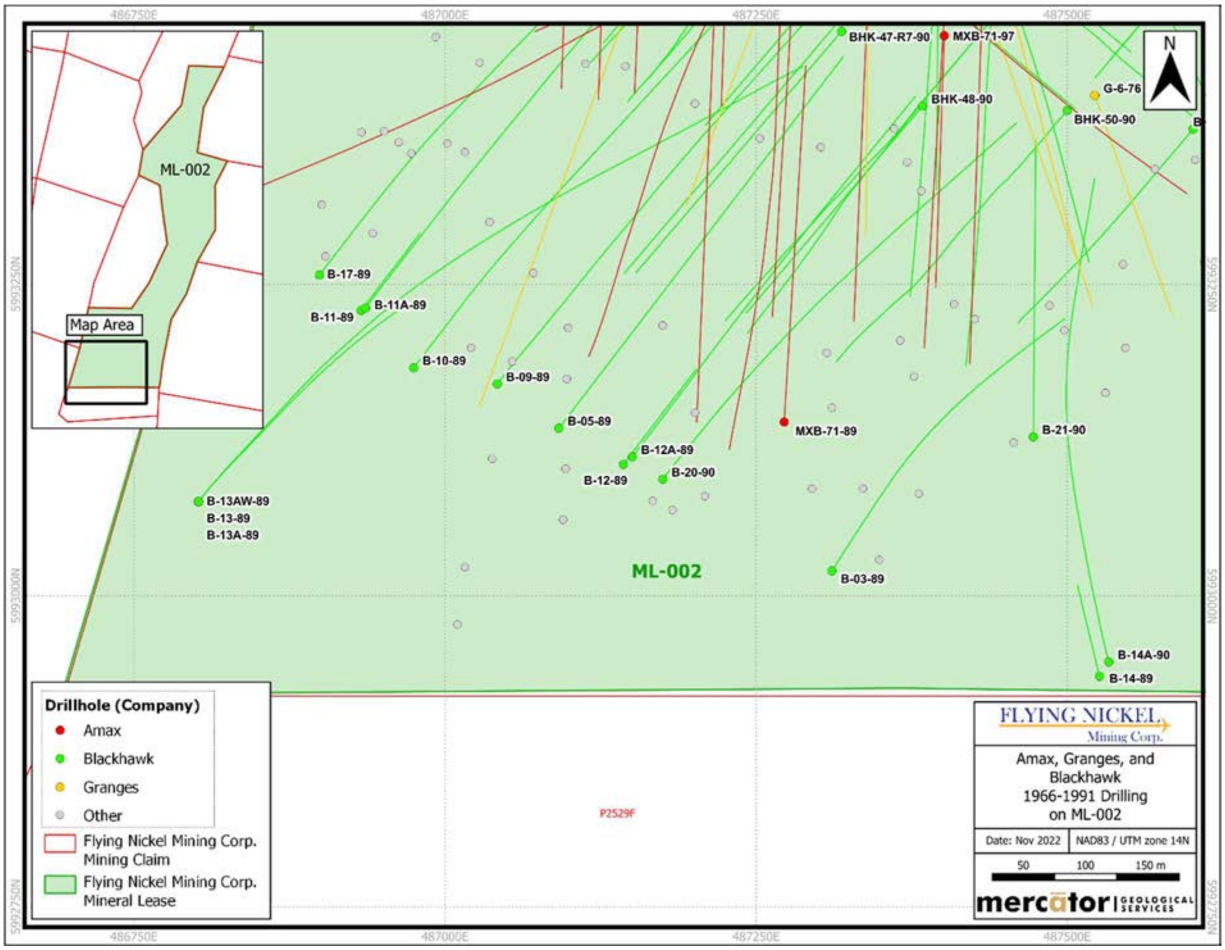


Figure 10-3: Collar location Map 2 for Amax, Granges, and Black Hawk drill holes on ML-002

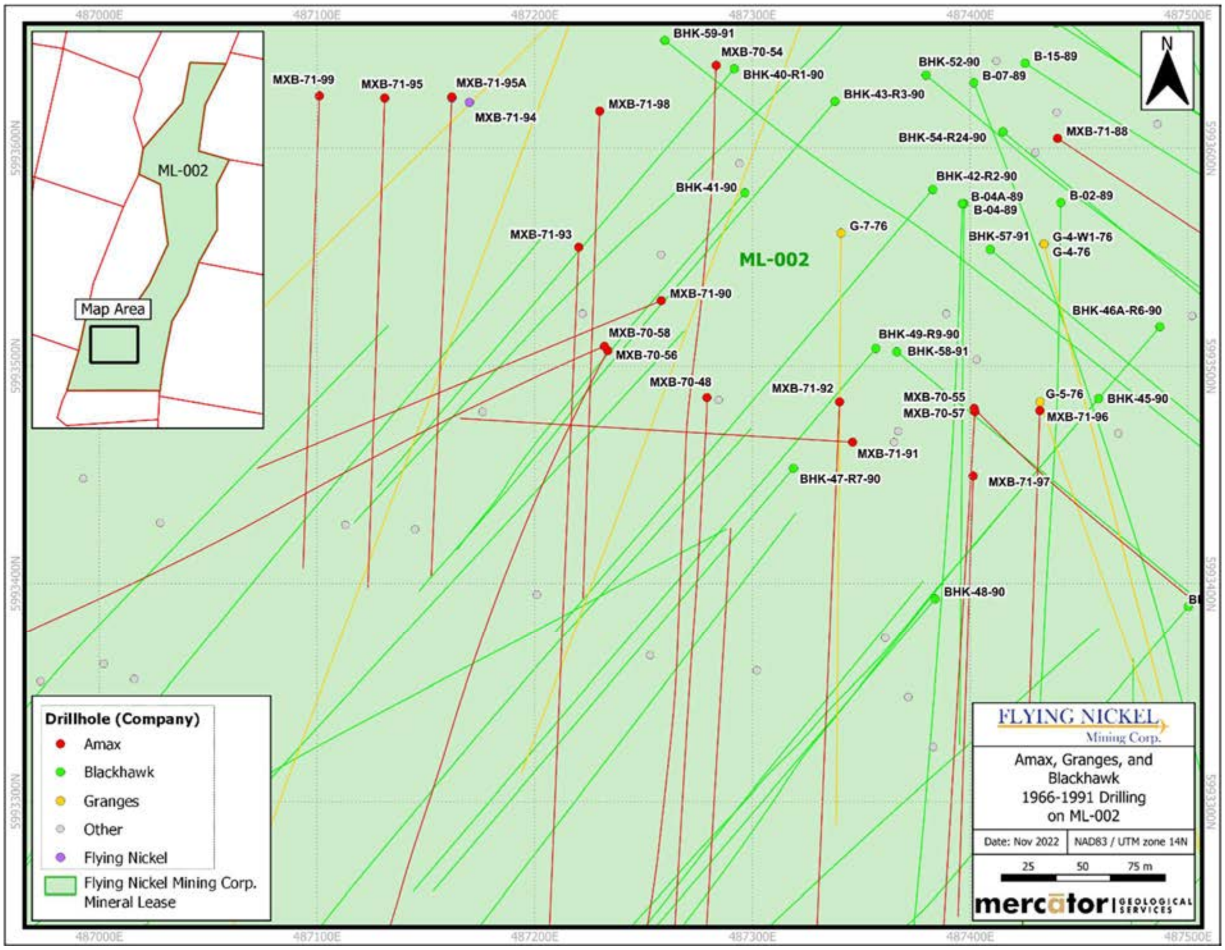


Figure 10-4: Collar location Map 3 for Amax, Granges, and Black Hawk drill holes on ML-002

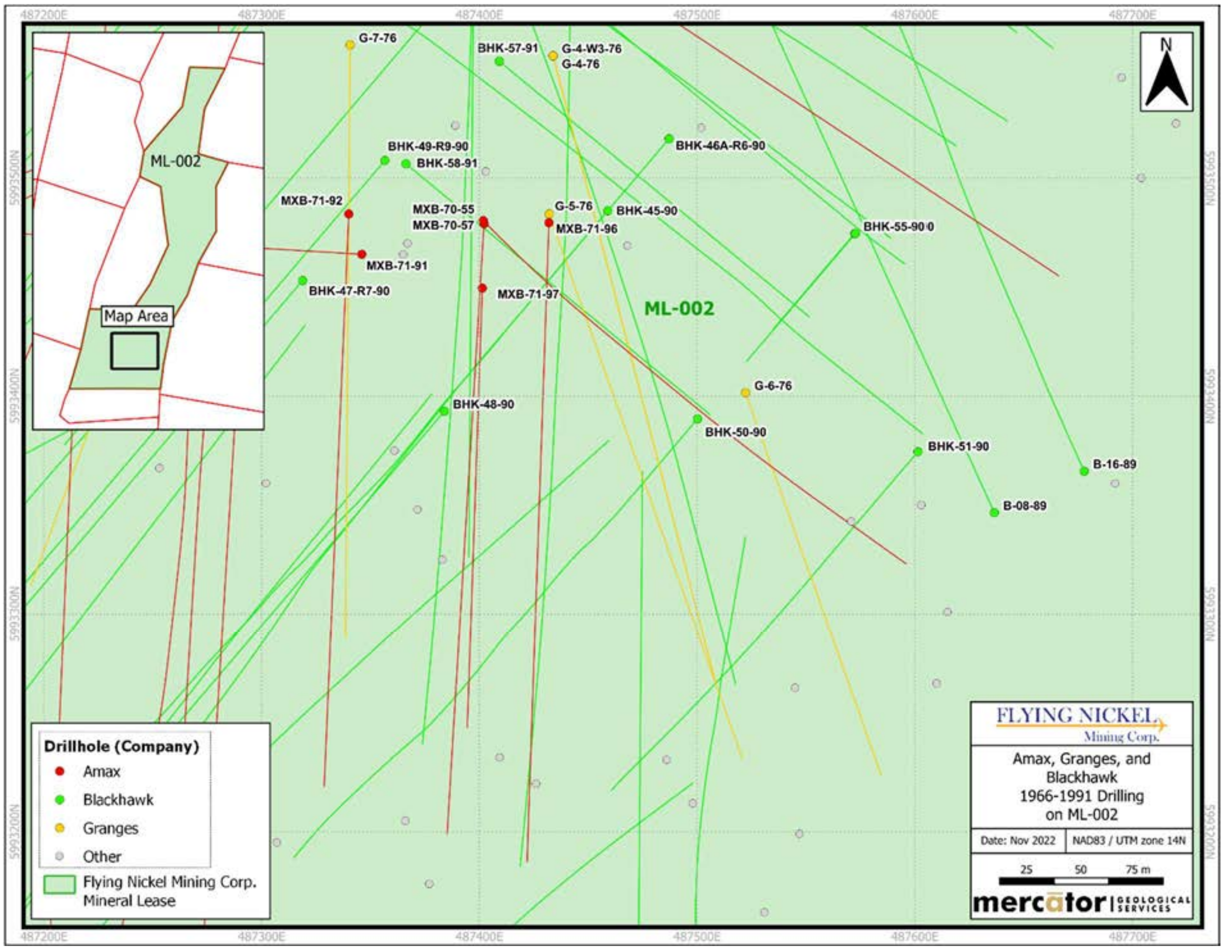


Figure 10-5: Collar location Map 4 for Amax, Granges, and Black Hawk drill holes on ML-002

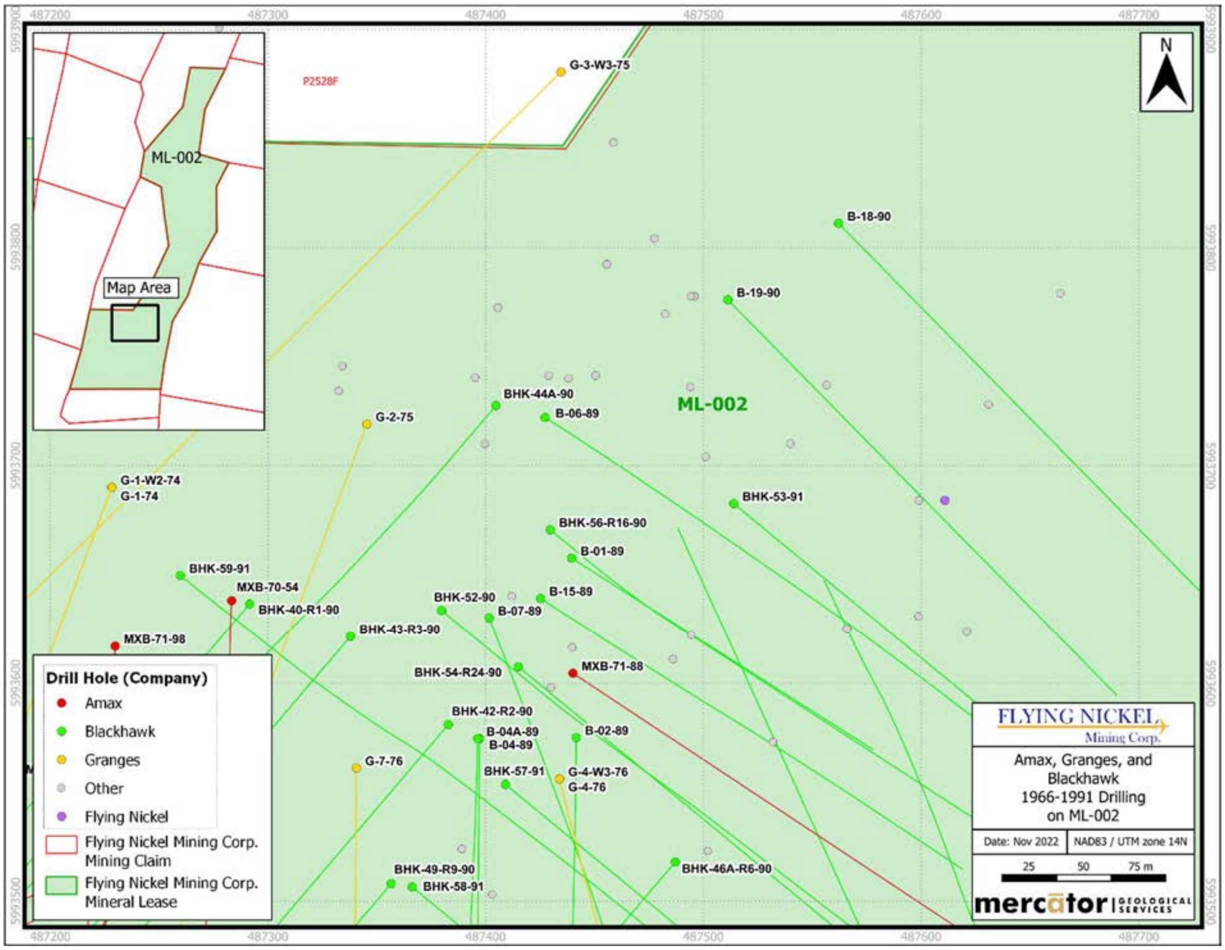


Figure 10-6: Collar location Map 5 for Amax, Granges, and Black Hawk drill holes on ML-002

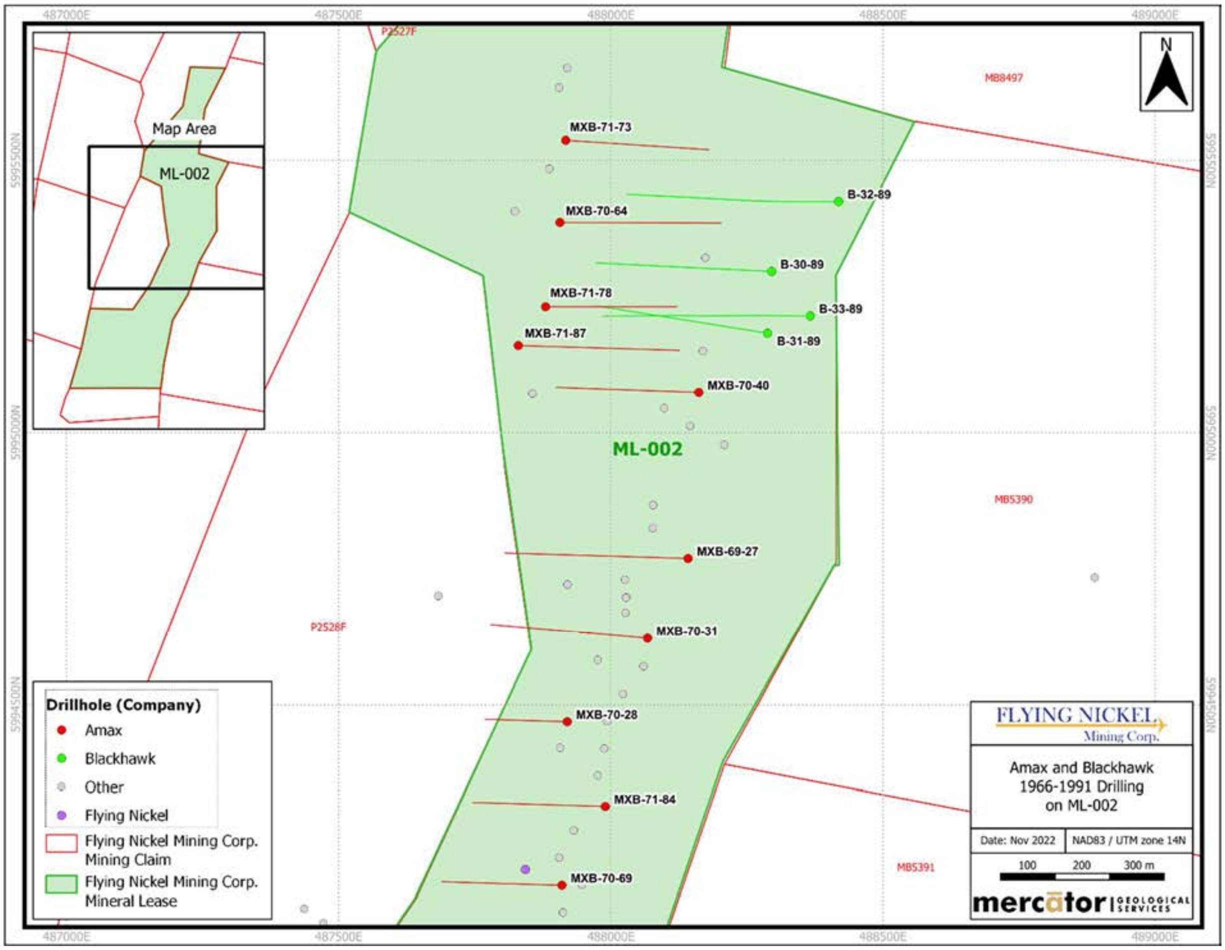
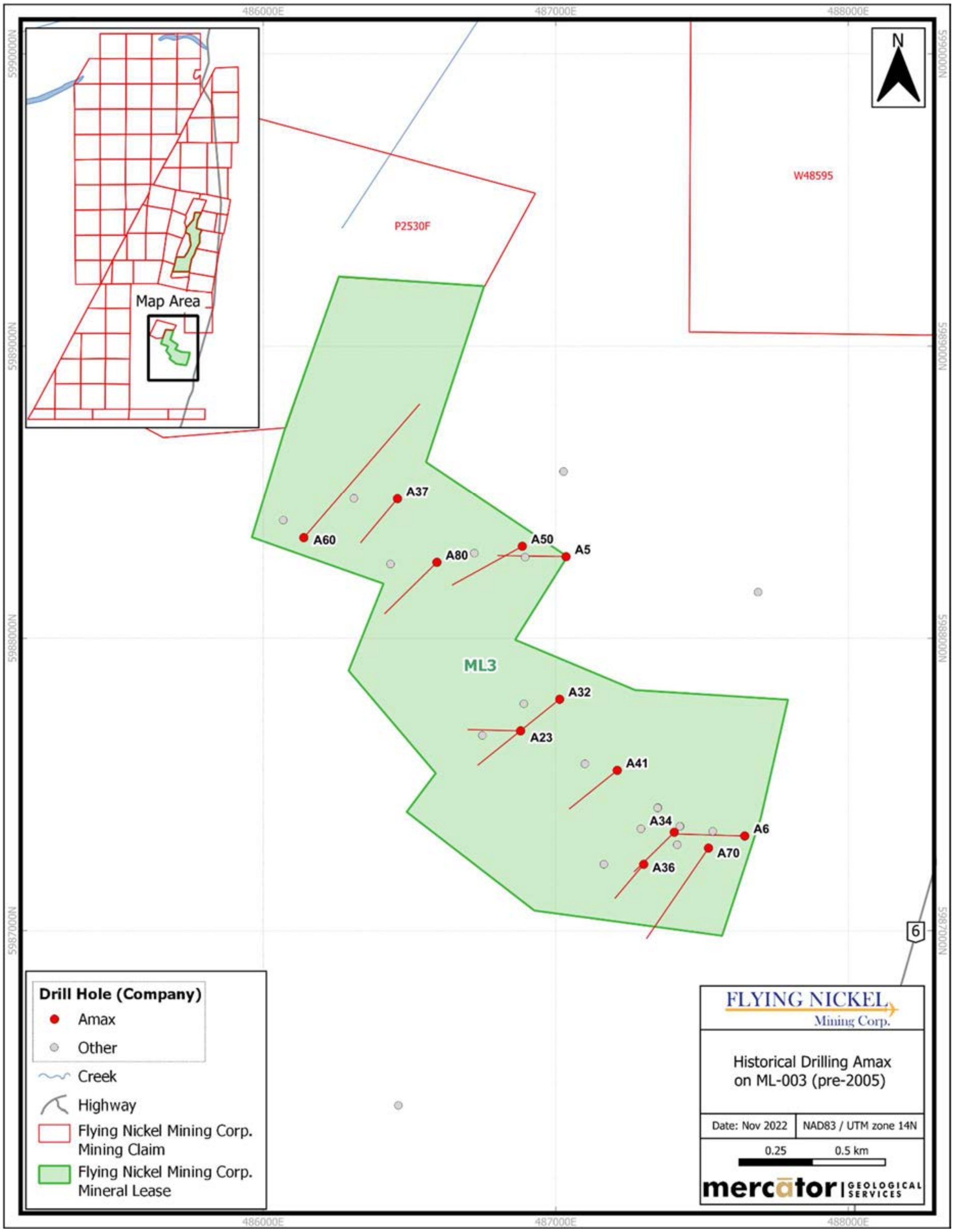


Figure 10-7: Collar location for Amax drill holes on ML-003



The Minago Deposit has been the subject of several periods of work by various operators since its discovery in the late 1960's. Consequently, some original paper records concerning drilling and assay information have been lost. For example, there are no certified laboratory analytical reports available for "G-coded" drill holes completed by Granges from 1974 to 1976, making data verification difficult. Some resampling of this G-coded drill core was attempted by Victory Nickel and these results are included in the current Project drillhole database. Down-hole survey techniques have varied between 1966 to 2005, but the Black Hawk drill holes ("B" and "BHK" coded holes), which constitute the bulk of the pre-Nuinsco/Victory Nickel drill hole database content, appear to have been routinely surveyed by means of either Sperry Sun or Fotobar gyroscopic surveys.

Each prior operator conducted their sampling and analyses in a slightly different manner, but each employed a program of QAQC procedures involving check and duplicate analyses intended to assess the accuracy and reproducibility of nickel value determinations. For example, during the Amax period it was identified that not all the nickel determined by a "total nickel" analysis would be recoverable metal. This conclusion was confirmed in a subsequent study by Black Hawk and both showed that recoverable nickel was primarily sourced from nickel present in sulphides.

Amax geologists typically sampled the drill core continuously through, or across an entire core intersection where nickel mineralization was believed to be present. Individual sample lengths ranged from a few feet up to 20 to 25 feet (6.1 to 7.6 m), in some cases, with the division point between adjacent samples determined either by the abundance of sulphide mineralization or by contacts with non-mineralized lithologies. In contrast, Granges typically did not sample core determined from visual inspection to be non-mineralized or those portions of a mineralized intersection suspected to contain only sub-economic nickel values. Consequently, there are numerous small to large (15 cm to 6 m) sample gaps within assayed intervals. For the most part they represented granitic dykes with minimal nickel content, however, some represented hybrid lithologies and fractured altered units which could contain minor nickel.

Black Hawk was focused on defining a deposit which could be mined by underground methods. Sampling was undertaken continuously across mineralized intersections, employing, almost without exception, a standard five-foot (1.52 m) sample length. After hole B-10-89, Black Hawk began using XRF determined total nickel rather than the geochemical assays employed in their earlier work. As Amax had determined during their earlier study, the two methods produced comparable values, but XRF numbers frequently showed better reproducibility.

10.3 Nuinsco Diamond Drilling – 2005

Between January and April 2005, Nuinsco drilled 6 diamond drill holes for 2,948.1 m (N-05-01 to N-05-06) on Mineral Lease ML-002 using Major Drilling Group International Inc. ("Major Drilling") (Table 10-1 and Figure 10-8). All holes, except N-05-05, were drilled in the Minago Deposit to verify earlier diamond drill results, provide infill data, and extend previously intersected mineralization. Hole N-05-05 was drilled 900 m northeast of the Minago Deposit to explore the North Limb Zone.

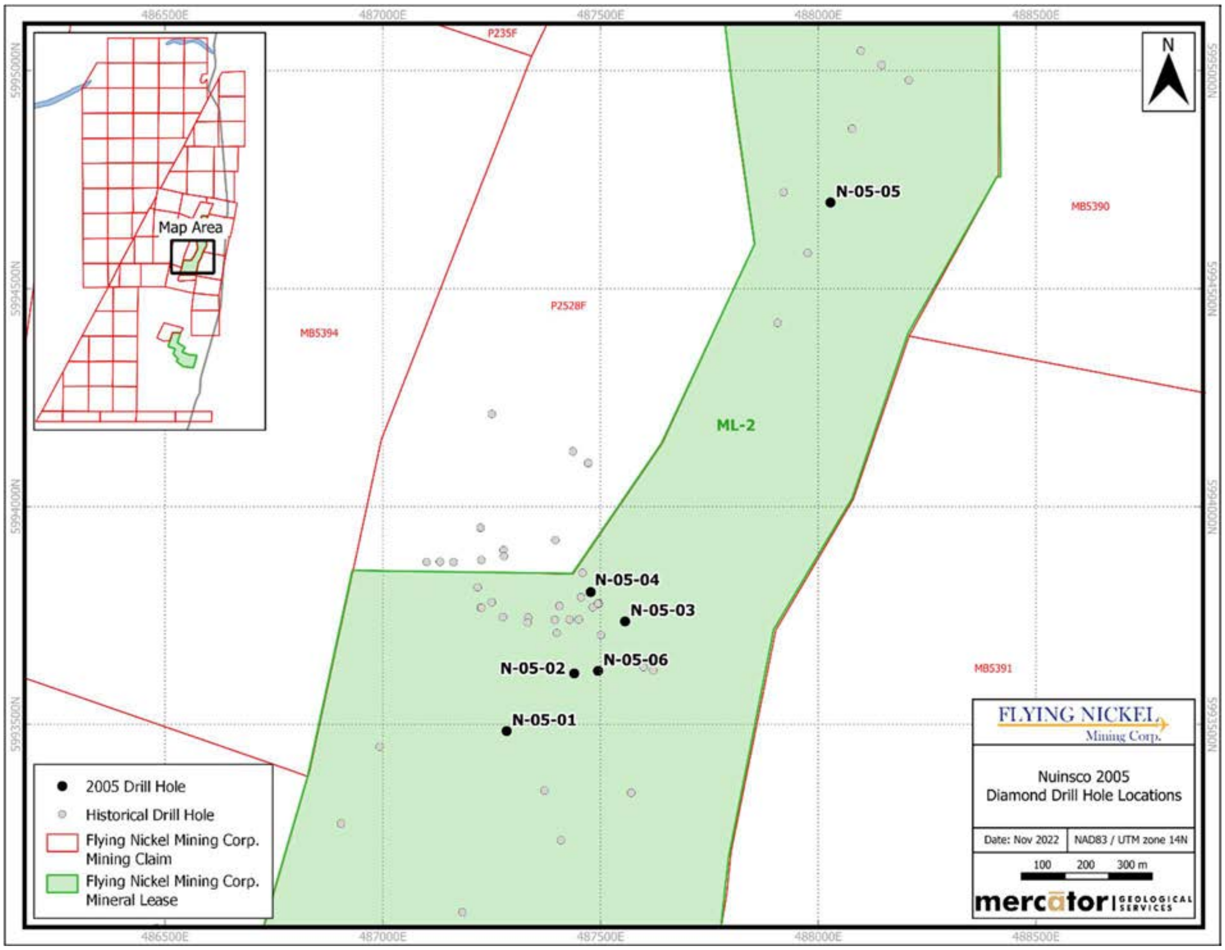
Table 10-1: Collar table for 2005 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14N)	Elevation (m - asl)	Hole Length (m)	Inclination (deg)	Azimuth (deg)
N-05-01	5993484.4	487284.5	246.3	404.0	-53	176
N-05-02	5993616.4	487439.7	246.6	696.0	-58	185
N-05-03	5993736.9	487556.6	246.9	296.9	-50	123
N-05-04	5993804.1	487477.6	246.7	456.0	-50	132
N-05-05	5994697.5	488028.2	246.6	455.4	-53	269
N-05-06	5993622.2	487494.4	246.3	639.8	-58	187
			Total =	2,948.1		

The holes were collared with NW casing and drilled through the overburden to the limestone. Thereafter, the hole was drilled with NQ (47.6mm) size rods through the dolomite and sandstone and into the Precambrian basement at which point the hole was reduced to BQ (36.5 mm) size and drilled to the required depth. During the BQ drilling phase, the NQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone flowing into the hole. Upon completion of the hole, both the BQ and NQ rods were removed but the NW casing was left in place and capped with an aluminum plug stamped with the hole number. A BQ size safety plug was installed below the Ordovician-Precambrian unconformity and an NQ safety plug was installed in the dolomite above the sandstone. The only exception to this procedure occurred in hole N-05-06A where all casing and drill rods were removed, and the hole was abandoned when the rods became stuck in sandstone at a depth of 80 m.

During drilling Major Drilling collected Reflex EZ-Shot data approximately every 50 m down hole. Reflex EZ-Shot measures 6 parameters in one single shot; azimuth, inclination, magnetic tool face angle, gravity roll angle, magnetic field strength and temperature. The azimuth data are not reliable due to the magnetic properties of the rocks. Reflex Instrument North America personnel traveled to the property on three occasions to conduct surveys using the Reflex Maxibor. The Reflex Maxibor calculates the spatial coordinates every 3 m along the drill hole path based on optical measurements of dip and direction changes. All holes except N-05-03 were surveyed. Holes were not surveyed in their entirety due to considerable difficulty in getting the instrument down the hole (inside the BQ rods).

Figure 10-8: Collar location of 2005 Nuinsco diamond drill holes



Drill hole collars were surveyed for location, azimuth and dip by Pollock and Wright, Land Surveyors utilizing a Trimble RTK5700 dual frequency Global Positioning Survey ("GPS") instrument. The survey was performed in NAD 83 UTM co-ordinates (Zone 14N) and converted to both geodetic and local grid co-ordinates. Dip values for the drill holes are not valid due to droop in the survey rod however, location co-ordinates and azimuths are considered reliable.

Drill supervision, core logging and sample selection was performed by a qualified person hired on a contract basis by Nuinsco. Upon completion of each hole, all the drill core except for hole N-05-06A was transported by Nuinsco personnel to the company's facility near Black Hawk, in northwest ON where the core was logged, split, and stored. Hole N-05-06A was examined but not logged and is stored on the property. Each hole was also logged for rock quality designation ("RQD"). Samples were shipped by commercial trucking to the ALS Chemex ("ALS") facility in Thunder Bay, ON for sample preparation and the prepared sample pulps were shipped by ALS to their Vancouver, BC laboratory for analysis.

10.3.1 Drilling Results

Weighted average grades for the 2005 Nuinsco holes are presented in Table 10-2. Intercept lengths are downhole lengths and reflect approximately 40% to 60% of the true width. Unsampled intervals have been assigned “0” for the respective grade. Palladium and platinum were not included in the sample analysis.

Table 10-2: Significant intercepts for 2005 Nuinsco diamond drilling program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	N-05-01	127.33	404.00	0.63	NA	NA	NA
including	N-05-01	143.67	249.77	0.80	NA	NA	NA
and	N-05-01	330.16	391.22	1.15	NA	NA	NA
	N-05-02	414.81	443.07	0.15	NA	NA	NA
	N-05-02	490.54	687.05	0.19	NA	NA	NA
including	N-05-02	502.10	509.04	0.18	NA	NA	NA
and	N-05-02	670.42	687.05	0.63	NA	NA	NA
	N-05-03	135.88	278.11	0.45	NA	NA	NA
including	N-05-03	153.50	275.75	0.49	NA	NA	NA
	N-05-04	262.40	402.06	0.20	NA	NA	NA
including	N-05-04	274.88	284.35	0.61	NA	NA	NA
and	N-05-04	358.00	402.06	0.19	NA	NA	NA
	N-05-05	101.09	436.20	0.33	0.04	NA	NA
including	N-05-05	198.60	302.34	0.54	0.10	NA	NA
	N-05-06	87.56	301.83	0.22	NA	NA	NA
including	N-05-06	147.50	170.41	0.43	NA	NA	NA
	N-05-06	358.75	374.00	0.29	NA	NA	NA
	N-05-06	414.73	639.81	0.22	NA	NA	NA
including	N-05-06	562.39	584.26	0.68	NA	NA	NA

Drill hole N-05-01 was drilled to a depth of 404 m to extend and verify the mineralization intersected in Amax drill hole MXB-70-48 on mine grid Section 10,000E (Imperial).

Drill hole N-05-02 was drilled to a depth of 696 m to verify and extend the mineralization intersected in Granges drill hole G-4-W3-76 plotted on mine grid section 10,500E (Imperial). Substantial intervals of serpentinite, peridotite and highly altered ultramafic rocks were encountered however nickel values are less than reported for the Granges hole.

Drill Hole N-05-03 was drilled to a depth of 296.94 m to explore up dip the mineralization intersected in Black Hawk hole B-19-90.

Drill Hole N-05-04 was drilled to a depth of 456.03 m to explore down dip the mineralization intersected in Black Hawk hole B-19-90.

Drill Hole N-05-05 was drilled to a depth of 455.40 m to explore the North Limb Zone ultramafic rocks.

Drill hole N-05-06 was drilled to a depth of 639.81 m to extend and verify nickel values intersected in serpentinite and peridotite by Granges drill hole G-4-W3-76 plotted on mine grid section 10,500E.

10.4 Nuinsco Diamond Drilling – 2006

Between March 4 to April 21, 2006, Nuinsco completed 2 diamond drill holes (NM-06-01 and NM-06-02) totaling 1,533.6 m using Major Drilling (Table 10-3 and Figure 10-9). The drilling was undertaken to confirm and upgrade deposit evaluations, enable geotechnical observations and measurements to revise preliminary open pit shell designs, and provide additional material for metallurgical testing.

Drill holes were collared with NW casing that was drilled through the overburden to the dolomite. Thereafter, the holes were drilled with NQ size rods through the dolomite, sandstone and into the Precambrian basement at which point drill rods were reduced to BQ size and drilled to the required depth. During the BQ drilling phase, the NQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone collapsing into the hole. Upon completion of the hole the BQ and NQ rods were removed but the NW casing was left in place, capped with an aluminum plug stamped with the hole number. A BQ-size safety plug was installed below the Ordovician-Precambrian unconformity and an NQ safety plug was installed in the limestone above the sandstone.

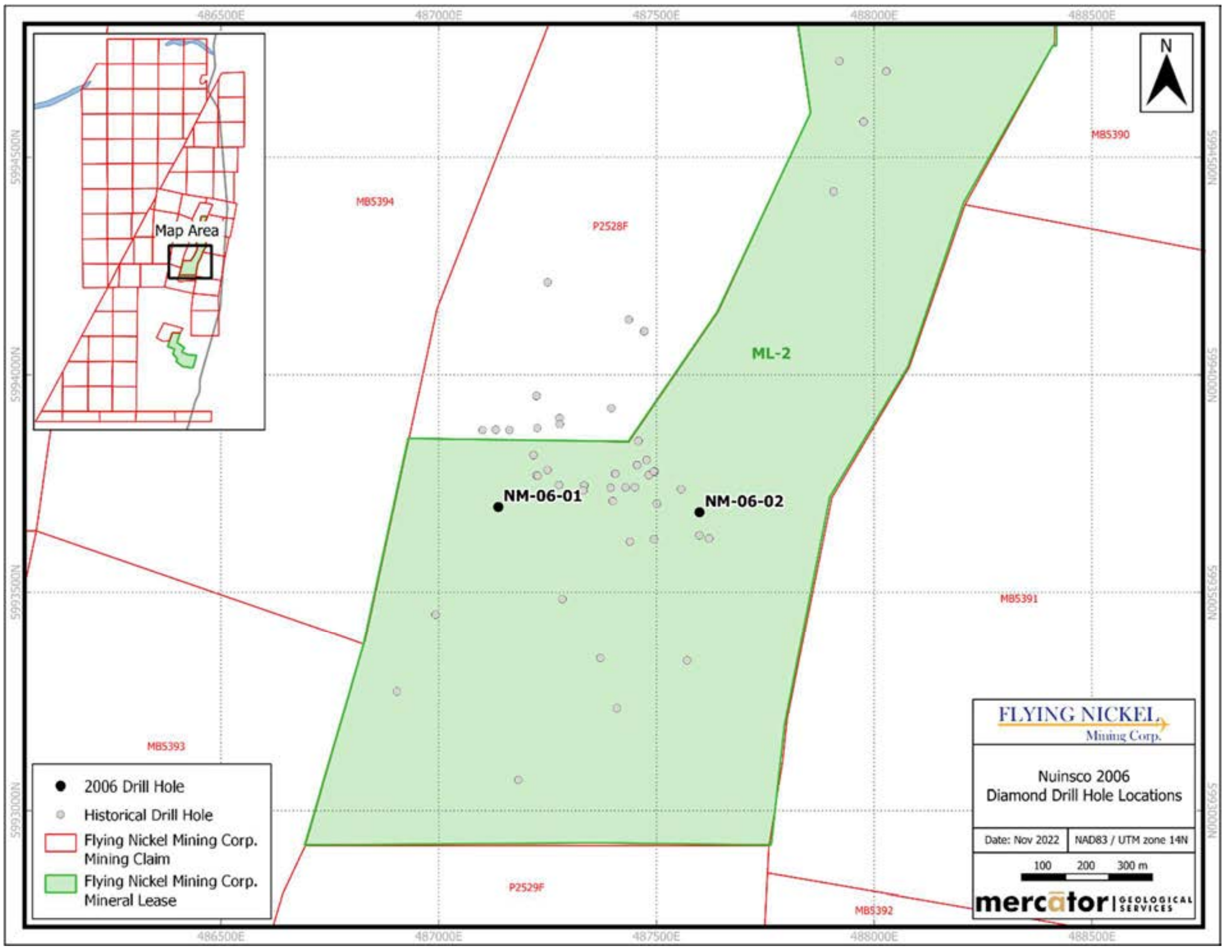
In-hole surveys were performed by Major Drilling personnel utilizing a Reflex EZ-Shot instrument. During the drilling of each hole the drill crew collected Reflex EZ-Shot data approximately every 50 m down the hole. The BGO-01 probe and operating software, a down hole gyroscopic survey system, was utilized to obtain a continuous record of drill hole dip and azimuth orientation. The down hole surveys were performed by the project geologist.

Drill hole collars were surveyed for location, azimuth and dip by Pollock and Wright, Land Surveyors, with a Trimble RTK5700 dual frequency GPS survey instrument. The survey was performed in NAD83 UTM co-ordinates (Zone 14N) and converted to both geodetic and local grid co-ordinates. Dip values for the drill holes are not valid due to droop in the survey rod however location co-ordinates and azimuths are considered reliable.

Table 10-3: Collar table for 2006 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14N)	Elevation (m)	Hole Length (m)	Inclination (deg)	Azimuth (deg)
NM-06-01	5993696	487137	246.3	678	-74˚	172˚
NM-06-02	5993684	487599	246.2	855.6	-61˚	191˚
			Total =	1,533.6		

Figure 10-9: Collar location of 2006 Nuinsco diamond drill holes



10.4.1 Drilling Results

Drill hole NM-06-01 was drilled to a depth of 678 m to probe beneath the westerly terminus of the Nose Zone. No ultramafic rock was encountered, and the hole was stopped well short of its intended depth. The drill hole failed to intersect the first of two expected mineralized ultramafic horizons, which had been anticipated to occur near 500 m depth. Beneath the Ordovician cover rocks, the drill hole intersected intermixed granitic units and amphibolites to 490 m and then remained in a rather uniform, fresh, and non-foliated granitic body to the point at which the hole was stopped. The deposit body may be a late to post tectonic intrusion disrupting or displacing the down dip projection of the ultramafic zone, or alternatively a sub-concordant large dyke dipping subparallel to the steeply inclined drill hole.

Drill hole NM-06-02 was drilled to a depth of 855.6 m at an oblique angle to the strike of the mineralized horizon to maximize the amount of material recovered for use in metallurgical studies. The drill hole encountered Ordovician sedimentary rocks to 83 m followed by sporadically lightly mineralized serpentinite-dominated ultramafic rocks to about 485 m. This is followed by a transitional zone of frequently coarse grained altered pyroxenite consisting of talc-altered pigeonite interstitial to early dark coloured pyroxenes with frequent grayish to whitish gneiss segments, which extends to 635 m. Below this point the altered ultramafic material becomes well mineralized, containing from about 2-12% mm-sized disseminated sulphides.

Analytical values returned from the uppermost portion of the drill hole typically ranged from 0.15% to 0.30% weight percent nickel in serpentinite, with lower values near 0.10% and higher near 0.4%. Copper, silver, and cobalt values were negligible, and non-ultramafic lithologies are barren of elevated values in all the elements analysed for. Palladium and platinum were not analysed for these drill holes. The midportion of the drill hole returned nickel values typically in the 0.30% to 0.40% range, with isolated higher values up to 0.60%. The better mineralized ultramafic material within the lowermost portion of the drill hole returned values generally ranging from 0.85% Ni up to a maximum value of 2.50% over a sample length of 0.87 m. Samples composed of altered ultramafic and intermixed small granitic dykes.

Weighted average nickel grades are shown below in Table 10-4. Because of the oblique nature of the drill holes with respect to the Deposit true widths are unknown.

Table 10-4: Significant intercepts for 2006 Nuinsco diamond drilling program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	NM-06-01	No significant mineralization					
	NM-06-02	82.78	393.00	0.46	NA	NA	NA
including	NM-06-02	256.70	286.79	0.59	NA	NA	NA
and	NM-06-02	293.25	361.25	1.26	NA	NA	NA
	NM-06-02	444.85	846.89	0.50	NA	NA	NA
including	NM-06-02	631.84	698.66	1.04	NA	NA	NA
and	NM-06-02	744.80	809.98	1.15	NA	NA	NA

10.5 Victory Nickel Diamond Drilling – 2007

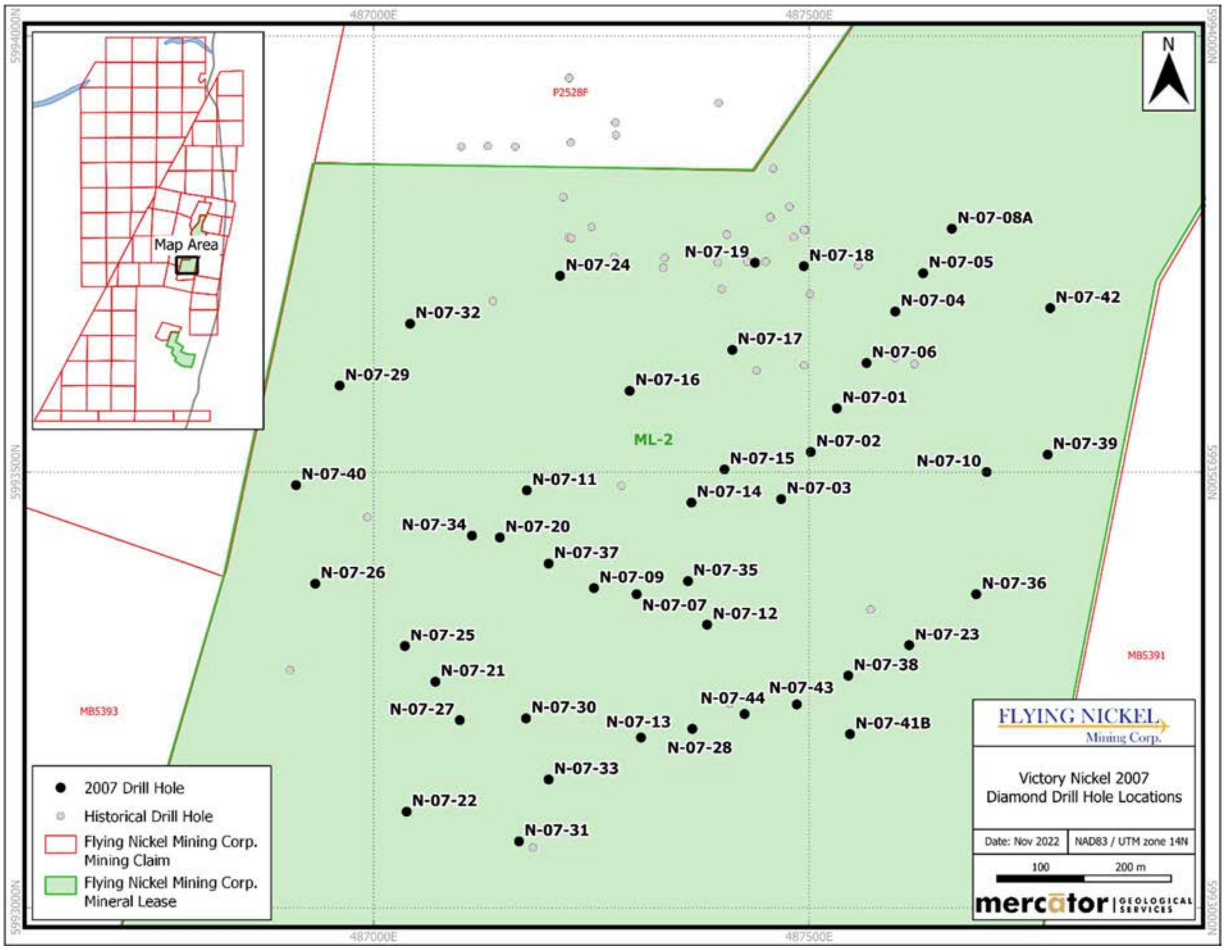
Between January and May 2007, Victory Nickel completed 44 diamond drill holes on ML-002 for a total of 13,284.2 m (Table 10-5 and Figure 10-10). The drill holes were drilled to expand and increase confidence in historical MREs prepared during Victory's operation. Drilling was carried out by Major Drilling from a drill camp located immediately to the east of Highway 6, about 10 km south of the drill sites.

Table 10-5: Collar table for 2007 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14 N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
N-07-01	5993573	487532	122˚	-50˚	260
N-07-02	5993523	487502	122˚	-50˚	155
N-07-03	5993469	487468	122˚	-50˚	248
N-07-04	5993684	487599	122˚	-50˚	212
N-07-05	5993728	487631	122˚	-50˚	170
N-07-06	5993625	487566	122˚	-50˚	194
N-07-07	5993360	487302	167˚	-50˚	308

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14 N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
N-07-08A	5993779	487664	122˚	-50˚	200
N-07-09	5993367	487253	209˚	-50˚	323
N-07-10	5993500	487704	302˚	-50˚	313.8
N-07-11	5993479	487176	209˚	-50˚	362
N-07-12	5993325	487383	167˚	-50˚	254
N-07-13	5993195	487307	347˚	-50˚	455
N-07-14	5993465	487365	220˚	-45˚	506
N-07-15	5993503	487403	171˚	-45˚	377
N-07-16	5993593	487294	220˚	-45˚	542
N-07-17	5993640	487412	128˚	-45˚	392
N-07-18	5993736	487494	128˚	-45˚	341
N-07-19	5993740	487438	185˚	-45˚	518
N-07-20	5993425	487145	209˚	-50˚	280
N-07-21	5993259	487071	029˚	-50˚	200
N-07-22	5993110	487038	029˚	-50˚	502
N-07-23	5993301	487615	317˚	-50˚	247
N-07-24	5993725	487214	175˚	-60˚	304
N-07-25	5993300	487036	029˚	-50˚	200
N-07-26	5993372	486933	095˚	-60˚	410
N-07-27	5993215	487099	029˚	-50˚	239
N-07-28	5993205	487366	347˚	-50˚	458.38
N-07-29	5993599	486961	126˚	-60˚	298
N-07-30	5993217	487175	029˚	-50˚	203
N-07-31	5993076	487167	017˚	-63˚	376
N-07-32	5993670	487042	146˚	-60˚	300
N-07-33	5993147	487201	029˚	-50˚	200.07
N-07-34	5993427	487113	209˚	-50˚	269
N-07-35	5993375	487361	167˚	-50˚	296
N-07-36	5993360	487692	296˚	-60˚	320
N-07-37	5993395	487201	209˚	-50˚	303.5
N-07-38	5993266	487545	329˚	-59˚	186.48
N-07-39	5993520	487774	280˚	-60˚	299
N-07-40	5993485	486911	098˚	-60˚	299
N-07-41B	5993199	487547	329˚	-59˚	311
N-07-42	5993688	487777	255˚	-59˚	284
N-07-43	5993233	487486	347˚	-50˚	203
N-07-44	5993222	487426	347˚	-50˚	165
				Total =	13,284.23

Figure 10-10: Collar location of 2007 Victory Nickel diamond drill holes



Drill holes were collared with NW casing that was drilled through the overburden to the dolomite. Thereafter the hole was drilled with NQ size rods through the dolomite, sandstone and into the Precambrian basement, at which point the hole was reduced to BQ size and drilled to the required depth. During the BQ drilling phase, the NQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone from flowing into the hole. Upon completion of the hole, the BQ and NQ rods were removed but the NW casing was left in place, capped with an aluminum plug stamped with the hole number. A BQ size safety plug was installed below the Ordovician-Precambrian unconformity and an NQ safety plug was installed in the dolomite above the sandstone. The hole was cemented between the plugs. Downhole orientation surveys were completed by Major Drilling using a Reflex EZ-Shot® approximately every 50 m down the hole. The drill collars were surveyed for location, azimuth and inclination by Pollock and Wright (land surveyors) with a Trimble RTK5700 dual frequency GPS survey instrument.

The drill core was transported to Victory Nickel's core storage facility in Grand Rapids, MB and securely stored indoors for processing and logging/sampling. The core was photographed, logged initially for geotechnical data, and subsequently logged for lithology, alteration, and mineralization. Sample intervals were selected, and the core was split using a diamond saw. Each sample was uniquely identified with a sample number and placed in a plastic sample bag that was stapled shut. The samples were placed in large, addressed fabrene bags that were wired shut and palletized for shipment. Drill supervision, lithologic core logging and sample selection was performed by qualified persons hired on a contract basis and supervised by Paul Jones, Vice President of Exploration for Victory Nickel.

Five drill holes completed for metallurgical test work were logged for geology, sample intervals, and tagged but the core was not split. After logging, lids were placed on the core boxes that were then palletized, strapped, and shipped to SGS Lakefield, ON, where the core was whole sampled, crushed and riffle split prior to assaying.

10.5.1 Drilling Results

A total of 5,407 samples, including drill core, CRMs and blanks, were submitted for analysis. All samples were analyzed for nickel (total or aqua-regia extractable, or both) and most were also analyzed for copper. Selected samples were subjected to sulphide-held nickel analysis, as well as gold, platinum, palladium, silver, arsenic, cobalt, multielement ICP-MS, whole-rock and SG determinations. Table 10-6 presents significant intercepts as downhole lengths. True widths are approximately 40 to 60% of downhole lengths. Palladium and platinum grades may include resample results completed by Flying Nickel.

Table 10-6: Significant intercepts for 2007 drilling program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	N-07-01	96.73	173.00	0.33	0.13	0.05	0.02
including	N-07-01	158.00	173.00	0.78	0.59	0.18	0.08
	N-07-02	92.60	155.00	0.17	0.02	0.03	0.01
including	N-07-02	133.90	149.50	0.19	NA	0.04	0.02
	N-07-03	88.25	192.30	0.19	0.05	0.06	0.03
including	N-07-03	88.25	98.84	0.48	0.15	0.17	0.06
	N-07-06	93.47	132.24	0.40	0.05	0.07	0.03
including	N-07-06	112.00	132.24	0.55	0.07	0.12	0.05
	N-07-07	113.80	239.80	0.42	0.13	0.09	0.04
including	N-07-07	116.40	178.30	0.59	0.19	0.16	0.06
	N-07-09	84.25	304.50	0.41	0.14	0.06	0.02
including	N-07-09	156.05	233.75	0.65	0.36	0.07	0.03
	N-07-10	143.00	313.56	0.38	0.16	0.06	0.03
including	N-07-10	145.50	180.60	0.43	0.13	0.08	0.03
and	N-07-10	254.00	298.29	0.58	0.35	0.16	0.08
	N-07-11	91.50	330.65	0.16	0.05	0.01	0.01
including	N-07-11	313.10	329.64	0.51	0.42	0.10	0.04
	N-07-12	180.35	239.00	0.46	0.36	0.08	0.03
	N-07-13	85.27	441.79	0.31	0.20	0.06	0.03
including	N-07-13	135.68	153.52	0.21	0.01	0.00	0.00
and	N-07-13	231.27	315.60	0.89	0.70	0.23	0.12

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	N-07-14	150.60	498.60	0.51	0.30	NA	NA
including	N-07-14	150.60	227.80	0.82	0.61	NA	NA
and	N-07-14	297.10	431.35	0.51	0.37	NA	NA
	N-07-15	144.17	371.10	0.34	0.19	NA	NA
including	N-07-15	161.22	172.21	1.32	0.37	NA	NA
and	N-07-15	255.44	309.48	0.58	0.44	NA	NA
	N-07-16	162.63	369.32	0.42	0.24	NA	NA
including	N-07-16	181.85	300.42	0.60	0.37	NA	NA
	N-07-16	407.26	468.52	0.16	0.03	NA	NA
	N-07-17	146.72	360.35	0.37	0.17	NA	NA
including	N-07-17	191.00	242.67	0.70	0.33	NA	NA
and	N-07-17	302.85	332.20	0.64	0.49	NA	NA
	N-07-18	159.45	334.75	0.25	0.11	NA	NA
including	N-07-18	159.45	168.00	0.36	0.07	NA	NA
and	N-07-18	290.54	334.00	0.52	0.36	NA	NA
	N-07-19	490.85	507.98	0.54	0.32	0.14	0.07
	N-07-20	94.53	261.91	0.15	0.01	0.01	0.01
including	N-07-20	178.25	202.67	0.20	0.01	NA	NA
	N-07-21	85.35	201.00	0.15	0.01	0.01	0.01
including	N-07-21	102.23	113.00	0.20	0.01	0.01	0.01
	N-07-22	249.40	502.00	0.25	0.19	0.05	0.02
including	N-07-22	266.88	306.29	0.71	0.59	0.24	0.08
	N-07-23	182.00	247.00	0.22	0.15	0.06	0.02
including	N-07-23	182.00	200.75	0.63	0.49	0.19	0.07
	N-07-25	92.43	200.00	0.14	0.01	NA	NA
	N-07-26	165.62	410.00	0.10	0.06	0.02	0.01
	N-07-27	98.19	239.00	0.40	0.25	0.14	0.05
including	N-07-27	128.67	184.13	0.79	0.58	0.31	0.11
	N-07-28	85.75	218.00	0.19	0.06	0.03	0.01
including	N-07-28	101.00	109.90	1.01	0.65	0.39	0.14
and	N-07-28	203.00	218.00	0.01	NA	NA	NA
	N-07-29	No significant mineralization					
	N-07-30	96.05	203.00	0.18	0.03	NA	NA
including	N-07-30	96.05	118.50	0.24	0.05	NA	NA
	N-07-31	252.88	376.00	0.24	0.19	0.04	0.02
including	N-07-31	362.01	376.00	0.70	0.62	0.22	0.08
	N-07-32	269.38	299.00	0.17	0.11	0.02	0.02
	N-07-33	166.50	200.07	0.32	0.22	0.10	0.04
including	N-07-33	184.50	196.00	0.67	0.62	0.29	0.11

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	N-07-34	79.40	245.60	0.17	0.08	0.02	0.02
including	N-07-34	198.17	232.50	0.39	0.30	0.07	0.03
	N-07-35	83.55	247.08	0.35	0.27	0.10	0.04
including	N-07-35	132.94	161.89	1.12	1.15	0.42	0.16
	N-07-36	285.42	320.00	0.15	0.11	0.04	0.02
	N-07-37	83.10	291.67	0.61	0.35	0.16	0.06
including	N-07-37	141.13	291.67	0.76	0.47	0.22	0.08
	N-07-38	167.52	186.48	0.55	0.42	0.11	0.04
including	N-07-38	172.25	186.48	0.64	0.52	0.13	0.05
	N-07-39	266.74	299.00	0.71	0.54	0.05	0.02
including	N-07-39	276.67	299.00	0.88	0.68	0.04	0.02
	N-07-40	No significant mineralization					
	N-07-41B	206.08	311.00	0.47	0.45	0.13	0.05
including	N-07-41B	281.79	308.91	1.15	1.13	0.43	0.15
	N-07-42	180.07	284.00	0.33	0.18	0.07	0.03
including	N-07-42	198.08	246.75	0.51	0.31	0.12	0.04
	N-07-43A	112.69	203.00	0.23	0.07	0.08	0.03
including	N-07-43A	171.25	179.64	0.47	0.21	0.22	0.08
	N-07-44	93.30	165.00	0.48	0.23	0.13	0.05
including	N-07-44	96.94	137.00	0.73	0.39	0.21	0.08

10.6 Victory Nickel Diamond Drilling – 2008

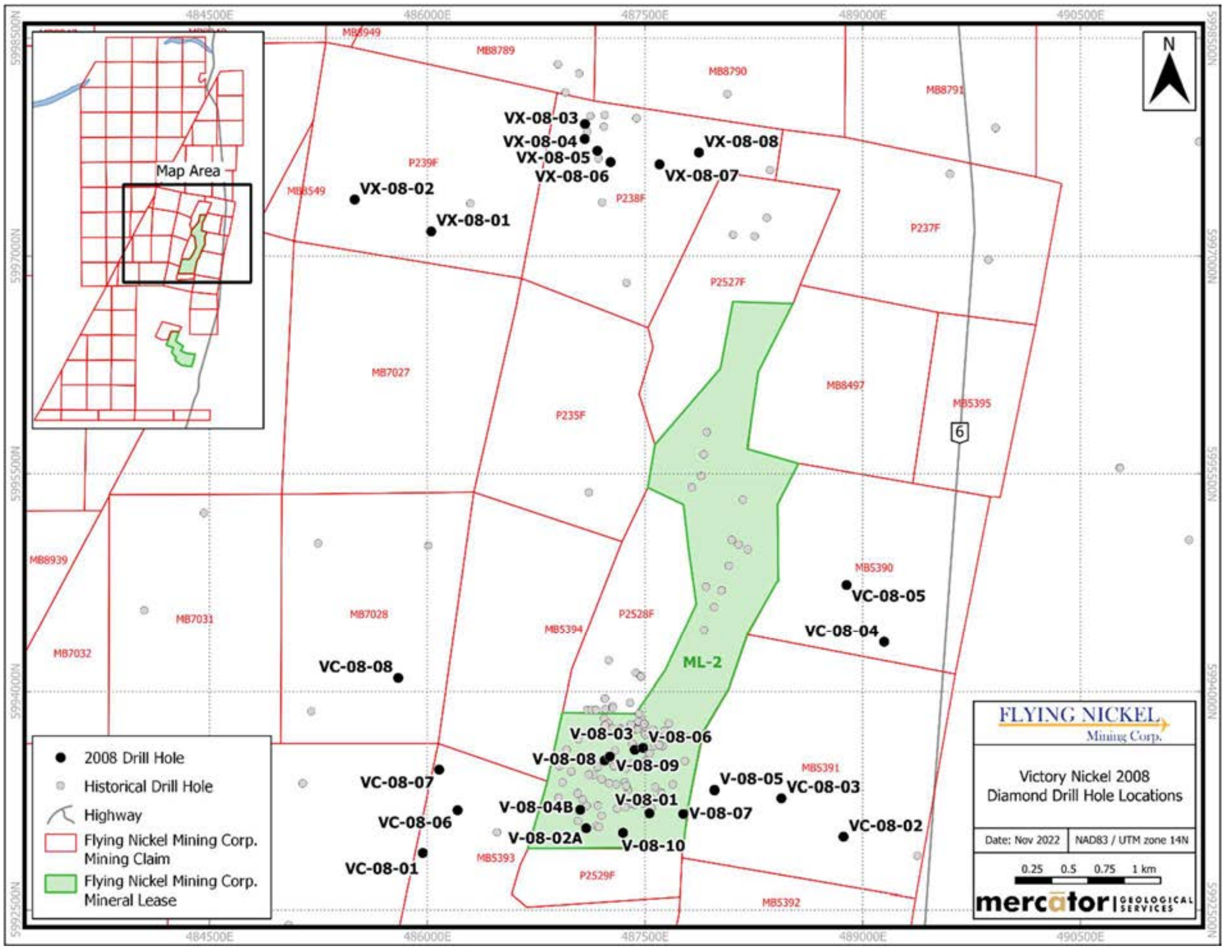
Between January and May 2008, Victory Nickel completed 18 diamond drill holes for a total of 9,082 m on ML-002 and adjacent claims (Table 10-7 and Figure 10-11). Ten of the holes (V-08-01 to V-08-10) were drilled to increase confidence in previous historical estimates prepared during Victory Nickel's operation, while the remaining eight (VC-08-01 to VC-08-08) were condemnation holes put in to confirm the absence of potentially minable material in areas where construction of surface facilities was contemplated.

