National Instrument 43-101 Technical Report and Mineral Resource Estimates Alexo-Dundonald Nickel Sulphide Project: Including Updated Dundonald South MRE

Porcupine Mining Division
Ontario, Canada

Report Prepared for:

Class 1 Nickel and Technologies Limited
82 Richmond Street East
Toronto, Ontario, Canada, M5C 1P1

Report Prepared by:

Caracle Creek Chile SpA
Benjamin 2935 – Ste. 302
Las Condes, Santiago, Chile

Effective Date: 1 October 2024
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Qualified Persons:
Scott Jobin-Bevans (P.Geo., Ph.D., PMP)
Managing Director and Principal Geoscientist
Caracle Creek Chile SpA

Simon J.A. Mortimer (FAIG, M.Sc.)
Professional Geologist
Atticus Geoscience Consulting S.A.C.

John Siriunas (P. Eng., M.A.Sc.)
Associate Professional Engineer
Caracle Creek Chile SpA

Project Number: 711.24.00.CH

DATE AND SIGNATURE

The Report, "National Instrument 43-101 Technical Report and Mineral Resource Estimates Alexo-Dundonald Nickel Sulphide Project: Including Updated Dundonald South MRE, Porcupine Mining Division, Ontario, Canada", issued 14 November 2024 and with an effective date of 1 October 2024, was prepared for Class 1 Nickel and Technologies Limited by Caracle Creek Chile SpA and authored by the following:

/s/ Scott Jobin-Bevans

Scott Jobin-Bevans (P.Geo. PGO #0183, Ph.D., PMP)
Managing Director and Principal Geoscientist
Caracle Creek Chile SpA

/s/ Simon J.A. Mortimer

Simon J.A. Mortimer (FAIG #7795, M.Sc.)
Professional Geologist
Atticus Geoscience Consulting S.A.C.

/s/ John Siriunas

John Siriunas (P. Eng. #42706010, M.A.Sc.)
Associate Professional Engineer
Caracle Creek Chile SpA

Dated: 14 November 2024

CERTIFICATE OF QUALIFIED PERSON

Scott Jobin-Bevans (P.Geo.)

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

1. I am an independent consultant and Principal Geoscientist with Caracle Creek Chile SpA and have an address at Benjamin 2935 – Ste. 302, Las Condes, Santiago, Chile.
2. 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. I am a registered member, in good standing, of the Professional Geoscientists Ontario (PGO), License Number 0183 (since June 2002).
4. I have practiced my profession continuously for more than 29 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. 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. I am responsible for sections 3.0 to 13.0, 15.0 to 27.0 and sub-sections 1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 2.0 to 2.4, 2.6 to 2.7, in the technical report titled, "National Instrument 43-101 Technical Report and Mineral Resource Estimates Alexo-Dundonald Nickel Sulphide Project: Including Updated Dundonald South MRE, Porcupine Mining Division, Ontario, Canada" (the "Technical Report"), issued 14 November 2024 and with an effective date of 1 October 2024.
7. I have not visited the Alexo-Dundonald Nickel Sulphide Project (the "Project").
8. I am independent of Class 1 Nickel and Technologies Limited (the Issuer) applying all the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP. I am an independent consulting geologist to Class 1 Nickel and Technologies Limited through Caracle Creek Chile SpA.
9. I have had prior involvement in the Project, as an independent consultant and in the writing of previous NI 43-101 Technical Reports for the Issuer and filed on SEDAR.
10. 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. 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 14th day of November 2024.

/s/ Scott Jobin-Bevans

Scott Jobin-Bevans (P.Geo. #0183, PhD, PMP)

CERTIFICATE OF QUALIFIED PERSON

Simon Mortimer (FAIG)

I, Simon James Atticus Mortimer, FAIG, do hereby certify that:

1. I am a Professional Geologist with Atticus Geoscience Consulting S.A.C. with an address at Ave. Jose Larco 724, Miraflores, Lima, Peru.
2. I graduated from the University of St. Andrews, Scotland, with a B. Sc. in Geoscience in 1995 and from the Camborne School of Mines with a MSc. in Mining Geology in 1998.
3. I am a registered Professional Geoscientist, practicing as a member of the Australasian Institute of Mining and Metallurgy (#300947) and the Australian Institute of Geoscientists (FAIG #7795).
4. I have worked as a geoscientist in the minerals industry for over 20 years and I have been directly involved in the mining, exploration, and evaluation of mineral properties mainly in Peru, Chile, Argentina, Brazil, and Colombia for precious and base metals.
5. 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. I am responsible for sections 3.0, 11.0, 12.0, 14.0, 25.0, 26.0 and sub-sections 1.1.4, 1.11, 1.13 to 1.17, 2.4, 2.6, in the technical report titled, "National Instrument 43-101 Technical Report and Mineral Resource Estimates Alexo-Dundonald Nickel Sulphide Project: Including Updated Dundonald South MRE, Porcupine Mining Division, Ontario, Canada" (the "Technical Report"), issued 14 November 2024 and with an effective date of 1 October 2024.
7. I have not visited the Alexo-Dundonald Nickel Sulphide Project (the "Project).
8. I am independent of Class 1 Nickel and Technologies Limited (the Issuer) applying all the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP. I am an independent consulting geologist to Class 1 Nickel and Technologies Limited through Caracle Creek Chile SpA and Atticus Geoscience Consulting.
9. I have had prior involvement in the Project, as an independent consultant and in the writing of previous NI 43-101 Technical Reports for the Issuer and filed on SEDAR.
10. 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. 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 Cornwall, UK this 14th day of November 2024.

/s/ Simon Mortimer

____

Simon Mortimer (FAIG #7795, MSc)

CERTIFICATE OF QUALIFIED PERSON

John M. Siriunas (P.Eng., M.A.Sc)

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

1. I am an Associate Independent Professional Engineer with Caracle Creek Chile SpA (Caracle) and have an address at 25 3rd Side Road, Milton, Ontario, Canada, L9T 2W5.
2. I graduated from the University of Toronto (Toronto, Ontario) with a B.A.Sc. (Geological Engineering) in 1976 and from the University of Toronto (Toronto, Ontario) with an M.A.Sc. (Applied Geology and Geochemistry) in 1979.
3. 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. 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. 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. I am responsible for sections 3.0, 11.0, 12.0, 25.0, 26.0 and sub-sections 1.1.4, 1.2, 1.10, 1.11, 1.14, 1.15, 1.16. 1.17, 2.4 to 2.6, in the technical report titled, “National Instrument 43-101 Technical Report and Mineral Resource Estimates Alexo-Dundonald Nickel Sulphide Project: Including Updated Dundonald South MRE, Porcupine Mining Division, Ontario, Canada” (the “Technical Report”), issued 14 November 2024 and with an effective date of 1 October 2024.
7. I most recently visited the Alexo-Dundonald Nickel Sulphide Project (the “Project”) to complete a Personal Inspection of the Project from 5 to 15 January 2024.
8. I am independent of Class 1 Nickel and Technologies Limited (the Issuer) applying all the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP. I am an independent consulting geological engineer to Class 1 Nickel and Technologies Limited through Caracle Creek Chile SpA.
9. I have had prior involvement in the Project, as an independent consultant and in the writing of previous NI 43-101 Technical Reports for the Issuer and filed on SEDAR.
10. 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. 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 14th day of November 2024.

/s/ John Siriunas

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John M. Siriunas (P.Eng. #42706010, M.A.Sc)

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1.0 SUMMARY

1.1 Introduction

Geological consulting group Caracle Creek Chile SpA (“Caracle”) was engaged by Canadian public company Class 1 Nickel and Technologies (“Class 1 Nickel”, “Class 1”, the “Company”, or the “Issuer”), to prepare an independent National Instrument 43-101 (“NI 43-101”) Technical Report in support of an updated Mineral Resource Estimate (the "Report") for its Dundonald South Nickel Sulphide Deposit (“D-S Deposit”), one of four nickel sulphide deposits located in the extensive Alexo-Dundonald Nickel Sulphide Project (the “Project” or the “Property” or “A-D Project”), Timmins Region, Ontario, Canada.

This 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) and in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves: Definitions and Guidelines (CIM, 2014).

1.1.1 Purpose of the Technical Report

The Technical Report has been prepared for Class 1 Nickel and Technologies Limited, a Canadian public company trading on the Canadian Stock Exchange (CSE: NICO), in order to provide a summary of scientific and technical information and data concerning the Project, an updated Mineral Resource Estimate (“MRE”) for the Dundonald South Nickel Sulphide Deposit, and a restatement of the current mineral resources for the Alexo North, Alexo South, and Dundonald North deposits, in support of the Standards of Disclosure for Mineral Projects according to Canadian National Instrument 43-101.

1.1.2 Previous Technical Reports

This Report replaces the NI 43-101 technical report titled, “National Instrument 43-101 Technical Report and Mineral Resource Estimates, Alexo-Dundonald Nickel Sulphide Project, Porcupine Mining Division, Ontario, Canada”, with an effective date of 21 May 2024 and a release date of 5 July 2024 (Jobin-Bevans *et al.*, 2024a).

Jobin-Bevans *et al.* (2024a), included an updated Mineral Resource Estimate for the Alexo North Nickel Sulphide Deposit. Previously, Jobin-Bevans *et al.* (2024b), reported on an updated Mineral Resource Estimate for the Alexo South Nickel Sulphide Deposit.

1.1.3 Effective Date

The Effective Date of the Mineral Resource Estimate for the Dundonald South Deposit and the Technical Report is 1 October 2024 (“Effective Date”).

1.1.4 Qualifications of Consultants

This Report has been completed by Dr. Scott Jobin-Bevans, Mr. Simon Mortimer, and Mr. John Siriunas (together the “Consultants” or the “Authors”). Dr. Jobin-Bevans (“Principal Author”) is the Managing Director and Principal Geoscientist at Caracle Creek Chile SpA, Mr. Mortimer (“Co-Author”) is a Professional Geologist with Atticus Geoscience Consulting S.A.C., and Mr. Siriunas (“Co-Author”) is an Associate Independent Professional Engineer with Caracle Creek Chile SpA.

Dr. Jobin-Bevans is a Professional Geoscientist (PGO #0183, P.Geo.) with experience in geology, mineral exploration, mineral resource and reserve estimation and classification, land tenure management, metallurgical testing, mineral processing, capital and operating cost estimation, and mineral economics. Mr. Mortimer is a Professional Geologist (FAIG #7795) with experience in geology, mineral exploration, geological modelling, mineral resource and reserve estimation and classification, and database management. Mr. Siriunas is a Professional Engineer (APEO #42706010) with experience in geology, mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, and valuation and evaluation reporting.

Dr. Scott Jobin-Bevans, Mr. Simon Mortimer, and Mr. John Siriunas, 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 and specifically sections 1.5 and 5.1 of NI 43-101CP (Companion Policy).

1.2 Personal Inspection (Site Visit)

The QP, John Siriunas (P.Eng., M.A.Sc.) has been on the Alexo-Dundonald Project several times including 30 October 2023, at which time he was accompanied by Benjamin Cooper (the Company's Strategic Advisor). The most recent inspection of the Project by Mr. Siriunas was part of the management of field aspects of Class 1's on-going exploration program; work at this time included the sampling of archived drill core and the checking of drill hole collar locations and was carried out between 5 January and 15 January 2024.

During the most recent site visit, a review of the on-site inventory of the existing core was carried out. Sections of the core that had been selected for additional sampling, to supplement the historical core sampling for the purposes of completing an updated mineral resource estimate for the Alexo South Deposit and Alexo-Dundonald Project mineral resources, were transported to a rented facility in Connaught, Ontario for sample selection.

The Property does have extensive bedrock outcroppings and, since there was only minimal snow cover at the time, the ultramafic nature of the rocks was evident in the field; however, samples taken in the field would not be indicative of the mineralization encountered in the drilling.

1.3 Property Description and Location

The Alexo-Dundonald Project is located approximately 45 km northeast of the City of Timmins, in the townships of Clergue, Dundonald, German and Stock. The centre of the Project is located at approximately longitude 80°49' W and latitude 48°38' N and UTM NAD83 Zone 17N, 513,460 mE and 5,387,700 mN.

All known nickel sulphide mineralization that is the focus of this Report is located within the boundary of the mining lands that comprise the Alexo-Dundonald Project.

1.3.1 Mineral Disposition

The Property consists of 109 mining cell claims: 100 Single Cell Mining Claims ("SCMC"s), 6 Boundary Cell Mining Claims ("BCMC"s), and 3 Multi-cell Mining Claims ("MCMC"s), along with 29 Patents (584 ha), and 14 Leases (1,069 ha). The 109 SCMC, BCMC, and MCMC lands cover approximately 2,077 hectares. The majority of these titles occur totally or partially in Dundonald and Clergue townships, with 24 mining claims totally or partially in the adjoining German Township and 3 mining claims partially in Stock Township. These 109 mining claims, together with the 29 patents and 14 leases, cover a total area of approximately 3,093 hectares.

All but 8 SCMCs and 3 BCMCs are registered to Legendary Ore Mining Corporation ("Legendary" or "LOMC"). These 8 SCMC and 3 BCMC mining claims are held 60% by Goldcorp Canada Ltd. ("GCL") and 40% by LOMC. These claims are not material to the Project.

Class 1 is the owner of all the outstanding equity of Legendary, and Legendary continues to hold an option to earn up to all (100%) interest in the mining claims, leases and Property comprising the Alexo-Dundonald Project subject to tenure agreements and royalty agreements (*see* Section 4.10). The Property has not been legally surveyed.

1.3.2 Holdings Costs

All mining claims that comprise the Property have an Active status. As of the Effective Date of this Report, all mining claims are valid with expiry dates ranging from 5 February 2025 to 2 September 2026. Annual tax payments for Patents must be made by the 1st of April.

Annual assessment work requirements total $44,600 for the unpatented mining claims and $5,655.83 for annual rent (leases) and taxes (patents) on the leases and patented lands. As of the Effective Date, there is $12,815 in Reserve Balance Available for mining claims and $1,773,317 in Property Reserve on Mining Lands and $43,400 in approved exploration work is required for 2025 (subject to change post Effective Date).

The unpatented mining claims were independently verified by QP, Scott Jobin-Bevans, online through the Mining Lands Administration System ("MLAS") system of the Ontario Ministry of Energy, Northern Development and Mines ("MENDM") or also referred to as "MINES". In addition, information for mining claims, Patents and Leases was provided by lands management consultants In Good Standing Corporation, headquartered in Mono, Ontario.

1.3.3 Surface Rights and Legal Access

The majority of the surface rights associated with the Property are owned by the Government of Ontario (Crown Land) and access to these parts of the Property is unrestricted. Under Ontario's Mining Act, surface rights owners must be notified prior to conducting exploration activities. Where there is a surface rights holder of land, a person who (1) prospects, stakes or causes to be staked a mining claim; (2) formerly held a mining claim that has been cancelled, abandoned or forfeited; (3) is the holder of a mining claim and who performs assessment work; or (4) is the lessee or owner of mining lands and who carries on mining operations. On such land, the mining rights holder shall compensate the surface rights holder for damages sustained to the surface rights by such prospecting, staking, assessment work or operations.

1.3.4 Current Permits and Work Status

Class 1 does not hold any active Exploration Permits on the A-D Project; the most recent permits expired on 7 June 2024. The Company is not currently doing an exploration work on the Property and is only engaged in desktop studies, geological modelling and mineral resource estimations, and environmental monitoring at Alexo North and South.

1.3.5 Production Related Permits

In November 2020, Class 1 engaged consultants Story Environmental Inc. (“SEI”) to review the status of the Closure Plan with the Ministry of Energy, Northern Development and Mines (aka MINES) and permits held with the Ministry of Environment, Conservation and Parks (“MECP”) for its Alexo-Dundonald Project. SEI searched online (Environmental Bill of Rights (“EBR”) website and Access Ontario website) and found files related to the Alexo Project (“Project”). SEI also contacted the ENDM and the MECP for all permits on file for the Project (Labelle and Story, 2020). Class 1 is working to keep all permits current.

1.3.6 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 and Metis Nation of Ontario. Indigenous groups identified by MINES during the permitting process, and which include Matachewan First Nation and Apitipi Anicinapek Nation (Wahgoshig First Nation).

1.3.7 Environmental Studies and Liabilities

A certified Closure Plan has been approved by MINES pursuant to the Mining Act in connection with the Alexo-Dundonald Property, location of the former Alexo (North) and Kelex (Alexo South) mines. The Alexo Project Revised Production Closure Plan was prepared for Legendary and dated and approved by MINES on 24 January 2005 and amended and approved in March 2011 (Stone *et al.*, 2020). Class 1 is responsible for executing the remainder of the Closure Plan works but apart from ongoing water monitoring, Class 1 has not completed any further remediation. The Closure Plan will require updating for future exploitation on the Project (*see* Section 4.8).

1.3.8 Royalties and Obligations

There are currently three net smelter return (NSR) royalties which apply to various mining claims, patents and leases on the Property. A 0.5% NSR on mining lands at the Alexo Property (including Alexo North and South deposits), is held by Tartisan Nickel Corp., with a purchase buyback available to Class 1 for $1.0M. A 2.5% NSR on mining lands at the Dundonald Property (Dundonald South and North deposits) is held by Nova Royalties Corp., with no contractual buyback clause in favour of Class 1. A 1.5% NSR on mining lands at the Alexo Property (including Alexo North and South deposits), is held by Outokumpu Mines Limited, with no contractual buyback clause in favour of Class 1.

The QP (Scott Jobin-Bevans), is not aware of any other royalties or obligations connected with the Alexo-Dundonald Nickel Sulphide Deposit.

1.3.9 Other Significant Factors and Risks

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 and Metis Nation of Ontario Specific groups identified by MINES during the permitting process, include Matachewan First Nation and Apitipi Anicinapek Nation (Wahgoshig First Nation).

In areas on the Property for which Class 1 does not hold the surface rights, there is always the risk that owner of the surface rights could not allow access for mining should mineralization be discovered in those areas.

As of the Effective Date of this Report, 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 on the Alexo-Dundonald Project.

1.4 Property Access and Operating Season

The Property is located within 2 km of Highway 67, a paved road that connects Highway 101 to Highway 11. The Property area is accessed via gravel roads and cut trails. Hydro-lines are located <2 km north of the Project running parallel to Highway 67. In addition, a spur of the Ontario Northland Railway, which services the Kidd Creek metallurgical complex, passes 2 km north of the Project and joins the main line approximately 5 km to the east.

The Timmins area has a typical continental climate characterized by cold, dry winters and warm, dry summers. Season-specific mineral exploration may be conducted year-round. Swampy areas and lakes/ponds may be best accessed for drilling and ground geophysical surveys during the winter months when the ground and water surfaces are frozen. Surface exploration such as geological mapping, rock sampling, soil sampling and trenching is best conducted between about April and early November. Mine operations in the region operate year-round with supporting infrastructure.

1.4.1 Water Availability

Abundant water resources are present in the lakes, rivers, creeks, and beaver ponds throughout the area. There is sufficient space on the Project to build a mine, process plant and tailings facility and supporting infrastructure if required should a mineable mineral deposit be delineated.

1.5 History

Exploration efforts of the last 30+ years were focused mainly on the development of relatively shallow drilling of the Alexo North (formerly Alexo), Alexo South (formerly Kelex), Dundonald South and Dundonald North (formerly Dundeal) nickel deposits for estimation of new nickel mineralization.

Prior to Class 1 Nickel consolidating the tenements under single ownership as the Alexo-Dundonald Project, the Project area was previously divided into the Alexo-Kelex Project and the Dundonald Project. With the consolidation, the Alexo and Kelex Mines have been renamed Alexo North and Alexo South, respectively. The Dundeal Zone has been renamed Dundonald North.

1.5.1 Prior Ownership and Ownership Changes

Previous operators on some or all of the Project area include Noranda Mines Limited (1952), Falconbridge Nickel Mines Limited (1989: Dundonald North), First Nickel Inc. (2004-2005: Dundonald South), and Canadian Arrow Mines Limited (2004-2005 and 2010-2011: Alexo North and Alexo South, *aka* Kelex).

In 2018, VaniCom Resources Ltd. purchased the private Canadian company, Legendary Ore Mining Corporation (“Legendary”), which was a subsidiary of Tartisan and held the Alexo Property mining lands (Huber, 2018). On 18 October 2018, VaniCom completed the purchase of the Alexo Property from Tartisan and Canadian Arrow, a wholly owned subsidiary of Tartisan.

On 15 April 2019, Transition Metals Corp. announced the closing of the purchase and sale agreement with LOMC whereby LOMC purchased 100% interest in the Dundonald Property (Transition Metals' news release dated 15 April 2019).

In 2019, Class 1 Nickel announced the purchase of LOMC, now a wholly owned subsidiary of Class 1 Nickel, which resulted in the reverse take over ("RTO") of Class 1 by Legendary's shareholders (Class 1 news release dated 24 September 2019).

1.5.2 Historical Exploration Work

Previous exploration activity and results in the Alexo-Dundonald Project area have been extensively reviewed and documented in NI 43-101 technical reports prepared by Montgomery (2004), Harron (2009), and Puritch *et al.* (2010, 2012). The last historical drilling on the Property was that reported by Puritch *et al.* (2012) on the Alexo Deposits, and Harron (2009) on the Dundonald Deposits. A summary of the known historical exploration work completed on the Property is provided in Table 1-1.

Drilling conducted by previous operators within the Alexo-Dundonald Project area is discussed in the following Section, whereas drilling conducted by the Issuer Class 1 Nickel is reviewed in Section 10.0. Significant drill hole intersections by previous operators (Falconbridge at Dundonald North in 1989; First Nickel ("FNI") at Dundonald South in 2004–2005; Canadian Arrow at Alexo North in 2004–2005 and 2010–2011) are summarized below as indications of nickel grade and continuity of mineralization typical of the Project (Puritch *et al.*, 2012; Harron, 2009).

Table 1-1. Summary of historical exploration on the Alexo-Dundonald Nickel Sulphide Project.

Period	Company	Area/Deposit	Description
1907	Alexo Kelso	Alexo North	discovery of nickel sulphide at surface
1912-1919	Alexo Mining Company	Alexo North	mining to 38 m depth
1943-1944	Harlin Nickel Mines Limited	Alexo North	mining of remnants; 26 drill holes (380 m)
1952	Ontario Nickel Mines Limited	Alexo North	exploration program unknown; presumed to include drilling
1960	Falconbridge Limited	Dundonald South	discovery of nickel sulphide at surface
1952-1976	Noranda Mines Limited	Alexo North	drilling "numerous" holes; magnetometer survey
1984 and 1988	Ontario Geological Survey	Abitibi Belt - Regional	regional airborne EM surveys flown that included the Project area
1989	Falconbridge Limited	Dundonald North	discovery of nickel sulphide at surface
1960-2000	Falconbridge Limited	Dundonald South and North	geological mapping; magnetic and HLEM surveys as well as AEM, AMAG, and AVLF-EM surveys over entire Property. During the 40-year period Falconbridge drilled 168 holes totalling 40,515m; selective borehole and surface TDEM and mise-a-la-masse surveys
1991	Noranda Mines Limited	Alexo-Dundonald Boundary	3 drill holes; no significant intercepts

Period	Company	Area/Deposit	Description
1996-1999	Outokumpu	Alexo North and South	exploration work completed in the period from November to February 1999; included line cutting (70.02 km), ground magnetometer, HLEM, pulse-EM, and mise-a-la-masse geophysical surveys; down-hole pulse-EM surveys; geological mapping, whole-rock analysis; enzyme-leach and mobile-metal-ion (MMI) soil geochemical survey; 49 drill holes totalling 10,859 metres; discovery of Alexo South Deposit
2000-2001	Hucamp Mines Ltd	Alexo North and South; Dundonald North and South	42 drill holes; stripping and sampling of surface showings; down-hole pulse EM surveys on 10 drill holes; down-hole mise-a-la-masse surveys
2004-2005	First Nickel Inc.	Dundonald South	diamond drilling of 179 holes totalling 30,452.5 metres; borehole geophysics, geological mapping, ground geophysical surveys, minor surface mechanical stripping and environmental work
2004-2005	Canadian Arrow Mines Ltd	Alexo North and South	mining of nickel deposits; diamond drilling of 132 holes totalling 12,710.2 metres; line cutting, high-resolution magnetometer surveys; PEM-SQUID survey
2010-2011	Canadian Arrow Mines Ltd	Alexo North and South	diamond drilling of 17 holes

The Alexo Mine Deposit (Alexo North) was discovered by Alexo-Kelso in 1907. The Alexo North Deposit was subsequently mined during three periods (Puritch *et al.*, 2010; 2012):

- 1913–1919: Surface and underground mining for production of 51,857 tons at 4.4% Ni, 0.6% Cu between surface and 38 m depth.
- 1943 – 1944: Mining of remnants and pillars from previous 1913 – 1919 mine workings; exact production figures are not known.
- 2004–2005: Open pit mining of 26,224 t at 1.97% Ni, 0.20% Cu from Alexo North and 3,900 t at 1.68% Ni and 0.18% Cu from Kelex (Alexo South).

Falconbridge Limited (“Falconbridge”) (now Glencore Nickel), explored for nickel and base metals on and in the vicinity of their Dundonald Project intermittently following the discovery of nickel mineralization in what is now termed the Dundonald South area in 1960. The Dundonald North Deposit (known then as Dundeal), in the northern portion of the Property, was discovered by testing an HLEM anomaly in 1989. The small, but very high-grade Dundonald Beach lens was also discovered at this time in the Dundonald South Deposit area. The Terminus base metals zone was discovered in 1990 during drilling at the Dundonald North Zone. In 1991, Falconbridge prospecting discovered a platinum group element ("PGE") occurrence in the Dundonald Sill, which was named "Casey's Showing" (Falconbridge, 1991).

1.5.3 Historical Drilling

A summary of historical drilling on the Property is provided in Table 1-2.

Table 1-2. Summary of known historical drilling on the Property.

Period	Company/Operator	No. Holes	Metres	Holes Series	Areas Tested (No. Holes)
1960-2000	Falconbridge Limited	168	40,515.00	DUN	Alexo South; Dundonald North
1997	Outokumpu			ALX	Alexo South
2001	Hucamp Mines Ltd.	29	2,802.00	HUX	Alexo North (21); Alexo South (7)
2001	Hucamp Mines Ltd.	13	2,043.00	HUF	Dundonald (13)
2004-2005	First Nickel Inc.	178	30,452.50	D; S	Dundonald South (178)
2004-2007	First Nickel Inc.	13	3,397.00	FNT	Dundonald North (2)/Terminus (11)
2004-2005	Canadian Arrow Mines Ltd.	39	3,960.40	LAX	Alexo North (27)
2004	Canadian Arrow Mines Ltd.	93	8,749.80	LOX	Alexo South (93)
2005	Canadian Arrow Mines Ltd.	12	1,379.00	LOX	Alexo South (12)
2010-2011	Canadian Arrow Mines Ltd.	17	2,802.00	LOX	Alexo South (17)

1.5.4 Historical Mineral Processing and Metallurgical Testing

Mineralogical and metallurgical testwork has not been conducted on the Alexo North and Alexo South Deposits in almost a decade and never on the Dundonald North and South Deposits. Historically, small and larger bulk samples from Alexo North and South deposits were shipped off-site to Sudbury for testing and processing (Stone *et al.*, 2020).

1.5.4.1 Early Metallurgical Testing (Pre-2004)

Prior to 2004, a 10,000 t Alexo bulk sample had been transported to Falconbridge, Sudbury. Part of the sample (6,000 t) assayed 2.46% Ni, 0.32% Cu and 0.07% Co. Despite suggestions that mining and shipping mineralized material to Sudbury for toll processing would be economic, no results of the bulk sample processing are available for review (Stone *et al.*, 2020).

1.5.4.2 Bench-Scale Testing (2011)

In 2011, XPS (Xstrata Process Support, formerly Falconbridge, now Glencore) conducted qualitative mineralogy and scoping level metallurgical testing on an Alexo South composite sample.

Mineralogical analyses were performed using an Electron Microprobe. It was determined that (Stone *et al.*, 2020):

- Pyrrhotite contained 0.21% Ni and pentlandite (Pn) 31% Ni. These Ni levels are lower than in typical nickel sulphide ores.
- Silicate gangue contained on average 700 ppm (0.07%) Ni.
- It was reported by the test report authors that unrecoverable nickel would be attributable to pyrrhotite and silicates.

1.5.4.3 Comminution Testing

A single grinding test was performed. The Bond Ball Mill Index was determined to be 23.7 kWh/t. This test indicated that the Alexo South mineralized material would be very hard to grind (Stone *et al.*, 2020).

1.5.4.4 Flotation Test Results

Duplicate rougher flotation tests were conducted on finely ground (K80 53µm) Alexo South composite samples. In one test, a silicate depressant (Dep C) was applied using a custom (Montcalm1) flowsheet (the exact flowsheet outline is unknown). The rougher flotation results showed nickel recovery of 89.9% and copper recovery of 75.5% using Dep C (Stone *et al.*, 2020). Without Dep C, the results showed nickel recovery of 86% and copper recovery of 78.2%. Concentrate grades and recoveries were slightly lower without the Dep C silicate depressant (Stone *et al.*, 2020).

An open circuit cleaner test was performed resulting in 86.1% nickel recovery and 74.9% copper recover (Stone *et al.*, 2020). Using the Strathcona flowsheet, nickel recoveries were 75.6% and copper recoveries were 61.9% (Stone *et al.*, 2020). The total concentrate Ni grade was slightly higher, but recovery was significantly lower; the Montcalm flowsheet was assumed by the test report authors to be superior.

1.5.4.5 Comments on Historical Metallurgical Test Work

These preliminary results indicated that a smelter-acceptable, low Cu, low MgO, 10% Ni concentrate could be obtained. It is considered that instead of building and operating a process plant on the Alexo-Dundonald site, mineralized material would be direct shipped to a toll processing operator. In advance of a toll processing agreement, the toll processing operator is expected to request that metallurgical testing should mirror a flowsheet that the toll operator uses. In addition, toll milling operators would sample for metal content each shipment and if the Alexo Dundonald is blended in with other mineralized feeds at the process plant, bench testing of each shipment may be needed to assist in determining the actual metallurgical performance (Stone *et al.*, 2020).

1.5.4.6 Acid Rock Drainage (ARD) Tests

Two tests by XPS in 2011 indicated that Alexo South flotation tails would be strongly acid generating. ARD of flotation tailings should not be a major concern for the Project or the toll processor. Long term storage of low-grade stockpiles and mineralized zone associated waste rock are expected to need assessment of ARD and metal leaching potential (Stone *et al.*, 2020).

1.5.5 Historical Production

The Alexo North Deposit has been mined during three periods: (1) 1913–1919: Surface and underground mining for production of 51,857 tons at 4.4% Ni, 0.6% Cu between surface and 38 m depth; (2) 1943–1944: Mining of remnants and pillars from previous 1913–1919 mine workings; exact figures not known; and (3) 2004–2005: Open pit mining of 26,224 t at 1.97% Ni and 0.20% Cu. Small-scale open pit mining of the Alexo South Deposit in 2004-2005 produced 3,900 t at 1.68% Ni and 0.18% Cu. The Dundonald Deposits have never been mined.

1.6 Geological Setting and Mineralization

The regional geologic setting of the Alexo-Dundonald Project area is described in Jackson and Fyon (1992), Pilote (2000), Montgomery (2004), Ayer *et al.* (2005), Thurston *et al.* (2008), Harron (2009), Puritch *et al.* (2010, 2012), and Zhou and Lafrance (2017). The following is a synopsis of this large body of work taken largely from Stone *et al.* (2020).

The Alexo-Dundonald Project area is lies within the Abitibi Sub-Province of the Southern Superior Province. The 2.75–2.67 Ga “granite-greenstone” dominated Abitibi Sub-Province extends some 700 km along the south-eastern edge of the Archean Superior Craton. The volcanic stratigraphy of the Abitibi Sub-Province is divided into seven episodes or assemblages, based on similarity of age intervals, stratigraphy and geochemistry.

The Alexo-Dundonald Project area is underlain by depositional units of the Kidd-Munro Assemblage. Units in this age range include the “type” Kidd-Munro Assemblage of the southern Abitibi greenstone belt in Ontario and the La Motte-Vassan and Dubuisson Formations of the Malartic Group in Québec. The Kidd-Munro Assemblage is subdivided into lower and upper parts. The lower part of the Kidd-Munro Assemblage (2,719 Ma to 2,717 Ma) includes localised, regionally discontinuous depositional centres of predominantly intermediate to felsic calc-alkaline volcanic rocks. The upper part of the Kidd-Munro Assemblage (2,717 Ma to 2,711 Ma) extends across the Abitibi Greenstone Belt. It consists of tholeiitic and komatiitic volcanic rocks with minor centimetre-to-metre scale graphitic metasedimentary rocks and localised felsic volcanic centres. The upper Kidd-Munro Assemblage has been interpreted to reflect the impact of widespread mantle plume-related magmatism on localized lower Kidd-Munro arc-magmatism volcanic centres.

1.6.1 Property Geology

The Dundonald dome structure is located north of the Dester-Porcupine Fault Zone. The Alexo and Dundonald Deposits occur along the southern margin of this domal structure, which is composed predominantly of upper Kidd-Munro Assemblage volcanic rocks including: komatiitic dunite, peridotite, and pyroxenite; basalts which range from high-magnesium iron-rich tholeiitic picrite to high-aluminium basalts; and intermediate to felsic andesite and rhyolite. Sedimentary rocks are commonly thin interflow layers of graphitic argillite with varying amounts of chert and sulphides. Intrusive rocks into the Kidd-Munro Assemblage include: (1) differentiated syn-volcanic tholeiitic and komatiitic sills; (2) late- to post-tectonic intermediate to felsic plutons; and (3) Proterozoic dolerite dykes.

Ultramafic rocks range in composition from komatiitic basalt to dunite. The komatiitic sequences contain multiple flows that range from several hundreds of metres to less than 2 m in thickness and have brecciated flow tops, spinifex-textured zones and pyroxene and olivine orthocumulate, mesocumulate and adcumulate zones. Large accumulations of olivine mesocumulate to adcumulate occur within the komatiitic sequence locally where they are prospective channelized flows within footwall embayments. Thin layers of graphitic argillite occur between thin komatiitic flows locally.

The komatiite nickel sulphide deposits occur at the same stratigraphic level where komatiitic flows overlie a sequence of calc-alkaline volcanic rocks ranging in composition from rhyolite to basalt containing variable amounts of pyrite and pyrrhotite. The volcanic sequence also contains komatiitic basalt and thin (<1 m) intercalated layers of black graphic argillite. The sequence is a mixture of flows with pillowed, hyaloclastic and massive textures. Individual flows that can be traced for tens to hundreds of metres.

The Dundonald Sill (not related to the Dundonald Nickel Deposit) is a differentiated tholeiitic intrusion intruding a sequence of komatiitic and calc-alkaline felsic volcanic rocks. The sill comprises basal peridotite which grades upwards to dunite olivine mesocumulate, adcumulate to pyroxenitic cumulate with diopside and olivine phenocrysts, and a thick sequence of fine- to coarse-grained gabbro. The gabbro portion of the sill is the thickest part.

1.6.2 Deposit Geology and Mineralization

The Alexo-Dundonald Project contains the Alexo North, Alexo South, Dundonald South and Dundonald North nickel sulphide deposits. The mineralization on the Project is described by Green and Naldrett (1981), Houle *et al.* (2002), Montgomery (2004), Harron (2009), Puritch *et al.* (2010, 2012), and most recently Stone *et al.* (2020).

1.6.2.1 Alexo North and Alexo South Sulphide Nickel Deposits

The Alexo North and Alexo South Deposits consist of massive to semi-massive nickel sulphide accumulations in basal embayments along the footwalls of two parallel, steeply-dipping komatiitic peridotite volcanic channels named the “Alexo” (Alexo North) and “Kelex” (Alexo South) flows, respectively.

Massive to semi-massive sulphide lenses occur along the footwall contact of channels. The lenses are overlain by stringer, net-textured, blebby and lower grade disseminated sulphide zones. The zones are composed of massive, veined and disseminated pyrrhotite and pentlandite with trace chalcopyrite. At Alexo North, massive and semi-massive sulphides also extend into the footwall andesite.

The Alexo South Deposit is located at the footwall contact of the lowermost komatiitic peridotite in the volcanic sequence. A series of massive sulphide lenses with aureoles of disseminated and net-textured sulphides extend laterally along strike for >600 m, as indicated in HLEM and Pulse EM geophysical surveys and diamond drilling (Stone *et al.*, 2020).

The laterally extensive disseminated sulphides can be separated into two groups. The first group is the net-textured to heavily disseminated sulphides. The nickel tenor of the sulphides range between 4% and 15% Ni in 100% sulphide, and generally averages 6%. The second type of sulphide mineralization is blebby, disseminated and vein sulphide located west of and stratigraphically above the Kelex Zone. These sulphides have a high nickel tenor that ranges between 25% and 35% Ni in 100% sulphides and are composed primarily of pentlandite and a grey nickel mineral (possibly millerite) with minor pyrrhotite. These sulphides appear to have been enriched in nickel during the serpentinization process (Stone *et al.*, 2020).

1.6.3 Dundonald South and Dundonald North Nickel Sulphide Deposits

The Dundonald Deposits are characterized by thin sinuous layers of massive sulphide, overlain in turn by thicker layers of net-textured sulphides and then disseminated sulphides with vein-type mineralization penetrating locally into the footwall rocks.

The Dundonald South Deposit consists of eight east-west nickel-enriched zones, A to H hosted by a komatiitic volcanic sequence. The zones consist of relatively narrow (10–20 m wide), thin (0.5–10 m thick) keels, or “shoots”, of net-texture, semi-massive to minor massive sulphide in the basal layers of a series of stacked channelized komatiite flows, surrounded by envelopes of overlying and flanking blebby and disseminated sulphide. The lateral extent of some of the zones is on the order of 100 m to 200 m down-plunge, but several are apparently small, isolated sulphide pods within the channelized flow sequence.

1.7 Deposit Types

The nickel deposit within the Alexo-Dundonald Property consist of nickel and copper sulphide minerals (*i.e.,* pentlandite, millerite, pyrrhotite, chalcopyrite) hosted by komatiitic rocks (magnesium-rich and high-temperature volcanic rocks).

Within the AGB four of the assemblages contain komatiites. Komatiite-associated Ni-Cu-(PGE) deposits have only been identified within the Kidd-Munro and Tisdale assemblages. Tisdale assemblage ultramafic volcanic rocks with high-MgO content (up to 32%) are defined as aluminum undepleted komatiite ("AUK"). Individual flows are usually less than 100 m thick and typically occur at or near the base of ultramafic sequences. Flow units can be recognized by the presence of chilled contacts, the distribution of spinifex textures, marked compositional or mineralogical changes at unit boundaries and the presence of ultramafic breccia or sulphidic sediments at contacts. Intrusive counterparts have also been recognized in the Tisdale assemblage.

1.8 Exploration

Between May 2019 and December 2021, Class 1 conducted an extensive surface exploration program on the Property, including a VTEM heliborne geophysical survey (entire property), diamond drilling, and 3D borehole EM surveys (BHEM) in 19 selected drill holes.

1.9 Diamond Drilling (2021)

From 19 April to 24 December 2021, 89 drill holes, totalling 20,549 m, were drilled on the Property, aimed at testing the Alexo North, Alexo South and Dundonald South areas (Jobin-Bevans and Beloborodov, 2024):

- Alexo North: 33 drill holes; 6,396 metres.
- Alexo South: 37 drill holes; 9,222 metres.
- Dundonald South: 18 drill holes; 4,931 metres.

Drill core logs, surveys and drill core assays, along with other information related to the 2021 drilling program, have been reviewed by the QPs Scott Jobin-Bevans and Simon Mortimer. In the opinion of these QPs, the data and information related to the diamond drilling program are of industry standard and adequate for use in the calculation of the current MRE and for the purposes of this Report.

The 2021 drilling program was completed by G4 Drilling of Val-d'Or, Quebec, under the supervision of Terra Modelling Services of Saskatoon, Saskatchewan. The collected drill core samples totalling 2,373 samples were assayed by AGAT Laboratories of Mississauga, Ontario, SGS Laboratory, ALS Canada Ltd., and Actlabs Laboratory. Drill hole collar surveys were completed by contractors Arpentage Descarreaux de Lasarre (Jobin-Bevans and Beloborodov, 2024).

Drilling was concentrated on exploring around the periphery of these three nickel deposits to test and potentially extend known close-to-surface mineralization and extend the depth profile of the deposits by (Jobin-Bevans and Beloborodov, 2024):

- following up geophysical anomalies remodelled from BHEM data acquired by previous explorers; and
- stepping out drilling into the gaps between the known mineralized envelopes and the pierce points of the previous closest drilling from past exploration around the known deposits.

Drilling also followed up some borehole and VTEM anomalies in the immediate vicinity of the known mineralized zones at Alexo South, Alexo North and Dundonald South.

1.10 Sample Preparation, Analysis and Security

The QP Simon Mortimer reviewed the sample preparation, analysis and security procedures in place for the 2021 diamond drilling program completed by Class 1 Nickel. A total of 2,061 core samples were collected and 336 control samples collected as core duplicates or inserted into the samples stream (CRMs).

It is the opinion of QP Simon Mortimer, that the procedures, policies and protocols for drilling verification are sufficient and appropriate and assay methods used are consistent with good exploration and operational practices such that the data is reliable for the purpose of mineral resource estimation. Furthermore, the QP is of the opinion that the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for the purpose of this Report.

1.11 Data Verification

The Authors (QPs) have reviewed historical and current data and information regarding past and current exploration work on the Property, and as provided by the Issuer Class 1 Nickel and Technologies and as available in the public domain.

The Authors have no reason to doubt the adequacy of historical sample preparation, security and analytical procedures as presented, and have confidence in the historical information and data and its use for the purposes of this Report.

The QP, Scott Jobin-Bevans, has independently reviewed the status of the mining lands held by the Issuer through the Government of Ontario’s online system (MLAS).

The QP, John Siriunas (P.Eng., M.A.Sc.), most recently visited the Property as part of the management of field aspects of Class 1’s on-going exploration program; work at this time included the sampling of archived drill core and the checking of drill hole collar locations and was carried out between 5 January and 15 January 2024.

During the visit, a review of the on-site inventory of the existing core was carried out. Sections of the core that had been selected for additional sampling, to supplement the historical core sampling for the purposes of completing an updated mineral resource estimate for the Alexo South Deposit, were transported to a rented facility in Connaught, Ontario for sample selection.

The QP Simon Mortimer (FAIG), reviewed the drill core database for the purposes of geological modelling and interpretation and for its use in the calculation of the current mineral resource estimate. In addition, all laboratory assay certificates (total 69) from the 2021 drilling campaign were reviewed and the original PDF version compared with the csv files as per the electronic database. No errors were found in this data review. The historical drill hole database was also reviewed in detail and no material errors were found.

1.12 Mineral Processing and Metallurgical Testing

The Issuer Class 1 Nickel and Technologies Limited has not conducted any mineral processing or metallurgical testing on material collected from the Alexo-Dundonald Project.

1.13 Mineral Resource Estimates (2020 & 2024)

The Alexo-Dundonald Nickel Sulphide Project comprises four mineralized deposits referred to as Alexo South, Alexo North, Dundonald South and Dundonald North.

This Report supports an updated Mineral Resource Estimate ("MRE") for the Dundonald South Deposit ("D-S Deposit") as completed by Atticus and Caracle Creek, signed off by QP Simon Mortimer (Class 1 news release dated 3 October 2024). The Effective Date of the updated MRE for the D-S Deposit is 1 October 2024. A summary of the Dundonald South MRE is provided in Table 1-3.

The updated Mineral Resource Estimates for the Alexo North and Alexo South deposits (Jobin-Bevans *et al.*, 2024a, 2024b) are provided in Table 1-4 and Table 1-5, respectively. A summary of the Mineral Resource Estimates for the Dundonald North deposit, as originally completed by P&E Mining Consultants (Stone *et al.*, 2020), is provided in Table 1-6.

All four of the mineral resource estimates are reported using C$/t NSR cut-off grades.

Table 1-3. Dundonald South Deposit, Indicated and Inferred open pit and out-of-pit (underground) Mineral Resources.

Dundonald South Resource Category	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	2,540,000	0.49	0.02	0.01	0.52	103	27,400	911	755
Inferred	3,600,000	0.42	0.01	0.01	0.44	88	33,000	1,110	1,060
Underground (C$96.0/t NSR COG)									
Indicated	200,000	0.95	0.03	0.02	0.99	198	4,210	145	80
Inferred	390,000	0.57	0.02	0.01	0.60	120	4,900	160	120
Totals Open Pit and Out-of-Pit (Underground) Resources									
Indicated	2,740,000	0.52	0.02	0.01	0.55	110	31,600	1,060	834
Inferred	3,990,000	0.43	0.01	0.01	0.46	91	38,000	1,300	1,200

Notes to Table 1-3:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting Ltd., working with Caracle Creek Chile SpA. The effective date of the MRE is 1 October 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

(6) Geological and block models for the MRE used core assays (497 samples from 2021 drilling) and data and information from 273 surface diamond drill holes (16 from Class 1 Nickel and 257 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Inverse of distance Weighting interpolation method.

(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.90 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.
(11) The MRE considers a geological dilution of 5% and a mining recovery of 95%.
(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.
(13) Pit-constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.
(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.
(15) The Out-of-Pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the Out-of-Pit (underground) MRE calculation.
(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.
(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

Table 1-4. Alexo North Deposit, Indicated and Inferred open pit and out-of-pit (underground) Mineral Resources (Jobin-Bevans *et al.*, 2024a).

Alexo North Resource Category	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	35,100	0.98	0.11	0.04	1.08	205.87	760	83	33
Inferred	500	0.32	0.04	0.02	0.36	68.04	3	0	0
Underground (C$96.0/t NSR COG)									
Indicated	7,500	0.63	0.08	0.03	0.70	133.71	104	12	5
Totals Open Pit and Out-of-Pit (Underground) Resources									
Indicated	42,600	0.92	0.10	0.04	1.02	193.16	864	95	38
Inferred	500	0.32	0.04	0.02	0.36	68.04	3	0	0

Notes to Table 1-4:
(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting S.A.C., working with Caracle Creek Chile SpA. The effective date of the MRE is 21 May 2024.
(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.
(6) Geological and block models for the MRE used core assays (559 samples from 2021 drilling) and data and information from 181 surface diamond drill holes (29 from Class 1 Nickel and 152 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.
(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Ordinary Kriging interpolation method.
(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Interpolation methods), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.
(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.91 g/cm^3 (t/m^3).
(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

(11) The historical open pit mined areas were removed from the MRE and the MRE considers a geological dilution of 5% and a mining recovery of 95%.
(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.
(13) Pit constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.
(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.
(15) The out-of-pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the out-of-pit (underground) MRE calculation.
(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.
(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

Table 1-5. Alexo South Deposit, Indicated and Inferred open pit and out-of-pit (underground) Mineral Resources (Jobin-Bevans *et al.*, 2024b).

Alexo South Resource Category	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	275,000	0.58	0.02	0.02	0.62	123	3,490	133	133
Underground (C$96.0/t NSR COG)									
Indicated	297,000	0.65	0.03	0.02	0.69	139	4,240	190	157
Inferred	130,000	0.54	0.03	0.02	0.58	116	1,500	75	52
Totals Open Pit and Out-of-Pit (Underground) Resources									
Indicated	572,000	0.61	0.03	0.02	0.66	131	7,730	323	290
Inferred	130,000	0.54	0.03	0.02	0.58	116	1,500	75	52

Notes to Table 1-5:
(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting S.A.C., working with Caracle Creek Chile SpA. The effective date of the MRE is 19 April 2024.
(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.
(6) Geological and block models for the MRE used core assays (2,254 samples from 2021 drilling and 178 samples from 2024 in-fill core sampling) and data and information from 181 surface diamond drill holes (29 from Class 1 Nickel and 152 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.
(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Ordinary Kriging interpolation method.
(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Interpolation methods), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.
(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.89 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.
(11) The historical open pit mined areas were removed from the MRE and the MRE considers a geological dilution of 5% and a mining recovery of 95%.
(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.
(13) Pit constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.
(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.
(15) The out-of-pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the out-of-pit (underground) MRE calculation.
(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.
(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

The Dundonald North Deposit is supported by the technical report of Stone *et al.* (2020). This 2020 mineral resource estimate (Table 1-6) was undertaken by Eugene Puritch (P.Eng. FEC, CET) and Yungang Wu (P.Geo.) of P&E Mining Consultants Inc. (Brampton, Ontario) and with an effective date of 1 December 2020.

The data available for the Dundonald North Deposit mineral resource estimate could not support the calculation of a pit optimized shell and as such all resources are presumed to be Inferred and out-of-pit (underground) resources.

Table 1-6. Dundonald North Deposit, Inferred out-of-pit (no pit optimization) Mineral Resources (Stone *et al.*, 2020).

Dundonald North Resource Category	NSR Cut-off (C$/t)	Tonnes (k)	Ni (%)	Cu (%)	Co (%)	Au (g/t)	Pt (g/t)	Contained Ni (k lbs)	Contained Cu (k lbs)	Contained Co (k lbs)
Inferred (Out-of-Pit)	$90.0	1,821	1.01	0.03	0.02	0.01	0.01	41,000	1,200	800

Notes to Table 1-6:

1) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.
2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
4) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council (2014)
5) The out-of-pit (underground) Mineral Resource grade blocks were quantified above the $90/t NSR cut-off within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The Longhole stoping with backfill mining method was assumed for the out-of-pit Mineral Resource Estimate calculation.

1.14 Mineral Resource Estimates Summary

The Mineral Resource Estimates summary for the Alexo North and Alexo South deposits and the Dundonald North and Dundonald South deposits is presented in Table 1-7. The four deposits, at a nickel grade of approximately 1.0% Ni, are summarized at various nickel cut-off grades in Table 1-8.

Table 1-7. Summary of the four Mineral Resource Estimates located in the Alexo-Dundonald Nickel Sulphide Project.

Deposit	Resource Category	NSR Cut-Off	Tonnage (t)	Grade					Contained Metal		
				Ni (%)	Cu (%)	Co (%)	NiEq (%)	NSR (C$/t)	Ni (k lbs)	Cu (k lbs)	Co (k lbs)
Pit-Constrained											
Alexo North	Indicated	C$52.5/t	35,100	0.98	0.11	0.04	1.08	205.9	759	83	33
	Inferred	C$52.5/t	470	0.32	0.04	0.02	0.36	68.0	3	0	0
Alexo South	Indicated	C$52.5/t	275,000	0.58	0.02	0.02	0.62	123.4	3,490	133	133
Dundonald South	Indicated	C$52.5/t	2,540,000	0.49	0.02	0.01	0.52	103.0	27,400	911	755
	Inferred	C$52.5/t	3,600,000	0.42	0.01	0.01	0.11	88.0	33,000	1,100	1,100
Total:	Indicated		2,850,000	0.50	0.02	0.01	0.53	106.0	31,700	1,130	921
Total:	Inferred		3,600,000	0.42	0.01	0.01	0.44	88.0	33,000	1,100	1,100
Out-of-Pit											
Alexo North	Indicated	C$96.0/t	7,540	0.63	0.08	0.03	0.70	133.7	105	12	5
Alexo South	Indicated	C$96.0/t	297,000	0.65	0.03	0.02	0.69	138.7	4,240	190	157
	Inferred	C$96.0/t	130,000	0.54	0.03	0.02	0.58	116.1	1,500	75	52
Dundonald North	Inferred	C$90.0/t	1,820,000	1.01	0.03	0.02	-	-	41,000	1,200	800
Dundonald South	Indicated	C$96.0/t	201,000	0.95	0.03	0.02	0.99	198.0	4,210	145	80
	Inferred	C$96.0/t	390,000	0.57	0.02	0.01	0.60	120.0	4,900	160	120
Total:	Indicated		505,000	0.77	0.03	0.02	0.81	162.0	8,560	347	242
Total:	Inferred		2,300,000	0.91	0.03	0.02	0.60	120.0	47,000	1,400	980
Pit-Constrained and Out-of-Pit Resources											
Total:	Indicated		3,350,000	0.54	0.02	0.01	0.58	115.0	40,200	1,470	1,160
Total:	Inferred		5,900,000	0.61	0.02	0.01	0.50	100.0	80,000	2,600	2,000

*data has been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

Table 1-8. Summary of the four nickel sulphide deposits at approximately 1.0% Ni using various %Ni cut-off grades.

Deposit	Type	Ni (%) Cut-Off	Grade (% Ni)	Tonnage (t)
Dundonald South	Pit-Constrained	0.67	1.00	776,000
[1]Dundonald North	Global (no pit)	0.19	1.01	1,820,000
Alexo South	Pit-Constrained	0.52	1.00	77,700
Alexo North	Pit-Constrained	0.28	1.00	35,900
		Total:	**1.01**	**2,710,000**

[1]cut-off grade calculation based on data provided by Stone *et al.* (2020).

1.15 Adjacent Properties

The Authors (QPs) are not aware of any immediately adjacent properties which would impact the current Project or augment this Report in any way.

1.16 Other Relevant Data and Information

Historical production from komatiite-associated Ni-Cu-(PGE) deposits around the Shaw Dome and Dundonald Dome dates to 1912 (Table 1-9), with numerous sulphide deposits delineated (Table 1-10). Although komatiite-associated nickel sulphide deposits are relatively difficult to discover, they do tend to occur in clusters and their high nickel grade make them very attractive nickel sulphide exploration targets.

The QP and the Company are treating the information in Table 1-9 and Table 1-10 as historical and not compliant with NI 43-101. This information has not been independently verified by a QP and historical mineral resources should not be relied upon.

The Authors (QPs) are not aware of any other information or explanations necessary to make this Report understandable and not misleading.

Table 1-9. Timmins area deposits and their historical production statistics (Harron, 2009).

Deposit / Mine Name	Township	Discovery (approx.)	Production Years	Ore Milled (t)	Ni-Cu Grade (%)
Langmuir #1	Langmuir	1959-1960	1990-91	101,132	1.74% Ni
Langmuir #2	Langmuir	1959-1960	1972-78	1,133,750	1.45% Ni
Redstone	Eldorado	1961	1989-92	267,470	2.4% Ni (0.5%Cu)
	-	-	1995-96	9,277	1.7% Ni
	-	-	2007-08	103,570	3.0% Ni
Alexo North	Dundonald	1907	1912-19	47,034	4.5%Ni (0.55% Cu)
	-	-	1943-44	4,465	4.5% Ni (0.70% Cu)
	-	-	2004-05	26,224	1.97% Ni (0.20% Cu)
Alexo South (Kelex)	Dundonald	1996-99	2004-05	3,900	1.68% Ni (0.18% Cu)
Texmont	Geikie	1949-55	1971-72	178,500	0.85-1.35% Ni

*production tonnes/tons and grades estimated is based on several sources including Harron (2009)

Table 1-10. Timmins area nickel sulphide deposits (Inferred, Indicated and Measured Resources) (Harron, 2009).

Deposit	Township	Tonnage (t)	Grade (% Ni)	Category	Notes
Langmuir # 1	Langmuir	127,000	2.21% Ni	Inferred	Timmins Nickel Ann Rept. 1991
Langmuir # 2	Langmuir	255,000	1.20% Ni	Inferred	Timmins Nickel Ann Rept. 1991
Langmuir North	Langmuir	454,000	1.20% Ni	Inferred	Timmins Nickel Ann Rept. 1991
Langmuir South	Langmuir	181,400	1.50% Ni	Inferred	Timmins Nickel Ann Rept. 1991
McWatters	Langmuir	714,900	0.94% Ni	Indicated	Liberty P.R., Apr. 2, 2008
	Langmuir	13,800	3.39% Ni	Inferred	Liberty P.R., Apr. 2, 2008
Hart	Eldorado	1,440,000	1.5% Ni	Indicated	Liberty P.R., Jun. 23, 2008
	Eldorado	300,000	1.36% Ni	Inferred	Liberty P.R., Jun. 23, 2008
Redstone	Eldorado	274,000	2.64% Ni	Measured	Liberty P.R. July 11, 2007
	Eldorado	144,800	1.70% Ni	Indicated	Liberty P.R. July 11, 2007
Texmont	Geikie	3,190,000	0.92% Ni	Inferred	Prior to production (Coad, 1979)
Dundonald South	Dundonald	750,000	1.50% Ni	Inferred	Falconbridge, 1975

1.17 Interpretation and Conclusions

The objective of this Report was to prepare an independent NI 43-101 Technical Report, capturing historical and current information and data available about the Alexo-Dundonald Nickel Sulphide Project and an updated Mineral Resource Estimate for the Alexo North Deposit, providing interpretation and conclusions, and making recommendations for future work.

Based on the Property's favourable location within a prolific Kambalda-style nickel belt in the extensive Abitibi Greenstone Belt ("AGB"), the historical (1960-2011) and current (2019-2021), systematic exploration work completed to date, the availability of all of the historical data and information and that from public (government) sources, diamond drilling completed historically (2004 to 2011) and by Class 1 (2021), the Property presents excellent potential for the discovery of additional nickel sulphide deposits, and is worthy of further evaluation.

The characteristics of the four nickel sulphide deposits (Ni-Cu-(PGE)) are of sufficient merit to justify advancing the Project including consideration for the undertaking of preliminary engineering, environmental, and metallurgical studies aimed at completing the characterization of nickel sulphide mineralization and offering economic guidelines for future exploration strategies, including an initial Preliminary Economic Assessment (PEA) level study.

1.18 Recommendations

It is the opinion of the Authors that the geological setting and character of the nickel sulphide mineralization delineated to date within the Alexo-Dundonald Nickel Sulphide Property is of sufficient merit to justify additional exploration and development expenditures. A recommended work program, arising through the preparation of this Report and consultation with the Company, is provided below.

The Alexo-Dundonald Nickel Sulphide Project is at the stage of exploration where it should be advanced toward a Preliminary Economic Assessment ("PEA") study which would consider, at a minimum, the mineral resources calculated within the four nickel sulphide deposits (Alexo North and South and Dundonald South and North).

It is expected that this work can be accomplished within a time frame of 18 months from initiation, considering Phase 2 diamond drilling aimed at expanding resources and improving grade, surface and borehole geophysical surveys, geotechnical diamond drilling, environmental studies, and metallurgy, and considering all the studies to date including the current MREs (Table 1-6).

Collar locations and drill hole parameters for the recommended 5,000 metre diamond drilling program would be determined as part of the data review and targeting stage in the proposed work program (Table 1-6). A summary of general recommendations is also provided.

Table 1-6. Budget estimate recommended advanced-stage exploration/economic study work, A-D Project.

Item	Description	Estimate (C$)
Data Review and Targeting	review of all data; geology, geophysics, drilling	$25,000
Diamond Drilling	Phase 2 drilling (5,000 m); increasing resources; testing new targets outside of resources	$1,250,000
Geotechnical drilling	overburden and condemnation drilling	$200,000
Geophysics	additional surface and BHEM surveys	$100,000
Environmental	studies and reporting; permitting	$250,000

Item	Description	Estimate (C$)
Metallurgy	updated metallurgical and mineralogical test work	$200,000
Mineral Resource Estimates	updated MREs for all deposits	$100,000
Preliminary Economic Assessment Study	PEA incorporating four nickel sulphide deposits	$350,000
Community Consultation		$100,000
G&A	operating costs	$250,000
Contingency (10%)		$210,000
	Total (C$):	**$3,035,000**

1.19 General Recommendations

General recommendations, compiled during the preparation of this Report, are as follows:

- Additional density (SG) measurements should be collected to be able to better model the variability and association with respect to sulphide mineralization concentration.
- During the next phase of drilling, density measurements should be taken from the non-mineralized lithologies to determine the specific gravity of such lithologies as diabase dikes, volcanic units and overburden. Also, it is recommended that at least 10% of the density samples collected should be verified by sending to a certified laboratory for testing.
- Referee samples collected and sent to a third-party lab should be introduced into the QA/QC process to check results from the primary lab. Drill hole collar locations should be surveyed using a differential GPS system to ensure higher accuracy in the X, Y, Z coordinates for the collars.
- Sulphur exhibits higher co-efficient of variance across the domains, indicating that there are potentially other controls on the distribution that are not yet being isolated or modelled within this phase of work. Further analysis is required to determine the role of sulphur within the deposit and to fully understand the spatial distribution including the collection of mineralogical and alteration information/data to determine more robust domains for sulphur and iron estimations.
- The Company should consider re-stating (re-estimating) the mineral resource estimates to include Pt, Pd, and Au values as these precious metals made add value to the NiEq or NSR used in the reporting of the estimates. At a minimum, a review of these precious metals and their relative potential contribution should be reviewed.
- Additional in-fill core sampling needs to be attempted on both historical drill core (as available) and on some core from the 2021 drilling program.

2.0 INTRODUCTION

Geological consulting group Caracle Creek Chile SpA (“Caracle”) was engaged by Canadian public company Class 1 Nickel and Technologies Limited (“Class 1 Nickel”, “Class 1”, the “Company”, or the “Issuer”), to prepare an independent National Instrument 43-101 (“NI 43-101”) Technical Report in support of an updated Mineral Resource Estimate (the "Report") for its Dundonald South Nickel Sulphide Deposit (“D-S Deposit”), one of four nickel sulphide deposits located in the extensive Alexo-Dundonald Nickel Sulphide Project (the “Project” or the “Property” or “A-D Project”), Timmins Region, Ontario, Canada (Figure 2-1).

This 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) and in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves (CIM, 2014).

2.1 Purpose of the Technical Report

The Technical Report has been prepared for Class 1 Nickel and Technologies Limited, a Canadian public company trading on the Canadian Stock Exchange (CSE: NICO), in order to provide a summary of scientific and technical information and data concerning the Project, an updated Mineral Resource Estimate (“MRE”) for the D-S Deposit, and a restatement of the current mineral resources for the Alexo South, Dundonald South, and Dundonald North deposits, in support of the Standards of Disclosure for Mineral Projects according to Canadian National Instrument 43-101.

Specifically, this Report provides an independent review of Class 1 Nickel’s Alexo-Dundonald Project, an advanced nickel sulphide project that hosts four deposits, located about 60 km northeast of Timmins, Ontario, verifies the data and information related to historical and current mineral exploration and resources on the Project as a whole, and presents a report on data and information available from the Company and in the public domain (*see* Section 4.0).

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 2.3 and Section 27.0.

2.2 Previous Technical Reports

This Report replaces the NI 43-101 technical report titled, “National Instrument 43-101 Technical Report and Mineral Resource Estimates, Alexo-Dundonald Nickel Sulphide Project, Porcupine Mining Division, Ontario, Canada”, with an effective date of 21 May 2024 and a release date of 5 July 2024 (Jobin-Bevans *et al.*, 2024a).

Jobin-Bevans *et al.* (2024a), included an updated Mineral Resource Estimate for the Alexo North Nickel Sulphide Deposit. Previously, Jobin-Bevans *et al.* (2024b), reported on an updated Mineral Resource Estimate for the Alexo South Nickel Sulphide Deposit.

2.3 Effective Date

The Effective Date of the Mineral Resource Estimate for the Dundonald South Deposit and the Technical Report is 1 October 2024 (“Effective Date”).

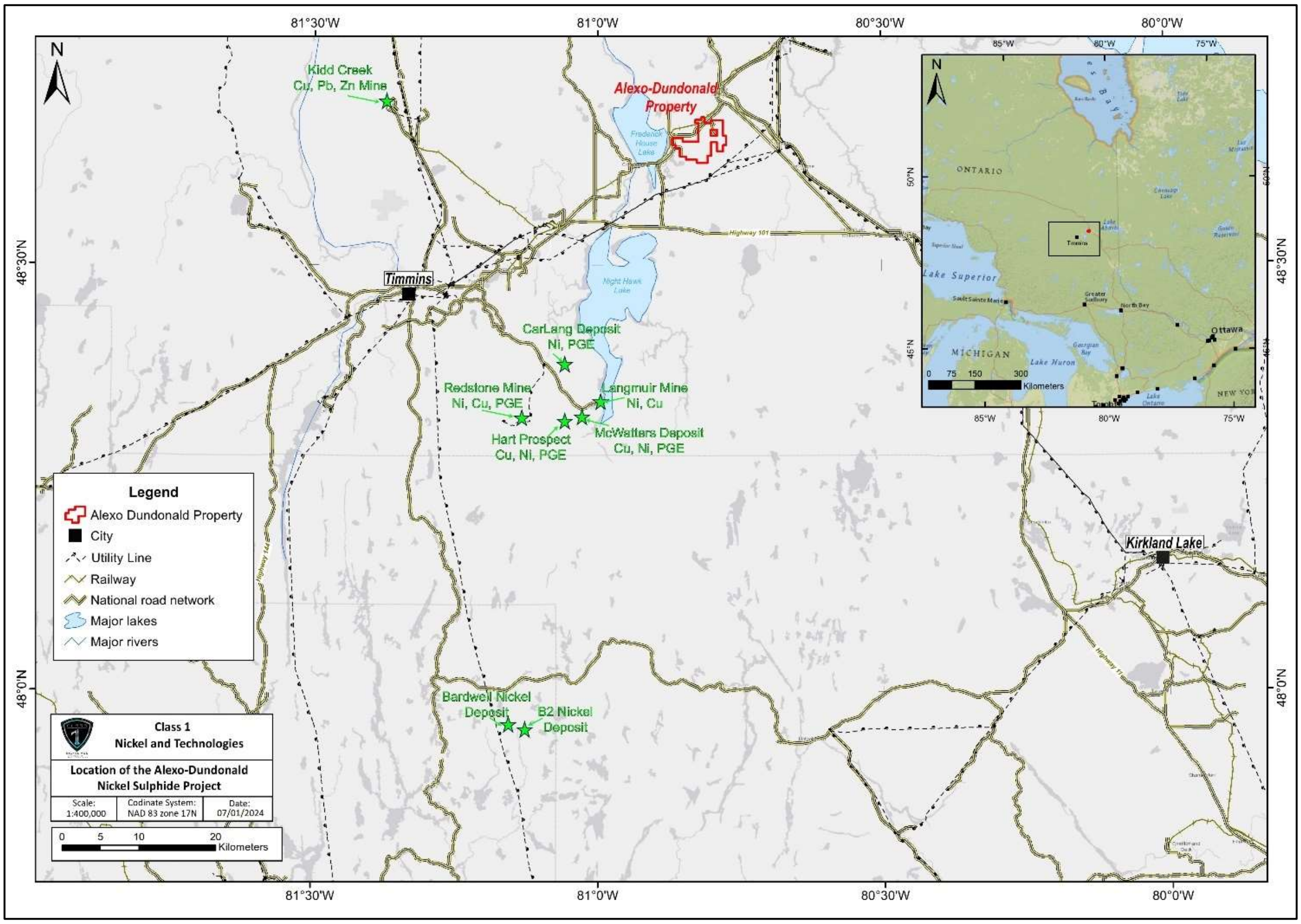


Figure 2-1. Location of the Alexo-Dundonald Nickel Sulphide Project and other Ni-Cu-PGE deposits, Timmins Mining District, Ontario, Canada (Atticus, 2024).

2.4 Qualifications of Consultants

This Report has been completed by Dr. Scott Jobin-Bevans, Mr. Simon Mortimer, and Mr. John Siriunas (together the “Consultants” or the “Authors”). Dr. Jobin-Bevans (“Principal Author”) is the Managing Director and Principal Geoscientist at Caracle Creek Chile SpA, Mr. Mortimer (“Co-Author”) is a Professional Geologist with Atticus Geoscience Consulting S.A.C., and Mr. Siriunas (“Co-Author”) is an Associate Independent Professional Engineer with Caracle Creek Chile SpA.

Dr. Jobin-Bevans is a Professional Geoscientist (PGO #0183, P.Geo.) with experience in geology, mineral exploration, mineral resource and reserve estimation and classification, land tenure management, metallurgical testing, mineral processing, capital and operating cost estimation, and mineral economics. Mr. Mortimer is a Professional Geologist (FAIG #7795) with experience in geology, mineral exploration, geological modelling, mineral resource and reserve estimation and classification, and database management. Mr. Siriunas is a Professional Engineer (APEO #42706010) with experience in geology, mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, and valuation and evaluation reporting.

Dr. Scott Jobin-Bevans, Mr. Simon Mortimer, and Mr. John Siriunas, 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 and specifically sections 1.5 and 5.1 of NI 43-101CP (Companion Policy). A responsibility matrix is provided in Table 2-1, summarizing each of the Report sections for which the Authors are responsible.

Table 2-1. Responsibility matrix for the preparation of the Report sections by the Authors.

Author	Complete Section Responsibility	Sub-Section Responsibility
Scott Jobin-Bevans P.Geo., Caracle Creek	3.0 to 13.0, 15.0 to 27.0	1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.15 to 1.19, 2.0 to 2.4, 2.6, 2.7
Simon Mortimer FAIG, Atticus	3.0, 11.0, 12.0, 14.0, 25.0, 26.0	1.1.4, 1.11, 1.10, 1.11, 1.13 to 1.19, 2.4, 2.6
John Siriunas P.Eng., Caracle Creek	3.0, 11.0, 12.0, 25.0, 26.0	1.1.4, 1.2, 1.10, 1.11, 1.15 to 1.18, 2.4 to 2.6

The Consultants employed in the preparation of this Report have no beneficial interest in Class 1 Nickel and are not insiders, associates, or affiliates of the Company. The results of this 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 Class 1 Nickel and the Consultant. The Consultants are being paid a fee for his work in accordance with normal professional consulting practices.

2.5 Personal Inspection (Site Visit)

The QP, John Siriunas (P.Eng., M.A.Sc.) has been on the Alexo-Dundonald Project several times including 30 October 2023, at which time he was accompanied by Benjamin Cooper (Company Advisor). The most recent inspection of the Project by Mr. Siriunas was part of the management of field aspects of Class 1’s on-going exploration program; work at this time included the sampling of archived drill core and the checking of drill hole collar locations and was carried out between 5 January and 15 January 2024. Several field photos from the Property are provided in Figure 2-2.

In January 2024, Mr. Siriunas was assisted in the field by Mr. Marc Cardinal for the technical portion of the program and during visits to the Project he was also accompanied by Mr. Clayton Larche. Mr. Larche has familiarity with the project area having assisted previous companies working the target mining claims. In addition to the sampling of the drill core, the visit was made to observe the general property conditions and access, and to verify the locations of some of the historical (2021) drill hole collars. Locations were logged in the field using datum NAD83 and metric UTM coordinates in Zone 17 North. Travel from the City of Timmins, Ontario, via Hwy #101 and Municipal Road (formerly Hwy #67), to the Project area takes approximately 40 minutes on well-maintained roads.

During the visit, a review of the on-site inventory of the existing core was carried out. Sections of the core that had been selected for additional sampling, to supplement the historical core sampling for the purposes of completing an updated mineral resource estimate for the Alexo South Deposit (Class 1 news release dated 24 April 2024), were transported to a rented facility in Connaught, Ontario for sample selection. Due to the presence of fibrous minerals in the core (likely chrysotile) the whole core was sampled, as the core cutting arrangement was not ideally suited to the handling of such material under O. Reg. 490/09. The unsampled core was returned to the core racks located on the Property.

The Property does have extensive bedrock outcroppings and, since there was only minimal snow cover at the time, the ultramafic nature of the rocks was evident in the field; however, samples taken in the field would not be indicative of the mineralization encountered in the drilling.

Main Gate to access the Alexo-Dundonald Project with warning signage and chain lock (January 2024).

Core logging facility and storage area on Alexo-Dundonald Project.

Exterior of core logging facility and storage area, Alexo-Dundonald Project (October 2023).

Core cutting and preparation area at the Alexo-Dundonald Project.

Secure core storage area 1, Alexo-Dundonald Project (October 2023).

Secure (roofed) core storage area 2, Alexo-Dundonald Project (October 2023).

Figure 2-2. Selection of photos taken during the Personal Inspections of the Alexo-Dundonald Project in October 2023 and January 2024 (Siriunas, 2024).

Mr. Siriunas was satisfied with the procedures that had been undertaken by the Company to archive and maintain the core from the 2021 campaign of diamond drilling and upon egress from the Project, he ensured that the access road into the Alexo North and South areas from Municipal Road was gated and locked.

Mr. Siriunas is also satisfied with the quality of sampling and record keeping (database) procedures followed by Class 1 for the purposes of diamond drilling completed to date and the completion of an updated mineral resource estimate, with respect to the purpose of this Report (*see* Section 2.1).

2.6 Sources of Information

The information, conclusions, opinions, and estimates contained herein are based on:

- information available to the Author (QP) at the time of preparation of this Report;
- assumptions, conditions, and qualifications as set forth in this Report; and
- data, reports, and other information supplied by Class 1, as well as third party/public sources.

For the purposes of this Report, the Authors (QPs) have relied on concession ownership information provided by Class 1 Nickel. The QP (Scott Jobin-Bevans) has not researched legal property title or mineral rights for the Project and expresses no legal opinion as to the ownership status of the Project.

This Report is based on, but not limited to, internal Company emails and memoranda, historical reports, maps, data, and publicly available information and data (*e.g.,* government and internet), as cited throughout this Report and listed in Section 27.0.

A large portion of this Report has relied on the previous NI 43-101 technical report of Stone *et al.* (2020), titled, "Technical Report and Updated Mineral Resource Estimate of the Alexo-Dundonald Nickel Project, Clergue and Dundonald Townships, Porcupine Mining Division, Ontario", with an effective date of 1 December 2020 and an issue date of 17 December 2020.

Company personnel and associates were actively consulted before and during the Report preparation and during the Personal Inspection, including David Fitch (CEO, Class 1) and other consultants engaged by the Company.

General information on Ontario was accessed through the Ontario Government online geological portal and MINES website. The mining lands system for Ontario is accessed online through the MLAS system.

Additional information was reviewed and acquired through public online sources including Class 1 Nickel's website, through SEDAR+ (System for Electronic Document Analysis and Retrieval), and various other corporate websites.

Standard professional review procedures were used by the Authors in the preparation of this Report. The Authors consulted and utilized various sources of information and data, including historical files provided by the Issuer and government publications. In addition, Mr. John Siriunas (P.Eng.) completed a personal inspection of the Project (*see* Section 2.5) to confirm features within the Project area, including accessibility, infrastructure, mineralization, historical and current data and information, as presented.

Except for the purposes legislated under Canadian provincial securities laws, any use of this Report by any third party is at that party's sole risk.

2.7 Commonly Used Terms, Initialisms and Units of Measure

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

Unless specified otherwise, the currency used is Canadian Dollars (CAD$, C$ or CAD) and coordinates are given mainly in WGS84 Zone 19S (EPSG:32719) but occasionally, where indicated, are provided in Provisional Sud American Datum de 1956 (“PSAD56”), UTM Zone 19S (EPSG:24879).

Table 2-2. Commonly used units of measure, abbreviations, initialisms and technical terms.

Units of Measure/Abbreviations/Initialisms			
above sea level	ASL	AA	Atomic Absorption
billion years ago	Ga	PGO	Professional Geoscientists of Ontario
centimetre	cm	CRM	Certified Reference Material
degrees Celsius	°C	DDH	Diamond Drill Hole
dollar (Canadian)	C$	EM	Electromagnetic
foot	ft	EOH	End of Hole
gram	g	EPSG	European Petroleum Survey Group
grams per tonne	g/t	FA	Fire Assay
greater than	>	ICP	Inductively Coupled Plasma
hectares	ha	Int.	Interval
hour	hr	Lat.	Latitude
inch	in	Long.	Longitude
kilo (thousand)	K	LDL	Lower Detection Limit
kilogram	kg	LLD	Lower Limit of Detection
kilometre	km	MAG	Magnetic Survey or Magnetometer
less than	<	NAD 83	North American Datum 83
litre	L	NI 43-101	National Instrument 43-101
less than	<	NSR	Net Smelter Return Royalty
metre	m	P.Geo.	Professional Geoscientist or Professional Geologist
millimetre	mm	PSAD56	Provisional Sud American Datum de 1956
million	M	QA/QC	Quality Assurance / Quality Control
million years ago	Ma	QP	Qualified Person
nanotesla	nT	qtz	Quartz
not analyzed	na	RC	Reverse Circulation
ounce	oz	SEM	Scanning Electron Microscope
parts per million	ppm	SG	Specific Gravity
parts per billion	ppb	SI	International System of Units
pound(s)	lb	UTM	Universal Transverse Mercator
specific gravity	SG	WGS 84	World Geodetic System 1984
square kilometre	km2	m2	square metre
tonne (1,000 kg) (metric tonne)	t		

Minerals*			
actinolite	Act	Mag	magnetite
chalcopyrite	Ccp	Py	pyrite
chlorite	Chl	Qz	quartz
millerite	Mir	Pyr	pyrrhotite
pentlandite	Pn	Cal	calcite
Elements			
cobalt	Co	K	potassium
copper	Cu	Ag	silver
gold	Au	S	sulphur
platinum	Pt	Pd	palladium
Platinum-group Elements	PGE		

*IMA-CNMNC approved mineral abbreviations (Warr, 2021)

Table 2-3. Conversions for common units.

Metric Unit	Imperial Measure
1 hectare	2.47 acres
1 metre	3.28 feet
1 kilometre	0.62 miles
1 gram	0.032 ounces (troy)
1 tonne	1.102 tons (short)
1 gram/tonne	0.029 ounces (troy)/ton (short)
1 tonne	2,204.62 pounds
Imperial Unit	**Metric Measure**
1 acre	0.4047 hectares
1 foot	0.3048 metres
1 mile	1.609 kilometres
1 ounce (troy)	31.1 grams
1 ton (short)	0.907 tonnes
1 ounce (troy)/ton (short)	34.28 grams/tonne
1 pound	0.00045 tonnes

3.0 RELIANCE ON OTHER EXPERTS

This Report has been prepared by Caracle Creek Chile SpA (Caracle) for the Issuer Class 1 Nickel and Technologies Limited. 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 this Report.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 Property Location

The Alexo-Dundonald Nickel Sulphide Project, located in the townships of Clergue, Dundonald, German and Stock, is approximately 45 km northeast of the long-lived and active mining centre, the City of Timmins (Figure 4-1). The centre of the Project is located at approximately longitude 80°49’ W and latitude 48°38’ N and UTM NAD83 Zone 17N, 513,460 mE and 5,387,700 mN.

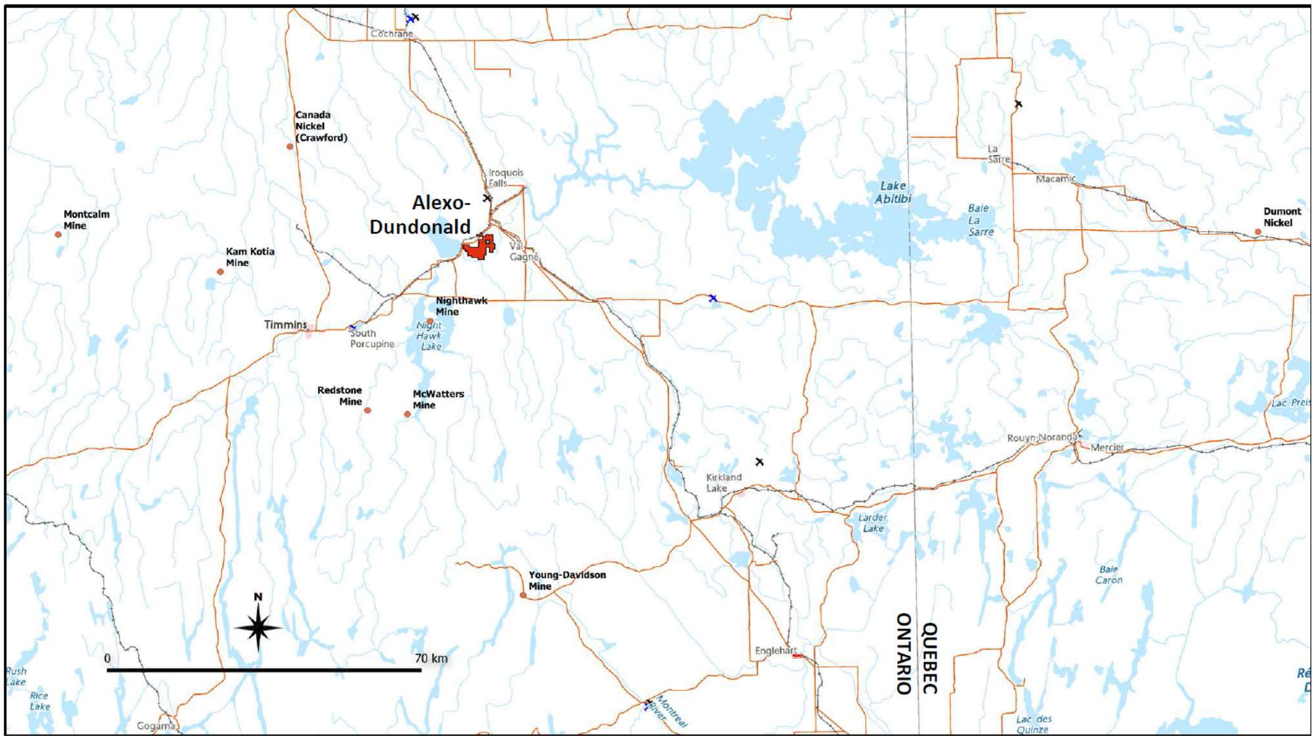


Figure 4-1. Location of the Alexo-Dundonald Nickel Sulphide Project (red area), about 45 km northeast of the mining City of Timmins, Ontario, Canada (Class 1, 2024).

