

**National Instrument 43-101 Mineral Resource Estimate Update  
on the Deloro Nickel-Cobalt Deposit and  
Technical Report, Deloro Nickel-Cobalt Sulphide Project**

Timmins-Cochrane Area  
Ontario, Canada

Report Prepared for:



**CANADA NICKEL**  
COMPANY

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**Effective:** 23 July 2026  
**Issued:** 8 September 2026

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**Project: 756.26.00**

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The Report, "National Instrument 43-101 Mineral Resource Estimate Update on the Deloro Nickel-Cobalt Deposit and Technical Report, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada", issued 8 September 2026 and with an Effective Date of 23 July 2026, was prepared for Canada Nickel Company Inc. and authored by the following:

***/s/ Scott Jobin-Bevans***

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***/s/ David Penswick***

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Dated: 8 September 2026

## **CERTIFICATE OF QUALIFIED PERSON**

Scott Jobin-Bevans (P.Geo., PhD)

I, Scott Jobin-Bevans, P.Geo., do hereby certify that:

- 1.0 I am an independent consultant and Principal Geoscientist with Caracle Creek International Consulting Inc., with an office at 1721 Bancroft Drive, Sudbury, Ontario, Canada.
- 2.0 I graduated from the University of Manitoba (Winnipeg, Manitoba), BSc. Geosciences (Hons) in 1995 and from the University of Western Ontario (London, Ontario), PhD. (Geology) in 2004.
- 3.0 I am a registered member, in good standing, of the Professional Geoscientists of Ontario (PGO), License Number 0183 (since June 2002).
- 4.0 I have practiced my profession continuously for more than 30 years, having worked mainly in mineral exploration but also having experience in mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting. I have authored, co-authored or contributed to numerous NI 43-101 and JORC Code reports on a multitude of commodities including nickel-copper-platinum group elements, base metals, gold, silver, vanadium, and lithium projects in Canada, the United States, China, Central and South America, Europe, Africa, and Australia.
- 5.0 I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“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.
- 6.0 I am responsible for sections 3.0 to 10.0 and 12.0 to 27.0 and sub-sections 1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.13.2, 1.14, 2.0 to 2.4, 2.6 to 2.7, 14.1 to 14.10, and 14.12 to 14.13 in the technical report titled, “National Instrument 43-101 Mineral Resource Estimate Update on the Deloro Nickel-Cobalt Deposit and Technical Report, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada” (the “Technical Report”), issued 8 September 2026 and with a Mineral Resource Estimate and Report Effective 23 July 2026.
- 7.0 I have not visited the Deloro Nickel-Cobalt Sulphide Project (Deloro Deposit), the subject of the Report.
- 8.0 I am independent of Canada Nickel Company Inc., applying all of the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.
- 9.0 Other than acting as an Independent Consultant to the Issuer and having been a co-author on the previous report, I have had no prior involvement with the Deloro Nickel-Cobalt Sulphide Project that is the subject of the current Technical Report.
- 10.0 I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
- 11.0 As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Santiago, Chile this 8<sup>th</sup> day of September 2026.

**/s/ Scott Jobin-Bevans**

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Scott Jobin-Bevans (P.Geo., PhD, PMP)

## **CERTIFICATE OF QUALIFIED PERSON**

John M. Siriunas (P.Eng., MASc)

I, John M. Siriunas, P.Eng., do hereby certify that:

- 1.0 I am an Associate Independent Consultant with Caracle Creek International Consulting Inc. (Caracle) and have an address at 25 3rd Side Road, Milton, Ontario, Canada, L9T 2W5.
- 2.0 I graduated from the University of Toronto (Toronto, Ontario) with a BSc (Geological Engineering) in 1976 and from the University of Toronto (Toronto, Ontario) with an MASc (Applied Geology and Geochemistry) in 1979.
- 3.0 I have been a member, in good standing, of the Association of Professional Engineers of Ontario since June 1980 (Licence Number 42706010) and possess a Certificate of Authorization to practice my profession.
- 4.0 I have practiced my profession continuously for 39 years and have been involved in mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting, and have authored or co-authored numerous reports on a multitude of commodities including nickel-copper-platinum group element, base metals, precious metals, lithium, iron ore and coal projects in the Americas.
- 5.0 I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“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.
- 6.0 I am responsible for sections 3.0, 11.0, 23.0, 24.0, and 26.0 and sub-sections 1.1.4, 1.1.5, 1.2, 1.10, 1.11, 1.13.2, 1.14, 1.15, 1.16, 1.17, 2.4 to 2.6, 12.2, 25.4, and 25.6 in the technical report titled, “National Instrument 43-101 Mineral Resource Estimate Update on the Deloro Nickel-Cobalt Deposit and Technical Report, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada” (the “Technical Report”), issued 8 September 2026 and with a Mineral Resource Estimate and Report Effective 23 July 2026.
- 7.0 I visited the Deloro Nickel-Cobalt Sulphide Project (Deloro Deposit), the subject of this Report, for 1 day on 16 July 2024.
- 8.0 I am independent of Canada Nickel Company Inc., applying all of the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.
- 9.0 Other than acting as an Independent Consultant to the Issuer and having been a co-author on the previous report, I have had no prior involvement with the Deloro Nickel-Cobalt Sulphide Project that is the subject of the current Technical Report.
- 10.0 I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
- 11.0 As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Milton, Ontario this 8<sup>th</sup> day of September 2026.

***/s/ John Siriunas***

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John M. Siriunas (P.Eng., MASc)

## **CERTIFICATE OF QUALIFIED PERSON**

David Penswick (P.Eng., MSc)

I, David Penswick, P.Eng., do hereby certify that:

- 1.0 I am self-employed as an independent consultant. The operating name of my consultancy is Gibsonian Inc., and it is located in Toronto, Canada.
- 2.0 I graduated from Queens' University in Kingston Canada with a BSc – Mining Engineering in 1989. I graduated from University of Witwatersrand in Johannesburg, South Africa with a MSc – Mining Engineering in 1993.
- 3.0 I am a professional engineer in good standing with the Professional Engineers Ontario (PEO) in Canada (license# 100111644).
- 4.0 I have practiced my profession continuously as a mining engineer in various capacities since 1989. I have been continuously self-employed as a consultant since 2002.
- 5.0 I have read the definition of "Qualified Person" set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("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.
- 6.0 I am responsible for sections 3.0, 23.0, 24.0, and 26.0 and sub-sections 1.11, 1.13.2, 1.14, 2.4, 2.6, 12.1, 12.3, 14.11, 25.4, and 25.6 in the technical report titled, "National Instrument 43-101 Mineral Resource Estimate Update on the Deloro Nickel-Cobalt Deposit and Technical Report, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada" (the "Technical Report"), issued 8 September 2026 and with a Mineral Resource Estimate and Report Effective 23 July 2026.
- 7.0 I have not visited the Deloro Nickel-Cobalt Sulphide Project (Deloro Deposit), the subject of the Report.
- 8.0 I am independent of Canada Nickel Company Inc. applying all of the tests in Section 1.5 of NI 43-101.
- 9.0 Other than acting as an Independent Consultant to the Issuer and having been a co-author on the previous report, I have had no prior involvement with the Project that is the subject of the Technical Report.
- 10.0 I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
- 11.0 As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Toronto, Ontario this 8<sup>th</sup> day of September 2026.

***/s/ David Penswick***

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David Penswick (P.Eng., MSc)

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## 1.0 SUMMARY

### 1.1 Introduction

At the request of Canada Nickel Company Inc. (“Canada Nickel”, “CNC”, the “Company”, or the “Issuer”), Caracle Creek International Consulting Inc. (“Caracle” or the “Consultant”), has prepared a mineral resource estimate update and technical report as per National Instrument 43-101 (“NI 43-101”) (the “Report”) on the Deloro Nickel-Cobalt Deposit (the “Deposit” or the “Deloro Deposit”) within the Deloro Nickel-Cobalt Sulphide Project (the “Project”, the “Property”, the “Deloro Project”, or the “Deloro Property”), located in the Timmins-Cochrane Mining camp, about 8 km southeast of the City of Timmins, Ontario, Canada.

The Report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators’ National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011).

The Deloro Project is an advanced exploration project focused on nickel, cobalt, palladium, and platinum, one of several projects being developed in the Timmins area by Canada Nickel.

#### 1.1.1 Purpose of the Technical Report

The Report was prepared for the purpose of describing Mineral Resource Estimates within an NI 43-101 Technical Report to support the public disclosure of Mineral Resources by Canada Nickel, a Canadian based exploration company listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “CNC”, with its head office at 130 King Street West, Suite 1900, Toronto, Ontario, Canada, M5X 1E3.

This Report verifies the data and information related to historical and current mineral exploration and mineral resources on the Project and presents a report on data and information available from the Company and in the public domain.

#### 1.1.2 Previous Technical Reports

This Report is the current NI 43-101 Technical Report in support of an updated Mineral Resource Estimate for the Deloro Nickel-Cobalt Deposit and the Deloro Nickel-Cobalt Sulphide Project. This Report replaces the previous NI 43-101 Technical Report and Mineral Resource Estimate for the Company’s Deloro Nickel-Cobalt Sulphide Project and the Deloro Nickel-Cobalt Deposit, issued 3 September 2024 (Jobin-Bevans *et al.*, 2024).

#### 1.1.3 Effective Date

The effective date of the Mineral Resource Estimate (“MRE”) and the Technical Report is 23 July 2026 (the “Effective Date”).

#### 1.1.4 Qualifications of Consultants

The Report has been completed by Dr. Scott Jobin-Bevans and Mr. John Siriunas of Caracle Creek International Consulting Inc., based in Sudbury, Ontario, Canada, and Mr. David Penswick, Independent Consultant, based in Toronto, Ontario, Canada (together the “Consultants” or the “Authors”).

Dr. Jobin-Bevans is a Professional Geoscientist (PGO #0183, P.Geo.) with experience in geology, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, land tenure management, metallurgical testing, QA/QC, mineral processing, capital and operating cost estimation, and mineral economics.

Mr. Siriunas is a Professional Engineer (PEO #42706010, P.Eng.) with experience in geology, geochemistry, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, QA/QC, land tenure management, and mineral economics.

Mr. Penswick is a Professional Mining Engineer (PEO #100111644), Mining Engineer (Independent Consultant) with Gibsonian Inc., (B.Sc., Queen’s University (Canada) and M.Sc., University of the Witwatersrand (South Africa)), has over 30 years of mining industry experience in operations, projects, technology and finance, and is responsible for providing the pit optimization parameters for the Lerchs-Grossmann pit optimization models used for the Mineral Resource Estimates.

Dr. Scott Jobin-Bevans, Mr. John Siriunas, and Mr. David Penswick, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person (“QP”), as that term is defined in NI 43-101, for the Report. A responsibility matrix showing the report sections and sub-sections assigned to the QPs is provided in Table 1-1.

Table 1-1. Responsibility matrix showing assignment of sections and sub-sections in the Report.

| Author                                      | Complete Section Responsibility | Sub-Section Responsibility                                                                                       |
|---------------------------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------|
| Scott Jobin-Bevans<br>P.Geo., Caracle Creek | 3.0 to 10.0, 12.0 to 27.0       | 1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.13.2, 1.14, 2.0 to 2.4, 2.6 to 2.7, 14.1 to 14.10, 14.12 to 14.13 |
| John Siriunas<br>P.Eng., Caracle Creek      | 3.0, 11.0, 23.0, 24.0, 26.0     | 1.1.4, 1.1.5, 1.2, 1.10, 1.11, 1.13.2, 1.14, 1.15, 1.16, 1.17, 2.4 to 2.6, 12.2, 25.4, 25.6                      |
| David Penswick<br>P.Eng.                    | 3.0, 23.0, 24.0, 26.0           | 1.11, 1.13.2, 1.14, 2.4, 2.6, 12.1, 12.3, 14.11, 25.4, 25.6                                                      |

### 1.1.5 Personal Inspection

Mr. John Siriunas (M.A.Sc., P.Eng.) visited the Project on 16 July 2024, accompanied by Mr. Edwin Escarraga, CNC’s Director of Exploration. The Personal Inspection (site visit) was made to observe the general Property conditions and access, and to verify the locations of some of the recent drill hole collars from the work carried out by CNC. Travel from the City of Timmins, Ontario to the Project area takes approximately 20 minutes.

During the site visit, diamond drilling procedures were discussed, and a review of the on-site logging and sampling facilities for processing the drill core was carried out. There is relatively abundant outcrop on the Property and the ultramafic provenance of the underlying bedrock was readily evident. The QP (John Siriunas) noted that previous historical work (prior to CNC’s exploration work) included saw-cut channel sampling and possibly the exploitation or bulk-sampling of the host peridotites/dunites. After verification of existing core logs and assay results against drill core observations, Mr. Siriunas did not feel it necessary to re-sample the drill core.

Mr. Siriunas (QP) is satisfied with the quality of sampling and record keeping (database) procedures followed by the Issuer, Canada Nickel with respect to exploration programs by the Company, including diamond drilling.

## 1.2 Reliance on Other Experts

The Report has been prepared by Caracle Creek International Consulting Inc. for the Issuer, Canada Nickel Company Inc. The Authors (QPs) have not relied on any other report, opinion or statement of another expert

who is not a qualified person, or on information provided by the Issuer concerning legal, political, environmental or tax matters relevant to the Report.

### **1.3 Property Description and Location**

The Deloro Nickel-Cobalt Sulphide Project is situated within the Timmins-Cochrane Mining Camp in northeastern, Ontario, Canada, a region with a strong mining history (gold, nickel, zinc, lead etc.), and a pro-mining Canadian province with regulations that reflect that history.

The Deloro Nickel-Cobalt Sulphide Project is located in the Timmins Mining Division, Deloro Township, about 8 km southeast of the City of Timmins, and on 1:50 000 NTS map sheet 042A06 - Timmins, Ontario. The approximate centre of the Property is at UTM coordinates 480028 mE, 5361535 mN (NAD83, UTM Zone 17 North; EPSG:2958) and elevation within the Property ranges from about 300 to 350 m above sea level ("ASL").

The Deloro Nickel-Cobalt Sulphide Project comprises approximately 2,224.64 ha (22.25 km<sup>2</sup>), consisting of a combination of unpatented mining claims ("staked claims") and patented lands (Crown Patents). The patents and the mining claims are registered 100% by Canada Nickel Company Inc. and all show "active" status. The unpatented mining claims are contiguous whereas the patents form two separate blocks.

Specifically, the Property comprises 32 Crown Patents (freehold patented lands) that cover approximately 502.64 ha and 82 single cell mining claims ("SCMC"s) that cover approximately 1,722 hectares.

#### **1.3.1 Claim Status and Holding Cost**

The required annual assessment work for the unpatented mining claims is approximately \$28,600. The unpatented mining claims (SCMCs) have approximately \$1,235,820 in reserve to apply to future holding costs

#### **1.3.2 Transaction Terms and Agreements**

In November 2021, the Company announced the acquisition of unpatented mining claims and patents with respect to the Deloro Property (Canada Nickel news release 22 November 2021). Canada Nickel news release 22 November 2021). A further group of unpatented mining claims was acquired in January 2024. The Net Smelter Return Royalties ("NSR"s) relating to the acquired mining claims and patents are summarized below and in Table 1-2.

##### **1.3.2.1 2205730 Ontario Inc.**

In an agreement of 16 November 2021, Canada Nickel acquired 53 unpatented mining claims and 50 patented lands from 2205730 Ontario Inc. Of these acquired lands 46 of the unpatented mining claims and 28 of the patents are within the Deloro Property. The mining claims are subject to a 2.0% NSR while the patents are subject to a 1.8% NSR; in both cases the Buy-Down Option allows CNC to purchase 1.0% of the NSR for C\$1M.

##### **1.3.2.2 Odyssey Explorations Ltd.**

In an agreement of 19 November 2021, Canada Nickel acquired four (4) patented lands from Odyssey Explorations Ltd., including the timber rights for a period of 20 years. The patents are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C\$1M.

##### **1.3.2.3 Deanna Guidoccio**

In an agreement of 16 January 2024, Canada Nickel acquired a 100% legal and beneficial interest in 30 unpatented mining claims from Deanna Guidoccio in consideration for 30,000 common shares of Canada Nickel.

Twenty-nine (29) of these mining claims are within the Deloro Property. The mining claims are not subject to a royalty.

### **1.3.3 Surface Rights and Legal Access**

The surface rights associated with the unpatented mining claims that comprise the Property are owned by the Government of Ontario (Crown Land) and access to these areas of the Property is unrestricted. In addition, the Company holds several Patents with mining and surface rights, also giving the Company unrestricted access.

For the lands that are not Crown Land and that the Company does not hold the surface right to, including the 11 Patents that are Mining Rights Only (MRO), the Company is required to provide official notification to the surface rights holder which is done through the Ontario Government's MLAS online portal. If the exploration work requires an Exploration Plan or Permit then the notification is to include complete Notice of Intent to Submit an Exploration Plan or Exploration Permit Application (Notice of Intent), a copy of a proposed Exploration Plan or Exploration Permit Application, and a map that shows the location of the proposed exploration activities. The surface rights owner has 30 days to review the information and the ministry has 50 days after the circulation date to decide on the permit.

### **1.3.4 Community Consultation**

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations identified by the MINES during the permitting process:

- Matachewan First Nation, Wabun Tribal Council.
- Mattagami First Nation, Wabun Tribal Council.
- Taykwa Tagamou First Nation, Mushkegowuk Tribal Council.

### **1.3.5 Environmental Liabilities and Studies**

The QP (Scott Jobin-Bevans) is not aware of any environmental liabilities on the Property.

### **1.3.6 Royalties and Obligations**

The Deloro Project consists of mining claims and patents acquired from three vendors under separate purchase agreements. Two of the agreements, both dated November 2021, were announced by the Company on 22 November 2021 (Canada Nickel news release 22 November 2021); the third agreement is dated 16 January 2024.

In the first purchase agreement (2205730 Ontario Inc.), a 100% ownership was acquired in 46 unpatented mining claims and 28 patents. The mining claims are subject to a 2.0% NSR while the patents are subject to a 1.8% NSR; in both cases the Buy-Down Option allows CNC to purchase 1.0% of the NSR for C\$1M (Table 1-2).

In the second purchase agreement (Odyssey Explorations Ltd.), Canada Nickel acquired a 100% ownership in four (4) contiguous mining patents. The patents are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C\$1M (Table 1-2).

In the third purchase agreement (Deanna Guidoccio), Canada Nickel acquired a 100% legal and beneficial interest in 30 unpatented mining claims, 29 of which are within the Deloro Property. These mining claims are not subject to a royalty and are therefore not listed in Table 1-2.

Table 1-2. Summary of the Net Smelter Return Royalties and conditions for the Deloro Project mining lands.

| Tenure ID | PIN | Agreement            | NSR (%) | Buy-Down Option |
|-----------|-----|----------------------|---------|-----------------|
| 105983    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 107122    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 107123    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 113601    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 125241    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 129900    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 130770    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 130771    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 134209    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 140548    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 145996    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 153147    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 160039    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 163843    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 176036    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 176316    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 249936    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 255373    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 268135    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 278643    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 308531    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 310001    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 315265    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517351    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517352    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517353    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517354    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517355    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517356    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517357    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 549300    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 549301    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 549302    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556086    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556087    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556088    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556089    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556090    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556091    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556092    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556094    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |

| Tenure ID | PIN        | Agreement            | NSR (%) | Buy-Down Option |
|-----------|------------|----------------------|---------|-----------------|
| 556095    | -          | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556096    | -          | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556097    | -          | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556098    | -          | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 567136    | -          | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| PAT-30219 | 65442-0306 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-30220 | 65442-0305 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-3244  | 65442-0298 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-3245  | 65442-0299 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-3471  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3472  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3473  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3474  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3475  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3476  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3477  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3478  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4905  | 65442-0423 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4906  | 65442-0420 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4907  | 65442-0412 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4908  | 65442-0422 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4909  | 65442-0411 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4910  | 65442-0295 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4911  | 65442-0296 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4912  | 65442-0294 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4913  | 65442-0297 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4914  | 65442-0293 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4915  | 65442-0426 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4916  | 65442-0427 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4917  | 65442-0419 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4918  | 65442-0416 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4919  | 65442-0418 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4920  | 65442-0414 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4921  | 65442-0415 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4922  | 65442-0417 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4923  | 65442-0421 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4925  | 65442-0424 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |

### 1.3.7 Other Significant Factors and Risks

The QP (Scott Jobin-Bevans) is not aware of any significant factors that may affect access, title, or the right or ability to perform the proposed work program.

## **1.4 Access to Property, Climate and Operating Season**

Year-round access to the Property is gained by driving about 5 km east of the city centre of Timmins along Gold Mine Road, taking a right (south) on Shaw Creek Road and following it to the southern end where it turns to a gravel logging road; the road bifurcates about 140 m prior to the northern Property boundary. From this point, an off road vehicle (e.g., 4 x 4 truck) is required, by which you can follow this road south for approximately 4 km, until reaching the Property.

### **1.4.1 Climate and Operating Season**

The local climate is typical of northeastern Ontario, categorized as a continental climate with cold winters and relatively short hot summers. The Project is easily accessible and exploration work can continue year-round. Occasionally, fieldwork is not permitted between May and August due to forest fire danger at which time the Ontario Ministry of Natural Resources (MNR) may prohibit access.

## **1.5 Exploration History**

The Porcupine Mining District of Ontario was founded in 1908 after the discovery of gold in the Ontario portion of the Abitibi Greenstone Belt (“AGB”) near Timmins. Since then, gold production in the region has been substantial and the Timmins region is one of the richest goldfields in the world, producing more gold than any other mining camp in Canada (about 2,400 tonnes).

The advent of airborne geophysics post World War Two, allowed for new and renewed exploration campaigns in the AGB. Starting in the early 1960s, subsidiaries of the International Nickel Company of Canada Ltd. (“INCO”), private and public companies and the Ontario and Canadian governments flew airborne magnetic and electromagnetic surveys across the AGB looking for nickel sulphide deposits. The targets were magnetic anomalies reflected by a magnetic response from pyrrhotite-dominated nickel sulphide mineralization. Since many, but not all, nickel sulphide ores are dominated by semi-massive to massive pyrrhotite with associated chalcopyrite, they generate coincident magnetic-electromagnetic anomalies which are high priority targets in nickel sulphide exploration. This geophysical signature (coincident MAG-EM targets) led to the discovery of the “Type IV hydrothermal-metamorphic” nickel sulphide deposits (Layton-Matthews *et al.*, 2010) at and near Thompson, Manitoba in the 1950s and in subsequent decades.

The enormous number of magnetic and conductive anomalies generated by airborne and ground geophysical surveys and the masking of a “clean” response from potential nickel sulphide deposits, by both magnetic and electromagnetic effects, means that not all targets may have been tested and/or delineated (Jobin-Bevans *et al.*, 2020). In the Timmins region of the AGB and specifically in Deloro Township, given the lack of outcrop and extensive overburden, the only solution is to drill-test targets and trends.

### **1.5.1 Prior Ownership and Ownership Changes**

Forty-six (46) of the unpatented mining claims and all 32 of the patents that comprise the Property were acquired by Canada Nickel in November 2021 through two separate purchase agreements (Canada Nickel news release 22 November 2021). A further 29 unpatented mining claims were acquired from Deanna Guidoccio under an agreement dated 16 January 2024.

Claims 246156, 517358, and 517360 were acquired by Canada Nickel from 2205730 Ontario Inc. 25 December, 2021. Claims 739872, 739873, and 739874 and were transferred from CENTRAL TIMMINS NICKEL COMPANY INC to Canada Nickel 11 July, 2024, and claim 896593 from Deanna Guidoccio 17 July, 2024.

### 1.5.2 Historical Exploration Work

A summary of the most significant historical exploration within the current Property boundary is provided in Table 1-3. This list is not exhaustive as some of the assessment work filed and available through the MINES covers partially or insignificantly the area within the Property Boundary.

Historical results from exploration work on or proximal to the Project have not been verified by the QP (Scott Jobin-Bevans) or a Qualified Person associated with the Company and as such are not necessarily indicative of the results to be found within the Project.

Table 1-3 Summary of historical exploration work within the boundary of the Deloro Project.

| Period      | AFRI ID      | Company/Prospector            | Type               | Description                                                                        |
|-------------|--------------|-------------------------------|--------------------|------------------------------------------------------------------------------------|
| 1969        | 42A06NW0151  | Lynx Canada Explorations Ltd  | Geophysics         | EM / Magnetometer Survey                                                           |
| 1970        | 42A06NW1154  | Lynx Canada Explorations Ltd  | Diamond Drilling   | two holes                                                                          |
| 1970        | 42A06NW1153  | Canadian Nickel Co. Ltd       | Diamond Drilling   | one hole                                                                           |
| 1980        | 42A06NE0007  | Amax Minerals Exploration Ltd | Geophysics         | Airborne Magnetometer                                                              |
| 1982        | 42A06NW0135  | D.R. Pyke                     | OB Drilling        | Overburden Drilling                                                                |
| 1988        | 42A06NW0163  | Kingswood Explorations Ltd    | Geophysics         | Magnetometer Survey                                                                |
| 1989        | 42A06NW0160  | Kingswood Explorations Ltd    | Geological Mapping | Geological Survey / Mapping                                                        |
| 1992        | 42A06NW0033  | Syndicate 92                  | Geophysics         | Assays, VLF-EM, Geological Survey, Magnetometer Survey, Line Cutting, OB Stripping |
| 1992 - 1993 | 42A06NW0037  | J. Grant, J. Mcauley          | Geological Mapping | Assays, Geological Survey, OB Stripping, Prospecting                               |
| 1992 - 1993 | 42A06NW0037  | J. Grant, J. Mcauley          | Geological Mapping | Assays, Geological Survey, OB Stripping, Prospecting                               |
| 1995        | 42A06NW0034  | Outokumpu Mines Ltd           | Geophysics         | EM / Magnetometer Survey, Line Cutting                                             |
| 2000        | 42A06NE2022  | Ontex Resources Ltd           | Geophysics         | EM-Magnetic Survey, Line Cutting                                                   |
| 2000        | 42A06NE2022  | Ontex Resources Ltd           | Geophysics         | EM-Magnetic Survey, Line Cutting                                                   |
| 2002        | 42A06NE2030  | Ontex Resources Ltd           | Diamond Drilling   | Assays, Diamond Drilling                                                           |
| 2003        | 42A06NE2034  | Ontex Resources Ltd           | Diamond Drilling   | Assays, Diamond Drilling                                                           |
| 2002 - 2003 | 42A06NE2037  | Ontex Resources Ltd           | Geological Mapping | Assays, Geological Survey / Mapping                                                |
| 2002 - 2003 | 42A06NE2036  | Ontex Resources Ltd           | Geophysics         | EM, VLF-EM, IP, Line Cutting, Magnetometer Survey                                  |
| 2010        | 20011167     | W.T.P. Robert (SGX Resources) | Diamond Drilling   | 3 holes                                                                            |
| 2018-2019   | 200000018904 | P2 Gold Inc.                  | Diamond Drilling   | 4 holes                                                                            |

### 1.5.3 Historical Drilling

In 1970, Canada Nickel Co Ltd. completed one drill hole (298.78 m) southeast and along strike of the DUC magnetic anomaly, intersecting serpentized peridotite. No sampling or assay results were reported. Also in 1970, Lynx Canada Explorations Limited completed two holes, both intersecting serpentized ultramafic rocks. No sampling or assay results were reported. In the same year, W.B. Brown completed eight diamond drill holes within the Property (holes 1 to 8).

In 1980, Amax Minerals Exploration Ltd. completed one diamond drill hole (1043-04A-1) and, in 1986, Falconbridge Ltd. completed one further diamond drill hole (618-1-86), both within the Property. Sampling was indicated for the Falconbridge hole but no results were reported (ODHD, 2024).

Several drill campaigns were undertaken by different operators in the 2000s and 2010s. In 2002, Ontex Resources Ltd. (“Ontex”) completed a 13-hole diamond drilling campaign across the Property, targeting PGE and gold. Ten (10) of these drill holes were located over the main magnetic anomaly (the DUC). Seven (7) of the 13 holes reported multiple 50+ metre intersections of mafic-ultramafic lithologies: FY-02-01, FY-02-02, FY-02-06, FY-02-10, FY-02-11, FY-02-12, and FY-02-13. In 2003, Ontex completed an 8-hole diamond drilling campaign, with three (3) holes intersecting multiple 50+ metre intervals of serpentinized mafic-ultramafic lithologies: FY-03-06, FY-03-07, and FY-03-08. In 2008, Globex Mining Enterprises Inc. completed three diamond drill holes (TM-19, TM-20 and TM-21) within the Property as part of its Timmins Magnesite Project. In 2010, W.T.P. Robert (SGX Resources) completed three diamond drill holes (LX-10-2, LX-10-3 and LX-10-4) in the northwest of the Property. In 2018 and 2019, P2 Gold Inc. completed five diamond drill holes in the northwest of the Property (D-18-01 to D-18-04 and D-19-05).

## 1.6 Geological Setting and Mineralization

The Deloro Project lies within the southwestern part of the Abitibi Subprovince of the Archean Superior Province. The Abitibi Subprovince or Abitibi Greenstone Belt (“AGB”) is the world's largest and best preserved example of an Archean supracrustal sequence. The AGB is an assemblage of volcanic, sedimentary, and intrusive rocks deformed into a roughly east-trending, 200 km wide belt exposed from the Kapuskasing Structure in Ontario to the Grenville Orogen in Quebec, a distance of 400 kilometres (Ayer *et al.*, 2005).

Within the Timmins mining camp, the early Precambrian metavolcanic rocks consist of two groups known as the Deloro and Tisdale Groups. The Deloro Group is older than the Tisdale Group and the two groups are separated from one another in Whitney and Tisdale townships by the Destor Porcupine Fault Zone (“DPFZ”). Here the Tisdale Group lies to the north of the DPFZ while the Deloro Group occurs to the south. The Deloro Group is a calc-alkaline volcanic sequence of andesite to basalt flows in the lower portion and dacite flows and felsic pyroclastic units in the upper portion. The Tisdale Group is composed of komatiitic ultramafic and basalt rocks in the lower portion and overlain by a thick sequence of tholeiitic basalt rocks.

### 1.6.1 Komatiitic Rocks

Of the nine distinct lithotectonic assemblages defined in the AGB, only four of these are generally accepted to contain komatiitic rocks (ultramafic mantle-derived rock with  $\geq 18$  wt% MgO) and therefore considered prospective for komatiite-associated Ni-Cu-(PGE) sulphide deposits (Arndt *et al.*, 2008).

These four assemblages, which differ considerably in the physical volcanology and geochemistry of the komatiitic flows or subvolcanic sills, have distinct and well-defined ages as well as spatial distribution (Sproule *et al.*, 2003; Thurston *et al.*, 2008; Houle and Leshner, 2011):

- Pacaud Assemblage (2750-2735 Ma)
- Stoughton-Roquemaure Assemblage (2723-2720 Ma)
- Kidd-Munro Assemblage (2719-2711 Ma)
- Tisdale Assemblage (2710-2704 Ma)

The Kidd-Munro and Tisdale assemblages contain a much greater abundance of cumulate komatiites than the other assemblages. The contact between the Deloro and Tisdale assemblages has been well recognized for its mineral endowment since the early work of Pyke in the 1970s (Houlé *et al.*, 2010; Houlé *et al.*, 2017).

Almost all komatiite-associated Ni-Cu-(PGE) deposits in the AGB are interpreted to be localized in lava channels/channelized sheet flows (*e.g.*, Alexo, Hart, Langmuir, Marbridge, and Texmont) or channelized sheet sills (*e.g.*, Sothman, Dumont, Kelex-Dundead-Dundonald South). One exception is the McWatters deposit, which occurs within a thick mesocumulate to adcumulate peridotite that is interpreted to be a synvolcanic dike (Houlé and Leshner, 2011).

### 1.6.2 Local and Property Geology

The ultramafic rocks, including the DUC, intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes cross-cut the Property, trending generally north-northeast and east. Feldspar porphyry dikes cross-cut the intrusion, generally in the northwest of the Property, with north-south orientations.

### 1.6.3 Alteration

The rocks have undergone greenschist facies metamorphism with widespread carbonate, chlorite and sericite alteration in volcanic rocks and serpentinization in ultramafic rocks (*i.e.*, dunite, peridotite).

The ultramafic rocks (dunite and peridotite) of the DUC have undergone significant serpentinization. The process of serpentinization involves the introduction of water into the rock which leads to a substantial volume increase. Fresh, unaltered dunite and peridotite typically has an SG ranging from 3.2 to 3.4 g/cm<sup>3</sup>. Core samples from drilling at Deloro have specific gravity measurements ranging from about 2.45 to 3.00 g/cm<sup>3</sup>, much lower than fresh ultramafic rock. This, along with observations recorded from drill core, support the inference that the rocks have been strongly serpentinized.

Serpentinization breaks down the olivine and other silicate minerals, resulting the liberation of nickel and iron in a strongly reducing environment. The result is the liberation and partitioning of nickel into low-sulphur sulphides like heazlewoodite, into the nickel-iron alloy, awaruite, and into the hydrothermal nickel sulphide, millerite (Gole, 2014; Sciortino *et al.*, 2015).

Primary sulphides such as pentlandite and pyrrhotite, along with their primary textures, remain present across the DUC. The serpentinization process also increases magnetic susceptibility of these deposits resulting in a magnetic high, accompanied by a gravity low due to the decrease in rock density from serpentinization; these make for good geophysical targets.

### 1.6.4 Mineralization

Within Deloro Township, several prominent ultramafic to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) offer the potential for magmatic sulphide, nickel, copper, cobalt, and platinum-group element (PGE) style of mineralization. This mineralization forms the principal target deposit type for the Deloro Nickel-Cobalt Sulphide Project, which in this case is Komatiite-hosted Ni-Co-PGE sulphide mineralization hosted within the DUC.

The DUC is a north-northwest trending ultramafic dunite-peridotite intrusion which, based on historical and 2022 drilling and geophysical data, is approximately 1.7 km along strike, about 700 m thick, and open at depth (Ferron, 2024). Mineralization within the Deloro Deposit extends for about 1.4 km along strike, 400 to 600 m in width and about 440 m depth. The DUC is host to primary sulphides such as pentlandite and pyrrhotite and

secondary sulphur-poor sulphide (heazlewoodite), nickel-iron alloy (awaruite), nickel-rich millerite, and nickel-arsenide nickeline or niccolite (Ferron, 2024).

## 1.7 Deposit Types

The Deloro Deposit is hosted by a thick, differentiated ultramafic body with primary disseminated and bleb nickel sulphide, commonly pentlandite with minor pyrrhotite, and chalcopyrite (Ferron, 2024). Sulphide mineralization discovered to date on the Deloro Project can be characterized as a Komatiite-hosted Type II Ni-Cu-Co-(PGE) deposit type (Ferron, 2024), which is the second type (Type II) as characterized by Lesher and Keays (2002). Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO.

The geological analogue for the DUC is at least in part the Crawford Nickel Sulphide Deposit (Main and East zones), which is within the AGB (Deloro Assemblage), located 42 km north of the City of Timmins and being explored by Canada Nickel (*e.g.*, Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022).

## 1.8 Exploration – Current

Other than diamond drilling, Canada Nickel has not completed any other exploration work on the Deloro Nickel-Cobalt Sulphide Project.

## 1.9 Drilling

From 13 January to 28 February 2022 and 1 June to 19 June 2022, Canada Nickel completed 4,312 m (11 NQ-size holes) of diamond drilling in a Phase 1 drilling program. From 26 January to 12 March 2024 and 26 October 2024 to 30 November 2024, Canada Nickel completed 12,398.58 m (32 NQ-size holes) of diamond drilling in a Phase 2 drilling program.

The drilling programs were successful in testing and delineating a broad, north-northwest trending ultramafic complex (DUC), originally identified from aeromagnetic data and regional geological maps (Ferron, 2022 and 2024).

The diamond drilling program was successful in targeting and delineating a bulk-tonnage Type II Ni-Co (PGE) deposit with primary disseminated and bleb sulphide and secondary sulphides and Ni-Fe alloy. All holes intersected multiple 100 m+ intersections of mineralized ultramafic-mafic rocks.

These consistently broad intervals (100s of metres) of anomalous nickel (>0.20% Ni) from near surface to depth are similar to those reported in the Crawford Deposit (*e.g.*, Canada Nickel news releases 4 April 2022 and 26 October 2021; Lane *et al.*, 2022), also being explored by the Company.

## 1.10 Sample Preparation, Analysis and Security

### 1.10.1 Introduction

Mr. Steve Balch (P.Geo.), a qualified person as defined by NI 43-101, is responsible for the ongoing drilling and sampling program, including quality assurance (QA) and quality control (QC), together QA/QC. The Company has put down a total of 43 diamond drill holes on the Deloro Property, eleven (11) in 2022 and thirty-two (32) in 2024; a total of 11,427 samples for multi-analysis have been prepared from this core.

The core is marked and sampled at primarily 1.5-metre lengths and cut with diamond blade saws. Samples are bagged with QA/QC samples inserted into the sample stream at the recommended rate in each batch of 20 samples. Samples (60 per lot) are transported in secure bags directly from the Company core shack to Activation Laboratories Ltd. (Actlabs) in Timmins or by commercial truck transport (Manitoulin Transport Inc.) to SGS Canada Inc. (SGS) in Lakefield, Ontario. In general, the core recovery for the diamond drill holes on the Property has been better than 95% and little core loss due to poor drilling methods or procedures has been experienced.

In the opinion of the QP (John Siriunas), the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for a Preliminary Economic Assessment (“PEA”).

### **1.11 Data Verification**

The Authors (QPs) have reviewed historical and current data and information regarding past and current exploration work on the Property. More recent exploration work (*i.e.*, 2022 and 2024), having complete databases and documentation such as assay certificates, was thoroughly reviewed. However, older historical records are not as complete and so the Authors do not know the exact methodologies used in the data collection in all cases. Nonetheless, the Authors have no reason to doubt the adequacy of the historical sample preparation, security and analytical procedures and have complete confidence in all historical information and data that was reviewed.

In the opinion of the Authors (QPs), the procedures, policies and protocols for drilling verification are sufficient and appropriate and the core sampling, core handling and core assaying methods used at the Project are consistent with good exploration and operational practices such that the data is therefore reliable for the purpose of Mineral Resource Estimation.

### **1.12 Mineral Resource Estimates**

Caracle Creek was retained by Canada Nickel to prepare an updated mineral resource estimate (“MRE”) for the Deloro Nickel-Cobalt Deposit, located within the Deloro Nickel-Cobalt Sulphide Project, and supported by a technical report, in accordance with NI 43-101. The MRE has an effective date of 23 July 2026.

The updated MRE incorporates all current and historical diamond drilling for which the drill hole data and information could be confidently confirmed. Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 13 March 2026, the database closure date.

The MRE was completed by Miguel Vera (B.Sc., Geology; Resource Geologist) from L&M Geociencias, based in Santiago, Chile, under the supervision of Principal Author and QP Dr. Scott Jobin-Bevans (P.Geo.). Co-Author and QP Mr. David Penswick (P.Eng.), Toronto, Ontario, completed the work with respect to determining the Reasonable Prospects of Eventual Economic Extraction (“RPEEE”).

These resources are classified into Measured, Indicated and Inferred resource categories, interpreted on the assumption that the mineralization has RPEEE using open pit mining methods. The mineral resources herein are not mineral reserves as they do not have demonstrated economic viability.

The MRE presented in this Report has been prepared in strict accordance with the disclosure requirements of National Instrument 43-101 and adheres to the CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the CIM Best Practice Guidelines for the Estimation of Mineral Resources and Mineral Reserves (2019).

The Report discloses results for nickel, cobalt, palladium, platinum, iron, chromium, and sulphur mineral resources, considered to be contained within the Deloro Ultramafic Complex (“DUC”), interpreted to be a relatively large and homogenous body of ultramafic rock.

The deposit type being considered for nickel mineralization discovered to date in the DUC, is Komatiite-Hosted Type II Ni-Cu-Co-(PGE). The Deloro Nickel-Cobalt Deposit is hosted by a thick differentiated body of serpentinized ultramafic rocks (*i.e.*, dunite > peridotite > pyroxenite) with primary disseminated and bleb nickel sulphide, commonly pentlandite and heazlewoodite with minor pyrrhotite, and chalcopyrite.

The QP (Scott Jobin-Bevans) is not aware of any legal, political, environmental, or other risks that could materially affect the potential development of the mineral resources.

### **1.12.1 Resource Database**

The drill hole and Project database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, unreliable historical holes or statistical outliers that are clear mistakes, among other correction measures) for geological modelling and resource estimation purposes.

Within an area of approximately 1.5 km along strike (NW to SE), 500 to 700 m in width, and 550 m deep, the working database of the Deloro Project contains the following:

- Collar: 43 holes amounting to 16,710.58 m, with an approximate mean depth of 388 m and a maximum of 519 metres.
- Survey: 43 holes measured by gyroscope tool.
- Lithology: 43 holes with 25 unique rock codes, grouped into 8 codes for modelling purposes (see Section 14.4 – Geological Interpretation and Modelling).
- Assays: 40 holes with 9,710 core samples of 1.5 m average length; 35 elements reported.
- Magnetic Susceptibility: 43 holes with 16,125 handheld magnetic susceptibility (“mag-sus”) measurements on drill core, taken every 1 metre.
- Specific Gravity: 43 holes with 1,887 density measurements (by water displacement) from drill core, taken every several metres, averaging 8.5 metres.
- Mineralogy (QEMSCAN): 32 holes with 329 core samples of 1.5 m average length, taken either every 15 m or every 25 m; 34 mineral contents reported.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical drill holes, geophysical surveys and geological maps from the Ontario Geological Survey (OGS).

### **1.12.2 Pit Optimization and Cut-off Grade**

According to CIM (2019), for a mineral deposit to be considered a mineral resource it must be shown that there are Reasonable Prospects for Eventual Economic Extraction (“RPEEE”). As Deloro will be mined using open pit mining methods, the ‘reasonable prospects’ are considered satisfied by limiting mineral resources to those constrained within a conceptual pit shell and above a cut-off grade.

The pit shell was generated under the supervision of Independent Consultant David Penswick (P.Eng. and Qualified Person), using the Lerchs-Grossmann (“LG”) algorithm, which is the industry standard tool to define the limits of, and mining sequence for an open pit.

Specific inputs to the LG algorithm include the following:

- Nickel price of US\$21,000/t and payability of 91% (Ni would generate 79% of total metal revenue).
- Iron price of US\$325/t and payability of 50% (Fe would generate 17% of total metal revenue), which is equivalent to US\$100/t for iron ore grading 62% Fe.
- Chromium price of US\$3,860/t and payability of 65% (Cr would generate 4% of total metal revenue).

Average mining costs are expected to range as follows:

- C\$3.83/t for overburden that would be mined using a mixed fleet of 40 t articulated trucks for clay and 90 t trucks for sand. The combined fleet would operate at an average depth of 26 m below the average surface elevation of RL 330.
- C\$2.04/t for rock that would be mined using 290 t autonomous trucks operating at an average depth of 194 metres.

Process and administration costs are expected to average C\$8.33/t ore for treatment through a 120 kt/d mill. Royalties would average C\$1.17/t ore.

It is important to note that the results from the pit optimization exercise are used solely for testing the “RPEEE” by open pit mining methods and do not represent an economic study.

The cut-off grade has been calculated using the following parameters:

- Estimated average recoveries for Ni of 44%, Fe of 55%, Cr of 18%.
- Metal prices and payability as reported above.
- Marginal costs of C\$9.50, as reported above.
- A long-term C\$ f/x of US\$0.76.

Based on these parameters, a marginal cut-off of C\$9.00 has been used to define economic resources. This equates to approximately 0.10% Ni.

It is the opinion of the QP (David Penswick) that the cut-off calculated from pit optimization is relevant to the grade distribution of this Property and that the mineralization exhibits sufficient continuity for economic extraction under this cut-off value.

Based on the combined block model from Section 14.10.1 - Mineral Resource Classification, and constrained by the conceptual pit shell and cut-off grade from the previous analysis, a nickel grade-tonnage curve was calculated for the EST Domain.

### **1.12.3 Mineral Resource Statement**

The mineral resources disclosed herein (Table 1-4) are constrained to the Deloro pit shell and to the marginal cut-off of C\$9.00 developed from the pit optimization analysis discussed above. The MRE is characterized by domain, class, mineral grades (rounded to 2 significant figures) and contained metal. The effective date of the MRE is 23 July 2026.

Table 1-4. Mineral Resource Statement for the pit-constrained MRE, Deloro Ni-Co Deposit.

| Domain      | Class     | Tonnage (Mt) | Ni (%) | Ni (kt) | Co (%) | Co (kt) | Fe (%) | Fe (Mt) | Cr (%) | Cr (kt) | S (%) | S (kt) | Pd (g/t) | Pd (koz) | Pt (g/t) | Pt (koz) |
|-------------|-----------|--------------|--------|---------|--------|---------|--------|---------|--------|---------|-------|--------|----------|----------|----------|----------|
| EST (HG+LG) | Indicated | 118.7        | 0.25   | 300.3   | 0.011  | 12.8    | 5.2    | 6.1     | 0.26   | 302.4   | 0.057 | 67.5   | 0.0030   | 11.4     | 0.0041   | 15.6     |
|             | Inferred  | 498.2        | 0.25   | 1,253.7 | 0.011  | 53.5    | 5.3    | 26.2    | 0.23   | 1,135.3 | 0.059 | 295.5  | 0.0037   | 60.0     | 0.0046   | 73.9     |

#### 1.12.4 Exploration Potential

The Deloro Deposit is open along strike to the NW, SE and at depth. With additional drilling it is likely that the current MRE will be expanded from exploration potential (CAT 4) to Inferred (CAT 3) and from Inferred to Indicated (CAT 2), depending on the results of the infill drilling.

### 1.13 Interpretation and Conclusions

The objectives of the Report were to prepare an updated Mineral Resource Estimate for the Deloro Nickel-Cobalt Deposit, along with a supporting independent NI 43-101 Technical Report, capturing historical information available from the Project area, evaluating this information with respect to the prospectivity of the Project, and presenting recommendations for future exploration and development on the Project.

The Property is located in the northwestern portion of the Shaw Dome and is underlain by felsic to Intermediate intrusive rocks, syntectonic mafic and ultramafic intrusive rocks, chert-rich iron formation, felsic to intermediate metavolcanic rocks, and mafic metavolcanic rocks.

The main target on the Property is the Archean-age Deloro Ultramafic Complex (DUC), a differentiated ultramafic to mafic komatiitic intrusion. The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes cross-cut the Property, trending generally north-northeast and east. Feldspar porphyry dikes cross-cut the intrusion, generally in the northwest of the Property, with north-south orientations.

#### 1.13.1 Deloro Ultramafic Complex (DUC)

The DUC is a north-northwest trending ultramafic dunite-peridotite intrusion, associated with the Deloro and Tisdale assemblages. Based on the 2022 drilling campaign completed by the Company and geophysical data, DUC is approximately 1.7 km along strike and about 700 m thick, open at depth (Ferron, 2024).

The Deloro Assemblage of the AGB comprises mainly dunite (+90% olivine) and peridotite (+40% olivine), which have undergone extensive serpentinization, along with minor gabbro and pegmatite which have all been cut by late felsic (aplite) and mafic dikes.

The ultramafic rocks (peridotite-dunite) from the DUC have, for the most part, undergone intense serpentinization resulting in a substantial volume increase and the liberation of nickel and iron. This pervasive serpentinization process creates a strongly reducing environment where the nickel released from the decomposition of olivine is partitioned into low-sulphur sulphides like heazlewoodite and into the nickel-iron alloy, awaruite.

### 1.13.2 Mineralization

Sulphide mineralization discovered to date on the Deloro Project can be characterized as Komatiite-hosted Ni-Cu-Co-(PGE) deposit type and most similar to the sub-type (Type II) Mt. Keith style (Leshner and Keays, 2002). Of the five major volcanic facies for komatiitic flow fields suggested by Barnes *et al.* (2004), the DUC is interpreted to be most similar to the dunitic compound sheet flow (DCSF), the same flow field facies interpreted for Mt. Keith. The DCSF facies represent high-flow volume magma pathways characterized by thick olivine-rich cumulates.

The ultimate determination of whether an economic size and grade of deposit can be developed from the DUC will be predicated on the success of metallurgical test work and the price of nickel and other recoverable metals. The Deloro Nickel-Cobalt Sulphide Project is still early-stage, but initial metallurgical work and mineralogical studies (not yet reported) have shown that the nickel contained within the serpentinized ultramafic rocks of the DUC can be liberated. Critical to the success of this Project is completing further thorough metallurgical test work to determine if the nickel could be economically extracted.

It is the opinion of the Authors (QPs), that at this stage of the Project, there are no reasonably foreseen contributions from risks and uncertainties identified in the Report that could affect the Project's continuance at its current stage of exploration.

### 1.14 Recommendations

It is the opinion of the Authors (QPs) that the geological setting and character of nickel-cobalt sulphide mineralization discovered to date on the Deloro Project is of sufficient merit to justify additional exploration and development expenditures with the intention of moving the Project toward a PEA. A recommended work program was prepared, arising through the preparation of the Report and consultation with Canada Nickel.

The QPs recommend a single-phase program of exploration diamond drilling (Phase 4: 5,100 m), designed to follow up on the previous drilling programs (Table 1-5). The proposed budget (C\$1.5M) reasonably reflects the type and amount required for the activities being contemplated.

Table 1-5. Budget estimate, recommended single phase exploration program, Deloro Nickel-Cobalt Sulphide Project.

| Item                                    | Description                                                           | Unit | No. Units | C\$/Unit            | Amount (C\$)       |
|-----------------------------------------|-----------------------------------------------------------------------|------|-----------|---------------------|--------------------|
| Data and Information Compilation/Review | review of all data and information                                    | hr   | 8         | \$225               | \$1,800            |
| Modelling (2D/3D) and Targeting         | drill hole targeting/planning                                         | hr   | 8         | \$225               | \$1,800            |
| Diamond Drilling                        | 18 holes; 5,100 m (NQ); all-in cost                                   | m    | 5,100     | \$155               | \$790,500          |
| Assays (multi-element) - drill core     | ~65% of total metres (1.5 m samples)                                  | ea.  | 3,315     | \$95                | \$314,925          |
| QA/QC                                   | CRMs and duplicates (~15% of primary samples)                         | ea.  | 497       | \$90                | \$44,730           |
| QEMSCAN Mineralogy                      | 1 in every 20 <sup>th</sup> geochemical sample                        | ea.  | 165       | \$250               | \$41,250           |
| Personnel - drilling program            | 1 geologist and 2 assistants                                          | day  | 70        | \$960               | \$67,200           |
| G&A                                     | food, accommodation, vehicles, fuel, supplies, etc. (~10% of program) | ea.  | 1         | \$126,221           | \$126,221          |
| Contingency (10%)                       | on the program and not G&A                                            | ea.  | 1         | \$126,221           | \$126,221          |
|                                         |                                                                       |      |           |                     |                    |
|                                         |                                                                       |      |           | <b>Total (C\$):</b> | <b>\$1,514,646</b> |

## 2.0 INTRODUCTION

At the request of Canada Nickel Company Inc. (“Canada Nickel”, “CNC”, the “Company”, or the “Issuer”), Caracle Creek International Consulting Inc. (“Caracle” or the “Consultant”), has prepared an updated mineral resource estimate and technical report as per National Instrument 43-101 (“NI 43-101”) (the “Report”) on the Deloro Nickel-Cobalt Deposit (the “Deposit” or the “Deloro Deposit”) within the Deloro Nickel-Cobalt Sulphide Project (the “Project”, the “Property”, the “Deloro Project”, or the “Deloro Property”), located in the Timmins-Cochrane Mining camp, about 8 km southeast of the City of Timmins, Ontario, Canada (Figure 2-1).

The Report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators’ National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011).

The Deloro Project is an advanced exploration project (second mineral resource estimate) focused on nickel, cobalt, palladium, and platinum, one of several projects being developed in the Timmins area by Canada Nickel.

### 2.1 Purpose of the Technical Report

The Report was prepared for the purpose of describing Mineral Resource Estimates within an NI 43-101 Technical Report to support the public disclosure of Mineral Resources by Canada Nickel, a Canadian based exploration company listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “CNC”, with its head office at 130 King Street West, Suite 1900, Toronto, Ontario, Canada, M5X 1E3.