In addition, Victory Nickel completed 8 diamond drill holes (VX-08-01 to VX-08-08) for a total of 2,517.5 m on the Glencore Royalty claims, specifically claim numbers P235F, P237F, P238F, P239F, MB8497, and MB8549 (Table 10-7 and Figure 10-11). The main goals of the program were to test EM anomalies detected in the 2007 airborne geophysical survey and to extend and assist in the interpretation of previously intersected mineralization. Drilling was completed between March 15 and May 6, 2008.

Table 10-7: Collar table for 2008 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
V-08-01	5993163	487531	329.5˚	-70.9˚	578
V-08-02A	5993061	487095	017.8˚	-63.4˚	620
V-08-03	5993598	487430	219.6˚	-57.1˚	713
V-08-04B	5993188	487054	039.1˚	-69.3˚	890
V-08-05	5993322	487979	271.0˚	-50.6˚	737
V-08-06	5993611	487486	167.5˚	-62.6˚	769
V-08-07	5993159	487764	308.3˚	-59.4˚	683
V-08-08	5993524	487222	128.8˚	-61.0˚	865
V-08-09	5993551	487258	135.3˚	-61.2˚	867
V-08-10	5993029	487349	358.1˚	-68.2˚	875
VC-08-01	5992890	485969	238.2˚	-53.0˚	200
VC-08-02	5993002	488868	301.0˚	-55.3˚	167
VC-08-03	5993267	488440	327.5˚	-53.2˚	166
VC-08-04	5994340	489148	278.1˚	-54.4˚	167
VC-08-05	5994734	488889	263.8˚	-54.2˚	173
VC-08-06	5993185	486209	234.6˚	-53.3˚	200
VC-08-07	5993461	486082	257.0˚	-49.8˚	200
VC-08-08	5994090	485800	327.5˚	-53.2˚	166
VX-08-01	5997169	486027	255.5°	-59.0°	360.5
VX-08-02	5997389	485500	241.6°	-54.8°	328
VX-08-03	5997909	487087	255.4°	-66.4°	300
VX-08-04	5997806	487085	260.7°	-67.1°	302
VX-08-05	5997725	487172	252.9°	-53.8°	273
VX-08-06	5997647	487263	252.6°	-49.0°	320
VX-08-07	5997631	487600	268.4˚	-50.2˚	302
VX-08-08	5997713	487872	259.8˚	-49.8˚	332
				Total =	11,599.5

Figure 10-11: Collar location of 2008 Victory Nickel diamond drill holes



Drilling was carried out by Major Drilling from a drill camp located immediately to the east of Highway 6, about 10 km south of the drill sites. Drill holes were collared with HW casing that was drilled through the overburden to the dolomite. Thereafter the hole was drilled with HQ (63.5 mm) size rods through the dolomite, sandstone and into the Precambrian basement, at which point the hole was reduced to NQ size and drilled to the required depth. During the NQ drilling phase, the HQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone from flowing into the hole. Upon completion of the hole, the HQ and NQ rods were removed but the HW casing was left in place, capped with an aluminum plug and stamped with the hole number. A NQ size safety plug was installed below the Ordovician-Precambrian unconformity and an HQ safety plug was installed in the dolomite above the sandstone. The hole was cemented between the plugs. The drill collars were surveyed for location, azimuth and inclination by Pollock and Wright (land surveyors) with a Trimble RTK5700 dual frequency GPS survey instrument.

The drill core was transported to Victory Nickel's core storage facility in Grand Rapids, MB and securely stored indoors for processing and logging/sampling. The core was photographed, logged initially for geotechnical data, and subsequently logged for lithology, alteration and mineralization. Sample intervals were selected, and the core was split using a diamond saw. Each sample was uniquely identified with a sample number and placed in a plastic sample bag that was stapled shut. The samples were placed in large, addressed fabrene bags that were wired shut and palletized for shipment. Samples were shipped by Gardewine transport truck to TSL Laboratories in Saskatoon ("TSL"), SK. Drill supervision, lithologic core logging and sample selection was performed by qualified persons hired on a contract basis and supervised by Paul Jones, Vice President of Exploration for Victory Nickel.

All intervals of ultramafic and/or sulphide-bearing core, and the rocks on the margins of such intervals, were sampled for assay testing. The maximum sample interval for the former was 1.5 m, and for the latter, 3.0 m. As per industry norms, each hole was logged, and sample intervals were based on the following hierarchy, rock type, alteration (style and intensity), and sulphide content (type and abundance).

10.6.1 Drilling Results

A total of 2,462 samples, including drill core, CRMs and blanks, were submitted for nickel and copper analysis. Of these, 1,278 were also subjected to sulphide nickel analysis, 1,572 for SG determinations and 171 for gold, platinum, and palladium analysis.

All the drill holes intersected significant nickel mineralization, with V-08-04B being the best-mineralized in terms of total meterage. Table 10-8 presents significant intercepts as downhole lengths. True widths are approximately 40 to 60% of downhole lengths. Palladium and platinum grades may include Flying Nickel resample results. No significant nickel mineralization was intersected in any of the condemnation holes and only one intersected ultramafic rock.

Table 10-8: Significant intercepts for 2008 drilling program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	V-08-01	279.39	578.00	0.39	0.32	0.12	0.04
including	V-08-01	427.50	527.52	0.85	0.69	0.30	0.11
	V-08-02B	209.86	289.03	0.10	0.06	0.01	0.01
	V-08-02B	365.93	620.00	0.22	0.11	0.06	0.03
including	V-08-02B	487.54	500.00	0.69	0.38	0.63	0.20
	V-08-03	446.37	652.38	0.29	0.20	0.06	0.03
including	V-08-03	483.69	572.45	0.50	0.41	0.13	0.06
	V-08-04B	219.29	884.00	0.39	0.26	0.11	0.05
including	V-08-04B	219.29	246.60	0.45	0.30	0.15	0.06
and	V-08-04B	278.56	292.63	0.86	0.72	0.30	0.12
and	V-08-04B	343.15	404.26	0.86	0.62	0.24	0.09
and	V-08-04B	423.09	469.60	0.69	0.46	0.19	0.07
and	V-08-04B	511.76	524.05	0.63	0.41	0.13	0.05
and	V-08-04B	760.60	822.37	1.14	0.86	0.46	0.22
	V-08-05	591.23	686.23	0.44	0.32	0.17	0.09
including	V-08-05	600.76	629.40	0.88	0.66	0.28	0.10
	V-08-06	85.00	363.17	0.39	0.19	0.10	0.06
including	V-08-06	132.15	265.26	0.62	0.33	0.12	0.06

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
and	V-08-06	350.13	361.90	0.43	0.28	0.41	0.37
	V-08-06	420.90	768.70	0.36	0.25	0.10	0.04
including	V-08-06	537.72	676.70	0.71	0.52	0.23	0.08
	V-08-07	481.19	638.80	0.17	0.10	0.03	0.02
including	V-08-07	511.60	603.93	0.10	0.05	0.02	0.01
	V-08-08	794.46	834.98	0.32	0.24	0.11	0.04
including	V-08-08	824.46	834.98	1.20	0.92	0.44	0.16
	V-08-09	551.00	818.87	0.22	0.10	0.04	0.02
including	V-08-09	712.27	756.00	0.78	0.51	0.25	0.10
	V-08-10	290.81	293.54	0.37	0.33	0.08	0.03
	V-08-10	474.20	875.00	0.17	0.06	0.03	0.01
including	V-08-10	558.23	600.51	0.67	0.39	0.23	0.09

For the 8 VX series drill holes, 4 holes (VX-08-03 to VX-08-06 inclusive) were drilled in the vicinity of previously known nickel mineralization and 4 holes (VX-08-01, VX-08-02, VX-08-07 and VX-08-08) were targeted at weak EM anomalies. Results are as follows:

- VX-08-01 - Predominantly granite, mafic metavolcanic with minor intervals of semi pelite and calc-silicate metasediment. Very low sulphide tenor with no nickel enrichment.
- VX-08-02 - Predominantly granite, mafic metavolcanic, serpentinite with intervals of semi politic, calc-silicate and sulphide facies iron formation metasediment. Assays indicated no nickel enrichment.
- VX-08-03 – Follow up of three Falconbridge Limited drill holes. Serpentinite containing 0.54% Ni over 55.45 m core length below the Paleozoic cover.
- VX-08-04 - Mafic metavolcanic, semi pelite, calc-silicate, marble metasediment. Minor sulphide with no nickel enrichment.
- VX-08-05 - Mafic metavolcanic, semi pelite, calc-silicate, marble metasediment. No sulphide noted.
- VX-08-06 - Mafic metavolcanic, semi pelitic, metasediment. No sulphide noted.
- VX-08-07 - Mafic metavolcanic, semi pelite, calc-silicate, marble metasediment. Minor sulphide with no nickel enrichment.
- VX-08-08 - Multiple intervals of serpentinite with minor sulphide and no nickel enrichment.

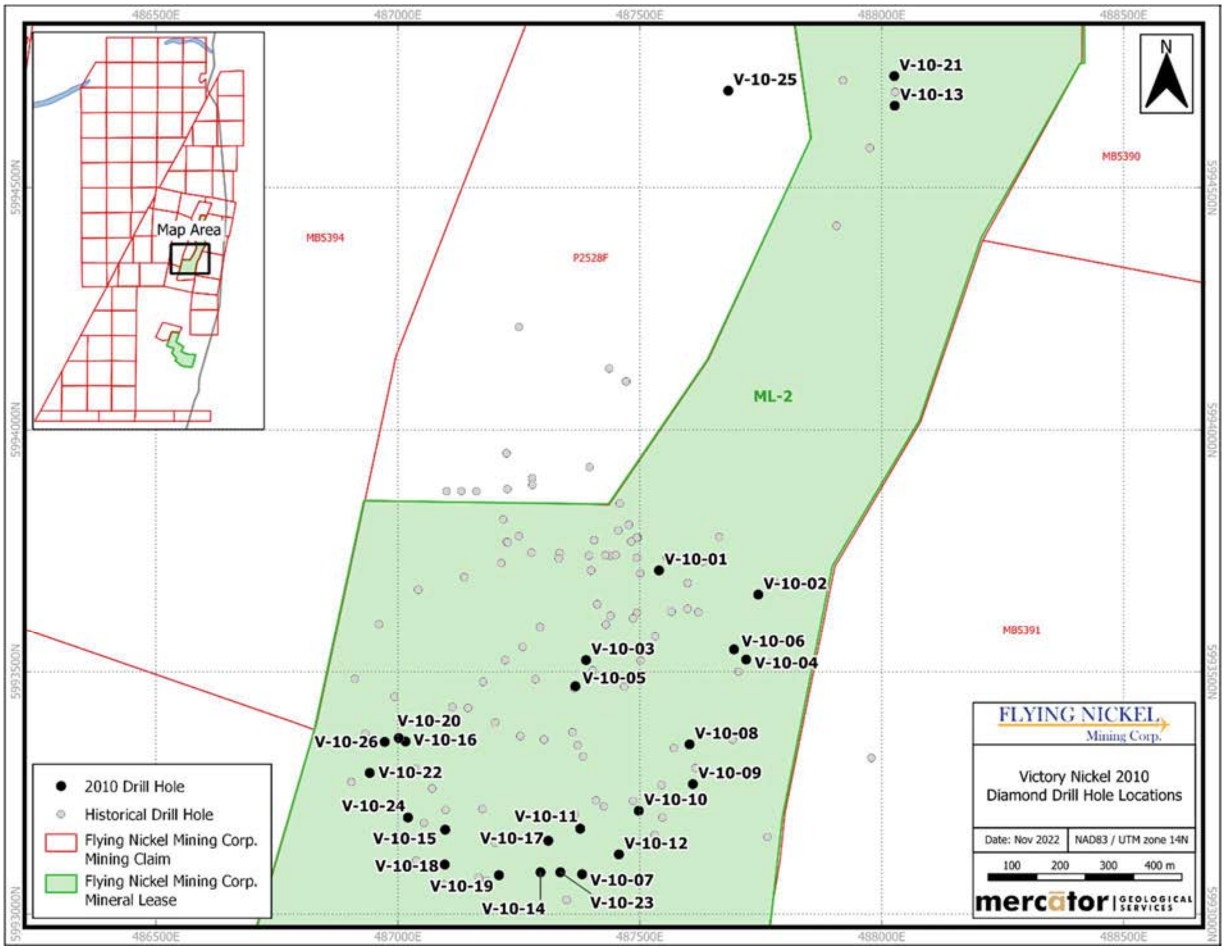
10.7 Victory Nickel Diamond Drilling – 2010

Between January and May 2010, Victory Nickel completed 23 diamond drill holes in the Nose Zone, within a proposed pit shell, and 3 drill holes in the North Limb Zone for a total of 9,647.7 m (Table 10-9 and Figure 10-12).

Table 10-9: Collar table for 2010 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) (UTM NAD83) (Zone 14N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
V-10-01	5993710	487540	129	-44	267.6
V-10-02	5993660	487745	310	-49	159.4
V-10-03	5993524	487389	130	-49	338.5
V-10-04	5993525	487720	305	-60	349.3
V-10-05	5993470	487367	179	-46	455.1
V-10-06	5993546	487695	313	-50	260.6
V-10-07	5993082	487381	356	-59	611.2
V-10-08	5993350	487603	305	-56	330.7
V-10-09	5993268	487610	311	-45	339.2
V-10-10	5993213	487498	322	-58	313.0
V-10-11	5993176	487377	0	-61	422.8
V-10-12	5993123	487457	342	-47	233.8
V-10-13	5994669	488027	274	-55	502.0
V-10-14	5993086	487295	12	-54	293.7
V-10-15	5993174	487098	39	-50	337.4
V-10-16	5993356	487016	41	-48	324.3
V-10-17	5993151	487311	12	-50	326.2
V-10-18	5993102	487097	41	-49	513.0
V-10-19	5993080	487209	30	-48	425.8
V-10-20	5993363	487002	40	-46	324.3
V-10-21	5994730	488026	267	-55	502.0
V-10-22	5993291	486942	37	-46	438.9
V-10-23	5993086	487336	3	-55	239.9
V-10-24	5993199	487021	44	-46	478.1
V-10-25	5994700	487683	93	-51	502.0
V-10-26	5993355	486973	43	-47	358.8
				Total =	9,647.7

Figure 10-12: Collar location of 2010 Victory Nickel diamond drill holes



The purpose of the 2010 drilling program was to:

- Upgrade mineral resources within the then-current proposed pit limits for future mine plan studies;
- Incorporate areas at the top of the deposit near the sandstone contact that were excluded from the historical resource and reserve estimate completed in the 2010 Wardrop FS due to a perceived lack of drill coverage;
- Obtain additional geological information to improve the predictability of the geological model;
- Further evaluate the potential of the North Limb Zone mineralization and potentially define an exploration target estimating the potential tonnage and grade of North Limb Zone mineralization.

Drilling was carried out by Cyr Drilling International Ltd. from a drill camp located immediately to the east of Highway 6, about 10 km south of the drill sites. Drill holes were collared with HW casing that was drilled through the overburden to the dolomite. Thereafter the hole was drilled with HQ size rods through the dolomite, sandstone and into the Precambrian basement, at which point the hole was reduced to NQ size and drilled to the required depth. During the NQ drilling phase, the HQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone from flowing into the hole. Upon completion of the hole, the HQ and NQ rods were removed but the HW casing was left in place, capped with an aluminum plug and stamped with the hole number. An NQ size safety plug was installed below the Ordovician-Precambrian unconformity and an HQ safety plug was installed in the dolomite above the sandstone. The hole was cemented between the plugs. The drill collars were surveyed for location, azimuth and inclination by Pollock and Wright (land surveyors) with a Trimble RTK5700 dual frequency GPS survey instrument.

The drill core was transported to Victory Nickel's core storage facility in Grand Rapids, MB and securely stored indoors for processing and logging/sampling. The core was photographed, logged initially for geotechnical data. and subsequently logged for lithology, alteration, and mineralization.

Sample intervals were selected, and the core was split using a diamond saw. Each sample was uniquely identified with a sample number and placed in a plastic sample bag that was stapled shut. The samples were placed in large, addressed fabrene bags that were wired shut and palletized for shipment. Samples were shipped by truck to TSL, SK, or Acme Analytical Laboratories ("ACME") in Vancouver, BC. Drill supervision, lithologic core logging and sample selection was performed by qualified persons hired on a contract basis and supervised by Paul Jones, Vice President of Exploration for Victory Nickel.

All intervals of ultramafic and/or sulphide-bearing core, and the rocks on the margins of such intervals, were sampled for assay testing. The maximum sample interval for the former was 1.5 m, and for the latter, 3.0 m. As per industry norms each hole was logged, and sample intervals were based on the following hierarchy: rock type, alteration (style and intensity) and sulphide content (type and abundance).

10.7.1 Drilling Results

A total of approximately 4,500 samples, including drill core, CRMs and blanks, were submitted for nickel and copper analysis. The drill holes were located on sections adjacent to or within the fold hinge at the centre of the Nose Zone of the Deposit. Significant intervals as downhole lengths for each drill hole are shown below in Table 10-10. True widths are approximately 40 to 60% of downhole lengths. Palladium and platinum grades may include Flying Nickel resample results.

Table 10-10: Significant intercepts for the 2010 drilling program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	V-10-01	106.73	246.41	0.38	0.16	0.08	0.03
including	V-10-01	153.32	231.63	0.48	0.24	0.10	0.04
	V-10-02	No significant mineralization					
	V-10-03	137.53	284.74	0.30	0.12	0.05	0.02
including	V-10-03	137.53	150.00	0.48	0.05	0.11	0.05
and	V-10-03	270.96	284.74	0.85	0.61	0.24	0.10
	V-10-03	321.19	332.97	0.26	0.18	0.02	0.01
	V-10-04	186.70	345.55	0.21	0.07	0.05	0.03
including	V-10-04	201.60	224.00	0.42	0.15	0.13	0.05

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
and	V-10-04	277.07	297.27	0.27	0.04	0.05	0.03
	V-10-05	129.02	386.07	0.34	0.20	0.07	0.03
including	V-10-05	129.02	147.09	0.54	0.03	0.18	0.09
and	V-10-05	222.52	308.00	0.61	0.50	0.18	0.07
	V-10-06	94.00	243.90	0.27	0.06	0.05	0.03
including	V-10-06	129.16	140.43	0.45	0.03	0.14	0.06
and	V-10-06	230.14	243.90	0.64	0.28	0.18	0.10
	V-10-07	150.28	544.74	0.24	0.16	0.05	0.03
including	V-10-07	351.79	379.55	0.29	0.23	0.09	0.04
and	V-10-07	502.23	544.74	0.62	0.42	0.20	0.10
	V-10-08	124.69	259.79	0.21	0.05	0.05	0.02
including	V-10-08	177.59	187.22	0.62	0.17	0.30	0.12
and	V-10-08	255.19	259.79	1.09	0.85	0.34	0.17
	V-10-09	172.19	318.32	0.32	0.17	0.08	0.04
including	V-10-09	176.36	233.96	0.47	0.24	0.10	0.04
and	V-10-09	311.60	318.32	0.76	0.62	0.63	0.48
	V-10-10	79.75	313.03	0.48	0.40	0.14	0.05
including	V-10-10	147.42	248.40	0.96	0.82	0.31	0.12
	V-10-11	78.33	355.50	0.39	0.27	0.10	0.04
including	V-10-11	192.90	285.69	0.81	0.69	0.27	0.11
	V-10-12	136.14	151.24	0.22	0.02	0.04	0.02
	V-10-12	193.89	233.78	0.41	0.28	0.05	0.02
including	V-10-12	227.11	233.78	0.62	0.43	0.14	0.05
	V-10-13	110.33	432.30	0.33	0.22	0.04	0.02
including	V-10-13	212.00	314.63	0.54	0.48	0.11	0.04
	V-10-14	200.40	293.74	0.06	0.03	NA	NA
	V-10-15	111.67	337.41	0.58	0.37	0.16	0.06
including	V-10-15	119.83	259.25	0.79	0.55	0.25	0.10
	V-10-16	119.95	321.15	0.67	0.45	NA	NA
including	V-10-16	179.05	320.34	0.86	0.64	NA	NA
	V-10-17	119.64	326.23	0.20	0.07	0.05	0.02
including	V-10-17	150.30	234.20	0.35	0.13	0.09	0.04
and	V-10-17	309.60	317.13	0.40	0.23	0.05	0.03
	V-10-18	151.02	152.80	0.11	NA	NA	NA
	V-10-18	204.18	512.98	0.48	0.32	0.10	0.04
including	V-10-18	281.65	392.70	0.82	0.59	0.22	0.08
and	V-10-18	494.25	512.98	1.04	0.75	0.26	0.14
	V-10-19	88.82	120.48	0.01	0.00	0.00	0.00
	V-10-19	194.15	425.81	0.18	0.13	0.04	0.02

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
including	V-10-19	292.25	336.40	0.60	0.51	0.17	0.07
	V-10-20	122.53	324.31	0.50	0.33	NA	NA
including	V-10-20	225.56	324.31	0.72	0.64	NA	NA
	V-10-21	96.62	486.77	0.32	0.16	0.03	0.02
including	V-10-21	180.27	277.81	0.44	0.28	0.06	0.02
	V-10-22	151.00	282.60	0.20	0.08	0.04	0.02
	V-10-22	391.26	412.20	1.34	1.15	0.38	0.19
	V-10-23	213.68	221.51	0.21	0.01	0.00	0.01
	V-10-24	168.20	467.00	0.37	0.26	NA	NA
including	V-10-24	172.67	276.40	0.43	0.30	NA	NA
and	V-10-24	392.00	441.00	0.86	0.74	NA	NA
	V-10-25	189.00	481.48	0.39	0.28	NA	NA
including	V-10-25	269.00	437.99	0.53	0.41	NA	NA
	V-10-26	123.52	202.83	0.58	0.14	0.16	0.07
	V-10-26	269.24	358.75	0.86	0.72	0.21	0.10

10.8 Victory Nickel Diamond Drilling – 2011

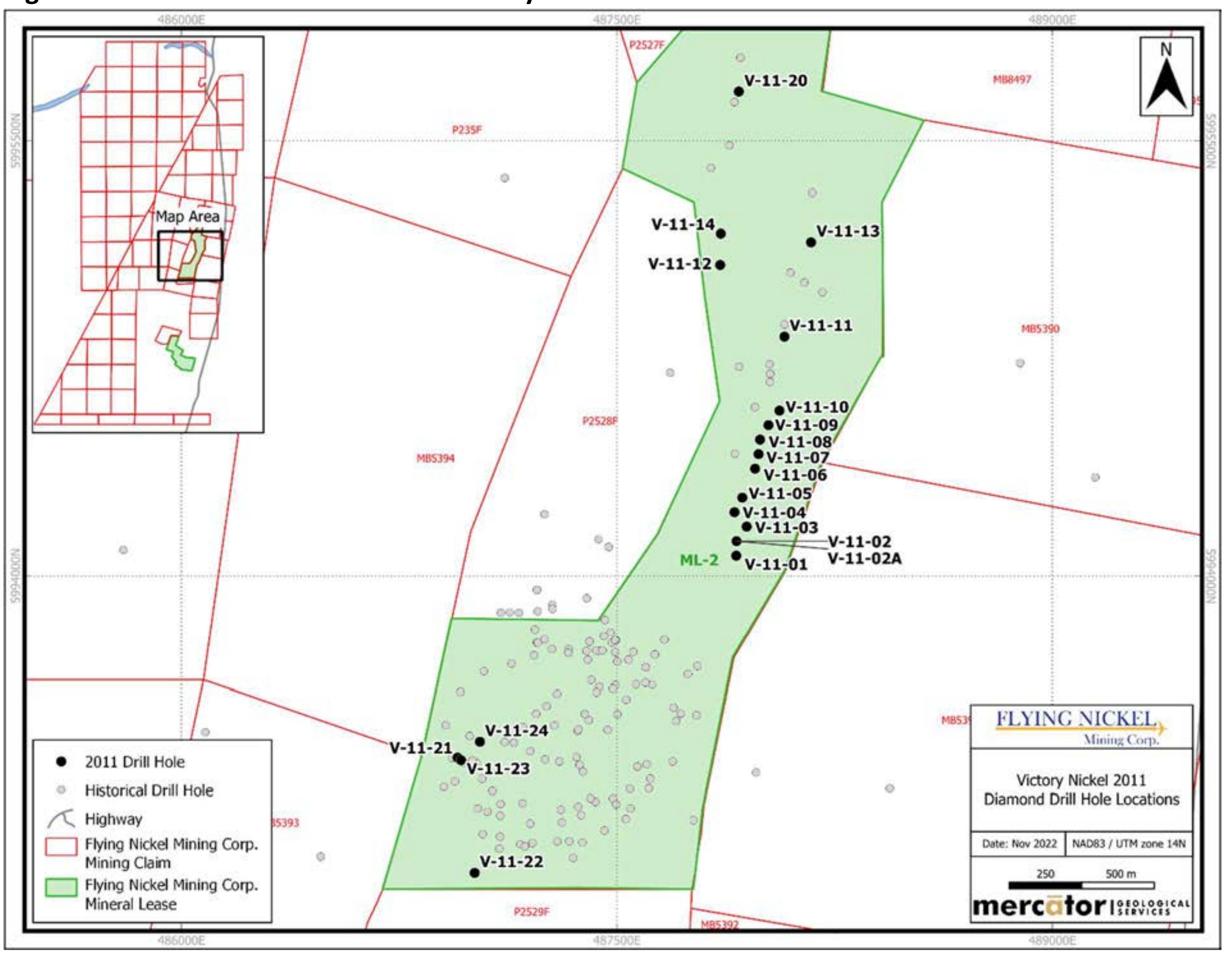
Between February 5, 2011, and April 28, 2011, Victory Nickel completed 20 diamond drill holes (V-11-01 to V-11-14 and V-11-20 to V-11-24) in the Nose Zone and North Limb Zone for a total of 8,673.4 m (Table 10-11 and Figure 10-13).

Table 10-11: Collar table for 2011 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) (UTM NAD83) (Zone 14N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
V-11-01	5994070	487911	270	-50	339.1
V-11-02	5994120	487912	270	-49	206.7
V-11-02A	5994120	487912	270	-56	392.4
V-11-03	5994170	487947	270	-50	429.0
V-11-04	5994220	487905	270	-50	313.1
V-11-05	5994270	487932	270	-50	392.4
V-11-06	5994370	487976	271	-48	337.5
V-11-07	5994420	487988	270	-50	361.9
V-11-08	5994470	487993	269	-49	450.3
V-11-09	5994520	488022	270	-54	400.0
V-11-10	5994570	488060	269	-50	477.6
V-11-11	5994825	488077	271	-50	430.2
V-11-12B	5995072	487856	96	-50	361.9
V-11-13	5995150	488169	92	-50	396.7

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) (UTM NAD83) (Zone 14N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
V-11-14	5995180	487858	101	-49	380.2
V-11-20	5995670	487920	40	-45	383.2
V-11-21	5993373	486951	267	-49	401.5
V-11-22	5992977	487010	9	-66	1,526.5
V-11-23	5993364	486963	38	-45	389.3
V-11-24	5993428	487028	39	-44	304.0
				Total =	8,673.4

Figure 10-13: Collar location of 2011 Victory Nickel diamond drill holes



The purpose of the 2011 drilling program was to:

- Complete deep holes targeting the down-plunge extension of the Nose Zone. The deep drill holes were meant to target a large magnetic mass shown to extend to a depth in excess of 1.5 km vertically and over 2 km in length incorporating the Nose Zone and the North Limb Zone;

- Define a Mineral Resource in the North Limb Zone and demonstrate continuity and significant thickness of nickel-mineralized rock similar in character to that which comprises the Nose Zone; and
- Complete several drill holes in the local area of the Nose Zone to examine the geology and assess local conditions regarding future mining infrastructure placement.

Drilling was carried out by Cyr Drilling International Ltd. from a drill camp located immediately to the east of Highway 6, about 10 km south of the drill sites. Drill holes were collared with HW casing that was drilled through the overburden to the dolomite. Thereafter the hole was drilled with HQ size rods through the dolomite, sandstone and into the Precambrian basement, at which point the hole was reduced to NQ size and drilled to the required depth. During the NQ drilling phase, the HQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone from flowing into the hole. Upon completion of the hole, the HQ and NQ rods were removed but the HW casing was left in place, capped with an aluminum plug, and stamped with the hole number. An NQ size safety plug was installed below the Ordovician-Precambrian unconformity and an HQ safety plug was installed in the dolomite above the sandstone. The hole was cemented between the plugs. The drill collars were surveyed for location, azimuth and inclination by Pollock and Wright (land surveyors) with a Trimble RTK5700 dual frequency GPS survey instrument.

The drill core was transported to Victory Nickel's core storage facility in Grand Rapids, MB and securely stored indoors for processing and logging/sampling. The core was photographed, logged initially for geotechnical data, and subsequently logged for lithology, alteration, and mineralization. Sample intervals were selected, and the core was split using a diamond saw. Each sample was uniquely identified with a sample number and placed in a plastic sample bag that was stapled shut. The samples were placed in large, addressed fabrene bags that were wired shut and palletized for shipment. Samples were shipped by truck to TSL, SK, and ACME in Vancouver, BC. Drill supervision, lithologic core logging and sample selection was performed by qualified persons hired on a contract basis and supervised by Paul Jones, Vice President - Exploration for Victory Nickel.

All intervals of ultramafic and/or sulphide-bearing core, and the rocks on the margins of such intervals, were sampled for assay testing. The maximum sample interval for the former was 1.5 m, and for the latter, 3.0 m. Each hole was logged and sampled intervals were based on the following hierarchy: rock type, alteration (style and intensity) and sulphide content (type and abundance).

10.8.1 Drilling Results

A total of 2,925 samples, including drill core, CRMs and blanks, were submitted for nickel and copper analysis. Significant intervals as downhole lengths for each drill hole are shown below in Table 10-12. True widths are approximately 40 to 60% of downhole lengths. Palladium and platinum grades may include Flying Nickel resample results.

Table 10-12: Significant intercepts for the 2011 drilling program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	V-11-01	165.07	286.25	0.05	0.01	0.01	0.00
	V-11-02	116.91	206.70	0.34	0.15	0.08	0.03
including	V-11-02	180.00	201.00	0.70	0.52	0.21	0.07
	V-11-02A	161.00	299.34	0.27	0.18	0.04	0.02
including	V-11-02A	199.00	228.16	0.41	0.34	0.04	0.02
and	V-11-02A	285.00	296.48	0.51	0.38	0.16	0.08
	V-11-03	192.61	390.10	0.16	0.10	0.02	0.01
including	V-11-03	202.00	228.14	0.43	0.25	0.10	0.04
and	V-11-03	291.04	301.89	0.70	0.51	0.00	0.01
	V-11-04	133.23	313.11	0.32	0.21	0.08	0.04
including	V-11-04	206.00	236.50	1.01	0.78	0.33	0.16
and	V-11-04	264.64	287.00	0.70	0.49	0.13	0.07
	V-11-05	171.93	379.45	0.19	0.10	0.03	0.02
including	V-11-05	283.00	298.49	0.78	0.67	0.31	0.17
	V-11-06	130.04	278.47	0.25	0.07	0.02	0.01
	V-11-07	106.22	361.89	0.19	0.07	0.03	0.01
including	V-11-07	334.15	347.43	0.45	0.28	0.15	0.08
	V-11-08	123.63	359.37	0.33	0.19	0.07	0.03
including	V-11-08	274.76	359.37	0.50	0.43	0.16	0.06
	V-11-09	117.25	369.79	0.41	0.26	0.09	0.04
including	V-11-09	266.02	344.44	0.81	0.67	0.26	0.10
	V-11-10	180.14	473.76	0.34	0.25	0.05	0.02
including	V-11-10	289.50	388.84	0.55	0.48	0.13	0.05
	V-11-11	157.80	420.00	0.23	0.14	0.04	0.02
including	V-11-11	217.90	295.00	0.54	0.41	0.11	0.04
	V-11-12B	139.35	231.33	0.16	0.01	0.00	0.01
	V-11-13	142.13	337.25	0.28	0.18	0.04	0.02
including	V-11-13	208.00	248.00	0.53	0.43	0.11	0.05
	V-11-14	150.52	372.00	0.31	0.20	0.04	0.02
including	V-11-14	306.00	355.40	0.56	0.49	0.16	0.06
	V-11-20	316.05	383.23	0.13	0.09	0.02	0.01
	V-11-21	189.04	195.75	0.39	0.33	0.28	0.19
	V-11-22	271.29	420.26	0.17	0.10	0.01	0.01
including	V-11-22	541.20	547.77	0.03	0.00	0.00	0.00
	V-11-23	157.50	207.00	0.57	0.17	0.14	0.06
	V-11-23	344.35	381.10	0.25	0.18	0.04	0.02
	V-11-24	196.33	233.86	0.14	0.10	0.05	0.03

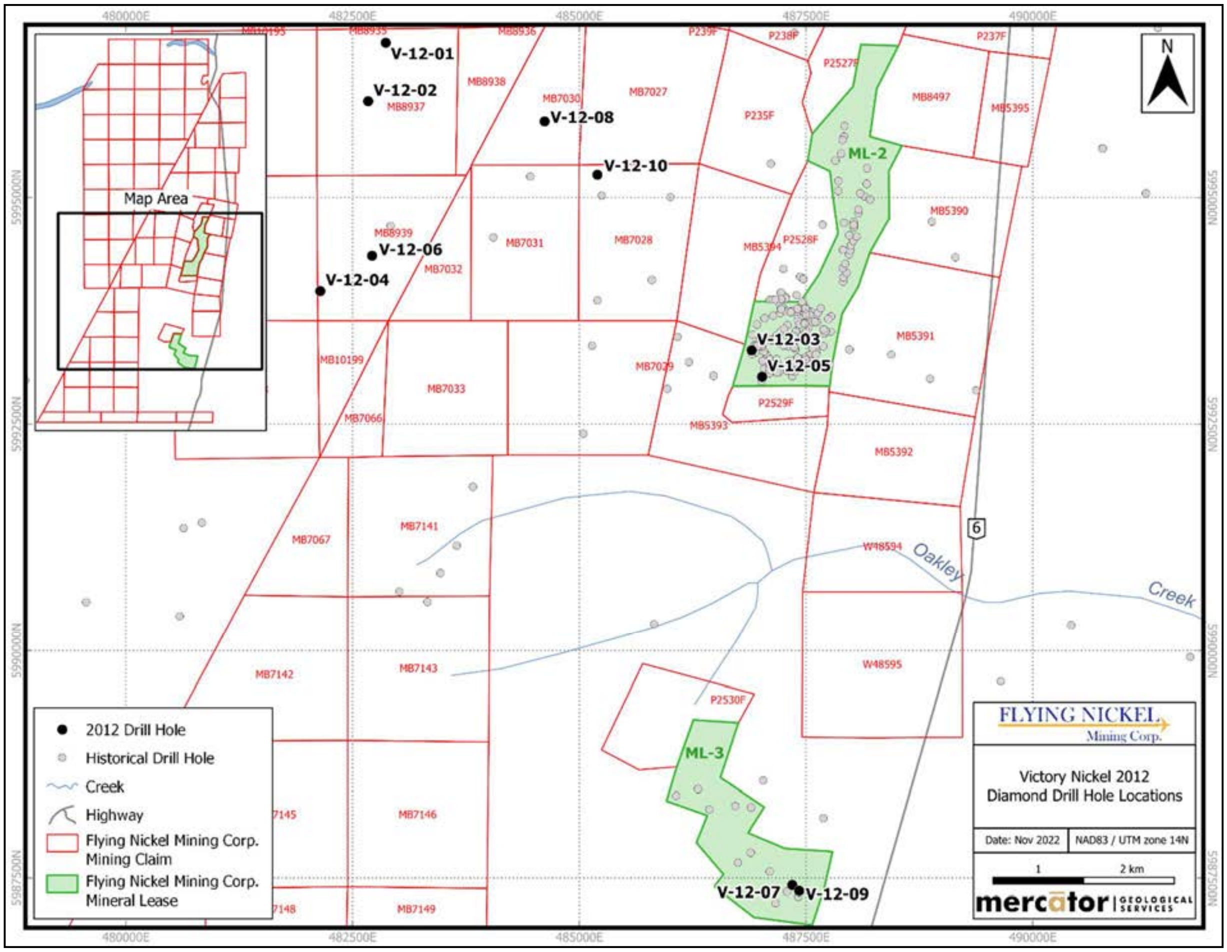
10.9 Victory Nickel Diamond Drilling - 2012

Between February 17, 2012, and April 27, 2012, Victory Nickel completed a 10 hole diamond drill program (V-12-01 to V-12-10) totaling 4,137.1 m (Table 10-13 and Figure 10-14).

Table 10-13: Collar table for 2012 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
V-12-01	5996706	482866	212.9	-56	401.0
V-12-02	5996061	482672	226.4	-60	401.0
V-12-03	5993314	486901	36.9	-55	471.0
V-12-04	5993967	482144	226.4	-60	302.0
V-12-05	5993023	487016	4.3	-55	281.0
V-12-06	5994357	482715	233.5	-61	452.0
V-12-07	5987421	487349	225.1	-55	423.2
V-12-08	5995839	484618	257.4	-50	452.0
V-12-09	5987357	487425	232.4	-55	552.9
V-12-10	5995250	485200	235.0	-50	401.0
				Total =	4,137.1

Figure 10-14: Collar location of 2012 Victory Nickel diamond drill holes



The purpose of this drilling program was to complete:

- Six drill holes (V-12-01, V-12-02, V-12-04, V-12-06, V-12-08 and V-12-10) to test geophysical anomalies.
- Two drill holes (V-12-03 and V-12-05) on ML-002 to test for extensions of the Nose Zone; and
- Two drill holes (V-12-07 and V-12-09) on ML-003 to further explore and delineate a known occurrence of nickeliferous serpentinite not included in the Deposit.

Drilling was carried out by Element Drilling Ltd. ("Element Drilling") of Gimli, MB from a drill camp established at the Manitoba Hydro substation located south of the William River and east of Highway 6. Drill holes were collared with HW casing that was drilled through the overburden to the dolomite. Thereafter the hole was drilled with HQ size rods through the dolomite, sandstone and into the Precambrian basement, at which point the hole was reduced to NQ size and drilled to the required depth. During the NQ drilling phase, the HQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone from flowing into the hole. Upon completion of the hole, the HQ and NQ rods were removed but the HW casing was left in place, capped with an aluminum plug stamped with the hole number. An NQ size safety plug was installed below the Ordovician-Precambrian unconformity and a HQ safety plug was installed in the dolomite above the sandstone. The holes were cemented between the plugs.

The drill collars were surveyed for location, azimuth and inclination by Pollock and Wright (land surveyors) with a Trimble RTK5700 dual frequency GPS survey instrument. In-hole surveys were performed by Element Drilling using a Reflex EZ-Shot single shot and gyro instrument.

The drill core was transported to Victory Nickel's core storage facility in Grand Rapids, MB and securely stored indoors for processing and logging/sampling. The core was photographed, logged initially for geotechnical data, and was subsequently logged for lithology, alteration, and mineralization. Sample intervals were selected, and the core was split using a diamond saw. Core splitting was performed by local contractors. Each sample was uniquely identified with a sample number and placed in a plastic sample bag that was stapled shut. The samples were placed in large, addressed fabrene bags that were wired shut and palletized for shipment. Samples were shipped by truck to TSL in Saskatoon, SK. Drill supervision, lithologic core logging and sample selection was performed by qualified persons hired on a contract basis and supervised by Paul Jones, Vice President of Exploration for Victory Nickel.

All intervals of ultramafic and/or sulphide-bearing core, and the rocks on the margins of such intervals, were sampled for assay testing. The maximum sample interval for the former was 1.5 m, and for the latter, 3.0 m. As per industry norms each hole was logged and sample intervals were based on the following hierarchy: rock type, alteration (style and intensity), sulphide content (type and abundance).

10.9.1 Drilling Results

A total of 599 samples including drill core and QAQC materials were submitted for nickel and copper analysis. Of these, 458 core samples were subjected to SG determinations and 261 core samples were assayed for gold, platinum, and palladium. Most of the drill holes did not intersect significant nickel values. True widths are unknown.

Drill hole V-12-01 was drilled to test a northwest-southeast trending magnetic high. Drill hole V-12-01 intersected Precambrian basement rocks at a depth of 94.20 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); mafic rocks (amphibolite with lesser metahornblendite, metagabbro); and minor pegmatite. The magnetic high was attributed to local concentrations of magnetite. Minor disseminated and fracture filling pyrrhotite and pyrite were present, but there were no significant nickel values.

Drill hole V-12-02 was drilled to test a northwest-southeast trending magnetic high. Drill hole V-12-02 hole intersected Precambrian basement rocks at a depth of 95.2 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); mafic rocks (amphibolite with lesser metahornblendite, metagabbro); and minor pegmatite. The magnetic high was attributed to local concentrations of magnetite. Minor disseminated and fracture filling pyrrhotite and pyrite were present, but there were no significant nickel values.

Drill hole V-12-03 was drilled to locate the west boundary of the nickel bearing serpentinite of the Nose Zone. Drill hole V-12-03 intersected Precambrian basement rocks at a depth of 85.8 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); mafic rocks (amphibolite with lesser metahornblendite, metagabbro); and minor pegmatite. Minor disseminated and fracture filling pyrrhotite and pyrite were present, but there were no significant nickel values.

Drill hole V-12-04 was drilled to test a northwest-southeast trending magnetic high. Drill hole V-12-04 hole intersected Precambrian basement rocks at a depth of 92 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); mafic rocks (amphibolite with lesser metahornblendite, metagabbro); and minor pegmatite. The magnetic high was attributed to local concentrations of magnetite. Minor disseminated and fracture filling pyrrhotite and pyrite were present, but there were no significant nickel values.

Drill hole V-12-05 was drilled to explore the nickel bearing serpentinite located south of the Nose Zone that was previously intersected in drill hole V-11-22. Drill hole V-12-05 intersected Precambrian basement rocks at a depth of 84.9 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); metasediment (undivided Ospwagan Group); serpentinite (from 180.3 m to 183.8 m and from 201.9 m to 269.6 m); and minor pegmatite. The serpentinite contained low but elevated nickel values with the best interval from 218 m to 246 m (28 m in core length) grading 0.36% total Ni.

Drill hole V-12-06 was drilled to test a northwest-southeast trending magnetic high. Drill hole V-12-06 intersected Precambrian basement rocks at a depth of 88.5 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); mafic rocks (amphibolite with lesser metahornblendite, metagabbro); and minor pegmatite. The magnetic high was attributed to local concentrations of magnetite. Minor disseminated and fracture filling pyrrhotite and pyrite were present, but there were no significant nickel values.

Drill hole V-12-07 intersected Precambrian basement rocks at a depth of 65.3 m. The Precambrian rocks comprise serpentinite (from 65.3 m to 121.3 m, from 168.5 m to 294.9 m and from 298.8 m to 423.2 m); and mafic dyke. The drill hole was stopped in serpentinite at 423.2 m due to caving. The serpentinite typically contained lower nickel values ranging from 0.15% to 0.25%.

Drill hole V-12-08 was drilled to test a northwest-southeast trending poorly defined EM conductor. Drill hole V-12-08 intersected Precambrian basement rocks at a depth of 107.00m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); metasediment (undivided Ospwagan Group); mafic rocks (amphibolite with lesser metahornblendite, metagabbro), and minor pegmatite. The EM conductor is attributed to local narrow concentrations of up to 60% pyrrhotite. There were no significant nickel values.

Drill hole V-12-09 intersected Precambrian basement rocks at a depth of 65.8 m. The Precambrian rocks comprise serpentinite (from 96.50 m to 97.30 m, from 100.00 m to 104.00 m, from 130.50 m to 234.10 m and from 257.19 m to 511.80 m); metasediment (undivided Ospwagan Group); mafic dyke; and granite.

The serpentinite typically contained lower nickel values ranging from 0.15% to 0.30% with scattered assays up to 0.61% over intervals of 2.0 m.

Drill hole V-12-10 was drilled to test a northwest-southeast trending poorly defined EM conductor. Drill hole V-12-10 intersected Precambrian basement rocks at a depth of 104.4 m. The Precambrian rocks comprise: migmatized quartzofeldspathic gneiss (metagranite); mafic rocks (amphibolite with lesser metahornblendite, metagabbro); and minor pegmatite. The EM conductor was attributed to local narrow concentrations of up to 15% pyrite and pyrrhotite. There were no significant nickel values.

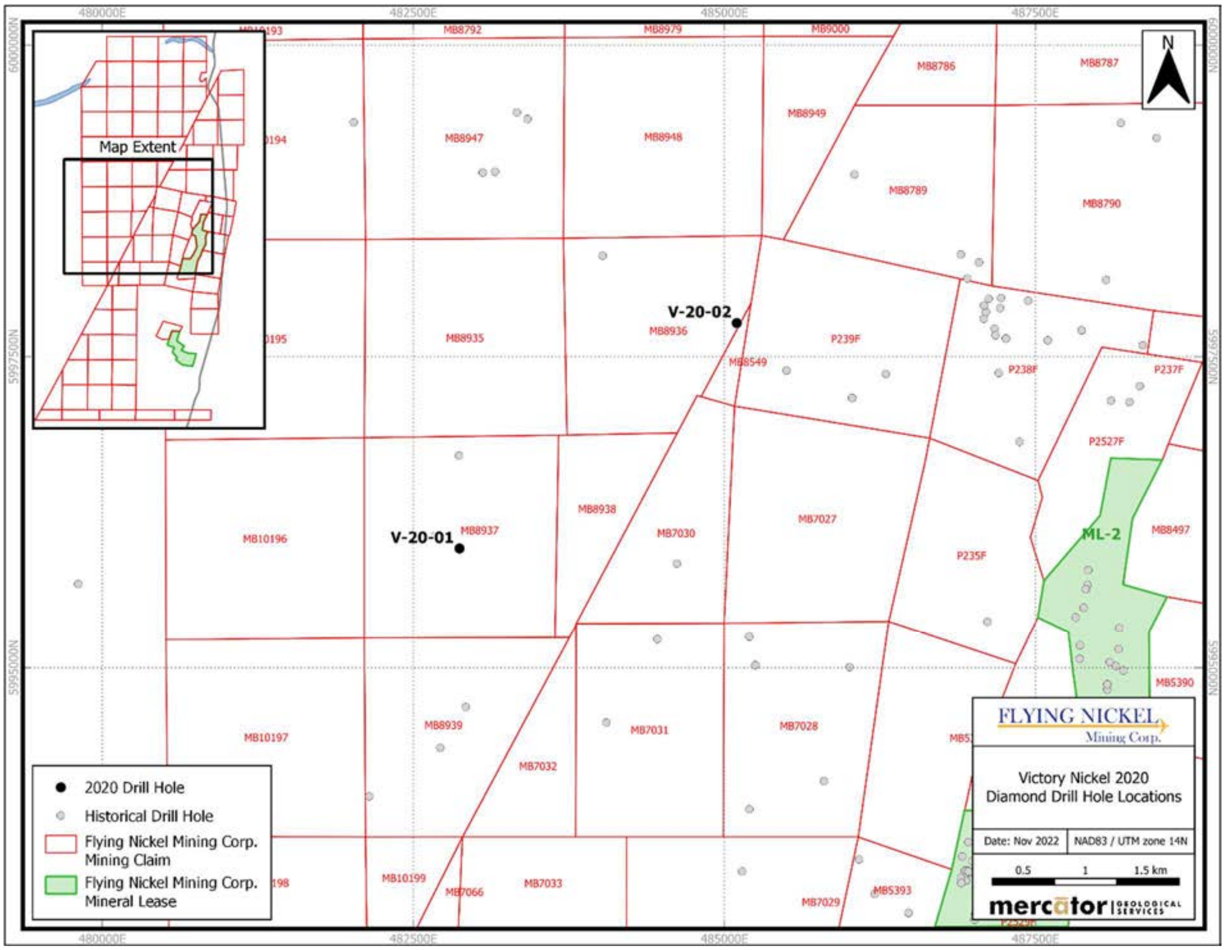
10.10 Victory Nickel Diamond Drilling – 2020

Between March 13, 2020, and April 2, 2020, Victory Nickel completed a 2 hole diamond drill program (V-20-01 and V-20-02) totalling 496 m (Table 10-14 and Figure 10-15). The program targeted geophysical responses underlying the northern part of the property and constitutes condemnation testing related to potential infrastructure development for future purposes. The geophysical targets tested were identified during historic surveys conducted by previous operators as well as a 2007 VTEM survey conducted for Victory Nickel. Due to covid pandemic restrictions, core logging, sampling and analytical programs were delayed and were only completed in January 2022 by Flying Nickel staff. A total of 21 samples including drill core and QAQC materials were sent for nickel, copper, sulphide nickel, palladium, platinum and gold analysis. There were no significant nickel values intersected with the most elevated total nickel value being 0.025% over 1.6 m downhole in drill hole V-20-01.

Table 10-14: Collar table for 2020 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14N)	Azimuth (deg)	Inclination (deg)	Hole Length (m)
V-20-01	5,995,961	482,871	180	50	251
V-20-02	5,997,770	485,100	270	50	245
				Total =	496

Figure 10-15: Collar location of 2020 Victory Nickel diamond drill holes



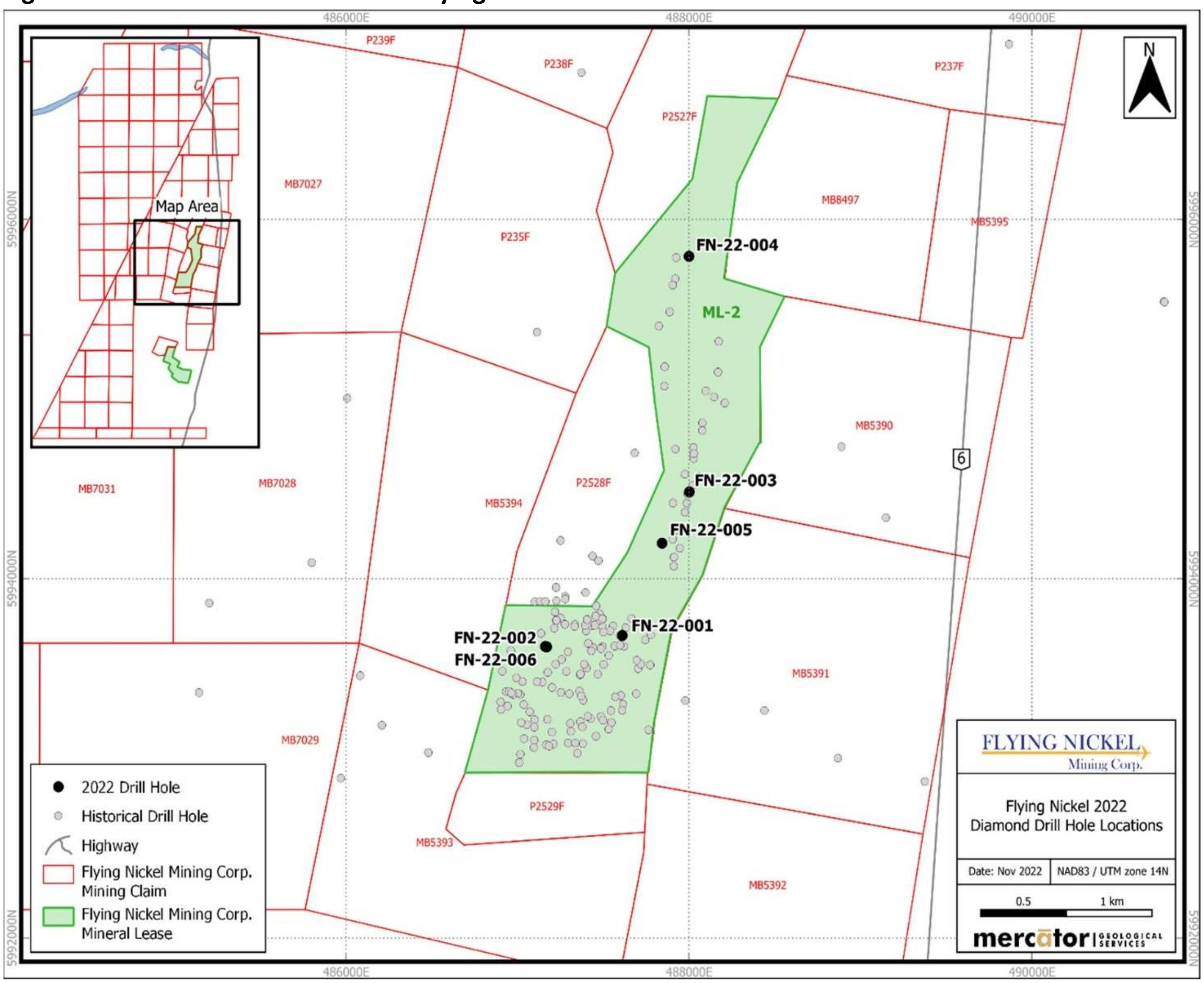
10.11 Flying Nickel Diamond Drill Program - 2022

Between February 3, 2022, and April 3, 2022, Flying Nickel completed a 6 hole diamond drill program (FN-22-001 to FN-22-06) totalling 2,717.4 m. (Table 10-15 and Figure 10-16). The 2022 Flying Nickel drill holes are located both within the current deposit resource shells, twinning historic drill holes, as well as in new target areas north of the Nose and North Limb Zones. Infill drill holes FN-22-001 and FN-22-002 intercepted wide disseminated nickel mineralization at the Nose Zone. FN-22-006 was drilled to test a geophysical anomaly immediately north of the Nose Zone. FN-22-003 and FN-22-005 intersected disseminated nickel mineralization in the North Limb Zone. FN-22-004 was drilled to test a geophysical anomaly north of the North Limb Zone. Five core samples from FN-22-001 and FN-22-002 were sent to the SGS for mineralogical examination. The goal was to define the liberation and association attributes of nickel sulphides and PGMs. The final report, “An Investigation into Mineralogy of Variability Samples from the Minago Nickel Project” was received on April 27, 2023.

Table 10-15: Collar table for 2022 diamond drilling program

Hole ID	Northing (m) UTM NAD83 (Zone 14N)	Easting (m) UTM NAD83 (Zone 14N)	Azimuth deg	Inclination deg	Hole Length (m)
FN-22-001	5,993,684	487,611	189	-60	567
FN-22-002	5,993,623	487,162	182.5	-49	407
FN-22-003	5,994,483	488,002	275	-67	530
FN-22-004	5,995,794	488,000	90	-60	551
FN-22-005	5,994,198	487,843	275	-52	338
FN-22-006	5,993,621	487,170	25	-50	325
				Total (rounded)=	2,718

Figure 10-16: Collar location of 2022 Flying Nickel diamond drill holes



Drilling was carried out by Northwest Diamond Drilling of Pine River, MB. Drill holes were collared with HW casing that was drilled through the overburden to the dolomite. Thereafter the hole was drilled with HQ size rods through the dolomite, sandstone and into the Precambrian basement, at which point the hole was reduced to NQ size and drilled to the required depth. During the NQ drilling phase, the HQ rods were left in the hole to act as casing and thereby prevent the unconsolidated sandstone from flowing into the hole. Upon completion of the hole, the HQ and NQ rods were removed but the HW casing was left in place, capped with an aluminium plug stamped with the hole number. In-hole surveys were performed by Northwest Diamond Drilling using a Reflex EZ-Shot single shot. Due to wet field conditions, collar surveys were not completed and remain an outstanding task.

The drill core was picked up from the drill and transported by pick-up truck by the on-site geologist to Flying Nickel's core storage facility in Grand Rapids, MB and securely stored indoors for processing, logging, and sampling. The core was photographed, logged initially for geotechnical data, and subsequently logged for lithology, alteration, and mineralization. Sample intervals were selected, and the core was split using a diamond saw. Each sample was uniquely identified with a sample number and placed in a plastic sample bag that was stapled closed. The samples were placed in large, addressed fabrene bags that were wired shut and palletized for shipment. Samples were shipped to SGS in Burnaby, BC. Drill supervision, lithologic core logging and sample selection was performed by qualified persons hired on a contract basis and supervised by Rob Smith, P.Geo., as a contract geologist for Flying Nickel.

All intervals of ultramafic and/or sulphide-bearing core, and the rocks on the margins of such intervals, were sampled for assay testing. The nominal sample interval for the former was 2 m, and for the latter, 1.0 m. The average sample interval was 1.4 m. As per industry norms each hole was logged and sample intervals were based on the following hierarchy: rock type, alteration (style and intensity) and sulphide content (type and abundance).

10.11.1 Drilling Results - 2022

A total of 965 samples including drill core and QAQC materials were submitted for nickel and copper as well as for gold, platinum, and palladium analysis. Significant intervals as downhole lengths for each drill hole are shown below in Table 10-16 below. True widths are approximately 40 to 60% the width observed in core.

Table 10-16: Significant intercepts for 2022 Drilling Program

	Hole Id	From (m)	To (m)	Ni %	NiS %	Pd g/t	Pt g/t
	FN-22-001	84.55	385.10	0.43	0.29	0.10	0.05
including	FN-22-001	296.00	365.00	1.16	1.01	0.38	0.19
	FN-22-001	425.00	567.00	0.28	0.15	0.05	0.02
	FN-22-002	126.10	407.00	0.43	0.34	0.09	0.05
including	FN-22-002	169.10	286.25	0.84	0.72	0.20	0.10
	FN-22-003	192.00	508.80	0.32	0.26	0.05	0.02
including	FN-22-003	318.60	440.19	0.44	0.41	0.11	0.04
	FN-22-004	338.65	451.30	0.09	0.05	0.02	0.02
Including	FN-22-004	411.59	419.92	0.34	0.25	0.15	0.11
	FN-22-005	99.00	323.10	0.25	0.13	0.07	0.04
including	FN-22-005	146.79	172.12	0.78	0.55	0.29	0.15
	FN-22-006	No significant mineralization					

**Detection limit is 10 ppm for nickel. When calculating composite grades, half the detection limit value was used when assay results were less than the detection limit.*

Drill hole FN-22-001 is a 567 m infill drill hole located at the eastern part of the Nose Zone. The hole ended in mineralization at 567 m, short of the 830 m planned depth due to ground conditions. Approximately 483 m of ultramafic rocks were observed containing varying percentages of disseminated mineralization.

Drill hole FN-22-002 is a 407 m infill drill hole located at the western part of the Nose Zone. The FN-22-02 encountered 266 m of ultramafic rocks containing varying percentages of disseminated mineralization.

Drill hole FN-22-003 is a 530 m hole drilled near the center of North Limb Zone to test the local depth potential below the previously drilled maximum depth of approximately 250 m from surface. The hole intercepted 393 m of ultramafic rocks of varying percentages of disseminated mineralization.

Drill hole FN-22-004 is a 551 m exploration hole collared 200 m north of the North Limb Zone to test a magnetic and vertical EM anomaly. The hole intercepted 135 m of intercalated ultramafic and felsic rocks containing varying percentages of disseminated mineralization.

Drill hole FN-22-005 is a 338 m hole drilled at the southern end of the North Limb Zone to test the shallow portion of the North Limb Zone that had not been drilled before. FN-22-005 encountered 85 m of ultramafic rocks of varying percentages of disseminated mineralization, indicating mineralization occurring shallower than previously estimated.

Drill hole FN-22-006 is a 325 m exploration hole drilled to test an EM and magnetic anomaly that mirrors the Nose Zone. The target zone is located approximately 500 m north of the Nose Zone. The hole ended in magnetite bearing granitoids with no observable ultramafic rocks. A clay layer observed between the Phanerozoic cover rocks and the Archean basement rocks is believed to explain the EM anomaly. No significant mineralization was intersected.

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

11.1 Introduction

The sample preparation, analyses, security, and QAQC descriptions below relate to both historical diamond drilling programs completed by Amax, Granges, Black Hawk, and Nuinsco and Victory Nickel between 2005 and 2012 and recent sample programs completed by Flying Nickel. Sample Programs completed by Flying Nickel includes infill sampling of Victory Nickel's 2020 drill program, Flying Nickel's 2022 drill program, and a 2022-2023 infill sampling program of historical core material. Validated results associated with the sampling programs discussed below support the MRE.

Various levels of documentation were available for the historical programs, including historical technical reports and Government of Manitoba assessment reporting available through the online portal (iMaQs). Detailed information is not consistently present for work carried out prior to Nuinsco and Victory Nickel (pre-2005) with respect to the reporting of drill logs, sample records, laboratory assay certificates, QAQC procedures, verifiable location data, sample preparation, analysis, and security. Detailed support documentation for historical drilling in the 1970's to 1990's is largely available. The absence of laboratory certificates for "G" series holes drilled by Granges in 1975 is a notable exception. Nuinsco and Victory Nickel drilling programsinclude good descriptions of procedures and associated protocols. Documentation for core sampling programs completed by Flying Nickel were provided by staff geologists and include good descriptions of procedures and associated protocols.

11.2 Pre-Nuinsco and Victory Nickel Sampling Program Summary (Pre-2005)

Amax drilled both AQ and BQ size core. Sample intervals were initially selected by the geologist logging the core based on the maximum core interval for any sample, which was typically 6.1 m, and serpentinite intersections. Intervals were selected based on texture, rock type, rock colour and extent of mineralization. After June 1971, Amax reduced the maximum sample length of visibly barren serpentinite to 3.0 m and mineralized serpentinite to 1.5 m. Amax collected 1,294 samples from 3,558.3 m of core. The sample lengths range from 0.15 to 14.2 m with 73% of the sample lengths equal to or less than 3.0 m. Material submitted for analysis consisted of approximately 3 wt% of each specified core interval collected by abrading the core against a diamond wheel machine, a practice described as "filleting".

Granges did not specifically document their sampling method or approach. The following is inferred from the Granges drill logs and miscellaneous documents. The BQ size core was sampled with focus on ultramafic units. Sample intervals were selected based on rock type, alteration, texture, colour and sulphide type and abundance. A total of 791 samples were selected from 1,461.2 m of core. Sample lengths ranged from 0.21 to 6.22 m with 95.1% of the samples less than or equal to 3.0 m. Core recovery of Precambrian basement rocks averaged 94.2%.