All known nickel sulphide mineralization that is the focus of this Report is located within the boundary of the mining lands that comprise the Alexo-Dundonald Project.

4.2 Mineral Disposition

The Property consists of 109 mining cell claims: 100 Single Cell Mining Claims (“SCMC”s), 6 Boundary Cell Mining Claims (“BCMC”s), and 3 Multi-cell Mining Claims (“MCMC”s), along with 29 Patents (584 ha), and 14 Leases (1,069 ha) (Figure 4-2; Table 4-1 and Table 4-2). The 109 SCMC, BCMC, and MCMC lands cover approximately 1,440 hectares. The majority of these titles occur totally or partially in Dundonald and Clergue townships, with 24 mining claims totally or partially in the adjoining German Township and 3 mining claims partially in Stock Township. These 109 mining claims, together with the 29 patents and 14 leases, cover a total area of approximately 3,093 hectares.

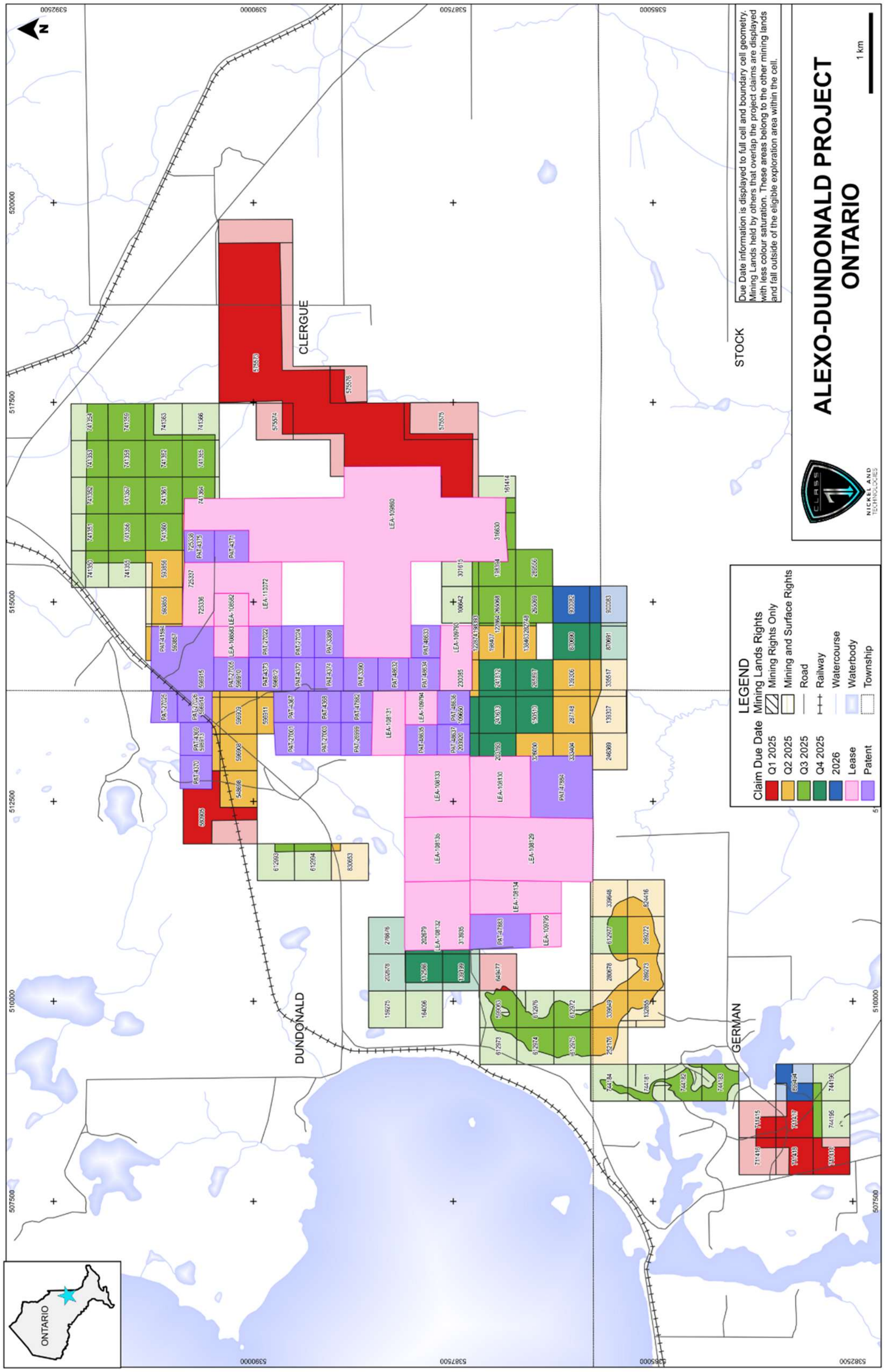


Figure 4-2. Mining titles map and township subdivisions (from MLAS, Government of Ontario, 2024; In Good Standing, 2024).

All but 8 SCMCs and 3 BCMCs are registered to Legendary Ore Mining Corporation ("Legendary" or "LOMC"). These 8 SCMC and 3 BCMC mining claims are held 60% by Goldcorp Canada Ltd. ("GCL") and 40% by LOMC. These claims are not material to the Project.

Class 1 is the owner of all the outstanding equity of Legendary, and Legendary continues to hold an option to earn up to all (100%) interest in the mining claims, leases and Property comprising the Alexo-Dundonald Project subject to tenure agreements and royalty agreements (*see* Section 4.10). The Property has not been legally surveyed.

Table 4-1. Summary of the unpatented mining claims that comprise the Alexo-Dundonald Project.

Tenure	Type	Anniversary	Holder	Area (ha)	Township/Area	Required Work (C$)
575573	MCMC	05-02-2025	(100) LOMC	309.23	CLERGUE	$7,600
575574	SCMC	05-02-2025	(100) LOMC	5.31	CLERGUE	$400
575575	MCMC	05-02-2025	(100) LOMC	9.06	CLERGUE	$800
575576	SCMC	05-02-2025	(100) LOMC	7.89	CLERGUE	$400
711414	SCMC	01-03-2025	(100) LOMC	17.24	GERMAN	$400
711415	SCMC	01-03-2025	(100) LOMC	6.56	GERMAN	$400
711416	SCMC	01-03-2025	(100) LOMC	3.19	GERMAN	$400
711417	SCMC	01-03-2025	(100) LOMC	18.73	GERMAN	$400
711418	SCMC	01-03-2025	(100) LOMC	15.91	GERMAN	$400
580905	MCMC	06-03-2025	(100) LOMC	38.72	DUNDONALD	$1,200
649477	SCMC	30-03-2025	(100) LOMC	0.59	DUNDONALD	$400
548698	SCMC	16-04-2025	(100) LOMC	21.33	DUNDONALD	$400
824416	SCMC	19-04-2025	(100) LOMC	5.67	GERMAN	$400
132855	SCMC	28-04-2025	(100) LOMC	6.87	GERMAN	$200
252176	SCMC	28-04-2025	(100) LOMC	10.57	GERMAN, DUNDONALD	$200
280678	SCMC	28-04-2025	(100) LOMC	2.70	GERMAN, DUNDONALD	$200
289272	SCMC	28-04-2025	(100) LOMC	16.37	GERMAN	$200
289273	SCMC	28-04-2025	(100) LOMC	15.86	GERMAN	$200
339648	SCMC	28-04-2025	(100) LOMC	3.34	GERMAN, DUNDONALD	$200
339649	SCMC	28-04-2025	(100) LOMC	16.06	GERMAN, DUNDONALD	$200
122874	BCMC	03-05-2025	(100) LOMC	3.64	CLERGUE	$200
138463	BCMC	03-05-2025	(100) LOMC	10.94	CLERGUE	$200
139306	SCMC	03-05-2025	(100) LOMC	21.35	DUNDONALD, CLERGUE	$400
139307	SCMC	03-05-2025	(100) LOMC	2.35	GERMAN, DUNDONALD	$200
198407	BCMC	03-05-2025	(100) LOMC	19.84	CLERGUE	$200
230085	SCMC	03-05-2025	(100) LOMC	4.23	DUNDONALD, CLERGUE	$200
246369	SCMC	03-05-2025	(100) LOMC	0.77	GERMAN, DUNDONALD	$200
287148	SCMC	03-05-2025	(100) LOMC	21.35	DUNDONALD	$400
326030	SCMC	03-05-2025	(100) LOMC	13.34	DUNDONALD	$200
333404	SCMC	03-05-2025	(100) LOMC	13.30	DUNDONALD	$200
335517	SCMC	03-05-2025	(100) LOMC	6.29	STOCK, GERMAN, DUNDONALD, CLERGUE	$400
830653	SCMC	04-05-2025	(100) LOMC	1.06	DUNDONALD	$400
725336	SCMC	13-05-2025	(100) LOMC	0.15	CLERGUE	$400
725337	SCMC	13-05-2025	(100) LOMC	0.93	CLERGUE	$400
725338	SCMC	13-05-2025	(100) LOMC	0.98	CLERGUE	$400

Tenure	Type	Anniversary	Holder	Area (ha)	Township/Area	Required Work (C$)
593855	SCMC	05-06-2025	(100) LOMC	17.83	CLERGUE	$400
593856	SCMC	05-06-2025	(100) LOMC	18.84	CLERGUE	$400
593857	SCMC	05-06-2025	(100) LOMC	4.23	CLERGUE	$400
596908	SCMC	29-06-2025	(100) LOMC	21.33	DUNDONALD	$400
596909	SCMC	29-06-2025	(100) LOMC	21.33	DUNDONALD	$400
596910	SCMC	29-06-2025	(100) LOMC	3.61	DUNDONALD, CLERGUE	$400
596911	SCMC	29-06-2025	(100) LOMC	9.74	DUNDONALD	$400
596912	SCMC	29-06-2025	(100) LOMC	1.62	DUNDONALD, CLERGUE	$400
596913	SCMC	29-06-2025	(100) LOMC	4.59	DUNDONALD	$400
596914	SCMC	29-06-2025	(100) LOMC	4.46	DUNDONALD	$400
596915	SCMC	29-06-2025	(100) LOMC	0.75	DUNDONALD, CLERGUE	$400
599063	SCMC	13-07-2025	(100) LOMC	13.45	DUNDONALD	$400
108642	SCMC	26-07-2025	(60) GCL, (40) LOMC	3.78	CLERGUE	$200
122864	BCMC	26-07-2025	(60) GCL, (40) LOMC	1.50	CLERGUE	$200
161414	SCMC	26-07-2025	(60) GCL, (40) LOMC	2.31	CLERGUE	$200
198393	BCMC	26-07-2025	(60) GCL, (40) LOMC	0.26	CLERGUE	$200
198394	SCMC	26-07-2025	(60) GCL, (40) LOMC	15.89	CLERGUE	$200
265068	SCMC	26-07-2025	(60) GCL, (40) LOMC	21.34	CLERGUE	$400
265069	SCMC	26-07-2025	(60) GCL, (40) LOMC	21.35	CLERGUE	$200
282748	BCMC	26-07-2025	(60) GCL, (40) LOMC	0.89	CLERGUE	$200
289556	SCMC	26-07-2025	(60) GCL, (40) LOMC	21.35	CLERGUE	$200
301615	SCMC	26-07-2025	(60) GCL, (40) LOMC	2.49	CLERGUE	$200
316630	SCMC	26-07-2025	(60) GCL, (40) LOMC	5.52	CLERGUE	$200
741350	SCMC	01-08-2025	(100) LOMC	4.40	CLERGUE	$400
741351	SCMC	01-08-2025	(100) LOMC	12.98	CLERGUE	$400
741352	SCMC	01-08-2025	(100) LOMC	12.73	CLERGUE	$400
741353	SCMC	01-08-2025	(100) LOMC	12.48	CLERGUE	$400
741354	SCMC	01-08-2025	(100) LOMC	12.22	CLERGUE	$400
741355	SCMC	01-08-2025	(100) LOMC	7.12	CLERGUE	$400
741356	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741357	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741358	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741359	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741360	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741361	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741362	SCMC	01-08-2025	(100) LOMC	21.33	CLERGUE	$400
741363	SCMC	01-08-2025	(100) LOMC	7.37	CLERGUE	$400
741364	SCMC	01-08-2025	(100) LOMC	11.51	CLERGUE	$400
741365	SCMC	01-08-2025	(100) LOMC	18.85	CLERGUE	$400
741366	SCMC	01-08-2025	(100) LOMC	2.79	CLERGUE	$400
744181	SCMC	01-09-2025	(100) LOMC	4.09	GERMAN	$400
744182	SCMC	01-09-2025	(100) LOMC	11.51	GERMAN	$400
744183	SCMC	01-09-2025	(100) LOMC	14.68	GERMAN	$400
744184	SCMC	01-09-2025	(100) LOMC	3.10	GERMAN, DUNDONALD	$400
744195	SCMC	01-09-2025	(100) LOMC	5.11	GERMAN	$400
744196	SCMC	01-09-2025	(100) LOMC	2.41	GERMAN	$400

Tenure	Type	Anniversary	Holder	Area (ha)	Township/Area	Required Work (C$)
159275	SCMC	13-09-2025	(100) LOMC	0.00	DUNDONALD	$200
164096	SCMC	13-09-2025	(100) LOMC	0.00	DUNDONALD	$200
612972	SCMC	19-09-2025	(100) LOMC	11.29	DUNDONALD	$400
612973	SCMC	19-09-2025	(100) LOMC	1.91	DUNDONALD	$400
612974	SCMC	19-09-2025	(100) LOMC	12.78	DUNDONALD	$400
612975	SCMC	19-09-2025	(100) LOMC	16.43	DUNDONALD	$400
612976	SCMC	19-09-2025	(100) LOMC	9.29	DUNDONALD	$400
612977	SCMC	19-09-2025	(100) LOMC	10.99	GERMAN, DUNDONALD	$400
612993	SCMC	20-09-2025	(100) LOMC	2.46	DUNDONALD	$400
612994	SCMC	20-09-2025	(100) LOMC	4.46	DUNDONALD	$400
112586	SCMC	30-10-2025	(100) LOMC	16.59	DUNDONALD	$200
139199	SCMC	30-10-2025	(100) LOMC	12.09	DUNDONALD	$200
202678	SCMC	30-10-2025	(100) LOMC	0.16	DUNDONALD	$200
202679	SCMC	30-10-2025	(100) LOMC	2.17	DUNDONALD	$200
276676	SCMC	30-10-2025	(100) LOMC	0.03	DUNDONALD	$200
313935	SCMC	30-10-2025	(100) LOMC	1.77	DUNDONALD	$200
109650	SCMC	20-11-2025	(100) LOMC	5.39	DUNDONALD	$200
150510	SCMC	20-11-2025	(100) LOMC	21.35	DUNDONALD	$400
203193	SCMC	20-11-2025	(100) LOMC	13.37	DUNDONALD	$200
203920	SCMC	20-11-2025	(100) LOMC	3.42	DUNDONALD	$200
241612	SCMC	20-11-2025	(100) LOMC	21.34	DUNDONALD, CLERGUE	$400
241613	SCMC	20-11-2025	(100) LOMC	21.34	DUNDONALD	$400
265897	SCMC	20-11-2025	(100) LOMC	21.35	DUNDONALD, CLERGUE	$200
870690	SCMC	16-12-2025	(100) LOMC	21.35	CLERGUE	$400
870691	SCMC	16-12-2025	(100) LOMC	6.32	STOCK, CLERGUE	$400
899494	SCMC	28-08-2026	(100) LOMC	12.34	GERMAN	$400
900082	SCMC	02-09-2026	(100) LOMC	21.35	CLERGUE	$400
900083	SCMC	02-09-2026	(100) LOMC	6.36	STOCK, CLERGUE	$400
			Totals:	**1,440.48**		**$44,600**

4.3 Claim Status and Holding Costs

All mining claims that comprise the Property have an Active status. As of the Effective Date of this Report, all mining claims are valid with expiry dates ranging from 5 February 2025 to 2 September 2026. Annual tax payments for Patents (Table 4-2) must be made by the 1st of April and annual due dates for Lease payments are shown in Table 4-2.

Annual assessment work requirements total $44,600 for the unpatented mining claims and $5,655.83 for annual rent (leases) and taxes (patents) on the leases and patented lands. As of the Effective Date, there is $12,815 in Reserve Balance Available for mining claims and $1,773,317 in Property Reserve on Mining Lands and $43,400 in approved exploration work is required for 2025 (subject to change post Effective Date).

The unpatented mining claims were independently verified by QP, Scott Jobin-Bevans, online through the Mining Lands Administration System ("MLAS") system of the Ontario Ministry of Energy, Northern Development and Mines ("MENDM") or also referred to as "MINES". In addition, information for mining claims, Patents and

Leases was provided by lands management consultants In Good Standing Corporation, headquartered in Mono, Ontario.

Table 4-2. Summary of the mining leases (14) and patented lands (29) that comprise the Alexo-Dundonald Project.

MLAS ID	Type	Surface Rights	Mineral Rights	Expiry	Area (ha)	Holder	Township	Start Date	Term	Annual Rent Due Date	Annual Rent	Annual Tax ($)
LEA-108129	Lease	No	Yes	30-Sep-28	123.43	LOMC - 100%		01-10-2007	21 Years	Oct. 1	$ 370.29	na
LEA-108130	Lease	No	Yes	30-Sep-28	55.04	LOMC - 100%	DUNDONALD	01-10-2007	21 Years	Oct. 1	$ 165.11	na
LEA-108131	Lease	No	Yes	30-Sep-28	32.38	LOMC - 100%		01-10-2007	21 Years	Oct. 1	$ 97.13	na
LEA-108132	Lease	No	Yes	30-Sep-28	68.39	LOMC - 100%	DUNDONALD	01-10-2007	21 Years	Oct. 1	$ 205.18	na
LEA-108133	Lease	No	Yes	30-Sep-28	60.70	LOMC - 100%	DUNDONALD	01-10-2007	21 Years	Oct. 1	$ 182.11	na
LEA-108134	Lease	No	Yes	30-Sep-28	47.80	LOMC - 100%	DUNDONALD	01-10-2007	21 Years	Oct. 1	$ 143.41	na
LEA-108135	Lease	No	Yes	30-Sep-28	64.75	LOMC - 100%	DUNDONALD	01-10-2007	21 Years	Oct. 1	$ 194.25	na
LEA-108582	Lease	No	Yes	31-Oct-31	16.24	LOMC - 100%	CLERGUE	01-11-2010	21 Years	Nov. 1	$ 104.60	na
LEA-108583	Lease	No	Yes	31-Oct-31	16.59	LOMC - 100%	CLERGUE	01-11-2010	21 Years	Nov. 1	$ 106.92	na
LEA-109793	Lease	Yes	Yes	30-Sep-39	33.08	LOMC - 100%		01-10-2018	21 Years	Oct. 1	$ 99.25	na
LEA-109794	Lease	Yes	Yes	31-Oct-39	16.19	LOMC - 100%	DUNDONALD	01-11-2018	21 Years	Nov. 1	$ 48.56	na
LEA-109795	Lease	Yes	Yes	31-Oct-39	15.59	LOMC - 100%	DUNDONALD	01-11-2018	21 Years	Nov. 1	$ 46.78	na
LEA-109860	Lease	Yes	Yes	30-Apr-40	437.72	LOMC - 100%	CLERGUE	01-05-2019	21 Years	May. 1	$1,313.15	na
LEA-110072	Lease	Yes	Yes	31-Jul-43	81.09	LOMC - 100%	CLERGUE	01-08-2001	21 Years	Aug. 1	$ 243.27	na
PAT-26999	Patent	No	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	27-12-1996	-	na	na	$ 64.75
PAT-27001	Patent	No	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	26-01-1922	-	na	na	$ 64.75
PAT-27003	Patent	No	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	01-01-1995	-	na	na	$ 64.75
PAT-27005	Patent	No	Yes	n/a	16.59	LOMC - 100%		01-01-1995	-	na	na	$ 66.37
PAT-27022	Patent	No	Yes	n/a	16.59	LOMC - 100%	CLERGUE	01-01-1995	-	na	na	$ 66.37
PAT-27024	Patent	No	Yes	n/a	16.59	LOMC - 100%	CLERGUE	01-01-1995	-	na	na	$ 66.37
PAT-27025	Patent	No	Yes	n/a	16.19	LOMC - 100%		01-01-1995	-	na	na	$ 64.75
PAT-27026	Patent	No	Yes	n/a	16.19	LOMC - 100%		01-01-1995	-	na	na	$ 64.75
PAT-3389	Patent	Yes	Yes	n/a	16.59	LOMC - 100%	CLERGUE	11-09-1919	-	na	na	$ 66.37
PAT-3390	Patent	Yes	Yes	n/a	16.54	LOMC - 100%		11-09-1919	-	na	na	$ 66.17
PAT-41594	Patent	No	Yes	n/a	64.09	Class 1 - 100%		20-06-2003	-	na	na	$ 256.35
PAT-4367	Patent	Yes	Yes	n/a	16.19	LOMC - 100%		16-12-1909	-	na	na	$ 64.75
PAT-4368	Patent	Yes	Yes	n/a	16.19	LOMC - 100%		15-12-1909	-	na	na	$ 64.75
PAT-4369	Patent	Yes	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	04-07-1929	-	na	na	$ 64.75
PAT-4370	Patent	Yes	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	16-07-1929	-	na	na	$ 64.75
PAT-4371	Patent	Yes	Yes	n/a	16.24	LOMC - 100%	CLERGUE	22-11-1917	-	na	na	$ 64.95
PAT-4372	Patent	Yes	Yes	n/a	16.59	LOMC - 100%		15-12-1909	-	na	na	$ 66.37
PAT-4373	Patent	Yes	Yes	n/a	16.59	LOMC - 100%		04-04-1916	-	na	na	$ 66.37
PAT-4374	Patent	Yes	Yes	n/a	16.59	LOMC - 100%	CLERGUE	15-12-1909	-	na	na	$ 66.37
PAT-4375	Patent	Yes	Yes	n/a	14.27	LOMC - 100%	CLERGUE	21-11-1917	-	na	na	$ 57.06
PAT-47882	Patent	No	Yes	n/a	16.19	LOMC - 100%		1858-11-17	-	na	na	$ 64.75
PAT-47883	Patent	Yes	Yes	n/a	31.87	LOMC - 100%	DUNDONALD	12-09-1990	-	na	na	$ 127.48
PAT-47884	Patent	Yes	Yes	n/a	64.75	LOMC - 100%		14-09-1993	-	na	na	$ 259.00
PAT-48632	Patent	Yes	Yes	n/a	16.54	LOMC - 100%		17-03-1914	-	na	na	$ 66.17
PAT-48633	Patent	Yes	Yes	n/a	16.54	LOMC - 100%	CLERGUE	18-03-1914	-	na	na	$ 66.17
PAT-48634	Patent	Yes	Yes	n/a	16.54	LOMC - 100%		17-03-1914	-	na	na	$ 66.17
PAT-48635	Patent	Yes	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	14-03-1914	-	na	na	$ 64.75
PAT-48636	Patent	Yes	Yes	n/a	16.19	LOMC - 100%		17-03-1914	-	na	na	$ 64.75
PAT-48637	Patent	Yes	Yes	n/a	16.19	LOMC - 100%	DUNDONALD	17-03-1914	-	na	na	$ 64.75
				Totals:	**1,652.94**						**$3,320.01**	**$2,335.82**

4.4 Mineral Lands Tenure System – Province of Ontario

Traditional field-based 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 Mining Claims) into one or more "cell" claims or "boundary" claims 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 the north to 24 ha in the south. Dispositions such as leases, patents and licenses 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 referred to as a “prospector”) that is a registered MLAS User, has completed the Mining Act Awareness Program, and holds a valid Prospector’s License granted by MINES. A licensed prospector is permitted to register open lands for exploration on the MLAS system onto provincial Crown and private lands that are open for registration. Once the mining claim has been registered, 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 single cell mining claim and $200 per annum per boundary cell mining claim. The prescribed work must be completed or payments in lieu of work can be made to maintain the claim. No minerals may be extracted from lands that are subject to 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 MINES.

4.4.1 Mining Lease

If a prospector wants to extract minerals, the prospector may apply to MINES 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 MINES 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 MINES 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 MINES. The consent process generally takes between two and six weeks and requires the lessee to submit various documentations and pay a fee.

Annual rent payments are due at varying months depending on the anniversary date of the 21-year Lease.

4.4.2 Freehold Mining Lands (Patent)

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 to extract minerals. If a prospector is issued a mining patent, the mining patent vests in the patentee all 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. The annual payment for Mining Land Tax is due April 1st and any surface rights payments are due annually to the Municipality at varying months.

4.4.3 Licence of Occupation

Prior to 1964, Mining Licences of Occupation ("MLO") were issued, in perpetuity, by MINES 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 MINES. As an MLO is a licence, it does not create an interest in the land.

4.4.4 Land Use Permit

Prospectors may also apply for and obtain a Land Use Permit ("LUP") from the MNR. An LUP is 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.

4.5 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.

4.5.1 Required Plans and Permits

There are two types of applications that must be considered prior to starting an exploration program. An Exploration Plan is a document provided to MINES 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).

Exploration plans, exploration permits, and closure plans obtained prior to the conversion are not affected by the conversion of the mining claims or the MLAS registration system. A plan or permit will continue to apply only to the area to which it is applied***.***

4.5.1.1 Exploration Plans

Exploration Plans are used to inform Aboriginal Communities, Government and Surface Rights Owners and other stakeholders about these activities. 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 MINES 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 licenses of occupation must submit an Exploration Plan. The early exploration activities that require an Exploration Plan are as follows:

- 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 m radius.
- Excavation of bedrock that removes one cubic metre and up to three cubic metres of material within a 200 m radius.
- Use of a drill that weighs less than 150 kilograms.

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

4.5.1.2 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 MINES.

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 MINES 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 Ontario Ministry of the Environment Environmental Registry for 30 days.

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

- 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-m radius (and below advanced exploration thresholds).
- Excavation of bedrock that removes more than three cubic metres of material within a 200-m radius.
- Use of a drill that weighs more than 150 kilograms.

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

4.6 Surface Rights and Legal Access

The majority of the surface rights associated with the Property are owned by the Government of Ontario (Crown Land) and access to these parts of the Property is unrestricted. Under Ontario's Mining Act, surface rights owners must be notified prior to conducting exploration activities. Where there is a surface rights holder of land, a person who (1) prospects, stakes or causes to be staked a mining claim; (2) formerly held a mining claim that has been cancelled, abandoned or forfeited; (3) is the holder of a mining claim and who performs assessment work; or (4) is the lessee or owner of mining lands and who carries on mining operations. On such land, the mining rights holder shall compensate the surface rights holder for damages sustained to the surface rights by such prospecting, staking, assessment work or operations.

Boundary Cell Mining Claims (BCMC) are mining claims that fill a partial map cell, with the rest of the map cell being shared with another claim holder or holders. If, at any time, the other claim holder(s) was to abandon or forfeit their portion of any of the BCMC, the mining cell would be converted to a SCMC, and the balance of the map cell would become part of the Property as a SCMC.

4.7 Current Work Permits and Work Status

Class 1 does not hold any active Exploration Permits on the A-D Project. The most recently held permits all expired 7 June 2024. The Company is not currently doing an exploration work on the Property and is only engaged in desktop studies, modelling and mineral resource estimations, and environmental monitoring at Alexo North and South.

4.8 Production Related Permits

In November 2020, Class 1 engaged consultants Story Environmental Inc. ("SEI") to review the status of the Closure Plan with the Ministry of Energy, Northern Development and Mines (*aka* MINES) and permits held with the Ministry of Environment, Conservation and Parks ("MECP") for its Alexo-Dundonald Project. SEI searched online (Environmental Bill of Rights ("EBR") website and Access Ontario website) and found files related to the Alexo Project ("Project") (Figure 4-3). SEI also contacted the ENDM and the MECP for all permits on file for the Project (Labelle and Story, 2020).

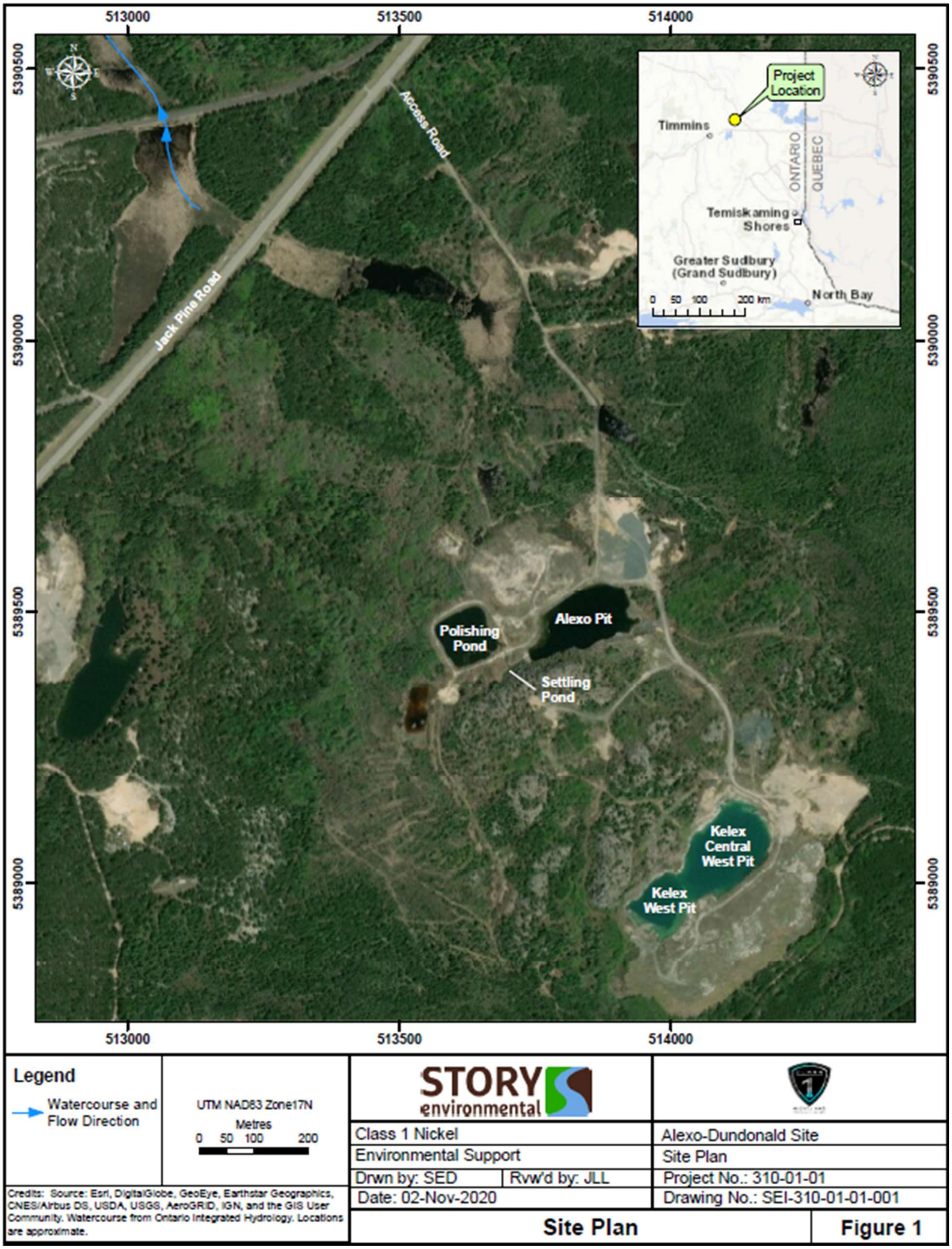


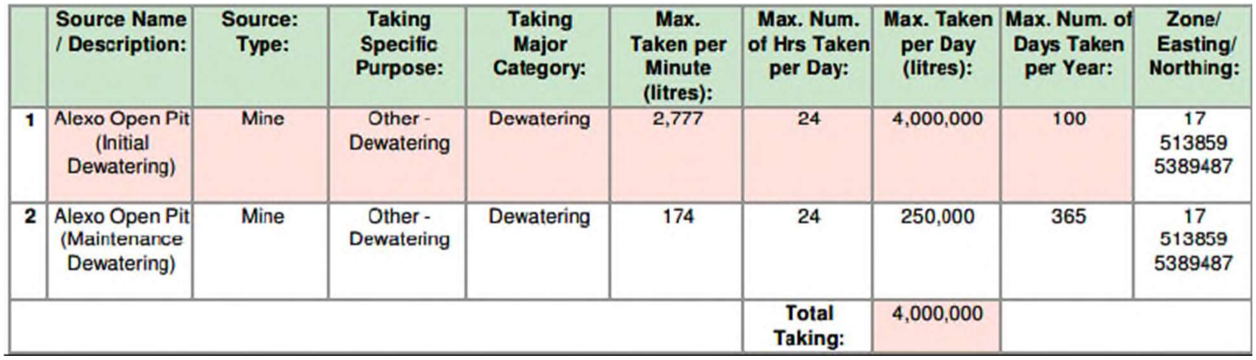
Figure 4-3. Alexo-Dundonald site plan map showing the Alexo pit (Alexo North) and the Kelex pits (Alexo South) (Labelle and Story, 2020).

4.8.1 Ministry of Environment, Conservation and Parks

4.8.1.1 Permit to Take Water

There is one Permit to Take Water ("PTTW") currently in place for the Project (attached). The PTTW (No. 5062-9Q3L3K) allows for the taking of water from the Alexo Pit. The PTTW was issued to Legendary Ore Mining Corporation on 17 November 2014 and expires on 20 October 2024 (Class 1 Nickel is currently renewing this permit). There are two flow rates specified in the PTTW: an Initial Dewatering rate and a Maintenance Dewatering rate (Table 4-3). The Initial Dewatering rate can only be used during the first 100 days of dewatering, after which all dewatering must be conducted at the Maintenance Dewatering rate (Labelle and Story, 2020).

Table 4-3. Permit to Take Water dewatering rates.



	Source Name / Description:	Source: Type:	Taking Specific Purpose:	Taking Major Category:	Max. Taken per Minute (litres):	Max. Num. of Hrs Taken per Day:	Max. Taken per Day (litres):	Max. Num. of Days Taken per Year:	Zone/ Easting/ Northing:
1	Alexo Open Pit (Initial Dewatering)	Mine	Other - Dewatering	Dewatering	2,777	24	4,000,000	100	17 513859 5389487
2	Alexo Open Pit (Maintenance Dewatering)	Mine	Other - Dewatering	Dewatering	174	24	250,000	365	17 513859 5389487
						Total Taking:	4,000,000		

4.8.1.2 Industrial Sewage Works Environmental Compliance Approval

There is one Industrial Sewage Works Environmental Compliance Approval ("ISW ECA") currently in place for the Project (attached). The ISW ECA (No. 2658-6D7QA2) allows for the collection, transmission, treatment, and discharge of effluent from the mine workings for the Project. The ISW ECA was issued to Legendary Ore Mining Corporation on 6 February 2006 and does not have an expiry date. The description of the works associated with the ISW ECA include (Labelle and Story, 2020):

Sewage works for the collection, transmission, treatment of effluent from mine workings, consisting of the following:

- One (1) settling pond with approximate dimensions of 6 metres wide by 150 metres in length and 1.6 metres deep providing a storage volume of approximately 1,450 cubic metres, having a clay core dam.
- One (1) polishing pond with approximate dimensions of 90 metres wide by 100 metres in length and 3.0 metres deep providing a storage volume of approximately 20,000 cubic metres, having a clay core dam.
- A certificate for the discharge of treated wastewater to receiving waters, with provisions to discharge treated wastewater to the Alexo pit in effort to accelerate the filling of the pit.
- All other controls, electrical equipment, instruments, piping, pumps, valves and appurtenances essential for the proper operation of the sewage works to the extent approved by this certificate.

The ISW ECA allows for the seasonal discharge of effluent, specifically in the spring and fall when the liquid surface of the lagoon has become free of ice cover. The discharge is also to take advantage of significant rainfall and increased dilution within the watershed. Each seasonal discharge cannot exceed 32 days.

However, while reviewing the Closure Plan documents, SEI found the following operating descriptions:

- Settling Pond: for mine water (mostly consisting of precipitation and limited groundwater inflow) and lime to be used for pH adjustment to precipitate metals.
- Polishing Pond: discharged using pump or siphon and valve controlled and discharged to the ditch to the north, into a year-round stream that flows from the east in the designated mixing zone (old, breached beaver pond that drains through a marshy area into a second old, breached beaver pond).

The ISW ECA includes the requirement for the submission of Annual Performance Reports and the Terms of Reference for a Receiving Water Monitoring plan. SEI has request copies from the MECP if any are on file. The MECP could not locate anything in the electronic files but indicated that they would look for hardcopies.

4.8.2 Ministry of Energy, Northern Development and Mines (MINES)

SEI received 31 documents from the ENDM regarding the Project. These documents included correspondence, multiple Notices of Project Status (“NPS”), Notices of Material Change (“NMC”), Inspection Reports, Closure Plans (for both Advanced Exploration and Production), and Progressive Rehabilitation Reports. SEI has prepared a correspondence tracking table (attached) of all the documents received (Labelle and Story, 2020).

The Project is currently in a State of Inactivity according to the ENDM records and includes both the Alexo North and Alexo South (Kelex) Zones. The current proponent listed on the file is Legendary Ore Mining Corp. The production Closure Plan was amended in 2011 and is the current Closure Plan on file. The production Closure Plan Amendment included:

- 250 tonnes ore per day (5200 tonnes ore per month).
- Alexo North Pit and Alexo South Pit.
- All buildings and infrastructure were temporary.
- Stockpiles: non acid generating (“NAG”) waste rock, potentially acid generating (“PAG”) waste rock, ore (high grade and low grade), and overburden.
- Settling and Polishing Ponds.

According to the NPSs, most recently the Project was in a state of Production from 1 July 2010 to 1 June 2017 and in a State of Inactivity since 1 June 2017. Since 2017, the company has conducted progressive rehabilitation at the Project Site. A Progressive Rehabilitation Report was submitted to the ENDM for work completed in 2017 and 2018. A Notice of Material Change was also submitted for the return of Financial Assurance (“FA”) for this work. A letter dated 8 January 2020 from ENDM indicated that the FA would be returned.

The ENDM, as of October 2020, holds $69,631.95 (including interest) in FA (in cash) for the Project. This amount was held based on a quote provided for the remaining rehabilitation items (quote: $62,300 + 10% contingency = $68,530). The following rehabilitation items are remaining:

- Breaching of the western berm of the Polishing Pond ($3,000).
- Collection and analysis of samples of the sediment in the Polishing Pond ($900).
- Revegetation and repair of existing vegetation of the Alexo waste rock pile ($7,500).
- Revegetation of the NAG waste rock pile ($11,300).
- General site revegetation ($17,500).

- Construction of an overburden berm on the northeast side of the Kelex Pit ($7,000).
- Collection and analysis of soil samples where lime was spilled on the ground ($7,500).
- Surface water and groundwater monitoring for 3 more years ($3,600).
- Site inspections and preparation of annual reports for ENDM ($4,000).

All other rehabilitation measures outlined in the Closure Plan Amendment have been completed. When rehabilitation work is completed and FA is returned to the proponent, the associated infrastructure/features are no longer covered by the Closure Plan.

4.8.3 Recommendations (Labelle and Story, 2020)

Based on correspondence reviewed by SEI, Legendary is a wholly-owned subsidiary of Class 1 Nickel and Technologies, indicating that the owner/proponent listed on the PTTW, ISW ECA, and Closure Plan Amendment are accurate and up to date. To bring the Project into production, the following tasks would need to be completed:

- PTTW:
    - Review the flow rates of water takings in PTTW and determine if they are sufficient for Alexo Pit dewatering. If not sufficient, an application to amend the PTTW will need to be submitted (including supporting documents depending on required takings).
    - If the Kelex Pit will require dewatering a PTTW will need to be obtained (PTTW application and associated supporting documents).
- ISW ECA:
    - Review the specifications of the works to determine if they are sufficient for project. If the specifications are not sufficient, an application to amend the ISW ECA will need to be submitted (including supporting documents).
    - Determine if the Terms of Reference for receiving water monitoring program was submitted to MECP, if not, will need to submit once operating.
- Closure Plan:
    - Prepare and submit a Notice of Project Status, to change the status of the Project from a State of Inactivity to Production.
    - Receive acknowledgement from ENDM and guidance regarding consultation requirements.
    - Prepare and submit a Closure Plan Amendment for the future project with the required FA.

Depending on the planned development for the Alexo-Dundonald Project, additional permits may be required (Labelle and Story, 2020).

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 and Metis Nation of Ontario. Indigenous groups identified by MINES during the permitting process (*see* Section 4.10), and which include Matachewan First Nation and Apitipi Anicinapek Nation (Wahgoshig First Nation).

4.10 Environmental Studies and Liabilities

A certified Closure Plan has been approved by MINES pursuant to the Mining Act in connection with the Alexo-Dundonald Property, location of the former Alexo (North) and Kelex (Alexo South) mines. The Alexo Project Revised Production Closure Plan was prepared for Legendary and dated and approved by MINES on 24 January 2005 and amended and approved in March 2011 (Stone *et al.*, 2020). Class 1 is responsible for executing the remainder of the Closure Plan works but apart from ongoing water monitoring, Class 1 has not completed any further remediation. The Closure Plan will require updating for future exploitation on the Project (*see* Section 4.8).

The Company continues to implement best practices in terms of preserving and minimizing its impact on the environment. Previous owners of the Property conducted various components of early- and advanced-stage stage environmental baseline studies as the Alexo-North and Alexo South deposits were both in production historically (*see* Section 6.6).

The Authors are unable to comment on any remediation which may have been undertaken by previous companies. The QP (Scott Jobin-Bevans) is not aware of any environmental liabilities associated with the Property.

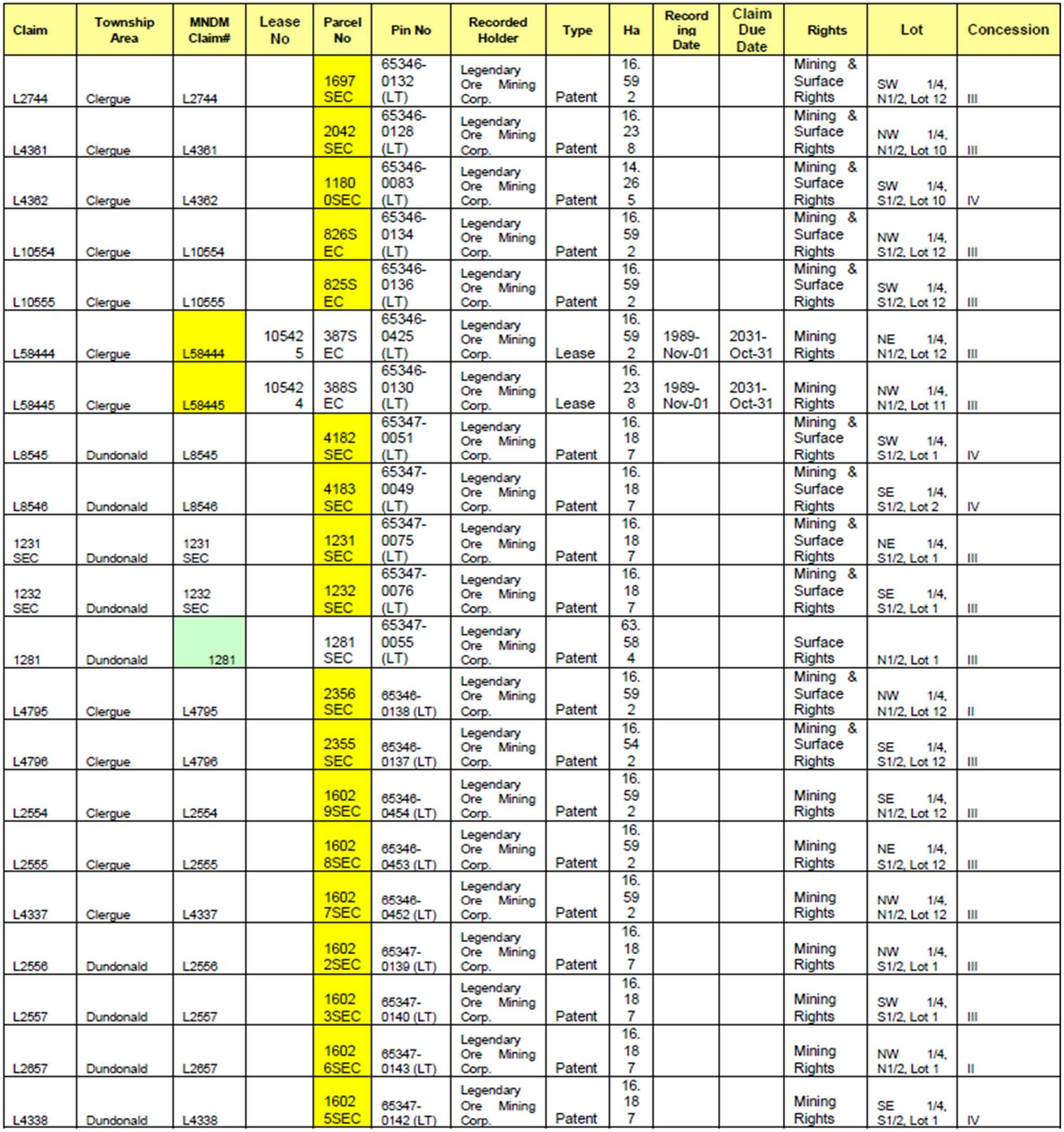
The QP (Scott Jobin-Bevans) is not aware of any other permits or authorizations required to complete the recommended exploration program (*see* Section 26.0). Some regulatory permits and notable requirements for early exploration activities outside of MINES could apply in future. For example, permits would be required from the Ministry of Natural Resources and Forestry (“MNRF”) for road construction, cutting timber, fire permits (burning), and water crossing(s), should they be required. Projects near water may require provisions to protect fish habitats under the jurisdiction of the Department of Fisheries and Oceans Canada (“DFO”).

4.11 Royalties and Obligations

As announced on SEDAR+ on 28 August 2018, VaniCom Resources Ltd. (“VaniCom”) (a now defunct private Australian company) paid $150,000 in cash, issued 1,750,000 shares of its common stock worth $350,000 and must incur $750,000 in exploration expenditures over a 36-month period from the date of the agreement to acquire a 100% interest in the Alexo Property from Tartisan Nickel Corp. (“Tartisan”). These obligations were met by VaniCom. Tartisan holds a 0.5% net smelter return (NSR) royalty on any future production from the Alexo Property (Table 4-4). This 0.5% NSR can be purchased by Class 1 for $1.0M.

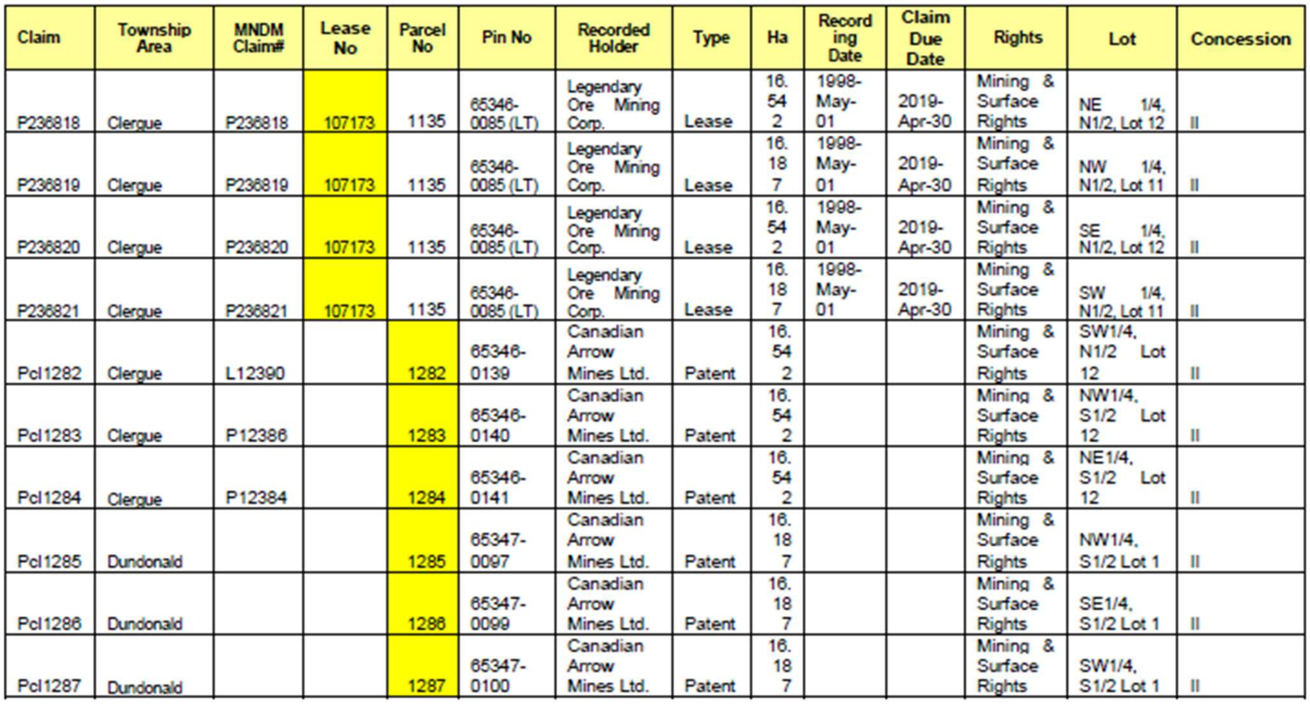
As part of the purchase agreement between VaniCom and Tartisan, an additional 1.5% NSR, payable on minerals produced from the Alexo Property (Table 4-4), is held by Outokumpu Mines Inc. (“Outokumpu”); this NSR cannot be contractually purchased/reduced by Class 1.

Table 4-4. Summary of Alexo Property mining lands that have 0.5% NSR and 2.5% NSR assignments held Tartisan and Outokumpu Mines, respectively.



Claim	Township Area	MNDM Claim#	Lease No	Parcel No	Pin No	Recorded Holder	Type	Ha	Recording Date	Claim Due Date	Rights	Lot	Concession
L2744	Clergue	L2744		1697 SEC	65346-0132 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining & Surface Rights	SW 1/4, N1/2, Lot 12	III
L4361	Clergue	L4361		2042 SEC	65346-0128 (LT)	Legendary Ore Mining Corp.	Patent	16.238			Mining & Surface Rights	NW 1/4, N1/2, Lot 10	III
L4362	Clergue	L4362		11800SEC	65346-0083 (LT)	Legendary Ore Mining Corp.	Patent	14.265			Mining & Surface Rights	SW 1/4, S1/2, Lot 10	IV
L10554	Clergue	L10554		826SEC	65346-0134 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining & Surface Rights	NW 1/4, S1/2, Lot 12	III
L10555	Clergue	L10555		825SEC	65346-0136 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining & Surface Rights	SW 1/4, S1/2, Lot 12	III
L58444	Clergue	L58444	105425	387SEC	65346-0425 (LT)	Legendary Ore Mining Corp.	Lease	16.592	1989-Nov-01	2031-Oct-31	Mining Rights	NE 1/4, N1/2, Lot 12	III
L58445	Clergue	L58445	105424	388SEC	65346-0130 (LT)	Legendary Ore Mining Corp.	Lease	16.238	1989-Nov-01	2031-Oct-31	Mining Rights	NW 1/4, N1/2, Lot 11	III
L8545	Dundonald	L8545		4182 SEC	65347-0051 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining & Surface Rights	SW 1/4, S1/2, Lot 1	IV
L8546	Dundonald	L8546		4183 SEC	65347-0049 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining & Surface Rights	SE 1/4, S1/2, Lot 2	IV
1231 SEC	Dundonald	1231 SEC		1231 SEC	65347-0075 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining & Surface Rights	NE 1/4, S1/2, Lot 1	III
1232 SEC	Dundonald	1232 SEC		1232 SEC	65347-0076 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining & Surface Rights	SE 1/4, S1/2, Lot 1	III
1281	Dundonald	1281		1281 SEC	65347-0055 (LT)	Legendary Ore Mining Corp.	Patent	63.584			Surface Rights	N1/2, Lot 1	III
L4795	Clergue	L4795		2356 SEC	65346-0138 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining & Surface Rights	NW 1/4, N1/2, Lot 12	II
L4796	Clergue	L4796		2355 SEC	65346-0137 (LT)	Legendary Ore Mining Corp.	Patent	16.542			Mining & Surface Rights	SE 1/4, S1/2, Lot 12	III
L2554	Clergue	L2554		16029SEC	65346-0454 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining Rights	SE 1/4, N1/2, Lot 12	III
L2555	Clergue	L2555		16028SEC	65346-0453 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining Rights	NE 1/4, S1/2, Lot 12	III
L4337	Clergue	L4337		16027SEC	65346-0452 (LT)	Legendary Ore Mining Corp.	Patent	16.592			Mining Rights	NW 1/4, N1/2, Lot 12	III
L2556	Dundonald	L2556		16022SEC	65347-0139 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining Rights	NW 1/4, S1/2, Lot 1	III
L2557	Dundonald	L2557		16023SEC	65347-0140 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining Rights	SW 1/4, S1/2, Lot 1	III
L2657	Dundonald	L2657		16026SEC	65347-0143 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining Rights	NW 1/4, N1/2, Lot 1	II
L4338	Dundonald	L4338		16025SEC	65347-0142 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining Rights	SE 1/4, S1/2, Lot 1	IV

Claim	Township Area	MNDM Claim#	Lease No	Parcel No	Pin No	Recorded Holder	Type	Ha	Recording Date	Claim Due Date	Rights	Lot	Concession
L4339	Dundonald	L4339		16024SEC	65347-0141 (LT)	Legendary Ore Mining Corp.	Patent	16.187			Mining Rights	NE 1/4, S1/2, Lot 1	IV
P236685	Clergue	P236685	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.238	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, S1/2, Lot 10	IV
P236686	Clergue	P236686	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.238	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, N1/2, Lot 10	III
P236687	Clergue	P236687	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.238	1998-May-01	2019-Apr-30	Mining & Surface Rights	SW 1/4, N1/2, Lot 10	III
P236688	Clergue	P236688	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.238	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, N1/2, Lot 10	III
P236689	Clergue	P236689	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, S1/2 Lot 10	III
P236690	Clergue	P236690	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, S1/2 Lot 10	III
P236691	Clergue	P236691	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SW 1/4, S1/2, Lot 10	III
P236692	Clergue	P236692	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, S1/2, Lot 10	III
P236693	Clergue	P236693	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, N1/2, Lot 11	II
P236694	Clergue	P236694	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, N1/2, Lot 10	II
P236695	Clergue	P236695	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, N1/2, Lot 10	II
P236696	Clergue	P236696	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.086	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, N1/2, Lot 9	II
P236777	Clergue	P236777	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, N1/2, Lot 11	II
P236778	Clergue	P236778	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SW 1/4, N1/2, Lot 10	II
P236779	Clergue	P236779	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, N1/2, Lot 10	II
P236780	Clergue	P236780	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.086	1998-May-01	2019-Apr-30	Mining & Surface Rights	SW 1/4, N1/2, Lot 9	II
P236781	Clergue	P236781	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, S1/2 Lot 10	II
P236782	Clergue	P236782	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, S1/2 Lot 10	II
P236783	Clergue	P236783	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.086	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, S1/2 Lot 9	II
P236784	Clergue	P236784	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SW 1/4, S1/2, Lot 10	II
P236785	Clergue	P236785	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, S1/2, Lot 10	II
P236786	Clergue	P236786	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.086	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, N1/2, Lot 10	I
P236787	Clergue	P236787	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.086	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, N1/2, Lot 10	I



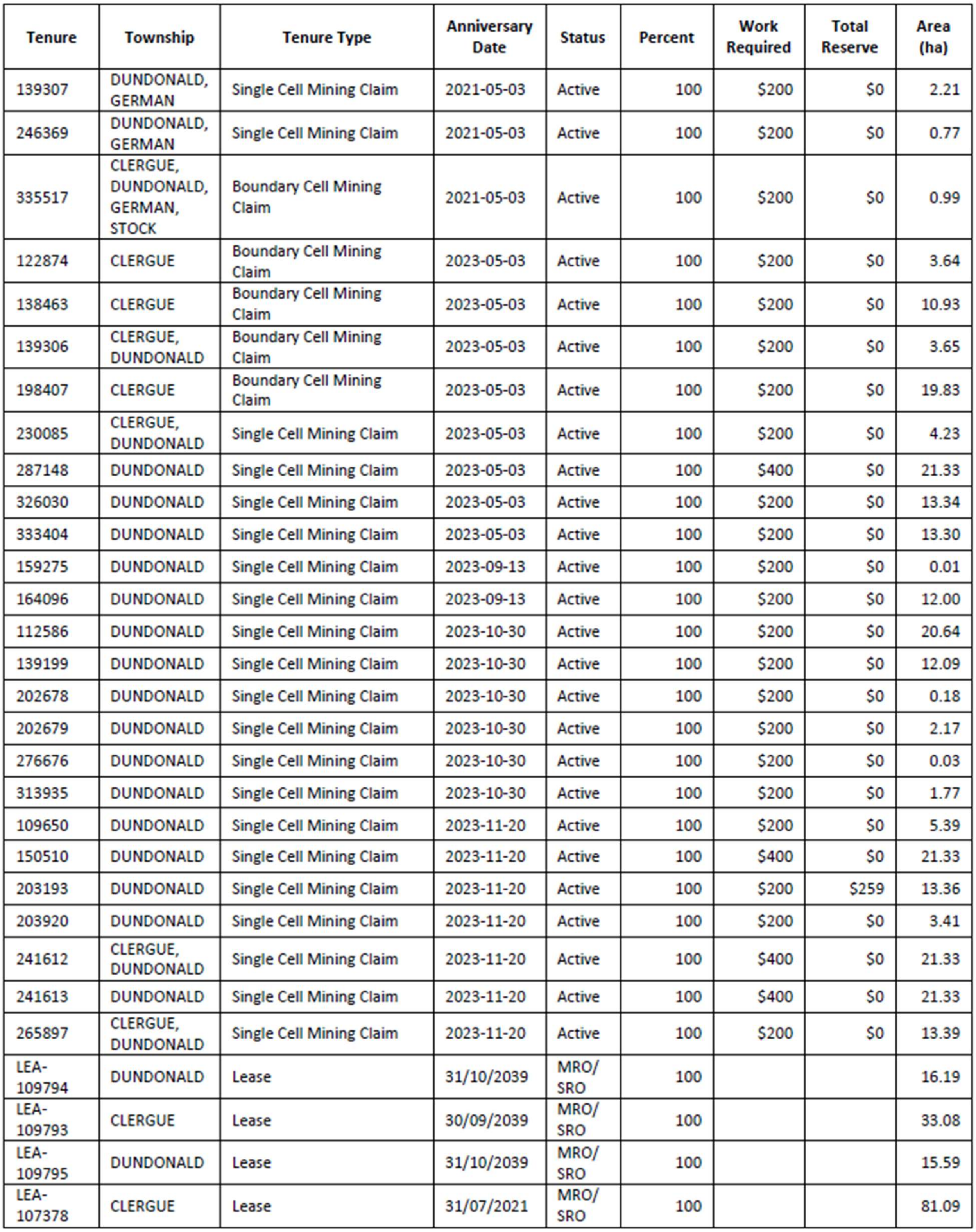
Claim	Township Area	MNDM Claim#	Lease No	Parcel No	Pin No	Recorded Holder	Type	Ha	Recording Date	Claim Due Date	Rights	Lot	Concession
P236818	Clergue	P236818	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.542	1998-May-01	2019-Apr-30	Mining & Surface Rights	NE 1/4, N1/2, Lot 12	II
P236819	Clergue	P236819	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	NW 1/4, N1/2, Lot 11	II
P236820	Clergue	P236820	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.542	1998-May-01	2019-Apr-30	Mining & Surface Rights	SE 1/4, N1/2, Lot 12	II
P236821	Clergue	P236821	107173	1135	65346-0085 (LT)	Legendary Ore Mining Corp.	Lease	16.187	1998-May-01	2019-Apr-30	Mining & Surface Rights	SW 1/4, N1/2, Lot 11	II
Pcl1282	Clergue	L12390		1282	65346-0139	Canadian Arrow Mines Ltd.	Patent	16.542			Mining & Surface Rights	SW1/4, N1/2 Lot 12	II
Pcl1283	Clergue	P12386		1283	65346-0140	Canadian Arrow Mines Ltd.	Patent	16.542			Mining & Surface Rights	NW1/4, S1/2 Lot 12	II
Pcl1284	Clergue	P12384		1284	65346-0141	Canadian Arrow Mines Ltd.	Patent	16.542			Mining & Surface Rights	NE1/4, S1/2 Lot 12	II
Pcl1285	Dundonald			1285	65347-0097	Canadian Arrow Mines Ltd.	Patent	16.187			Mining & Surface Rights	NW1/4, S1/2 Lot 1	II
Pcl1286	Dundonald			1286	65347-0099	Canadian Arrow Mines Ltd.	Patent	16.187			Mining & Surface Rights	SE1/4, S1/2 Lot 1	II
Pcl1287	Dundonald			1287	65347-0100	Canadian Arrow Mines Ltd.	Patent	16.187			Mining & Surface Rights	SW1/4, S1/2 Lot 1	II

As announced on SEDAR+ on 28 August 2018, VaniCom, through its recently acquired wholly owned subsidiary, Legendary Ore Mining Corp. ("LOMC"), paid $150,000, issued common shares worth $350,000 and must incur $750,000 in exploration expenditures over a 36-month period from the date of the agreement to acquire a 100% interest in the Dundonald Property from Transition Metals Corp. ("Transition"). These obligations were met by VaniCom. Transition held a 2.5% NSR royalty on any future production from the Dundonald Property (Table 4-5) but sold the NSR to Nova Royalties Corp. in September 2020 (Transition Metals' news release dated 8 September 2020).

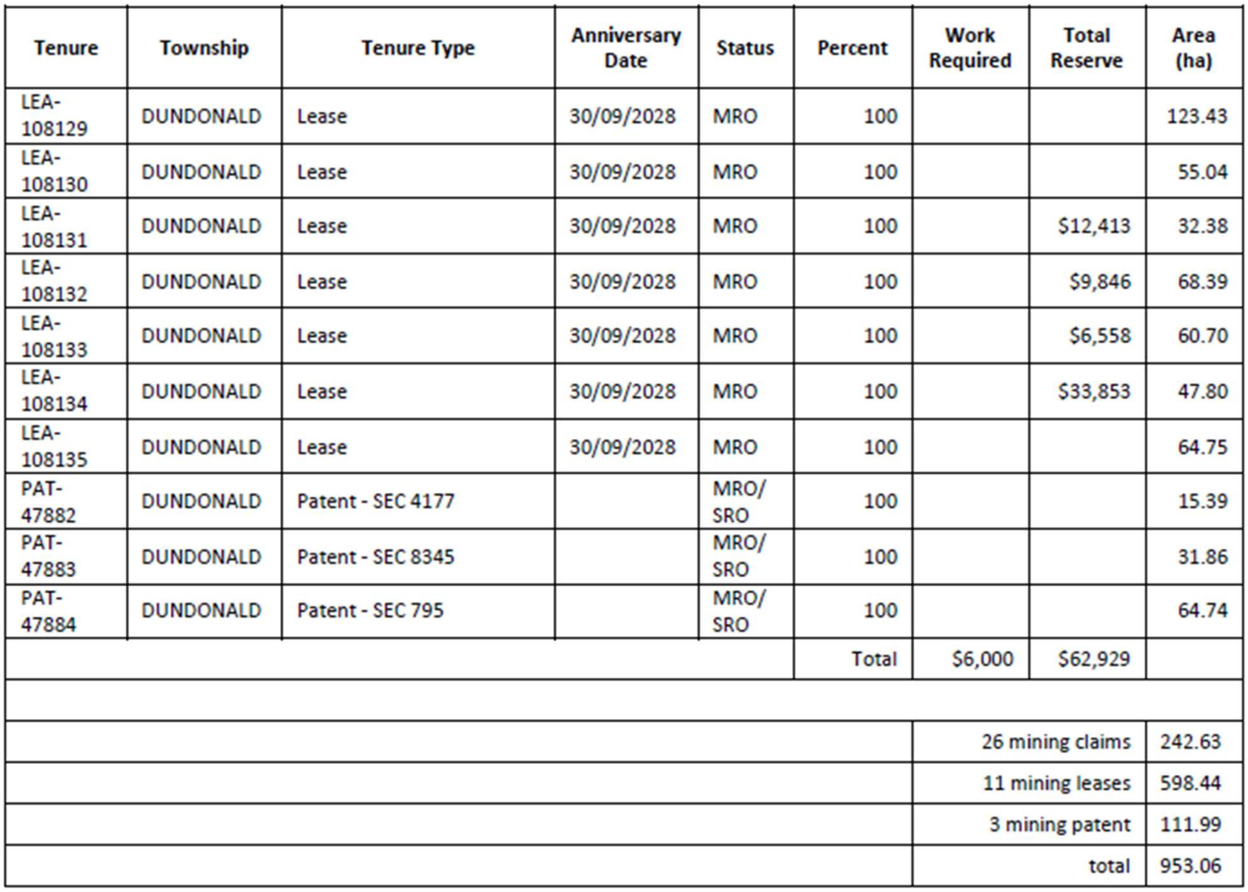
There are no contractual rights of Class 1 to purchase or reduce the 2.5% NSR held by Nova at a fixed cost and as such the parties would need to enter negotiations to purchase/reduce the NSR with the price being dictated by market terms and fair market value, etc.

The QP (Scott Jobin-Bevans), is not aware of any other royalties or obligations connected with the Alexo-Dundonald Nickel Sulphide Deposit.

Table 4-5. Summary of Dundonald mining lands that are subject to a 2.5% NSR held by Nova Royalties Corp. (previously held by Transition Metals).



Tenure	Township	Tenure Type	Anniversary Date	Status	Percent	Work Required	Total Reserve	Area (ha)
139307	DUNDONALD, GERMAN	Single Cell Mining Claim	2021-05-03	Active	100	$200	$0	2.21
246369	DUNDONALD, GERMAN	Single Cell Mining Claim	2021-05-03	Active	100	$200	$0	0.77
335517	CLERGUE, DUNDONALD, GERMAN, STOCK	Boundary Cell Mining Claim	2021-05-03	Active	100	$200	$0	0.99
122874	CLERGUE	Boundary Cell Mining Claim	2023-05-03	Active	100	$200	$0	3.64
138463	CLERGUE	Boundary Cell Mining Claim	2023-05-03	Active	100	$200	$0	10.93
139306	CLERGUE, DUNDONALD	Boundary Cell Mining Claim	2023-05-03	Active	100	$200	$0	3.65
198407	CLERGUE	Boundary Cell Mining Claim	2023-05-03	Active	100	$200	$0	19.83
230085	CLERGUE, DUNDONALD	Single Cell Mining Claim	2023-05-03	Active	100	$200	$0	4.23
287148	DUNDONALD	Single Cell Mining Claim	2023-05-03	Active	100	$400	$0	21.33
326030	DUNDONALD	Single Cell Mining Claim	2023-05-03	Active	100	$200	$0	13.34
333404	DUNDONALD	Single Cell Mining Claim	2023-05-03	Active	100	$200	$0	13.30
159275	DUNDONALD	Single Cell Mining Claim	2023-09-13	Active	100	$200	$0	0.01
164096	DUNDONALD	Single Cell Mining Claim	2023-09-13	Active	100	$200	$0	12.00
112586	DUNDONALD	Single Cell Mining Claim	2023-10-30	Active	100	$200	$0	20.64
139199	DUNDONALD	Single Cell Mining Claim	2023-10-30	Active	100	$200	$0	12.09
202678	DUNDONALD	Single Cell Mining Claim	2023-10-30	Active	100	$200	$0	0.18
202679	DUNDONALD	Single Cell Mining Claim	2023-10-30	Active	100	$200	$0	2.17
276676	DUNDONALD	Single Cell Mining Claim	2023-10-30	Active	100	$200	$0	0.03
313935	DUNDONALD	Single Cell Mining Claim	2023-10-30	Active	100	$200	$0	1.77
109650	DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$200	$0	5.39
150510	DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$400	$0	21.33
203193	DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$200	$259	13.36
203920	DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$200	$0	3.41
241612	CLERGUE, DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$400	$0	21.33
241613	DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$400	$0	21.33
265897	CLERGUE, DUNDONALD	Single Cell Mining Claim	2023-11-20	Active	100	$200	$0	13.39
LEA-109794	DUNDONALD	Lease	31/10/2039	MRO/SRO	100			16.19
LEA-109793	CLERGUE	Lease	30/09/2039	MRO/SRO	100			33.08
LEA-109795	DUNDONALD	Lease	31/10/2039	MRO/SRO	100			15.59
LEA-107378	CLERGUE	Lease	31/07/2021	MRO/SRO	100			81.09



Tenure	Township	Tenure Type	Anniversary Date	Status	Percent	Work Required	Total Reserve	Area (ha)
LEA-108129	DUNDONALD	Lease	30/09/2028	MRO	100			123.43
LEA-108130	DUNDONALD	Lease	30/09/2028	MRO	100			55.04
LEA-108131	DUNDONALD	Lease	30/09/2028	MRO	100		$12,413	32.38
LEA-108132	DUNDONALD	Lease	30/09/2028	MRO	100		$9,846	68.39
LEA-108133	DUNDONALD	Lease	30/09/2028	MRO	100		$6,558	60.70
LEA-108134	DUNDONALD	Lease	30/09/2028	MRO	100		$33,853	47.80
LEA-108135	DUNDONALD	Lease	30/09/2028	MRO	100			64.75
PAT-47882	DUNDONALD	Patent - SEC 4177		MRO/ SRO	100			15.39
PAT-47883	DUNDONALD	Patent - SEC 8345		MRO/ SRO	100			31.86
PAT-47884	DUNDONALD	Patent - SEC 795		MRO/ SRO	100			64.74
					Total	$6,000	$62,929	
							26 mining claims	242.63
							11 mining leases	598.44
							3 mining patent	111.99
							total	953.06

4.12 Other Significant Factors and Risks

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 and Metis Nation of Ontario Specific groups identified by MINES during the permitting process (*see* Section 4.10), include Matachewan First Nation and Apitipi Anicinapek Nation (Wahgoshig First Nation).

In areas on the Property for which Class 1 does not hold the surface rights, there is always the risk that owner of the surface rights could not allow access for mining should mineralization be discovered in those areas.

As of the Effective Date of this Report, 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 on the Alexo-Dundonald Project.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

The Property is located within 2 km of Highway 67, a paved road that connects Highway 101 to Highway 11 (Figure 5-1, Figure 5-2). The Property area is accessed via gravel roads and cut trails. Hydro-lines are located <2 km north of the Project running parallel to Highway 67. In addition, a spur of the Ontario Northland Railway, which services the Kidd Creek metallurgical complex, passes 2 km north of the Project and joins the main line approximately 5 km to the east.

Access to the area of the Alexo North and South deposits and the historical open pits is southeast off Municipal Road where a locked gate secures entry to the Property. The Dundonald South deposit area is accessed by following a series of logging roads southwest from the Alexo North and South areas. The area of the Dundonald North Deposit is more remote but can be accessed by ATV and on foot by following old logging roads that head southwest from the main trails and logging roads, with principal access from Municipal Road or from the Alexo deposits area (Figure 5-1, Figure 5-2).

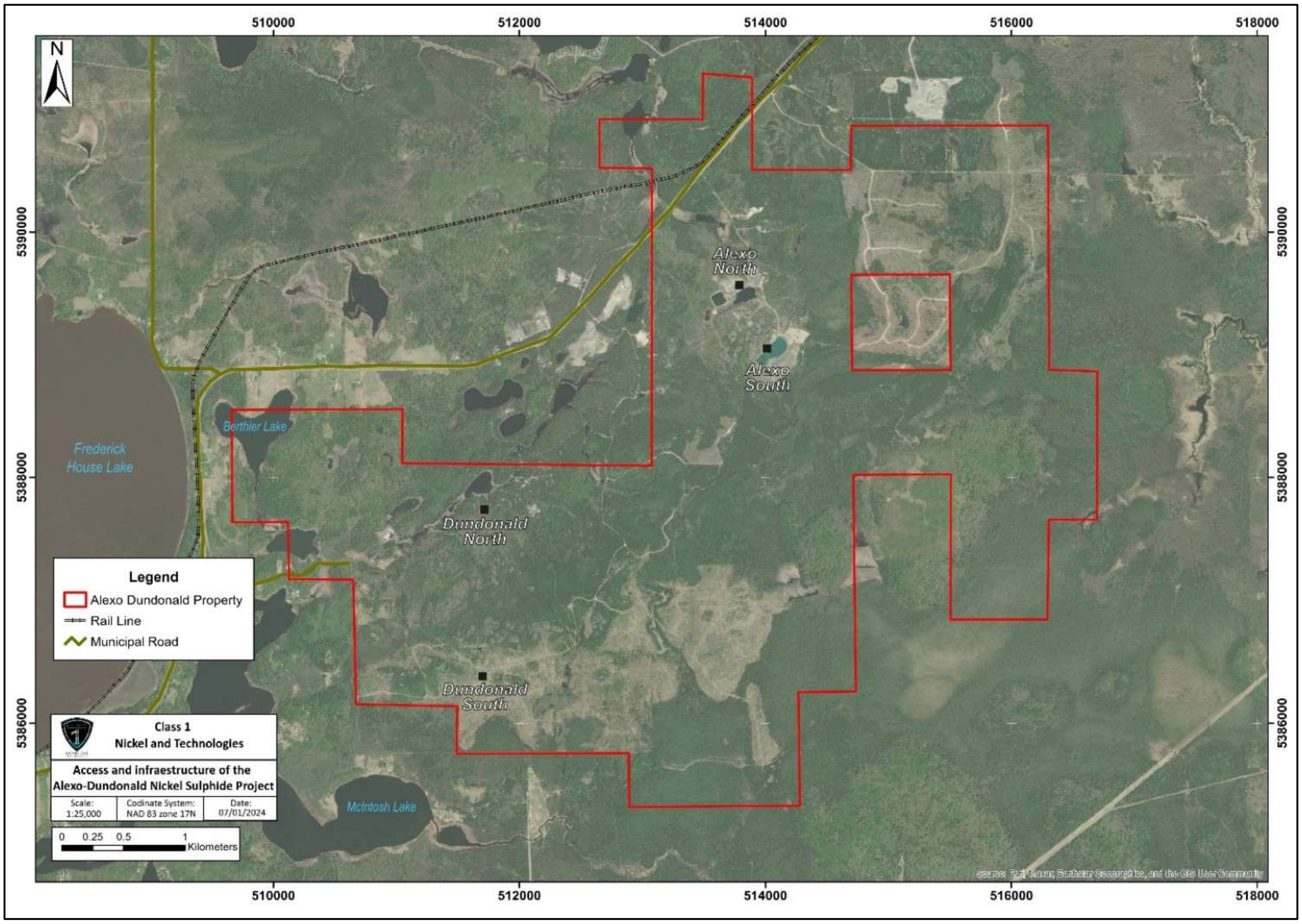


Figure 5-1. Location, access, physiography, and infrastructure, Alexo-Dundonald Nickel Sulphide Project (Atticus, 2024).

The location of the four nickel sulphide deposits within the A-D Project and the access trails and logging roads are shown in Figure 5-1 and Figure 5-2. The four deposits are located at approximately (NAD83 Z17N):

- Alexo North: 513904 mE, 5389467 mN
- Alexo South: 514100 mE, 5388968 mN
- Dundonald South: 511639 mE, 5386308 mN
- Dundonald North: 511671 mE, 5387770 mN

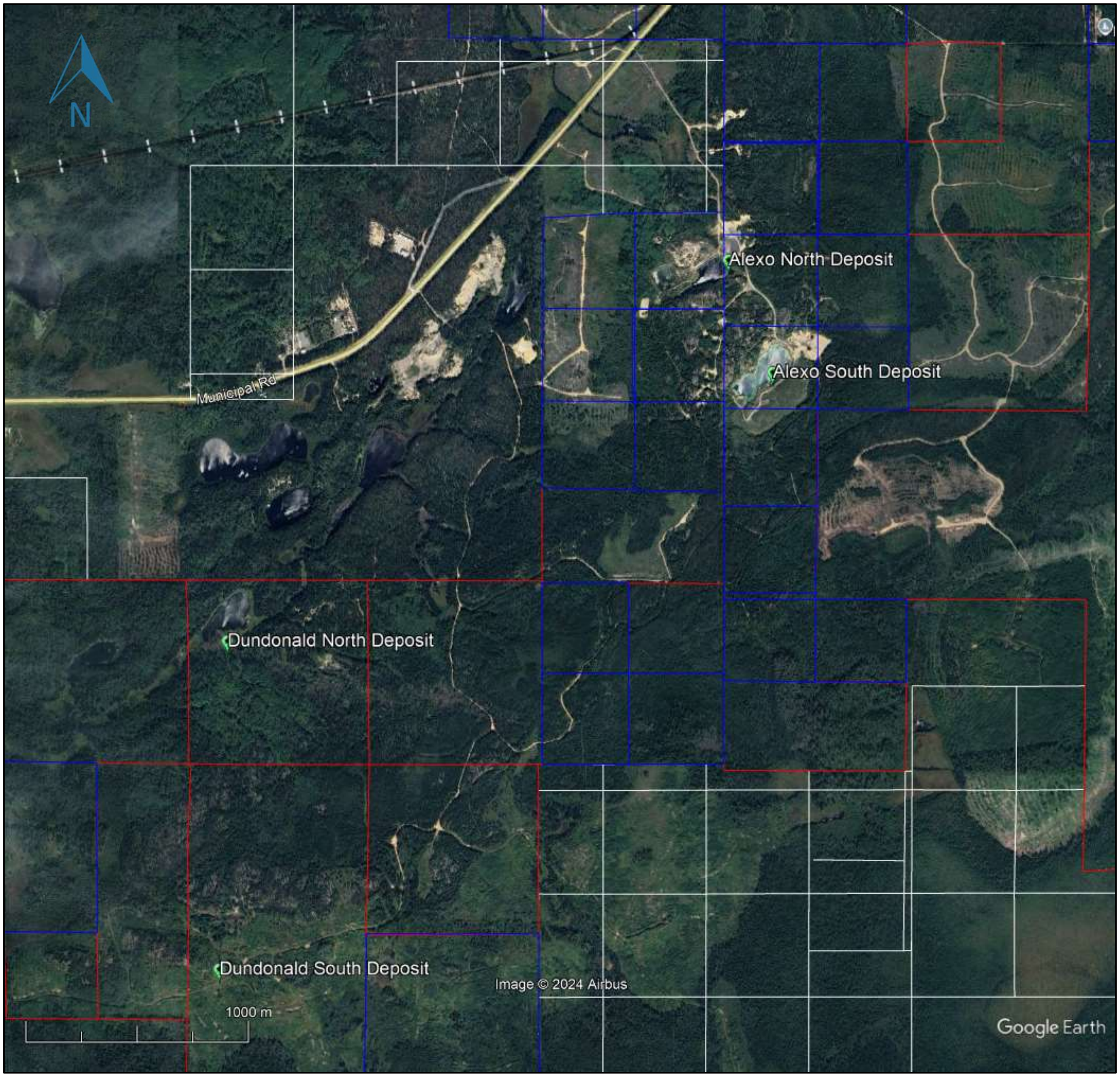


Figure 5-2. Location of the four nickel sulphide deposits within the Alexo-Dundonald Project. The outline of mining claims and mining lands is shown, comprising single cell claims (white), leases (red), and patents (blue). Base satellite image from Google Earth (2024) (Caracle Creek, 2024).

5.1.1 Surface Rights and Access

Most surface rights associated with the Property are owned by the Government of Ontario (Crown Land) and access to these parts of the Property is unrestricted.

Under Ontario's Mining Act, surface rights owners must be notified prior to conducting exploration activities and on such land, shall compensate the surface rights holder for damages sustained to the surface rights by such prospecting, staking, assessment work or operations (*see* Section 4.6).

5.2 Climate and Operating Season

The Timmins area has a typical continental climate characterized by cold, dry winters and warm, dry summers. Average daily temperatures in the Timmins area vary from a low of -24°C in the winter to +24°C in the summer. Average annual precipitation is 581 mm of rain and 352 cm of snow. Most of the rainfall precipitation occurs between June and November.