This Report verifies the data and information related to historical and current mineral exploration and mineral resources on the Project and presents a report on data and information available from the Company and in the public domain.

The quality of information, conclusions, and recommendations contained herein have been determined using information available at the time of Report preparation and data supplied by outside sources as outlined in Section 2.6 - Sources of Information and Section 27.0 - References.

### 2.2 Previous Technical Reports

This Report is the current NI 43-101 Technical Report in support of an updated Mineral Resource Estimate for the Deloro Nickel-Cobalt Deposit and the Deloro Nickel-Cobalt Sulphide Project. This Report replaces the previous NI 43-101 Technical Report and Mineral Resource Estimate for the Company’s Deloro Nickel-Cobalt Sulphide Project and the Deloro Nickel-Cobalt Deposit, issued 3 September 2024 (Jobin-Bevans *et al.*, 2024).

### 2.3 Effective Date

The effective date of the Mineral Resource Estimate (“MRE”) and the Technical Report is 23 July 2026 (the “Effective Date”).



Figure 2-1. Province-scale location of the Deloro Nickel-Cobalt Sulphide Project (red star) in the Timmins-Cochrane Mining Camp, northeastern Ontario, Canada (Jobin-Bevans *et al.*, 2024).

## 2.4 Qualifications of Consultants

The Report has been completed by Dr. Scott Jobin-Bevans and Mr. John Siriunas of Caracle Creek International Consulting Inc., based in Sudbury, Ontario, Canada, and Mr. David Penswick, Independent Consultant, based in Toronto, Ontario, Canada (together the “Consultants” or the “Authors”).

Dr. Jobin-Bevans is a Professional Geoscientist (PGO #0183, P.Geo.) with experience in geology, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, land tenure management, metallurgical testing, QA/QC, mineral processing, capital and operating cost estimation, and mineral economics.

Mr. Siriunas is a Professional Engineer (PEO #42706010, P.Eng.) with experience in geology, geochemistry, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, QA/QC, land tenure management, and mineral economics.

Mr. Penswick is a Professional Mining Engineer (PEO #100111644), Mining Engineer (Independent Consultant) with Gibsonian Inc., (B.Sc., Queen’s University (Canada) and M.Sc., University of the Witwatersrand (South Africa)), has over 30 years of mining industry experience in operations, projects, technology and finance, and is responsible for providing the pit optimization parameters for the Lerchs-Grossmann pit optimization models used for the Mineral Resource Estimates.

Dr. Scott Jobin-Bevans, Mr. John Siriunas, and Mr. David Penswick, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person (“QP”), as that term is defined in NI 43-101, for the Report. A responsibility matrix showing the report sections and sub-sections assigned to the QPs is provided in Table 2-1.

Table 2-1. Responsibility matrix showing assignment of sections and sub-sections in the Report.

| Author                                      | Complete Section Responsibility | Sub-Section Responsibility                                                                                       |
|---------------------------------------------|---------------------------------|------------------------------------------------------------------------------------------------------------------|
| Scott Jobin-Bevans<br>P.Geo., Caracle Creek | 3.0 to 10.0, 12.0 to 27.0       | 1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.13.2, 1.14, 2.0 to 2.4, 2.6 to 2.7, 14.1 to 14.10, 14.12 to 14.13 |
| John Siriunas<br>P.Eng., Caracle Creek      | 3.0, 11.0, 23.0, 24.0, 26.0     | 1.1.4, 1.1.5, 1.2, 1.10, 1.11, 1.13.2, 1.14, 1.15, 1.16, 1.17, 2.4 to 2.6, 12.2, 25.4, 25.6                      |
| David Penswick<br>P.Eng.                    | 3.0, 23.0, 24.0, 26.0           | 2.4, 2.6, 1.11, 1.13.2, 1.14, 12.1, 12.3, 14.11, 25.4, 25.6                                                      |

The Consultants employed in the preparation of the Report have no beneficial interest in Canada Nickel Company Inc., and is not an insider, associate, or affiliate of Canada Nickel. The results of the Report are not dependent upon any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings between Canada Nickel and the Consultants. The Consultants are being paid a fee for his work in accordance with normal professional consulting practices.

## 2.5 Personal Inspection

Mr. John Siriunas (M.A.Sc., P.Eng.) completed a Personal Inspection (site visit) to the Project on 16 July 2024, accompanied by Mr. Edwin Escarraga, CNC’s Project Manager. The visit was made to observe the general property conditions and access, and to verify the locations of some of the recent drill-hole collars from the work carried out by CNC (Table 2-2, Figure 2-2B). Travel from the City of Timmins, Ontario to the Project area takes approximately 20 minutes.

During the site visit, diamond drilling procedures were discussed and a review of the on-site logging and sampling facilities for processing the drill core were carried out (Figure 2-2A, Figure 2-2F). The Company’s secure storage and logging facility is located at CNC’s Exploration Office at 170 Jaguar Drive, Timmins.

There is abundant outcrop on the Property and the ultramafic provenance of the underlying bedrock was readily evident (Figure 2-2D). The Author noted that previous historical work (prior to CNC's exploration work) included saw-cut channel sampling (Figure 2-2C) and possibly the exploitation or bulk-sampling of the host peridotites/dunites (Figure 2-2E). After verification of existing core logs and assay results against drill core observations, Mr. Siriunas did not feel it necessary to resample the drill core.

Table 2-2. Diamond drill hole collar locations as noted in the field (UTM coordinates NAD83 Zone 17N).

| <b>Drill Hole ID</b> | <b>UTMX (mE)</b> | <b>UTMY (mN)</b> | <b>Elevation (m)</b> |
|----------------------|------------------|------------------|----------------------|
| DEL22-01             | 480414.2         | 5361335.4        | 321                  |
| DEL22-01             | 480415.9         | 5361337.7        | 320                  |
| DEL22-03             | 480486.2         | 5361152.9        | 317                  |
| DEL22-04             | 480480.5         | 5361149.9        | 318                  |
| DEL22-05             | 480418.9         | 5361335.2        | 322                  |
| DEL22-07             | 480326.5         | 5361301.1        | 324                  |
| DEL22-08             | 480523.2         | 5361003.8        | 319                  |
| DEL22-09             | 480587.1         | 5360858.4        | 317                  |

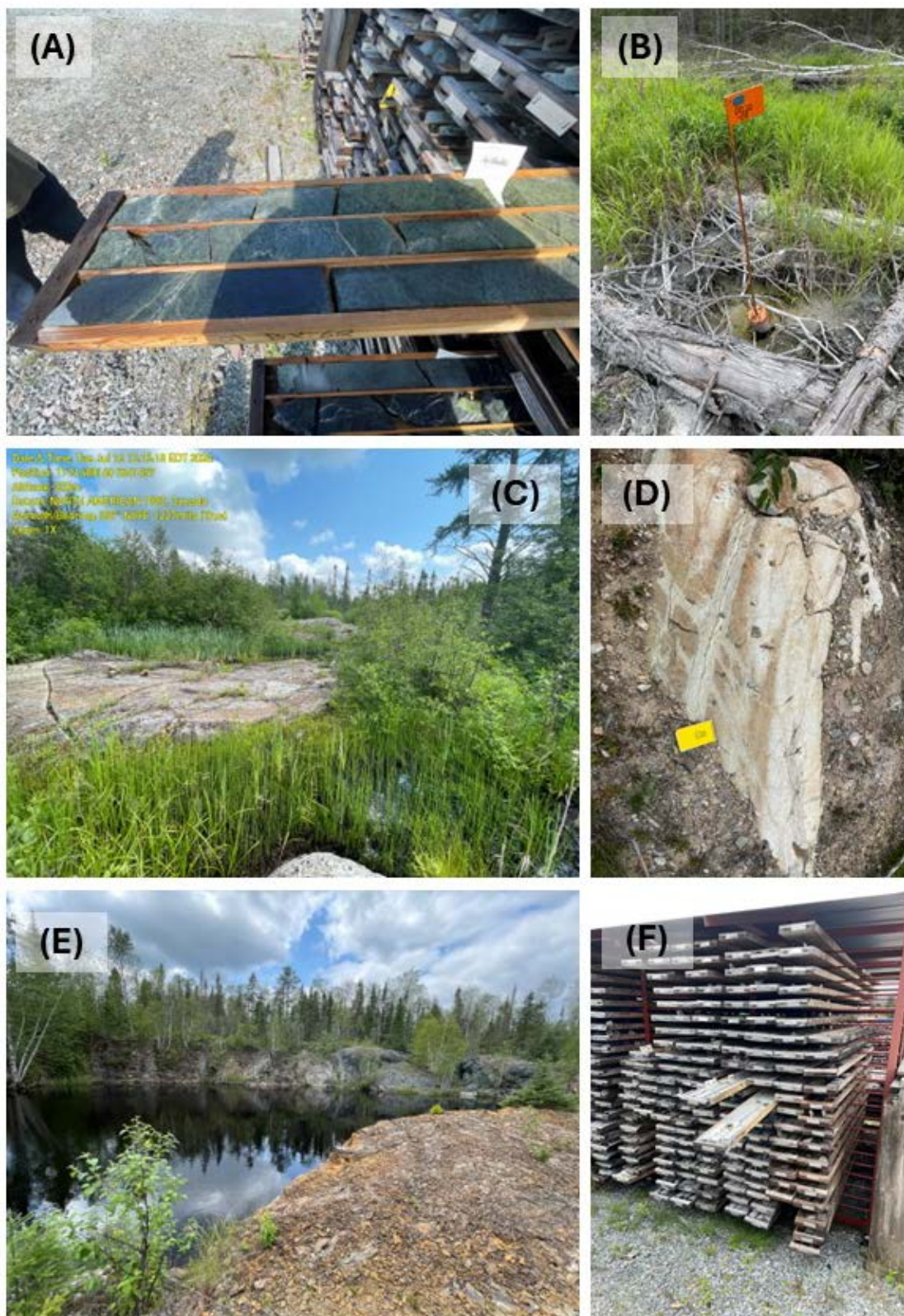


Figure 2-2. Photos from the 16 July 2024 site visit to the Project. (A) Drill core from DDH DEL22-01; NQ core with a diameter of 47.6 mm. (B) Location of DDH collar DEL22-08. (C) Saw-cut channel (left side of photo) by previous workers of the Property. (D) Weather peridotite in outcrop. (E) Water-filled open cut near UTM Zone 17 480360 mE, 5361350 mN (NAD83) on Property. (F) Core storage at the Timmins core shack (Caracle Creek, 2026).

## 2.6 Sources of Information and Data

Standard professional review procedures were used by the Authors (QPs) in the preparation of the Report. The Consultants reviewed data and information provided by CNC and its associates and conducted a site visit to confirm the data and mineralization as presented.

Company personnel were actively consulted post and during report preparation, as well as during the Property site visit. Company personnel include Mr. Mark Selby (CEO), Mr. Stephen Balch (Vice President Exploration), Mr. Edwin Escarraga (Director of Exploration), Mr. Curtis Ferron (Project Geologist), and Jennifer Gignac (Geologist-Database Manager).

The QPs have relied on information and data supplied by the Company, including that from geological, geochemical, assay, mineralogical, metallurgical, diamond drilling, and geophysical work programs. The Report is based on internal Company technical reports, previous studies, maps, published government reports, Company letters and memoranda, and public information as cited throughout the Report and listed in Section 27.0 - References.

The mining lands system for Ontario was accessed online through the Mining Lands Administration System ("MLAS") online platform. Digital data and historical work reports (assessment reports) were accessed online through the Ontario Ministry of Energy and Mines ("MEM").

Information relating to Crown Patents, freehold patented lands with mining rights, was provided by the Company and verified where possible through the Ontario Land Registry Access portal and the Teranet Express portal.

The QP (Scott Jobin-Bevans) has not researched legal Property title or mineral rights for the Deloro Property and expresses no opinion as to the ownership status of the Property.

Additional information was reviewed and acquired through public online sources including SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and at various corporate websites.

Work completed by the Consultants was supported by geological consultants Mr. Miguel Vera (B.Sc., Eng.), a Senior Geologist, Geo-modeller and Resource Geologist with Atticus Chile S.A., based in Santiago, Chile and Yordi Aguilar Buguña, a Mining Engineer and Geologist with Atticus Geoscience Consulting S.A.C., based in Lima, Peru.

## 2.7 Commonly Used Terms and Units of Measure

All units in the Report are based on the International System of Units ("SI"), except for units that are industry standards, such as troy ounces for the mass of precious metals. Table 2-3 provides a list of commonly used terms and abbreviations.

Unless specified otherwise, the currency used is Canadian Dollars ("C\$") and coordinates are given in North American Datum 83 ("NAD83"), UTM Zone 17N (EPSG:2958; suitable between 84°W and 78°W).

Table 2-3. Commonly used units, abbreviations and initialisms.

| Units of Measure/<br>Abbreviations |     | Initialisms/<br>Abbreviations |                                                   |
|------------------------------------|-----|-------------------------------|---------------------------------------------------|
| above sea level                    | ASL | AA                            | Atomic Absorption                                 |
| annum (year)                       | a   | AGB                           | Abitibi Greenstone Belt                           |
| billion years ago                  | Ga  | APGO                          | Association Professional Geoscientists of Ontario |

| Units of Measure/<br>Abbreviations |                 | Initialisms/<br>Abbreviations |                                                                          |
|------------------------------------|-----------------|-------------------------------|--------------------------------------------------------------------------|
| centimetre                         | cm              | ATV                           | All-Terrain Vehicle                                                      |
| degree                             | °               | BCMC                          | Boundary Claim Mining Claim                                              |
| degrees Celsius                    | °C              | CRM                           | Certified Reference Material                                             |
| dollar (Canadian)                  | C\$             | DUC                           | Deloro Ultramafic Complex                                                |
| foot                               | ft              | DDH                           | Diamond Drill Hole                                                       |
| gram                               | g               | DFO                           | Department of Fisheries and Oceans Canada                                |
| grams per tonne                    | g/t             | EM                            | Electromagnetic                                                          |
| greater than                       | >               | EOH                           | End of Hole                                                              |
| hectares                           | ha              | EPSG                          | European Petroleum Survey Group                                          |
| hour                               | hr              | FA                            | Fire Assay                                                               |
| inch                               | in              | GSC                           | Geological Survey of Canada                                              |
| kilo (thousand)                    | K               | ICP                           | Inductively Coupled Plasma                                               |
| kilogram                           | kg              | Int.                          | Interval                                                                 |
| kilometre                          | km              | LDL                           | Lower Detection Limit                                                    |
| less than                          | <               | LLD                           | Lower Limit of Detection                                                 |
| litre                              | L               | LOI                           | Letter of Intent                                                         |
| megawatt                           | Mw              | LUP                           | Land Use Permit                                                          |
| metre                              | m               | MAG                           | Magnetics or Magnetometer                                                |
| millimetre                         | mm              | MINES                         | Ministry of Energy Northern Development and Mines (MENDM)                |
| million                            | M               | MLO                           | Mining Licences of Occupation                                            |
| million years ago                  | Ma              | MOM                           | Ministry of Mines                                                        |
| nanotesla                          | nT              | MNDM                          | Ministry of Northern Development and Mines                               |
| not analyzed                       | na              | MNDMNRF                       | Ministry of Northern Development and Mines Natural Resources and Forests |
| ounce                              | oz              | MNR                           | Ministry of Natural Resources                                            |
| parts per million                  | ppm             | MRO                           | Mining Rights Only                                                       |
| parts per billion                  | ppb             | MSR                           | Mining and Surface Rights                                                |
| percent                            | %               | NAD83                         | North American Datum 83                                                  |
| pound(s)                           | lb              | NI 43-101                     | National Instrument 43-101                                               |
| short ton (2,000 lb)               | st              | NSR                           | Net Smelter Return (Royalty)                                             |
| specific gravity                   | SG              | OGS                           | Ontario Geological Survey                                                |
| square kilometre                   | km <sup>2</sup> | PEO                           | Professional Engineers Ontario                                           |
| square metre                       | m <sup>2</sup>  | P.Geo.                        | Professional Geoscientist or Professional Geologist                      |
| three-dimensional                  | 3D              | QA/QC                         | Quality Assurance / Quality Control                                      |
| tonne (1,000 kg) (metric tonne)    | t               | QP                            | Qualified Person                                                         |
| <b>Elements</b>                    |                 | RC                            | Reverse Circulation                                                      |
| cobalt                             | Co              | ROFR                          | Right of First Refusal                                                   |
| copper                             | Cu              | SCMC                          | Single Cell Mining Claim                                                 |
| gold                               | Au              | SEM                           | Scanning Electron Microscope                                             |
| lead                               | Pb              | SG                            | Specific Gravity                                                         |
| magnesium                          | Mg              | SI                            | International System of Units                                            |
| nickel                             | Ni              | SRM                           | Standard Reference Material                                              |
| platinum group elements            | PGE             | SRO                           | Surface Rights Only                                                      |
| silver                             | Ag              | Twp                           | Township                                                                 |
| sulphur                            | S               | UTM                           | Universal Transverse Mercator                                            |
| zinc                               | Zn              | VMS                           | Volcanogenic Massive Sulphide                                            |

### **3.0 RELIANCE ON OTHER EXPERTS**

The Report has been prepared by Caracle Creek International Consulting Inc. for the Issuer, Canada Nickel Company Inc. The Authors (QPs) have not relied on any other report, opinion or statement of another expert who is not a qualified person, or on information provided by the Issuer concerning legal, political, environmental or tax matters relevant to the Report.

## 4.0 PROPERTY DESCRIPTION AND LOCATION

The Deloro Nickel-Cobalt Sulphide Project is situated within the Timmins-Cochrane Mining Camp in northeastern, Ontario, Canada (see Figure 2-1; Figure 4-1), a region with a strong mining history (gold, nickel, zinc, lead etc.), and a pro-mining Canadian province with regulations that reflect that history.

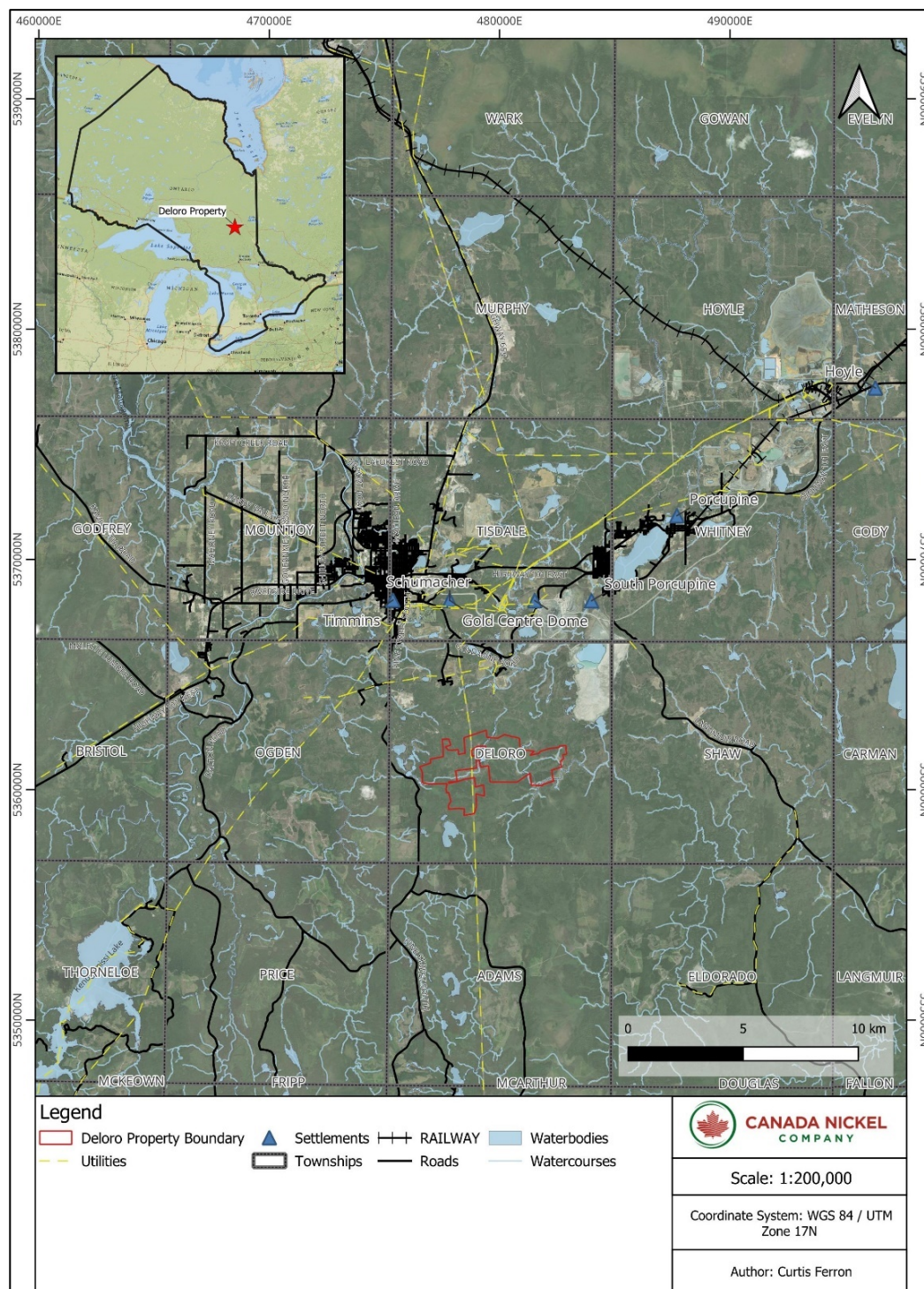


Figure 4-1. Township-scale location of the Deloro Nickel-Cobalt Sulphide Project (red boundary), Deloro Township, Timmins-Cochrane Area, Ontario, Canada. The City of Timmins is located about 8 km northwest of the Property (Ferron, 2024).

All known mineralization, economic or potentially economic, that is the focus of the Report and that of CNC, is located within the boundary of the mining lands that comprise the Deloro Nickel-Cobalt Sulphide Project.

## 4.1 Property Location

The Deloro Nickel-Cobalt Sulphide Project is located in the Timmins Mining Division, Deloro Township, about 8 km southeast of the City of Timmins, and on 1:50 000 NTS map sheet 042A06 - Timmins, Ontario (see Figure 4-1). The approximate centre of the Property is at UTM coordinates 480028 mE, 5361535 mN (NAD83, UTM Zone 17 North; EPSG:2958) and elevation within the Property ranges from about 300 to 350 m above sea level (“ASL”).

## 4.2 Mineral Disposition

The Deloro Nickel-Cobalt Sulphide Project comprises approximately 2,224.64 ha (22.25 km<sup>2</sup>), consisting of a combination of unpatented mining claims (“staked claims”) and patented lands (Crown Patents), as summarized in Table 4-1 and Table 4-2, and shown in Figure 4-2. The patents and the mining claims are registered 100% by Canada Nickel Company Inc. and all show “active” status. The unpatented mining claims are contiguous whereas the patents form two separate blocks.

Specifically, the Property comprises 32 Crown Patents (freehold patented lands) (Table 4-1) that cover approximately 502.64 ha and 82 single cell mining claims (“SCMC”s) (Table 4-2) that cover approximately 1,722 hectares.

Table 4-1. Summary of the 32 patented lands (MSR and MRO) for the Deloro Project.

| Patent    | Disposition | Area (ha) | Reserve (\$) |
|-----------|-------------|-----------|--------------|
| PAT-30219 | MSR         | 5.99      | \$1,307.00   |
| PAT-30220 | MSR         | 26.02     | \$2,516.00   |
| PAT-3244  | MSR         | 15.50     | \$600.00     |
| PAT-3245  | MSR         | 12.02     | \$1,150.00   |
| PAT-3471  | MRO         | 15.58     | \$0.00       |
| PAT-3472  | MRO         | 25.44     | \$733,833.00 |
| PAT-3473  | MRO         | 13.76     | \$1,300.00   |
| PAT-3474  | MRO         | 25.50     | \$2,400.00   |
| PAT-3475  | MRO         | 16.50     | \$1,550.00   |
| PAT-3476  | MRO         | 16.39     | \$136,528.00 |
| PAT-3477  | MRO         | 16.59     | \$661.00     |
| PAT-3478  | MRO         | 13.80     | \$1,175.00   |
| PAT-4905  | MSR         | 17.93     | \$1,725.00   |
| PAT-4906  | MSR         | 21.65     | \$2,112.00   |
| PAT-4907  | MSR         | 16.09     | \$600.00     |
| PAT-4908  | MRO         | 7.35      | \$38,375.00  |
| PAT-4909  | MRO         | 19.55     | \$661.00     |
| PAT-4910  | MRO         | 20.94     | \$85,529.00  |
| PAT-4911  | MSR         | 13.82     | \$1,300.00   |
| PAT-4912  | MSR         | 19.43     | \$0.00       |
| PAT-4913  | MSR         | 16.19     | \$624.00     |
| PAT-4914  | MSR         | 11.73     | \$1,050.00   |
| PAT-4915  | MSR         | 6.24      | \$0.00       |
| PAT-4916  | MSR         | 17.13     | \$1,600.00   |
| PAT-4917  | MSR         | 11.64     | \$284,147.00 |
| PAT-4918  | MSR         | 15.10     | \$0.00       |
| PAT-4919  | MSR         | 13.92     | \$2,154.00   |

| Patent         | Disposition | Area (ha)     | Reserve (\$)           |
|----------------|-------------|---------------|------------------------|
| PAT-4920       | MSR         | 17.14         | \$1,600.00             |
| PAT-4921       | MSR         | 7.28          | \$149.00               |
| PAT-4922       | MSR         | 16.19         | \$808.00               |
| PAT-4923       | MSR         | 14.16         | \$1,350.00             |
| PAT-4925       | MSR         | 16.09         | \$0.00                 |
| <b>Totals:</b> |             | <b>502.64</b> | <b>\$ 1,306,804.00</b> |

Table 4-2. Summary of the 82 unpatented mining claims that comprise the Deloro Project.

| Tenure ID | Tenure Type | Anniversary | Work Required (\$) | Work Applied (\$) | Exploration Reserve (\$) |
|-----------|-------------|-------------|--------------------|-------------------|--------------------------|
| 105983    | SCMC        | 2027-10-17  | \$200              | \$0               | \$1,122.00               |
| 107122    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 107123    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 113601    | SCMC        | 2027-04-27  | \$400              | \$0               | \$67,158.00              |
| 125241    | SCMC        | 2027-04-27  | \$200              | \$0               | \$28,988.00              |
| 129900    | SCMC        | 2027-10-17  | \$200              | \$0               | \$294.00                 |
| 130770    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 130771    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 134209    | SCMC        | 2027-10-17  | \$200              | \$0               | \$367.00                 |
| 140548    | SCMC        | 2027-04-27  | \$200              | \$0               | \$0.00                   |
| 145996    | SCMC        | 2027-04-27  | \$200              | \$0               | \$1,199.00               |
| 153147    | SCMC        | 2027-04-27  | \$400              | \$0               | \$1,432.00               |
| 160039    | SCMC        | 2027-04-27  | \$200              | \$0               | \$874.00                 |
| 163843    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 176036    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 176316    | SCMC        | 2027-10-17  | \$200              | \$0               | \$1,637.00               |
| 246156    | SCMC        | 2027-10-17  | \$200              | \$0               | \$477.00                 |
| 249936    | SCMC        | 2027-04-27  | \$200              | \$0               | \$1,211.00               |
| 255373    | SCMC        | 2027-04-27  | \$400              | \$0               | \$115.00                 |
| 268135    | SCMC        | 2027-04-27  | \$200              | \$0               | \$27,302.00              |
| 278643    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 308531    | SCMC        | 2027-04-27  | \$200              | \$0               | \$1,473.00               |
| 310001    | SCMC        | 2027-10-17  | \$200              | \$0               | \$0.00                   |
| 315265    | SCMC        | 2027-04-27  | \$200              | \$0               | \$1,285.00               |
| 517351    | SCMC        | 2027-04-18  | \$400              | \$0               | \$0.00                   |
| 517352    | SCMC        | 2027-04-18  | \$400              | \$0               | \$37.00                  |
| 517353    | SCMC        | 2027-04-18  | \$400              | \$0               | \$184.00                 |
| 517354    | SCMC        | 2027-04-18  | \$400              | \$0               | \$184.00                 |
| 517355    | SCMC        | 2027-04-18  | \$400              | \$0               | \$0.00                   |
| 517356    | SCMC        | 2027-04-18  | \$400              | \$0               | \$0.00                   |
| 517357    | SCMC        | 2027-04-18  | \$400              | \$0               | \$0.00                   |
| 517358    | SCMC        | 2027-04-18  | \$400              | \$0               | \$0.00                   |
| 517360    | SCMC        | 2027-04-18  | \$400              | \$0               | \$220.00                 |
| 549300    | SCMC        | 2027-05-04  | \$400              | \$0               | \$0.00                   |
| 549301    | SCMC        | 2027-05-04  | \$400              | \$0               | \$0.00                   |
| 549302    | SCMC        | 2027-05-04  | \$400              | \$0               | \$0.00                   |
| 556086    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |
| 556087    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |
| 556088    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |
| 556089    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |
| 556090    | SCMC        | 2027-08-19  | \$400              | \$0               | \$77,443.00              |
| 556091    | SCMC        | 2027-08-19  | \$400              | \$0               | \$458,920.00             |
| 556092    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |
| 556094    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |
| 556095    | SCMC        | 2027-08-19  | \$400              | \$0               | \$0.00                   |

| Tenure ID | Tenure Type | Anniversary    | Work Required (\$) | Work Applied (\$) | Exploration Reserve (\$) |
|-----------|-------------|----------------|--------------------|-------------------|--------------------------|
| 556096    | SCMC        | 2027-08-19     | \$400              | \$0               | \$19,122.00              |
| 556097    | SCMC        | 2027-08-19     | \$400              | \$0               | \$490,279.00             |
| 556098    | SCMC        | 2027-08-19     | \$400              | \$0               | \$54,497.00              |
| 567136    | SCMC        | 2027-12-23     | \$400              | \$0               | \$0.00                   |
| 727755    | SCMC        | 2027-05-22     | \$400              | \$0               | \$0.00                   |
| 727803    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727804    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727805    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727806    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727807    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727809    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727810    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727811    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727812    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727815    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727816    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727817    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727818    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727819    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727820    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727821    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727822    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727824    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727830    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727831    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727832    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727833    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727834    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 727835    | SCMC        | 2027-05-23     | \$400              | \$0               | \$0.00                   |
| 739872    | SCMC        | 2027-07-26     | \$400              | \$0               | \$0.00                   |
| 739873    | SCMC        | 2027-07-26     | \$400              | \$0               | \$0.00                   |
| 739874    | SCMC        | 2027-07-26     | \$400              | \$0               | \$0.00                   |
| 744646    | SCMC        | 2027-09-04     | \$400              | \$0               | \$0.00                   |
| 744647    | SCMC        | 2027-09-04     | \$400              | \$0               | \$0.00                   |
| 750297    | SCMC        | 2027-09-29     | \$400              | \$0               | \$0.00                   |
| 870919    | SCMC        | 2027-12-17     | \$400              | \$0               | \$0.00                   |
| 896593    | SCMC        | 2027-07-11     | \$400              | \$0               | \$0.00                   |
|           |             | <b>Totals:</b> | <b>\$28,600.00</b> | <b>\$0</b>        | <b>\$1,235,820.00</b>    |

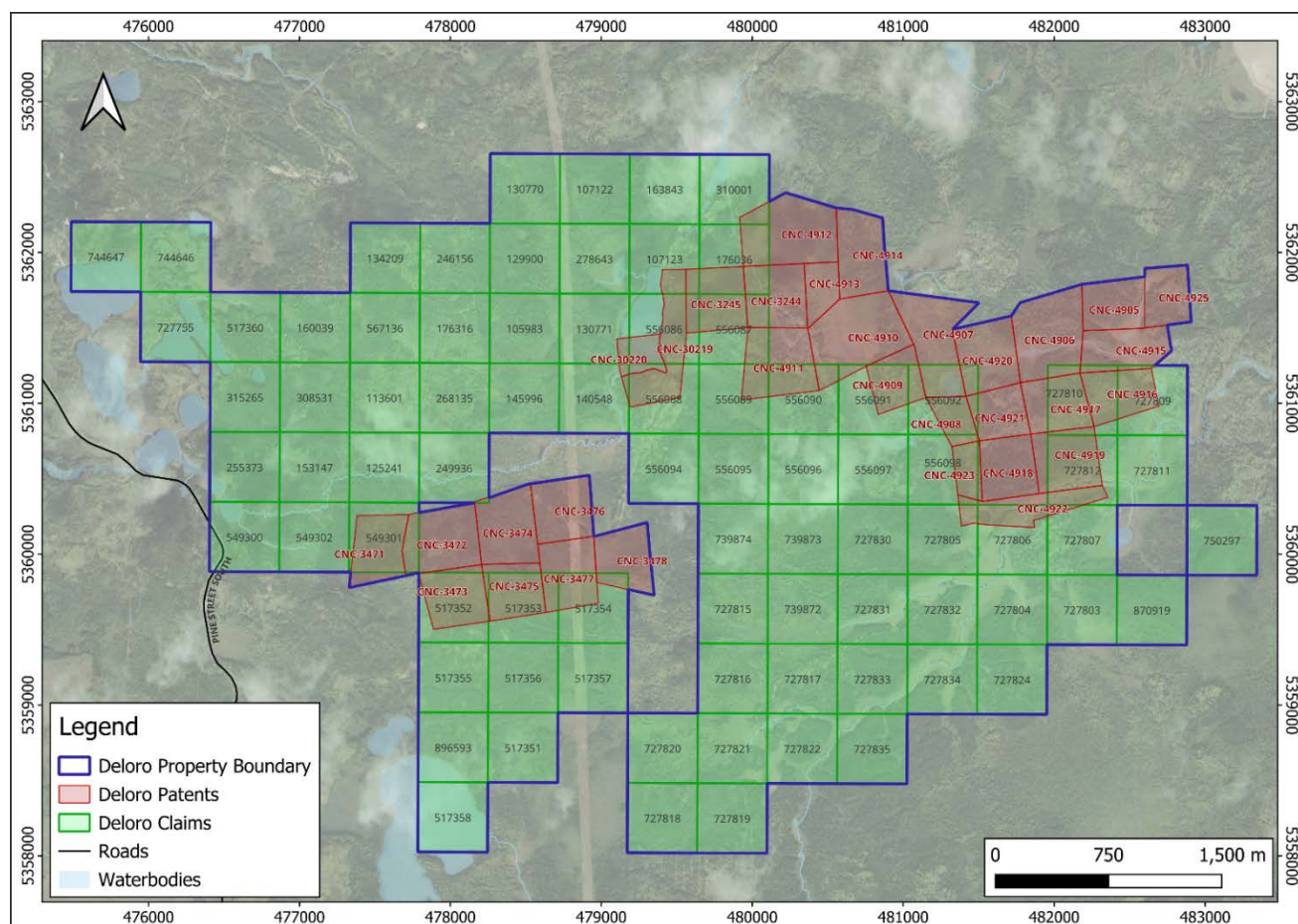


Figure 4-2. Land tenure of the Deloro Project showing the unpatented mining claims and Crown Patents. The Property comprises the Crown Patents (red boundaries) and the unpatented mining claims (blue boundary), the latter which does not encompass entire SCMC claim units (green) (Canada Nickel, 2026).

The two groups of 32 Crown Patents comprise 11 with Mining Rights Only (“MRO”) (CNC does not control the surface rights) and 21 with Mining and Surface Rights (“MSR”) (see Tale 4-1). The status of patented lands can be verified online through Teranet Express and ONLAND (Ontario Land Registry Access).

The unpatented mining claims have expiry dates that range from 18 April to 23 December 2027 and the patent payments are due annually by 1 April.

On the basis of the information provided by the Company and from what is available in the public domain, the QP (Scott Jobin-Bevans) can confirm that all of the unpatented and patented mining lands which comprise the Deloro Project are in good standing.

### 4.3 Claim Status and Holding Cost

The required annual assessment work for the unpatented mining claims is approximately \$28,600. The unpatented mining claims (SCMCs) have approximately \$1,235,820 in reserve to apply to future holding costs (see Table 4-2).

## 4.4 Transaction Terms and Agreements

In November 2021, the Company announced the acquisition of unpatented mining claims and patents with respect to the Deloro Property (Canada Nickel news release 22 November 2021). A further group of unpatented mining claims was acquired in January 2024. The Net Smelter Return Royalties (“NSR”s) relating to the acquired mining claims and patents are summarized in Table 4-3 (see Section 4.11 - Royalties and Obligations).

(“NSR”s) relating to the acquired mining claims and patents are summarized in Table 4-3 (see Section 4.11 - Royalties and Obligations).

### 4.4.1 2205730 Ontario Inc.

In an agreement of 16 November 2021, Canada Nickel acquired 53 unpatented mining claims and 50 patented lands from 2205730 Ontario Inc. Of these acquired lands 46 of the unpatented mining claims and 28 of the patents are within the Deloro Property.

### 4.4.2 Odyssey Explorations Ltd.

In an agreement of 19 November 2021, Canada Nickel acquired four (4) patented lands (PINs 65442-0298, 65442-0299, 65442-0305 and 65442-0306) from Odyssey Explorations Ltd. for C\$25,000 in cash and 80,000 common shares of Canada Nickel. Subject to the reservations in the Crown Grants, the Vendor retained the timber rights on those lands for a period of 20 years following closing. All trees and timber are reserved to the Crown on PINs 65442-0305 and 65442-0306, and all pine trees and timber are reserved to the Crown on PINs 65442-0298 and 65442-0299.

### 4.4.3 Deanna Guidoccio

In an agreement of 16 January 2024, Canada Nickel acquired a 100% legal and beneficial interest in 30 unpatented mining claims from Deanna Guidoccio in consideration for 30,000 common shares of Canada Nickel. Twenty-nine (29) of these mining claims are within the Deloro Property. The mining claims are not subject to a royalty.

## 4.5 Mining Lands Tenure System in Ontario

Traditional claim staking (physical staking) in Ontario came to an end on 8 January 2018 and on 10 April 2018 the Ontario Government converted all existing claims (referred to as Legacy Claims) into one or more “cell” claims (Single Cell Mining Claim or SCMC) or “boundary” claims (Boundary Cell Mining Claim or BCMC) as part of their new provincial grid system. The provincial grid is latitude- and longitude-based and is made up of more than 5.2 million cells ranging in size from 17.7 ha in Northern Ontario to 24 ha in Southern Ontario. A Boundary Cell Mining Claim means that the mining claim cell is a partial cell and that the cell is shared with another claim holder. If, at any time, the other claim holder was to abandon or forfeit their portion of any of the BCMC, it would be converted to a SCMC and the balance of the map cell would become part of the Property.

Dispositions such as leases, patents, and licences of occupation were not affected by the new system. Mining claims are registered and administrated through the Ontario Mining Lands Administration System (“MLAS”), which is the online electronic system established by the Ontario Government for this purpose.

Mining claims can only be obtained by an entity (person or company) that holds a Prospector’s Licence granted by the MEM (a “prospector”). A licenced prospector is permitted to enter onto provincial Crown and private lands that are open for exploration and stake a claim on those lands. Notice of the staked claim can then be

recorded in the mining register maintained by the MEM. Once the mining claim has been recorded, the prospector is permitted to conduct exploratory and assessment work on the subject lands. To maintain the mining claim and keep it properly staked, the prospector must adhere to relevant staking regulations and conduct all prescribed work thereon. The prescribed work is currently set at \$400 per annum per claim unit (cell). As of 2018, claim units are no longer a fixed 16 hectares, but now refer to cells that are 17.7 ha in Northern Ontario to 24 ha in Southern Ontario. The prescribed work must be completed as no payments in lieu of work can be made. No minerals may be extracted from lands that are the subject of a mining claim – the prospector must possess either a mining lease or a freehold interest to mine the land, subject to all provisions of the Ontario Mining Act.

A mining claim can be transferred, charged or mortgaged by the prospector without obtaining any consents. Notice of the change of owner of the mining claim or charge thereof should be recorded in the mining registry maintained by the MEM.

#### **4.5.1 Mining Lease**

If a prospector wants to extract minerals, the prospector may apply to the MEM for a mining lease. A mining lease, which is usually granted for a term of 21 years, grants an exclusive right to the lessee to enter upon and search for, and extract, minerals from the land, subject to the prospector obtaining other required permits and adhering to applicable regulations.

Pursuant to the provisions of the Ontario Mining Act (the “Act”), the holder of a mining claim is entitled to a lease if it has complied with the provisions of the Act in respect of those lands. An application for a mining lease may be submitted to the MEM at any time after the first prescribed unit of work in respect of the mining claim is performed and approved. The application for a mining lease must specify whether it requests a lease of mining and surface rights or mining rights only and requires the payment of fees.

A mining lease can be renewed by the lessee upon submission of an application to the MEM within 90 days before the expiry date of the lease, provided that the lessee provides the documentation and satisfies the criteria set forth in the Act in respect of a lease renewal.

A mining lease cannot be transferred or mortgaged by the lessee without the prior written consent of the MEM. The consent process generally takes between two and six weeks and requires the lessee to submit various documentations and pay a fee.

#### **4.5.2 Freehold Mining Lands**

A prospector interested in removing minerals from the ground may, instead of obtaining a mining lease, make an application to the Ontario Ministry of Natural Resources (“MNR”) to acquire the freehold interest in the subject lands. If the application is approved, the freehold interest is conveyed to the applicant by way of the issuance of a mining patent. A mining patent can include surface and mining rights or mining rights only.

The issuance of mining patents is much less common today than in the past, and most prospectors will obtain a mining lease in order to extract minerals. If a prospector is issued a mining patent, the mining patent vests in the patentee all of the provincial Crown’s title to the subject lands and to all mines and minerals relating to such lands, unless something to the contrary is stated in the patent.

As the holder of a mining patent enjoys the freehold interest in the lands that are the subject of such patent, no consents are required for the patentee to transfer or mortgage those lands.

### **4.5.3 Licence of Occupation**

Prior to 1964, Mining Licences of Occupation (“MLO”) were issued, in perpetuity, by the MEM to permit the mining of minerals under the beds of bodies of water. MLOs were associated with portions of mining claims overlying adjacent land. As an MLO is held separate and apart from the related mining claim, it must be transferred separately from the transfer of the related mining claim. The transfer of an MLO requires the prior written consent of the MEM. As an MLO is a licence, it does not create an interest in the land.

### **4.5.4 Land Use Permit**

Prospectors may also apply for and obtain a Land Use Permit (“LUP”) from the MNR. An LUP is considered to be the weakest form of mining tenure. It is issued for a period of 10 years or less and is generally used where there is no intention to erect extensive or valuable improvements on the subject lands. LUPs are often obtained when the land is to be used for the purposes of an exploration camp. When an LUP is issued, the MNR retains future options for the subject lands and controls its use. LUPs are personal to the holder and cannot be transferred or used as security.

## **4.6 Mining Law - Province of Ontario**

In the Province of Ontario, The Mining Act (the “Act”) is the provincial legislation that governs and regulates prospecting, mineral exploration, mine development and rehabilitation. The purpose of the Act is to encourage prospecting, online mining claim registration and exploration for the development of mineral resources, in a manner consistent with the recognition and affirmation of existing Aboriginal and treaty rights in Section 35 of the Constitution Act, 1982, including the duty to consult, and to minimize the impact of these activities on public health and safety and the environment.

### **4.6.1 Required Plans and Permits**

In Ontario, there are two types of applications that must be considered prior to a prospector starting an exploration program. An Exploration Plan is a document provided to the MEM by an Early Exploration Proponent indicating the location and dates for prescribed early exploration activities. An Exploration Permit is an instrument which allows an Early Exploration Proponent to carry out prescribed early exploration activities at specific times and in specific locations. An Exploration Plan or Exploration Permit must be submitted prior to undertaking any of the prescribed work listed by the Ministry but neither of these permits are necessary on Crown Patents (patented lands).

#### **4.6.1.1 Exploration Plans**

Exploration Plans are used to inform Aboriginal Communities, Government, Surface Rights Owners and other stakeholders about these activities. In order to undertake certain prescribed exploration activities, an Exploration Plan application must be submitted, and any surface rights owners must be notified. Aboriginal communities potentially affected by the Exploration Plan activities will be notified by the MEM and have an opportunity to provide feedback before the proposed activities can be carried out.

Early Exploration Proponents who wish to undertake prescribed exploration activities on claims, leases or licences of occupation must submit an Exploration Plan. The early exploration activities that require an Exploration Plan are:

- Line cutting that is a width of 1.5 m or less;
- Geophysical surveys on the ground requiring the use of a generator;

- Mechanized stripping a total surface area of less than 100 square metres within a 200-metre radius;
- Excavation of bedrock that removes one cubic metre and up to three cubic metres of material within a 200-metre radius; and
- Use of a drill that weighs less than 150 kilograms.

Exploration Plan applications should be submitted directly to the MEM at least 35 days prior to the expected commencement of activities. Submission of an Exploration Plan is mandatory.

#### **4.6.1.2 Exploration Permits**

Exploration Permits include terms and conditions that may be used to mitigate potential impacts identified through the consultation process. Some prescribed early exploration activities will require an Exploration Permit. Those activities will only be allowed to take place once the permit has been approved by the MEM.

Surface rights owners must be notified when applying for an Exploration Permit. Aboriginal communities potentially affected by the Exploration Permit activities will be consulted by the MEM and have an opportunity to provide comments and feedback before a decision is made on the Exploration Permit. Permit proposals will be posted for comment on the Environmental Registry of Ontario (“ERO”) for 30 days.

Early Exploration Proponents who wish to undertake prescribed exploration activities on claims, leases or licences of occupation should submit an Exploration Permit application. The early exploration activities that require an Exploration Permit are:

- Line cutting that is a width greater than 1.5 metres;
- Mechanized stripping of a total surface area of greater than 100 square metres within a 200-metre radius (and below advanced exploration thresholds);
- Excavation of bedrock that removes more than three cubic metres of material within a 200-metre radius; and
- Use of a drill that weighs more than 150 kilograms.

Exploration Permit applications should be submitted directly to the MEM at least 55 days prior to the expected commencement of activities. Submission of an Exploration Permit is mandatory.

## **4.7 Surface Rights and Legal Access**

The surface rights associated with the unpatented mining claims that comprise the Property are owned by the Government of Ontario (Crown Land) and access to these areas of the Property is unrestricted. In addition, the Company holds several Patents with mining and surface rights, also giving the Company unrestricted access.

For the lands that are not Crown Land and that the Company does not hold the surface right to, including the 11 Patents that are Mining Rights Only (MRO), the Company is required to provide official notification to the surface rights holder which is done through the Ontario Government’s MLAS online portal. If the exploration work requires an Exploration Plan or Permit then the notification is to include complete Notice of Intent to Submit an Exploration Plan or Exploration Permit Application (Notice of Intent), a copy of a proposed Exploration Plan or Exploration Permit Application, and a map that shows the location of the proposed exploration activities. The surface rights owner has 30 days to review the information and the ministry has 50 days after the circulation date to make a decision on the permit.

## 4.8 Current Permits and Work Status

The Company has one active Permit (PR-22-000004) with respect to the Property. The Permit was issued 8 March 2022 and covers mechanized drilling and line cutting; the Permit expired 7 March 2025. The Patents on which the Company holds the surface and mining rights do not require a permit. The Patents on which the Company holds the mining rights only do not require a permit, though conducting work on those patents does require notification to the surface rights owner.

As of the Effective Date of the Report, no exploration work programs were being conducted on the Property.

## 4.9 Community Consultation

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations identified by the MEM during the permitting process:

- Matachewan First Nation, Wabun Tribal Council.
- Mattagami First Nation, Wabun Tribal Council.
- Taykwa Tagamou First Nation, Mushkegowuk Tribal Council.

## 4.10 Environmental Liabilities and Studies

The QP (Scott Jobin-Bevans) is not aware of any environmental liabilities on the Property.

## 4.11 Royalties and Obligations

The Deloro Project consists of mining claims and patents acquired from three vendors under separate purchase agreements. Two of the agreements, both dated November 2021, were announced by the Company on 22 November 2021 (Canada Nickel news release 22 November 2021); the third agreement is dated 16 January 2024.

In the first purchase agreement (2205730 Ontario Inc.), a 100% ownership was acquired in 46 unpatented mining claims and 28 patents. The mining claims are subject to a 2.0% NSR while the patents are subject to a 1.8% NSR; in both cases the Buy-Down Option allows CNC to purchase 1.0% of the NSR for C\$1M (Table 4-3).

In the second purchase agreement (Odyssey Explorations Ltd.), Canada Nickel acquired a 100% ownership in four (4) contiguous mining patents. The patents are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C\$1M (Table 4-3).

In the third purchase agreement (Deanna Guidoccio), Canada Nickel acquired a 100% legal and beneficial interest in 30 unpatented mining claims, 29 of which are within the Deloro Property. These mining claims are not subject to a royalty and are therefore not listed in Table 4-3.

Table 4-3. Summary of the NSR royalties as they apply to unpatented and patented lands, Deloro Project.

| Tenure ID | PIN | Agreement            | NSR (%) | Buy-Down Option |
|-----------|-----|----------------------|---------|-----------------|
| 105983    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 107122    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 107123    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 113601    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |

| Tenure ID | PIN | Agreement            | NSR (%) | Buy-Down Option |
|-----------|-----|----------------------|---------|-----------------|
| 125241    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 129900    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 130770    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 130771    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 134209    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 140548    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 145996    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 153147    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 160039    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 163843    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 176036    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 176316    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 249936    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 255373    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 268135    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 278643    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 308531    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 310001    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 315265    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517351    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517352    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517353    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517354    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517355    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517356    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 517357    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 549300    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 549301    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 549302    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556086    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556087    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556088    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556089    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556090    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556091    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556092    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556094    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556095    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556096    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556097    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 556098    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |
| 567136    | -   | 2205730 Ontario Inc. | 2.0     | 1.0% for C\$1M  |

| Tenure ID | PIN        | Agreement            | NSR (%) | Buy-Down Option |
|-----------|------------|----------------------|---------|-----------------|
| PAT-30219 | 65442-0306 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-30220 | 65442-0305 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-3244  | 65442-0298 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-3245  | 65442-0299 | Odyssey Explorations | 2.0     | 1.0% for C\$1M  |
| PAT-3471  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3472  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3473  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3474  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3475  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3476  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3477  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-3478  | 65442-0699 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4905  | 65442-0423 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4906  | 65442-0420 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4907  | 65442-0412 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4908  | 65442-0422 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4909  | 65442-0411 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4910  | 65442-0295 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4911  | 65442-0296 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4912  | 65442-0294 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4913  | 65442-0297 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4914  | 65442-0293 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4915  | 65442-0426 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4916  | 65442-0427 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4917  | 65442-0419 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4918  | 65442-0416 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4919  | 65442-0418 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4920  | 65442-0414 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4921  | 65442-0415 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4922  | 65442-0417 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4923  | 65442-0421 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |
| PAT-4925  | 65442-0424 | 2205730 Ontario Inc. | 1.8     | 1.0% for C\$1M  |

## 4.12 Other Significant Factors and Risks

The QP (Scott Jobin-Bevans) is not aware of any significant factors that may affect access, title, or the right or ability to perform the proposed work program (see Section 26.0 – Recommendations).

## 5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

### 5.1 Access to Property

Year-round access to the Property is gained by driving about 5 km east of the city centre of Timmins along Gold Mine Road, taking a right (south) on Shaw Creek Road and following it to the southern end where it turns to a gravel logging road; the road bifurcates about 140 m prior to the northern Property boundary (see Figure 4-1). From this point, an off road vehicle (*e.g.*, 4 x 4 truck) is required, by which you can follow this road south for approximately 4 km, until reaching the Property.

### 5.2 Access and Surface Rights

The surface rights associated with the unpatented mining claims that comprise the Property are owned by the Government of Ontario (Crown Land) and access to these areas of the Property is unrestricted. In addition, the Company holds several patents with mining and surface rights, also giving the Company unrestricted access. For the lands that are not Crown Land and that the Company does not hold the surface right to, including the 11 patents that are Mining Rights Only (MRO), the Company is required to provide official notification to the surface rights holder which is done through the Ontario Government's MLAS online portal (see Section 4.7 – Surface Rights and Legal Access).

### 5.3 Climate and Operating Season

The local climate is typical of northeastern Ontario, categorized as a continental climate with cold winters and relatively short hot summers (Figure 5-1).