Black Hawk predominantly drilled BQ size core with only very minor intervals of NQ size core. Sampling was conducted on all visibly mineralized ultramafic units. The standard sample interval was 1.5 m. In zones of mixed granite and ultramafic rocks the two rock units were sampled separately. An attempt was made to sample 3.0 to 4.5 m of the granitic wall rocks and poorly mineralized ultramafic units. A total of 5,632.2 m of core was split and 3,891 samples were assayed. Sample intervals ranged from 0.09 to 5.39 m with 99.8% of the sample intervals being less than or equal to 3.0 m.

11.3 Nuinsco and Victory Nickel Sampling and QAQC Program Summary

11.3.1 Nuinsco (2005-2006)

All Nuinsco sample preparation and analysis of diamond drill core, handling, transporting, and sampling and splitting of the core was performed by Nuinsco contractors and employees who took reasonable measures to ensure that the core and samples in their possession were secure. There are no reports, indications, or suspicions that any core or samples were tampered with or altered in any manner.

ALS prepared all samples analysed by weighing, crushing, splitting, and pulverizing each sample, as follows:

- Each sample was weighted in kilograms and assigned a unique bar core identifier.
- The entire sample was crushed to 70% < 2 mm and split with a riffle splitter (standard procedure).
- Up to 250 g of the split for each sample was pulverized to 85% < 75 microns in a low chrome steel pulverizer.
- The pulps were shipped by ALS to their analytical laboratory in North Vancouver, BC, for analyses.

In the 2004 re-sampling program, trace element analyses for nickel, copper, cobalt, and silver were performed by atomic absorption spectrometry (“AAS”) using aqua regia digestion of a 0.50 g sample. Results are reported in parts per million. Gold, platinum, and palladium were determined by fire assay with an ICP-AES finish. Results are reported in parts per billion.

Analyses in 2005 and 2006 for trace element nickel, copper, cobalt, and silver were performed by AAS using four acid digestion of a 0.25 g sample. Results are reported in parts per million. Any trace element nickel determinations > 10,000 ppm was re-assayed using ore grade techniques with four acid digestion of a 0.40 g sample and AAS. Results were reported in percentage.

Internal ALS standard operating procedures include the analysis of quality control samples (CRMs, duplicates, and blanks) with all sample batches. ALS is ISO 9001:2000 registered and independent of Nuinsco. ISO 9001:2000 requires evidence of a quality management system covering all aspects of the registrant. To ensure compliance with this system, regular internal audits are undertaken by staff members specially trained in auditing techniques. ALS Vancouver laboratory is also accredited ISO 17025 by Standards Council of Canada for several specific test procedures including fire assay for gold by AA, ICP and gravimetric finish, multi-element ICP and AA assays for silver, copper, lead, and zinc. In addition to twice yearly proficiency tests, auditors experienced in minerals analysis perform detailed technical reviews at the laboratory.

For the 2005 drilling program, the drill core was logged and sampled at Black Hawk, ON by ½ core splitting. The core was split by sawing or knife splitting each sample interval lengthwise and taking continuous samples for the footage specified by the geologist. Intervals of core not suitable for sawing were knife split or alternatively in cases of highly broken core a representative number of pieces of core were selected from that interval for assay. Each sample was placed in a plastic bag along with a tag with a unique identifying number and stapled shut. The plastic bags were packed in plastic pails with lids for shipment. The samples were transported by Nuinsco personnel from Black Hawk, ON, to Fort Francis, ON, and shipped by commercial trucking company to the ALS sample preparation laboratory in Thunder Bay, ON.

The pulps for 126 of the samples assayed by ALS were sent first to Activation Laboratories and then to SGS for check assaying. The ALS nickel results were higher compared to nickel results by Activation Laboratories. This trend becomes more pronounced as nickel content increases. ALS nickel values compare favourably with SGS nickel values. Duplicate analysis of the same sample provided by SGS indicate virtually no difference. Ninety percent of the sample pairs have relative differences of 16% or less, indicating acceptable levels of variation for same pulp check assays.

For the 2006 drilling program the core was periodically picked up at the drill site by the project geologist and transported by pickup truck to a rented core logging facility in Grand Rapids, MB. There, the core was securely stored indoors, logged and ½ split by sawing. Splitting was performed by residents of Grand Rapids hired by Nuinsco on a casual basis. The water for the core saw was changed once for every 6 to 10 core boxes cut. Sample material was rinsed with clean water prior to being bagged for analysis. Each sample was placed in a plastic bag along with a tag with a unique identifying number and stapled shut. Samples were shipped by bus to the ALS sample preparation laboratory in Thunder Bay, ON.

CANMET Canadian CRM, standard WPR-1, was inserted into the sample stream five times. A total of 28 half core blank samples from NM-06-02 were inserted into the sample stream along with additional blanks obtained from the central part of a long granitic interval in drill hole NM-06-01. Intervals were chosen for uniformity and absence of sulphide mineralization, fracturing and infillings. In addition, 52 samples of in situ granitic or gneissic material from within NM-06-02 were sampled for use as blanks by the project geologist for quality control purposes.

Sampling, sample preparation, security and analytical procedures described herein were conducted using accepted industry standard practices at the time that the work was performed. Shortfalls in documentation of procedures relating to the earliest exploration programs are noted but it is also observed that: (1) check assays and analysis, where available, indicate that the data is within acceptable limits, and (2) each successive phase of work supported and substantiated prior period results.

11.3.2 Victory Nickel Program (2007-2012)

During the Victory Nickel drilling programs, the core was periodically picked up at the drill site by the project geologist and transported by pickup truck to a rented core logging facility in Grand Rapids, MB. There, the core was securely stored indoors, logged and ½ split by sawing. Sawing was performed by residents of Grand Rapids hired by Victory Nickel on a casual basis. The water for the core saw was changed once for every 6 to 10 core boxes cut. Sample material was rinsed with clean water prior to being bagged for analysis. Each sample was placed in a plastic bag along with a uniquely numbered tag, and stapled shut. Samples were shipped by truck to TSL, SK. Victory Nickel subsequently requested TSL to forward the sample pulps to ACME service in Vancouver for sulphide nickel analysis. Samples for metallurgical testing were assayed by SGS exclusively.

All samples were treated as follows at TSL where most of the core samples were analysed:

- Samples were crushed in oscillating jaw crushers to 70% passing 10 mesh (1.70 mm). Samples were riffle split; typically, a 250 g sub sample is pulverized, the remaining was stored as reject. Ring-mill pulverizers ground samples to 95% passing 150 mesh (106 micron);
- Geochemical analysis: all samples were subjected to TSL's Procedure A2: aqua regia (1 x nitric acid / 3 x hydrochloric acid) extraction with AA finish;
- Assay analysis: samples exceeding 5,000 ppm (0.5%) Ni or Cu were subjected to Procedure E26: hydrochloric-nitric-perchloric-hydrofluoric acid digestion with AA finish;
- Samples containing > 2000 ppm Ni were fire assayed (30 g) with ICP finish for gold, platinum and palladium by fire assay; and
- SG determinations were done on all core samples submitted for assay testing.

Three different standards were used in Victory Nickel's QAQC program: CANMET CRM WPR-1, Geostats Pty Ltd. GBM999-1, and the British Geological Survey's IGS 22. Standards were inserted into the sample stream every 20 samples. Blanks were inserted into the sample stream once every 20 samples. The blanks were obtained from dolomite horizon above the Deposit. Dolomite that was used for blanks was chosen for its uniformity and absence of sulphide mineralization, fracturing and infillings.

Sampling, sample preparation, security and analytical procedures described herein were conducted using accepted industry standard practices at the time. TSL and SGS are both nationally accredited assay laboratories that use widely accepted quality control procedures and are independent of Victory Nickel. ACME in Vancouver, BC, is an ISO 17025 accredited lab that regularly participates in CANMET and Geostats round robin proficiency tests. The report author believes the sample data collected to be representative and unbiased, and adequate for Mineral Resource estimation.

11.4 Flying Nickel Program (2022-2023)

11.4.1 Flying Nickel Drill Program (2022)

For the 2022 drill program, the core was periodically picked up at the drill site by the project geologist and transported by pickup truck to the company owned logging facility in Grand Rapids, MB. There, the core was securely stored indoors, logged and ½ split by sawing. Sawing was performed by residents of Grand Rapids hired by Flying Nickel on a casual basis. In winter months, the water for the core saw was changed once for every box cut while in summer months the cutting water was discharged to an outdoor sump and not recycled. Sample material was rinsed with clean water prior to being bagged for analysis. Each sample was placed in a plastic bag along with a uniquely numbered tag, and stapled shut. Samples were shipped by truck to the SGS in Burnaby, BC.

SGS prepared all samples analysed by standard weighing, crushing, splitting, and pulverizing. All samples were treated as follows:

- Geochemical analysis: all samples were subjected to SGS's Procedure GE_ICM90A50 sodium peroxide fusion (combined ICP-AES/ICP-MS (54 elements)).
- All samples were also subjected to SGS's Procedure GE_FAI31V5 30 g fire assay with ICP-OES finish. In addition to GE CSA06V for sulfur and carbon through IR combustion.
- Nickel (metallic/sulphide) assaying by bromine-methanol leach with AA spectroscopy finish was completed on all samples at SGS's Lakefield site (Code GC_AAS03D250).
- No SG determinations were completed on any core samples submitted for assay testing.

Two CRM's were used for Flying Nickel's QAQC program, these being CDN-ME-1310 and CDN-ME-1207. The CRMs were commercially available from CDN Resource Laboratories Ltd. ("CDN"). Standard CDN-ME-1310 was inserted every 60 samples and standard CDN-ME-1207 was inserted at the discretion of the geologist. Blank material was obtained from dolomite horizon above the Deposit, chosen for its uniformity and absence of sulphide mineralization, fracturing and infillings. Flying Nickel also included ¼ core duplicate check samples in the sample stream to assess core scale heterogeneity of metal levels. The QAQC program resulted in blanks, ¼ core duplicates, and standards inserted in a rotation of 1 in every 20 samples, producing a nominal quality control insertion rate per sample type of 1 in 60.

Sampling, sample preparation, security and analytical procedures described herein were conducted using accepted industry standard practices at the time. SGS is a nationally accredited assay laboratory that uses widely accepted quality control procedures and are independent of Flying Nickel. CDN is an ISO-9001:2015 accredited lab that participates in round robin proficiency tests. The report author believes the sample data collected to be representative and unbiased, and adequate.

11.4.2 Flying Nickel Infill Core Sample Program (2022)

Flying Nickel completed core sampling from two exploratory holes (VM-20-01 and VM-20-02) completed during the 2020 Victory Nickel drill program and followed the same sampling procedures and protocols and QAQC program as described above. A total of 21 samples including drill core and QAQC materials were sent for nickel, copper, sulphide nickel, palladium, platinum, and gold analysis.

A re-logging program during the summer-fall of 2022 relogged 11 Victory Nickel 2008-2011 holes in the Grand Rapids Core Farm. The intent was to locate the Ospwagan Group Metasediments. The selected holes were distributed across the Deposit. Part of the program included submitting original sample rejects from hole V-10-15 to SGS for analysis. The same sampling procedures and protocols and QAQC program were used as described above. Comparison of nickel, platinum and palladium values between the original core and reject material samples showed significant discrepancies and variability without an obvious high or low bias. Quality control samples for this sample batch show acceptable results and the author has not identified the reason for this issue. Flying Nickel has not completed any additional nickel check sample programs, but the author recommends additional investigations to be completed in this regard. The recent reject analytical results of V-10-15 were not accepted for use in the MRE.

11.4.3 Flying Nickel Program (2023)

The 2023 platinum and palladium infill sampling program reflects 3,549 original core reject samples selected from 48 historic drill holes. The samples were submitted to SGS in Burnaby, BC. The intent of the program was to collect additional PGE results for the Deposit.

All samples were treated as follows by SGS:

- All samples were subjected to SGS's Procedure GE_FAI51V5 50 g fire assay with ICP-AES finish.
- No SG determinations were completed on any core samples submitted for assay testing.

CRMs, blanks, and reject duplicates were inserted into the sample stream rotating between CRM, blank and reject duplicate every 20 samples. This produced a nominal insertion rate per of 1 in 60 for duplicates and blank samples and 1 per 120 for each of the two CRMs, CRM CDN-ME-1310 and CDN-ME-1207. The blanks were again obtained from dolomite horizon above the Deposit. Flying Nickel included reject duplicate samples by re-bagging half of the original reject material in the sample stream once every 60 samples to assess sample preparation.

Sampling, sample preparation, security and analytical procedures described herein were conducted using accepted industry standard practices. SGS is a nationally accredited assay laboratory that uses widely accepted quality control procedures and are independent of Flying Nickel. CDN is ISO-9001:2015 accredited lab that participates in round robin proficiency tests. The report author believes the sample data collected to be representative and unbiased, and adequate.

11.5 Results of Sampling Protocols and Procedures and QAQC Programs

11.5.1 General Comments

The report author has completed a thorough review of the QAQC procedures and results for the drilling programs completed by both previous operators, including Nuinsco and Victory Nickel, and Flying Nickel and has noted the following points:

- No certified laboratory analytical reports are available for "G- coded" drillholes completed by Granges from 1974 to 1976.
- The Amax sampling method was not "industry standard" and involved "filleting" (abrading) the drill core with a "diamond wheel machine" which removed approximately 3% of the core by weight. However, comparison of results with adjacent half-core sampled holes showed reasonable correlation of nickel results.
- During the work undertaken on the Deposit by Granges, unmineralized rock types and portions of mineralized intersections suspected to contain only sub-economic nickel values were typically left unsampled. Consequently, there are numerous small to large (6 inch to 20 foot) gaps within assayed intervals.

- In 2007 and 2008, Victory Nickel whole-sampled the drill core, therefore no half core remains for archive and resampling purposes.
- The analytical procedures employed by Nuinsco and Victory Nickel during the 2007, 2008, 2010, 2011, and 2012 drilling programs involved digestion by aqua regia and AA finish. For samples returning values over 5,000 ppm follow-up analysis was done using four-acid digestion and AA finish. Discrepancies were noted between these methods that reflect variable digestion of nickel from sulphide mineral phases and nickel-bearing silicate minerals.
- A 2008 QAQC report for Victory Nickel noted that the incomplete digestion of samples using the aqua regia digestion method created disparities in the analytical results. As a QAQC check, samples whose results were originally included in Lab Report S27738 were resubmitted for analysis using the aqua regia digestion method, since the original results of standard WPR-1 indicated a deviation from expected values. The opportunity was also taken to analyze the same samples using a multi-acid digestion method so that the results for the two digestion methods could be directly compared. Results of the analyses were reported in Lab Report S31022 and indicated that sample results from the aqua regia digestion method had assay results consistently lower than those for the multi-acid digestion method, with the average discrepancy being -20.7%. This was identified as being potentially relevant to higher-than-expected nickel analyses for standard GBM999-1 during the 2007 drilling program.
- A 2011 QAQC review for Victory Nickel noted significant issues with the 2010 drilling program sulphide nickel determinations and that entire year's pulps were re-analyzed at ACME. The report noted that for sulphide-held nickel values more than about 0.25%, ACME' 2010 determinations were consistently 10% higher than those of 2011. In addition, the 2010/2011 ratio rose to greater than 1.5 at the low end of the concentration range.
- CRM-ME-1310 has returned a high bias in nickel, platinum, and palladium results for the 2022 Flying Nickel drill program and Flying Nickel infill reject sample program. Further investigation is warranted; however, the author recommends discontinuing the use of this standard in future sample programs.
- The reason for the poor correlation between the original core results and the 2022 Flying Nickel reject sample program of V-10-15 has not been identified and the author recommends further investigation to be completed.

Table 11-1 below summarizes the various sampling and laboratory procedures used by previous operators and the various QAQC items noted are based on a review of historical reports and the drill hole database. Prior to the Nuinsco-Victory Nickel period, some shortfalls in documentation and procedures relating to the earliest exploration programs by Amax and Granges are noted but it is also observed that:

- Check assays and analysis, where present, indicate that the data is within acceptable limits.
- Each successive phase of work has supported and substantiated prior period results.

During the Nuinsco-Victory Nickel period, and carried forward to Flying Nickel's operation, substantial efforts were made to understand the relationship between analysis in core samples of total nickel, which includes nickel fixed in both sulphide and silicate phases, and sulphide nickel alone. Focus was placed on sample digestion, with the multi-acid leach approach recognized as being most appropriate for total nickel determination. In contrast, weaker leaches specific to sulphide minerals were found to be most appropriate for sulphide nickel determinations. The distinction is important because metallurgical studies carried out concurrently with the later-period drilling programs showed that most of the economically recoverable nickel in the Deposit resides in sulphide mineral phases.

Table 11-1: Sampling method and QAQC summary of sample programs

Previous Drilling Programs	Sampling Method	Laboratory Used	Purpose	Ni Association Tested	Laboratory Method	QAQC Comments	General Comments
Amax (1970)	ground fillets of core	X-Ray Labs	Primary	total Ni	Four-acid AA	"filleting" method removed approximately 3% of the core by weight	Poor records on sampling and laboratory methods used and QAQC procedures
			primary	total Ni	X-ray Fluorescence (XRF)		
Granges Exploration (1975)	Half core sampled BQ			total Ni	XRF?	Certificates, missing 2007 re-sampling, poor density	Incomplete records on sampling and laboratory methods used and QAQC procedures
Blackhawk (1989)	Half core sampled (splitter) BQ	Lynn Gold mine site	primary	total Ni	XRF?		
		X-Ray Labs	Re-assay	Ni in Sulphide	XRF		resampled and infill sampled in 2004
		Climax Moly Mining Co.	Re-assay	Ni in Sulphide	Atomic Absorption (AA)	mine site lab	
Victory Nickel/ Nuinsco (2007)	Whole core sampled BQ	TSL	primary	Ni<5000ppm	Aqua regia with AA	incomplete digestion	Issues noted in QAQC report
		TSL	primary	Ni>5000ppm total Ni	Four-acid with AA	non-comparable to aqua regia	

Previous Drilling Programs	Sampling Method	Laboratory Used	Purpose	Ni Association Tested	Laboratory Method	QAQC Comments	General Comments
		SGS	check	Ni	Three-acid with FAA		
		SGS	primary	NiS if Ni>0.2	H2O2 + NH4 leach, FAA finish		
		ACME	check	NiS if Ni>0.2	H2O2 + NH4 + HCL leach, ICP Finish		
Victory Nickel/ Nuinsco (2008)	Whole core sampled BQ	TSL	primary	Ni<5000ppm	Aqua regia with AA	incomplete digestion	
		TSL	primary	Ni>5000ppm total Ni	Four-acid with AA	non-comparable to aqua regia	
		SGS	check	total Ni	Four-acid with AA		
		SGS	primary	NiS if Ni>0.2	H2O2 + NH4 leach, FAA finish		
Victory Nickel (2010)	Half core sampled NQ	TSL	primary	Ni<5000ppm	Aqua regia with AA	incomplete digestion	
		TSL	primary	Ni>5000ppm total Ni	Four-acid with AA	non-comparable to aqua regia	
		ACME	primary	NiS if Ni>0.2	H2O2 + NH4 leach	poor laboratory QAQC resutls	100% re-analysis completed in 2011
		Actlabs	check	NiS check	NH4 leach followed by H2O2 + NH4		
Victory Nickel (2011)	Half core sampled NQ	TSL	primary	Ni<5000ppm	Aqua regia with AA	incomplete digestion	
		TSL	primary	Ni>5000ppm total Ni	Four-acid with AA	non-comparable to aqua regia	
		ACME	primary	NiS if Ni>0.2	H2O2 + NH4 leach		
Victory Nickel (2012)	Half core sampled NQ	TSL	primary	Ni<5000ppm	Aqua regia with AA	incomplete digestion	
		TSL	primary	Ni>5000ppm total Ni	Four-acid with AA	non-comparable to aqua regia	
Flying Nickel (2022)	Half core sampled NQ	SGS	primary/ check	all	sodium peroxide fusion - bromine-methanol leach / ICP-MS	CDN-ME-1310 CRM biased high	Discontinue use of CDN-ME-1310 CRM

Previous Drilling Programs	Sampling Method	Laboratory Used	Purpose	Ni Association Tested	Laboratory Method	QAQC Comments	General Comments
Flying Nickel (2023)	Original core reject samples	SGS	check	N/A	Fire Assay ICP-AES	CDN-ME-1310 CRM biased high	Discontinue use of CDN-ME-1310 CRM

11.5.2 Nuinsco QAQC Program

For the Nuinsco drilling programs, standard WPR-1 was inserted into the sample stream. The standard is certified for gold, copper, iron oxide (Fe2O3), iridium (Ir), potassium oxide (K2O), manganese oxide (MnO), palladium, platinum, rhodium (Rh), ruthenium (Ru), and titanium dioxide (TiO2). The certified mean concentration of copper for WPR-1 is 0.164% with a 95% confidence limit of ± 0.008%. The provisional mean concentration of nickel for WPR-1 is 0.29% with a 95% confidence limit of ± 0.02%. The 5 determinations performed by ALS for copper and nickel on standard WPR-1 are acceptable and fall within two standard deviations control limits (Table 11-2).

Table 11-2: Nuinsco results for standard WPR-1

Determination	Nuinsco Sample Number	Cu (%)	Ni (%)
1	B762750	0.159	0.281
2	B762805	0.17	0.3
3	B762888	0.17	0.31
4	B763016	0.16	0.3
5	B757652	0.16	0.31
	Average	0.164	0.3
	Standard Deviation	0.005784	0.011841
	95% Confidence Limit	0.000162	0.000332

The 28 blanks that were inserted into the sample stream all returned values of 0.01% Ni or less except for one sample that assayed 0.31% Ni. The additional 52 samples that were deemed blanks all returned values of 0.06% Ni or less except for one sample that assayed 0.24% Ni. The source of nickel in the two anomalously high blanks was not determined, but no evidence of systematic preparation-stage cross-contamination was identified and is most likely attributed to the material not being completely sterile of nickel.

Sampling, sample preparation, security and analytical procedures described for the Nuinsco period were conducted using accepted industry standard practices at the time that the work was performed.

11.5.3 Victory Nickel QAQC Program

For the Victory Nickel drilling programs, three different standards were used including standard WPR-1, Geostats Pty Ltd. GBM999-1 and the British Geological Survey's IGS 22. Standards were inserted into the sample stream every 20 samples.

WPR-1 certified and provisional mean concentrations are provide above in Section 11.5.2. The mean concentration of copper for GBM999-1 is 1.11728% with a 95% confidence limit of ±0.01836%. The mean concentration of nickel for IGS 22 is 1.255% with a 95% confidence limit of ±0.01%. Blanks were inserted into the sample stream approximately once in every 20 samples. Certified reference material and blank sample results applicable to the first half of Victory Nickel's 2012 drilling program appear in Figure 11-1 through Figure 11-3 and are included below as examples of the associated QAQC standard monitoring program protocol applied by the company.

Figure 11-1: Victory Nickel 2012 blank sample Ni results (N=15 – from Victory Nickel files)

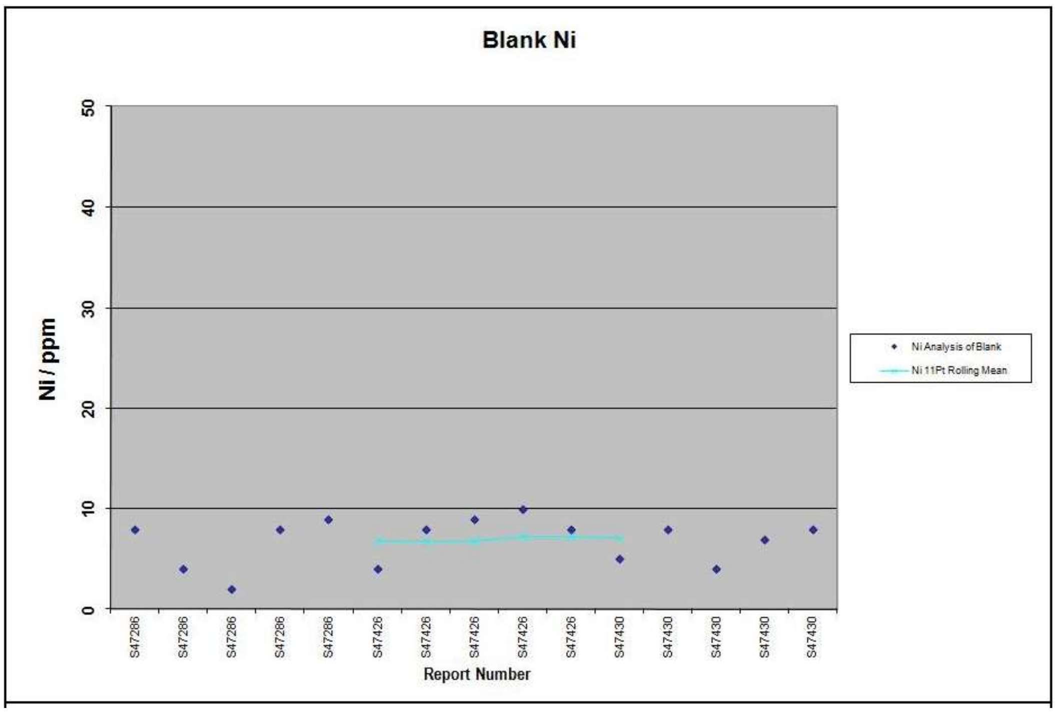


Figure 11-2: Victory Nickel 2012 CRM GBM 307-11 Ni results (N=14 – from Victory Nickel files)

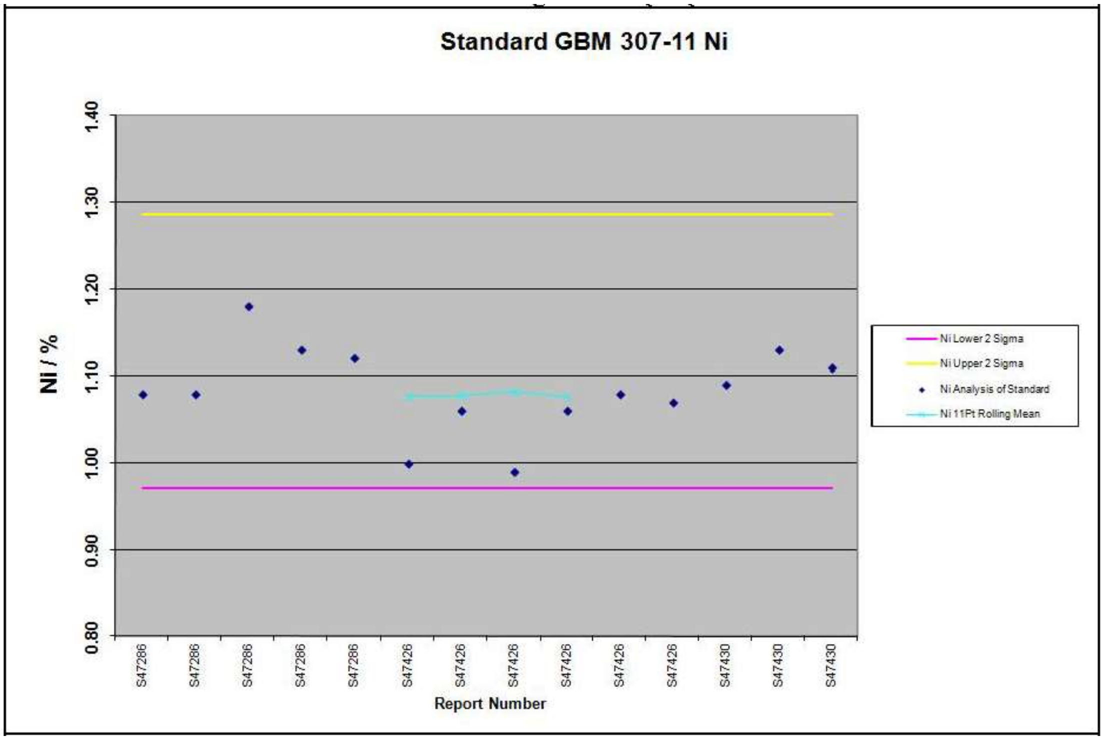
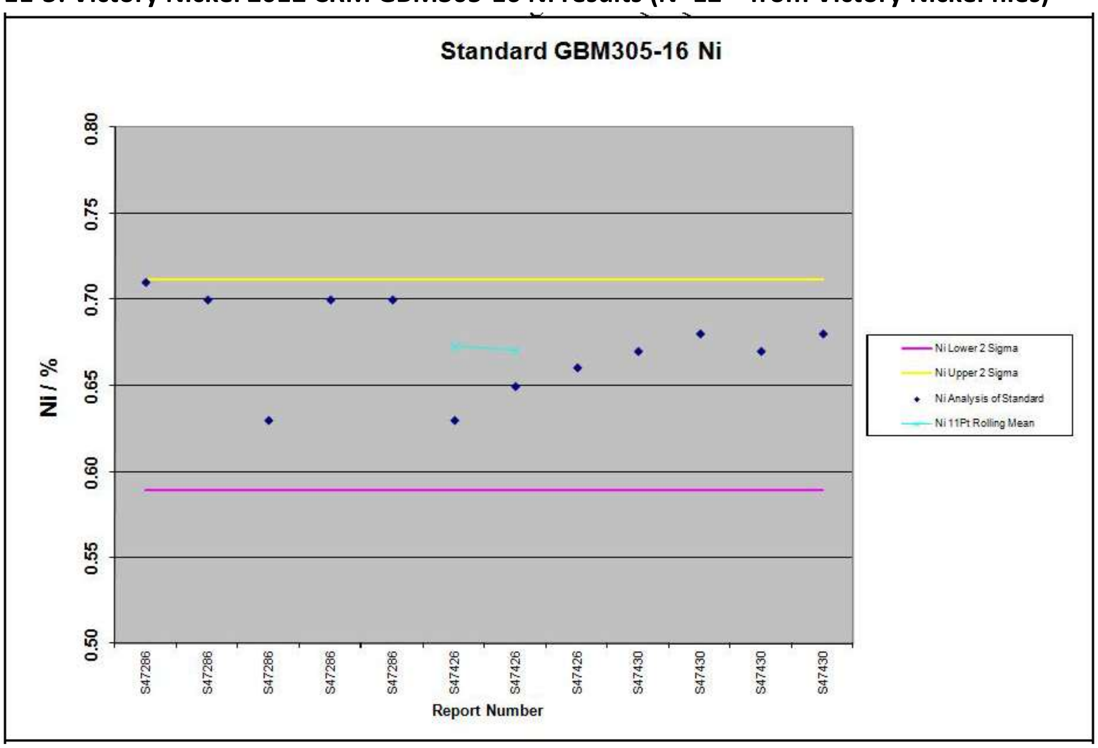


Figure 11-3: Victory Nickel 2012 CRM GBM305-16 Ni results (N=12 – from Victory Nickel files)



Sampling, sample preparation, security and analytical procedures described above were conducted using accepted industry standard practices at the time. TSL, SGS and ALS were nationally accredited assay laboratories that used widely accepted quality control procedures. They were all independent of Victory Nickel at the times that they provided analytical services for the Project. The report author believes the Victory Nickel sample data collected to be representative and unbiased, and adequate for resource estimation.

11.5.4 Flying Nickel QAQC Program

11.5.4.1 Introduction

CRM, blank, and ¼ core duplicate samples were inserted into the sample stream rotating between each quality control sample every 20 samples. Results for each data set are discussed below.

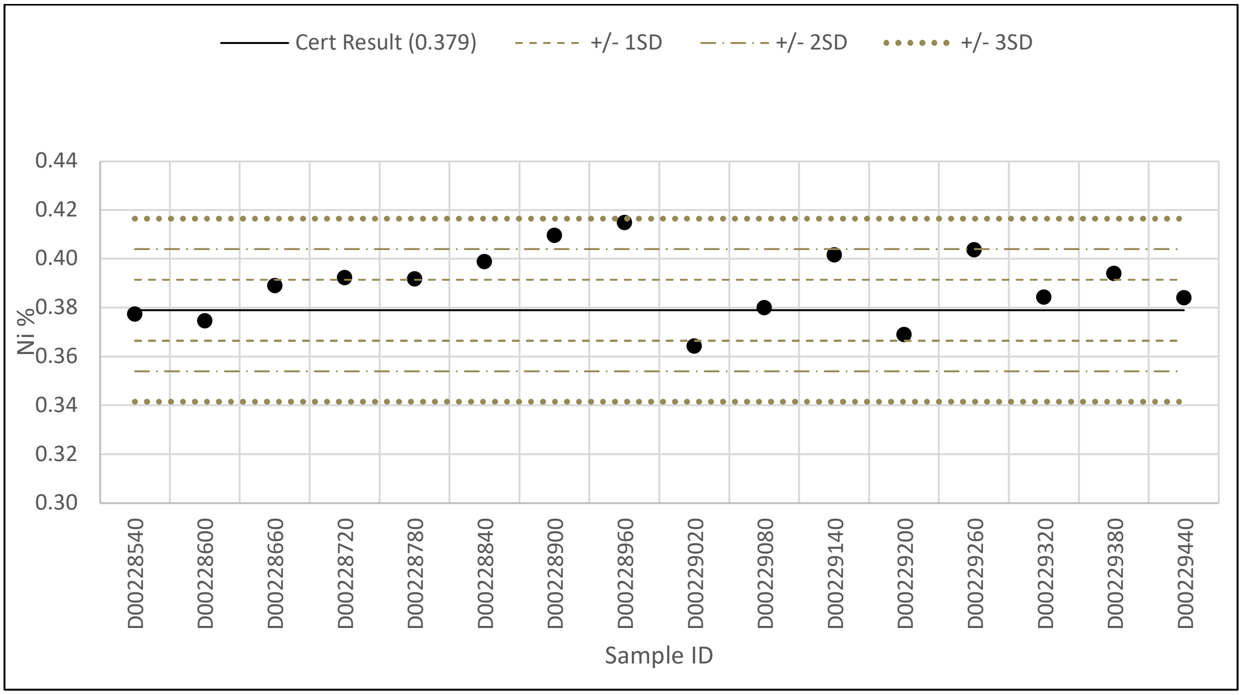
11.5.4.2 CRM

CRM CDN-ME-1310 and CDN-ME-1207 were used in Flying Nickel's QAQC program and were commercially sourced from CDN.

- CDN-ME-1310 was inserted at a nominal frequency of 1 in every 60 samples and is certified for nickel, copper, cobalt, palladium, and platinum. The certified mean concentrations of CDN-ME-1310 with 95% confidence limits are as follows, Cu 0.276% ±0.025%, Ni 0.379% ±0.025%, Pt 0.433 g/t ±0.038 g/t, Pd 0.563 g/t ±0.040 g/t.
- CDN-ME-1207 was inserted at the discretion of the logging geologist and is certified for nickel, copper, cobalt, palladium, and platinum. The certified mean concentration of CDN-ME-1207 with 95% confidence limits are as follows, Cu 0.407% ±0.020%, Ni 1.572% ±0.118%, Pt 0.568g/t ±0.056g/t, Pd 0.992 g/t ±0.114g/t.

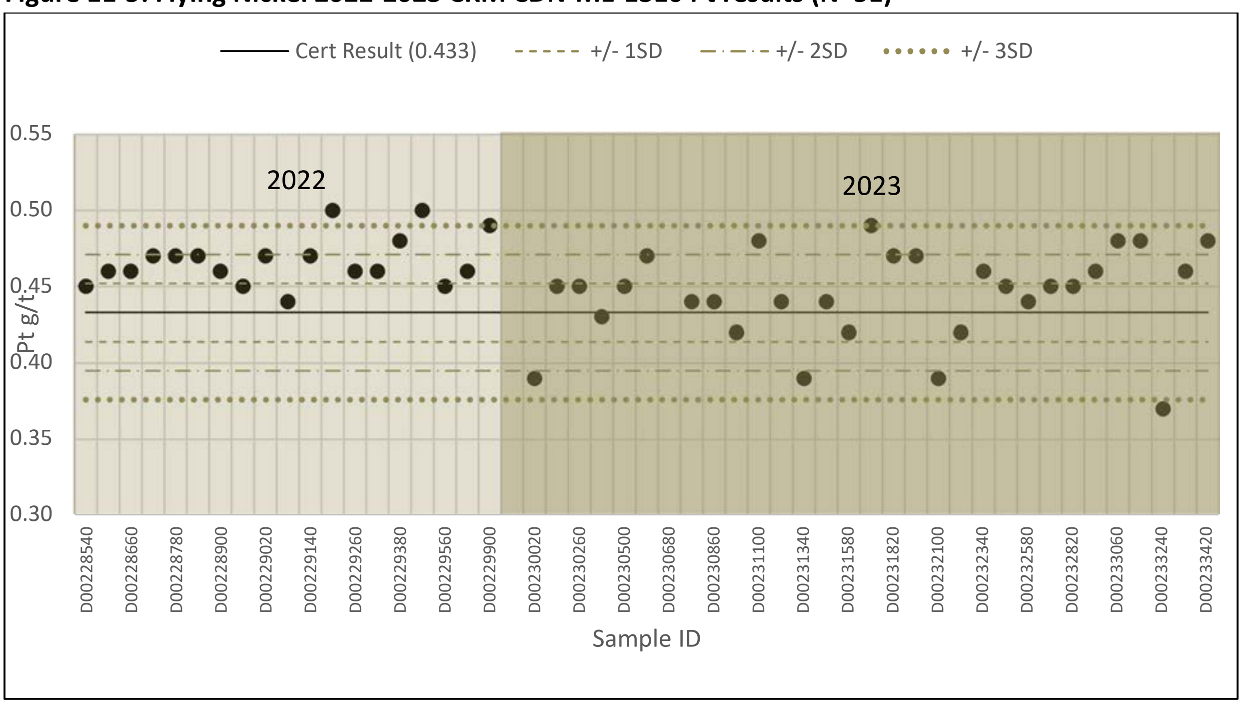
Results for standard CDN-ME-1310 are shown in Figures 11-4 to 11-6 and those for CDN-ME-1207 are shown in Figures 11-7 to 11-8.

Figure 11-4: Flying Nickel 2022 CRM CDN-ME-1310 Ni results (N=16)



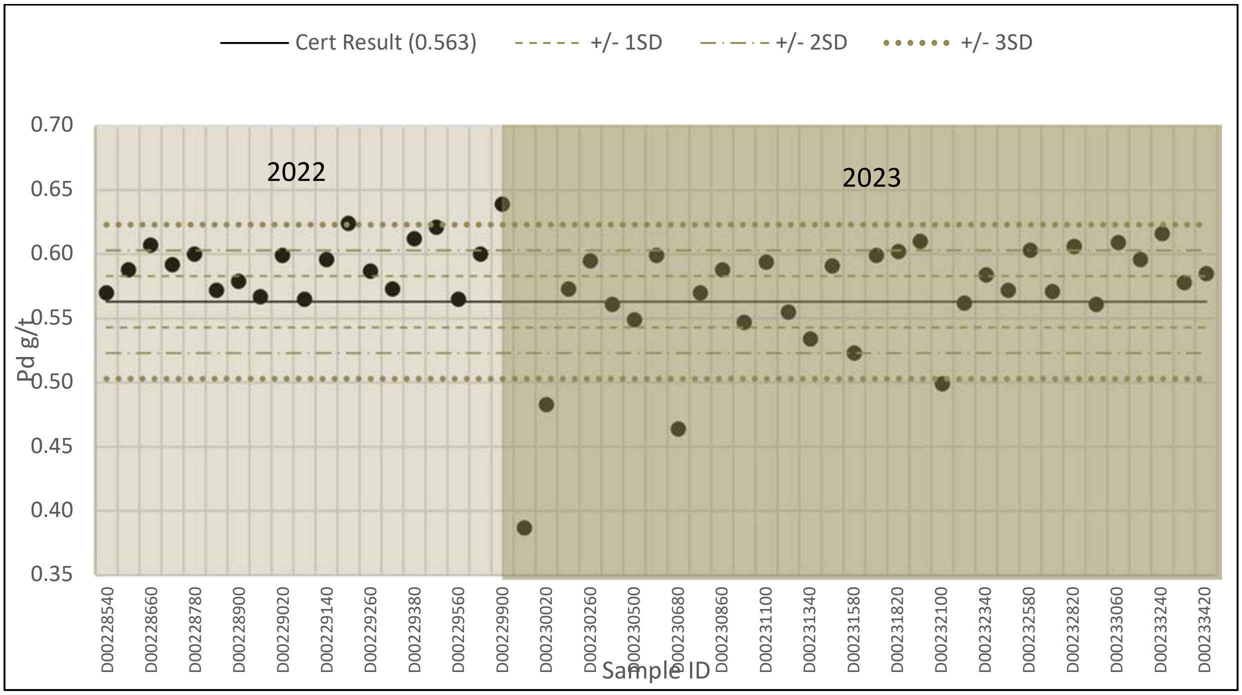
Source: Mercator

Figure 11-5: Flying Nickel 2022-2023 CRM CDN-ME-1310 Pt results (N=51)



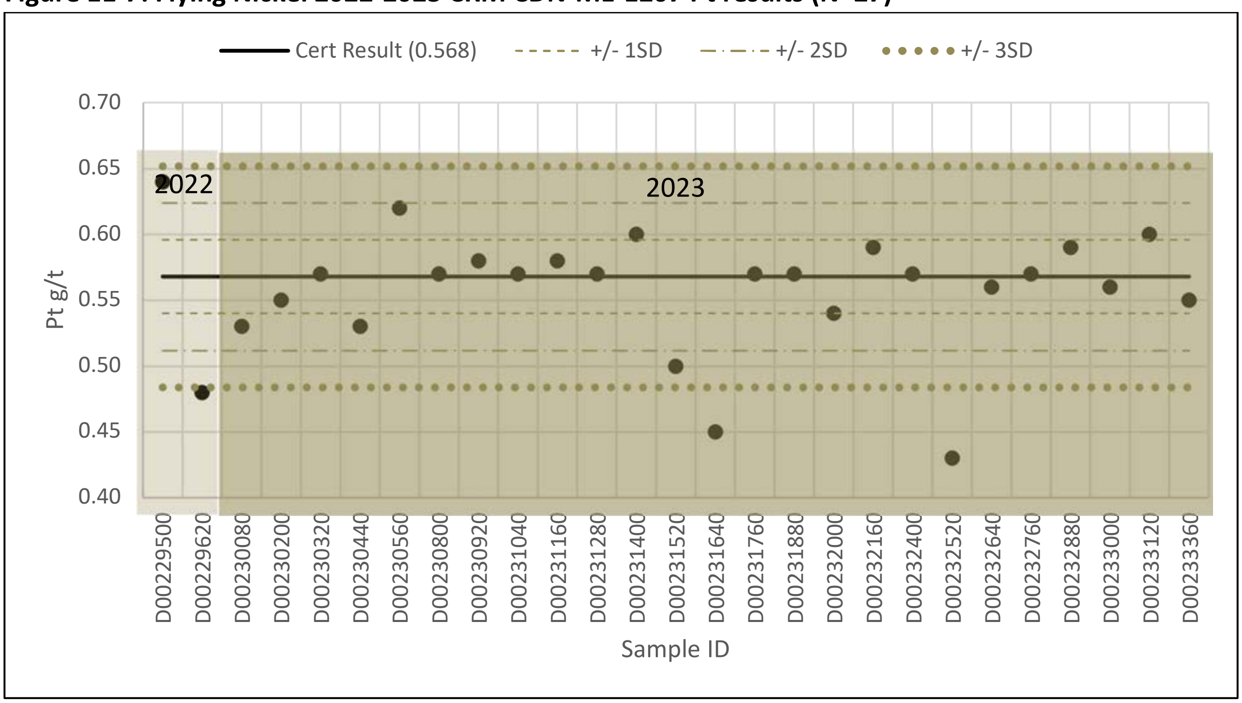
Source: Mercator

Figure 11-6: Flying Nickel 2022-2023 CRM CDN-ME-1310 Pd results (N=51)



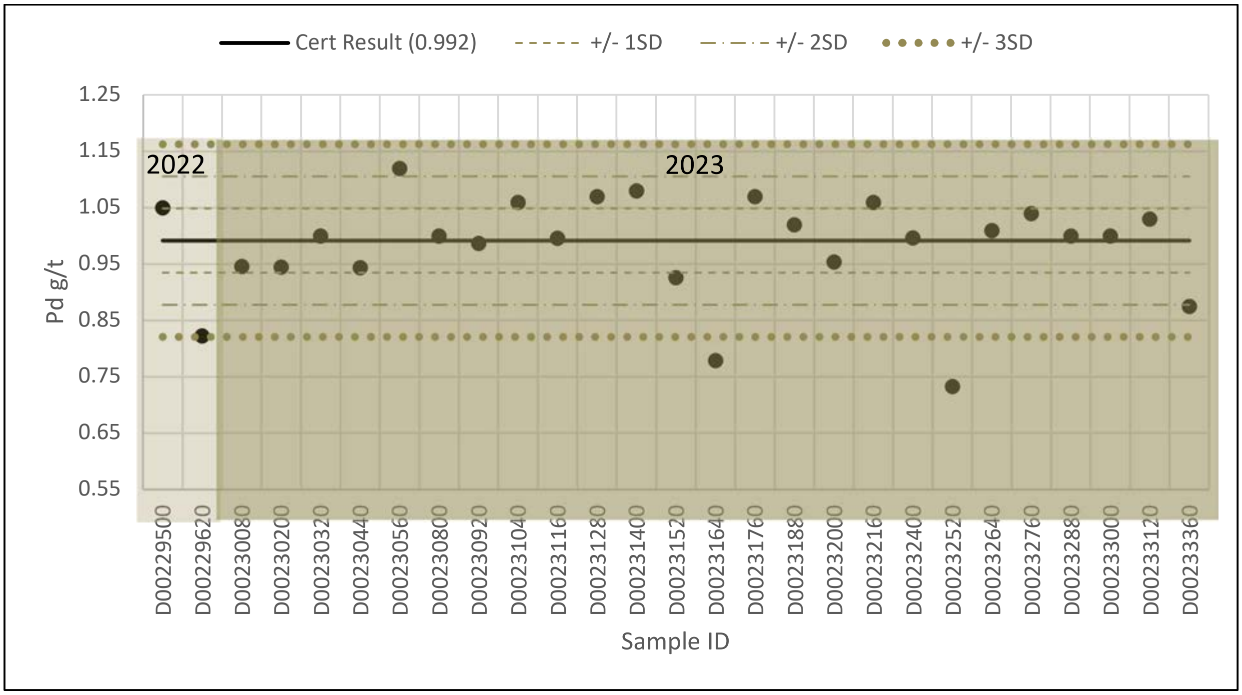
Source: Mercator

Figure 11-7: Flying Nickel 2022-2023 CRM CDN-ME-1207 Pt results (N=27)



Source: Mercator

Figure 11-8: Flying Nickel 2022-2023 CRM CDN-ME-1207 Pd results (N=27)



Source: Mercator

Most 2022 CDN-ME-1310 nickel results fall within 2 standard deviations of the certified value but show a positive bias within this range. Platinum and palladium results for this CRM show a strong positive bias during 2022 sampling and include a few exceedances above 3 standard deviations. Results for 2023 sampling show a broader distribution that includes values lower than the mean, but still reflect a moderate positive bias for both platinum and palladium. Most values for both 2022 and 2023 fall within 2 standard deviation control limits, with a few exceedances outside 3 standard deviations. Data distributions for the 2 years clearly differ, with 2022 results showing a tight grouping of values consistently above certified mean values and within control limits, and 2023 results showing a higher variability of value ranges that includes data above and below certified mean values. Three samples were returned well below the expected palladium range but were not correspondingly observed in associated platinum values.

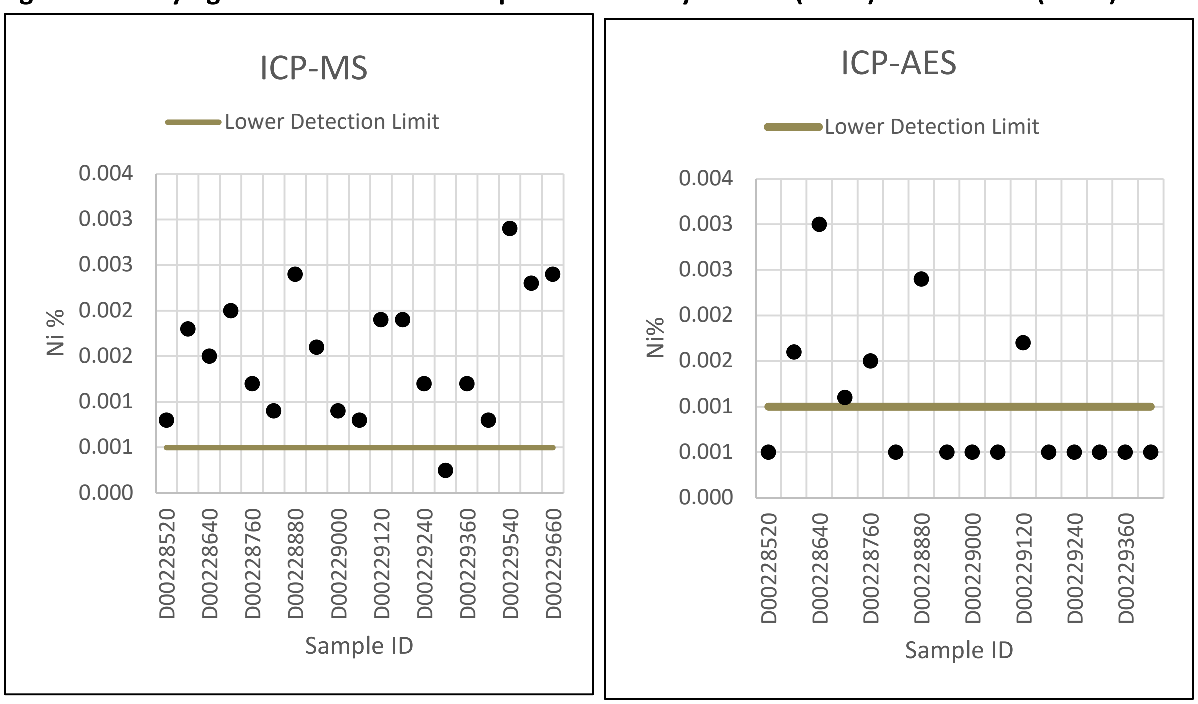
The consistent high bias in nickel results may be due to higher nickel extraction from silicate phases by the sodium peroxide fusion used in the 2022 and 2023 programs relative to the four-acid digestion applied in certification analyses for CDN-ME-1310. Platinum and palladium distribution trends for CDN-ME-1310 produce results that consistently fall within certified specifications for this CRM, but further investigation should be taken to determine the precision of the standard within the selected analytical method. CDN-ME-1207 performed within expected ranges and was utilized more during the 2023 program. There were 2 samples below the expected ranges for platinum and palladium that appear to reflect insertion of CDN-ME-1310 material rather than CDN-ME-1207 material in the sample stream. Overall, platinum and palladium distribution trends for CDN-ME-1207 produced acceptable results.

11.5.4.3 Blank Samples

Blank analytical results are presented in Figure 11-9 through Figure 11-11. Nickel values were slightly elevated above the lower detection limit which may occur when using natural rock from the Deposit. The purpose of the blank is to determine if contamination is occurring from one sample to the next during the sample preparation and analysis processes. It is difficult to determine with certainty the source of the variation present, however, the nickel range for all blanks is less than 3 times the lower analytical detection limit of 0.001% Ni and is not considered to be an indication of a potentially problematic sample contamination factor. Blank sample results for platinum and palladium fall below their associated analytical detection limits and no indication of sample cross contamination with respect to these metals is present.

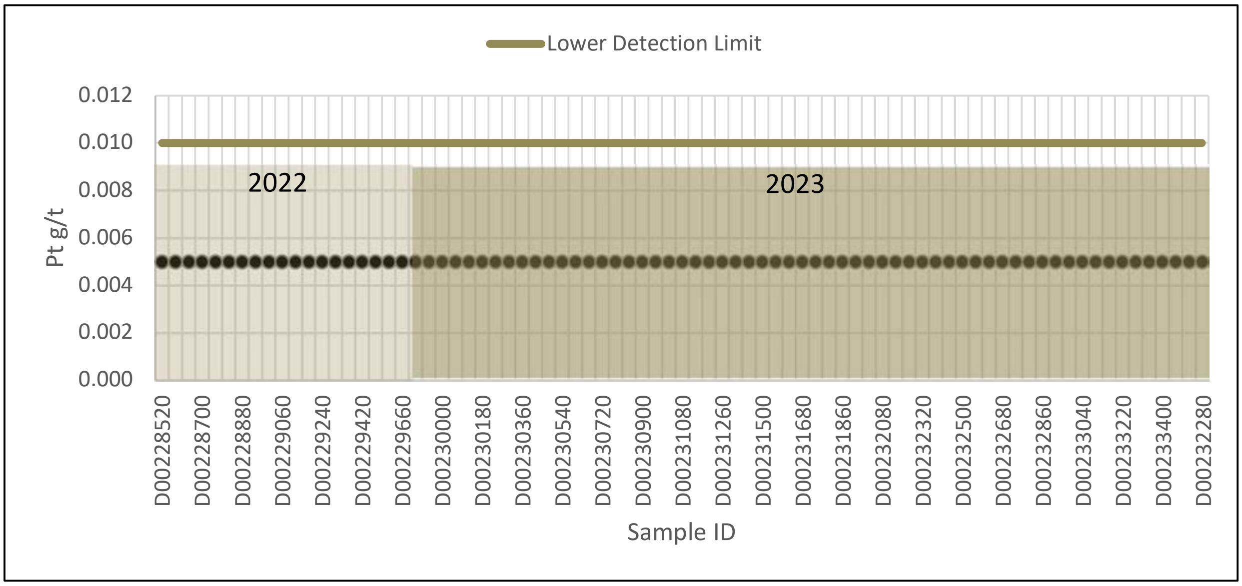
Blank sample results were also reviewed relative to results from other QAQC samples within the same sample batches. While no specific reason was determined for associated metal level variations, no indications of systematic cross contamination or laboratory issues were identified.

Figure 11-9: Flying Nickel 2022 blank sample Ni results by ICP-MS (N=16) and ICP-AES (N=16)



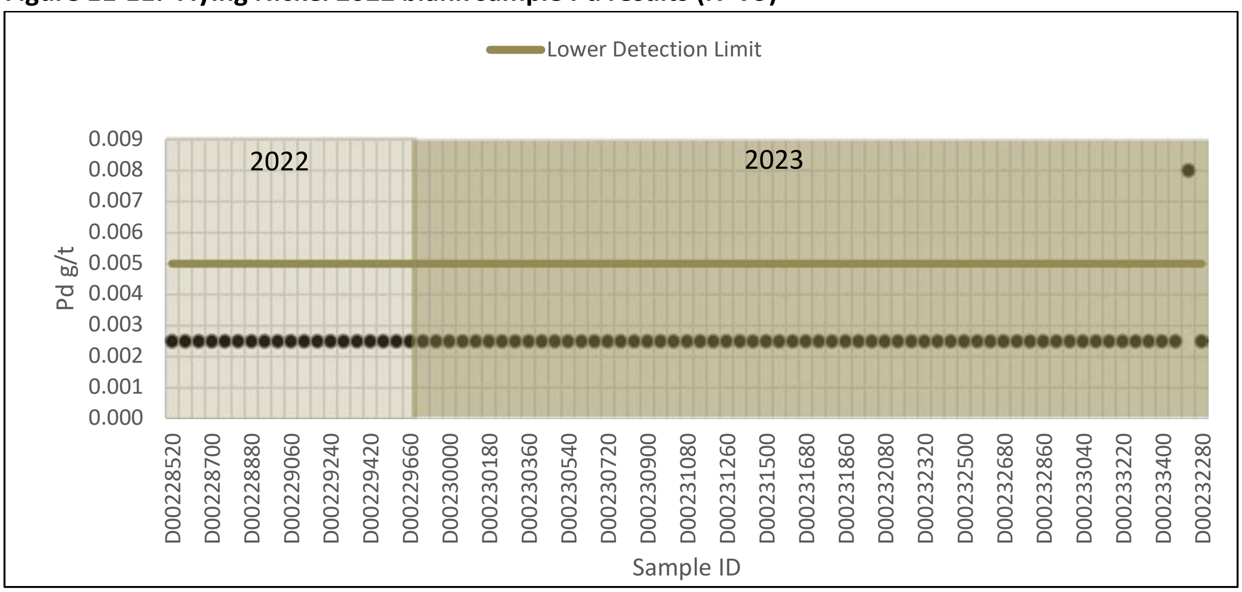
Source: Mercator

Figure 11-10: Flying Nickel 2022-2023 blank sample Pt results (N=79)



Source: Mercator

Figure 11-11: Flying Nickel 2022 blank sample Pd results (N=79)

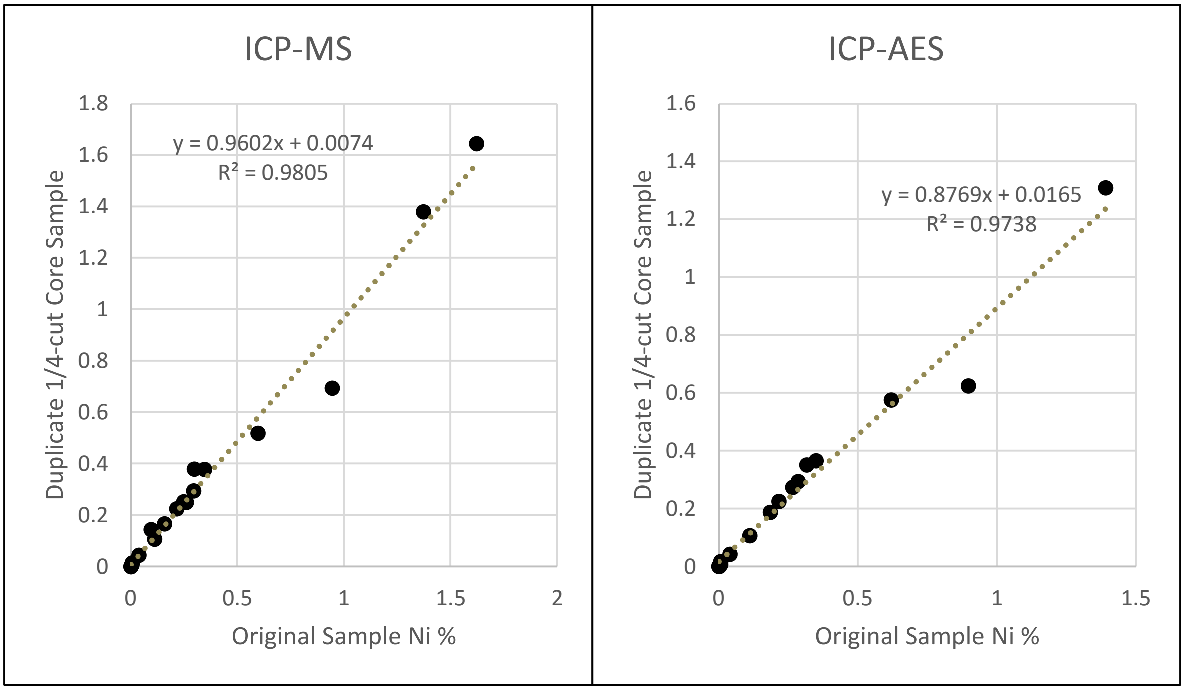


Source: Mercator

11.5.4.4 Field Duplicate Core Samples

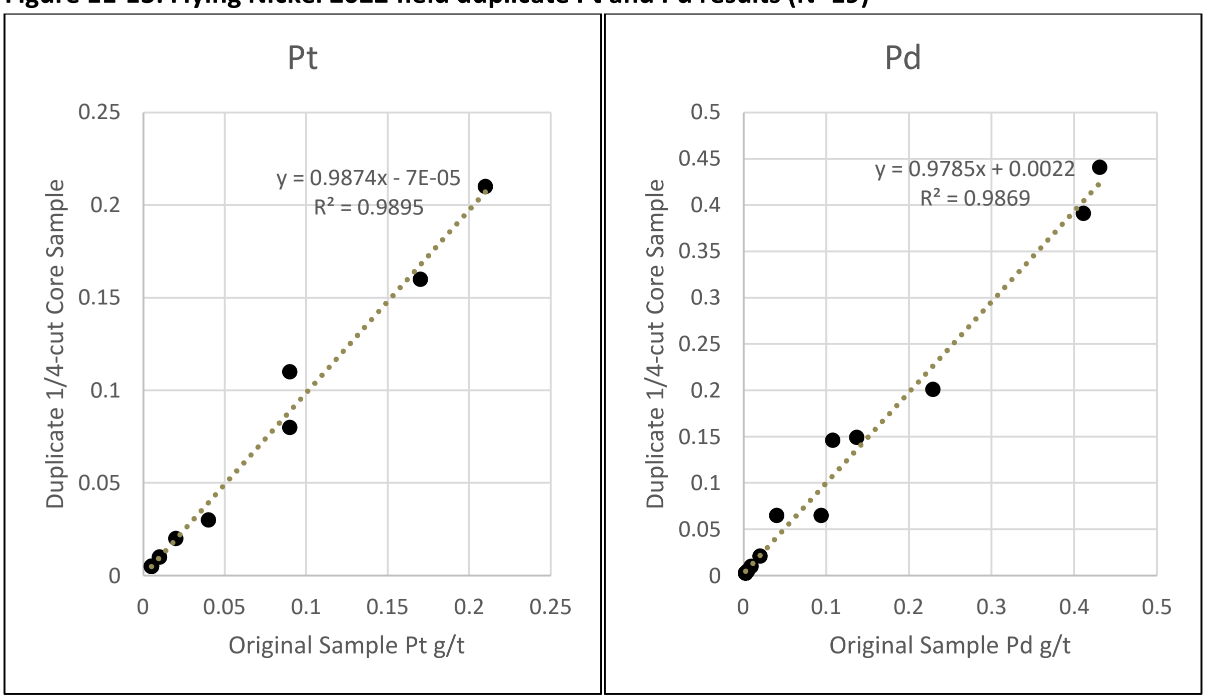
Flying Nickel inserted a ¼ core field duplicate check sample into the sample stream at a nominal frequency of 1 in every 60 samples to assess core-scale heterogeneity of metal levels, repeatability, and consistency in the samples. Results for the duplicate sample for nickel, platinum and palladium are shown in Figures 11-12 to 11-13 and demonstrate good correlation between sample splits.