Season-specific mineral exploration may be conducted year-round. Swampy areas and lakes/ponds may be best accessed for drilling and ground geophysical surveys during the winter months when the ground and water surfaces are frozen. Surface exploration such as geological mapping, rock sampling, soil sampling and trenching is best conducted between about April and early November. Mine operations in the region operate year-round with supporting infrastructure.

5.3 Local Resources and Infrastructure

The full range of equipment, supplies and services required for any mining development is available in the City of Timmins that has a population of approximately 50,000 people. The general Timmins area also possesses a skilled mining workforce from which personnel could be sourced for any new mine development. Regional powerlines extend from northeast of Timmins and are near to the Project. Mineral processing facilities are located nearby at the Kidd Creek (base metals (VMS) and nickel) and Redstone (nickel) process plants.

Northern Sun Mining's Redstone Mill Facility, commissioned in 2007, is located south of Timmins and is a nickel concentrator plant, designed to process up to 2,000 tonnes per day of high MgO Ni-Cu-PGE mineralization. This facility might be available to custom mill any potential nickel ore from the Property, thereby obviating the need to build a mill.

5.3.1 Historical Mine Site Infrastructure

Existing infrastructure at the Alexo-Dundonald Project includes access roads and, in the Alexo North and South areas, flooded historical open pits, underground workings, a raise and a shaft. The historical infrastructure at Alexo North and Alexo South is shown in Figure 5-3 with a close-up view of Alexo North in Figure 5-4. The Alexo North pit and the two Alexo South pits are naturally flooded, and a passive water treatment pond has been developed immediately west of the Alexo pit.

Figure 5-3. Google Earth image showing the location of historical infrastructure at the Alexo North and Alexo South mine sites (Donaghy and Puritch, 2020).

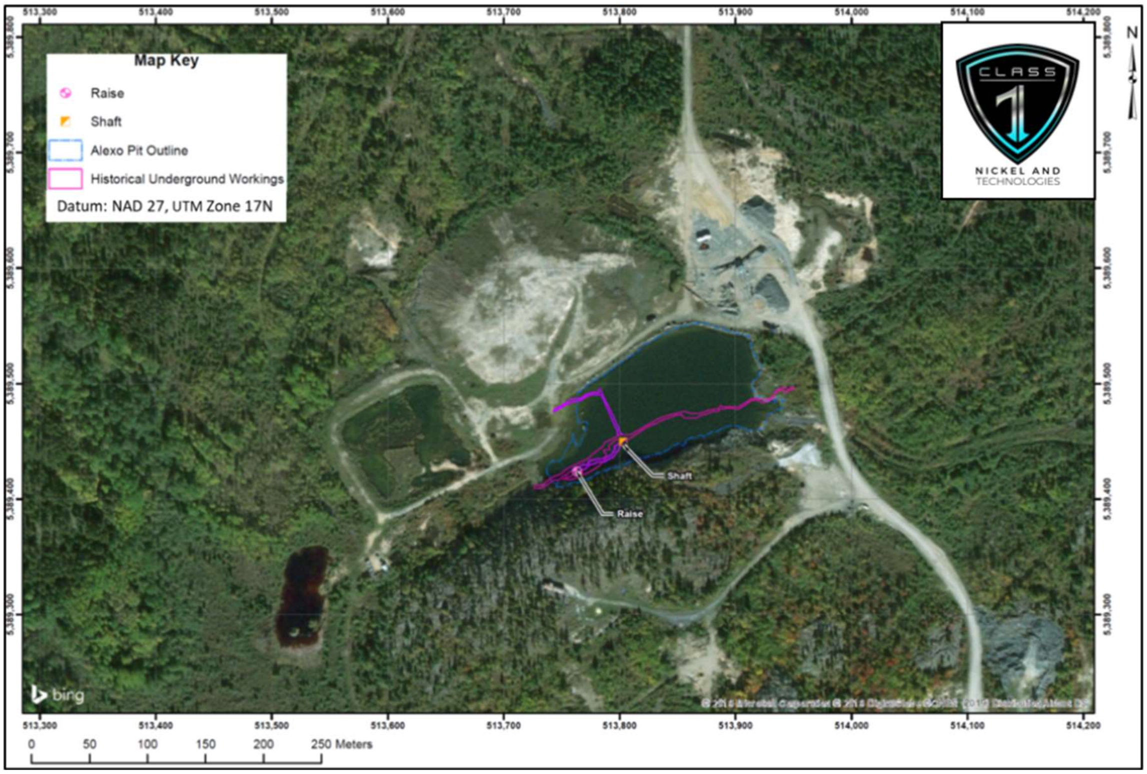


Figure 5-4. Close up of historical infrastructure at the Alexo North mine site (Stone *et al.*, 2020).

5.4 Physiography

The Project area comprises recently glaciated terrain with stream, lake and swamp filled valleys separated by low-level ridges and platform topographic highs of either bedrock foundation or eskers (*see* Figure 5-1 and Figure 5-2). The Project has a subdued relief which is typically low-lying and boggy. The area in general is poorly drained, a reflection of the low relief. Mean elevation in the area is on the order of 300 m above sea level ("ASL"). The Project area is underlain by sandy glacio-fluvial outwash material, which supports mature jack pine forest. Much of the Project area has been recently logged. Outcrop exposure overall locally averages <5% and is 0% over large areas.

5.4.1 Water Availability

Abundant water resources are present in the lakes, rivers, creeks, and beaver ponds throughout the area. There is sufficient space on the Project to build a mine, process plant and tailings facility and supporting infrastructure if required should a mineable mineral deposit be delineated.

5.4.2 Flora and Fauna

Vegetation is a boreal forest combination of black spruce, jack pine, alders, white birch, and cedar in lowland areas and poplar, white birch and jack pine on slightly higher ground. Wildlife found in the Project area is typical of other poorly drained northern boreal forest areas. The majority of the several species present are small mammals and songbirds that are common and widely distributed. Moose populations in the area are low to moderate. Furbearers in the vicinity include beaver, marten, mink, muskrat, fox, lynx and black bear. Other animal types include the snowshoe hare, fisher and wolf.

6.0 HISTORY

Exploration efforts of the last 30+ years were focused mainly on relatively shallow drilling of the Alexo North (formerly Alexo), Alexo South (formerly Kelex), Dundonald South and Dundonald North (formerly “Dundeal”) nickel deposits for estimation of nickel mineralization to develop small-scale mining programs for Alexo North and Alexo South nickel deposits.

Most of the historical diamond drill holes penetrated to less than 100 m vertical depth below surface and were developed on approximately 15 metre-spaced drill sections. Until 2021, there had been very little drilling outside the immediate area of the four Alexo-Dundonald Deposits. The bulk of the historical drilling was completed by Canadian Arrow Mines Ltd. (“Canadian Arrow”) from 2004 to 2011 on the Alexo North and Alexo South deposits and by First Nickel Inc. (“FNI”) from 2004 to 2005 on the Dundonald North and South deposits. Class 1 possesses the majority of the important drill core intercepts from these drilling programs. There has also been limited regional geophysical surveys within the Project area.

Prior to Class 1 Nickel consolidating the tenements under single ownership as the Alexo-Dundonald Project, the Project area was previously divided into the Alexo-Kelex Project and the Dundonald Project. With the Class 1 consolidation, the Alexo and Kelex Mines were renamed Alexo North and Alexo South, respectively; the Dundeal Zone is now referred to as Dundonald North.

Section 6.0 of this Report has been largely extracted from the NI 43-101 technical report of Jobin-Bevans *et al.* (2024) and Stone *et al.* (2020).

It is the opinion of the QP (Scott Jobin-Bevans) that, to the extent that it is known, the sample preparation, analysis, handling and security, and reporting, as it impacts the historical information and data, is adequate for the calculation of a mineral resource estimate and for the purposes of this Report (*see* Section 2.1).

6.1 Prior Ownership and Ownership Changes

Previous operators on some or all of the Project area include Noranda Mines Limited (1952), Falconbridge Nickel Mines Limited (1989: Dundonald North), First Nickel Inc. (2004-2005: Dundonald South), and Canadian Arrow Mines Limited (2004-2005 and 2010-2011: Alexo North and Alexo South, *aka* Kelex).

In 2018, VaniCom Resources Ltd. purchased the private Canadian company, Legendary Ore Mining Corporation (“Legendary”), which was a subsidiary of Tartisan and held the Alexo Property mining lands. On 18 October 2018, VaniCom completed the purchase of the Alexo Property from Tartisan and Canadian Arrow, a wholly owned subsidiary of Tartisan.

On 15 April 2019, Transition Metals Corp. announced the closing of the purchase and sale agreement with LOMC whereby LOMC purchased 100% interest in the Dundonald Property (Transition Metals’ news release dated 15 April 2019).

In 2019, Class 1 Nickel announced the purchase of LOMC, now a wholly owned subsidiary of Class 1 Nickel, which resulted in the reverse take over (“RTO”) of Class 1 by Legendary’s shareholders (Class 1 news release dated 24 September 2019).

6.2 Exploration History and Historical Drilling

Previous exploration activity and results in the Alexo-Dundonald Project area (Table 6-1) have been extensively reviewed and documented in NI 43-101 technical reports prepared by Montgomery (2004), Harron (2009), and Puritch *et al.* (2010, 2012). The last historical drilling on the Property was that reported by Puritch *et al.* (2012) on the Alexo Deposits, and Harron (2009) on the Dundonald Deposits.

Table 6-1. Summary of historical exploration (1907-2011) on the Alexo-Dundonald Nickel Sulphide Project.

Period	Company	Area/Deposit	Description
1907	Alexo Kelso	Alexo North	discovery of nickel sulphide at surface
1912-1919	Alexo Mining Company	Alexo North	mining to 38 m depth
1943-1944	Harlin Nickel Mines Limited	Alexo North	mining of remnants; 26 drill holes (380 m)
1952	Ontario Nickel Mines Limited	Alexo North	exploration program unknown; presumed to include drilling
1960	Falconbridge Limited	Dundonald South	discovery of nickel sulphide at surface
1952-1976	Noranda Mines Limited	Alexo North	drilling "numerous" holes; magnetometer survey
1984 and 1988	Ontario Geological Survey	Abitibi Belt - Regional	regional airborne EM surveys flown that included the Project area
1989	Falconbridge Limited	Dundonald North	discovery of nickel sulphide at surface
1960-2000	Falconbridge Limited	Dundonald South and North	geological mapping; magnetic and HLEM surveys as well as AEM, AMAG, and AVLF-EM surveys over entire Property. During the 40-year period Falconbridge drilled 168 holes totalling 40,515m; selective borehole and surface TDEM and mise-a-la-masse surveys
1991	Noranda Mines Limited	Alexo-Dundonald Boundary	3 drill holes; no significant intercepts
1996-1999	Outokumpu	Alexo North and South	exploration work completed in the period from November to February 1999; included line cutting (70.02 km), ground magnetometer, HLEM, pulse-EM, and mise-a-la-masse geophysical surveys; down-hole pulse-EM surveys; geological mapping, whole-rock analysis; enzyme-leach and mobile-metal-ion (MMI) soil geochemical survey; 49 drill holes totalling 10,859 metres; discovery of Alexo South Deposit
2000-2001	Hucamp Mines Ltd	Alexo North and South; Dundonald North and South	42 drill holes; stripping and sampling of surface showings; down-hole pulse EM surveys on 10 drill holes; down-hole mise-a-la-masse surveys

Period	Company	Area/Deposit	Description
2004-2005	First Nickel Inc.	Dundonald South	diamond drilling of 179 holes totalling 30,452.5 metres; borehole geophysics, geological mapping, ground geophysical surveys, minor surface mechanical stripping and environmental work
2004-2005	Canadian Arrow Mines Ltd	Alexo North and South	mining of nickel deposits; diamond drilling of 132 holes totalling 12,710.2 metres; line cutting, high-resolution magnetometer surveys; PEM-SQUID survey
2010-2011	Canadian Arrow Mines Ltd	Alexo North and South	diamond drilling of 17 holes

Drilling conducted by previous operators within the Alexo-Dundonald Project area is reviewed in the following section, while drilling conducted by the Issuer Class 1 Nickel is reviewed in Section 10.0. A summary of historical drilling is provided in Table 6-2. Significant drill hole intersections by previous operators (Falconbridge at Dundonald North in 1989; First Nickel ("FNI") at Dundonald South in 2004–2005; Canadian Arrow at Alexo North in 2004–2005 and 2010–2011) are summarized below as indications of nickel grade and continuity of mineralization typical of the Project (Table 6-3) (Puritch *et al.*, 2012; Harron, 2009).

Table 6-2. Summary of known historical drilling completed on the Alexo-Dundonald Property.

Period	Company/Operator	No. Holes	Metres	Holes Series	Areas Tested (No. Holes)
1960-2000	Falconbridge Limited	168	40,515.00	DUN	Alexo South; Dundonald North
1997	Outokumpu	49	10,859.00	ALX	Alexo South
2001	Hucamp Mines Ltd.	29	2,802.00	HUX	Alexo North (21); Alexo South (7)
2001	Hucamp Mines Ltd.	13	2,043.00	HUF	Dundonald (13)
2004-2005	First Nickel Inc.	178	30,452.50	D; S	Dundonald South (178)
2004-2007	First Nickel Inc.	13	3,397.00	FNT	Dundonald North (2)/Terminus (11)
2004-2005	Canadian Arrow Mines Ltd.	39	3,960.40	LAX	Alexo North (27)
2004	Canadian Arrow Mines Ltd.	93	8,749.80	LOX	Alexo South (93)
2005	Canadian Arrow Mines Ltd.	12	1,379.00	LOX	Alexo South (12)
2010-2011	Canadian Arrow Mines Ltd.	17	2,802.00	LOX	Alexo South (17)

Table 6-3. Significant historical nickel sulphide drill core intersections from the Alexo-Dundonald Project.

Drill Hole	Year	From (m)	To (m)	Interval (m)	Ni (%)	Deposit/Zone
LAX-01-04	2004	40.40	42.80	2.40	1.70	Alexo North
LAX-05-04	2004	64.60	69.50	4.90	2.30	Alexo North
Incl.	2004	64.60	65.50	0.90	6.50	Alexo North
LAX-08-04	2004	75.90	77.50	1.60	1.00	Alexo North
LAX-09-04	2004	82.90	84.70	1.80	1.70	Alexo North
LAX-13-04	2004	62.20	66.70	4.50	2.20	Alexo North
Incl.	2004	62.80	64.10	1.30	4.70	Alexo North
LAX-24-04	2004	72.60	72.80	0.20	2.13	Alexo North - East Zone

Drill Hole	Year	From (m)	To (m)	Interval (m)	Ni (%)	Deposit/Zone
LAX-26-04	2004	130.50	131.00	0.50	3.79	Alexo North - East Zone
LOX-01-04	2004	34.00	35.90	1.90	4.10	Alexo South - West Zone
LOX-03-04	2004	31.20	32.20	1.00	2.74	Alexo South - West Zone
LOX-08-04	2004	38.70	40.60	1.90	2.79	Alexo South - West Zone
Incl.	2004	39.90	40.60	0.70	7.80	Alexo South - West Zone
LOX-47-04	2004	58.90	80.00	21.10	1.30	Alexo South - West Zone
Incl.	2004	58.90	61.90	3.00	5.67	Alexo South - West Zone
LOX-48-04	2004	72.30	83.20	10.90	0.50	Alexo South - West Zone
LOX-49-04	2004	74.20	92.40	18.20	1.40	Alexo South - West Zone
Incl.	2004	74.20	78.90	4.70	3.60	Alexo South - West Zone
LOX-52-04	2004	82.90	87.90	5.00	1.00	Alexo South - West Zone
Incl.	2004	82.90	83.50	0.60	5.30	Alexo South - West Zone
LOX-53-04	2004	125.70	144.00	18.30	0.80	Alexo South - West Zone
Incl.	2004	127.00	136.00	9.00	1.10	Alexo South - West Zone
LOX-56.04	2004	133.30	158.00	24.70	0.90	Alexo South - West Zone
Incl.	2004	135.30	139.00	3.70	1.20	Alexo South - West Zone
and	2004	149.60	157.00	7.40	1.10	Alexo South - West Zone
LOX-56-04	2004	164.40	166.00	1.60	1.10	Alexo South - West Zone
2010-01	2010	78.00	91.00	13.00	0.55	Alexo South - West Zone
Incl.	2010	79.30	81.00	1.70	1.34	Alexo South - West Zone
2010-02	2010	95.00	120.00	25.00	2.79	Alexo South - West Zone
Incl.	2010	97.30	102.00	4.70	1.22	Alexo South - West Zone
2010-03	2010	134.30	151.00	16.70	0.45	Alexo South - West Zone
Incl.	2010	137.00	141.00	4.00	0.63	Alexo South - West Zone
2010-10	2010	218.00	221.00	3.00	0.48	Alexo South - West Zone
2010-11	2010	249.00	253.00	4.00	13.37	Alexo South - West Zone
Incl.	2010	249.00	249.00	0.00	2.51	Alexo South - West Zone
and	2010	252.10	253.00	0.90	5.89	Alexo South - West Zone
2010-12	2010	247.20	256.00	8.80	0.48	Alexo South - West Zone
2011-13	2011	225.00	228.00	3.00	0.61	Alexo South - West Zone
2011-15	2011	155.30	182.00	26.70	1.91	Alexo South - West Zone
LOX-12-04	2004	28.60	29.80	1.20	2.56	Alexo South - Central West Zone
LOX-13-04	2004	32.20	33.00	0.80	3.59	Alexo South - Central West Zone
LOX-14-04	2004	31.90	41.50	9.60	2.38	Alexo South - Central West Zone
Incl.	2004	38.00	41.50	3.50	5.35	Alexo South - Central West Zone
Incl.	2004	39.50	40.50	1.00	7.97	Alexo South - Central West Zone
LOX-15-04	2004	44.40	45.50	1.10	2.47	Alexo South - Central West Zone
LOX-16-04	2004	47.20	48.90	1.70	1.90	Alexo South - Central West Zone
LOX-17-04	2004	41.20	46.20	5.00	2.00	Alexo South - Central West Zone
Incl.	2004	44.10	46.20	2.10	3.40	Alexo South - Central West Zone
LOX-18-04	2004	33.60	37.70	4.10	3.70	Alexo South - Central West Zone
Incl.	2004	34.60	37.70	3.10	4.50	Alexo South - Central West Zone
LOX-19-04	2004	31.10	32.80	1.70	3.30	Alexo South - Central West Zone
LOX-22-04	2004	56.40	69.10	12.70	1.10	Alexo South - Central West Zone
Incl.	2004	66.10	69.10	3.00	3.10	Alexo South - Central West Zone
LOX-23-04	2004	62.00	65.00	3.00	0.66	Alexo South - Central West Zone
and	2004	69.80	72.10	2.30	1.70	Alexo South - Central West Zone

Drill Hole	Year	From (m)	To (m)	Interval (m)	Ni (%)	Deposit/Zone
LOX-24-04	2004	77.40	84.40	7.00	1.00	Alexo South - Central West Zone
LOX-25-04	2004	32.40	33.80	1.40	4.30	Alexo South - Central West Zone
LOX-26-04	2004	63.10	65.00	1.90	1.60	Alexo South - Central West Zone
LOX-27-04	2004	65.00	66.30	1.30	1.80	Alexo South - Central West Zone
LOX-30-04	2004	50.60	51.00	0.40	3.20	Alexo South - Central West Zone
LOX-31-04	2004	103.50	110.00	6.50	1.10	Alexo South - Central West Zone
Incl.	2004	108.50	110.00	1.50	3.00	Alexo South - Central West Zone
2010-04	2010	68.30	70.10	1.80	0.62	Alexo South - Central West Zone
2010-05	2010	85.90	86.30	0.40	2.21	Alexo South - Central West Zone
2010-07	2010	80.30	81.50	1.20	0.61	Alexo South - Central West Zone
Incl.	2010	81.30	81.50	0.20	2.50	Alexo South - Central West Zone
2010-08	2010	101.90	103.00	1.10	1.81	Alexo South - Central West Zone
LOX-32-04	2004	65.60	66.70	1.10	2.30	Alexo South - Central Zone
LOX-34-04	2004	81.20	84.40	3.20	1.18	Alexo South - Central Zone
LOX-35-04	2004	101.80	103.00	1.20	6.70	Alexo South - Central Zone
LOX-64-04	2004	101.50	106.00	4.50	2.00	Alexo South - Central Zone
Incl.	2004	104.30	106.00	1.70	4.90	Alexo South - Central Zone
LOX-66-04	2004	76.80	77.70	0.90	2.60	Alexo South - Central Zone
LOX-69-04	2004	55.20	57.80	2.60	3.90	Alexo South - Central Zone
LOX-74-04	2004	89.00	89.40	0.40	1.40	Alexo South - Central Zone
LOX-103-05	2005	114.90	118.00	3.10	1.63	Alexo South - Central Zone
Incl.	2005	117.20	118.00	0.80	5.20	Alexo South - Central Zone
2011-16	2011	56.40	61.30	4.90	2.13	Alexo South - Central Zone
Incl.	2011	59.00	61.30	2.30	3.75	Alexo South - Central Zone
LOX-38-04	2004	88.20	90.30	2.10	1.40	Alexo South - Central East Zone
LOX-41-04	2004	61.60	62.30	0.70	1.70	Alexo South - East Zone
LOX-46-04	2004	88.20	90.50	2.30	0.70	Alexo South - East Zone
LOX-54-04	2004	146.00	148.00	2.00	1.30	Alexo South - East Zone
LOX-77-04	2004	82.40	84.50	2.10	4.90	Alexo South - East Zone
LOX-85-04	2004	72.10	75.10	3.00	0.56	Alexo South - East Zone
LOX-95-05	2005	63.00	70.80	7.80	0.63	Alexo South - East 1700 Zone
Incl.	2005	70.30	70.80	0.50	2.46	Alexo South - East 1700 Zone
LOX-96-05	2005	60.40	64.20	3.80	0.98	Alexo South - East 1700 Zone
Incl.	2005	62.00	63.20	1.20	2.74	Alexo South - East 1700 Zone
LOX-99-05	2005	86.00	90.80	4.80	0.60	Alexo South - East 1700 Zone

*drill hole intervals are not representative of true widths

6.2.1 Alexo North and Alexo South

The Alexo Mine Deposit (Alexo North) was discovered by Alexo-Kelso in 1907. In 1952, the Property was purchased from Alexo Mining by Noranda Mines Limited ("Noranda"). Noranda drilled numerous diamond holes and completed a ground magnetometer survey in 1976. However, the survey results are unavailable.

The Ontario Geological Survey ("OGS") completed airborne EM and total field magnetic surveys in 1984 and 1988 over the general project area (OGS, 1984; 1988). The airborne surveys identified several magnetic anomalies associated with komatiitic sequences and a magnetic anomaly identified as the Dundonald Sill. Several EM conductors, parallel to the stratigraphy, were also detected by the survey. Assessment work reports filed on exploration work completed in the Project area is available through the online system of MINES.

Outokumpu optioned the Alexo Property in 1996. Exploration work completed on the Project during from 1996 to 1999 included: line-cutting (79.02 km); ground magnetometer, horizontal loop EM, pulse EM, and mise-a-la-masse geophysical surveys; down-hole pulse EM surveys; geological mapping; whole-rock analysis; enzyme leach and mobile metal ion soil geochemical surveys; and 10,859 m of diamond drilling in 49 holes (Stone *et al.*, 2020).

Hucamp Mines Ltd. ("Hucamp") completed 2,802 m in 29 diamond drill holes on the Project and assayed 348 drill core samples for nickel, copper, cobalt, platinum, palladium and gold. Twenty-one holes were drilled on the old Alexo North Mine horizon, seven on the Alexo South Deposit, and one to test an EM anomaly (Stone *et al.*, 2020). Hucamp also stripped approximately 5,000 m2 of overburden along the eastern and western extensions of the Alexo North Mine horizon and exposed massive sulphides. The stripped area was mapped and channel sampled at regular intervals. Hucamp also completed 1,321 m of down-hole pulse EM surveys of 10 holes drilled at Alexo North and Alexo South (Stone *et al.*, 2020).

Canadian Arrow completed 40 km of line cutting and a high-resolution magnetometer survey in 2004 on a 50 m line interval on the prospective komatiitic flows. Crone Geophysics & Exploration Ltd, of Mississauga, Ontario was contracted to complete a surface PEM-SQUID survey in 2004. Six transmitter loops were completed over the Project at variable currents between 16 Amps and 20 Amps and time base intervals between 50 ms and 150 milliseconds. Results from the PEM-SQUID survey indicated a conductor with similar characteristics to the known Alexo South Deposit extending along strike and approximately 200 m to the east of known massive sulphide. The anomalies were interpreted to represent an eastern extension of the Alexo South Deposit as defined in 2004 (Stone *et al.*, 2020).

In 2004-2005, Canadian Arrow completed a total of 12,710.2 m of drilling in 132 diamond drill holes at the Alexo Deposits, including drilling on the Alexo North (2,581.4 m of drilling in 27 holes; Figure 6-2) and Alexo South (8,749.8 m of drilling in 93 holes; Figure 6-3). Diamond drilling locations are also shown in Figure 6-4. Significant nickel intersections are tabulated in Table 6-2 (Stone *et al.*, 2020).

The drilling was designed to define potentially minable mineralization at 15 m sections in the upper 100 m of the deposits. The drilling program also tested (Stone *et al.*, 2020):

- The down-plunge extension of the Alexo North Deposit around a known drill intersection from Hucamp drill hole HUX-4-01, which intersected a 1.3 m core length grading 1.7% Ni approximately 125 m to the east of the previously drilled massive nickel sulphide mineralization. Nickel-bearing massive sulphides were successfully intercepted around the HUX-04-01 intersection.
- The eastern extent of the Alexo North Deposit below the 40 m level. Drilling intersected massive and net-texture sulphide mineralization extending an additional 45 m to the east of the previously defined sulphide mineralization. LAX-13-04, located approximately 45 m to the west of drilling completed in 2001, intersected 4.5 m of 2.2% Ni, including 1.3 m of 4.7% Ni. LAX-05-04, located approximately 30 m to the east, intersected 4.9 m of 2.3% Ni, including 0.9 m of 6.5% Ni. Hole LAX-26-04 intersected 0.6 m of 3.8% Ni approximately 125 m east of the Alexo open pit, at a vertical depth of 100 m. Similarly, drill hole LAX-24-04 intersected 0.2 m of 2.1% Ni approximately 40 m above LAX-26-04. Reported intersections are down-hole core lengths; the true thicknesses (widths) of mineralization are unknown.

A total of 8,749.8 m of drilling in 93 holes was completed on the Alexo South Deposit by Canadian Arrow in 2004, to define the extent of the nickel sulphide mineralization identified in the near-surface holes drilled by previous operators (Figure 6-3). The Canadian Arrow drill program tested off-hole and surface EM anomalies associated with the Alexo South Deposit. Drilling was also completed on a nominal 15 m section spacing and 30 m down-dip spacing, to define mineralization for potential production.

Drilling at the Alexo South Deposit outlined a nickel sulphide lens to a depth of 125 m from surface. Holes LOX-01-04, LOX-03-04 and LOX-08-04 were drilled to expand the known nickel sulphide mineralization on Alexo South's west lens around the 1997 Outokumpu drill hole, ALX-24-97, that intersected 2.0 m of 6.4% Ni. The drilling intersected near-surface high-grade massive sulphides with associated disseminated sulphides.

Holes LOX-12-04, LOX-13-04, LOX-14-04 and LOX-15-04 were targeted on an untested, previously identified EM anomaly. All four holes intersected massive sulphide mineralization at the basal contact of the host komatiitic peridotite and the footwall andesites.

Holes drilled on the central west lens of the Alexo South Deposit (Figure 6-3) include: LOX-22-04 intersected 12.7 m of 1.1% Ni, including 3.0 m of 3.1% Ni; LOX-18-04 intersected 4.1 m of 3.7% Ni; and LOX-17-04 intersected 2.1 m of 3.4% Ni.

Five holes (LOX-32-04, LOX-35-04, LOX-64-04, LOX-66-04 and LOX-69-04) systematically drilled on the central lens of the Alexo South Deposit, around Outokumpu drill hole ALX-09-97, intersected two zones of massive sulphide that graded 3.1% Ni over 2.6 m and 3.1% Ni over 1.9 metres (Stone *et al.*, 2020).

High-grade nickel sulphide mineralization was intersected at the newly discovered west lens of the Alexo South Deposit. Drilling in late-2004 focused on the upper 100 m of the Deposit, to define the extent of the near-surface nickel sulphide mineralization.

A total of 1,379 m of drilling in 12 drill holes was completed on the Alexo South Deposit by Canadian Arrow in 2005 (Figure 6-3). The program was principally designed to follow up on the results of the PEM-SQUID geophysical survey completed in January 2005 and confirmed the existence of nickel sulphide mineralization at the Alexo South 1700 East Zone (Stone *et al.*, 2020).

In 2010 to 2011, Canadian Arrow completed a 17 drill hole program totalling 2,802 m on the Alexo South Deposit (Figure 6-4). The purpose of the drill program was to identify and extend mineralization outwards from the existing drill defined areas. Several deeper holes were advanced to test for mineralization below the then drill limit of 100 m vertical depth. Mineralization was found up to approximately 250 m vertical depth in holes 2011-11 through 2011-15 (Stone *et al.*, 2020).

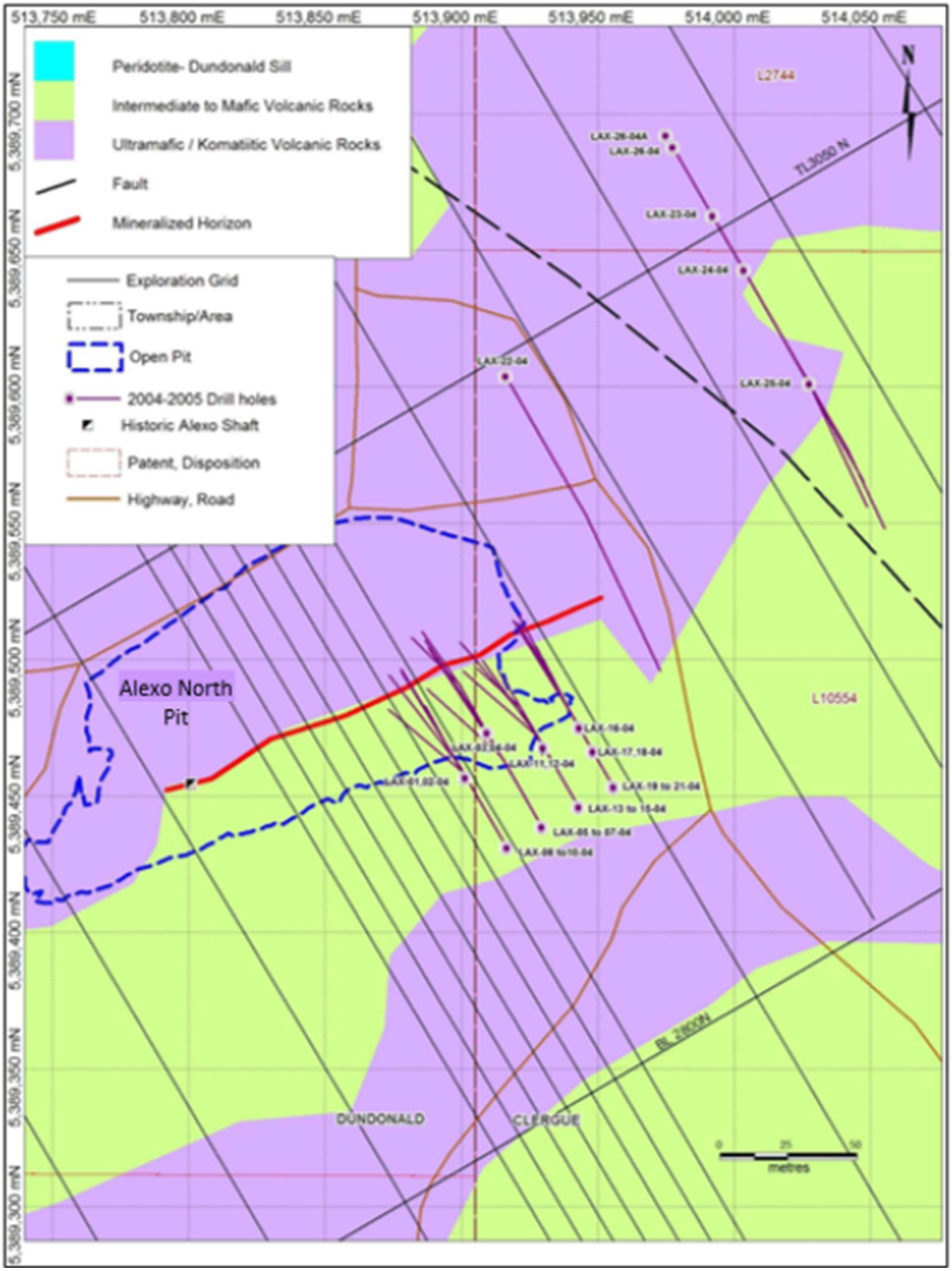


Figure 6-2. Location of the 2004-2005 Canadian Arrow diamond drill holes on the Alexo North Deposit (Donaghy and Puritch, 2020).

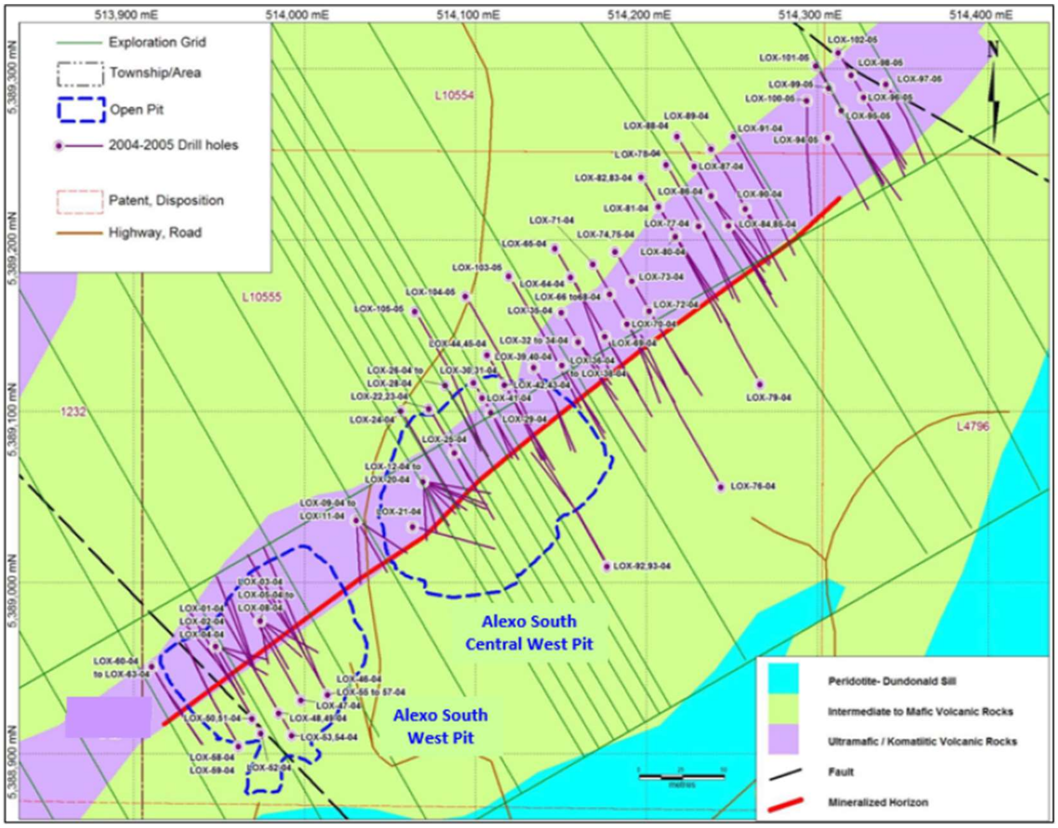


Figure 6-3. Location of the 2004-2005 Canadian Arrow diamond drill holes on the Alexo South Deposit (Donaghy and Puritch, 2020).

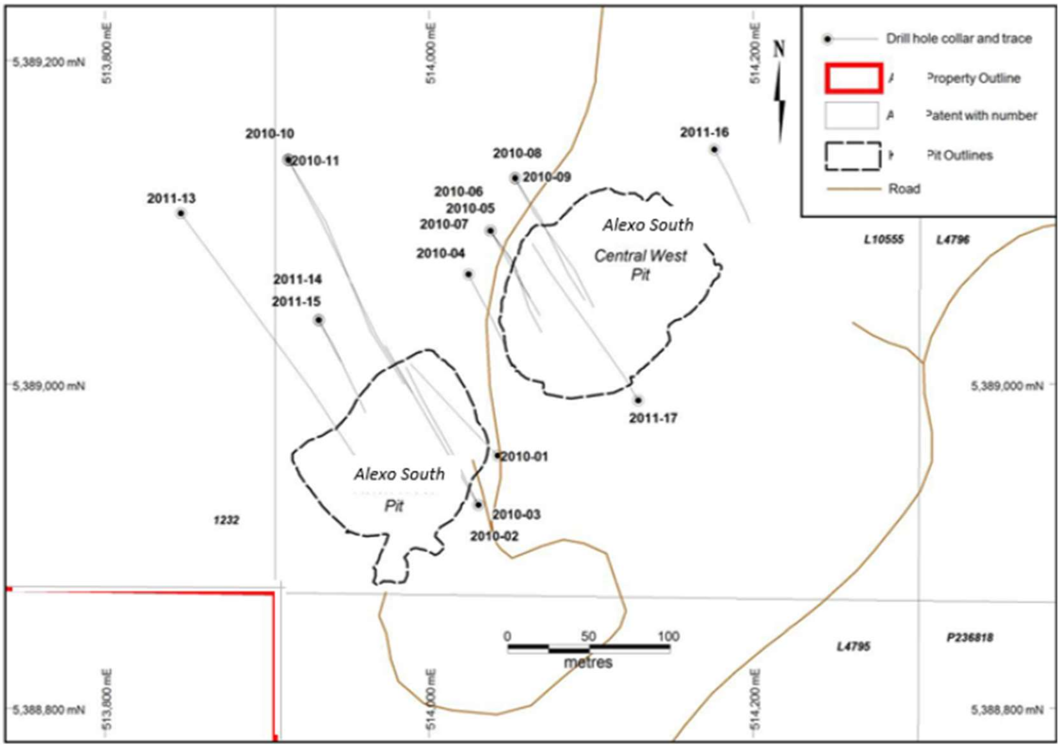


Figure 6-4. Location of the 2010-2011 Canadian Arrow diamond drill holes on the Alexo South Deposit (Donaghy and Puritch, 2020).

6.2.2 Dundonald South and Dundonald North

Falconbridge Limited ("Falconbridge") (now Glencore Nickel), explored for nickel and base metals on and in the vicinity of their Dundonald Project intermittently following the discovery of nickel mineralization in what is now referred to as Dundonald South (Figure 6-5). The Dundonald North Deposit (previously referred to as Dundeal), in the northern portion of the Property, was discovered by testing a Horizontal Loop-EM ("HLEM") anomaly in 1989. The small, but very high-grade Dundonald Beach lens, was also discovered at this time in the Dundonald South Deposit area. The Terminus base metals zone was discovered in 1990 during drilling at the Dundonald North Zone. In 1991, Falconbridge prospecting discovered a platinum group element ("PGE") occurrence in the Dundonald Sill, which was named the "Casey's Showing" (Figure 6-5) (Falconbridge, 1991).

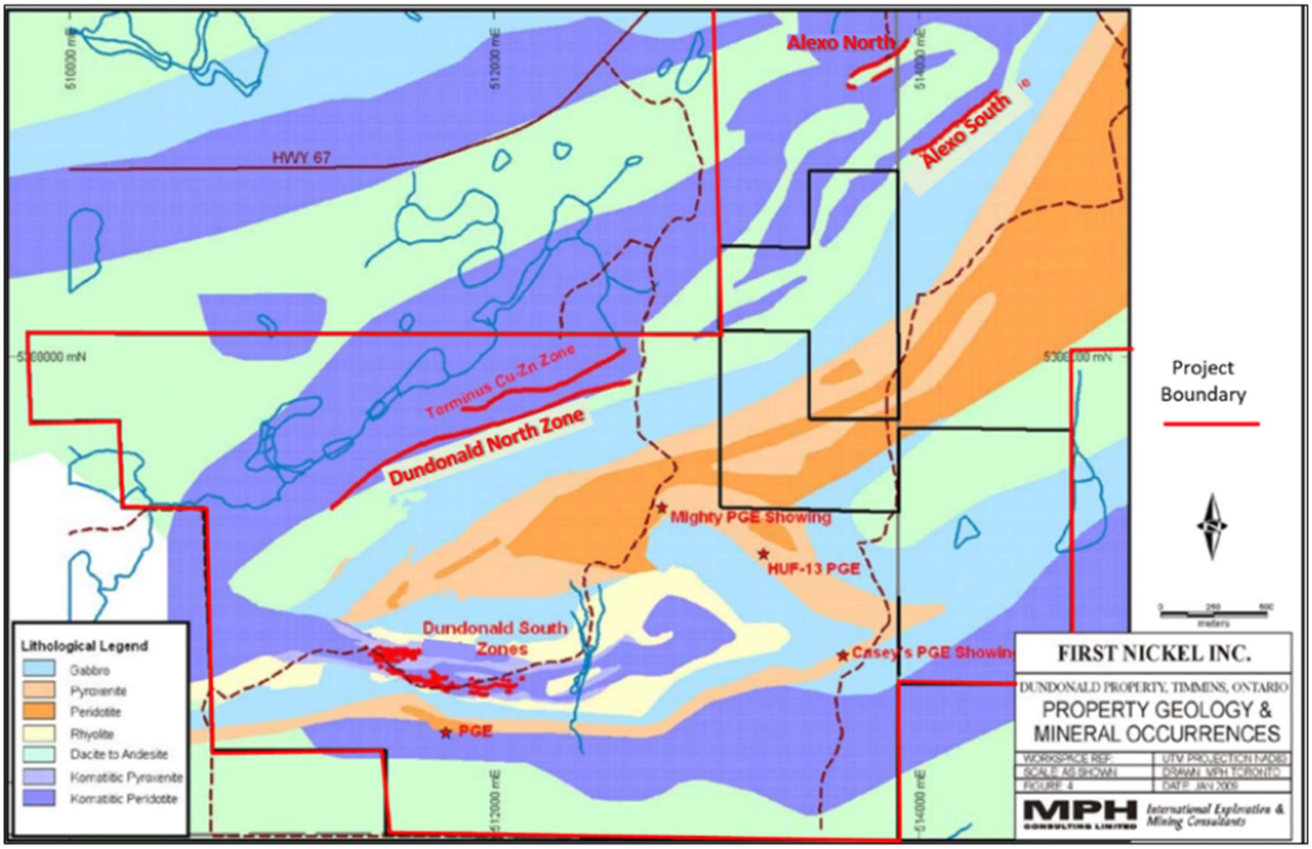


Figure 6-5. Location of the Dundonald South and Dundonald North nickel sulphide deposits, along with the Terminus Cu-Zn Zone, mineral occurrences and the Alexo North and South deposits (Donaghy and Puritch, 2020).

Falconbridge exploration work consisted of geological mapping, magnetic, HLEM, AEM, AMAG, and AVLF-EM surveys over the entire Property. During the 40-year period from 1960 to 2000, Falconbridge drilled 168 holes totalling 40,515 metres. Selective borehole and surface TDEM and Mise-a-la Masse surveys were conducted by Quantec Geoscience, mainly focused on the Dundonald North Deposit and Terminus zone. A more complete history of the Falconbridge work is summarized by Montgomery (2004).

In 2000, Falconbridge optioned the property to Hucamp. Four areas were stripped of overburden by Hucamp during 2000. These areas included the eastern extension of the Dundonald Beach high-grade nickel lens; the "Casey's PGE Showing" area; the Dundonald North Zone, and the Hucamp discovered "Mighty" PGE Showing area. All areas were mapped and channel sampled. Three trenches were blasted into the Dundonald Beach showing exposing fresh, high-grade nickel-copper-PGE sulphide mineralization. A selected Hucamp grab sample of the mineralization returned 34.82% Ni, 0.30% Co, 3.7 g/t Pt, 5.8 g/t Pd, 0.90 g/t Au, 0.44 g/t Os, 0.47 g/t Ir, 0.84 g/t Rh and 2.4 g/t Ru (Stone *et al.*, 2020).

Hucamp completed a total of 13 diamond drill holes representing 2,043 m of drilling on the Dundonald Project in 2001. Two of these holes were drilled to test the potential extension of the Alexo South Deposit onto the Dundonald Property from the adjoining Alexo Property; four were drilled to test a potential western extension of the Dundonald South Zone; four were drilled on the Dundonald South Zone itself; and three were drilled on the Dundonald Sill. All four holes at Dundonald South contained nickel values of potential interest; the best result being 3.26% Ni over a down-hole core length of 7.65 m in HUF01-10. In 2001, the Dundonald Property reverted to Falconbridge ownership.

First Nickel Inc. (“FNI”) entered into an agreement with Falconbridge in 2004 for the Dundonald Project. FNI conducted surface exploration work on the Property during 2004 and 2005. The exploration work consisted of a major diamond drilling program (178 holes totalling 30,452.5 m), borehole geophysics, geological mapping, ground geophysical surveys, minor surface mechanical stripping, and environmental work. Significant nickel intersections are listed in Table 6-4.

Hucamp completed a total of 13 diamond drill holes representing 2,043 m of drilling on the Dundonald Project in 2001. Two of these holes were drilled to test the potential extension of the Alexo South Deposit onto the Dundonald Property from the adjoining Alexo Property; four were drilled to test a potential western extension of the Dundonald South Zone; four were drilled on the Dundonald South Zone itself; and three were drilled on the Dundonald Sill. All four holes at Dundonald South contained nickel values of potential interest; the best result being 3.26% Ni over a down-hole core length of 7.65 m in HUF01-10. In 2001, the Dundonald Property reverted to Falconbridge ownership.

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Table 6-4. Significant nickel intersections from 2004 to 2005 First Nickel drilling at Dundonald South.

Drill Hole	Year	From (m)	To (m)	*Interval (m)	Ni (%)	**Deposit/Zone
D04-04	2004	72.60	74.00	1.40	4.66	A
Incl.	2004	73.50	74.00	0.50	10.95	A
D04-07	2004	172.50	177.00	4.50	4.42	A
Incl.	2004	172.60	175.00	2.40	6.83	A
D04-17	2004	201.80	204.00	2.20	11.84	A
Incl.	2004	203.00	204.00	1.00	17.14	A
D04-29	2004	215.00	230.00	15.00	5.26	A
Incl.	2004	219.00	221.00	2.00	14.46	A
and	2004	224.70	227.00	2.30	11.04	A
D04-30	2004	221.50	224.00	2.50	5.20	A
Incl.	2004	222.30	224.00	1.70	6.66	A

Drill Hole	Year	From (m)	To (m)	*Interval (m)	Ni (%)	**Deposit/Zone
D04-31	2004	285.30	287.00	1.70	3.87	A
D04-33	2004	249.70	251.00	1.30	3.30	A
D04-38	2004	274.10	276.00	1.90	3.62	A
D05-39	2005	249.10	250.00	0.90	6.17	A
D05-47	2005	62.00	64.00	2.00	2.48	A
D05-49	2005	111.80	115.00	3.20	2.42	A
D04-14	2004	136.50	138.00	1.50	3.77	B
Incl.	2004	136.50	137.00	0.50	14.78	B
D04-16	2004	98.70	101.00	2.30	2.24	D
D04-18	2004	49.00	51.00	2.00	2.49	E
Incl.	2004	49.00	49.70	0.70	5.68	E
S04-9	2004	222.50	225.00	2.50	2.84	E
S05-30	2005	221.50	224.00	2.50	2.40	E
S05-70	2005	269.70	271.00	1.30	1.30	E
S05-76	2005	234.80	236.00	1.20	2.64	E
S05-77	2005	233.40	235.00	1.60	3.65	E
S04-8	2004	146.50	150.00	3.50	2.25	F
S04-17	2004	155.80	158.00	2.20	5.22	F
S04-21	2004	170.50	173.00	2.50	3.67	F
Incl.	2004	171.40	173.00	1.60	5.77	F
S05-30	2005	195.50	197.00	1.50	8.46	F
S05-31	2005	193.50	195.00	1.50	4.10	F
S05-41	2005	114.00	116.00	2.00	4.17	F
S05-48	2005	136.00	138.00	2.00	6.03	F
S05-72	2005	188.00	192.00	4.00	2.37	F
S04-10	2004	92.10	94.00	1.90	3.11	G
S05-28	2005	118.00	120.00	2.00	2.69	G
S05-30	2005	123.50	127.00	3.50	11.19	G
Incl.	2005	125.20	127.00	1.80	23.74	G
S05-37	2005	82.00	83.20	1.20	5.30	G
S05-40	2005	85.90	90.80	4.90	5.99	G
Incl.	2005	85.90	87.20	1.30	11.79	G
S05-45	2005	74.88	75.80	0.92	13.10	G
S05-60	2005	78.00	79.70	1.70	4.67	G
S05-68	2005	56.00	56.80	0.80	9.91	G
S05-73	2005	162.90	164.00	1.10	18.71	G
S05-75	2005	149.00	153.00	4.00	5.91	G
Incl.	2005	151.50	152.00	0.50	20.90	G
S05-78	2005	149.50	152.00	2.50	2.52	G
S05-79	2005	156.00	162.00	6.00	7.63	G

Drill Hole	Year	From (m)	To (m)	*Interval (m)	Ni (%)	**Deposit/Zone
Incl.	2005	160.90	162.00	1.10	25.60	G
S05-86	2005	101.70	104.00	2.30	3.81	G
S05-89	2005	127.00	130.00	3.00	2.10	G
S05-91	2005	129.00	132.00	3.00	5.29	G
Incl.	2005	129.90	132.00	2.10	6.66	G
S05-98	2005	167.60	169.00	1.40	4.37	G
S05-104	2005	173.20	175.00	1.80	2.98	G

*drill hole intervals are not representative of true widths; **refer to Figure 7-5

A total of 3,397 m of diamond drilling (13 holes) was completed in the Dundonald North-Terminus area in 2004 and 2005 by FNI. Four holes (FNT05-04 to FNT-05-07) were drilled above the steep westward, up-plunge projection of the Dundonald North Zone in an old Falconbridge hole DUN25-05 (2.58% Ni over 2 m). Farther to the west, four holes FNT05-08 to FNT-05-11 were drilled above DUN25-16 (4.43% Ni over 0.35 m). Borehole pulse EM surveying was completed on each of the eight drill holes (1,200 m). The Dundonald North Zone horizon returned weak responses in the holes. Moderate off-hole or in-hole conductors were detected in the footwall andesite volcanics. These were the result of concentrations of pyrrhotite stringers/patches. Weak pyrrhotite-pentlandite mineralization was encountered in each hole at the target basal komatiite horizon. The most significant nickel intercept returned from the near surface Dundonald North Zone in these holes was 1.86% Ni over 2.2 m in hole FNT05-08. The other holes returned low nickel values. Reported intersections are down-hole core lengths; the true thicknesses (widths) of mineralization are unknown.

Two holes (FNT05-12 and FNT05-13) were drilled to test a deeper portion of the Dundonald North Zone. FNT05-12 was drilled 150 m west and 70 m above hole DUN25-04 (2.41% Ni over 4.25 m) and returned 1.11% Ni over 9.5 m (~5.8 m true width), including 1.80% Ni over 3 m (~1.9 m true width) from the Dundonald North Zone at a vertical depth of 300 m. This nickel intercept led to a second hole (FNT05-13) being drilled 45 m to the west. Hole FNT05-13 intersected the Dundonald North Zone and returned 1.34% Ni over 12.0 m (~7.6 m true width), including 1.61% over 8.0 m (~5.0 m true width). The FNT05-13 intersection is 210 m west and 70 m above Falconbridge hole DUN25-04 (2.41% Ni over 4.25 m). The two FNI intersections indicate that the Dundonald North Zone is open to the west.

6.2.3 Terminus Zinc-Copper Zone

The Terminus base metals zone was discovered by Falconbridge in 1990 while drilling deeper holes on the Dundonald North nickel deposit. Subsequently, Hole FNT04-1 of the FNI 2004–2005 diamond drilling program intersected the Terminus Zone target horizon at a vertical depth of 600 m. This intersection was approximately 175 m below previous Falconbridge hole DUN25-20, which returned a 10.1 m core length of 1.37% Cu, 7.53% Zn, 0.13% Co, 1.1 g/t Au, and 2.9 g/t Ag. The Terminus Zone consisted of a pyrite-pyrrhotite stringer network and local massive veins over a core length of 18.2 m hosted in silicified komatiitic basalt. No significant nickel values were returned and true thickness (width) of the mineralization is unknown (Stone *et al.*, 2020).

6.3 Historical Sample Preparation, Analysis and Security

It is the QP Simon Mortimer’s opinion that historical sample preparation, security and analytical procedures used by Outokumpu, Hucamp and Canadian Arrow are adequate for the purposes of the calculation of a mineral resource estimate and that there are no factors that materially impact the reliability or accuracy of the dataset employed in the calculation of the current Mineral Resource Estimate (*see* Section 14.0).

6.3.1 Diamond Drilling (2010)

The 2010 drilling data from the Alexo Property, also reviewed in Puritch *et al.* (2010) for Canadian Arrow Mines Ltd. and also for the purposes of generating a geological model and mineral resource estimate, were generated in multiple phases of historical exploration by various companies.

The drill core handling, logging and sampling procedures implemented for the Outokumpu (ALX series) and Hucamp (HUX series) were also reviewed by Puritch *et al.* (2010), in discussion with former Outokumpu and Hucamp personnel. The following has been largely extracted from Puritch *et al.* (2010).

6.3.1.1 Outokumpu ALX Series

Outokumpu drilled the ALX series holes from 1996 to 1999 and transferred the drill core to a secure storage facility in Timmins, Ontario. The ALX series drill holes were logged and the sampling supervised by Paul Davis, M.Sc., P.Geo., who also supervised protocols for the HUX (drilled in 2001), LAX and LOX series programs (drilled in 2004 and 2005), thus maintaining continuity and consistency throughout all the programs. Packaged samples were directly transported to laboratory receiving centres.

Drill core sampling criteria were based on observed sulphide content and host lithology. Nominal sample lengths ranged from 1.0 m to 1.5 m in disseminated style mineralization and to as small as 5 cm across massive stringer mineralization. Higher grade intervals were sampled at shorter lengths, consistent with mineralization style and (or) sulphide content. Sampling was terminated at lithological or mineralization style boundaries. The estimated sulphide species and content of each sample interval were recorded in the drill core logs. The protocol used a three-tag common number system: One tag went into the sample bag, one tag stayed in the drill core box, and one tag stayed in the sample tag book for storage in the office. Drill core hole depth markers were placed at 3 m intervals.

The ALX series samples were shipped to the Chimitec-Bondar Clegg Laboratory (now ALS Chemex) in Val d'Or, Québec for assay. Analyses consisted of acid digestion with an atomic absorption finish for nickel, copper and cobalt. Precious metals were not assayed. No sample standards or blanks were utilized. ALS Chemex is an independent laboratory and is ISO/IEC 17025:2017 accredited.

Assay certificates for the ALX series have not been located, due to several changes in property ownership, management and office changes over the years. All logs, assays and survey data were recorded in the DHLogger drill core data management system (Puritch *et al.*, 2010).

6.3.1.2 Hucamp HUX, LAX and LOX Series

Regarding the Hucamp HUX 2001 drilling program, the drill core was logged and sawn in half by MPH Consulting Limited ("MPH") at a secure facility outside of Porcupine, Ontario. Most of the drill core was returned to the Alexo site, however, the remainder was lost. On the other hand, the LAX and LOX 2004 and 2005 programs, the holes were logged and sampled on-site, under the supervision of Mr. Davis. The drill core was sawn in half with one-half retained in the drill core box and stored on-site. The other half was placed in plastic sample bags with tags and sent directly to the assay laboratory receiving centre in Timmins. All drill core is currently stored onsite, except for the lost HUX series hole materials. The site is secured by a locked gate at the entrance to the Property off Highway 67.

For the HUX series, half of the drill core was retained at the MPH facility and half was sent to ALS Chemex for assay. Nickel, copper and cobalt were determined by atomic absorption after aqua regia digestion and Au, Pt and Pd by nickel fire assay with ICP finish. Hucamp had a check assay protocol, whereby a representative number of sample pulps were checked by Swastika Laboratories Limited ("Swastika") for the above elements. Samples checked within reasonable limits in all cases. No sample standards or blanks were utilized. Swastika is an independent laboratory that has been accredited by the Canadian Association for Laboratory Accreditation Inc. (CALA) in meeting the requirements of ISO-IEC 17025 for a select range of analyses.

The LAX and LOX series drill core samples were placed in plastic sample bags with the respective tag and transferred to the SGS Canada Inc. ("SGS") facility in Rouyn-Noranda, Quebec. Each sample was crushed to -10 mesh, and then a 200 g split was ring pulverized to 85% passing 75 microns. Gold, platinum and palladium were assayed with a full 30 g sample lead fire assay with ICP-ES finish. Nickel, copper and cobalt were assayed by sodium peroxide fusion ICP-ES finish. QA/QC consisted of inserting blanks and standards every 50 samples (Paul Davis, pers. comm.). Every 10th sample was re-assayed for the duplicate. The drill core was also photographed. SGS is an independent laboratory and a Standards Council of Canada (SCC) accredited laboratory conforming to the requirements of CAN-P-1579 and CAN-P-1579 (ISO/IEC 17025:2005).

Assay certificates for the HUX series assays have not been located, due to several changes in property ownership, management and office changes over the years. All drill logs, assays and survey data were recorded in the DHLogger drill core data management system (Puritch *et al.*, 2010).

6.3.2 Diamond Drilling (2010 to 2011)

During the 2010 and 2011 drill program, all aspects of sample preparation were under the direction of Mr. Kim Tyler, P. Geo. The drill core was logged and sampled on-site by Mr. Tyler. The core was sawn in half with one-half retained in the drill core box and stored on-site. The other half of the drill core was placed in plastic sample bags with tags and sent directly to the assay laboratory receiving centre in Timmins.

Criteria for the drill core sampling were based on observed sulphide content and host lithology. Nominal sample lengths ranged from 1.0 m to 1.5 m in the disseminated-style mineralization to as small as 10 cm across massive stringer mineralization. Higher-grade intervals were sampled at shorter lengths consistent with mineralization style and (or) content. Sampling intervals were terminated at lithologic and mineralization style boundaries. The estimated sulphide species and content correlating to each sample interval were recorded in the drill core logs. The drill core was also photographed.

The drill core sampling protocol used a three-tag system: One tag went into the sample bag; one tag stayed in the drill core box; and one tag remained in the sample book for storage in the office. The entire drill core from the 2010-2011 drill programs is stored on-site. The site is secured by a locked gate at the entrance to the Property off Highway 67. Drill core markers were placed at 3 m down-hole intervals.

Quality assurance/quality control ("QA/QC") consisted of inserting blanks and standards every 25 samples. Every 10th sample was re-assayed as a duplicate. Canadian Arrow used granite for their blanks. Standard LBE#3 was prepared by WCM Minerals of Burnaby B.C.

Drill core samples were prepared and assayed at ALS Chemex, an independent and ISO/IEC 17025:2017 accredited analytical laboratory. Each entire sample was crushed to -10 mesh, and then a 200 g split was ring pulverized to 85% passing 75 microns. Analyses consisted of acid digestion with an atomic absorption finish for nickel, copper and cobalt. Platinum, palladium and gold were analyzed in 30 g aliquots by lead fire assay with ICP-AES finish (Puritch *et al.*, 2010).

6.4 Historical Mineral Resource Estimates

The estimates noted in this section are "historical" in nature and a Qualified Person has not done the work necessary to verify the historical estimates as current estimates under NI 43-101. As such the resources should not be relied upon. The Authors and Class 1 Nickel are not treating the historical estimates as current Mineral Resources or Mineral Reserves. They are instead presented for informational purposes only.

Historical resource estimates are superseded by the 2020 Mineral Resource Estimates for the Dundonald South and Dundonald North resource estimates (Stone *et al.*, 2020) and the 2024 updated Mineral Resource Estimates for Alexo North (Class 1 news release dated 24 April 2024) and Alexo South (Class 1 news release dated 22 May 2024), as presented in Section 14.0 of this Report.

6.4.1 Dundonald South Deposit (2009)

Harron (2009), reported a historical Mineral Resource Estimate for the Dundonald South Deposit (Table 6-5). The methodology employed followed the CIM Estimation of Mineral Resources and Mineral Reserves Best Practice Guidelines (CIM, 2003a).

The Mineral Resources estimated in the Dundonald South area were classified as Inferred Mineral Resources as defined by the CIM Standards on Mineral Resources and Reserves (CIM, 2003b). Overall, the mineralized zones that met or exceeded the cut-off grade (>1.5% Ni) and thickness (>2.0 m) parameters were small and isolated. This result suggested that geological and grade continuity were not strong features of the historical Mineral Resource Estimate and only warranted an Inferred Mineral Resource classification. The estimated Inferred Mineral Resource for the Dundonald South nickel zones was 116,000 t grading 3.16% Ni, with the A, F and G zones contributing 67% of the Mineral Resource tonnage (Table 6-5).

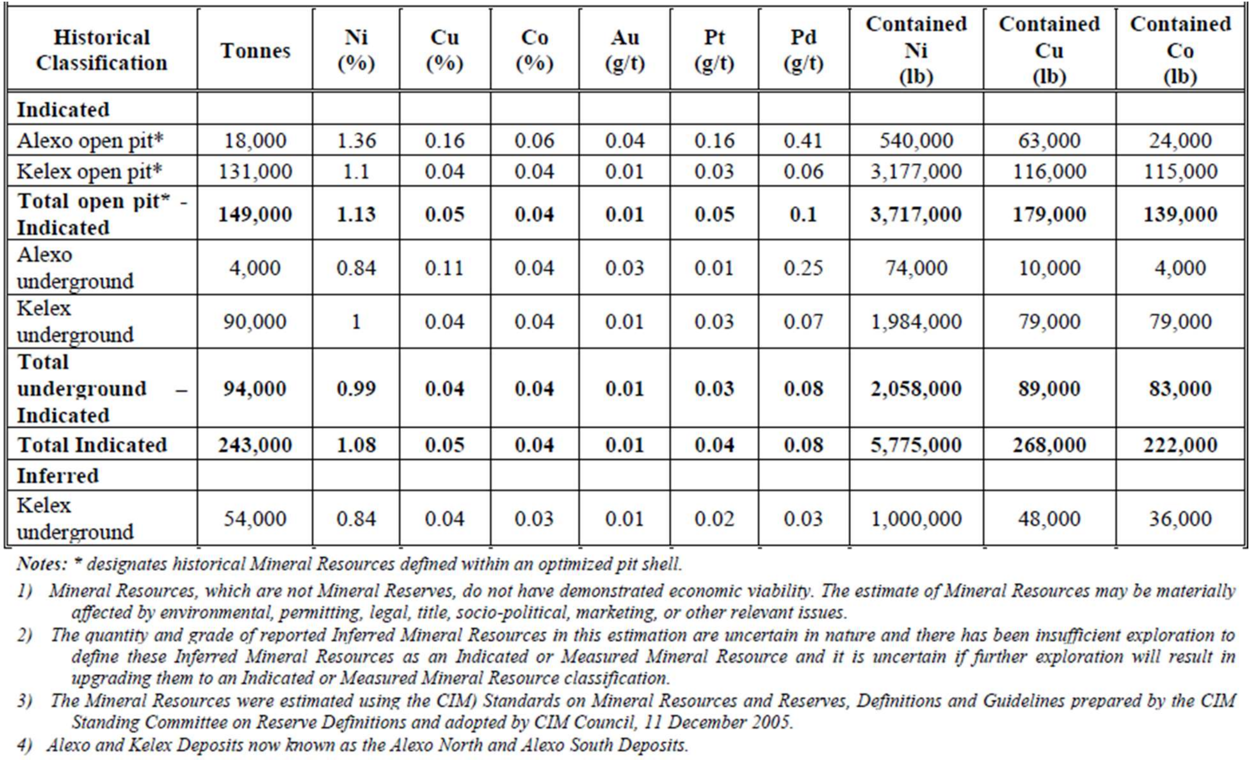
Table 6-5. Historical Mineral Resource Estimate of the Dundonald South deposit (Harron, 2009).

Zone	Tonnes	Average Ni (%)
A	18,300	4.47
B	14,200	2.77
C	2,000	1.72
D	3,400	2.45
E/E2	17,800	2.07
F	24,000	2.62
G	35,100	3.73
H	1,300	1.88
Totals:	**116,100**	**3.16**

6.4.2 Alexo North and Alexo South Deposits (2010)

Puritch *et al.* (2010) prepared Mineral Resource Estimates for the Alexo North and Alexo South Deposits (known then as Alexo and Kelex) (Table 6-6). The definitions of Indicated and Inferred Mineral Resources were in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definitions and Standards on Mineral Resources and Mineral Reserves (CIM, 2005).

Table 6-6. Historical Mineral Resource Estimate of Alexo North and Alexo South (Kelex) deposits (Puritch *et al.*, 2010).



Historical Classification	Tonnes	Ni (%)	Cu (%)	Co (%)	Au (g/t)	Pt (g/t)	Pd (g/t)	Contained Ni (lb)	Contained Cu (lb)	Contained Co (lb)
Indicated										
Alexo open pit*	18,000	1.36	0.16	0.06	0.04	0.16	0.41	540,000	63,000	24,000
Kelex open pit*	131,000	1.1	0.04	0.04	0.01	0.03	0.06	3,177,000	116,000	115,000
Total open pit* - Indicated	**149,000**	**1.13**	**0.05**	**0.04**	**0.01**	**0.05**	**0.1**	**3,717,000**	**179,000**	**139,000**
Alexo underground	4,000	0.84	0.11	0.04	0.03	0.01	0.25	74,000	10,000	4,000
Kelex underground	90,000	1	0.04	0.04	0.01	0.03	0.07	1,984,000	79,000	79,000
Total underground – Indicated	**94,000**	**0.99**	**0.04**	**0.04**	**0.01**	**0.03**	**0.08**	**2,058,000**	**89,000**	**83,000**
Total Indicated	**243,000**	**1.08**	**0.05**	**0.04**	**0.01**	**0.04**	**0.08**	**5,775,000**	**268,000**	**222,000**
Inferred										
Kelex underground	54,000	0.84	0.04	0.03	0.01	0.02	0.03	1,000,000	48,000	36,000

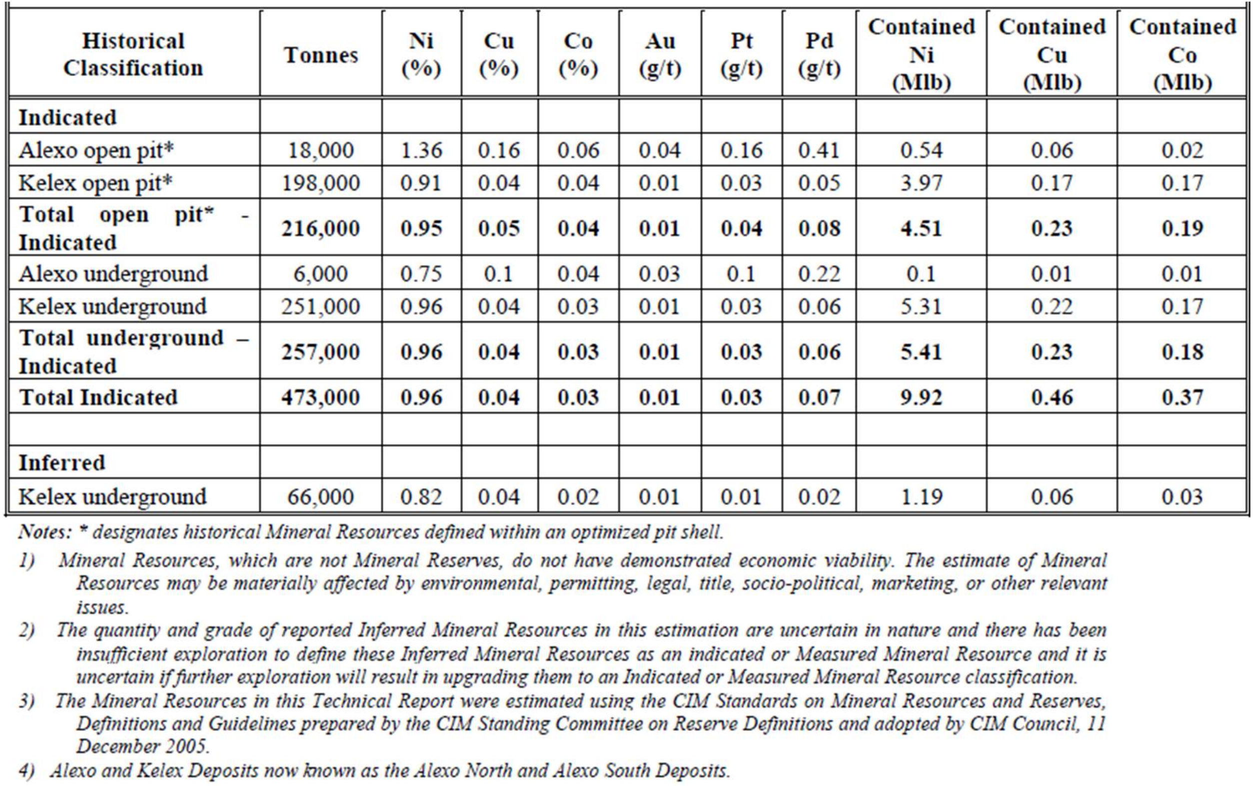
*Notes: * designates historical Mineral Resources defined within an optimized pit shell.*

1) *Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.*
2) *The quantity and grade of reported Inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as an Indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource classification.*
3) *The Mineral Resources were estimated using the CIM) Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council, 11 December 2005.*
4) *Alexo and Kelex Deposits now known as the Alexo North and Alexo South Deposits.*

Indicated and Inferred Mineral Resource classifications of all interpolated grade blocks were determined from the nickel interpolations due to nickel being the dominant revenue producing element in the NSR calculation. The Mineral Resource Estimate tabulated in Table 6-6 for Alexo North and Alexo South was compiled using a $35/t NSR cut-off value for the open pit portions and a $85/t NSR cut-off value for the underground portions of the two Deposits.

Puritch *et al.* (2012), updated the Mineral Resource Estimate (Table 6-7) of Puritch *et al.* (2010). The definitions of Indicated and Inferred Mineral Resources were in accordance with the CIM Definitions and Standards on Mineral Resources and Mineral Reserves (CIM, 2005). Indicated and Inferred Mineral Resource classifications of all interpolated grade blocks were determined from the nickel interpolations due to nickel being the dominant revenue producing element in the NSR calculation. The Mineral Resource Estimate presented below for Alexo North and Alexo South was compiled using a $35/t NSR cut-off value for the open pit portion and a $70/t NSR cut-off value for the underground portion of the two Deposits.

Table 6-7. Historical Mineral Resource Estimate of Alexo North and Alexo South (Kelex) deposits (Puritch *et al.*, 2012).



Historical Classification	Tonnes	Ni (%)	Cu (%)	Co (%)	Au (g/t)	Pt (g/t)	Pd (g/t)	Contained Ni (Mlb)	Contained Cu (Mlb)	Contained Co (Mlb)
Indicated										
Alexo open pit*	18,000	1.36	0.16	0.06	0.04	0.16	0.41	0.54	0.06	0.02
Kelex open pit*	198,000	0.91	0.04	0.04	0.01	0.03	0.05	3.97	0.17	0.17
Total open pit* - Indicated	**216,000**	**0.95**	**0.05**	**0.04**	**0.01**	**0.04**	**0.08**	**4.51**	**0.23**	**0.19**
Alexo underground	6,000	0.75	0.1	0.04	0.03	0.1	0.22	0.1	0.01	0.01
Kelex underground	251,000	0.96	0.04	0.03	0.01	0.03	0.06	5.31	0.22	0.17
Total underground – Indicated	**257,000**	**0.96**	**0.04**	**0.03**	**0.01**	**0.03**	**0.06**	**5.41**	**0.23**	**0.18**
Total Indicated	**473,000**	**0.96**	**0.04**	**0.03**	**0.01**	**0.03**	**0.07**	**9.92**	**0.46**	**0.37**
Inferred										
Kelex underground	66,000	0.82	0.04	0.02	0.01	0.01	0.02	1.19	0.06	0.03

*Notes: * designates historical Mineral Resources defined within an optimized pit shell.*

1) *Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, socio-political, marketing, or other relevant issues.*
2) *The quantity and grade of reported Inferred Mineral Resources in this estimation are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as an indicated or Measured Mineral Resource and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured Mineral Resource classification.*
3) *The Mineral Resources in this Technical Report were estimated using the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council, 11 December 2005.*
4) *Alexo and Kelex Deposits now known as the Alexo North and Alexo South Deposits.*

6.5 Historical Mineral Processing and Metallurgical Testing

Mineralogical and metallurgical testwork has not been conducted on the Alexo North and Alexo South Deposits in almost a decade and never on the Dundonald North and South Deposits. Historically, small and larger bulk samples from Alexo North and South deposits were shipped off-site to Sudbury for testing and processing (Stone *et al.*, 2020).

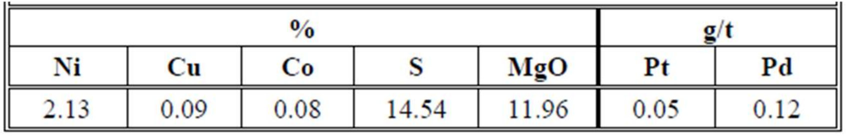
6.5.1 Early Metallurgical Testing (Pre-2004)

Prior to 2004, a 10,000 t Alexo bulk sample had been transported to Falconbridge, Sudbury. Part of the sample (6,000 t) assayed 2.46% Ni, 0.32% Cu and 0.07% Co. Despite suggestions that mining and shipping mineralized material to Sudbury for toll processing would be economic, no results of the bulk sample processing are available for review (Stone *et al.*, 2020).

6.5.2 Bench-Scale Testing (2011)

In 2011, XPS (Xstrata Process Support, formerly Falconbridge, now Glencore) conducted qualitative mineralogy and scoping level metallurgical testing on an Alexo South composite sample. The composite chemical analyses are shown in Table 6-8.

Table 6-8. Alexo South Composite Head Sample Analyses



%					g/t	
Ni	**Cu**	**Co**	**S**	**MgO**	**Pt**	**Pd**
2.13	0.09	0.08	14.54	11.96	0.05	0.12

Mineralogical analyses were performed using an Electron Microprobe. It was determined that (Stone *et al.*, 2020):

- Pyrrhotite (Pyr) contained 0.21% Ni and pentlandite (Pn) 31% Ni. These Ni levels are lower than in typical nickel sulphide ores.
- Silicate gangue contained on average 700 ppm (0.07%) Ni.
- It was reported by the test report authors that unrecoverable nickel would be attributable to pyrrhotite and silicates.

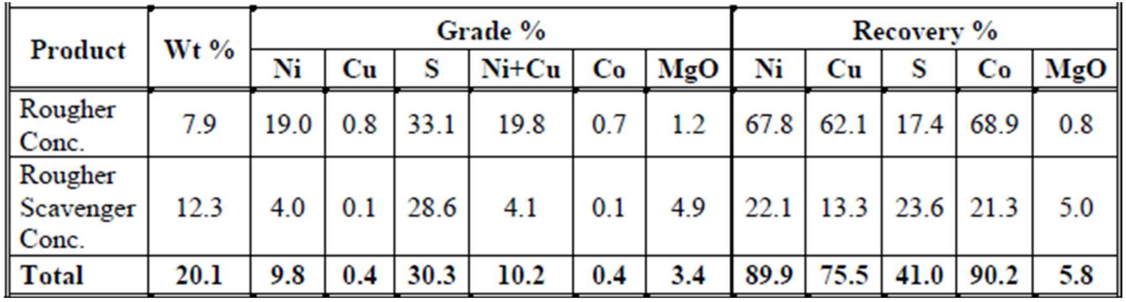
6.5.3 Comminution Testing

A single grinding test was performed. The Bond Ball Mill Index was determined to be 23.7 kWh/t. This test indicated that the Alexo South mineralized material would be very hard to grind (Stone *et al.*, 2020).

6.5.4 Flotation Test Results

Duplicate rougher flotation tests were conducted on finely ground (K80 53µm) Alexo South composite samples. In one test, a silicate depressant (Dep C) was applied using a custom (Montcalm1) flowsheet (the exact flowsheet outline is unknown). The rougher flotation results are shown in Table 6-9 (Stone *et al.*, 2020).

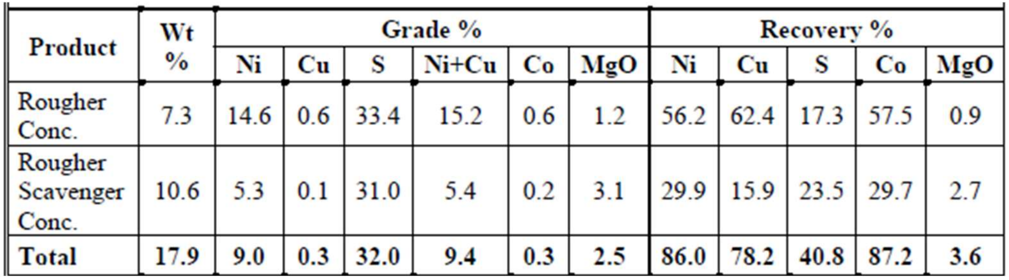
Table 6-9. Rougher flotation recovery results for Alexo South Composite with silicate depressant Montcalm Mine flowsheet (Stone *et al.*, 2020).



Product	Wt %	Grade %						Recovery %				
		Ni	Cu	S	Ni+Cu	Co	MgO	Ni	Cu	S	Co	MgO
Rougher Conc.	7.9	19.0	0.8	33.1	19.8	0.7	1.2	67.8	62.1	17.4	68.9	0.8
Rougher Scavenger Conc.	12.3	4.0	0.1	28.6	4.1	0.1	4.9	22.1	13.3	23.6	21.3	5.0
Total	**20.1**	**9.8**	**0.4**	**30.3**	**10.2**	**0.4**	**3.4**	**89.9**	**75.5**	**41.0**	**90.2**	**5.8**

Without Dep C, the results are summarized in Table 6-10. Concentrate grades and recoveries were slightly lower without the silicate depressant (Stone *et al.*, 2020).

Table 6-10. Rougher flotation recovery results for Alexo South Composite without silicate depressant Montcalm flowsheet (Stone *et al.*, 2020).



Product	Wt %	Grade %						Recovery %				
		Ni	Cu	S	Ni+Cu	Co	MgO	Ni	Cu	S	Co	MgO
Rougher Conc.	7.3	14.6	0.6	33.4	15.2	0.6	1.2	56.2	62.4	17.3	57.5	0.9
Rougher Scavenger Conc.	10.6	5.3	0.1	31.0	5.4	0.2	3.1	29.9	15.9	23.5	29.7	2.7
Total	**17.9**	**9.0**	**0.3**	**32.0**	**9.4**	**0.3**	**2.5**	**86.0**	**78.2**	**40.8**	**87.2**	**3.6**

An open circuit cleaner test was performed, and the results are shown in Table 6-11. Similar tests were performed using what was termed to be the Strathcona flowsheet (Table 6-12).

Table 6-11. Open circuit cleaner results for Alexo South Composite using Montcalm flowsheet (Stone *et al.*, 2020).

Product	Wt %	Grade %						Recovery %					
		Ni	Cu	S	Ni+Cu	Co	MgO	Ni	Cu	S	Ni+Cu	Co	MgO
Rougher Conc.	11.3	12.1	0.5	32.2	12.6	0.4	2.4	61.7	60.8	24.2	61.7	62.1	2.4
Sec Rougher Cleaner Conc.	6.5	7.7	0.2	33.3	7.9	0.4	1.9	22.5	12.9	15.1	22.1	23.1	0.5
Cleaner Scavenger Conc.	1.7	2.4	0.1	33.0	2.5	0.1	2.3	1.8	1.2	3.7	1.8	1.8	0.3
Final Conc.	**19.5**	**9.8**	**0.4**	**33.4**	**10.3**	**0.4**	**1.9**	**86.1**	**74.9**	**43.0**	**85.6**	**86.9**	**3.2**

Table 6-12. Open circuit cleaner results for Alexo South Composite using Strathcona flowsheet (Stone *et al.*, 2020).