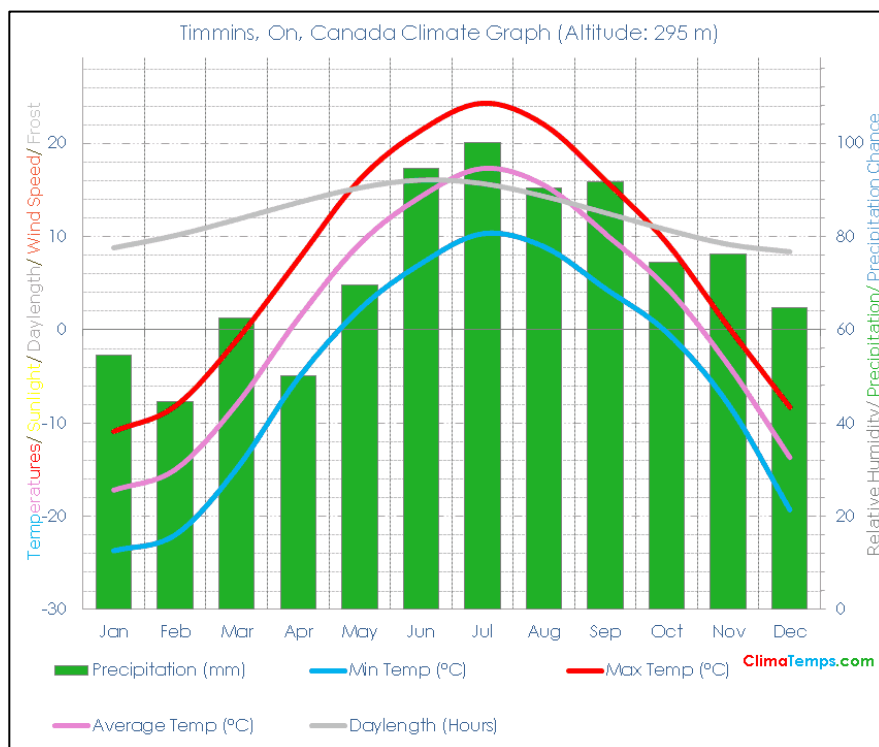


Figure 5-1. Average annual temperature, precipitation and daylight hours, Timmins, Ontario (climate.top website, 2024).

The Project is easily accessible and exploration work can continue year-round. Occasionally, fieldwork is not permitted between May and August due to forest fire danger at which time the Ontario Ministry of Natural Resources (MNR) may prohibit access.

## **5.4 Local Resources and Infrastructure**

Supplies, food, fuel, lodgings and the full range of equipment, supplies and services that are required for exploration and mining work are available in Timmins, the fourth-largest city in northeastern Ontario (population of 41,145 in 2021). A major hydro transmission line runs north through Deloro Township and through the middle of the Property (see Figure 4-1).

### **5.4.1 Sufficiency of Potential Surface Rights**

Although a relatively early-stage project in terms of a mining decision, there is sufficient suitable land area available within the current Project boundary and within the region in general, for any future tailings disposal, mine waste disposal, and potential processing plant sites.

## **5.5 Physiography**

The Property lies within the Abitibi upland physiographic region and has a typical “Laurentian Shield” landscape, composed of forest covered ridges, relatively few rock outcrops (approx. 5% exposure and concentrated in the northern half of the target area), boulder and gravel tills, as well as swampy tracts, ephemeral spring-runoff stream beds and swales, beaver ponds, and small lakes.

Thick fine-grained, glaciolacustrine deposits subdue local landscape and form terrain characterized by broad, poorly drained, swampy conditions. Overburden, predominantly glacial till consisting of sand, clay, loose gravel and boulders, averages about 6.0 metres.

### **5.5.1 Topography**

In general, the area is well drained with moderate topographic relief and minor, steep depressions along river and stream routes. It is largely a low relief, bedrock-dominated peneplain with isolated, lithologically controlled topographic highs. Locally, glacial landforms add to relief which is generally less than 15 metres. Elevations on the Property range from 300 to 350 m ASL with sand and outcrop ridges trending north-south.

### **5.5.2 Water Availability**

Water accessibility is excellent throughout the year with several small ponds and numerous swampy areas associated with small lakes and creeks, and a shallow water table.

### **5.5.3 Flora and Fauna**

The Property lies within the Boreal Shield Ecozone, as defined by the Commission for Environmental Cooperation (“CEC”) and is the largest ecozone in Canada.

Tree species include white and black spruce, balsam fir, tamarack, trembling aspen (poplar), white and red pine, jack pine, maple, eastern red cedar, eastern hemlock, paper birch, speckled alder, pin cherry, and mountain ash. Many of the forests in the area have been designated for cutting or have already been cut by forestry companies, leaving a majority of secondary growth forests. Other plants include ericaceous shrubs, sphagnum

moss, willow, Labrador tea, blueberries, feathermoss, cotton grass, sedges, kalmia heath, shield fern, goldenrod, water lilies, horsetails and cattails.

Mammals include moose, black bear, wolf, chipmunk, beaver, muskrat, snowshoe hare, vole, red squirrel, mice, marten, short-tailed weasel, fisher, ermine, mink, river otter, coyote, and red fox. Garter snakes and frogs are also present. Waterfowl are seen on lakes during the ice-free season, and fish can be abundant in some lakes and the larger perennial streams.

## 6.0 HISTORY

The Porcupine Mining District of Ontario was founded in 1908 after the discovery of gold in the Ontario portion of the Abitibi Greenstone Belt (“AGB”) near Timmins. Since then, gold production in the region has been substantial and the Timmins region is one of the richest goldfields in the world, producing more gold than any other mining camp in Canada (about 2,400 tonnes).

In the early years, prospectors followed rivers and lakeshores hunting for gold and base metals, but the extensive drift-covered ridges and valleys left by the Pleistocene Laurentide Ice Sheet meant that they could not explore the area in detail. Because of immature surficial covers of the glacial landscape, there were no alluvial gold trains in creek bottoms extending from hard-rock mineralization. Without outcropping mineralization, ore deposits of all kinds remained undetected.

The advent of airborne geophysics post World War Two, allowed for new and renewed exploration campaigns in the AGB. Starting in the early 1960s, subsidiaries of the International Nickel Company of Canada Ltd. (“INCO”), private and public companies and the Ontario and Canadian governments flew airborne magnetic and electromagnetic surveys across the AGB looking for nickel sulphide deposits. The targets were magnetic anomalies reflected by a magnetic response from pyrrhotite-dominated nickel sulphide mineralization. Since many, but not all, nickel sulphide ores are dominated by semi-massive to massive pyrrhotite with associated chalcopyrite, they generate coincident magnetic-electromagnetic anomalies which are high priority targets in nickel sulphide exploration. This geophysical signature (coincident MAG-EM targets) led to the discovery of the “Type IV hydrothermal-metamorphic” nickel sulphide deposits (Layton-Matthews *et al.*, 2010) at and near Thompson, Manitoba in the 1950s and in subsequent decades.

Not all coincident magnetic-electromagnetic anomalies are due to pyrrhotite dominated sulphides as magnetite will naturally generate a very strong magnetic response and if present, graphite will generate a very strong conductive response. Ultramafic rocks, including extrusive komatiite flows, komatiitic channelized sheet sills, and intrusive mafic-ultramafic bodies, the host lithologies to many of the nickel sulphide ores discovered to date in the Timmins Mining Camp and the AGB, are commonly serpentinized by dynamic metamorphism which results in the liberation of magnetite from olivine, which in turn results in a very strong magnetic response, overwhelming weaker magnetic signatures, and lower specific gravity. The serpentinization also results in the liberation of nickel which forms iron-nickel alloy (*i.e.*, awaruite) and nickel sulphides (*e.g.*, pentlandite, pyrrhotite, heazlewoodite), reflected in increased concentrations of available nickel. This in comparison to “fresh” non-serpentinized ultramafic rocks which have relatively high specific gravity, a relatively low magnetic signature, and low (background) concentrations of nickel.

The enormous number of magnetic and conductive anomalies generated by airborne and ground geophysical surveys and the masking of a “clean” response from potential nickel sulphide deposits, by both magnetic and electromagnetic effects, means that not all targets may have been tested and/or delineated (Jobin-Bevens *et al.*, 2020). In the Timmins region of the AGB and specifically in Deloro Township, given the lack of outcrop and extensive overburden, the only solution is to drill-test targets and trends.

### 6.1 Prior Ownership and Ownership Changes

Forty-six (46) of the unpatented mining claims and all 32 of the patents that comprise the Property were acquired by Canada Nickel in November 2021 through two separate purchase agreements (Canada Nickel news

release 22 November 2021). A further 29 unpatented mining claims were acquired from Deanna Guidoccio under an agreement dated 16 January 2024.

Claims 246156, 517358, and 517360 were acquired by Canada Nickel from 2205730 Ontario Inc. 25 December 2021. Claims 739872, 739873, and 739874 and were transferred from CENTRAL TIMMINS NICKEL COMPANY INC to Canada Nickel 11 July 2024, and claim 896593 from Deanna Guidoccio 17 July 2024.

## 6.2 Government Data and Information

Government of Ontario published reports and data that cover the area of the Property include:

- OFR5012: Geology of Ogden, Deloro and Shaw townships, District of Cochran (Carlson, 1967).
- MP041: Distribution and characteristics of the sulphide ores of the Timmins area (Pyke and Middleton, 1970).
- MP056.027: Geochemistry of ultramafic rocks in the Abitibi greenstone belt, districts of Cochrane and Timiskaming (Wolfe, 1973).
- MP067.038: Nickel deposits associated with ultramafic rocks within the Abitibi greenstone belt (Coad, 1976).
- MDC018: Gold deposits of Ontario, part 2, part of District of Cochrane, districts of Muskoka, Nipissing, Parry Sound, Sudbury, Timiskaming, and counties of southern Ontario (Gordon *et al.*, 1979).
- P2079: Deloro Township, Cochrane District; Ontario Geological Survey Preliminary Map P.2079, Timmins Data Series. Scale 1:15 840 or 1 inch to ¼ mile (Sangster and Maharaj, 1981).
- P3595: Geological compilation of the Shaw Dome area, northeastern Ontario (Houlé and Hall, 2007).

## 6.3 Historical Exploration Work

A summary of the most significant historical exploration within the current Property boundary is provided in Table 6-1. This list is not exhaustive as some of the assessment work filed and available through the MINES covers partially or insignificantly the area within the Property Boundary. Figure 6-1 shows the distribution of historical assessment work within Deloro Township, relative to the Property boundary.

Historical results from exploration work on or proximal to the Project have not been verified by the QP (Scott Jobin-Bevans) or a Qualified Person associated with the Company and as such are not necessarily indicative of the results to be found within the Project.

Table 6-1. Summary of historical exploration work within the boundary of the Deloro Project.

| Period | AFRI ID     | Company/Prospector            | Type               | Description                 |
|--------|-------------|-------------------------------|--------------------|-----------------------------|
| 1969   | 42A06NW0151 | Lynx Canada Explorations Ltd  | Geophysics         | EM / Magnetometer Survey    |
| 1970   | 42A06NW1154 | Lynx Canada Explorations Ltd  | Diamond Drilling   | two holes                   |
| 1970   | 42A06NW1153 | Canadian Nickel Co. Ltd       | Diamond Drilling   | one hole                    |
| 1980   | 42A06NE0007 | Amax Minerals Exploration Ltd | Geophysics         | Airborne Magnetometer       |
| 1982   | 42A06NW0135 | D.R. Pyke                     | OB Drilling        | Overburden Drilling         |
| 1988   | 42A06NW0163 | Kingswood Explorations Ltd    | Geophysics         | Magnetometer Survey         |
| 1989   | 42A06NW0160 | Kingswood Explorations Ltd    | Geological Mapping | Geological Survey / Mapping |

| Period      | AFRI ID      | Company/Prospector            | Type               | Description                                                                        |
|-------------|--------------|-------------------------------|--------------------|------------------------------------------------------------------------------------|
| 1992        | 42A06NW0033  | Syndicate 92                  | Geophysics         | Assays, VLF-EM, Geological Survey, Magnetometer Survey, Line Cutting, OB Stripping |
| 1992 - 1993 | 42A06NW0037  | J. Grant, J. Mcauley          | Geological Mapping | Assays, Geological Survey, OB Stripping, Prospecting                               |
| 1992 - 1993 | 42A06NW0037  | J. Grant, J. McAuley          | Geological Mapping | Assays, Geological Survey, OB Stripping, Prospecting                               |
| 1995        | 42A06NW0034  | Outokumpu Mines Ltd           | Geophysics         | EM / Magnetometer Survey, Line Cutting                                             |
| 2000        | 42A06NE2022  | Ontex Resources Ltd           | Geophysics         | EM-Magnetic Survey, Line Cutting                                                   |
| 2000        | 42A06NE2022  | Ontex Resources Ltd           | Geophysics         | EM-Magnetic Survey, Line Cutting                                                   |
| 2002        | 42A06NE2030  | Ontex Resources Ltd           | Diamond Drilling   | Assays, Diamond Drilling                                                           |
| 2003        | 42A06NE2034  | Ontex Resources Ltd           | Diamond Drilling   | Assays, Diamond Drilling                                                           |
| 2002 - 2003 | 42A06NE2037  | Ontex Resources Ltd           | Geological Mapping | Assays, Geological Survey / Mapping                                                |
| 2002 - 2003 | 42A06NE2036  | Ontex Resources Ltd           | Geophysics         | EM, VLF-EM, IP, Line Cutting, Magnetometer Survey                                  |
| 2010        | 20011167     | W.T.P. Robert (SGX Resources) | Diamond Drilling   | 3 holes                                                                            |
| 2018-2019   | 200000018904 | P2 Gold Inc.                  | Diamond Drilling   | 4 holes                                                                            |

Exploration in Deloro Township and area dates to the early 1900's with the Bowman Mine producing 194 tons of chrysotile asbestos from 1923-1926 and the Faymar Gold Mine (outside of the Deloro Property boundary) producing 28,417 ounces of gold from 1935-1942 (Mines and Minerals Division, 2024).

In 1969, Lynx Canada Exploration Ltd. completed a ground electromagnetic and magnetic survey over some of the Property.

In 1970, the Canadian Nickel Company Ltd. drilled a single diamond drill hole, that of interest, intersected about 113 m of serpentinized peridotite (Ontario Drill Hole Database ODHD, 2024).

In 1980 Amax Minerals Exploration Ltd. completed an extensive airborne magnetometer survey within Deloro Township and beyond, which covered the Deloro Property.

Multiple ground and airborne geophysics surveys along with geological mapping and surface sampling programs were completed in the 1980's and 1990's, mostly over central Deloro Township. Between 2000 and 2003, Ontex Resources Ltd. completed multiple ground electromagnetic, very low frequency electromagnetic, magnetic and induced polarization surveys over the Property.

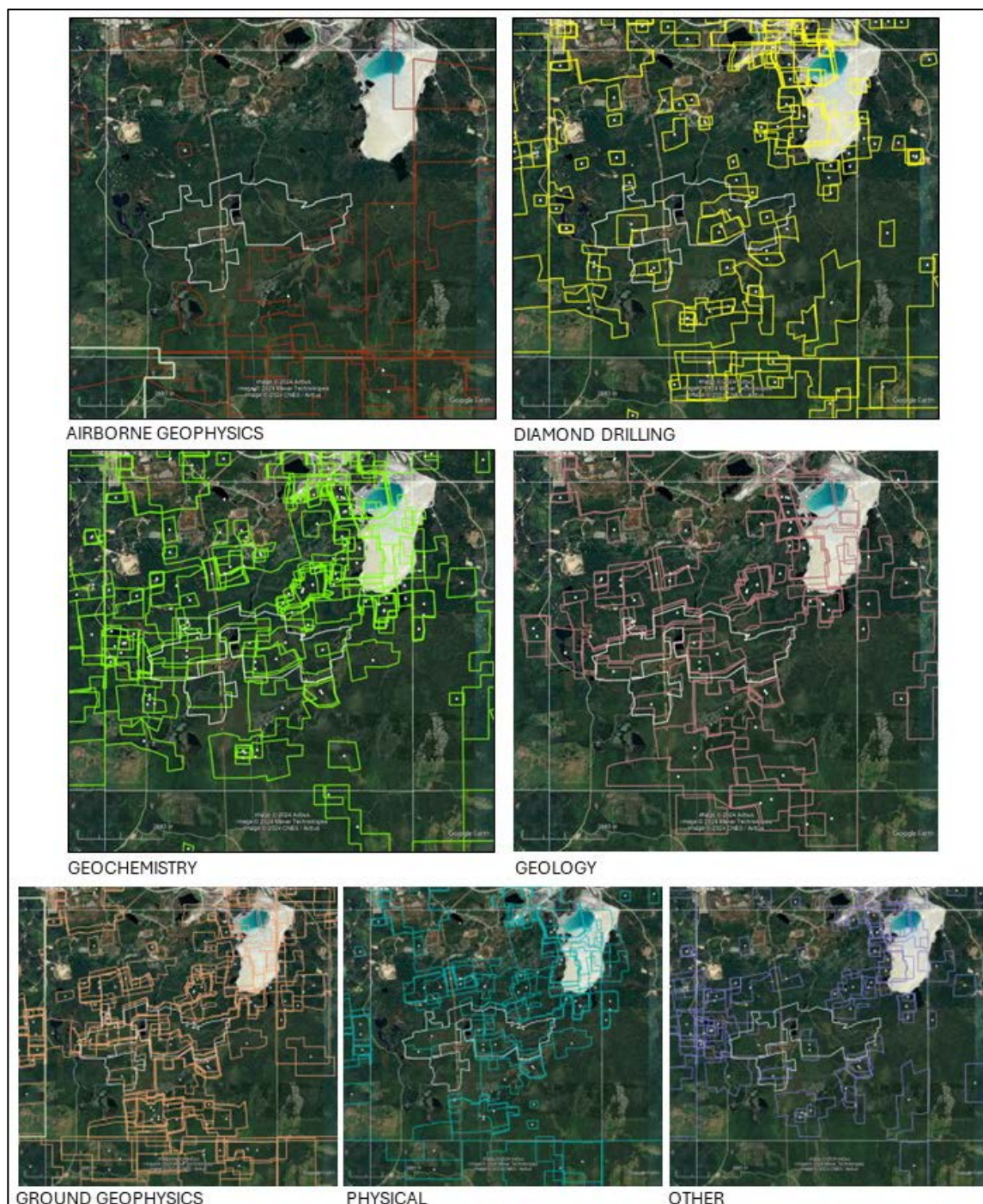


Figure 6-1. Distribution of historical assessment work types within Deloro Township, relative to the Property boundary shown in white and in central Deloro Township (Jobin-Bevans *et al.*, 2024).

### 6.3.1 Historical Drilling

A summary of historical diamond drilling completed within the boundary of the Deloro Property is provided in Table 6-2 and shown in Figure 6-2.

In 1970, Canada Nickel Co Ltd. completed one drill hole (298.78 m) southeast and along strike of the DUC magnetic anomaly, intersecting serpentinized peridotite. No sampling or assay results were reported. Also in 1970, Lynx Canada Explorations Limited completed two holes, both intersecting serpentinized ultramafic rocks.

No sampling or assay results were reported. In the same year, W.B. Brown completed eight diamond drill holes within the Property (holes 1 to 8).

In 1980, Amax Minerals Exploration Ltd. completed one diamond drill hole (1043-04A-1) and, in 1986, Falconbridge Ltd. completed one further diamond drill hole (618-1-86), both within the Property. Sampling was indicated for the Falconbridge hole but no results were reported (ODHD, 2024).

Several drill campaigns were undertaken by different operators in the 2000s and 2010s. In 2002, Ontex Resources Ltd. ("Ontex") completed a 13-hole diamond drilling campaign across the Property, targeting PGE and gold. Ten (10) of these drill holes were located over the main magnetic anomaly (the DUC). Seven (7) of the 13 holes reported multiple 50+ metre intersections of mafic-ultramafic lithologies: FY-02-01, FY-02-02, FY-02-06, FY-02-10, FY-02-11, FY-02-12, and FY-02-13. In 2003, Ontex completed an 8-hole diamond drilling campaign, with three (3) holes intersecting multiple 50+ metre intervals of serpentinized mafic-ultramafic lithologies: FY-03-06, FY-03-07, and FY-03-08. In 2008, Globex Mining Enterprises Inc. completed three diamond drill holes (TM-19, TM-20 and TM-21) within the Property as part of its Timmins Magnesite Project. In 2010, W.T.P. Robert (SGX Resources) completed three diamond drill holes (LX-10-2, LX-10-3 and LX-10-4) in the northwest of the Property. In 2018 and 2019, P2 Gold Inc. completed five diamond drill holes in the northwest of the Property (D-18-01 to D-18-04 and D-19-05).

Table 6-2. Summary of historical drill holes completed within the Deloro Project boundary.

| Year | Drill Hole | Company                        | UTMX (mE) | UTMY (mN)  | Dip | Az  | Length (m) | Overburden (m) |
|------|------------|--------------------------------|-----------|------------|-----|-----|------------|----------------|
| 1970 | 43286      | Canadian Nickel Co Ltd         | 480677.11 | 5360297.94 | -50 | 270 | 298.78     | 21.34          |
| 1970 | 9          | Lynx Canada Explorations Ltd.  | 478263.84 | 5359465.99 | -45 | 180 | 118.87     | 60.00          |
| 1970 | 10         | Lynx Canada Explorations Ltd.  | 478398.02 | 5359477.12 | -45 | 180 | 121.92     | 40.00          |
| 1970 | 1          | W.B. Brown                     | 482398.16 | 5359440.70 | -45 | 360 | 91.46      | 32.01          |
| 1970 | 2          | W.B. Brown                     | 482320.19 | 5359381.47 | n/a | 360 | 195.12     | 22.87          |
| 1970 | 3          | W.B. Brown                     | 482373.62 | 5359263.83 | n/a | 180 | 91.46      | 20.12          |
| 1970 | 4          | W.B. Brown                     | 482315.32 | 5359284.83 | -90 | 0   | 121.95     | 14.02          |
| 1970 | 5          | W.B. Brown                     | 482202.77 | 5359231.34 | -45 | 360 | 125.30     | 24.39          |
| 1970 | 6          | W.B. Brown                     | 481945.98 | 5359369.01 | -45 | 360 | 153.35     | 18.29          |
| 1970 | 7          | W.B. Brown                     | 481857.04 | 5359264.37 | -45 | 360 | 146.34     | 19.21          |
| 1970 | 8          | W.B. Brown                     | 482029.09 | 5359406.28 | -45 | 360 | 195.12     | 24.39          |
| 1980 | 1043-04A-1 | Amax Minerals Exploration Ltd. | 477923.42 | 5361650.98 | -50 | 180 | 260.00     | 2.40           |
| 1986 | 618-1-86   | Falconbridge Ltd.              | 480918.93 | 5359347.13 | -50 | 180 | 145.12     | 16.77          |
| 2002 | FY-02-01   | Ontex Resources Ltd.           | 480882.96 | 5361222.50 | -45 | 270 | 102.00     | 4.00           |
| 2002 | FY-02-02   | Ontex Resources Ltd.           | 480386.93 | 5361231.50 | -40 | 223 | 472.00     | 5.77           |
| 2002 | FY-02-03   | Ontex Resources Ltd.           | 481376.34 | 5360750.00 | -45 | 180 | 100.00     | 4.50           |
| 2002 | FY-02-04   | Ontex Resources Ltd.           | 481944.65 | 5360987.00 | -45 | 345 | 147.00     | 9.00           |
| 2002 | FY-02-05   | Ontex Resources Ltd.           | 482117.37 | 5361018.50 | -50 | 343 | 172.00     | 33.00          |
| 2002 | FY-02-06   | Ontex Resources Ltd.           | 480560.90 | 5361308.50 | -45 | 100 | 301.00     | 25.00          |
| 2002 | FY-02-07   | Ontex Resources Ltd.           | 481021.96 | 5361678.00 | -45 | 70  | 77.00      | 1.00           |
| 2002 | FY-02-08   | Ontex Resources Ltd.           | 481012.31 | 5361629.00 | -45 | 75  | 77.00      | 0.50           |
| 2002 | FY-02-09   | Ontex Resources Ltd.           | 480990.03 | 5361563.50 | -45 | 82  | 125.00     | 0.40           |
| 2002 | FY-02-10   | Ontex Resources Ltd.           | 480239.75 | 5361124.00 | -45 | 37  | 135.00     | 12.00          |
| 2002 | FY-02-11   | Ontex Resources Ltd.           | 480191.65 | 5361215.50 | -45 | 22  | 115.00     | 0.50           |
| 2002 | FY-02-12   | Ontex Resources Ltd.           | 480266.59 | 5361085.00 | -45 | 55  | 272.00     | 0.19           |
| 2002 | FY-02-13   | Ontex Resources Ltd.           | 480224.15 | 5361161.00 | -60 | 60  | 318.00     | 1.22           |
| 2003 | FY-03-06   | Ontex Resources Ltd.           | 480221.34 | 5360700.00 | -42 | 90  | 130.00     | 12.00          |
| 2003 | FY-03-07   | Ontex Resources Ltd.           | 480192.12 | 5360818.50 | -42 | 90  | 100.00     | 2.00           |
| 2003 | FY-03-08   | Ontex Resources Ltd.           | 480171.96 | 5360947.00 | -42 | 90  | 149.00     | 1.00           |

| Year          | Drill Hole | Company                        | UTMX (mE) | UTMY (mN)  | Dip | Az  | Length (m)      | Overburden (m) |
|---------------|------------|--------------------------------|-----------|------------|-----|-----|-----------------|----------------|
| 2008          | TM-19      | Globex Mining Enterprises Inc. | 479950.00 | 5358069.00 | -45 | 176 | 121.82          | 6.57           |
| 2008          | TM-20      | Globex Mining Enterprises Inc. | 479950.00 | 5358122.00 | -45 | 180 | 140.00          | 15.88          |
| 2008          | TM-21      | Globex Mining Enterprises Inc. | 479950.00 | 5358180.00 | -45 | 180 | 199.81          | 7.33           |
| 2010          | LX-10-2    | W.T.P. Robert (SGX Resources)  | 477974.00 | 5361026.00 | -45 | 240 | 308.00          | 25.50          |
| 2010          | LX-10-3    | W.T.P. Robert (SGX Resources)  | 477776.00 | 5361012.00 | -45 | 0   | 365.00          | 12.00          |
| 2010          | LX-10-4    | W.T.P. Robert (SGX Resources)  | 478098.00 | 5361125.00 | -45 | 180 | 344.00          | 4.00           |
| 2018-19       | D-18-01    | P2 Gold Inc.                   | 477630.00 | 5361043.00 | -45 | 90  | 420.00          | 18.00          |
| 2018-19       | D-18-02    | P2 Gold Inc.                   | 477675.00 | 5361190.00 | -45 | 155 | 378.00          | 20.60          |
| 2018-19       | D-18-03    | P2 Gold Inc.                   | 477675.00 | 5361190.00 | -55 | 155 | 303.00          | 22.00          |
| 2018-19       | D-18-04    | P2 Gold Inc.                   | 477495.00 | 5360950.00 | -50 | 204 | 501.00          | 56.90          |
| 2019          | D-19-05    | P2 Gold Inc.                   | 476488.00 | 5359896.00 | -45 | 1   | 507.00          | 11.00          |
| n/d           | DDH 10     | Pamour Porcupine Mines Ltd.    | 480060.94 | 5358000.97 | n/a | 180 | n/a             | n/a            |
| <b>Total:</b> |            |                                |           |            |     |     | <b>9,674.80</b> |                |

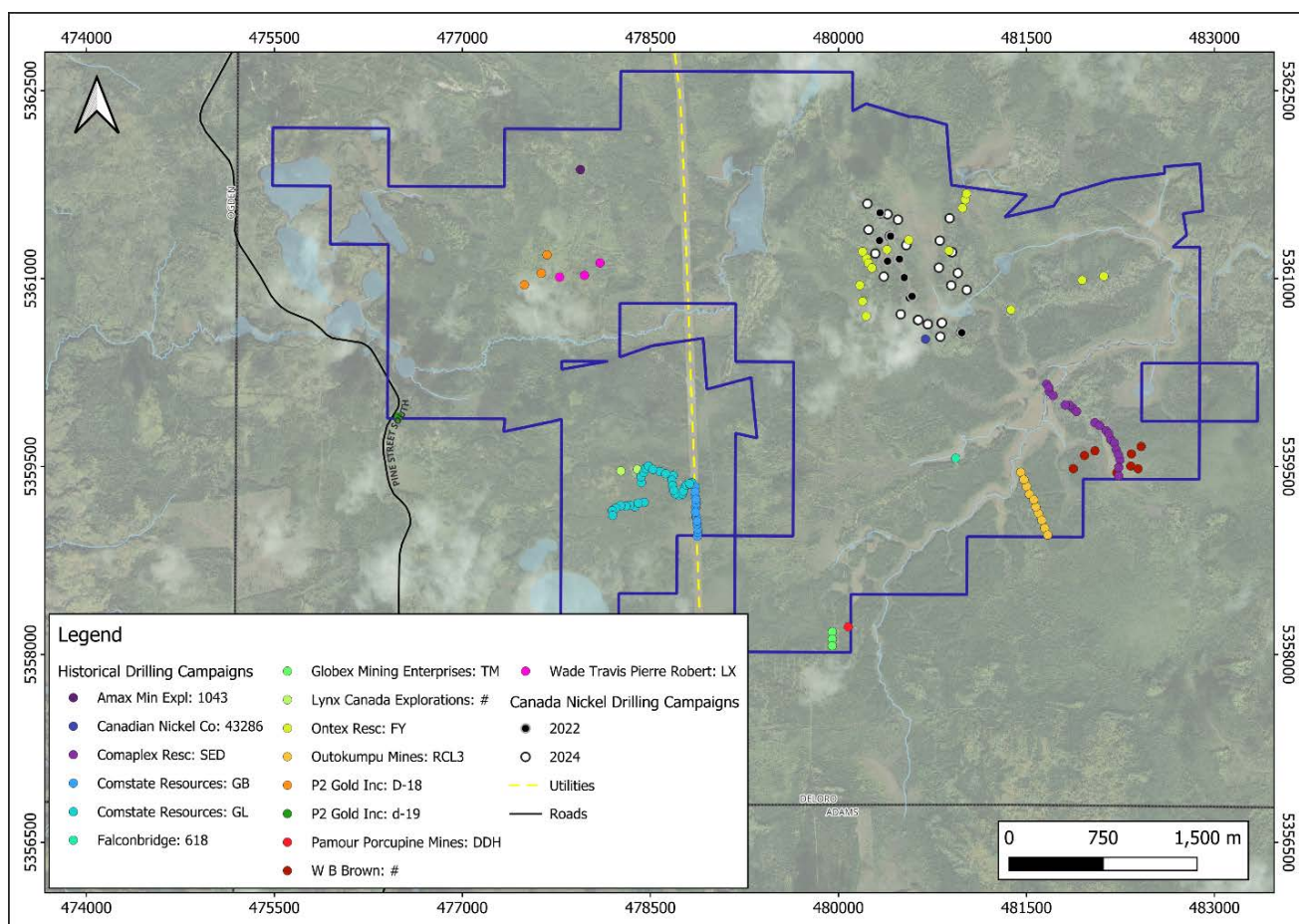


Figure 6-2. Location of historical drill holes coloured by the responsible company's name, and collars from the 2022 and 2024 drill holes completed by CNC, within the Deloro Property. Historical drill holes are labelled in the legend by "Company Name: Hole Numbering Prefix" (a # has been used in instances where there is no prefix). (Canada Nickel, 2026).

## 7.0 GEOLOGICAL SETTING AND MINERALIZATION

### 7.1 Regional Geology

The Deloro Project lies within the southwestern part of the Abitibi Subprovince of the Archean Superior Province (Figure 7-1 and Figure 7-2). The Abitibi Subprovince or Abitibi Greenstone Belt ("AGB") is the world's largest and best preserved example of an Archean supracrustal sequence. The AGB is an assemblage of volcanic, sedimentary, and intrusive rocks deformed into a roughly east-trending, 200 km wide belt exposed from the Kapuskasing Structure in Ontario to the Grenville Orogen in Quebec, a distance of 400 kilometres (Ayer *et al.*, 2005).

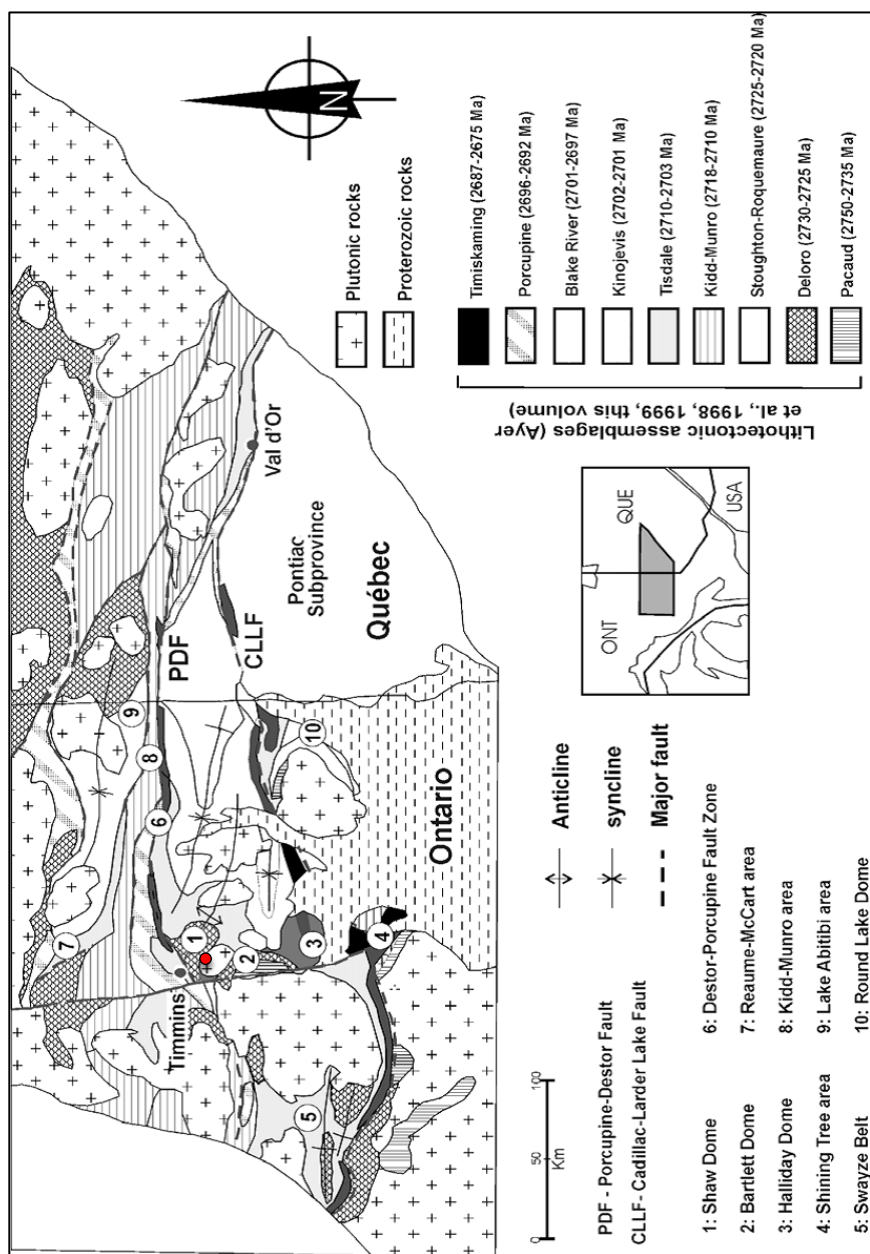


Figure 7-1. Generalized geology of the Abitibi Greenstone Belt showing the location of the Shaw Dome. The Deloro Nickel-Cobalt Sulphide Project (red dot) is located in the northwestern area of the Shaw Dome (Sproule *et al.*, 2002).

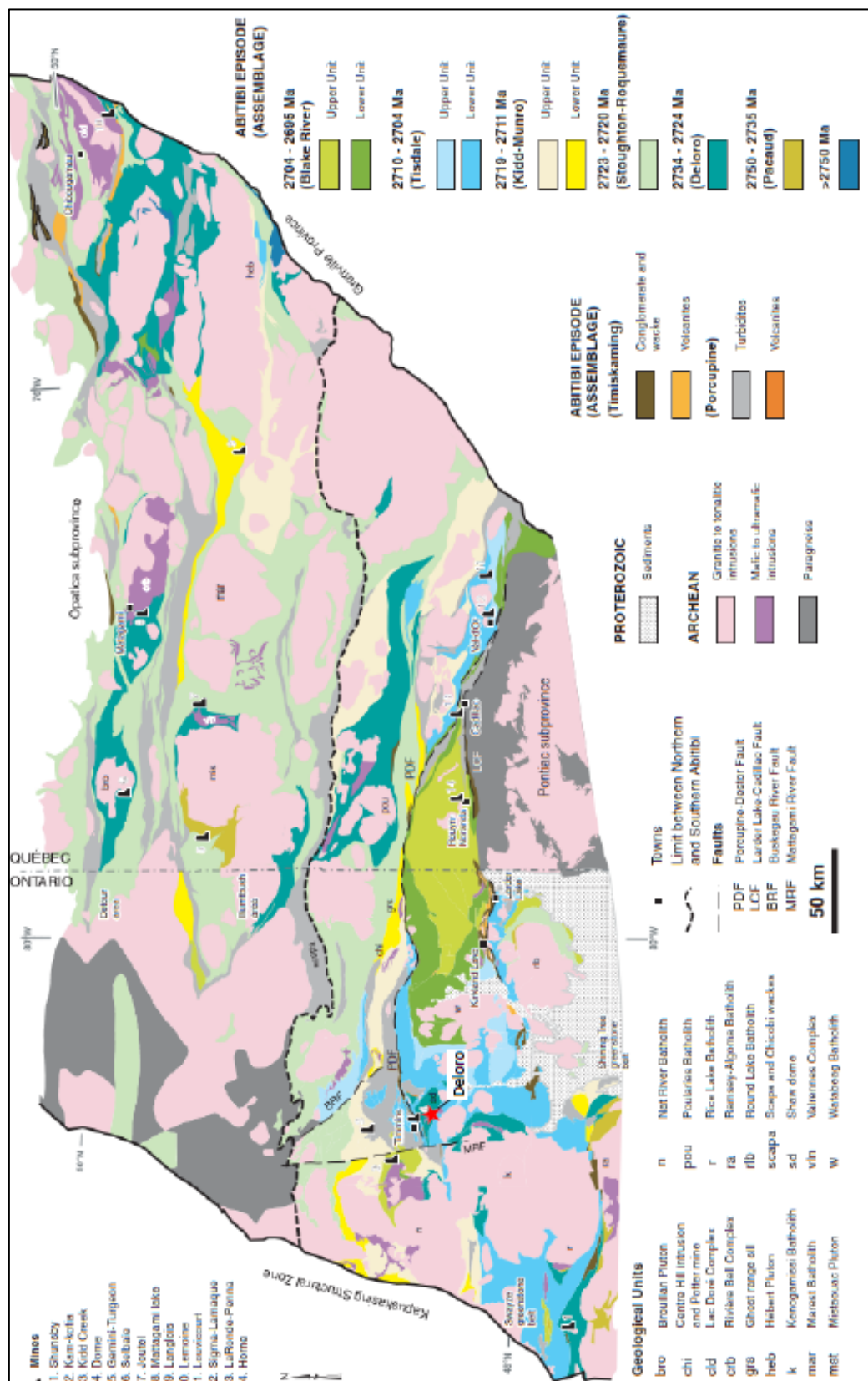


Figure 7-2. Generalized geology of the Abitibi Greenstone Belt and the location (red star) of the Deloro Nickel-Cobalt Sulphide Project (Deloro Township), northeastern Ontario (after Thurston *et al.*, 2008; MERC, 2017).

The AGB developed between 2.8 to 2.6 Ga (Jackson and Fyon, 1991) and compared to all other Archean Subprovinces of the Superior Province, is uniquely well endowed with metallic mineral deposits including the mining areas of Timmins (base metals and gold), Kirkland Lake (gold), Val d'Or (gold and base metals), and Noranda (base metals and gold). These mining areas are situated along major east and northeast trending deformation zones (Destor Porcupine Deformation Zone, Cadillac-Larder Lake Deformation Zone). These were active throughout the main periods of Archean volcanism and became the focus of a late period of alkaline volcanism and sedimentation between 2680 and 2677 Ma.

Several cycles of volcanism and sedimentation are known in the southern Abitibi Subprovince (see Figure 7-1). These sequences usually begin with the deposition of ultramafic flows and intrusions and tholeiitic basalts which have interflow argillaceous sediments. The cycles then typically evolve into calc-alkaline flows, pyroclastic rocks and epiclastic sedimentary rocks deposited in marine to fluvial basins. The layered stratigraphy is intruded by gabbroic to granitic plutons during and after deformation and metamorphism. Metamorphic grade varies from greenschist to lower amphibolite facies. The basal komatiitic parts of the volcanic cycles are of most interest for nickel exploration.

Within the Timmins mining camp, the early Precambrian metavolcanic rocks consist of two groups known as the Deloro and Tisdale Groups. The Deloro Group is older than the Tisdale Group and the two groups are separated from one another in Whitney and Tisdale townships by the Destor Porcupine Fault Zone ("DPFZ"). Here the Tisdale Group lies to the north of the DPFZ while the Deloro Group occurs to the south. The Deloro Group is a calc-alkaline volcanic sequence of andesite to basalt flows in the lower portion and dacite flows and felsic pyroclastic units in the upper portion. The Tisdale Group is composed of komatiitic ultramafic and basalt rocks in the lower portion and overlain by a thick sequence of tholeiitic basalt rocks.

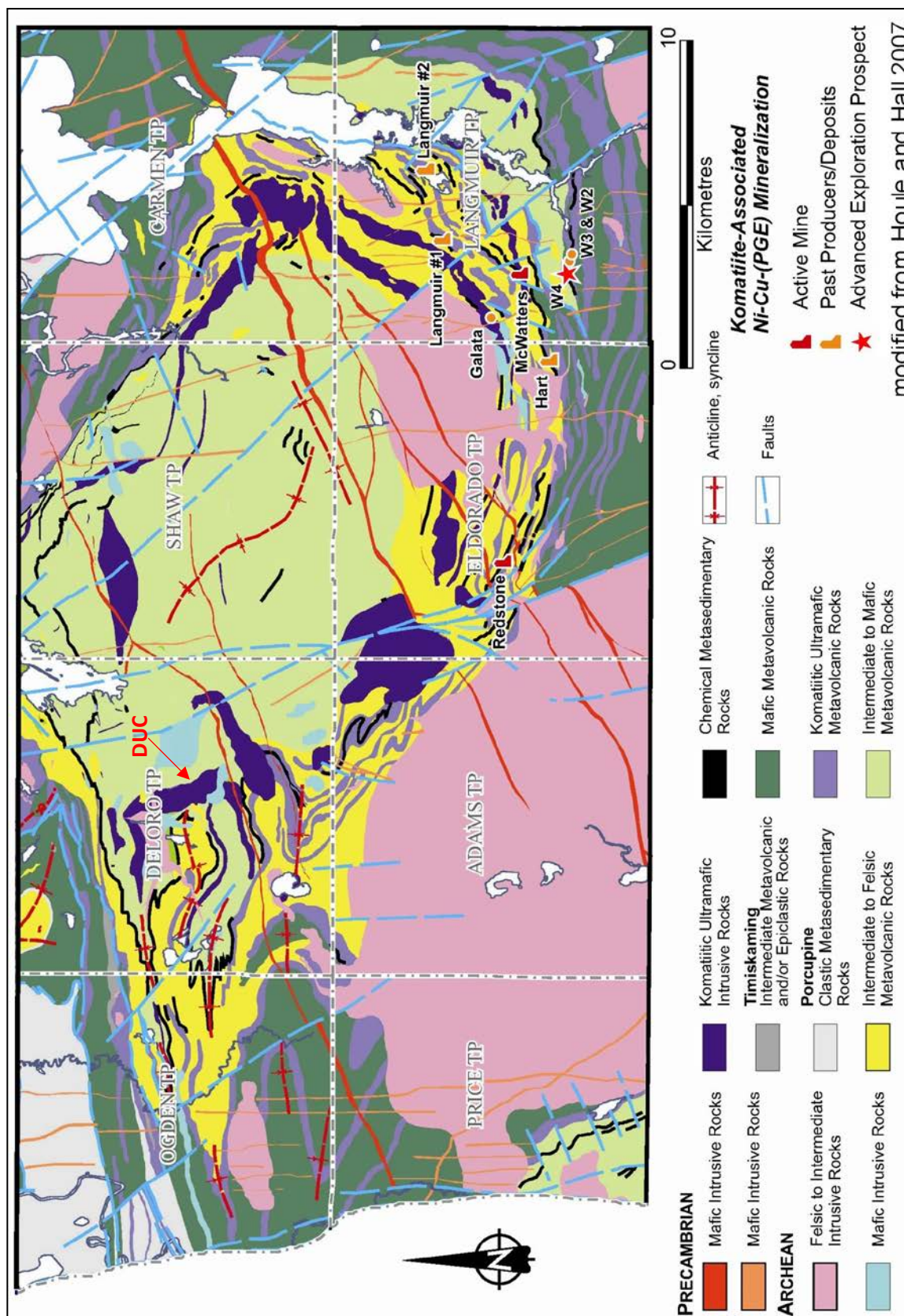
### **7.1.1 Lithotectonic Assemblages**

The AGB has been subdivided into nine lithotectonic assemblages (Ayer *et al.*, 2002; Sproule *et al.*, 2002). Only four of these nine assemblages are generally accepted to contain komatiitic rocks and therefore considered prospective for komatiite-hosted Ni-Cu-(PGE) sulphide deposits. These four assemblages have distinct and well defined ages as well as spatial distribution (see Figure 7-1): the Pacaud assemblage (2750-2735Ma), the Stoughton-Roquemaure assemblage (2723-2720 Ma), the Kidd-Munro assemblage (2719-2711 Ma), and the Tisdale assemblage (2710-2703Ma). These four assemblages differ considerably in the physical volcanology and geochemistry of the komatiitic flows. It is important to note that the latter two of these assemblages contain larger volumes of high magnesium, Al-undepleted komatiite (>5% Al), while the Tisdale assemblage contains more andesitic rocks and sulphide facies iron formation (Sproule *et al.*, 2003).

Proterozoic dikes of the Matachewan Dike Swarm and the Abitibi Dike Swarm intrude all of the rock in the region. Matachewan dikes generally trend north-northwest while the younger Abitibi Dike Swarm trends northeast.

### **7.1.2 The Shaw Dome**

The Shaw Dome is a major northwest trending anticline centred approximately 20 km southeast of Timmins (Muir, 1979; Green and Naldrett, 1981) (see Figure 7-1; Figure 7-3). The anticlinal structure may be a result of regional folding that affected rocks north of the Shaw Dome or, more probably, due to the diapiric action of a large granitic body which partially outcrops in the central south-east portion of the dome.



modified from Houle and Hall 2007

Figure 7-3. Regional geology and location of the Deloro Ultramafic Complex (DUC - red arrow), relative to the Shaw Dome (after Cole *et al.*, 2010; geological base map P3595 after Houle and Hall, 2007).

Volcanic rocks associated with the Shaw Dome have been interpreted to be a part of the Deloro Assemblage (2730 to 2725 Ma: Ayer *et al.*, 2005) and the younger Tisdale Assemblage. Pyke (1982), further sub-divided these assemblages into three volcanic formations: lower, middle, and upper volcanic formations. The lower formation of the Deloro Assemblage is not exposed in the Shaw Dome, while the middle formation occupies the central part of the Shaw Dome, north of the Redstone mine.

The upper volcanic formation of the Deloro was described by Pyke (1982) to contain a relative abundance of sulphide facies iron formations and a predominance of intermediate to felsic volcanic rocks of dacitic to andesitic composition. Pyke (1982) does not mention the presence of extrusive komatiitic rock in this assemblage having mapped all of the ultramafic rocks contained within this supracrustal package as intrusive in nature (*e.g.*, Pyke, 1970a, 1970b and 1975). Pyke (1982) does, however note that there is some intercalation of the komatiite (of the Tisdale assemblage) with the Deloro Group volcanic rocks. Since, both intrusive and extrusive ultramafic rocks have been identified within the Deloro volcanic package (Hall and Houlé, 2007; Houlé *et al.*, 2017; Houlé and Guilmette, 2005) outlined by Pyke (1982). Therefore, either the assumption that the Deloro assemblage is devoid of komatiitic flows needs to be revised or the unconformity that delineates the contact between Deloro and Tisdale rocks modified (Cole *et al.*, 2010).

### 7.1.3 Komatiitic Rocks

Of the nine distinct lithotectonic assemblages defined in the AGB, only four of these are generally accepted to contain komatiitic rocks (ultramafic mantle-derived rock with  $\geq 18$  wt% MgO) and therefore considered prospective for komatiite-associated Ni-Cu-(PGE) sulphide deposits (Arndt *et al.*, 2008).

These four assemblages, which differ considerably in the physical volcanology and geochemistry of the komatiitic flows or subvolcanic sills, have distinct and well-defined ages as well as spatial distribution (Sproule *et al.*, 2003; Thurston *et al.*, 2008; Houle and Lesher, 2011):

- Pacaud Assemblage (2750-2735 Ma)
- Stoughton-Roquemaure Assemblage (2723-2720 Ma)
- Kidd-Munro Assemblage (2719-2711 Ma)
- Tisdale Assemblage (2710-2704 Ma)

The Kidd-Munro and Tisdale assemblages contain a much greater abundance of cumulate komatiites than the other assemblages (Figure 7-4; Table 7-1). The contact between the Deloro and Tisdale assemblages has been well recognized for its mineral endowment since the early work of Pyke in the 1970s (Houlé *et al.*, 2010).

The Kidd-Munro Assemblage is east to southeast-striking and comprises komatiitic flows, magnesium to iron-rich mafic volcanic rocks, thin rhyolite units (FIII-type to calc-alkaline), clastic sedimentary rocks (argillite and greywackes, many graphitic), and chemical sedimentary rocks (limestone, dolomite) occurring as interflow horizons. These units are intruded by mafic to ultramafic bodies and minor felsic dikes (Ayer *et al.*, 2002; Sproule *et al.*, 2005; Ayer *et al.*, 2005).

The lower part of the Tisdale assemblage ranges from 2710 to 2706 Ma in age and consists of tholeiitic mafic flows with locally developed komatiites, intermediate to felsic calc-alkalic volcanic rocks, and oxide- and sulfide-facies iron formation. Locally, the lowermost part of the lower Tisdale is underlain by calc-alkalic felsic to intermediate volcanoclastic rocks interleaved with komatiitic subvolcanic sills and komatiite flows. Over most of

its exposed length, the main part of the assemblage directly overlies the Deloro assemblage, marking a profound stratigraphic gap of approximately 15 million years (Ayer *et al.*, 2002; Houlé *et al.*, 2010).

Almost all komatiite-associated Ni-Cu-(PGE) deposits in the AGB are interpreted to be localized in lava channels/channelized sheet flows (*e.g.*, Alexo, Hart, Langmuir, Marbridge, and Texmont) or channelized sheet sills (*e.g.*, Sothman, Dumont, Kelex-Dundead-Dundonald South). One exception is the McWatters deposit, which occurs within a thick mesocumulate to adcumulate peridotite that is interpreted to be a synvolcanic dike (Houlé and Leshner, 2011).