Figure 11-12: Flying Nickel 2022 field duplicate Ni results ICP-MS (N=19) and ICP-AES (N=19)



Source: Mercator

Figure 11-13: Flying Nickel 2022 field duplicate Pt and Pd results (N=19)

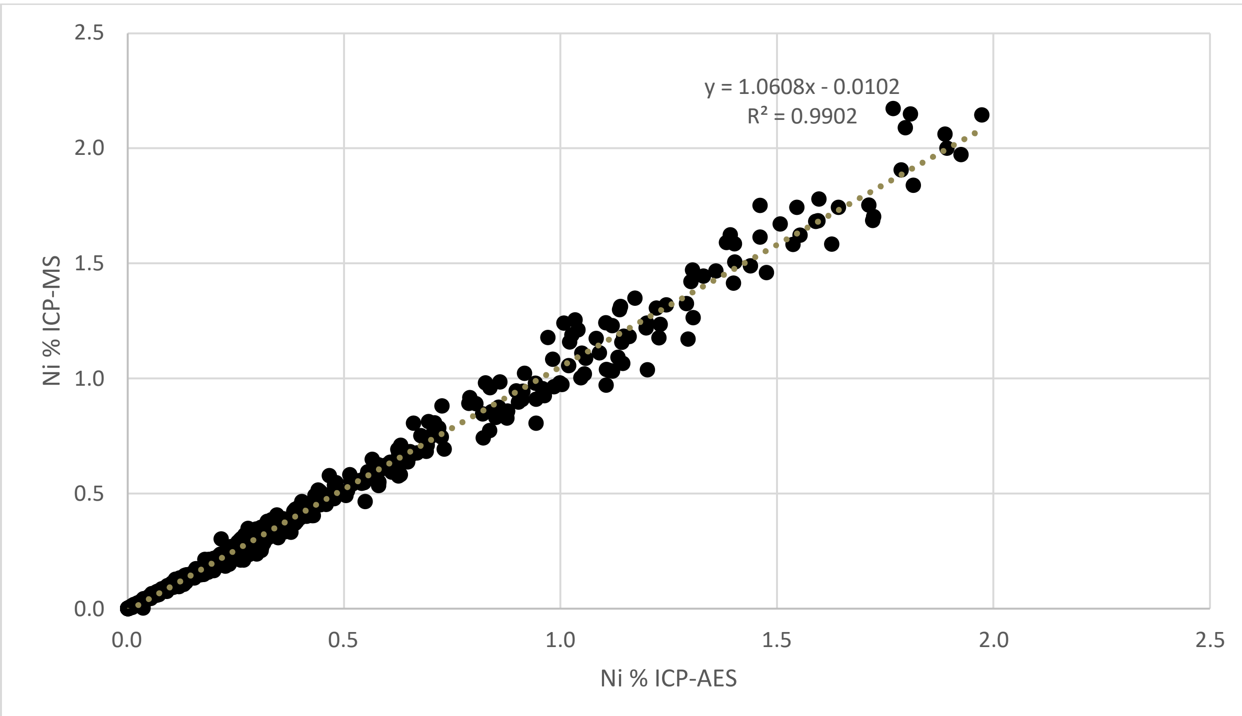


Source: Mercator

11.5.4.5 Comparison of Analytical Methods

A comparison was reviewed for nickel results from the 2022 program that were analyzed using both the ICP-AES and ICP-MS methods at SGS. The results are highly comparable (Figure 11-14) and the ICP-MS results were selected for use in the MRE.

Figure 11-14: Flying Nickel 2022 comparison of Ni Results by ICP-AES and ICP-MS (N=1114)



Source: Mercator

11.6 Report Author's Opinion on Sample Preparation, QAQC Protocols, and Analytical Methods

The QP is of the opinion that sample preparation, analysis and security methodologies employed during the 2005 to 2012 drilling programs by Nuinsco and Victory Nickel are consistent with exploration best practice guidelines at the respective times. This determination recognizes that certain QAQC issues noted in Section 11.5 were systematically identified and addressed. The QP is also of the opinion that sample preparation, analysis and security methodologies employed during the Flying Nickel 2022-2023 sampling programs were consistent with current exploration best practice guidelines.

The QP considers the 1970 through 2012 drilling dataset, as validated by report author M. Harrington, to be of acceptable quality for use in Mineral Resource estimation programs. The same determination applies to the validated Flying Nickel dataset.

It is recommended that additional check sampling of the 2010 to 2012 drill core be carried out to further assess or expand the quantity and spatial representation of total nickel, nickel in sulphide, palladium and platinum assay results. Further investigation should be carried out to understand the poor correlation between original core sample results and reject sample results in drill hole V-10-15, as well as determining the reason for the high bias in nickel, platinum, and palladium values returned for standard CDN-ME-1310. It is also recommended that a more compositionally consistent material be used for coarse blank sample purposes in future drilling programs.

12.0 DATA VERIFICATION

12.1 Overview

Data verification procedures carried out by the report authors for the Project consisted of three main components:

- Independent site inspections with independent check sampling.
- Review, data validation, and data verification of public record and internal source documents cited by previous operators with respect to key geological interpretations, previously identified geochemical or geophysical anomalies, and historical diamond drilling results that support the MRE. Validation of these datasets was completed using QGIS software, Microsoft Access, and Surpac.
- Review, validation, and verification of available exploration and diamond drilling results provided by Flying Nickel for the 2020 and 2022 programs.

Three site visits have been completed between 2022-2023 and are presented here in reverse chronological order. The data verified during each visit was partially restricted due to seasonal issues related to accessing some drill collar locations.

Report author M. Harrington was responsible for the drilling database review and validation of the historical drilling programs. The report author also completed a review of QAQC procedures and results, as described in Section 11 of this Technical Report.

12.2 Site Visits

12.2.1 Site Visit - June 2023

Rob Smith, P.Geo., visited the site between June 6 to June 9, 2023. The purpose of the visit was to participate in a Project exploration review facilitated by Flying Nickel. While on site Mr. Smith visited the Flying Nickel core facilities at Grand Rapids and reviewed operational procedures with Flying Nickel personnel to ensure continued best practices were being applied during mineral exploration.

Mr. Smith's observations are as follows:

- The core logging facility in Grand Rapids continues to be in good operational condition. The facility remains secure and locked when Flying Nickel personnel are not at site. Starlink high-speed satellite internet has been installed to facilitate the efficient transfer and backup of data.
- The core storage area, immediately north of Grand Rapids remains intact. The racked core, palatized core, sea cans and Atco trailers appear to be in the same condition as on the previous visit (February 2022).
- A locked gate is in place on the deposit access road at the junction of Highway #6. There does not appear to have been any recent unauthorized access to the property.

- The QAQC procedure of inserting controls every 20 samples continued to be followed. Control samples still alternate between blanks, duplicates, and CRMs.
- Chain of custody procedures from sampling to delivery at the analytical laboratory remain the same as observed during the February 2022 visit.

From his observations and discussions with Flying Nickel personnel, Mr. Smith has concluded that there have been no significant changes to procedures or the facilities and access road since his last visit in February 2022. Sampling and transportation to the analytical laboratory are consistent with procedures put in place for the 2022 diamond drilling program.

12.2.2 Site Visit - June 2022

Kevin MacRae, P.Geo., carried out a site visit to the Project between June 23 to June 24, 2022. The specific focus of the visit was to:

- Review drill core from the 2022 program carried out by Flying Nickel.
- Collect representative quarter core check samples from historical and 2022 drilling programs, focused on intercepts within the Mineral Resource model.
- Carry out drill collar coordinate checks for the 2022 and historical programs.
- Visit representative bedrock exposures of Project area geological units and surrounding site infrastructure.

One and a half days were spent at the Flying Nickel core facility and core farm, both located in the township of Grand Rapids and the second day was spent in the field on the Project claims. Due to the Project being dominated by muskeg and wet conditions at the time, many drill collar locations were inaccessible. Flying Nickel staff coordinated the logistical aspects of the site visit and provided general assistance with field work.

12.2.2.1 Core Logging Facility

The core logging facility is within the town of Grand Rapids and the core storage area is located approximately 1.5 km to the north of the townsite. The core facility contains logging tables and core racks, currently storing the core from the 2022 drill campaign, as well as 2 core saws and general core logging supplies. The storage area contains racked core, palatized core, 2 sea cans, 2 Atco trailers with storage buckets of reject and pulp material. Access to the core facility is secure after hours and the core farm site is not restricted and remains undisturbed at the time of the site visit. Sections of mineralized drill core are racked in raised and covered permanent core storage structures with metal roofs lying on cement blocks. Unmineralized, stratigraphically above mineralized sections, carbonate core is palatized on the opposite side of the core storage area (see Figures 12-1 A, B, C). The Project site consists of a limestone constructed road in fair to good condition which has brushed out drill trails extending south and north to gain access to the drill sites (Figure 12-2B). There is a small limestone quarry near the center of the property (Figure 12-2C) which displays limestone / dolostone consistently seen in drill core, verifying the sequence of bedrock geology on the property. The property consists primarily of forested cover sitting on muskeg and bogs with peat moss thickness varying from inches at the west side to greater than 4 m near the main entrance. A proposed mine access road is gated and locked with proper signage. There are two abandoned Atco trailers on the property as well as three limestone pads developed. The drill collar for FN-22-004 from the 2022 drilling program is observable from the main road but due to excess water, the site was unreachable on foot for a collar pick up (Figure 12-2A).

Figure 12-1: Project core storage facility (Source: Mercator)

A: Core storage facility

B: Palletised carbonate and unmineralized historic core

C: Historical drill hole N-07-28 representative core box

Figure 12-2: Property photos (Source: Mercator)

A: **Drill collar location of Flying Nickel hole FN-22-004**

B: **Access trail to drill pads looking south of the main road.**

C: **Outcrop section of Paleozoic dolomite / limestone that has been quarried out for road construction in central portion of the property**

12.2.2.2 Core Review and Core Processing

A detailed review of lithocoding, core sampling and logging records for drill holes B-8-89, N-07-11, N-07-28, V-11-04 and FN-22-005 was carried out by Mr. MacRae. The core processing facility consists of 2 attached metal and wood buildings (Figure 12-3). Core is logged in the larger building and cut and sampled in the smaller building. (Figure 12-4). The reviewed holes were selected to cover a range along the resource area as well as the areas targeted by the 2022 drilling program. Drilling database lithocode entries, mineralization and sample record intervals were spot checked against the archived core and no substantial errors were identified. Sample tags and associated intervals represented in the core boxes matched digital records in all instances except for drill hole B-8-89, where original half core samples tags were no longer present to verify but other 3rd party quarter core check sample tags were. Lithocodes were also found to consistently correlate with recognizable rock units, although some variety existed within the descriptions of the ultramafics as serpentinite whereas some intervals consisted primarily of pyroxenite with anthophyllite / biotite rich margins. Importantly, clear identification of nickel sulphides (pentlandite and millerite) and their percentages was consistently apparent.

As historical core has been skeletonized in non-mineralized intervals, this restricted close inspection of log entries to core in fully preserved mineralized zones. Hole FN-22-005 was able to be reviewed in its entirety as the Paleozoic dolomite / limestone and sandstone units were preserved and observed in full and this showed that good correlation exists between Flying Nickel core records and database entries (Figure 12-5 & 12-6). As represented in the logs, core recovery was noted as being good to excellent and spot checked in the reviewed holes with intervals of wash away and poor core recovery clearly identified. Mineralized core observed during the core review are consistent with deposits located in the Thompson Nickel Belt. Observations of the mineralized intervals from the property include mineralization associated with ultramafic and serpentinized peridotite, common serpentinization textures of the ultramafic units, magnetite bearing core in mineralized intervals, and mineralized intervals identified to be associated with the Pipe Formation of the Ospwagan Group.

Figure 12-3: Core processing facility

Source: Mercator

Figure 12-4: Core logging area during active logging and sampling operations

Source: Mercator

Figure 12-5: FN-22-005 drill core displaying limestone and sandstone units near top of hole

Source: Mercator

Figure 12-6: Flying Nickel 2022 drill core displaying ultramafic and silicate facies iron formation (Upper Pipe Formation – Ospwagan Group) and granite units

Source: Mercator

12.2.2.3 Discussion of June 2022 Quarter Core Check Sample Program Results

Fourteen quarter core check samples were collected by Mr. MacRae during the 2022 site visit from representative sections of mineralized core in drill holes B-8-89, NM-06-02, N-07-11, N-07-28, V-20-07, V-10-24, V-11-04, FN-22-001, FN-22-002, FN-22-005 (Figure 12-7). Mr. MacRae first identified and marked sample intervals and subsequently cut and sampled the intervals using the core saw available at the Grand Rapids site. Samples were placed into a pre-numbered plastic sample bag and sealed. Samples were then directly transported by Mr. MacRae from site to Dartmouth on July 3rd, and subsequently delivered to ALS in Moncton, NB on July 7, 2022.

After standard crushing and pulverizing, sample pulp splits were sent to ALS's Vancouver lab and subjected to sodium peroxide fusion preparatory to multi-element analysis using ICP-MS methods (ME- MS89L). Separate pulp splits were analysed for gold, platinum and palladium using fire assay pre-concentration methods followed by analysis using ICP-AES methods (PGM-ICP23). Bulk density analysis was carried out on 3 samples using water immersion methods. All laboratory results were reported in a signed, secure certificate and in digital spreadsheet format.

A blank sample consisting of non-mineralized quartz and two CRM samples, OREAS 70b and 73a, were inserted in the continuous sample number sequence. Sample intervals were selected as being representative of the main style of nickel mineralization present and focused on intervals having original nickel grades of 0.5% to 1.7% range. Serpentinized ultramafic with trace sulphides was present in all but one sampled location as sample D00232013 was a sulphide bearing pelite host rock (FN-22-005) similar in appearance to the upper member of the Pipe Formation (silicate facies Iron Formation of the Ospwagan Group).

In addition to the total nickel analysis obtained using the fusion approach, a pulp split for each quarter core sample submitted was assayed for sulphide nickel by the sulphide nickel leach method (Ni-ICP05) with ICP-AES finish. ALS is a commercial analytical services firms accredited by the Canadian Association for Laboratory Accreditation ("CALA") and are certified to the ISO 14001:2015 standard and is fully independent of Flying Nickel. Analytical results returned for the check samples and associate QAQC samples are presented below in Table 12-1.

Figure 12-7: Example of quarter core check sample collected in 2022

Source: Mercator

Table 12-1: June 2022 check assay results

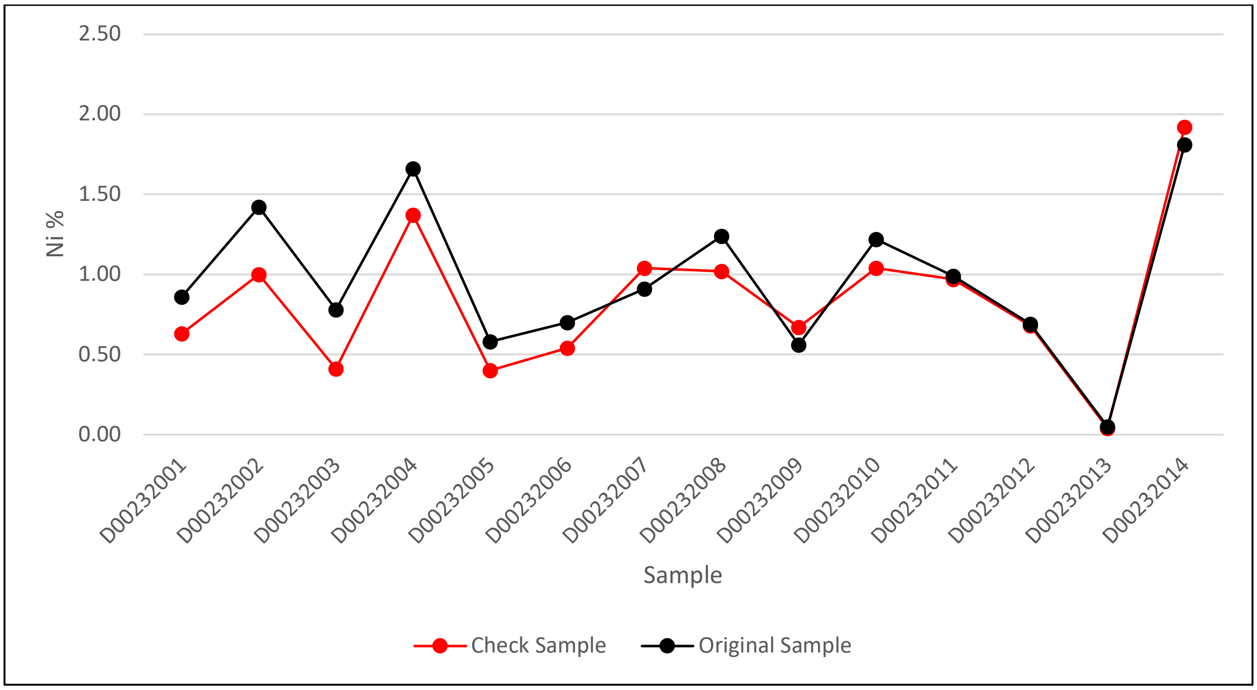
Sample Type	Historical Drill Information/Standards									2021 Site Investigation Information						
	Hole Name	Minago Sample ID	From (m)	To (m)	Length (m)	Ni (%)	NiS (%)	Cu (ppm)	Pd (ppb)	Pt (ppb)	Mercator Sample ID	Ni (%)	NiS (%)	Pd (ppb)	Pt (ppb)	Bulk Density (g/cm³)
Core	V-10-24	342430	392.00	393.50	1.50	0.86	0.807	153	370	160	D00232001	0.63	0.54	299	139	
Core	V-11-04	194162	215.00	216.00	1.00	1.42	1.186	606	510	250	D00232002	1.00	0.75	348	166	2.44
Core	V-11-04	194142	190.00	191.00	1.00	0.78	0.519	3	150	50	D00232003	0.41	0.22	67	26	
Core	NM-06-02	B762902	325.00	326.50	1.50	1.66		600			D00232004	1.37	1.04	381	167	
Core	N-07-11	925805	316.00	317.50	1.50	0.58	0.47	270			D00232005	0.40	0.21	67	23	
Core	N-07-11	925813	326.60	328.10	1.50	0.70	0.54	210			D00232006	0.54	0.29	99	36	
Core	B-8-89	B8-7863	307.03	308.60	1.57	0.91		300			D00232007	1.04	0.3	413	202	2.48
Core	N-07-28	926439	104.00	104.84	0.84	1.24	0.791	6			D00232008	1.02	0.51	546	196	
Core	V-10-07	339221	354.80	356.00	1.20	0.56	0.162	310	160	65	D00232009	0.67	0.51	191	69	
Core	V-10-07	340046	529.44	530.44	1.00	1.22	1.05	486	310	160	D00232010	1.04	0.92	302	143	
Core	FN-22-001	D00228945	432.28	433.08	0.80	0.99	0.83	375	324	160	D00232011	0.97	0.9	375	170	2.67
Core	FN-22-005	D00229416	243.93	245.66	1.73	0.69		174	139	70	D00232012	0.68	0.55	127	60	
Core	FN-22-005	D00229398	183.43	185.08	1.65	0.05		106	6	5	D00232013	0.04	0.01	3	<5	
Core	FN-22-002	D00229109	221.83	223.82	1.99	1.81	0.02	1181	646	320	D00232014	1.92	1.74	721	350	
Standard	OREAS 70b					0.22		52			D00232015	0.21	0.15	1	0	
Blank	Silica										D00232016	0.01	0	1	5	
Standard	OREAS 73a					1.44		915	78	64	D00232017	1.30	1.25	67	53	

Check assay analytical results include total nickel, sulphide nickel, platinum, and palladium. Scatter plots of original values and corresponding check sample values are provided in Figures 12-8 through 12-11.

Apart from one sulphide nickel result (FN-22-002 from 221.83m to 223.82m), analyzed values show good correlation between original and check sample datasets but are predominantly slightly lower than original samples. This may be due to either oxidation of the sulphides over time and/or differing analytical techniques. The exception consists of one original sample sulphide nickel value that is substantially lower than the check sample result. An explanation for this discrepancy has not been identified. The low original sulphide nickel result was verified against original sample records and laboratory assay sheets but stands out as an anomaly in relation to 1.81% total nickel value. As reflected in Figures 12-9 through 12-11, historical drilling programs did not consistently assay for sulphide nickel, platinum, and palladium.

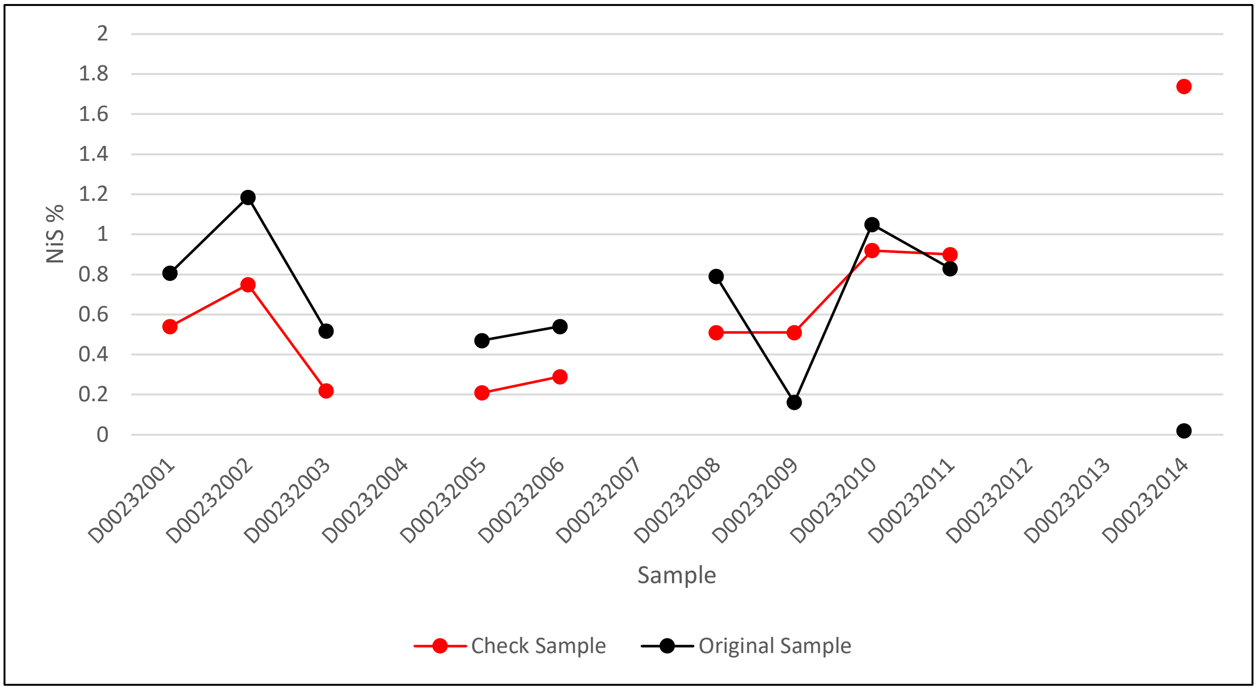
The QP is of opinion that the correlation between original and check sample datasets is acceptable and minor variances between the two can be attributed to differing analytical techniques and potential oxidation of samples over time. Further investigation of the discrepancy is recommended.

Figure 12-8: Ni % check sample results - 2022 check sampling program



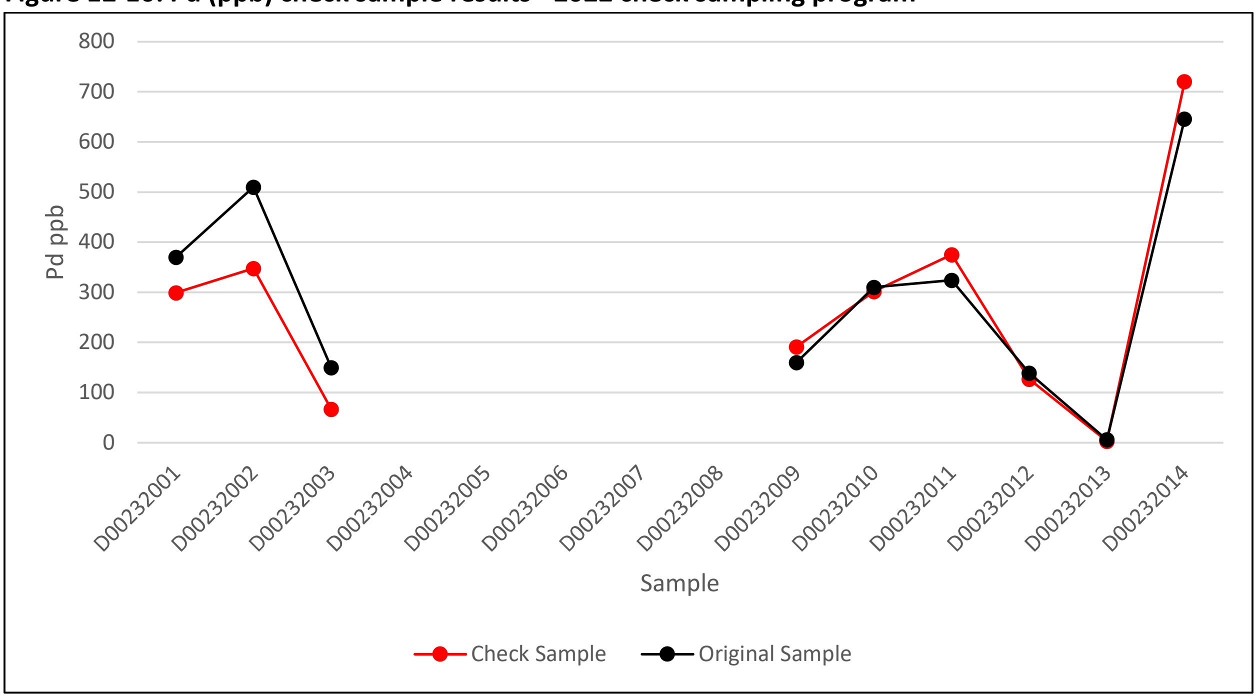
Source: Mercator

Figure 12-9: NiS % check sample results - 2022 check sampling program



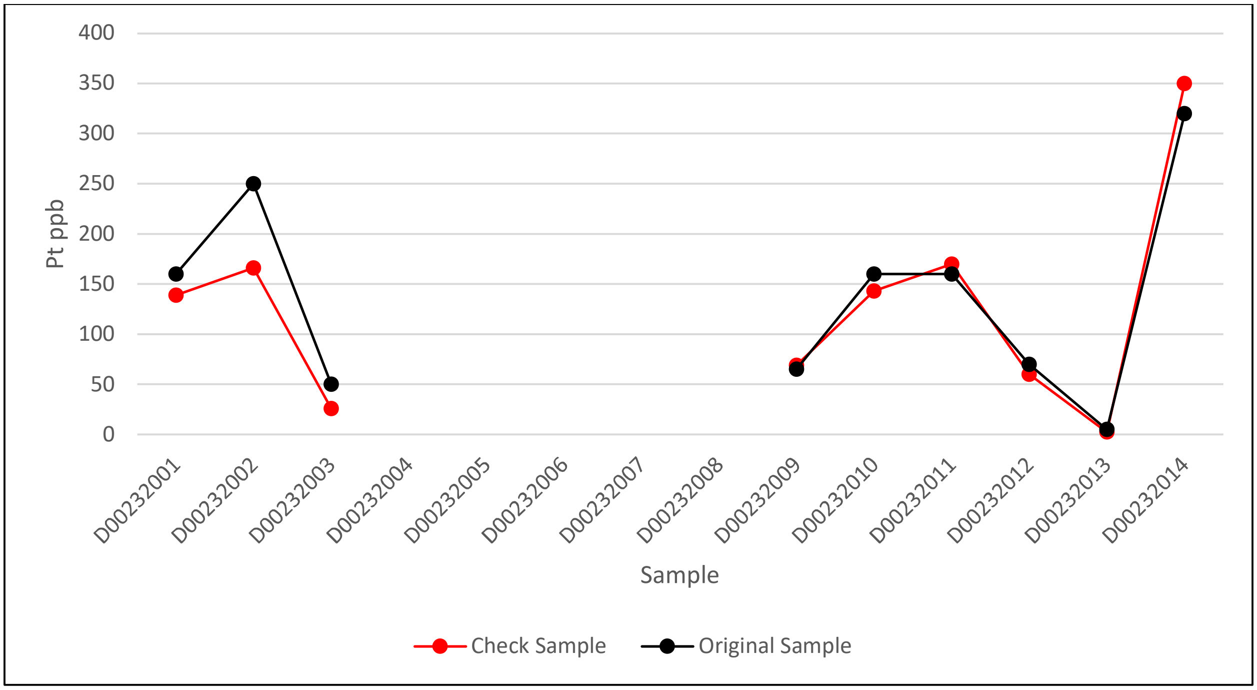
Source: Mercator

Figure 12-10: Pd (ppb) check sample results - 2022 check sampling program



Source: Mercator

Figure 12-11: Pt (ppb) Check Sample Results - 2022 check sampling program



Source: Mercator

12.2.2.4 Historical Drill Hole Collar Coordinate Verification

A limited drill collar coordinate check program was carried out by Mr. MacRae that consisted of acquisition of collar coordinates for one drill pad location that was accessible at the time of the site visit (Figure 12-12). A handheld GPS unit was used to collect UTM – NAD83 Zone 14 coordinates for the drill collar and outcrop located in the field. Drill hole V-12-10 was assessed and coordination checks against database records showed that easting and northing values collected in the field vary by only a couple of meters in easting and in northing (Table 12.2.4). An elevation value was not displayed in the historical drill log but was shown to be located 261 m above sea level based on the 2022 GPS value. Site conditions prevented any additional collar checks however with this location coupled with Mr. Smith's findings from his initial 2022 site visit, the QP believes field collar locations are comparable with database records and provide a reasonable verification. Site inspections carried out by Mr. MacRae at the drill locations of V-12-10 (Figure 12-12) and FN-22-004 shows care had been applied to minimize surface disturbances. Little evidence of refuse and no excessive rutting or unnecessary forest cutting were noted by Mr. MacRae. The QP recommends a more comprehensive field collar verification program to be completed when site conditions are more accessible.

Figure 12-12: Labelled casing for V-12-10

Source: Mercator

Table 12-2: Drill collar coordinate checking program results

Hole ID	*Easting (m)	*Northing (m)	*Elevation	*Check Easting (m)	*Check Northing (m)	*Check Elevation
V-12-10	485200	5995250	-	485202	5995249	26

*Note: NAD 83 Zone 14 North coordinates and sea level elevation datum.

12.2.3 Site Visit - February 2022

An initial site visit was completed by Rob Smith, P.Geo on February 26-27, 2022. The purpose of the site visit investigation by Mr. Smith was:

- To validate mineralization observed conforms lithologically and mineralogically to other deposits observed in the Thompson Nickel Belt.
- To validate sample locations and review select quarter core check sample intervals previously sampled in May 2021 by Alan Taylor, formerly of Stantec, to independently assess the presence of nickel and PGEs.
- To validate the locations of accessible historical drill hole collars and confirm the site infrastructure.

Mineralized rock observed by Mr. Smith during the core review are consistent with other magmatic nickel deposits located in the Thompson Nickel Belt (Layton-Matthews et al., 2007).

Observations of the mineralized intervals from the property include:

- Association of ultramafic units with mineralization, where observed.
- Common serpentinization of the ultramafic units.
- Mineralization is commonly associated with intervals containing moderate to abundant magnetite.

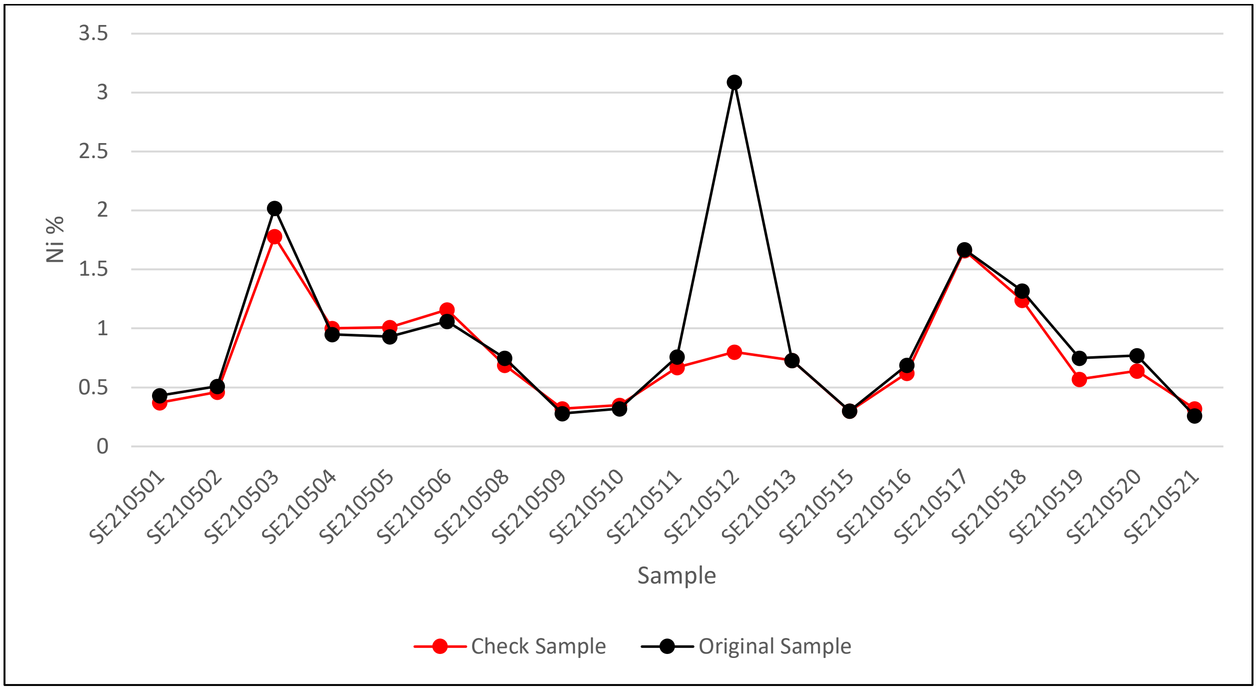
As part of the Project inspection and validation, Mr. Smith also reviewed stacked historical core intervals that were previously check sampled in May 2021 (Table 12-3).

Table 12-3 Sample locations and check assay results – May 2021 and February 2022 site visits

			Historical Drilling Program Information / Standards								May 2021 Site Investigation Information					
Hole Collar Northing (NAD 83)	Hole Collar Easting (NAD 83)	Sample Type	Hole Name	Sample Name	From (m)	To (m)	Ni (%)	NiS (%)	Pd (ppb)	Pt (ppb)	Sample Number	Ni (%)	NiS (%)	Pd (ppb)	Pt (ppb)	Bulk Density (g/cm³)
		Blank									SE210501	0.00	0.00	1	5	
5994370	487976	Core	V-11-06	194665	204.0	205.5	0.43	0.16	15	10	SE210502	0.37	0.17	7	5	
5994370	487976	Core	V-11-06	194700	242.5	244.0	0.51	0.36	140	45	SE210503	0.46	0.32	140	38	
5994270	487932	Core	V-11-05	194484	289.0	289.9	2.02	1.96	720	370	SE210504	1.78	1.60	745	367	2.58
5994270	487932	Core	V-11-05	194485	289.9	291.0	0.95	0.79	340	180	SE210505	1.00	0.85	398	211	
5994825	488077	Core	V-11-11	198927	259.0	260.0	0.93	0.67	140	55	SE210506	1.01	0.73	204	76	
		Standard		CND-ME-9			0.91		1,286	664	SE210507	0.91		1,240	639	
5994825	488077	Core	V-11-11	198928	260.0	261.0	1.06	0.75	160	60	SE210508	1.16	0.94	248	87	
5994825	488077	Core	V-11-11	198909	244.0	245.0	0.75	0.65	770	190	SE210509	0.69	0.56	1,140	257	2.31
5995670	487920	Core	V-11-20	197456	325.0	326.3	0.28	0.22	220	150	SE210510	0.32	0.24	189	108	
5995670	487920	Core	V-11-20	197451	319.5	321.0	0.32	0.28	200	130	SE210511	0.35	0.30	277	125	
5993395	487201	Core	N-07-37	929776	141.1	142.1	0.76				SE210512	0.67	0.22	386	126	2.44
5993395	487201	Core	N-07-37	929784	149.5	150.5	3.09				SE210513	0.80	0.43	305	118	
		Standard		CND-ME-1309			0.19		363	707	SE210514	0.19		347	712	
5993188	487054	Core	V-08-4B	199673	511.8	512.9	0.73	0.48	140	50	SE210515	0.73	0.60	139	44	
5993217	487175	Core	N-07-30	929417	115.5	117.0	0.30	0.10			SE210516	0.30	0.08	2	5	
5993670	487042	Core	N-07-32	926781	275.0	276.1	0.69	0.60			SE210517	0.62	0.56	115	56	
5993029	487349	Core	V-08-10	198160	589.3	590.8	1.67	1.18	560	220	SE210518	1.66	1.35	505	194	
5993684	487599	Core	NM-06-	UN	280.4	281.9	1.32				SE210519	1.24	0.96	485	231	2.47
5993231	486936	Core	B-11A-89	UN	447.1	448.7	0.75				SE210520	0.57	0.51	130	58	2.43
5993633	487380	Core	BHK52-90	49862	285.0	286.0	0.77		230	106	SE210521	0.64	0.04	171	74	2.36
		Standard		CND-ME-1310			0.38		563	433	SE210522	0.39		530	423	
5993389	487500	Core	BHK50-90	365794	305.4	306.9	0.26				SE210523	0.32	0.19	7	5	

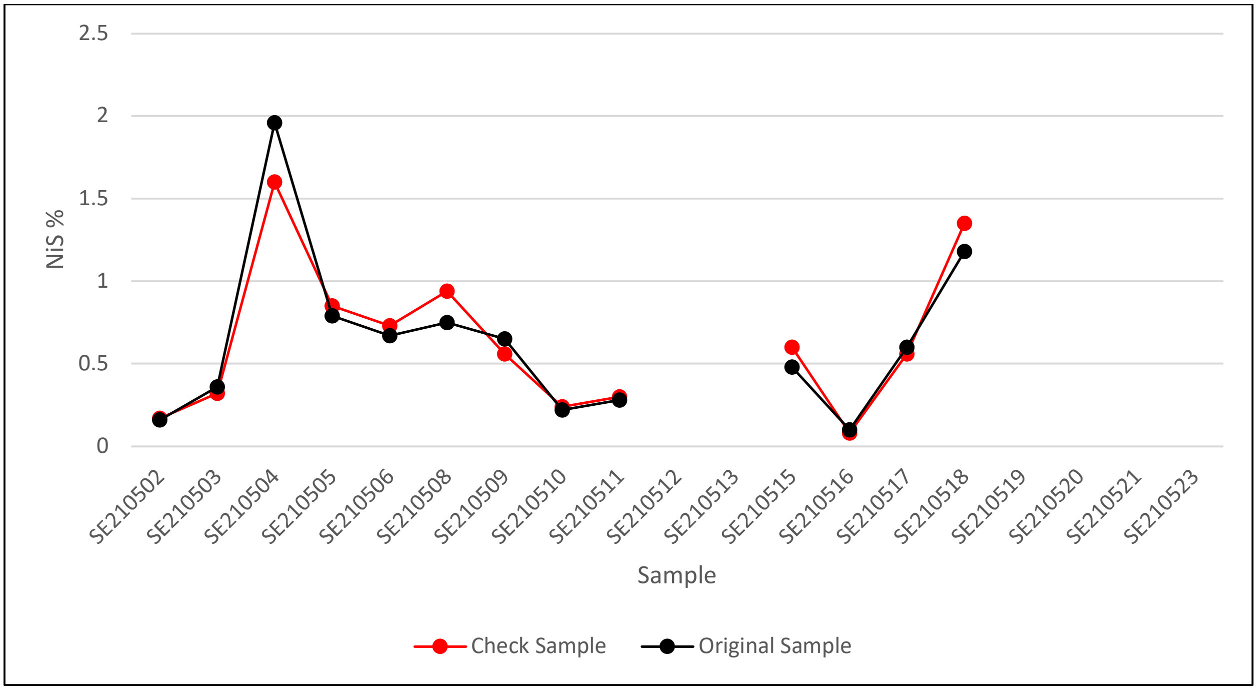
Apart from one nickel result, analyzed values show acceptable correlation between original and check sample datasets (Figures 12-13 through 12-16). The exception consists of one original sample nickel value (Hole N-07-37 from 149.5m to 150.5m) that is substantially higher than the check sample result. An explanation for this discrepancy has not been identified but the high original nickel result was confirmed as reflecting the corresponding sample number's database nickel entry. Original platinum values are often lower than check sample values and this may reflect differing analytical techniques. Further investigation of the discrepancy is recommended.

Figure 12-13: Ni % check sample results - 2021 check sampling program



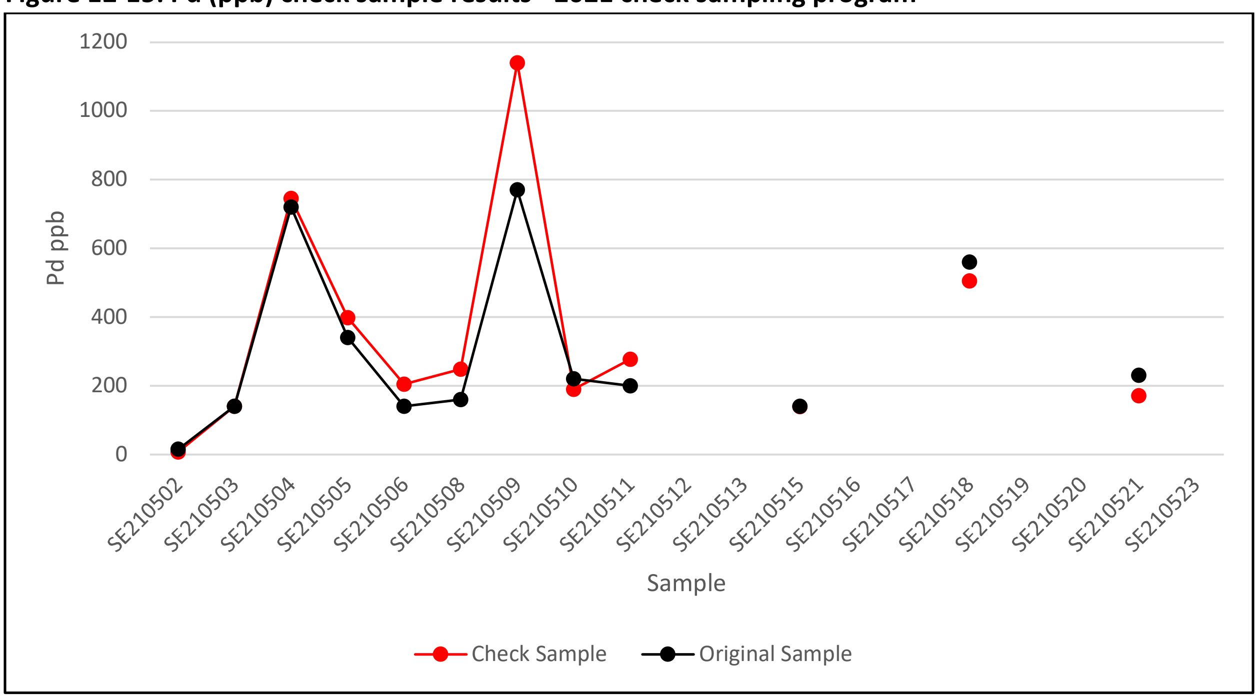
Source: Mercator

Figure 12-14: NiS % check sample results - 2021 check sampling program



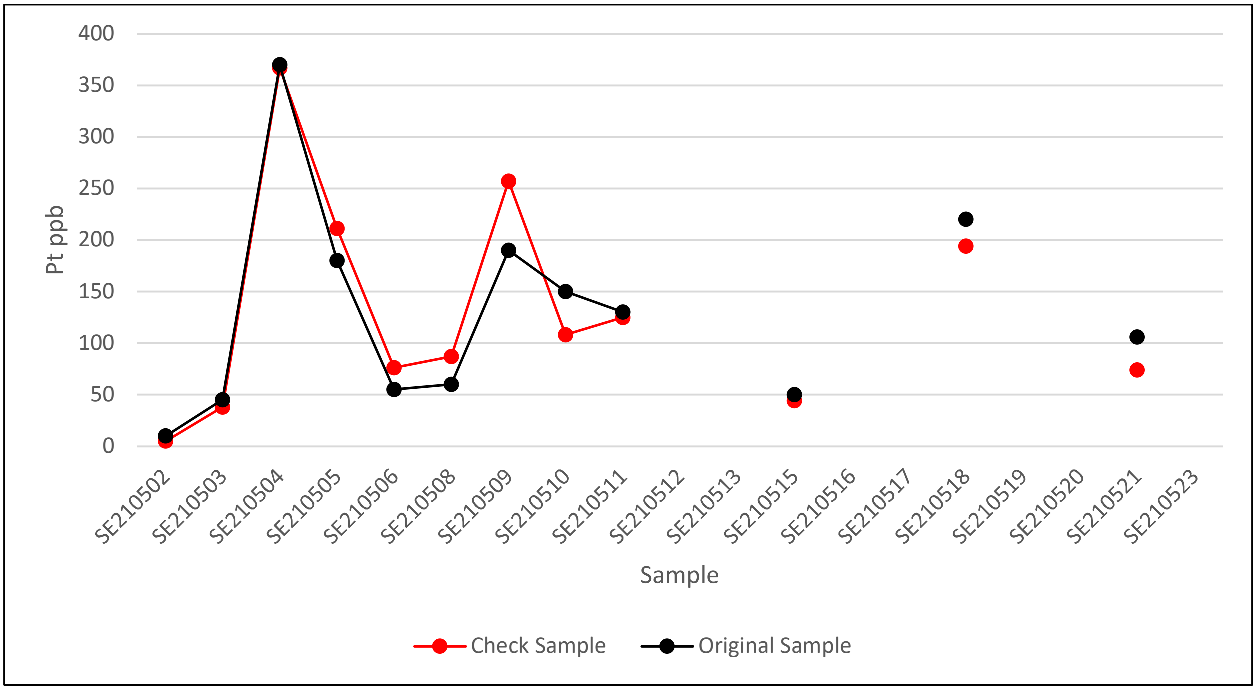
Source: Mercator

Figure 12-15: Pd (ppb) check sample results - 2021 check sampling program



Source: Mercator

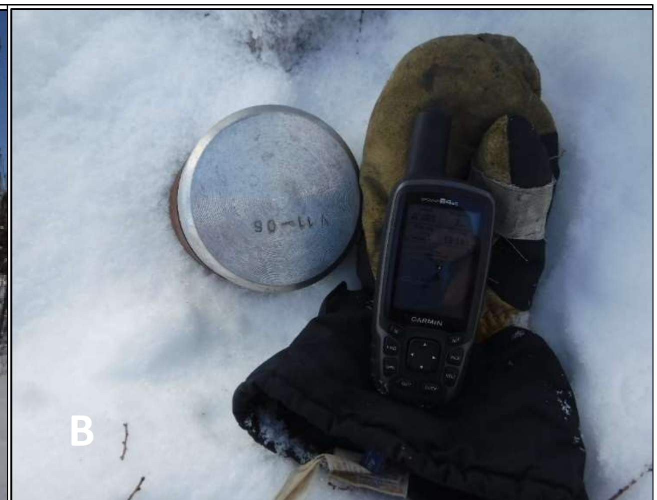
Figure 12-16: Pt (ppb) check sample results - 2021 check sampling program



Source: Mercator

During the site investigation of the Project, Mr. Smith located four historical drill collars from the previous drilling campaigns and obtained an independent location reading with a handheld GPS. All drill hole locations observed in the field were well-marked (Figure 12-17). Table 12-4 compares the drill hole GPS collar locations observed by Mr. Smith relative to the drill hole collar locations documented in the Project database. The QP is of the opinion that the field drill hole collar locations are comparable with database records and provides a reasonable check of drill hole locations, however, recommends a more comprehensive collar location verification program to be complete when site accessibility is less restricted.

Figure 12-17: Historical drill hole photos



A: Historical drill hole V-11-06
B: V-11-06 stamped casing cap and GPS reading
C: Historical drill hole N-07-17

Table 12-4 GPS collar location check program February 2022

Collected With Handheld GPS 26 February				Actual From Database				
# Entered in GPS	Easting	Northing	Elevation	Hole#	Easting	Northing	Elevation	Zone
V 11-06	487975	5994374	244	V-11-06	487976.1	5994370	245.53	North
003	487662	5993781	245	N-07-08A	487664	5993779	246.04	Limb Nose
N0717	487411	5993645	245	N-07-17	487412.4	5993640	246.6	Nose
006	487161	5993628	240	MXB-71-94	487161.9	5993624	246.39	Nose

Limitations to the data verification by Mr. Smith are listed below:

- Mr. Smith only visited 4 unique drill hole locations due to winter conditions and heavy snow limiting road access to historical drill hole sites.
- Mr. Smith was not involved in the Project prior to 2022, did not complete a site visit until 2022, and therefore cannot validate the field procedures used during drilling and sample collection prior to the involvement by Flying Nickel.
- Laboratory inspections were not completed by Mr. Smith.

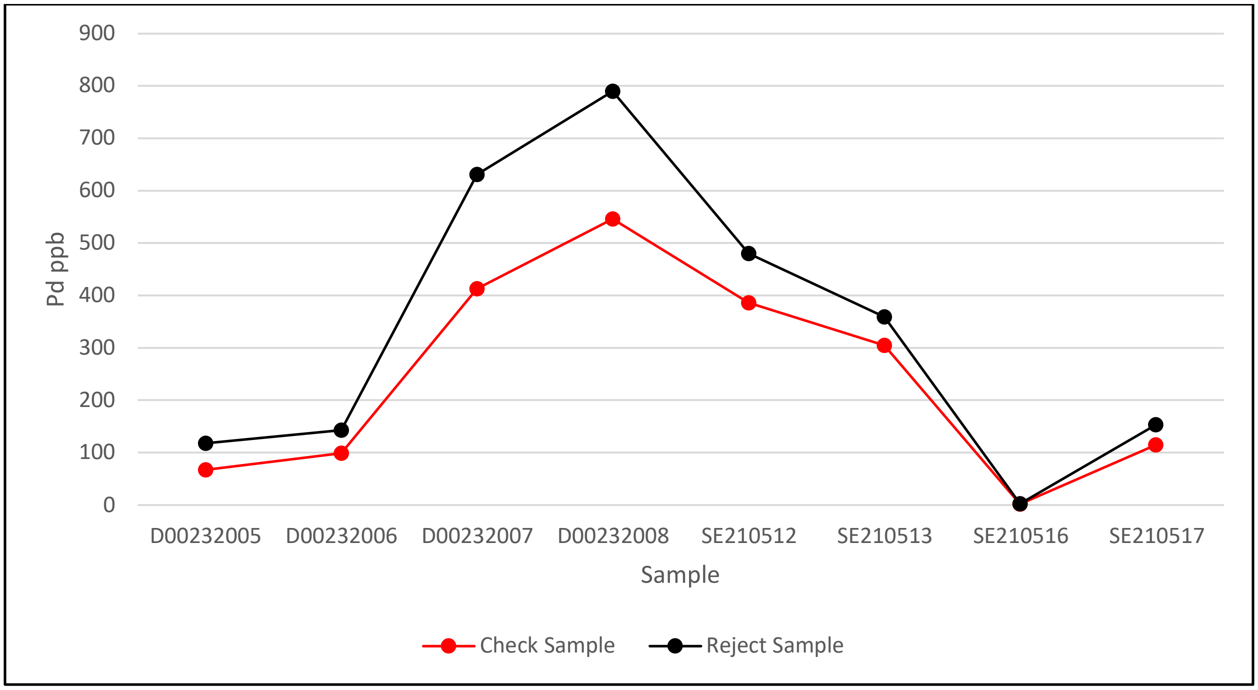
12.2.4 Review of 2023 Flying Nickel Reject Sample Program with Independent Check Sample Results

A total of 8 independent check samples completed during the 2021 and 2022 site visits correspond with intervals selected for Flying Nickel's 2023 reject sample program (Table 12-5). Scatter plots of reject sample values and corresponding check sample values are provided in Figures 12-18 through 12-19. While reject sample and check sample values show an overall acceptable correlation, the reject sample values are consistently higher. This may be attributed to differences in the sample preparation and/or analytical method applied. Further investigation is recommended.

Table 12-5: 2023 reject sample and independent check sample assay results

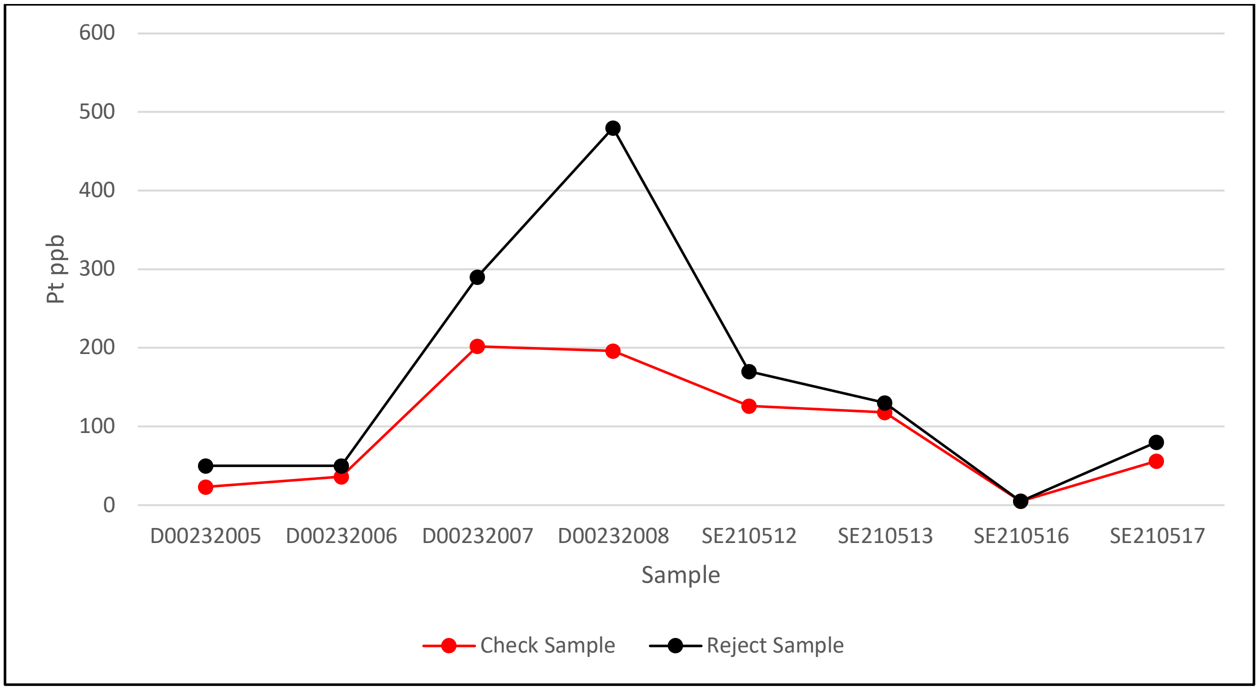
Hole Name	Flying Nickel Sample ID	From (m)	To (m)	Pd (ppb)	Pt (ppb)	Mercator Sample ID	Pd (ppb)	Pt (ppb)
N-07-11	D00231954	316	317.5	118	50	D00232005	67	23
N-07-11	D00231962	326.6	328.1	143	50	D00232006	99	36
B-8-89	D00233392	307.03	308.6	631	290	D00232007	413	202
N-07-28	D00231593	104	104.84	790	480	D00232008	546	196
N-07-37	D00229898	141.1	142.1	480	170	SE210512	386	126
N-07-37	D00229907	149.5	150.5	359	130	SE210513	305	118
N-07-30	D00231672	115.5	117	2.5	5	SE210516	2	5
N-07-32	D00232097	275	276.1	153	80	SE210517	115	56

Figure 12-18: Pd (ppb) results for 2023 reject samples and independent check samples



Source: Mercator

Figure 12-19: Pt (ppb) results for 2023 reject samples and independent check samples



Source: Mercator

12.3 Review of Supporting Documents, Databases, and Assessment Reports

The QP's obtained copies of relevant historical assessment work reports, available through the provincial government online database, previous NI 43-101 reporting, and internal Project documentation from Flying Nickel as part of the data validation procedures. Key aspects of historical reporting are referenced in the Technical Report and original source documentation supporting historical reporting was consulted where appropriate. Results of the reference documentation verification showed that in all instances considered, digital and hard copy records accurately reflect content of referenced source documents.

The report author validated and verified Project database entries for both the historical drilling campaigns, completed between 1966 and 2012, and the 2022-2023 Flying Nickel drilling and sampling campaigns to support their use in the MRE. This validation and verification process included systematic checking of database entries against original source documents, with correction of deficiencies where necessary using Surpac or Microsoft Excel software. Checking of database content consisted of collar coordination checks for all drill holes against original source records, where available, spot checks of core sample record entries, and checking of assay results entries against source laboratory reports and original assay certificates. In addition to these manually coordinated checks, routine digital assessment of the drill hole datasets for issues such as end of hole errors, conflicting sample records, survey record errors, etc., were carried out using scripts run within the Surpac software.

For historical drill programs, the data verification and validation program undertaken by report author M. Harrington included a 30% validation on collar, survey, and lithology interval data with acceptable results. A subsequent 50% validation was completed on drill core analytical values with acceptable results obtained except for several obvious deficiencies that were addressed. For example, a re-sampling program completed by Nuinsco on the Black Hawk drill core was observed to be not properly compiled and 124 corrections to nickel values and 179 corrections to sample intervals were completed. In addition, several sulphide nickel values throughout the various drill programs were observed to be unreasonable in respect to the associated total nickel value. On this basis, a 100% validation of sulphide nickel values was carried out by the report author and resulted in 345 corrections. This issue was identified to be related to improper compilation of re-assay datasets due to QAQC issues noted by the respective operators.

For Flying Nickel programs, the data verification and validation program undertaken by report author M. Harrington included a 100% validation on collar, survey, and lithology interval data with acceptable results. A subsequent 100% validation was completed on drill core analytical values, through uses of Microsoft Access scripts comparing compiled values and digital original assay certificates, with acceptable results.

The Project drill hole database contains 23,781 core samples with a nickel analytical result, including 9,979 core samples with a corresponding sulphide nickel result, 10,858 core samples with a corresponding platinum and palladium result, and 9,000 SG determinations. This is inclusive of the Flying Nickel's 2023 reject material sampling program.

12.4 Report Authors Opinion of Data Verification

Report author M. Harrington is of the opinion that respective results of their data validation and verification program components discussed above indicate that industry standard levels of technical documentation and detail are evident in the drilling results for the Project that support the MRE. M. Harrington concludes that the associated validated digital database is considered acceptable for use in the MRE and confirms that the database used has been generated with proper procedures and has been accurately transcribed from the original source material.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

A metallurgical test work program was completed during 2007-2008 at SGS Lakefield Research with the objective of developing a flowsheet and process design criteria to treat nickel bearing material from the Deposit. The metallurgical test work scope included grindability tests, mineralogy study, flotation rougher and cleaner bench scale tests, lock cycle tests (LCT), concentrate and tailings dewatering tests.

No new metallurgical test work has been conducted on the deposit since then. Test work results were use by Wardrop in 2010 to develop a sulphidic nickel head grade-recovery curve for the pit optimization and an economic assessment of the open pit portion of the Minago deposit at the time.

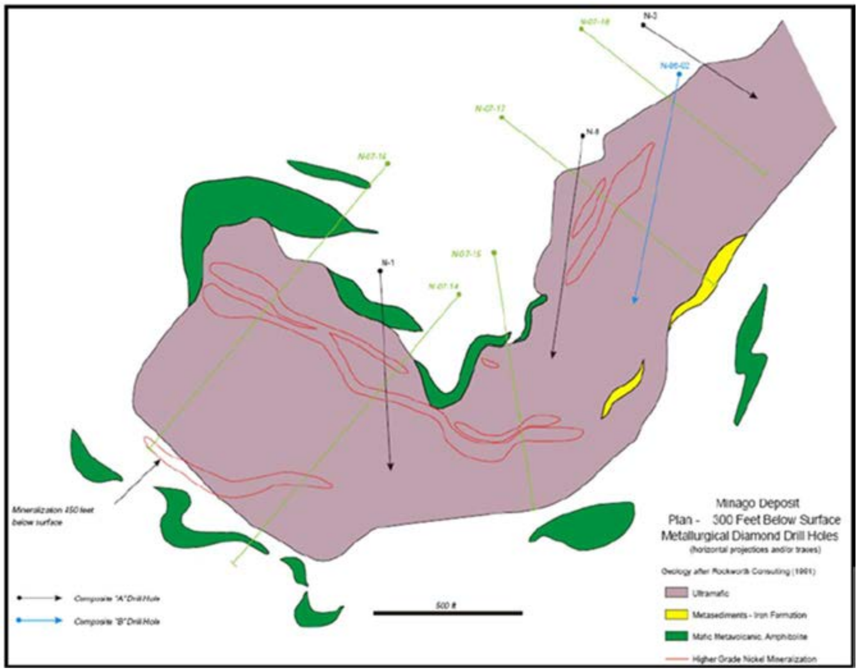
The recoveries of platinum and palladium to concentrate and sulphidic nickel head grade-recovery relationship used in this technical report are based on historical test work and work completed for the 2010 study.

Metallurgical data and information from the 2007-2008 test work program relevant to this Technical Report is summarized in this Section.

13.1 Sample Selection

Five metallurgical drill holes numbered N-07-14, N-07-15, N-07-16, N-07-17, and N-07-18 were drilled in February 2007 to collect samples for the metallurgical test work program. The holes were located roughly evenly along the strike of the deposit (Figure 13-1) to represent material from a proposed open pit. A total of 1,117 drill core intervals selected and delivered to SGS. The total weight of the delivered drill core was 4,174 kg.