Product	Wt %	Grade %						Recovery %					
		Ni	Cu	S	Ni+Cu	Co	MgO	Ni	Cu	S	Ni+Cu	Co	MgO
Rougher Conc.	4.9	14.6	0.6	27.6	15.2	0.5	4.1	31.5	30.7	9.2	31.5	32.7	1.7
Sec Rougher Cleaner Conc.	3.2	16.4	0.5	33.1	16.9	0.6	1.0	23.2	14.9	7.2	22.9	23.9	0.3
Po Scavenger Conc.	2.3	3.9	0.1	35.7	4.0	0.1	1.5	4.2	2.7	5.9	4.1	3.9	0.3
Po Cleaner Conc.	4.4	8.5	0.3	35.9	8.9	0.3	0.7	16.6	13.7	10.7	16.5	16.6	0.3
Final Conc.	**14.7**	**11.5**	**0.4**	**32.5**	**11.9**	**0.4**	**2.0**	**75.6**	**61.9**	**33.0**	**75.0**	**77.1**	**2.5**

The total concentrate Ni grade was slightly higher, but recovery was significantly lower; the Montcalm flowsheet was assumed by the test report authors to be superior.

The Montcalm Mine is a former Falconbridge mine located 65 km northwest of Timmins. The mine closed in 2009 following ground instability issues; 4Mt of ore grading 1.25% Ni had been processed (Stone *et al.*, 2020).

6.5.4.1 Comments on Historical Metallurgical Test Work (Stone et al., 2020)

These preliminary results indicated that a smelter-acceptable, low Cu, low MgO, 10% Ni concentrate could be obtained. It is considered that instead of building and operating a process plant on the Alexo-Dundonald site, mineralized material would be direct shipped to a toll processing operator. In advance of a toll processing agreement, the toll processing operator is expected to request that metallurgical testing should mirror a flowsheet that the toll operator uses. In addition, toll milling operators would sample for metal content each shipment and if the Alexo Dundonald is blended in with other mineralized feeds at the process plant, bench testing of each shipment may be needed to assist in determining the actual metallurgical performance (Stone *et al.*, 2020).

6.5.5 Acid Rock Drainage (ARD) Tests

Two tests by XPS in 2011 indicated that Alexo South flotation tails would be strongly acid generating. ARD of flotation tailings should not be a major concern for the Project or the toll processor. Long term storage of low-grade stockpiles and mineralized zone associated waste rock are expected to need assessment of ARD and metal leaching potential (Stone *et al.*, 2020).

6.5.6 Petrographic Mineralogical Study (Dundonald South)

Hanley (2005), reported on the results of a petrographic study that focused on several samples from the A, F and G zones. Selected samples showed that the most abundant sulphide mineral present is pentlandite intergrown with pyrrhotite. Nickeline a minor nickel bearing phase occurs as inclusions in pyrrhotite and pentlandite. Chalcopyrite is the only copper carrier occurring as inclusions and blebs within pentlandite, pyrrhotite and the volcanic groundmass.

Trace pyrite inclusions are present in pyrrhotite. Rare sphalerite associated with chalcopyrite occurs as inclusions in pentlandite and pyrrhotite. Also, rare galena inclusions are present in pentlandite, siegenite ($(Ni,Co)_3S_4$)-skutterudite ($CoAs_3$) and chalcopyrite grains. Although gersdorfite (NiAsS) is a major PGE "collector" and occurs in areas of higher-grade PGE mineralization in the A zone, it is rare in the areas of low-grade PGE mineralization. In the low-grade PGE areas, michenerite (PdBeTe) and sperrylite ($PtAs_2$), together representing about 80-85% of the PGE minerals, occur as isolated inclusions in pentlandite and siegenite-skutterudite or along pentlandite-silicate grain boundaries (Hanley, 2005).

6.6 Historical Production

The Alexo North Deposit have been mined between 1912 and 2005, in three periods (Puritch *et al.*, 2010; 2012):

- 1912–1919: Surface and underground mining for production of 51,857 tons at 4.4% Ni, 0.6% Cu between surface and 38 m depth.
- 1943−1944: Mining of remnants and pillars from previous 1913−1919 mine workings; exact production figures are not known.
- 2004–2005: Open pit mining of 26,224 t at 1.97% Ni, 0.20% Cu.

Small-scale open pit mining of the Alexo South Deposit in 2004-2005 produced 3,900 t at 1.68% Ni and 0.18% Cu. The Dundonald North and South deposits have never been mined.

7.0 GEOLOGICAL SETTING AND MINERALIZATION

Section 7.0 of this Report has been largely extracted from the NI 43-101 technical reports of Jobin-Bevans *et al.* (2024a) and Stone *et al.* (2020).

7.1 Regional Geology

The regional geologic setting of the Alexo-Dundonald Project area is described in Jackson and Fyon (1992), Pilote (2000), Montgomery (2004), Ayer *et al.* (2005), Thurston *et al.* (2008), Harron (2009), Puritch *et al.* (2010, 2012), and Zhou and Lafrance (2017). The following is a synopsis of this large body of work taken largely from Stone *et al.* (2020).

The Alexo-Dundonald Project area lies within the Abitibi Sub-Province of the Southern Superior Province (Figure 7-1). The 2.75–2.67 Ga "granite-greenstone" dominated Abitibi Sub-Province extends some 700 km along the south-eastern edge of the Archean Superior Craton. The volcanic stratigraphy of the Abitibi Sub-Province is divided into seven episodes or assemblages, based on similarity of age intervals, stratigraphy and geochemistry (Figure 7-1):

- Pre-2,750 Ma unnamed assemblage.
- 2,750–2,735 Ma Pacaud Assemblage.
- 2,734–2,724 Ma Deloro Assemblage.
- 2,723–2,720 Ma Stoughton–Roquemaure Assemblage.
- 2,719–2,711 Ma Kidd–Munro Assemblage.
- 2,710–2,704 Ma Tisdale Assemblage.
- 2,704–2,695 Ma Blake River Assemblage.

Whereas the assemblages are age and geochemically correlated across the Abitibi Sub-Province, the local lithological packages that comprise the correlated volcanic episodes in individual areas are commonly laterally discontinuous. The volcanic assemblages mainly do not contain marker horizons traceable from one region to the next, but rather result from local deposition around separate volcanic centres across the belt in similar tectonic settings, due to interaction of contemporaneous pulses of convergent margin arc- and mantle plume-derived magmas.

Many of the volcanic episodes are intercalated with and capped by a relatively thin "sedimentary interface zone" dominated by chemical sedimentary rock units consisting of up to 200 m of iron formation, chert breccia, heterolithic debris flows of volcanic provenance, sandstone and (or) argillite and conglomerate, representing discontinuous deposition with localized gaps of up to 27 million years between volcanic episodes. The sedimentary interface zones are interpreted as condensed sections, zones with very low rates of sedimentation in a basinal setting, or zones with negligible rates of sedimentation marked by silicification of rock types in submarine correlative conformities, disconformities, or unconformities separating the equivalent of group level volcano-sedimentary stratigraphic and lithotectonic units.

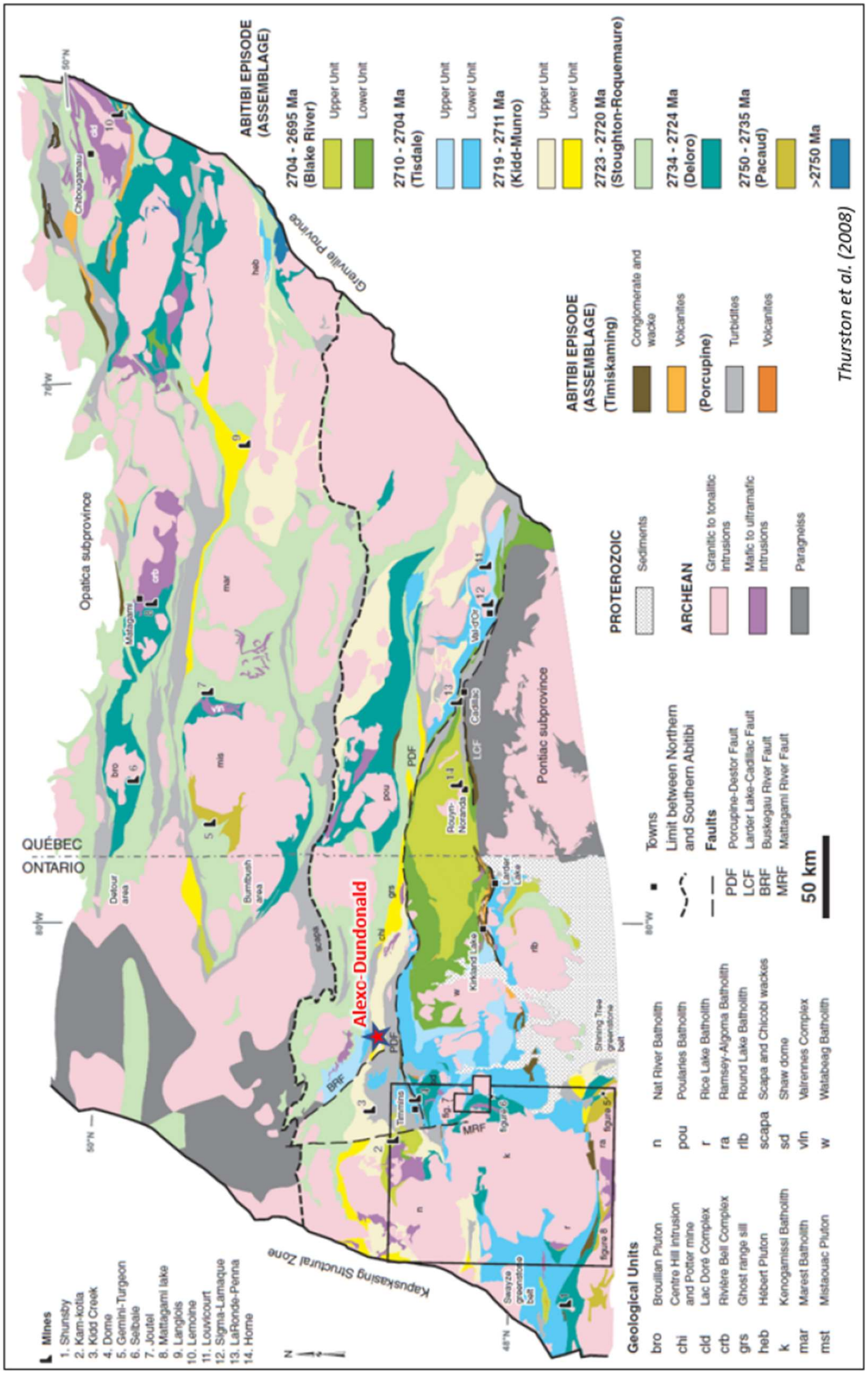


Figure 7-1. Regional geological setting of the Alexo-Dundonald Nickel Sulphide Project (red star) area in the Abitibi Subprovince, Ontario (after Thurston *et al.*, 2008).

Granitoid intrusive rocks that penetrate the Abitibi Sub-Province sequences include:

- 2.74 Ga – 2.69 Ga tonalite-trondhjemite-granodiorite batholiths;
- Smaller 2.70 Ga – 2.68 Ga granodiorite intrusions; and
- 2.69 Ga –2.67 Ga syenite stocks.

In general, penetrative tectonic fabric and structures are best developed adjacent to regional faults and large granite batholiths. Early structures include “pre-cleavage” folds, thrust faults, and structures related to granite batholith emplacement. Regional shear zones and folds developed during and following batholith emplacement strike west, northwest to west-northwest, and northeast to east-northeast. Thrust faults and (or) steep reverse faults are also associated with these later structures. The above structures are interpreted to have formed during protracted Neoarchean-age north-south sub-horizontal compression.

The Alexo-Dundonald Project area is underlain by depositional units of the Kidd-Munro Assemblage. Units in this age range include the “type” Kidd-Munro Assemblage of the southern Abitibi Greenstone Belt (“AGB”) in Ontario and the La Motte-Vassan and Dubuisson Formations of the Malartic Group in Québec. The Kidd-Munro Assemblage is subdivided into lower and upper parts. The lower part of the Kidd-Munro Assemblage (2,719 Ma to 2,717 Ma) includes localised, regionally discontinuous depositional centres of predominantly intermediate to felsic calc-alkaline volcanic rocks. The upper part of the Kidd-Munro Assemblage (2,717 Ma to 2,711 Ma) extends across the AGB. It consists of tholeiitic and komatiitic volcanic rocks with minor centimetre-to-metre scale graphitic metasedimentary rocks and localised felsic volcanic centres. The upper Kidd-Munro Assemblage has been interpreted to reflect the impact of widespread mantle plume-related magmatism on localized lower Kidd-Munro arc-magmatism volcanic centres.

7.1.1 Regional Metamorphism

The rocks have been metamorphosed to lower greenschist facies with minor isolated areas of prehnite-pumpellyite facies and local amphibolite facies at intrusive contacts. Ultramafic rocks altered to talc or serpentine with or without magnetite (Mag), calcite, tremolite and chlorite. Mafic rocks altered to chlorite-tremolite. Primary structures and textures are well preserved and as such the lithologies are described using pre-metamorphic igneous and volcanic nomenclature (Houle *et al.*, 2008).

7.2 Property Geology

The local geology is extensively described by Green and Naldrett (1981), Houle *et al.* (2002), Montgomery (2004), Houle *et al.* (2008), Harron (2009) and Puritch *et al.* (2010, 2012). The following is a synopsis of their work and is largely extracted from Stone *et al.* (2020).

The Dundonald dome structure is located north of the Dester-Porcupine Fault Zone. The Alexo and Dundonald Deposits occur along the southern margin of this domal structure, which is composed predominantly of upper Kidd-Munro Assemblage volcanic rocks including: komatiitic dunite, peridotite, and pyroxenite; basalts which range from high-magnesium iron-rich tholeiitic picrite to high-aluminium basalts; and intermediate to felsic andesite and rhyolite (Harron, 2009). Sedimentary rocks are commonly thin interflow layers of graphitic argillite with varying amounts of chert and sulphides. Intrusive rocks into the Kidd-Munro Assemblage include (Figure 7-2 and Figure 7-3):

- Differentiated syn-volcanic tholeiitic and komatiitic sills;
- Late- to post-tectonic intermediate to felsic plutons; and
- Proterozoic dolerite dykes.

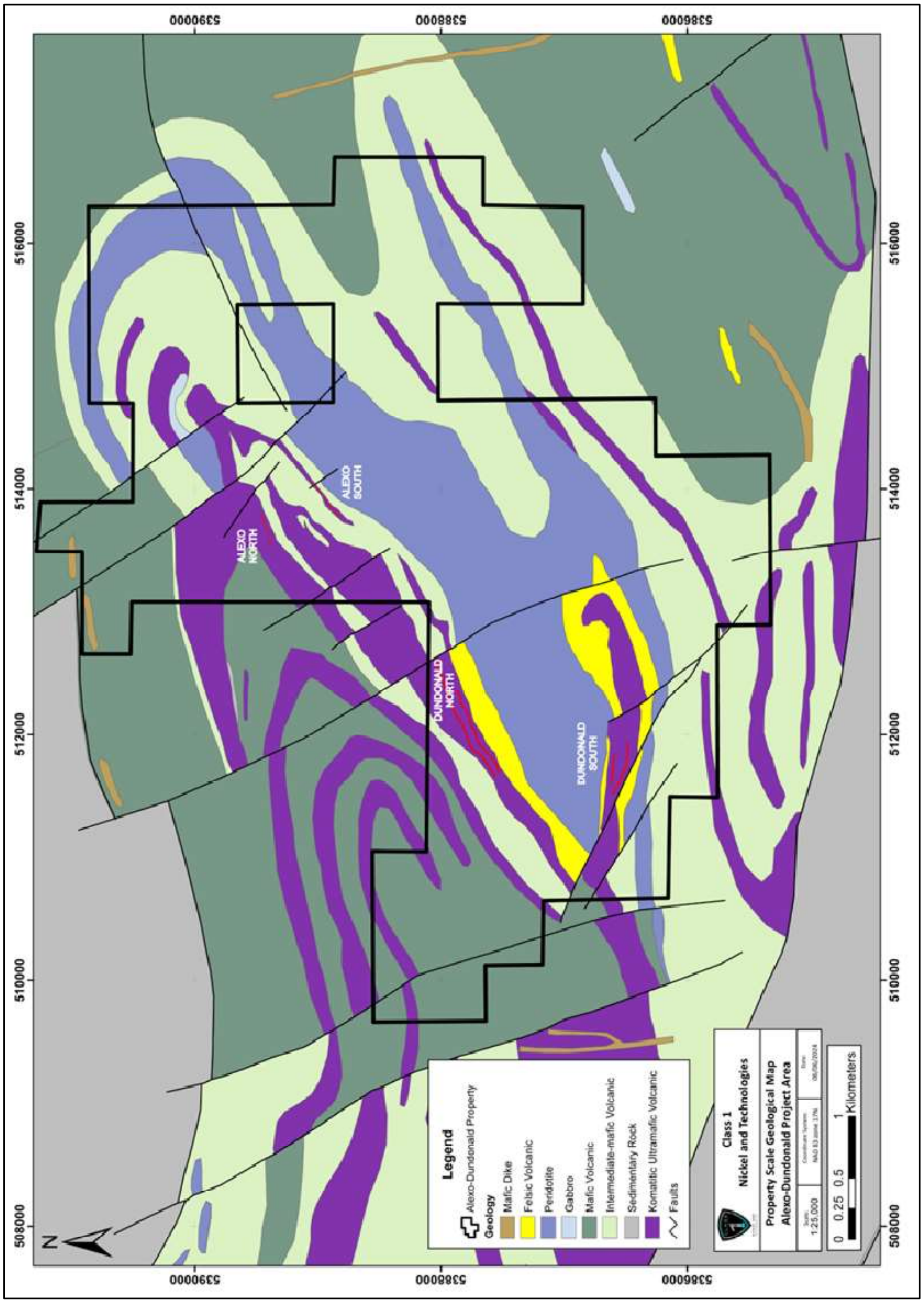


Figure 7-2. Property and area general geological map of the Alexo-Dundonald Nickel Sulphide Project with location of the four known nickel sulphide deposits. The Dundonald Sill is represented by purple-blue and "Peridotite" in the Geology Legend (Caracle Creek, 2024).

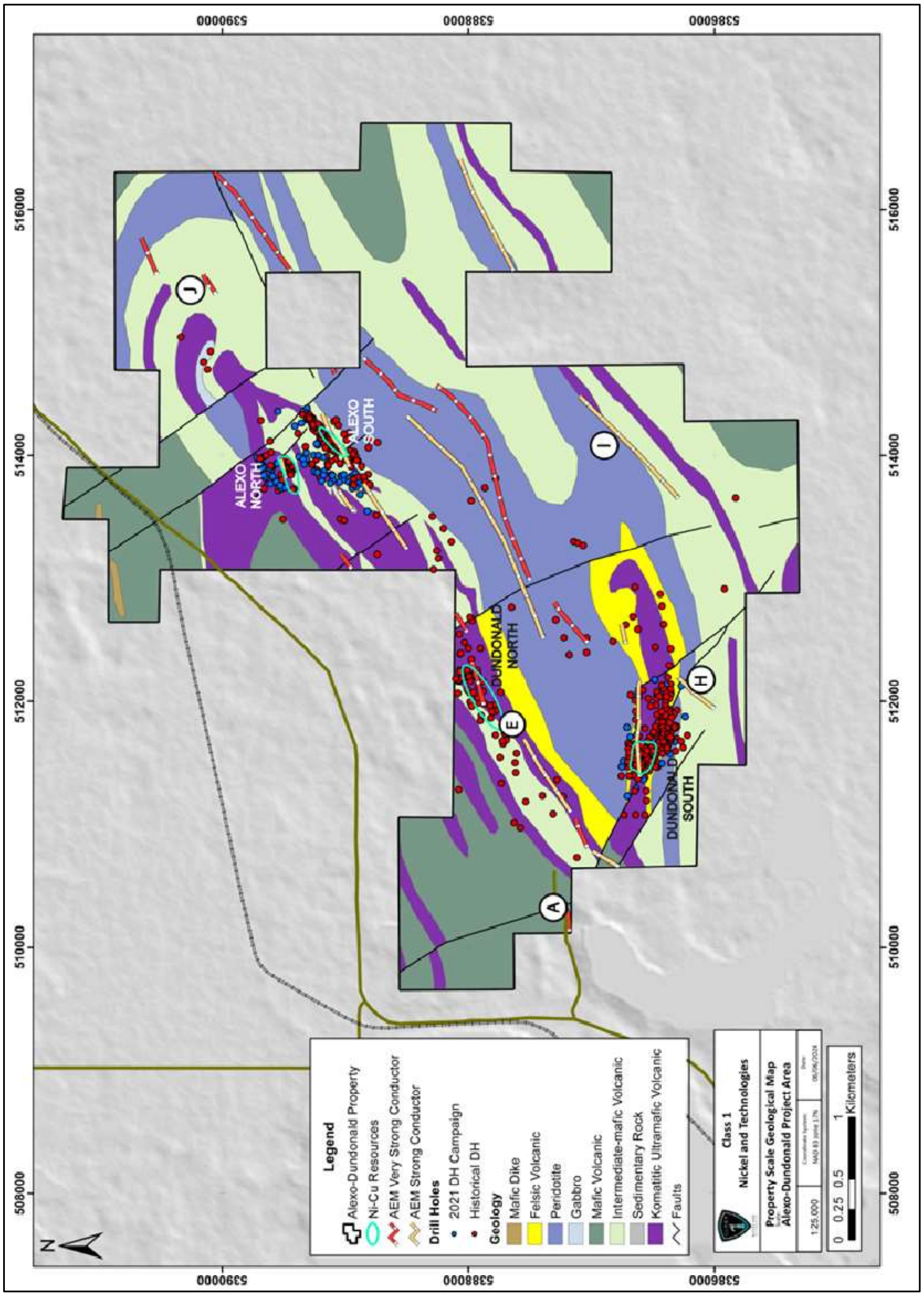


Figure 7-3. Property-scale general geology, historical and current (2021) drill hole collars, geophysical conductors (EM) from 2020 VTEM survey, and the location of the four known nickel sulphide deposits within the Alexo-Dundonald Nickel Sulphide Project. The Dundonald Sill is represented by purple-blue and "Peridotite" in the Geology Legend (Caracle Creek, 2024).

Ultramafic rocks range in composition from komatiitic basalt to dunite. The komatiitic sequences contain multiple flows that range from several hundreds of metres to less than 2 m in thickness and have brecciated flow tops, spinifex-textured zones and pyroxene and olivine orthocumulate, mesocumulate and adcumulate zones. Large accumulations of olivine mesocumulate to adcumulate occur within the komatiitic sequence locally where they are prospective channelized flows within footwall embayments. Thin layers of graphitic argillite occur between thin komatiitic flows locally.

The komatiite nickel sulphide deposits occur at the same stratigraphic level where komatiitic flows overlie a sequence of calc-alkaline volcanic rocks ranging in composition from rhyolite to basalt containing variable amounts of pyrite and pyrrhotite (*see* Figure 7-2 and Figure 7-3). The volcanic sequence also contains komatiitic basalt and thin (<1 m) intercalated layers of black graphic argillite. The sequence is a mixture of flows with pillowed, hyaloclastic and massive textures. Individual flows that can be traced for tens to hundreds of metres.

7.2.1 Property Structure

The Alexo North and South deposits occur on the northeast arm of a large “Z”-shaped fold in the Kidd-Munro Assemblage, whereas the Dundonald South Deposit sits on the southwest arm of this fold; the Dundonald North Deposit occurs along the same northern arm of the fold as the Alexo North and South deposits (*see* Figure 7-2 and Figure 7-3). The northeast-trending fold has a wavelength of 2.5 km and amplitude of 6 km, as defined by the mapped extents of the Dundonald Sill which is within the core of the fold (*see* Figure 7-2 and Figure 7-3).

7.2.2 Lithostratigraphy

The interpreted lithological stratigraphy within the Property and area is shown in Figure 7-4.

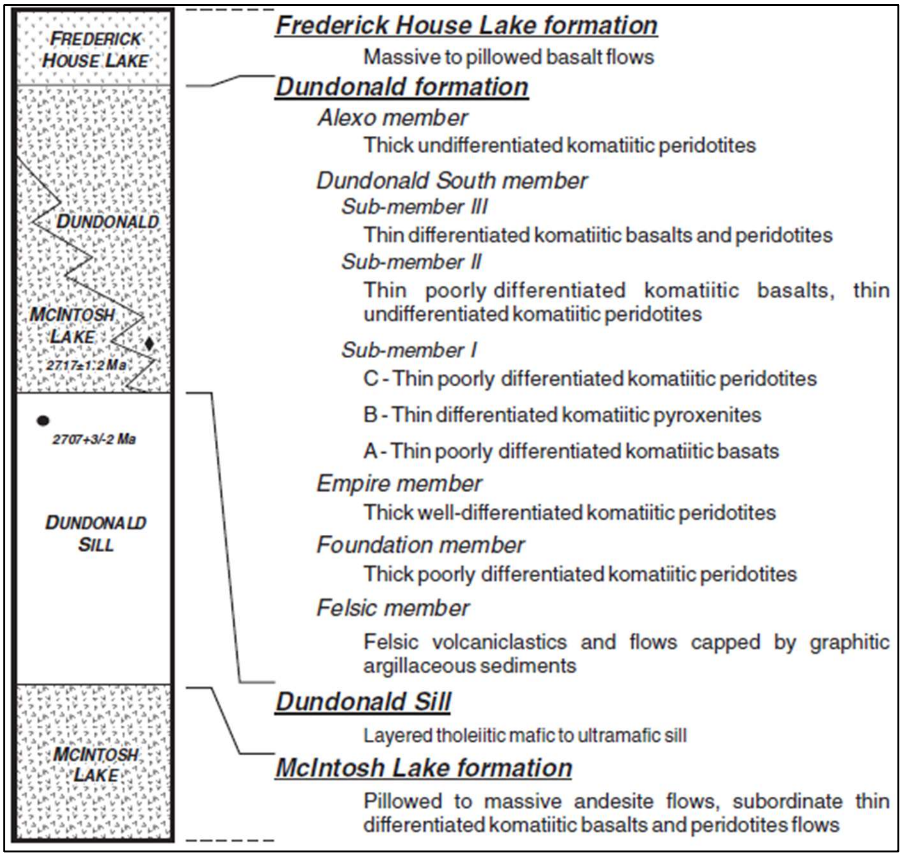


Figure 7-4. Schematic stratigraphic column for Dundonald Township, showing the generalized components of each informal stratigraphic unit. U-Pb ages are from Barrie *et al.* (1999) (Houlé *et al.* ,2008).

7.2.2.1 Dundonald Formation

The Dundonald formation consists of five informal mappable members, a lowermost felsic member, and four komatiitic members (*see* Figure 7-4). The felsic member is ~300 m thick and consists of felsic volcanic flows, volcaniclastic units, and minor komatiitic and mafic dikes. Zircons in a sample collected from the felsic member yielded an age of 2717 ± 1.2 Ma (Barrie *et al.*, 1999). Graphitic, argillaceous metasedimentary rocks also occur within this member. The komatiitic members range in thickness from 1,000 to 2,000 m and are composed of komatiite and komatiitic basalt flows or sills, intercalated with lesser massive mafic flows and sparse felsic volcaniclastic rocks (Houlé *et al.* ,2008).

The Dundonald Sill

The supracrustal rocks in Dundonald Township are intruded by the approximately 1,750-m-thick, layered, tholeiitic mafic-ultramafic, near-concordant, Dundonald Sill (Houlé *et al.* ,2008). The Dundonald Sill (not related to the Dundonald North or South nickel deposits) is a differentiated tholeiitic intrusion, emplaced into a sequence of komatiitic and calc-alkaline felsic volcanic rocks (*see* Figure 7-2, Figure 7-3 and Figure 7-5).

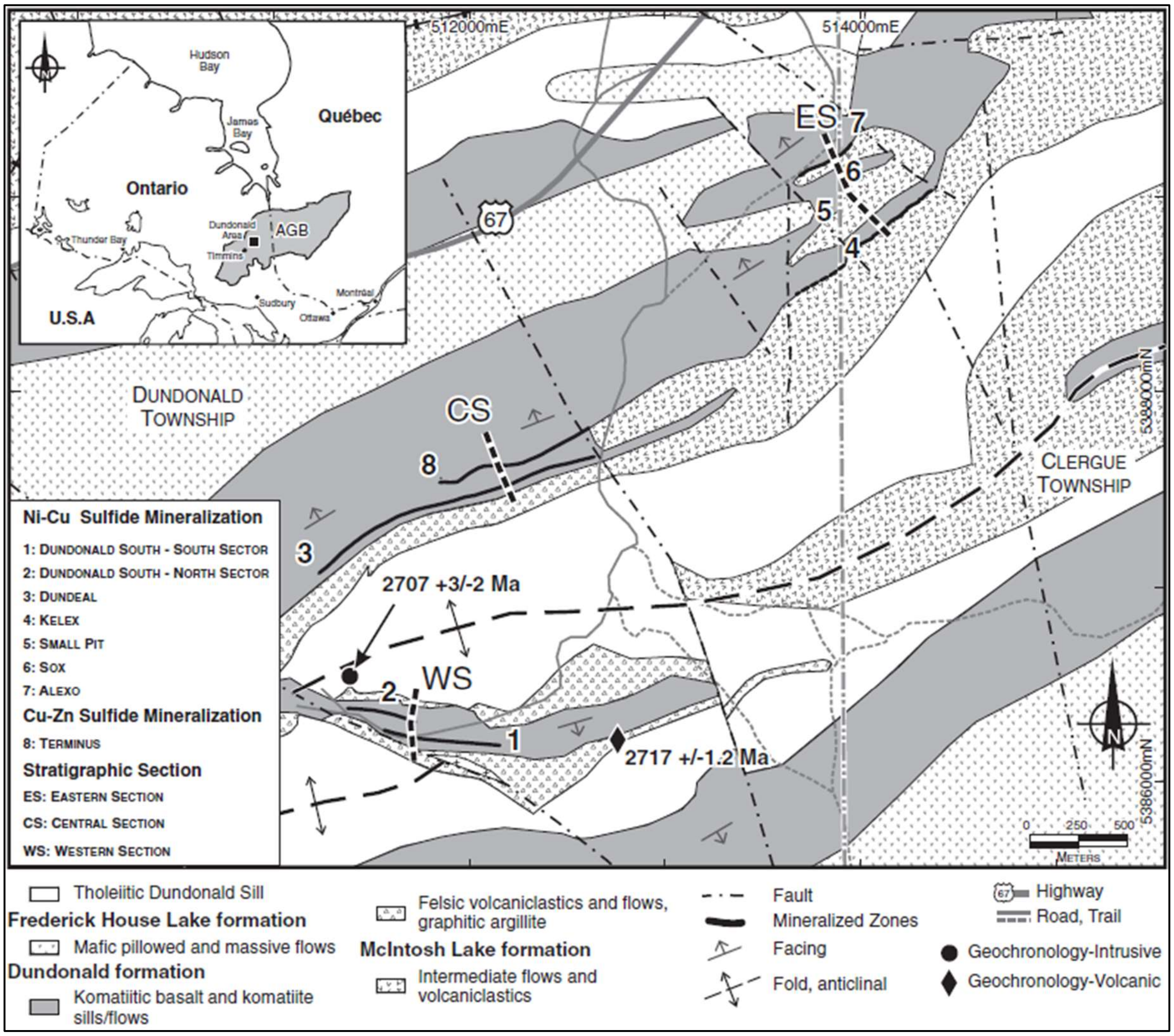


Figure 7-5. Simplified geological map and mineralized zones of the Dundonald Township area, showing major geological units and locations of komatiite-associated Ni-Cu-(PGE) deposits. Dundeal is now the Dundonald North Deposit and Kelex is now the Alexo South Deposit. U-Pb ages are from Barrie *et al.* (1999) (Houlé *et al.*, 2008).

The Dundonald Sill (*see* Figure 7-4 and Figure 7-5) comprises basal peridotite which grades upwards to dunite olivine mesocumulate, adcumulate to pyroxenitic cumulate with diopside and olivine phenocrysts, and a thick sequence of fine- to coarse-grained gabbro. The gabbro portion of the Dundonald Sill is the thickest part (Houlé *et al.* ,2008).

7.3 Deposit Geology and Ni-Cu-(PGE) Mineralization

The best known and understood nickel mineralization on the A-D Project is that found within the four deposits: Alexo North, Alexo South, Dundonald South, and Dundonald North nickel sulphide deposits (*see* Figure 7-2, Figure 7-3, and Figure 7-5). Mineralization within the Project has been described by Green and Naldrett (1981), Houle *et al.* (2002), Montgomery (2004), Harron (2009) and Puritch *et al.* (2010, 2012); the following is a synopsis of those works and is largely extracted from Stone *et al.* (2020).

Nickel sulphide mineralization, as modelled and outlined to date, is primarily located within the following mining lands:

- Alexo South: patents PAT-4372, 2704, 3389, 4374, 47882, 4368.
- Alexo North: patents 4367 and 4372.
- Dundonald South: leases LEA-108129, 108134.
- Dundonald North: leases LEA-108132, 108135, 108133.

7.3.1 Alexo North Sulphide Deposit

The Alexo North Deposit consists of massive to semi-massive nickel sulphide accumulations in basal embayments along the footwalls of two parallel, steeply-dipping komatiitic peridotite volcanic channels, referred to as the “Alexo” (Alexo North) flow. Massive to semi-massive sulphide lenses occur along the footwall contact of channels. The lenses are overlain by stringer, net-textured, blebby and lower grade disseminated sulphide zones. The zones are composed of massive, veined and disseminated pyrrhotite and pentlandite with trace chalcopyrite. At Alexo North, massive and semi-massive sulphides also extend into the footwall andesite (Figure 7-6) (Stone *et al.*, 2020).

The most current modelling and interpretation of the Alexo North Deposit (Jobin-Bevans *et al.*, 2024a) shows massive and semi-massive sulphide lenses ranging in thickness from a few centimetres to >12 m, surrounded by an aureole of net-textured and disseminated sulphides (Figure 7-7). Disseminated sulphides extend laterally and vertically from the massive zones for several tens of metres. Massive sulphide mineralization consists of approximately 15% to 20% pentlandite and 80% to 85% pyrrhotite, with trace chalcopyrite unevenly distributed throughout.

Nickel content of the sulphides (nickel tenor) ranges between 7% and 10% nickel in 100% sulphide. Nickel tenor is the theoretical maximum nickel content of the rock if the rock volume contained 100% sulphide. Nickel grade refers to the whole-rock nickel content of the rock where the sulphide content is typically diluted by silicate material and minerals. Only in massive sulphide does nickel grade approach the theoretical nickel tenor content. The Alexo North Deposit is further enhanced in areas such as the eastern extension by significant grades of copper, cobalt, platinum and palladium (Jobin-Bevans *et al.*, 2024a).

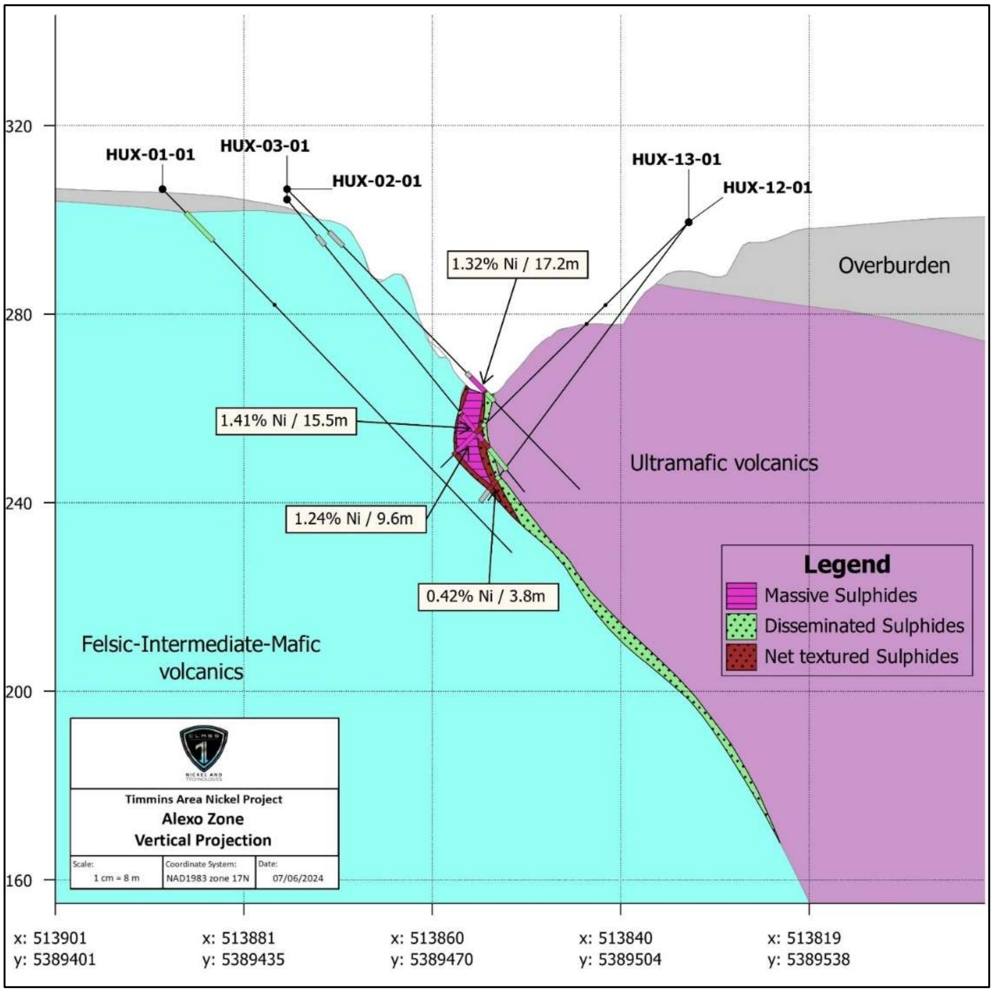


Figure 7-6. Cross-section projection through the Alexo North Nickel Sulphide Deposit (Caracle Creek, 2024).

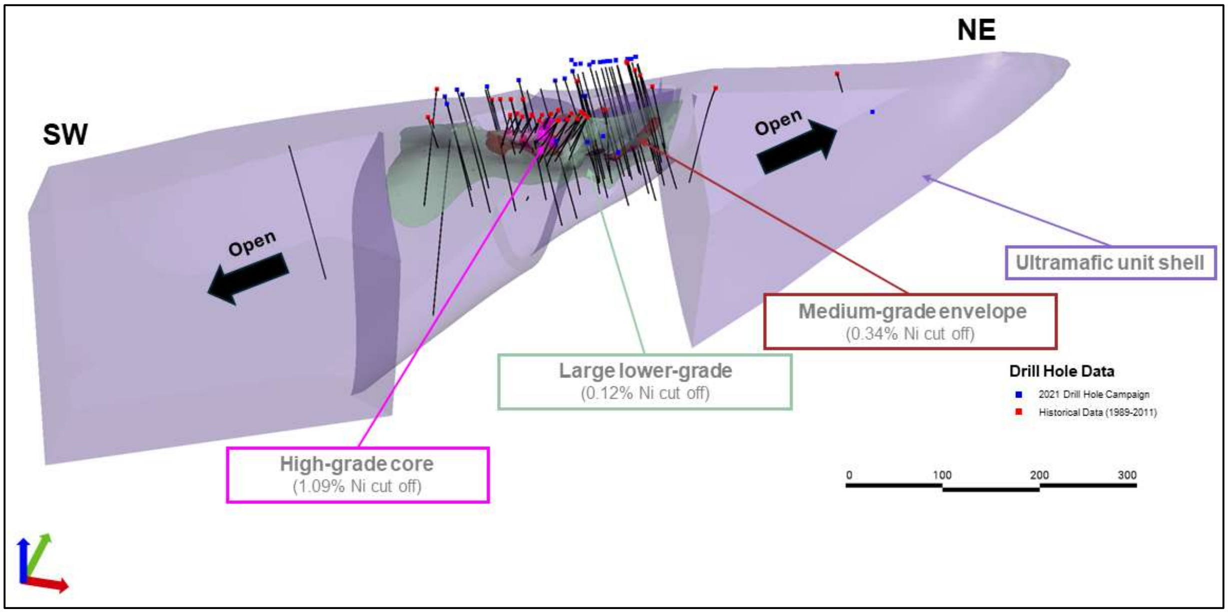


Figure 7-7. Isometric view (looking northwest) of the Alexo North Deposit and surrounding geology, and historical and 2021 drill holes (Caracle Creek, 2024).

7.3.2 Alexo South Sulphide Deposit

Like the Alexo North Deposit, the Alexo South Deposit consists of massive to semi-massive nickel sulphide accumulations in basal embayments along the footwalls of two parallel, steeply-dipping komatiitic peridotite volcanic channels, referred to as the “Kelex” (Alexo South) flow. Massive to semi-massive sulphide lenses occur along the footwall contact of channels. The lenses are overlain by stringer, net-textured, blebby and lower grade disseminated sulphide zones. The zones are composed of massive, veined and disseminated pyrrhotite and pentlandite with trace chalcopyrite (Stone *et al.*, 2020).

The Alexo South Deposit is located at the footwall contact of the lowermost komatiitic peridotite in the volcanic sequence. A series of massive sulphide lenses with aureoles of disseminated and net-textured sulphides extend laterally along strike for >600 m, as indicated in HLEM and Pulse EM geophysical surveys and diamond drilling. Interpretation of the drill results indicate the massive sulphides sub-crop at the bedrock overburden interface. The sulphides are composed of 10% to 20% pentlandite, 80% to 90% pyrrhotite and trace chalcopyrite. Some of the sulphides have been replaced by magnetite. The massive sulphide appears to plunge to the northeast in Pulse EM surveys, but to the channels appear to plunge to the north or northwest in magnetic surveys (Stone *et al.*, 2020).

The laterally extensive disseminated sulphides can be separated into two groups. The first group is the net-textured to heavily disseminated sulphides. The nickel tenor of the sulphides range between 4% and 15% Ni in 100% sulphide, and generally averages 6%. The second type of sulphide mineralization is blebby, disseminated and vein sulphide located west of and stratigraphically above the Kelex Zone. These sulphides have a high nickel tenor that ranges between 25% and 35% Ni in 100% sulphides and are composed primarily of pentlandite and a grey nickel mineral (possibly millerite) with minor pyrrhotite. These sulphides appear to have been enriched in nickel during the serpentinization process (Stone *et al.*, 2020).

The Alexo South Deposit consists of five mineralized zones of massive sulphides within a broader and more continuous halo of stringer and disseminated sulphides (Figure 7-8 and Figure 7-9) (Jobin-Bevans *et al.*, 2024b):

1) West Zone: extends over a strike length of 70 m, with a down-dip length ranging from 60 m to 260 m, and true widths ranging from 0.5 m to 12.5 metres. The West Zone displays a wide, pervasive, low-grade halo around a higher-grade massive sulphide core.
2) Central-West: located about 100 m east of the West Zone. Central-West Zone mineralization extends for a strike length of 60 m, down-dip component ranging from 42 m to 120 m, and true widths ranging from 1.3 m to 10.0 metres.
3) Central: mineralization extends over a strike length of 76 m, a down-dip length ranging from 10 m to 43 m, and true widths ranging from 1.5 m to 8.5 metres.
4) East: mineralization extends over a strike length of 43 m, a down-dip length of 25 m to 62 m, and true widths of 1.5 m to 3.0 metres.
5) 1700 East: located approximately 80 m beyond the eastward strike extension of the East Zone. The poorly defined zone comprises narrow intersections of massive sulphide flanked by disseminated, blebby and stringer-style sulphide mineralization.

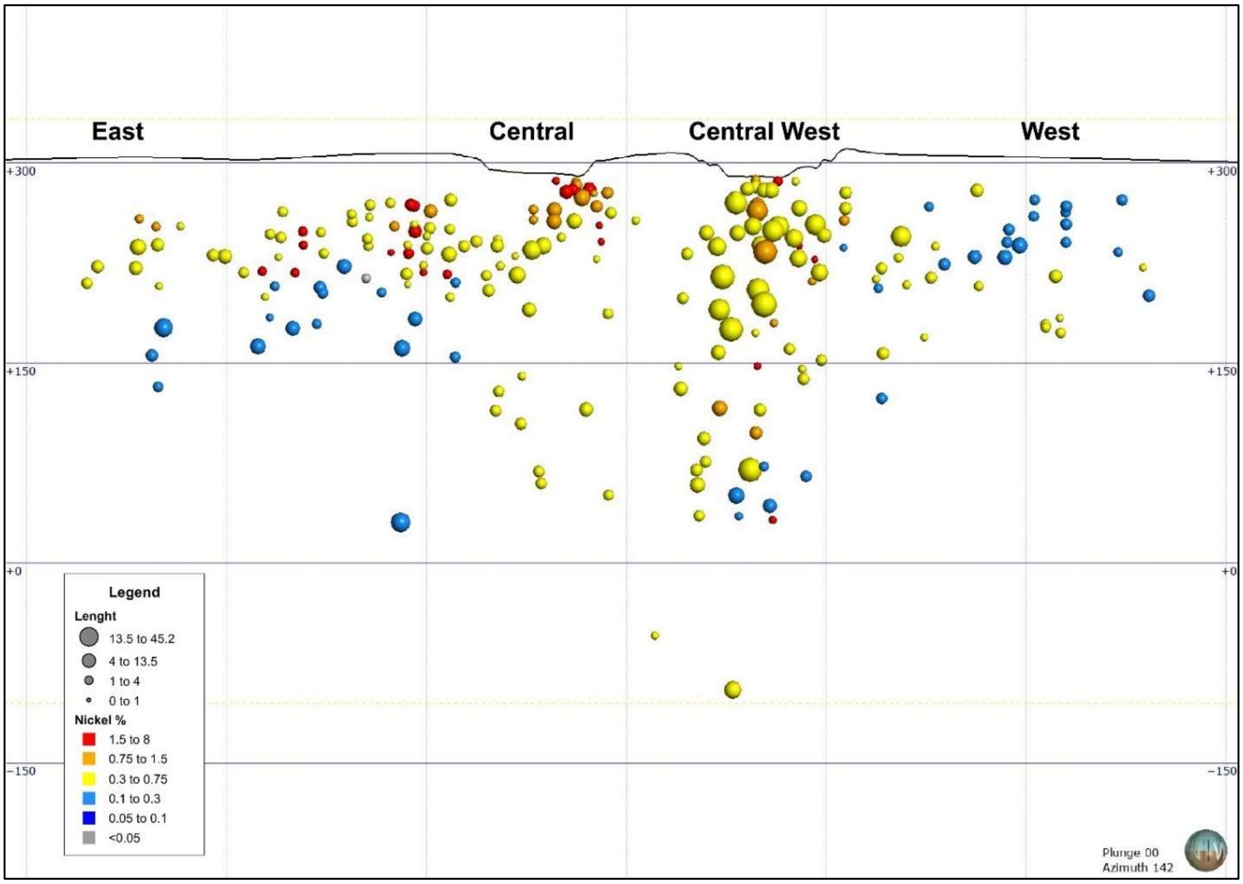


Figure 7-8. Longitudinal section (looking southeast) through the Alexo South Deposit (Caracle Creek, 2024).

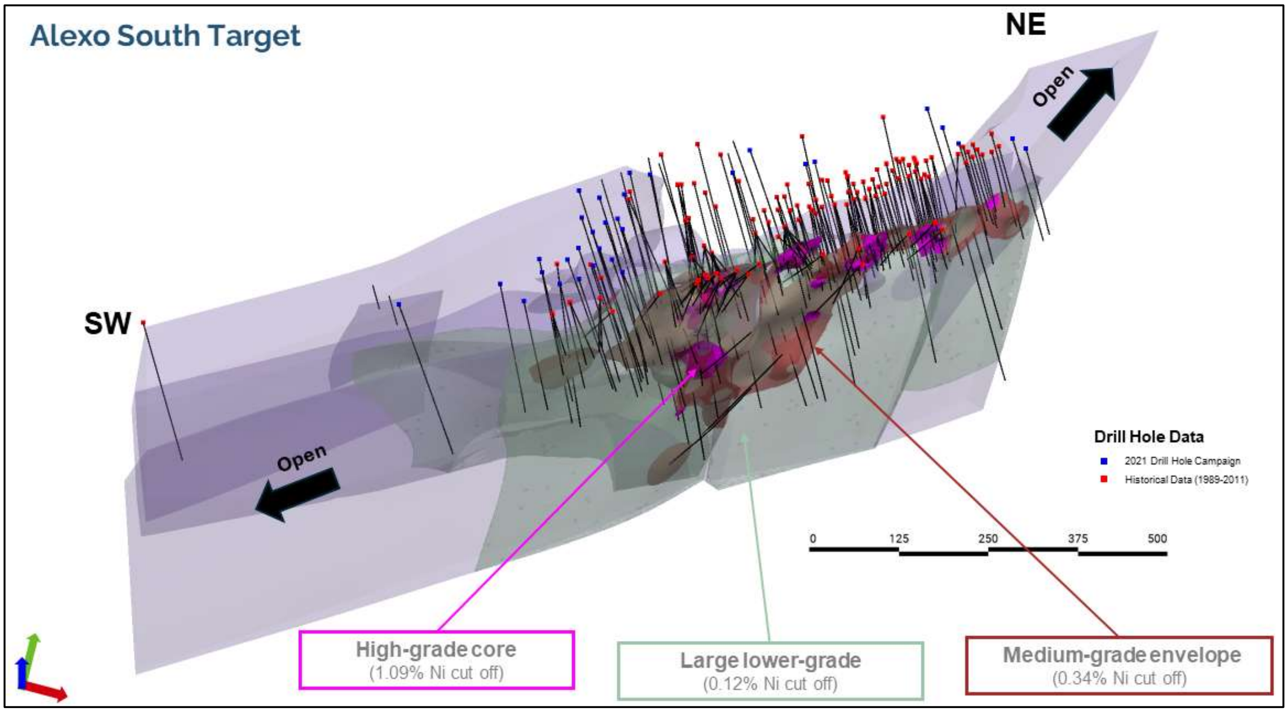


Figure 7-9. Isometric view (looking northwest) of the Alexo South Deposit, surrounding geology, and historical and 2021 diamond drill holes (Caracle Creek, 2024).

7.3.3 Dundonald South Sulphide Deposit

In general, sulphide mineralization in the Dundonald South Deposit is characterized by thin sinuous layers of massive sulphide, overlain in turn by thicker layers of net-textured sulphides, and then disseminated sulphides with vein-type mineralization penetrating locally into the footwall rocks (Figure 7-10).

Previously, within the Dundonald South Deposit, there were eight different interpreted nickel mineralized zones (referred to as "A" to "H") (Table 7-1; Figure 7-10) (Harron, 2009; Donaghy and Puritch, 2020; Stone *et al.*, 2020). Although the geology, structure and therefore distribution of nickel mineralization has been re-interpreted by QPs Simon Mortimer and Scott Jobin-Bevans (*see* Section 7.3.4) , for the purposes of describing the mineralization, this section continues to refer to the characteristics and geometry of the eight zones (Figure 7-10).

Table 7-1. The eight historically defined nickel sulphide zones in the Dundonald South Deposit (Harron, 2009).

Zone	UTMX_mE		UTMY_mN		Strike (°)	Avg. Dip (°)	Strike Length (m)
	From (mE)	To (mE)	From (mN)	To (mN)			
A	511400	511610	5386620	5386620	90	90	210
B	511400	511650	5386600	5386610	90	85S	250
C	511400	511650	5386585	5386610	80	85S	250
D	511400	511610	5386565	5386565	90	85S	210
E	511600	511720	5386500	5386535	100	40S	130
F	511600	511890	5386485	5386485	90	40-70S	290
G	511500	512100	5386435	5386530	115	80S	600
H	511515	512070	5386415	5386510	100	70S	555

The eight zones (A to H), originally interpreted to be striking approximately east-west, are hosted by a komatiitic volcanic sequence (Figure 7-10). In general, the zones are described by Harron (2009) as consisting of relatively short (10–20 m strike), thin (0.5–10 m thick) keels, or "shoots", of net-texture, semi-massive to minor massive sulphide in the basal layers of a series of stacked channelized komatiite flows, surrounded by envelopes of overlying and flanking blebby and disseminated sulphide.

The lateral extent of some of the zones is on the order of 100 m to 200 m down-plunge, but several are apparently small, isolated sulphide pods within the channelized flow sequence (Figure 7-11).

Sulphide assemblages vary between the eight different zones, but are generally pentlandite > pyrrhotite, with significantly higher copper and PGE grades in some of the shoots (*e.g.,* A, F and G zones). Overall, the copper content of the Dundonald South Deposit is low with better intercepts including 0.57% Cu over 1.4 m (A Zone in FND04-04), 1.9% Cu over 0.3 m (G Zone in FNS05-53), 0.64% Cu over 0.8 m (G Zone in FNS05-77) and 0.41% Cu over 3.7m (G Zone in FNS05-79) (Harron, 2009).

7.3.3.1 A Zone

The A Zone consists of vertical high-grade nickel shoots open below 260 metres and is hosted within a fracture system with brassy pentlandite and pyrrhotite mineralization consisting of thin fracture fillings, patches and semi-massive to massive zones. The main portion of the A Zone is a very steep west-plunging to vertical high-grade nickel lens below a vertical depth of 150 m (Figure 7-10; Figure 7-12). This lens is 20 m to 25 m wide and open below a vertical depth of 260 metres. The A Zone PGE values are typically 1.5 g/t to 2.8 g/t except for hole FND04-16, which returned 11.84% Ni and 17.55 g/t PGE over 1.7 metres (Donaghy and Puritch, 2020).

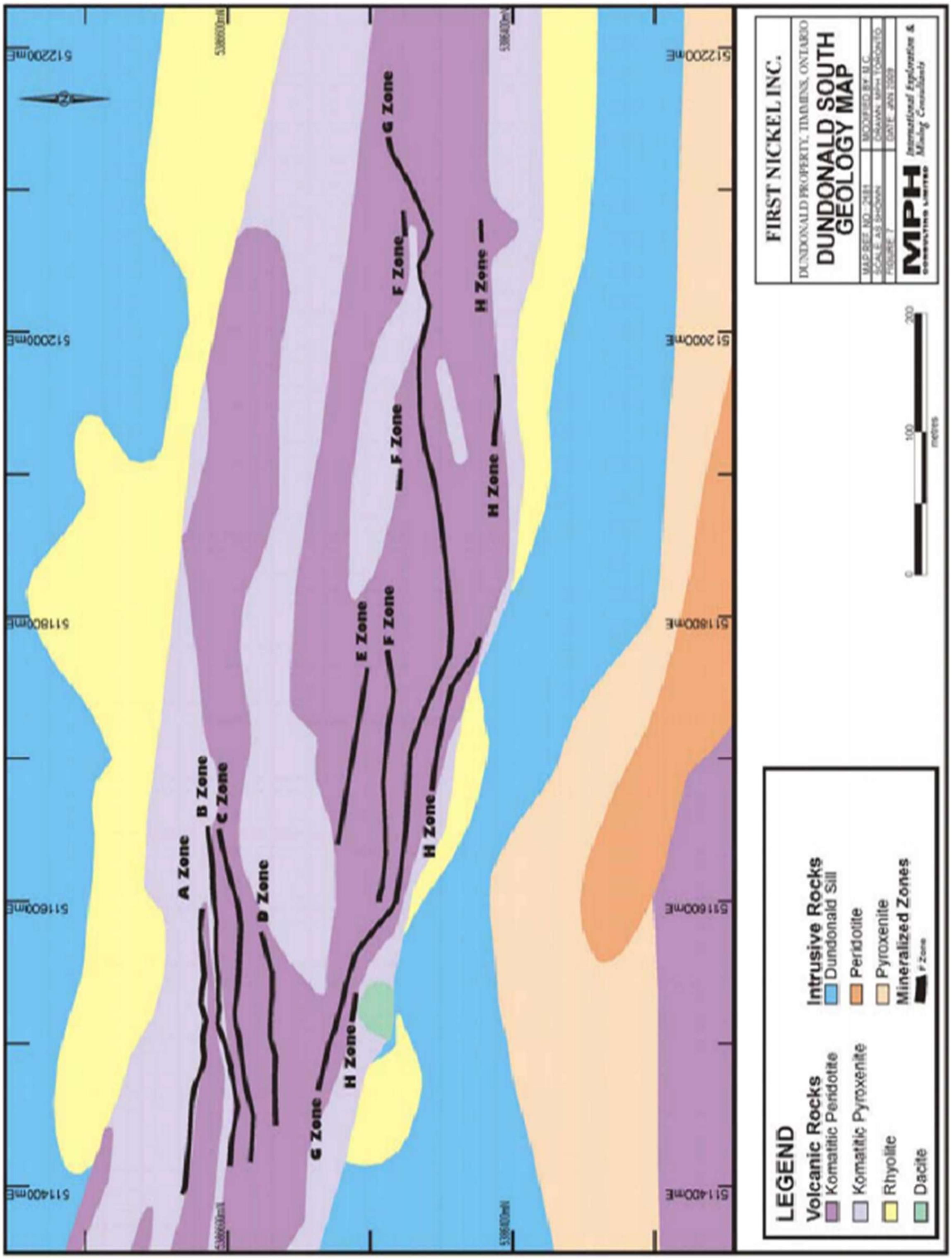


Figure 7-10. Plan view of the Dundonald South Nickel Sulphide Deposit showing the previously interpreted eight zones of mineralization. *See* Figure 7-15 for the location of these eight zones relative to the newly interpreted geology and structure (Harron, 2009).

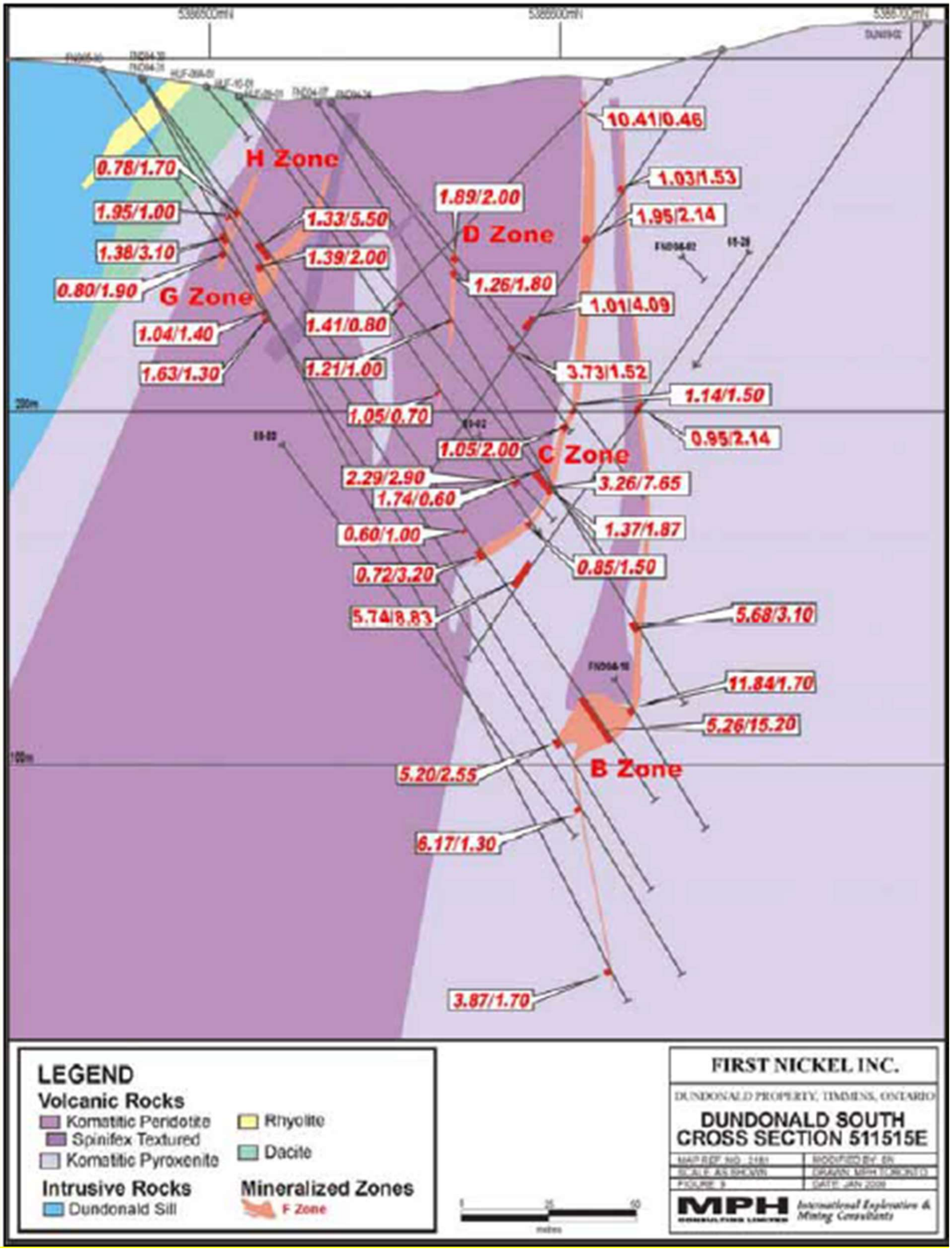


Figure 7-11. Cross-section (511515mE) through the Dundonald South Deposit, looking east (Harron, 2009).

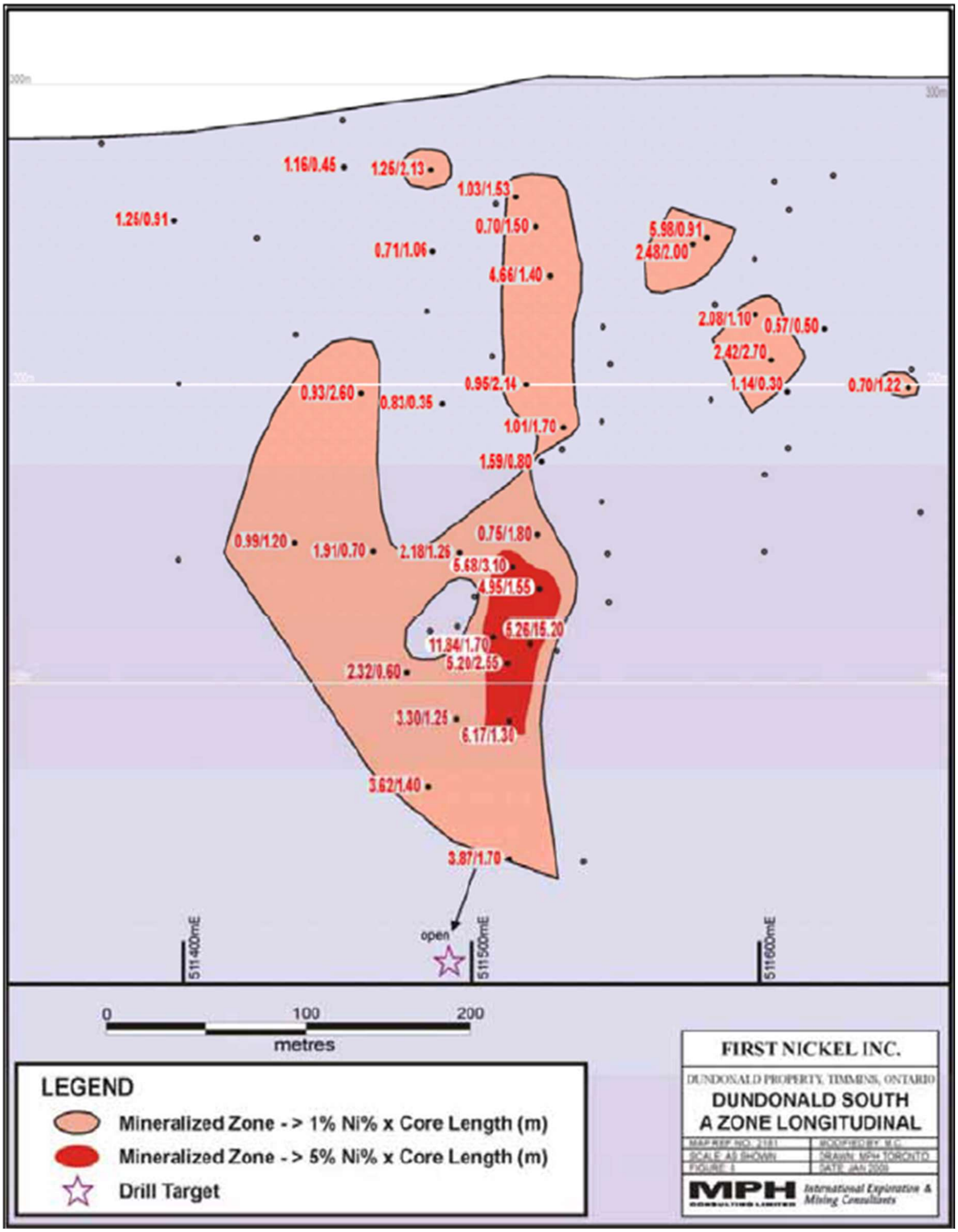


Figure 7-12. Longitudinal section of the Dundonald South “A Zone” (Harron, 2009).

7.3.3.2 B Zone

Mineralization in the B Zone (*see* Figure 7-10) consists of disseminations and blebs to weak net-textured pyrrhotite and pentlandite with local massive sulphide veins. The B Zone is lower grade (1.0% to 3.8% Ni over

1.0 m to 1.5 m) than the A Zone and has lower PGE values (<1 g/t PGE). The more significant B Zone drill intersections occur as a shoot, in the keel area of the host komatiitic peridotite flow. The shoot (10 m wide) is open to the west along a shallow plunge of 15° (Donaghy and Puritch, 2020).

7.3.3.3 C Zone

The C Zone (*see* Figure 7-10) is situated approximately 10 m to 20 m stratigraphically above the B Zone. Sulphide mineralization consists of fine-grained pyrrhotite and pentlandite disseminations and blebs. The zone is sporadic and discontinuous. A possible nickel mineralized shoot plunges 10° westerly and is open to the west (Donaghy and Puritch, 2020).

7.3.3.4 D Zone

D Zone mineralization occurs at the top of the E Zone komatiite flow (*see* Figure 7-10). The D Zone is sporadic and discontinuous. Sulphide mineralization consists of fine-grained pyrrhotite and pentlandite disseminations and blebs in komatiitic peridotite flow rocks. The D Zone nickel grades range from 1% to 3% Ni over 0.5 m to 2.6 m thick intersections (Donaghy and Puritch, 2020).

7.3.3.5 E Zone

The E Zone is situated within a trough at the base of the Central komatiitic peridotite flow sequence, at approximately 200 m below surface (*see* Figure 7-10). To the west, The E Zone may be correlated with the C Zone. The E Zone consists of at least two stacked nickel mineralized zones (E and E2) that dip 15° to 20° to the south. The E and E2 zones have been traced in limited drilling for 130 m to the east where they are truncated at section 511755 mE, whereas to the west the two zones are open down-plunge. Sulphide mineralization consists of 3% to 10% very finely disseminated fine-grained brassy pentlandite and smaller amounts of brown pyrrhotite. The higher sulphide content sections of 5% to 10%, and locally up to 20%, contain blebs and fine stringers to microfractures of pentlandite and pyrrhotite (Donaghy and Puritch, 2020).

7.3.3.6 F Zone

The F Zone was traced for about 200 m and contains two shallow, westerly-plunging high-grade nickel shoots. The F Zone (*see* Figure 7-10) occurs between 100 m and 200 m below surface, dips 40° to 70° to the south, and is continuous westward from sections 511780 mE to 511600 mE before it disappears west of 511600 mE (Figure 7-13). The F Zone is possibly open to the east, as it was encountered at 512070 mE (Figure 7-13). The F Zone is principally located stratigraphically 20 m to 70 m below the G Zone (Figure 7-14) in two shoots plunging west. The F Zone mineralization consists of blebs, fine stringers, semi-massive and massive brassy fine-grained pentlandite and pyrrhotite. Contents of PGE range from 1 g/t to 2 g/t PGE and are generally lower than those of the G Zone (Donaghy and Puritch, 2020).

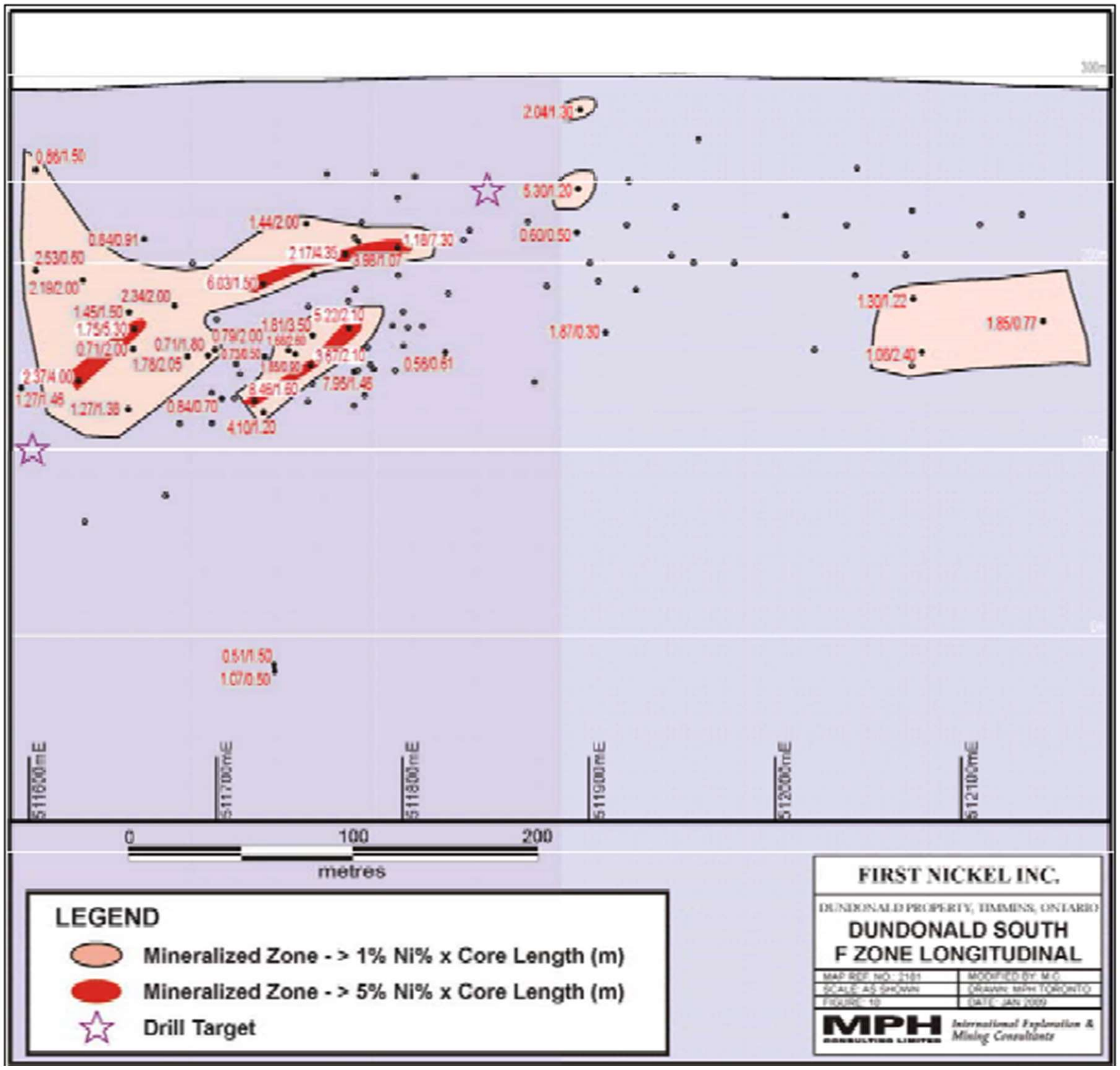


Figure 7-13. Longitudinal section of the Dundonald South “F Zone” (Harron, 2009).

7.3.3.7 G Zone

The G Zone has been traced for 600 m along strike, is open to the east, and contains four westerly-plunging high-grade nickel shoots that are open to depth (*see* Figure 7-10).

The G-Zone is in the upper portion of the main komatiitic peridotite flow sequence and sub-parallel to the Dundonald Sill situated 30 m to 50 m to the south (*see* Figure 7-10). The G Zone has four high-grade nickel shoots plunging southwest and open down-plunge (Figure 7-14) (Donaghy and Puritch, 2020).

The eastern shoot of the G Zone (512000 mE to 512100 mE) plunges 25° to the west, starts at a vertical depth of 65 m below surface, and is open below a vertical depth of 100 m. The central east shoot (511900 mE) begins below a vertical depth of 65 m below surface, plunges 45° and is open up- and down-plunge. The central west shoot (511780 mE to 511800 mE) is 15 m wide and begins at a vertical depth of 100 m below surface, plunges 45° to the southwest, and is open below a vertical depth of 160 metres (Donaghy and Puritch, 2020).

The west shoot of the G Zone (511680 mE to 511780 mE) is the most continuous and the longest of the four shoots. It is 120 m long and plunges 45° to the southwest. The west shoot starts at a vertical depth of 75 m and has been traced to a vertical depth of 170 m, where it remains open (Figure 7-14).

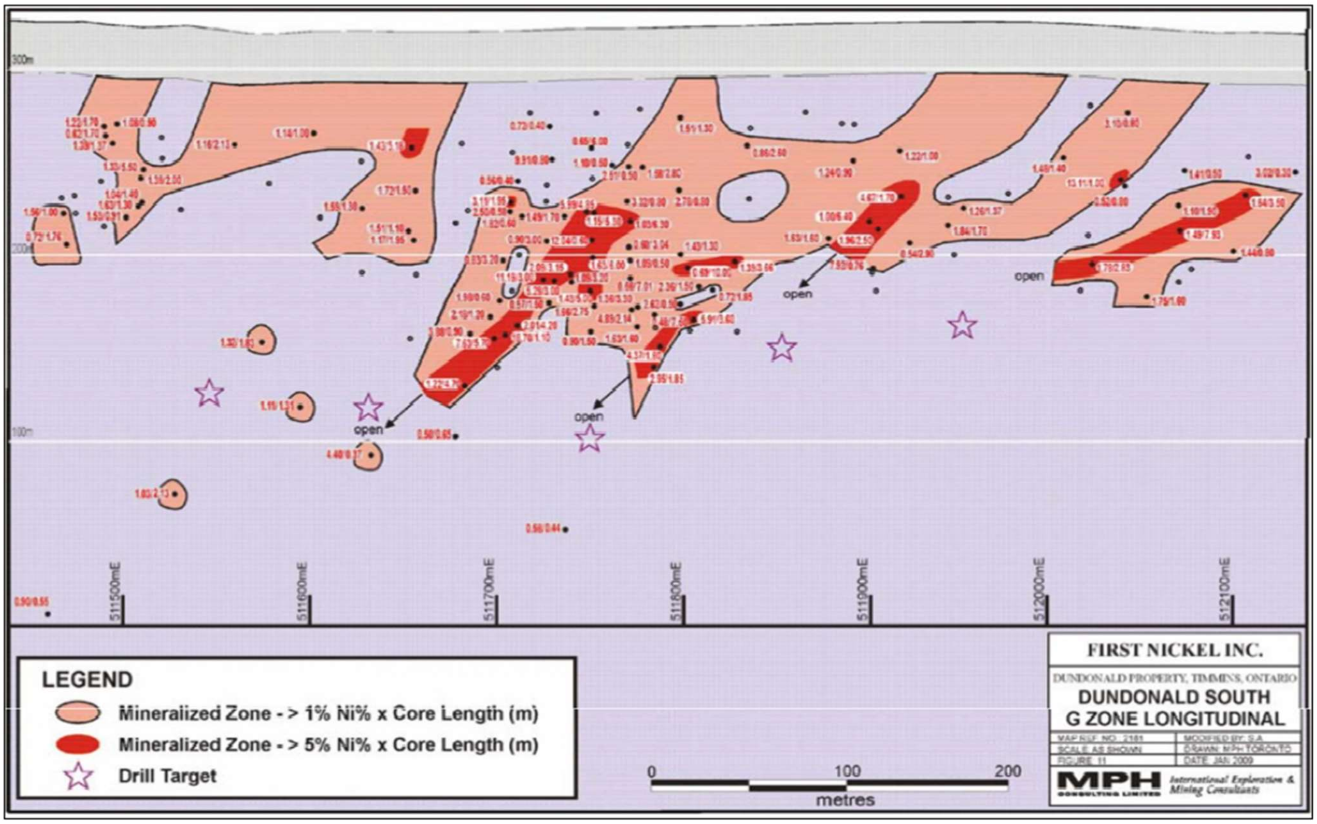


Figure 7-14. Longitudinal section of the Dundonald South "G Zone" (Harron, 2020).

Typical G Zone mineralization sequence begins with 0.5% scattered brassy pentlandite and pyrrhotite blebs (two to five per metre) that grade into 3% to 5% larger blebs and fine fractures. The blebby halo is typically 5 m to 10 m thick (locally up to 18 m) and averages 0.25% to 0.30% Ni. Contents of nickel in the blebby-fracture section range from 1% to 5%. The blebby-fracture section grades into small, massive patches to rarer net textured brassy pentlandite-pyrrhotite (5% to 15%) that grade 3% to 7% Ni. This section is followed locally by semi-massive (10% to 15% Ni) to massive (15% to 25% Ni) pentlandite and pyrrhotite at the base. There appears to be an underlying zone below the main G Zone from 511680 mE to 511800 mE with a couple of massive sulphide sections (Donaghy and Puritch, 2020).

7.3.3.8 H Zone

The H-Zone (*see* Figure 7-10) is the stratigraphic highest of the nickel sulphide zones. It is a discontinuous zone typically located 30 m north of the southern Dundonald Sill. The H Zone consists of fine-grained disseminations to blebs of pyrrhotite/pentlandite within the upper spinifex-textured thin peridotite flows (m-scale) of the Central komatiitic peridotite flow rocks. Nickel grades typically range from 1.00% to 2.76% and are lower than in the F and G zones (Donaghy and Puritch, 2020).

7.3.3.9 Dundonald South Re-Interpretation

As an integral part of the updated modelling and mineral resource estimate for the Dundonald South Deposit, the subject of this Report, QP Simon Mortimer completed an in-depth interpretation of the lithology, alteration, structure and mineralization (assays) with respect to completing an updated model and re-interpretation of the Dundonald South Deposit.

Structures controlling (displacing) overall lithology and in turn mineralization strike lengths are labelled F1 to F4 in Figure 7-15. The eight interpreted zones of nickel sulphide mineralization (*see* Figure 7-10) first proposed by Harron (2009), are shown overlain on the newly interpreted geology and structure in Figure 7-15 as their descriptions remain valid and will act as an aid to future exploration within the deposit area.

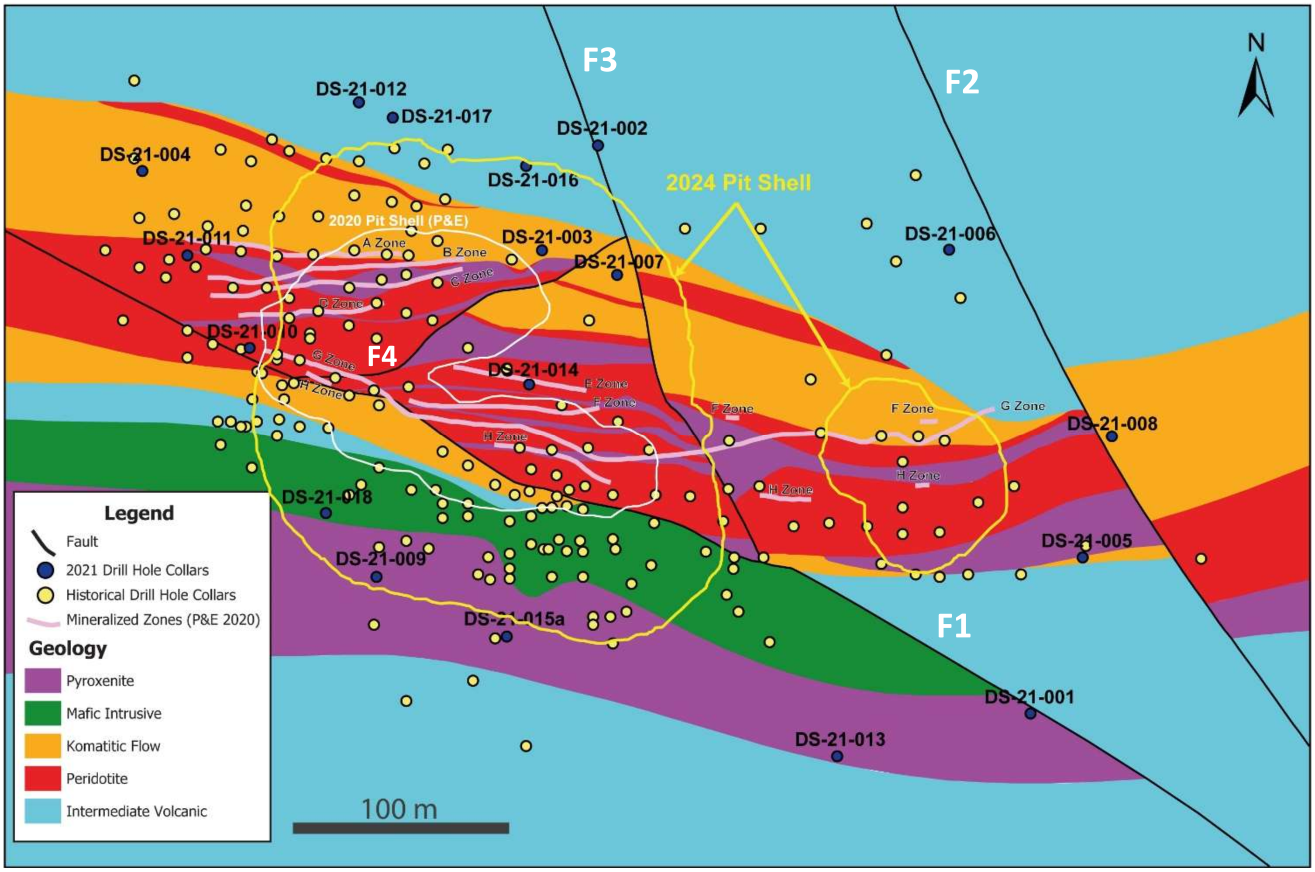


Figure 7-15. Re-interpreted geology, structure and mineralization for the Dundonald South Nickel Sulphide Deposit with locations of the 2020 Pit Shell (Stone *et al.*, 2020), the 2024 Pit Shells (current), the eight historically interpreted mineralized zones (A-H) for reference. The newly interpreted 4 main faults (F1 to F4 in order of activity) that dissect the deposit are also shown (Caracle Creek, 2024).