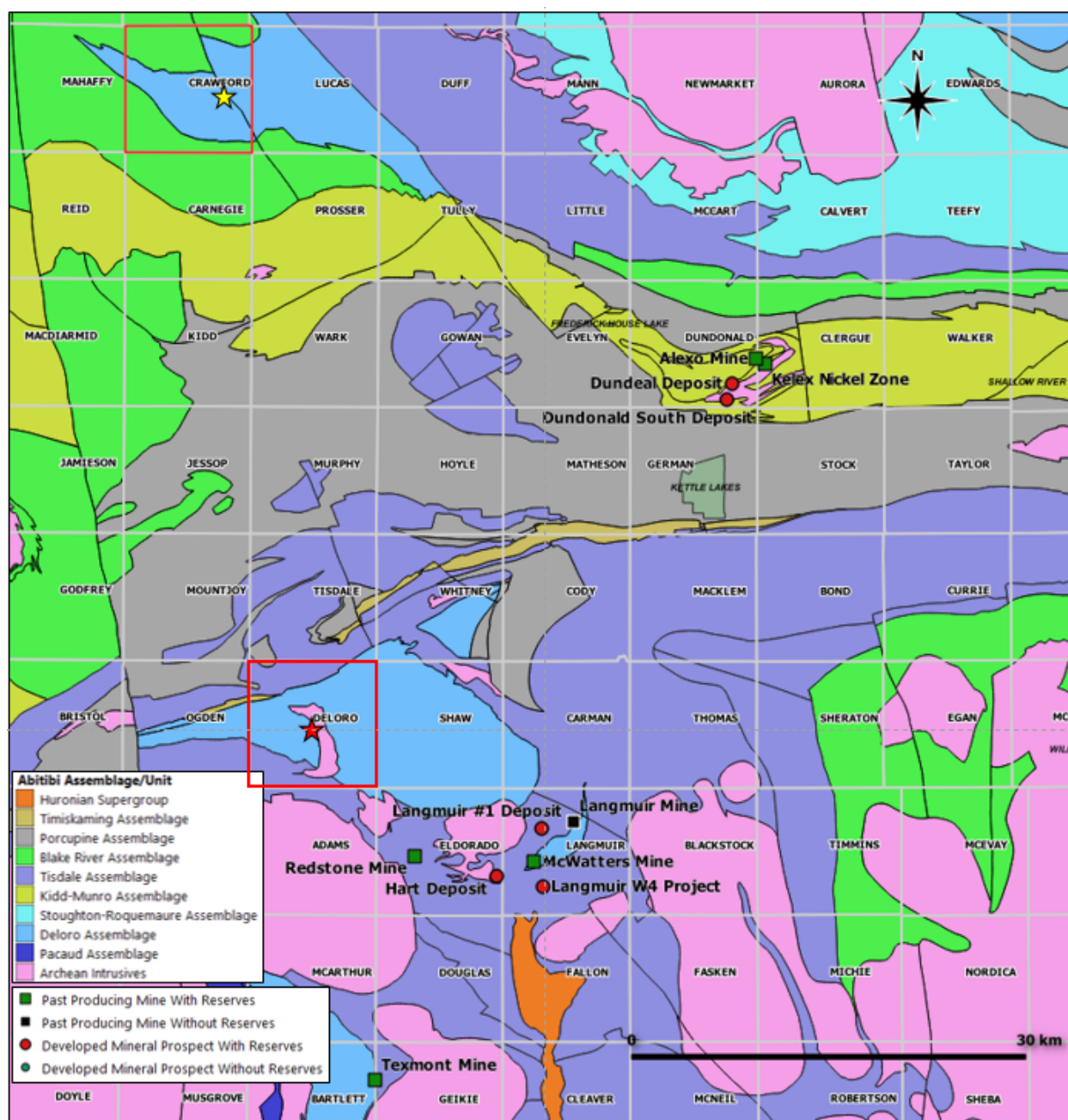


Figure 7-4. Township-scale generalized geology, past-producing nickel mines, and significant nickel deposits in the Timmins area, showing the location of the Deloro Project (red star) in Deloro Township and the location of Canada Nickels's Crawford Project (yellow star) in Crawford Township. Geology of the Abitibi Assemblages (volcanic episodes) is from Ayer *et al.*, 2005 and Ontario Geological Survey MRD155.

Table 7-1. Summary of significant mines and deposits in the AGB and their hosting assemblages (after Houlé *et al.*, 2010).

| Assemblage          | Location       | Deposit         | Source                            |
|---------------------|----------------|-----------------|-----------------------------------|
| Tisdale (ON)        | Shaw Dome      | Hart            | Houle et al, 2010                 |
| Tisdale (ON)        | Shaw Dome      | Langmuir        | Houle et al, 2010                 |
| Tisdale (ON)        | Shaw Dome      | McWatters       | Houle et al, 2010                 |
| Tisdale (ON)        | Shaw Dome      | Redstone        | Houle et al, 2010                 |
| Tisdale (ON)        | Bartlett Dome  | Texmont         | Houle et al, 2010                 |
| Tisdale (ON)        | Halliday Dome  | Sothman         | Houle et al, 2010                 |
| Tisdale (ON)        | Bannockburn    | C Zone          | Houle et al, 2010                 |
| Tisdale-Deloro (ON) | Shaw Dome      | Deloro          | current report                    |
| Deloro (ON)         | Crawford Twp.  | Crawford        | Jobin-Bevans <i>et al.</i> , 2020 |
| Kidd-Munro (ON)     | Dundonald Twp. | Alexo-Dundonald | Houle et al, 2010                 |
| Kidd-Munro (ON)     | Munro Twp.     | Mickel          | Houle et al, 2010                 |
| Malartic Group (QC) | La Motte Twp.  | Marbridge       | Houle et al, 2010                 |
| Malartic Group (QC) | La Motte Twp.  | Bilson          | Houle et al, 2010                 |
| Malartic Group (QC) | Amos Area      | Dumont          | Houle et al, 2010                 |

#### 7.1.4 Economic Geology

The Timmins Mining camp has a history of nickel production from komatiite-associated Ni-Cu-(PGE) deposits (Table 7-2; see Figure 7-4). Several of these deposit types have been identified within the Kidd-Munro Assemblage (*e.g.*, Alexo, Dundonald, Mickel, and Marbridge) and the Tisdale Assemblage (*e.g.*, Hart, Langmuir, Redstone, Texmont, and Sothman). Specifically, the contact between the Deloro and Tisdale assemblages hosts several komatiite-associated Ni-Cu-(PGE) deposits (Houlé *et al.*, 2010; Mercier-Langevin *et al.*, 2017).

Table 7-2. Pre-mining geological resource estimates plus mined ore, Komatiite-hosted Ni-Cu-(PGE) mines/deposits, Timmins Mining Camp, Ontario (after Atkinson *et al.*, 2010).

| Mine           | Years of Production | Ore milled       | % Ni | % Cu |
|----------------|---------------------|------------------|------|------|
| Alexo          | 1912-1919           | 51,857 tons      | 4.5  | 0.55 |
|                | 1943-1944           | 4,923 tons       |      |      |
| Alexo / Kelex  | 2004-2005           | 17 398 tonnes    | 2.3  | 0.23 |
| Langmuir No. 1 | 1990-1991           | 111,502 tons     | 1.74 |      |
| Langmuir No. 2 | 1972-1978           | 1.1 M tons       | 1.47 |      |
| McWatters      | 2008                | 15 361 tonnes    | 0.55 |      |
|                | 2009                | 7 664 tonnes     | 0.41 |      |
| Montcalm       | 2004-2008           | 3 722 929 tonnes | 1.26 | 0.67 |
| Redstone       | 1989-1992           | 294,895 tons     | 2.4  |      |
|                | 1995-1996           | 10,228 tons      | 1.7  |      |
|                | 2006-2008           | 133 295 tonnes   | 1.92 |      |
|                | 2009                | 36,668 tonnes    | 1.16 |      |
| Texmont        | 1971-1972           | unknown          |      |      |

The QP (Scott Jobin-Bevans) has been unable to verify this information and as such this information is not necessarily indicative of the mineralization on the Property that is the subject of the Report.

In addition to nickel, the Timmins-Porcupine Gold Camp of northeastern Ontario represents the largest Archean orogenic greenstone-hosted gold camp in the world in terms of total gold production (*e.g.*, Monecke *et al.*, 2017; Monecke *et al.*, 2019).

## 7.2 Local and Property Geology

The main source for the local and Property geology is the Ontario Geological Survey Precambrian geological map P.3528 of Deloro Township (Hall *et al.*, 2003). The Property is located in the northwestern portion of the Shaw Dome and is underlain by the following lithologies:

- Felsic to Intermediate Intrusive Rocks.
- Syntectonic Mafic and Ultramafic Intrusive Rocks.
- Chert-rich Iron Formation.
- Felsic to Intermediate Metavolcanic Rocks.
- Mafic Metavolcanic Rocks.

The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes cross-cut the Property, trending generally north-northeast and east. Feldspar porphyry dikes cross-cut the intrusion, generally in the northwest of the Property, with north-south orientations.

### 7.2.1 Deloro Ultramafic Complex (DUC)

The main geological target in the Deloro Project consists of a north-northwest trending ultramafic dunite-peridotite intrusion (Deloro Ultramafic Complex or “DUC”). Based on the 2022 drilling campaign completed by the Company and geophysical data, DUC is approximately 1.7 km along strike and about 700 m thick, open at depth (Ferron, 2024). The DUC is shown to intrude the Deloro and Tisdale assemblages (*see* Figure 7-4).

### 7.2.2 Structure

North of the northern Property boundary in the northern area of Deloro Township (northern margin of the Shaw Dome), there is an approximately 100 m-wide east to northeast-trending high-strain deformation zone, which is interpreted as the locus of the Destor-Porcupine Fault Zone (DPFZ) or Porcupine–Destor Deformation Zone (“PDDZ”).

The stratigraphy in the area of the Property is highly complicated by the presence of a number of facing reversals related to the PDDZ. This includes the many north to northwest-trending faults and east to northeast-trending faults (several are contact associated) cross the Property (Houle *et al.*, 2010; Hall *et al.*, 2003).

### 7.2.3 Alteration

Rocks in Deloro Township have undergone greenschist facies metamorphism with widespread carbonate, chlorite and sericite alteration in volcanic rocks and serpentinization in ultramafic rocks (*i.e.*, dunite, peridotite).

The ultramafic rocks (dunite and peridotite) of the DUC have undergone significant serpentinization. The process of serpentinization involves the introduction of water into the rock which leads to a substantial volume increase. Fresh, unaltered dunite and peridotite typically has an SG ranging from 3.2 to 3.4 g/cm<sup>3</sup>. Core samples from drilling at Deloro have specific gravity measurements ranging from about 2.45 to 3.00 g/cm<sup>3</sup>, much lower

than fresh ultramafic rock. This, along with observations recorded from drill core, support the inference that the rocks have been strongly serpentinized.

Serpentinization breaks down the olivine and other silicate minerals, resulting the liberation of nickel and iron in a strongly reducing environment. The result is the liberation and partitioning of nickel into low-sulphur sulphides like heazlewoodite, into the nickel-iron alloy, awaruite, and into the hydrothermal nickel sulphide, millerite (Gole, 2014; Sciortino *et al.*, 2015).

Primary sulphides such as pentlandite and pyrrhotite, along with their primary textures, remain present across the DUC. The serpentinization process also increases magnetic susceptibility of these deposits resulting in a magnetic high, accompanied by a gravity low due to the decrease in rock density from serpentinization; these make for good geophysical targets.

### 7.3 Mineralization

Within Deloro Township, several prominent ultramafic to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) offer the potential for magmatic sulphide, nickel, copper, cobalt, and platinum-group element (PGE) style of mineralization. This mineralization forms the principal target deposit type for the Deloro Nickel-Cobalt Sulphide Project, which in this case is Komatiite-hosted Ni-Co-PGE sulphide mineralization hosted within the DUC (see Section 8.0 - Deposit Types).

The DUC is a north-northwest trending ultramafic dunite-peridotite intrusion which, based on historical and 2022 drilling and geophysical data, is approximately 1.7 km along strike, about 700 m thick, and open at depth (Ferron, 2024). Mineralization within the Deloro Deposit extends for 1.5 km along strike, 500 to 700 m in width and about 550 m depth (see Section 14.0 – Mineral Resource Estimates). The DUC is host to primary sulphides such as pentlandite and pyrrhotite and secondary sulphur-poor sulphide (heazlewoodite), nickel-iron alloy (awaruite), nickel-rich millerite, and nickel-arsenide nickeline or niccolite (Ferron, 2024).

A summary of mineralized occurrences, prospects and developed prospects within the Property boundary is provided in Table 7-3.

Table 7-3. Summary of prospects and occurrences reported within the Deloro Project boundary (MDI, 2024).

| Name                         | Type                                                   | Primary           | Secondary |
|------------------------------|--------------------------------------------------------|-------------------|-----------|
| Ontex Sample 65265           | Occurrence                                             | Nickel            | -         |
| Ontex Sample 6676            | Occurrence                                             | Gold              | -         |
| Ontex Sample 65420           | Occurrence                                             | Nickel            | -         |
| Bowman Pit                   | Developed Prospect With Reported Reserves or Resources | Asbestos          | -         |
| Deloro Nickel                | Occurrence                                             | Nickel, Gold, PGE | Asbestos  |
| Ontex Resources DDH Fy-02-05 | Occurrence                                             | Copper            | Gold      |
| Jodelo                       | Prospect                                               | Gold              | -         |
| Collins Nickel               | Occurrence                                             | Nickel            | Asbestos  |
| Ontex Resources DDH Fy-02-03 | Occurrence                                             | Copper            | Gold      |
| O'Shea Shear Zone            | Occurrence                                             | Gold, Nickel      | -         |

## 8.0 DEPOSIT TYPES

The Deloro Deposit is hosted by a thick, differentiated ultramafic body with primary disseminated and bleb nickel sulphide, commonly pentlandite with minor pyrrhotite, and chalcopyrite (Ferron, 2024). Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO. Sulphide mineralization discovered to date on the Deloro Project can be characterized as a Komatiite-hosted Type II Ni-Cu-Co-(PGE) deposit type (Ferron, 2024), which is the second type as characterized by Lesher and Keays (2002):

### 8.1 Komatiite-Associated Deposits

Considerable research over the years (for example, Green and Naldrett, 1981; Lesher and Keays, 2002; Sproule *et al.*, 2005; Houlié *et al.*, 2010, 2017; Houlié and Lesher, 2011) indicates that komatiite-hosted nickel deposits in the Timmins Nickel District are similar to the Archean-age nickel deposits of the Kambalda and Windarra areas in Western Australia. Komatiite-hosted Ni-Cu-(PGE) deposits are one of several lithological associations within the broader group of magmatic Ni-Cu-PGE deposits. Mineralization occurs in both extrusive and intrusive settings, and experimental studies indicate that komatiitic magmas and lavas are mantle-derived and are emplaced at very high temperatures. Deposits of this association are mined primarily for their nickel content, but they contain economically significant amounts of copper, cobalt and PGE (Lesher and Keays, 2002; Sproule *et al.*, 2005).

Much of the Australian Yilgarn komatiite resource consists of small, high-grade deposits, which are attractive but difficult exploration targets. The largest komatiite deposits, Perseverance and Mt. Keith, and the Kambalda Camp as a whole, are world-class deposits comparable in metal content to giant deposits elsewhere in the world such as Pechenga, Thompson and Voisey's Bay.

Komatiite-associated nickel sulphide deposits are part of a continuum of lithotectonic associations in the family of magmatic Ni-Cu-PGE deposits, which contains a variety of mineralization types (Lesher and Keays, 2002). Mineralization discovered to date on the Nesbitt Property can be characterized as an ultramafic intrusive komatiite-hosted Ni-Cu-Co-(PGE) deposit type, of which two sub-types or styles are recognized (Lesher and Keays, 2002):

- 1) **Type I Kambalda-style:** komatiite-hosted; channelized flow theory; dominated by net-textured and massive sulphides situated at or near the basal ultramafic/footwall contact, with deposits commonly found in footwall embayments up to 200 m in strike length, tens to hundreds of metres in down-dip extent, and metres to tens of metres in thickness; generally on the order of a million tonnes (usually less than 1 Mt) with nickel grades typically much greater than 1% Ni; tend to occur in clusters (for example, Alexo-Dundonald, Ontario; Langmuir, Ontario; Redstone, Ontario; Thompson, Manitoba; Raglan, Quebec).
- 2) **Type II Mt. Keith-style:** thick olivine adcumulate-hosted; sheet flow theory; disseminated and bleb sulphides hosted primarily in a central core of a thick, differentiated, dunite-peridotite dominated ultramafic body; contains the more common nickel sulphides pyrrhotite and pentlandite, but also the sulphur-poor mineral heazlewoodite (Ni<sub>3</sub>S<sub>2</sub>) and nickel-iron alloys such as awaruite (Ni<sub>3</sub>Fe); generally on the order of tens to hundreds of millions of tonnes with nickel grades of less than 1% Ni (for example, Mt. Keith, Australia; Dumont Deposit, Quebec).

The Deloro Deposit is interpreted to be most closely associated with the Type II Mt. Keith style, being a broad, low-grade, disseminated nickel sulphide and nickel alloy accumulation hosted within the strongly serpentinized dunitic core of a thick, differentiated ultramafic sill.

The Mt. Keith deposit (also known as MKD5), located in the Yilgarn Craton of Western Australia, was first drill-tested in 1968 and was put into production in 1993 (Butt and Brand, 2003). The MKD5 deposit is hosted by a serpentinized dunite within a larger, lenticular peridotite-dunite komatiite body, the Mt. Keith Ultramafic Complex, and has a complex residual regolith profile more than 75 m thick (up to a 120 m weathering profile). Ultramafic-hosted disseminated nickel sulphide mineralization strikes for 2 km, is 350 m wide, and is open below 600 m depth. In 2002 the deposit had proven and probable reserves of 299 Mt grading 0.56% Ni at a 0.4% Ni cut-off (Butt and Brand, 2003).

The genesis of the Deloro Deposit and of the Australian deposits may be attributed to the combined effect of lava channels and intrusions that provide the heat and metal sources to interact with sulphide-bearing host rocks, which in turn provide an external sulphur source. Thermal erosion of the underlying rocks by the komatiite flows is a dominant mechanism for adding sulphur to the magma (Figure 8-1). This is consistent with the interpretation that komatiite-associated Ni-Cu-(PGE) deposits form within lava channels that have generated large volumes of magma.

Characteristics of this deposit type that should be considered in exploration strategies include:

- Geological mapping of komatiite flow units.
- Presence of sulphidic footwall rocks.
- Identification of aluminum-undepleted komatiite through lithogeochemical sampling.
- Airborne and ground electromagnetic surveys to detect massive sulphide mineralization.
- Airborne and ground magnetic geophysical surveys to detect pyrrhotite-rich and magnetite-rich mineralization.
- Gravity surveys to detect the density reduction associated with pervasive serpentinization.

The Mt. Keith deposit (aka MKD5), located in the Yilgarn Craton of Western Australia, was first drill-tested and discovered in 1968 and put into production in 1993 (Butt and Brand, 2003). The MKD5 deposit is hosted by a serpentinized dunite within a larger, lenticular peridotite-dunite komatiite body, the Mt. Keith Ultramafic Complex and has a complex residual regolith profile of more than 75 m thickness (up to 120 m weathering profile). Ultramafic-hosted disseminated nickel sulphide mineralization strikes for 2 km, is 350 m wide, and is open below 600 m depth. In 2002, the deposit had proven and probable reserves of 299 Mt grading 0.56% Ni (0.4% Ni cut-off) (Butt and Brand, 2003).

## 8.2 Komatiite Geological Models

Following the discovery of the Kambalda and Mt. Keith Ni-Cu-Co-(PGE) deposits in Australia (circa 1971), geological models were developed for these ultramafic extrusive komatiite-hosted deposits (for example, Gole and Hill, 1990; Hill *et al.*, 1995; Leshner and Keays, 2002; Butt and Brand, 2003; Barnes *et al.*, 2004).

Komatiitic rocks are derived from high degrees of partial melting of the Earth's mantle. As a result of the high degree of partial melting, the komatiitic melt is enriched in elements such as nickel and magnesium. When erupted, the melts have a low viscosity and tend to flow turbulently over the substrate, eroding the footwall lithologies through a combination of physical and chemical processes. Because of this low viscosity, the lavas

tended to concentrate in topographic lows. Komatiitic eruptions are envisaged to have had a high effusion rate and to have produced large volumes of lava and magma. The Mt. Keith style of deposit is no exception, being interpreted to occupy large-volume sheet flows several hundreds of metres thick and several kilometres to tens of kilometres long, composed primarily of olivine adcumulate to mesocumulate.

More distal from the eruptive source the komatiitic flows become channelized and begin to erode the substrate, forming a more defined channel feature. This channelization is the cornerstone of the Kambalda model. Denser sulphides tend to accumulate at the bottom of the channel-like features under the influence of gravity, and as the eruption continues the channel fills with olivine mesocumulate to adcumulate from the constantly replenished magnesium-rich komatiitic melt.

As the eruption wanes the channel is capped by a sequence of regressive komatiitic flows composed of komatiitic pyroxenite and basalt. In order to develop Ni-Cu sulphides the komatiitic melt must become sulphide saturated. A komatiitic melt will become sulphur saturated when an external source of sulphur is introduced by assimilation of a sulphide-rich lithology, or by differentiation or contamination of the melt until the sulphur content exceeds the saturation point. A strong relationship exists between the presence of sulphide-rich footwall lithologies and the development of Ni-Cu sulphide deposits in the overlying komatiitic flows, and this association is strongest in the Kambalda-style deposits. Differentiation, or the assimilation of rocks rich in certain elements, may result in the oversaturation of the komatiitic melt in sulphur, and this is the mechanism related to the development of the Mt. Keith style of deposit.

Komatiite-hosted nickel sulphide deposits, whether Archean (for example, Kambalda, Australia) or Proterozoic (for example, Thompson, Manitoba; Raglan, Quebec), occur in clusters of small sulphide bodies that are generally less than 1 Mt. At 1:250 000 scale these deposits usually occur at a pronounced thickening of ultramafic stratigraphy, and at 1:5 000 scale they occur as net-textured to massive sulphide in small embayments up to 200 m in strike length, tens to hundreds of metres in down-dip length, and metres to tens of metres thick. The shape can be cylindrical, podiform or, in rare instances, tabular.

### 8.2.1 Komatiite Volcanic Flow Facies

The five major volcanic facies that are common constituents of komatiitic flow fields include (Barnes *et al.*, 2004) (Table 8-1; Figure 8-1):

- Thin differentiated flows (TDF).
- Compound sheet flows with internal pathways (CSF).
- Dunitic compound sheet flows (DCSF).
- Dunitic sheet flows (DSF).
- Layered lava lakes or sills (LLLS).

The DCSF and CSF facies represent high-flow magma pathways characterized by olivine cumulates and can be identified by their elevated Ni/Ti and Ni/Cr ratios and low Cr contents (Barnes *et al.*, 2004). Although only the DCSF and CSF facies are known to host economic nickel sulphide mineralization (Burley and Barnes, 2019), this does not discount the prospectivity of the other facies, particularly the thick sheets and sills associated with the DSF and LLLS types.

As a preliminary interpretation, the NUC is considered to be most similar to the dunitic compound sheet flow (DCSF) facies, the same flow field facies interpreted for Mt. Keith. The DCSF facies represents high-volume

magma pathways characterized by thick olivine-rich cumulates, which is consistent with the dunite-cored, peridotite-flanked architecture intersected in drilling at Deloro.

Table 8-1. Features of komatiite volcanic flow facies (Barnes *et al.*, 2004).

| Facies                                            | Description                                                                                                                                                                                                                                                                                                          | Type Examples                                                                                      |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Thin Differentiated Flows (TDF)                   | Multiple compound spinifex-textured flows; generally less than 10 m thick, with internal differentiation into spinifex and cumulate zones                                                                                                                                                                            | Munro Township (Pyke <i>et al.</i> , 1973)                                                         |
| Compound Sheet Flows with Internal Pathways (CSF) | Compound sheet flows with internal pathways (CSF) Compound thick cumulate-rich flows, with central olivine-rich lava pathways flanked by multiple thin differentiated units, from tens of metres to ~200 m maximum thickness                                                                                         | Silver Lake Member at Kambalda (Leshner <i>et al.</i> , 1984)                                      |
| Dunitic Compound Sheet Flows (DCSF)               | Thick olivine-rich sheeted units with central lenticular bodies of olivine adcumulates, up to several hundred metres thick and 2 km wide, flanked by laterally extensive thinner orthocumulate-dominated sequences with minor spinifex. CSF and DCSF correspond to 'Flood Flow Facies' of Hill <i>et al.</i> (1995). | Perseverance and Mount Keith (Hill <i>et al.</i> , 1995)                                           |
| Dunitic Sheet Flows (DSF)                         | Thick, laterally extensive, unfractionated sheet-like bodies of olivine adcumulates and mesocumulates, in some cases laterally equivalent to layered lava lake bodies                                                                                                                                                | Southern section of the Walter Williams Formation (Gole and Hill, 1990; Hill <i>et al.</i> , 1995) |
| Layered Lava Lakes and/or Sills (LLLS)            | Thick, sheeted bodies of olivine mesocumulates and adcumulates with lateral extents of tens of kilometres, with fractionated upper zones including pyroxenite and gabbro, up to several hundred metres in total thickness                                                                                            | Kurrajong Formation (Gole and Hill, 1990; Hill <i>et al.</i> , 1995)                               |

### 8.2.2 Komatiite Flow Facies and Prospective Environments

Nickel-copper-cobalt sulphides are interpreted to have formed in situ within the komatiite flows by contamination of the ultramafic lava through melting of the underlying rock and assimilation of any released sulphur. As the komatiite lava flowed, the high-temperature lava melted and assimilated substrate lithologies. This melting of the substrate was achieved in long-lived lava channels, where prolonged high heat input into the substrate from the channelized lava flow led to thermo-mechanical erosion and assimilation of substrate fragments into the lava (Figure 8-1A). If the substrate contained sulphide-bearing sedimentary or volcanic units, the injection of external sulphur into the komatiite drove the magmatic system to sulphur saturation. Nickel, copper and cobalt within the magmatic system then combined with the sulphur and precipitated as immiscible sulphide droplets within the magma (Figure 8-1B).

Once formed, the dense sulphide phase settled within the lava and accumulated on the channel floor as nickel-copper-cobalt sulphide. At the same time the ultramafic magma began to crystallize olivine, which also settled and accumulated on the channel floor. The process of settling of sulphide liquid and olivine crystals within the lava channel is somewhat analogous to stream sediment dynamics. The dense sulphide and olivine crystal phases accumulated in those parts of the channel floor where the flow dynamic changed, due to changes in flow speed, flow direction and ponding, which reduced the capacity of the flow to transport the dense phases.

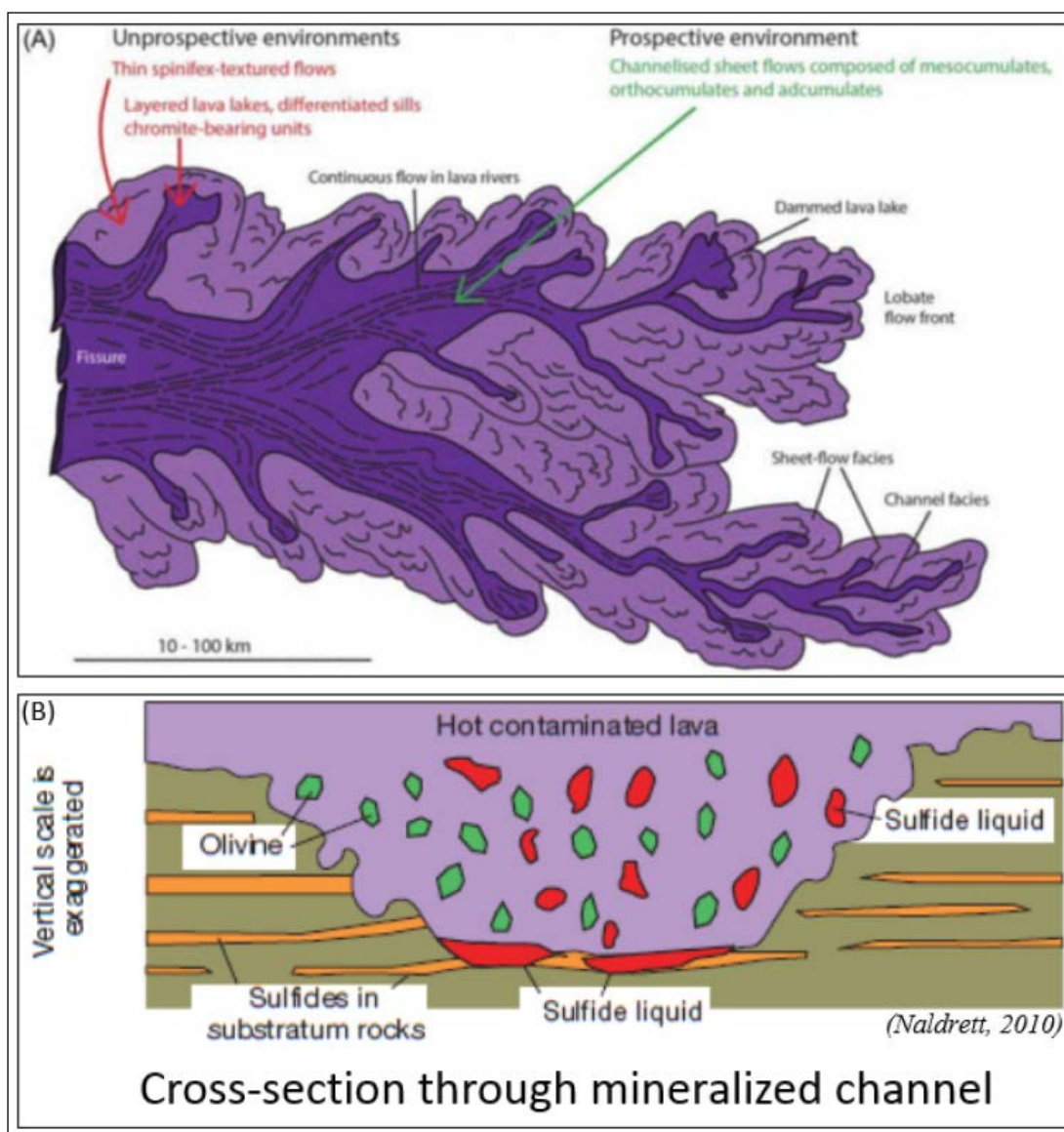


Figure 8-1. Komatiite flow facies and prospective environments for nickel-copper-cobalt sulphide formation. (A) Komatiitic flow showing the prospective environment for nickel sulphide accumulation. (B) Cross-section through a nickel sulphide mineralized channel (Donaghy and Puritch, 2020).

Komatiite lava channels favourable for sulphide accumulation also accumulated olivine crystals from the melt under the same gravitational settling model. These lava channels have subsequently experienced serpentinization of the olivine in the presence of metamorphic, hydrothermal or meteoric water, which breaks down the olivine crystal structure to the hydrous mineral serpentine. Iron present in the olivine mineral lattice is not readily incorporated into the serpentine lattice and instead precipitates as magnetite. Originally olivine-rich channelized environments favourable for nickel sulphide accumulation therefore contain significant secondary magnetite after serpentinization of the olivine. This secondary magnetite results in a high magnetic susceptibility and a prominent anomaly in response to magnetic survey techniques. Subsequent talc-carbonate alteration of serpentinized lava channels destroys magnetite and enhances rheological contrast during structural deformation, metamorphism and intrusion, allowing for potential remobilization of the sulphides.

With regard to exploration, high MgO content in soil or rock geochemistry is a reliable proxy for high olivine content and is used as an exploration vector for channelized lava environments rich in olivine that may be favourable for nickel sulphide accumulation. Soil geochemistry is effective for the detection of magmatic nickel-copper sulphide mineralization where that mineralization is outcropping to sub-cropping and the soil profile does not contain a substantial proportion of transported material. Where the host volcanic channel is buried and does not intersect the Earth's surface, as is the case on the Deloro Property, nickel-copper magmatic sulphide systems are geochemically blind to surface exploration techniques other than geophysics.

These closed systems are bounded within the confines of the volcanic channel, with little to no alteration halo or geochemical exchange with the surrounding wall rock, except for potential leakage of metal-bearing fluids along faults or penetrative deformation fabrics that intersect the sulphide deposits. Electromagnetic surveys remain the preferred tool for direct detection of nickel sulphide mineralization of sufficient quantity and quality for economic extraction, because favourable conductive responses require sulphide contents of approximately 18% to 20% by volume. Broad, low-grade, disseminated deposits of the Mt. Keith style, including the Nesbitt Deposit, contain sulphide well below this threshold and are not directly detectable by electromagnetic methods.

### 8.3 Exploration Targeting

Within Deloro Township, several prominent ultramafic to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) offer the potential for magmatic sulphide, nickel, copper, cobalt, and platinum-group element (PGE) style of mineralization. This mineralization forms the principal target deposit type for the Deloro Nickel-Cobalt Sulphide Project, which in this case is Komatiite-hosted Ni-Co-PGE sulphide mineralization hosted within the DUC.

Sulphide mineralization discovered to date on the Deloro Project can be characterized as Komatiite-hosted Ni-Cu-Co-(PGE) deposit Type II, most similar to the sub-type typified by the Mt. Keith style (Leshner and Keays, 2002). Although a preliminary interpretation, of the five major volcanic facies for komatiitic flow fields suggested by Barnes *et al.* (2004), the DUC is interpreted to be most similar to the dunitic compound sheet flow (DCSF), the same flow field facies interpreted for Mt. Keith (*see* Table 8-1). The DCSF facies represent high-flow volume magma pathways characterized by thick olivine-rich cumulates. Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO.

The geological analogue for the DUC is at least in part the Crawford Nickel Sulphide Deposit (Main and East zones), which is within the AGB (Deloro Assemblage), located 42 km north of the City of Timmins and being explored by Canada Nickel (*e.g.*, Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022).

## **9.0 EXPLORATION**

Other than diamond drilling (see Section 10.0 - Drilling), Canada Nickel has not completed any other exploration work on the Deloro Nickel-Cobalt Sulphide Project.

## 10.0 DRILLING

From 13 January to 28 February 2022 and 1 June to 19 June 2022, Canada Nickel completed 4,312 m (11 NQ-size holes) of diamond drilling in a Phase 1 drilling program. From 26 January to 12 March 2024 and 26 October 2024 to 30 November 2024, Canada Nickel completed 12,398.58 m (32 NQ-size holes) of diamond drilling in a Phase 2 drilling program (Figure 10-1; Table 10-1).

The drilling programs were successful in testing and delineating a broad, north-northwest trending ultramafic complex (DUC), originally identified from aeromagnetic data and regional geological maps (Ferron, 2022 and 2024).

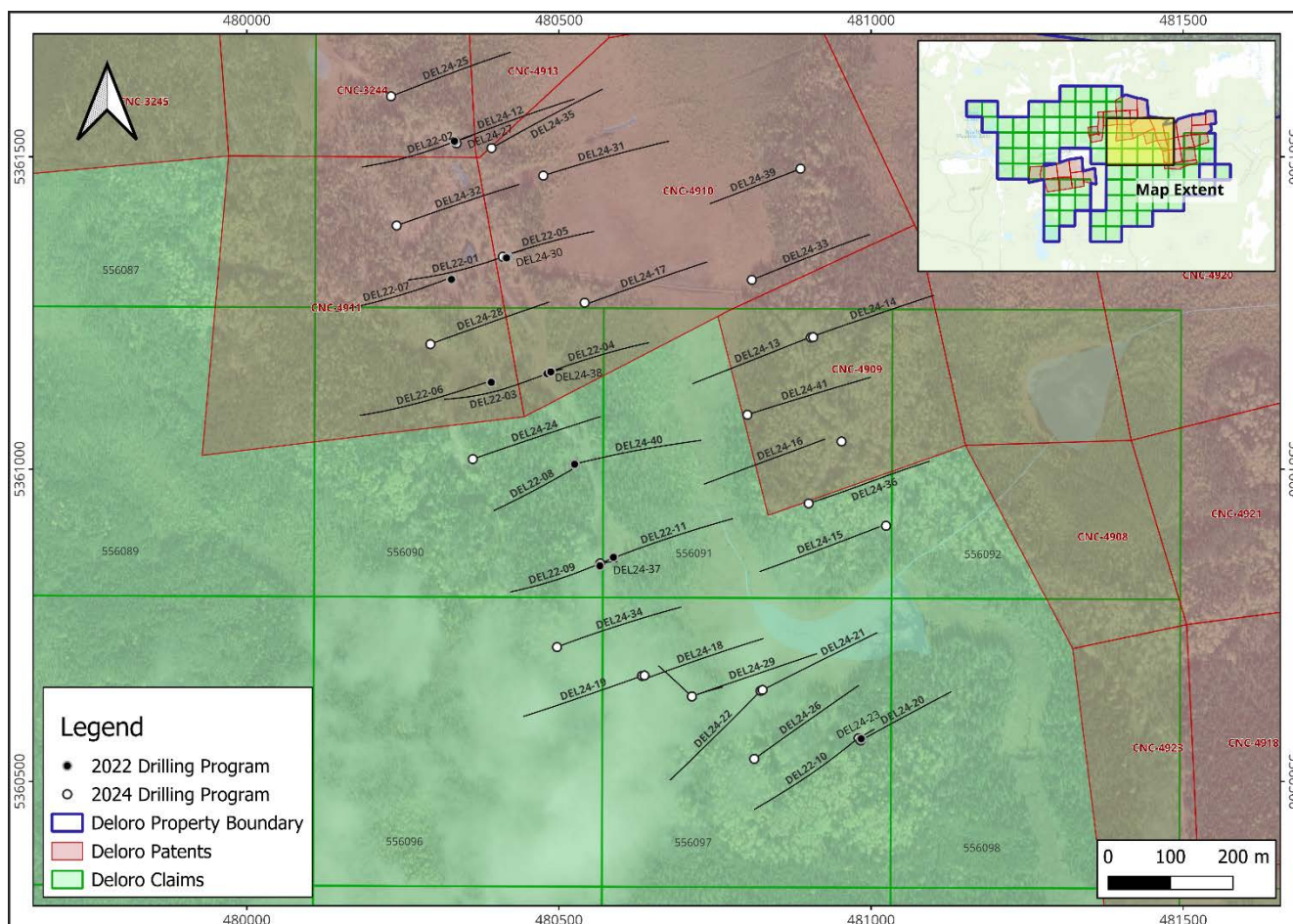


Figure 10-1. Plan view showing diamond drill hole traces from the DEL-series 2022 (11-hole) and 2024 (32-hole) diamond drilling programs, Deloro Nickel-Cobalt Sulphide Project (Canada Nickel, 2026).

Table 10-1. Summary of 2022 and 2024 diamond drill holes completed by Canada Nickel, Deloro Project.

| Drill Hole | UTMX (mE) | UTMY (mN) | Elevation (m) | Length (m) | Azimuth | Dip |
|------------|-----------|-----------|---------------|------------|---------|-----|
| DEL24-41   | 480802    | 5361087   | 318           | 342        | 70      | -50 |
| DEL24-40   | 480525    | 5361008   | 319           | 411        | 78      | -50 |
| DEL24-38   | 480481    | 5361153   | 319           | 501        | 70      | -84 |
| DEL24-39   | 480887    | 5361481   | 315           | 402        | 250     | -50 |
| DEL24-37   | 480566    | 5360849   | 320           | 501        | 70      | -84 |
| DEL24-36   | 480900    | 5360945   | 320           | 336        | 70      | -50 |
| DEL24-35   | 480392    | 5361514   | 312           | 375        | 62      | -50 |
| DEL24-34   | 480497    | 5360715   | 320           | 420        | 70      | -50 |
| DEL24-33   | 480809    | 5361303   | 316           | 300        | 70      | -50 |

| Drill Hole | UTMX (mE) | UTMY (mN)  | Elevation (m) | Length (m)       | Azimuth | Dip |
|------------|-----------|------------|---------------|------------------|---------|-----|
| DEL24-32   | 480240    | 5361390    | 328           | 501              | 70      | -50 |
| DEL24-29B  | 480713    | 5360636    | 311           | 363              | 310     | -76 |
| DEL24-30A  | 480410    | 5361340    | 318           | 500              | 70      | -84 |
| DEL24-31   | 480475    | 5361470    | 312           | 519              | 70      | -50 |
| DEL24-29A  | 480713    | 5360636    | 311           | 276              | 60      | -82 |
| DEL24-29   | 480713    | 5360636    | 311           | 102              | 60      | -82 |
| DEL24-28   | 480294    | 5361200    | 320           | 501              | 70      | -50 |
| DEL24-27   | 480334    | 5361525    | 320           | 501              | 70      | -84 |
| DEL24-26   | 480813    | 5360536    | 319           | 402              | 55      | -50 |
| DEL24-25   | 480231    | 5361597    | 319           | 408              | 70      | -50 |
| DEL24-24   | 480362    | 5361016    | 320           | 405              | 70      | -50 |
| DEL24-23   | 480980    | 5360569    | 318           | 402              | 60      | -84 |
| DEL24-22   | 480822.97 | 5360644.91 | 310.44        | 402              | 225     | -50 |
| DEL24-21   | 480826.14 | 5360646.35 | 310.59        | 168              | 62      | -50 |
| DEL24-20   | 480983.37 | 5360565.42 | 316.22        | 396              | 60      | -60 |
| DEL24-19   | 480633.03 | 5360668.92 | 310.9         | 402              | 250     | -50 |
| DEL24-18   | 480636.99 | 5360669.45 | 310.85        | 401              | 70      | -50 |
| DEL24-17   | 480541.09 | 5361266.44 | 311.85        | 402              | 70      | -50 |
| DEL24-16   | 480952.74 | 5361044.16 | 314.08        | 408              | 250     | -50 |
| DEL24-15   | 481024.02 | 5360909.21 | 314.97        | 405              | 250     | -50 |
| DEL24-14   | 480903.51 | 5361210.75 | 314.78        | 102              | 70      | -50 |
| DEL24-13   | 480907.28 | 5361211.19 | 314.92        | 403.58           | 250     | -50 |
| DEL24-12   | 480335.95 | 5361521.6  | 315.59        | 441              | 71      | -50 |
| DEL22-11   | 480565.7  | 5360845.08 | 311.81        | 402              | 70      | -45 |
| DEL22-10   | 480984.25 | 5360568.22 | 316.26        | 342              | 230     | -50 |
| DEL22-09   | 480587.39 | 5360858.84 | 311.43        | 402              | 248     | -60 |
| DEL22-08   | 480525.02 | 5361007.77 | 313.45        | 402              | 248     | -60 |
| DEL22-07   | 480327.77 | 5361303.81 | 317.14        | 278              | 248     | -50 |
| DEL22-06   | 480391.72 | 5361138.89 | 314.94        | 347              | 248     | -50 |
| DEL22-05   | 480419.1  | 5361339.21 | 314.65        | 401              | 68      | -60 |
| DEL22-04   | 480480.84 | 5361153.1  | 311.89        | 401              | 68      | -60 |
| DEL22-03   | 480486.87 | 5361155.82 | 311.89        | 434              | 248     | -60 |
| DEL22-02   | 480332.6  | 5361525.22 | 315.59        | 411              | 248     | -60 |
| DEL22-01   | 480416.08 | 5361338.16 | 314.57        | 492              | 248     | -60 |
|            |           |            | <b>Total:</b> | <b>16,710.58</b> |         |     |

All of the drill holes in Table 10-1 were used in the calculation of the current Mineral Resource Estimate (see Section 14.0 – Mineral Resource Estimates).

## 10.1 Drilling Process and Drill Core Handling

The 2022 drilling was completed in two programs, the first (winter) contracted to the FCDD drilling company and the second (summer) contracted to NPLH drilling company. The 2024 winter drilling program was contracted to NPLH drilling company.

An all year-round road crosses the Property and access can be achieved using regular pickup trucks. However, access to each drill hole site was done by Sherp ATV during the winter and trucks / ATV, during the summer. The drilling programs were supervised by CNC personnel (Curtis Ferron, Project Geologist; Edwin Escarraga (Director of Exploration), and Adam Gauthier (Field Superintendent - field logistics).

The recovered drill core was placed in sequential order into marked and measured wooden core trays. The core boxes were transported from the drill rig to a drill lay-down at the Deloro site by the NPLH foreman of shift.

CNC personnel picked up the core and delivered it to the Canada Nickel core shack at 170 Jaguar Drive, Timmins, where the core was quick-logged (same day) and programmed for detailed logging and sampling by the CNC geologists and geotechnicians.

## 10.2 Drill Rig Alignment

Alignment of the drill rig begins with front and/or back sight pickets placed at roughly 25 m from the planned collar location. The front/back sights indicate the general azimuth for orienting the pad on which the drill will be placed. Once the drill rig has been mobilized to the collar location, the true alignment is determined using a REFLEX TN14 Gyrocompass (north-seeking), which makes use of a continuously driven gyroscope to seek the direction of true (geographic) north. The TN14 has a visual interface built into a handheld unit, that provides the alignment data for the geologist on shift to confirm the orientation. Inclination or dip is measured using a manual clinometer and confirmed with the TN14 tool as well. The TN14 data is then synced to the Company's cloud (referred to as IMDEXHUB), which can then be accessible remotely.

## 10.3 Drill Collar Surveys

All the drill hole collar locations, were determined through a differential GPS (DGPS) survey with sub-metre accuracy. DGPS drill hole collar surveys were carried out by contractor Talbot Surveys Inc. of Timmins, Ontario after the drill hole was completed. All collars surveyed are top of casing at ground elevation. The database records the original handheld GPS location (accuracy of approximately  $\pm 3$  m), and the final DGPS surveyed location.

## 10.4 Drill Hole Surveys

Down-the-hole drill hole surveys are initiated immediately following the placement of the casing and then every 50 m afterward, using a Reflex gyrocompass system (SPRINT-IQ). These preliminary surveys serve the purpose of informing the geologists on deviation in real time. After the hole is finished, a survey is completed before removing the rods, in this case the final survey is a "continuous" survey, taking measurements approximately every 5 metres. The data is synced and accessed through the IMDEXHUB.

## 10.5 Analytical Results

The diamond drilling program was successful in targeting and delineating a bulk-tonnage Type II Ni-Co (PGE) deposit with primary disseminated and bleb sulphide and secondary sulphides and Ni-Fe alloy. All holes intersected multiple 100 m+ intersections of mineralized ultramafic-mafic rocks. A summary of selected core assay results from the 2022 and 2024 diamond drilling is provided in Table 10-2.