Figure 13-1: Metallurgical sample locations



Source: SGS, 2008

13.2 Sample Preparation

Composite recipes for each individual drill hole were created and each of the five metallurgical drill holes were assayed and flotation tests performed (Table 13-1). The flotation test work revealed that drill hole N-07-18 showed poor flotation performance and the total nickel and sulphidic nickel assaying indicated that the concentration of recoverable sulphidic nickel in this hole composite was very low and not included in subsequent test work.

Two master composites were created, i.e. Open Pit Master Composite 1 (based on the total nickel assay for the selected holes, except for N-07-18) and Open Pit Master Composite 2 (based on the geological sulphidic nickel block model).

Table 13-1: Total nickel and sulphidic nickel assay of the five metallurgical drill holes

Hole Composite	Ni Total (%)	Ni as Sulphide (%)	Ni as Non Sulphide (%)	Recoverable Ni in Sample (%)
14	0.60	0.51	0.09	85.0
15	0.42	0.26	0.16	61.9
16	0.64	0.47	0.17	73.4
17	0.51	0.28	0.23	54.9
18*	0.29	0.06	0.23	21.0

* Not included in the first master composite

Source: SGS, 2008

13.2.1 Open Pit Master Composite 1

Open Pit Master Composite No. 1, which was considered representative of the entire deposit at the time was based on the total nickel assays and the geological total nickel block model. This composite was used for the initial batch flotation tests undertaken to develop the process flowsheet.

The volume of influence of each drill hole on the blocks of ore surrounding it, and whether the blocks of ore were mineable or waste, was calculated from the geological total nickel block model and the proposed open pit design at the time. The quantity of samples required from a drill hole interval to form a portion of the master composite was derived from the volume of influence of each interval. The Open Pit Master Composite No. 1 assayed 0.61% total Ni and 0.37% sulphidic Ni. Full assay results are provided in Table 13-2.

Additional composites were subsequently formed and tested. Intervals that had sulphidic nickel assays within range of the targeted composite head grade were combined based on their volume of influence to form the individual grade composites. These composites were subjected to flotation tests in order to generate the head grade-recovery curve.

13.2.2 Open Pit Master Composite 1

The geological sulphidic nickel block model (at the time) was used to form a second open pit master composite based on sulphidic nickel. The same volume of influence methodology was employed to create the recipe for this composite. The Open Pit Master Composite No. 2 assayed 0.48% total Ni and 0.40% sulphidic Ni. Full assay results are provided in Table 13-2. Open Pit Master Composite No. 2 was used in the flowsheet development testing to collect data for mill design and project economic assessment.

Table 13-2: Main composite head analysis

Fire Assay / AA		
Composite Element	MC (Assay %)	SMC (Assay %)
Ni	0.61	0.48
NiS	0.37	0.40
MgO	32.0	31.3

XRF		
Composite Element	MC (Assay %)	SMC (Assay %)
SiO_2	40.90	-
Al_2O_3	3.07	-
Fe_2O_3	7.06	-
MgO	32.0	-
CaO	1.41	-
Na_2O	0.52	-
K_2O	0.92	-
TiO_2	0.07	-
P_2O_5	0.02	-
MnO	0.07	-
Cr_2O_3	0.17	-
V_2O_5	< 0.01	-
LOI	12	-
Sum	98.3	-
Fe	4.34	-

Fire Assay / AA		
Composite Element	MC (Assay g/t)	SMC (Assay g/t)
Au	-	0.02
Ag	-	< 0.5
Pt	-	0.07
Pd	-	0.13
Rh	-	< 0.02

ICP Multi-element Scan		
Composite Element	MC (Assay g/t)	SMC (Assay g/t)
Al	15000	17000
As	< 30	< 30
Ba	410	440
Be	0.64	0.80
Bi	< 20	< 20
Ca	9400	8700
Cd	< 2	< 2
Co	120	120
Cr	1000	990
Cu	340	260
Fe	-	52000
K	7000	8200
Li	42	43
Mn	470	460
Mo	< 10	< 5
Na	3300	4300
Ni	-	6400
P	60	65
Pb	< 80	< 40
Sb	< 20	< 10
Se	< 30	< 30
Sn	< 20	< 20
Sr	160	190
Ti	440	370
Tl	< 30	< 30
U	< 20	< 20
V	18	14
Y	5.1	5.2
Zn	110	91.0

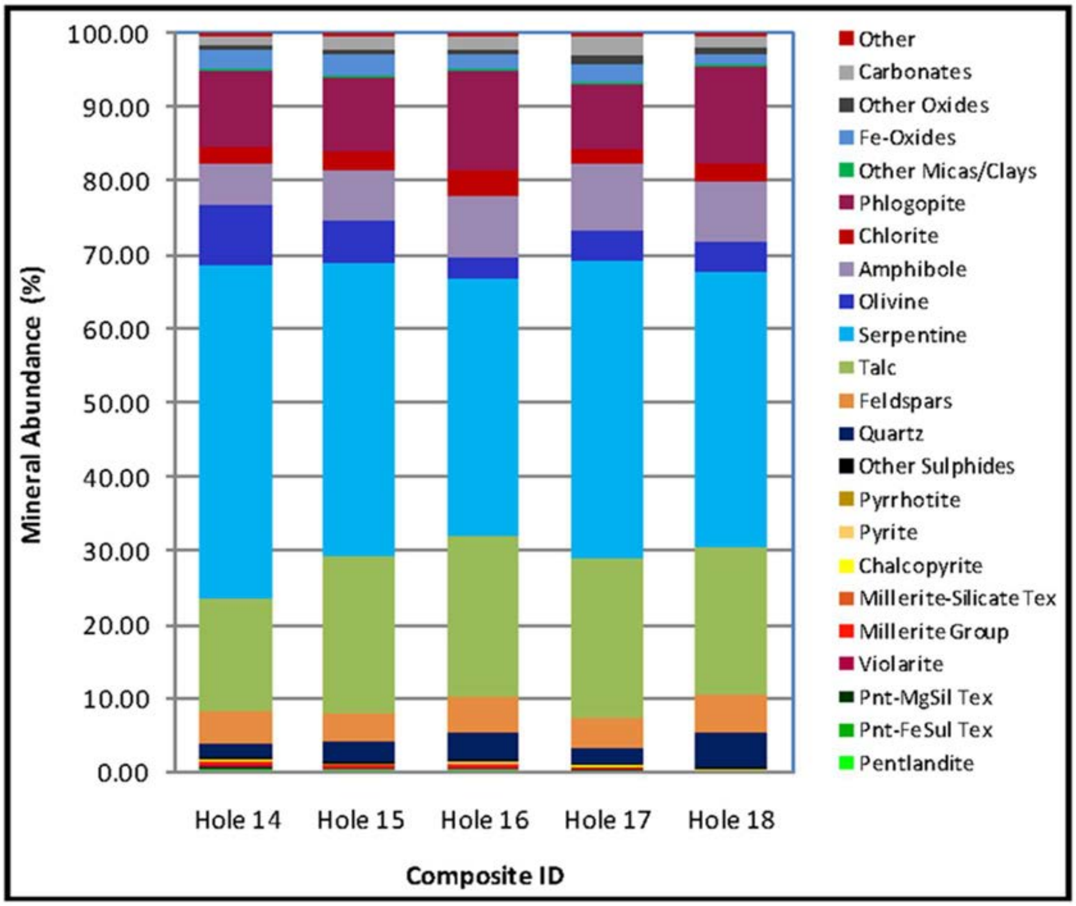
Leco		
Composite Element	MC (Assay %)	SMC (Assay %)
S	0.40	0.45

Source: SGS, 2008

13.3 Mineralogy

A bulk modal analysis was conducted on the hole composite samples to quantify the minerals contained in those samples. The results of mineral abundances in the five drill hole composites are presented in Figure 13-2. The most abundant mineral in the Hole Composites is serpentine followed by talc and phlogopite. These three minerals account for 70% of the mass in each composite. The hole composites also contain percentages of feldspars, quartz, olivine and amphibole. The nickel sulfides in the composites are pentlandite and millerite with minor quantities of violarite.

Figure 13-2: Mineral abundances of the 5 metallurgical drill hole composites



Source: SGS, 2008

13.4 Floatation Tests

Flotation tests were carried out to confirm that nickel recovery was similar for different metallurgical drill hole intervals across the deposit that have the same sulphidic nickel head grade, and that a single sulphidic nickel head grade-recovery curve could be applied across the deposit. The tests were also designed to produce sulphidic nickel grade composites that would be used in the testwork to create the sulphidic nickel head grade-recovery curve.

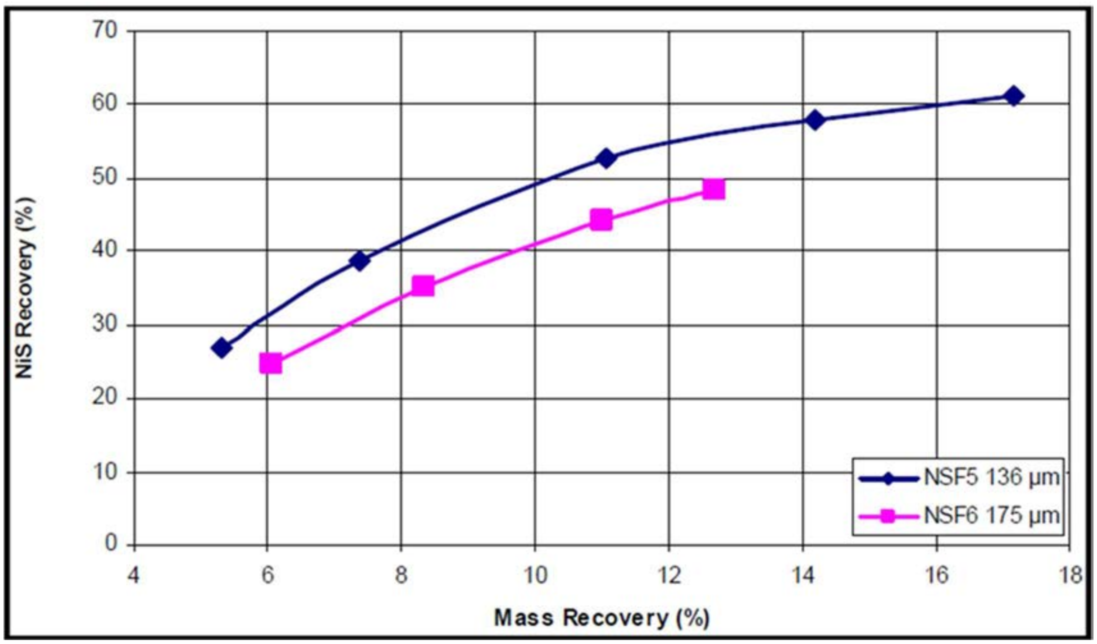
The target head grades chosen for these tests were 0.2%, 0.3%, 0.4%, and 0.5% sulphidic nickel. Materials for the 0.2%, 0.3%, and 0.5% test samples were chosen by randomly selecting the intervals from the 4 metallurgical drill holes (i.e. N-07-14, N-07-15, N-07-16, and N-07-17) which had a sulphidic nickel assay closest to the targeted sulphidic nickel head grade. There were two test samples generated in this manner for each of the 0.2%, 0.3%, and 0.5% target sulphidic nickel head grades.

For the 0.4% target sulphidic nickel head grade, 4 test samples one from each of the four metallurgical drill holes, were generated by selecting the intervals that had sulphidic nickel assays closest to the target.

The results from these tests for different grind sizes are provided in Figures 13-3 to 13-6. The flotation kinetic curves indicate that the kinetics of the two 0.3% samples were almost identical. The flotation kinetics of the two 0.5% samples are also very similar. There were some differences in the flotation kinetics of the two 0.2% samples, but the discrepancy could be explained by the difference in the grind size of the two samples.

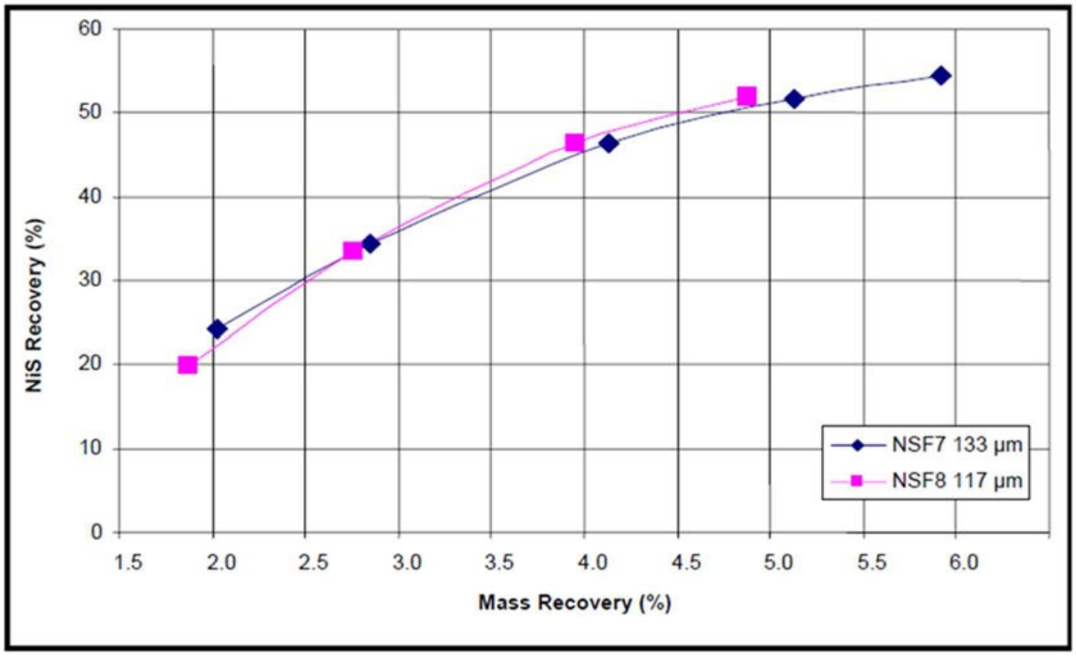
At a given mass pull, the difference between the highest and lowest recovery of the 0.4% samples is approximately 11% which is within an acceptable range.

Figure 13-3: Rougher flotation kinetics of two composites assaying 0.2% Ni as NiS



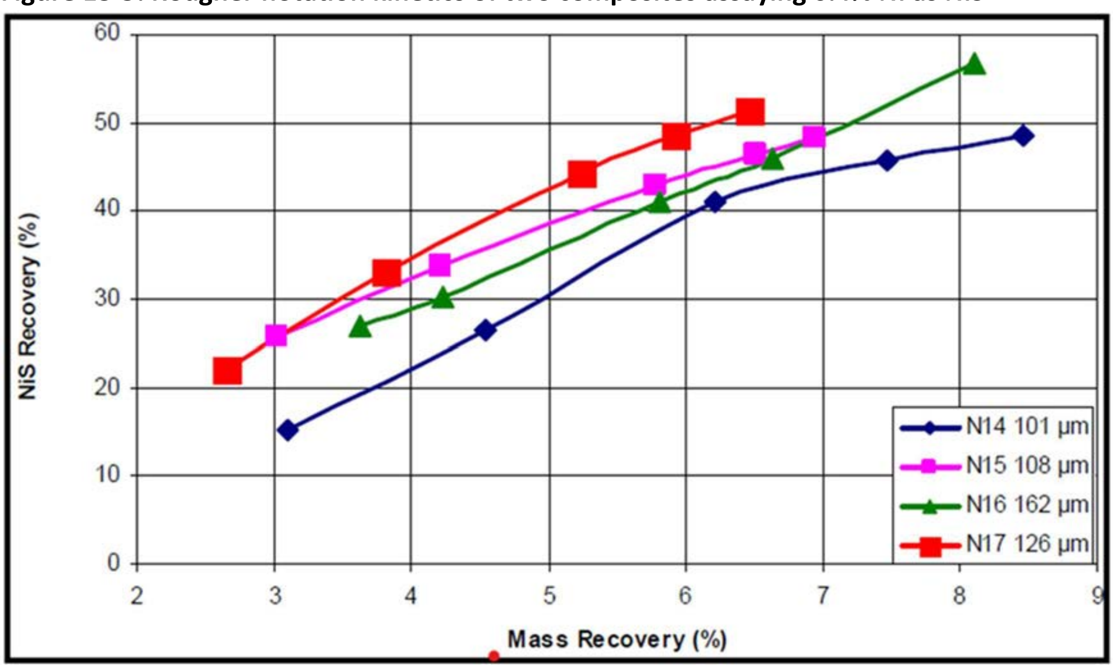
Source: Wardrop, 2010

Figure 13-4: Rougher flotation kinetics of two composites assaying 0.3% Ni as NiS



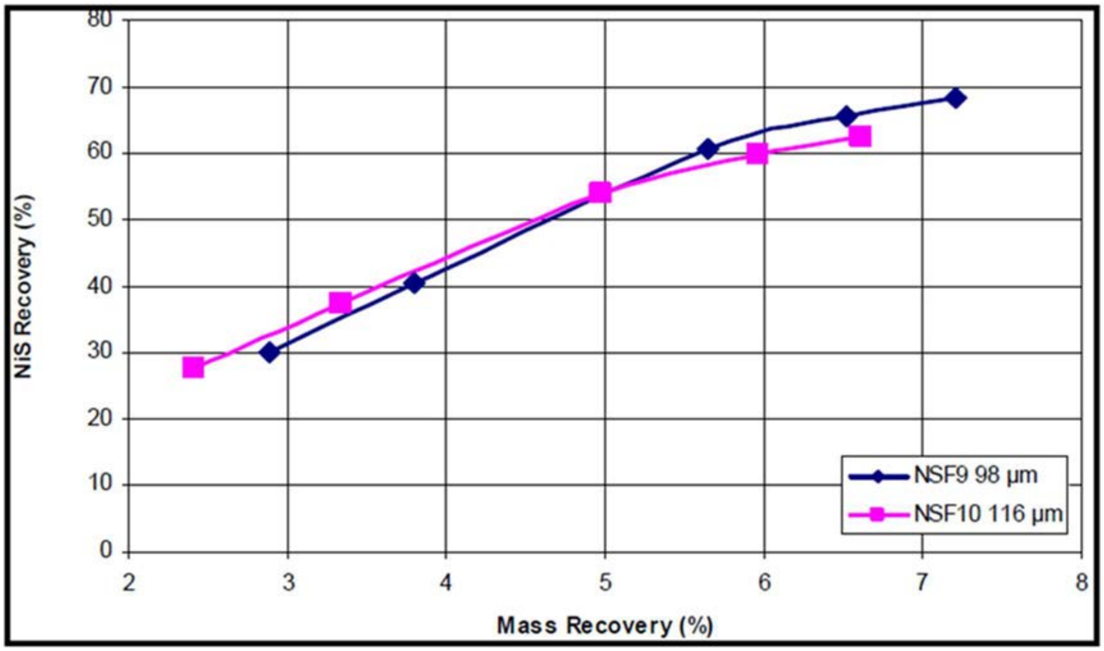
Source: Wardrop, 2010

Figure 13-5: Rougher flotation kinetics of two composites assaying 0.4% Ni as NiS



Source: Wardrop, 2010

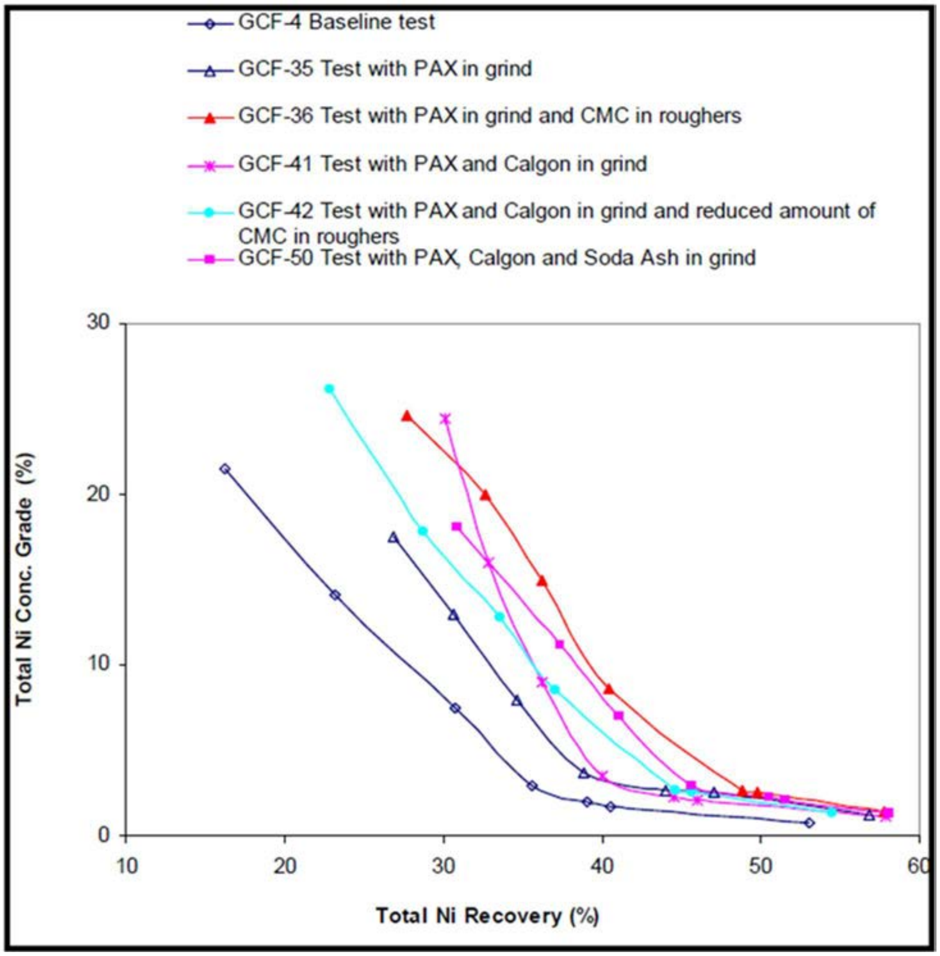
Figure 13-6: Rougher flotation kinetics of two composites assaying 0.5% Ni as NiS



Source: Wardrop, 2010

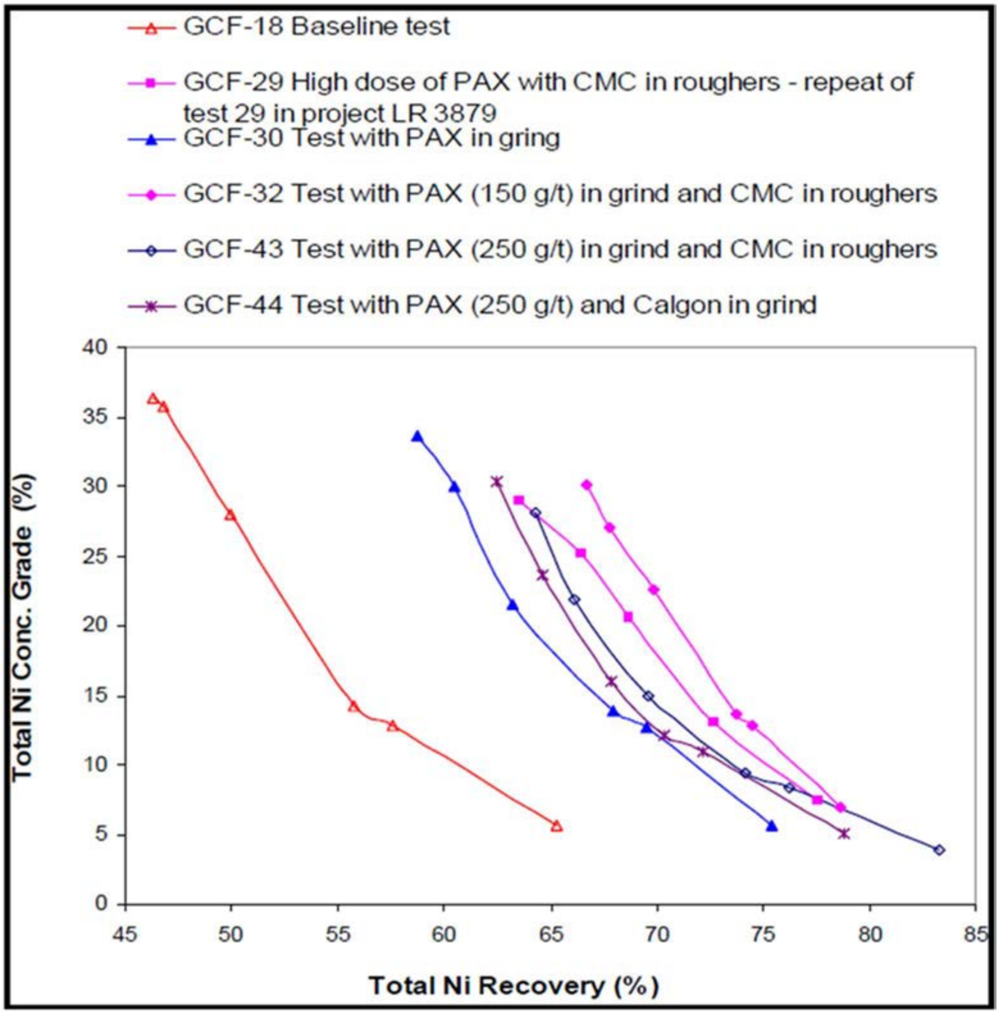
Cleaner flotation tests were performed to optimize and confirm the flotation parameters on the sulphidic nickel head grade composites. The test results showed that the addition of PAX to the grind with the addition of CMC to rougher flotation significantly improved nickel recovery. As a result, the nickel recovery increased above the baseline nickel recovery for the 0.3%, 0.5%, 0.8%, and 1.15% composites are 26.5%, 8.8%, 6.1%, and 23.8% respectively. Figures 13-7 to 13-8 illustrate the improvement of nickel recovery for the 0.3% and 1.15% sulphidic nickel composites through optimization tests. The baseline tests on the grade/recovery composites were conducted under the reagent regime developed for Open Pit Master Composite No. 1.

Figure 13-7: Cleaner test results of 0.3% sulphidic nickel head grade composite



Source: Wardrop, 2010

Figure 13-8: Cleaner test results of 1.15% sulphidic nickel head grade composite



Source: Wardrop, 2010

The sulphidic nickel head grade-recovery curve was developed using LCT test results. These tests utilized the optimized reagent regime developed in the cleaner test phase. Due to insufficient samples, the LCTs could only be performed on the 0.30%, 0.80%, and 1.15% target sulphidic nickel head grade composites.

Tables 13-3 to 13-5 show the metallurgical projections from the LCTs. The tests performed on the 0.30% sulphidic nickel head grade composite achieved a concentrate with 19.89% Ni, 11.99% magnesium oxide, and a total nickel recovery of 40.28%, equivalent sulphidic nickel recovery of 58.6%. The projected concentrate for the 0.8% sulphidic nickel head grade composite was 26.81% nickel, 9.78% magnesium oxide, with a total nickel recovery of 68.65%, equivalent sulphidic nickel recovery of 90.1%. For the 1.15% composite, a concentrate assaying 28.83% nickel, 8.87% magnesium oxide, with a total nickel recovery of 68.77%, equivalent sulphidic nickel recovery of 86.1%.

Table 13-3: Metallurgical projection of the 0.3% sulphidic nickel head grade composite (LCT-5)

Product	Weight (%)	Assays (%)				Distribution (%)			
		Ni	Ni (as NiS)	S	MgO	Ni	Ni (as NiS)	S	MgO
5th Cleaner Concentrate	0.88	19.89	15.89	21.23	11.99	40.28	47.32	54.76	0.31
1st Cleaner Scavenger Tail	9.58	0.38	0.28	0.31	33.74	8.44	9.01	8.66	9.48
Ro Tail	89.54	0.25	0.14	0.14	34.36	51.28	43.67	36.57	90.21
Combined Tail	99.12	0.26	0.16	0.16	34.30	59.72	52.68	45.24	99.69
Head (Calculated)	100.00	0.44	0.30	0.34	34.10	100.00	100.00	100.00	100.00

Source: Wardrop, 2010

Table 13-4: Metallurgical projection of the 0.8% sulphidic nickel head grade composite (LCT-4)

Product	Weight (%)	Assays (%)				Distribution (%)			
		Ni	Ni (as NiS)	S	MgO	Ni	Ni (as NiS)	S	MgO
5th Cleaner Concentrate	2.79	26.81	22.55	23.75	9.78	68.65	69.62	73.52	0.85
1st Cleaner Scavenger Tail	11.52	0.62	0.56	0.51	32.23	6.58	7.16	6.51	11.63
Ro Tail	85.69	0.32	0.24	0.21	32.59	24.77	23.23	19.97	87.52
Combined Tail	97.21	0.35	0.28	0.25	32.55	31.35	30.38	26.48	99.15
Head (Calculated)	100.00	1.09	0.90	0.90	31.92	100.00	100.00	100.00	100.00

Source: Wardrop, 2010

Table 13-5: Metallurgical projection of the 1.15% sulphidic nickel head grade composite (LCT-3)

Product	Weight (%)	Assays (%)				Distribution (%)			
		Ni	Ni (as NiS)	S	MgO	Ni	Ni (as NiS)	S	MgO
4th Cleaner Concentrate	3.44	28.83	21.50	25.07	8.87	68.77	69.92	75.84	0.95
1st Cleaner Scavenger Tail	9.25	0.97	0.79	0.75	31.67	6.20	6.90	6.10	9.11
Ro Tail	87.31	0.41	0.28	0.23	33.12	25.03	23.18	18.07	89.94
Combined Tail	96.56	0.47	0.33	0.28	32.98	31.23	30.08	24.16	99.05
Head (Calculated)	100.00	1.44	1.06	1.14	32.15	100.00	100.00	100.00	100.00

Source: Wardrop, 2010

13.5 Deleterious Elements

The concentrate from LCT-6 was assayed and is summarized in Table 13-6. The concentrate contains 22.3% Ni, 10.4% MgO, 24.4% S, 12.7% SiO2, and 17.0% Fe. The chemical assays of other valuable metals in the concentrate are 1.4% Cu, 0.46% Co, 2.47 g/t Pt, 6.31 g/t Pd, 0.63 g/t Au, 4.3 g/t Ag, and 0.59 g/t Rh. No significant deleterious elements exist in the concentrate tested.

Table 13-6: Concentrate assay

Component	Value	Component	Value	Component	Value	Component	Value
Ni (%)	22.3	MgO (%)	10.4	Hg (g/t)	<0.3	Sn (g/t)	<20
Cu (%)	1.4	SiO_2 (%)	12.7	K (g/t)	410	Sr (g/t)	40
Co (%)	0.46	Al (%)	0.11	Li (g/t)	<5	Ti (g/t)	200
Pt (g/t)	2.47	As (g/t)	61.0	Mn (g/t)	270	Tl (g/t)	<30
Pd (g/t)	6.31	Ba (g/t)	61.0	Mo (g/t)	22	U (g/t)	<60
Au (g/t)	0.63	Be (g/t)	0.10	Na (g/t)	240	V (g/t)	<20
Ag (g/t)	4.3	Bi (g/t)	<20	P (g/t)	131	Y (g/t)	<10
Rh (g/t)	0.59	Ca (%)	2.0	Pb (%)	0.097	Zn (%)	0.18
S (%)	24.4	Cd (g/t)	<4	Sb (g/t)	<30	Cl (%)	0.044
Fe (%)	17.0	Cr (g/t)	410	Se (g/t)	<40	F (%)	0.066

Source: Wardrop, 2010

13.6 Recovery Estimates

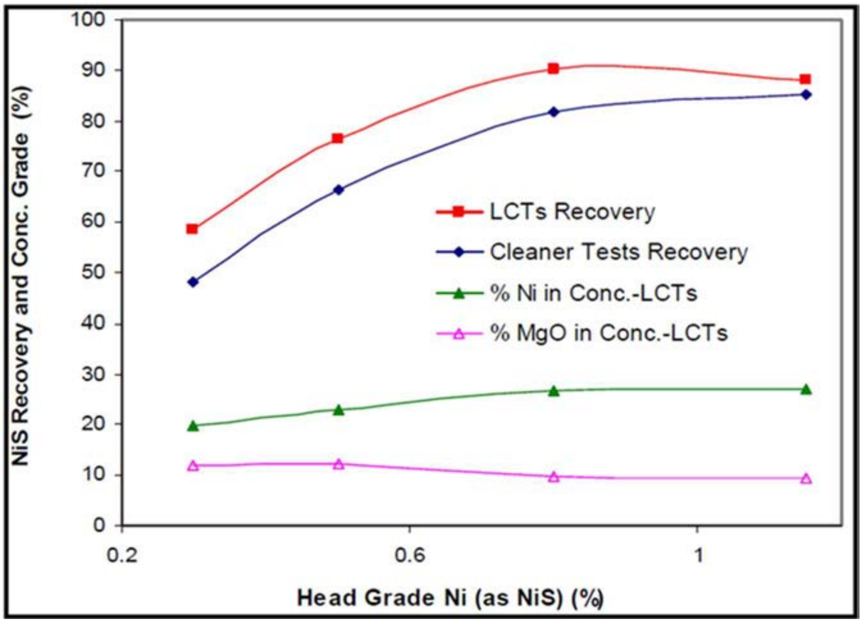
The results of the cleaner and LCTs on the sulphidic nickel head grade composites are summarized in Table 13-7 and represented graphically in Figure 13-9. Due to the lack of samples, a composite could not be formed for the 0.5% sulphidic nickel head grade LCT. The locked cycle nickel recovery was interpolated from the results of the 0.3% and 0.8% sulphidic nickel head grades. In order to create a smooth and reasonable head grade-recovery curve, the sulphidic nickel recoveries were modified are indicated in Table 13-7. The sulphidic nickel head grade-recovery based on the modified LCT recoveries is provided in Figure 13-10.

Table 13-7: Sulphidic nickel head grade composite cleaner and CT test results

Feed Grade % Ni (as NiS)	Cleaner Test Results			Projected Metallurgy Based on LCTs			Modified LCTs Recovery % Ni (as NiS)
	Recovery % Ni (as NiS)	Conc. Grade % Ni (Total)	Conc. Grade (% MgO)	Recovery % Ni (as NiS)	Conc. Grade % Ni (Total)	Conc. Grade (% MgO)	
0.3	48.2	20	11.1	58.6	19.9	12.0	58.6
0.5	66.4	23	12.4	76.4	23.0	12.4	76.4
0.8	81.9	27	9.5	90.1	26.8	9.8	88.0
1.15	85.2	27	8.9	88.0	27.0	9.5	90.5

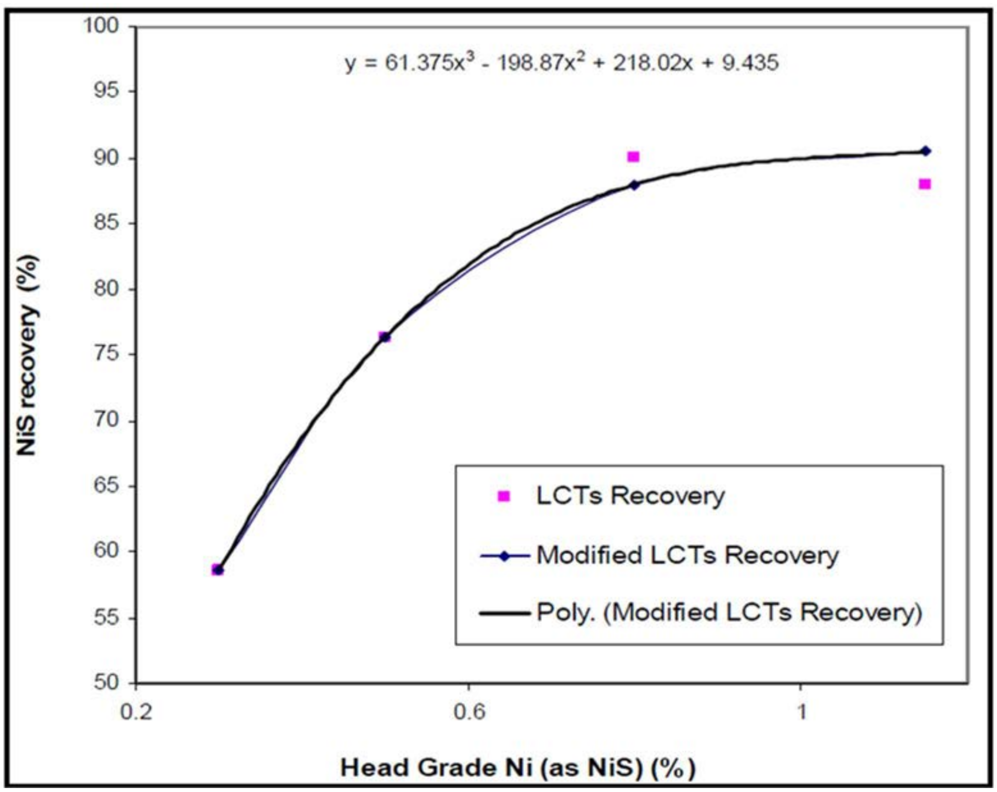
Source: Wardrop, 2010

Figure 13-9: Head grade recovery relationship for sulphidic nickel head grade composites



Source: Wardrop, 2010

Figure 13-10: Head grade recovery relationship for sulphidic nickel head grade composites



Source: Wardrop, 2010

The equations for the open pit sulphidic nickel head grade-recovery curve are summarized in Table 13-8.

Table 13-8: Sulphidic nickel head grade-recovery

Sulphidic Nickel Grade, X%	Recovery, %
X<0.1%	0%
0.1≤ X≤1.25	$61.375 X^3 - 198.87 X^2 + 218.02 X + 9.435$
X>1.25%	91.1%

Based on the concentrate assay from LCT 6 in Table 13-6, there was 2.47 g/t Pt and 6.31 g/t Pd. Using the fire assay head values from Open Pit Master Composite 2 and mass pull of 1.26% to final cleaner stage from LCT 6, the predicted Pt and Pd recoveries are summarized in Table 13-9.

Table 13-9: PGM recovery

Metal	Head Grade, g/t	Concentrate Grade, g/t	Recovery, %
Pt	0.07	2.47	44
Pd	0.13	6.31	61

14.0 MINERAL RESOURCE ESTIMATES

14.1 General

The definition of Mineral Resource and associated Mineral Resource categories used in this Technical Report are those recognized under National Instrument 43-101 and set out in the CIM Definition Standards. Assumptions, metal threshold parameters and Deposit modeling methodologies associated with the Minago Deposit MRE are discussed below in Sections 14.2 through 14.8.

14.2 Geological Interpretation Used In Resource Estimation

The Minago Deposit is hosted by the same geological sequence, the Opswagan Group, in which the Thompson Nickel Belt deposits occur. Thompson-style nickel mineralization consists of magmatic nickel sulphide originally associated with mafic and ultramafic intrusions that commonly has been remobilization by regional metamorphism and deformation into favourable structural settings such as fold noses and limbs in host sequences. Nickel sulphides of economic importance also occur as disseminated to massive phases within and adjacent to the mafic and ultramafic intrusions themselves, with this setting best characterizing the Minago Deposit. The mafic and ultramafic rocks are cut by granitic clasts, dikes, and sills that are predominantly barren of nickel sulphide mineralization and form intervals of dilution to the overall mineralized body.

14.3 Methodology of Resource Estimation

14.3.1 Data Validation

The MRE is based on the validated results of 6 diamond drill holes (2,717 m) completed by Flying Nickel in 2022 and 202 historical diamond drill holes (86,118 m), including 29 drill holes (11,581 m) completed between 1966 and 1972 by Amax, 11 drill holes (6,440 m) completed between 1973 and 1976 by Granges, 52 drill holes (23,292 m) completed between 1989 and 1991 by Black Hawk, and 110 drill holes (44,304 m) completed between 2005 and 2012 by Nuinsco-Victory Nickel. The Project drill hole database also includes 132 geotechnical drill holes (1,460 m) completed by the various operators that were omitted for inclusion in the MRE.

Drill hole coordinates are located in UTM NAD83 Zone 14 coordination. Flying Nickel provided the report author access to a data room that contained Project drill hole databases, original drill hole data and analytical records, documentation for work programs, and reporting. The report author brought forward the most current Microsoft Access drill hole database and completed a data verification program as discussed in Section 12.3. In Summary, for historical drill holes, data verification included a 30 % validation for collar, survey and lithology data, a 50% validation on non sulphide nickel drill core analytical values, and a 100% validation of sulphide nickel values, all to acceptable results with minor corrections. For Flying Nickel programs, the data verification and validation program included a 100% validation on collar, survey, and lithology data and a 100% validation drill core analytical values, all with acceptable results. The Project drill hole database contains 23,781 core samples with a nickel analytical result, including 9,979 core samples with a corresponding sulphide nickel result, 10,858 core samples with a corresponding platinum and palladium result, and 9,000 SG determinations. This is inclusive of the Flying Nickel's 2023 reject material sampling program.

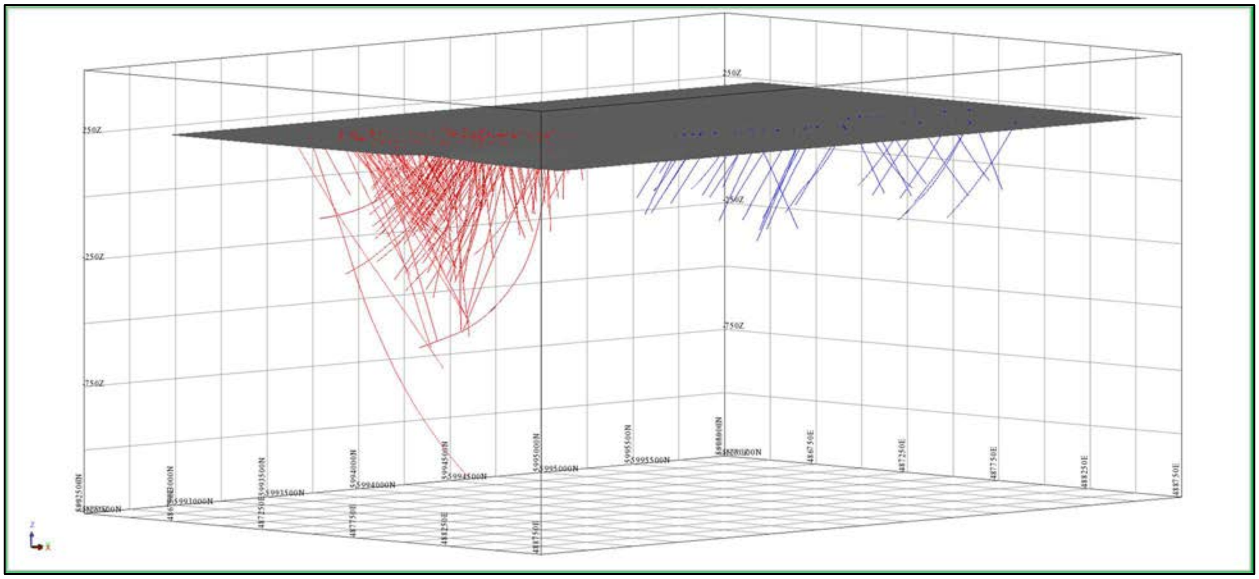
14.3.2 Modelling: Topographic, Lithological, and Grade

Modelling was performed using GEOVIA Surpac™ 2023 ("Surpac") and Seequent Leapfrog™ Geo 2023.2.1 ("Leapfrog") modeling software.

14.3.2.1 Topographic Surface

A digital terrain model ("DTM") was developed for the Project area from the drill collar elevation points. The topography is flat lying with no significant variance in elevation. The topographic DTM and is applied as the topographic constraint for Mineral Resource modelling (Figure 14-1).

Figure 14-1: Isometric view to the Northwest of the Deposit area topographic surface DTM (250 m grid spacing)

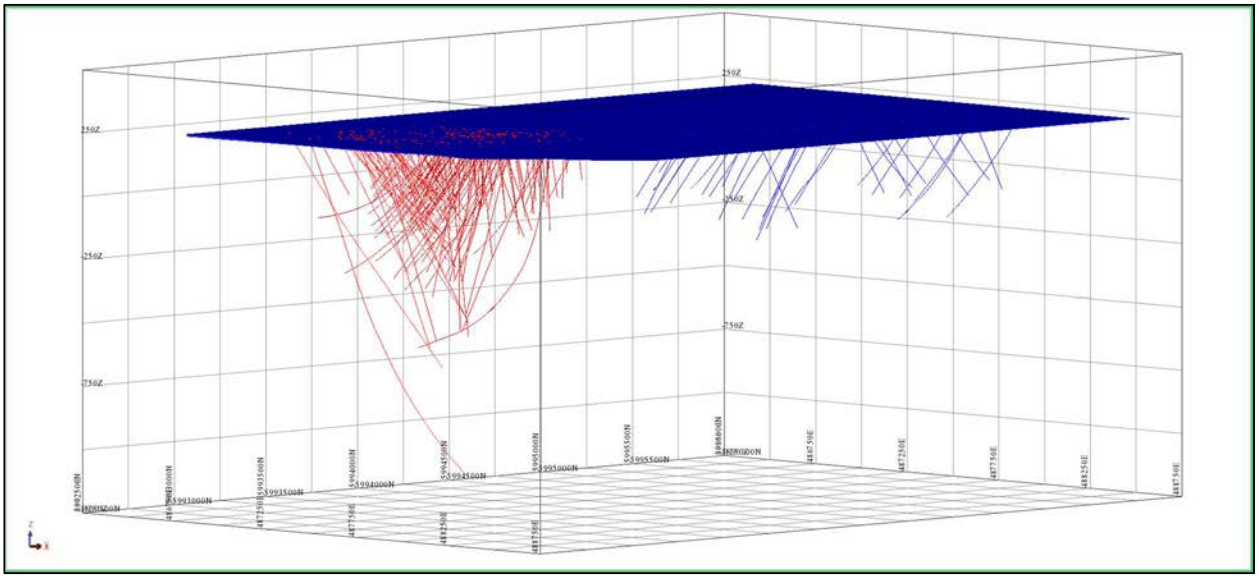


Source: Mercator

14.3.2.2 Overburden and Phanerozoic Cover Units Solid Models

An overburden solid model was developed in Leapfrog at a surface resolution of 10 m from drill hole litho-codes and the topography surface (Figure 14-2). Overburden thickness averages approximately 5 m, with maximum thicknesses of approximately 10 m, in the Deposit area.

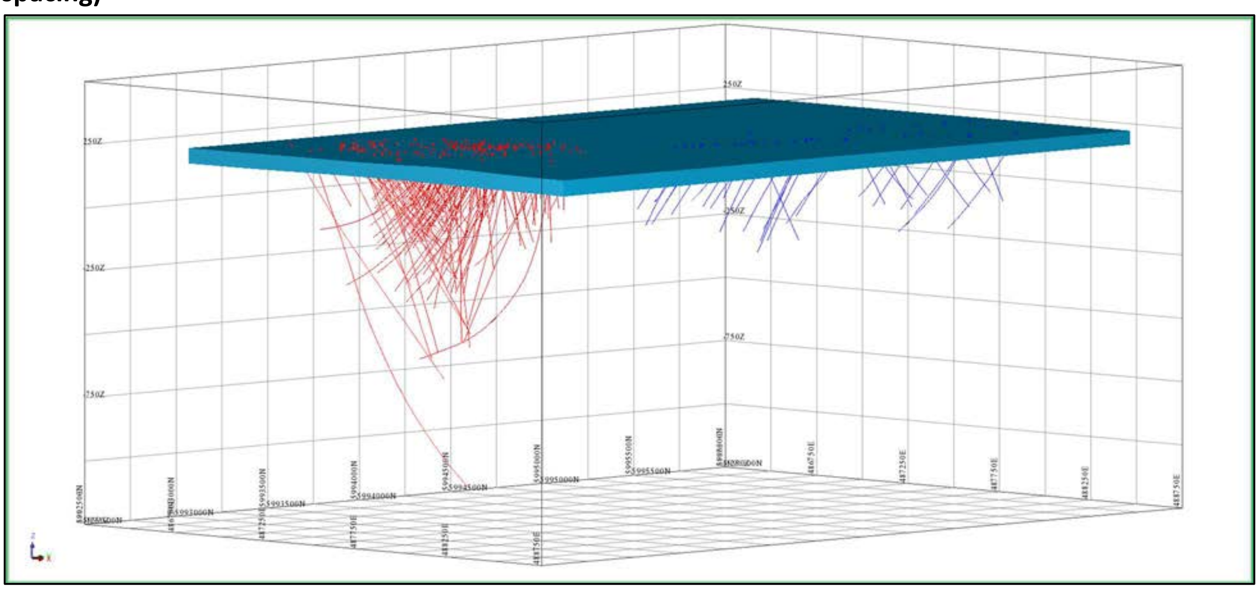
Figure 14-2: Isometric view to the Northwest of the Deposit overburden solid model (250 m grid spacing)



Source: Mercator

Solid models were developed in Leapfrog for the dolomite, sandstone, and regolith units from the drill hole database litho-codes at a surface resolution of 10m. The Phanerozoic cover sequence is flat lying and approximately 60 to 70 m in depth from the base of overburden. The dolomite unit occurs below the overburden and is approximately 50 m in thickness in the Deposit area (Figure 14-3).

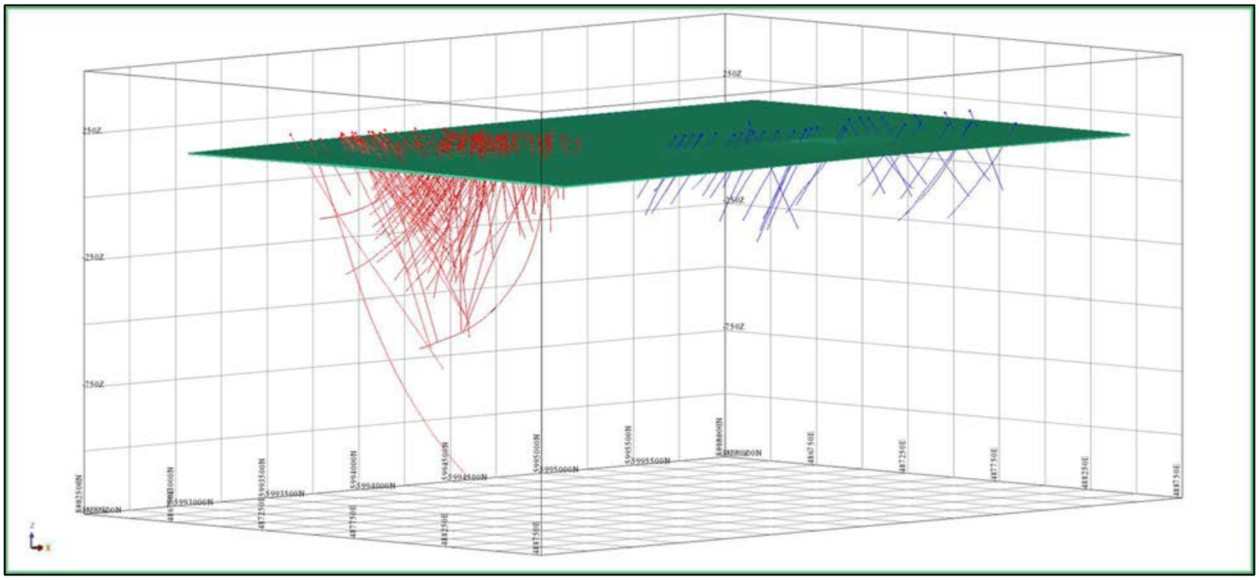
Figure 14-3: Isometric view to the Northwest of the Deposit area dolomite solid model (250 m grid spacing)



Source: Mercator

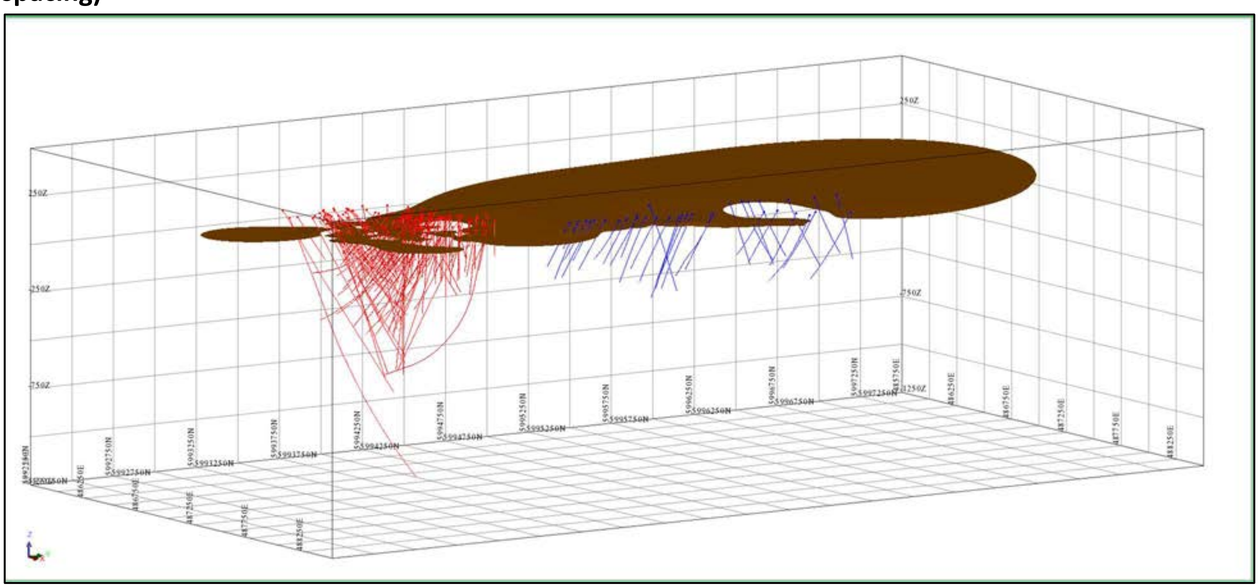
The sandstone unit occurs below the dolomite and is approximately 10 to 20 m in thickness (Figure 14-4). A regolith unit sometimes occurs between the sandstone unit and the underlying Precambrian basement rocks, ranging from not being present to a few meters in thickness (Figure 14-5). The overburden and Phanerozoic cover sequence solid models were used to constrain the surface projections of the grade domain solid models.

Figure 14-4: Isometric view to the Northwest of the Deposit area sandstone solid model (250 m grid spacing)



Source: Mercator

Figure 14-5: Isometric view to the Northwest of the Deposit area regolith solid model (250 m grid spacing)



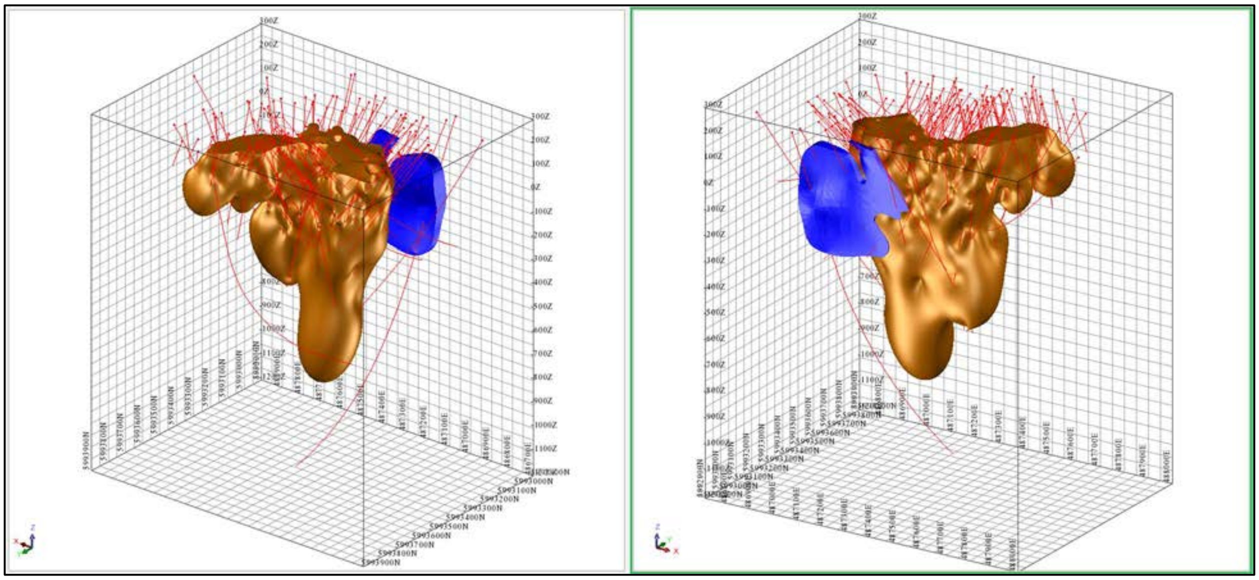
Source: Mercator

14.3.2.3 Grade Domain Models

Grade domain solids models were created using Surpac and Leapfrog from two sets of downhole intercepts that define distributions of higher grade nickel mineralization enveloped by lower grade nickel mineralization. Intercepts defining higher grade distributions of nickel were developed at a minimum width of 10 downhole meters and a minimum average grade of 0.40 % nickel. Intercepts defining lower grade distributions of nickel mineralization were developed at a minimum grade of 0.20 % nickel, excluding dilution from included granite intervals, with an acceptable minimum width of an assay sample length. The 0.20 % nickel grade domain modelling strategy was used to define a maximum envelop of mineralized serpentinite and ultramafic rocks and represents a contact between and serpentinite and the main granitic unit. Intercepts defining lower grade nickel mineralization, termed “Low Grade”, were developed into implicit intrusion solid models that were extended laterally 80 m, vertically 120 m, or half the distance to a constraining drill hole. Intercepts defining higher grade nickel mineralization, termed “High Grade”, were developed into implicit vein solid models constrained to the hosting Low Grade domain or half the distance to a constraining drill hole. Surface resolution for the solid models is 2 to 5 m for the Low Grade nickel domains and 5 m for the High Grade nickel domains.

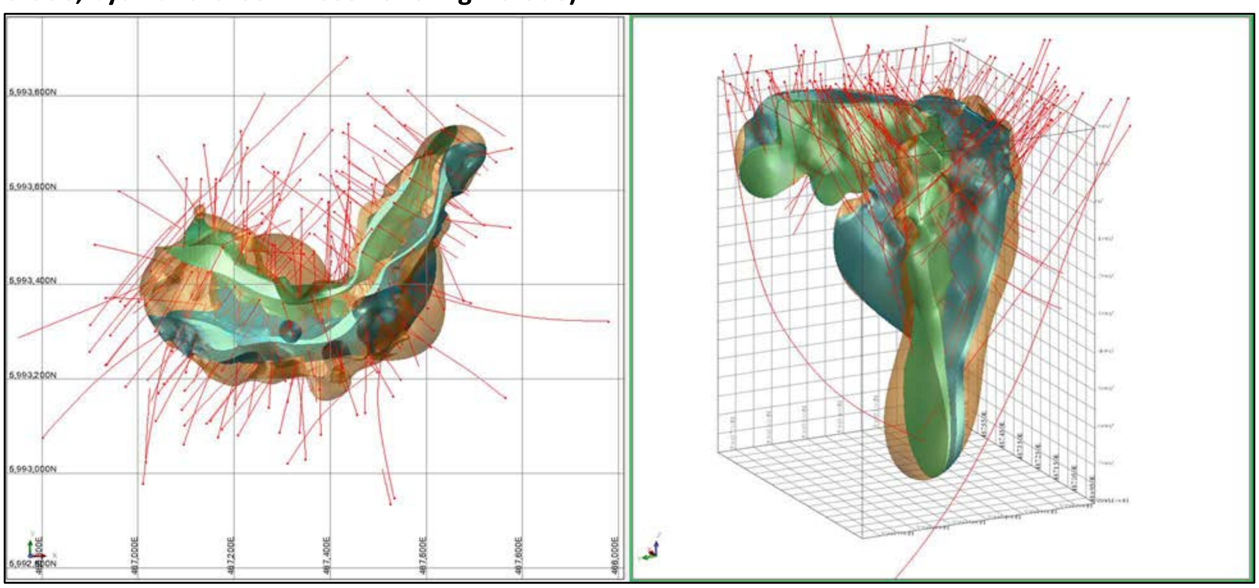
In the Nose Zone, a total of 2 separate solid models were developed for definition of Low Grade nickel mineralization and a total of 2 separate solid models were developed for definition of High Grade nickel mineralization. Nickel mineralization solid models for the Nose Zone support an upright fold nose geometry with a southeast axial plunge. The west limb of the main Low Grade nickel domain extends along an azimuth of 290° for 400 m, averages 200 m in thickness and has a vertical extent of 950 m. The east limb of the main Low Grade nickel domain extends along an azimuth of 32° for 450 m, averages 150 m in thickness and ranges between 300 m and 700 m in vertical extent. A second Low Grade nickel domain occurs 125m south of the west limb and forms a discrete tabular zone measuring 400 m east-west, averaging 30 m in thickness, and 450 m in vertical extent. The two High Grade nickel domains occur along the hanging wall and footwall the main Low Grade domain, supporting thickness of several meters to a few tens of meters and have similar vertical and lateral extents as the Low Grade. The Nose Zone Low Grade 0.20 % nickel solid models are presented in Figures 14-6 and 14-7 and High Grade 0.40 % nickel solid models are presented in Figures 14-7 and 14-8.