7.3.4 Dundonald North Nickel Sulphide Deposit

The Dundonald North Deposit (previously referred to as the Dundeal Nickel Zone), located about 1.3 km north of the Dundonald South Deposit, extends for about 2,300 m (to a depth of about 700 m below surface), strikes east-northeast and west-southwest, dips steeply (up to 80°) to the northwest, with tops to the north, and is several metres wide (Harron, 2009). This nickel zone is interpreted to be located on the north side of a west-plunging antiform, 2.2 km southeast and along strike from the old Alexo Mine (Alexo North) (*see* Figure 7-2, Figure 7-3, and Figure 7-4).

Like the Dundonald South Deposit, the Dundonald North Deposit is characterized by thin sinuous layers of massive sulphide, overlain in turn by thicker layers of net-textured sulphides and then blebby to disseminated nickel-copper sulphides with vein-type mineralization penetrating locally into the footwall rocks; mineralization at Dundonald North may be at the same stratigraphic level as that at Dundonald South. (Harron, 2009) (Figure 7-16). Pyrrhotite and pentlandite occur in roughly equal amounts, along with minor chalcopyrite and rare sphalerite (Stone *et al.*, 2020).

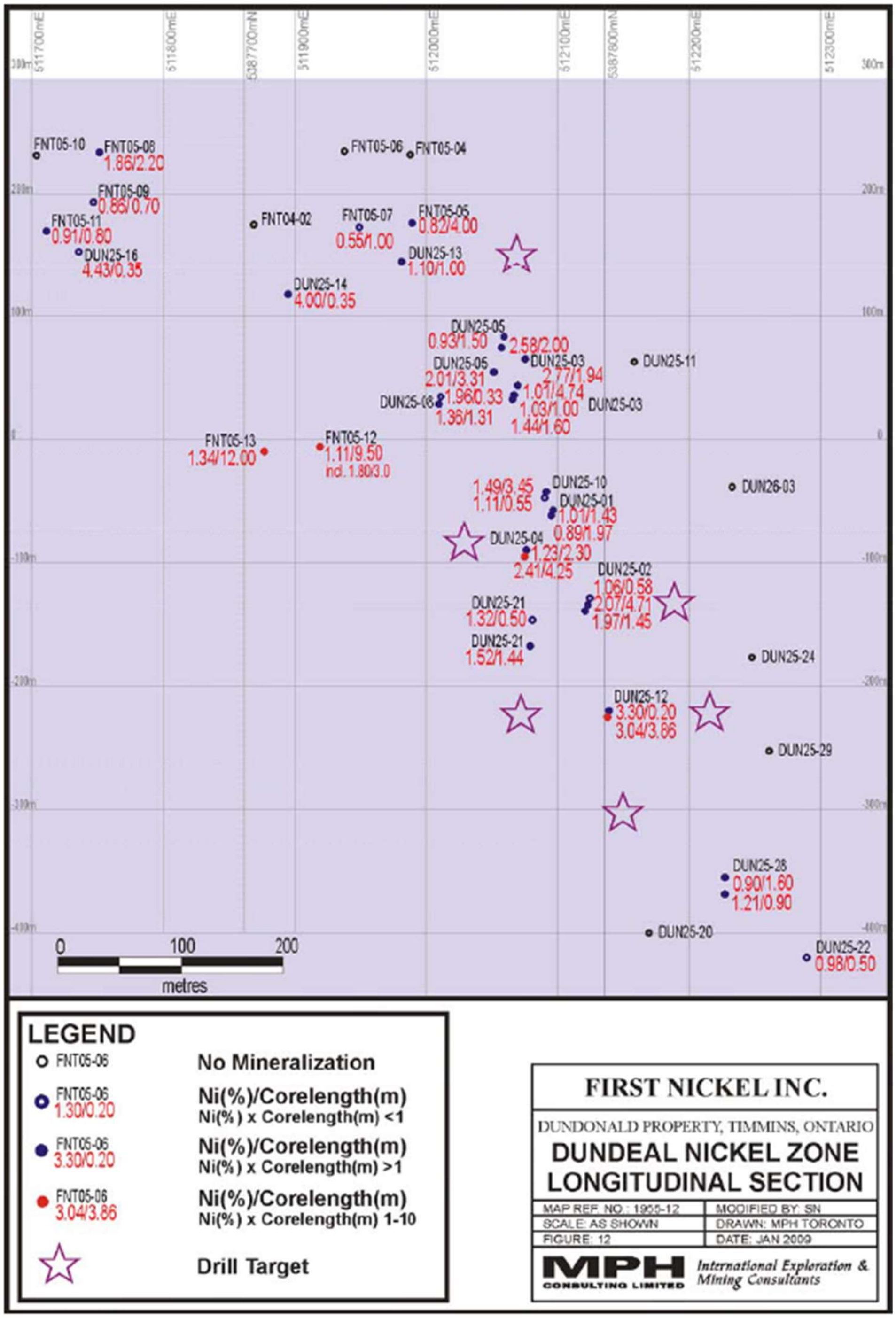


Figure 7-16. Longitudinal section of the Dundonald North Zone with significant drill core intercepts (Harron, 2009).

Potentially economic nickel mineralization occurs at the base of the “Empire Flow” (*see* Figure 7-4), apparently controlled by a channel or depression in the footwall volcanic rocks. This zone has been traced along strike for 800+ metres and to a depth of 700 m below surface. It is presently unclear as to the exact orientation of this channel, but it is indicated to plunge to the northeast, steepening with increasing depth, and parallel to that at the historical Alexo Mine (Alexo North) to the northeast.

Average true width of the mineralized interval is 2.4 m with grades up to 3.04% Ni (Falconbridge, 1991). The best sulphide mineralized intersections occur in the centre of the channel (Harron, 2009).

7.3.5 Terminus Zinc-Copper Zone

The Terminus Zinc-Copper Zone is located approximately 140 m stratigraphically above the Dundonald North Deposit (*see* Figure 6-5 and Figure 7-5). Terminus is hosted by a sequence of predominantly komatiitic basalt with smaller amounts of argillite and pyroxenite. The host stratigraphy is up to 56 m thick and thins rapidly to the west. Although proximal volcanic facies have not been observed, some paleo-relief is present, suggesting a chaotic environment possibly proximal to a volcanic vent. Significant zinc-copper mineralization has been outlined over a strike length of 200 m with an indicated plunge to the southeast. The mineralization occurs as banded (bedded?) semi-massive to massive pyrrhotite with variable amounts of sphalerite and chalcopyrite hosted in argillite, and as disseminated to fracture-controlled chalcopyrite and pyrrhotite mainly in the volcanic rocks. The Terminus Zone is a small, low-grade example of a volcanogenic massive sulphide system developed locally in the volcanic sequence on or near the seafloor (Stone *et al.*, 2020).

8.0 DEPOSIT TYPES

The distribution of magmatic nickel-copper-platinum-group element (Ni-Cu-PGE) metal sulphide deposits within Canada, with a resource size greater than 100,000 tonnes is shown in Figure 8-1.

The sulphide nickel-copper-(PGE) deposits within the Alexo-Dundonald Property consist of nickel and copper sulphide minerals (*i.e.,* pentlandite, millerite, pyrrhotite, chalcopyrite) and PGE hosted by intrusive and extrusive komatiitic rocks (magnesium-rich and high-temperature volcanic rocks) which fall into the higher-grade nickel/lower-tonnage region in Figure 8-2.

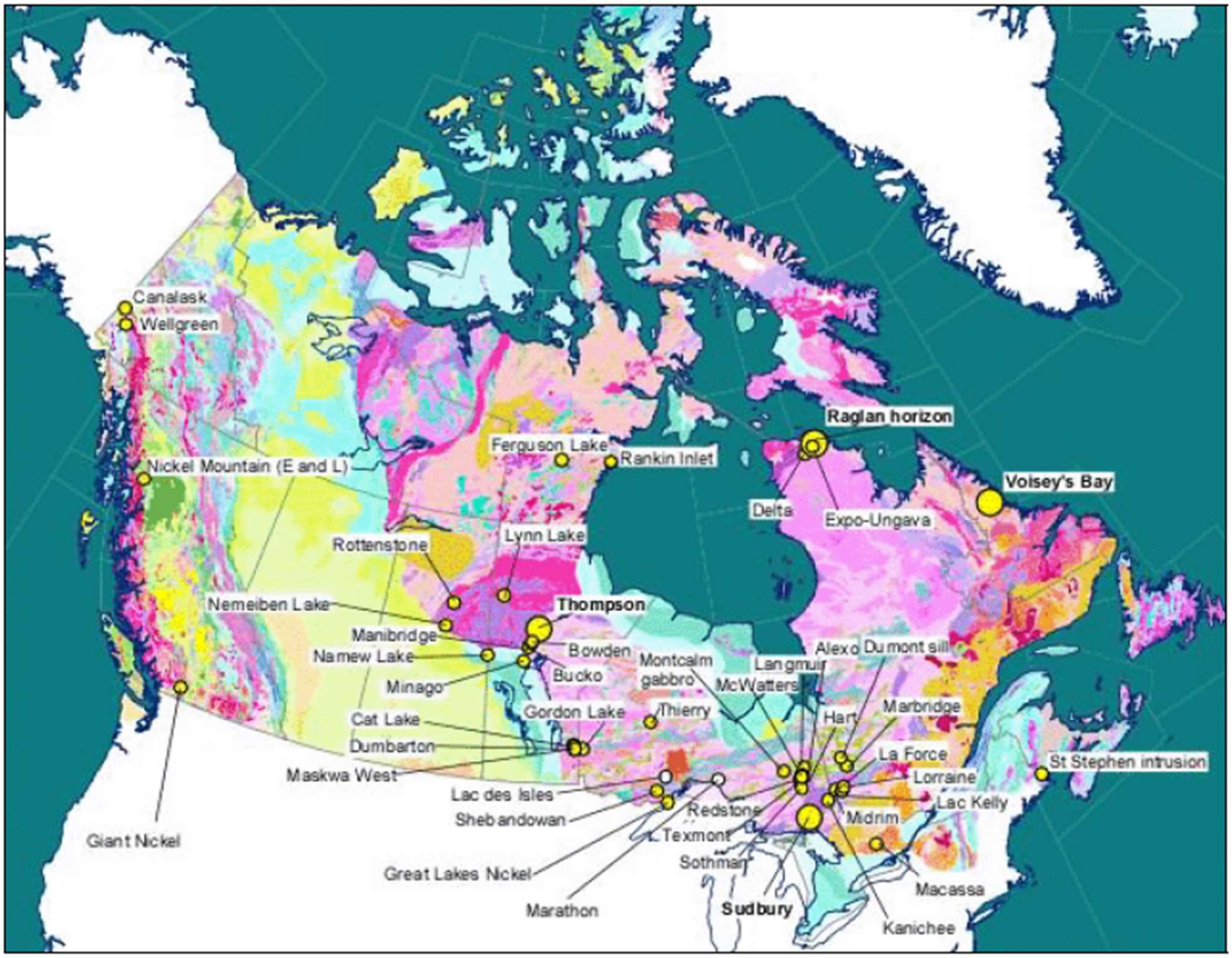


Figure 8-1. Map of Canada showing the distribution of magmatic Ni-Cu-PGE sulphide deposits in Canada with resources greater than 100,000 tonnes (after Wheeler *et al.*, 1996).

8.1 Komatiite-Associated Deposits

Much of the Australian Yilgarn komatiite resource (Yilgarn aggregate) consists of small, high-grade deposits, which are very attractive but difficult exploration targets (Figure 8-2). The largest komatiite deposits, Perseverance and Mt Keith, and the Kambalda Camp as a whole, are genuinely world-class deposits comparable in metal content to giant deposits elsewhere in the world such as Pechenga, Thompson and Voisey's Bay (Barnes, 2006).

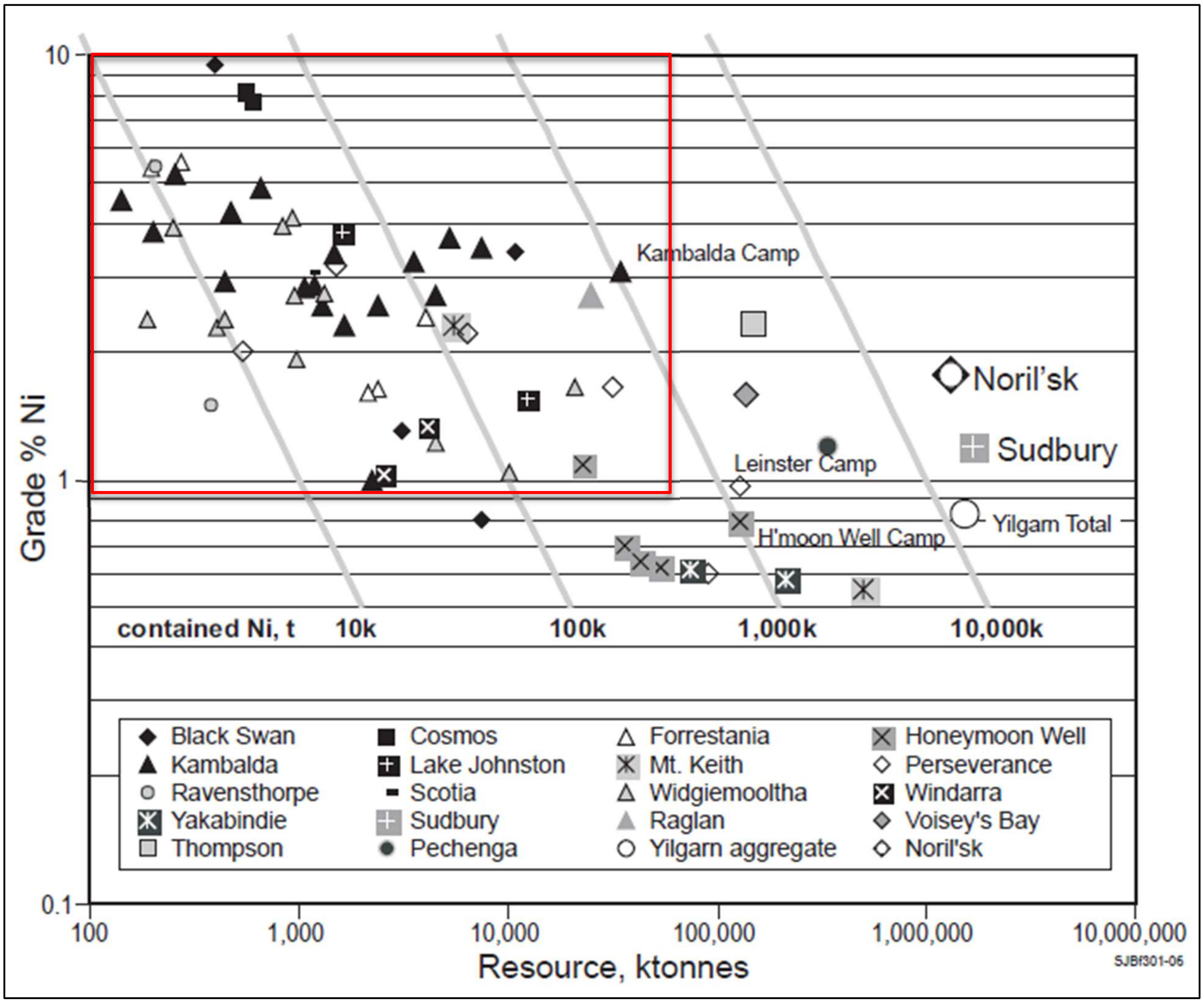


Figure 8-2. Nickel grade and deposit tonnage distribution in traditional magmatic (*e.g.*, Sudbury, Noril'sk, Voisey's Bay) and komatiite-hosted (*e.g.*, Kambalda Camp, Black Swan, Windarra) settings (Barnes, 2006). The red rectangle area is represented by Australian, komatiite-hosted, high-grade nickel deposits which typically occur in that define camp-scale resources.

Considerable research by various writers over the years indicates that komatiite hosted nickel deposits in the Timmins area are similar to the Archaean age nickel deposits of the Kambalda and Windarra areas in Western Australia (*see* Figure 8-2). 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/lavas are mantle-derived and emplaced at very high temperatures. Deposits of this association are mined primarily for their nickel contents, but they contain economically-significant amounts of Cu, Co, and PGE (Lesher and Keays, 2002; Sproule *et al.*, 2005).

Within the AGB four of the assemblages contain komatiites. Komatiite-associated Ni-Cu-(PGE) deposits have only been identified within the Kidd-Munro and Tisdale assemblages (*e.g.*, Houlé *et al.*, 2010). Tisdale assemblage ultramafic volcanic rocks with high-MgO content (up to 32% MgO) are defined as aluminum undepleted komatiite ("AUK"). Individual flows are usually less than 100 m thick and typically occur at or near the base of ultramafic sequences. Flow units can be recognized by the presence of chilled contacts, the distribution of spinifex textures, marked compositional or mineralogical changes at unit boundaries and the presence of ultramafic breccia or sulphidic sediments at contacts. Intrusive counterparts have also been recognized in the Tisdale assemblage.

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 Alexo-Dundonald Property can be characterized as ultramafic extrusive komatiite-hosted Ni-Cu-Co-(PGE) deposit type (*e.g.*, Barnes and Fiorentini, 2012), which recognizes two sub-types or styles (Lesher and Keays, 2002):

> **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, 10s to 100s of metres in down-dip extent, and metres to 10s of metres in thickness; generally on the order of a million tonnes (usually <1Mt) with nickel grades that are typically much greater than 1% Ni; tend to occur in clusters (*e.g.*, Alexo-Dundonald, Ontario; Langmuir, Ontario; Redstone, Ontario; Thompson, Manitoba; Raglan, Quebec).
>
> **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; more common nickel sulphides such as pyrrhotite and pentlandite but also sulphur-poor mineral heazlewoodite (Ni3S2) and nickel-iron alloys such as awaruite (Ni3-Fe); generally on the order of 10s to 100s of million tonnes with nickel grades of less than 1% Ni (*e.g.*, Mt. Keith, Australia; Dumont Deposit, Quebec).

The four Alexo-Dundonald nickel deposits are interpreted to be more closely associated with the Type I Kambalda-style (*stratiform basal*).

The genesis of the Alexo-Dundonald deposits and 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 provide an external sulphur source. Thermal erosion of the underlying rocks by the komatiite flows is undoubtedly a dominant mechanism for adding sulphur to the magma (Figure 8-3). This is consistent with the interpretation that komatiite associated Ni-Cu-(PGE) deposits form within lava channels.

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

- Geological mapping of komatiite flow units.
- Presence of sulphidic footwall rocks.
- Identification of AUK through lithogeochemical sampling.
- Airborne and ground electromagnetic surveys to detect massive sulphide mineralization.
- Airborne and ground magnetic geophysical surveys to detect pyrrhotite-rich sulphide mineralization.

8.2 Komatiite Geological Models

After the discovery of the Kambalda and Mt. Keith Ni-Cu-Co-(PGE) deposits in Australia (*ca.* 1971), geological models were developed for these ultramafic extrusive komatiite-hosted deposits (*e.g.,* Lesher and Keays, 2002; Butt and Brand, 2003; Barnes *et al.*, 2004).

Komatiitic rocks are derived from high degree partial melts of the Earth’s mantle. Due to 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. Due to the low viscosity of the komatiitic melts, the lavas tended to concentrate in topographic lows. Komatiitic eruptions have been envisaged to have a high effusion rate and large volumes of lava and/or magma.

Komatiite-hosted Ni sulphide deposits, whether they are Archean or Proterozoic, occur in clusters of small sulphide bodies that are generally less than 1 million tonnes. At 1:25 0000 scale, these deposits usually occur at a pronounced thickening of ultramafic stratigraphy, and at 1:5 000 scale, these deposits 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 8-3):

- 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).

DCFS 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 DCFS and CSF facies are known to host economic nickel sulphide mineralization (Burley and Barnes, 2019), it does not discount the prospectivity of the other facies, particularly the thick sheets and/or sills associated with the DSF and LLLS types.

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 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 8-3A). 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. The nickel, copper and cobalt within the magmatic system combined with the sulphur and precipitated as immiscible sulphide droplets within the magma (Figure 8-3B).

When 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 settled and accumulated on the channel floor. The process of settling 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 parts of the channel floor where the flow dynamic changed, due to changes in flow speed, direction and ponding, which reduced flow capability to transport the dense phases.

Table 8-1. Features of komatiite volcanic 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 et al., 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 (Lesher et al., 1984)
Dunitic Compound Sheet Flowws (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 et al. (1995).	Perseverance and Mount Keith (Hill et al., 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 et al., 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 pyroxenites and gabbros, up to several hundred metres in total thickness	Kurrajong Formation (Gole and Hill, 1990; Hill et al., 1995)

Komatiite lava-channels favourable for sulphide accumulation also accumulated olivine-crystals from the melt under the same gravitational settling model. These lava channels have 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 mineral lattice and instead precipitates magnetite. Thus, originally olivine-rich channelized environments favourable for nickel sulphide accumulation contain significant secondary Mag after the serpentinization of the olivine. This secondary Mag results in a high magnetic susceptibility of the rock and a prominent magnetic anomaly response to magnetic survey techniques. On the other hand, subsequent talc-carbonate alteration of serpentinized lava channels destroys Mag and enhances large rheology contrasts during structural deformation, metamorphism and intrusion for potential remobilization of the sulphides (Stone *et al.*, 2005).

Regarding 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 detection of magmatic nickel-copper sulphide mineralization if it is outcropping to sub-cropping, and the soil profile does not contain a substantial proportion of transported material. If the host volcanic channel is buried below surface and is not intersected by the Earth's surface, then nickel-copper magmatic sulphide systems are geochemically blind to surface exploration techniques other than geophysics.

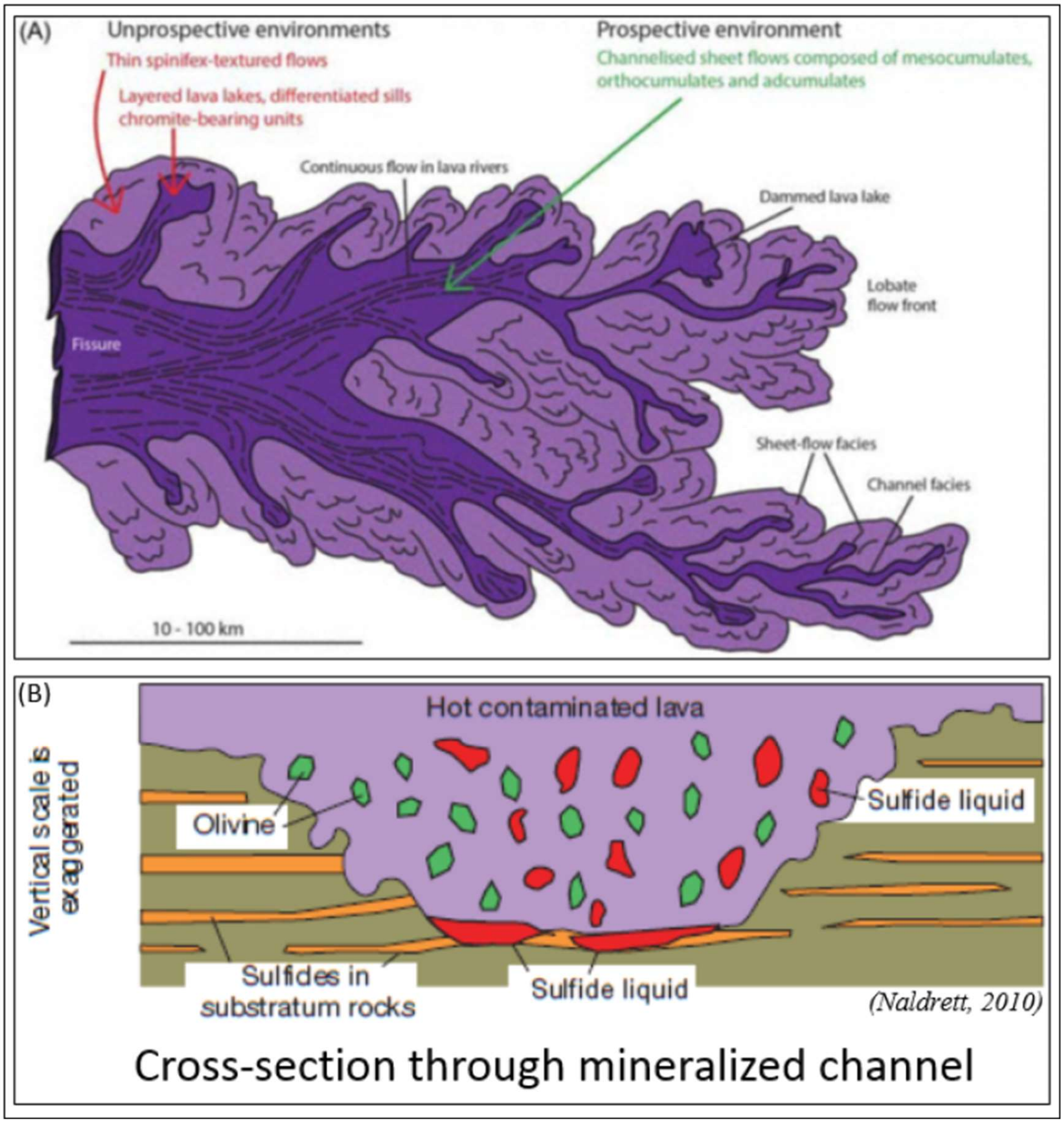


Figure 8-3. Komatiite flow facies and prospective environments for nickel-copper-cobalt sulphide formation. (A) Komatiitic flow showing prospective environment for nickel sulphide accumulation. (B) Cross-section through a nickel sulphide mineralized channel (Donaghy and Puritch, 2020).

These closed systems are bound 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 Ni-sulphide mineralization of sufficient quantity and quality for economic extraction, because favourable conductive responses require 18% to 20% sulphide content by volume.

8.3 Alexo-Dundonald Petrogenetic Model

Houle *et al.* (2008), present a petrogenetic model for komatiitic subvolcanic and/or volcanic architecture within a volcaniclastic and/or sediment-dominated komatiite volcanic environment which can be applied to the geology and nickel sulphide mineralization within the A-D Project (Figure 8-4).

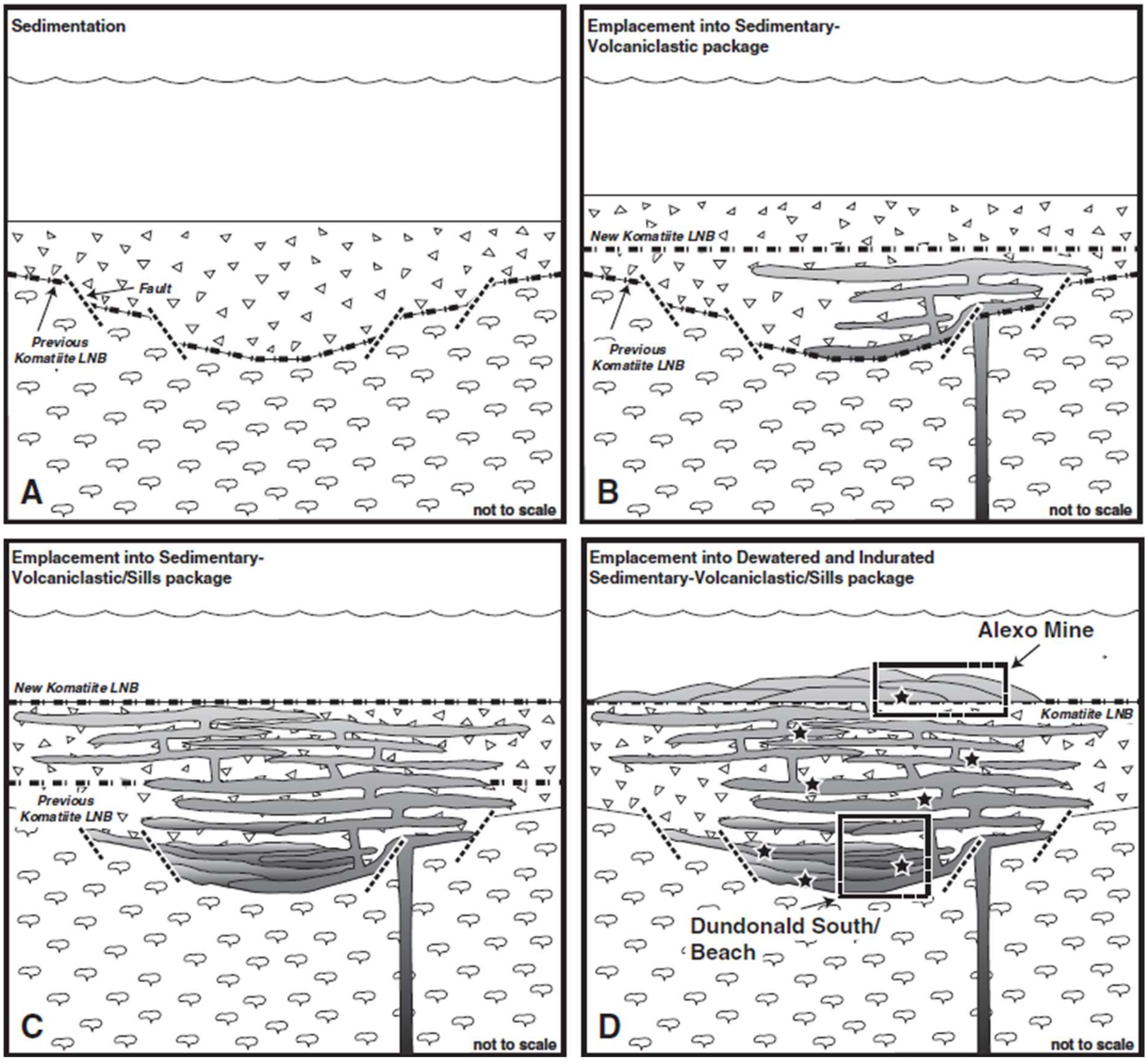


Figure 8-4. Idealized model showing the evolution within (A-D) a volcaniclastic and/-or sediment-dominated komatiite volcanic environment (*e.g.*, Dundonald Beach, Ontario; Raglan, Quebec). Dashed boxes in (D) represent the approximate location of Dundonald South/Beach and Alexo Mine within the komatiite volcano. Stars represent the potential location of komatiite-associated Ni-Cu-(PGE) mineralization in sediment- and/or volcaniclastic-dominated successions. LNB = Level of Neutral Buoyancy (for komatiitic sills and flows) (Houle *et al.*, 2008).

Successive komatiitic magmas (Figure 8-4B, C), emplaced as sills, would have reached progressively higher stratigraphic levels and eventually erupted as flows at the surface (Figure 8-4D). The complex interactions between komatiitic sills and graphitic argillite at Dundonald Beach (Dundonald South) suggest a near-volcanic-vent or proximal subvolcanic facies (Houle *et al.* (2008).

9.0 EXPLORATION

Mineral exploration conducted by previous operators within the Alexo-Dundonald Project area is described in Section 6.0. Between May 2019 and December 2021, Class 1 conducted an extensive surface exploration program on the Property, consisting of a VTEM airborne geophysical survey (entire property), diamond drilling, and 3D borehole EM surveys in selected drill holes. A summary of the work completed by the Issuer Class 1 Nickel since May 2019 is shown in Table 9-1. The following section reviews important exploration work completed by Class 1 Nickel as of then Effective Date of this Report.

Exploration work completed by the Issuer Class 1 Nickel has followed industry standard such as those provided through the CIM Mineral Exploration Best Practice Guidelines (CIM, 2018), and the Authors are confident in relying on the work completed by Class 1 for the purposes of this Report (*see* Section 2.1).

Table 9-1. Summary of exploration work completed on the Alexo-Dundonald Project by Class 1 Nickel.

Period	Contractor	Worked Area	Item Type	Description
2019	Class 1 Nickel	property-wide	drill core re-logging and re-sampling	re-logging/re-sampling to identify potential mineralogical and lithological intervals for the purpose of future drilling
2019	Class 1 Nickel	property-wide	geophysics review	review of past geophysical surveys for targeting in future drilling
2019-2020	Class 1 Nickel	property-wide	data compilation and targeting	interpretation for the purpose of better understanding Deposit genesis and mineralized trends for future drilling
2020	Class 1 Nickel	property-wide	geological modelling	attain a better understanding of deposit mineralized tenor, orientation and geometry
2020	Geotech Ltd.	property-wide	geophysical Survey	VTEM Heliborne System; horizontal magnetic gradient (1,052 line-km); flown 26 September to 9 October 2020
2021	Crone Geophysics & Exploration Limited	19 drill holes	geophysical Survey	3D Borehole Pulse-EM; 19 holes; 5 different transmission loops

9.1 Airborne Geophysics (2020)

The Company contracted Geotech Ltd to fly a Versatile Time Domain Electromagnetic (VTEM™) and time-domain electromagnetic airborne survey with additional horizontal magnetic gradiometry over the entire Property, including the known Alexo-Dundonald Deposits and interpreted Z-folded favourable komatiitic peridotite unit (Class 1 news release dated 16 September 2020) (Venter *et al.*, 2020).

The aim of the survey was to provide the Company's technical team with data to map conductors of significance in subsurface areas that may be associated with magmatic semi-massive to massive Ni-Cu-Co (PGE) sulphides, to an initial depth of approximately 300 m below surface.

The VTEM™ survey was successfully flown between 26 September and 6 October 2020 (Class 1 news release dated 24 September 2020); a total of 1,052 line-km was flown. Several new strong to very strong AEM anomalies were detected by the VTEM™ survey, including anomalies over known deposits (Dundonald North, Dundonald South, Alexo North and Alexo South), which provide reliable airborne electromagnetic ("AEM") and magnetic signatures of the known massive and net-textured nickel sulphide mineralization (Venter *et al.*, 2020).

9.1.1 Interpretation and Ranking

The better-quality AEM anomalies were classified as strong and very strong conductors (Class 1 news releases dated 10 November 2020 and 24 November 2020). These anomalies have been correlated with geology, mineralization, and all known historical drilling. A total of 14 good-quality AEM anomalies or parts of anomalies (labelled A to O in Figure 9-1, Figure 9-2, and Figure 9-3) that appear to have either not been tested, or that have been under-tested by known drilling were selected as priority targets for further investigation. These priority targets should be checked by field crews for evidence of previous work (*e.g.,* drilling) and any cultural interference effects (King, 2020).

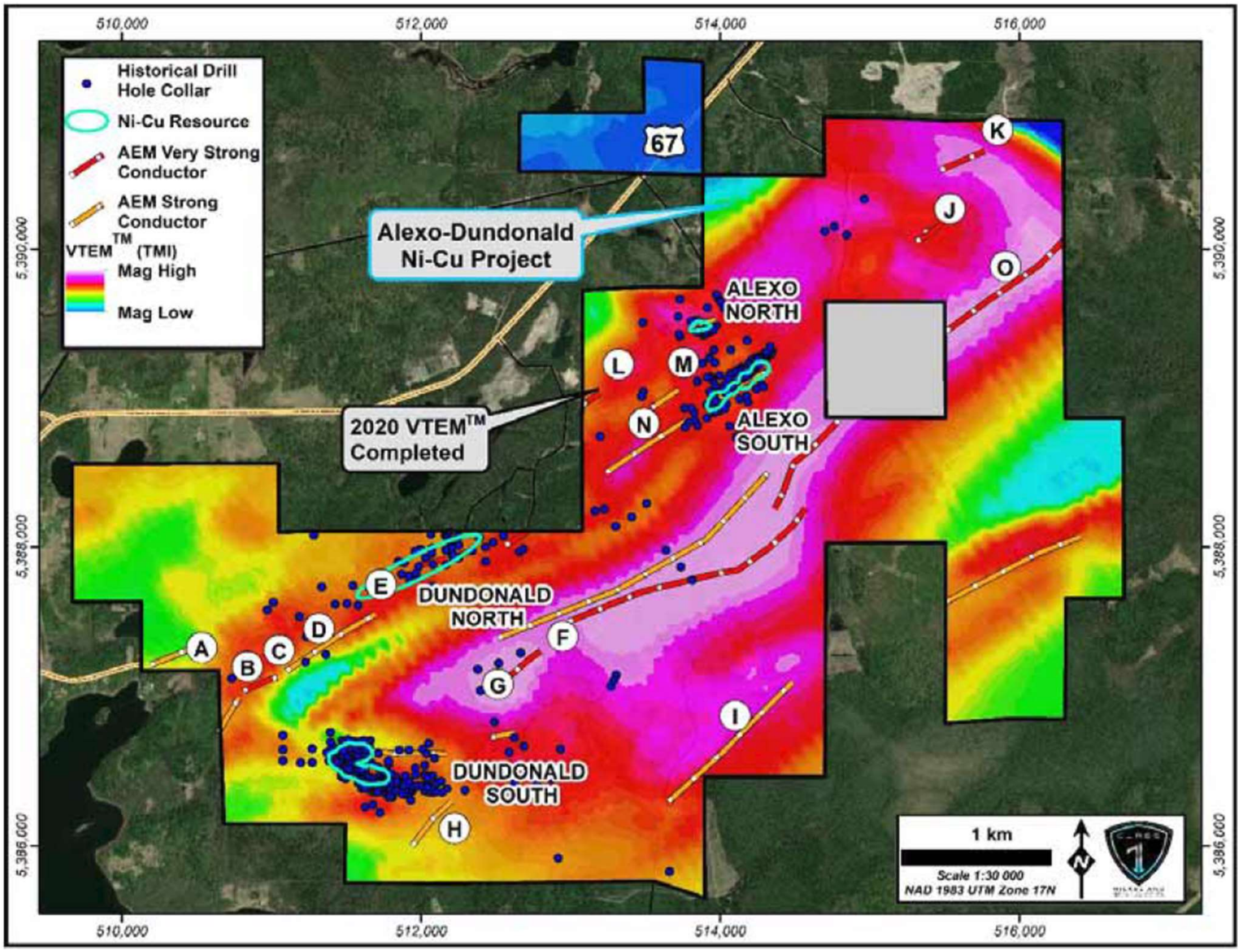


Figure 9-1. Plan view of the Alexo-Dundonald Project showing the A-O VTEM anomalies and the four known nickel sulphide deposits overlain on airborne total field magnetics and interpreted electromagnetic conductor axes (Class 1 news release dated 24 November 2020).

Several of these priority targets show similarities to the known deposits, particularly strong to very strong conductance with limited strike extent, and as such are top priority targets (Figure 9-2). The VTEM™ survey also shows conductive trends in some areas along strike from known deposits, which may assist in extending the strike length of known nickel sulphide mineralization.

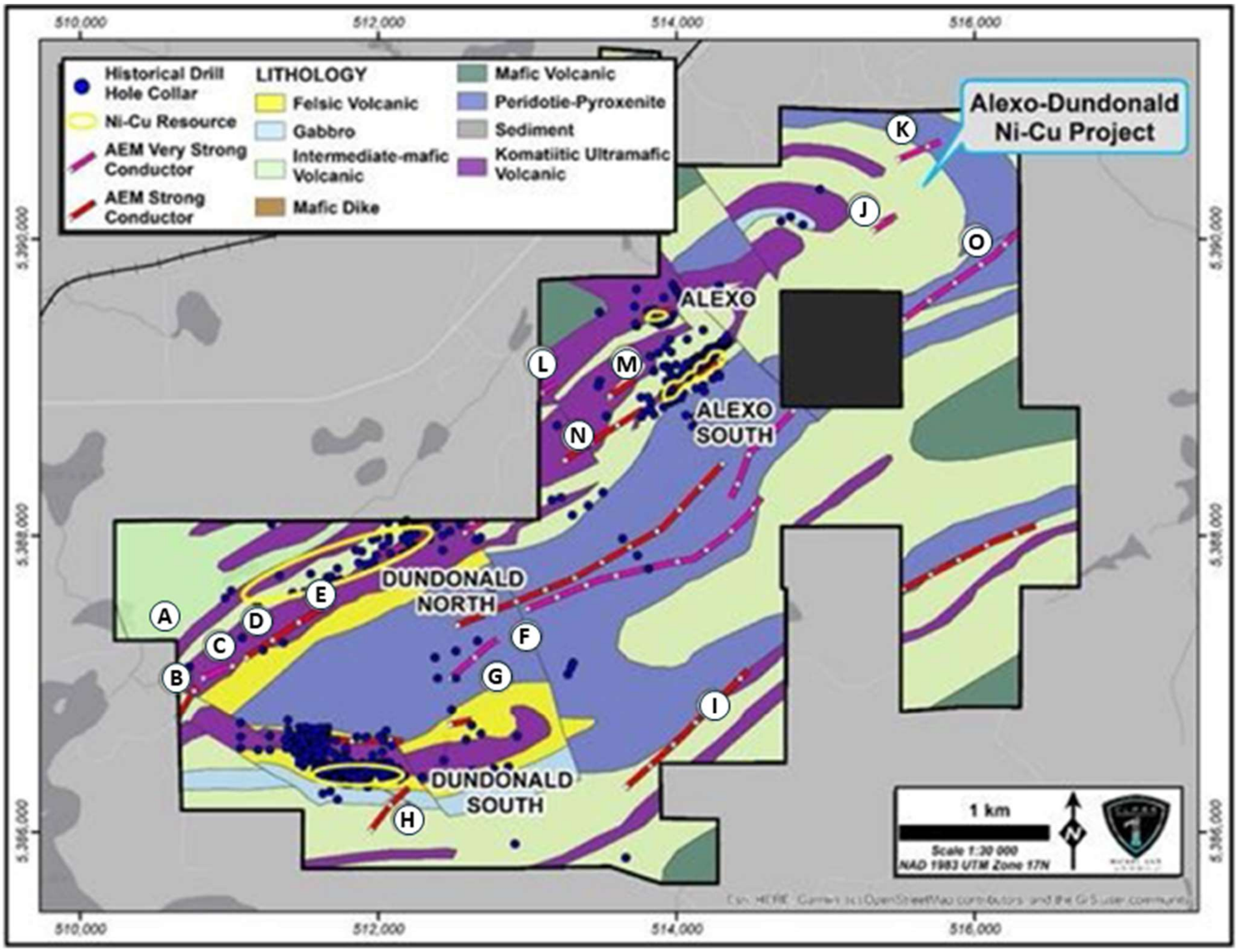


Figure 9-2. Plan map of the Alexo-Dundonald Project showing the priority conductor axes overlain on the generalized geology (after Class 1, 2020).

The following data integration and target review, the Targets were tabulated and ranked based on five criteria (King, 2020):

- Quality and shape of EM/Mag anomalies, with priority assigned to targets with shorter strike length, higher conductivity and magnetic association:
    - Presence or absence of prior drilling, with targets with few or no drill holes given higher priority.
    - Any Ni and Cu values in nearby drill holes.
    - Proximity to known mineral deposits and occurrences.
    - Local geology (proximity to favourable ultramafic rocks).

This ranking process resulted in four Priority 1 Targets (highest priority), twelve Priority 2 Targets, and a few lower Priority 3 Targets.

9.1.1.1 Priority 1 Target Highlights

The four priority targets (A, H, I, J) are shown in Figure 9-1, Figure 9-2, and Figure 9-3 and were commented on by King (2020):

- These are multi-line anomalies which are similar to the known deposits and do not appear to coincide with any cultural interference features.
- The priority targets are of short-strike length features from 300 m to 800 m in length.
- Anomaly A follows a local magnetic high, appears to be in mafic-ultramafic rocks and is located 1 km west of the Dundonald North deposit. It has not been subject to previous and historic drilling. Although there are cultural features nearby, they do not appear to explain the anomaly.
- Anomalies H and J have no apparent drilling in the available databases.
- Anomaly H is close to the Dundonald South deposit and proximal to the major southwest-verging fold nose in the south part of the Property.
- Anomaly I is sparsely drilled and located 2 km east of the Dundonald South deposit, on the south limb of the major southwest-verging fold, near the Casey mineral occurrence.
- Anomaly J is located 1.6 km northeast of the Alexo North and Alexo South deposits and appears to cross-cut stratigraphic units in a major northeast-verging fold nose.

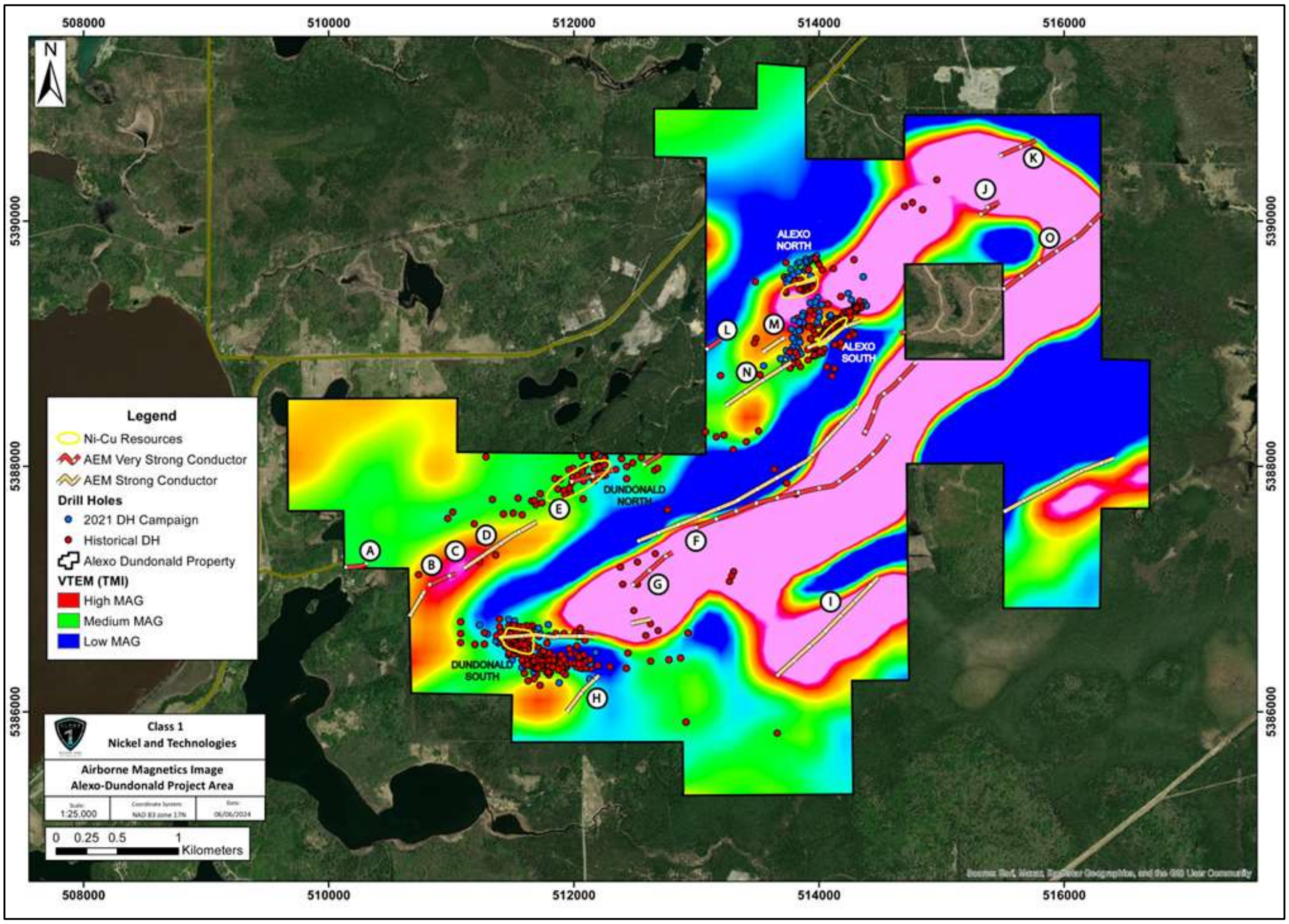


Figure 9-3. Plan map of the Alexo-Dundonald Project showing Total Magnetic Intensity (TMI) priority EM conductor axes, and ranked geophysical targets (A to O), overlain on the generalized geology (Caracle Creek, 2024.

9.1.2 Maxwell Thin Plate Modelling

The EM anomalies defining six of the interpreted conductor axes were subsequently modeled by Terra Modelling Services (2020). To proceed with the interpretation of the EM anomalies, the survey's data was imported into the Maxwell computer modeling program. The solution obtained for each anomaly was then modeled by a single conductor in the form of a thin plate having its location and main attributes optimized to the associated survey's line data (line to line analysis). The associated modeled plates are presented in Table 9-2 and Figure 9-4.

Table 9-2. Summary of Priority VTEM™ Conductor Plate Models.

Anomaly	Depth to Top (m)	Dip (°)	Dip Direction (°)	Length1(m)	Depth Extent (m)	Cond*Thickness	Rank
A	-21	80	358	300	200	36	1
H	-98	0.4	140	400	50	200	1
I-1	-80	20	146	800	300	300	1
I-2	-87	20	328	800	300	300	1
I-3	-37	75	326	600	400	20	2
J	-16	85	146	300	200	250	1
Lengths are not well constrained							

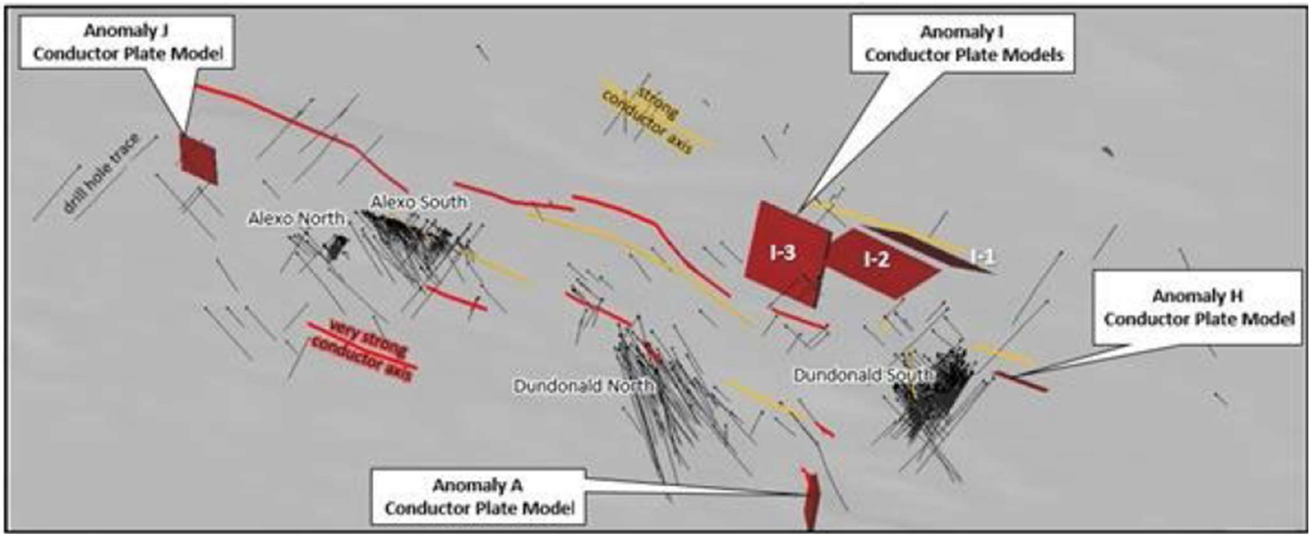


Figure 9-4. VTEM™ conductor 3D model plates(Maxwell Thin Plate modelling) projection with drilling traces (Terra Modelling Services, 2020).

9.1.3 Conclusions and Recommendations (King, 2020)

Based on the geophysical results obtained and mentioned above, the VTEM survey has defined a number of significant conductive anomalous zones across the survey block. These include longer strike-length conductive stratigraphic horizons that are mainly NE-trending but generally follow similar regional Z-shaped formational trend indicated in the magnetics. They also include short-strike length, late-Time EM anomalies that might represent discrete massive sulphide bodies within this magnetic horizon. The presence of man-made culture is visible in the EM data but affects the magnetics to a lesser extent. The close relationship between the EM and magnetics is highlighted in the EM time constant (TAU) map with CVG contour overlays presented in Figure 9-5.

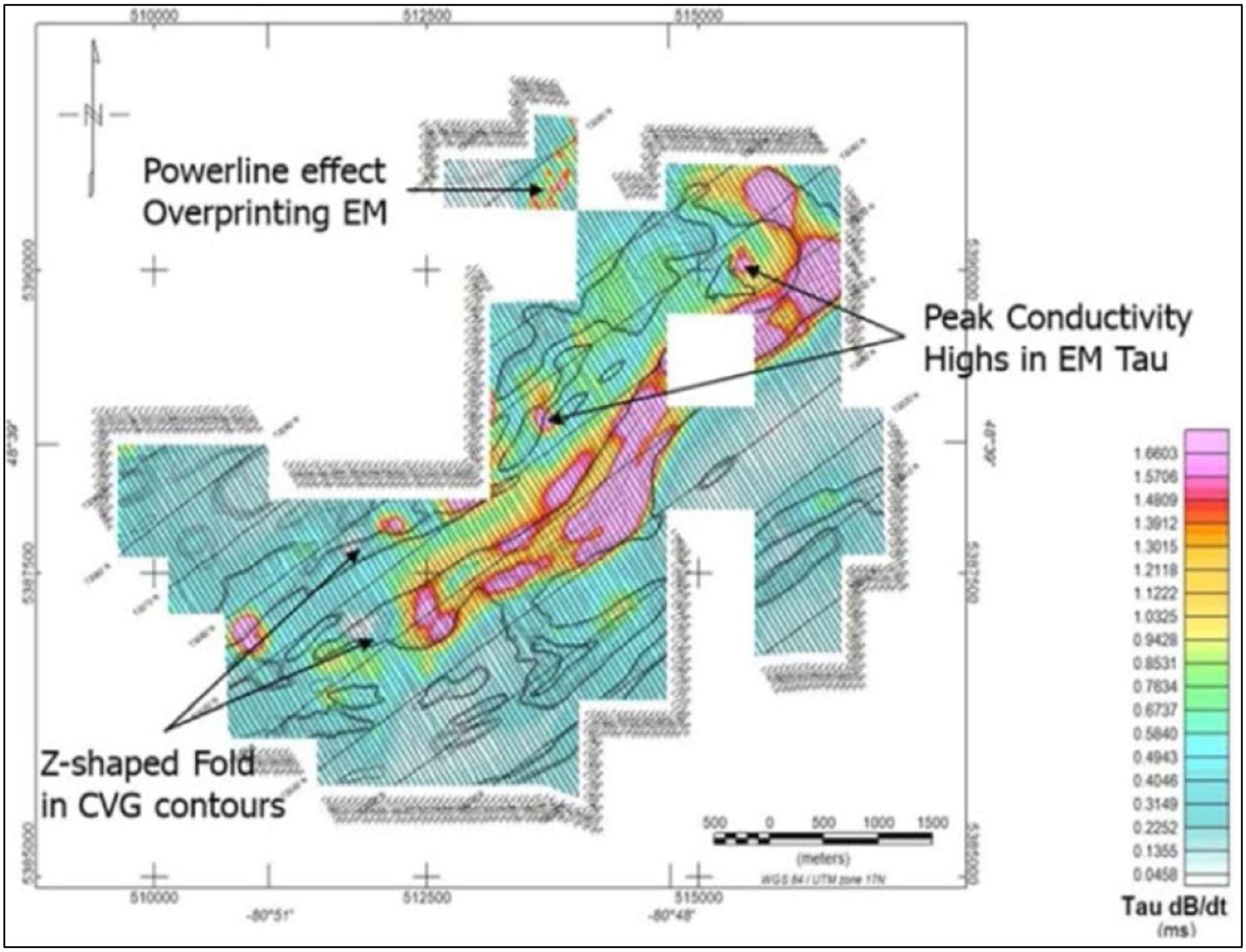


Figure 9-5. Late-channel dbZ/dt EM time-constant with CVG contours (Venter *et al.*, 2020).

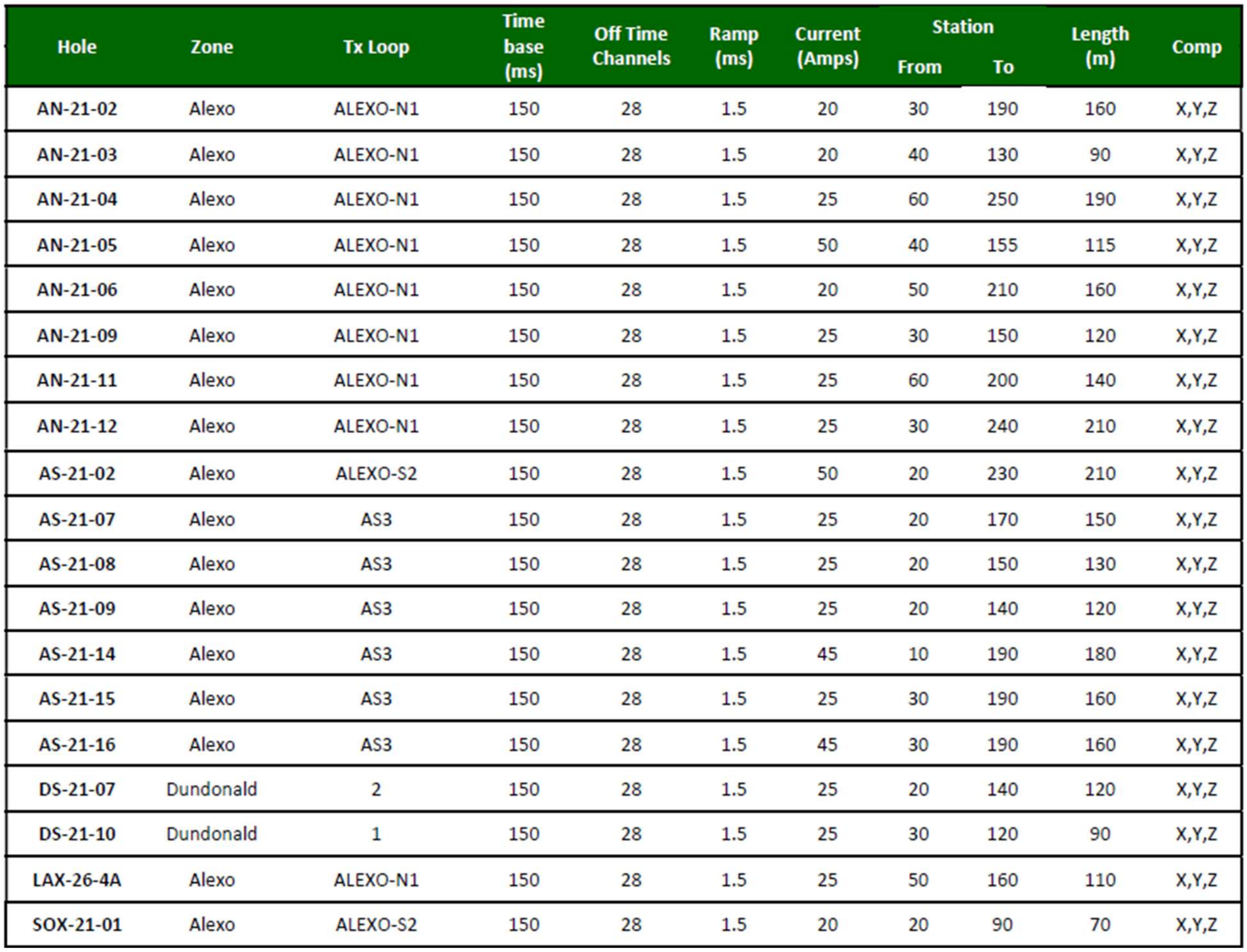
Based on the magmatic Ni-Cu-Co sulphide exploration model, EM conductors represent the key focus for targeting. EM anomaly picking and Maxwell plate modelling was completed to generate targets for ground follow up and drill-testing. Because the EM anomalies display close associations with the magnetic gradient zones, it was recommended that 3D MVI (magnetic vector inversions) to better define sulphide bodies and their host rocks. Semi-automated CET Lineament Analysis could also prove successful in revealing the spatial correlations between the conductors, magnetic bodies, and geological structures (King, 2020).

9.2 Borehole EM (BHEM) Surveys (2021)

Crone Geophysics & Exploration Limited ("CGEL"), from Mississauga, Ontario, was contracted by Class 1 Nickel to conduct 3D Borehole Pulse Electromagnetic Surveys on its Alexo-Dundonald Project, completing the work between 11 May and 29 July 2021 (Shieh, 2021).

Geophysical surveys were carried out in two phases: 11 May to 17 May, including Mob-Demob and 9 July to 17 July. Nineteen (19) holes from the 2021 diamond drilling campaign, 17 at Alexo North and South and 2 at Dundonald South, utilizing five (5) transmission loops (3 at Alexo and 2 at Dundonald South), were surveyed (Figure 9-6 and Figure 9-7).

Table 9-3. Surveyed drill holes and lengths surveyed with survey specifications (Shieh, 2021).



Hole	Zone	Tx Loop	Time base (ms)	Off Time Channels	Ramp (ms)	Current (Amps)	Station		Length (m)	Comp
							From	To		
AN-21-02	Alexo	ALEXO-N1	150	28	1.5	20	30	190	160	X,Y,Z
AN-21-03	Alexo	ALEXO-N1	150	28	1.5	20	40	130	90	X,Y,Z
AN-21-04	Alexo	ALEXO-N1	150	28	1.5	25	60	250	190	X,Y,Z
AN-21-05	Alexo	ALEXO-N1	150	28	1.5	50	40	155	115	X,Y,Z
AN-21-06	Alexo	ALEXO-N1	150	28	1.5	20	50	210	160	X,Y,Z
AN-21-09	Alexo	ALEXO-N1	150	28	1.5	25	30	150	120	X,Y,Z
AN-21-11	Alexo	ALEXO-N1	150	28	1.5	25	60	200	140	X,Y,Z
AN-21-12	Alexo	ALEXO-N1	150	28	1.5	25	30	240	210	X,Y,Z
AS-21-02	Alexo	ALEXO-S2	150	28	1.5	50	20	230	210	X,Y,Z
AS-21-07	Alexo	AS3	150	28	1.5	25	20	170	150	X,Y,Z
AS-21-08	Alexo	AS3	150	28	1.5	25	20	150	130	X,Y,Z
AS-21-09	Alexo	AS3	150	28	1.5	25	20	140	120	X,Y,Z
AS-21-14	Alexo	AS3	150	28	1.5	45	10	190	180	X,Y,Z
AS-21-15	Alexo	AS3	150	28	1.5	25	30	190	160	X,Y,Z
AS-21-16	Alexo	AS3	150	28	1.5	45	30	190	160	X,Y,Z
DS-21-07	Dundonald	2	150	28	1.5	25	20	140	120	X,Y,Z
DS-21-10	Dundonald	1	150	28	1.5	25	30	120	90	X,Y,Z
LAX-26-4A	Alexo	ALEXO-N1	150	28	1.5	25	50	160	110	X,Y,Z
SOX-21-01	Alexo	ALEXO-S2	150	28	1.5	20	20	90	70	X,Y,Z

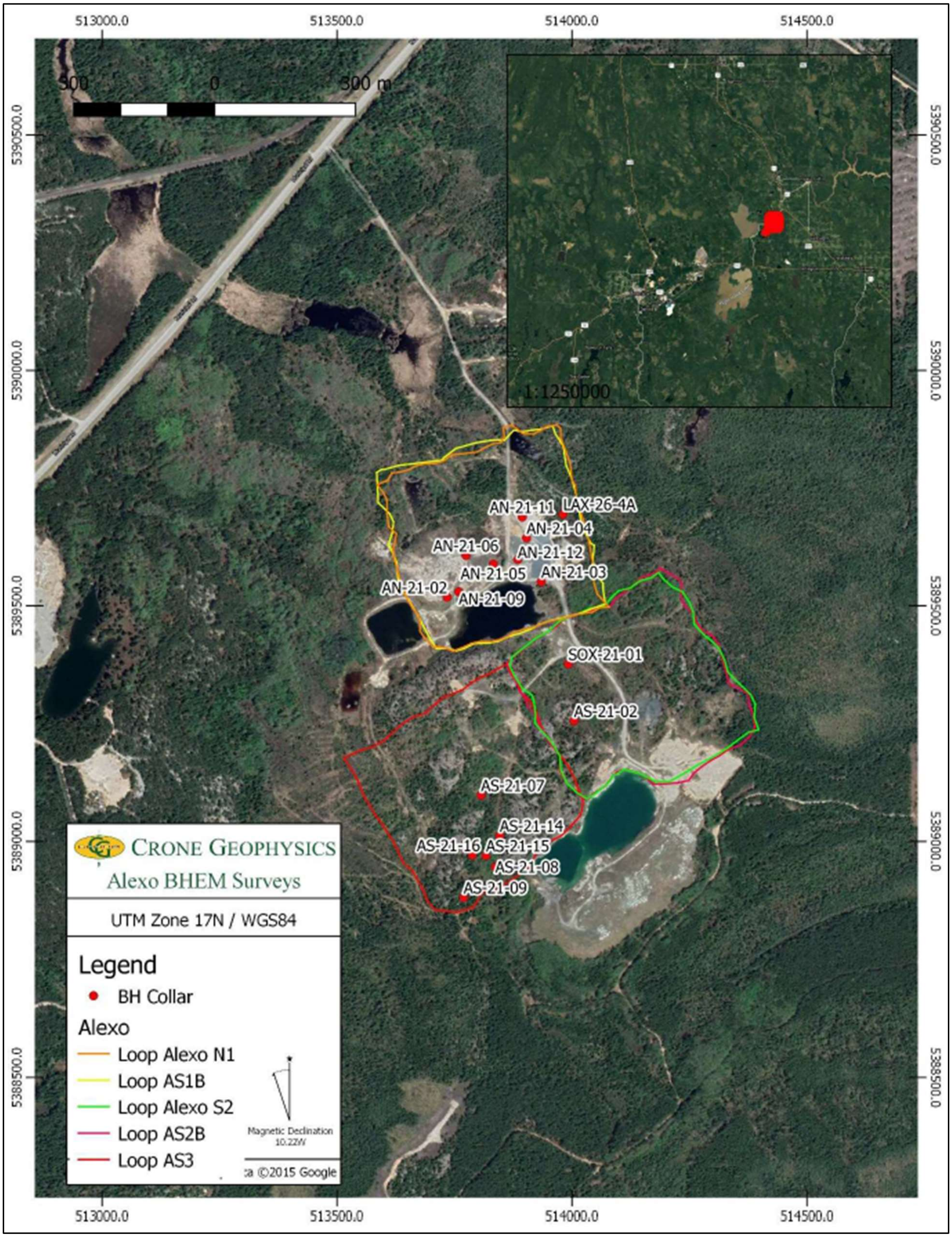


Figure 9-6. BHEM Survey: drill holes surveyed and loop locations on the Alexo Property (Shieh, 2020).

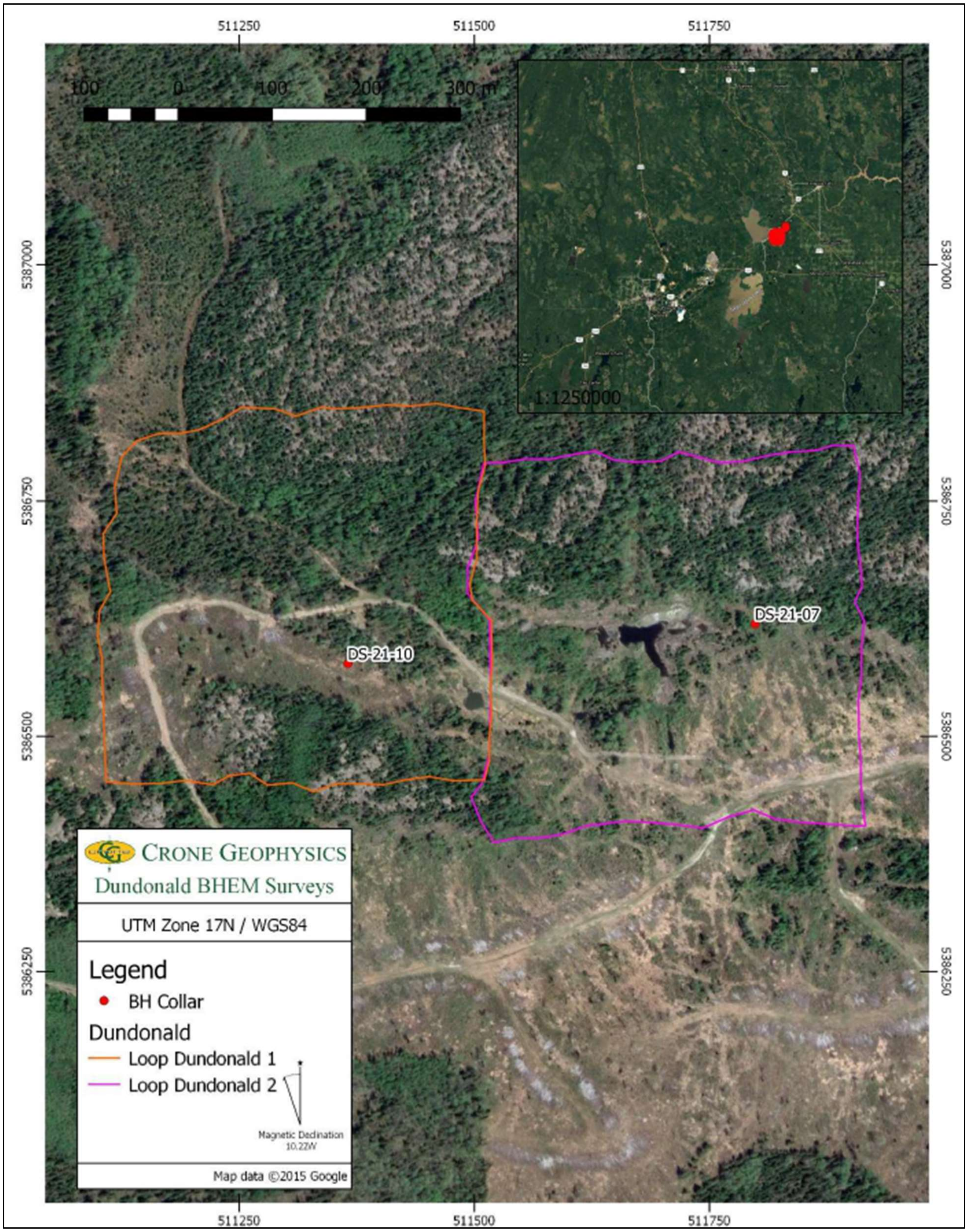


Figure 9-7. BHEM Survey: drill holes surveyed and loop locations on the Dundonald South Property (Shieh, 2020).

10.0 DRILLING

From 19 April to 24 December 2021, 89 new drill holes, totalling 20,549 metres, were drilled on the Property, aimed at testing the areas of the Alexo North, Alexo South and Dundonald South deposits (Jobin-Bevans and Beloborodov, 2024):

- Alexo South (AS-series): 37 drill holes; 9,177 metres.
- Alexo North (AN-series; SOX-series): 33 drill holes; 6,454 metres.
- Dundonald South (DS-series): 19 drill holes; 4,931 metres.

Drill core logs, surveys and drill core assays, along with other information related to the 2021 drilling program, have been reviewed by the QPs Scott Jobin-Bevans and Simon Mortimer. In the opinion of these QPs, the data and information related to the diamond drilling program are of industry standard and adequate for use in the calculation of the current MRE and for the purposes of this Report (*see* Section 2.1).

The 2021 drilling program was completed by G4 Drilling of Val-d'Or, Quebec, under the supervision of Terra Modelling Services of Saskatoon, Saskatchewan. The collected drill core samples totalling 2,373 samples were assayed by AGAT Laboratories of Mississauga, Ontario, SGS Laboratory, ALS Canada Ltd., and Actlabs Laboratory. Drill hole collar surveys were completed by contractors Arpentage Descarreaux de Lasarre (Jobin-Bevans and Beloborodov, 2024).

Drilling was concentrated on exploring around the periphery of these three nickel deposits to test and potentially extend known close-to-surface mineralization and extend the depth profile of the deposits by (Jobin-Bevans and Beloborodov, 2024):

- Following up geophysical anomalies remodelled from BHEM data acquired by previous explorers; and
- Stepping out drilling into the gaps between the known mineralized envelopes and the pierce points of the previous closest drilling from past exploration around the known deposits.

Drilling also followed up some borehole and VTEM anomalies in the immediate vicinity of the known mineralized zones at Alexo South, Alexo North and Dundonald South. Table 10-1 summarizes the 2021 drill holes and Table 10-2 summarizes the primary core samples and control samples (QA/QC) collected, and from which mining lands the drill collars were located.

Table 10-1. Distribution of 2021 diamond drill holes (89) completed by Class 1 Nickel.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m ASL)	Length (m)	Az (collar)	Dip (collar)	Started (dd/mm/yyyy)	Completed (dd/mm/yyyy)
AN-21-01	513748.94	5389543.50	311.31	201	148.55	-45.44	19-04-21	21-04-21
AN-21-02	513735.12	5389516.50	310.87	201	149.79	-45.24	20-04-21	23-04-21
AN-21-03b	513935.06	5389550.00	309.01	135	151.60	-44.93	21-04-21	25-04-21
AN-21-04	513903.47	5389642.50	308.42	252	149.35	-45.72	22-04-21	21-04-21
AN-21-05	513832.94	5389587.00	309.35	195	151.75	-44.71	23-04-21	29-04-21
AN-21-06	513774.56	5389605.50	313.63	222	150.42	-44.33	24-04-21	01-05-21
AN-21-07	513790.38	5389559.00	312.64	141	151.09	-45.05	25-04-21	02-05-21
AN-21-08	513742.78	5389490.00	308.15	141	150.80	-43.70	26-04-21	05-05-21
AN-21-09	513759.12	5389528.00	311.90	153	147.28	-44.10	27-04-21	16-05-21

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m ASL)	Length (m)	Az (collar)	Dip (collar)	Started (dd/mm/yyyy)	Completed (dd/mm/yyyy)
AN-21-10	513923.30	5389672.50	308.31	306	148.25	-46.62	28-04-21	05-06-21
AN-21-11	513894.30	5389687.50	307.42	210	152.03	-50.29	29-04-21	10-06-21
AN-21-12	513884.88	5389597.00	307.93	252	151.36	-48.79	30-04-21	09-06-21
AN-21-13	513896.75	5389609.50	307.85	231	147.72	-44.07	01-05-21	12-06-21
AN-21-14	513909.90	5389673.50	307.50	189	149.83	-47.61	02-05-21	08-09-21
AN-21-15	513927.25	5389684.50	307.70	180	150.16	-49.12	03-05-21	09-09-21
AN-21-16	513825.22	5389650.50	305.72	201	149.80	-45.59	04-05-21	13-09-21
AN-21-17	513902.53	5389671.00	307.38	180	149.87	-49.96	05-05-21	14-09-21
AN-21-18	513842.56	5389662.00	306.14	249	148.79	-47.36	06-05-21	18-09-21
AN-21-19	513946.56	5389692.50	307.58	180	148.50	-45.76	07-05-21	17-09-21
AN-21-20	513950.44	5389693.00	307.78	180	148.73	-49.28	08-05-21	19-09-21
AN-21-21	514361.88	5389545.50	312.02	186	333.72	-44.73	09-05-21	22-09-21
AN-21-22	513974.40	5389706.00	306.88	180	149.28	-47.43	10-05-21	23-09-21
AN-21-23	513979.62	5389706.50	306.47	180	150.00	-50.43	11-05-21	29-09-21
AN-21-24	513936.78	5389685.00	307.73	180	148.78	-48.65	12-05-21	02-10-21
AN-21-25	513942.40	5389688.00	307.68	183	148.91	-50.09	13-05-21	05-10-21
AN-21-26	513958.44	5389697.00	306.61	225	147.95	-46.89	14-05-21	09-10-21
AN-21-27	513958.12	5389697.50	306.85	207	149.53	-50.71	15-05-21	11-10-21
AN-21-28	513984.88	5389715.50	306.76	213	148.33	-46.55	16-05-21	13-10-21
AN-21-29	513984.44	5389716.00	306.96	198	150.50	-51.85	17-05-21	16-10-21
AS-21-01	514085.25	5389222.50	325.28	276	149.18	-54.42	23-04-21	27-04-21
AS-21-02	514004.66	5389254.50	323.99	372	146.09	-45.88	29-04-21	03-05-21
AS-21-03	513987.10	5389176.00	333.53	192	153.60	-47.96	05-05-21	06-05-21
AS-21-04	514292.56	5389311.50	313.69	177	147.99	-49.48	08-05-21	11-05-21
AS-21-05	514365.56	5389336.50	313.04	150	147.69	-48.55	05-05-21	15-05-21
AS-21-06	514386.80	5389310.50	313.03	126	151.69	-49.00	17-05-21	17-05-21
AS-21-07	513806.80	5389097.00	319.07	279	150.71	-43.31	17-05-21	20-05-21
AS-21-08	513837.60	5388944.50	318.05	156	148.18	-44.62	18-05-21	20-05-21
AS-21-09	513769.75	5388880.50	319.48	150	147.84	-58.06	21-05-21	22-05-21
AS-21-10	513837.34	5389037.50	325.88	189	150.49	-44.45	21-05-21	22-05-21
AS-21-11	513820.72	5389028.50	326.27	225	150.82	-42.43	23-05-21	27-05-21
AS-21-12	513804.78	5389007.00	323.91	225	149.15	-42.45	29-05-21	31-05-21
AS-21-13	513854.16	5388916.00	315.68	102	141.57	-44.27	23-05-21	25-05-21
AS-21-14	513846.44	5389011.50	325.37	201	150.61	-44.27	25-05-21	27-05-21
AS-21-15	513817.70	5388968.50	320.51	201	149.30	-43.01	30-05-21	02-06-21
AS-21-16	513788.10	5388970.00	321.55	201	148.91	-44.72	28-05-21	30-05-21
AS-21-17	513776.00	5389119.50	318.92	300	149.97	-44.73	06-10-21	10-10-21
AS-21-18	513786.10	5389044.50	329.89	267	149.52	-44.59	11-10-21	12-10-21
AS-21-19	513812.16	5388928.00	316.91	156	148.20	-45.43	13-10-21	14-10-21
AS-21-20	513795.03	5388894.00	316.32	168	148.23	-45.21	14-10-21	15-10-21
AS-21-21	513775.25	5388942.00	320.72	195	147.43	-44.29	16-10-21	17-10-21
AS-21-22	513742.44	5388909.50	318.45	186	147.02	-60.70	16-10-21	17-10-21
AS-21-23	513735.60	5388943.00	321.34	234	149.49	-61.64	18-10-21	19-10-21
AS-21-24	513723.12	5388831.50	309.88	156	147.01	-60.71	18-10-21	19-10-21
AS-21-25	513686.06	5388877.00	308.60	183	150.95	-61.20	19-10-21	20-10-21
AS-21-26	514097.28	5389232.00	325.22	267	149.23	-55.33	19-10-21	21-10-21

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m ASL)	Length (m)	Az (collar)	Dip (collar)	Started (dd/mm/yyyy)	Completed (dd/mm/yyyy)
AS-21-27	514004.53	5389215.50	328.47	402	150.40	-55.17	22-10-21	25-10-21
AS-21-28	513870.00	5389248.00	324.73	282	148.99	-44.60	22-10-21	26-10-21
AS-21-29	513871.66	5389170.00	326.66	396	150.09	-60.23	26-10-21	31-10-21
AS-21-30	513796.10	5389190.50	325.83	348	147.20	-50.54	26-10-21	30-10-21
AS-21-31	513864.06	5389225.00	324.65	432	151.13	-61.81	31-10-21	05-11-21
AS-21-32	513842.97	5389174.00	326.09	387	150.66	-56.92	31-10-21	04-11-21
AS-21-33	513840.90	5389104.50	323.49	312	150.78	-47.51	04-11-21	07-11-21
AS-21-34	513970.53	5389312.50	318.39	405	147.39	-44.30	05-11-21	10-11-21
AS-21-35	513549.00	5388819.00	307.00	222	140.52	-53.31	08-11-21	10-11-21
AS-21-36	514240.10	5389410.00	316.00	402	150.43	-45.02	11-11-21	17-11-21
AS-21-37	514266.00	5389357.00	316.21	300	151.77	-45.53	18-11-21	21-11-21
SOX-21-01	513992.12	5389375.00	317.58	102	331.12	-43.71	24-06-21	14-06-21
SOX-21-02	513929.38	5389332.00	318.69	201	331.99	-45.45	25-06-21	28-09-21
SOX-21-03	513973.66	5389341.50	317.88	141	328.12	-45.44	26-06-21	01-10-21
SOX-21-04	514023.34	5389316.00	319.10	201	148.55	-45.44	27-06-21	02-10-21
DS-21-001	512127.70	5386267.00	285.60	324	358.82	-45.34	28-06-21	25-06-21
DS-21-002	511792.94	5386711.00	315.65	243	178.41	-43.18	29-06-21	01-07-21
DS-21-003	511727.90	5386631.50	303.14	219	177.27	-45.77	30-06-21	23-06-21
DS-21-004	511231.25	5386706.50	279.48	273	357.59	-46.23	01-07-21	12-07-21
DS-21-005	512137.38	5386391.00	290.10	210	359.66	-44.24	02-07-21	19-06-21
DS-21-006	512066.66	5386618.00	307.52	300	176.20	-42.58	03-07-21	20-06-21
DS-21-007	511799.20	5386618.50	306.67	150	179.14	-42.41	04-07-21	26-06-21
DS-21-008	512179.78	5386484.00	295.88	150	182.33	-75.17	05-07-21	15-06-21
DS-21-009	511577.10	5386360.00	294.81	351	0.05	-45.72	06-07-21	05-07-21
DS-21-010	511365.38	5386575.00	283.87	126	0.33	-52.53	07-07-21	07-07-21
DS-21-011	511294.62	5386633.50	281.13	150	354.46	-51.67	08-07-21	10-07-21
DS-21-012	511470.78	5386753.00	303.35	285	176.68	-60.91	09-07-21	05-07-21
DS-21-013	511880.66	5386236.50	287.89	375	357.38	-43.65	10-07-21	20-07-21
DS-21-014	511740.00	5386493.00	302.00	267	180.00	-70.00	11-07-21	25-11-21
DS-21-015	511674.00	5386322.00	300.00	315	0.00	-55.00	12-07-21	27-11-21
DS-21-015a	511674.00	5386322.00	300.00	126	0.00	-55.00	13-07-21	24-12-21
DS-21-016	511713.00	5386683.00	310.00	351	174.62	-46.58	14-07-21	30-11-21
DS-21-017	511519.00	5386740.00	309.00	282	175.84	-54.88	15-07-21	06-12-21
DS-21-018	511500.00	5386425.00	300.00	434	0.00	-55.00	16-07-21	12-12-21

Table 10-2. Summary of core samples and control samples (QA/QC) from the 2021 diamond drilling program (89 holes).