Table 10-2. Selected core assay results, 2022 and 2024 diamond drilling programs.

| Drill Hole      | From (m)     | To (m)        | Interval (m)  | Ni (%)      | Co (%)       | Pd (g/t)     | Pt (g/t)     | Cr (%)      | Fe (%)      | S (%)        |
|-----------------|--------------|---------------|---------------|-------------|--------------|--------------|--------------|-------------|-------------|--------------|
| <b>DEL22-01</b> | <b>1.80</b>  | <b>487.00</b> | <b>485.20</b> | <b>0.25</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.22</b> | <b>5.03</b> | <b>0.030</b> |
| incl.           | 234.00       | 365.90        | 131.90        | 0.27        | 0.011        | 0.003        | 0.003        | 0.24        | 5.27        | 0.030        |
| incl.           | 373.50       | 464.90        | 91.40         | 0.28        | 0.011        | 0.003        | 0.003        | 0.37        | 5.20        | 0.030        |
| <b>DEL22-06</b> | <b>54.50</b> | <b>128.20</b> | <b>73.70</b>  | <b>0.20</b> | <b>0.011</b> | <b>0.003</b> | <b>0.006</b> | <b>0.49</b> | <b>5.82</b> | <b>0.040</b> |
| and             | 140.50       | 281.90        | 141.40        | 0.21        | 0.012        | 0.028        | 0.023        | 0.50        | 6.59        | 0.100        |
| incl.           | 227.50       | 260.00        | 32.50         | 0.27        | 0.012        | 0.049        | 0.034        | 0.57        | 6.55        | 0.140        |
| incl.           | 248.30       | 260.00        | 11.70         | 0.33        | 0.014        | 0.103        | 0.055        | 0.69        | 7.50        | 0.200        |
| <b>DEL22-07</b> | <b>3.10</b>  | <b>113.00</b> | <b>109.90</b> | <b>0.19</b> | <b>0.011</b> | <b>0.021</b> | <b>0.015</b> | <b>0.39</b> | <b>6.32</b> | <b>0.020</b> |

| Drill Hole       | From<br>(m)   | To<br>(m)     | Interval<br>(m) | Ni<br>(%)   | Co<br>(%)    | Pd<br>(g/t)  | Pt<br>(g/t)  | Cr<br>(%)   | Fe<br>(%)   | S<br>(%)     |
|------------------|---------------|---------------|-----------------|-------------|--------------|--------------|--------------|-------------|-------------|--------------|
| and              | 128.20        | 216.40        | 88.20           | 0.17        | 0.011        | 0.018        | 0.016        | 0.39        | 6.72        | 0.040        |
| incl.            | 129.50        | 159.50        | 30.00           | 0.24        | 0.013        | 0.039        | 0.028        | 0.46        | 7.20        | 0.090        |
| <b>DEL22-09</b>  | <b>9.00</b>   | <b>402.00</b> | <b>393.00</b>   | <b>0.26</b> | <b>0.010</b> | <b>0.003</b> | <b>0.006</b> | <b>0.25</b> | <b>4.66</b> | <b>0.040</b> |
| incl.            | 58.50         | 99.00         | 40.50           | 0.28        | 0.010        | 0.003        | 0.005        | 0.45        | 4.51        | 0.010        |
| incl.            | 218.50        | 269.50        | 51.00           | 0.28        | 0.011        | 0.003        | 0.005        | 0.14        | 4.71        | 0.100        |
| <b>DEL22-10</b>  | <b>3.00</b>   | <b>87.00</b>  | <b>84.00</b>    | <b>0.23</b> | <b>0.010</b> | <b>0.003</b> | <b>0.005</b> | <b>0.22</b> | <b>5.63</b> | <b>0.090</b> |
| and              | 123.50        | 203.00        | 79.50           | 0.25        | 0.010        | 0.003        | 0.005        | 0.16        | 4.92        | 0.100        |
| and              | 235.30        | 322.70        | 87.40           | 0.25        | 0.010        | 0.003        | 0.005        | 0.23        | 5.09        | 0.130        |
| <b>DEL24-12</b>  | <b>9.90</b>   | <b>441.00</b> | <b>431.10</b>   | <b>0.26</b> | <b>0.010</b> | <b>0.003</b> | <b>0.005</b> | <b>0.28</b> | <b>5.25</b> | <b>0.100</b> |
| incl.            | 103.50        | 130.50        | 30.00           | 0.30        | 0.010        | 0.003        | 0.005        | 0.20        | 5.00        | 0.030        |
| <b>DEL24-13</b>  | <b>6.00</b>   | <b>187.50</b> | <b>181.50</b>   | <b>0.24</b> | <b>0.010</b> | <b>0.003</b> | <b>0.005</b> | <b>0.23</b> | <b>4.89</b> | <b>0.060</b> |
| and              | 222.00        | 277.00        | 55.00           | 0.25        | 0.010        | 0.003        | 0.005        | 0.22        | 5.25        | 0.050        |
| and              | 289.90        | 402.00        | 112.10          | 0.25        | 0.010        | 0.003        | 0.005        | 0.21        | 5.20        | 0.070        |
| DEL24-14         | 5.30          | 92.70         | 87.40           | 0.22        | 0.010        | 0.003        | 0.005        | 0.19        | 4.75        | 0.050        |
| <b>DEL24-15</b>  | <b>6.00</b>   | <b>164.00</b> | <b>162.00</b>   | <b>0.24</b> | <b>0.010</b> | <b>0.004</b> | <b>0.006</b> | <b>0.17</b> | <b>5.59</b> | <b>0.090</b> |
| and              | 202.60        | 377.60        | 175.00          | 0.25        | 0.010        | 0.003        | 0.005        | 0.24        | 5.35        | 0.100        |
| <b>DEL24-16</b>  | <b>9.50</b>   | <b>219.50</b> | <b>210.00</b>   | <b>0.20</b> | <b>0.010</b> | <b>0.004</b> | <b>0.005</b> | <b>0.18</b> | <b>5.63</b> | <b>0.050</b> |
| and              | 234.00        | 286.50        | 52.50           | 0.23        | 0.010        | 0.003        | 0.004        | 0.24        | 5.70        | 0.040        |
| and              | 361.00        | 408.00        | 47.00           | 0.26        | 0.010        | 0.003        | 0.004        | 0.20        | 5.33        | 0.060        |
| <b>DEL24-17</b>  | <b>35.80</b>  | <b>329.10</b> | <b>293.30</b>   | <b>0.27</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.18</b> | <b>5.13</b> | <b>0.050</b> |
| and              | 379.00        | 402.00        | 23.00           | 0.23        | 0.010        | 0.003        | 0.003        | 0.22        | 5.11        | 0.040        |
| <b>DEL24-18</b>  | <b>9.00</b>   | <b>233.50</b> | <b>224.50</b>   | <b>0.26</b> | <b>0.010</b> | <b>0.003</b> | <b>0.005</b> | <b>0.18</b> | <b>4.84</b> | <b>0.080</b> |
| and              | 371.60        | 401.00        | 29.40           | 0.23        | 0.010        | 0.003        | 0.005        | 0.46        | 5.83        | 0.080        |
| <b>DEL24-19</b>  | <b>12.00</b>  | <b>67.00</b>  | <b>55.00</b>    | <b>0.17</b> | <b>0.010</b> | <b>0.006</b> | <b>0.006</b> | <b>0.33</b> | <b>7.52</b> | <b>0.010</b> |
| and              | 206.70        | 354.00        | 147.30          | 0.22        | 0.010        | 0.003        | 0.004        | 0.22        | 6.27        | 0.020        |
| <b>DEL24-20</b>  | <b>3.00</b>   | <b>319.60</b> | <b>316.60</b>   | <b>0.24</b> | <b>0.010</b> | <b>0.003</b> | <b>0.005</b> | <b>0.13</b> | <b>4.88</b> | <b>0.100</b> |
| <b>DEL24-22</b>  | <b>75.20</b>  | <b>270.00</b> | <b>194.80</b>   | <b>0.19</b> | <b>0.010</b> | <b>0.007</b> | <b>0.011</b> | <b>0.38</b> | <b>6.84</b> | <b>0.040</b> |
| <b>DEL24-23</b>  | <b>8.50</b>   | <b>402.00</b> | <b>393.50</b>   | <b>0.25</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.25</b> | <b>5.29</b> | <b>0.063</b> |
| incl.            | 320.00        | 375.50        | 55.50           | 0.28        | 0.010        | 0.003        | 0.004        | 0.17        | 5.17        | 0.072        |
| <b>DEL24-24</b>  | <b>17.70</b>  | <b>405.00</b> | <b>387.30</b>   | <b>0.25</b> | <b>0.010</b> | <b>0.003</b> | <b>0.005</b> | <b>0.21</b> | <b>5.09</b> | <b>0.062</b> |
| incl.            | 349.50        | 379.50        | 30.00           | 0.28        | 0.010        | 0.003        | 0.005        | 0.12        | 5.34        | 0.104        |
| <b>DEL24-25</b>  | <b>73.50</b>  | <b>368.00</b> | <b>294.50</b>   | <b>0.27</b> | <b>0.013</b> | <b>0.003</b> | <b>0.003</b> | <b>0.30</b> | <b>5.51</b> | <b>0.078</b> |
| <b>DEL24-26</b>  | <b>68.00</b>  | <b>362.00</b> | <b>294.00</b>   | <b>0.24</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.25</b> | <b>5.17</b> | <b>0.083</b> |
| incl.            | 287.00        | 308.00        | 21.00           | 0.27        | 0.011        | 0.003        | 0.003        | 0.15        | 4.72        | 0.096        |
| <b>DEL24-27</b>  | <b>22.50</b>  | <b>501.00</b> | <b>478.50</b>   | <b>0.26</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.27</b> | <b>5.39</b> | <b>0.044</b> |
| incl.            | 375.00        | 499.50        | 124.50          | 0.28        | 0.012        | 0.003        | 0.003        | 0.22        | 5.43        | 0.036        |
| <b>DEL24-28</b>  | <b>130.00</b> | <b>501.00</b> | <b>371.00</b>   | <b>0.27</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.19</b> | <b>5.00</b> | <b>0.046</b> |
| incl.            | 252.00        | 273.00        | 21.00           | 0.30        | 0.012        | 0.003        | 0.003        | 0.15        | 5.59        | 0.049        |
| <b>DEL24-29B</b> | <b>120.40</b> | <b>327.00</b> | <b>206.60</b>   | <b>0.23</b> | <b>0.013</b> | <b>0.003</b> | <b>0.003</b> | <b>0.45</b> | <b>5.74</b> | <b>0.067</b> |
| <b>DEL24-30A</b> | <b>2.10</b>   | <b>499.60</b> | <b>497.50</b>   | <b>0.26</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.21</b> | <b>5.04</b> | <b>0.030</b> |
| incl.            | 318.00        | 349.50        | 31.50           | 0.28        | 0.012        | 0.003        | 0.003        | 0.26        | 5.36        | 0.043        |
| <b>DEL24-31</b>  | <b>12.50</b>  | <b>385.50</b> | <b>373.00</b>   | <b>0.25</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.22</b> | <b>5.23</b> | <b>0.106</b> |
| incl.            | 72.00         | 180.00        | 108.00          | 0.28        | 0.012        | 0.003        | 0.003        | 0.27        | 5.48        | 0.016        |
| <b>DEL24-32</b>  | <b>50.00</b>  | <b>415.50</b> | <b>365.50</b>   | <b>0.26</b> | <b>0.011</b> | <b>0.003</b> | <b>0.004</b> | <b>0.34</b> | <b>5.66</b> | <b>0.041</b> |
| incl.            | 267.00        | 394.50        | 127.50          | 0.29        | 0.011        | 0.003        | 0.003        | 0.24        | 5.36        | 0.050        |
| <b>DEL24-33</b>  | <b>3.60</b>   | <b>198.00</b> | <b>194.40</b>   | <b>0.24</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.18</b> | <b>5.21</b> | <b>0.056</b> |
| incl.            | 4.50          | 40.50         | 36.00           | 0.28        | 0.009        | 0.003        | 0.003        | 0.11        | 5.28        | 0.080        |
| <b>DEL24-34</b>  | <b>94.50</b>  | <b>420.00</b> | <b>325.50</b>   | <b>0.27</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.20</b> | <b>4.96</b> | <b>0.045</b> |
| <b>DEL24-35</b>  | <b>6.00</b>   | <b>289.50</b> | <b>283.50</b>   | <b>0.28</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.25</b> | <b>5.18</b> | <b>0.074</b> |
| incl.            | 126.00        | 181.50        | 55.50           | 0.37        | 0.010        | 0.003        | 0.003        | 0.13        | 4.78        | 0.055        |
| <b>DEL24-36</b>  | <b>49.50</b>  | <b>174.00</b> | <b>124.50</b>   | <b>0.22</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.21</b> | <b>5.31</b> | <b>0.050</b> |
| <b>DEL24-37</b>  | <b>9.20</b>   | <b>196.70</b> | <b>187.50</b>   | <b>0.28</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.22</b> | <b>4.53</b> | <b>0.030</b> |
| and              | 206.00        | 501.00        | 295.00          | 0.28        | 0.011        | 0.003        | 0.003        | 0.12        | 5.11        | 0.030        |
| <b>DEL24-38</b>  | <b>5.10</b>   | <b>501.00</b> | <b>495.90</b>   | <b>0.25</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.15</b> | <b>4.56</b> | <b>0.039</b> |
| incl.            | 85.50         | 133.50        | 48.00           | 0.28        | 0.010        | 0.003        | 0.003        | 0.11        | 4.45        | 0.033        |
| <b>DEL24-39</b>  | <b>6.00</b>   | <b>372.00</b> | <b>366.00</b>   | <b>0.22</b> | <b>0.009</b> | <b>0.003</b> | <b>0.005</b> | <b>0.19</b> | <b>4.66</b> | <b>0.091</b> |

| Drill Hole      | From (m)     | To (m)        | Interval (m)  | Ni (%)      | Co (%)       | Pd (g/t)     | Pt (g/t)     | Cr (%)      | Fe (%)      | S (%)        |
|-----------------|--------------|---------------|---------------|-------------|--------------|--------------|--------------|-------------|-------------|--------------|
| incl.           | 230.00       | 257.10        | 27.10         | 0.26        | 0.010        | 0.003        | 0.005        | 0.22        | 5.11        | 0.109        |
| <b>DEL24-40</b> | <b>2.00</b>  | <b>411.00</b> | <b>409.00</b> | <b>0.26</b> | <b>0.011</b> | <b>0.003</b> | <b>0.003</b> | <b>0.21</b> | <b>5.06</b> | <b>0.056</b> |
| incl.           | 165.50       | 189.50        | 24.00         | 0.29        | 0.011        | 0.003        | 0.004        | 0.12        | 4.55        | 0.063        |
| <b>DEL24-41</b> | <b>15.50</b> | <b>201.50</b> | <b>186.00</b> | <b>0.24</b> | <b>0.010</b> | <b>0.003</b> | <b>0.003</b> | <b>0.21</b> | <b>5.39</b> | <b>0.051</b> |
| incl.           | 17.00        | 41.00         | 24.00         | 0.28        | 0.012        | 0.003        | 0.003        | 0.22        | 5.53        | 0.070        |

These consistently broad intervals (100s of metres) of anomalous nickel (>0.20% Ni) from near surface to depth are similar to those reported in the Crawford Deposit (*e.g.*, Canada Nickel news releases 4 April 2022 and 26 October 2021; Lane *et al.*, 2022), also being explored by the Company.

## 11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

### 11.1 Introduction

Mr. Steve Balch (P.Geo.), a qualified person as defined by NI 43-101, is responsible for the ongoing drilling and sampling program, including quality assurance (QA) and quality control (QC), together QA/QC. The Company has put down a total of 43 diamond drill holes on the Deloro Property, eleven (11) in 2022 and thirty-two (32) in 2024; a total of 11,427 samples for multi-analysis have been prepared from this core.

The core is marked and sampled at primarily 1.5-metre lengths and cut with diamond blade saws. Samples are bagged with QA/QC samples inserted into the sample stream at the recommended rate in each batch of 20 samples. Samples (60 per lot) are transported in secure bags directly from the Company core shack to Activation Laboratories Ltd. (Actlabs) in Timmins or by commercial truck transport (Manitoulin Transport Inc.) to SGS Canada Inc. (SGS) in Lakefield, Ontario. In general, the core recovery for the diamond drill holes on the Property has been better than 95% and little core loss due to poor drilling methods or procedures has been experienced.

In the opinion of the QP (John Siriunas), the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for a preliminary economic assessment. The Authors (QPs) are independent of the analytical laboratories used by the Company, Activation Laboratories Ltd. and SGS Canada Inc.

### 11.2 Sample Collection and Transportation

Core (NQ size core, 47.6 mm diameter) was collected from the drill into core boxes and secured in closed core trays at the drill site by the drilling contractor (NPLH Drilling of Timmins, Ontario), following industry standard procedures. Small wooden tags mark the distance drilled in metres at the end of each run. On each filled core box, the drill hole number and sequential box numbers are marked by the drill helper and checked by the site geologist. Once filled and identified, each core tray was covered and secured shut.

Core was delivered by the drilling contractor at site as the drilling progressed. CNC personnel transported the core to the core shack from that location. Casing was left in the completed drill holes with the casing capped and marked with a metal flag (*see* Section 2.5 – Personal Inspection).

### 11.3 Core Logging and Sampling Procedures

CNC leases logging, sample preparation and exploration office space at 170 Jaguar Drive in Timmins which is approximately 20 km from the Project area. This section describes the protocols followed at the latter facility.

Once the core boxes arrive at the logging facility in Timmins, they are laid out on the logging table in order and the lids are removed. The core logging process consists of two major parts: geotechnical logging and geological logging.

Core is first turned and aligned to be sure the same side of the core is being marked, cut and sampled. Core is measured and the nominal sampling interval of 1.5 metres is marked and tagged for the entirety of the drill hole by a geotechnician. Samples are identified by inserting two identical prefabricated, sequentially numbered, weather-resistant sample tags at the end of each sample interval. Magnetic susceptibility is measured at every three-metre block, taking a minimum of two readings (averaged) and a third reading if the first two readings are significantly different. The relative density of core samples (specific gravity or SG) is calculated from core in one out of every four core boxes that contain the target ultramafic rocks. The logging geologist determines if

additional SG measurements need to be made. The geotechnician writes the SG measurement directly on the core that was measured. Core is stored sequentially, hole by hole, in racks ahead of the logging process.

Geological core logging records the lithology, alteration, texture, colour, mineralization, structure and sample intervals and pays particular attention to the target rock types (dunite and/or peridotite). As the core is logged, the target rock type (dunite and/or peridotite) is marked for sampling at a nominal sample interval of 1.5 metres, with the entire intercept of ultramafic rocks sampled in each drill hole.

Once the core is logged and photographed, the core boxes are returned to the indoor storage racks prior to being transferred to the cutting room for sampling on a box-by-box basis.

Sections marked for sampling are cut in half with a diamond saw located in a separate cutting room adjacent to the logging area; three saws are available for use. The core-cutting room has been modified with a ventilation system to mitigate the possible circulation of “asbestos” mineral fibres in the air. Personnel working in the room are also required to wear appropriate PPE. Once the core is cut in half it is returned to the core box. A geotechnician consistently selects the same half of the core in each interval/hole, placing the half core in a sample bag with one of the corresponding sample tags, and sealing the bag with a cable tie. Bags are also marked externally with the sample tag number. The boxes containing the remaining half core are transferred to outdoor core racks on site in the secure core storage facility.

Individual samples are placed in large polypropylene bags (rice bags), five samples to a bag, and then the larger bag secured with a cable tie. CNC personnel are responsible for transporting the samples to the Actlabs Timmins analytical facility, a driving distance of approximately 3 km from the core shack location or for loading the transport truck.

## 11.4 Analytical

Activation Laboratories Ltd. (“Actlabs”), a geochemical services company accredited to international standards, with assay lab ISO 17025 certification, certification to ISO 9001:2008 and CAN-P-1579 (Mineral Analysis), was used for the majority of the analytical requirements related to the Project. The Actlabs laboratory in Timmins, Ontario carried out the sample login/registration, sample weighing, sample preparation and analyses. Actlabs certificates and report numbers are prefixed with an “A” and year designation (*e.g.*, A19-, A20- etc.)

SGS Canada Inc., likewise a geochemical services company accredited to the same international standards as Actlabs, was used for some of the analytical requirements as the Actlabs facility became overtaxed with service requests. Sample preparation by SGS was carried out in Lakefield, Ontario while analyses were performed at SGS’ facilities in Burnaby, BC with some analyses being performed at SGS’ facilities in Lima, Perú. SGS certificates and report numbers are prefixed with a “BBM” and year designation (*e.g.*, BBM21-) for the Burnaby lab or “GQ” for the lab in Lima.

Actlabs and SGS are both independent of the Authors and Canada Nickel.

Platinum group elements (PGEs) palladium (Pd) and platinum (Pt), and precious metal gold (Au) were analyzed using a fire assay (FA) digestion of 30 g of sample material followed by an ICP-OES determination of concentration. Base metals and other elements (total of 20 elements are reported herein including Al, As, Be, Ca, Co, Cr, Cu, Fe, K, Li, Mg, Mn, Ni, Pb, S, Sb, Si, Ti, W, Zn) were determined by ICP-OES following a sodium peroxide (Na<sub>2</sub>O<sub>2</sub>) fusion digestion. The sodium peroxide fusion method is suitable for the “total” digestion of refractory minerals and samples with high sulphide content. Select samples have been analyzed for total S by

combustion and infrared absorption techniques (SGS labs only). Detection limits for all elements at Actlabs and SGS are summarized in Table 11-1 and Table 11-2. Differences between the instrumental detection limits can have a profound influence on the relative difference between analyses at low levels of elemental concentration. Samples from recent (2023) diamond drilling (not part of this report) also include total carbon analyses by infrared absorption methods; these sample results will ultimately be included in carbon sequestration studies being initiated by CNC.

Table 11-1. Lower Limits of Detection for Elements Measured at Actlabs.

| Element | Method     | LLD   | Unit | Element | Method     | LLD   | Unit |
|---------|------------|-------|------|---------|------------|-------|------|
| Au      | FA-ICP     | 2     | ppb  | Li      | FUS-Na-202 | 0.01  | %    |
| Pt      | FA-ICP     | 5     | ppb  | Mg      | FUS-Na-202 | 0.01  | %    |
| Pd      | FA-ICP     | 5     | ppb  | Mn      | FUS-Na-202 | 0.01  | %    |
| Al      | FUS-Na-202 | 0.01  | %    | Ni      | FUS-Na-202 | 0.005 | %    |
| As      | FUS-Na-202 | 0.01  | %    | Pb      | FUS-Na-202 | 0.01  | %    |
| Be      | FUS-Na-202 | 0.001 | %    | S       | FUS-Na-202 | 0.01  | %    |
| Ca      | FUS-Na-202 | 0.01  | %    | Sb      | FUS-Na-202 | 0.01  | %    |
| Co      | FUS-Na-202 | 0.002 | %    | Si      | FUS-Na-202 | 0.01  | %    |
| Cr      | FUS-Na-202 | 0.01  | %    | Ti      | FUS-Na-202 | 0.01  | %    |
| Cu      | FUS-Na-202 | 0.005 | %    | W       | FUS-Na-202 | 0.005 | %    |
| Fe      | FUS-Na-202 | 0.05  | %    | Zn      | FUS-Na-202 | 0.01  | %    |
| K       | FUS-Na-202 | 0.1   | %    |         |            |       |      |

Notes: FA-ICP=fire assay with ICP-OES finish. FUS-Na2O2=sodium peroxide fusion digestion with ICP-OES finish. %= per cent by weight. ppb=parts per billion by weight (ng/g).

Table 11-2. Lower Limits of Detection for Elements Measured at SGS.

| Element | Method     | LLD    | Unit | Element | Method     | LLD   | Unit |
|---------|------------|--------|------|---------|------------|-------|------|
| Au      | FA-ICP     | 5      | ppb  | Li      | FUS-Na-202 | 0.001 | %    |
| Pt      | FA-ICP     | 10     | ppb  | Mg      | FUS-Na-202 | 0.01  | %    |
| Pd      | FA-ICP     | 5      | ppb  | Mn      | FUS-Na-202 | 0.001 | %    |
| Al      | FUS-Na-202 | 0.01   | %    | Ni      | FUS-Na-202 | 0.001 | %    |
| As      | FUS-Na-202 | 0.003  | %    | Pb      | FUS-Na-202 | 0.002 | %    |
| Be      | FUS-Na-202 | 0.0005 | %    | S       | FUS-Na-202 | 0.01  | %    |
| Ca      | FUS-Na-202 | 0.1    | %    | S       | IR         | 0.005 | %    |
| Co      | FUS-Na-202 | 0.001  | %    | Sb      | FUS-Na-202 | 0.005 | %    |
| Cr      | FUS-Na-202 | 0.001  | %    | Si      | FUS-Na-202 | 0.1   | %    |
| Cu      | FUS-Na-202 | 0.001  | %    | Ti      | FUS-Na-202 | 0.01  | %    |
| Fe      | FUS-Na-202 | 0.01   | %    | W       | FUS-Na-202 | 0.005 | %    |
| K       | FUS-Na-202 | 0.1    | %    | Zn      | FUS-Na-202 | 0.001 | %    |

Notes: FA-ICP=fire assay with ICP-OES finish. FUS-Na<sub>2</sub>O<sub>2</sub>=sodium peroxide fusion digestion with ICP-OES finish. IR=infrared combustion method. %= per cent by weight. ppb=parts per billion by weight (ng/g).

For statistical purposes within the report, any analytical result that was reported to be less than the detection limit was set to one half of that detection limit (*e.g.*, a result reported as <0.5 was set to a numeric value of 0.25). Results reported to be greater than maximum value reportable, and where no corresponding over limit analysis was performed, were set to that maximum value (*e.g.*, a result reported as >15.0 was set to a numeric value of 15).

## 11.5 QA/QC – Control Samples

A total of 5,828 samples related to the Deloro Project have been submitted for analysis by CNC. Included in the sample total are 581 “control” samples (either a blank or CRM sample) and 293 field duplicates for a total inclusion rate of 15%. The current rates of QA/QC sample submission are completely in-line with that recommended for the Project.

Actlabs and SGS insert internal certified reference material into the sample stream, run blank aliquots and also carry out duplicate and replicate (“preparation split”) analyses within each sample batch as part of their own internal monitoring of quality control. While CNC previously relied solely on the laboratory-provided control results to monitor the quality of the analytical results, the Company now carries out sufficient QA/QC monitoring of the laboratory results on its own account.

CNC have inserted five (5) different samples of CRM into the sample stream: OREAS 683 (PGE ore; 56 samples), OREAS 70b (nickel sulphide ore; 198 samples), OREAS 72a (nickel sulphide ore; 7 samples), OREAS 72b (nickel sulphide ore; 26 samples), and OREAS 74a (nickel sulphide ore; 4 samples).

CNC introduced 290 samples of blank material (“blank silica”) into the sample stream.

CNC did quarter core-sample intervals for 293 samples to generate “sampling” or “field” duplicates. The QP (John Siriunas) is not aware of any samples being submitted to a referee lab.

## 11.6 QA/QC – Data Verification

### 11.6.1 Certified Reference Material

Certified reference materials are used by CNC to monitor the accuracy of the analyses performed by Actlabs and SGS. A number of different reference materials for different combinations of elements were used during the course of the analytical work being reported on herein. For the purposes of the report, we have focused on the results of the most frequently used reference materials submitted for analysis by CNC, namely OREAS 70b and OREAS 683; they report certified values in the expected concentration ranges similar to the samples of drill core that was submitted to for analysis.

The analyses for the certified reference material examined in detail averaged within two standard deviations of the average concentration for each element over the span of the laboratory work; this gives reason to believe that the accuracy of the analyses be considered as acceptable. Average concentrations of the various elements analyzed were also very close to the reported certified concentrations for each element. Examples of the CRM responses are shown in Figures 11-1 to 11-7.

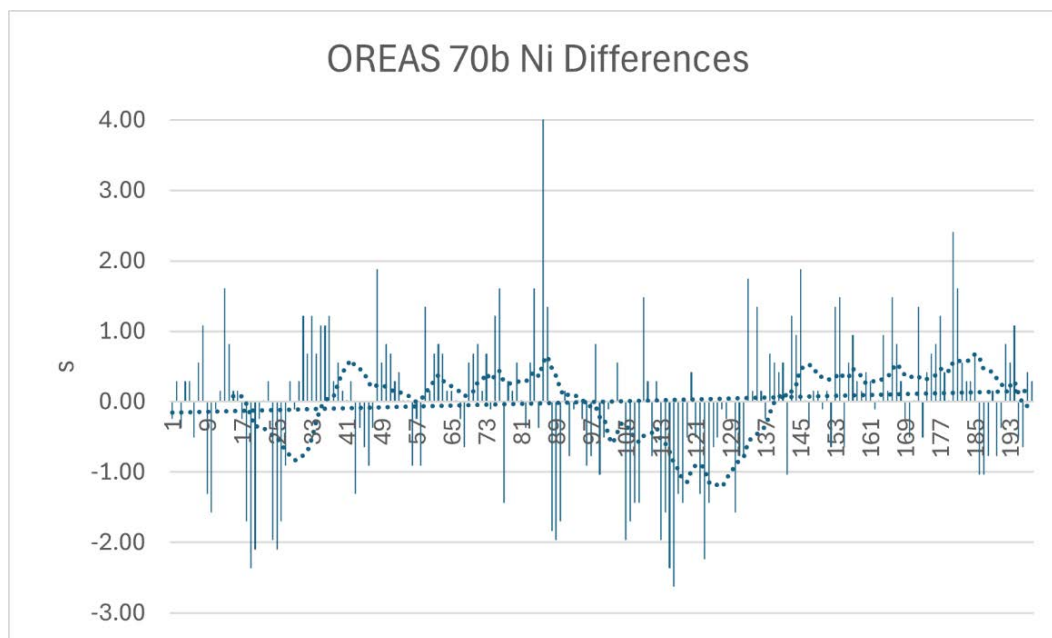


Figure 11-1. CRM OREAS 70b – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2026).

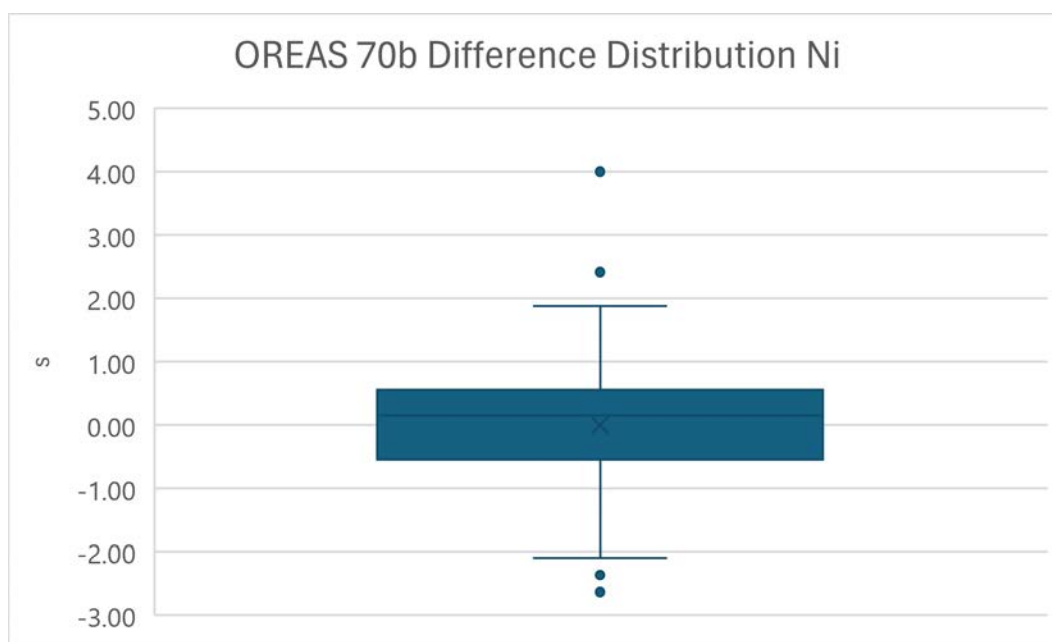


Figure 11-2. CRM OREAS 70b – Distribution of Standard Deviations Difference for Ni Analysis from the Average Value (Caracle Creek, 2026).

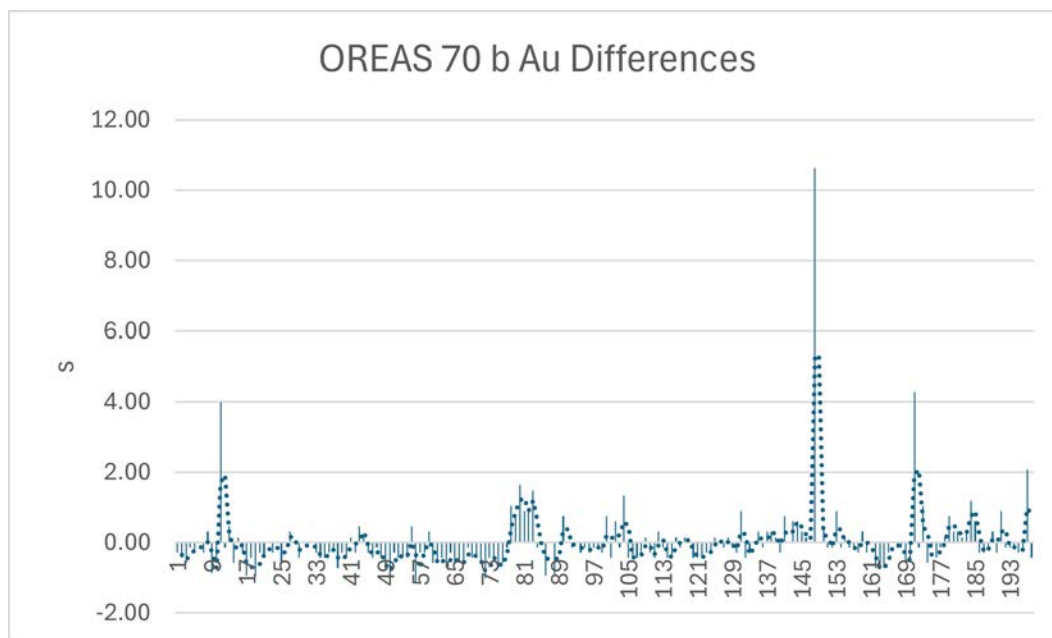


Figure 11-3. CRM OREAS 70b – Number of Standard Deviations Difference for Au Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2026).

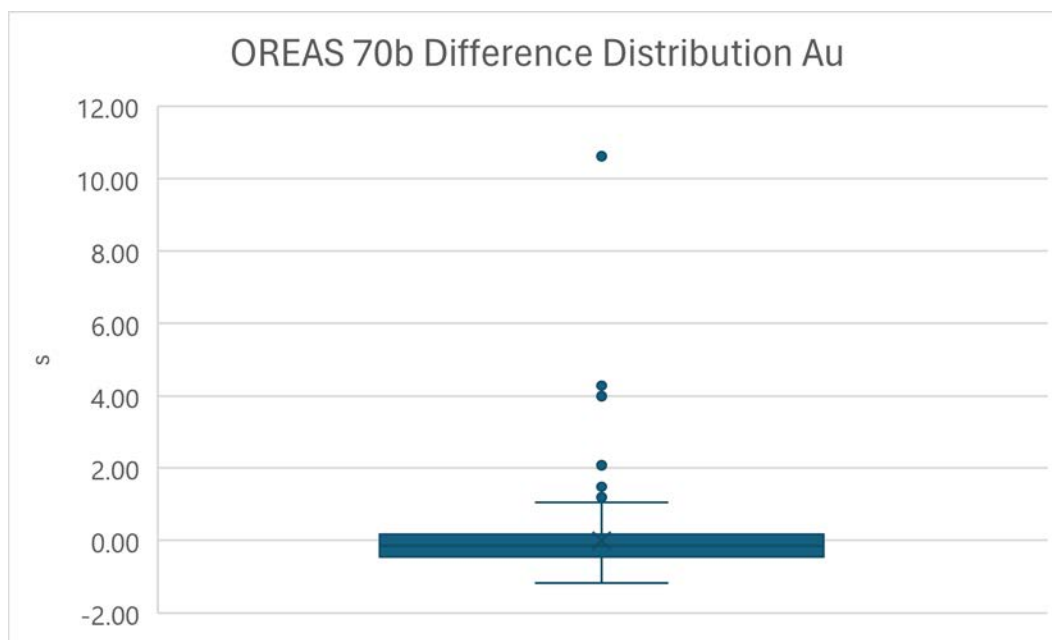


Figure 11-4. CRM OREAS 70b – Distribution of Standard Deviations Difference for Au Analysis from the Average Value (Caracle Creek, 2026).

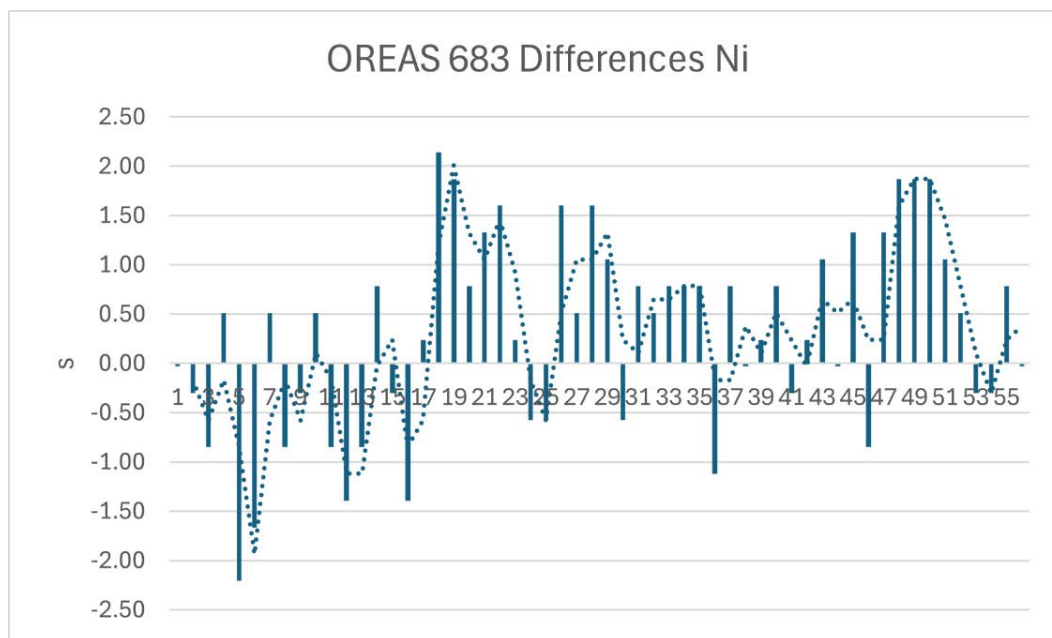


Figure 11-5. CRM OREAS 683 – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2026).

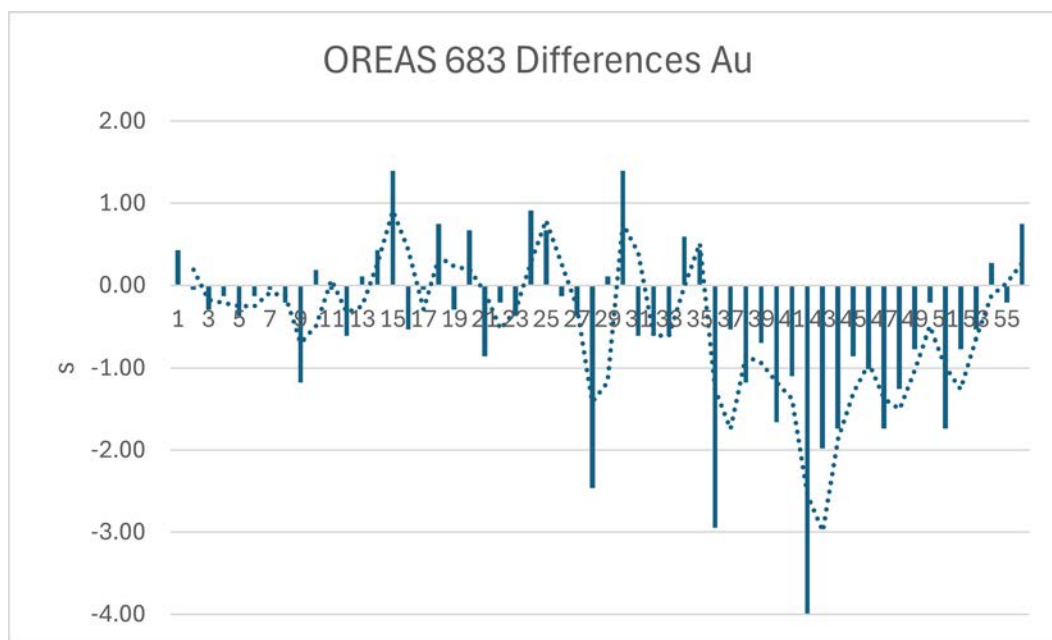


Figure 11-6. CRM OREAS 683 – Distribution of Standard Deviations Difference for Au Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2026).

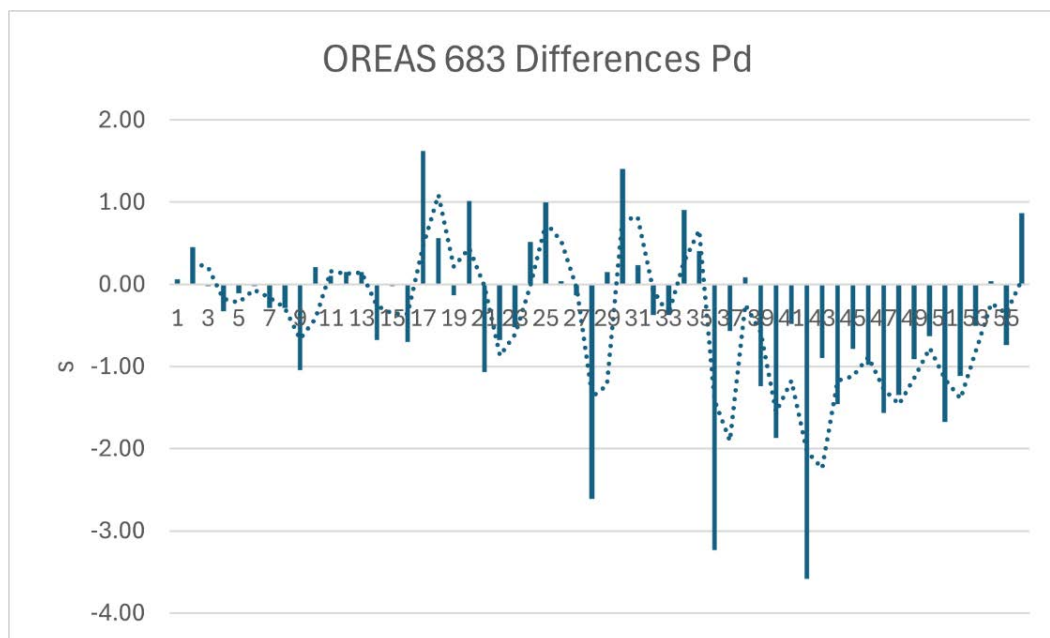


Figure 11-7. CRM OREAS 683 – Number of Standard Deviations Difference for Pd Analysis from the Certified Value for Various Analytical Runs (Caracle Creek, 2026).

### 11.6.2 Duplicate Samples – “Field Duplicates”

Canada Nickel had a total of 293 sample intervals quarter-cut and these samples were submitted for analysis as duplicate (“field duplicate”) samples.

In general, the duplicate material for the platinum group metal analyses has indicated good reproducibility of the assays though with some degree of a nuggety response. Where relative differences of over 100% are observed, sample pairs generally exhibit low absolute concentrations of the precious metals; the order of magnitude difference at those levels is not considered to be of importance.

The duplicate pairs for Ni, Co and S exhibited good correlation (Figures 11-8 to 11-10) while those for the platinum group metals were poorer (example Au and Pt, Figure 11-11 and Figure 11-12); the poor correlations are attributed to the low absolute concentrations of these elements in the sample material.

Where relative differences of over 100% are observed, sample pairs generally exhibit low absolute concentrations of the precious metals; the order of magnitude difference at those levels is not considered to be of importance.

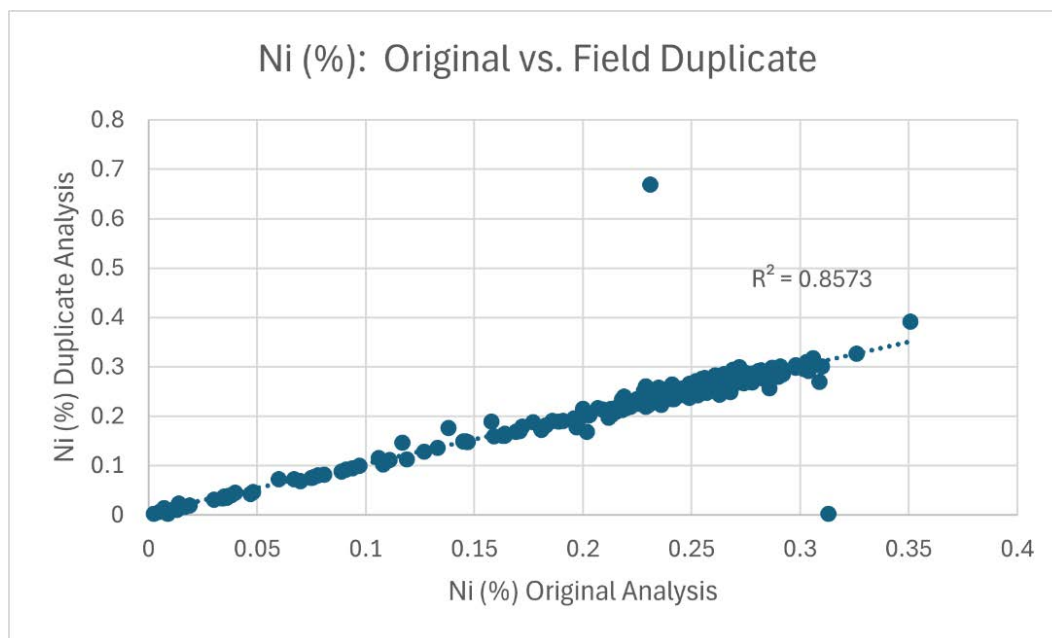


Figure 11-8. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Nickel (Ni) (Caracle Creek, 2026).

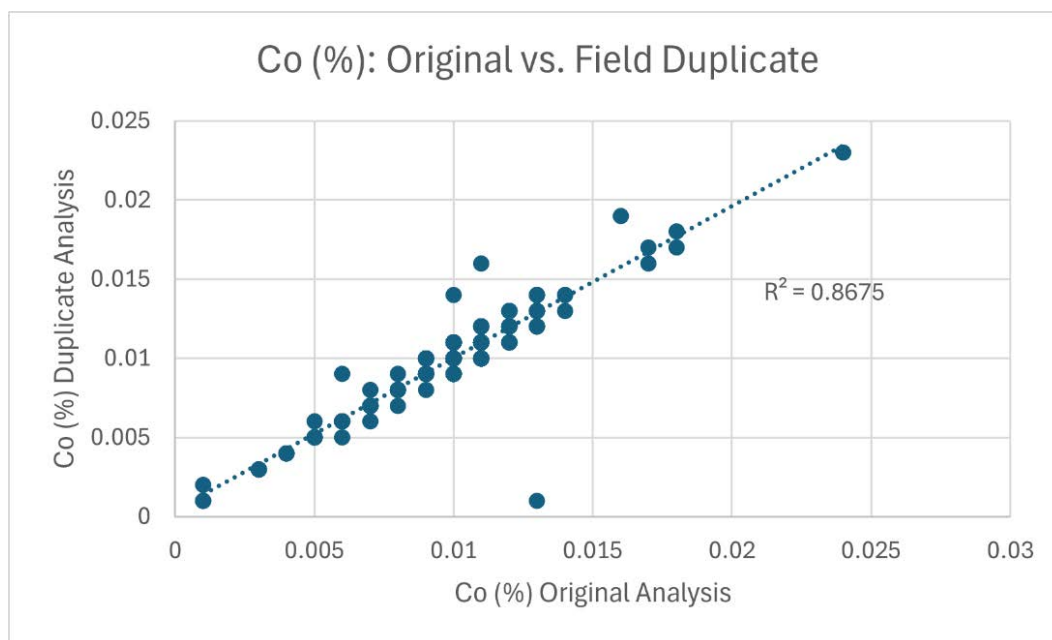


Figure 11-9. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Cobalt (Co) (Caracle Creek, 2026).

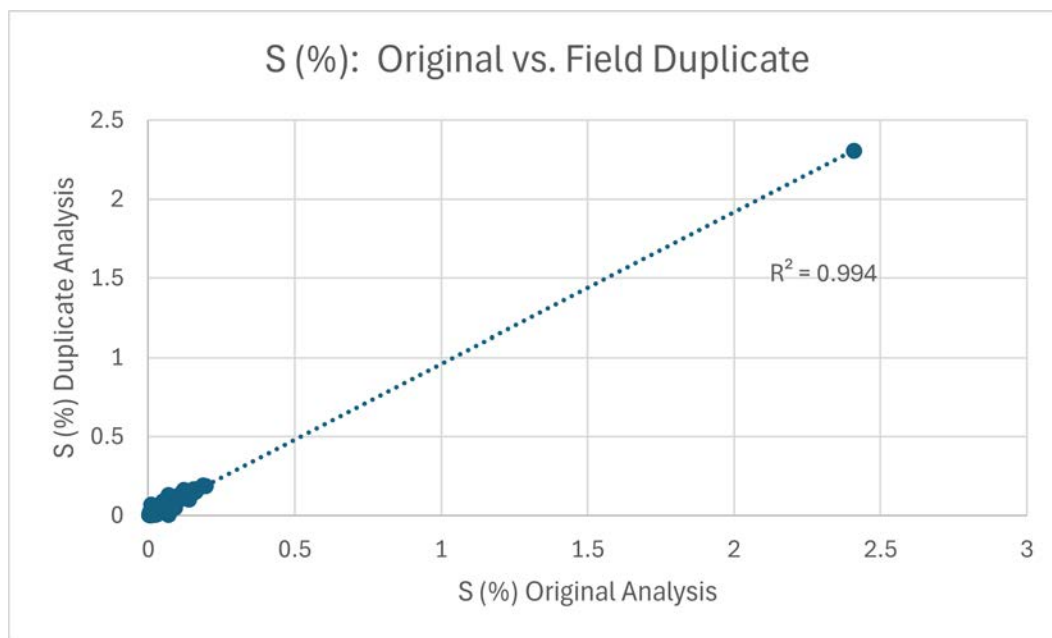


Figure 11-10. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Sulphur (S) (Caracle Creek, 2026).

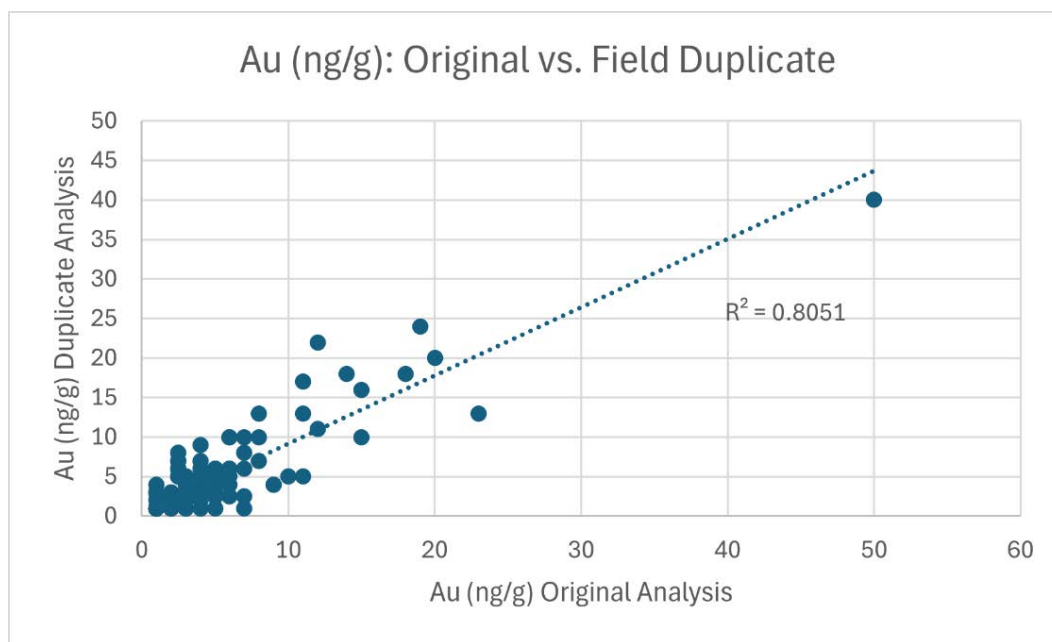


Figure 11-11. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Gold (Au) (Caracle Creek, 2026).

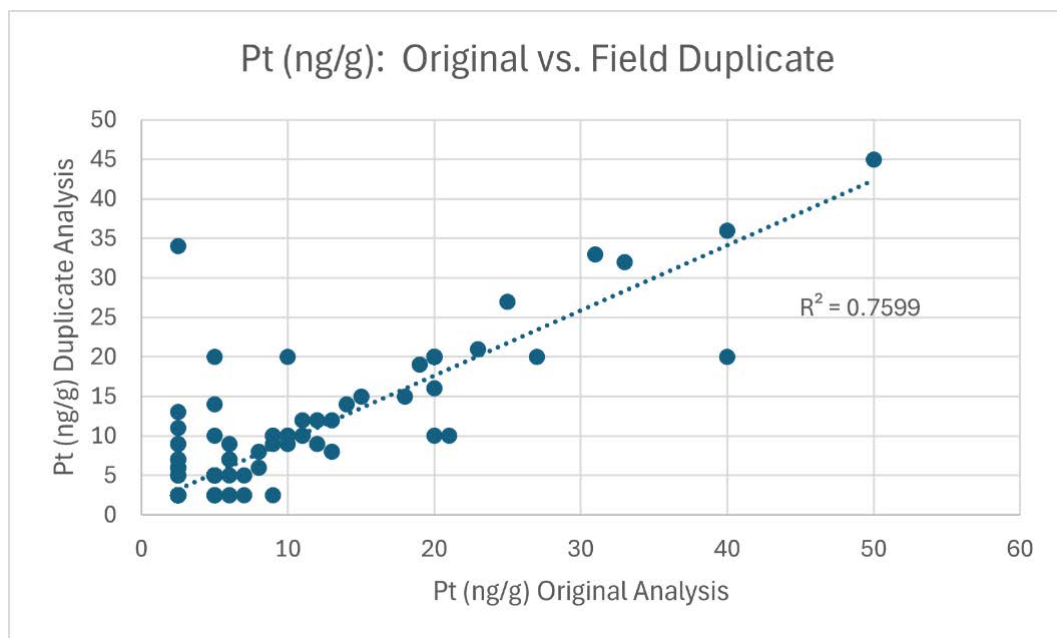


Figure 11-12. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Platinum (Pt) (Caracle Creek, 2026).

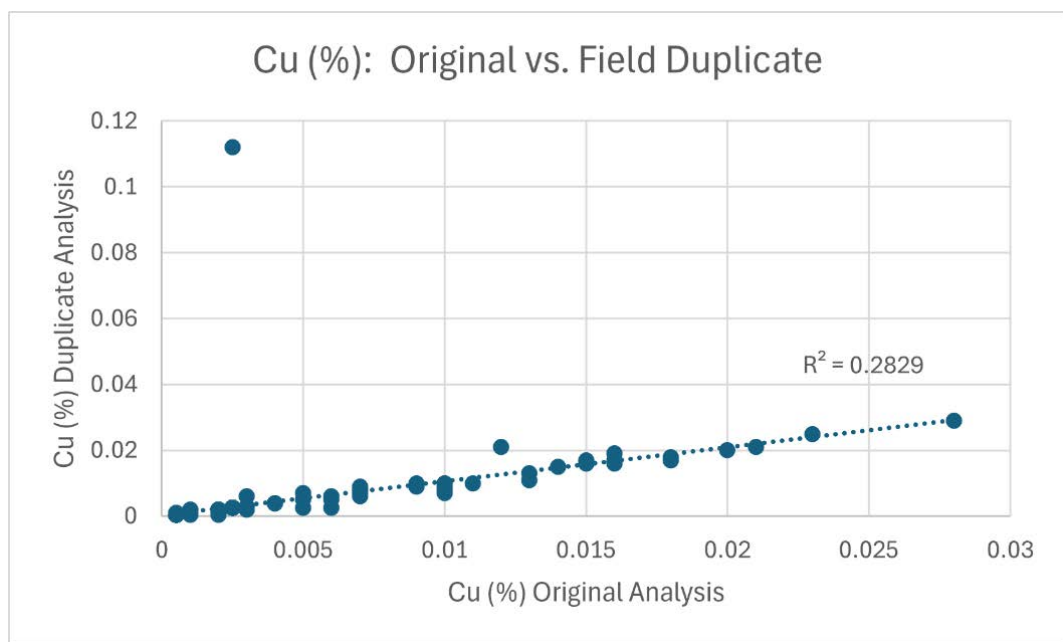


Figure 11-13. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Copper (Cu) (Caracle Creek, 2026).

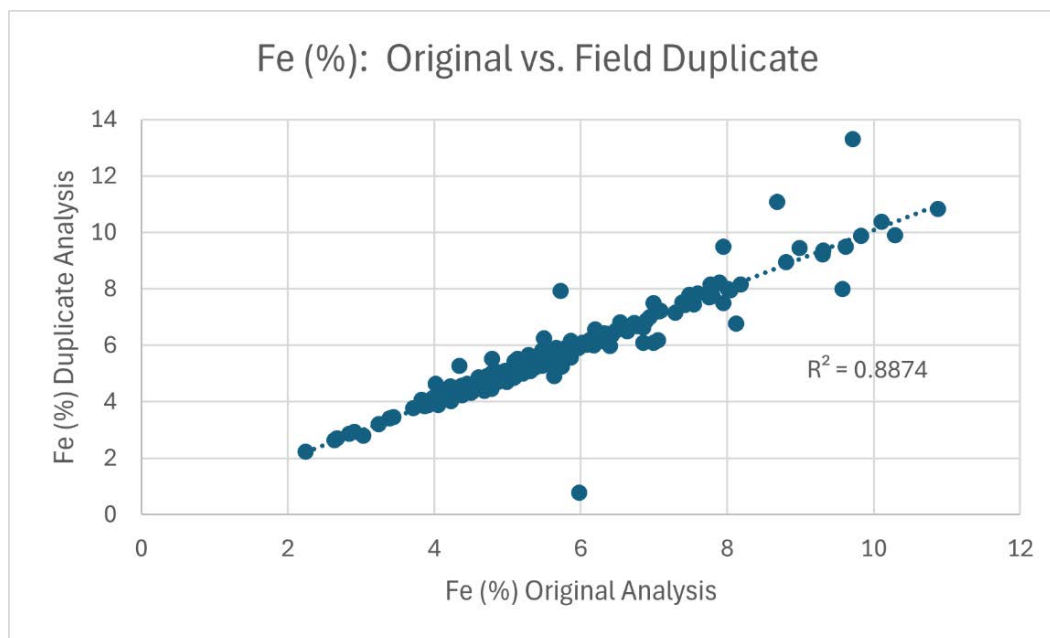


Figure 11-14. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Iron (Fe) (Caracle Creek, 2026).