Figure 14-6: Isometric view to the Southeast (left) and the Northwest (right) of the Deposit Nose Zone Low Grade solid models (50 m grid spacing – Gold: Nose Main Low Grade, Blue: Nose South Low Grade)



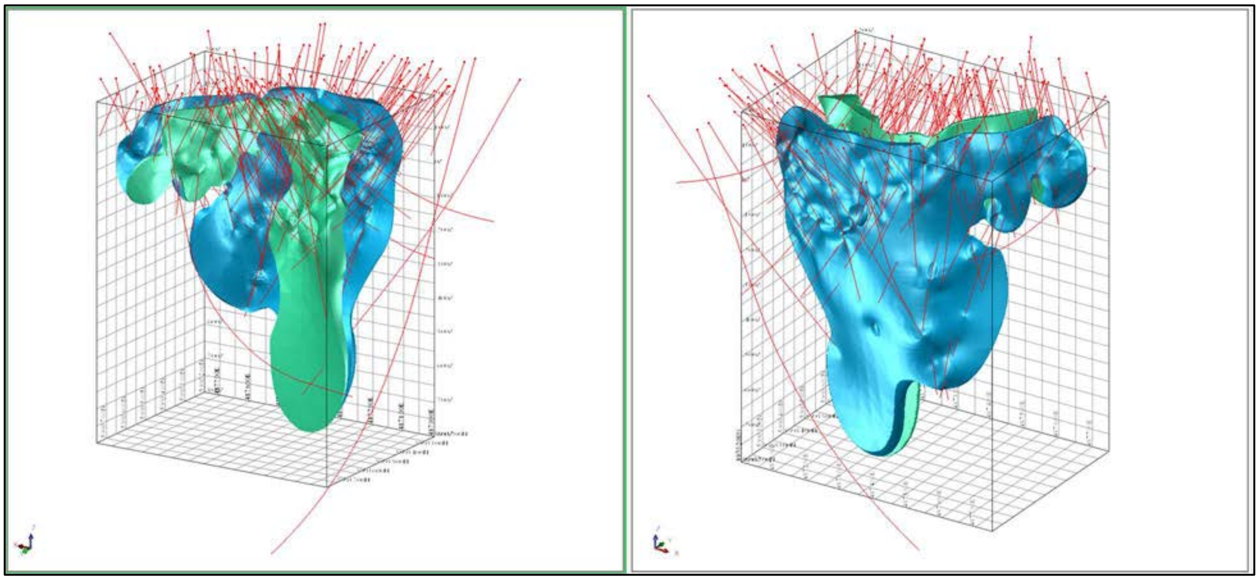
Source: Mercator

Figure 14-7: Plan view (left) and isometric view to the Southeast (right) of the Nose Zone main Low Grade solid model and High Grade solid models (200 m / 50 m grid spacing – Gold: Nose Main Low Grade, Cyan and Green: Nose Zone High Grade)



Source: Mercator

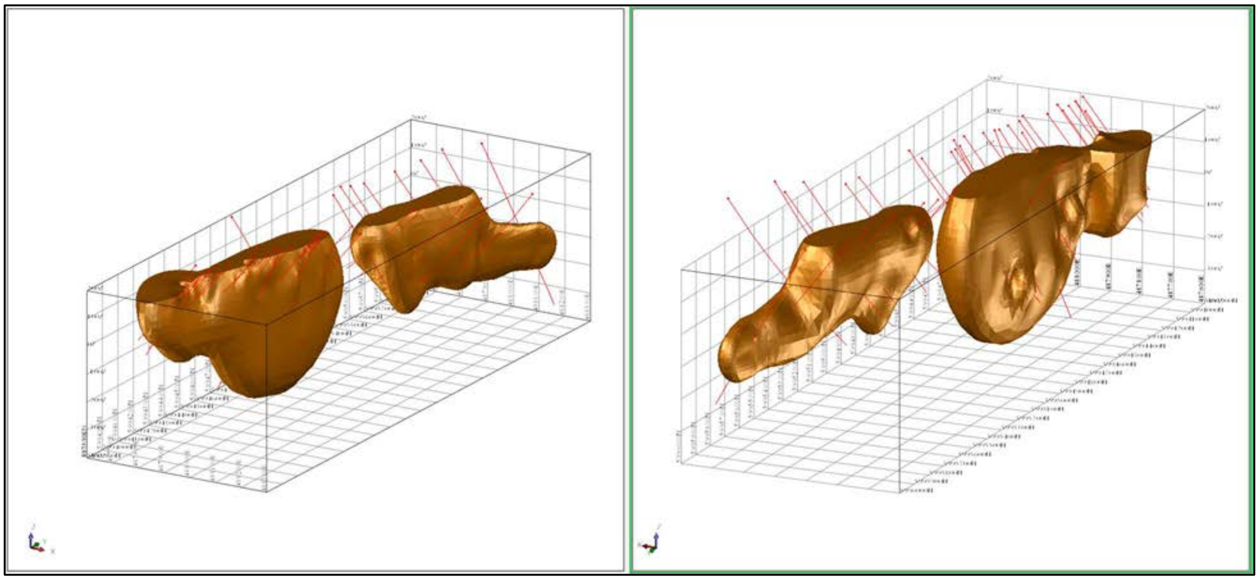
Figure 14-8: Isometric view to the Southeast (left) and to the Northwest (right) of the Nose Zone High Grade solid models (50m grid spacing - Cyan and Green: Nose Zone High Grade)



Source: Mercator

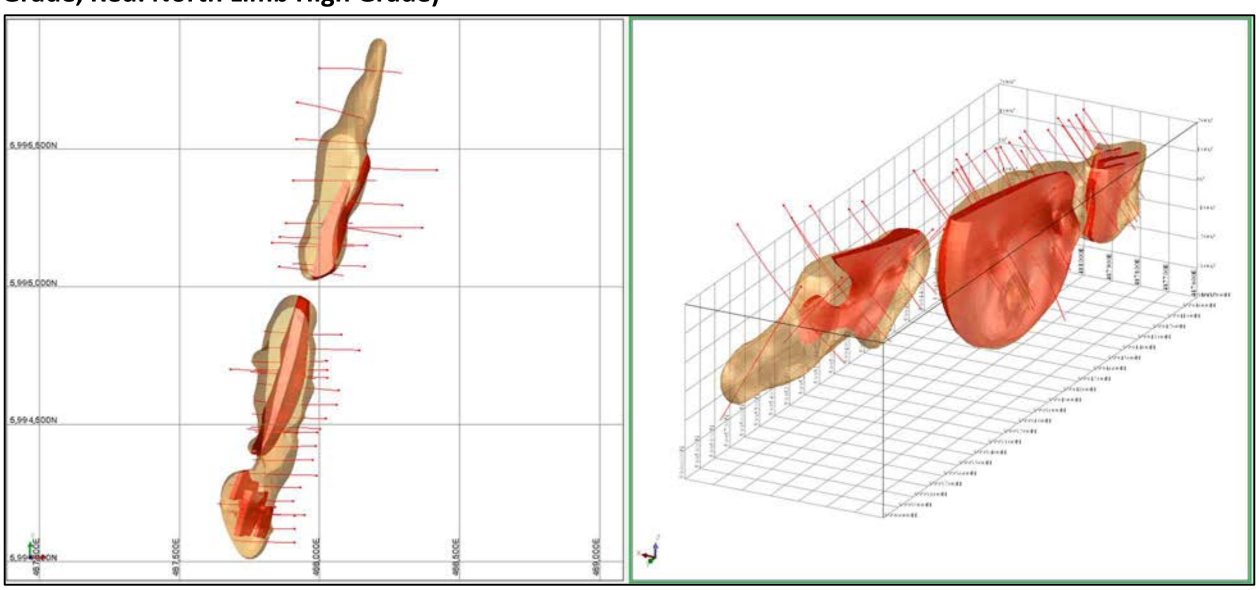
In the North Limb Zone, a total of 2 separate solid models were developed for definition of lower grade nickel mineralization and a total of 5 separate solid models were developed for definition of higher grade nickel mineralization. The North Limb Zone orients as the extension of the Nose Zone east limb approximately 350 m to the north. The first Low Grade North Limb Zone nickel domain extends along an azimuth of 010^o for 900 m, averages 200 m in thickness and has a vertical extent of 500 m. The second Low Grade North Limb Zone nickel domain occurs 125 m beyond the first and extends along an azimuth of 010^o for 650 m, averages 175 m in thickness and has a vertical extent of 350 m. The first North Limb Zone Low Grade domain hosts 4 tabular High Grade nickel domains located along the center and are separated by a local discontinuity in mineralization of approximately 125 m. The second North Limb Zone Low Grade domain hosts a single tabular High Grade nickel domain along the east side. The High Grade nickel domains support thickness of several meters to a few tens of meters and have similar vertical and lateral extents as the enveloping Low Grade domains. The North Limb Zone Low Grade 0.20 % nickel solid models are presented in Figures 14-9 and 14-10 and High Grade 0.40 % nickel solid models are presented in Figures 14-10 and 14-11. The spatial relationship between the Nose Zone and North Limb zone solid models is presented in Figure 14-12.

Figure 14-9: Isometric view to the Southeast (left) and the Northwest (right) of the Deposit North Limb Zone Low Grade solid models (100 m grid spacing – Gold: North Limb Low Grade)



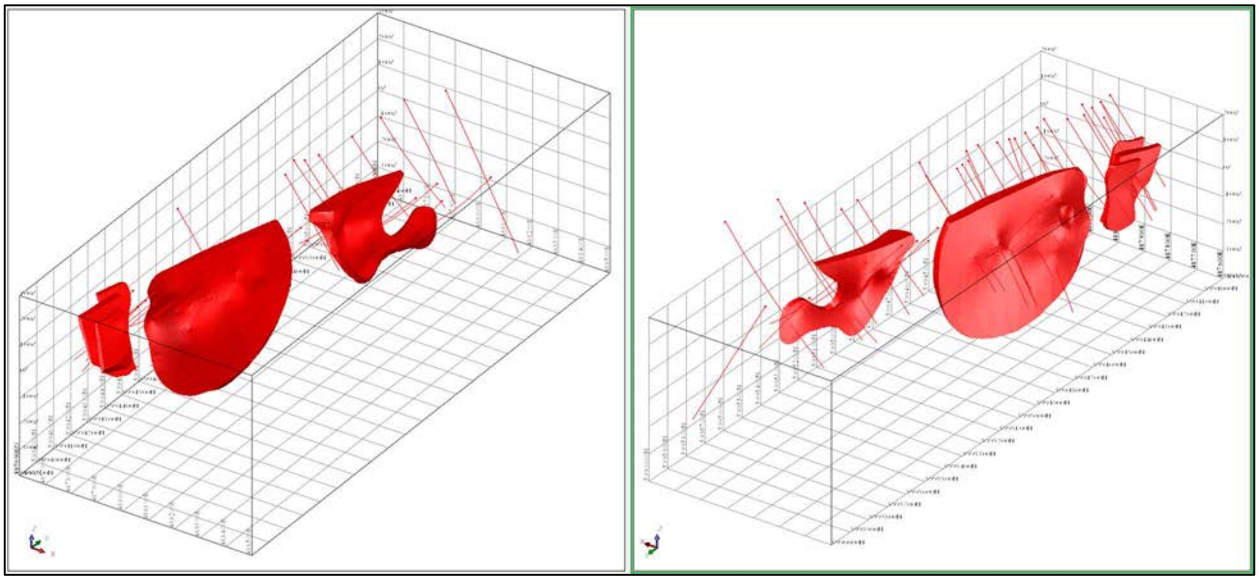
Source: Mercator

Figure 14-10: Plan view (left) and isometric view to the Southeast (right) of the North Limb Zone Low Grade solid models and High Grade solid models (500 m / 100 m grid spacing - Gold: North Limb Low Grade, Red: North Limb High Grade)



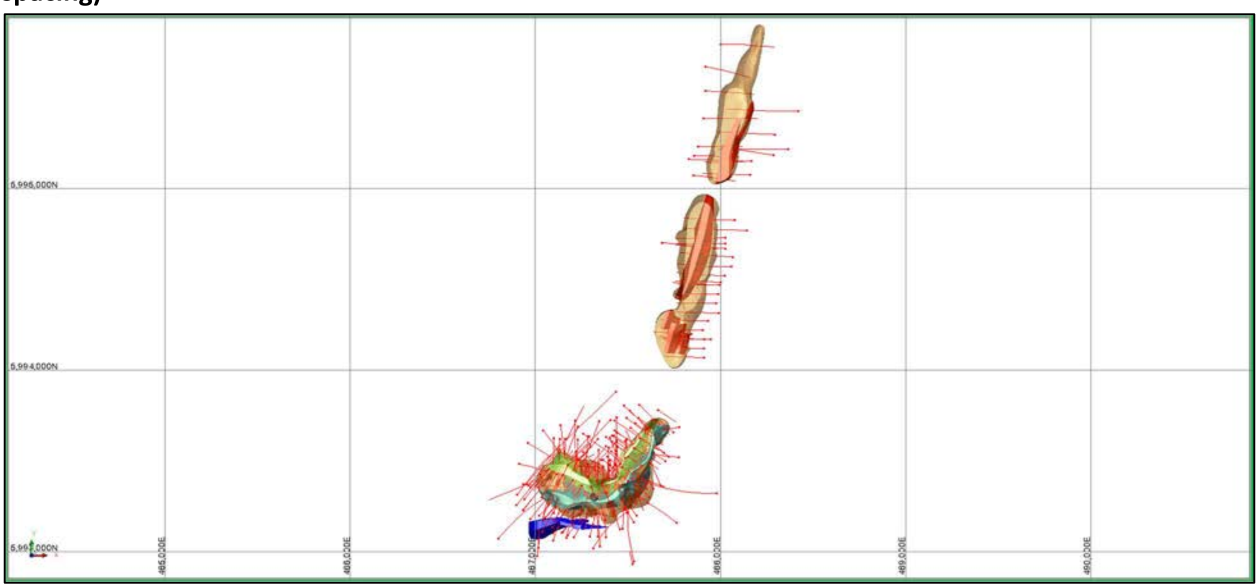
Source: Mercator

Figure 14-11: Isometric view to the Southeast (left) and to the Northwest (right) of the North Limb Zone High Grade solid models (100 m grid spacing - Red: North Limb High Grade)



Source: Mercator

Figure 14-12: Plan view of the Nose Zone and North Limb Zone grade domain solid models (1,000 m grid spacing)



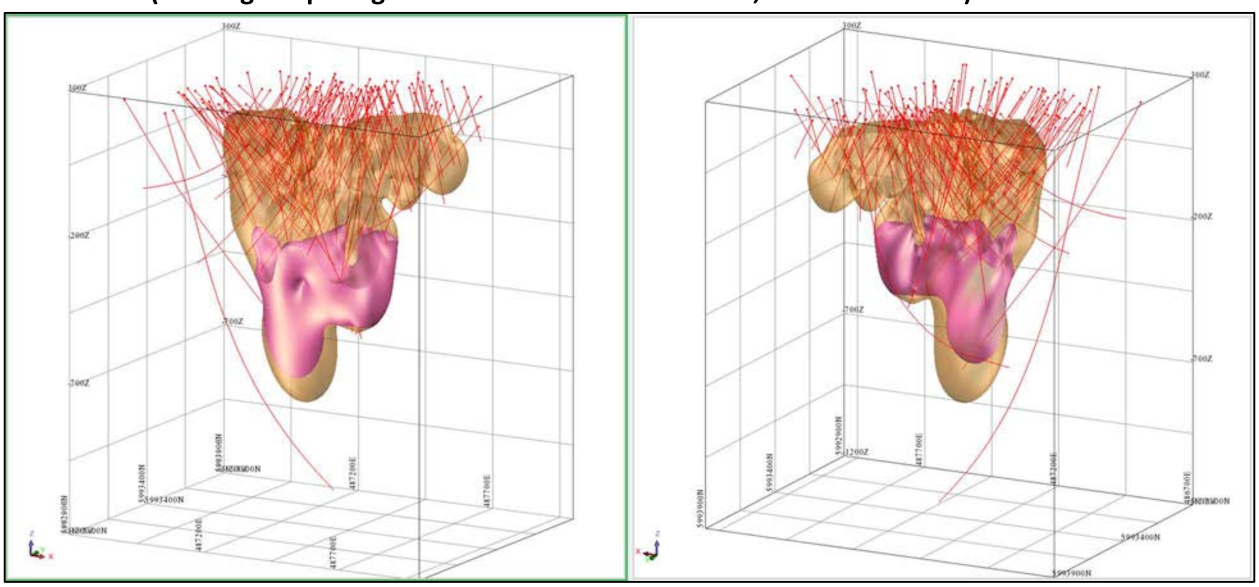
Source: Mercator

14.3.2.4 Ultramafic Solid Model

Ultramafic host rocks range from relatively fresh (preserved olivine and orthopyroxene) to completely recrystalized (serpentine(s) ± talc ± tremolite ± anthophyllite ± phlogopite ± dolomite). Serpentinization varies from intense to weak and appears to decrease with depth, most markedly a change is observed at approximately 400 m below surface. Scoates et. al (2017) attribute the change in serpentinization to a change from retrograde metamorphism (serpentine-talc-tremolite-calcite) in the upper part of the ultramafic to prograde metamorphism (tremolite- hornblende-phlogopite) at depth.

An ultramafic unit at the base of the Nose Zone mineralization solids is described in drill core as having little to no serpentinization. An implicit solid model using a surface resolution of 2 m was developed in Leapfrog from the drill hole lithocodes for the ultramafic unit to differentiate it from the predominate serpentinite lithology (Figure 14-13). The ultramafic solid model was constrained by the peripheral extents of the Nose Zone Low Grade domain or half the distance to a constraining drill hole. Nickel mineralization is observed to be continuous across the serpentinite-ultramafic boundary.

Figure 14-13: Isometric view to the Northwest (left) and Southeast (right) of the Nose Zone ultramafic solid model (250 m grid spacing – Gold: Nose Main Low Grade, Pink: Ultramafic)

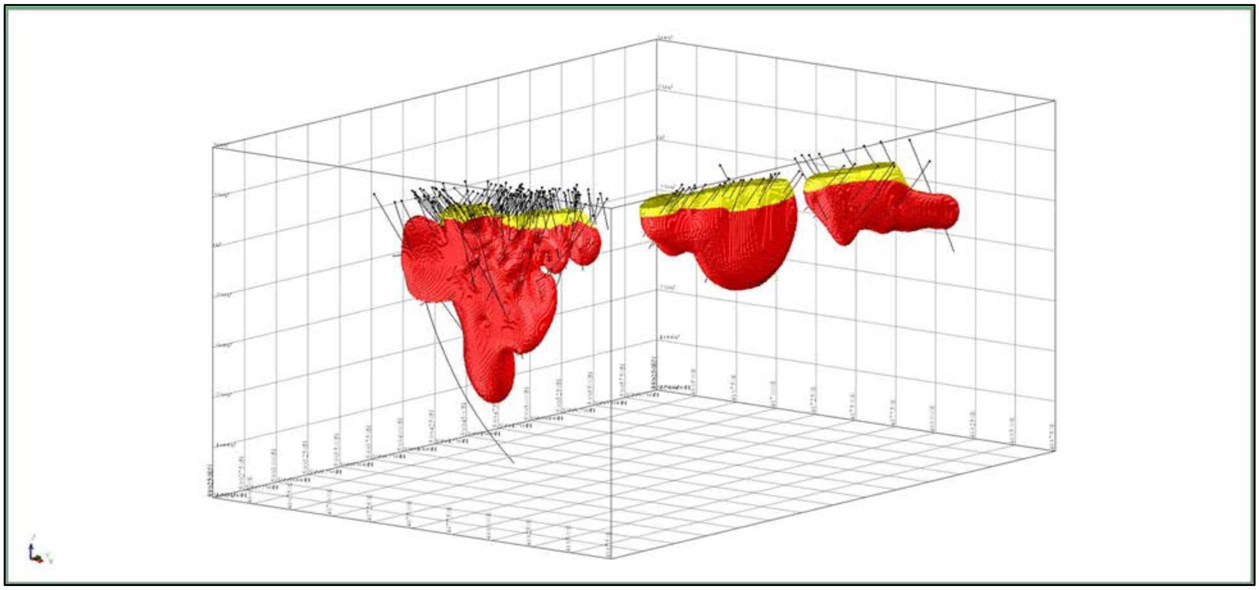


Source: Mercator

14.3.2.5 Sulphide Nickel Surface and Solid Models

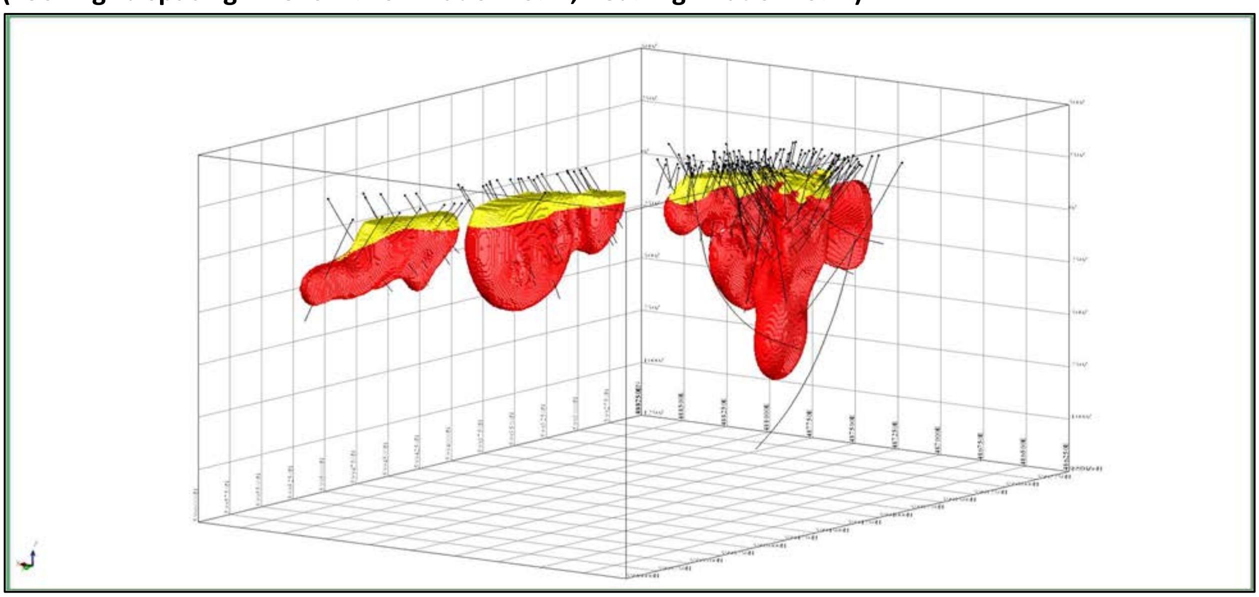
A sub-horizontal sulphide nickel percent (NiS %) DTM, separating zones of low and high ratio of sulphide nickel to total nickel (NiS:Ni), was developed in Leapfrog from interpreted sulphide nickel analytical results. A surface resolution of 10 m was applied to the DTM. The low ratio NiS:Ni zone occurs at the top of Deposit and ranges from a few meters to 125 m in depth. The high ratio NiS:Ni zone occurs below and extends to the depth limit of the Deposit. Zones of low and high NiS:Ni ratios transect both the Low Grade and High Grade domains defined on total nickel values. Figures 14-14 and 14-15 demonstrate the zonation of the low and high NiS:Ni with respect to the modelled total nickel mineralization.

Figure 14.14: Isometric view looking Northwest of the Deposit zonation of low and high ratio of NiS:Ni (250 m grid spacing – Yellow : Low Ratio NiS:Ni, Red: High Ratio NiS:Ni)



Source: Mercator

Figure 14.15: Isometric view looking Southeast of the Deposit zonation of low and high ratio of NiS:Ni (250 m grid spacing – Yellow : Low Ratio NiS:Ni, Red: High Ratio NiS:Ni)



Source: Mercator

14.3.3 Assay Sample Assessment and Down Hole Composites

The Project drill hole database contains 23,781 core samples with a nickel analytical result, including 9,979 core samples with a corresponding sulphide nickel result and 10,858 core samples with a corresponding platinum and palladium result. A total of 19,847 nickel sample records, with 9,936 corresponding platinum and palladium sample records, occur within the peripheral solid models. Sample length statistics for the solid constrained sample records support a sample length range of 0.001 m to 12.19 m and an average sample length of 1.45 m, with 75 % of samples measuring 1.55 meters or less. The average sample length for Flying Nickel drill programs is 1.44 m.

14.3.3.1 Nickel

The sample frequency for each historical era of core drilling was assessed to determine if a sampling bias is present and to determine potential effect of diluting unsampled serpentinite intervals (Table 14-1). Project operators Granges and Black Hawk were focused on the definition of higher grade nickel mineralization amenable to bulk underground mining scenarios and support a low frequency of sampling in assumed lower grade areas of the Deposit. Operators Amax, Nuinsco, and Victory Nickel were focused on definition of nickel mineralization amenable to open pit mining scenarios and have almost 100 % sampling frequency for both the lower and higher grade areas of the Deposit.

Table 14-1: Core sampling frequency for the various Minago Project operators

Operator	Solid Grade Domain	Serpentinite Core Length	% of Serpentinite Sampled	Mean Assay Length Weighted Ni %
Amax	High Grade	1776 m	98 %	0.88 %
Amax	Low Grade	2511 m	97 %	0.29 %
Granges	High Grade	317 m	98 %	0.86 %
Granges	Low Grade	650 m	72 %	0.29 %
Black Hawk	High Grade	2257 m	98 %	0.88 %
Black Hawk	Low Grade	3846 m	47 %	0.27 %
Nuinsco	High Grade	1996 m	99 %	0.77 %
Nuinsco	Low Grade	3429 m	100 %	0.26 %
Victory	High Grade	2579 m	100 %	0.83 %
Victory	Low Grade	4808 m	100 %	0.29 %

Based on the frequency of sampling the Amax-Nuinsco-Victory Nickel drill programs provide a better assessment and definition of nickel grade for the lower grade areas of the Minago Deposit. However, the variance in nickel percent in low grade areas is negligible between the Amax-Nuinsco-Victory Nickel drill programs, with almost a 100 % sample frequency over the intersected length, and the Granges-Black Hawk drill programs, with a 47 % to 72 % sample frequency over the intersected length, indicating that the grade characteristics of unsampled intervals should be similar in nature to the comparable sampled intervals. While few true twins are present between the Granges-Black Hawk drill programs and the Amax-Nuinsco-Victory Nickel drill programs, sectional assessment of nickel percent distribution demonstrated that areas unsampled by the Granges-Black Hawk drill programs correlate on strike and dip with intervals of above cut-off mineralization intersected by the Amax-Nuinsco-Victory Nickel drill programs. Low Grade intercepts for Black Hawk drill hole B-12A-89 and Victory Nickel drill hole V-10-18 are separated on strike by less than 25 m and demonstrate the nickel grade relationship between sampled and unsampled intervals (Table 14-2).

Table 14-2: Comparison of sampling and grade characteristics between Low Grade intercepts of drill holes B-12A-89 and V-10-89

Hole Id	Intercept	Length (m)	% of Length Serpentinite	% of Length Granite	% of Serpentinite Sampled	Diluted Ni %*
B-12A-89	LG 1	88.02	81 %	19 %	25 %	0.03
V-10-18	LG 1	77.47	70 %	30 %	100 %	0.23
B-12A-89	LG 2	98.82	73 %	27 %	38 %	0.03
V-10-18	LG 2	101.55	70 %	30 %	100 %	0.23

* Diluted Ni % reflects a 0 % nickel value inserted for unsampled serpentinite and granite intervals

On this basis, the QP determined that a single dilution methodology for unsampled serpentinite would not be appropriate. Consideration was given to excluding complete drill holes with poor sampling frequency in the Low Grade domains from the MRE, however, the Granges-Black Hawk drill programs support almost a 100 % sampling frequency of higher grade intervals and provide important spatial and grade definition of the High Grade domain for the Deposit. Exclusion of these High Grade intercepts on the basis of poorly sampled adjacent Low Grade intercepts was also determined to not be appropriate. It was assessed that intercepts supporting less than 50 % nickel sampling frequency of serpentinite are providing inadequate definition of nickel grade and were omitted from down-hole assay compositing. Intercepts supporting 50 % or more nickel sampling frequency of serpentinite are assessed to provide adequate definition of nickel grade and were accepted for down-hole assay compositing. To properly respect distributions of granite within the grade domains, granite intervals were considered 100 % sampled in this evaluation. All unsampled intervals, including serpentinite, ultramafic, and granite lithologies, of accepted intercepts were diluted to a nickel percent value of "0" prior to compositing.

Downhole assay composites over 2 m intervals were developed for nickel percent using the Surpac 'best fit" option set to a 2 m target value. Assay composites generated outside of a 25% tolerance interval of the nominal length were either manually re-generated or merged with adjacent composites to meet the selection conditions. Compositing was constrained based on the drillhole intersections with the respective solid models. Descriptive statistics were calculated for nickel percent from the 2 m composite datasets within each Deposit area and for the global composite population and are presented in Table 14-3.

Table 14-3: Ni % statistics for the 2 m assay composites

Area	Nose Zone			North Limb Zone		
Domain	**Global**	**High Grade**	**Low Grade**	**Global**	**High Grade**	**Low Grade**
Value	**Ni %**	**Ni %**	**Ni %**	**Ni %**	**Ni %**	**Ni %**
Number of samples	13,701	4,776	8,925	3,695	944	2,751
Minimum value	0	0	0	0	0	0
Maximum value	3.45	3.19	3.45	2.53	2.53	1.92
Mean	0.35	0.69	0.17	0.28	0.55	0.19
Variance	0.18	0.26	0.03	0.07	0.11	0.02
Standard Deviation	0.42	0.51	0.19	0.26	0.33	0.15
Coefficient of variation	1.20	0.74	1.12	0.94	0.60	0.81

Mean grades for the Low Grade domains are lower than the targeted 0.20 % nickel value due to included dilution from granite intervals. No high-grade capping factors were applied to the 2 m assay downhole composites or the contributing drill core sample analytical results. Through analysis of metal grade distribution, by means of frequency histogram, cumulative frequency plots, probability plots, rank/percentile, and decile analysis, it was concluded that maximum grade values that occur in the dataset are consistent with the mineralization styles present and do not represent high grade outliers. Higher grade values lay within zones where drill log descriptions of lithology and mineralogy support presence of spatially correlative higher-grade material, as demonstrated by the Low Grade and High Grade domain solid modeling methodology.

14.3.3.2 Platinum and Palladium

The same approach for determining representative nickel intercepts was applied for platinum and palladium. It was assessed that intercepts supporting less than 50 % platinum and palladium sampling frequency of serpentinite are providing inadequate definition of platinum and palladium grades and were omitted from down-hole assay compositing. Intercepts supporting 50 % or more platinum and palladium sampling frequency of serpentinite are assessed to provide adequate definition of platinum and palladium grades and were accepted for down-hole assay compositing. To properly respect distributions of granite within the grade domains, granite intervals were considered 100 % sampled in this evaluation. Unsampled intervals without a corresponding nickel value of accepted intercepts, which predominantly reflects the granite lithology, were diluted to a platinum and palladium g/t value of “0” prior to compositing. Unsampled intervals with a corresponding nickel value of accepted intercepts, which predominantly reflects serpentinite and ultramafic lithologies, were assigned platinum and palladium g/t values based on nickel regression curves. Platinum and palladium grade relationships with respect to nickel were developed for both Low Grade and High Grade domains within each the Nose Zone and North Limb Zone. Applied regression equations are presented in Table 14-4. Calculated negative values were re-assigned a “0” g/t value The applied methodology prevents excessive platinum and palladium dilution from unsampled mineralized intervals of accepted intercepts, but also ensures that accepted intercepts are defined by at least 50% core analytical results.

Table 14-4: Pt and Pd regression equations

Domain	Pd g/t Regression Equation	Pt g/t Regression Equation
Nose High Grade	Pd = 0.345*(Ni %) - 0.0359 (R^2 = 0.69)	Pt = 0.154*(Ni %) - 0.0203 (R^2 = 0.50)
Nose Low Grade	Pd = 0.3282*(Ni %) - 0.0464 (R^2 = 0.55)	Pt = 0.1578*(Ni %) - 0.0194 (R^2 = 0.43)
Noth Limb High Grade	Pd = 0.3844*(Ni %) - 0.084 (R^2 = 0.73)	Pt = 0.1656*(Ni %) - 0.0392 (R^2 = 0.72)
North Limb Low Grade	Pd = 0.2824*(Ni %) - 0.0569 (R^2 = 0.27)	Pt = 0.1498*(Ni %) - 0.0261 (R^2 = 0.30)

Downhole assay composites over 2 m intervals were developed for platinum and palladium g/t using the Surpac ‘best fit” option set to a 2 m target value. Assay composites generated outside of a 25% tolerance interval of the nominal length were either manually re-generated or merged with adjacent composites to meet the selection conditions. Compositing was constrained based on the drillhole intersections with the respective solid models. Descriptive statistics were calculated for platinum and palladium g/t from the 2 m composite datasets within each Deposit area and for the global composite population and are presented in Table 14-5 and Table 14-6.

Table 14-5: Pd and Pt g/t statistics for Nose Zone 2 m assay composites

Area	**Nose Zone**					
Domain	**Global**		**High Grade**		**Low Grade**	
Value	**Pd g/t**	**Pt g/t**	**Pd g/t**	**Pt g/t**	**Pd g/t**	**Pt g/t**
Number of samples	8,384	8,384	2,262	2,262	6,122	6,122
Minimum value	0	0	0	0	0	0
Maximum value	2.84	1.09	2.84	1.09	1.28	0.59
Mean	0.07	0.03	0.69	0.19	0.02	0.01
Variance	0.019	0.004	0.038	0.008	0.004	0.001
Standard Deviation	0.138	0.063	0.195	0.087	0.066	0.035
Coefficient of variation	2.022	1.995	1.011	1.059	2.931	2.804

Table 14-6: Pd and Pt g/t statistics for North Limb Zone 2 m assay composites

Area	North Limb Zone					
Domain	Global		High Grade		Low Grade	
Value	Pd g/t	Pt g/t	Pd g/t	Pt g/t	Pd g/t	Pt g/t
Number of samples	2,332	2,332	480	480	1,852	1852
Minimum value	0	0	0	0	0	0
Maximum value	0.92	0.41	0.92	0.40	0.66	0.41
Mean	0.04	0.02	0.14	0.06	0.01	0.01
Variance	0.009	0.002	0.022	0.004	0.002	0
Standard Deviation	0.093	0.040	0.147	0.063	0.044	0.02
Coefficient of variation	2.276	2.012	1.043	1.084	2.982	2.27

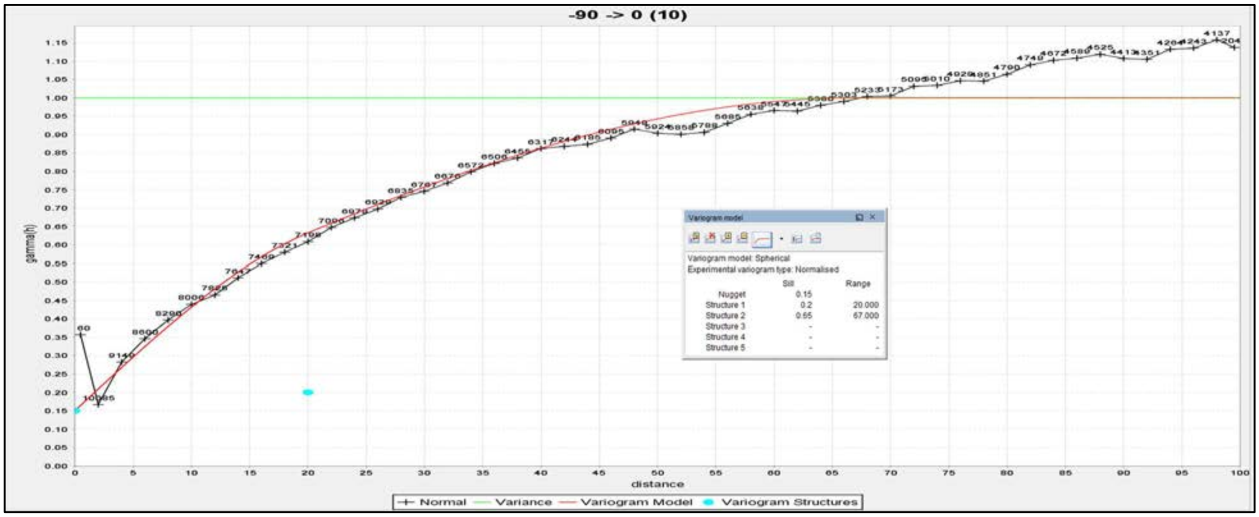
Through analysis of metal grade distribution, by means of frequency histogram, cumulative frequency plots, probability plots, rank/percentile, and decile analysis, it was concluded that maximum grade values that occur in the dataset are consistent with the mineralization styles present and do not represent high grade outliers. No capping of platinum and palladium composites values was applied.

14.3.4 Variography and Interpolation Ellipsoids

Manually derived models of geology and grade distribution provided definition of trends that parallel the orientation of the fold limbs and hinge. To assess spatial aspects of grade distribution within the Deposit, downhole and directional variograms were developed for nickel percentage based on the 2.0 m down hole composite dataset defined by the peripheral solid models. Variogram assessment was completed independently for both the west and east limbs of the Nose Zone, subjectively determined to be west and east of section line 487,350 East. Variogram assessment was not completed for the North Limb Zone due to a drill hole spacing bias where most drill holes evaluate the Deposit at the same elevation datum. An independent variogram assessment for platinum and palladium was not completed.

Downhole variograms provided definition of a normalized nugget of 0.15 (Figure 14-16) and spherical model results with two structures. The first structure supported a normalized sill of 0.20 and a range of 20 m and the second structure supported a normalized sill of 0.65 and a range of 67 m. The downhole variogram provided guidance and definition of nugget values and minor axis ranges for the directional variogram assessment.

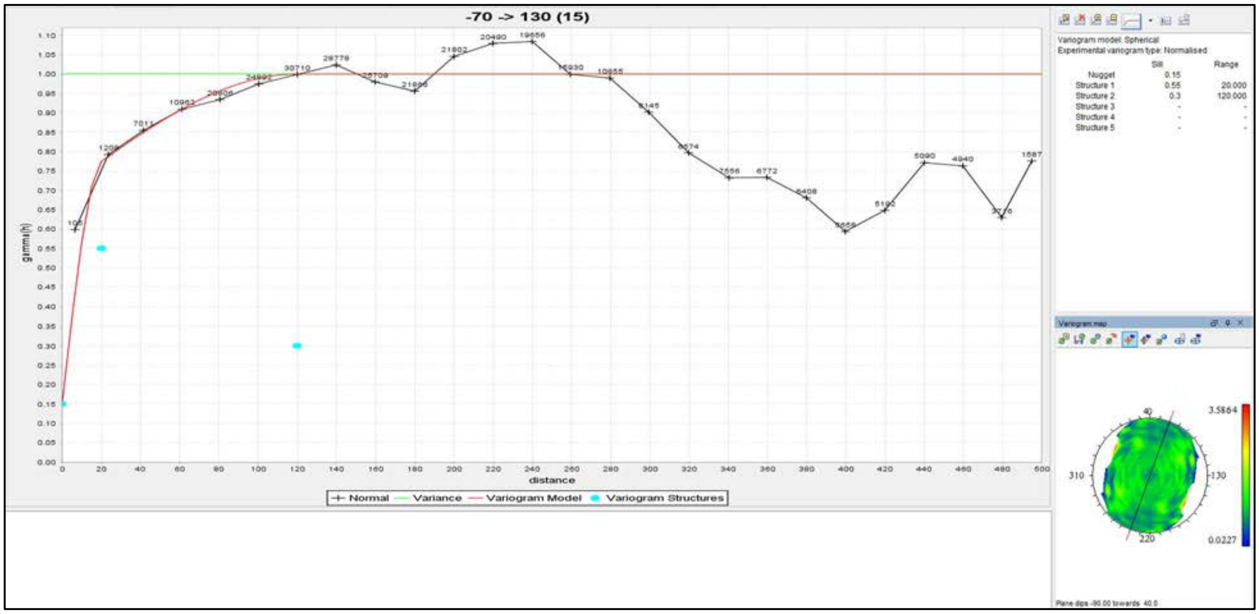
Figure 14-16: Downhole nickel variogram for the total Deposit



Source: Mercator

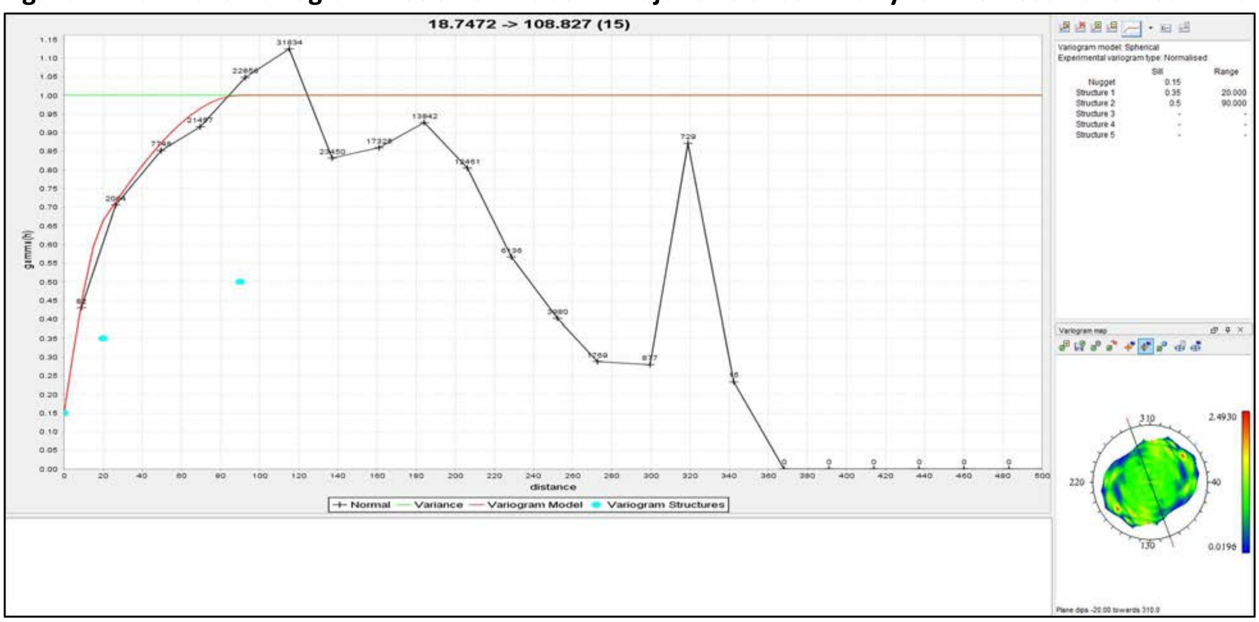
Best directional experimental variogram results for the Nose Zone west limb were developed within a plane trending towards an azimuth of 40° and a plunge of -90° using a spread angel of 15° and a spread limit of 30°. The plane orientation corresponds to the down-dip trend of the Nose Zone west limb and assesses grade continuity along strike and in the down-dip direction. Application of spherical models provided definition of an anisotropy ellipsoid along an azimuth of 130° with a plunge of -70° and a dip of -70° using Surpac's ZXY LRL axes of rotation convention. Two structures were modelled for the primary axis trend supporting a normalized sill of 0.55 and a range of 20 m for the first structure and a normalized sill of 0.30 and a range of 120 m for the second structure. Maximum ranges of continuity of 90 m for the secondary axis trend and 20 m for the third axis trend were defined. Figure 14-17 presents results of the primary variogram assessment, Figure 14-18 presents results of the secondary variogram assessment, and Figure 14-19 presents variogram results along all axes.

Figure 14-17: Nickel variogram model for the major axis of continuity for the Nose Zone west limb



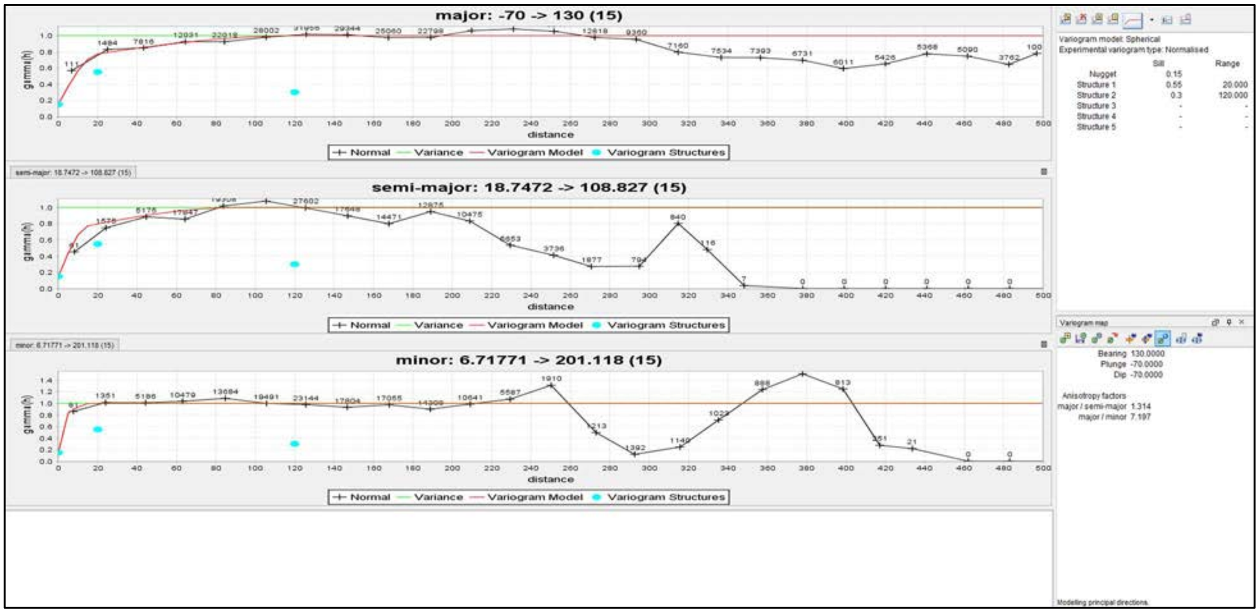
Source: Mercator

Figure 14-18: Nickel variogram model for the semi-major axis of continuity for the Nose Zone west limb



Source: Mercator

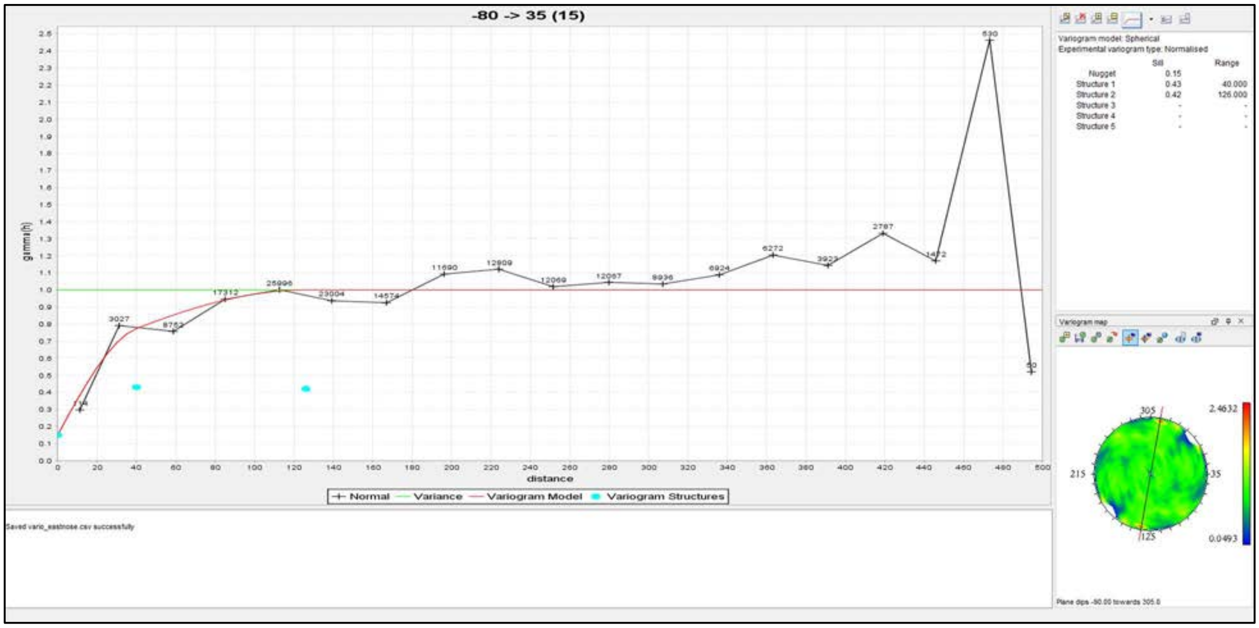
Figure 14-19: Nickel variogram model Nose Zone west limb



Source: Mercator

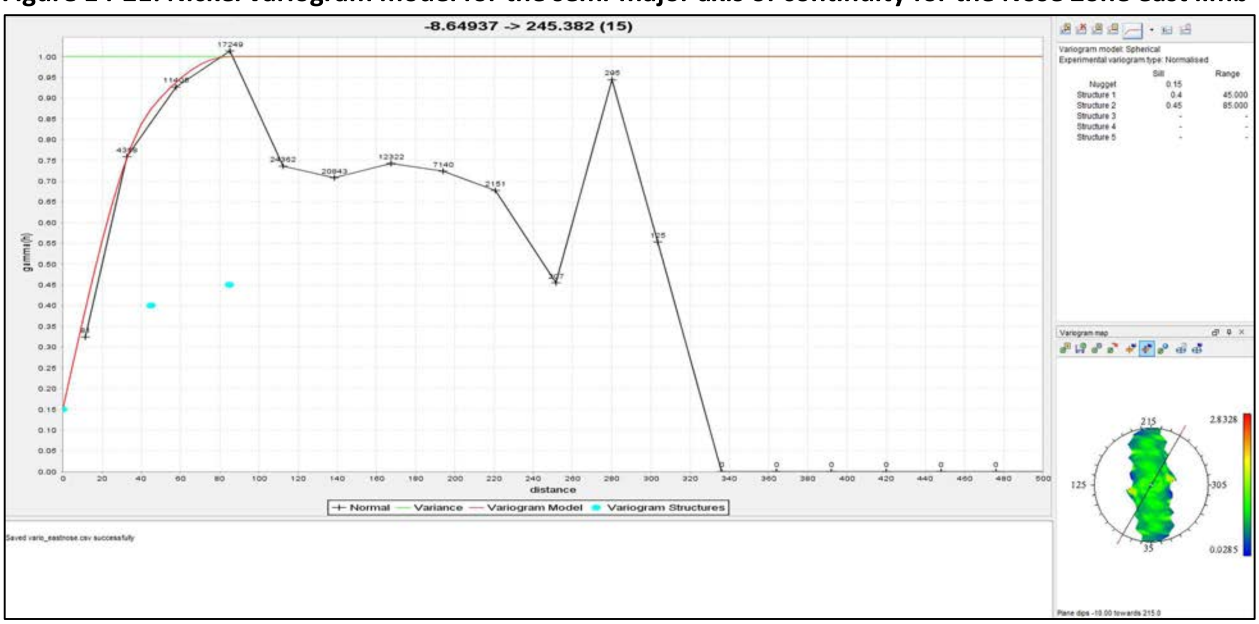
Best directional experimental variogram results for the Nose Zone east limb were developed within a plane trending towards an azimuth of 305º and a plunge of -90º using a spread angel of 15º and a spread limit of 30º. The plane orientation corresponds to the down-dip trend of the Nose Zone east limb and assesses grade continuity along strike and in the down-dip direction. Application of spherical models provided definition of an anisotropy ellipsoid along an azimuth of 35° with a plunge of -80° and a dip of 60° using Surpac's ZXY LRL axes of rotation convention. Two structures were modelled for the primary axis trend supporting a normalized sill of 0.43 and a range of 40 m for the first structure and a normalized sill of 0.42 and a range of 126 m for the second structure. Maximum ranges of continuity of 85 m for the secondary axis trend and 20 m for the third axis trend were defined. Figure 14-20 presents results of the primary variogram assessment, Figure 14-21 presents results of the secondary variogram assessment, and Figure 14-22 presents variogram results along all axes.

Figure 14-20: Nickel variogram model for the major axis of continuity for the Nose Zone east limb



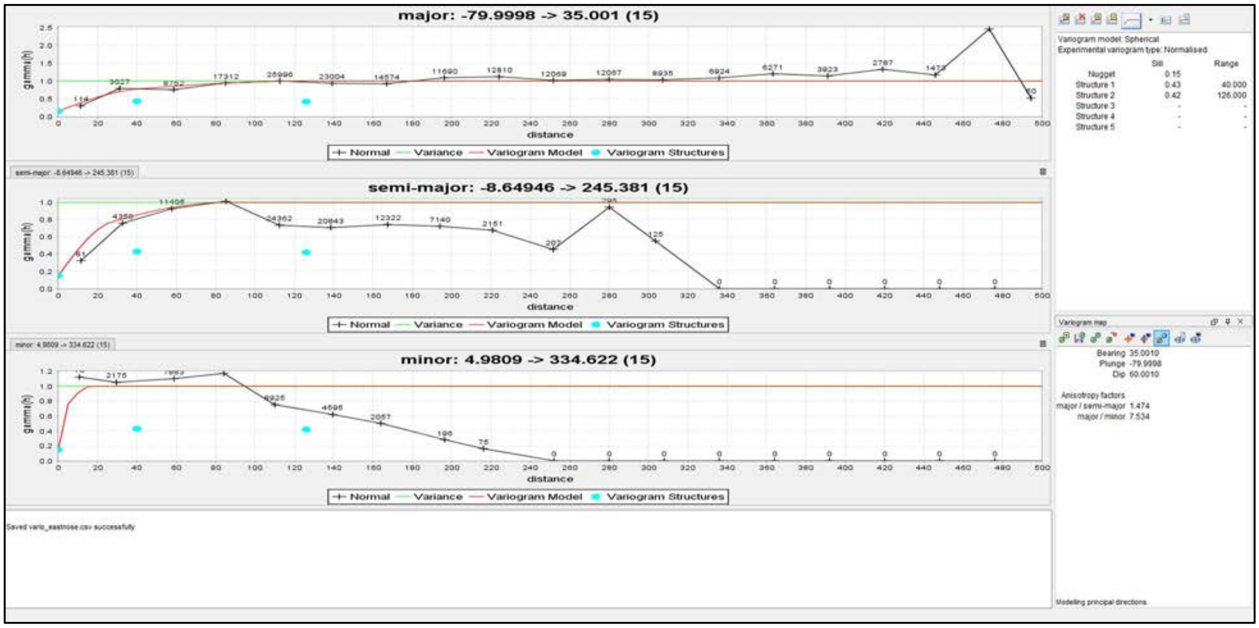
Source: Mercator

Figure 14-21: Nickel variogram model for the semi-major axis of continuity for the Nose Zone east limb



Source: Mercator

Figure 14-22: Nickel variogram model Nose Zone east limb



Source: Mercator

Variogram results from the Nose Zone west limb were assessed to be the most robust based on experimental variogram structure and agreement with Deposit interpretations of geology and grade distribution. On this basis, results of for the Nose Zone west limb were applied to all areas of the Nose Zone and North Limb Zone. This includes application of interpolation ellipsoid ranges and nugget and sill values. Variogram assessment demonstrated primary continuity in the down dip or vertical direction and secondary continuity in the strike or limb trend direction. To account for minor variances in local deposit geometry and orientation these principals of continuity were applied to a dynamic anisotropy interpolation methodology. Maximum ranges of 120 m, 90 m, and 20 m were derived for the major, semi-major and minor axes, respectively, from the variogram assessment.

14.3.5 Setup of the Three-Dimensional Block Model

The block model extents are presented below in Table 14-7 and were defined using UTM NAD83 (Zone 14) coordination and elevation relative to sea level. No rotation was applied to the block model. Standard block size for the model is 6 m by 6 m by 6 m (X, Y, Z) with no units of sub-blocking allowed.

Table 14.7: Summary of Project block model parameters

Type	Y (Northing m)	X (Easting m)	Z (Elevation m)
Minimum Coordinates	5,992,700	486,400	-800
Maximum Coordinates	5,995,904	488,500	352
User Block Size	6	6	6
Minimum Block Size	6	6	6
Rotation	0	0	0

* UTM NAD83 Zone 14 coordination and sea level datum

14.3.6 Mineral Resource Estimate

Deposit block model volumes were estimated from the Project solid models. Blocks were assigned a lithology code of air, overburden, dolomite, sandstone, regolith, mineralized domain (and ultramafic), or country based on their spatial relationship with the DTM of topography, lithology solid models. and grade domain solid models. Eligible blocks intersecting the grade domain solids were accepted for block grade interpolation and coded with the respective solid model identifier to correspond with the appropriate 2 m assay composite dataset and interpolation parameters. A NiS:Ni ratio code of High or Low was assigned to eligible blocks based on the NiS:Ni DTM model.

Ordinary kriging (OK) grade interpolations was used to assign block nickel grade and inverse distance squared interpolation (ID^2) was used to assign platinum, and palladium grades within the Deposit block model from the respective 2 m assay composite datasets. Interpolation ellipsoid orientation and range values used in the estimation reflect a combination of trends determined from the nickel variography assessment and interpretations of geology and grade distribution for the Deposit. Variogram assessment demonstrated primary continuity in the down dip or vertical direction and secondary continuity in the strike or limb trend direction. To account for minor variances in local deposit geometry and orientation, these principals of continuity were applied to a dynamic anisotropy interpolation methodology. An ellipsoid bearing and plunge were assigned to each block from DTM surfaces that represent the trends and orientations of the grade domain solid models. The block bearing and plunge value inform the interpolation ellipsoid orientation for that specific block during block grade interpolation.

A 4-interpolation pass approach was applied, implemented sequentially from pass 1 to pass 4, that progresses from being restrictive to more inclusive in respect to ellipsoid ranges, composites available, and number composites required to assign block grades. Interpolation pass ranges reflect 50 %, 100 %, 150 % and 250 % of the ranges defined from variogram assessment for the first pass, second pass, third pass, and fourth pass respectively. The fourth pass was designed to completely fill accepted block volumes with corresponding nickel, platinum, and palladium values in the model. Blocks with nickel values interpolated from the fourth pass were predominantly omitted from Mineral Resource categorization. Block discretization was set at 2 (Y) x 2 (X) x 2 (Z). Interpolation parameters for the Deposit are summarized in Table 14-8.

Table 14-8: Summary of Project interpolation parameters

Interpolation Pass	Range			Contributing Composites		
	Major (m)	Semi-Major (m)	Minor (m)	Minimum	Maximum	Maximum Per Drill Hole
1	60	45	10	11	15	5
2	120	90	20	5	12	4
3	180	135	30	3	8	4
4	250	225	100	2	4	4

Grade domain boundaries were set as hard boundaries for grade estimation purposes and grade interpolation was restricted to the 2 m assay composites associated with the drill hole intercepts assigned to each domain solid.

14.3.7 Density

A total of 9,000 specific gravity determinations are available in the Project drill hole database. Determinations were completed by SGS during the 2008, 2010, and 2011 Nuinsco-Victory Nickel drilling programs. An additional 234 SGS laboratory determinations are available for the dolomite lithology, which was used as a blank material in the 2010 drilling program. The specific gravity determinations are accepted to represent a density determination of the rock measured.

Complete coverage of specific gravity determinations over the Deposit area is not available and therefore there is insufficient data to support an interpolated density model. Specific gravity determination values were assessed based on lithology, grade domains, and NiS:Ni zonation, with the most significant results returned for a grouping of lithology and NiS:Ni zonation (Table 14-9).

Table 14-9: Average specific gravity values for each lithology in each NiS:Ni zone

NiS:Ni Zone/Ultramafic	Lithology	Count	Average Specific Gravity
High	Serpentinite	4,262	2.50
	Granite	1,117	2.60
High - Ultramafic Lithology	Ultramafic	828	3.02
	Granite	122	2.69
Low	Serpentinite	1,073	2.40
	Granite	273	2.54
Other	Dolomite	235	2.69
	Sandstone	45	2.63
	Regolith	89	2.72
	Country rock*	513	2.58

* Amphibolite (12), granite (161), mafic metavolcanic (41), metasediment (231), serpentinite (68)

Average specific gravity values were assigned to each block based on the combined NiS:Ni zone and lithology coding. Blocks supporting an average grade of less than 0.14 % Ni are assumed to be more than 50 % granite lithology and were assign average granite specific gravity values. Blocks supporting an average grade of 0.14 % Ni or more are assumed to be more than 50 % serpentinite or ultramafic and were assign average serpentinite or ultramafic specific gravity values.

14.3.8 Sulphide Nickel

Nickel bound in silicate minerals is not readily recoverable and total nickel values may misrepresent the amount of recoverable nickel if a significant amount of nickel enriched silicates are present. An assessment of sulphide nickel for the Deposit, therefore, represents an assessment of recoverable nickel.

A total of 9,979 core samples are available with both a total nickel and sulphide nickel result, which represents 41 % of the total core sample dataset.

In general, as the percentage of total nickel increases so does the percentage of sulphide nickel, however, there is zonation of the ratio of sulphide nickel to total nickel in the Deposit. The ratio changes with depth and the top 125 m zone of the entire deposit shows lower ratios than the remaining deposit at depth. This zonation is reflected in the NiS:Ni DTM models, which separated the low and high ratio zones.