Drill Hole	Length (m)	Core Assays	Control Assays	All Samples	Title Type
AN-21-01	201	104	17	121	PAT-4367
AN-21-02	201	23	6	29	PAT-4367
AN-21-03b	135	60	6	66	PAT-4372
AN-21-04	252	14	3	17	PAT-4372
AN-21-05	195	29	5	34	PAT-4367
AN-21-06	222	31	5	36	PAT-4367
AN-21-07	141	16	2	18	PAT-4367
AN-21-08	141	12	2	14	PAT-4367
AN-21-09	153	9	1	10	PAT-4367
AN-21-10	306	14	3	17	PAT-4373

Drill Hole	Length (m)	Core Assays	Control Assays	All Samples	Title Type
AN-21-11	210	20	3	23	PAT-4373
AN-21-12	252	0	0	0	PAT-4372
AN-21-13	231	5	1	6	PAT-4372
AN-21-14	189	21	2	23	PAT-4373
AN-21-15	180	16	2	18	PAT-4373
AN-21-16	201	3	1	4	PAT-4367
AN-21-17	180	17	2	19	PAT-4373
AN-21-18	249	9	0	9	PAT-4367
AN-21-19	180	28	4	32	PAT-4373
AN-21-20	180	10	0	10	PAT-4373
AN-21-21	186	12	2	14	PAT-27024
AN-21-22	180	13	2	15	PAT-4373
AN-21-23	180	11	1	12	PAT-4373
AN-21-24	180	21	6	27	PAT-4373
AN-21-25	183	28	4	32	PAT-4373
AN-21-26	225	31	5	36	PAT-4373
AN-21-27	207	30	5	35	PAT-4373
AN-21-28	213	18	3	21	PAT-4373
AN-21-29	198	2	1	3	PAT-4373
AS-21-01	276	37	6	43	PAT-4374
AS-21-02	372	8	1	9	PAT-4372
AS-21-03	192	5	1	6	PAT-4374
AS-21-04	177	22	1	23	PAT-4372
AS-21-05	150	19	4	23	PAT-27024
AS-21-06	126	4	1	5	PAT-27024
AS-21-07	279	42	3	45	PAT-4368
AS-21-08	156	21	4	25	PAT-4368
AS-21-09	150	11	0	11	PAT-47882
AS-21-10	189	18	1	19	PAT-4368
AS-21-11	225	17	2	19	PAT-4368
AS-21-12	225	26	5	31	PAT-4368
AS-21-13	102	9	1	10	PAT-4368
AS-21-14	201	31	4	35	PAT-4368
AS-21-15	201	7	1	8	PAT-4368
AS-21-16	201	12	2	14	PAT-4368
AS-21-17	300	11	3	14	PAT-4368
AS-21-18	267	11	0	11	PAT-4368
AS-21-19	156	19	4	23	PAT-4368
AS-21-20	168	43	5	48	PAT-47882
AS-21-21	195	27	7	34	PAT-4368
AS-21-22	186	26	4	30	PAT-4368
AS-21-23	234	6	0	6	PAT-4368
AS-21-24	156	7	3	10	PAT-47882
AS-21-25	183	11	0	11	PAT-47882
AS-21-26	267	9	1	10	PAT-4374
AS-21-27	402	40	10	50	PAT-4374
AS-21-28	282	11	2	13	PAT-4368
AS-21-29	396	50	6	56	PAT-4368
AS-21-30	348	10	3	13	PAT-4368
AS-21-31	432	83	16	99	PAT-4368

Drill Hole	Length (m)	Core Assays	Control Assays	All Samples	Title Type
AS-21-32	387	32	5	37	PAT-4368
AS-21-33	312	38	4	42	PAT-4368
AS-21-34	405	32	7	39	PAT-4372
AS-21-35	222	54	12	66	PAT-47882
AS-21-36	402	21	4	25	PAT-4372
AS-21-37	300	39	5	44	PAT-4372
DS-21-001	324	31	5	36	LEA-108129
DS-21-002	243	10	2	12	LEA-108129
DS-21-003	219	10	2	12	LEA-108129
DS-21-004	273	8	2	10	LEA-108134
DS-21-005	210	68	12	80	LEA-108129
DS-21-006	300	61	10	71	LEA-108129
DS-21-007	150	0	0	0	LEA-108129
DS-21-008	150	22	4	26	LEA-108129
DS-21-009	351	18	3	21	LEA-108129
DS-21-010	126	10		10	LEA-108134
DS-21-011	150	4	0	4	LEA-108134
DS-21-012	285	35	8	43	LEA-108134
DS-21-013	375	6	1	7	LEA-108129
DS-21-014	267	34	9	43	LEA-108129
DS-21-015	315	40	8	48	LEA-108129
DS-21-015a	126	0	0	0	LEA-108129
DS-21-016	351	34	7	41	LEA-108129
DS-21-017	282	59	11	70	LEA-108129
DS-21-018	434	59	10	69	LEA-108129
SOX-21-01	102	9	1	10	PAT-4372
SOX-21-02	201	15	3	18	PAT-4372
SOX-21-03	141	21	3	24	PAT-4372
SOX-21-04	201	31	3	34	PAT-4372
Totals:	**20,549**	**2,061**	**336**	**2,397**	

10.1 Alexo South and North Deposits

Alexo South and Alexo North deposits are in the fold nose of an S-fold, a drag fold, recognized also as a syncline, of the mega-syncline of the regional Z-folding which encompass the entire Property. Alexo South is located south of the axial plane of this drag fold syncline and Alexo North is located symmetrically to the north of the axial plane of this secondary structure (Jobin-Bevans and Beloborodov, 2024).

10.1.1 Alexo South

The drilling at Alexo South included 37 diamond holes for a total of 9,177 metres (Figure 10-1; Table 10-2). A total of 1,007 drill core samples were collected (Table 10-3).

The 37 holes were executed following the presence of BHEM conductive plates interpreted from historical survey data, favourable nickel assay trends, target depths of <200 metres.

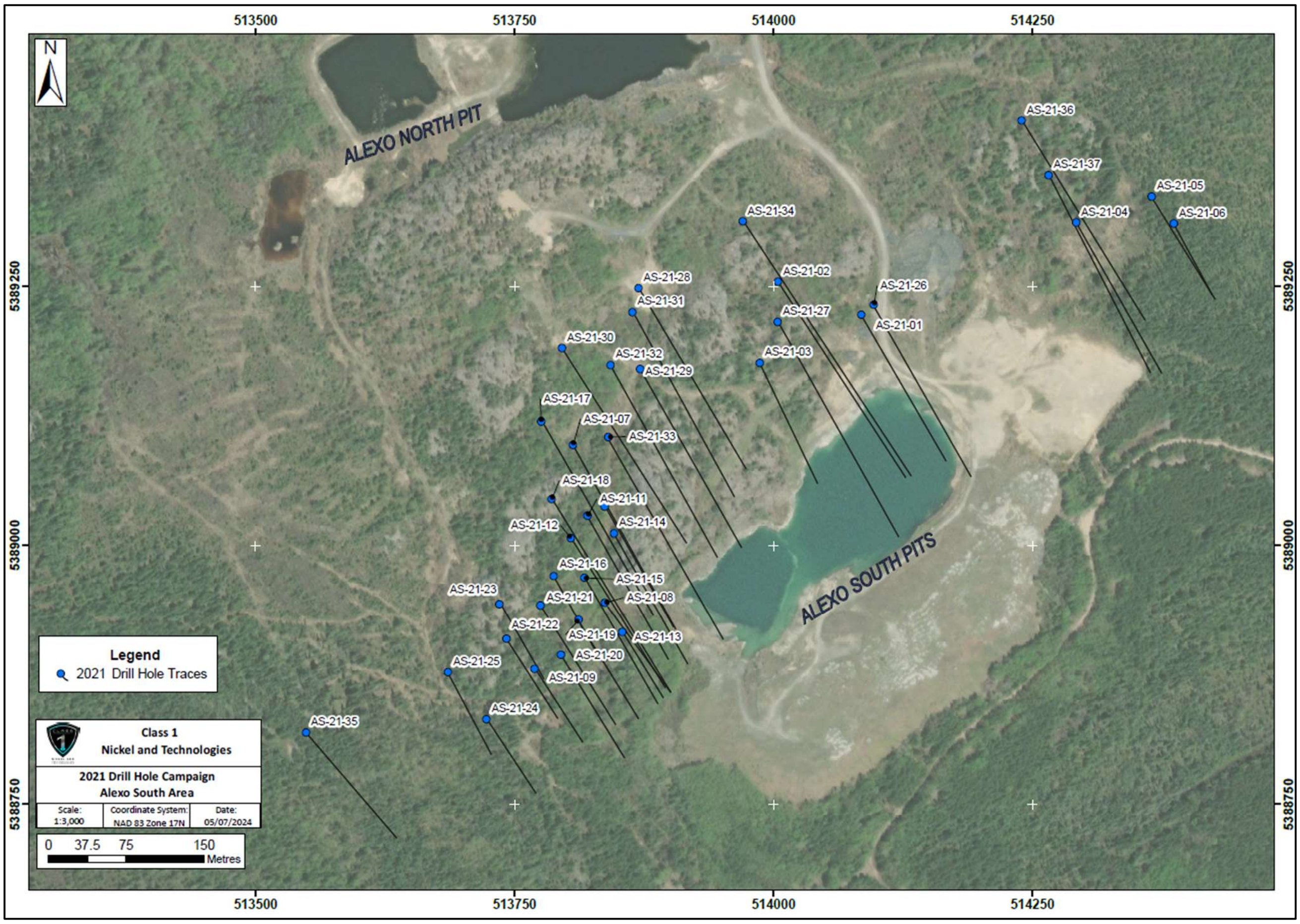


Figure 10-1. Plan map showing the location of the 2021 drill hole collars and traces and historical open pits, Alexo South Nickel Sulphide Deposit (Atticus, 2024).

Table 10-2. Summary of 2021 drill holes at Alexo South.

Drill Hole	UTMX (mE)	UTMY (mE)	Elev. (m)	Collar Az	Collar Dip	Length (m)
AS-21·01	514078	5389227	334	149	-54	276
AS-21·02	513994	5389265	333	146	-46	327
AS-21·03	513988	5389196	320	154	-48	192
AS-21·04	514287	5389325	320	148	-50	177
AS-21·05	514362	5389343	321	148	-49	150
AS-21·06	514382	5389319	321	152	-49	126
AS-21·07	513809	5389102	325	151	-43	279
AS-21·08	513836	5388947	323	148	-45	156
AS-21·09	513767	5388873	323	148	-58	150
AS-21·10	513838	5389043	327	151	-44	189
AS-21·11	513820	5389031	328	150	-45	225
AS-21·12	513801	5389012	332	150	-45	225
AS-21·13	513854	5388916	322	142	-44	102
AS-21·14	513843	5389003	335	150	-45	201
AS-21·15	513820	5388975	323	150	-45	201
AS-21·16	513789	5388967	329	149	-45	201
AS-21·17	513778	5389112	327	150	-45	300
AS-21·18	513786	5389040	339	150	-45	267
AS-21·19	513810	5388927	329	148	-45	156
AS-21·20	513798	5388894	332	148	-45	168
AS-21·21	513775	5388943	338	147	-45	195
AS-21·22	513745	5388910	334	147	-61	186
AS-21·23	513734	5388943	339	149	-62	234
AS-21·24	513722	5388827	321	147	-61	156
AS-21·25	513685	5388878	321	151	-61	183
AS-21·26	514095	5389227	330	150	-55	267
AS-21·27	514001	5389216	334	150	-55	402
AS-21·28	513865	5389243	329	149	-45	282
AS-21·29	513874	5389173	329	150	-60	396
AS-21·30	513796	5389190	327	147	-51	348
AS-21·31	513863	5389225	324	151	-62	432
AS-21·32	513846	5389172	326	151	-57	387
AS-21·33	513841	5389104	323	150	-45	312
AS-21·34	513970	5389309	325	147	-44	405
AS-21·35	513549	5388819	307	141	-54	222
AS-21·36	514238	5389410	325	150	-45	402
AS-21·37	514265	5389355	325	152	-45	300

Table 10-3. Summary of drill core samples and corresponding mining lands at Alexo South.

Drill Hole	Length (m)	No. Samples	Mining Lands
AS-21 01	276	38	PAT 4372
AS-21 02	327	7	PAT 4372
AS-21 03	192	6	PAT 4372
AS-21 04	177	6	PAT 27024
AS-21 05	150	23	PAT 27024
AS-21 06	126	5	PAT 27024

Drill Hole	Length (m)	No. Samples	Mining Lands
AS-21 07	279	19	PAT 4372
AS-21 08	156	18	PAT 4372
AS-21 09	150	8	PAT 47882
AS-21 10	189	6	PAT 4372
AS-21 11	225	7	PAT 4372
AS-21 12	225	30	PAT 4372
AS-21 13	102	5	PAT 4372
AS-21 14	201	23	PAT 4372
AS-21 15	201	0	PAT 4372
AS-21 16	201	0	PAT 4372
AS-21 17	300	7	PAT 4372
AS-21 18	267	4	PAT 4372
AS-21 19	156	12	PAT 4372
AS-21 20	168	31	PAT 47882
AS-21 21	195	34	PAT 4372
AS-21 22	186	27	PAT 4372
AS-21 23	234	6	PAT 4372
AS-21 24	156	10	PAT 47882
AS-21 25	183	11	PAT 47882
AS-21 26	267	10	PAT 4372
AS-21 27	402	50	PAT 4372
AS-21 28	282	23	PAT 4372
AS-21 29	396	36	PAT 4372
AS-21 30	348	7	PAT 4372
AS-21 31	432	99	PAT 4372
AS-21 32	387	30	PAT 4372
AS-21 33	312	20	PAT 4372
AS-21 34	405	39	PAT 4372
AS-21 35	222	66	PAT 47882
AS-21 36	402	18	PAT 4372
AS-21 37	300	21	PAT 4372

10.1.1.1 Alexo South Results

Drill holes AS-21-07, 08 and 09 to the west of Alexo South targeting incremental additions to the Alexo South mineralized lenses intersected shallow intervals of 1.0 to 6.0 m down-hole widths of disseminated sulphides with grades of 0.3-0.8% Ni (Table 10-4).

Table 10-4. Selected results from 2021 drill core assays at Alexo South.

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)
AS-21-01	no significant results		-	-
AS-21-02	no significant results		-	-
AS.21.02	no significant results		-	-
AS-21-03	no significant results		-	-
AS-21-04	no significant results		-	-
AS-21-0S	no significant results		-	-
AS-21-06	no significant results		-	-
AS-21-07	241.50	243.00	1.50	0.43
AS.21.08	102.00	102.50	0.50	0.51
AS-21-09	102.00	102.50	0.50	0.62

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)
AS-21-09	102.50	104.00	1.50	0.45
AS-21-09	104.00	105.00	1.00	0.3
AS-21-09	105.00	106.00	1.00	0.87
AS-21-09	106.00	107.00	1.00	0.32
AS-21 10	no significant results		-	-
AS-21 11	no significant results		-	-
AS-21 12	no significant results		-	-
AS-21 13	no significant results		-	-
AS-21 14	no significant results		-	-
AS.21-15	no significant results		-	-
AS-21•16	no significant results		-	-
AS-21 17	no significant results		-	-
AS-21 18	no significant results		-	-
AS-21 19	no significant results		-	-
AS-21 20	no significant results		-	-
AS.21 21	no significant results		-	-
AS-21•22	no significant results		-	-
AS-21 23	no significant results		-	-
AS-21 24	no significant results		-	-
AS-21 25	no significant results		-	-
AS-21 26	no significant results		-	-
AS.21 27	no significant results		-	-
AS-21•28	no significant results		-	-
AS-21 29	no significant results		-	-
AS-21 29	no significant results		-	-
AS-21 30	no significant results		-	-
AS-21 31	no significant results		-	-
AS.21-32	no significant results		-	-
AS-21 33	no significant results		-	-
AS-21 33	no significant results		-	-
AS-21 33	no significant results		-	-
AS-21 34	no significant results		-	-
AS-21 34	no significant results		-	-
AS-21 34	no significant results		-	-
AS-21 35	no significant results		-	-
AS-21 35	no significant results		-	-
AS-21 36	no significant results		-	-
AS-21 37	no significant results		-	-

*drill hole intervals are not representative of true widths

10.1.2 Alexo North

Drilling at Alexo North included 33 completed diamond holes for a total of 6,454 metres (Figure 10-2; Table 10-5). A total of 742 drill core samples were collected (Table 10-6).

The drilling program at Alexo North was focused on drill-testing extensions to the west and a geophysical-generated target area to the northeast of the known mineralization. Its was likewise planned to test for extensions of the current known mineralization (Jobin-Bevans and Beloborodov, 2024).

Drilling was guided by the presence of VTEM conductive plates, nickel assay grade trends, target depths of <200 metres. Historically, surprisingly little effective BHEM survey work was completed at Alexo North. Four (4) complementary diamond drill holes identified as SOX 1 to SOX 4 totaling 641 m (84 samples) were completed to explore the immediate down-dip of the Alexo North deposit, between level -70 and -150 metres. No significant results have been obtained in these drill holes.

Drill Holes AN-21-04, 07, 10, 19, 20, 23, 24 to the northeast of Alexo-North targeting BHEM and VTEM anomalies outside the Alexo North mineralized envelope that encountered narrow intervals (<2.0 m) of semi-massive sulphide grading 0.5-2% Ni at shallow depth (100-150 m below surface), delineating a small sulphide zone close to surface.

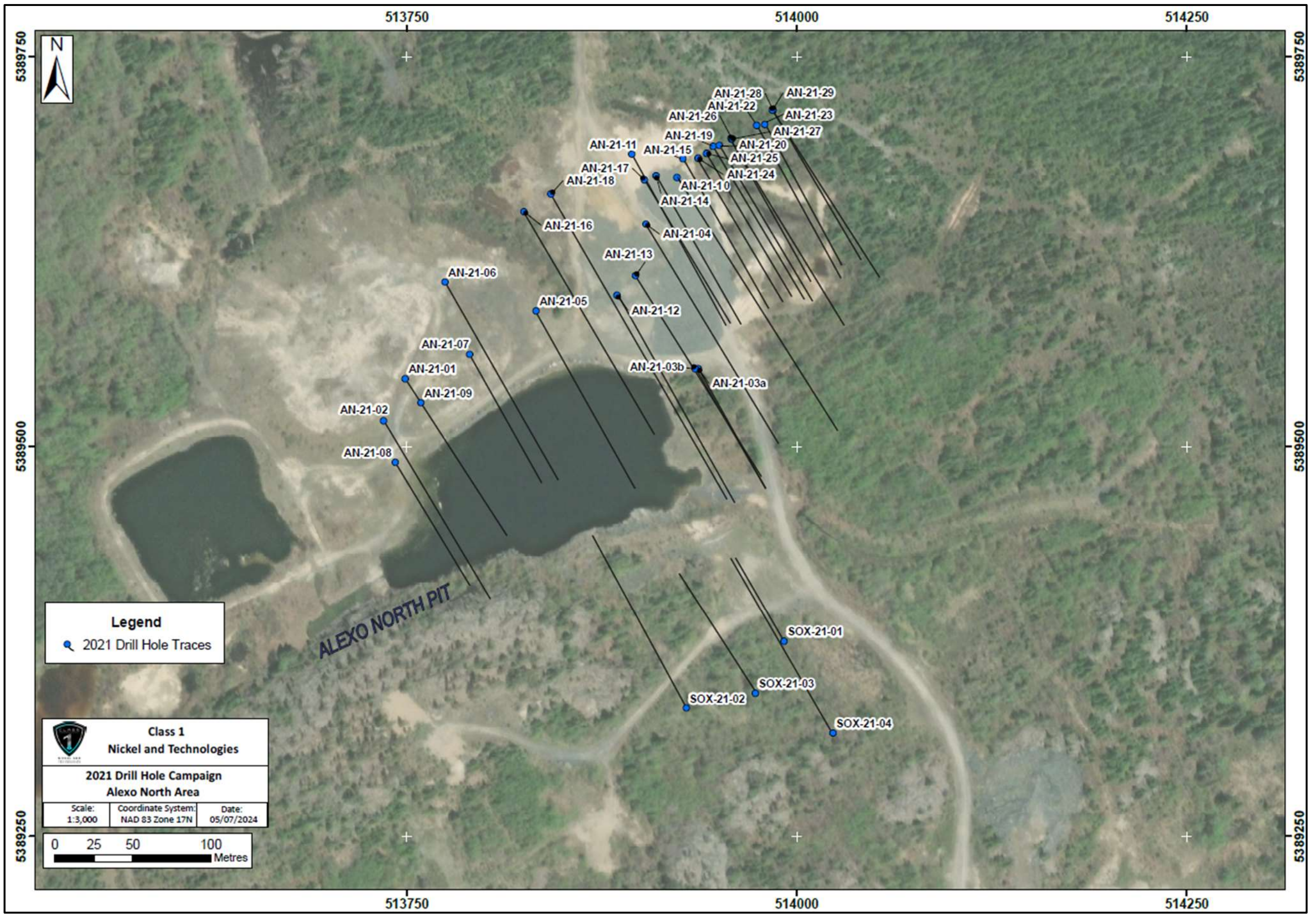


Figure 10-2. Plan map showing the location of the 2021 drill hole collars and traces and the historical Alexo North open pit, Alexo North area (Atticus, 2024).

Table 10-5. Summary of 2021 drill holes at Alexo North.

Drill Hole	UTMX (mE)	UTMY (mN)	Elevation (m)	Collar Az	Collar Dip	Length (m)
AN-21-01	513749.16	5389543.12	310.95	148.30	-46	201
AN-21-02	513735.34	5389516.15	310.50	150.00	-45	201
AN-21-03a	513935.29	5389549.48	308.62	151.00	-44.8	abandoned
AN-21-03b	513935.29	5389549.48	308.62	151.00	-45.1	192
AN-21-04	513903.79	5389642.13	307.84	149.00	-45.1	252
AN-21-05	513832.98	5389586.58	309.21	152.00	-44.2	195
AN-21-06	513774.81	5389604 94	313.27	150.70	-45.1	222
AN-21-07	S13790.56	5389558.54	312.37	151.20	-43.7	141
AN-21-08	513742.91	5389489.98	307.95	150.80	-43.7	141

Drill Hole	UTMX (mE)	UTMY (mN)	Elevation (m)	Collar Az	Collar Dip	Length (m)
AN-21-09	513759.28	5389527.69	311.73	147.28	-44.9	153
AN-21-10	513923.34	5389672.42	308.16	147.70	-47.4	306
AN-21-11	513894.46	5389687.03	307.12	152.03	-50.29	210
AN-21-12	513885.13	5389596.41	307.43	151.36	-48.79	252
AN-21-13	513896.97	5389608.97	307.52	147.72	-44.07	231
AN-21-14	513910.01	5389673.10	307.33	149.83	-47.61	180
AN-21-15	513927.50	5389684.00	307.14	150.16	-49.12	180
AN-21-16	513825.36	5389650.41	305.53	149.80	-45.59	258
AN-21-17	513902.78	5389670.49	306.82	149.87	-49.96	180
AN-21-18	513842.71	5389661.96	305.82	148.79	-47.36	249
AN-21-19	513946.65	5389692.31	307.45	148.50	-45.76	180
AN-21-20	513950.56	5389692.77	307.61	148.23	-45.21	180
AN-21-21	514361.77	5389545.79	311.76	333.72	-44.71	186
AN-21-22	513974.58	5389705.98	306.60	149.28	-47.43	180
AN-21-23	513979.74	5389706.14	306.25	150 0	-50.43	180
AN-21-24	513937.02	5389684.80	307.24	148.78	-48.65	180
AN-21-25	513942.63	5389687.60	307.33	148.91	-50.09	183
AN-21-26	513958.56	5389696.65	306.45	147.95	-46.89	222
AN-21-27	513958.33	5389697.42	306.50	149.53	-50.71	180
AN-21-28	513985.01	5389715.04	306.49	148.33	-46.55	200
AN-21-29	513984.71	5389715.64	306.39	150.50	-51.85	198
SOX-21-01	513992.12	5389375.00	317.58	331.12	-43.71	102
SOX-21-02	513929.38	5389332.00	318.69	331.99	-45.45	201
SOX-21-03	513973.66	5389341.50	317.88	328.12	-45.44	141
SOX-21-04	514023.34	5389316.00	319.10	148.55	-45.44	197

Table 10-6. Summary of drill core samples and corresponding mining lands at Alexo North.

Drill Hole	Length (m)	No. Samples	Mining Lands
AN-21-01	201	121	PAT-4367
AN-21-02	201	29	PAT-4367
AN-21-03a	abandoned		PAT-4367
AN-21-03b	192	44	PAT-4367
AN-21-04	252	17	PAT-4372
AN-21-05	195	38	PAT-4372
AN-21-06	222	38	PAT-4367
AN-21-07	141	8	PAT-4367
AN-21-08	141	18	PAT-4367
AN-21-09	153	9	PAT-4367
AN-21-10	306	14	PAT-4367
AN-21-11	210	10	PAT-4367
AN-21-12	252	?	PAT-4367
AN-21-13	231	6	PAT-4372
AN-21-14	180	8	PAT-4372
AN-21-15	180	17	PAT-4372
AN-21-16	258	4	PAT-4373
AN-21-17	180	16	PAT-4372
AN-21-18	249	9	PAT-4372
AN-21-19	180	24	PAT-4372
AN-21-20	180	31	PAT-4372
AN-21-21	186	14	PAT-4372

Drill Hole	Length (m)	No. Samples	Mining Lands
AN-21-22	180	7	PAT-4367
AN-21-23	180	12	PAT-4372
AN-21-24	180	27	PAT-4367
AN-21-25	183	21	PAT-4372
AN-21-26	222	77	PAT-4372
AN-21-27	180	15	PAT-4372
AN-21-28	200	21	PAT-4372
AN-21-29	198	3	PAT-4373
SOX-21-01	102	10	PAT-4373
SOX-21-02	201	15	PAT-27024
SOX-21-03	141	24	PAT-4373
SOX-21-04	197	35	PAT-4373

10.1.2.1 Alexo North Results

Drill holes AN-21-01, -02 and -03b did not return significant assay results: however, hole AN-21-04 intersected a high-grade mineralized interval. Assayed samples returned 0.58% Ni over 5.85 m from 123.5 m down-hole, including 1.47% Ni (and 0.21% Cu) over 1.65 m of net-textured and massive sulphides from 127.7 m down-hole. Drill hole AN-21-04 was designed to test a strong borehole electromagnetic ("BHEM") conductor plate model located approximately 100 m north-northeast of the Alexo North Deposit (historical Alexo Mine). The hole deviated away from the BHEM target but intersected massive sulphides anyway. Drill holes AN-21-10 and AN-21-11 were also designed to intersect the same BHEM target and drill hole AN-21-10 intersected massive sulphide with significant nickel (Table 10-7).

Table 10-7. Selected results from 2021 drill core assays at Alexo North.

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)
AN-21-01	no significant results		-	-
AN-21-02	no significant results		-	-
AN-21-03	no significant results		-	-
AN-21-04	127.70	128.77	1.07	1.21
AN-21-04	128.77	129.35	0.58	1.95
AN-21-05	no significant results		-	-
AN-21-06	no significant results		-	-
AN-21-07	111.68	111.83	0.15	0.91
AN-21-08	no significant results		-	-
AN-21-09	no significant results		-	-
AN-21-10	150.00	150.82	0.82	0.31
AN-21-10	150.82	151.69	0.87	1.63
AN-21-10	151.69	153.00	1.31	0.33
AN-21-11	no significant results		-	-
AN-21-12	no significant results		-	-
AN-21-13	no significant results		-	-
AN-21-14	no significant results		-	-
AN-21-15	no significant results		-	-
AN-21-16	no significant results		-	-
AN-21-17	144.48	144.52	0.04	0.87
AN-21-18	no significant results		-	-

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)
AN-21-19	136.73	137.03	0.30	1.12
AN-21-19	137.03	138.00	0.97	0.20
AN-21-19	138.00	138.31	0.31	1.41
AN-21-19	138.31	139.00	0.69	0.44
AN-21-19	139.00	140.00	1.00	0.32
AN-21-20	139.81	140.08	0.27	1.19
AN-21-21	no significant results		-	-
AN-21-22	no significant results		-	-
AN-21-23	136.97	137.90	0.93	0.31
AN-21-23	137.90	138.15	0.25	1.86
AN-21-24	153.00	154.09	1.09	1.18
AN-21-24	154.09	155.54	1.45	0.93
AN-21-25	no significant results		-	-
AN-21-26	no significant results		-	-
AN-21-27	no significant results		-	-
AN-21-28	no significant results		-	-
AN-21-29	no significant results		-	-
SOX-21-01	no significant results		-	-
SOX-21-02	no significant results		-	-
SOX-21-03	no significant results		-	-
SOX-21-04	no significant results		-	-

*drill hole intervals are not representative of true widths

10.2 Dundonald South

Drilling at Dundonald South included 19 diamond holes for a total of 4,931 metres (Table 10-8; Figure 10-4). A total of 644 core samples were collected from the 19 drill holes (Table 10-9); one drill hole, DS-21-15a, was abandoned.

Table 10-8. Summary of 2021 drill holes at Dundonald South.

Drill Hole	UTMX (mE)	UTMY (mN)	Length (m)	Collar Az	Collar Dip
DS-21-001	512127.70	5386267.00	324.00	359	-45
DS-21-002	511792.94	5386711.00	243.00	178	-43
DS-21-003	511727.90	5386631.50	219.00	177	-46
DS-21-004	511231.25	5386706.50	273.00	358	-46
DS-21-005	512137.38	5386391.00	210.00	360	-44
DS-21-006	512066.66	5386618.00	300.00	176	-43
DS-21-007	511799.20	5386618.50	150.00	179	-42
DS-21-008	512179.78	5386484.00	150.00	182	-75
DS-21-009	511577.10	5386360.00	351.00	360	-45
DS-21-010	511365.38	5386575.00	126.00	357	-52
DS-21-011	511294.62	5386633.50	150.00	354	-52
DS-21-012	511470.78	5386753.00	285.00	176	-61
DS-21-013	511880.66	5386236.50	375.00	357	-44
DS-21-014	511740.00	5386493.00	267.00	180	-70
DS-21-015	511674.00	5386322.00	315.00	360	-55
DS-21-015a	abandoned		126.00	360	-55
DS-21-016	511713.00	5386683.00	351.00	175	-47

Drill Hole	UTMX (mE)	UTMY (mN)	Length (m)	Collar Az	Collar Dip
DS-21-017	511519.00	5386740.00	282.00	176	-55
DS-21-018	511500.00	5386425.00	434.00	360	-50

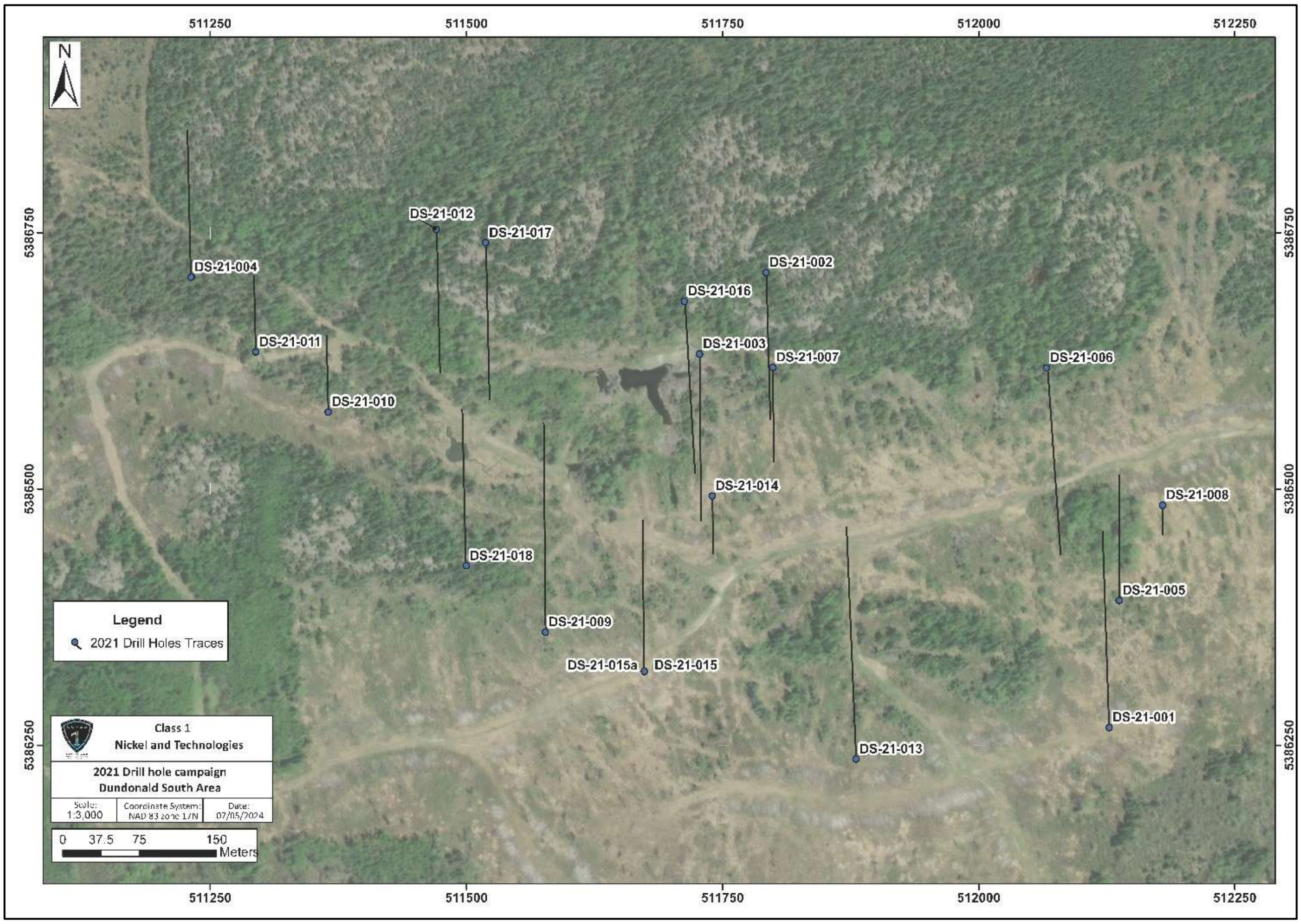


Figure 10-4. Plan map showing the location of the 2021 drill hole collars and traces in the Dundonald South area (Atticus, 2024).

Table 10-9. Summary of drill core samples and corresponding mining lands at Dundonald South.

Drill Hole	Length (m)	No. Samples	Mining Lands
DS-21-001	324	36	LEA-108129
DS-21-002	243	12	LEA-108129
DS-21-003	219	12	LEA-108129
DS-21-004	273	10	LEA-108129
DS-21-005	210	80	LEA-108129
DS-21-006	300	71	LEA- 108134
DS-21-007	150	0	LEA- 108134
DS-21-008	150	31	LEA- 108134
DS-21-009	351	21	LEA- 108134
DS-21-010	126	6	LEA- 108134
DS-21-011	150	4	LEA- 108134
DS-21-012	285	43	LEA- 108134
DS-21-013	375	7	LEA-108129

Drill Hole	Length (m)	No. Samples	Mining Lands
DS-21-014	255	43	LEA-108129
DS-21-015	315	48	LEA-108129
DS-21-016	351	81	LEA-108129
DS-21-017	282	70	LEA-108129
DS-21-018	434	69	LEA-108129

10.2.1.1 Dundonald South Results

Selected results from 2021 drill core assay results are provided in Table 10-10 and Figure 10-5. Drill holes DS-21-02, 09, 10, 14, 16, 17, drilled as incremental step-outs to the Dundonald South mineralized envelope, intersected narrow (1-3 m) intervals of semi-massive sulphide (0.5-4% nickel).

Table 10-10. Selected results from 2021 core assays at Dundonald South.

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)
DS-21-001	no significant results		-	-
DS-21-002	152.00	153.00	1.00	0.67
DS-21-002	153.00	154.00	1.00	0.89
DS-21-003	no significant results		-	-
DS-21-004	no significant results		-	-
DS-21-005	102.95	103.95	1.00	0.40
DS-21-005	103.95	104.95	1.00	0.21
DS-21-005	104.95	106.04	1.09	0.23
DS-21-005	106.04	106.14	0.10	3.00
DS-21-005	106.14	107.21	1.07	0.25
DS-21-005	107.21	107.42	0.21	2.33
DS-21-006	no significant results		-	-
DS-21-007	no significant results		-	-
DS-21-008	no significant results		-	-
DS-21-009	171.00	172.00	1.00	0.96
DS-21-009	172.00	173.00	1.00	0.49
DS-21-009	173.00	174.00	1.00	0.58
DS-21-009	174.00	175.00	1.00	0.37
DS-21-009	175.00	176.00	1.00	1.10
DS-21-009	348.00	349.00	1.00	0.14
DS-21-009	349.00	350.00	1.00	0.12
DS-21-009	350.00	351.00	1.00	0.08
DS-21-009	62.00	62.50	0.50	0.32
DS-21-010	62.50	63.00	0.50	0.31
DS-21-010	63.00	63.50	0.50	1.19
DS-21-011	no significant results		-	-
DS-21-012	no significant results		-	-
DS-21-013	no significant results		-	-
DS-21-014	101.46	102.83	1.37	0.61
DS-21-014	102.83	104.22	1.39	0.82
DS-21-014	104.22	115.08	10.86	0.89
DS-21-014	115.08	116.36	1.28	0.72
DS-21-014	116.36	117.76	1.40	1.31
DS-21-014	117.76	119.05	1.29	4.99

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)
DS-21-014	144.00	145.50	1.50	0.10
DS-21-014	145.50	147.00	1.50	0.15
DS-21-014	147.00	148.50	1.50	0.15
DS-21-014	209.39	210.65	1.26	3.12
DS-21-015	no significant results		-	-
DS-21-016	232.00	233.00	1.00	1.36
DS-21-016	233.00	234.00	1.00	0.17
DS-21-016	234.00	235.00	1.00	0.20
DS-21-016	235.00	236.00	1.00	0.97
DS-21-016	236.00	237.00	1.00	1.54
DS-21-016	237.00	242.00	5.00	0.97
DS-21-017	242.00	243.00	1.00	4.66
DS-21-017	243.00	244.30	1.30	0.65
DS-21-017	244.30	245.00	0.70	0.08
DS-21-018	no significant results		-	-

*drill hole intervals are not representative of true widths

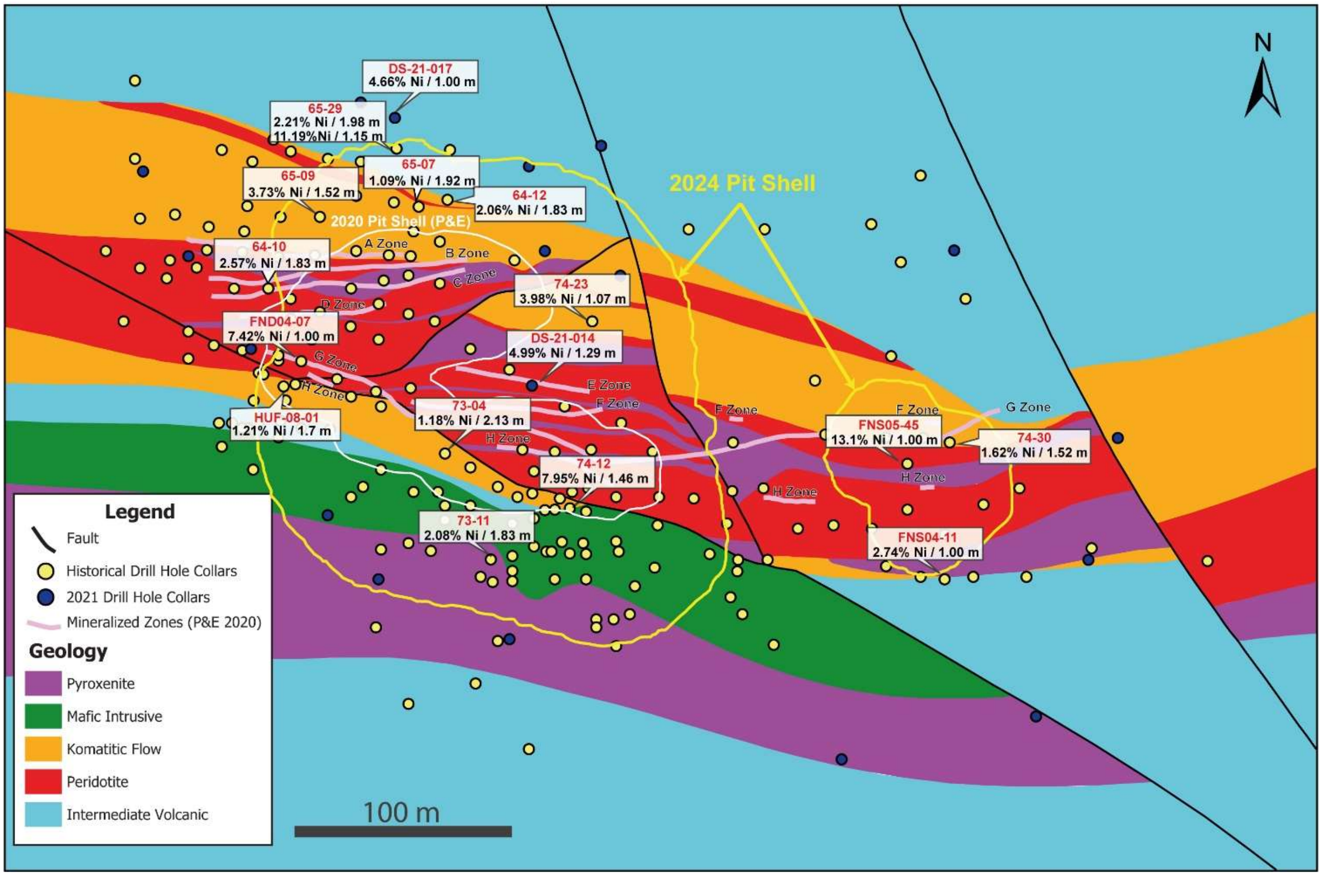


Figure 10-5. Plan map of the Dundonald South Deposit area with generalized geology and structure and the collar locations of historical and 2021 diamond drilling with selected results (Caracle Creek, 2024).

BHEM Targeting

In addition to step-outs, drilling at Dundonald South focused on drill-testing parallel and extensional BHEM geophysical targets near known mineralization with drill holes DS-21-005, 006, and 008. Massive sulphide mineralization was intersected in drill hole DS-21-005 (Figure 10-6) but no significant results were returned from drill hole DS-21-006 (Figure 10-7) or from drill hole DS-21-008, which did intersect semi-massive barren sulphides near-surface (Jobin-Bevans and Beloborodov, 2024).

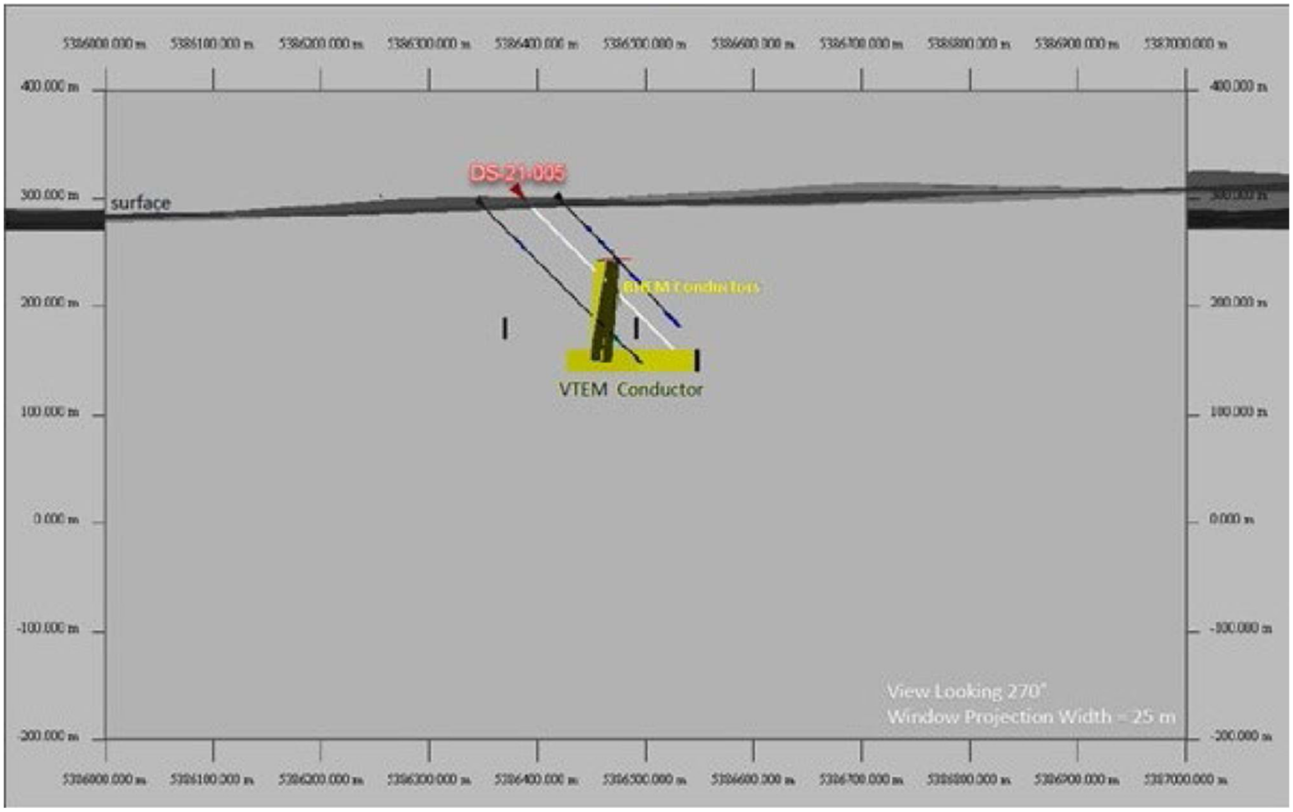


Figure 10-6. Cross section (512140 mE) showing the intersection of drill hole DS-21-005 with BHEM geophysical target (modelled plate), Dundonald South Deposit (Terra Modelling Services, 2020).

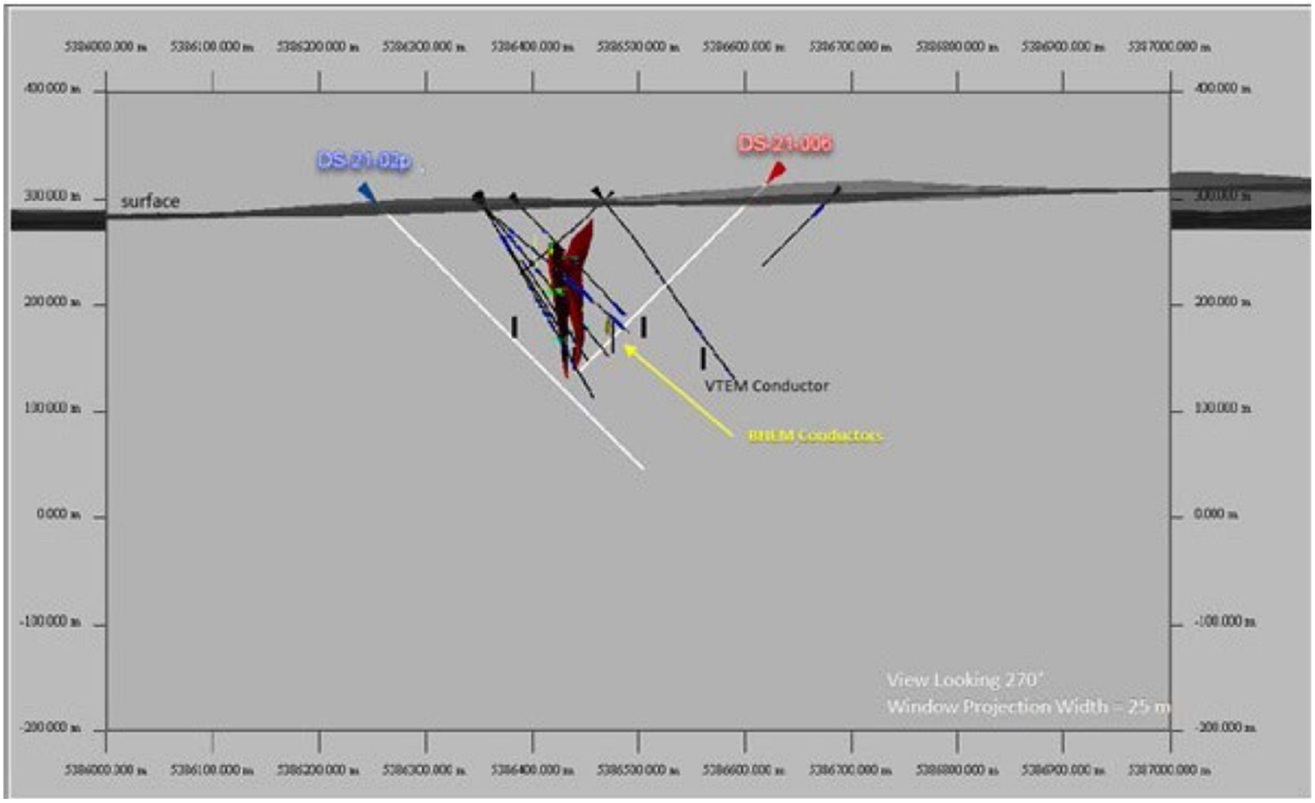


Figure 10-7. Cross section (512065 mE) showing the intersection of drill hole DS-21-006 with BHEM geophysical target (modelled plate), Dundonald South Deposit (Terra Modelling Services, 2020).

11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

This section reviews all known sample preparation, analysis and security as it relates to current exploration work completed on the Project by Issuer Class 1 Nickel (2021 diamond drilling program). The review of sample preparation, analysis and security with respect to historical exploration work completed by previous operators/owners is reviewed in Section 6.0.

It is the opinion of QPs (Simon Mortimer and John Siriunas), that the procedures, policies and protocols for drilling verification are sufficient and appropriate and assay methods used are consistent with good exploration and operational practices such that the data is reliable for the purpose of mineral resource estimation. Furthermore, the QP (Simon Mortimer) is of the opinion that the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources (*see* Section 14.0), and for the purpose of this Report (*see* Section 2.1).

11.1 Diamond Drilling (2021)

In 2021, a diamond drilling program was completed at the four deposit areas on the Alexo-Dundonald Project: Alexo North, Alexo South, and Dundonald South. Table 11-1 summarizes the primary and QA/QC samples collected from the 2021 drilling program. A total of 2,061 core samples were collected and 336 control samples collected as core duplicates or inserted into the samples stream (CRMs).

Table 11-1. Summary of the primary core samples and the QA/QC control samples, 2021 diamond drilling program.

Drill Hole	Length (m)	Core Assays	Control Assays	Total Samples
AN-21-01	201	104	17	121
AN-21-02	201	23	6	29
AN-21-03b	135	60	6	66
AN-21-04	252	14	3	17
AN-21-05	195	29	5	34
AN-21-06	222	31	5	36
AN-21-07	141	16	2	18
AN-21-08	141	12	2	14
AN-21-09	153	9	1	10
AN-21-10	306	14	3	17
AN-21-11	210	20	3	23
AN-21-12	252	0	0	0
AN-21-13	231	5	1	6
AN-21-14	189	21	2	23
AN-21-15	180	16	2	18
AN-21-16	201	3	1	4
AN-21-17	180	17	2	19
AN-21-18	249	9	0	9
AN-21-19	180	28	4	32
AN-21-20	180	10	0	10
AN-21-21	186	12	2	14

Drill Hole	Length (m)	Core Assays	Control Assays	Total Samples
AN-21-22	180	13	2	15
AN-21-23	180	11	1	12
AN-21-24	180	21	6	27
AN-21-25	183	28	4	32
AN-21-26	225	31	5	36
AN-21-27	207	30	5	35
AN-21-28	213	18	3	21
AN-21-29	198	2	1	3
AS-21-01	276	37	6	43
AS-21-02	372	8	1	9
AS-21-03	192	5	1	6
AS-21-04	177	22	1	23
AS-21-05	150	19	4	23
AS-21-06	126	4	1	5
AS-21-07	279	42	3	45
AS-21-08	156	21	4	25
AS-21-09	150	11	0	11
AS-21-10	189	18	1	19
AS-21-11	225	17	2	19
AS-21-12	225	26	5	31
AS-21-13	102	9	1	10
AS-21-14	201	31	4	35
AS-21-15	201	7	1	8
AS-21-16	201	12	2	14
AS-21-17	300	11	3	14
AS-21-18	267	11	0	11
AS-21-19	156	19	4	23
AS-21-20	168	43	5	48
AS-21-21	195	27	7	34
AS-21-22	186	26	4	30
AS-21-23	234	6	0	6
AS-21-24	156	7	3	10
AS-21-25	183	11	0	11
AS-21-26	267	9	1	10
AS-21-27	402	40	10	50
AS-21-28	282	11	2	13
AS-21-29	396	50	6	56
AS-21-30	348	10	3	13
AS-21-31	432	83	16	99
AS-21-32	387	32	5	37

Drill Hole	Length (m)	Core Assays	Control Assays	Total Samples
AS-21-33	312	38	4	42
AS-21-34	405	32	7	39
AS-21-35	222	54	12	66
AS-21-36	402	21	4	25
AS-21-37	300	39	5	44
DS-21-001	324	31	5	36
DS-21-002	243	10	2	12
DS-21-003	219	10	2	12
DS-21-004	273	8	2	10
DS-21-005	210	68	12	80
DS-21-006	300	61	10	71
DS-21-007	150	0	0	0
DS-21-008	150	22	4	26
DS-21-009	351	18	3	21
DS-21-010	126	10		10
DS-21-011	150	4	0	4
DS-21-012	285	35	8	43
DS-21-013	375	6	1	7
DS-21-014	267	34	9	43
DS-21-015	315	40	8	48
DS-21-015a	126	0	0	0
DS-21-016	351	34	7	41
DS-21-017	282	59	11	70
DS-21-018	434	59	10	69
SOX-21-01	102	9	1	10
SOX-21-02	201	15	3	18
SOX-21-03	141	21	3	24
SOX-21-04	201	31	3	34
Totals:	**20,549**	**2,061**	**336**	**2,397**

11.1.1 Core Sampling

Core (NQ size core) was collected from the drill rig into core boxes, following industry standards procedures. Nominal sample lengths ranged from 0.06 m to 4.2 m in the disseminated-style mineralization across the mafic-ultramafic units. Sampling intervals were terminated at lithologic and mineralization style boundaries. All drill core was photographed.

11.1.2 Analytical

Drill core samples were prepared and assayed at AGAT Laboratories (AGAT), SGS Canada Inc. (SGS) and ALS Canada Ltd (ALS). laboratory, accredited laboratories.

At ALS, Au, Pd, Pt, were analyzed by fire assay and ICP-AES finish and Co, Cu, Ni, S and Zn by trace level sodium peroxide fusion and ICP finish. At SGS, Pd, Pt and Au were analyzed using a fire assay digestion of sample material followed by and ICP-OES determination of concentration. Base metals and other elements were determinate by ICP-OES.

At ACTLABS, Au and Ni were analyzed by 4 acids and ICP-OES, and Au, Pd and Pt by fire assay and ICP, and Ag, Al, As, Ba, Be, Bi, Ca, Cd, Co, Cr, Cu, Fe, Ga and by total digestion 4 acids and ICP-OES. At AGAT, base metal and other element were analyzed by ICP-OES.

Detection limits and reporting styles for all elements at ALS, SGS, Actlabs, and AGAT are summarized in Tables 11-2, Table 11-3, Table 11-4, and Table 11-5. Difference between the instrumental detection limits can have a profound influence the relative difference between analyses at low levels of elemental concentration.

For statistical purposes within this Report, any analytical result that was reported to be less than the lower limit of detection ("LLD") 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). Result reported to be greater that maximum value reportable, and where no corresponding over limit analysis was performed, were set to that maximum value (*e.g.,* a result reported as >25.0 was set to a numeric value of 26).

Table 11-2. Lower Limit of Detection for elements measured and as reported by ALS.

Element	Lab Method	LLD	Unit
Au	PGM-ICP23	0.001	ppm
Pd	PGM-ICP23	0.001	ppm
Pt	PGM-ICP23	0.005	ppm
Co	ME-ICP81	0.002	ppm
Cu	ME-ICP81	0.005	ppm
Ni	ME-ICP81	0.005	ppm
S	ME-ICP81	0.01	%
Zn	ME-ICP81	0.002	%

Table 11-3. Lower Limit of Detection for elements measured and as reported by SGS.

Element	Lab Method	LLD	Unit	Element	Lab Method	LLD	Unit
Au	GE_FAI31V5	5	ppb	Mg	GE_ICP90A50	0.01	%
Pd	GE_FAI31V5	5	ppb	Mn	GE_ICP90A50	10	ppm
Pt	GE_FAI31V5	10	ppb	Mo	GE_ICP90A50	10	ppm
Al	GE_ICP90A50	0.01	%	Ni	GE_ICP90A50	10	ppm
As	GE_ICP90A50	30	ppm	P	GE_ICP90A50	0.01	%
Ba	GE_ICP90A50	10	ppm	Pb	GE_ICP90A50	20	ppm
Be	GE_ICP90A50	5	ppm	Sb	GE_ICP90A50	50	ppm
Ca	GE_ICP90A50	0.1	%	Sc	GE_ICP90A50	5	ppm
Cd	GE_ICP90A50	10	ppm	Si	GE_ICP90A50	0.1	%
Co	GE_ICP90A50	10	ppm	Sn	GE_ICP90A50	50	ppm
Cr	GE_ICP90A50	20	ppm	Sr	GE_ICP90A50	10	ppm
Cu	GE_ICP90A50	10	ppm	Ti	GE_ICP90A50	0.01	%
Fe	GE_ICP90A50	0.01	%	V	GE_ICP90A50	10	ppm
K	GE_ICP90A50	0.1	%	W	GE_ICP90A50	50	ppm
La	GE_ICP90A50	10	ppm	Y	GE_ICP90A50	5	ppm
Li	GE_ICP90A50	10	ppm	Zn	GE_ICP90A50	10	ppm

Table 11-4. Lower Limited of Detection for elements measured and as reported by ACTLABS.

Element	Lab Method	LLD	Unit	Element	Lab Method	LLD	Unit
Au	4Acid ICPOES	2	ppb	Mg	TD-ICP	0.01	%
Ni	4Acid ICPOES	0.003	%	Mn	TD-ICP	1	ppm
Au	FA-ICP	2	ppm	Mo	TD-ICP	1	ppm
Pd	FA-ICP	5	ppm	Na	TD-ICP	0.01	%
Pt	FA-ICP	5	ppm	Ni	TD-ICP	1	ppm
SG	GRAV	0.01	G/CM3	P	TD-ICP	0.001	%
Ag	TD-ICP	0.3	ppm	Pb	TD-ICP	3	ppm
Al	TD-ICP	0.01	%	S	TD-ICP	0.01	%
As	TD-ICP	3	ppm	Sb	TD-ICP	5	ppm
Ba	TD-ICP	7	ppm	Sc	TD-ICP	4	ppm
Be	TD-ICP	1	ppm	Sr	TD-ICP	1	ppm
Bi	TD-ICP	2	ppm	Te	TD-ICP	2	ppm
Ca	TD-ICP	0.01	%	Ti	TD-ICP	0.01	%
Cd	TD-ICP	0.3	ppm	Tl	TD-ICP	5	ppm
Co	TD-ICP	1	ppm	U	TD-ICP	10	ppm
Cr	TD-ICP	1	ppm	V	TD-ICP	2	ppm
Cu	TD-ICP	1	ppm	W	TD-ICP	5	ppm
Fe	TD-ICP	0.01	%	Y	TD-ICP	1	ppm
Ga	TD-ICP	1	ppm	Zn	TD-ICP	1	ppm
K	TD-ICP	0.01	%	Zr	TD-ICP	5	ppm

Table 11-5. Lower Limit of Detection for elements measured and as reported by AGAT.

Element	Lab Method	LLD	Unit	Element	Lab Method	LLD	Unit
Ag	4A_ICPOES	2.5	ppm	Pb	4A_ICPOES	5	ppm
Al	4A_ICPOES	0.25	%	Rb	4A_ICPOES	50	ppm
As	4A_ICPOES	5	ppm	S	4A_ICPOES	0.025	%
Ba	4A_ICPOES	5	ppm	Sb	4A_ICPOES	5	ppm
Be	4A_ICPOES	2.5	ppm	Sc	4A_ICPOES	5	ppm
Bi	4A_ICPOES	5	ppm	Se	4A_ICPOES	50	ppm
Ca	4A_ICPOES	0.05	%	Sn	4A_ICPOES	25	ppm
Cd	4A_ICPOES	2.5	ppm	Sr	4A_ICPOES	5	ppm
Ce	4A_ICPOES	5	ppm	Ta	4A_ICPOES	50	ppm
Co	4A_ICPOES	2.5	ppm	Te	4A_ICPOES	50	ppm
Cr	4A_ICPOES	2.5	ppm	Th	4A_ICPOES	25	ppm
Cu	4A_ICPOES	2.5	ppm	Ti	4A_ICPOES	0.05	%
Fe	4A_ICPOES	0.05	%	Tl	4A_ICPOES	25	ppm
Ga	4A_ICPOES	25	ppm	U	4A_ICPOES	25	ppm
In	4A_ICPOES	5	ppm	V	4A_ICPOES	2.5	ppm
K	4A_ICPOES	0.05	%	W	4A_ICPOES	5	ppm
La	4A_ICPOES	10	ppm	Y	4A_ICPOES	5	ppm
Li	4A_ICPOES	5	ppm	Zn	4A_ICPOES	2.5	ppm
Mg	4A_ICPOES	0.05	%	Zr	4A_ICPOES	25	ppm
Mn	4A_ICPOES	5	ppm	Au	FA_ICPOES	0.01	ppm
Mo	4A_ICPOES	2.5	ppm	Pd	FA_ICPOES	0.01	ppm
Na	4A_ICPOES	0.05	%	Pt	FA_ICPOES	0.01	ppm
Ni	4A_ICPOES	2.5	ppm	Ni	FS_ICPOES	0.001	%

11.1.2.1 QA/QC – Control Sample

A total of 2,373 core samples were submitted for analysis by Class 1 from the 2021 diamond drilling campaign. This included 312 samples (15.1%) which were for QA/QC purposes. This rate of QA/QC sample submission (15%) is on par for the industry standard, generally accepted rate for QA/QC control samples of approximately 15%. The rate sample insertion is considered by the QP (Simon Mortimer) to be adequate for the purposes of this Report (*see* Section 2.1).

Quality assurance/quality control ("QA/QC") consisted of inserting blanks and standards every 20 samples. Every 30th sample was re-assayed as a duplicate.

Class 1 Nickel has inserted samples of five different CRMs in the sample stream. Standards OREAS 13b, OREAS 74a, OREAS 72b, OREAS 75a, and OREAS 73a (*see* Section 11.1.3), which are commercial standards prepared by OREAS ® North America Inc., in Sudbury, Ontario, Canada. They come in individual, sealed pouches, and their weights vary from 10 to 60 grams depending on the control samples chosen. Class 1 introduced 115 samples of blank material and 99 samples of standards into the sample stream.

11.1.3 QA/QC – Data Verification

11.1.3.1 Certified Reference Material (CRM)

Certified reference materials were used by Class 1 to monitor the accuracy of the analyses performed by AGAT, ALS 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 (Tables 11-6 to 11-10; Figures 11-1 to 11-6).

It is observed that, in general, the analyses for the CRMs examined in detail, averaged within the standard deviations of the certified concentrations over the span of the laboratory work and that, over time, averaged close to their certified concentration; this gives reason that the accuracy of the analyses be considered as acceptable.

Table 11-6. CRM OREAS 72b Values.

Oreas 72b		
Element	**Certified Mean**	**1 Std Dev (between lab)**
4a Ag	0.23 ppm	0.029 ppm
4A Co	131 ppm	5 ppm
4A Cu	222 ppm	8 ppm
4A Ni	0.69%	0.03%

Table 11-7. CRM OREAS 73a Values.

Oreas 73a		
Element	**Certified Mean**	**1 Std Dev (between lab)**
Fa Au	14 ppb	3 ppb
Fa Pd	78 ppb	5 ppb
Fa Pt	64 ppb	7 ppb
4A Co	286 ppm	9 ppm
4A Cu	877 ppm	25 ppm
4A Ni	1.41%	0.02%

Table 11-8. CRM OREAS 74a Values.

Oreas 74a		
Element	**Certified Mean**	**1 Std Dev (between lab)**
Fa Au	21 ppb	3 ppb
Fa Pd	172 ppb	8 ppb
Fa Pt	223 ppb	17 ppb
4A Co	581 ppm	45 ppm
4A Cu	1240 ppm	54 ppm
4A Ni	3.14%	0.175%

Table 11-9. CRM OREAS 13b Values.

Oreas 13b		
Element	**Certified Mean**	**1 Std Dev (between lab)**
Fa Au	211 ppb	13 ppb
Fa Pd	131 ppb	9 ppb
Fa Pt	197 ppb	13 ppb
4A Co	75 ppm	8 ppm
4A Cu	2327 ppm	48 ppm
4A Ni	2247 ppm	155 ppm

Table 11-10. CRM OREAS 75a Values.

Oreas 75a		
Element	**Certified Mean**	**1 Std Dev (between lab)**
Fa Au	34 ppb	9 ppb
Fa Pd	280 ppb	15 ppb
Fa Pt	353 ppb	25 ppb
4A Co	855 ppm	44 ppm
4A Cu	1930 ppm	66 ppm
4A Ni	5.11%	0.21%

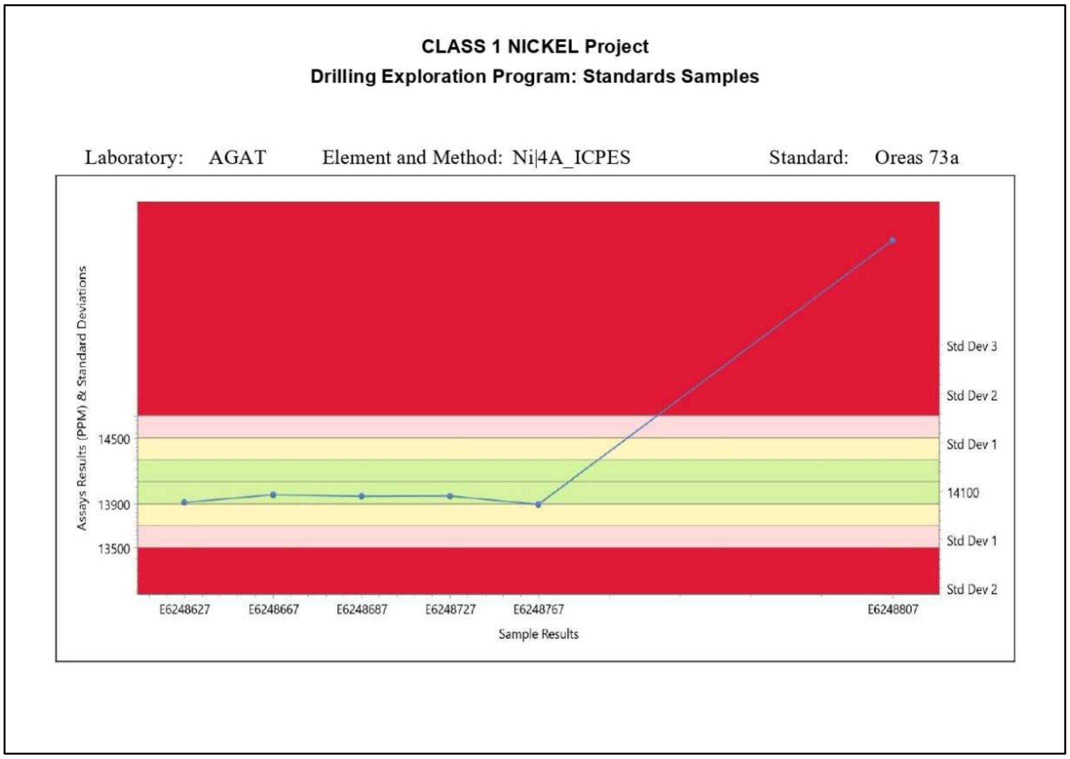


Figure 11-1. CRM OREAS 73a – Number of standard deviations difference for Ni analysis from the certified value by AGAT Laboratories.

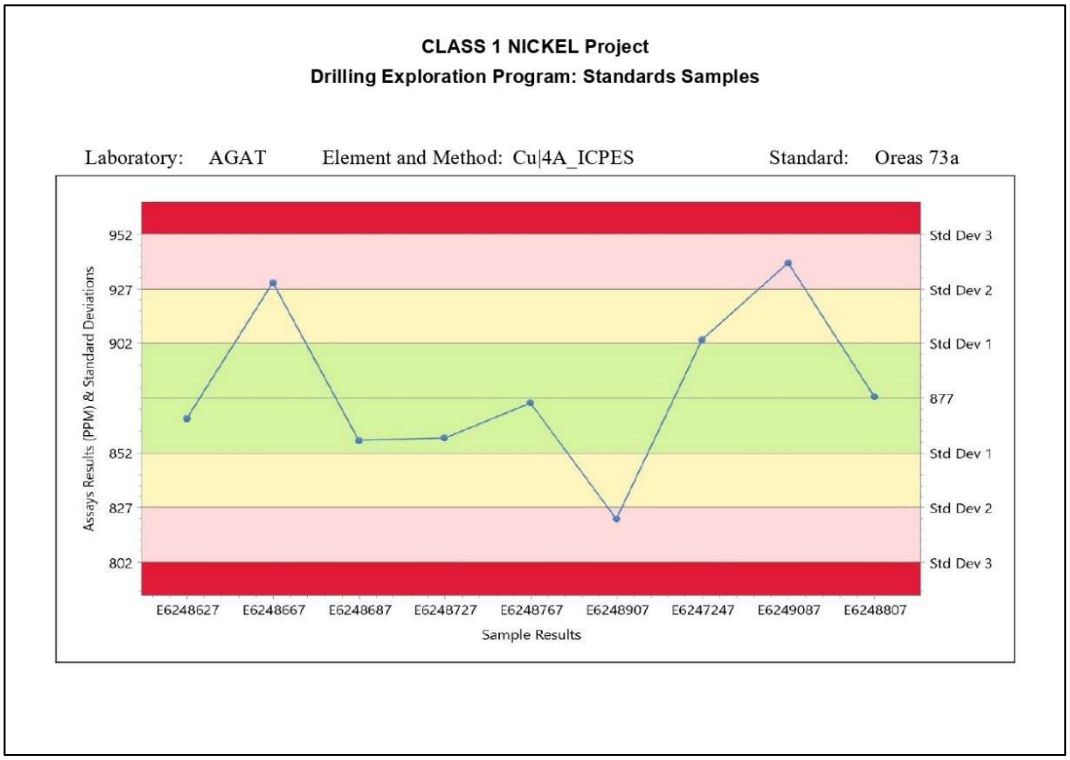


Figure 11-2. CRM OREAS 73a – Number of standard deviations difference for Cu analysis from the certified value by AGAT Laboratories.

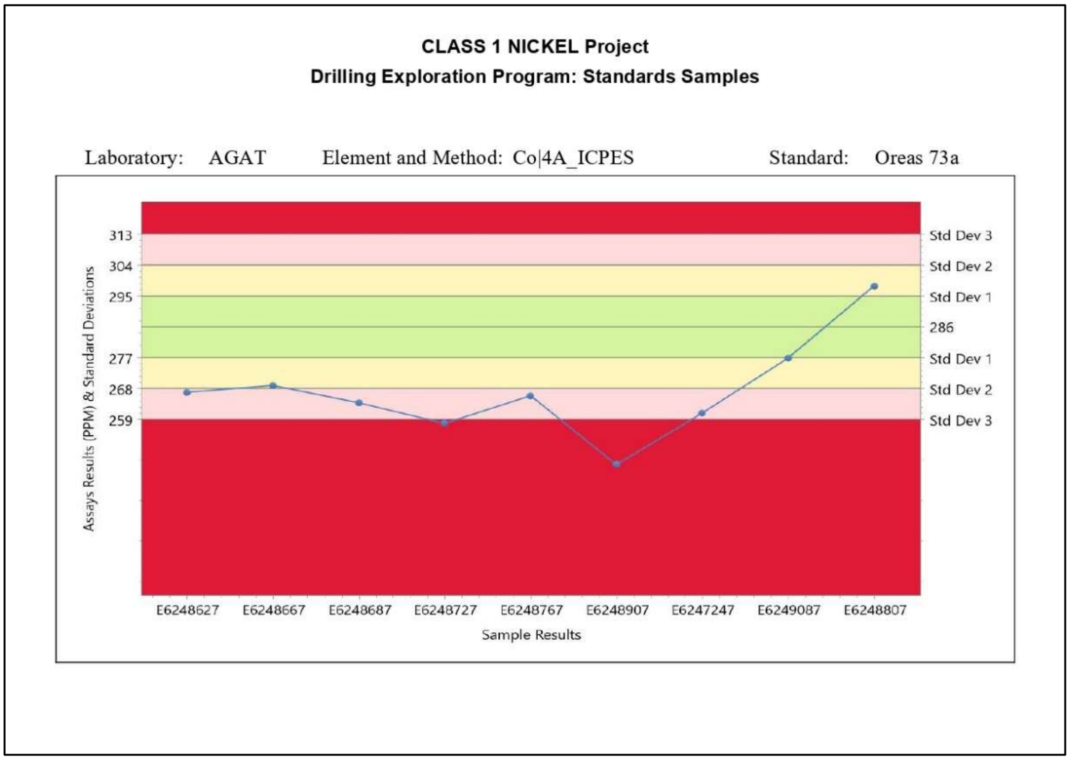


Figure 11-3. CRM OREAS 73a – Number of standard deviations difference for Co analysis from the certified value by AGAT Laboratories.

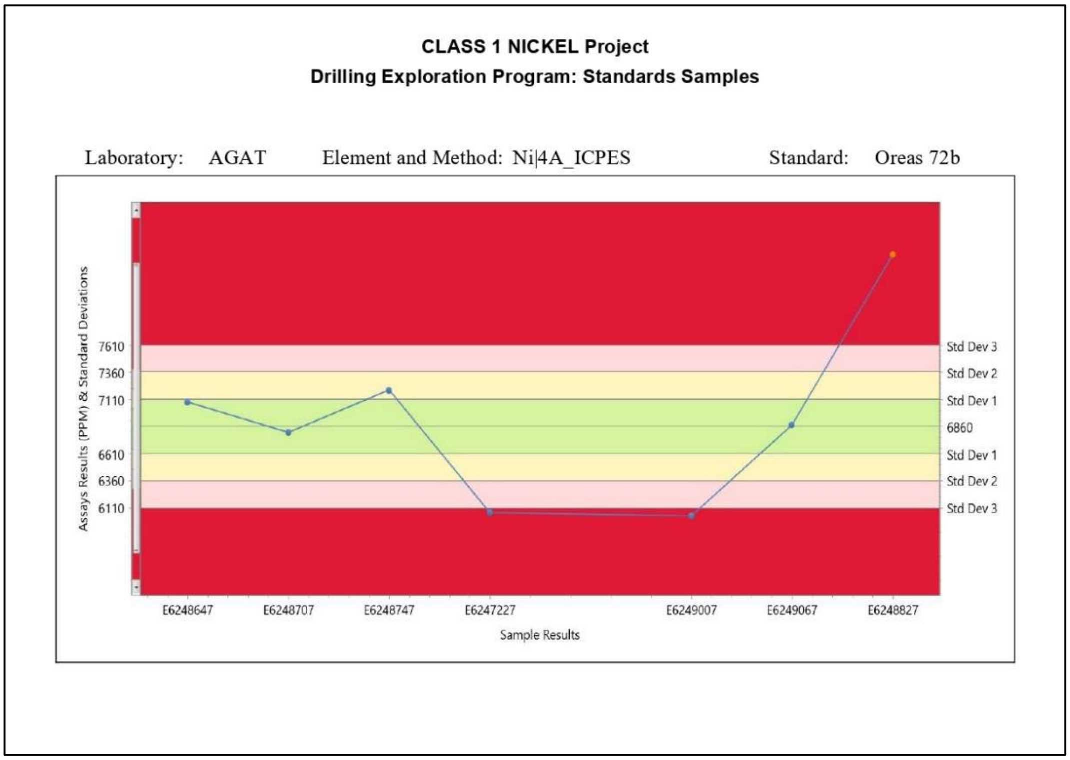


Figure 11-4. CRM OREAS 72b – Number of standard deviations difference for Ni analysis from the certified value by AGAT Laboratories.