### 11.6.3 Blank Material

The analytical results from the 290 blank samples introduced by CNC into their QA/QC program (“blank silica”) are considered to be acceptable as the results were observed to report low or negligible variance for each element examined. Only one Au analysis (90 ppb by weight or ng/g) and one Fe analysis (4.37%) were deemed to be absolute “failures”.

In the opinion of the QP (John Siriunas), the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for a preliminary economic assessment.

## 11.7 Sample Security and Sample Storage

CNC uses a secure storage and logging facility, which includes office space for the professional and technical staff, located at 170 Jaguar Drive, Timmins, Ontario. The drill core is brought to the facility from the field by CNC personnel and unloaded within the confines of the logging/office building. Once logged and sampling sections are identified, the core is split/cut by diamond saws in a room dedicated to this purpose within the facility; these sample cutting facilities have been significantly upgraded over the life of the Project. Three pneumatic-feed saws are currently available for use at any given time. Individual bagged and sealed samples are stored at the facility until groups of samples are transferred to a lab.

Archived core is stored in covered racks, outdoors, on the grounds of the facility. Sometimes the core is cross-stacked in palletized piles containing up to 160 boxes prior to additional storage racks being organized.

Sample pulps and rejects that have been returned from the laboratories are also stored on site. Pulps are stored protected in intermodal shipping containers (“sea-cans”) while coarse crushed reject material is currently stored out of doors.

## **12.0 DATA VERIFICATION**

### **12.1 Internal-External Data Verification**

The Authors (QPs) have reviewed historical and current data and information regarding past and current exploration work on the Property. More recent exploration work (*i.e.*, 2022 and 2024), having complete databases and documentation such as assay certificates, was thoroughly reviewed. However, older historical records are not as complete and so the Authors do not know the exact methodologies used in the data collection in all cases. Nonetheless, the QPs have no reason to doubt the adequacy of the historical sample preparation, security and analytical procedures and have complete confidence in all historical information and data that was reviewed.

### **12.2 Verification Performed by the QPs**

Mr. John Siriunas (MAsc, P.Eng.) visited the Project on 16 July 2024, accompanied by Mr. Edwin Escarraga, CNC's Project Manager. The visit was made to observe the general Property conditions and access, and to verify the locations of some of the recent drill hole collars from the work carried out by CNC (*see* Section 2.5 – Personal Inspection). During the site visits, diamond drilling procedures were discussed and a review of the on-site logging and sampling facilities for processing the drill core was carried out. After verification of existing core logs and assay results against drill core observations, QP, Mr. Siriunas, did not feel it necessary to re-sample the drill core.

### **12.3 Comments on Data Verification**

In the opinion of the Authors (QPs), the procedures, policies and protocols for drilling verification are sufficient and appropriate and the core sampling, core handling and core assaying methods used at the Project are consistent with good exploration and operational practices such that the data is therefore reliable for the purpose of Mineral Resource Estimation.

## **13.0 MINERAL PROCESSING AND METALLURGICAL TESTING**

The Issuer, Canada Nickel is in the process of completing initial mineral processing and metallurgical testwork on mineralized material collected from the Deloro Nickel-Cobalt Deposit with nine (9) metallurgical test samples at COREM in Quebec City, Quebec and 13 samples for comminution testing at SGS Lakefield Laboratory, Ontario. Results are pending in both cases.

Any historical information with respect to mineral processing and metallurgical testing is covered in Section 6.0 – History.

## 14.0 MINERAL RESOURCE ESTIMATES

### 14.1 Introduction

Caracle Creek was retained by Canada Nickel to prepare an updated mineral resource estimate (“MRE”) for the Deloro Nickel-Cobalt Deposit, located within the Deloro Nickel-Cobalt Sulphide Project, and supported by a technical report, in accordance with NI 43-101. The MRE has an effective date of 23 July 2026.

The updated MRE incorporates all current and historical diamond drilling for which the drill hole data and information could be confidently confirmed. Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 13 March 2026, the database closure date.

The MRE was completed by Miguel Vera (B.Sc., Geology; Resource Geologist) from L&M Geociencias, based in Santiago, Chile, under the supervision of Principal Author and QP Dr. Scott Jobin-Bevans (P.Geo.). Co-Author and QP Mr. David Penswick (P.Eng.), Toronto, Ontario, completed the work with respect to determining the Reasonable Prospects of Eventual Economic Extraction (“RPEEE”).

These resources are classified into Measured, Indicated and Inferred resource categories, interpreted on the assumption that the mineralization has RPEEE using open pit mining methods. The mineral resources herein are not mineral reserves as they do not have demonstrated economic viability.

The MRE presented in this Report has been prepared in strict accordance with the disclosure requirements of National Instrument 43-101 and adheres to the CIM Definition Standards for Mineral Resources and Mineral Reserves (2014) and the CIM Best Practice Guidelines for the Estimation of Mineral Resources and Mineral Reserves (2019).

The Report discloses results for nickel, cobalt, palladium, platinum, iron, chromium, and sulphur mineral resources, considered to be contained within the Deloro Ultramafic Complex (“DUC”), interpreted to be a relatively large and homogenous body of ultramafic rock.

The deposit type being considered for nickel mineralization discovered to date in the DUC, is Komatiite-Hosted Type II Ni-Cu-Co-(PGE). The Deloro Nickel-Cobalt Deposit is hosted by a thick differentiated body of serpentinized ultramafic rocks (*i.e.*, dunite > peridotite > pyroxenite) with primary disseminated and bleb nickel sulphide, commonly pentlandite and heazlewoodite with minor pyrrhotite, and chalcopyrite.

The QP (Scott Jobin-Bevans) is not aware of any legal, political, environmental, or other risks that could materially affect the potential development of the mineral resources.

### 14.2 Resource Database

The drill hole and Project database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, unreliable historical holes or statistical outliers that are clear mistakes, among other correction measures) for geological modelling and resource estimation purposes. A summary of the diamond drill holes used in the MRE is provided in Table 10-1 (see Section 10.0 – Drilling).

Within an area of approximately 1.5 km along strike (NW to SE), 500 to 700 m in width, and 550 m deep, the working database of the Deloro Project contains the following:

- Collar: 43 holes amounting to 16,710.58 m, with an approximate mean depth of 388 m and a maximum of 519 metres.

- Survey: 43 holes measured by gyroscope tool.
- Lithology: 43 holes with 25 unique rock codes, grouped into 8 codes for modelling purposes (see Section 14.4 – Geological Interpretation and Modelling).
- Assays: 40 holes with 9,710 core samples of 1.5 m average length; 35 elements reported.
- Magnetic Susceptibility: 43 holes with 16,125 handheld magnetic susceptibility (“mag-sus”) measurements on drill core, taken every 1 metre.
- Specific Gravity: 43 holes with 1,887 density measurements (by water displacement) from drill core, taken every several metres, averaging 8.5 metres.
- Mineralogy (QEMSCAN): 32 holes with 329 core samples of 1.5 m average length, taken either every 15 m or every 25 m; 34 mineral contents reported.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical drill holes, geophysical surveys and geological maps from the Ontario Geological Survey (OGS).

### 14.3 Methodology

The main stages of the MRE are very generally described below:

- Compilation of historical and CNC drill hole databases; generation of the working database for subsequent stages.
- 3D modelling of geological (rock types, alterations) and mineralized domains based on revised lithological codes, densities, magnetic susceptibility, and assay grades.
- Exploratory data analysis (EDA), capping, compositing, declustering of assay grades within the modelled domains; estimation strategy definition.
- Variogram modelling and cross-validation.
- Block modelling, grade interpolations (kriging, IDW, NN) and validations (visual, statistical, swath plots, RMA).
- Resource classification and class smoothing.

These steps involve the use of mining software packages such as Leapfrog Geo 2025.3 (3D modelling) and Isatis.neo 2025.3 (geostatistics).

Leapfrog Geo operates through implicit modelling techniques (Cowan *et al.*, 2003). Implicit modelling uses interval and/or point data along with structural trends and other user-defined parameters to interpolate geological surfaces and volumes (Figure 14-1), which can then be improved through manual editing. To work with categorical data, the software converts it into distance points relative to a zero value that usually corresponds to a lithological contact. Volumes can then be extracted through Boolean operations against a primary model box or previous volumes.

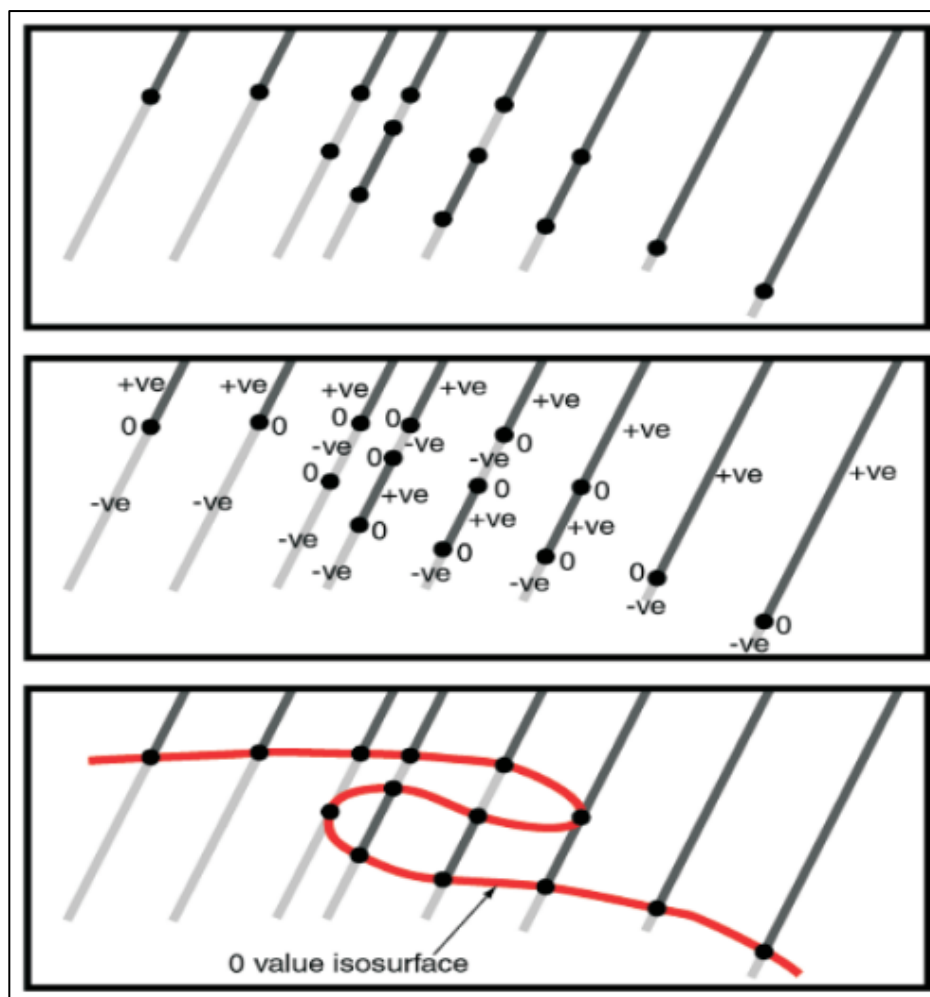


Figure 14-1. Implicit Modelling technique. Two sets of intervals (upper panel), converted into positive (“+ve” or inside) and negative (“-ve” or outside) distance points (middle panel) and the resulting interpolation through zero distance (“0” or contact) value points (lower panel) (modified after Cowan *et al.*, 2003).

## 14.4 Geological Interpretation and Modelling

### 14.4.1 Overburden and Topography

The Deloro Project area is almost entirely covered by a barren overburden layer (likely clay and gravels) which averages 6.0 m in depth with a maximum of 20.0 metres (Figure 14-2), based on available drill hole data. This volume was generated using the topographic and the “top of bedrock” surfaces. The topography was obtained from a CNC Lidar Survey, presenting an acceptable match with collar heights, while the bedrock surface was obtained by interpolating through the base of overburden intervals (“OVB”) logged in CNC drill holes and their equivalent in historical holes within or near the Project area.



Figure 14-2. Longitudinal view (Looking North) of the Deloro Project showing the overburden volume (transparent yellow) as well as historical and CNC drill holes showing the main rock types, including the ultramafic package (UM) coloured in purple. Broader traces represent CNC holes while narrower ones are historical holes (Caracle Creek, 2026).

#### 14.4.2 Lithology

The approach to lithological interpretation and modelling was adapted by Caracle Creek from CNC's analogous deposit, the Crawford Nickel-Cobalt (PGE) Deposit (*e.g.*, Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022), given that it shares common features with the Deloro Deposit, such as:

- A combination of consistently ordered, subvertical ultramafic (dunite, peridotite and pyroxenite) rock "horizons" which usually transition into each other, as the main feature.
- Gabbroic rocks adjacent and seemingly conformable to the pyroxenite units, mainly found west of Deloro's ultramafic package, separating it from other, less mineralized ultramafic/gabbroid horizons further to the west-southwest.
- Metavolcanic rocks of mafic/intermediate and lesser felsic composition as host rocks to the ultramafic/gabbroic package.

These lithologies encompass most of the deposit (Figure 14-3), the remaining ones corresponding to two contrasting sets of felsic and mafic dikes.

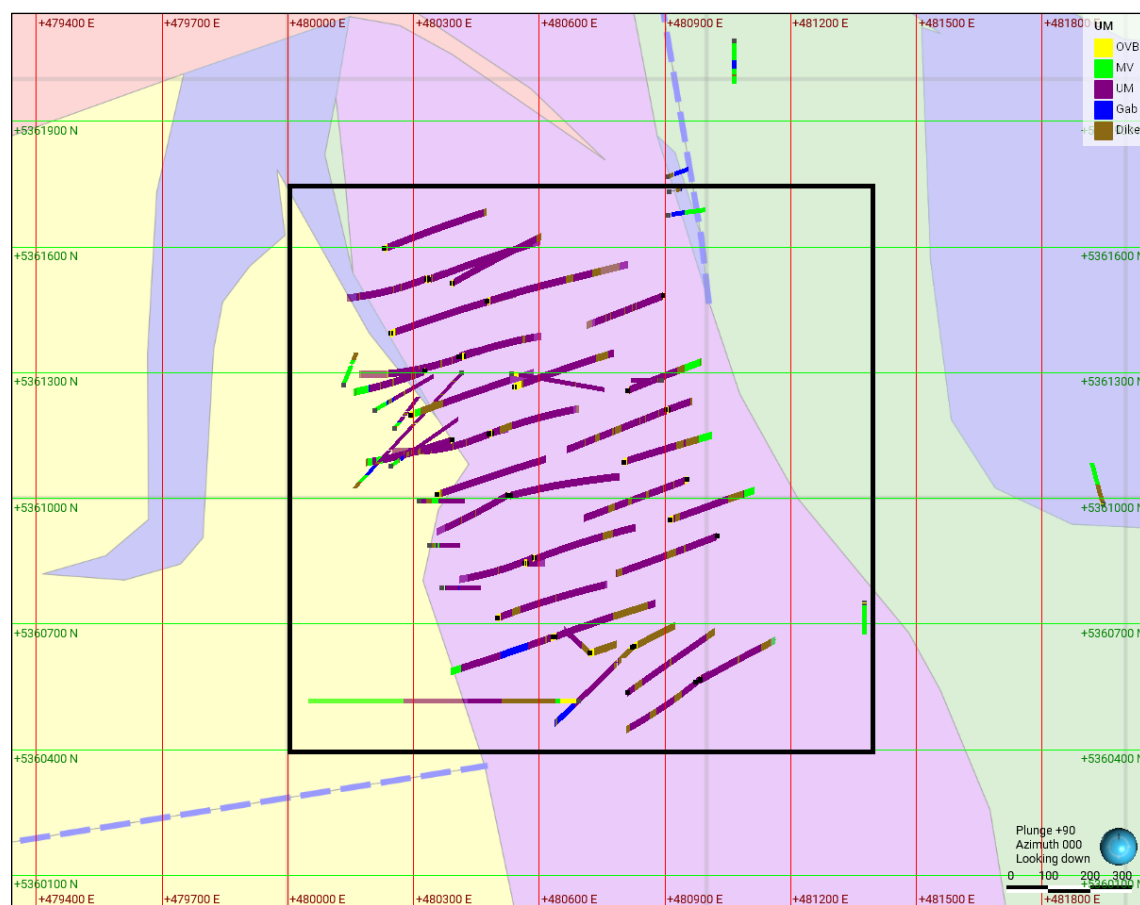


Figure 14-3. Plan view of the Deloro Deposit with historical and CNC drill hole intervals showing the main rock types. Background lithology from OGS (Hall *et al.*, 2003). The UM package is coloured purple in the map and drill traces. Broader traces represent CNC holes while narrower ones are historical holes. The black square represents the resource boundary and main modelling area (Caracle Creek, 2026).

Lithologies in the core logging databases were initially grouped into broader categories based on compositional and spatial affinity as well as length (Table 14-1), followed by a validation and interpretation/correlation process aided by complementary datasets such as density, mag-sus, mineral grades and aluminum/magnesium ratios.

Subsequently, individual horizons from each category were singled out and codified, given the regularity and ordered appearance exhibited by the different ultramafic units and gabbro/metavolcanics in drilling logs; akin to stratigraphic layering, although in this case, with distinct subvertical orientation.

Other datasets, such as regional geophysics, grab samples, surface mapping, as well as historical drill holes provided further information to interpret the overall shape and dimensions of all lithologies in the deeper and outer extents of the model.

Table 14-1. Summary of the lithological grouping criteria, with original rock names and lengths logged by CNC.

| LITHOLOGY                  | LENGTH (m) | ROCK GROUP   |      |  |
|----------------------------|------------|--------------|------|--|
| Overburden                 | 402.7      | OVB          |      |  |
| Feldspar Porphyry          | 89.8       | FDy          | Dike |  |
| Quartz-Feldspar Porphyry   | 14.8       |              |      |  |
| Porphyry                   | 32.0       |              |      |  |
| Diorite                    | 94.3       |              |      |  |
| Intermediate Intrusive     | 153.8      |              |      |  |
| Lamprophyre                | 42.5       |              |      |  |
| Diabase                    | 1,345.3    | MDy          |      |  |
| Mafic Intrusive            | 895.9      |              |      |  |
| Gabbro                     | 114.2      | GAB          |      |  |
| Pyroxenite                 | 56.3       | PYX          |      |  |
| Talcosite Ultramafics      | 1,241.0    | PER          | UM   |  |
| Peridotite                 | 1,661.1    |              |      |  |
| Carbonatized Ultramafic    | 55.8       |              |      |  |
| Carbonatized Peridotite    | 47.2       | DUN          |      |  |
| Carbonatized Dunite        | 257.5      |              |      |  |
| Dunite                     | 9,791.8    |              |      |  |
| Bleached Dunite            | 39.9       |              |      |  |
| Ultramafic Metavolcanics   | 20.2       | MV           |      |  |
| Mafic Metavolcanics        | 285.3      |              |      |  |
| Intermediate Metavolcanics | 43.1       | Not modelled |      |  |
| Rodingite Vein             | 13.0       |              |      |  |
| Felsic Dyke                | 0.9        |              |      |  |
| Quartz Porphyry            | 4.0        |              |      |  |
| Lost Core                  | 6.3        |              |      |  |

This process resulted in seven final rock units (plus overburden) coded into the database for subsequent modelling (see Table 14-1; Figure 14-4). From outermost to innermost, these are:

- Metavolcanics (MV): Host unit to the ultramafic package. Its boundary was mainly interpreted from drilling intercepts in current and historical drill holes to the west and east of the deposit, as well as the OGS lithology map (Figure 14-3) and geophysical datasets. It seems to have a slight southwest dip, a feature that is supported by the overall trend displayed by the ultramafic rocks (Figure 14-6).
- Gabbro (GAB): Unmineralized mafic unit. Moderate-width horizon with southwest to subvertical dip, west of and transitioning from the PYX-1 subunit and in contact with the MV unit across most of its extent, except for a section to the southwest where it transitions into the PER-0 subunit, part of a seemingly secondary ultramafic sequence. It is mainly supported and interpreted from two large intercepts in CNC drill holes near the southwest margin of the deposit, which are thought to be correlated with a few narrow intercepts towards the centre and northwest. A similar unit is likely present towards the eastern margin based on the presence of some gabbro intercepts in historical holes, but there is currently insufficient information to confidently model it.
- Pyroxenite (PYX): Outermost unmineralized ultramafic unit. Four distinct subunits were interpreted, three of them as the typical rock “horizons” that make up the ultramafic package with a southwest dip, and the other as apparent subvertical pyroxenite dykes, individualized under the following codes:

- o PYX-0: Very narrow horizon limited to a small region in the southwest boundary of the ultramafic package, transitioning from the PER-0 subunit and in contact with the MV unit. Seemingly unrelated to the main ultramafic sequence of the deposit, it is currently supported by a single CNC drill hole intercept and a few historical holes.
- o PYX-1: Narrow horizon comprising the western margin of the main ultramafic sequence, transitioning from the PER-1 subunit and into the GAB unit. Supported by a few intercepts in CNC and historical drill holes across the deposit's extent and interpreted where absent.
- o PYX-2: Narrow horizon comprising the eastern margin of the main ultramafic sequence, transitioning from the PER-2 subunit and possibly into a gabbro unit. It is mostly interpreted, due to the presence of a large mafic dyke (MDy) cutting through the ultramafic package along this margin as well as to insufficient drilling, only supported by a single CNC drill hole intercept and from the presence of some gabbro intercepts in historical holes matching the estimated projection of this horizon.
- o PDy: Currently interpreted as two subvertical dykes cutting through the central area of the main ultramafic sequence in east-west direction, based on the observed trend of some pyroxenite intercepts which could not reasonably be incorporated into the previous subunits.
- Peridotite (PER): Lower-grade, nickel-mineralized ultramafic unit. Three distinct subunits were interpreted, all of them as the typical rock "horizons" that make up the ultramafic package with a southwest dip, individualized under the following codes:
  - o PER-0: Narrow horizon limited to a small region in the southwest boundary of the ultramafic package, transitioning from the GAB unit and into the PYX-0 subunit. Seemingly unrelated to the main ultramafic sequence of the deposit, it is currently supported by a single CNC drill hole intercept and a few historical holes.
  - o PER-1: Moderate-width horizon extending over the western side of the deposit, transitioning from the DUN unit and into the PYX-1 subunit. Supported by several large intercepts in CNC and historical drill holes, affected by talc alteration mainly towards the northwest.
  - o PER-2: Moderate-width horizon extending over the eastern side of the deposit, transitioning from the DUN unit and into the PYX-2 subunit. Supported by a few intercepts in CNC drill holes, at times interrupted by a large mafic dyke (MDy) cutting through the ultramafic package along this margin and often affected by talc alteration.
- Dunite (DUN): Higher-grade, nickel-mineralized and main ultramafic unit. The largest volume of the ultramafic package, it comprises the core of the deposit and dips to the southwest, transitioning into the PER-1 and PER-2 units to the west and east, respectively. Supported by long intercepts in CNC and historical drill holes across the deposit's extent.
- Diabase/mafic dikes (MDy): Unmineralized, mostly subvertical structures identified as diabase or of general mafic composition. This unit integrates at least two intrusive events with distinct opposing trends. The first is oriented northeast-southwest, represented by a single large dike (50 m wide) which completely cuts through the southern area of the deposit, identified in a historical hole as "Keweenawan Diabase". The other is a set of unidentified dikes (Matachewan diabase?) oriented northwest-southeast to north-south, the main one (50 m wide) cutting through the ultramafic package along its eastern margin and dipping to the southwest (almost parallel to the dip of the ultramafic package), with secondary ones (5 to 15 m wide) cutting through the centre-south area of the deposit and mostly subvertical.
- Felsic/intermediate dikes (FDy): Unmineralized unit which integrates short intercepts of intrusive rocks identified as either porphyry (mostly felsic) or intermediate/diorite, mainly distributed across the centre-north region of the deposit. It is currently interpreted as a swarm-

like set of narrow structures (1 to 3 m wide) cutting through the deposit in slightly northwest-southeast direction (almost east-west) and dipping to the north, mostly based on a best-fit trend analysis which requires further geological validation, meaning it is subject to change with future drilling and analyses.

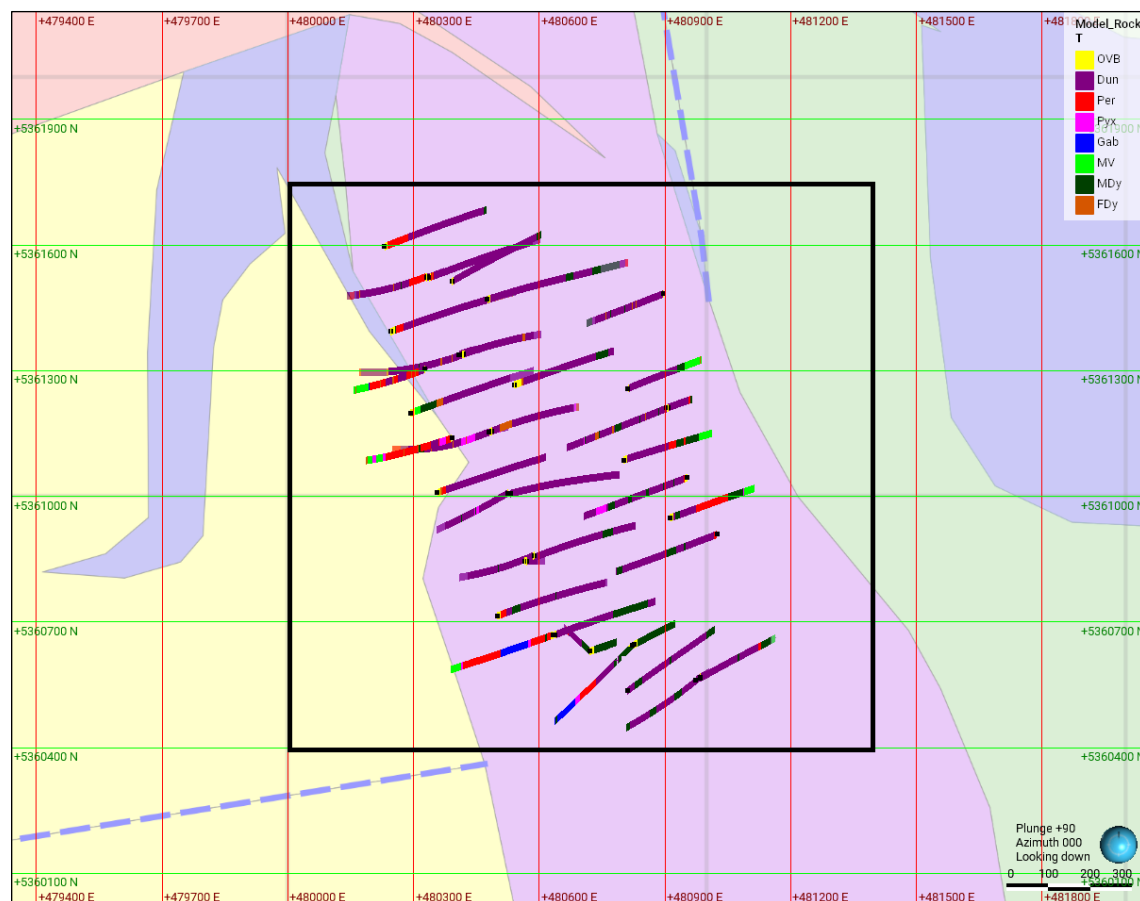


Figure 14-4. Plan view of the Deloro Deposit with MRE drill hole intervals showing the final lithology codes for modelling. Background lithology from OGS (Hall *et al.*, 2003). The black square represents the resource boundary and main modelling area (Caracle Creek, 2026).

The main modelling area and resource boundary (square in Figure 14-4) is 1.4 km long (from 480,000 E to 481,400 E) by 1.36 km wide (from 5360390 N to 5361750 N), with a maximum depth set at RL -240, approximately 550 m below overburden (Figure 14-2). These dimensions are mostly based on drill hole distribution, quantity and depth.

An extended modelling area, approximately 700 m beyond the resource boundary in horizontal direction (area depicted outside of the square outline in Figures 14-3 and 14-4), was defined for waste management and pit optimization purposes, but also for definition of future exploration targets, as the deposit can be considered open to the northwest and south.

Cross-section interpretation was deemed unnecessary given the relatively simple nature of the lithological sequence, opting instead for a direct implicit modelling approach (see Section 14.3 – Methodology). Lithological contacts within resource boundaries were interpolated individually and sequentially using the previously codified units in drill hole data, adding polylines to control their shape and applying trends with varying intensities where necessary.

Contacts in the extended modelling area were generated using mostly polylines, extrapolating from the main modelling area while maintaining the geological trends and criteria and, further beyond, following the general geometries interpreted from the OGS lithology map, historical drill holes and geophysical datasets. This process helped improve the predictability of the model and, to some extent, compensates for the lack of information both within the main modelling area, such as in deeper zones, and outside of it.

No structural domains were defined since throughout the modelling area there is scarce evidence of faulting or block displacement.

The resulting lithology model developed by Caracle Creek (Figures 14-5 and 14-6) constitutes the basis for the interpretation of mineralization and the corresponding mineral estimation domains.

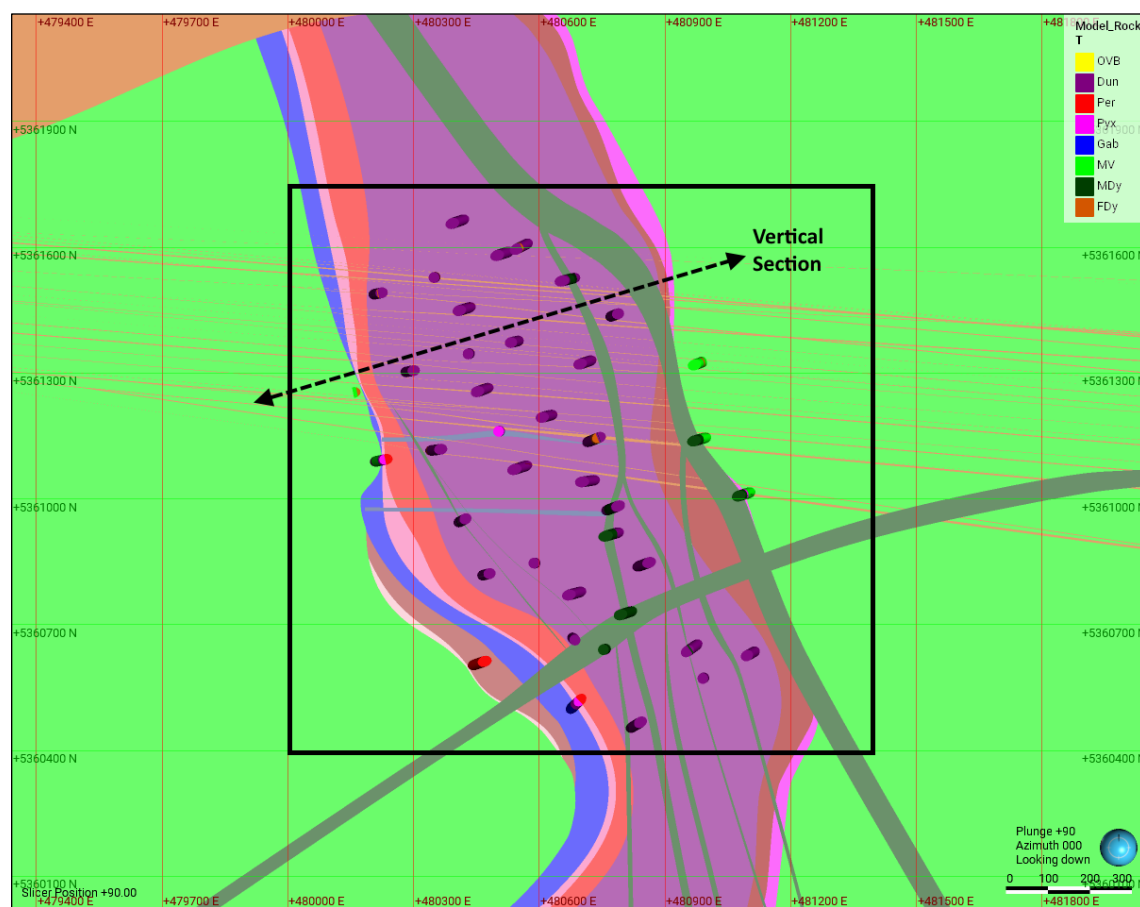


Figure 14-5. Plan section (RL 90) of the Deloro lithology model and coded drill hole intervals. The black square represents the resource boundary and main modelling area, and the dashed line is the trace of the vertical section presented in Figure 14-6 (Caracle Creek, 2026).

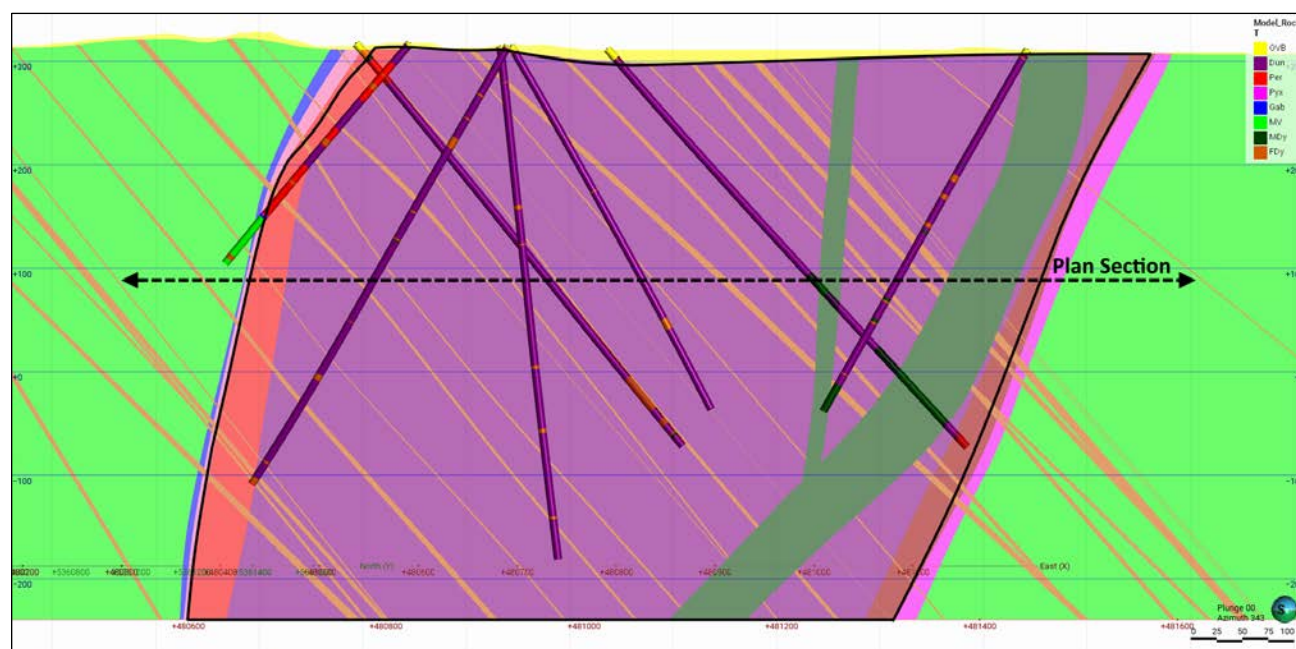


Figure 14-6. Oblique vertical section (Looking NW) of the Deloro lithology model and coded drill hole intervals. Some intervals may not precisely match their corresponding feature due to the 200 m section width. The black outline represents the estimation domain boundary, and the dashed line is the trace of the plan section presented in Figure 14-5 (Caracle Creek, 2026).

#### 14.4.3 Alteration

The most prevalent alteration in the Deloro Deposit is serpentinization, given the predominance of ultramafic rocks, with talc-carbonation as a secondary but significant occurrence. Other alteration types (silicification, sericitization, albitization, etc.) are seldom found and are seen to affect very limited areas so as to become relevant for study. Therefore, interpretation and modelling were limited to the area of influence of the two prevalent alteration types, represented by the main mineralized ultramafic sequence (PER-1/DUN/PER-2).

As with lithology, the framework for alteration analysis was adapted by Caracle Creek from CNC's analogous Crawford Deposit (*e.g.*, Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022), given that it shares common features with the Deloro Deposit, such as fully serpentinized central domains with bounding talc alterations.

The datasets used in this analysis were alteration and lithology logs along with mineralogy (QEMSCAN/TIMA), density and magnetic susceptibility. Mineralogy is relevant for serpentine/olivine/magnetite/talc contents, density is a useful proxy for serpentinization degree due to the rock mass expansion triggered by this alteration (with ~3.25 g/cm<sup>3</sup> for fresh unaltered dunite and ~2.52 g/cm<sup>3</sup> as the theoretical limit for fully serpentinized dunite), while mag-sus is a complementary measure of magnetite content.

The alteration study concluded with the definition of two mineralogically and spatially consistent domains (Figures 14-7 and 14-8):

- Talc-carbonation domain ("Talc"): Averages 31% total serpentine, 22% talc, 13% magnesite, 9% calcite/dolomite, no fresh olivine and 2% magnetite (or 34 mag-sus). Densities usually range from 2.76 to 2.93 g/cm<sup>3</sup>, consistent with a moderate to weak serpentinization stage. It is present in two styles: The main one develops as the ultramafic package approaches the eastern and western contact with the metavolcanic (MV) host rock, while the other, rarer one, comprises at least one talc occurrence adjacent to a few clustered felsic-intermediate dikes

(FDy) within the dunite unit. It is also likely that the large talc occurrence in the eastern area of the deposit owes its size in part to the influence of the main mafic dike cutting through the ultramafic package along this margin (Figure 14-5).

- Serpentinization domain ("Serp", ~85% serpentinized dunite/peridotite): Averages 70% Mg-rich serpentine, 15% Fe-rich serpentine, no fresh olivine and 4.7% magnetite (or 104 mag-sus). Densities usually range from 2.58 to 2.66 g/cm<sup>3</sup>, consistent with the serpentinization stage. It is present along the deposit's central area, spanning the whole depth of the dunite volume (and some peridotite) with little to no vertical differentiation and some lateral variation regarding the Fe-rich serpentine content, which is lower in the centre (dunite) and moderately higher to the sides (peridotite).

It should also be mentioned that there is some evidence of dunite weathering in a few zones near the surface, but more information is necessary to determine if it is significant enough to characterize this occurrence as a separate domain.

As with lithology, alteration contacts were interpolated individually and sequentially using the previously codified units in drill hole data, adding polylines to control their shape and applying trends where necessary.

The resulting alteration model developed by Caracle Creek (Figures 14-7 & 14-8) constitutes the basis for density and magnetic susceptibility estimations.

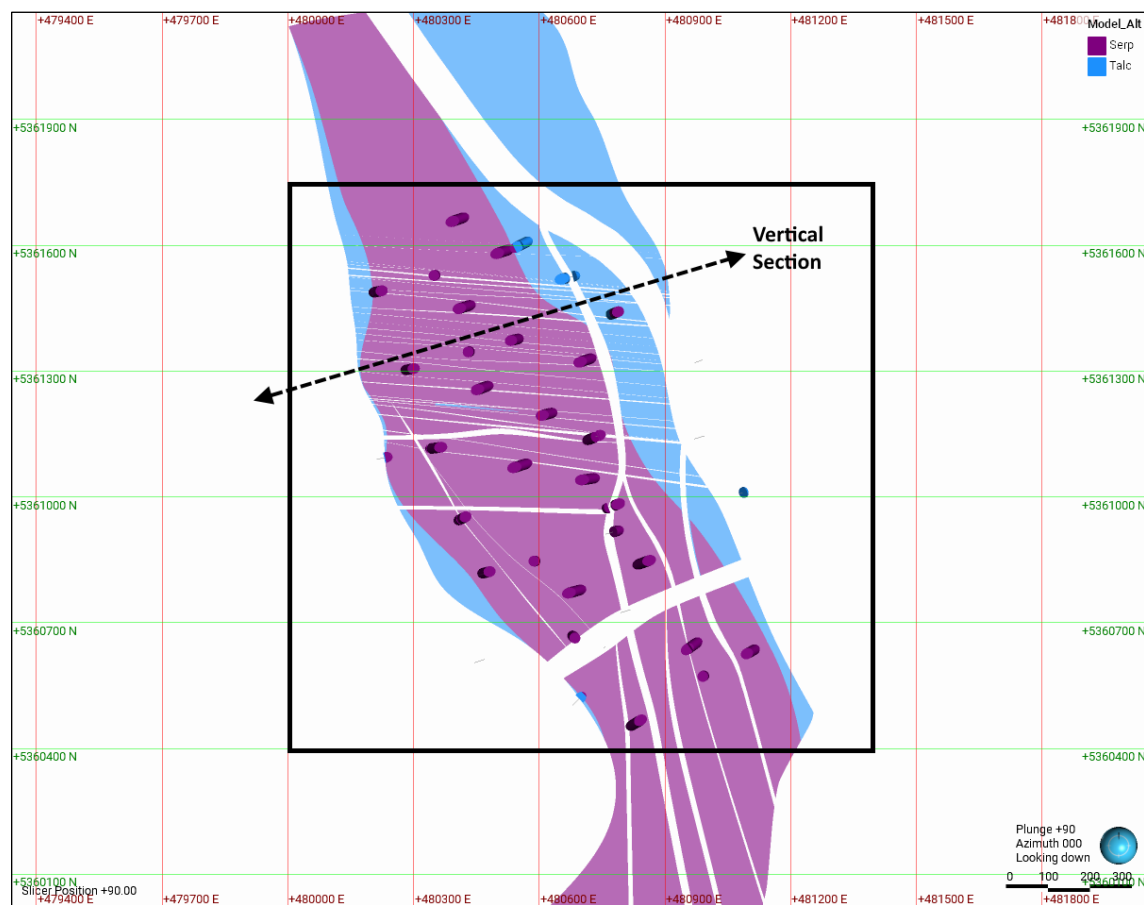


Figure 14-7. Plan section (RL 90) of the Deloro alteration model and coded drill hole intervals (limited to the main DUN/PER sequence). The black square represents the current resource boundary and main modelling area. The dashed line is the trace of the plan section presented in Figure 14-8 (Caracle Creek, 2026).

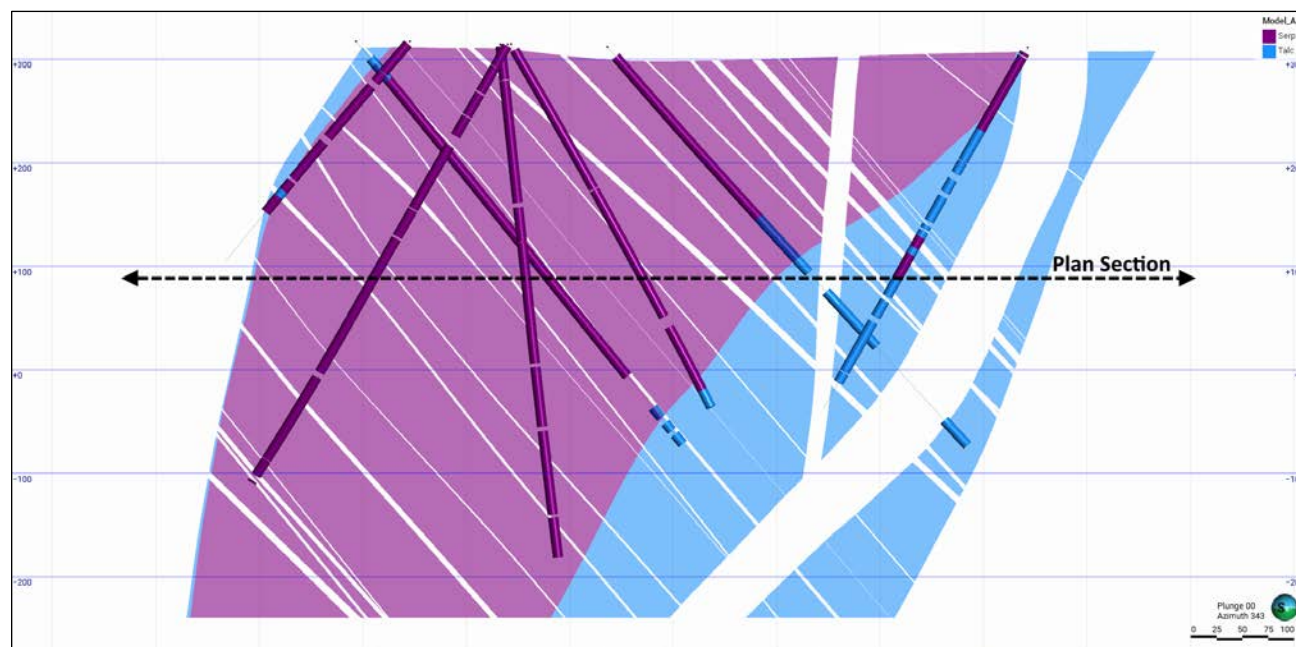


Figure 14-8. Oblique vertical section (Looking NW) of the Deloro alteration model and coded drill hole intervals (limited to the main DUN/PER sequence). Some intervals may not precisely match their corresponding feature due to the 200 m section width. The dashed line is the trace of the plan section presented in Figure 14-7 (Caracle Creek, 2026).

## 14.5 Data Analysis and Estimation Domains

### 14.5.1 Exploratory Data Analysis (EDA)

The Deloro Project drill hole database was closed with 9,710 assay samples and 1,887 density measurements available. Seven assayed elements were selected to assess the Project's economic value and thus took part in the EDA: Nickel (Ni) being the main one, together with cobalt (Co), iron (Fe), chromium (Cr), sulphur (S), palladium (Pd) and platinum (Pt).

Density values are a useful supporting variable for EDA in these deposit types, given that they tend to follow a distinct and rather predictable pattern (mainly an expression of varying levels of rock mass expansion brought about by serpentinization) that correlates reasonably well with nickel grades in fully serpentinized rock. This also means that, despite typically being seen as non-additive, they can be considered suitable for estimation.

Mag-sus values provided further support for the EDA but were not included in this or the following sections because they do not contribute to the resource directly. Rather than an economic variable, they conform more to a geometallurgical variable.

The EDA was spatially constrained to the resource boundary (square in Figure 14-4). Within these limits, visual and statistical inspection of nickel grades filtered by lithology (Figure 14-9), along with the supporting variables, showed that the main mineralized ultramafic sequence (PER-1/DUN/PER-2) contained the bulk of the mineralization, hence becoming the general estimation domain (deemed "EST Domain", Figure 14-10). With this, the final resource database was left with 8,812 assay samples and 1,524 density measurements.

There seems to be some potential in horizon PER-0 as a secondary target, however, further sampling is required to determine its true extent and/or potential connection to the PER-1 horizon.

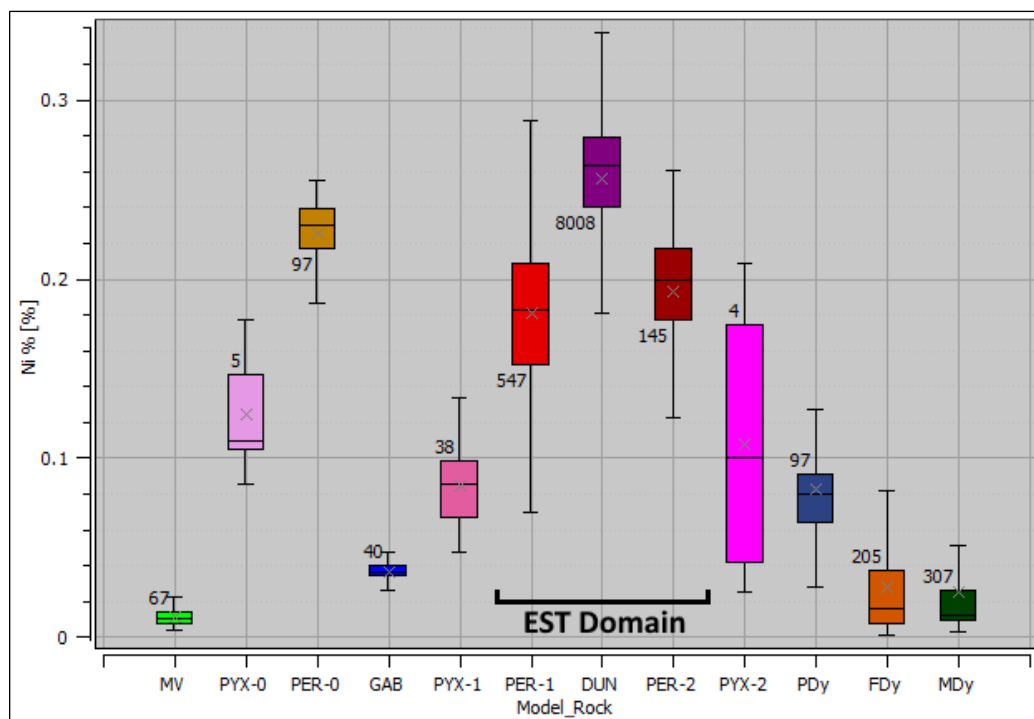


Figure 14-9. Nickel grade boxplot according to model lithologies (Caracle Creek, 2026).

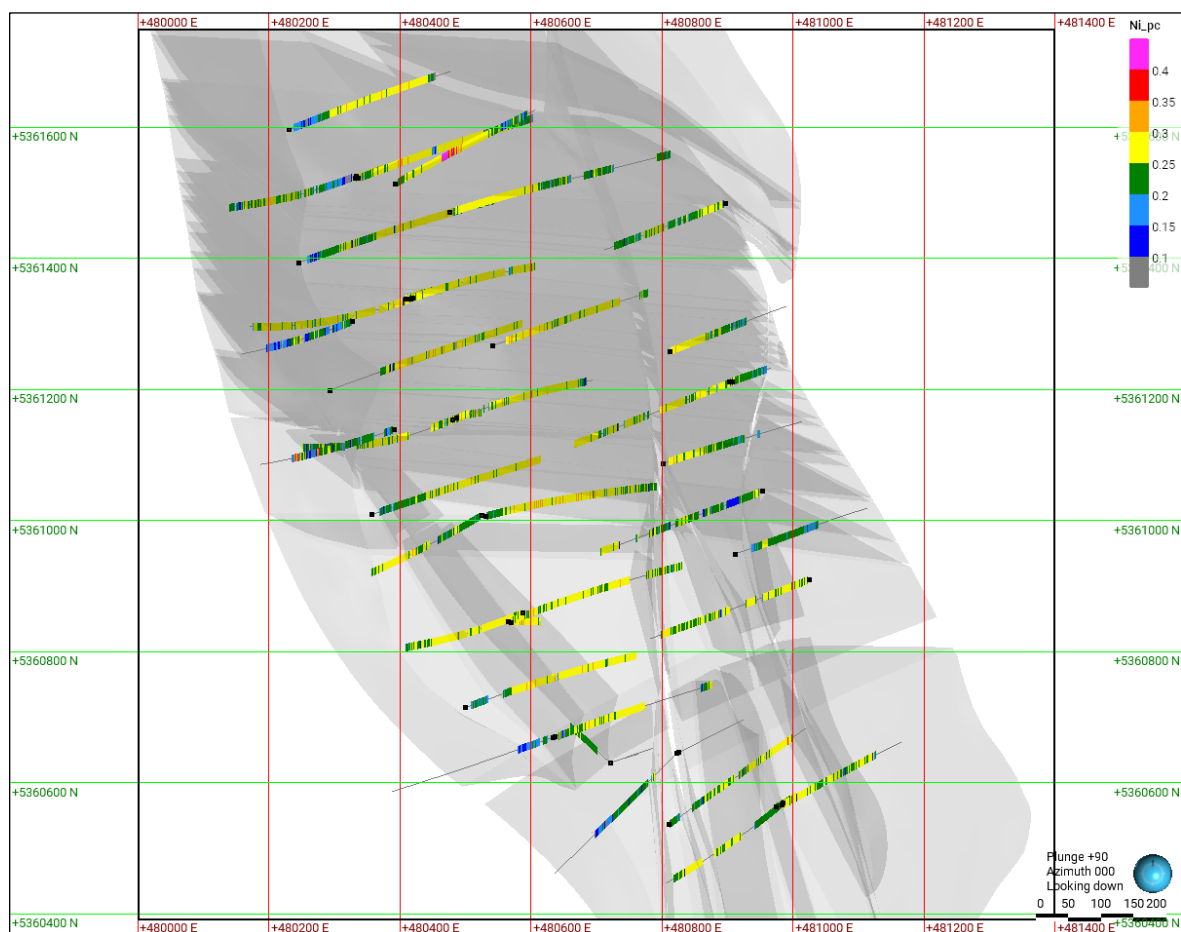


Figure 14-10. Plan view of the EST domain (transparent grey) and nickel grade drill hole intervals (Caracle Creek, 2026).