Regression curves were developed between sulphide nickel and total nickel percentages for various areas of the Deposit in both the low and high ratio zones. Drill hole spacing in the North Limb Zone is biased towards a single datum of elevation and does not provide a significant dataset for the upper low ratio zone of that area. The most robust regression curves reflect the Nose Zone for the low ratio zone and the entire Deposit, combining both the Nose Zone and North Limb Zone, for the high ratio zone. The regression curves for these two areas are expressed with the following equations:

*Low Ratio NiS:Ni Zone : NiS = (0.485 * Ni %) - 0.1034 (R^2 = 0.58)*
*High Ratio NiS:Ni Zone : NiS = (0.8702 * Ni %) - 0.0936 (R^2 = 0.89)*

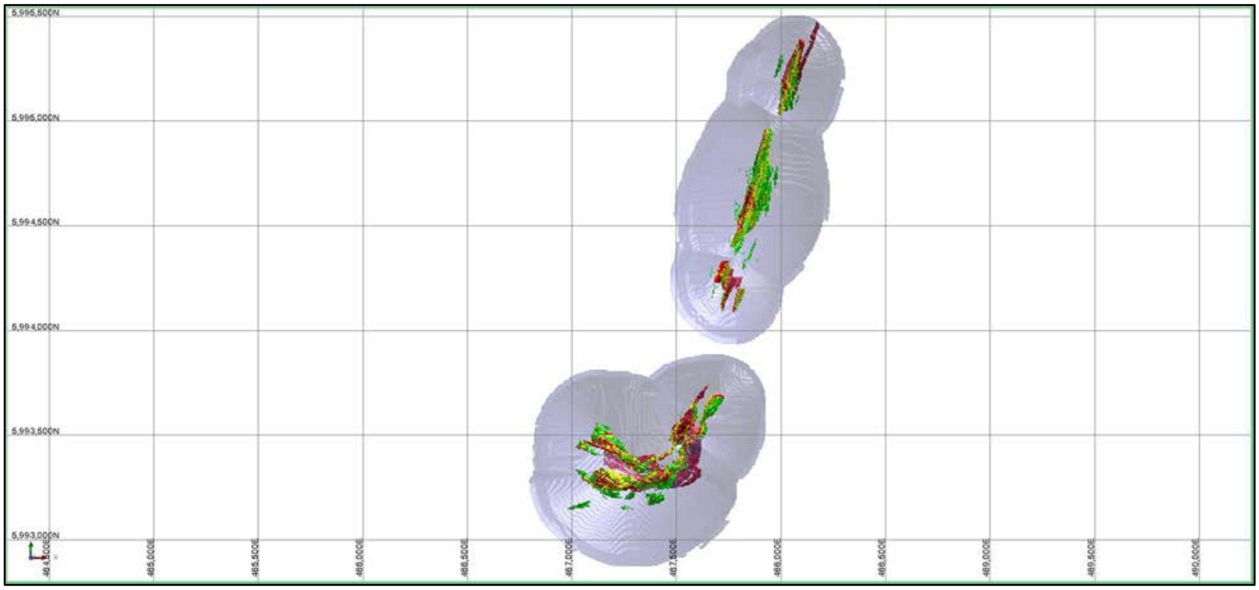
Block sulphide nickel values were calculated using the appropriate regression curve equation and the interpolated block nickel percent values. Calculated negative values were re-assigned a “0” % value. The average percentage of sulphide nickel to total nickel in the high ratio domain is 70 %. The average percentage of sulphide nickel to total nickel in the low ratio domain is 20 %.

14.4 Model Validation

14.4.1 Block Grade Distribution

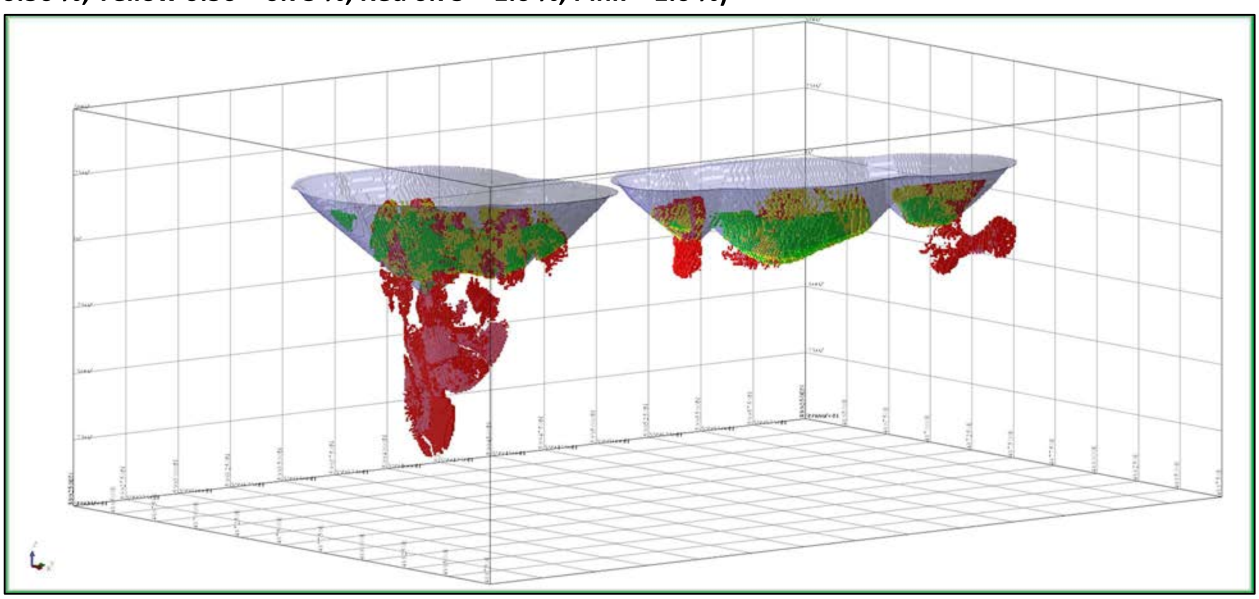
Block volume estimates for each Mineral Resource solid were compared with corresponding solid model volume reports generated in Surpac and results show good correlation, indicating consistency in volume capture and block volume reporting. Results of block modeling were reviewed in three dimensions and compared with deposit interpretations for geology and grade distribution. Block grade distribution was shown to have acceptable correlation with the grade distribution of the underlying drill hole data (Figures 14-23 to 14-32).

Figure 14-23: Plan view of the Ni % values above the Mineral Resource open-pit and underground cut-off grade with pit shell in grey (Ni % Block Values: Blue 0.10 – 0.21 %, Green 0.21 – 0.50 %, Yellow 0.50 – 0.75 %, Red 0.75 – 1.0 %, Pink > 1.0 %)



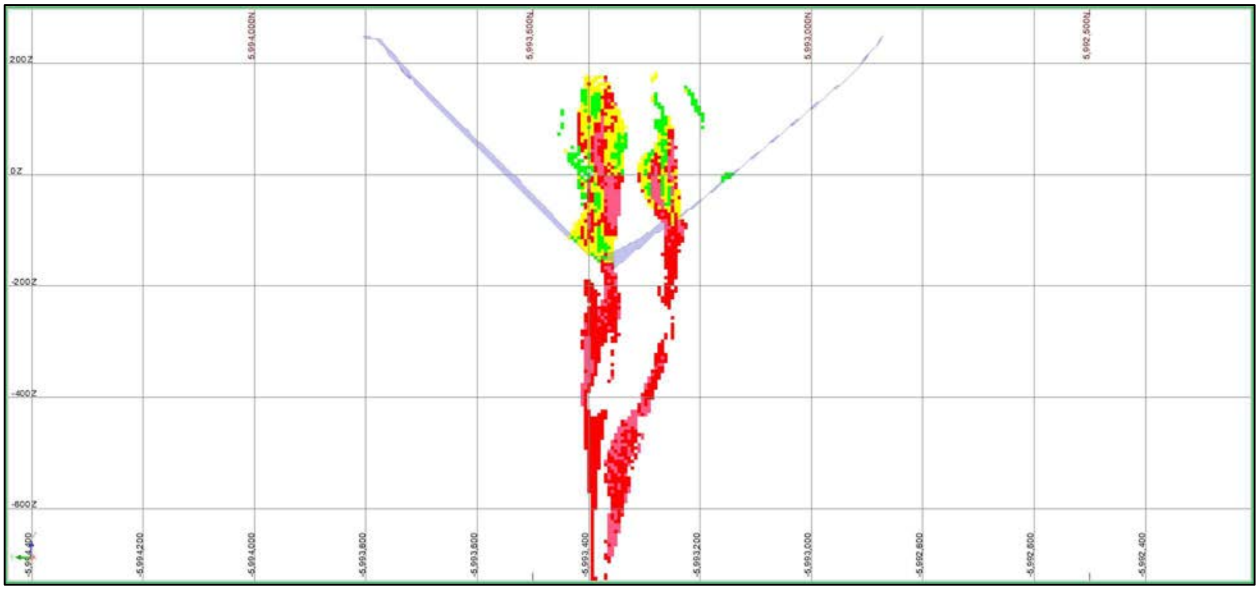
Source: Mercator

Figure 14-24: Oblique view to the Northwest of Ni % values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Ni % Block Values: Blue 0.10 – 0.21 %, Green 0.21 – 0.50 %, Yellow 0.50 – 0.75 %, Red 0.75 – 1.0 %, Pink > 1.0 %)



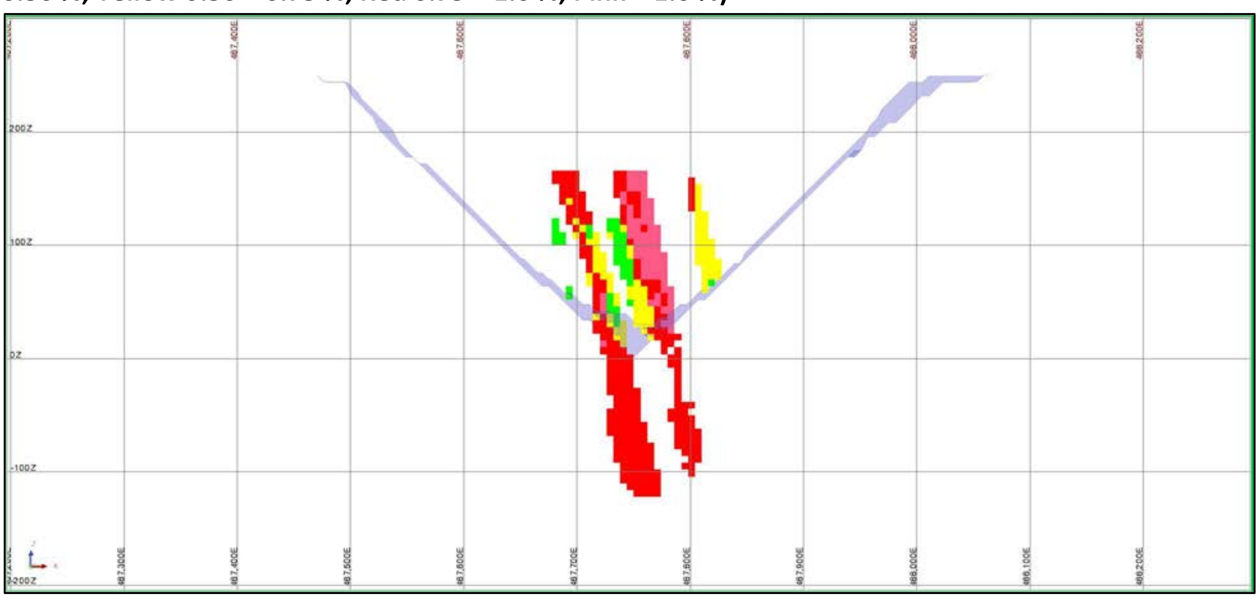
Source: Mercator

Figure 14-25: Section 487275E (looking East) of the Ni % values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Ni % Block Values: Blue 0.10 – 0.21 %, Green 0.21 – 0.50 %, Yellow 0.50 – 0.75 %, Red 0.75 – 1.0 %, Pink > 1.0 %)



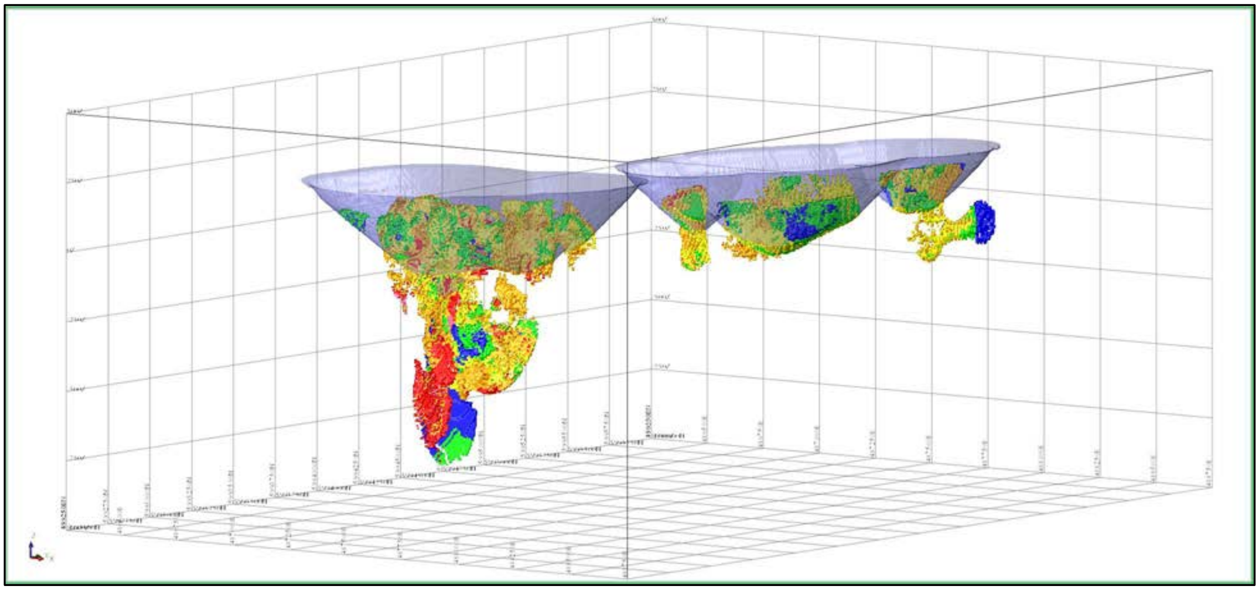
Source: Mercator

Figure 14-26: Section 5994220N (looking North) of Ni % values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Ni % Block Values: Blue 0.10 – 0.21 %, Green 0.21 – 0.50 %, Yellow 0.50 – 0.75 %, Red 0.75 – 1.0 %, Pink > 1.0 %)



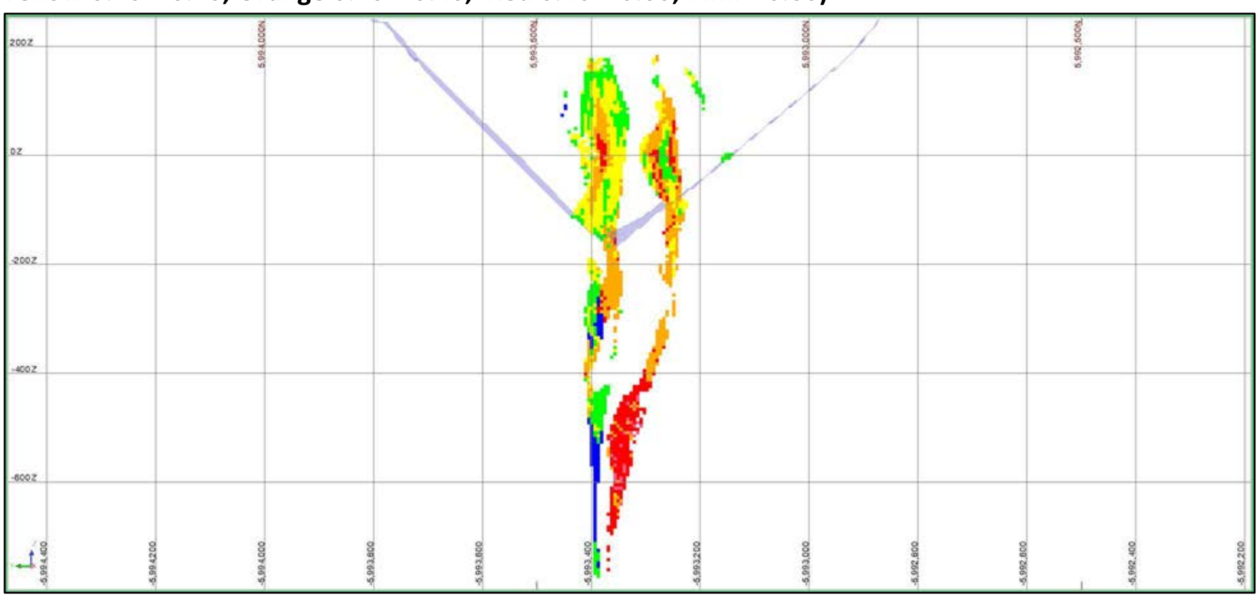
Source: Mercator

Figure 14-27: Oblique view to the Northwest of Pd g/t values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Pd g/t Block Values: Blue < 0.01, Green 0.01 – 0.10, Yellow 0.10 – 0.20, Orange 0.20 – 0.40, Red 0.40 – 0.60, Pink > 0.60)



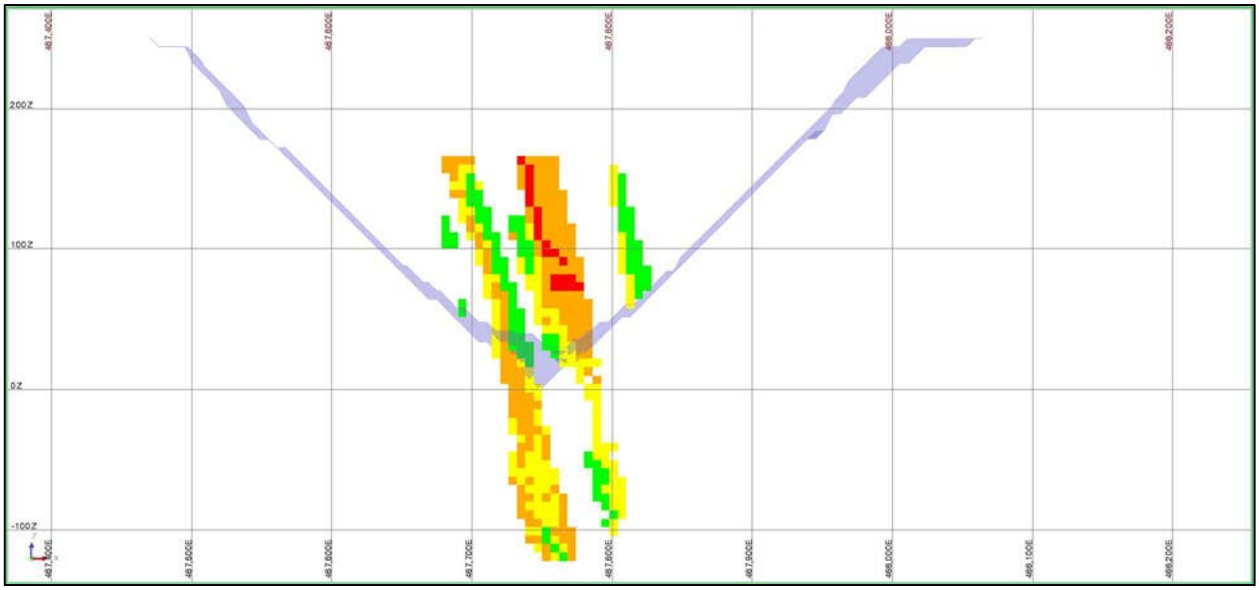
Source: Mercator

Figure 14-28: Section 487275E (looking East) of Pd g/t values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Pd g/t Block Values: Blue < 0.01, Green 0.01 – 0.10, Yellow 0.10 – 0.20, Orange 0.20 – 0.40, Red 0.40 – 0.60, Pink > 0.60)



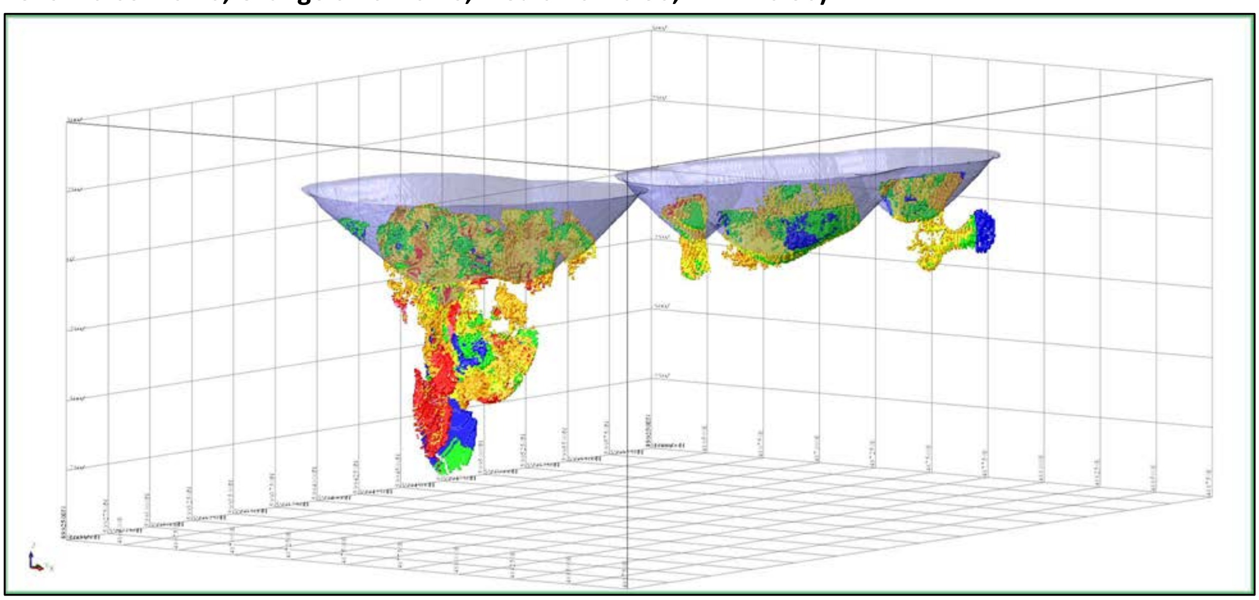
Source: Mercator

Figure 14-29: Section 5994220N (looking North) of Pd g/t values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Pd g/t Block Values: Blue < 0.01, Green 0.01 – 0.10, Yellow 0.10 – 0.20, Orange 0.20 – 0.40, Red 0.40 – 0.60, Pink > 0.60)



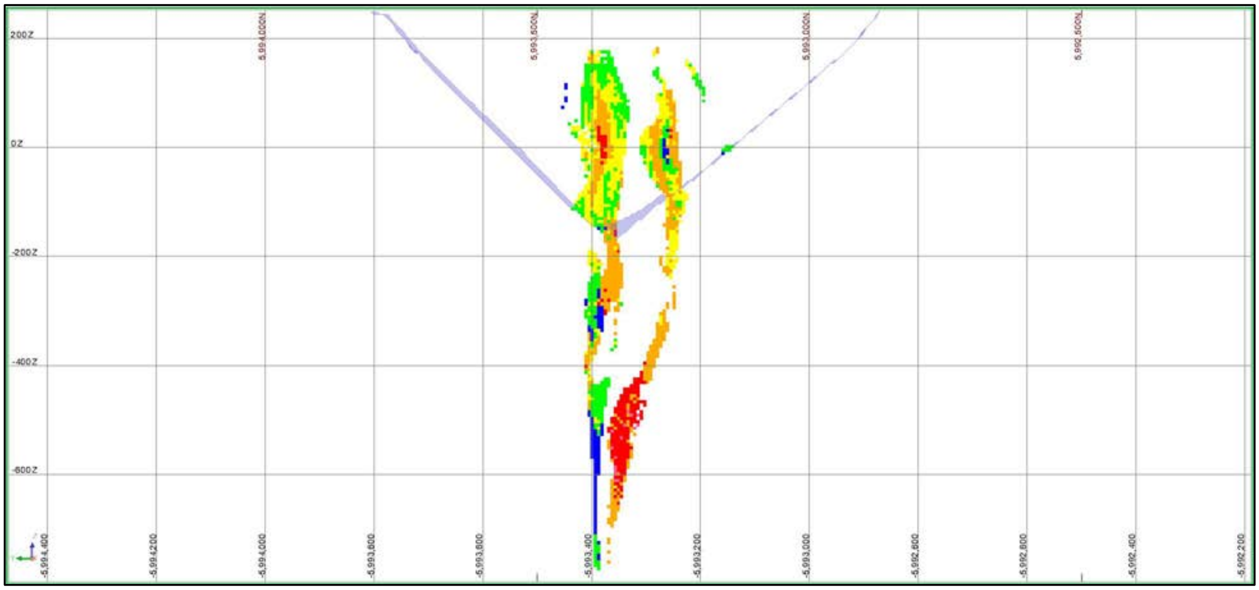
Source: Mercator

Figure 14-30: Oblique view to the Northwest of Pt g/t values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Pt g/t Block Values: Blue < 0.01, Green 0.01 – 0.05, Yellow 0.05 – 0.10, Orange 0.10 – 0.20, Red 0.20 – 0.30, Pink > 0.30)



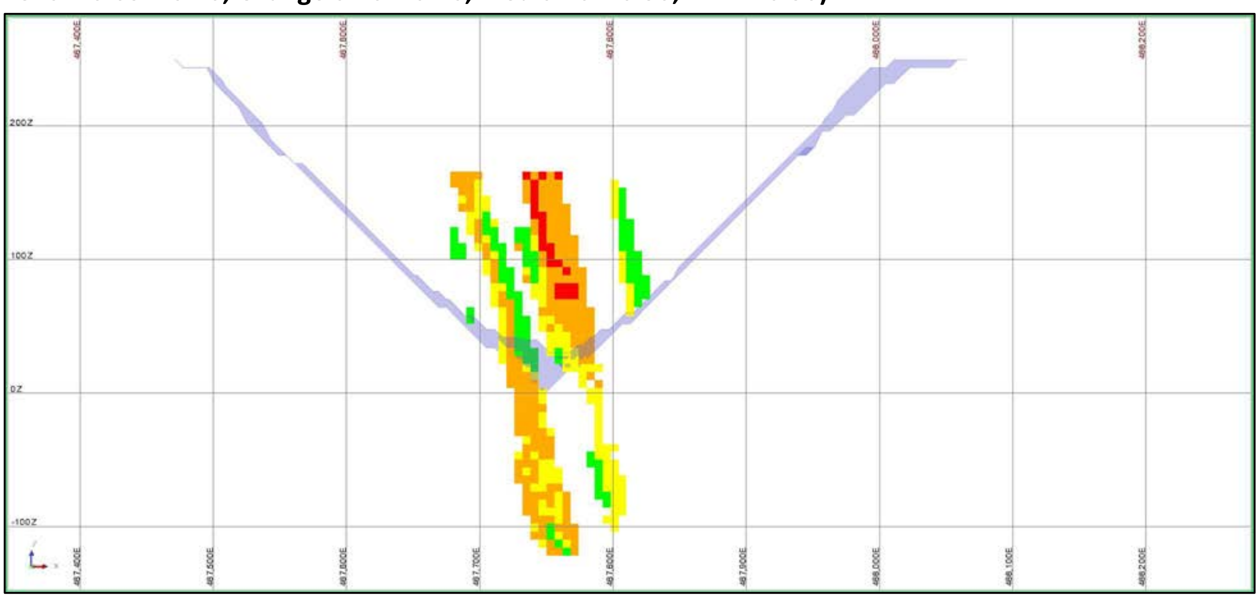
Source: Mercator

Figure 14-31: Section 487275E (looking East) of Pt g/t values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Pt g/t Block Values: Blue < 0.01, Green 0.01 – 0.05, Yellow 0.05 – 0.10, Orange 0.10 – 0.20, Red 0.20 – 0.30, Pink > 0.30)



Source: Mercator

Figure 14-32: Section 5994220N (looking North) of Pt g/t values above the Mineral Resource open pit and underground cut-off grade with pit shell in grey (Pt g/t Block Values: Blue < 0.01, Green 0.01 – 0.05, Yellow 0.05 – 0.10, Orange 0.10 – 0.20, Red 0.20 – 0.30, Pink > 0.30)



Source: Mercator

14.4.2 Block Grade Descriptive Statistics

Descriptive statistics were calculated for the drill hole composite values used in block model grade interpolations and these were compared to values calculated for the individual blocks (Table 14-10 through 14-15). The mean weighted average drill hole composite grades for the global Nose Zone and North Limb Zone compare well with the respective block values. A volume variance effect, large areas of volume defined by a relatively small number of composites, is more prominent in the High Grade domains of the palladium and platinum estimates. As such, mean grades show larger discrepancies between composites and block values.

Table 14-10: Nose Zone Ni % statistics for block values and 2 m composites

Type	Composite			Block		
Domain	Global	High Grade	Low Grade	Global	High Grade	Low Grade
Value	Ni %	Ni %	Ni %	Ni %	Ni %	Ni %
Number of samples	13,701	4,776	8,925	407,510	101,920	305,590
Minimum value	0	0	0	0	0.01	0
Maximum value	3.45	3.19	3.45	2.23	2.23	1.77
Mean	0.35	0.69	0.17	0.31	0.70	0.18
Variance	0.180	0.260	0.030	0.078	0.071	0.012
Standard Deviation	0.420	0.510	0.190	0.279	0.267	0.112
Coefficient of variation	1.200	0.740	1.120	0.913	0.383	0.636

Table 14-11: North Limb Zone Ni % statistics for block values and 2 m composites

Type	Composite			Block		
Domain	Global	High Grade	Low Grade	Global	High Grade	Low Grade
Value	Ni %	Ni %	Ni %	Ni %	Ni %	Ni %
Number of samples	3,695	944	2,751	359,536	87,808	271,728
Minimum value	0	0	0	0	0.05	0
Maximum value	2.53	2.53	1.92	1.52	1.52	0.72
Mean	0.28	0.55	0.19	0.27	0.52	0.18
Variance	0.070	0.110	0.020	0.035	0.028	0.009
Standard Deviation	0.260	0.330	0.150	0.186	0.166	0.094
Coefficient of variation	0.940	0.600	0.810	0.699	0.319	0.511

Table 14-12: Nose Zone Pd g/t statistics for block values and 2 m composites

Type	Composite			Block		
Domain	Global	High Grade	Low Grade	Global	High Grade	Low Grade
Value	Pd g/t	Pd g/t	Pd g/t	Pd g/t	Pd g/t	Pd g/t
Number of samples	8,384	2,262	6,122	407,510	101,920	305,590
Minimum value	0	0	0	0	0	0
Maximum value	2.84	2.84	1.28	1.359	1.359	0.72
Mean	0.07	0.69	0.02	0.07	0.21	0.02
Variance	0.019	0.038	0.004	0.014	0.021	0.002
Standard Deviation	0.138	0.195	0.066	0.117	0.146	0.046
Coefficient of variation	2.022	1.011	2.931	1.638	0.687	1.922

Table 14-13: North Limb Zone Pd g/t statistics for block values and 2 m composites

Type	Composite			Block		
Domain	Global	High Grade	Low Grade	Global	High Grade	Low Grade
Value	Pd g/t	Pd g/t	Pd g/t	Pd g/t	Pd g/t	Pd g/t
Number of samples	2,332	480	1,852	359,536	87,808	271,728
Minimum value	0	0	0	0	0	0
Maximum value	0.92	0.92	0.66	0.66	0.66	0.33
Mean	0.04	0.14	0.01	0.04	0.12	0.02
Variance	0.009	0.022	0.002	0.004	0.006	0.001
Standard Deviation	0.093	0.147	0.044	0.062	0.077	0.026
Coefficient of variation	2.276	1.043	2.982	1.532	0.661	1.634

Table 14-14: Nose Zone Pt g/t statistics for block values and 2 m composites

Type	Composite			Block		
Domain	Global	High Grade	Low Grade	Global	High Grade	Low Grade
Value	Pt g/t	Pt g/t	Pt g/t	Pt g/t	Pt g/t	Pt g/t
Number of samples	8,384	2,262	6,122	407,510	101,920	305,590
Minimum value	0	0	0	0	0	0
Maximum value	1.09	1.09	0.59	0.49	0.49	0.47
Mean	0.03	0.19	0.01	0.03	0.09	0.01
Variance	0.004	0.008	0.001	0.003	0.004	0.001
Standard Deviation	0.063	0.087	0.035	0.054	0.066	0.029
Coefficient of variation	1.995	1.059	2.804	1.599	0.709	2.101

Table 14-15: North Limb Zone Pt g/t statistics for block values and 2 m composites

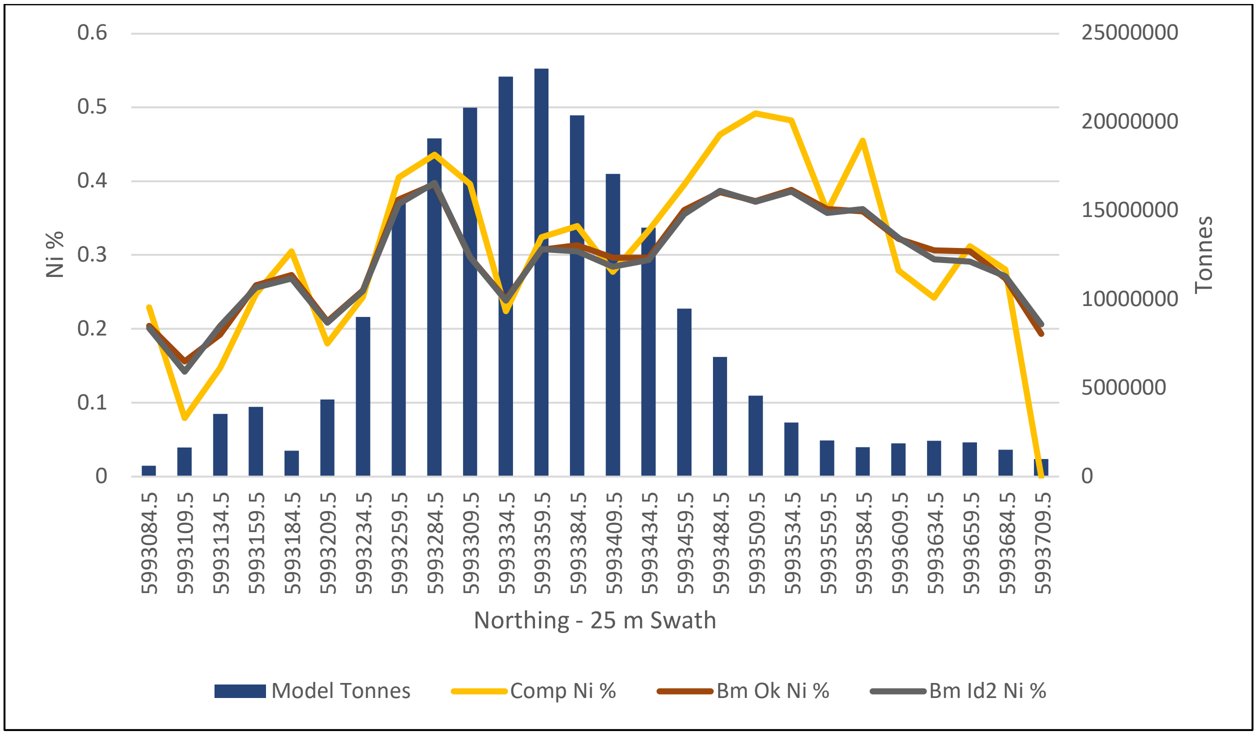
Type	Composite			Block		
Domain	Global	High Grade	Low Grade	Global	High Grade	Low Grade
Value	Pt g/t	Pt g/t	Pt g/t	Pt g/t	Pt g/t	Pt g/t
Number of samples	2,332	480	1,852	359,536	87,808	271,728
Minimum value	0	0	0	0	0	0
Maximum value	0.41	0.40	0.41	0.27	0.27	0.21
Mean	0.02	0.06	0.01	0.02	0.05	0.01
Variance	0.002	0.004	0.000	0.001	0.001	0.000
Standard Deviation	0.040	0.063	0.020	0.025	0.031	0.013
Coefficient of variation	2.012	1.084	2.270	1.283	0.673	1.267

14.4.3 Swath Plots and Comparative Interpolations

Swath plots in the easting, northing, and vertical directions comparing average composite grades and global volume weighted block grades were prepared for each deposit area (Figures 14-33 to 14-42). Swath plots show an acceptable correlation between the two grade populations. Areas of higher variance between composite grades and OK block grades are typically related to low composite density and/or low tonnages.

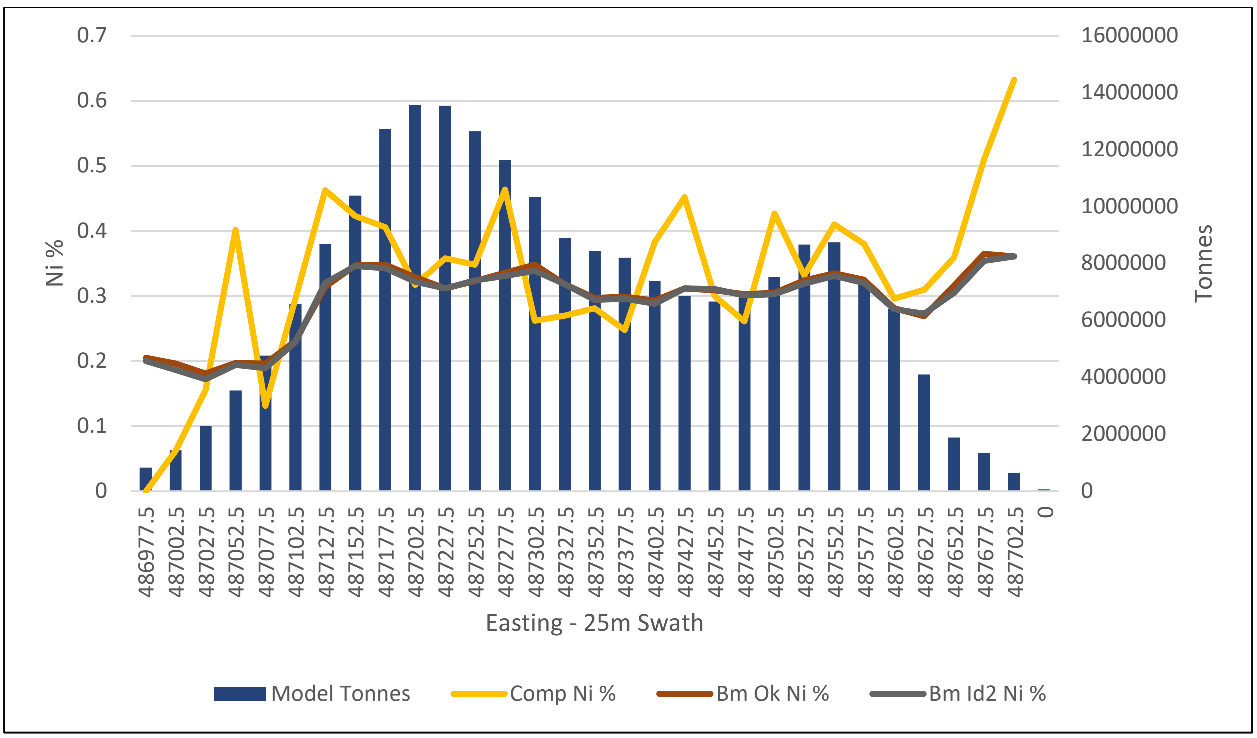
Swath plots include results of comparative interpolation models of nickel percent using inverse distance (ID2) and nearest neighbor (NN) methods. A strong agreement is present between the preferred interpolant and the comparative models, providing an acceptable check.

Figure 14-33: Nose Zone South-North swath plot of block and 2.0 m composite Ni % grades



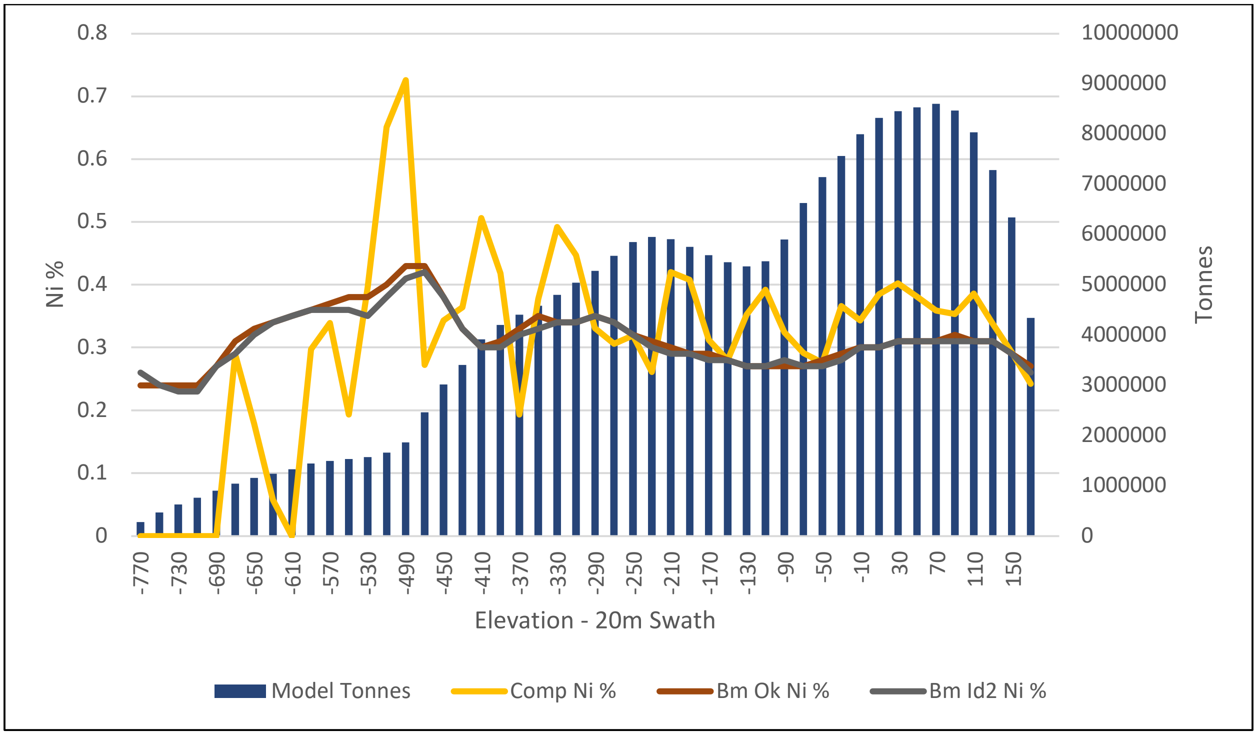
Source: Mercator

Figure 14-34: Nose Zone West-East swath plot of block and 2.0 m composite Ni % grades



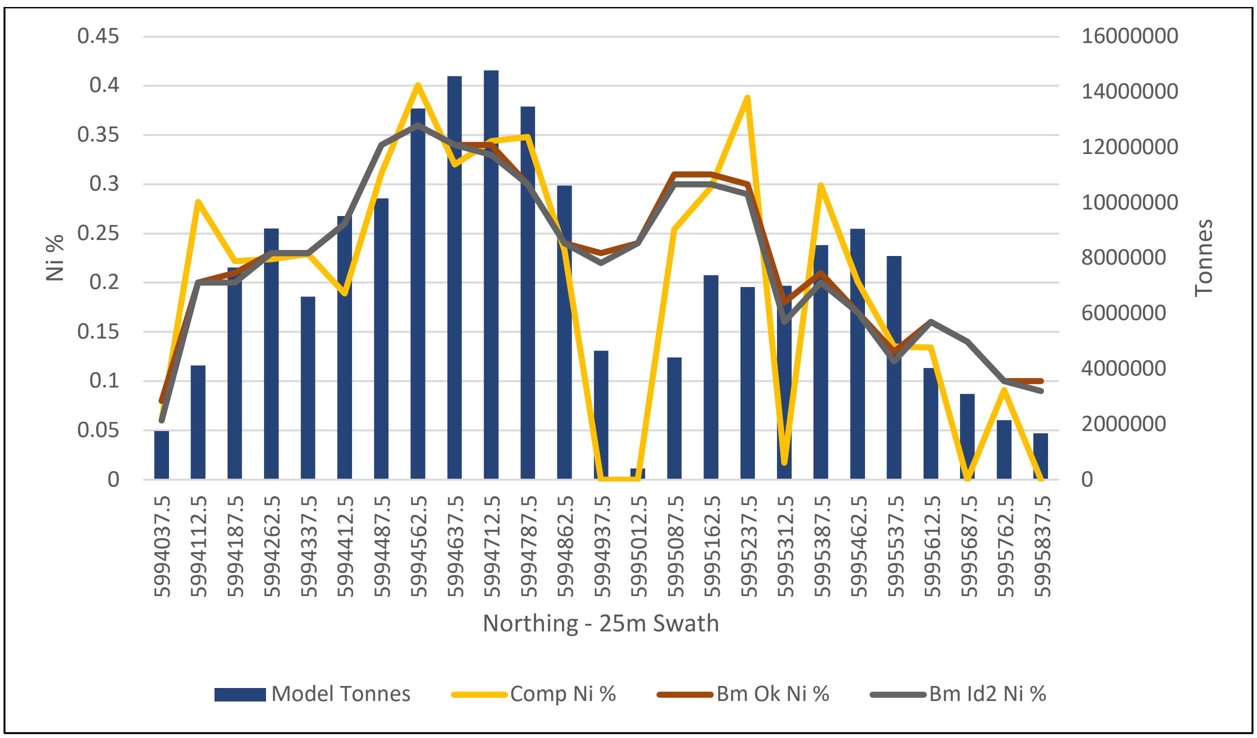
Source: Mercator

Figure 14-35: Nose Zone Elevation swath plot of block and 2.0 m composite Ni % grades



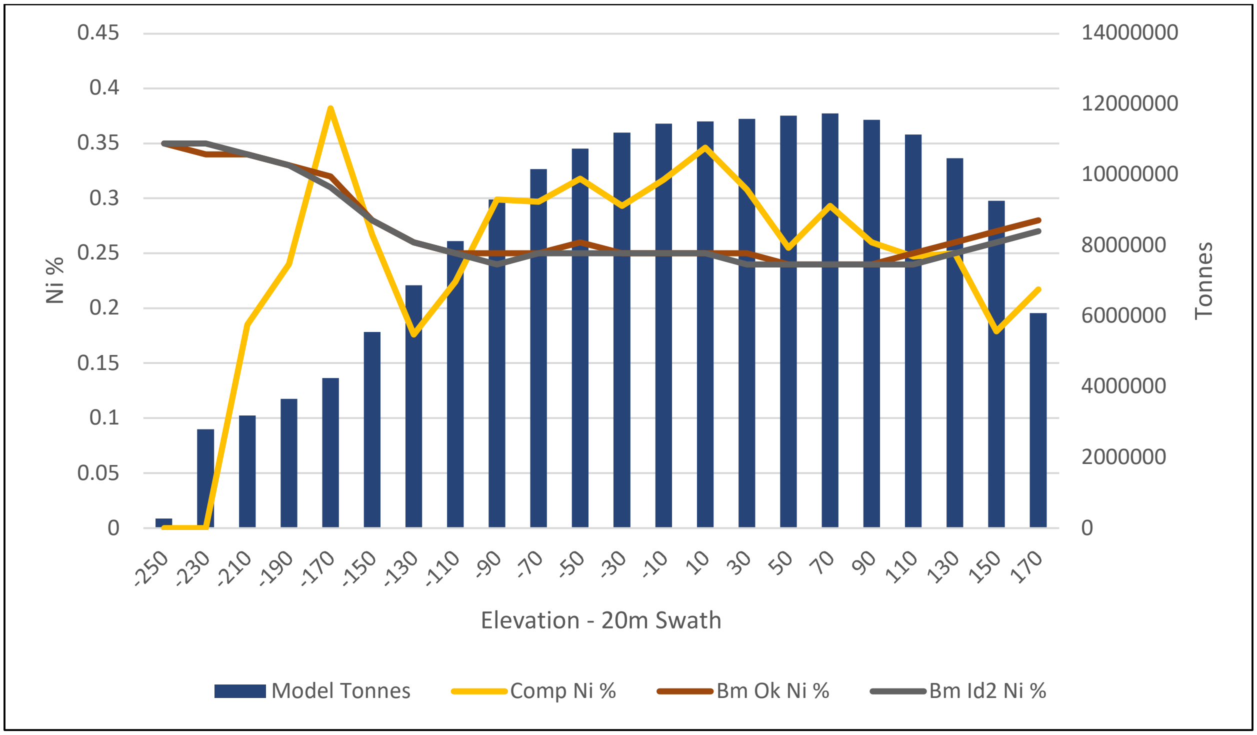
Source: Mercator

Figure 14.36: North Limb Zone South-North swath plot of block and 2.0 m composite Ni % grades



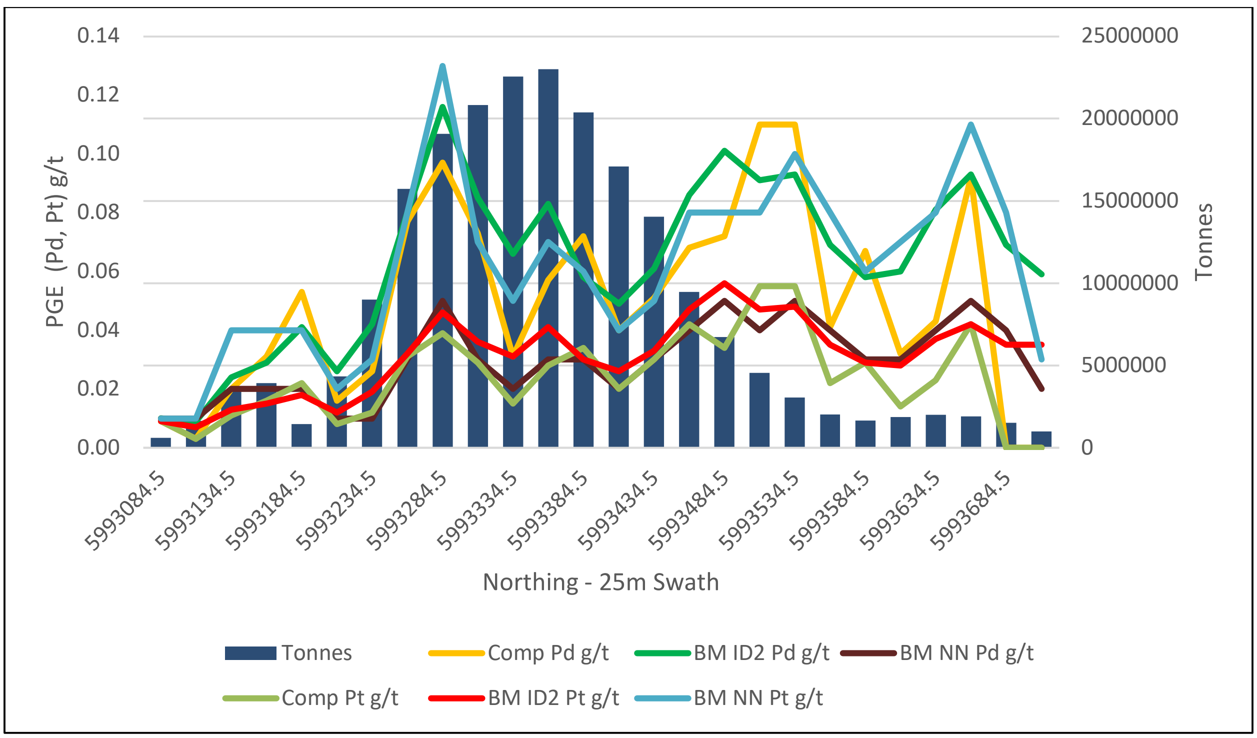
Source: Mercator

Figure 14-37: North Limb Zone Elevation swath plot of block and 2.0 m composite Ni % grades



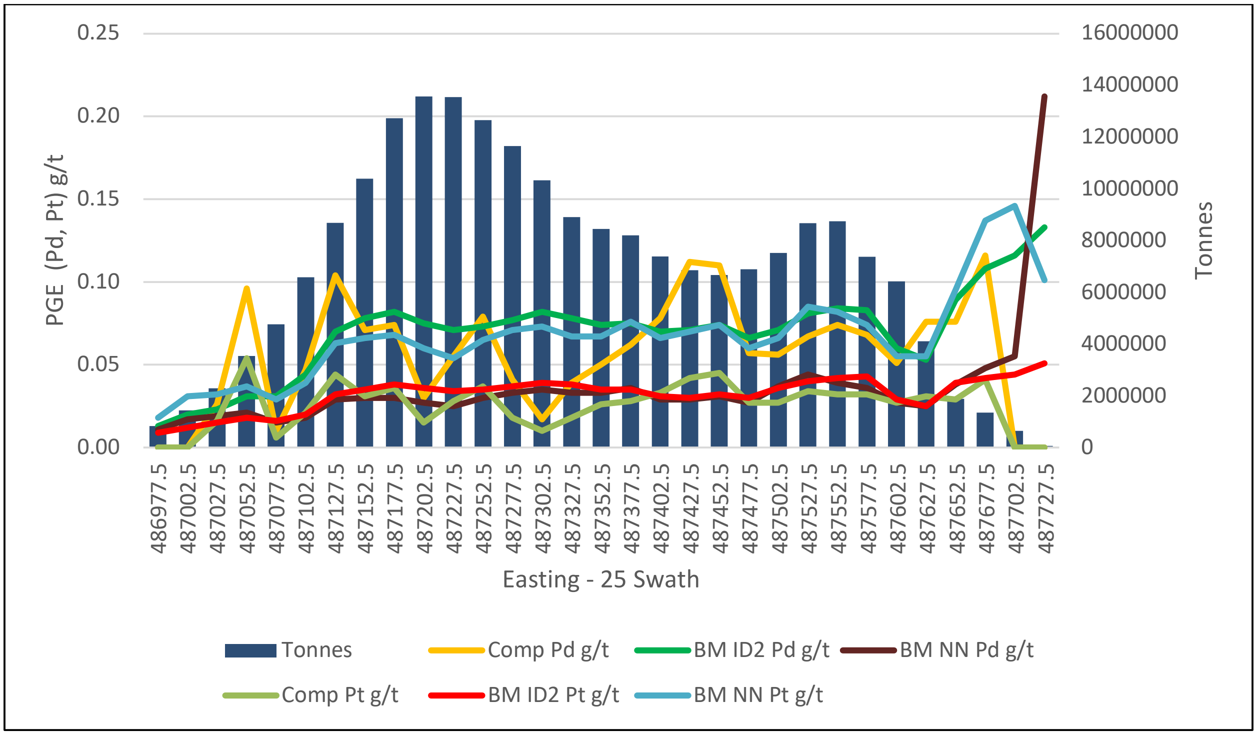
Source: Mercator

Figure 14-38: Nose Zone South-North swath plot of block and 2.0 m composite PGE g/t grades



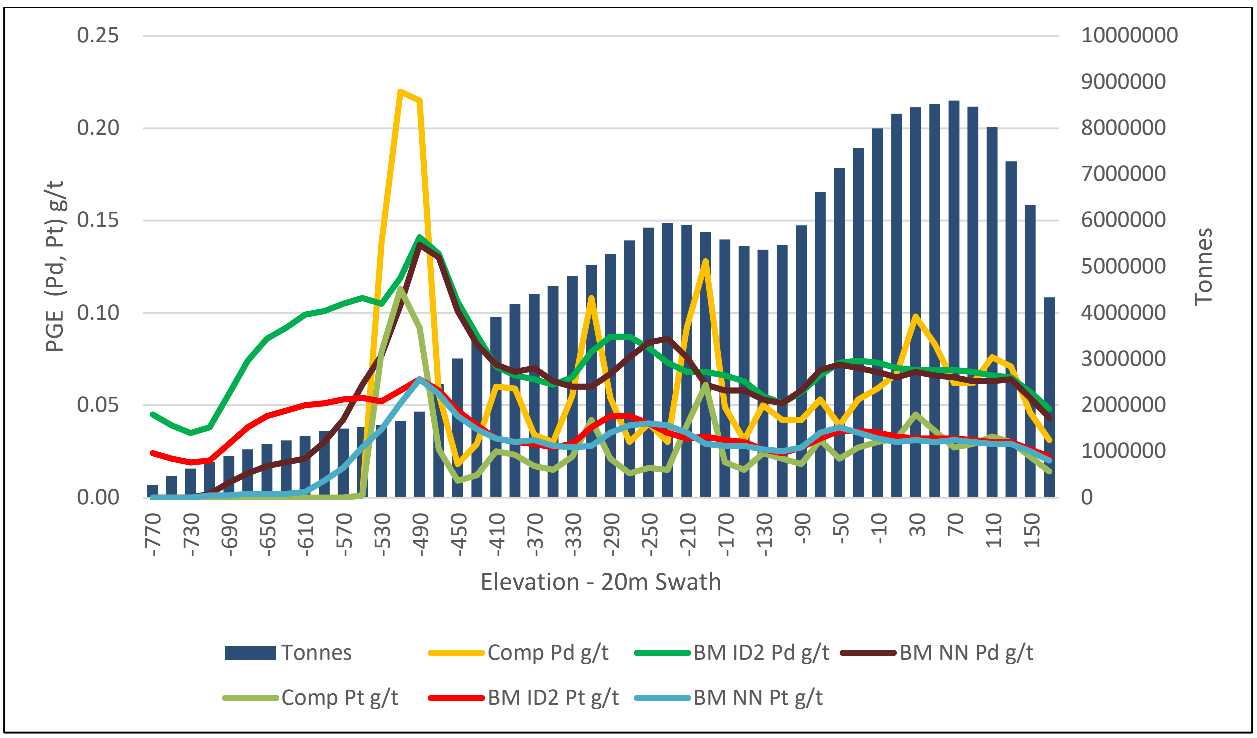
Source: Mercator

Figure 14-39: Nose Zone West-East swath plot of block and 2.0 m composite PGE g/t grades



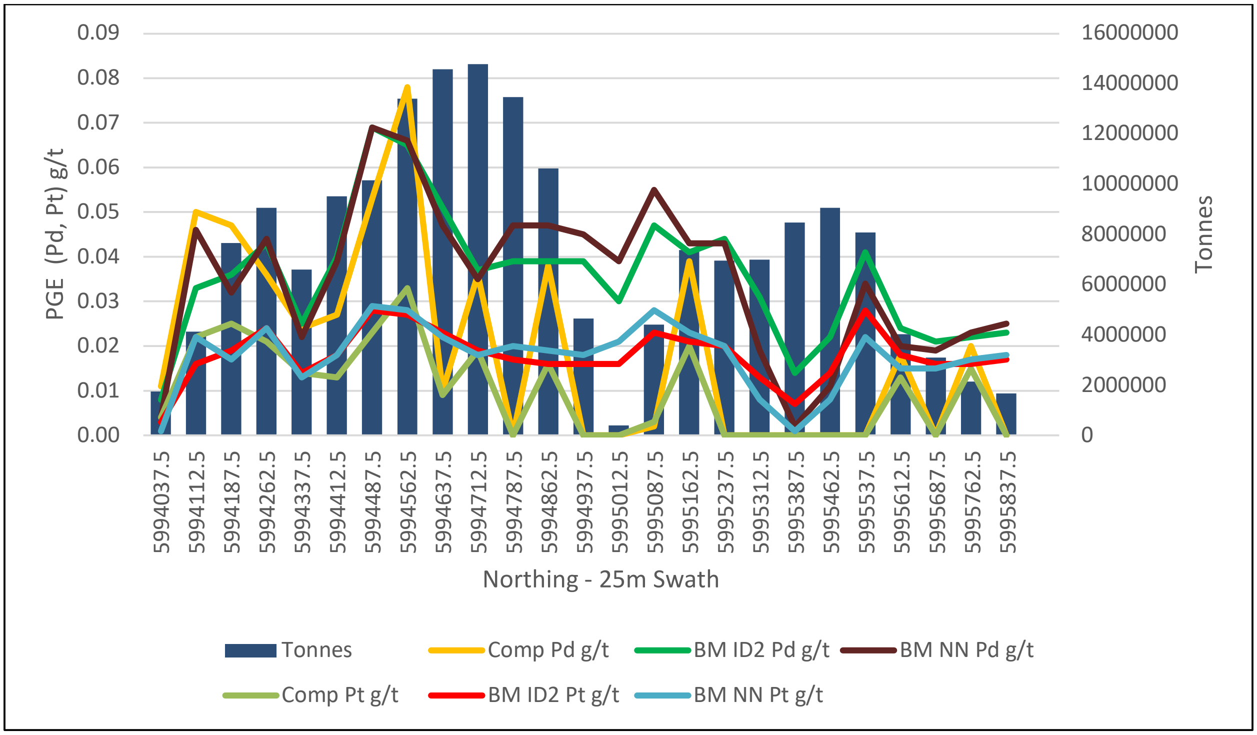
Source: Mercator

Figure 14-40: Nose Zone Elevation swath plot of block and 2.0 m composite PGE g/t grades



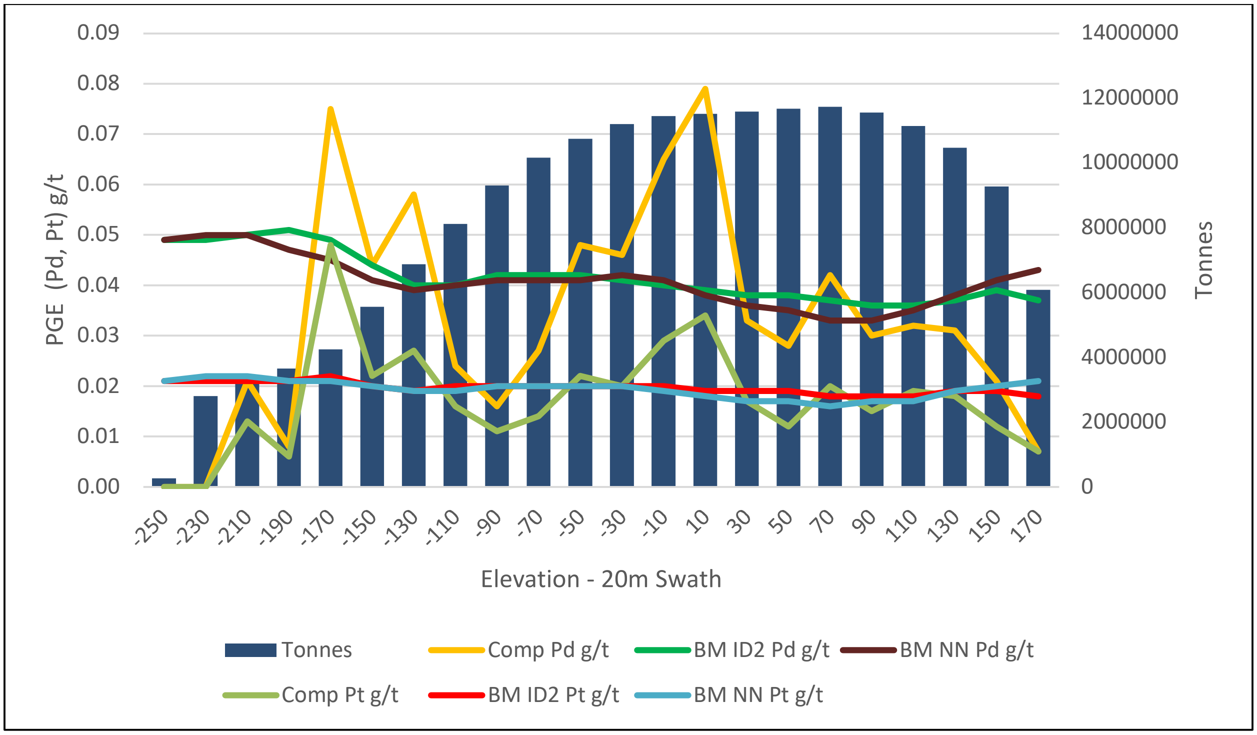
Source: Mercator

Figure 14-41: North Limb Zone South-North swath plot of block and 2.0 m composite PGE g/t grades



Source: Mercator

Figure 14-42: North Limb Zone Elevation swath plot of block and 2.0 m composite PGE g/t grades



Source: Mercator

14.5 Reasonable Prospects for Eventual Economic Extraction

The reasonable prospects for eventual economic extraction requirement set out in the CIM Definition Standards was addressed for the Deposit by means of developing an optimized pit shell to constrain Mineral Resources amenable to open pit mining methods and developing a reasonable cut-off grade to define Mineral Resources amenable to underground mining methods.