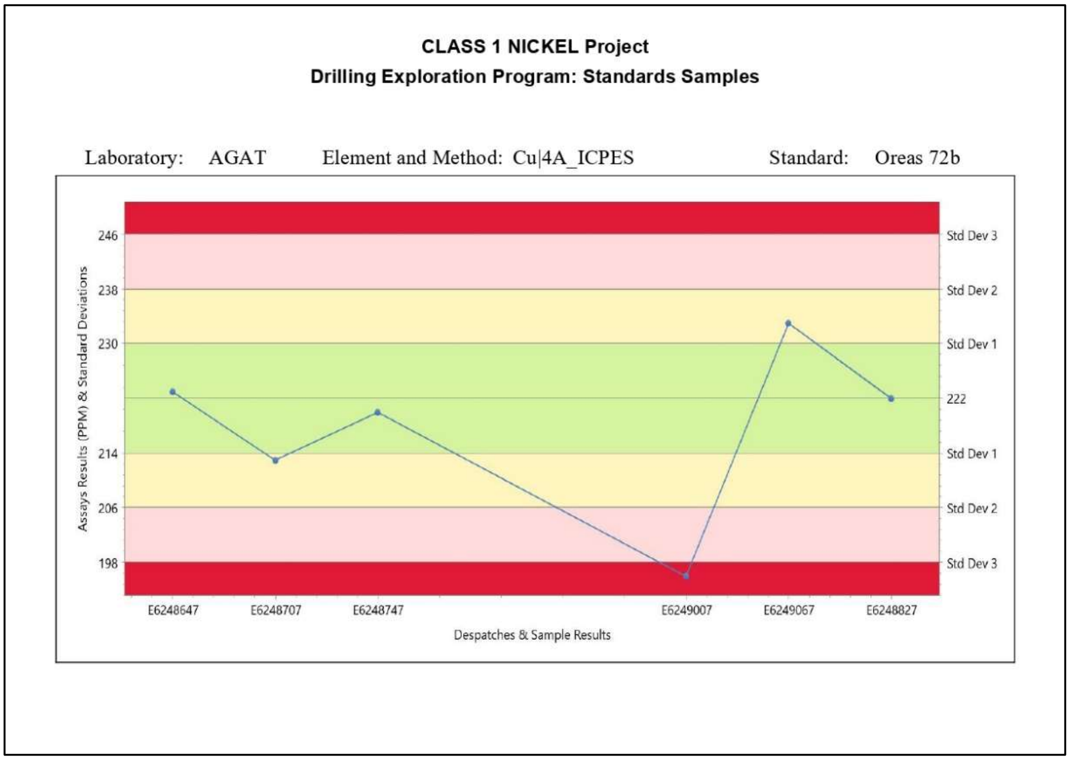


Figure 11-5. CRM OREAS 72b – Number of standard deviations difference for Cu analysis from the certified value by AGAT Laboratories.

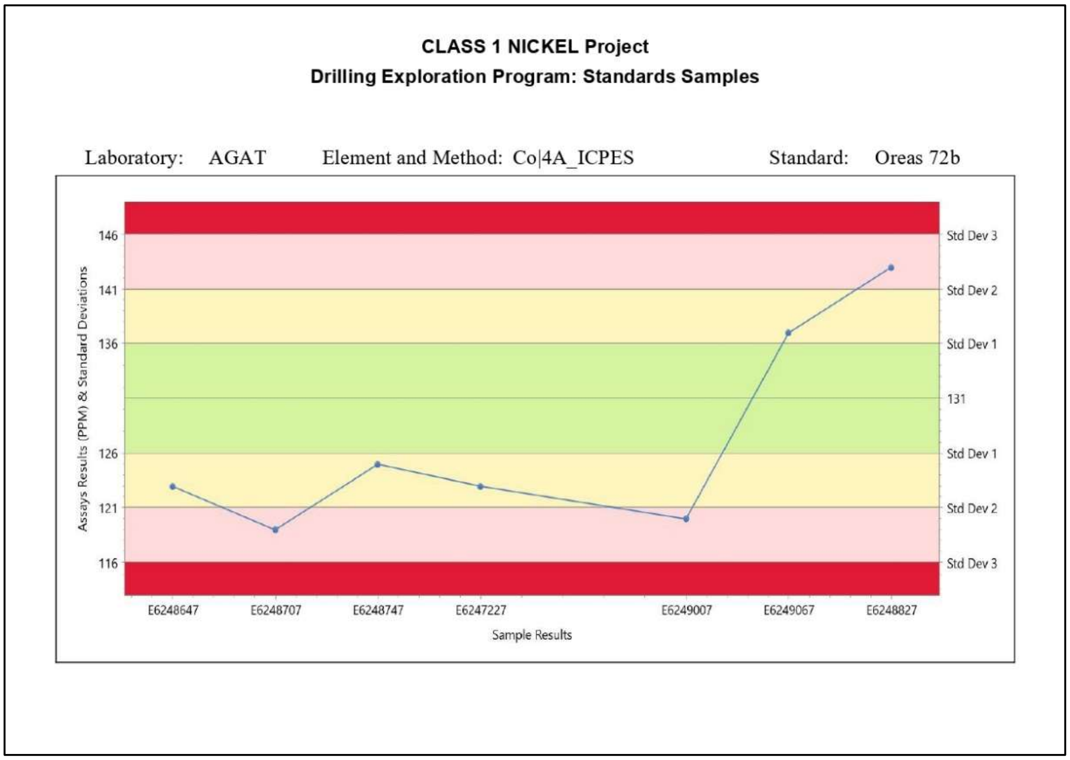


Figure 11-6. CRM OREAS 72b – Number of standard deviations difference for Co analysis from the certified value by AGAT Laboratories.

11.1.3.2 Blanks

For the 2021 drilling campaign on the Alexo-Dundonald Project, blanks used were all purchased from the accredited company OREAS North America Inc., in Sudbury, Ontario, Canada. The blank samples come in individual, sealed pouches, and their weights vary from 10 to 60 grams depending on the control samples chosen.

All blank data for Ni, Co and Cu were graphed. If the assayed value in the certificate was indicated as being less than the lower limit of detection, the value was assigned the value of one-half the detection limit for data treatment purposes. An upper tolerance limit of five times the detection limit was set for Blanks. There were 115 data points (blanks) examined, as reflected in Figures 11-7 to 11-9.

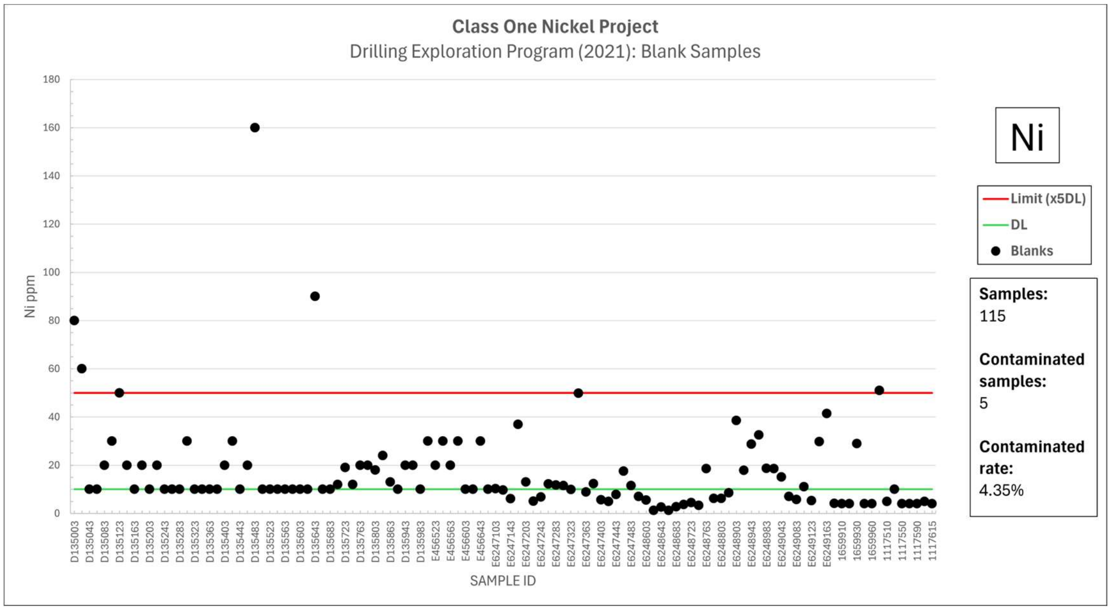


Figure 11-7. Performance of Ni blank for 2021 drilling at Alexo-Dundonald Project.

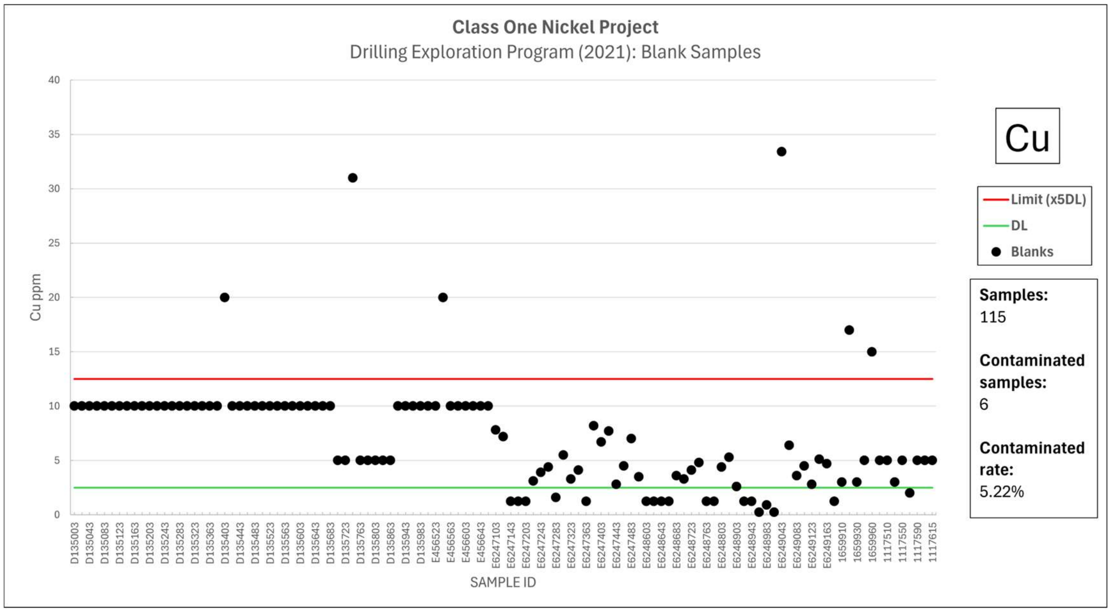


Figure 11-8. Performance of Cu blank for 2021 drilling at Alexo-Dundonald Project.

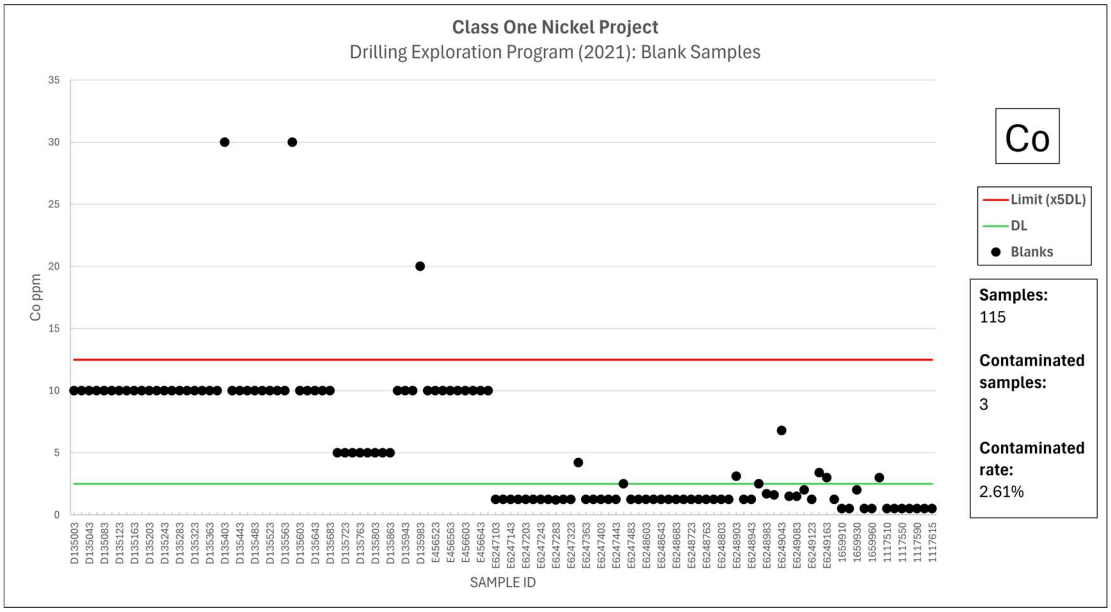


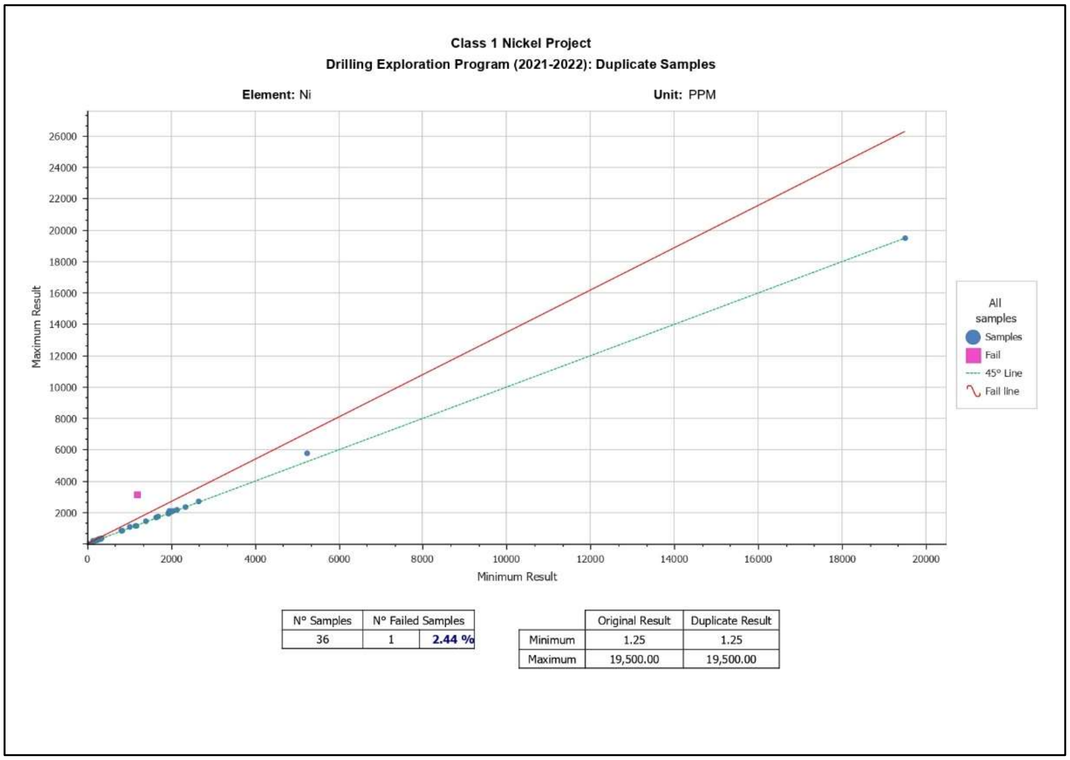
Figure 11-9. Performance of Co blank for 2021 drilling at Alexo-Dundonald Project.

11.1.3.3 Duplicates

Precision is the ability to consistently reproduce a measurement under conditions similar as closely as possible to the conditions under which the original measurements were made. Precision could be related to one level in the process: sampling (field duplicates). In the case of the Alexo-Dundonald Project and 2021 drilling, it is assumed that this level of control has been used.

A total of 48 field duplicates were analyzed, and the respective Max-Min graphs were prepared for the pair analyses of Ni, Co, and Cu (Figures 11-10 to 11-12).

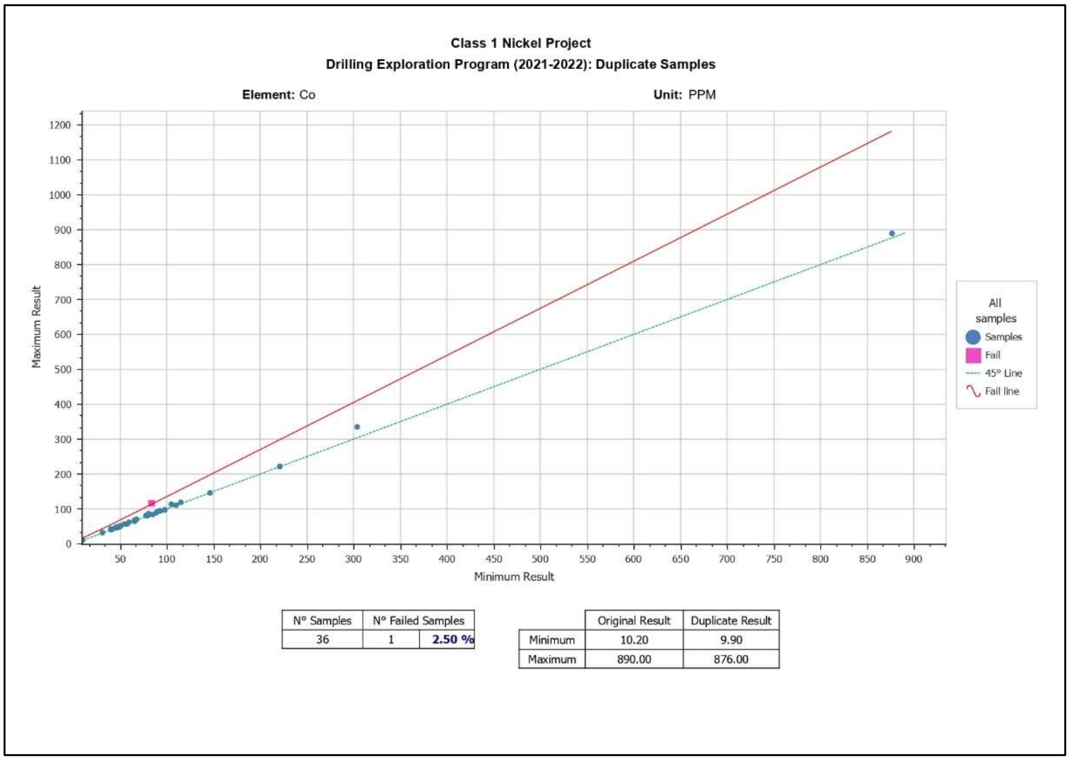
In total, 1 analysis (2.44%) were identified as failing the duplicate criteria for Ni, Co. An acceptable limit for the duplication of analyses is around 10%. Therefore, it is concluded that the sampling precision with respect to Ni, Co, and Cu are acceptable. In general, the field duplicate material for the gold and silver analyses has indicated good reproducibility of the assays.



N° Samples	N° Failed Samples	
36	1	**2.44 %**

	Original Result	Duplicate Result
Minimum	1.25	1.25
Maximum	19,500.00	19,500.00

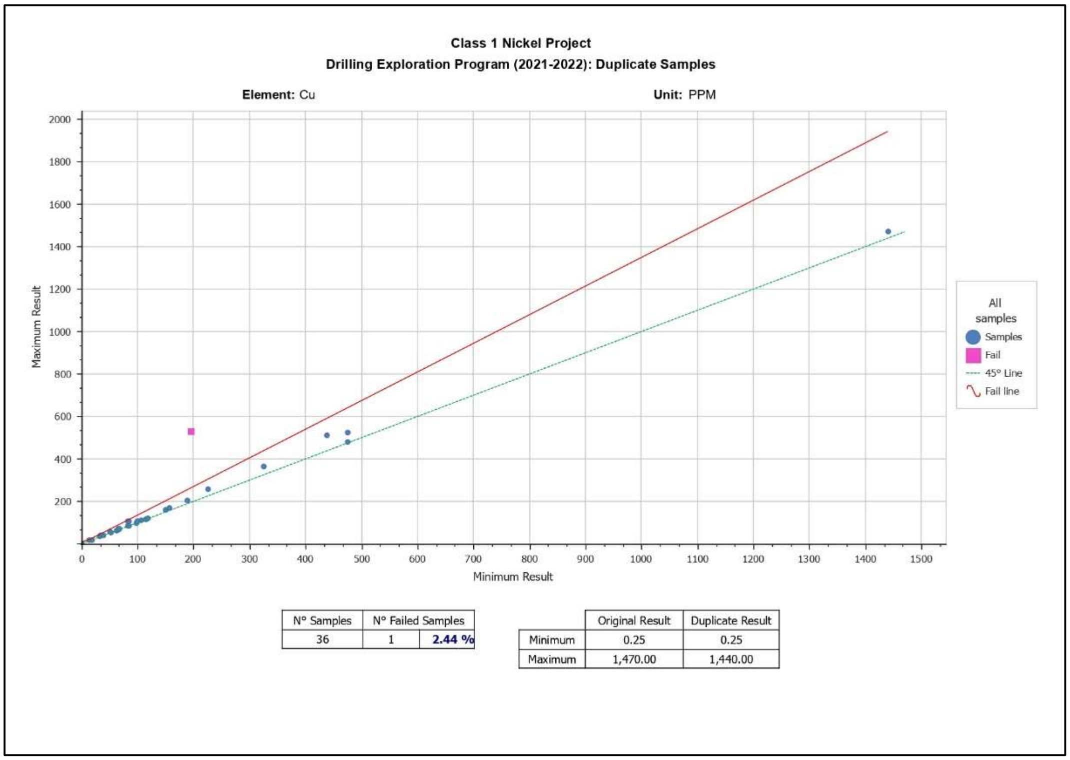
Figure 11-10. Field duplicate analysis for Ni.



N° Samples	N° Failed Samples	
36	1	**2.50 %**

	Original Result	Duplicate Result
Minimum	10.20	9.90
Maximum	890.00	876.00

Figure 11-11. Field duplicate analysis for Co.



N° Samples	N° Failed Samples	
36	1	**2.44 %**

	Original Result	Duplicate Result
Minimum	0.25	0.25
Maximum	1,470.00	1,440.00

Figure 11-12. Field duplicate analysis for Cu.

11.2 Caracle Creek Comments

Sample preparation, security and analytical procedures used by Class 1 are adequate for the purposes of this Report (*see* Section 2.1) and for the current updated Mineral Resource Estimate for the D-S Deposit. The QP (Simon Mortimer) has not seen any factors from the drill core database that would materially impact the reliability or accuracy of the calculation of a mineral resource estimate.

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, and as provided by the Issuer Class 1 Nickel and Technologies and as available in the public domain.

The Authors have no reason to doubt the adequacy of historical sample preparation, security and analytical procedures as presented, and have confidence in the historical information and data and its use for the purposes of this Report (*see* Section 2.1).

The QP (Scott Jobin-Bevans) has independently reviewed the status of the mining lands held by the Issuer through the Government of Ontario's online system (MLAS).

12.2 Verification Performed by the QPs

QP John Siriunas (P.Eng.), most recently visited the Property as part of the management of field aspects of Class 1 Nickel's on-going exploration program; work at this time included the sampling of archived drill core and the checking of drill hole collar locations and was carried out between 5 January and 15 January 2024.

During the visit, a review of the on-site inventory of the existing core was carried out. Sections of the core that had been selected for additional sampling, to supplement the historical core sampling for the purposes of completing an updated mineral resource estimate for the Alexo South Deposit (Class 1 news release dated 24 April 2024), were transported to a rented facility in Connaught, Ontario for sample selection.

The Personal Inspection of the Project was made as a requirement of NI 43-101 for the preparation of this Report and to observe general access and conditions, the locations of diamond drill hole collars, and historical workings (*see* Section 2.5).

The QP Simon Mortimer (FAIG), reviewed the drill core database for the purposes of geological modelling and interpretation and for its use in the calculation of the current mineral resource estimate (*see* Section 14.0). In addition, all laboratory assay certificates (total 69) from the 2021 drilling campaign were reviewed and the original PDF version compared with the csv files as per the electronic database. No errors were found in this data review. The historical drill hole database was also reviewed in detail and no material errors were found.

12.3 Comments on Data Verification

It is the Authors' (QPs) opinion that, to the extent to which they are known, the procedures, policies and protocols for historical and current drill core sampling and assaying, are sufficient and appropriate and that the assay procedures and assay results from drill core assays are consistent with good exploration and operational practices, such that the data and information is reliable for the purposes of this Report (*see* Section 2.1).

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

The Issuer Class 1 Nickel and Technologies Limited has not conducted any mineral processing or metallurgical testing on material collected from the Alexo-Dundonald Project. All results related to historical mineral processing and metallurgical testing are reviewed in Section 6.0.

14.0 MINERAL RESOURCE ESTIMATES

The Alexo-Dundonald Nickel Sulphide Project comprises four mineralized deposits referred to as Alexo North, Alexo South, Dundonald South and Dundonald North. This Report supports an updated Mineral Resource Estimate (the “MRE” or “Mineral Resource Estimate”) for the Dundonald South Deposit (“D-S Deposit”) as completed by Atticus and Caracle Creek, signed off by QP Simon Mortimer (Class 1 news release dated 3 October 2024). The effective date of the MRE for the D-S Deposit is 1 October 2024.

The Dundonald North deposit is supported by the technical report of Stone *et al.* (2020), and this information will be repeated (abridged somewhat) herein, as this mineral resource estimate remains current. The Dundonald North mineral resource estimate was completed by Eugene Puritch (P.Eng. FEC, CET) and Yungang Wu (P.Geo.) of P&E Mining Consultants Inc. (Brampton, Ontario), with an effective date of 1 December 2020 (Stone *et al.*, 2020).

14.1 Introduction: Dundonald South Deposit (2024)

Class 1 Nickel engaged Caracle Creek International Consulting Inc., along with its strategic partner Atticus Geoscience, to prepare a mineral resource estimate for the Dundonald South Deposit, one of 4 nickel sulphide deposits within the Alexo-Dundonald Nickel Sulphide Project.

The MRE was prepared under the direction of Simon Mortimer (Co-Author and QP) with assistance from Luis Huapaya (geologist) and Daniel Basilio (Geologist). Mr. Mortimer and Mr. Basilio developed the geological interpretation, the construction of the lithology model, and the mineralized domain models. Mr. Huapaya completed work on the statistics, geo-statistics, and grade interpolation.

The MRE contained in this Report was completed in accordance with NI 43-101 and following the CIM Definition Standards for Mineral Resources & Mineral Reserves (CIM, 2014) and CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (CIM, 2019).

The Dundonald South Deposit MRE is covered under sections 14.1 to 14.12 and the purpose of this Report is to provide and update of the D-S Deposit which was previously calculated in 2020 (Stone *et al.*, 2020). This new MRE is mainly based on a new diamond drilling program (2021), metal price variations and variation in the C$ to US$ exchange ratio.

14.2 Resource Database

The information used for the MRE (Table 14-1) is derived from the historical drilling campaigns of Falconbridge Limited (1964-1999), Hucamp Mine Ltd. (2001), First Nickel Inc (2004-2005), Avion Resources (2007), and from Class 1 Nickel (2021).

Table 14-1. Summary of drill holes (historical and current) used in the D-S Nickel Deposit MRE.

	MRE 2024					
	1964 to 1999	2001	2004-2005	2007	2021	Total
	Falconbridge Limited	Hucamp Mines Ltd	First Nickel Inc	Avion Resources	Class 1 Nickel	
TOTAL HOLES	90	7	156	4	16	273
TOTAL DEPTH (m)	17450.3	1049	25785.1	1352	4382	50018.4
TOTAL SAMPLES	2408	146	7433	60	497	10544
TOTAL SAMPLES (m)	3102.88	174.75	6604.49	62.7	531.13	10475.95

14.3 Surface Control

The topographic surface used for constructing and delineating the geological models was generated by interpolating historical drill collar locations. Specifically, the surface was modeled using an isotropic radial basis function interpolant with a uniform triangular mesh of 10 metres. Control points from historical drill collar locations were incorporated to improve the accuracy of the surface. The topographic information was derived from data files supplied by P&E Mining Consulting Inc in 2020 (Stone *et al.*, 2020).

14.4 Drilling Database

A total of 273 diamond drill holes were used in the calculation of the MRE. Falconbridge (1964-1999) completed 90 diamond drill holes within the resource boundary, drilling a total of 17,450.3 m and taking 2,408 samples. Hucamp Mine Ltd. (2001) completed 7 diamond drill holes within the resource boundary, drilling a total of 1,049 m and taking 146 samples. First Nickel Inc. (2004-2005) completed 156 diamond drill holes within the resource boundary, drilling a total of 25,785.1 m and taking 7,433 samples. Avion Resources (2007) completed 4 diamond drill holes within the resource boundary, drilling a total of 1,352m and taking 60 samples. Class 1 Nickel completed 16 diamond drill holes within the resource boundary, drilling a total of 4,382m and collecting 497 samples.

All drilling and sampling data has been verified, validated and imported into a SQL Server cloud-based data management system, including data and meta-data on the collar, survey, lithology, mineralization, alteration, density and assay samples. Information from all the drill holes in the resource area were used in the geological modelling and resource calculation, a total of 10,771 samples, with analyses of nickel, cobalt and copper being modelled. The drilling database also contains 84 density measurements collected by Class 1 Nickel in Dundonald South.

14.4.1 Collar Location and Down-hole Deviation

The down-hole deviation measurements on the Class 1 Nickel (2021) holes were surveyed using is "REFLEX EZ-TRAC" and drill collar locations is "standard GPS" and 'RTK'.

The down-hole deviation by historical drilling campaigns of Outokumpu (1996-1998), Hucamp Mines Ltd. (2001), Canadian Arrow (2004) holes were surveyed without detailing further information on the survey method used, however the data does not present any spatial location errors or observed issues.

14.4.2 Assay Sample Summary

The sample interval lengths are based on mineralization contacts and vary between 35.66cm and 6m. Over 53.9% of the samples have a length of 1 m, the nominal length of a sample within the mineralized zone. Those with a shorter sample length were taken up to the visual limits of mineralization or a notable change in lithology. In total, 6,459 samples were taken from 6,042.84 m of variably mineralized drill core. Figure 14-1 details the number of sample interval lengths that were taken over the drilling campaigns. In general, over the historic drill campaigns and the 2021 Class One drilling samples were taken from the material favourable for containing sulphide mineralization.

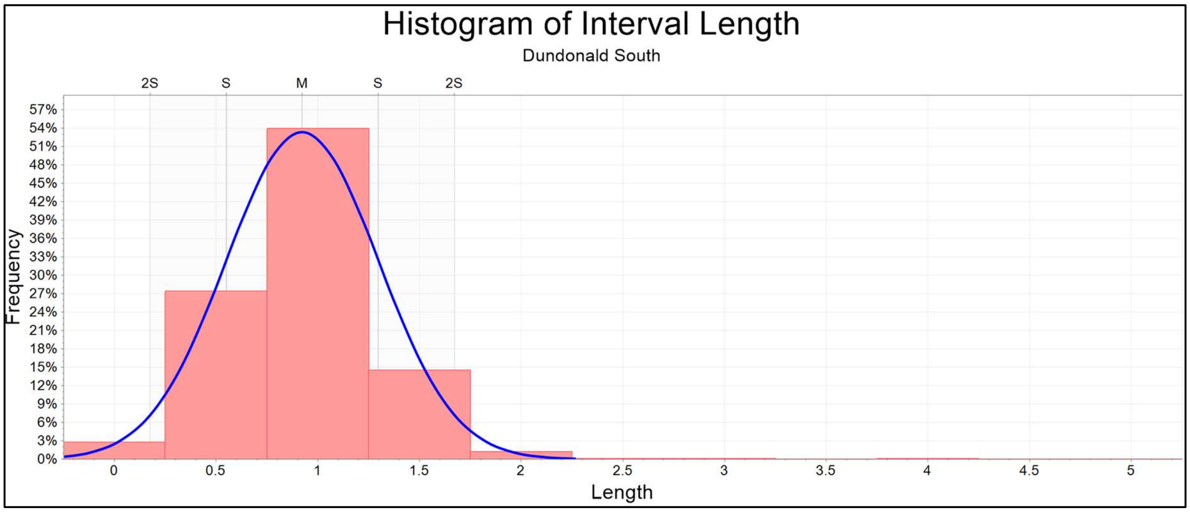


Figure 14-1. Summary of the sample interval lengths for the drill holes used in the MRE (Atticus, 2024).

14.5 Estimation Methodology

The estimation of the mineral resource is broken down into the following stages:

- Validation of the information utilized in the resource and database compilation.
- Interpretation and 3D modeling of the lithology, structure, mineralization, and grade.
- Development of the estimation domains.
- Compositing of grade within the domains.
- Exploratory data analysis.
- Block model definition.
- Interpolation of grade within the defined domains.
- Review and model the variability in the rock density.
- Evaluation of confidence in the estimation.
- Model validation.
- Definition of reasonable economic extraction.

Validation of the data and database compilation was completed using Geobank^{TM} data management software. The interpretation and 3D geological modeling was completed using Leapfrog Geo^{TM} software, statistical studies were performed using Micromine^{TM} tools, the block model, subsequent estimation and validation was carried out using the Micromine^{TM} 2020 software, and the work done to address reasonable economic extraction used the tools within Datamine's NPV Scheduler^{TM}.

14.6 Geological Interpretation and Modelling

Geological modelling was completed using Leapfrog Geo^{TM} software, building integrated models for lithology, structure, sulphide mineralization and a sub-model that defined a high-grade massive sulphide mineralized zone. All models were built following event modelling methodology, constructing each surface and subsequent solid in sequence with respect to the genesis and evolution of the mineral deposit.

Interpretation of the geology utilized information from the assay and lithology data tables from the various historical drilling campaign.

14.6.1 Structural Model

The interpretation and development of the structural model for the Dundonald South deposit is primarily based on core logging data, which includes lithology, grades, and magnetic susceptibility. This data was supplemented by secondary sources, such as regional geology maps, Total Magnetic Intensity data from 3D inversion modeling of a helicopter-borne geophysical survey (GeoTech-VTEM) over Alexo-Dundonald and a ground-based geophysical survey focused on the Dundonald South area. Two fault systems have been identified: the main system, characterized by a northwest-trending orientation with three modeled surfaces, and a local northeast-trending fault system with one modeled surface. The integrated structural system of the deposit has formed five fault blocks, defining structural domains for delineating and extending the mineralized bodies (Figure 14-2).

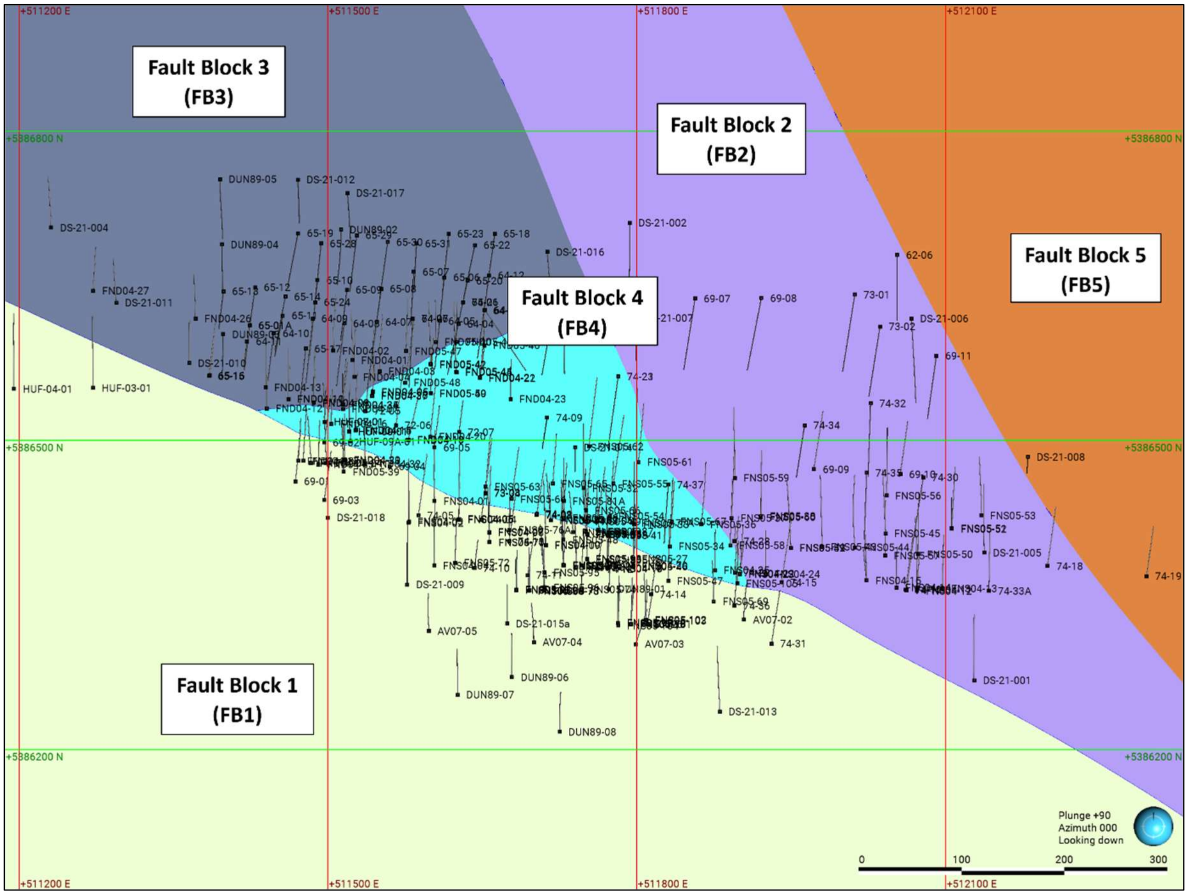


Figure 14-2. Plan view of the Dundonald South deposit structural model, illustrating the five fault blocks created by the deposit's structural system.

14.6.2 Lithology Model

Drill core logging has identified several common features, with the primary one being a core composed of peridotite, pyroxenite, dunite and komatiite, collectively referred to as the Ultramafic Unit (UM). The refined lithological interpretation had enhanced the understanding of the Dundonald South deposit, pinpointing the peridotitic lithological unit as the primary host of the mineralization of interest, characterized by Nickel concentrations exceeding 0.1% Ni.

This interpretation, grounded in detailed lithological logging and geochemical core data, highlights key indicators such as spinifex textures and sedimentary intervals within the Ultramafic Unit (UM). These findings were instrumental in accurately determining the orientation of the ultramafic volcanic flows, ultimately strengthening both the Lithological and Mineralization Models. The orientation of these volcanic flows is closely aligned with the distribution of nickel mineralization, encompassing low-, medium-, and high-grade nickel halos, all of which are primarily confined within the peridotitic ultramafic volcanic flow.

Due to the influence of four faults in the area, the main peridotite unit, initially interpreted as a single body, has been subdivided into four bodies with complementary geometries, now displaced by the faulting system described above (Figure 14-3).

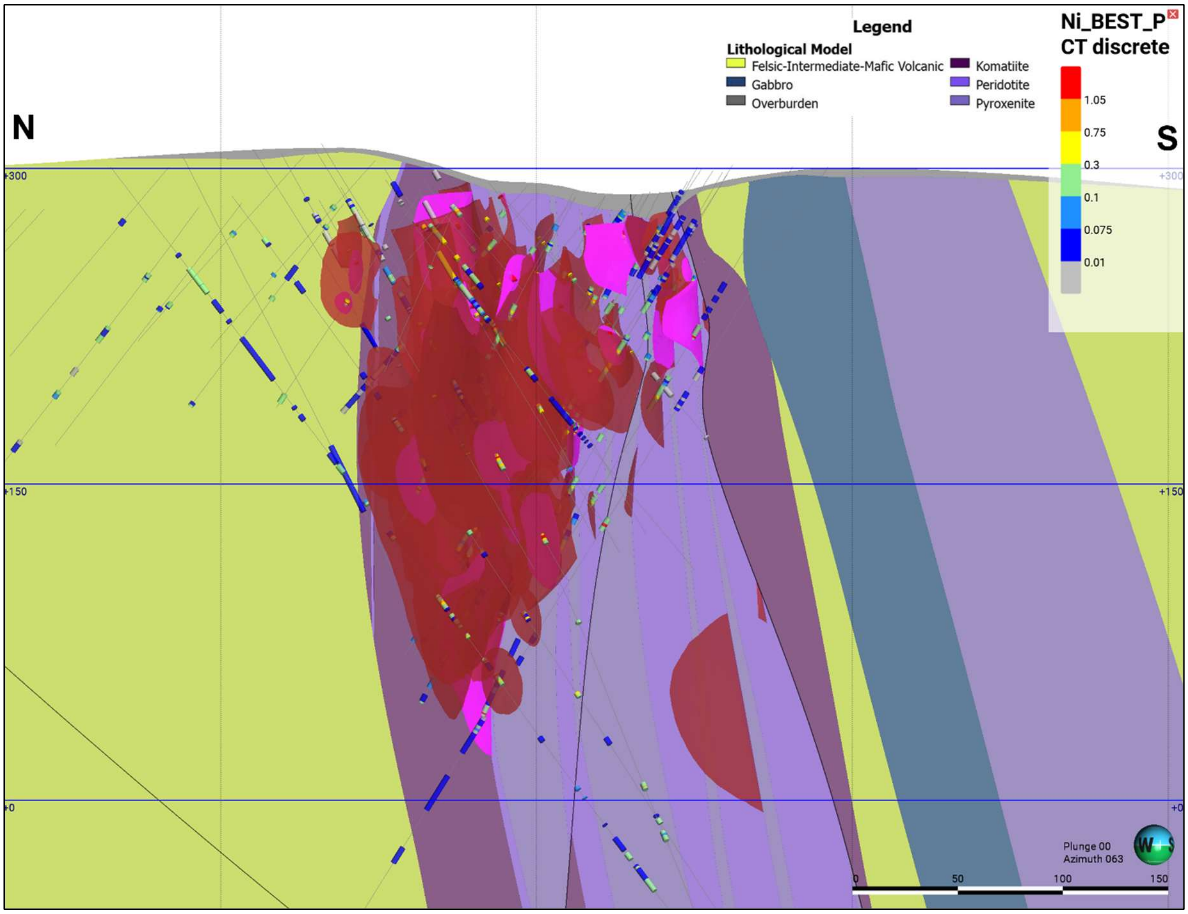


Figure 14-3. Cross-section looking towards the north-east showing the mineralization as a 3D solid within the Peridotite unit

14.6.3 Mineralization Model

A mineralization envelope was created within the peridotite unit, utilizing the lithological model to define the extension of mineralization. The criteria for identifying mineralized intervals are based on lithological and mineralization logging, and the nickel grades. Specifically, intervals exhibiting nickel concentrations above a threshold of 0.12% Ni with disseminated pyrrhotite (Pyr) textures are classified as the outermost halo of the mineralization. This approach provides a clear and structured basis for accurately outlining the mineralized boundaries (Figure 14-4).

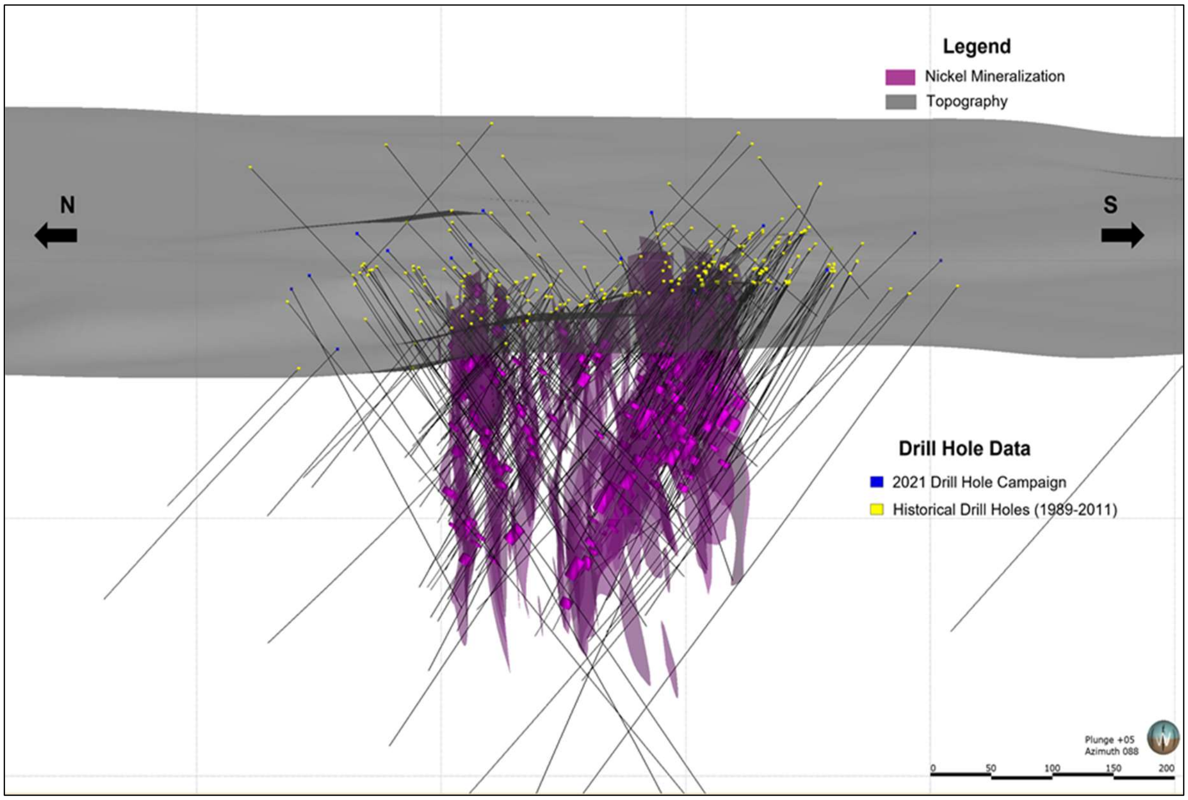


Figure 14-4. Isometric view of outermost halo of nickel mineralization domain in the Dundonald South deposit model looking towards the east.

14.7 Data Analysis and Estimation Domains

14.7.1 Exploratory Data Analysis (EDA)

The grade statistics were reviewed continually during the geological modelling process with a view to understanding how the mineralization has been distributed during the genesis of the Deposit. Three domains were identified, low- medium- and high-grade. The low-grade domain, consisted of material within the 0.12% Ni grade shell and the Pyr disseminated texture zone; a medium-grade domain, included material between the 0.12% and 0.34% Ni grade shells and the pyrrhotite-pentlandite (Pyr-Pn) net-texture zone; and a high-grade domain, defined as massive sulphide lenses of Pyr-Pn using a nickel grade threshold of 1.09% Ni as a proxy for massive sulphide mineralization (Figure 14-5).

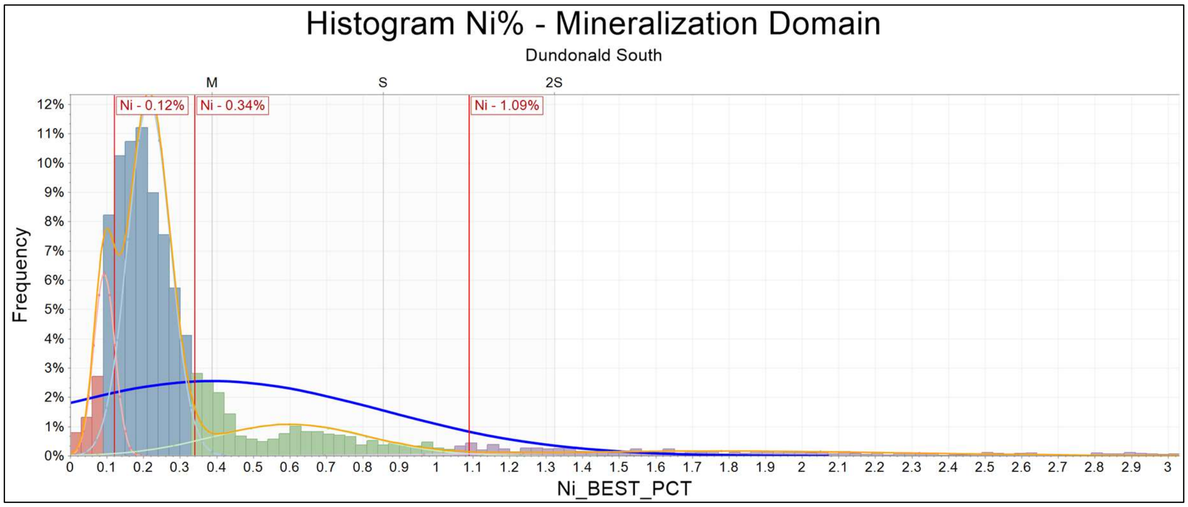


Figure 14-5. Histogram showing the distribution of nickel within the high, medium, and low-grade nickel domains (Atticus, 2024).

An analysis of the statistics of the nickel assay data points that fall within the high, medium, and low-grade domain solids are detailed in Table 14-2.

Table 14-2. Summary of the basic statistics for the assay, low, medium and high-grade nickel domains.

Domain	Input Data	Minimum	Maximum	No of Points	Mean	Variance	Std Dev	COV	Median	25 Prctile	50 Prctile	75 Prctile
Ni% High-Grade	Assay	0.07	7.98	166	2.42	2.95	1.72	0.71	1.96	1.19	1.96	3.54
Ni% Medium-Grade	Assay	0.01	4.89	1040	0.46	0.1	0.34	0.73	0.39	0.31	0.39	0.52
Ni% Low-Grade	Assay	0.0050	1.09	1129	0.22	0.0	0.07	0.30	0.23	0.19	0.23	0.25

Nickel is the principal economic element and defines the mineralized domains, with the copper and cobalt considered as by-products. A visual review of the different economic elements within the nickel domains indicates that both the copper and cobalt mineralization exists throughout, and that there is no evidence for separation or segregation of the different metals into significant zones.

A statistical analysis of the correlation between the economic elements is provide in Table 14-3; a correlation of between 0.1 to 0.3 is extremely low, 0.3 to 0.4 is low, 0.4 to 0.5 is moderate, 0.5 to 0.7 is moderately high, 0.7 to 0.8 is high, and 0.8 to 1.0 is extremely high. This correlation matrix shows a high correlation between nickel - cobalt, and a moderately correlation between nickel-copper and cobalt-copper. the correlation matrix (Table 14-3) indicates that the copper and cobalt can be adequately estimated alongside the nickel utilising the same estimation parameters and within the same estimation domains.

Table 14-3. Correlation matrix for the economic elements within the mineralized domain.

Corr. Matrix	**Ni%**	**Co%**	**Cu%**
Ni%	1.00		
Co%	0.86	1.00	
Cu%	0.64	0.54	1.00

14.7.2 Estimation Domain Model

The Estimation Domain Model (EDM) was developed by integrating the structural, lithology, and mineralization models, alongside an analysis of grade distribution. Within the peridotite unit, the EDM defines three domain solids: a low-grade domain encompassing material within the 0.12% Ni grade shell and Pyr disseminated textures; a medium-grade domain covering material between the 0.12% and 0.34% Ni grade shells and Pyr-Pn net textures; and a high-grade domain, marked by massive sulphide lenses of Pyr-Pn, using a 1.09% Ni threshold as an indicator of massive sulphide mineralization (Figure 14-6).

The EDM was validated against the lithology model, confirming that all high-grade nickel resides within the peridotite unit.

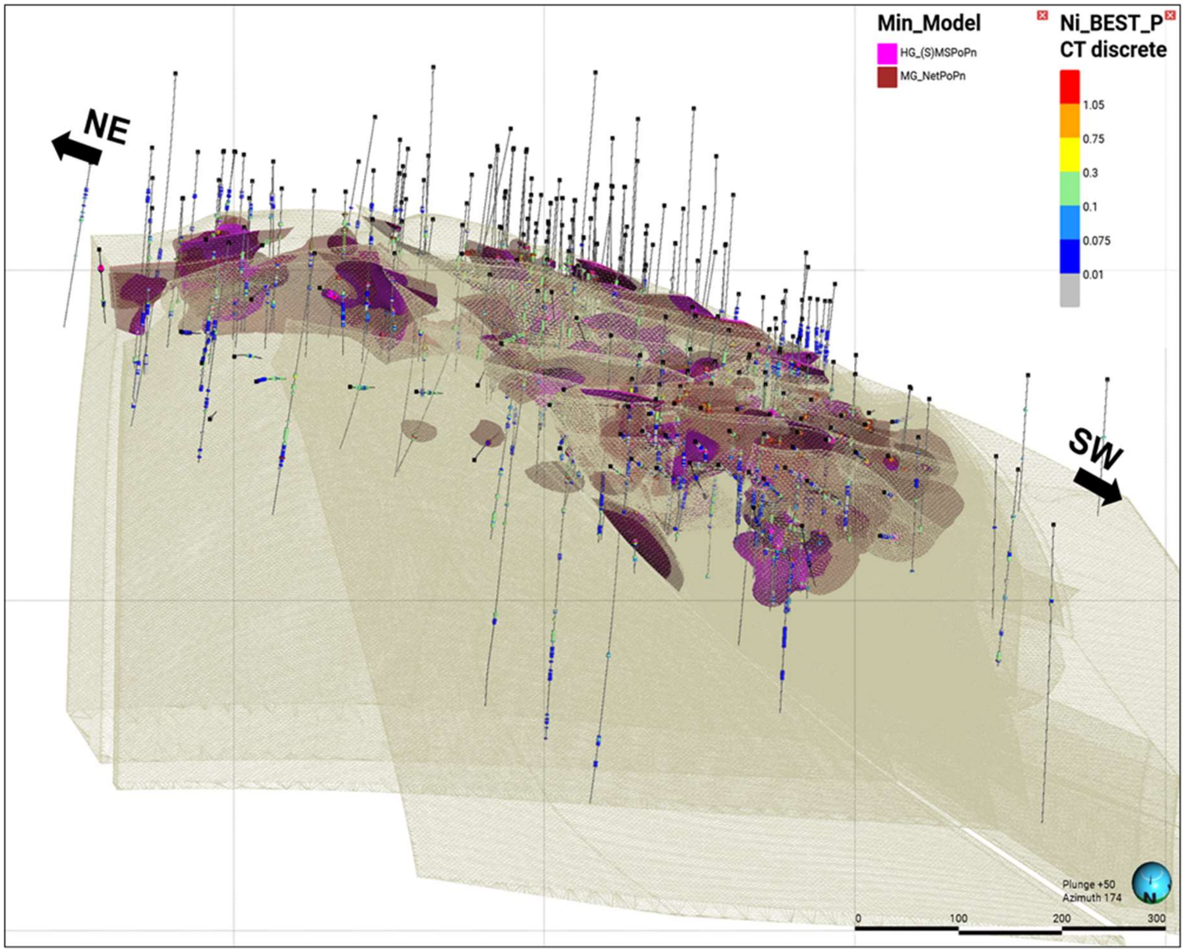


Figure 14-6. A 3D isometric view of the estimation domains looking towards the south, the green wireframe is the Peridotite unit, the dark red wireframe is the medium-grade nickel domain, and the magenta solid is the high-grade nickel domain (Atticus, 2024).

14.7.3 Contact Analysis, Compositing and Capping

The domain boundaries are defined from a combination of wireframes from the lithology model, the structural model and a grade threshold that proxies the mineralization.

An analysis of grade across the contact between the medium-grade domain and the high-grade domain can be seen in Figure 14-7, and an analysis of the grade across the contact between the low-grade domain and medium-grade domain is shown in Figure 14-8. Reviewing the data either side of the domain boundary in increments, there is an abrupt change in nickel grade between the medium-low grade domain and high-medium grade domain.

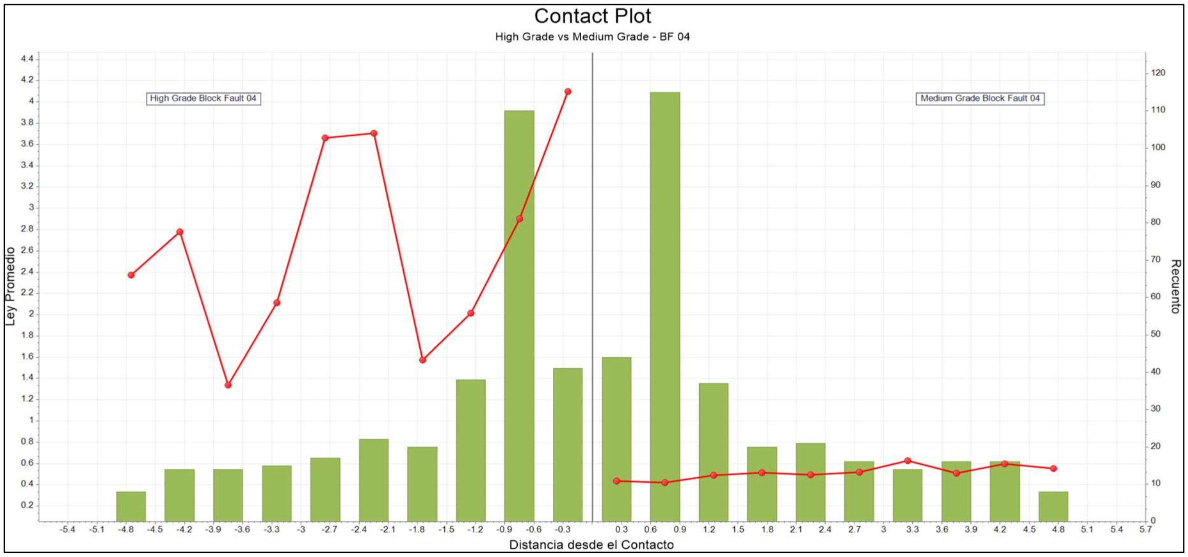


Figure 14-7. Contact analysis plot showing the variation in grade between the medium-grade nickel domain and the high-grade nickel domain in the block fault 04.

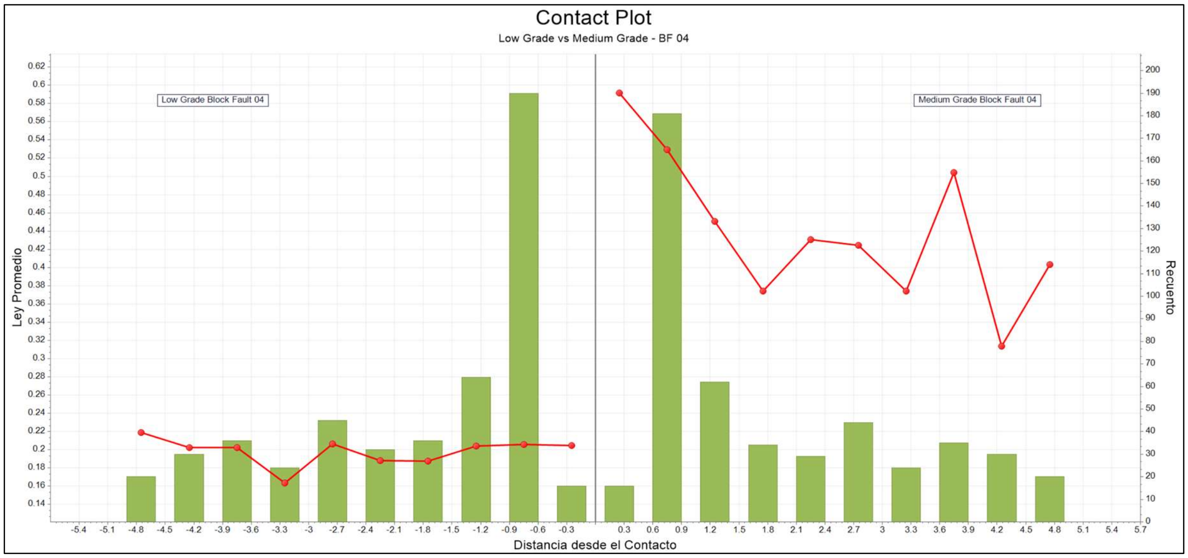


Figure 14-8. Contact analysis plot showing the variation in grade between the low-grade nickel domain and the medium-grade nickel domain in the block fault 04.

Considering that the predominant sample length taken within this drilling campaign is 1.0 m, and considering the scale and type of the deposit a composite length of one metre is optimal for the estimation of the input drill data.

Capping was not applied for Dundonald South as the very high-grade values all occur within the high-grade domain and are found within regions that are supported by high-grade samples nearby.

14.8 Specific Gravity

A total of 146 density measurements were analysed by Class One Nickel in Dundonald South (Figure 14-9). These density measurements were collected on core from 18 drill holes completed in 2021 with approximately 55.8% (86 density measurements) of those being taken from the mineralized drill core and sent to ALS Laboratory and analysed by Specific Gravity on Solid Objects (OA-GRA08).

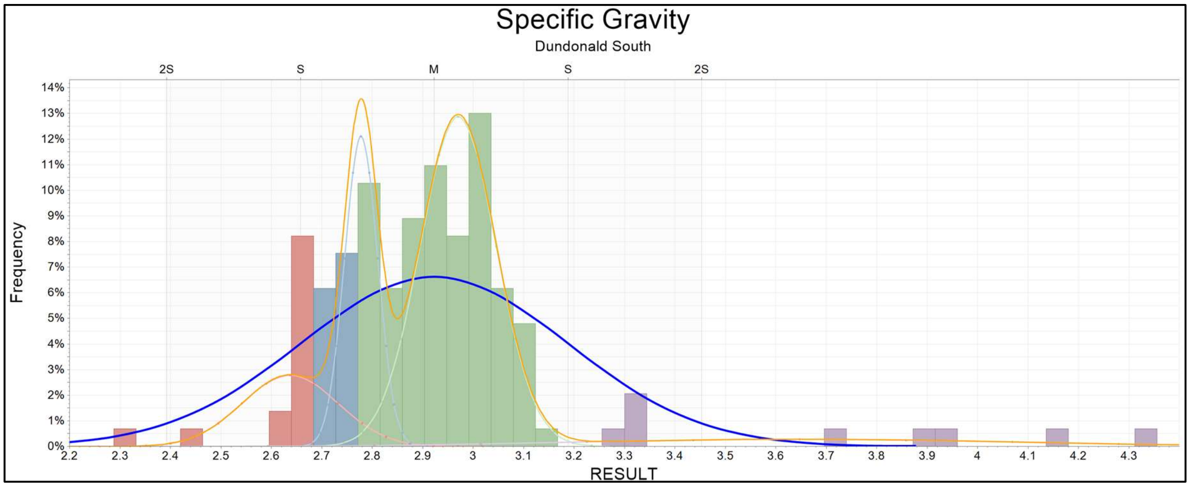


Figure 14-9. Histogram of the density all data.

The number of samples within each domain is too low to be able to statistically estimate within the mineralized zone, so the mean of the values of the mineralized zone will be used “**2.90**” g/cm3, and outside the mineralized domains a reference density has been assigned for each lithology according to the Table 14-4.

Table 14-4. Specific gravity (SG) as assigned to each of the rock types outside the mineralized domain.

Rock Type	Value	Method
Ovb	2.65	Assigned
Px	3.13	Assigned
FIM Volc	2.8	Assigned
Kmt	2.91	Assigned
Gb	2.94	Assigned
Prdt	2.84	Assigned

14.9 Block Modelling

To attain a model most representative of the geology and then to apply economic factors to the model, a block model was created, which was sub-blocked and optimized for the geometry of the domains and the considered extraction of material within pit and out-of-pit (underground).

The block model was built in Micromine software, the dimensions of the parent block model are 6 m x 6 m x 6 m with a sub-blocking ratio of 12, 12 and 12, respectively, generating minimum sub- blocks dimensions of 0.5 m x 0.5 m x 0.5 metre. The block model has been oriented to align with the geological strike of the deposit and is restricted to mineralized domains. Details of the block model definitions are provided in Table 14-5.

Table 14-5. Parameters of the definition of the block models.

	Block Model			
	Origin Min Centre	**Block Size**	**Factor Sub-Block**	**Min Block Size**
X Coordinate	511014	6m	12	0.5m
Y Coordinate	5386018	6m	12	0.5m
Z Coordinate	4	6m	12	0.5m
N° of blocks	7,119,071 blocks			

14.10 Variography

The geological modeling produced estimation domains that were confirmed by exploratory data analysis. The definition of axes for the variogram models was based on the orientation of the mineralization trend in high, medium, and low grades, as shown in the geological modeling. However, since the definition of multiple domains meant that there was a limited number of data points within each domain, the variogram analysis did not produce acceptable variogram models. The ellipsoid ranges in each of the axes were thus defined from a combination of mineral body geometry, distance between data points, and variographic analysis for Ni, Co, and Cu in the high, medium, and low-grade domains (Table 14-6).

Table 14-6. showing the ranges and directions of the sample search ellipsoids.

Factor	Factor	Axis 1	Axis 2	Axis 3	Strike	Dip Dir.	Dip
Search Ellipsoid	High Grade	**80**	**50**	**15**	108.8	198.81	75.29
	Medium Grade	**80**	**50**	**15**	94.83	184.83	84.14
	Low Grade	**80**	**50**	**15**	98.99	188.99	79.31

14.11 Estimation Strategy

14.11.1 Estimation Methodology

The estimation of all the economic elements, nickel, copper and cobalt were carried out using Inverse Distance Weighting (IDW), with the estimation being completed over four passes. The first estimation was set at 70% of the search ellipse ranges, the second set at 100%, the third at 300%, and the fourth an extensive distance to estimate all the remaining blocks. This sequence enabled the estimation of all the blocks with the estimation domains and assisted in the definition of the resource categories. Most of the blocks within each domain were estimated within the first two passes, the third pass was used to estimate blocks along the peripheries, and then the fourth pass was to estimate the blocks within the domains that were furthest from the drill data in a region with little data confirming the geological scenario.

14.11.2 Estimation Parameters

The search ellipsoids and estimation parameters are summarized in Table 14-7.

Table 14-7. Inverse Distance Weighting estimation parameters applied to the estimation of Ni, Co and Cu.

Variogram Parameter for high grade domain								
			Structure					
	Passes	**Factor**	**Axis 1**	**Axis 2**	**Axis 3**	**Strike**	**Dip Dir.**	**Dip**
High Grade	**Pass 1**	0.7	56	35	10.5	108.8	198.81	75.29
	Pass 2	1	**80**	**50**	**15**	108.8	198.81	75.29
	Pass 3	3	240	150	45	108.8	198.81	75.29
	Pass 4	-				108.8	198.81	75.29
Variogram Parameter for medium grade domain								
			Structure					
	Passes	**Factor**	**Axis 1**	**Axis 2**	**Axis 3**	**Strike**	**Dip Dir.**	**Dip**
Medium Grade	**Pass 1**	0.7	56	35	10.5	94.83	184.83	84.14
	Pass 2	1	**80**	**50**	**15**	94.83	184.83	84.14
	Pass 3	3	240	150	45	94.83	184.83	84.14
	Pass 4	-				94.83	184.83	84.14
Variogram Parameter for low grade domain								
			Structure					
	Passes	**Factor**	**Axis 1**	**Axis 2**	**Axis 3**	**Strike**	**Dip Dir.**	**Dip**
Low Grade	**Pass 1**	0.7	56	35	10.5	98.99	188.99	79.31
	Pass 2	1	**80**	**50**	**15**	98.99	188.99	79.31
	Pass 3	3	240	150	45	98.99	188.99	79.31
	Pass 4	-				98.99	188.99	79.31

14.12 Block Model Validation

The block model estimation has been validated using the following techniques:

1. Visual inspection of the estimated block grades relative to the assay composites.
2. A comparison of the sample composite means against the estimated means from each of the block model domains.
3. A swath plot evaluation of the block model grade profiles in an east-west axis against a nearest neighbour estimation and the assay composites.

14.12.1 Visual Validation

Visual validation of the estimated blocks for nickel, it shows a good correlation between the estimated values and the input composited assay data, respecting the domain boundaries and the geological trends seen within the model (Figure 14-10).

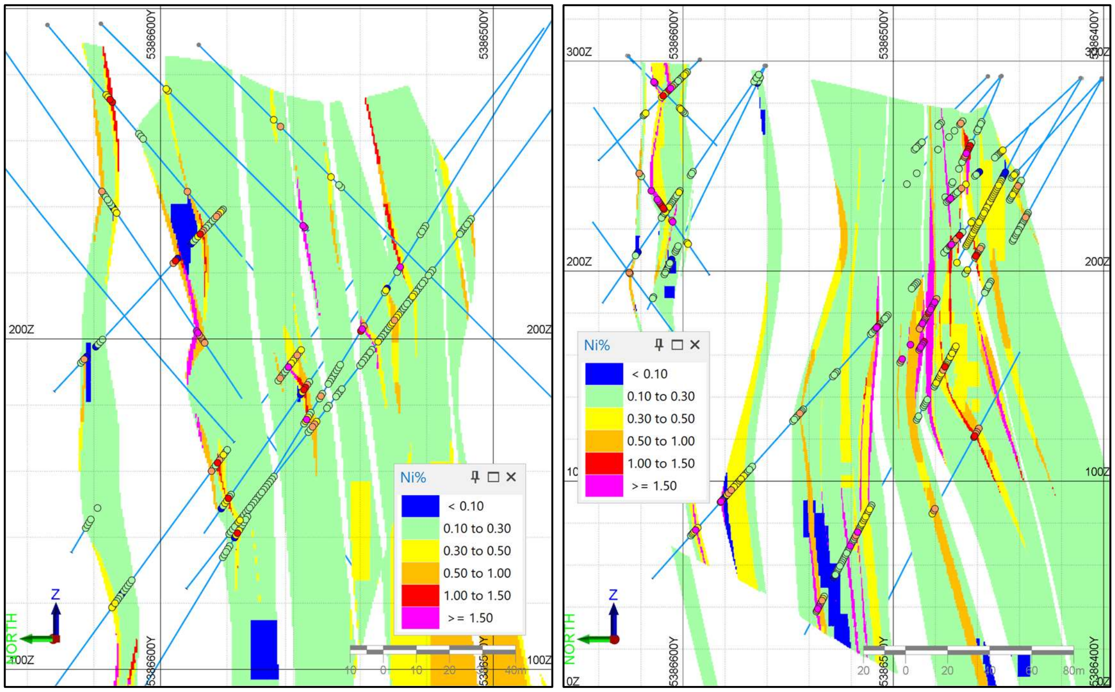


Figure 14-10. Cross-section visual validation of blocks against input composite, in high, medium and low-grade nickel domains.

14.12.2 Comparison of Means

A comparison of the means and basic statistics for the nickel input data against the estimated data and near neighbored estimation shows that there is no bias in the estimation and that the resultant values all fall within the predicted range (Table 14-8).

Table 14-8. Comparison of the statistics between the estimated results and input data in different domains.

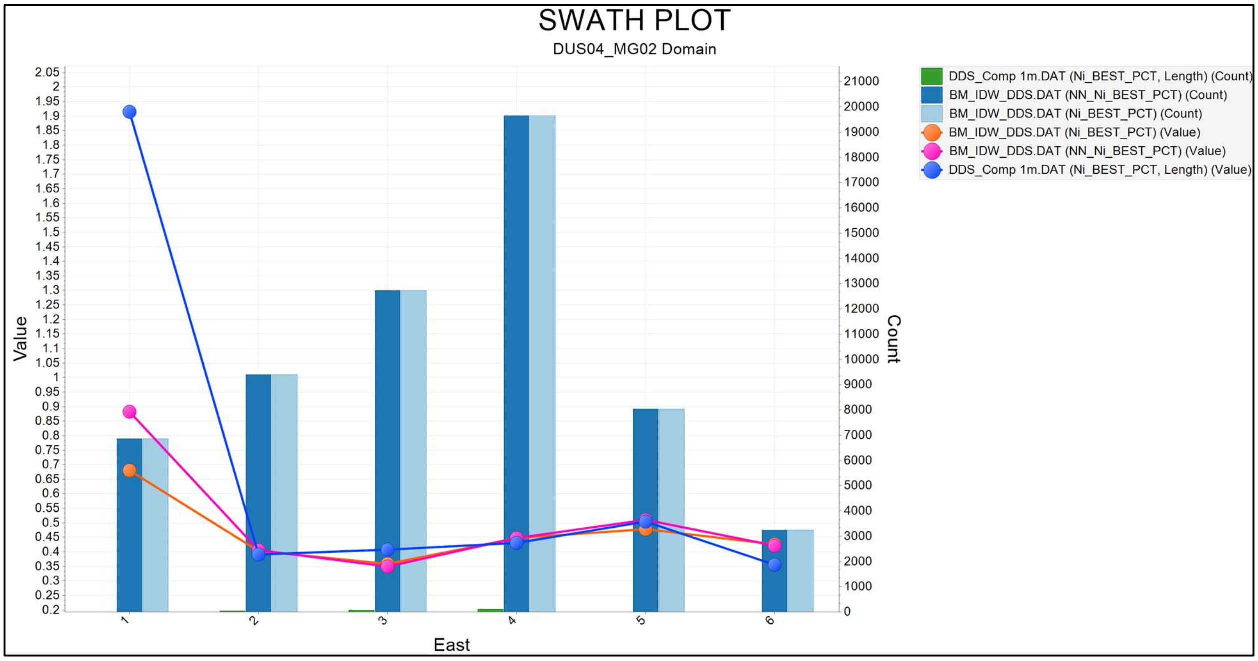
Domain	Input Data	Minimum	Maximum	No of Points	Mean	Variance	Std Dev	COV	Median	25 Prctile	50 Prctile	75 Prctile
Ni% High-Grade	Assay	0.07	7.98	166	2.42	2.95	1.72	0.71	1.96	1.19	1.96	3.54
	IDW	0.44	5.80	29451	2.45	1.80	1.34	0.55	2.34	1.20	2.34	3.46
	NN	0.19	5.8	29451	2.50	2.63	1.62	0.65	1.87	1.17	1.87	4.13
Ni% Medium-Grade	Assay	0.01	4.89	1040	0.46	0.1	0.34	0.73	0.39	0.31	0.39	0.52
	IDW	0.01	1.13	226752	0.41	0.01	0.09	0.22	0.39	0.35	0.39	0.47
	NN	0.01	1.66	226752	0.41	0.02	0.16	0.38	0.37	0.32	0.37	0.46
Ni% Low-Grade	Assay	0.0050	1.09	1129	0.22	0.0	0.07	0.30	0.23	0.19	0.23	0.25
	IDW	0.0002	0.48	925062	0.21	0.0	0.04	0.18	0.21	0.18	0.21	0.25
	NN	0.0000	0.52	925062	0.21	0.00	0.06	0.27	0.21	0.16	0.21	0.25

14.12.3 Statistical Validation of IDW Estimation Compared to Nearest Neighbour

The block model was populated with a simple nearest neighbour (NN) estimation and a set of swath plots generated to show how the inverse distance weighting (IDW) estimation varies with respect to the NN and the input assay composite values.

The swath plots show graphically how the grade distribution varies along strike of the deposit, plotting the IDW estimated values against the NN estimated values, and the input assay composite values. In general, there is a good correlation between the drillhole assay data, the nearest neighbor model, and the estimated block grades in Ni.

Figures 14-11, 14-12 and 14-13 show the swath plots for nickel in the medium grade nickel domain, reviewing the difference along strike in different domains. They graphs demonstrate a good correlation between the IDW and NN estimates, and a good representation of the input data, showing no bias and maintaining a local average.



Figures 14-11. Swath Plot Validations for the Ni% grade estimation within the medium grade nickel and fault block 04 domains.

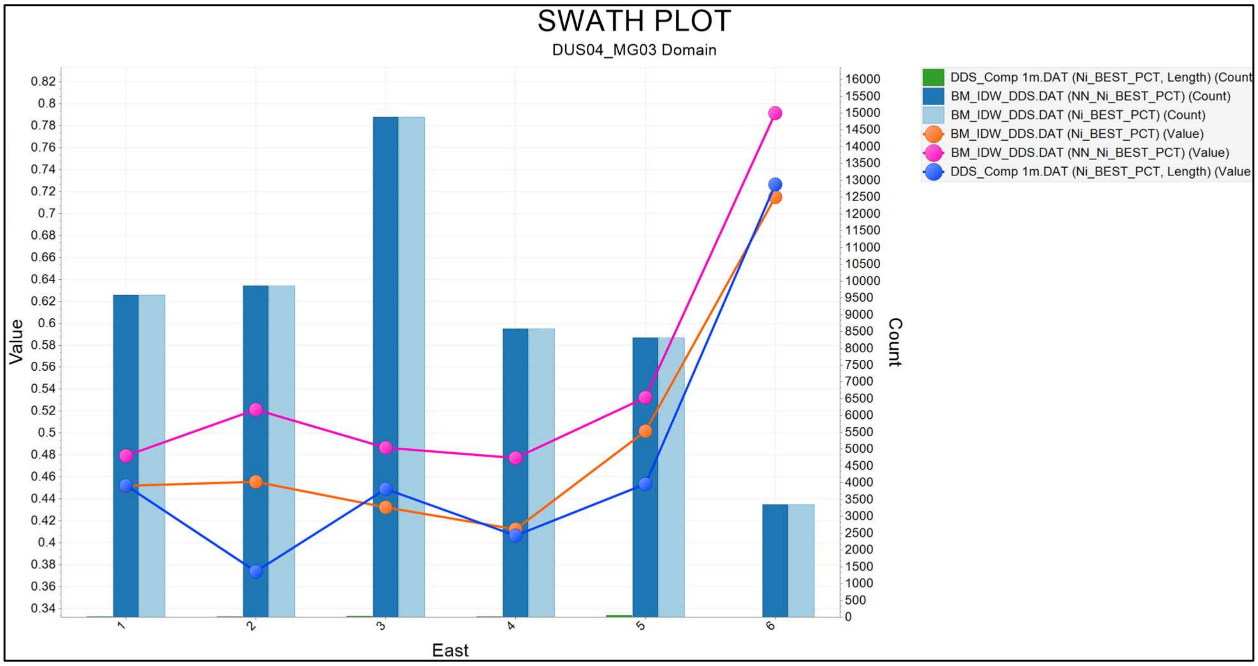


Figure 14-12. Swath Plot Validations for the Ni% grade estimation within the medium grade and fault block 04 domains.

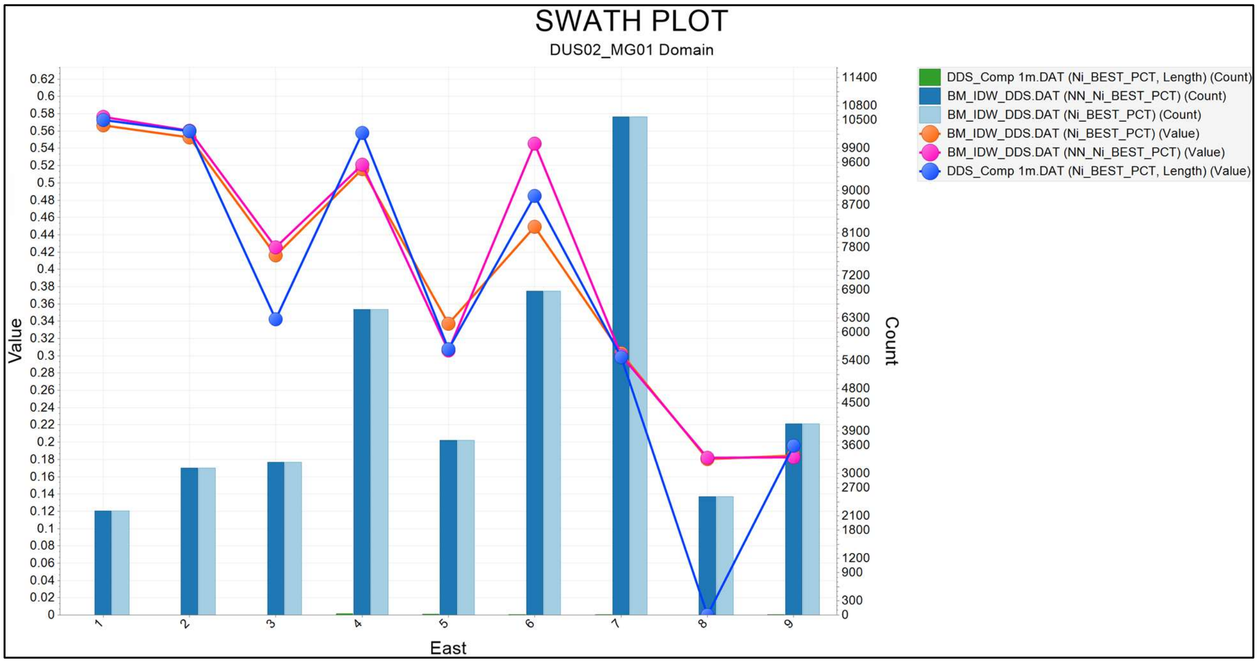


Figure 14-13. Swath Plot Validations for the Ni% grade estimation within the medium grade and fault block 04 domains.

Overall, the validation results indicate that the IDW model for the estimation of nickel is a reasonable reflection of the input data.

14.13 Mineral Resource Classification and Estimate

The mineral resources for the D-S Project were classified in accordance with CIM Definition Standards (CIM, 2014) which provides standards for the classification of Mineral Resources and Mineral Reserves estimates and best practice guidelines in CIM (2019).

Classification of the mineral resources is based on the ranges observed in the search ellipsoids and the number of drill hole composites that went into estimating the blocks. Table 14-9 shows the parameters used to define the different resource classifications. After the blocks were assigned, their classification based on the parameters (Table 14-9), they were reviewed, and the edges of the classification boundaries were smoothed to produce the final classification model.

Table 14-9. Resource classification parameters applied to the estimation.