Nickel grades within the EST Domain show a right-skewed unimodal distribution (Figure 14-11). This lower-grade tail contains more peridotite than dunite samples, which was expected given their compositional difference, though not enough at this stage to result in bimodality and justify setting apart the grade populations of the two rock types. Other elements (Figure 14-11) have mostly normal distributions, like cobalt and iron, while sulphur, palladium and platinum approximate to a log-normal distribution. As such, all of them were treated as a single population.

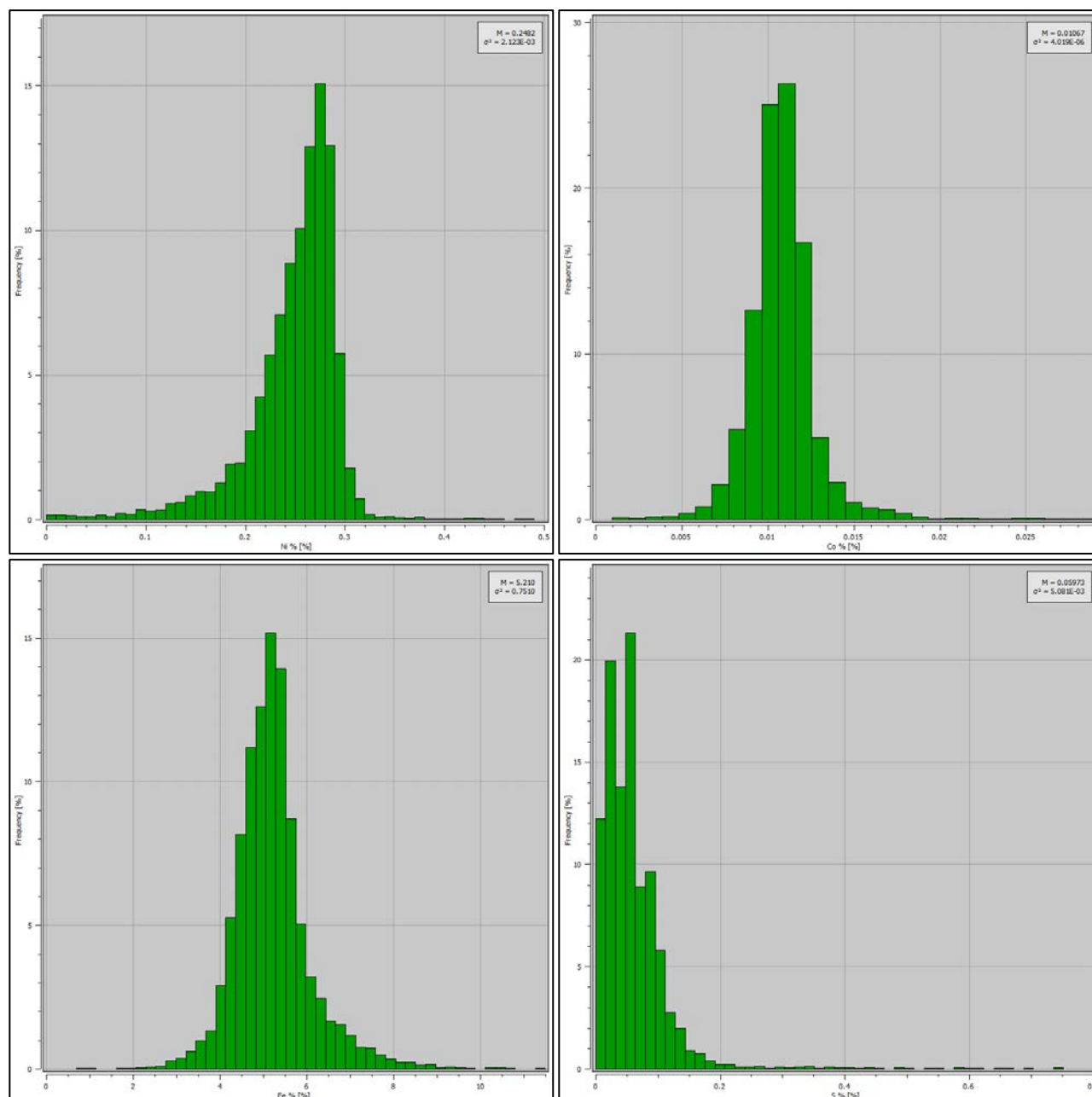


Figure 14-11. From top left to bottom right: Unimodal histograms for nickel, cobalt, iron, and sulphur grades within the EST Domain (Caracle Creek, 2026).

There is, however, a very small but distinct lower-grade population that was not evident from histograms but made apparent after a visual inspection against other lithologies. It was observed in the vicinity of some dikes as a noticeable drop in nickel grades (from  $>0.25\%$  to  $<0.15\%$  Ni), as well as other grades, which suggests that

dikes may have sporadically affected serpentinization and/or mineralization of surrounding ultramafic rocks. These occurrences were easily set apart from higher grades for sub-domaining purposes (see Section 14.5.2 – Estimation Domains (Grade Shells)).

Chromium is a special case, its histogram (Figure 14-12) shows distinct grade peaks which point to the existence of three populations. In addition, a 3D visual inspection reveals that these populations form clusters along strike of the EST Domain: The higher-grade population ( $>0.35\%$  Cr) to the west, the medium-grade population ( $0.20\%$ – $0.35\%$  Cr) to the east, and the lower-grade population ( $<0.20\%$  Cr) in between up until the north zone of the deposit, where it seemingly wedges out abruptly and disappears, possibly due to a fault but it is unclear at this stage.

This grade distribution did not seem to correlate with other datasets such as lithology or alteration, besides displaying a similar geological trend, but it was characteristic enough to facilitate the separation of the three populations for sub-domaining purposes (see Section 14.5.2 – Estimation Domains (Grade Shells)).

Density values within the EST Domain show a slight bimodal distribution (Figure 14-12) owed to the difference between serpentinization and talc-carbonation alterations, which typically produce rock densities below and above  $2.80 \text{ g/cm}^3$  respectively.

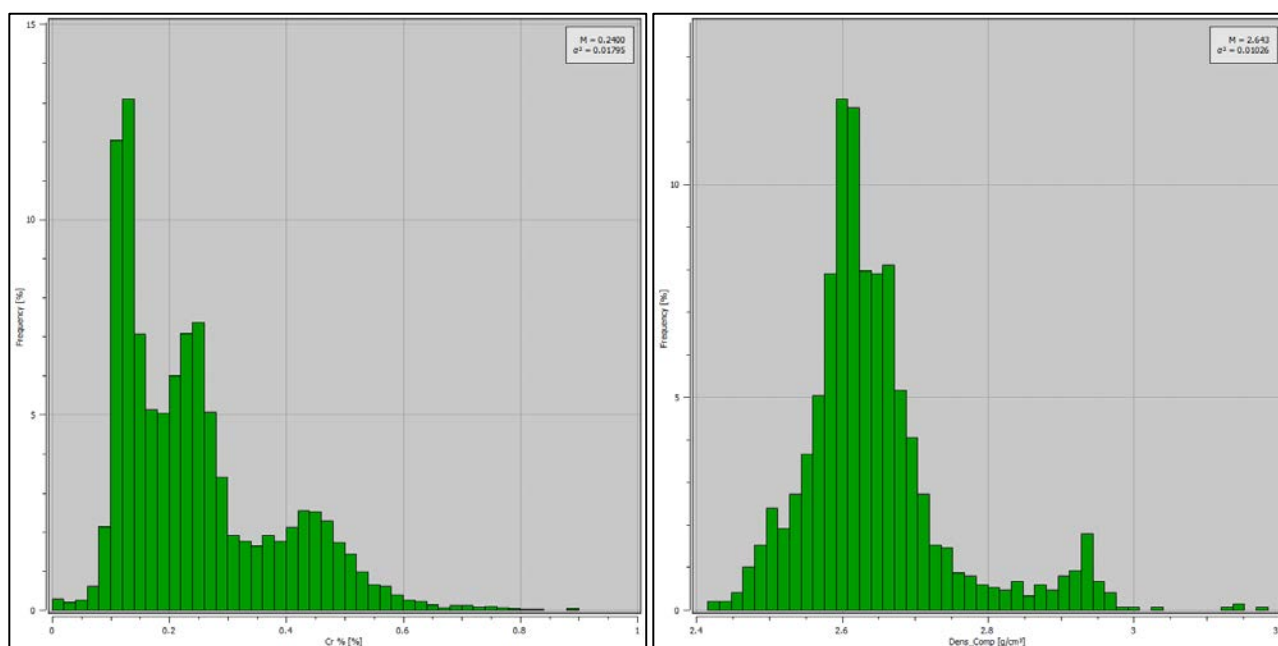


Figure 14-12. Multimodal histograms for chromium grades (left) and density values (right) within the EST Domain (Caracle Creek, 2026).

### 14.5.2 Estimation Domains (Grade Shells)

Estimation domains were generated within the EST Domain by the same interpolation process used for the geological models, following the set of rules defined in the EDA to allow for separate geostatistical treatment of different populations. For all variables, except for density values, the main subdivision (Figure 14-13) was that of the higher-grade HG domain containing 8,761 samples and the dike-adjacent low-grade LG domain with 51 samples. Despite the small number of samples in the latter case, it seems relevant to have a measure of representation of the zones where dikes negatively affect the ore. This separation will be reevaluated and updated once more data becomes available.

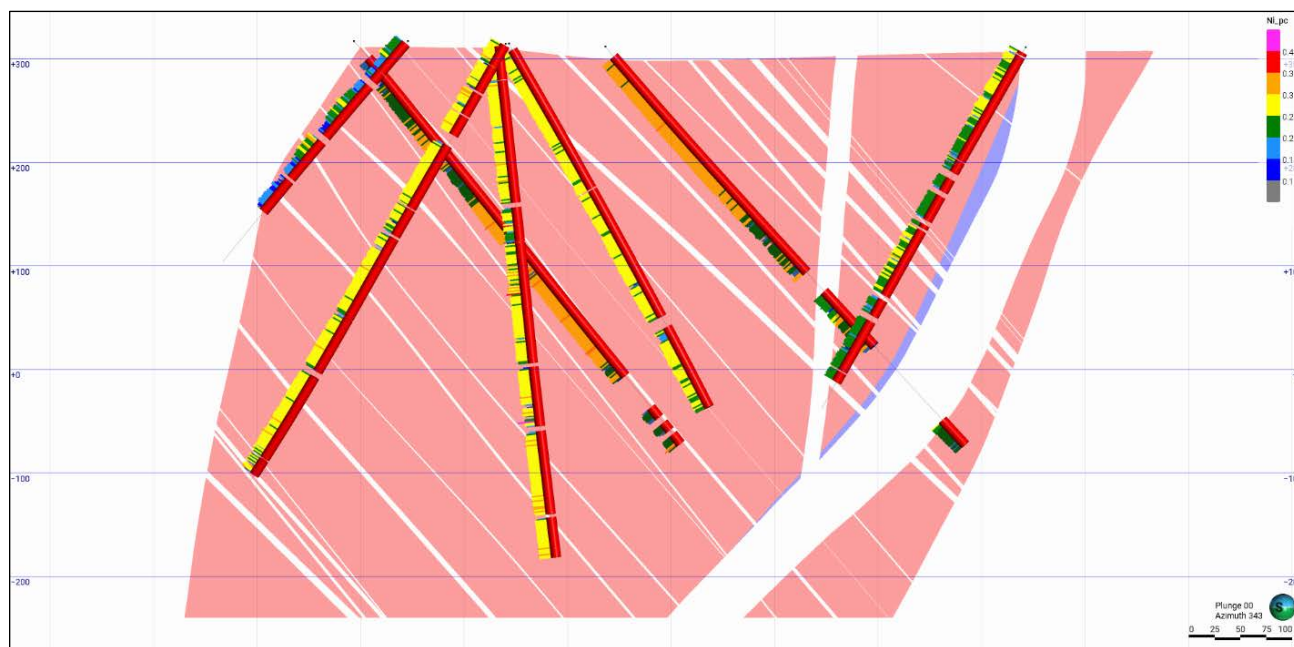


Figure 14-13. Oblique vertical section (Looking NW) of the Deloro nickel estimation domains, coded drill hole intervals and nickel grades. Background and drill trace colours represent HG (red) and LG (blue) estimation domains. Some intervals may not precisely match their corresponding feature due to the 200 m section width (Caracle Creek, 2026).

As previously established, chromium required further subdomaining (Figure 14-14) due to its clustered grade distribution, resulting in a higher-grade HCR domain containing 1,989 samples, a medium-grade domain (“MCR”) with 3,450 samples and a lower-grade domain (“LCR”) with 3,312 samples.

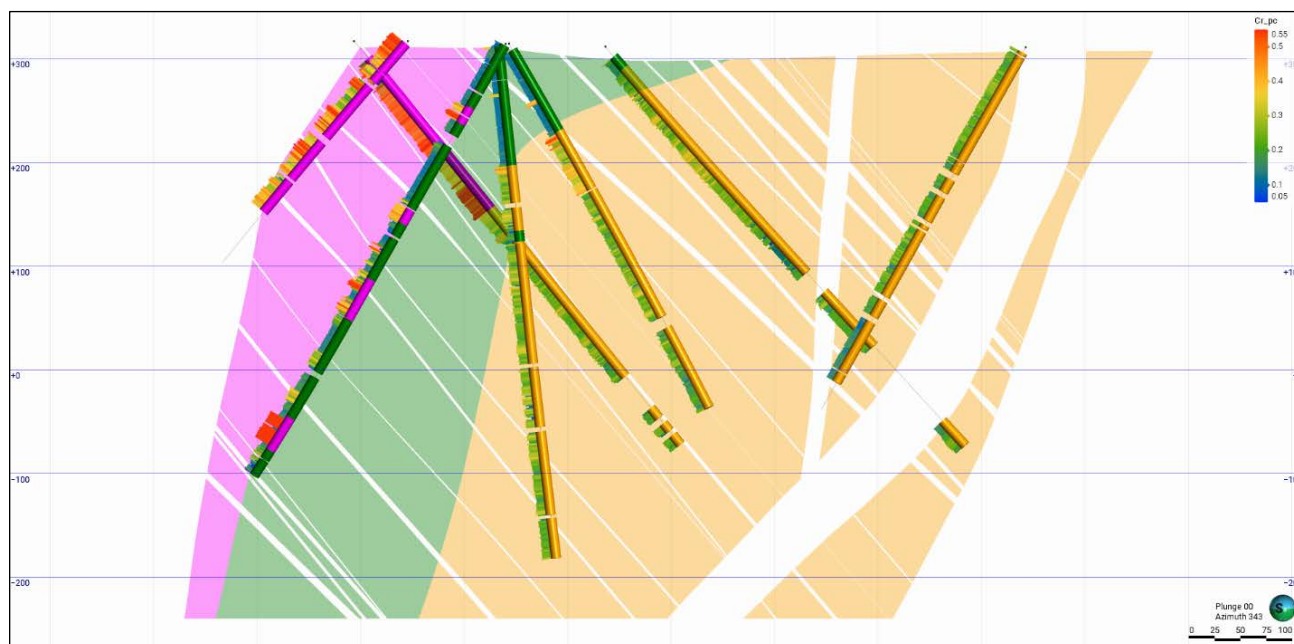


Figure 14-14. Oblique vertical section (Looking NW) of the Deloro chromium estimation domains, coded drill hole intervals and chromium grades. Background and drill trace colours represent HCR (pink), MCR (orange) and LCR (green) estimation domains. Some intervals may not precisely match their corresponding feature due to the 200 m section width (Caracle Creek, 2026).

Statistical analyses within the defined estimation domains confirmed appropriate separations of grade populations, evidenced by adequate distributions and statistical parameters, especially in the chromium case (Figures 14-15).

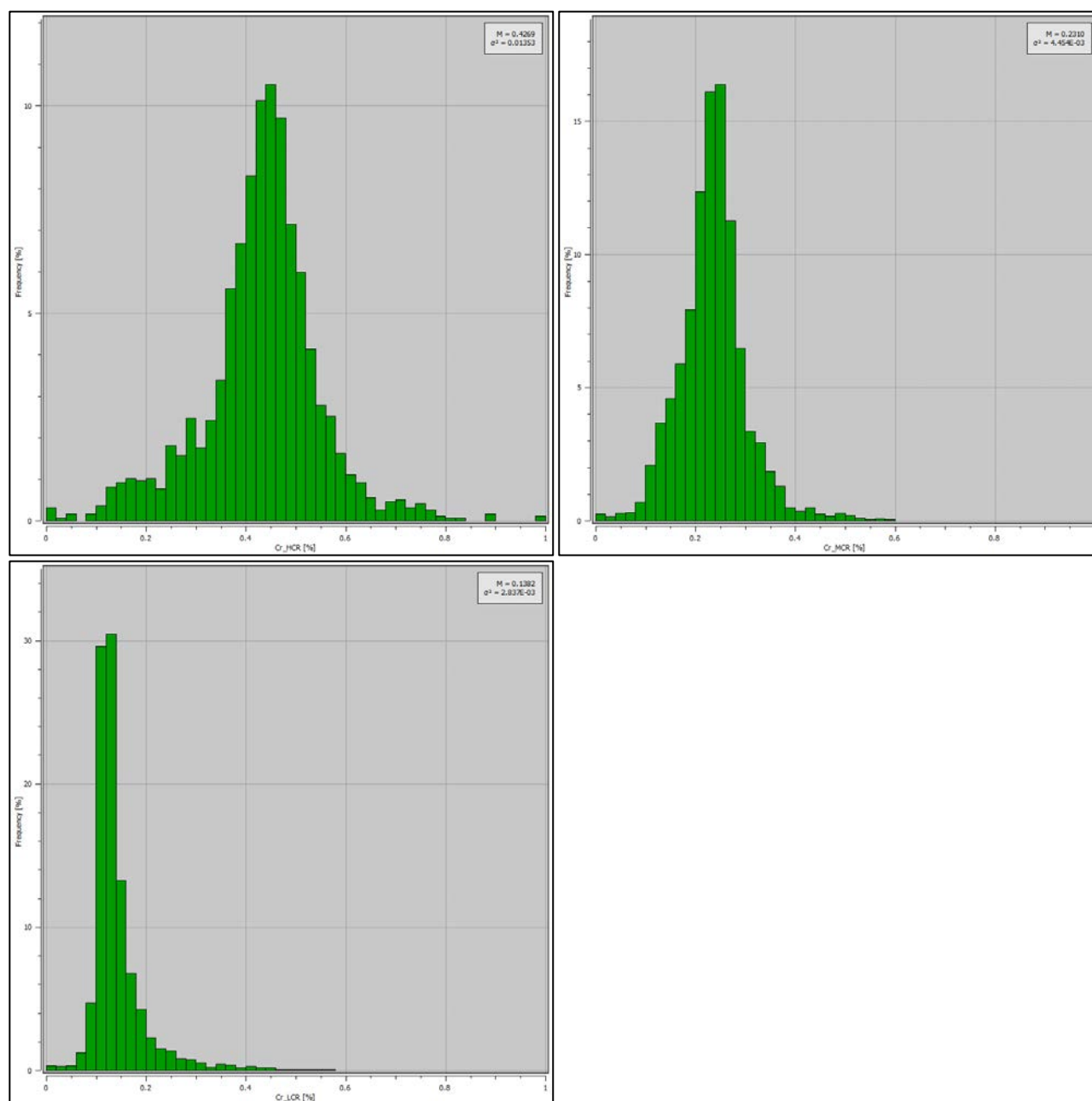


Figure 14-15. From top left to bottom: Chromium grade histograms within the HCR, MCR, and LCR estimation domains (Caracle Creek, 2026).

Further analyses suggested no need for additional subdomaining, including density populations which were properly differentiated by alteration: The Serp domain containing 1,352 samples and the Talc domain with 172 samples.

### 14.5.3 Compositing and Capping

The compositing criteria mainly considered three parameters: The resource database size of 8,812 samples (enough for a rather large compositing length), the predominant drilling length of 1.5 m (90% of samples) and the block height of 15.0 m (see Section 14.6 – Block Modelling). Based on these, a 7.5 m compositing length was deemed the most appropriate. Composites were generated within the HG domain for the seven studied elements (Ni, Co, Fe, Cr, S, Pd, Pt), not considering the chromium subdomains.

Density values could not be composited given that they are data points as opposed to intervals; therefore, the points themselves were treated as composites for all intents and purposes.

Capping was applied, if necessary, before compositing and only for “true” outliers (values out of context such as a single high grade among low grades). Capping values were then calculated based on cases that met the previous condition, along with histogram and probability plot distributions, resulting in top cuts of 1% for chromium, 0.75% for sulphur, 0.25 ppm for palladium, 0.2 ppm for platinum and none for nickel, cobalt, iron or density.

Anomalous grades not deemed outliers were not capped at this stage; instead, and only if necessary, their influence was limited to a fixed distance during estimation (see Section 14.7.2 – Estimation Parameters).

The resulting capped composites (Table 14-2) show more than adequate distributions and statistical parameters for most elements to undergo estimation within the EST Domain and its subdomains, with Pd and Pt presenting slight complexities due to their somewhat high CV values.

Table 14-2. Sample vs composite statistics by element and estimation domain.

| Element | Domain | 1.5 m Drill Hole Samples |              |           |      |       | 7.5 m Composites (Except Density) |              |           |      |       |
|---------|--------|--------------------------|--------------|-----------|------|-------|-----------------------------------|--------------|-----------|------|-------|
|         |        | Count                    | Mean         | Std. Dev. | CV   | Med   | Count                             | Mean         | Std. Dev. | CV   | Med   |
| Ni %    | HG     | 8,761                    | <b>0.25</b>  | 0.04      | 0.17 | 0.26  | 1,734                             | <b>0.25</b>  | 0.04      | 0.15 | 0.26  |
| Co %    |        | 8,761                    | <b>0.011</b> | 0.002     | 0.18 | 0.011 | 1,734                             | <b>0.011</b> | 0.001     | 0.13 | 0.011 |
| Fe %    |        | 8,761                    | <b>5.21</b>  | 0.84      | 0.16 | 5.16  | 1,734                             | <b>5.21</b>  | 0.72      | 0.14 | 5.17  |
| S %     |        | 8,761                    | <b>0.059</b> | 0.057     | 0.97 | 0.050 | 1,734                             | <b>0.059</b> | 0.049     | 0.83 | 0.049 |
| Pd ppm  |        | 8,761                    | <b>0.003</b> | 0.009     | 2.56 | 0.003 | 1,734                             | <b>0.003</b> | 0.006     | 1.74 | 0.003 |
| Pt ppm  |        | 8,761                    | <b>0.004</b> | 0.007     | 1.51 | 0.003 | 1,734                             | <b>0.004</b> | 0.004     | 0.99 | 0.003 |
| Cr %    | HCR    | 1,989                    | <b>0.43</b>  | 0.11      | 0.27 | 0.44  | 393                               | <b>0.43</b>  | 0.09      | 0.20 | 0.43  |
|         | MCR    | 3,450                    | <b>0.23</b>  | 0.07      | 0.28 | 0.23  | 684                               | <b>0.23</b>  | 0.05      | 0.23 | 0.23  |
|         | LCR    | 3,312                    | <b>0.14</b>  | 0.05      | 0.38 | 0.12  | 657                               | <b>0.14</b>  | 0.04      | 0.30 | 0.12  |
| Density | Serp   | 1,352                    | <b>2.62</b>  | 0.07      | 0.03 | 2.62  |                                   |              |           |      |       |
|         | Talc   | 172                      | <b>2.84</b>  | 0.10      | 0.03 | 2.86  |                                   |              |           |      |       |

## 14.6 Block Modelling

The block size definition for the Deloro Project was mostly based on drill spacing and used CNC’s analogous Crawford Deposit as a reference, arriving to a 20 m x 20 m x 15 m size as the more optimal choice.

The block model dimensions (Table 14-3) were adjusted to the extended modelling area (see Section 14.4.2 - Lithology), reaching 700 m beyond the resource boundary (square in Figure 14-4) to be able to accommodate a conceptual pit shell. Vertical constraints come from the topographic surface at the top, and from the modelling depth at the bottom (RL -240).

For tonnage calculation purposes, a column of fill percentage was generated for each geological volume flagged into the block model.

Table 14-3. Block model parameters for the Deloro MRE.

| Deloro Block Model      | X (m)   | Y (m)     | Z (m) |
|-------------------------|---------|-----------|-------|
| Base Corner Coordinates | 479,300 | 5,359,690 | -240  |
| Box Extents             | 2,800   | 2,760     | 585   |
| Block Size              | 20      | 20        | 15    |
| Number of Blocks        | 140     | 138       | 39    |
| Rotation                | -       | -         | -     |

## 14.7 Estimation Strategy

### 14.7.1 Estimation Methodology

Composite EDA showed successful replication of previously established working hypotheses (see Section 14.5 – Data Analysis and Estimation Domains), with contact analyses serving as a complement to this and as a tool for classifying grade behavior at domain boundaries into three types: a) Hard, meaning grades at either side are independent of each other (large break, no transition) and thus composites should be kept to their corresponding domain for estimation; b) Soft, meaning grades at either side are mutually dependent (smooth, mostly unbroken transition) and thus composites should be integrated into a single domain for estimation; c) Semi-soft (intermediate), meaning grades at either side are not completely independent of each other (modest break, partial transition) and thus some composites should be shared between domains for estimation, in order to reasonably reproduce such a transition.

Most elements within the HG domain, including nickel (Figure 14-16), did not display marked grade variations when transitioning between ultramafic rock types, instead showing progressive grade changes, making them soft boundaries. This confirmed the initial premise that there was no need, at least at this stage, to separate rock grade populations.

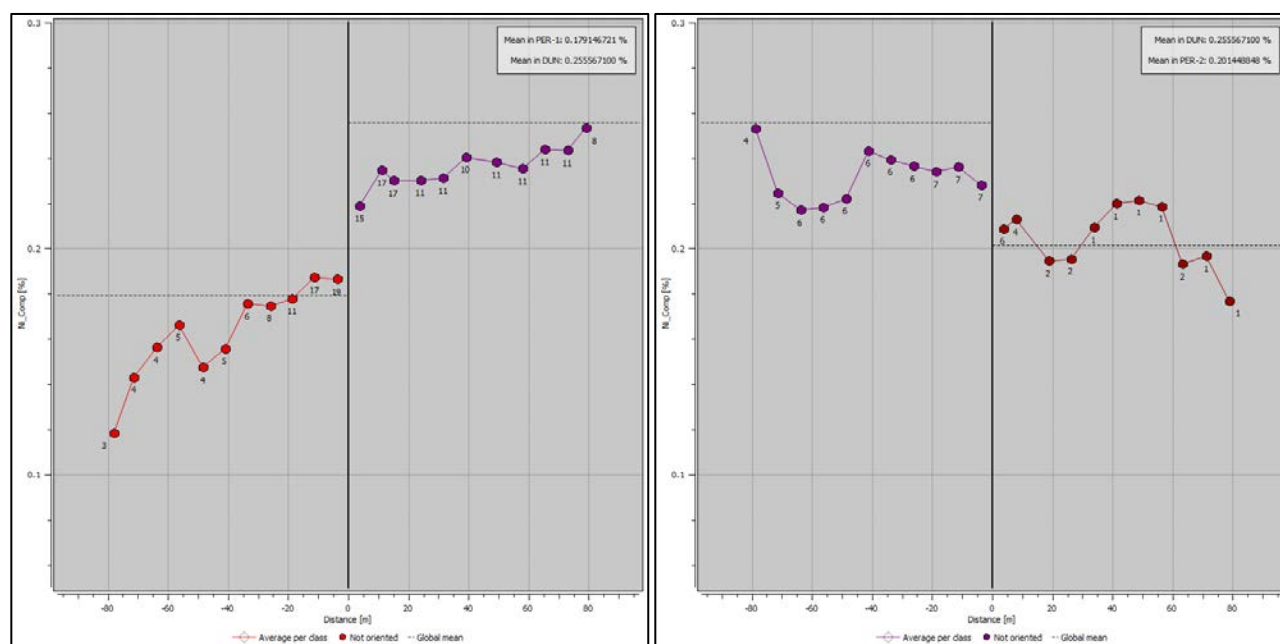


Figure 14-16. Contact analysis plots of nickel composites at the PER-1/DUN (left) and DUN/PER-2 (right) rock domain boundaries (Caracle Creek, 2026).

Chromium grades displayed significant grade variations at the transitions between the HCR, LCR and MCR domains (Figure 14-17), making them hard boundaries. However, to moderate potentially unrealistic grade disparities between the independent estimates, these boundaries were treated as semi-soft, with composites shared between domains up to 10 m from their respective boundaries.

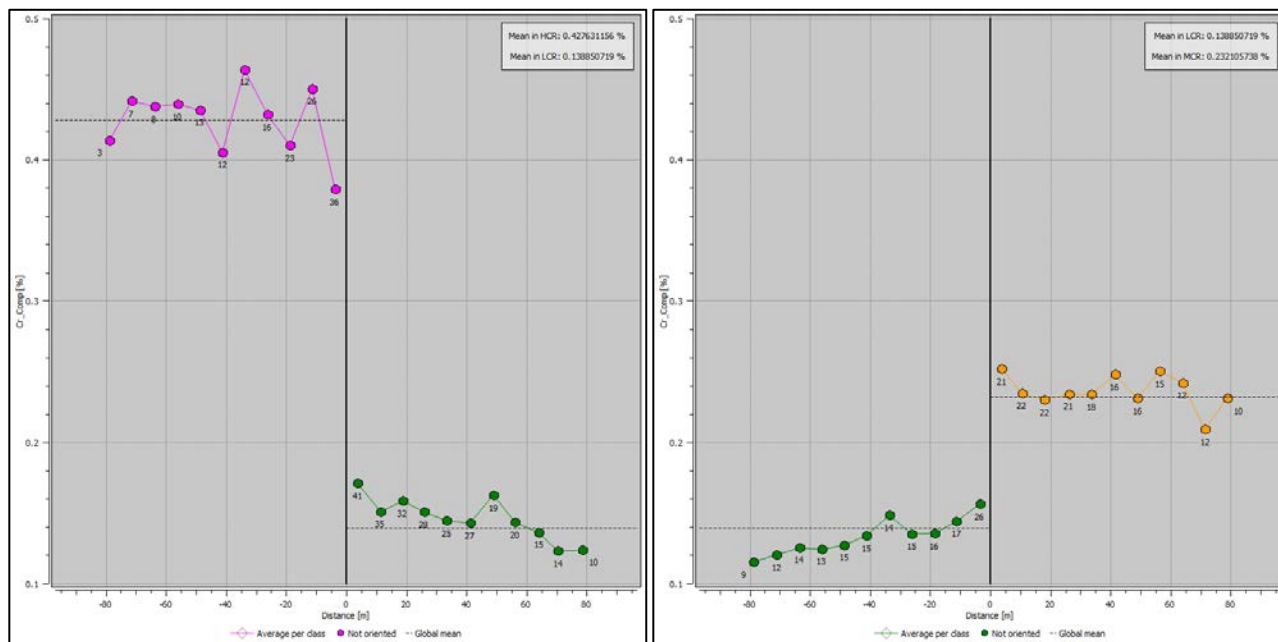


Figure 14-17. Contact analysis plots of chromium composites at the HCR/LCR (left) and LCR/MCR (right) domain boundaries (Caracle Creek, 2026).

Density values displayed a noticeable grade variation at the transition of both alteration types (Figure 14-18), making it a hard boundary.

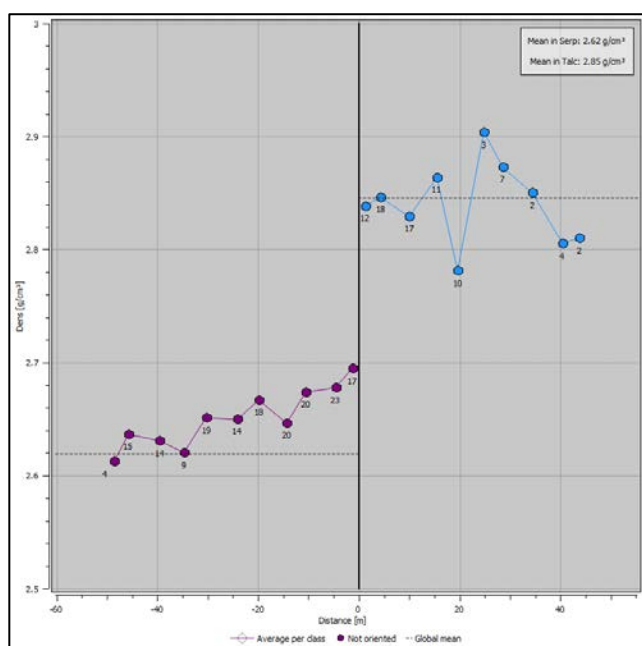


Figure 14-18. Contact analysis plot of density values at the Serp/Talc alteration domain boundary (Caracle Creek, 2026).

Having completed the final composite and domain definitions, all variables were set for variography and subsequent ordinary kriging (OK) estimation in their respective domain configurations (see Section 14.8 – Variography). The exceptions were sample grades within the LG domain and density values in the Talc domain due to insufficient data, being limited to squared weighted inverse distance (IDW2) interpolation.

### 14.7.2 Estimation Parameters

MRE blocks were discretized to a 4 x 4 x 3 ratio for estimation. A single-pass kriging routine was implemented, with a neighbourhood search range that covered about 95% of the EST Domain, followed by a complementary “infinite” range pass for blocks that did not meet previous criteria. The main search ellipsoid ranges were based on a combination of variography and deposit geometry, and their values were fixed for all variables, as were most estimation parameters (Table 14-4) save for capping ellipsoids (Table 14-5).

Table 14-4. Search neighbourhood parameters and ranges for all variables.

| Parameter                     | Neighbourhood                    |                 |
|-------------------------------|----------------------------------|-----------------|
| Pass                          | 1 <sup>st</sup>                  | 2 <sup>nd</sup> |
| Sector Search                 | Single                           |                 |
| Minimum Sectors               | NO                               |                 |
| Maximum Points per Sector     | 20                               | 20              |
| Minimum Total Points          | 8                                | 1               |
| Maximum Points per Drill Hole | 4                                | 4               |
| Minimum Points per Drill Hole | -                                | -               |
| Minimum Drill Holes           | 2                                | 1               |
| Search Radius Directions      | 340° Az / 70°SW Dip / 270° Pitch |                 |
| Search Radius Axis 1          | 300                              | ∞               |
| Search Radius Axis 2          | 500                              | ∞               |
| Search Radius Axis 3          | 200                              | ∞               |

Table 14-5. Capping ellipsoid thresholds and dimensions by element and domain. Missing variables were not capped.

| Element | Domain | Top Cut | Low Cut | Ellipsoid Size (m) |        |        |
|---------|--------|---------|---------|--------------------|--------|--------|
|         |        |         |         | Axis 1             | Axis 2 | Axis 3 |
| Ni %    | HG     | 0.35    | -       | 75                 | 125    | 50     |
| Fe %    | LG     | -       | 4.50    | 50                 | 50     | 50     |
| Cr %    | HCR    | -       | 0.20    | 75                 | 125    | 50     |
|         | LCR    | 0.60    | -       | 150                | 250    | 100    |
|         | LG     | 0.25    | -       | 50                 | 50     | 50     |
| S %     | HG     | 0.38    | -       | 75                 | 125    | 50     |
|         | LG     | 0.11    | -       | 50                 | 50     | 50     |
| Density | Serp   | 2.95    | -       | 75                 | 125    | 50     |

## 14.8 Variography

Variography was carried out for the seven studied elements and density within their corresponding domains or sub-domains, according to the following plan:

- Nickel: HG domain (Figure 14-19).
- Cobalt: HG domain (Figure 14-19).
- Iron: HG domain (Figures 14-19).

- Chromium: HCR, MCR and LCR domains (Figure 14-20).
- Sulphur: HG domain (Figure 14-21).
- Palladium: HG domain (Figure 14-21).
- Platinum: HG domain (Figure 14-21).
- Density: Serp domain.

Down-the-hole variograms were modelled first for an initial approach to the nugget value. Disruptive grade outliers were excluded in a few instances to reduce noise.

Multidirectional variograms were modelled considering zonal anisotropies (independent sills in each axis) due to the significant grade variability differences between directions. A general preferential direction of 340° azimuth (NW-SE) and 70°SW dip was defined based on geological and mineral trends as well as drilling orientations, with variogram maps as the main analysis tool.

Finally, cross-validation was carried out for variogram robustness evaluation and, in case of substandard results, recalibration of variogram nugget and/or ranges in order to improve them.

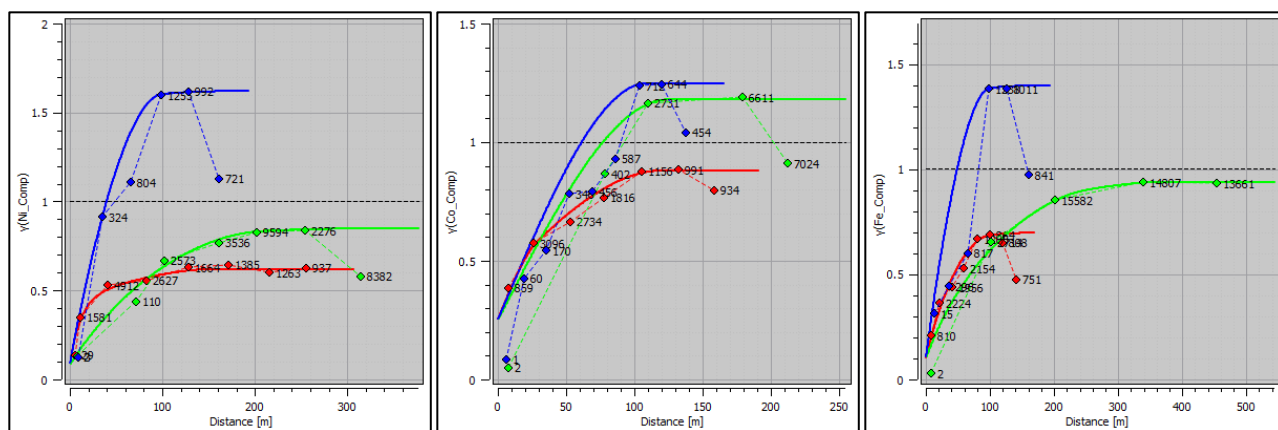


Figure 14-19. From left to right, variograms of nickel, cobalt and iron for the HG domain (Caracle Creek, 2026).

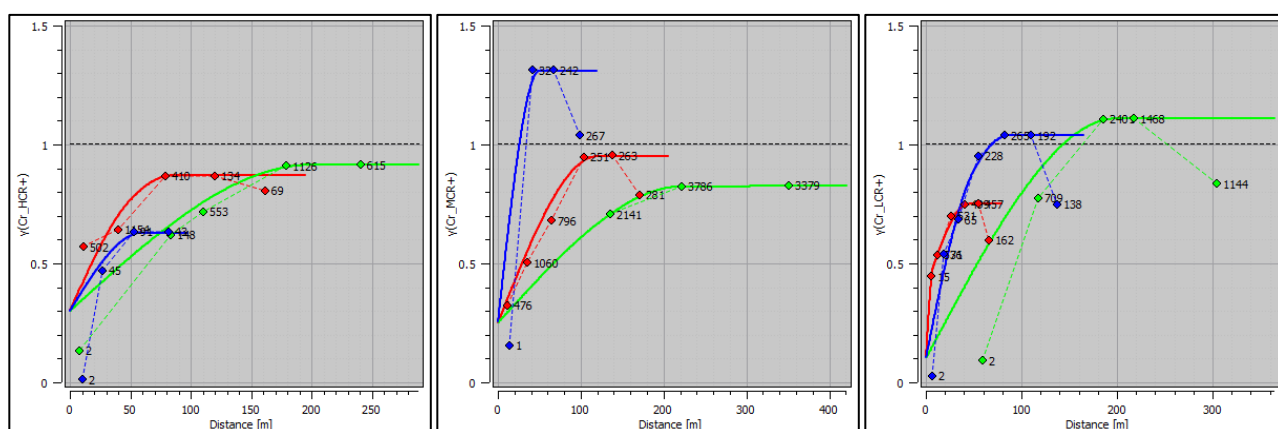


Figure 14-20. From left to right, chromium variograms for the HCR, MCR and LCR domains (Caracle Creek, 2026).

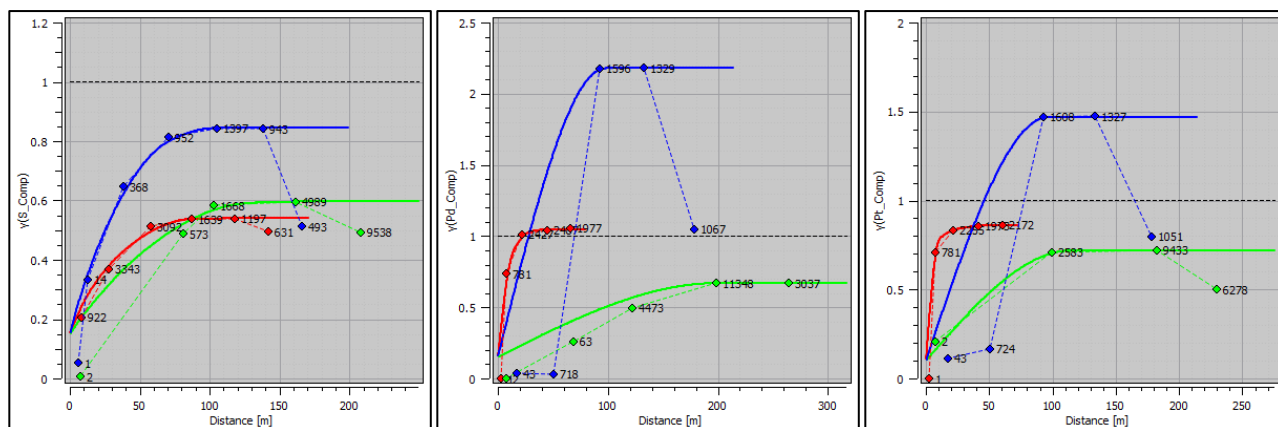


Figure 14-21. From left to right, variograms of sulphur, palladium and platinum for the HG domain (Caracle Creek, 2026).

## 14.9 Block Model Validation

Estimation results were validated by three methods: (1) Visual; (2) statistical; and (3) moving window mean plots (or swath plots). Examples are shown mainly for nickel and only when possible, for other elements.

### 14.9.1 Visual Validation

Plan views and predefined sections (Figures 14-22 and 14-23) based on drill hole direction and location were used for visual comparison of block models and composites, showing generally good consistency.

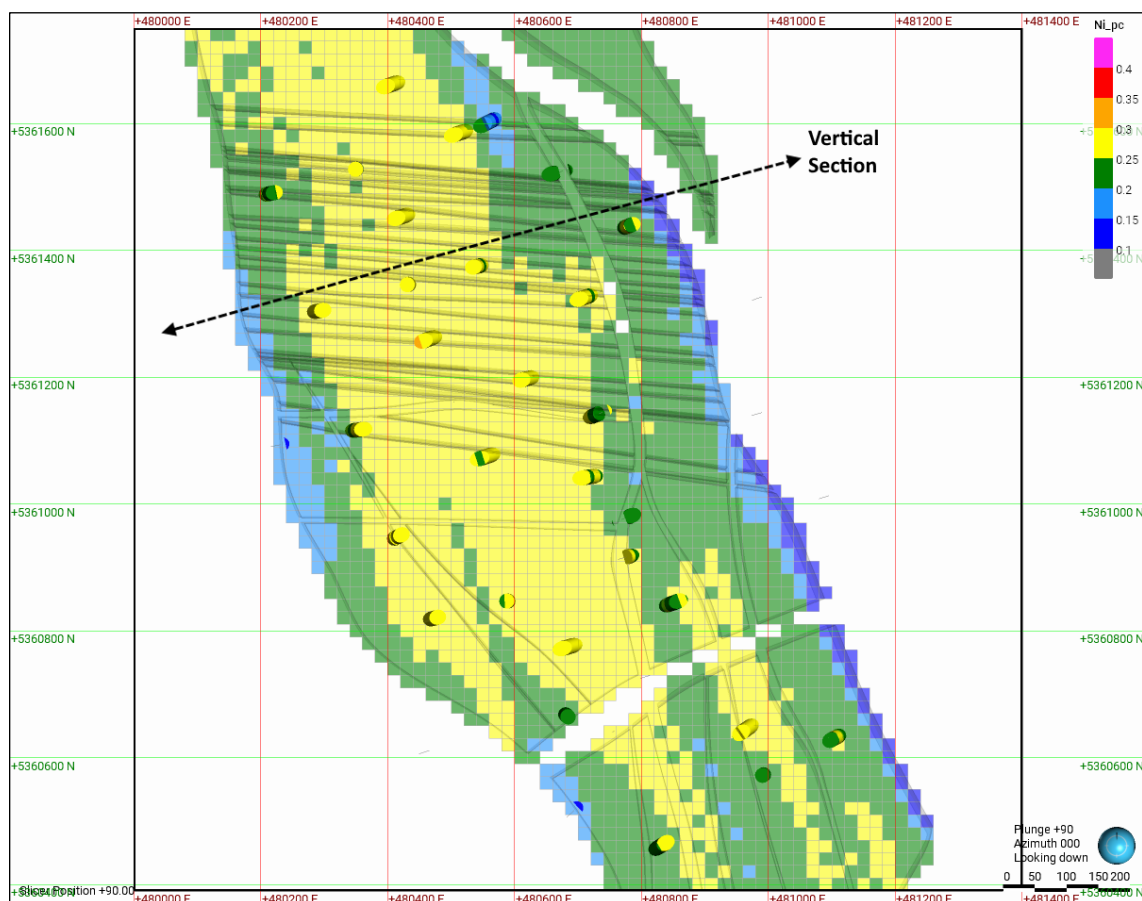


Figure 14-22. Plan Section (RL 90) of Deloro nickel grade blocks against composites within the EST domain. The dashed line is the trace of the vertical section presented in Figure 14-23 (Caracle Creek, 2026).

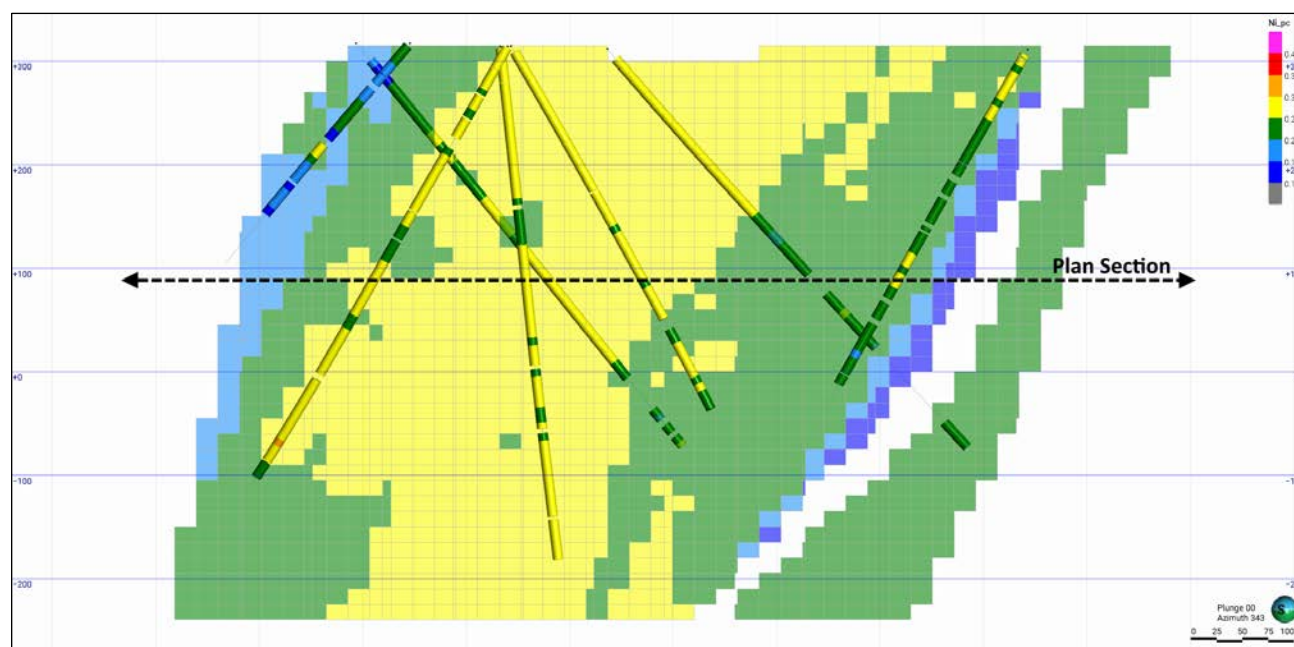


Figure 14-23. Oblique vertical section (Looking NW) of Deloro nickel grade blocks against composites within the EST domain. Some intervals may not precisely match their corresponding feature due to the 200 m section width. The dashed line is the trace of the plan section presented in Figure 14-22 (Caracle Creek, 2026).

## 14.9.2 Statistical Validation

Global bias measures percentage differences between declustered composites and estimate means (OK, IDW2 and NN), which preferably should not exceed 5%, with a maximum tolerance of 10%. Complementary statistical parameters are included for further comparison.

Under this criterion, all variables show generally good consistency (Table 14-6), except for the nearest neighbour (NN) chromium estimate within the HCR domain, possibly due to an isolated low value that was overrepresented. It should be noted that, even though values are rounded, calculations are based on non-rounded values, and that very low grades tend to produce large percentage differences, as is the case for the palladium and platinum estimates.