The pit shell was generated with Hexagon Mine Plan 3D version 16.03, MineSight® Economic Planner version 4.00-13 software using the Lerchs-Grossman ("LG") algorithm and the input parameters presented in Table 14-16. The reader is cautioned that the results from the pit optimization are used solely for the purpose of addressing reasonable prospects for eventual economic extraction by an open pit mining scenario and do not represent an estimate of Mineral Reserves. The results are used as a guide to assist in the preparation of a MRE and to select an appropriate Mineral Resource reporting cut-off grade.

Table 14-16: Summary of pit optimization parameters

Parameter	Units	Value
Mining Cost – Waste	US$/t	1.35
Incremental Mining Cost - Waste	US$/12m bench below 247 masl	0.03
Mining Cost – Rock Processed	US$/t	1.54
Incremental Mining Cost – Rock Processed	US$/12m bench below 247 masl	0.03
Processing Recovery	NiS %	72.9*
Processing Recovery	Pt (g/t)	44%
Processing Recovery	Pd (g/t)	61%
Processing	US$/t processed	11.64
General and Administrative (G&A)	US$/t processed	3.38
Metal Price	US$/lb Ni	9.20
Metal Price	US$/oz Pt	1,035
Metal Price	US$/oz Pd	1,380
Smelter and Refining Charges	US$/DMT	0**
Payable Assumptions (Nickel, PGM's)	%	75.5, 60
Transportation	US$/DMT	155.91
Exchange Rate	CDN$ to US$	1.35:1.00

*The average NiS recovery above the cut-off grade is 74% (ranging from 47% to 91%), based on previous metallurgical test programs. An average Ni recovery of 50% can be calculated using the average NiS recovery and the average ratio of NiS to Ni (68%) reported above the cut-off grade. Actual NiS recovery is calculated on a block basis by a grade recovery equation detailed in Section 13.3.5.
**Payables were applied that negated the need for smelting and refining charges.

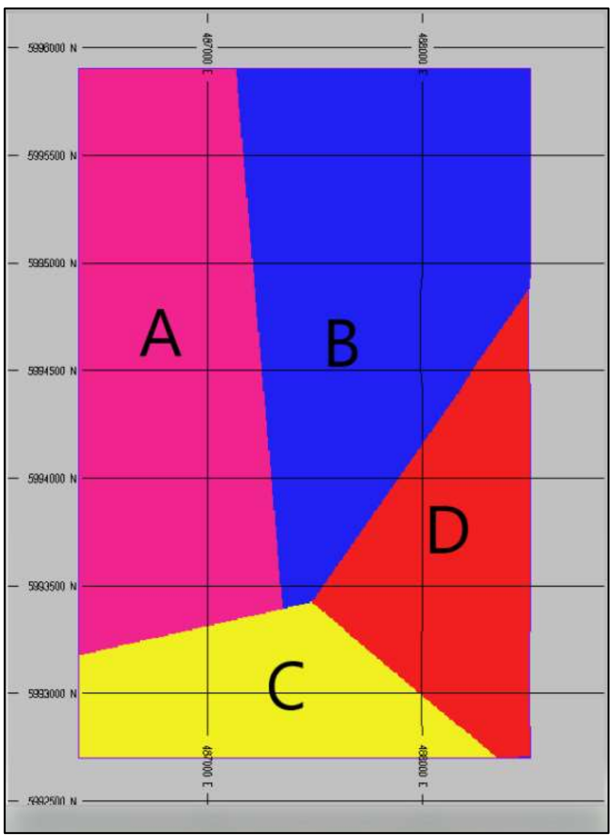
In addition to the parameters described in Table 14-16, a potential frac-sand overburden unit was assigned a value of US$20/t, with a recovery factor of 68.8 %, mining cost of US$1.55/t plus US$0.03/12m below 247 masl, and processing cost of US $6.30/t processed.

Pit slope angles for each lithology are presented in Table 14-17. Country rock pit slopes vary on a spatial sector basis (Figure 14-43).

Table 14-17: Summary of pit slope angles of the optimized pit shell

Lithology	Pit Slope Angle (Degrees)
Overburden	12.0
Mineralized	40.0
Sandstone	51.0
Dolomite	51.0
Regolith	40.0
Country Rock Sector A	46.0
Country Rock Sector B	46.0
Country Rock Sector C	40.0
Country Rock Sector D	46.0

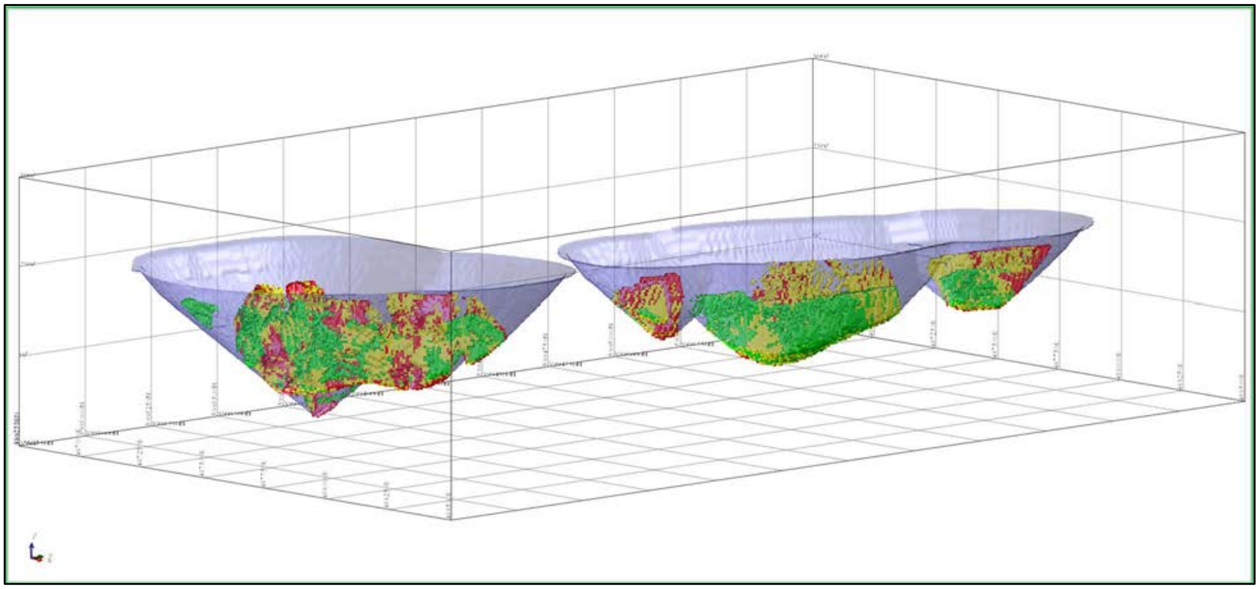
Figure 14-43: Spatial sectors of country rock pit slope angle assignment (UTM NAD83 Zone 14)



Source: Wardrop, 2010

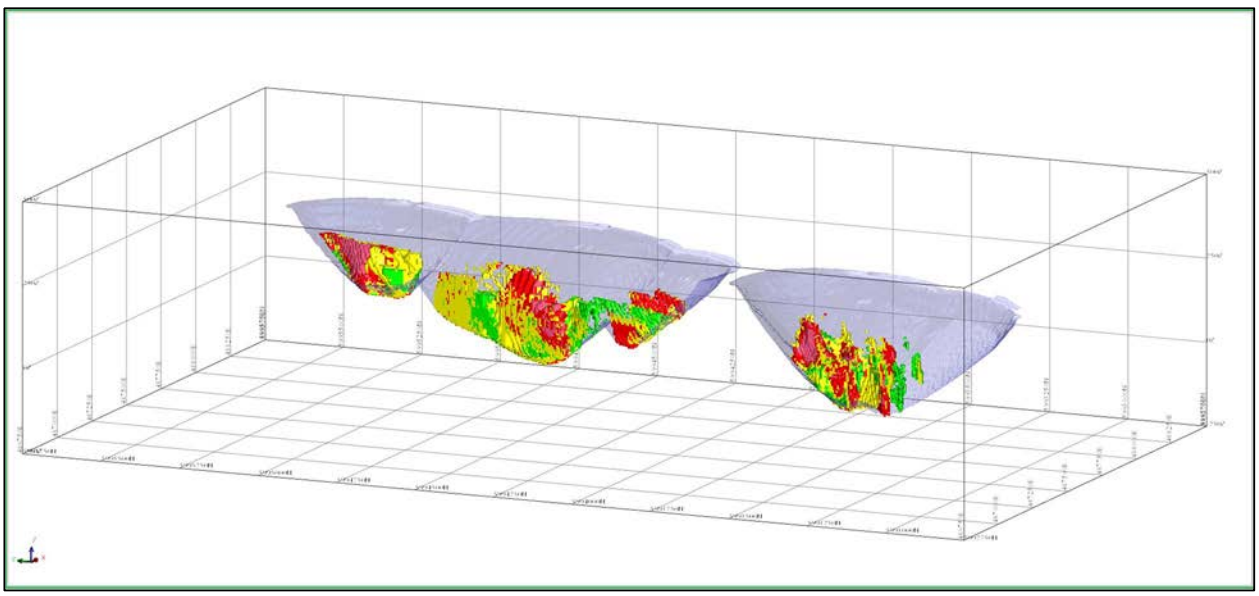
Open Pit mineral resources are reported at a cut-off grade of 0.20 % NiS within the optimized pit shell. The 0.21 % NiS cut-off grade approximates a 0.29 % Ni grade when applying the average ratio sulphide to total nickel for the Mineral Resource. The cut-off grade reflects marginal cut-off grade to define reasonable prospects for eventual economic extraction by open pit mining methods. Results of pit optimization are presented in Figure 14-44 and 14-45. The optimized pit supports an overall 14.8:1 strip ratio (waste to mineralized material).

Figure 14-44: Oblique view looking Northwest of the Deposit optimized pit shell (Ni % Block Values: Blue 0.10 – 0.21 %, Green 0.21 – 0.50 %, Yellow 0.50 – 0.75 %, Red 0.75 – 1.0 %, Pink > 1.0 %)



Source: Mercator

Figure 14-45: Sectional view looking East of the Deposit optimized pit shell (Ni % Block Values: Blue 0.10 – 0.21 %, Green 0.21 – 0.50 %, Yellow 0.50 – 0.75 %, Red 0.75 – 1.0 %, Pink > 1.0 %)



Source: Mercator

Underground Mineral Resources are reported at a cut-off grade of 0.58 % NiS. The 0.58 % NiS cut-off grade approximates a 0.75 % Ni grade when applying the average ratio of sulphide nickel to total nickel for the Mineral Resource. The cut-off grade reflects total operating costs of US$59.47/t processed and an average sulphide nickel recovery above the cut-off grade of 87% (ranging from 81% to 91%) to define reasonable prospects for eventual economic extraction by bulk underground mining methods. Scattered blocks that do not demonstrate continuity with adjacent mineral resources were assessed to not support reasonable prospects for eventual economic extraction and were excluded from reporting.

14.6 Resource Category Parameters Used in Current Mineral Resource Estimate

Definitions of Mineral Resources and associated Mineral Resource categories used in this Technical Report are those set out in the CIM Definition Standards.

Several factors were considered in defining resource categories, including drill hole spacing, geological interpretations and number of informing assay composites and average distance of assay composites to block centroids. Mineral Resource categorization was primarily based on the nickel grade estimate as nickel is the primary metal of economic interest. Specific definition parameters for each resource category applied are set out below.

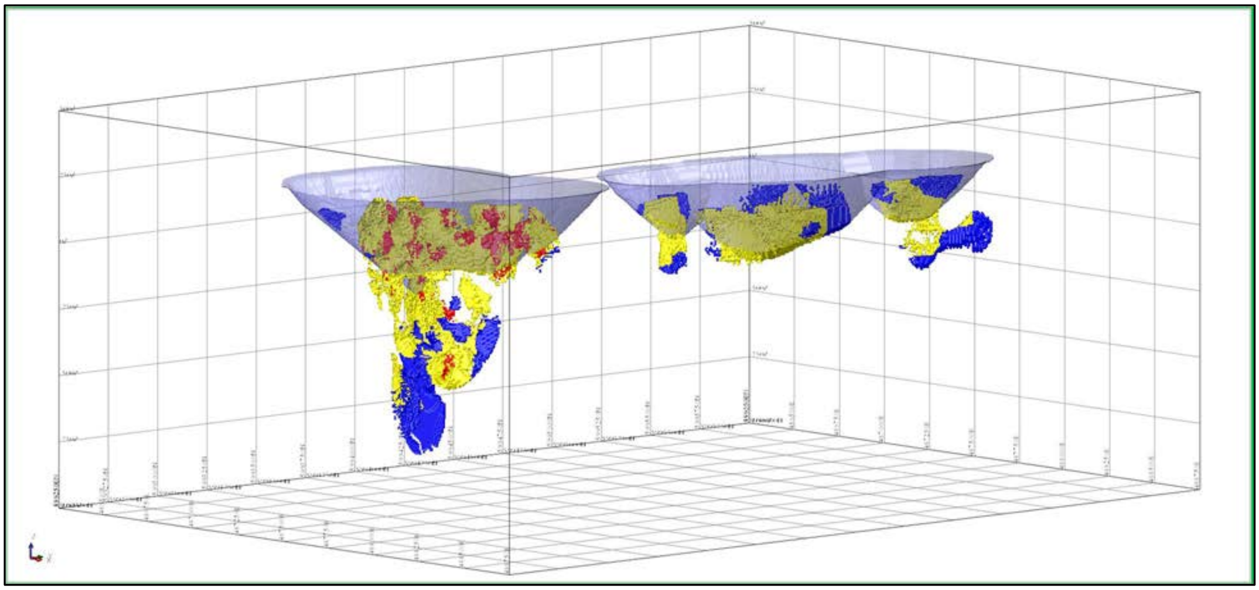
Measured Resource: Measured Mineral Resources are defined as all blocks with interpolated nickel grades from the first interpolation passes that meet the specified pit-constrained or underground cut-off grade.

Indicated Resource: Indicated Mineral Resources are defined as all blocks with interpolated nickel grades from the first and second interpolation passes that were not previously assigned to the Measured category and meet the specified pit-constrained or underground cut-off grade.

Inferred Resources: Inferred Mineral Resources are defined as all blocks with interpolated nickel grades from the first, second, and third interpolation passes that were not previously assigned to the Measured or Indicated category and meet the specified pit-constrained or underground cut-off grade.

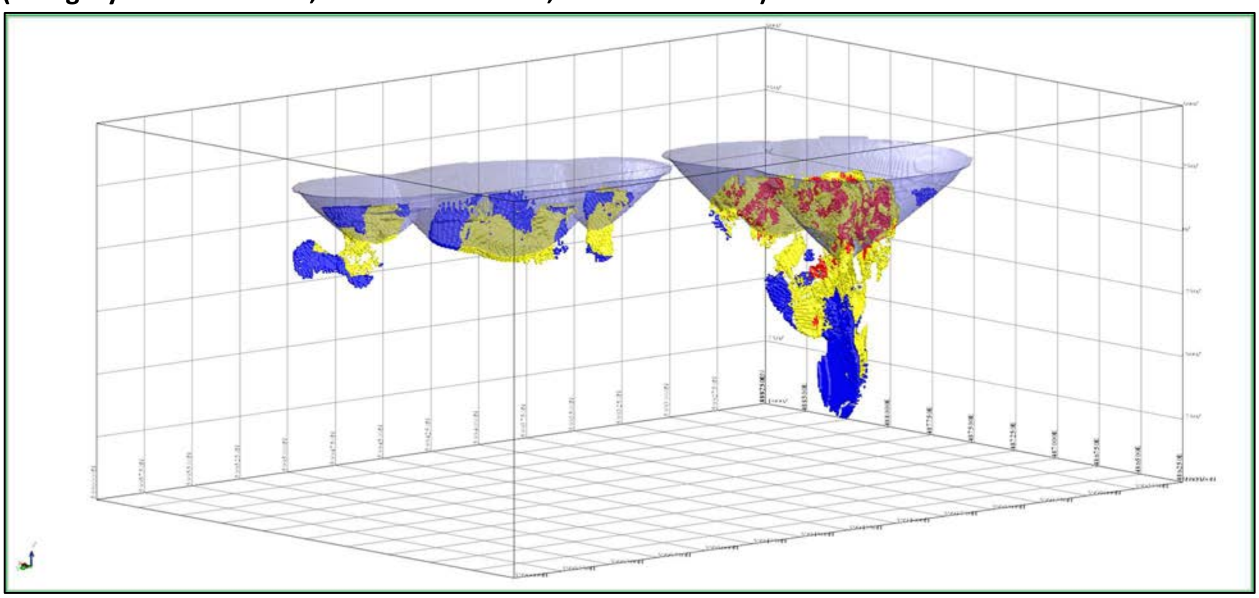
Application of the selected Mineral Resource categorization parameters specified above defined distribution of Measured, Indicated and Inferred Mineral Resource estimate blocks within the block model. To minimize isolated and irregular Indicated and Inferred category assignment artifacts, the peripheral limits of blocks in close proximity to each other that share the same category designation and demonstrate reasonable continuity were wireframed and developed into discrete solid models. All blocks within these “category” solid models were re-classified to match that model’s designation. This process resulted in more continuous zones of Indicated and Inferred MRE categories and limited occurrences of orphaned blocks of one category as imbedded patches in other category domains. Mineral Resource category distribution demonstrates acceptable continuity of each category designation (Figures 14.34 to 14.39). Measured Mineral Resources are restricted to the Nose Zone that is supported by a higher density of core drilling.

Figure 14-46: Oblique view to the Northwest of Mineral Resource categorization with pit shell in grey (Category: Blue - Inferred, Yellow – Indicated, Red – Measured)



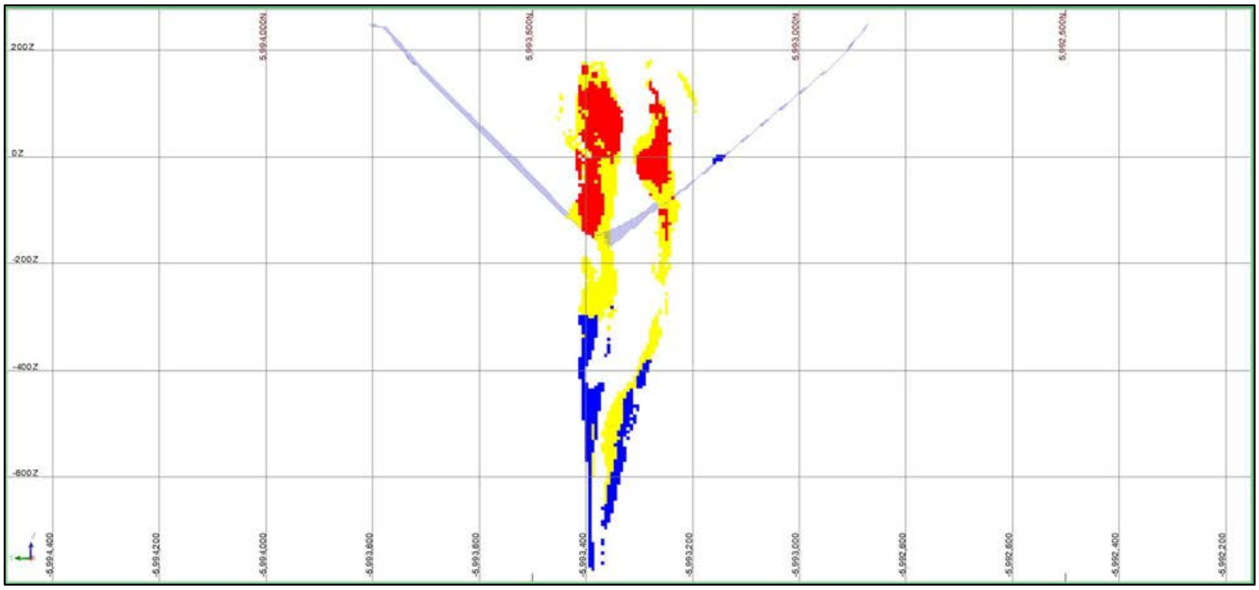
Source: Mercator

Figure 14-47: Oblique view to the Southeast of Mineral Resource categorization with pit shell in grey (Category: Blue - Inferred, Yellow – Indicated, Red – Measured)



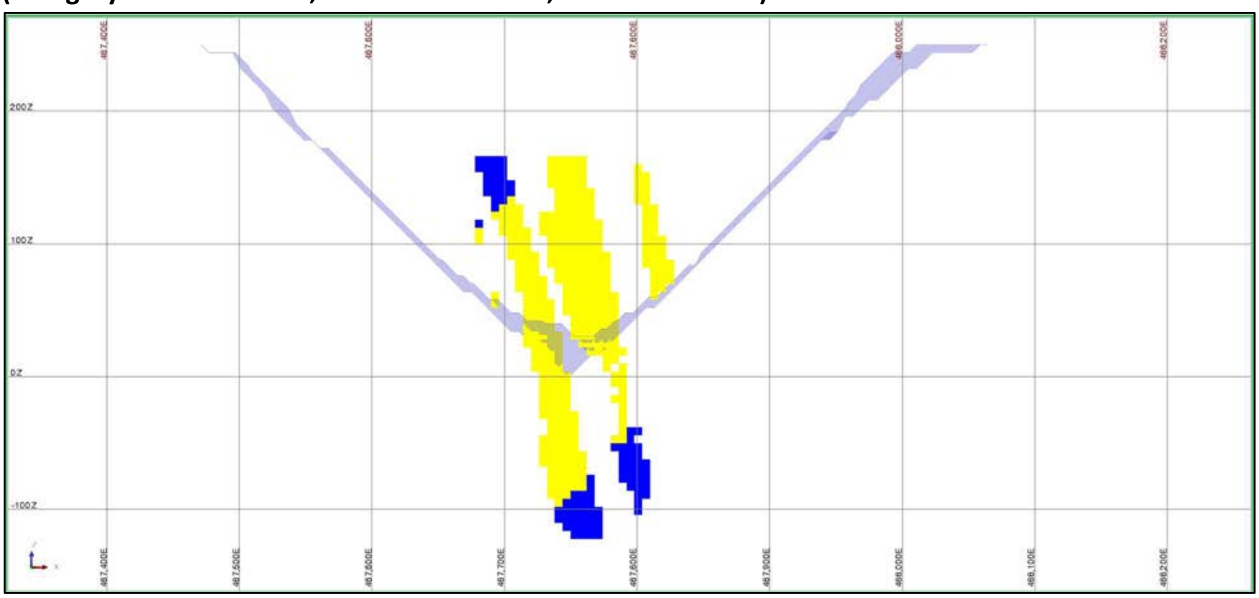
Source: Mercator

Figure 14-48: Section 487275E (looking East) of Mineral Resource categorization with pit shell in grey (Category: Blue - Inferred, Yellow – Indicated, Red – Measured)



Source: Mercator

Figure 14.49: Section 5994220N (looking North) of Mineral Resource categorization with pit shell in grey (Category: Blue - Inferred, Yellow – Indicated, Red – Measured)



Source: Mercator

14.7 Statement of Mineral Resource Estimate

Block grade, block density and block volume parameters for the Minago Deposit were estimated using methods described in preceding sections of this Technical Report. Subsequent application of resource category parameters set out above resulted in the MRE presented in Table 14-18. Mineral Resources assigned to the Nose Zone and North Limb Zone of the Minago Deposit are presented in Table 14-19 and Table 14-20.

Table 14-18: Minago Project Mineral Resource Estimate – Effective Date: March 18, 2024*

Type	Ni % Cut-off	Category	Tonnes (Millions)	Ni %	NiS %	Pd g/t	Pt g/t
In-Pit	0.29	Measured	11.53	0.74	0.53	0.21	0.09
		Indicated	24.44	0.63	0.43	0.16	0.07
		Measured and Indicated	35.97	0.67	0.46	0.18	0.08
		Inferred	3.14	0.66	0.35	0.14	0.06
Underground	0.75	Measured	0.39	0.97	0.75	0.28	0.12
		Indicated	7.08	0.97	0.75	0.29	0.12
		Measured and Indicated	7.47	0.97	0.75	0.29	0.12
		Inferred	6.05	0.97	0.75	0.18	0.08
Combined	0.29/0.75	Measured	11.92	0.75	0.54	0.22	0.09
		Indicated	31.52	0.71	0.50	0.19	0.08
		Measured and Indicated	43.44	0.72	0.51	0.20	0.09
		Inferred	9.20	0.86	0.61	0.16	0.07

***Mineral Resource Estimate Notes:**

1.Mineral resources were prepared in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (MRMR) (2014) and CIM MRMR Best Practice Guidelines (2019).

2. In-Pit Mineral Resources are defined within an optimized pit shell with pit slope angles ranging between 40^o and 51^o and overall 14.8:1 strip ratio (waste : mineralized material).

3. An exchange rate of 1.35 CAN$/US$ was applied. All prices are in US$ currency.

4. Pit optimization parameters include: metal pricing at $9.20/lb Ni, $1,035/oz Pt, $1,380/oz Pd; costs for mining at $1.35/t waste and $1.54/t processed and an incremental mining cost of $0.03/12m below 244 masl, processing at $11.64/t processed, G&A at $3.38/t processed; recoveries to concentrate of 72.9% sulphide Ni (NiS) (average recovery above the cut-off grade ranging from 45.6% to 91.1%), 44% Pt, and 61% Pd; and a 60% concentrate payable for Pt and Pd. An average Ni recovery of 50% can be calculated using the average NiS recovery and the average ratio of NiS to Ni (68%) reported above the cut-off grade. A potential frac-sand overburden unit was assigned a value of $20/t, a recovery factor of 68.8 %, mining cost of $1.54/t plus $0.03/12m below 244 masl, and processing cost of $6.30/t processed.

5. In-Pit Mineral Resources are reported at a cut-off grade of 0.20 % NiS within the optimized pit shell. The 0.20 % NiS cut-off grade approximates a 0.29 % Ni grade when applying the average ratio of NiS to total Ni for the In-Pit Mineral Resource. The cut-off grade reflects the marginal cut-off grade to define reasonable prospects for eventual economic extraction by open pit mining methods.

6. Underground Mineral Resources are reported at a cut-off grade of 0.58 % NiS. The 0.58 % NiS cut-off grade approximates a 0.75 % Ni grade when applying the average ratio of NiS to Ni (77%) for the Underground Mineral Resource. The cut-off grade reflects total operating costs of $59.46/t processed and

an average sulphide NiS recovery above the cut-off grade of 87% (ranging from 81% to 91%) to define reasonable prospects for eventual economic extraction by underground mining methods.
7. Deposit grades were estimated from 2 m downhole assay composites using Ordinary Kriging for Ni % and Inverse Distance Squared for Pd g/t and Pt g/t. No grade capping was applied. NiS % block values were calculated from Ni % block values using a regression curve based on Ni and NiS drilling database assay values. Model block size is 6 m (x) by 6 m (y) by 6 m (z).
8. Bulk density was applied on a lithological model basis and reflects averaging of bulk density determinations for each lithology.
9. Mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
10. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
11. Mineral resource tonnages are rounded to the nearest 10,000.

Table 14-19: Nose Zone Mineral Resource Estimate – Effective Date: March 18, 2024*

Type	Ni % Cut-off	Category	Tonnes (Millions)	Ni %	NiS %	Pd g/t	Pt g/t
In-Pit	0.29	Measured	11.53	0.74	0.53	0.21	0.09
		Indicated	11.05	0.70	0.48	0.20	0.09
		Measured and Indicated	22.58	0.72	0.51	0.21	0.09
		Inferred	0.11	0.38	0.23	0.02	0.01
Underground	0.75	Measured	0.39	0.97	0.75	0.28	0.12
		Indicated	6.49	0.98	0.76	0.30	0.13
		Measured and Indicated	6.88	0.98	0.76	0.30	0.13
		Inferred	5.40	0.98	0.76	0.18	0.09
Combined	0.29/0.75	Measured	11.92	0.75	0.54	0.22	0.09
		Indicated	17.54	0.80	0.58	0.24	0.10
		Measured and Indicated	29.46	0.78	0.56	0.23	0.10
		Inferred	5.51	0.97	0.75	0.18	0.08

* The Nose Zone Mineral Resource forms part of the total Project Mineral Resource. See detailed notes on Mineral Resources in Table 14-18.

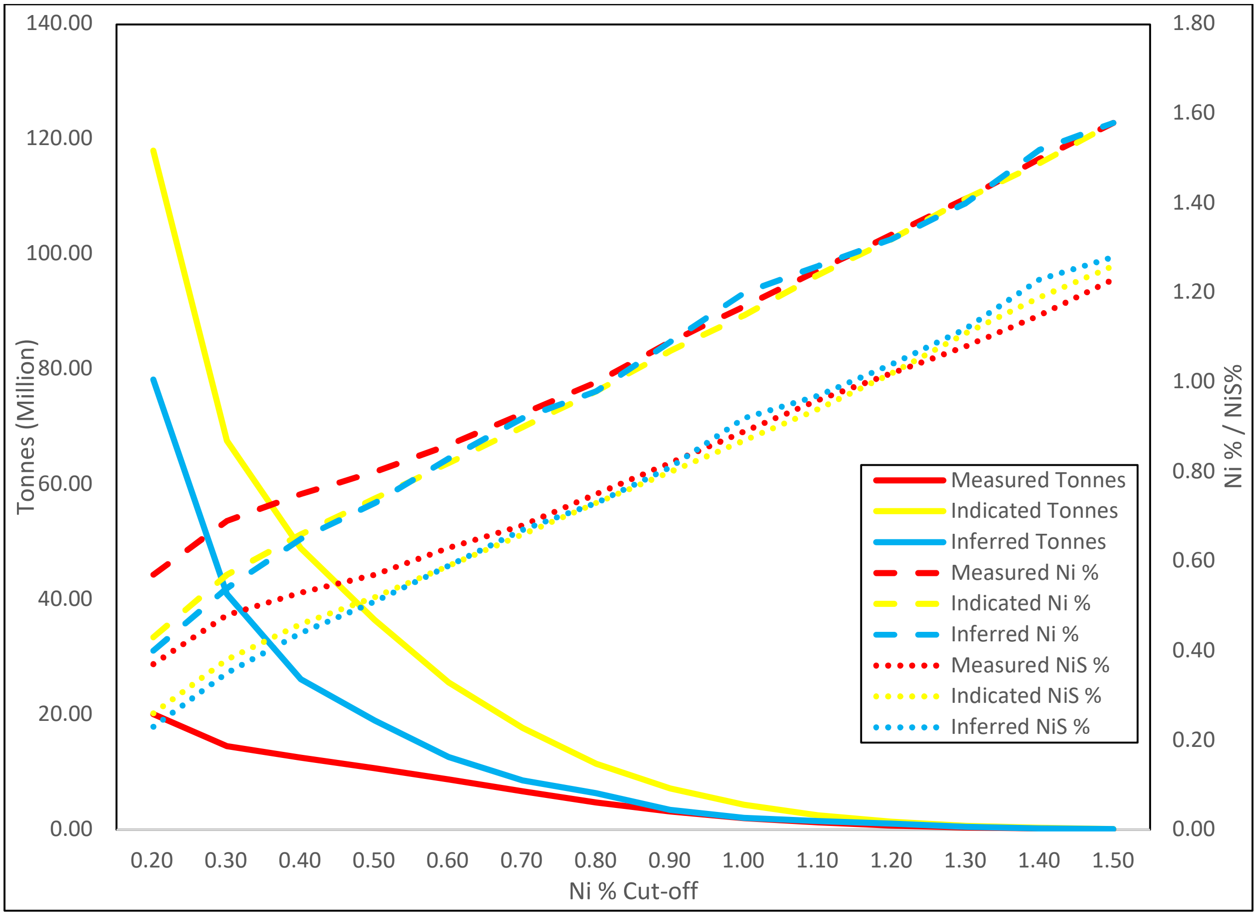
Table 14-20: North Limb Zone Mineral Resource Estimate – Effective Date: March 18, 2024*

Type	Ni % Cut-off	Category	Tonnes (Millions)	Ni %	NiS %	Pd g/t	Pt g/t
Open Pit	0.29	Measured					
		Indicated	13.39	0.57	0.38	0.13	0.06
		Measured and Indicated	13.39	0.57	0.38	0.13	0.06
		Inferred	3.04	0.67	0.36	0.14	0.06
Underground	0.75	Measured					
		Indicated	0.59	0.86	0.65	0.22	0.10
		Measured and Indicated	0.59	0.86	0.65	0.22	0.10
		Inferred	0.65	0.88	0.67	0.14	0.05
Combined	0.29/0.75	Measured					
		Indicated	13.98	0.58	0.39	0.14	0.06
		Measured and Indicated	13.98	0.58	0.39	0.14	0.06
		Inferred	3.69	0.71	0.41	0.14	0.06

* The North Limb Zone Mineral Resource forms part of the total Project Mineral Resource.
See detailed notes on Mineral Resources in Table 14-18.

Figure 14-50 illustrates the relationship of nickel percent grade to Deposit tonnage and does not constitute part of the MRE.

Figure 14-50: Ni % and tonnage relationship



Notes:
This figure shows the relationship between Deposit tonnage and Ni % cut-off grade and does not constitute part of March 18, 2024 MRE. See detailed notes on Mineral Resources in Table 14-18.

14.8 Project Risks that Pertain to the Mineral Resource Estimate

Factors that may materially impact the Project Mineral Resource include, but are not limited to, the following:

- Changes to the long-term nickel, platinum, and palladium price assumptions including unforeseen long-term negative market pricing trends and changes to the CA$:US$ exchange rate.
- Changes to the deposit scale interpretations of mineralization geometry and continuity.
- Inaccuracies of deposit modelling and grade estimation programs with respect to actual metal grades and tonnages contained within the deposit. Mineralization models are inclusive of barren granitic material which will have a dilutive effect on the Mineral Resource.
- Included serpentinite intervals without complete platinum and palladium sampling were infilled by regression equations with total nickel prior to the development of downhole assay composites. This approach will have limitations with respect to local grade variability and precision.

- Sulphide nickel percent block values are assigned based on regression equations with total nickel and have limitations with respect to local variability and precision.
- Mineral Resource density is assigned based on average values for lithological units and has limitations with respect to local variability and precision.
- Changes to the input values for mining, processing, and G&A costs to constrain the Mineral Resource. The Mineral Resource pit optimization assigns value to a frac-sand overburden unit based on historical studies, however, that value is not guaranteed to be realized.
- Changes to metallurgical recovery assumptions including metallurgical recoveries that fall outside economically acceptable ranges. Advanced metallurgical test work on the recovery of platinum and palladium has not been completed.
- Variations in geotechnical, hydrological, and mining assumptions.
- Changes in the assumptions of marketability of the final product.
- Issues with respect to mineral tenure, land access, land ownership, environmental conditions, permitting, and social license.

At this time, the QP does not foresee any significant risks and uncertainties that could reasonably be expected to affect the reliability or confidence in the drilling information and MRE disclosed in this Technical Report.

14.9 Comparison with Previous Mineral Resource Estimates

14.9.1 Historical Mineral Resource Estimates

Previous operators Amax, Granges, and Black Hawk completed 7 historical resource evaluations for the Deposit between 1972 to 1991 period. These historical assessments were completed prior to the introduction of NI 43-101 and CIM definition standards and guidelines and therefore do not conform to current disclosure standards and are considered unreliable. These historical evaluations are no longer relevant as they have been superseded by the MRE disclosed in Section 14 of this Technical Report.

Wardrop completed a historical resource estimate in 2009 for the Project for previous operator Victory Nickel (Victory Nickel, 2009) as discussed in Section 6.7 of this Technical Report. The historical estimate was completed in accordance with the CIM Definition Standards and Best Practice Guidelines current at that time. The 2009 historical estimate has been superseded by the current MRE disclosed in Section 14 of this Technical Report. The current mineral resource estimate and the historical 2009 estimate apply similar methodologies. The changes in methodology between the current Mineral Resource and the historical geological model can be summarized as follows:

- The current resource model defines Mineral Resources for both the Nose Zone and North Limb Zone of the Deposit. The historical estimate defined Mineral Resources only for the Nose Zone.
- The current model applies high grade corridors within lower grade envelops, as opposed to application of only larger low-grade shells as in the historical estimate. Grade domain solid models control sample selection and block grade assignment during interpolation and the

application of a high grade / low grade domain model distributes total nickel content more appropriately.

- The current resource model excludes specific low-grade intervals from downhole assay compositing on the basis of poor sampling frequency. This pertains to drill holes completed during the Black Hawk historical drilling programs that were focused on definition of higher-grade nickel mineralization. Intercepts accepted for compositing in the current model were assigned a “0” % nickel value for unsampled intervals. This approach differs from historical estimates that assigned “0” % nickel values for all unsampled intervals inside the low-grade shells. Not all low grade shell hole intercepts were accepted for the current estimation program due to the noted irregular sampling density.
- The current resource model estimates block sulphide nickel values from regression equations derived from modelled Low and High NiS:Ni zones. The historical estimate applied regression equations to back-flagged core assays missing sulphide nickel values and completed an interpolated sulphide nickel model using total nickel interpolation parameters. The current approach is viewed to be more adherent to the sulphide nickel distribution interpreted from drill core results.
- The current resource model assigns block specific gravity based on a combination of interpreted lithology and NiS:Ni ratio solid models. The historical estimate assigned specific gravity based on a statistically derived lithology model. The current model returned an average specific gravity of 2.53 for the block model above a 0.20 % nickel cut-off and 2.54 above the Mineral Resource cut-off. These values compare more favorably with the global average serpentinite specific gravity of 2.51 than the average specific gravity of 2.62 in the historical estimate (above a 0.25 % nickel cut-off).
- The current mineral resource applies “reasonable prospects for eventual economic extraction” to define Mineral Resources for the Deposit. This reflects application of operating, recovery, and cost parameters deemed appropriate for the Deposit and proposed mining scenarios. Mineral Resources potentially amenable to conventional open pit and bulk underground mining methods were defined in the current estimate using cutoffs and parameters appropriate with each approach, including an optimized pit shell for open pit Mineral Resources. In addition, current Mineral Resources are reported using a sulphide nickel cut-off value. The historical estimate reported overall tonnage, average nickel grade, and average sulphide nickel grade using a 0.25 % nickel cut-off without application of an optimized pit shell and without assessment of appropriate cutoffs for Mineral Resources amenable to conventional open pit or bulk underground methods.
- The current Mineral Resource reports higher tonnage and average nickel and sulphide nickel grades than the historical estimate. The increase in tonnage reflects the inclusion of both the Nose Zone and North Zone in the current MRE. Increase in average grades reflects application of open pit and underground sulphide nickel cut-off grades and parameters. The current Mineral Resource estimate reflects an increase of approximately 10% in Mineral Resources for the Project compared to the historical estimate.

14.9.2 Flying Nickel 2021 Mineral Resource Estimate

Mercator completed a MRE with an effective date of July 2, 2021 for the Project. The estimate was completed in accordance with the CIM Definition Standards and Best Practice Guidelines current at that time. The 2021 estimate has been superseded by the current MRE disclosed in Chapter 14 of this Technical Report. The current MRE is based on an updated drill hole database that includes the historical drill hole data in addition to the 2022 Flying Nickel drill program and 2023 PGE resample program. Overall similar methodologies were applied between the two estimates. Notable differences include the evaluation of platinum and palladium in the Mineral Resource and updating parameters to define reasonable prospects for eventual economic extraction.

The 2021 open pit Mineral Resource was reported at a cut-off grade of 0.18 % NiS within the optimized shell and the current open pit Mineral Resource is reported at a cut-off grade of 0.20% NiS within the optimized shell. The current pit has optimized a larger tonnage of material in the North Limb Zone and as a result the open pit Mineral Resource has increased. This is attributed to additional drill hole information, refinements in Mineral Resource methodologies, and updated reasonable prospects for eventual economic extraction parameters used to define Mineral Resources.

The 2021 estimate reported underground mineral resources at a cut-off grade of 0.36 % NiS using total operating costs of US$41.72/t processed to define reasonable prospects for eventual economic extraction by bulk underground mining methods. The current estimate reports underground Mineral Resources at a cut-off grade of 0.58 % NiS using total operating costs of US$59.46/t processed to define reasonable prospects for eventual economic extraction by bulk underground mining methods. As such, there has been a substantial decrease in the current underground Mineral Resource compared to the 2021 estimate.

The differences in pit optimization parameters for definition of open pit Mineral Resources are tabulated in Table 14-21.

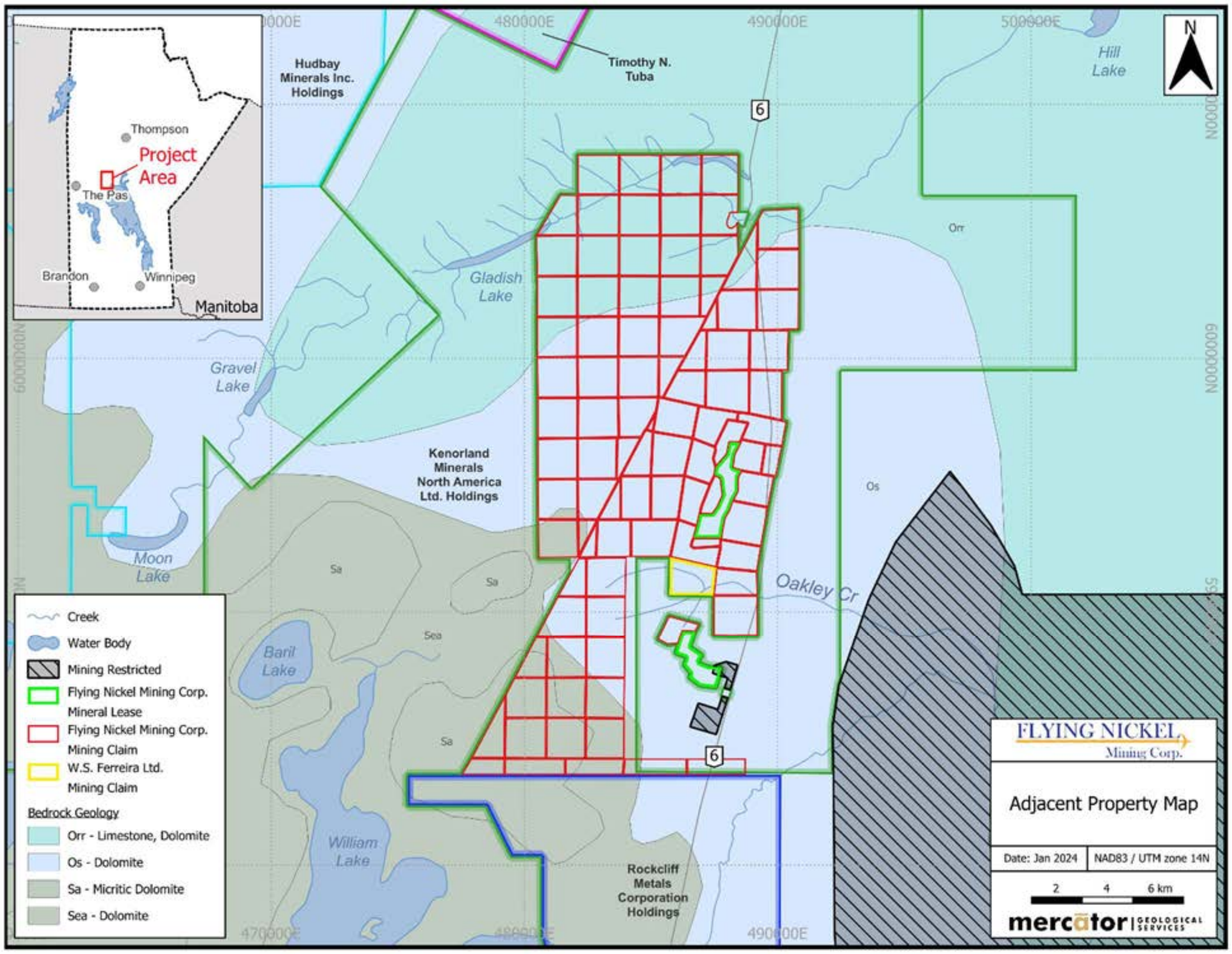
Table 14-21: Summary of pit optimization input values between the 2024 and 2021 MRE

Parameter	Units	2024 Value	2021 Value
Mining Cost – Waste	US$/t	1.35	1.77
Incremental Mining Cost - Waste	US$/12m bench below 244 masl	0.03	-
Mining Cost – Rock Processed	US$/t	1.54	1.77
Incremental Mining Cost – Rock Processed	US$/12m bench below 244 masl	0.03	-
Processing Recovery	NiS %	72.9 %	78
Processing Recovery	Pt (g/t)	44%	
Processing Recovery	Pd (g/t)	61%	
Processing	US$/t processed	11.64	7.62
General and Administrative (G&A)	US$/t processed	3.38	3.33
Metal Price	US$/lb Ni	9.20	7.80
Metal Price	US$/oz Pt	1,035	
Metal Price	US$/oz Pd	1,380	
Exchange Rate	Cdn$ to US$	1.35:1.00	1.30:1.00

23.0 ADJACENT PROPERTIES

An ‘adjacent property’ refers to any property in which the issuer does not have an interest; that has a boundary reasonably proximate to the Project and that has geological characteristics like those of the property being reported on. The adjacent properties to the Project are shown in Figure 23-1.

Figure 23-1: Adjacent Property Map



Kenorland Minerals North America Ltd. Holdings South Thompson Project (“STP”) surrounds the Minago Property in the west, north and east. The STP covers 297,674 hectares of land located in the Paleoproterozoic Thompson Nickel Belt, which trends south from Thompson below Phanerozoic carbonate cover rocks. Three main historical exploration campaigns have been undertaken within the STP. Falconbridge (1991-2002) was the most significant, conducting geophysical and diamond drilling programs. Amax and Cominco conducted other geophysical and drilling programs in the 1960s and 1970s. A total of 337 drillholes are reported to have been completed within the STP area. Information pertaining to the holes was not available on the Kenorland Minerals North America Ltd. Holdings website.
https://www.kenorlandminerals .com/projects/owned-projects/south-thompson-project/

Rockcliff Metals Corporation Holdings ("Rockcliff") abuts the Project property along the southern boundary. In a September 14, 2023, News Release Rockcliff announced that Hudbay Minerals Inc. ("Hudbay") has completed the acquisition of all the issued and outstanding common shares of Rockcliff. Rockcliff is as of September 14, 2023, a wholly owned subsidiary of Hudbay. Source: News Release "Rockcliff Metals Announces Completion of Transaction with Hudbay Minerals.

William S. Ferriera Ltd. holds a mining claim located between ML-002 and ML-003, known as the Glad Claim (MB13725). The Glad Claim was previously held by Amax Canada Ltd. There is no record of diamond drillholes being drilled on the claim. The Glad Claim is covered by approximately 90m of gently south dipping limestone-dolomite. Some historic geophysical work was completed by previous owners and soil sampling during July 2020 (Ferreira, W.S., 2020)

24.0 OTHER RELEVANT DATA AND INFORMATION

To the best of the author's knowledge there is no other relevant data or additional information necessary to make the Technical Report understandable and not misleading.

25.0 INTERPRETATION AND CONCLUSIONS

25.1 Summary

The QP's note the following interpretations and conclusions based on the review of data available for this Technical Report.

25.2 Mineral Tenure, Surface Rights, Royalties

The property provides Flying Nickel with a land position of 19,661 ha. Flying Nickel provided information pertaining to the mineral tenure and property agreements that supports the assumptions used in this Technical Report. Two royalty agreements are present on the property, the Minago Royality Agreement and the Glencore Agreement.

25.3 Geology and Mineralization

The Precambrian basement rocks of the Thompson Nickel Belt form a northeast-southwest trending 10 to 35 km wide belt of variably reworked Archean age basement gneisses and early Proterozoic age cover rocks along the northwest margin of the Superior Province. The Early Proterozoic rocks that occur along the western margin of the Thompson Nickel Belt are a geologically distinguishable stratigraphic sequence termed the Ospwagan Group that hosts most of the economic nickel mineralization defined to date in the Thompson Nickel Belt. Within the Ospwagan Group almost all the nickel deposits of the are found within lower Pipe Formation sequences.

The dominant geological feature with mineralization potential underlying the Project area is a series of boudinaged, nickeliferous ultramafic bodies folded in a large Z-shaped pattern. Within the ultramafic rocks, the nickel sulphides are concentrated in tabular lenses that parallel the trend of the ultramafic bodies. Two main, drilling-defined areas of mineralization comprise the current Deposit, these being the Nose Zone and North Limb Zone.

25.4 Data Collection in Support of Mineral Resource Estimate

Sampling, logging, core recovery, collar, and downhole survey data collected during the 2005 to 2012 drilling programs are consistent with exploration practices at the respective times. The QP is also of the opinion that sample preparation, analysis and methodologies employed during the Flying Nickel 2022 and 2023 sampling programs were consistent with current exploration best practice guidelines. Results of the Flying Nickel QAQC programs and did not identify any systematic issues within the analytical dataset.

The QP found the quality of Project analytical results sufficiently reliable to support use in Mineral Resource estimation.

As part of the 2023 site visit, QP, Rob Smith, P.Geo., visited the exploration facility in Grand Rapids and reviewed operational procedures with Flying Nickel personnel to ensure continued best practices were applied. The chain of custody procedures from sampling to delivery at the lab remain the same as observed during a February 2022 visit. Mr. Smith confirmed the presence of nickel sulphide mineralization in drill core and that it is accurately reflected in drill logs. Independent check samples completed during previous site visits were relied upon and show acceptable results.

25.5 Metallurgical

A metallurgical test work program was completed during 2007-2008 at SGS Lakefield Research with the objective of developing a flowsheet and process design criteria to treat nickel bearing material from the deposit. The metallurgical test work scope included grindability tests, mineralogy study, flotation rougher and cleaner bench scale tests, lock cycle tests (LCT), concentrate and tailings dewatering tests. No new metallurgical test work has been conducted on the deposit since then. Test work results were used by Wardrop in 2010 to develop a sulphidic nickel head grade-recovery curve for the pit optimization and an economic assessment of the open pit portion of the deposit at the time.

The recoveries of platinum and palladium to concentrate and sulphidic nickel head grade-recovery relationship used in this technical report are based on historical test work and work completed for the 2010 study and are summarized in Table 25-1 and Table 25-2.

Table 25-1: Sulphidic nickel head grade-recovery

Sulphidic Nickel Grade, X%	Recovery, %
X<0.1%	0%
0.1≤ X≤1.25	$61.375 X^3 - 198.87 X^2 + 218.02 X + 9.435$
X>1.25%	91.1%

Based on the concentrate assay from LCT 6 in Table 13-6, there was 2.47 g/t Pt and 6.31 g/t Pd. Using the fire assay head values from Open Pit Master Composite 2 and mass pull of 1.26% to final cleaner stage from LCT 6, the predicted Pt and Pd recoveries are summarized in Table 25-2.

Table 25-2: PGM recovery

Metal	Head Grade, g/t	Concentrate Grade, g/t	Recovery, %
Pt	0.07	2.47	44
Pd	0.13	6.31	61

25.6 Mineral Resources

The Deposit MRE is comprised of two different zones, the Nose Zone and the North Limb Zone. The two zones were treated collectively in all phases of block model construction, from database validation to Mineral Resource classification and reporting. The following summarizes the estimation methodology:

- Drill hole database validation;

- 3D modelling of geology and mineralization;
- Assay sample and geostatistical analysis including sample frequency, grade relationships and regression analysis, density assignment, capping, compositing and variography;
- Block modelling and grade estimation;
- Block model validation;
- Assessment of reasonable prospects for eventual economic extraction;
- Mineral Resource classification;
- and Mineral Resource reporting.

The mineralization modelling is based on serpentine and nickel sulphide occurrence, which can, in general, be well correlated between drill hole sections. The QP considered variogram ranges, drill hole spacing, confidence in the geological interpretation and recovery methods to define the Mineral Resource categories. The Minago Project MRE is present in Table 25-3.

Table 25-3: Minago Project Mineral Resource Estimate – Effective Date: March 18, 2024*

Type	Ni % Cut-off	Category	Tonnes (Millions)	Ni %	NiS %	Pd g/t	Pt g/t
In-Pit	0.29	Measured	11.53	0.74	0.53	0.21	0.09
		Indicated	24.44	0.63	0.43	0.16	0.07
		Measured and Indicated	35.97	0.67	0.46	0.18	0.08
		Inferred	3.14	0.66	0.35	0.14	0.06
Underground	0.75	Measured	0.39	0.97	0.75	0.28	0.12
		Indicated	7.08	0.97	0.75	0.29	0.12
		Measured and Indicated	7.47	0.97	0.75	0.29	0.12
		Inferred	6.05	0.97	0.75	0.18	0.08
Combined	0.29/0.75	Measured	11.92	0.75	0.54	0.22	0.09
		Indicated	31.52	0.71	0.50	0.19	0.08
		Measured and Indicated	43.44	0.72	0.51	0.20	0.09
		Inferred	9.20	0.86	0.61	0.16	0.07

***Mineral Resource Estimate Notes:**

1.Mineral resources were prepared in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (MRMR) (2014) and CIM MRMR Best Practice Guidelines (2019).

2. In-Pit Mineral Resources are defined within an optimized pit shell with pit slope angles ranging between 40^{o} and 51^{o} and overall 14.8:1 strip ratio (waste : mineralized material).

3. An exchange rate of 1.35 CAN$/US$ was applied. All prices are in US$ currency.

4. Pit optimization parameters include: metal pricing at $9.20/lb Ni, $1,035/oz Pt, $1,380/oz Pd; costs for mining at $1.35/t waste and $1.54/t processed and an incremental mining cost of $0.03/12m below 244 masl, processing at $11.64/t processed, G&A at $3.38/t processed; recoveries to concentrate of 72.9% sulphide Ni (NiS) (average recovery above the cut-off grade ranging from 45.6% to 91.1%), 44% Pt, and 61% Pd; and a 60% concentrate payable for Pt and Pd. An average Ni recovery of 50% can be calculated using the average NiS recovery and the average ratio of NiS to Ni (68%) reported above the cut-off grade.

A potential frac-sand overburden unit was assigned a value of $20/t, a recovery factor of 68.8 %, mining cost of $1.54/t plus $0.03/12m below 244 masl, and processing cost of $6.30/t processed.
5. In-Pit Mineral Resources are reported at a cut-off grade of 0.20 % NiS within the optimized pit shell. The 0.20 % NiS cut-off grade approximates a 0.29 % Ni grade when applying the average ratio of NiS to total Ni for the In-Pit Mineral Resource. The cut-off grade reflects the marginal cut-off grade to define reasonable prospects for eventual economic extraction by open pit mining methods.
6. Underground Mineral Resources are reported at a cut-off grade of 0.58 % NiS. The 0.58 % NiS cut-off grade approximates a 0.75 % Ni grade when applying the average ratio of NiS to Ni (77%) for the Underground Mineral Resource. The cut-off grade reflects total operating costs of $59.46/t processed and an average sulphide NiS recovery above the cut-off grade of 87% (ranging from 81% to 91%) to define reasonable prospects for eventual economic extraction by underground mining methods.
7. Deposit grades were estimated from 2 m downhole assay composites using Ordinary Kriging for Ni % and Inverse Distance Squared for Pd g/t and Pt g/t. No grade capping was applied. NiS % block values were calculated from Ni % block values using a regression curve based on Ni and NiS drilling database assay values. Model block size is 6 m (x) by 6 m (y) by 6 m (z).
8. Bulk density was applied on a lithological model basis and reflects averaging of bulk density determinations for each lithology.
9. Mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.
10. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
11. Mineral resource tonnages are rounded to the nearest 10,000.

25.7 PGE

Exploration programs completed by Flying Nickel have greatly improved the understanding of PGEs in the Deposit. The 2023 reject resample program improved the overall density of platinum and palladium samples within the MRE limits to 9,936 samples, approximately 50 % of the total nickel sample records, and successfully supported an initial platinum-palladium Mineral Resource. Results demonstrate average grade levels of 0.09 g/t Pt and 0.20 g/t Pd for the combined Measured and Indicated Mineral Resource. Historical test work outlined recovery potential of platinum-palladium to concentrate. The mineralogical study completed by SGS in 2023 helps provide guidance for future test work and further work is warranted.

25.8 Opportunities

- Continued evaluation of PGE distribution in the Deposit.
- Nose Zone expansion to depth and North Limb Zone expansion to depth and along strike.
- Exploration outside Deposit limits.
- Infill drill programs to improve confidence in the Mineral Resource and upgrade Mineral Resource categorization.

25.9 Risks

- Interpretation of the property agreements may differ to what has been assumed for the purpose of the Technical Report.

- Assumptions regarding supply demand forecasts and metal pricing may not be realized.
- Changes to the input values for mining, processing, and G&A costs to constrain the Mineral Resource. The Mineral Resource pit optimization assigns value to a frac-sand overburden unit based on historical studies, however, that value is not guaranteed to be realized.
- Mineralization models are inclusive of barren granitic material which will have a dilutive effect on the Mineral Resource.
- Included serpentinite intervals without complete platinum and palladium sampling were infilled by regression equations with total nickel prior to the development of downhole assay composites. This approach will have limitations with respect to local grade variability and precision.
- Density is assigned based on average values for lithological units and has limitations with respect to local variability and precision.
- Sulphide nickel percent block values are assigned based on regression equations with total nickel and have limitations with respect to local variability and precision.
- The recoveries of metals to concentrate and concentrate/grade assumptions used in this Technical Report are based on a combination of historical metallurgical testing programs conducted between 2004 and 2008.
- There are not any known external socio-economic or environmental factors that could jeopardize the Mineral Resource, however, this cannot be ruled out and remains a risk.
- Underground geotechnical studies are limited.

26.0 RECOMMENDATIONS

26.1 Summary

Recommendations have been broken into 2 phases with Phase 1 addressing metallurgical, environmental, and community relation programs required for a FS and Phase 2 addressing an exploration drilling program, updated MRE and FS. Phase 1 recommendations have been estimated to cost $1.55M and Phase 2 has been estimated to cost $5.55M (Table 26-1).

26.2 Geology and Mineral Resources

The following activities are recommended to improve confidence in the geological interpretation and definition of Mineral Resources:

- An infill drilling program of 3,000 m at the Nose Zone to improve definition of sulphide nickel and PGM grade distribution.
- An infill and expansion drill program of 5,000 m at the North Limb Zone to improve Mineral Resource categorization.
- A general Project exploration drilling program of 2,000 m, specifically the southern part of the Project last worked during the 1970s period.
- Additional check sampling and infilling of the 2010 to 2012 drill core be carried out to further assess or expand the quantity and spatial representation of total nickel, sulphide nickel, and PGM assay results.
- Collect new specific gravity data from historic and future drilling in support of future Mineral Resource estimates.

26.3 Metallurgical

It is recommended to complete a metallurgical test work program on representative fresh core samples as follows.

Metallurgical test work objectives:

- Identify and test the metallurgical response of ore domains using a conventional flotation flowsheet to recover nickel and PGMs
- Complete variability test work

Metallurgical test work scope:

- Comminution Tests: bond ball work index, bond rod work index, abrasion
- Flotation (Individual Domains):
    - Head Assays (ICP & multi-element scan)
    - Mineralogy (PMA)
    - Bench scale tests (rougher/cleaner tests)
    - Lock cycle tests

    - Concentrate assays
- Flotation (Variability Composites):
    - Head Assays (ICP & multi-element scan)
    - Grind Calcs
    - Bench scale tests (rougher/cleaner tests)
- Dewatering Tests:
    - Flocculant scoping
    - Static settling tests

26.4 Updated MRE and Economic Studies

Positive results from metallurgical programs should be followed with an exploration drill program and updated MRE for the Project that leads into a FS. Estimated costs presented in Table 26-1 are for the preparation of FS. Continued environmental permitting and indigenous and community consulting are expected to be required.

26.5 Summary of Costs

Estimated costs for completing work recommended in this Section are summarized in Table 26-1.

Table 26-1: Summary of costs of recommended work programs

Phase 1 Component	**Estimated Cost ($CDN)**
Metallurgical sample drilling (3,000 m)	900,000
Metallurgical studies	250,000
Environmental permitting, Indigenous and community consultation	250,000
Subtotal	1,400,000
Contingency	150,000
Total	1,550,000
Phase 2 Component	**Estimated Cost ($CDN)**
Infill and extension drilling (7,500 m)	2,550,000
Updated MRE	100,000
Feasibility Study	2,500,000
Subtotal	5,150,000
Contingency	400,000
Total	5,550,000
Phase 1 and Phase 2 Total	7,100,000

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