Table 14-6. Global statistical comparisons between declustered composites and estimates.

| Domain | Element | Count      | Mean  | Bias          | Std. Dev. | CV   |
|--------|---------|------------|-------|---------------|-----------|------|
| HG     | Ni %    | Composites | 0.24  | -             | 0.04      | 0.17 |
|        |         | OK         | 0.24  | <b>0.11%</b>  | 0.02      | 0.10 |
|        |         | IDW2       | 0.25  | <b>1.12%</b>  | 0.02      | 0.09 |
|        |         | NN         | 0.25  | <b>1.25%</b>  | 0.04      | 0.14 |
|        | Co %    | Composites | 0.011 | -             | 0.001     | 0.14 |
|        |         | OK         | 0.011 | <b>-1.47%</b> | 0.001     | 0.07 |
|        |         | IDW2       | 0.011 | <b>-1.41%</b> | 0.001     | 0.07 |
|        |         | NN         | 0.011 | <b>-1.81%</b> | 0.001     | 0.12 |
|        | Fe %    | Composites | 5.3   | -             | 0.7       | 0.14 |
|        |         | OK         | 5.3   | <b>-0.34%</b> | 0.4       | 0.08 |
|        |         | IDW2       | 5.3   | <b>-0.74%</b> | 0.4       | 0.08 |
|        |         | NN         | 5.3   | <b>-0.98%</b> | 0.7       | 0.13 |
|        | S %     | Composites | 0.06  | -             | 0.05      | 0.84 |
|        |         | OK         | 0.06  | <b>-3.31%</b> | 0.03      | 0.46 |
|        |         | IDW2       | 0.06  | <b>-1.49%</b> | 0.03      | 0.53 |
|        |         | NN         | 0.06  | <b>0.91%</b>  | 0.06      | 0.93 |

| Domain | Element | Count      | Mean  | Bias    | Std. Dev. | CV   |
|--------|---------|------------|-------|---------|-----------|------|
|        | Pd ppm  | Composites | 0.004 | -       | 0.008     | 1.85 |
|        |         | OK         | 0.004 | -13.13% | 0.004     | 1.13 |
|        |         | IDW2       | 0.003 | -23.87% | 0.003     | 0.82 |
|        |         | NN         | 0.004 | -19.39% | 0.006     | 1.78 |
|        | Pt ppm  | Composites | 0.005 | -       | 0.006     | 1.13 |
|        |         | OK         | 0.005 | -8.21%  | 0.003     | 0.67 |
|        |         | IDW2       | 0.004 | -13.23% | 0.002     | 0.52 |
|        |         | NN         | 0.004 | -13.35% | 0.005     | 1.12 |
| HCR    | Cr %    | Composites | 0.38  | -       | 0.13      | 0.33 |
|        |         | OK         | 0.38  | -0.93%  | 0.05      | 0.13 |
|        |         | IDW2       | 0.39  | 1.22%   | 0.06      | 0.16 |
|        |         | NN         | 0.33  | -14.21% | 0.13      | 0.39 |
| MCR    |         | Composites | 0.24  | -       | 0.07      | 0.30 |
|        |         | OK         | 0.23  | -6.05%  | 0.03      | 0.15 |
|        |         | IDW2       | 0.23  | -4.48%  | 0.04      | 0.16 |
|        |         | NN         | 0.23  | -4.17%  | 0.08      | 0.36 |
| LCR    |         | Composites | 0.18  | -       | 0.09      | 0.53 |
|        |         | OK         | 0.17  | -3.54%  | 0.04      | 0.25 |
|        |         | IDW2       | 0.17  | -4.07%  | 0.05      | 0.30 |
|        |         | NN         | 0.18  | -0.53%  | 0.09      | 0.54 |
| Serp   | Density | Composites | 2.63  | -       | 0.07      | 0.03 |
|        |         | OK         | 2.63  | -0.13%  | 0.03      | 0.01 |
|        |         | IDW2       | 2.63  | -0.14%  | 0.03      | 0.01 |
|        |         | NN         | 2.63  | -0.18%  | 0.06      | 0.02 |

### 14.9.3 Moving Window Validation

Swath plots allow for localized statistical comparisons by averaging grades in sequential slices (or windows) across the estimation domain. The main slicing direction was aligned with that of the variograms, namely 340° Az with a 100 m slice width. The resulting plots (Figures 14-24 to 14-26) run from southeast (left) to northwest (right) showing mean grade of declustered composites (black), OK (red), IDW2 (green) and NN (blue) estimates, as well as histograms of sample/block numbers.

All variables show acceptable to good consistency between datasets, considering the high variability of some composite value means between slices, mostly due to the limited drilling available at this stage.

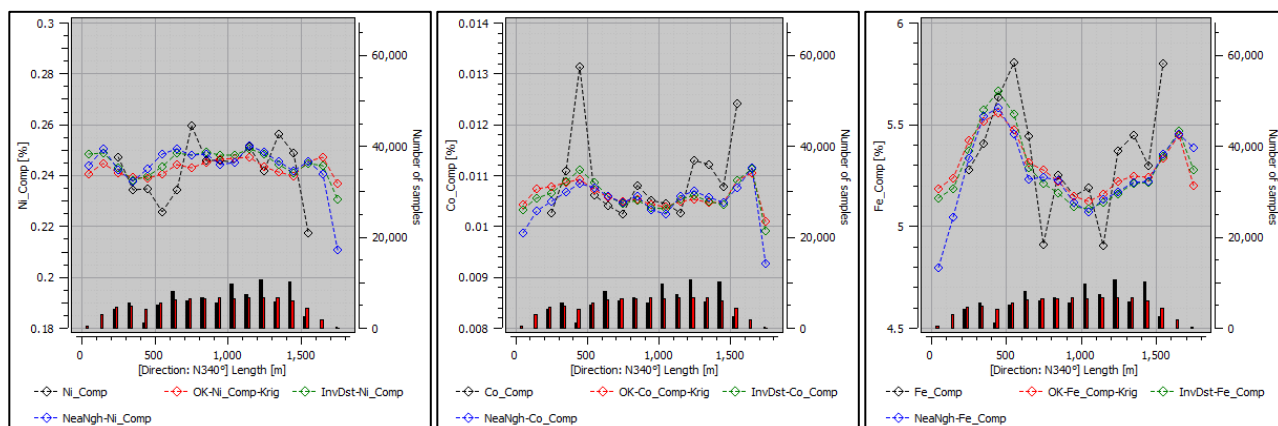


Figure 14-24. From left to right, swath plots of nickel, cobalt and iron for the HG domain (Caracle Creek, 2026).

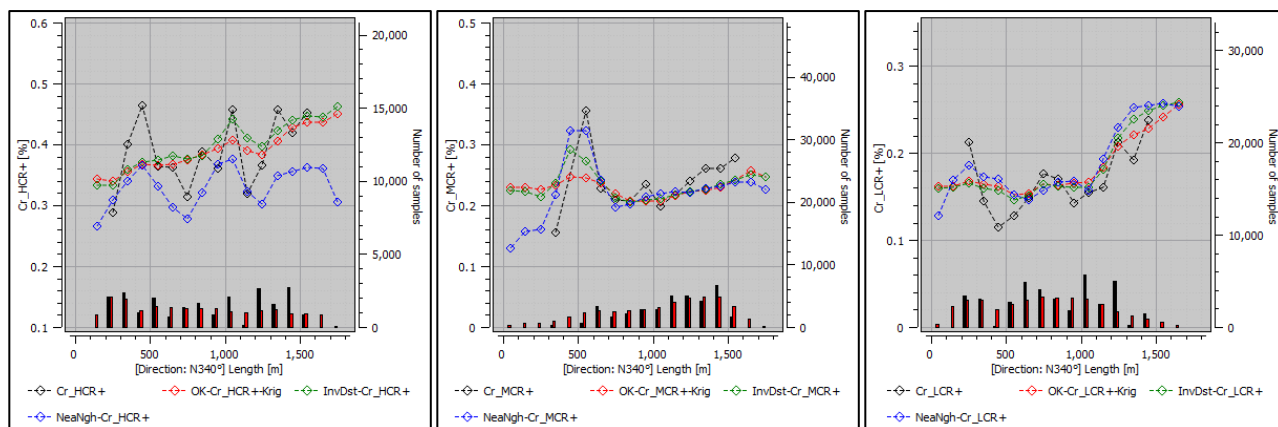


Figure 14-25. From left to right, chromium swath plots for the HCR, MCR and LCR domains (Caracle Creek, 2026).

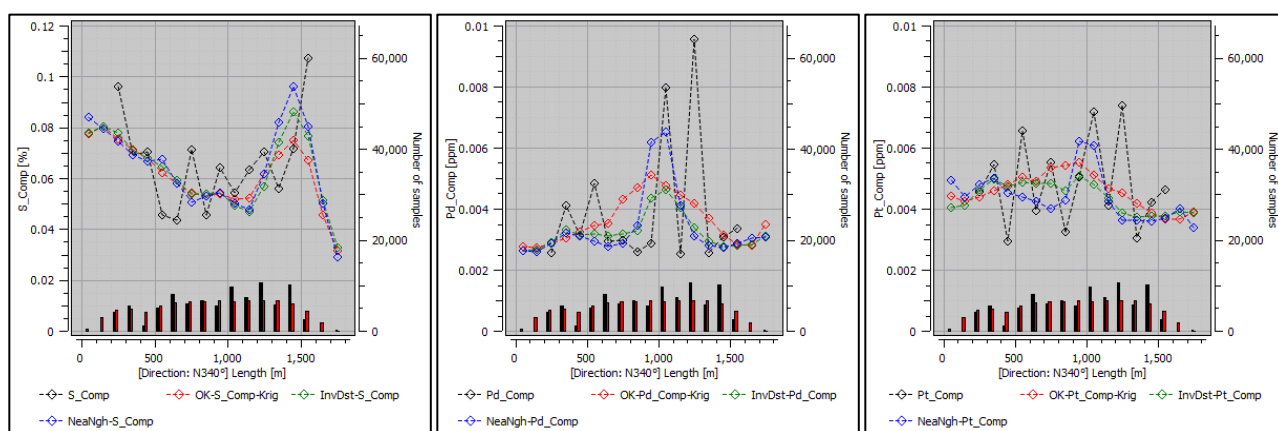


Figure 14-26. From left to right, swath plots of sulphur, palladium and platinum for the HG domain (Caracle Creek, 2026).

## 14.10 Mineral Resource Classification and Estimate

The mineral resources for the Deloro Project were classified in accordance with the most current CIM Definition Standards (CIM, 2019) and the CIM Definition Standards for Mineral Resources & Mineral Reserves (CIM, 2014). The “CIM Definition Standards for Mineral Resources and Reserves” prepared by the CIM Standing Committee on Resource Definitions and adopted by the CIM council on November 29, 2019, provides standards for the classification of Mineral Resources and Mineral Reserves estimates as follows:

**Inferred Mineral Resource:** an inferred mineral resource is that part of a mineral resource for which quantity and grade or quality are estimated based on limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that most inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.

**Indicated Mineral Resource:** an indicated mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of

observation. An indicated mineral resource has a lower level of confidence than that applying to a measured mineral resource and may only be converted to a probable mineral reserve.

**Measured Mineral Resource:** a measured mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A measured mineral resource has a higher level of confidence than that applying to either an indicated mineral resource or an inferred mineral resource. It may be converted to a proven mineral reserve or to a probable mineral reserve.

#### 14.10.1 Mineral Resource Classification

The resource classification process, comprising the general EST Domain, considered an initial stage involving software evaluation of block estimate qualities (preliminary classes) depending on their proximity to drill hole composites, which served as the basis of the method, followed by a complementary human revision and smoothing stage.

Preliminary block classes were assigned through successive kriging neighbourhood search passes, first set to stricter parameters than the ones used for resource estimation and subsequently loosening them with each pass (Table 14-7). Neighbourhood dimensions conform to a set of range values measured along the curves of the nickel variogram (Figure 14-27) at different steps from the sill, namely 80% of the sill to assign indicated resources (CAT 2) and 95% of the sill for inferred resources (CAT 3). Any blocks that did not meet previous criteria were classified as “potential” (CAT 4).

An additional test pass (the first in Table 14-7) with range at 60% of the sill to evaluate measured resources (CAT 1) resulted in a small number of blocks that could not be assembled into a proper resource volume. Thus, at this stage there is not enough information or confidence to reach measured mineral resources.

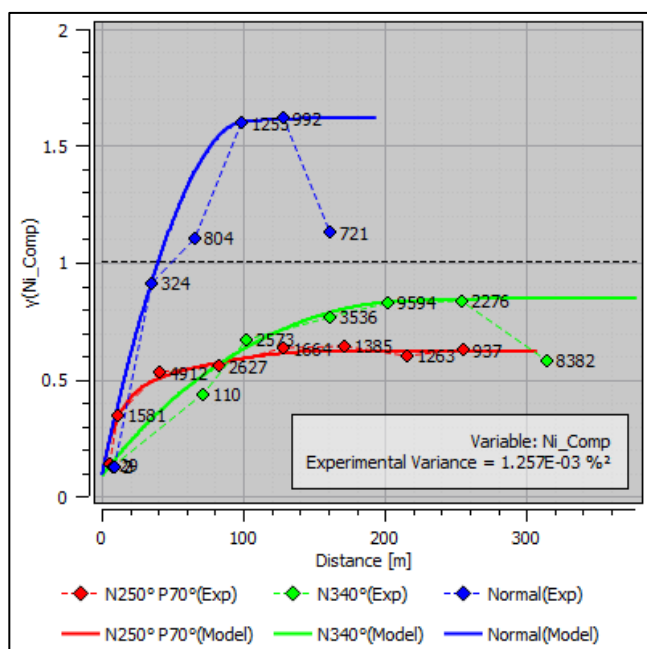


Figure 14-27. Nickel variogram within the EST Domain for resource classification (Caracle Creek, 2026).

Smoothing was carried out by digitizing rough cross-section outlines of the block distribution of each preliminary class every 50 m, with some geological interpretation involved, and subsequently modelling them into shells that could provide coherent class volumes, which were then flagged into the block model. In addition, considering the current uncertainty of the MDy dike paths in the lithology model, a preventive measure was taken of downgrading blocks within 5 m of any dike to the immediate lower category (indicated to inferred), and with this the final classification was completed (Figures 14-28 and 14-29).

Table 14-7. Kriging neighbourhoods, search parameters and ranges for preliminary classification.

| Parameter                     | Neighbourhood                    |                       |                       |                       |
|-------------------------------|----------------------------------|-----------------------|-----------------------|-----------------------|
| Pass (Preliminary Class)      | 1 <sup>st</sup> (MEA)            | 2 <sup>nd</sup> (IND) | 3 <sup>rd</sup> (INF) | 4 <sup>th</sup> (POT) |
| Sector Search                 | Single                           |                       |                       |                       |
| Minimum Sectors               | NO                               |                       |                       |                       |
| Maximum Points per Sector     | 20                               | 20                    | 20                    | 20                    |
| Minimum Total Points          | 10                               | 6                     | 6                     | 1                     |
| Maximum Points per Drill Hole | 4                                | 4                     | 4                     | 4                     |
| Minimum Points per Drill Hole | -                                | -                     | -                     | -                     |
| Minimum Drill Holes           | 3                                | 2                     | 2                     | 1                     |
| Search Radius Directions      | 340° Az / 70°SW Dip / 270° Pitch |                       |                       |                       |
| Search Radius Axis 1          | 15                               | 40                    | 100                   | ∞                     |
| Search Radius Axis 2          | 70                               | 117.5                 | 180                   | ∞                     |
| Search Radius Axis 3          | 37.5                             | 60                    | 82.5                  | ∞                     |

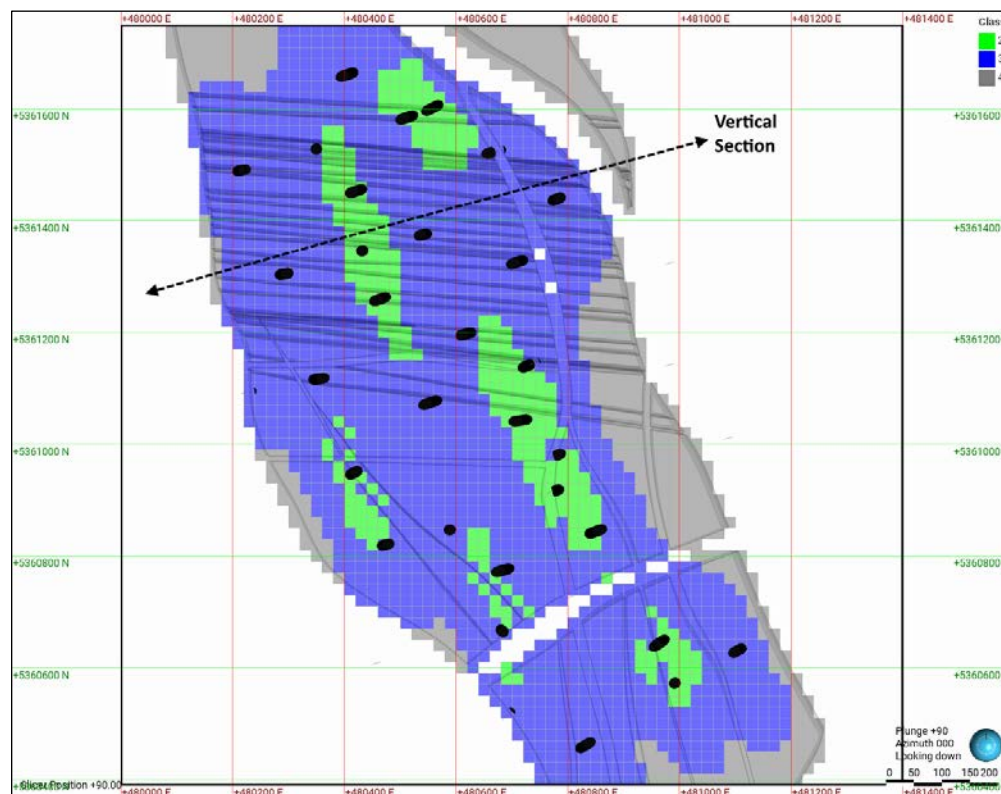


Figure 14-28. Plan section (RL 90) of the Deloro resource classification against drill hole intercepts within the EST domain. Block colours represent indicated (green) and inferred (blue) resource classes, as well as unclassified potential (grey). The dashed line is the trace of the vertical section presented in Figure 14-29 (Caracle Creek, 2026).

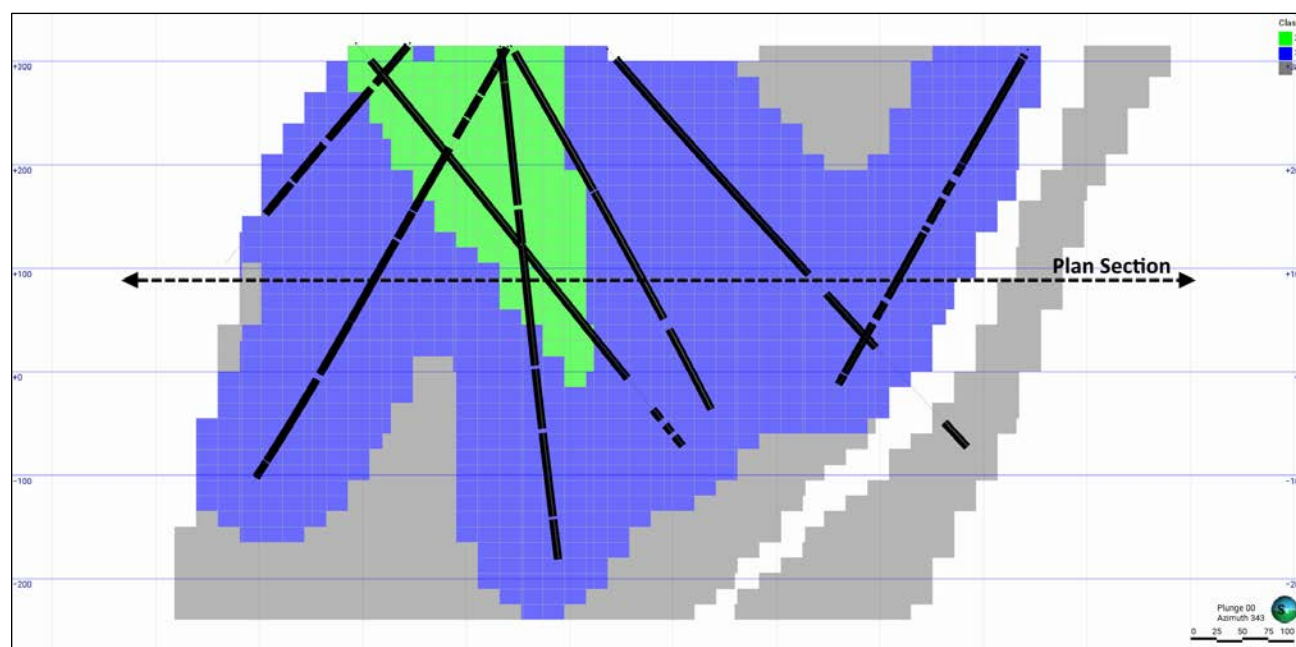


Figure 14-29. Oblique vertical section (Looking NW) of the Deloro resource classification against drill hole intercepts within the EST domain. Intercepts shown within a 200 m section width. Block colours represent indicated (green) and inferred (blue) resource classes, as well as unclassified potential (grey). The dashed line is the trace of the plan section presented in Figure 14-28 (Caracle Creek, 2026).

## 14.11 Pit Optimization and Cut-off Grade

According to CIM (2019), for a mineral deposit to be considered a mineral resource it must be shown that there are Reasonable Prospects for Eventual Economic Extraction (“RPEEE”). As Deloro will be mined using open pit mining methods, the ‘reasonable prospects’ are considered satisfied by limiting mineral resources to those constrained within a conceptual pit shell and above a cut-off grade.

The pit shell (Figure 14-30) was generated under the supervision of Independent Consultant David Penswick (P.Eng. and Qualified Person), using the Lerchs-Grossmann (“LG”) algorithm, which is the industry standard tool to define the limits of, and mining sequence for an open pit.

Specific inputs to the LG algorithm include the following:

- Nickel price of US\$21,000/t and payability of 91% (Ni would generate 79% of total metal revenue).
- Iron price of US\$325/t and payability of 50% (Fe would generate 17% of total metal revenue), which is equivalent to US\$100/t for iron ore grading 62% Fe.
- Chromium price of US\$3,860/t and payability of 65% (Cr would generate 4% of total metal revenue).

Average mining costs are expected to range as follows:

- C\$3.83/t for overburden that would be mined using a mixed fleet of 40 t articulated trucks for clay and 90 t trucks for sand. The combined fleet would operate at an average depth of 26 m below the average surface elevation of RL 330.
- C\$2.04/t for rock that would be mined using 290 t autonomous trucks operating at an average depth of 194 m.

Process and administration costs are expected to average C\$8.33/t ore for treatment through a 120 kt/d mill. Royalties would average C\$1.17/t ore.

It is important to note that the results from the pit optimization exercise are used solely for testing the “RPEEE” by open pit mining methods and do not represent an economic study.

The cut-off grade has been calculated using the following parameters:

- Estimated average recoveries for Ni of 44%, Fe of 55%, Cr of 18%.
- Metal prices and payability as reported above.
- Marginal costs of C\$9.50, as reported above.
- A long-term C\$ f/x of US\$0.76.

Based on these parameters, a marginal cut-off of C\$9.00 has been used to define economic resources. This equates to approximately 0.10% Ni.

It is the opinion of the QP (David Penswick) that the cut-off calculated from pit optimization is relevant to the grade distribution of this Property and that the mineralization exhibits sufficient continuity for economic extraction under this cut-off value.

Based on the combined block model from Section 14.10.1 - Mineral Resource Classification, and constrained by the conceptual pit shell and cut-off grade from the previous analysis, a nickel grade-tonnage curve was calculated for the EST Domain (Figure 14-31). The reader is cautioned that the values presented in Figure 14-31 should not be misconstrued as a mineral resource statement (see Section 14.12 – Mineral Resource Statement).

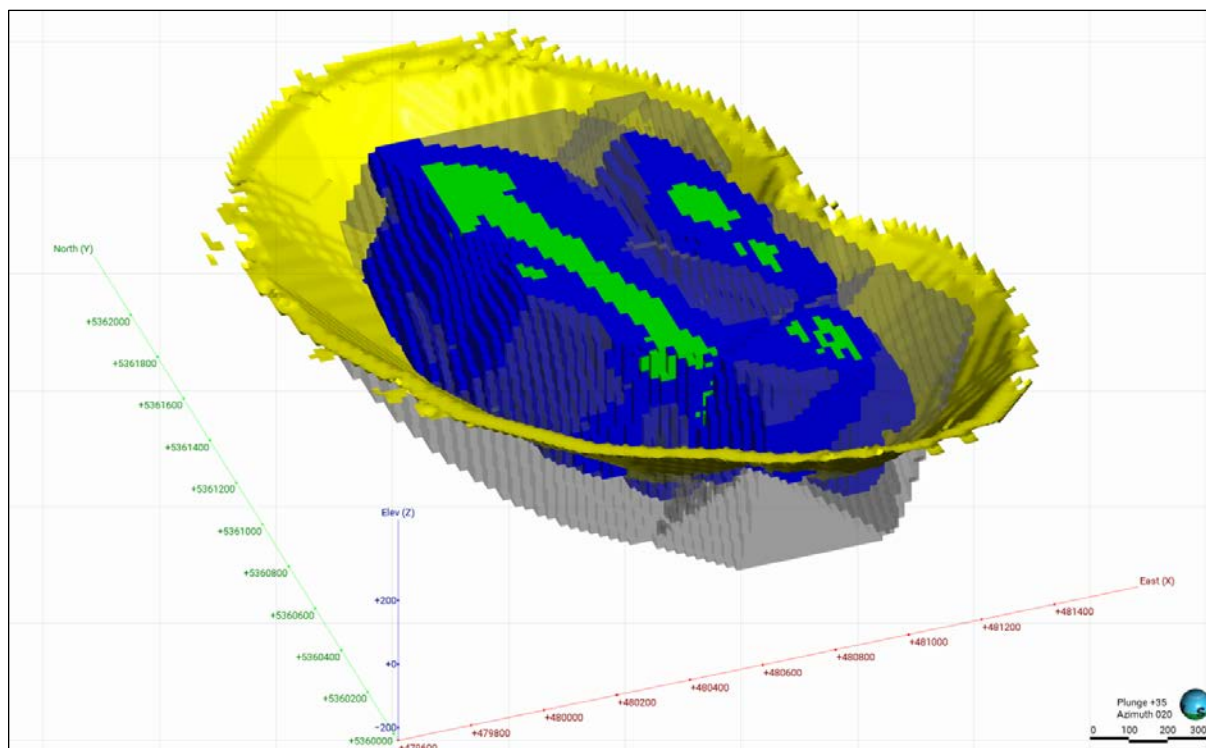


Figure 14-30. 3D Perspective (Looking NE) of the Deloro pit shell (yellow) and resource class blocks: Indicated (green), Inferred (blue) and unclassified potential (transparent grey). The box-shaped edges represent the current resource boundary and main modelling volume (Caracle Creek, 2026).

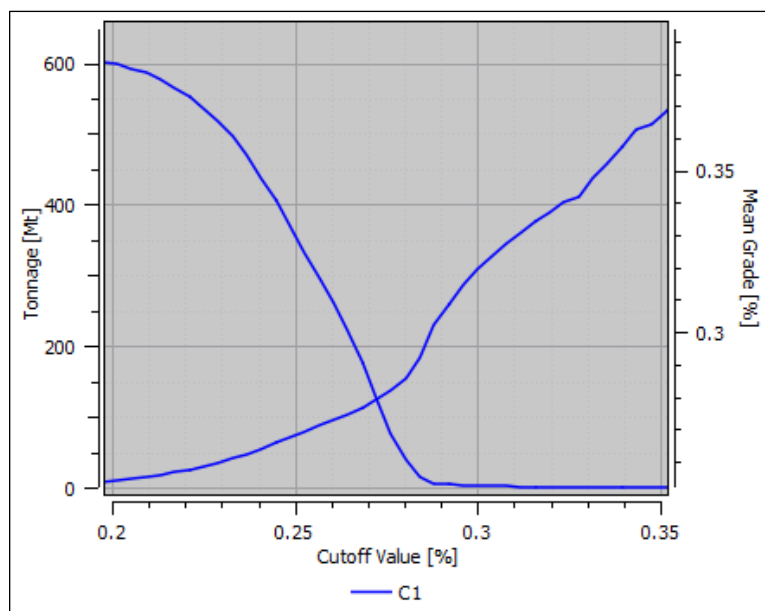


Figure 14-31. Nickel grade-tonnage curve for the pit-constrained Deloro Deposit. Not equivalent to a mineral resource statement as by necessity it comprises all mineralized blocks above the pit, regardless of class (Caracle Creek, 2026).

## 14.12 Mineral Resource Statement

The mineral resources disclosed herein (Table 14-8) are constrained to the Deloro pit shell and to the marginal cut-off of C\$9.00 developed from the pit optimization analysis discussed above. The MRE is characterized by domain, class, mineral grades (rounded to two significant figures) and contained metal. The effective date of the MRE is 23 July 2026.

Table 14-8. Mineral Resource Statement for the pit-constrained MRE, Deloro Ni-Co Deposit.

| Domain      | Class     | Tonnage (Mt) | Ni (%) | Ni (kt) | Co (%) | Co (kt) | Fe (%) | Fe (Mt) | Cr (%) | Cr (kt) | S (%) | S (kt) | Pd (g/t) | Pd (koz) | Pt (g/t) | Pt (koz) |
|-------------|-----------|--------------|--------|---------|--------|---------|--------|---------|--------|---------|-------|--------|----------|----------|----------|----------|
| EST (HG+LG) | Indicated | 118.7        | 0.25   | 300.3   | 0.011  | 12.8    | 5.2    | 6.1     | 0.26   | 302.4   | 0.057 | 67.5   | 0.0030   | 11.4     | 0.0041   | 15.6     |
|             | Inferred  | 498.2        | 0.25   | 1,253.7 | 0.011  | 53.5    | 5.3    | 26.2    | 0.23   | 1,135.3 | 0.059 | 295.5  | 0.0037   | 60.0     | 0.0046   | 73.9     |

## 14.13 Exploration Potential

The Deloro Deposit is open along strike to the NW, SE and at depth. With additional drilling it is likely that the current MRE will be expanded from exploration potential (CAT 4) to Inferred (CAT 3) and from Inferred to Indicated (CAT 2), depending on the results of the infill drilling.

## **15.0 MINERAL RESERVE ESTIMATES**

This section is not relevant at this stage of the Property.

## **16.0 MINING METHODS**

This section is not relevant at this stage of the Property.

## **17.0 RECOVERY METHODS**

This section is not relevant at this stage of the Property.

## **18.0 PROJECT INFRASTRUCTURE**

This section is not relevant at this stage of the Property.

## **19.0 MARKET STUDIES AND CONTRACTS**

This section is not relevant at this stage of the Property.

## **20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT**

This section is not relevant at this stage of the Property.

## **21.0 CAPITAL AND OPERATING COSTS**

This section is not relevant at this stage of the Property.

## **22.0 ECONOMIC ANALYSIS**

This section is not relevant at this stage of the Property.

## **23.0 ADJACENT PROPERTIES**

There are no adjacent properties that are actively being explored that would materially affect the Authors' (QPs) understanding of the Project or the interpretations and conclusions presented in the Report.

## **24.0 OTHER RELEVANT DATA AND INFORMATION**

The Authors (QP)s are not aware of any additional information or explanations necessary to make the Report understandable and not misleading.

## 25.0 INTERPRETATION AND CONCLUSIONS

The objectives of the Report were to prepare an updated Mineral Resource Estimate for the Deloro Nickel-Cobalt Sulphide Deposit, along with a supporting independent NI 43-101 Technical Report, capturing historical information available from the Project area, evaluating this information with respect to the prospectivity of the Project, and presenting recommendations for future exploration and development on the Project.

The Deloro Nickel-Cobalt Sulphide Project, within the Timmins-Cochrane Mining Camp, is located wholly within Deloro Township, about 8 km southeast of the City of Timmins.

The Project comprises approximately 2,224.64 ha (22.25 km<sup>2</sup>), consisting of a combination of unpatented mining claims (“staked claims”) and patented lands (Crown Patents). The patents and the mining claims are registered 100% by Canada Nickel Company Inc. and all show “active” status. The unpatented mining claims are contiguous whereas the patents form two separate blocks.

Specifically, the Property comprises 32 Crown Patents (freehold patented lands) that cover approximately 502.64 ha and 82 single cell mining claims (“SCMC”s) that cover approximately 1,722 hectares.

The Project is easily accessible and exploration work can continue year-round.

### 25.1 Deloro Ultramafic Complex

The main target on the Property is the Archean-age Deloro Ultramafic Complex (DUC), a differentiated ultramafic to mafic komatiitic body (sill/intrusive). The DUC is associated with both the Deloro and Tisdale assemblages (*see* Figure 7-4). The DUC is a north-northwest trending differentiated ultramafic dunite-peridotite intrusion. Based on the 2022 drilling campaign completed by the Company and geophysical data, DUC is interpreted to be approximately 1.7 km along strike and about 700 m thick, open at depth (Ferron, 2024).

The DUC is mostly covered and as such is mainly defined by its geophysical signature (strong magnetic highs), historical diamond drill holes, and the recent drilling in 2022 and 2024 by the Company.

The ultramafic rocks (peridotite-dunite) in the DUC drill core intersections have, for the most part, undergone intense serpentinization resulting in a substantial volume increase and the liberation of nickel and iron. This pervasive serpentinization process creates a strongly reducing environment where the nickel released from the decomposition of olivine is partitioned into low-sulphur sulphides like heazlewoodite and into the nickel-iron alloy, awaruite. Primary sulphides such as pentlandite and pyrrhotite do occur in the DUC.

### 25.2 Deposit Model

Sulphide mineralization discovered to date on the Deloro Project can be characterized as Komatiite-hosted Ni-Cu-Co-(PGE) deposit Type II, most similar to the sub-type typified by the Mt. Keith style (Leshner and Keays, 2002). Although a preliminary interpretation, of the five major volcanic facies for komatiitic flow fields suggested by Barnes *et al.* (2004), the DUC is interpreted to be most similar to the dunitic compound sheet flow (DCSF), the same flow field facies interpreted for Mt. Keith (*see* Table 8-1). The DCSF facies represent high-flow volume magma pathways characterized by thick olivine-rich cumulates. Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO.

The geological analogue for the DUC is at least in part the Crawford Nickel Sulphide Deposit (Main and East zones), which is within the AGB (Deloro Assemblage), located 42 km north of the City of Timmins and being explored by Canada Nickel (*e.g.*, Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022).

### 25.3 Diamond Drilling (2022 and 2024)

From 13 January to 28 February 2022 and 1 June to 19 June 2022, Canada Nickel completed 4,312 m (11 NQ-size holes) of diamond drilling in a Phase 1 drilling program. From 26 January to 12 March 2024 and 26 October 2024 to 30 November 2024, Canada Nickel completed 12,398.58 m (32 NQ-size holes) of diamond drilling in a Phase 2 drilling program. The drilling programs successfully delineated a broad, north-northwest trending ultramafic complex (DUC), originally identified from aeromagnetic data and regional geological maps (Ferron, 2022 and 2024).

Drilling into the DUC delineated a north-northwest trending ultramafic dunite-peridotite intrusion which, based on historical and 2022 drilling and geophysical data, is approximately 1.7 km along strike, about 700 m thick, and open at depth (Ferron, 2024). Currently defined mineralization within the Deloro Deposit extends for about 1.5 km along strike, 500 to 700 m in width and about 550 m depth (*see* Section 14.0 – Mineral Resource Estimates). The DUC is host to primary sulphides such as pentlandite and pyrrhotite and secondary sulphur-poor sulphide (heazlewoodite), nickel-iron alloy (awaruite), nickel-rich millerite, and nickel-arsenide nickeline or niccolite (Ferron, 2024).

### 25.4 Resource Database

The drill hole and Project database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, unreliable historical holes or statistical outliers that are clear mistakes, among other correction measures) for geological modelling and resource estimation purposes.

Within an area of approximately 1.5 km along strike (NW to SE), 500 to 700 m in width, and 550 m deep, the working database of the Deloro Project contains the following:

- Collar: 43 holes amounting to 16,710.58 m, with an approximate mean depth of 388 m and a maximum of 519 metres.
- Survey: 43 holes measured by gyroscope tool.
- Lithology: 43 holes with 25 unique rock codes, grouped into 8 codes for modelling purposes (*see* Section 14.4 – Geological Interpretation and Modelling).
- Assays: 40 holes with 9,710 core samples of 1.5 m average length; 35 elements reported.
- Magnetic Susceptibility: 43 holes with 16,125 handheld magnetic susceptibility (“mag-sus”) measurements on drill core, taken every 1 metre.
- Specific Gravity: 43 holes with 1,887 density measurements (by water displacement) from drill core, taken every several metres, averaging 8.5 metres.
- Mineralogy (QEMSCAN): 32 holes with 329 core samples of 1.5 m average length, taken either every 15 m or every 25 m; 34 minerals reported, including brucite.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical drill holes, geophysical surveys and geological maps from the Ontario Geological Survey (OGS).

The QP (John Siriunas) has reviewed the drilling, logging and sampling, quality assurance-quality control, analytical and security procedures for the 2022 and 2024 drilling programs and concluded that the observed failure rates are within acceptable ranges and that no significant assay biases or issues are present.

The QP (John Siriunas) is of the opinion that the protocols in place are adequate and in general, to industry standards. The Authors (QPs) also find that the database for the Deloro Nickel-Cobalt Sulphide Project is of good overall quality and is appropriate for the purposes of the Mineral Resource Estimation.

The measured density of the host ultramafic rock units and sampling density allows for a reliable estimate to be made of the size, tonnage and grade of the mineralization in accordance with the level of confidence established by the Mineral Resource categories in the CIM Definition Standards (CIM, 2014).

## 25.5 Mineral Resource Estimate

The mineral resources for the Deloro Project were classified in accordance with the most current CIM Definition Standards (CIM, 2019) and following the “CIM Definition Standards for Mineral Resources and Reserves”, November 29, 2019, which provides standards for the classification of Mineral Resources and Mineral Reserves estimates.

The mineral resources disclosed in Table 25-1 are constrained to the pit shell (see Figure 14-30) and the 0.10% Ni cut-off grade developed from the pit optimization analysis discussed in Section 14.11 – Pit Optimization and Cut-off Grade. They are presented characterized by class and mineral grades rounded to two significant figures.

Table 25-1. Mineral Resource Statement for the pit-constrained Mineral Resource Estimate update, Deloro Deposit.

| Domain      | Class     | Tonnage (Mt) | Ni (%) | Ni (kt) | Co (%) | Co (kt) | Fe (%) | Fe (Mt) | Cr (%) | Cr (kt) | S (%) | S (kt) | Pd (g/t) | Pd (koz) | Pt (g/t) | Pt (koz) |
|-------------|-----------|--------------|--------|---------|--------|---------|--------|---------|--------|---------|-------|--------|----------|----------|----------|----------|
| EST (HG+LG) | Indicated | 118.7        | 0.25   | 300.3   | 0.011  | 12.8    | 5.2    | 6.1     | 0.26   | 302.4   | 0.057 | 67.5   | 0.0030   | 11.4     | 0.0041   | 15.6     |
|             | Inferred  | 498.2        | 0.25   | 1,253.7 | 0.011  | 53.5    | 5.3    | 26.2    | 0.23   | 1,135.3 | 0.059 | 295.5  | 0.0037   | 60.0     | 0.0046   | 73.9     |

The estimate is categorized as Inferred and Indicated resources based on data density, geological and grade continuity, search ellipse criteria, drill hole intersection spacing and specific interpolation parameters.

- 118.7 Mt of Indicated at 0.25% Ni, containing 300.3 kt of Ni.
- 498.2 Mt of Inferred at 0.25% Ni, containing 1,253.7 kt of Ni.

The Effective Date of the mineral resource estimate is 23 July 2026, based on the drill hole data compilation status, cut-off grade parameters and pit optimization.

## 25.6 Risks and Opportunities

The Authors (QPs) are not aware of any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or relevant issues that could be expected to materially affect the reliability or confidence in the exploration information and Mineral Resource discussed herein or the right or ability to perform future work on the Deloro Nickel-Cobalt Sulphide Project.

External risks are, to a certain extent, beyond the control of the Project proponents and are much more difficult to anticipate and mitigate, although, in many instances, some risk reduction can be achieved. External risks are

things such as the political situation in the Project's region, metal prices, exchange rates and government legislation. These external risks are generally applicable to all mining projects. Negative variance to these items from the assumptions made in the economic model would reduce the profitability of the mine and the mineral resource estimates.

As with all mineral exploration projects, there is an inherent risk associated with mineral exploration. Many of these risks are based on a lack of detailed knowledge and can be managed as more sampling, testing, design, and engineering are conducted at each of the next study stages. The mineral resources may be affected by a future conceptual study assessment of mining, processing, environmental, permitting, taxation, socio-economic, and other factors.

Excluding opportunities that are universal to all mining projects, such as improvements in grade and tonnage, higher metal prices, improved exchange rates, etc., there are several opportunities, mostly technical, that could enhance the Project. The DUC offers good potential for developing a low-grade, large tonnage nickel (Co, Pt, Pd, Fe, Cr) resource and should be investigated further.

Whether an economic size and grade of deposit can be developed from the DUC will be predicated largely on the success of metallurgical test work and the price of nickel and other recoverable metals. The Deloro Nickel-Cobalt Sulphide Project is still early-stage and critical to the success of this Project is completing thorough metallurgical test work to determine if the nickel can be economically extracted.

Given that the DUC is largely covered by overburden that averages 6.0 m in depth with a maximum of 20 m, and with 43 recent drill holes (DEL22- and DEL24-series), there is much additional sampling (*i.e.*, diamond drilling), metallurgical, and mineralogical test work and studies required in order to understand the geology, mineralization, geochemistry, and geometry of the DUC.

It is the opinion of the Authors (QPs), that at this stage of the Project, there are no reasonably foreseen contributions from risks and uncertainties identified in the Report that could affect the Project's continuance at its current stage of exploration and specifically to complete the exploration program proposed in Section 26.0 - Recommendations.

## 26.0 RECOMMENDATIONS

It is the opinion of the Authors (QPs) that the geological setting and character of nickel-cobalt sulphide mineralization discovered to date on the Deloro Project is of sufficient merit to justify additional exploration and development expenditures. A recommended work program, arising through the preparation of the Report and consultation with Canada Nickel, is provided below.

The QPs recommend a single-phase program of exploration diamond drilling (Phase 4), designed to follow up on the previous drilling programs (Table 26-1; Table 26-2; Figure 26-1; Figure 26-2).

The planned drilling program (5,100 m) is focussed on in-fill drilling in order to decrease drill hole spacing and increase confidence in mineralization (*i.e.*, from Inferred to Indicated). The planned drilling should upgrade significant volume of the exploration potential material (CAT 4) to Inferred (CAT 3) as well as upgrade some Inferred to Indicated (CAT 2).

The estimated cost for the recommended single phase program is approximately C\$1.5M and this exploration program should be able to be completed within a 12 month period. The final location and parameters of the proposed Phase 4 drill holes should be determined following a review of all of the available data and information.

Table 26-1. Budget estimate, recommended single phase exploration program, Deloro Nickel-Cobalt Sulphide Project.

| Item                                    | Description                                                           | Unit | No. Units | C\$/Unit            | Amount (C\$)       |
|-----------------------------------------|-----------------------------------------------------------------------|------|-----------|---------------------|--------------------|
| Data and Information Compilation/Review | review of all data and information                                    | hr   | 8         | \$225               | \$1,800            |
| Modelling (2D/3D) and Targeting         | drill hole targeting/planning                                         | hr   | 8         | \$225               | \$1,800            |
| Diamond Drilling                        | 18 holes; 5,100 m (NQ); all-in cost                                   | m    | 5,100     | \$155               | \$790,500          |
| Assays (multi-element) - drill core     | ~65% of total metres (1.5 m samples)                                  | ea.  | 3,315     | \$95                | \$314,925          |
| QA/QC                                   | CRMs and duplicates (~15% of primary samples)                         | ea.  | 497       | \$90                | \$44,730           |
| QEMSCAN Mineralogy                      | 1 in every 20 <sup>th</sup> geochemical sample                        | ea.  | 165       | \$250               | \$41,250           |
| Personnel - drilling program            | 1 geologist and 2 assistants                                          | day  | 70        | \$960               | \$67,200           |
| G&A                                     | food, accommodation, vehicles, fuel, supplies, etc. (~10% of program) | ea.  | 1         | \$126,221           | \$126,221          |
| Contingency (10%)                       | on the program and not G&A                                            | ea.  | 1         | \$126,221           | \$126,221          |
|                                         |                                                                       |      |           |                     |                    |
|                                         |                                                                       |      |           | <b>Total (C\$):</b> | <b>\$1,514,646</b> |

Table 26-2. Summary of drill hole parameters for proposed Phase 4 diamond drill holes.

| Drill Hole | UTMX (mE) | UTMY (mN) | UTMZ (m) | Az  | Dip | Length (m) |
|------------|-----------|-----------|----------|-----|-----|------------|
| DEL27-A    | 481208    | 5360477   | 307      | 250 | -60 | 550        |
| DEL27-B    | 481303    | 5360615   | 308      | 250 | -47 | 600        |
| DEL27-C    | 480826    | 5360646   | 309      | 170 | -88 | 450        |
| DEL27-D    | 480800    | 5360730   | 309      | 70  | -45 | 400        |
| DEL27-E    | 480900    | 5360875   | 311      | 250 | -55 | 500        |
| DEL27-F    | 480849    | 5361013   | 318      | 250 | -50 | 550        |
| DEL27-G    | 480702    | 5361150   | 310      | 250 | -58 | 550        |

| Drill Hole | UTMX (mE) | UTMY (mN) | UTMZ (m) | Az  | Dip           | Length (m)   |
|------------|-----------|-----------|----------|-----|---------------|--------------|
| DEL27-H    | 480714    | 5361410   | 313      | 250 | -82           | 450          |
| DEL27-I    | 480722    | 5361490   | 311      | 250 | -49           | 600          |
| DEL27-J    | 480615    | 5361690   | 314      | 0   | -90           | 450          |
|            |           |           |          |     | <b>Total:</b> | <b>5,100</b> |

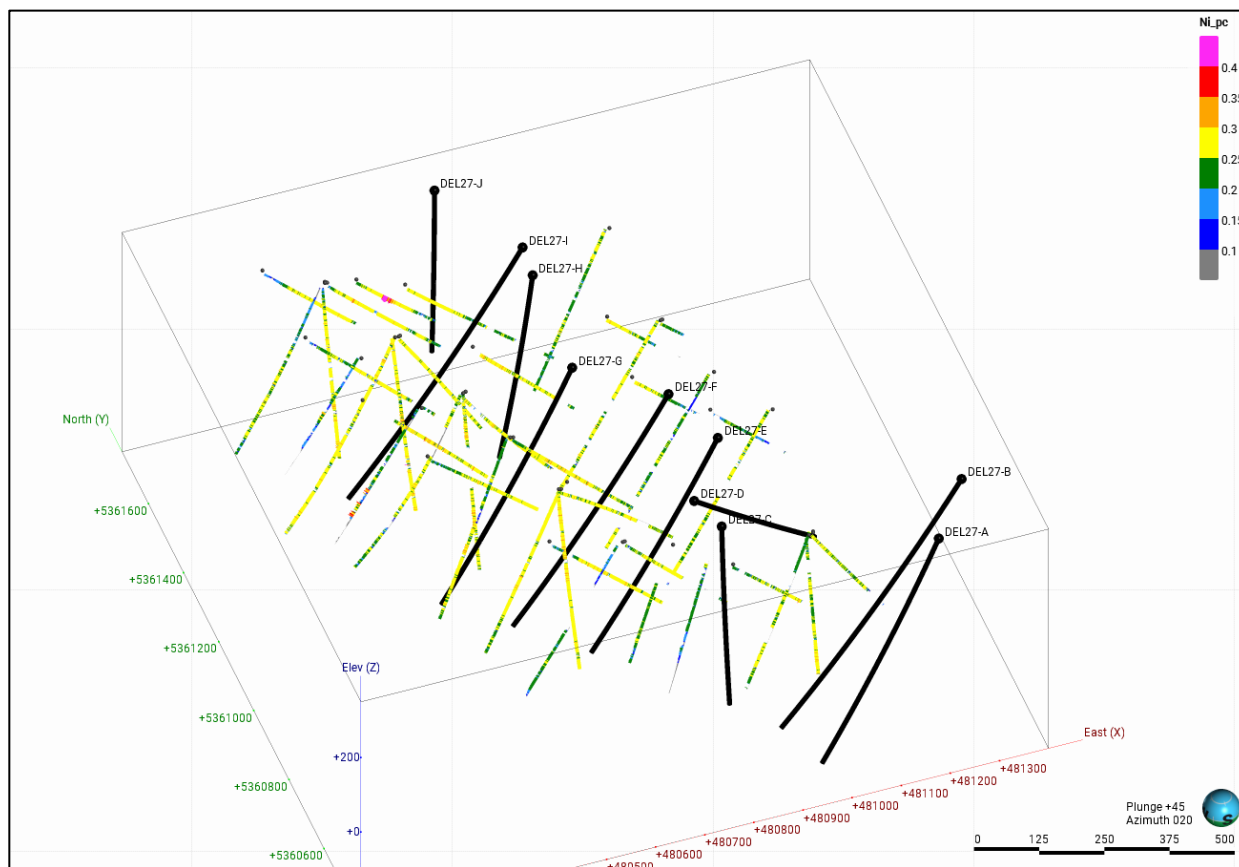


Figure 26-1. Isometric view of the 10 proposed diamond drill holes (black collars and traces) and unlabelled drill holes (with Ni% plotted) used in the current MRE, Deloro Project (Caracle Creek, 2026).

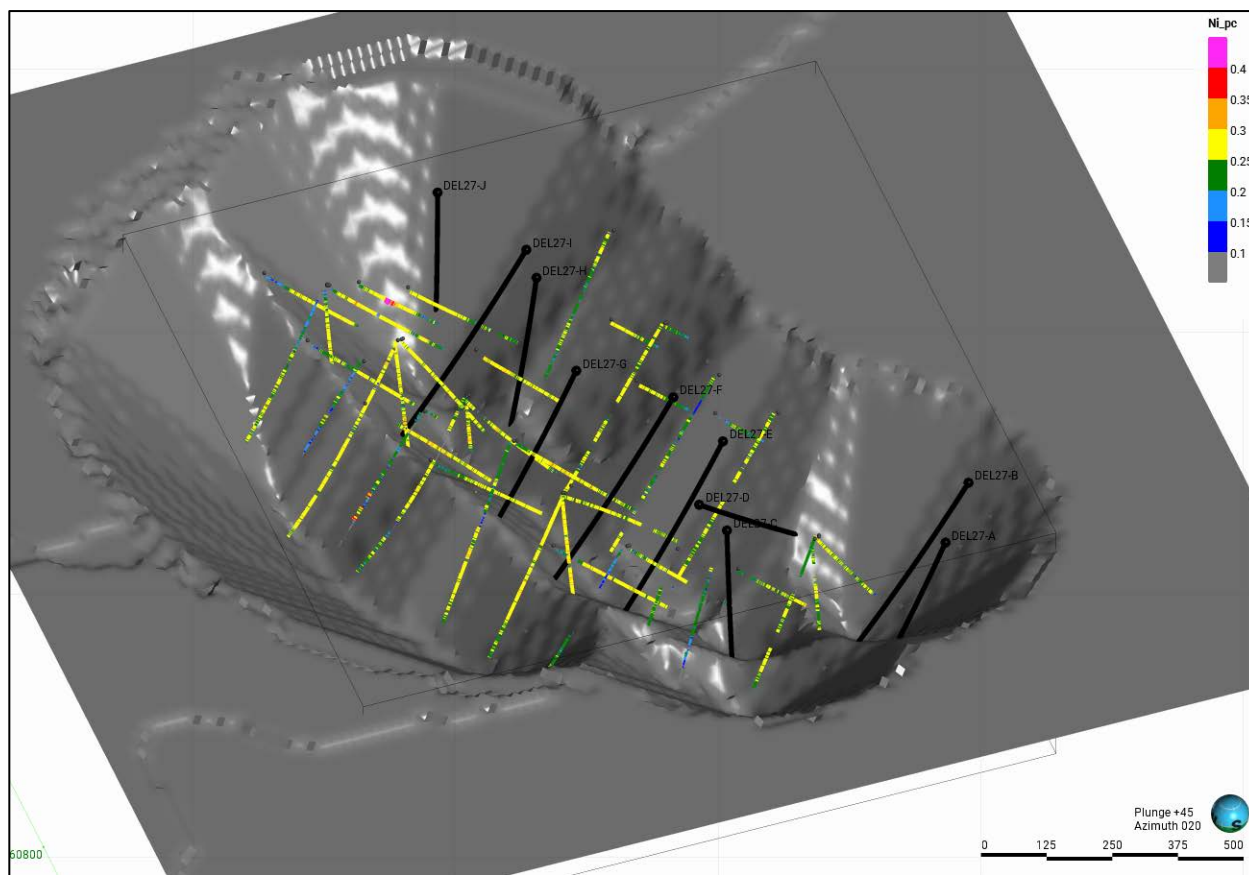


Figure 26-2. Isometric view of the 10 proposed diamond drill holes (black traces) within shaded area of the optimized pit shell and unlabelled drill holes (with Ni%) used in the current mineral resource estimate, Deloro Project (Caracle Creek, 2026).

The Authors (QPs) are of the opinion that the character of the Project and results to date are of sufficient merit to justify the recommended program and to move the Project, in time, through the PEA stage. Furthermore, the proposed budget reasonably reflects the type and amount required for the activities being contemplated.

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