	Distance			
	X (along structure)	Z (down dip)	Min N° Drillholes	Min N° Samples
Indicated	25-30 m	25-30 m	3	3
Inferred	50-60 m	50-60 m	2	3

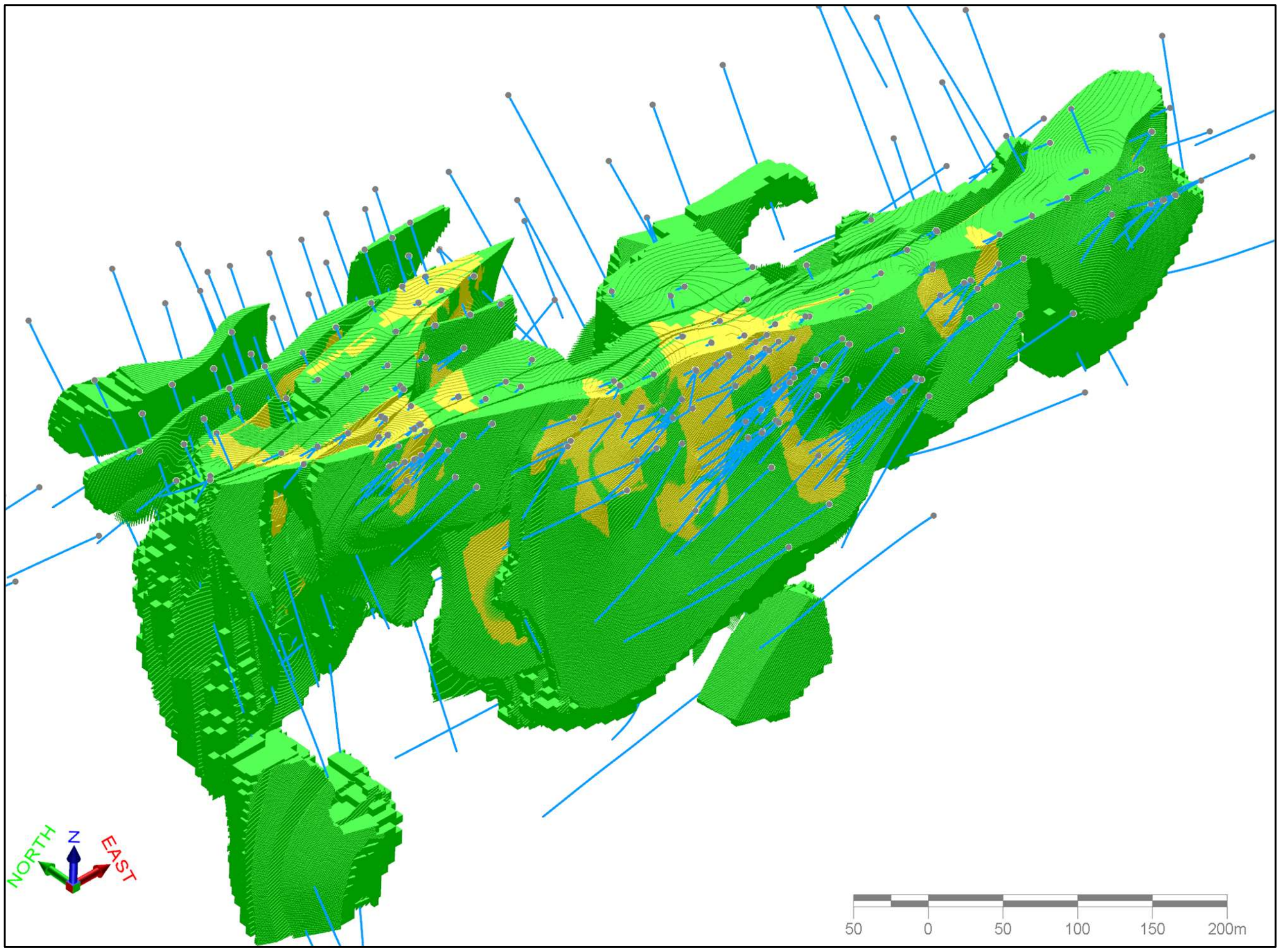


Figure 14-14. Oblique long-section of the Dundonald South Deposit (looking northeast) with the classification of the mineral resources coloured by classification; category 1 (yellow) is Indicated, and category 2 (green) is Inferred as per CIM (2014).

14.14 Reasonable Prospects for Eventual Economic Extraction and Cut-off Grade

For a mineral deposit to be considered a mineral resource, it must show that there are "reasonable prospects for eventual economic extraction" ("RPEEE"). This implies that mineral resources are reported at an appropriate cut-off grade that considers the potential costs of extraction scenarios and processing recoveries.

Open pit mining methods were considered to determine the amount of mineral resource that shows a RPEEE. An open pit optimization was performed using Datamine NPVS, which uses the Lerchs-Grossmann Algorithm ("LGA"). The LGA uses the final net value of each block to determine the final extent of an open pit, which maximizes the overall value of the project.

In addition, an out-of-pit or underground scenario was considered, in which all mineral resources outside of the pit or below the pit and above an underground cut-off grade, were considered as mineral resources that have RPEEE from an "underground" mining perspective.

14.14.1 Open Pit Optimization

An open pit optimization was performed in Datamine NPVS to determine the final extent of an open pit (Figure 14-15). The economic and technical parameters assumed are shown in Table 14-10. A plan map showing the outline of the Dundonald South Deposit's optimized pit shell and location of drill holes used in the MRE is provided in Figure 14-15.

In the absence of any mineral processing or metallurgical testing having been completed on mineralized material from the Dundonald South Deposit, the metal recovery factors (Table 14-10), which presume the use of froth flotation, are derived from Caracle Creek and Atticus' experience and their in-house database of Ni-Cu-Co-PGE sulphide projects with similar geological and mineralogical characteristics to that of the Dundonald South Deposit. Metal prices (Table 14-10) are based on consensus, long term forecasts from banks, financial institutions, and other sources in the public domain.

Table 14-10. Economic and technical parameters assumed for open pit optimization on the Dundonald South Deposit.

Metal Prices		
Nickel	US$/lb	$8.00
Cobalt	US$/lb	$13.00
Copper	US$/lb	$3.25
Metal Recoveries		
Nickel	%	85.0
Cobalt	%	80.0
Copper	%	70.0
Ore Mining Cost	$C/tonne	$3.80
Waste Mining Cost	$C/tonne	$2.75
Overburden Mining Cost	$C/tonne	$2.00
Processing Cost	$C/tonne	$45.00
G&A	$C/tonne	$5.00
Overall Pit Slope	degrees	45.0
Dilution	%	5.0
Mining Recovery	%	95.0
Mill throughput	tonne/day	1,500
Discount Rate	%	10
Exchange Rate	$US/$C	0.75

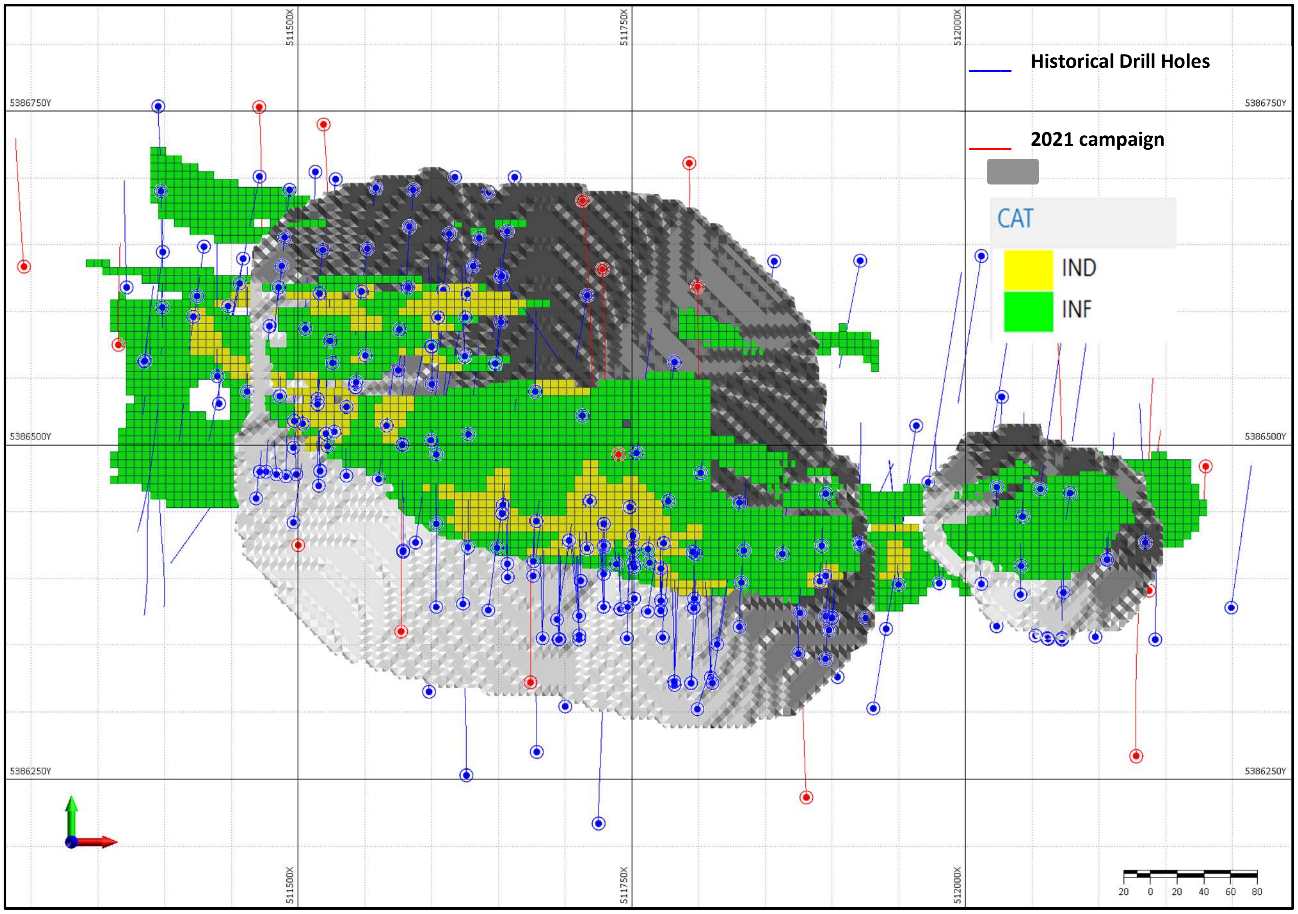


Figure 14-15. Plan map view of the Dundonald South MRE showing historical drill holes (blue), 2021 Class 1 drill holes (red), the pit optimized shell (grey) and Indicated (IND) and Inferred (INF) mineralized blocks.

14.14.2 Break-even NSR Calculation and Associated Cut-off Grade

The resource estimate was derived from applying an NSR cut-off grade to the block model and reporting tonnes and grades of the potentially mineable areas. Table 14-11 demonstrates support for the NSR calculation that determines the potentially economic portion of the deposit.

Table 14-11. Calculation of NSR cut-off value.

Element	Price		Flotation Recovery
Ni	$8.00	US$/lb	85%
Cu	$3.25	US$/lb	70%
Co	$13.00	US$/lb	80%
Exchange Ratio US$/C$	0.75	US$/C$	
Payable Metal			
NSR C$/t = ((Ni % x 199.89) + (Cu % x 66.87) + (Co % x 305.71))* 95%			
NiEq % = (Ni % x 1) + (Cu % x 0.33) + (Co % x 1.53)			

Two scenarios were considered that show RPEEE, open pit and out-of-pit (underground), for each one an NSR break-even cut-off was calculated:

- For the open pit scenario, the NSR cut-off grade considered the processing and G&A costs, applying a factor of 5% for mining dilution, resulting in a value of (($45 + $5) * (1+5%)) = C$52.5/tonne processed.
- For the out-of-pit resources (underground scenario), the NSR cut-off grade considered mining, processing and G&A costs, resulting in a value of ($46 + $45 + $5) = C$96.0/tonne processed.

14.15 Sensitivity Analysis

Figure 14-16 shows the grade-tonnage curve of the mineral resources that are restricted to the optimized open pit, using various NSR cut-off grades. The sensitivity of the nickel equivalent grade to cut-off changes as the cut-off grade increases; there is greater variation in tonnage at the higher cut-off grades (lower metal prices) whereas the variation decreases for the lower cut-off grades (higher metal prices).

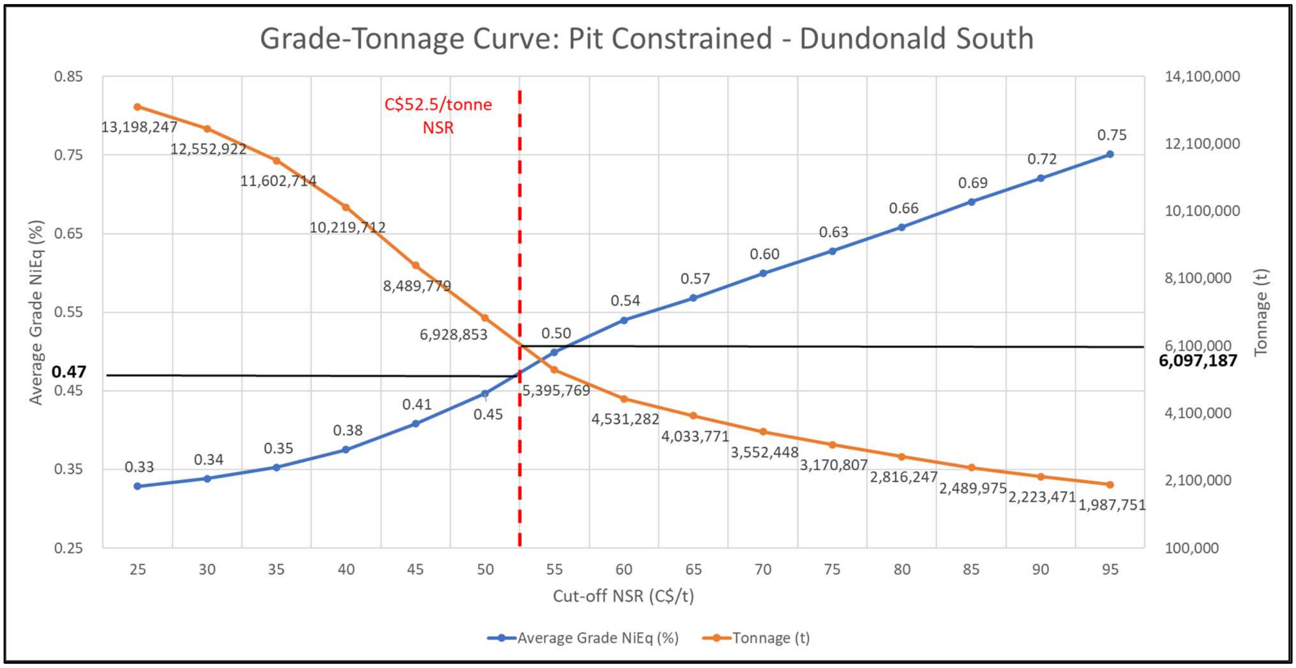


Figure 14-16. Grade-tonnage for combined Indicated and Inferred material within the optimized open pit shell and the highlighted cut-off grade of C$52.5/tonne processed.

Figure 14-17 shows the grade-tonnage curve of the mineral resources that are considered out-of-pit or underground mineral resources, using various NSR cut-off grades. The cut-off grade shows greater variation at high cut-off grade values, while for lower grades the variation decreases.

Table 14-12 and Table 14-13 show grade and tonnage values that define the grade-tonnage curves for open pit and out-of-pit (underground), respectively.

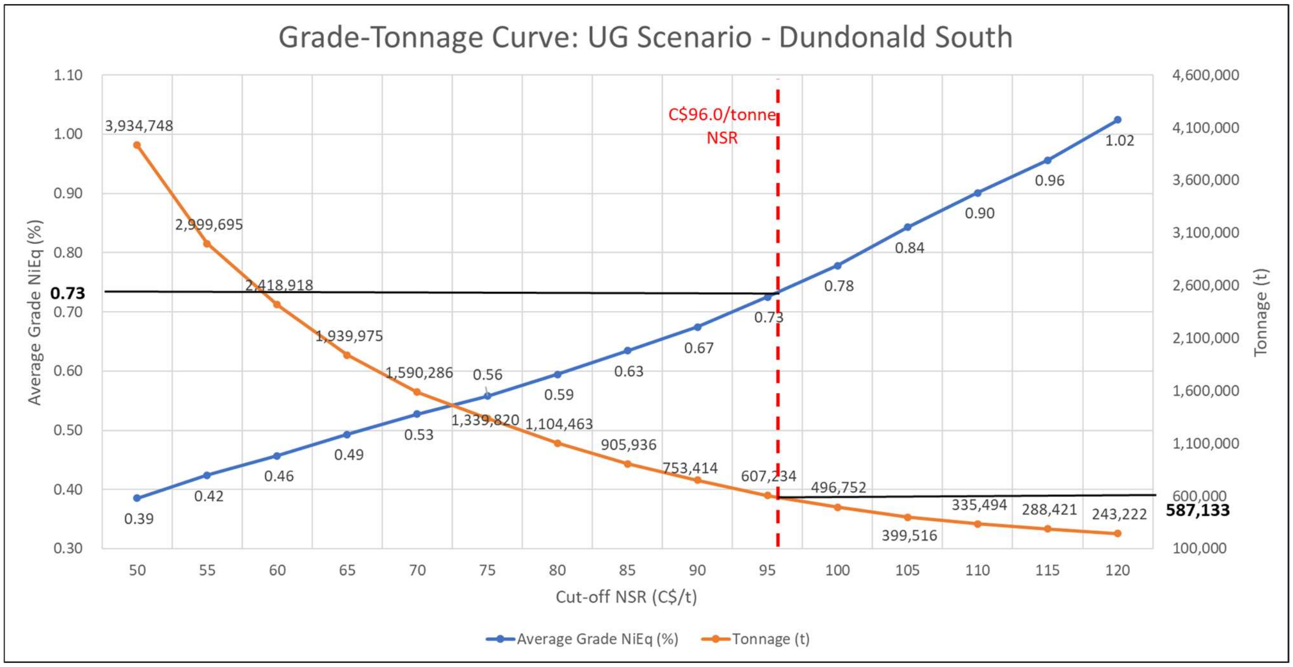


Figure 14-17. Grade-tonnage for combined Indicated and Inferred material located outside of the optimized open pit shell and the highlighted cut-off grade of C$96.0/tonne processed.

Table 14-12. Grade and tonnage distribution that define the grade-tonnage curve (*see* Figure 14-16) used for open pit constrained mineral resources. The range for the selected NSR cut-off of C$52.5/tonne is highlighted.

NSR Cut-Off	Ni %	Co %	Cu%	NSR C$/tonne	TONNES	NiEq %
25	0.31	0.01	0.01	65.71	13,198,247	0.33
30	0.32	0.01	0.01	67.66	12,552,922	0.34
35	0.33	0.01	0.01	70.54	11,602,714	0.35
40	0.35	0.01	0.01	74.98	10,219,712	0.38
45	0.39	0.01	0.01	81.61	8,489,779	0.41
50	0.42	0.01	0.01	89.32	6,928,853	0.45
55	0.47	0.01	0.02	99.81	5,395,769	0.50
60	0.51	0.01	0.01	107.95	4,531,282	0.54
65	0.54	0.02	0.02	113.56	4,033,771	0.57
70	0.57	0.02	0.02	119.81	3,552,448	0.60
75	0.60	0.02	0.02	125.51	3,170,807	0.63
80	0.63	0.02	0.02	131.56	2,816,247	0.66
85	0.66	0.02	0.02	137.99	2,489,975	0.69
90	0.69	0.02	0.02	144.04	2,223,471	0.72
95	0.72	0.02	0.02	150.15	1,987,751	0.75

Table 14-13. Grade and tonnage distribution that define the grade-tonnage curve (*see* Figure 14-17) used for out-of-pit (underground) mineral resources. The range for the selected NSR cut-off of C$96.0/tonne is highlighted.

NSR Cut-Off	Ni %	Co %	Cu%	NSR C$/tonne	TONNES	NiEq %
50	0.36	0.01	0.02	77.06	3,123,937	0.39
55	0.40	0.01	0.02	84.80	2,627,987	0.42
60	0.43	0.01	0.02	91.40	2,288,860	0.46
65	0.47	0.01	0.02	98.55	1,983,617	0.49
70	0.50	0.01	0.02	105.42	1,741,757	0.53
75	0.53	0.01	0.02	111.58	1,554,829	0.56
80	0.57	0.01	0.02	118.85	1,366,850	0.59
85	0.60	0.02	0.02	126.85	1,198,487	0.63
90	0.64	0.02	0.02	134.82	1,061,401	0.67
95	0.69	0.02	0.02	145.04	922,391	0.73
100	0.75	0.02	0.02	155.61	811,213	0.78
105	0.81	0.02	0.03	168.52	708,175	0.84
110	0.87	0.02	0.03	180.13	636,751	0.90
115	0.92	0.02	0.03	191.18	581,716	0.96
120	0.99	0.02	0.03	204.86	526,339	1.02

14.16 Component Metal Analysis

Figure 14-18 shows how the relative component varies depending on the cut-off grade. The main metal is nickel, which contributes almost 97% of the total value of the metals Ni-Cu-Co.

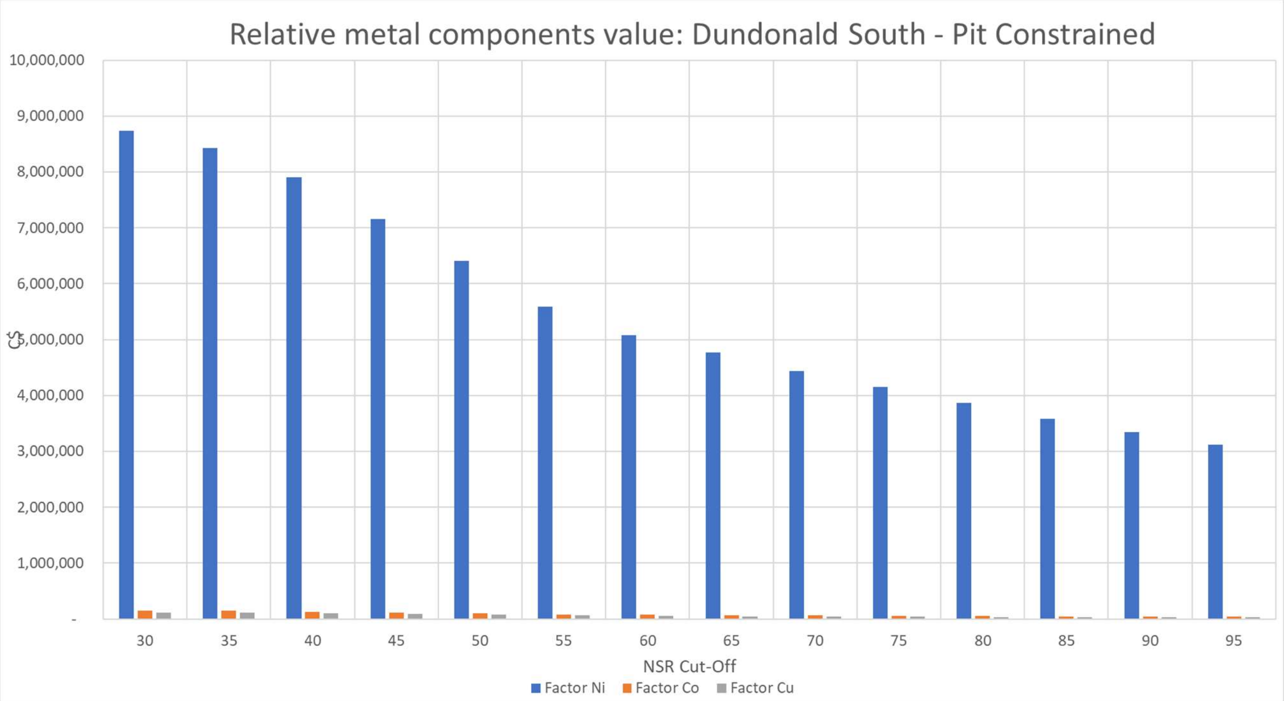


Figure 14-18. Histogram showing metal value component across different NSR cut-off grades within the categorized mineral resources.

14.17 Mineral Resource Statement

The 2024 Mineral Resource Estimation of the Dundonald South Deposit considers the three elements nickel, cobalt, and copper. The Mineral Resource Statement, has been determined with the consideration of mineralized material suitable for potential extraction via open pit and material below the open pit suitable for potential extraction via underground methods, reported a cut-off grade of C$52.5/tonne processed and C$96.0/tonne processed, respectively. The Mineral Resource Statement, splitting the resources into Indicated and Inferred categories following CIM (2019; 2014), is provided in Table 14-14 (Class 1 news release dated 3 October 2024).

The cut-off values of NSR as applied in the Mineral Resource Statement, was determined by the Co-Author and QP Simon Mortimer, based on the parameters used for the calculation of the NSR, the operating costs that were taken from projects with similar geological characteristics to the Dundonald South deposit.

Table 14-14. Mineral Resource Statement, Dundonald South Deposit, using NSR cut-off grades.

Dundonald South Resource Category	Tonnage (t)	Grade					Contained Metal		
		Ni (%)	Cu (%)	Co (%)	NiEq (%)	NSR (C$/t)	Ni (klbs)	Cu (klbs)	Co (klbs)
Open Pit ($52.5/t NSR COG)									
Indicated	2,540,000	0.49	0.02	0.01	0.52	103	27,400	911	755
Inferred	3,600,000	0.42	0.01	0.01	0.44	88	33,000	1,110	1,060
Underground (C$96.0/t NSR COG)									
Indicated	200,000	0.95	0.03	0.02	0.99	198	4,210	145	80
Inferred	390,000	0.57	0.02	0.01	0.60	120	4,900	160	120
Total Open Pit and Out-of-Pit (Underground) Resources									
Indicated	2,740,000	0.52	0.02	0.01	0.55	110	31,600	1,060	834
Inferred	3,990,000	0.43	0.01	0.01	0.46	91	38,000	1,300	1,200

Notes to Table 14-14:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting Ltd., working with Caracle Creek Chile SpA. The effective date of the MRE is 1 October 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

6) Geological and block models for the MRE used core assays (497 samples from 2021 drilling) and data and information from 273 surface diamond drill holes (16 from Class 1 Nickel and 257 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Inverse of distance Weighting interpolation method.

8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.90 g/cm^3 (t/m^3).
(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.
(11) The MRE considers a geological dilution of 5% and a mining recovery of 95%.
(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.
(13) Pit-constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.
(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.
(15) The Out-of-Pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the Out-of-Pit (underground) MRE calculation.
(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.
(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

Values in the Mineral Resource Statement have been rounded to 2 significant figures (Inferred) and 3 significant figures (Indicated) as to reflect the uncertainty of the estimation. Highlights of the Mineral Resource Estimate on the Dundonald South Deposit include:

- Indicated Resources (Pit-Constrained*) of 2.54 Mt at 0.49% Ni (27.4 M lbs Ni) – 781% increase in Indicated tonnes and 474% increase in nickel pounds.
- Dundonald South Deposit contains 776,000 t at 1.0% Ni using a 0.67% Ni cut-off (17.1 M lbs nickel).
- Total Mineral Resources within 4 deposits: 3.4 Mt at 0.54% Ni Indicated and 5.9 Mt at 0.61% Ni Inferred.
- 87% of the nickel pounds and 41% of the tonnes (Pit-Constrained + Out-of-Pit) in the Dundonald South Deposit are in the Indicated category with drilling planned to update to Measured.
- With 59% of the Dundonald South Deposit tonnes in the Inferred category there is excellent exploration upside to expand and upgrade resources through additional drilling.
- Like the other 3 nickel deposits within the Project, the Dundonald South Deposit is open along strike and at depth, with new geological modelling and interpretation providing ample targets for next-stage drilling.

Mineral Resources are not mineral reserves as they do not have demonstrated economic viability. The estimate is categorized as Indicated and Inferred mineral resources based on data density, geological and grade continuity, search ellipse criteria, drill hole density and specific interpolation parameters.

14.18 Introduction: Alexo North (2024)

Jobin-Bevans *et al.* (2024a), reported on the updated Alexo North Nickel Sulphide Deposit mineral resource estimate which is summarized in Table 14-15 (Class 1 news release dated 22 May 2024).

The mineral resource estimation of the Alexo North Nickel Sulphide Deposit considers the three elements nickel, cobalt, and copper. The Mineral Resource Statement, has been determined with the consideration of mineralized material suitable for potential extraction via open pit and material below the open pit suitable for potential extraction via underground methods, reported a cut-off grade of C$52.5/tonne processed and C$96.0/tonne processed, respectively (*see* also Notes to Table 14-15). The Mineral Resource Statement, splitting the resources into Indicated and Inferred categories, following CIM (2019; 2014), is provided in Table 14-15 (Class 1 news release dated 22 May 2024).

Table 14-15. Mineral Resource Statement for the Alexo North Deposit (2024) Indicated and Inferred Resources.

Alexo North Resource Category	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	35,100	0.98	0.11	0.04	1.08	205.87	760	83	33
Inferred	500	0.32	0.04	0.02	0.36	68.04	3	0	0
Underground (C$96.0/t NSR COG)									
Indicated	7,500	0.63	0.08	0.03	0.70	133.71	104	12	5
Total Open Pit and Out-of-Pit (Underground) Resources									
Indicated	42,600	0.92	0.10	0.04	1.02	193.16	864	95	38
Inferred	500	0.32	0.04	0.02	0.36	68.04	3	0	0

Notes to Table 14-15:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting S.A.C., working with Caracle Creek Chile SpA. The effective date of the MRE is 21 May 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

(6) Geological and block models for the MRE used core assays (559 samples from 2021 drilling) and data and information from 181 surface diamond drill holes (29 from Class 1 Nickel and 152 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Ordinary Kriging interpolation method.

(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Interpolation methods), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.91 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

(11) The historical open pit mined areas were removed from the MRE and the MRE considers a geological dilution of 5% and a mining recovery of 95%.

(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.

(13) Pit constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.

(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.

(15) The out-of-pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the out-of-pit (underground) MRE calculation.

(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.

(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

The cut-off values of NSR as applied in the Mineral Resource Statement, were determined by the Co-Author and QP Simon Mortimer, based on the parameters used for the calculation of the NSR, the operating costs that were taken from projects with similar geological characteristics to the Alexo North deposit.

Values in the Mineral Resource Statement have been rounded to 2 and 3 significant figures as to reflect the uncertainty of the estimation. Highlights of the Mineral Resource Estimate on the Alexo North Deposit include (Class 1 news release dated 22 May 2024):

- Indicated Resources, open pit and out-of-pit (underground), of 42,600 t at 0.92% Ni (864k lbs Ni) – 63% increase in Indicated tonnes and 8% increase in nickel pounds.
- Inferred Resources, open pit and out-of-pit, (underground) of 500 t at 0.32% Ni (3k lbs Ni) – 100% increase in Inferred tonnes and 100% increase in nickel pounds.
- 99.6% of the nickel pounds and 99% of the tonnes in Alexo North Deposit Mineral Resource Estimate are in the Indicated category with drilling planned to update to Measured.
- With only 1.0% of the Alexo North Deposit tonnes in the Inferred category there is excellent exploration upside to expand and upgrade resources through additional drilling.
- Alexo North Deposit, one of the 4 deposits on the Alexo-Dundonald Property, is open along strike, with the new geological model and interpretation providing ample targets for next-stage drilling.

Mineral Resources are not mineral reserves as they do not have demonstrated economic viability. The estimate is categorized as Indicated, and Inferred mineral resources based on data density, geological and grade continuity, search ellipse criteria, drill hole density and specific interpolation parameters.

14.19 Introduction: Alexo South (2024)

Jobin-Bevans *et al.* (2024b), reported on the updated Alexo South Nickel Sulphide Deposit mineral resource estimate which is summarized in Table 14-16 (Class 1 news release dated 24 April 2024).

Table 14-16. Mineral Resource Statement, Alexo South Deposit, using NSR cut-off grade.

Alexo South Resources	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	275,000	0.58	0.02	0.02	0.62	123	3,490	133	133
Underground (C$96.0/t NSR COG)									
Indicated	297,000	0.65	0.03	0.02	0.69	139	4,240	190	157
Inferred	130,000	0.54	0.03	0.02	0.58	116	1,500	75	52
Total Open Pit and Out-of-Pit (Underground) Resources									
Indicated	572,000	0.61	0.03	0.02	0.66	131	7,730	323	290
Inferred	130,000	0.54	0.03	0.02	0.58	116	1,500	75	52

Notes to Table 14-16:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting S.A.C., working with Caracle Creek Chile SpA. The effective date of the MRE is 19 April 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

(6) Geological and block models for the MRE used core assays (2,254 samples from 2021 drilling and 178 samples from 2024 in-fill core sampling) and data and information from 181 surface diamond drill holes (29 from Class 1 Nickel and 152 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Ordinary Kriging interpolation method.

(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Interpolation methods), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.89 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

(11) The historical open pit mined areas were removed from the MRE and the MRE considers a geological dilution of 5% and a mining recovery of 95%.

(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.

(13) Pit constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.

(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.

(15) The out-of-pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the out-of-pit (underground) MRE calculation.

(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.

(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

The cut-off values of NSR as applied in the Mineral Resource Statement, were determined by the Co-Author and QP Simon Mortimer, based on the parameters used for the calculation of the NSR, the operating costs that were taken from projects with similar geological characteristics to the Alexo South deposit.

Values in the Mineral Resource Statement have been rounded to 2 and 3 significant figures as to reflect the uncertainty of the estimation. Highlights of the Mineral Resource Estimate on the Alexo South Deposit include (Class 1 news release dated 24 April 2024):

- Indicated Resources (open pit and out-of-pit*) of 572 kt at 0.61% Ni (7.7M lbs Ni) – 44% increase in Indicated tonnes and 10% increase in nickel pounds.
- Inferred Resources (open pit and out-of-pit*) of 130 kt at 0.54% Ni (1.5M lbs Ni) – 693% increase in Inferred tonnes and 419% increase in nickel pounds.
- 84% of the nickel pounds and 82% of the tonnes in Alexo South Deposit Mineral Resource Estimate are in the Indicated category with drilling planned to update to Measured.
- With only 18% of the Alexo South Deposit tonnes in the Inferred category there is excellent exploration upside to expand and upgrade resources through additional drilling.

- Alexo South Deposit, one of 4 deposits on the Alexo-Dundonald Property, is open along strike and at depth, with the new geological model and interpretation providing ample targets for next-stage drilling.

Mineral Resources are not mineral reserves as they do not have demonstrated economic viability. The estimate is categorized as Indicated, and Inferred mineral resources based on data density, geological and grade continuity, search ellipse criteria, drill hole density and specific interpolation parameters.

14.20 Introduction: Dundonald North (2020)

The following sections (sections 14.20.1 to 14.20.12) are partial extractions from Stone *et al.* (2020), presenting the current (2020) mineral resource estimate for the Dundonald North (D-N) Nickel Deposit. Details for the D-N mineral resource estimate are provided in Stone *et al.* (2020) in section 14.2 – Dundonald Deposits.

The D-N deposit mineral resource estimate was competed in compliance with NI 43-101 and CIM standards (CIM, 2014, 2019). The mineral resource was completed by Eugene Puritch (P.Eng. FEC, CET) and Yungang Wu (P.Geo.) of P&E Mining Consultants Inc. (Brampton, Ontario), with an effective date of 1 December 2020.

The QP Simon Mortimer has reviewed the D-N mineral resource estimate completed by Stone *et al.* (2020), validated them using Leapfrog and Micromine software, and finds the methodologies and interpretations used to calculate the D-N resources to have generated reasonable estimations of the D-N deposit.

14.20.1 Dundonald North: Database

All drilling data and information for the D-N Deposit was provided by Class 1 Nickel in the form of Excel files. All data are expressed in metric units and grid coordinates are in the UTM NAD83 Zone 17 North system, unless indicated otherwise (Stone *et al.*, 2020). A GEOVIA GEMS™ V6.8.2 database for the D-N mineral resource estimate, compiled by P&E Mining Consultants, consisted of 96 drill holes totalling 27,402 m, of which a total of 38 drill holes (totalling 15,184 m) intersected the Dundonald North mineralization wireframes. One un-assayed drill hole was not utilized for this estimate. Basic statistics of all raw assays for the elements of economic interest are presented in Table 14-17.

Table 14-17. Dundonald North Deposit basic statistics of all raw core assays (Stone *et al.*, 2020).

Variables	Ni (%)	Cu (%)	Co (%)	Au (ppm)	Pt (ppb)	Pd (ppb)	Length (m)
No of Samples	3,850	3,164	2,795	2,631	266	266	4,870
Minimum	0.0001	0.0001	0.0001	0.002	1	1	0.08
Maximum	8.08	3.56	0.32	2.11	710	1,320	5.79
Mean	0.17	0.06	0.01	0.02	59	113	1.12
Variance	0.16	0.05	0.00	0.01	10,304	33,074	0.28
Std Dev	0.41	0.22	0.02	0.08	102	182	0.52
Coeff. of Variation	2.42	4.01	1.66	3.56	1.73	1.60	0.47
Median	0.09	0.01	0.01	0.01	11.00	36.00	1.00
Skewness	10.24	8.98	8.97	16.17	3.47	2.99	1.64
Kurtosis	147.22	99.17	115.32	322.68	15.11	11.99	8.96

A drill hole plan for Dundonald North is shown in Figure 14-19. The drill hole database contained assays for Ni, Cu, Co, Au, Pt and Pd and other lesser elements of non-economic importance.

14.20.2 Domain Interpretation

Domain boundaries were determined from lithology, structure and NSR boundary interpretation from visual inspection of drill hole cross-sections. Two domains were developed for Dundonald North. These domains were created with computer screen digitizing on drill hole cross-sections in GEMS. The outlines were influenced by the selection of mineralized material that demonstrated NSR value >C$30/t, and zonal continuity along strike and down-dip. In some cases, mineralization less than the NSR cut-off was included to maintain zonal continuity and 2.0 metre minimum core length. The NSR value was calculated with the formula:

NSR C$/t = [(Ni% x 161.28) + (Cu% x 64.09) + (Co% x 99.94) + (Au g/t x 25.55) +

(Pt g/t x 15.26) + (Pd g/t x 28.12)-20.83] x 0.98

On each cross-section, polyline interpretations were digitized from drill hole to drill hole, but not extended more than 50 m into untested territory. Minimum constrained width for interpretation was 2.0 m of core length.

The interpreted polylines from each cross-section were "wireframed" in GEMSTM into 3D wireframe domains. The wireframes were then clipped against topography and overburden surfaces. The resulting domains were used for statistical analysis, grade interpolation, rock coding and mineral resource reporting purposes (*see* Stone *et al.*, 2020 – Appendices J and R). The topography and overburden surfaces were created using drill hole collars and geology core logs from the drill holes (Stone *et al.*, 2020).

14.20.3 Rock Code Determination

The rock codes used for the Mineral Resource model were assigned to each mineralized domain that was developed to constrain grade block model limits. The rock codes are presented in Table 14-18.

Table 14-18. Rock code descriptions and geometric volume, Dundonald North Deposit (Stone *et al.*, 2020).

Deposit	Domain	Rock Code	Volume (m^3)
Dundonald North	Main	140	1,252,486
	FW	150	856,008

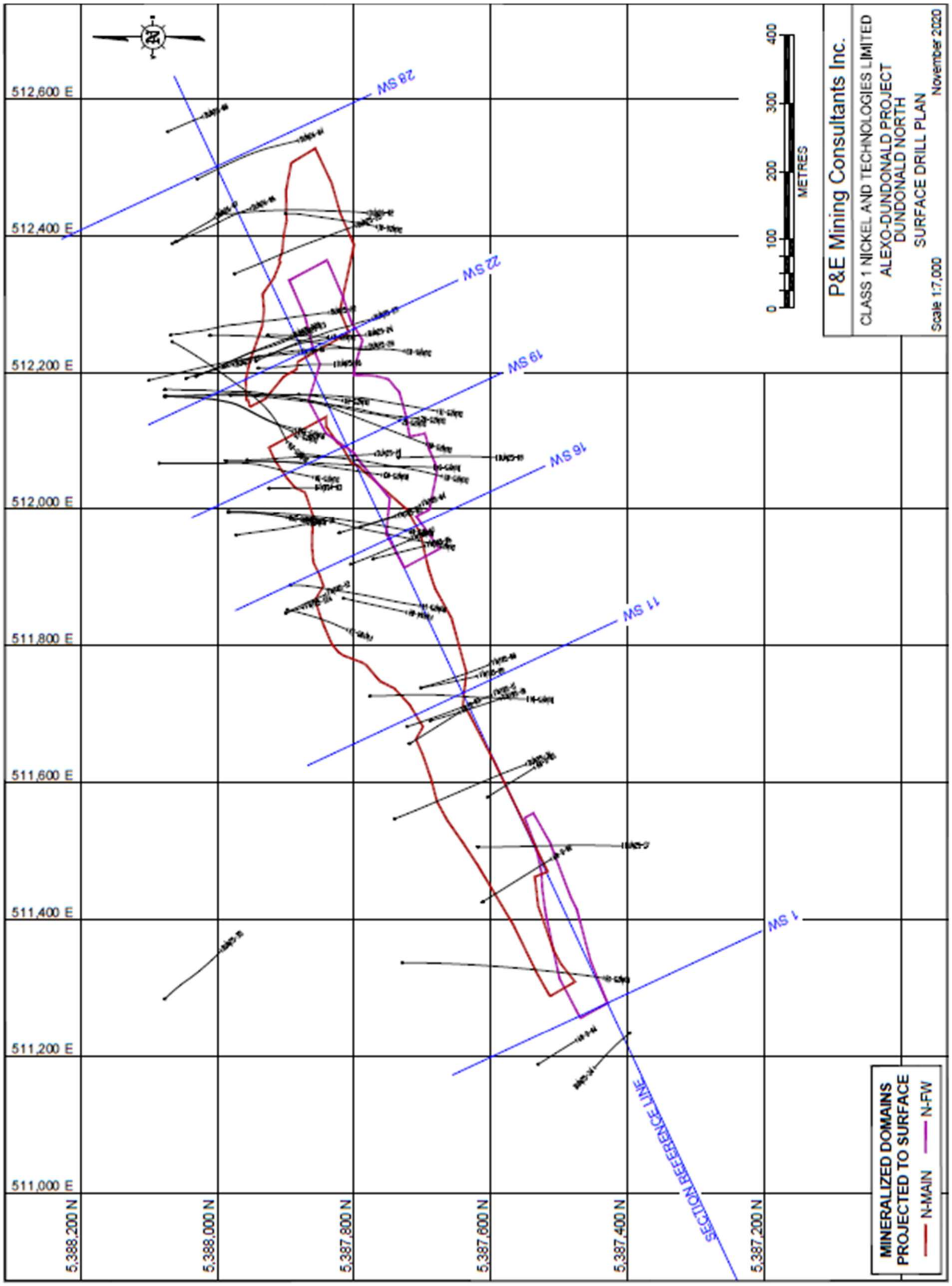


Figure 14-19. Surface drill hole plan map showing drill holes used in the Dundonald North mineral resource estimate (Stone *et al.*, 2020).

14.20.4 Composites

The average sample length was 0.87 m for the D-N Deposit. There were only 11 out of 274 constrained samples that were analyzed Au, Pt and Pd for D-N.

Length-weighted composites were generated for the drill hole data that fell within the constraints of the above-mentioned wireframed domains. These composites were calculated for Ni, Cu, Co, Au, Pt and Pd over 1.0 m lengths, starting at the first point of intersection between assay data hole and hanging wall of the 3-D wireframe constraint. The compositing process was halted on exit from the footwall of the wireframe constraint. Un-assayed intervals were given a 0.001 value. For any composites <0.25 m in length, the composite length was adjusted to make all intervals of the hole equal in length, to not introduce any short sample bias in the grade interpolation process. The average composite length was 1.0 m with a range of 0.83 m to 1.25 m for Dundonald North. The composite data were transferred to GEMS extraction files for the grade interpolation. The basic statistics of the composites and lengths for the D-N Deposit are in Table 14.13, in Stone *et al.* (2020).

14.20.5 Grade Capping

The basic statistics of the D-N mineral resource wireframe constrained raw assays are found in Table 14.12, in Stone *et al.* (2020). Grade capping was investigated on the 1.0 m composite values in the mineralized domains to ensure that the possible influence of erratic high values did not bias the database. Point area files were created for constrained Ni, Cu, Co, Au, Pt and Pd data within each mineralized domain. From these files, log-normal histograms were generated (*see* Stone *et al.*, 2020 - Appendix K and S). Grade capping was not required for Cu, Co, Au, Pt and Pd for all domains. The capped values for Ni in the D-N Deposit are reported in Table 14.14 and the basic statistics of capped composites are in Table 14.15, in Stone *et al.* (2020).

14.20.6 Variography

Variography was attempted on each mineralized domain of the deposit model using the capped Ni composites. There were not enough data points from the Dundonald North data to generate a robust variograms model.

14.20.7 Bulk Density

The bulk density used for the D-N mineral resource model was derived from measurements performed by AGAT Laboratories on ninety representative samples collected by Antoine Yassa (P.Geo.). The resulting average bulk density was 2.85 t/m^3.

14.20.8 Block Modelling

The Dundonald North block model was constructed using GEOVIA GEMS V6.8.2 modelling software, and the block model origin and block size are tabulated in Table 14-19. Separate block models were created for rock type, bulk density, volume percent, class, Ni, Cu, Co Au, Pt, Pd and NSR.

Table 14-19. Block model definitions for the Dundonald North deposit (Stone *et al.*, 2020).

Deposit	Direction	Origin	No. of Blocks	Block Size (m)
Dundonald North	X	511.224	996	2
	Y	5,386.86	990	1
	Z	330	400	2
	Rotation	counter-clockwise 25 degrees		

The volume percent block model was set up to accurately represent the volume and subsequent tonnage occupied by each block inside each constraining domain. As a result, the domain boundaries were properly represented by the volume percent model ability to measure infinitely variable inclusion percentages within a particular domain.

The Ni, Cu, Co Au, Pt and Pd composites were extracted from the Microsoft Access database composite table into a point areas file that represented each Mineralized Zone. Inverse Distance Squared (ID2) grade interpolation was utilized for all elements. Multiple passes were executed for the grade interpolation to progressively capture the sample points, to avoid over-smoothing and preserve local grade variability. Resulting Ni and NSR blocks overlain on block model cross-sections and plans are found in Stone *et al.* (2020) - Appendices T and U. Grade blocks within the domain were interpolated using the parameters listed in Table 14-20.

Table 14-20. Parameters used in the interpolation of the grade blocks within the domains of the Dundonald North deposit (Stone *et al.*, 2020).

Deposit	Pass	Strike Range (m)	Down-Dip Range (m)	Across-Dip Range (m)	Max. No. Samples/Hole	Min. No. Samples	Max. No. Samples
Dundonald North	I	45	45	15	2	4	12
	II	180	60	1180	2	2	12

14.20.9 Mineral Resource Classification

For the purposes of this Mineral Resource, classifications of all interpolated grade blocks were determined from the Ni interpolations for Indicated and Inferred due to Ni being the dominant revenue producing element in the NSR calculation. Inferred Resources were classified for the Dundonald North Deposit.

14.20.10 NSR Calculation and Cut-off

The D-N Mineral Resource Estimate was derived from applying an NSR cut-off value to the block model and reporting the resulting tonnes and grade for potentially mineable areas. The following calculations demonstrate the rationale supporting the NSR cut-off value that determines the potentially economic portion of the mineralized domains. NSR Calculation Parameters (all currency CAD unless stated otherwise) shown in Table 14-21 were derived from other projects similar to the Dundonald North deposit (Stone *et al.*, 2020). The formula used to calculate the NSR is as follows:

NSR C$/t = [(Ni% x 161.28) + (Cu% x 64.09) + (Co% x 99.94) + (Au g/t x 25.55) + (Pt g/t x 15.26) + (Pd g/t x 28.12)-20.83] x 0.98

In the anticipated open pit portion of the D-N Deposit, the mineralized material crushing, transport, processing and G&A costs combine for a total of ($2 + $6 + $20 + $2) = C$30/t processed which became the pit constrained NSR cut-off value.

Table 14-21. NSR cut-off value parameters - all currency CAD unless stated otherwise (Stone *et al.*, 2020).

$C/$US Exchange Rate 0.75
Ni Price ....US$7.35/lb (Consensus Economics long-term lowest)
Cu Price ....US$3.00/lb (Aug 31/20 approx. two-year trailing average)

Co Price	US$20/lb (Aug 31/20 approx. two-year trailing average)
Au Price	US$900/oz (Aug 31/20 approx. two-year trailing average)
Pt Price	US$900/oz (Aug 31/20 approx. two-year trailing average)
Pd Price	US$1,650/oz (Aug 31/2020 approx. two-year trailing average)
Ni Flotation Recovery	89%
Cu Flotation Recovery	90%
Co Flotation Recovery	40%
Au Flotation Recovery	50%
Pt Flotation Recovery	50%
Pd Flotation Recovery	50%
Concentration Ratio	16:1
Ni Smelter Payable	90%
Cu Smelter Payable	85%
Co Smelter Payable	50%
Au Smelter Payable	80%
Pt Smelter Payable	80%
Pd Smelter Payable	80%
Ni Refining Charges	US$0.50/lb
Cu Refining Charges	US$0.15/lb
Co Refining Charges	US$3.00/lb
Au Refining Charges	US$10.00/oz
Pt Refining Charges	US$10.00/oz
Pd Refining Charges	US$10.00/oz
Ni Smelter Treatment Charges	US$250/t

For the constrained mineralization in the Dundonald North Deposit to be considered as an open pit mineral resource that is potentially economic, a first-pass pit optimization was carried out utilizing the criteria in Table 14-22. **The Dundonald North Deposit was not capable of supporting a potentially economic constrained pit; however, out-of-pit Mineral Resources are reportable for the Dundonald North Deposit.**

Table 14-22. Criteria used in the First-Pass pit optimization, Dundonald North Deposit (Stone *et al.*, 2020).

Waste mining cost per tonne	C$2.75
Mineralized material mining cost per tonne	C$3.50
Overburden mining cost per tonne	C$2.00
Mineralized material crushing cost per tonne	C$2.00
Mineralized material transport to process plant cost per tonne	C$6.00
Process cost per tonne	C$20.00
General & Administration cost per processed tonne	C$2.00
Process production rate (tonnes per year)	250,000
Pit slopes (inter ramp angle)	50 degrees

Sulphide Bulk Density ....3.11 t/m^3
Waste Rock Bulk Density ....2.80 t/m^3
Overburden Bulk Density ....1.80 t/m^3

In the anticipated out-of-pit (underground) resources for the Dundonald North Deposit, the mineralized material mining, crushing, transport, processing and G&A costs combine for a total of ($58 + $2 + $6 + $20 + $4) = C$90/t processed.

14.20.11 Mineral Resource Estimate

The resulting Mineral Resource Estimate (out-of-pit) for D-N is presented in Table 14-23 (Stone *et al.*, 2020).

Table 14-23. The Mineral Resource Estimate for the Dundonald North deposit (Stone *et al.*, 2020).

Dundonald North Resource Category	NSR Cut-off (C$/t)	Tonnes (k)	Ni (%)	Cu (%)	Co (%)	Au (g/t)	Pt (g/t)	Contained Ni (k lbs)	Contained Cu (k lbs)	Contained Co (k lbs)
Inferred (Out-of-Pit)	$90.0	1,821	1.01	0.03	0.02	0.01	0.01	41,000	1,200	800

Notes to Table 14-23:

1) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.
2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
4) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council (2014)
5) The out-of-pit (underground) Mineral Resource grade blocks were quantified above the $90/t NSR cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The Longhole stoping with backfill mining method was assumed for the out-of-pit Mineral Resource Estimate calculation.

14.20.12 Confirmation of the Mineral Resource Estimate

The block models were validated using several industry standard methods including visual and statistical methods; Table 14.19, Table 14.20 and Figures 14.5 to 14.8 are found in Stone *et al.*, (2020):

- Visual examination of composites and block grades on successive plans and sections were performed on-screen to confirm that the block models correctly reflect the distribution of composite grades. The review of estimation parameters included:
    - Number of composites used for estimation.
    - Number of drill holes used for estimation.
    - Mean distance to sample used.
    - Number of passes used to estimate grade.
    - Mean value of the composites used.

- Comparisons of mean grade of composites within the block models at a 0.001% Ni cut-off.

The differences of the average grades between block models and capped composites used for the grade interpolations are most likely due to the smoothing by the grade interpolation process. The block model values will be more representative than the composites due to 3D spatial distribution characteristics of the block models.

- A volumetric comparison was performed with the block model volume versus the geometric calculated volume of the domain solids (Table 14.20 in Stone *et al.*, 2020).
- Comparisons of the grade-tonnage curve of the Ni grade model interpolated with Inverse Distance Squared ("ID2") and Nearest Neighbour ("NN") on a global resource basis for Dundonald North were completed (Figure 14.5 in Stone *et al.*, 2020).
- Ni local trends were evaluated by comparing the ID2 and NN estimate against Ni Composites and Ni grade interpolations with ID2 and NN agreed well for the Dundonald North Deposit (Figures 14.6 to 14.8 in Stone *et al.*, 2020).

14.21 Mineral Resource Estimates Summary

The Mineral Resource Estimates summary for the Alexo North and Alexo South deposits and the Dundonald North and Dundonald South deposits is presented in Table 14-24. The four deposits, at a nickel grade of approximately 1.0% Ni, are summarized at various nickel cut-off grades in Table 14-25.

Table 14-24. Summary of the four Mineral Resource Estimates located in the Alexo-Dundonald Nickel Sulphide Project.

Deposit	Resource Category	NSR Cut-Off	Tonnage (t)	Grade					Contained Metal		
				Ni (%)	Cu (%)	Co (%)	NiEq (%)	NSR (C$/t)	Ni (klbs)	Cu (klbs)	Co (klbs)
Pit-Constrained											
Alexo North	Indicated	C$52.5/t	35,100	0.98	0.11	0.04	1.08	205.9	759	83	33
	Inferred	C$52.5/t	500	0.32	0.04	0.02	0.36	68.0	3	0	0
Alexo South	Indicated	C$52.5/t	275,000	0.58	0.02	0.02	0.62	123.4	3,490	133	133
Dundonald South	Indicated	C$52.5/t	2,540,000	0.49	0.02	0.01	0.52	103.0	27,400	911	755
	Inferred	C$52.5/t	3,600,000	0.42	0.01	0.01	0.11	88.0	33,000	1,100	1,100
Total:	Indicated		2,850,100	0.50	0.02	0.01	0.53	106.0	31,700	1,130	921
Total:	Inferred		3,600,000	0.42	0.01	0.01	0.44	88.0	33,000	1,100	1,100
Out-of-Pit (Underground)											
Alexo North	Indicated	C$96.0/t	7,500	0.63	0.08	0.03	0.70	133.7	105	12	5
Alexo South	Indicated	C$96.0/t	297,000	0.65	0.03	0.02	0.69	138.7	4,240	190	157
	Inferred	C$96.0/t	130,000	0.54	0.03	0.02	0.58	116.1	1,500	75	52
Dundonald North	Inferred	C$90.0/t	1,821,000	1.01	0.03	0.02	-	-	41,000	1,200	800
Dundonald South	Indicated	C$96.0/t	200,000	0.95	0.03	0.02	0.99	198.0	4,210	145	80
	Inferred	C$96.0/t	390,000	0.57	0.02	0.01	0.60	120.0	4,900	160	120
Total:	Indicated		504,500	0.77	0.03	0.02	0.81	162.0	8,560	347	242
Total:	Inferred		2,341,000	0.91	0.03	0.02	0.60	120.0	47,000	1,400	980
Totals Pit-Constrained and Out-of-Pit (Underground) Resources											
Total:	Indicated		3,354,600	0.54	0.02	0.01	0.58	115.0	40,200	1,470	1,160
Total:	Inferred		5,941,000	0.61	0.02	0.01	0.50	100.0	80,000	2,600	2,000

Note: data has been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

Table 14-25. Summary of the four nickel sulphide deposits at approximately 1.0% Ni using various %Ni cut-offs.

Deposit	Type	Ni (%) Cut-Off	Grade (% Ni)	Tonnage (t)
Dundonald South	Pit-Constrained	0.67	1.00	776,000
[1]Dundonald North	Global (no pit)	0.19	1.01	1,820,000
Alexo South	Pit-Constrained	0.52	1.00	77,700
Alexo North	Pit-Constrained	0.28	1.00	35,900
		Total:	**1.01**	**2,710,000**

[1]cut-off grade calculation based on data provided by Stone *et al.* (2020).

15.0 MINERAL RESERVES

This section is not applicable to the Project at its current stage.

16.0 MINING METHODS

This section is not applicable to the Project at its current stage.

17.0 RECOVERY METHODS

This section is not applicable to the Project at its current stage.

18.0 PROJECT INFRASTRUCTURE

This section is not applicable to the Project at its current stage.

19.0 MARKET STUDIES AND CONTRACTS

This section is not applicable to the Project at its current stage.

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This section is not applicable to the Project at its current stage.

21.0 CAPITAL AND OPERATING COSTS

This section is not applicable to the Project at its current stage.

22.0 ECONOMIC ANALYSIS

This section is not applicable to the Project at its current stage.

23.0 ADJACENT PROPERTIES

National Instrument 43-101 defines an “adjacent property” as a property: (a) in which the issuer does not have an interest; (b) that has a boundary reasonably proximate to the property being reported on; and (c) that has geological characteristics similar to those of the property being reported on.

The Authors (QPs) are not aware of any immediately adjacent properties which would impact the current Project or augment this Report in any way.

24.0 OTHER RELEVANT DATA AND INFORMATION

Historical production from komatiite-associated Ni-Cu-(PGE) deposits around the Shaw Dome and Dundonald Dome dates to 1912 (Table 24-1), with numerous sulphide deposits delineated (Table 24-2). Locations of some of the deposits listed in Table 24-1 and Table 24-2 are shown in Figure 24-1. Although komatiite-associated nickel sulphide deposits are relatively difficult to discover, they do tend to occur in clusters and their high nickel grade (*see* Figure 8-2), make them very attractive nickel sulphide exploration targets.

The QP and the Company are treating the information in Table 24-1 and Table 24-2 as historical and not compliant with NI 43-101. This information has not been independently verified by a QP and historical mineral resources should not be relied upon.

The Authors (QPs) are not aware of any other information or explanations necessary to make this Report understandable and not misleading.

Table 24-1. Timmins area deposits and their historical production statistics (Harron, 2009).

Deposit / Mine Name	Township	Discovery (approx.)	Production Years	Ore Milled (t)	Ni-Cu Grade (%)
Langmuir #1	Langmuir	1959-1960	1990-91	101,132	1.74% Ni
Langmuir #2	Langmuir	1959-1960	1972-78	1,133,750	1.45% Ni
Redstone	Eldorado	1961	1989-92	267,470	2.4% Ni (0.5%Cu)
	-	-	1995-96	9,277	1.7% Ni
	-	-	2007-08	103,570	3.0% Ni
Alexo North	Dundonald	1907	1912-19	47,034	4.5%Ni (0.55% Cu)
	-	-	1943-44	4,465	4.5% Ni (0.70% Cu)
	-	-	2004-05	26,224	1.97% Ni (0.20% Cu)
Alexo South (Kelex)	Dundonald	1996-99	2004-05	3,900	1.68% Ni (0.18% Cu)
Texmont	Geikie	1949-55	1971-72	178,500	0.85-1.35% Ni

*production tonnes/tons and grades estimated is based on several sources including Harron (2009)

Table 24-2. Timmins area nickel sulphide deposits (Inferred, Indicated and Measured Resources) (Harron, 2009).

Deposit	Township	Tonnage (t)	Grade (% Ni)	Category	Notes
Langmuir # 1	Langmuir	127,000	2.21% Ni	Inferred	Timmins Nickel Ann Rept. 1991
Langmuir # 2	Langmuir	255,000	1.20% Ni	Inferred	Timmins Nickel Ann Rept. 1991
Langmuir North	Langmuir	454,000	1.20% Ni	Inferred	Timmins Nickel Ann Rept. 1991
Langmuir South	Langmuir	181,400	1.50% Ni	Inferred	Timmins Nickel Ann Rept. 1991
McWatters	Langmuir	714,900	0.94% Ni	Indicated	Liberty P.R., Apr. 2, 2008
	Langmuir	13,800	3.39% Ni	Inferred	Liberty P.R., Apr. 2, 2008
Hart	Eldorado	1,440,000	1.5% Ni	Indicated	Liberty P.R., Jun. 23, 2008

Deposit	Township	Tonnage (t)	Grade (% Ni)	Category	Notes
Redstone	Eldorado	300,000	1.36% Ni	Inferred	Liberty P.R., Jun. 23, 2008
	Eldorado	274,000	2.64% Ni	Measured	Liberty P.R. July 11, 2007
	Eldorado	144,800	1.70% Ni	Indicated	Liberty P.R. July 11, 2007
Texmont	Geikie	3,190,000	0.92% Ni	Inferred	Prior to production (Coad, 1979)
Dundonald South	Dundonald	750,000	1.50% Ni	Inferred	Falconbridge, 1975

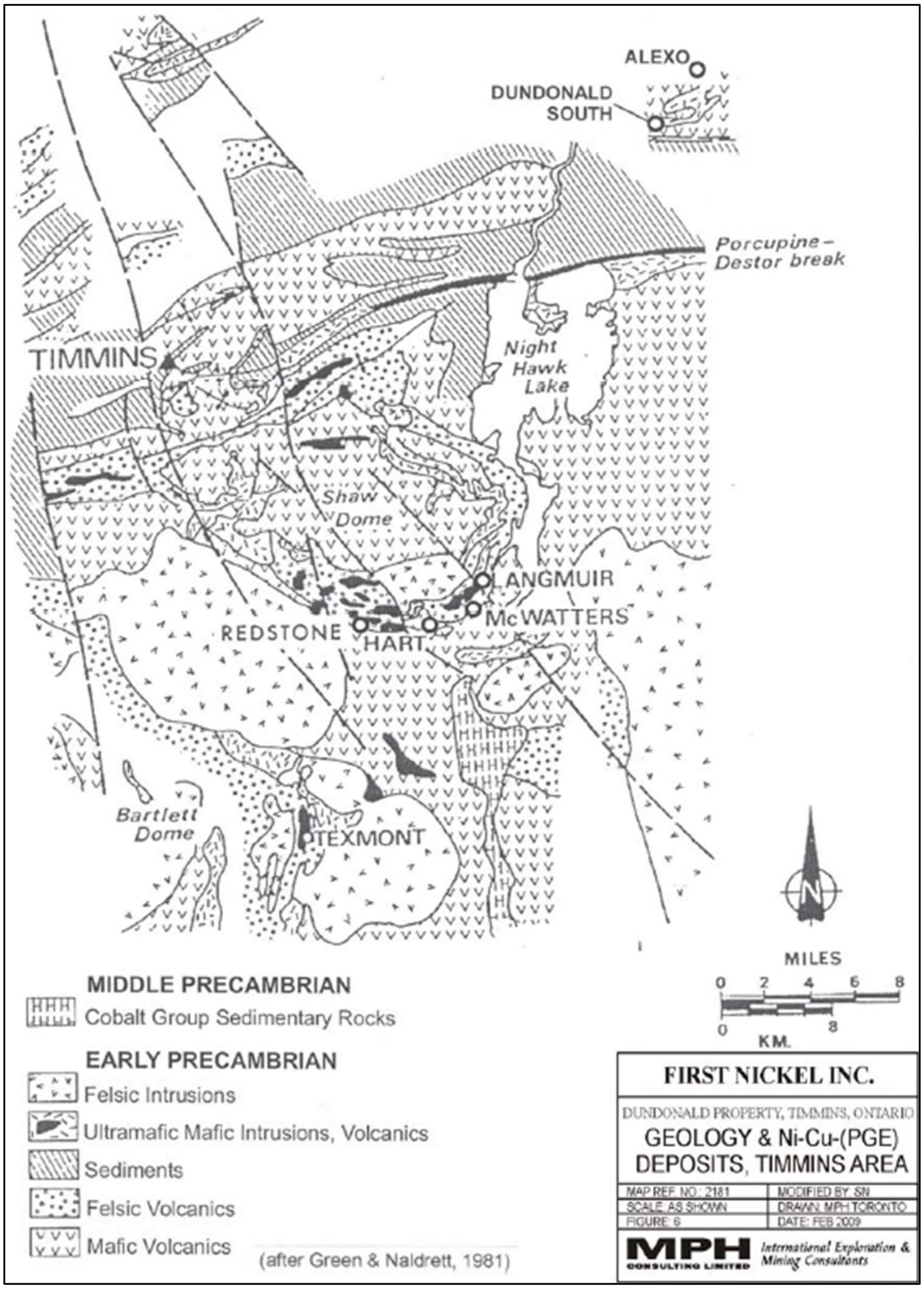


Figure 24-1. Geology and Ni-Cu-(PGE) deposits in the Timmins Region (map after Green and Naldrett, 1981) (Harron, 2009).

25.0 INTERPRETATION AND CONCLUSIONS

The objective of this Report was to prepare an independent NI 43-101 Technical Report, capturing historical and current information and data available about the Alexo-Dundonald Nickel Sulphide Project and an updated Mineral Resource Estimate for the Dundonald South Nickel Sulphide Deposit, providing interpretation and conclusions, and making recommendations for future work.

25.1 Property Description

The Alexo-Dundonald Project is located approximately 45 km northeast of the City of Timmins, in the townships of Clergue, Dundonald, German and Stock. The centre of the Project is located at approximately longitude 80°49' W and latitude 48°38' N and UTM NAD83 Zone 17N, 513,460 mE and 5,387,700 mN.

The Property consists of 109 cell claims: 100 Single Cell Mining Claims, 6 Boundary Cell Mining Claims, and 3 Multi-Cell Mining Claims, along with 29 patented claims, and 14 mineral leased claims (together 1,653 ha). The 109 SCMC, BCMC, and MCMC lands cover approximately 1,440 hectares. The majority of these titles occur totally or partially in Dundonald and Clergue townships, with 24 mining claims totally or partially in the adjoining German Township and 3 mining claims partially in Stock Township. These 109 mining claims, together with the patents and leases, cover a total area of 3,093 hectares.

25.2 Target Deposit Type

The Property contains komatiite-hosted nickel-copper-platinum group metals sulphide mineralization, Type I Kambalda-style (Lesher and Keys, 2002).

Kambalda-style deposits are described as 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, 10s to 100s of metres in down-dip extent, and metres to 10s of metres in thickness; **generally on the order of a million tonnes (usually <1Mt) with nickel grades that are typically much greater than 1.0% Ni; tend to occur in clusters (*e.g.*, Alexo-Dundonald, Ontario; Langmuir, Ontario; Redstone, Ontario; Thompson, Manitoba; Raglan, Quebec).**

25.3 Geology and Mineralization

The Dundonald dome structure is located north of the Dester-Porcupine Fault Zone. The two Alexo and two Dundonald Deposits occur along the southern margin of this domal structure, which is composed predominantly of upper Kidd-Munro Assemblage volcanic rocks including: komatiitic dunite, peridotite, and pyroxenite; basalts which range from high-magnesium iron-rich tholeiitic picrite to high-aluminium basalts; and intermediate to felsic andesite and rhyolite. Sedimentary rocks are commonly thin interflow layers of graphitic argillite with varying amounts of chert and sulphides.

Ultramafic rocks range in composition from komatiitic basalt to dunite. The komatiitic sequences contain multiple flows that range from several hundreds of metres to less than 2.0 m in thickness and have brecciated flow tops, spinifex-textured zones and pyroxene and olivine orthocumulate, mesocumulate and adcumulate zones. Large accumulations of olivine mesocumulate to adcumulate occur within the komatiitic sequence locally where they are prospective channelized flows within footwall embayments. Thin layers of graphitic argillite occur between thin komatiitic flows locally.

The Alexo-Dundonald Project contains the Alexo North, Alexo South, Dundonald South and Dundonald North nickel sulphide deposits. The komatiite nickel sulphide deposits occur at the same stratigraphic level where komatiitic flows overlie a sequence of calc-alkaline volcanic rocks ranging in composition from rhyolite to basalt containing variable amounts of pyrite and pyrrhotite. The volcanic sequence also contains komatiitic basalt and thin (<1.0 m) intercalated layers of black graphic argillite. The sequence is a mixture of flows with pillowed, hyaloclastic and massive textures. Individual flows that can be traced for tens to hundreds of metres.

The Dundonald Sill (not related to the Dundonald Nickel Deposit) is a differentiated tholeiitic intrusion emplaced within a sequence of komatiitic and calc-alkaline felsic volcanic rocks. The sill comprises basal peridotite which grades upwards to dunite olivine mesocumulate, adcumulate to pyroxenitic cumulate with diopside and olivine phenocrysts, and a thick sequence of fine- to coarse-grained gabbro. The gabbro portion of the sill is the thickest part.

The laterally extensive disseminated sulphides can be separated into two groups. The first group is the net-textured to heavily disseminated sulphides. The nickel tenor of the sulphides range between 4% and 15% Ni in 100% sulphide, and generally averages 6% Ni. The second type of sulphide mineralization is blebby, disseminated and vein sulphide located west of and stratigraphically above the Kelex Zone (Alexo South). These sulphides have a high nickel tenor that ranges between 25% and 35% Ni in 100% sulphides and are composed primarily of pentlandite and a grey nickel mineral (possibly millerite) with minor pyrrhotite. These sulphides appear to have been enriched in nickel during the serpentinization process.

25.4 Historical Exploration Work

Exploration efforts of the last 30+ years were focused mainly on the development of relatively shallow drilling of the Alexo North (formerly Alexo), Alexo South (formerly Kelex), Dundonald South and Dundonald North (formerly “Dundeal”) nickel deposits for estimation of new nickel mineralization.

Most of the historical drill holes penetrated to less than 100 m vertical depth below surface on approximate 15 metre-spaced drill sections. There has also been very little drilling outside the immediate proximity of the four Alexo-Dundonald Deposits. The bulk of the drilling was completed by Canadian Arrow Mines Ltd. from 2004 to 2011 on the Alexo North and Alexo South Deposits and by First Nickel Inc. from 2004 to 2005 on the Dundonald North and South Deposits. Class 1 possesses the majority of the important drill core intercepts from these drilling programs. There has also been limited regional geophysical surveys over the Project area.

Prior to Class 1 Nickel consolidating the tenements under single ownership as the Alexo-Dundonald Project, the Project area was previously divided into the Alexo-Kelex Project and the Dundonald Project. With the consolidation, the Alexo and Kelex Mines were renamed Alexo North and Alexo South, respectively. The Dundeal Zone is now referred to as Dundonald North.

Previous exploration activity and results in the Alexo-Dundonald Project area have been extensively reviewed and documented in NI 43-101 technical reports prepared by Montgomery (2004), Harron (2009), and Puritch *et al.* (2010, 2012). The last historical drilling on the Property was that reported by Puritch *et al.* (2012) on the Alexo Deposits, and Harron (2009) on the Dundonald Deposits.

Diamond drilling has been completed by previous operators Falconbridge Limited (1960-2000), Outokumpu (1997), Hucamp Mines (2001), First Nickel (2004-2007), and Canadian Arrow Mines (2004-2011).

25.4.1 Historical Production

The Alexo North Deposit has been mined during three periods: (1) 1913–1919: Surface and underground mining for production of 51,857 tons at 4.4% Ni, 0.6% Cu between surface and 38 m depth; (2) 1943–1944: Mining of remnants and pillars from previous 1913–1919 mine workings; exact figures are not known; and (3) 2004–2005: Open pit mining of 26,224 t at 1.97% Ni and 0.20% Cu. Small-scale open pit mining of the Alexo South Deposit in 2004-2005 produced 3,900 t at 1.68% Ni and 0.18% Cu. The Dundonald Deposits have never been mined.

25.5 Exploration

Between May 2019 and December 2021, Class 1 conducted an extensive surface exploration program on the Property, consisting of a VTEM airborne geophysical survey (entire property), diamond drilling (Phase 1), and 3D borehole EM surveys in selected drill holes.

25.6 Diamond Drilling

From 19 April to 24 December 2021, 89 drill holes, totalling 20,549 m, were drilled on the Property, aimed at testing the Alexo North, Alexo South and Dundonald South areas (Jobin-Bevans and Beloborodov, 2024).

The 2021 drilling program was completed by G4 Drilling of Val-d'Or, Quebec, under the supervision of Terra Modelling Services of Saskatoon, Saskatchewan. The collected drill core samples totalling 2,373 samples were assayed by AGAT Laboratories of Mississauga, Ontario, SGS Laboratory, ALS Canada Ltd., and Actlabs Laboratory. Drill hole collar surveys were completed by contractors Arpentage Descarreaux de Lasarre (Jobin-Bevans and Beloborodov, 2024).

Drilling was concentrated on exploring around the periphery of these three nickel deposits to test and potentially extend known close-to-surface mineralization and extend the depth profile of the deposits by (Jobin-Bevans and Beloborodov, 2024):

- Following up on geophysical anomalies remodelled from BHEM data acquired by previous explorers; and
- Step-out drilling into the gaps between the known mineralized envelopes and the pierce points of the previous closest drilling from past exploration around the known deposits.

Drilling also followed up some borehole and VTEM anomalies in the immediate vicinity of the known mineralized zones at Alexo South, Alexo North and Dundonald South.

25.7 Mineral Processing and Metallurgical Testing

The Issuer Class 1 Nickel and Technologies Limited has not conducted any mineral processing or metallurgical testing on material collected from the Alexo-Dundonald Project.

Mineralogical and metallurgical testwork has not been conducted on the Alexo North and Alexo South Deposits in almost a decade and never on the Dundonald North and South Deposits. Historically, small and larger bulk samples from Alexo North and South deposits were shipped off-site to Sudbury for testing and processing (Stone *et al.*, 2020).

Prior to 2004, a 10,000 t Alexo bulk sample had been transported to Falconbridge, Sudbury. Part of the sample (6,000 t) assayed 2.46% Ni, 0.32% Cu and 0.07% Co. Despite suggestions that mining and shipping mineralized material to Sudbury for toll processing would be economic, no results of the bulk sample processing are available for review (Stone *et al.*, 2020).

In 2011, XPS (Xstrata Process Support, formerly Falconbridge, now Glencore) conducted qualitative mineralogy and scoping level metallurgical testing on an Alexo South composite sample. Mineralogical analyses were performed using an Electron Microprobe. It was determined that (Stone *et al.*, 2020):

- pyrrhotite (Pyr) contained 0.21% Ni and pentlandite (Pn) 31% Ni, nickel concentrations lower than in typical nickel sulphide ores;
- silicate gangue contained on average 700 ppm (0.07%) Ni; and
- unrecoverable nickel would be attributable to pyrrhotite and silicates.

A single grinding test was performed. The Bond Ball Mill Index was determined to be 23.7 kWh/t. This test indicated that the Alexo South mineralized material would be very hard to grind (Stone *et al.*, 2020).

Duplicate rougher flotation tests were conducted on finely ground (K80 53µm) Alexo South composite samples. In one test, a silicate depressant (Dep C) was applied using a custom (Montcalm1) flowsheet (the exact flowsheet outline is unknown). The rougher flotation results showed nickel recovery of 89.9% and copper recovery of 75.5% using Dep C (Stone *et al.*, 2020). Without Dep C, the results showed nickel recovery of 86% and copper recovery of 78.2%. Concentrate grades and recoveries were slightly lower without the Dep C silicate depressant (Stone *et al.*, 2020).

An open circuit cleaner test was performed resulting in 86.1% nickel recovery and 74.9% copper recover (Stone *et al.*, 2020). Using the Strathcona flowsheet, nickel recoveries were 75.6% and copper recoveries were 61.9% (Stone *et al.*, 2020). The total concentrate Ni grade was slightly higher, but recovery was significantly lower; the Montcalm flowsheet was assumed by the test report authors to be superior.

25.7.1.1 Comments on Historical Metallurgical Test Work

These preliminary results indicated that a smelter-acceptable, low Cu, low MgO, 10% Ni concentrate could be obtained. It is considered that instead of building and operating a process plant on the Alexo-Dundonald site, mineralized material would be direct shipped to a toll processing operator. In advance of a toll processing agreement, the toll processing operator is expected to request that metallurgical testing should mirror a flowsheet that the toll operator uses. In addition, toll milling operators would sample for metal content each shipment and if the Alexo Dundonald is blended in with other mineralized feeds at the process plant, bench testing of each shipment may be needed to assist in determining the actual metallurgical performance (Stone *et al.*, 2020).

25.8 Mineral Resource Estimate Statements (2020 & 2024)

The updated Mineral Resource Estimate for the Dundonald South Deposit is provided in Table 25-1. The Alexo North and Alexo South deposits (Jobin-Bevans *et al.*, 2024a, 2024b) are provided in Table 25-2 and Table 25-3, respectively. The Mineral Resource Estimate for the Dundonald North Deposit, originally completed and currently supported by P&E Mining Consultants' report of Stone *et al.* (2020), is provided in Table 25-4.

Table 25-1. Dundonald South, Indicated and Inferred open pit and out-of-pit (underground) Mineral Resources.

Dundonald South Resource Category	Tonnage (t)	Grade					Contained Metal		
		Ni (%)	Cu (%)	Co (%)	NiEq (%)	NSR (C$/t)	Ni (klbs)	Cu (klbs)	Co (klbs)
Open Pit ($52.5/t NSR COG)									
Indicated	2,540,000	0.49	0.02	0.01	0.52	103	27,400	911	755
Inferred	3,600,000	0.42	0.01	0.01	0.44	88	33,000	1,110	1,060
Underground (C$96.0/t NSR COG)									
Indicated	200,000	0.95	0.03	0.02	0.99	198	4,210	145	80
Inferred	390,000	0.57	0.02	0.01	0.60	120	4,900	160	120
Totals Open Pit and Out-of-Pit (Underground) Resources									
Indicated	2,740,000	0.52	0.02	0.01	0.55	110	31,600	1,060	834
Inferred	3,990,000	0.43	0.01	0.01	0.46	91	38,000	1,300	1,200

Notes to Table 25-1:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting Ltd., working with Caracle Creek Chile SpA. The effective date of the MRE is 1 October 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

6) Geological and block models for the MRE used core assays (497 samples from 2021 drilling) and data and information from 273 surface diamond drill holes (16 from Class 1 Nickel and 257 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Inverse of distance Weighting interpolation method.

8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.90 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

(11) The MRE considers a geological dilution of 5% and a mining recovery of 95%.

(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.

(13) Pit-constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.

(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.

(15) The Out-of-Pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the Out-of-Pit (underground) MRE calculation.

(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.

(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

Table 25-2. Alexo North, Indicated and Inferred open pit and out-of-pit (underground) Mineral Resources (Jobin-Bevans *et al.*, 2024a).

Alexo North Resource Category	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	35,100	0.98	0.11	0.04	1.08	205.87	760	83	33
Inferred	500	0.32	0.04	0.02	0.36	68.04	3	0	0
Underground (C$96.0/t NSR COG)									
Indicated	7,500	0.63	0.08	0.03	0.70	133.71	104	12	5
Totals Open Pit and Out-of-Pit (Underground) Resources									
Indicated	42,600	0.92	0.10	0.04	1.02	193.16	864	95	38
Inferred	500	0.32	0.04	0.02	0.36	68.04	3	0	0

Notes to Table 25-2:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting S.A.C., working with Caracle Creek Chile SpA. The effective date of the MRE is 1 October 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

(6) Geological and block models for the MRE used core assays (559 samples from 2021 drilling) and data and information from 181 surface diamond drill holes (29 from Class 1 Nickel and 152 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Ordinary Kriging interpolation method.

(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Interpolation methods), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.91 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

(11) The historical open pit mined areas were removed from the MRE and the MRE considers a geological dilution of 5% and a mining recovery of 95%.

(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.

(13) Pit constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.

(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.

(15) The out-of-pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the out-of-pit (underground) MRE calculation.

(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.

(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

Table 25-3. Alexo South, Indicated and Inferred open pit and out-of-pit (underground) Mineral Resources (Jobin-Bevans *et al.*, 2024b).

Alexo South Resource Category	**Tonnage (t)**	**Grade**					**Contained Metal**		
		Ni (%)	**Cu (%)**	**Co (%)**	**NiEq (%)**	**NSR (C$/t)**	**Ni (klbs)**	**Cu (klbs)**	**Co (klbs)**
Open Pit ($52.5/t NSR COG)									
Indicated	275,000	0.58	0.02	0.02	0.62	123	3,490	133	133
Underground (C$96.0/t NSR COG)									
Indicated	297,000	0.65	0.03	0.02	0.69	139	4,240	190	157
Inferred	130,000	0.54	0.03	0.02	0.58	116	1,500	75	52
Totals Open Pit and Out-of-Pit (Underground) Resources									
Indicated	572,000	0.61	0.03	0.02	0.66	131	7,730	323	290
Inferred	130,000	0.54	0.03	0.02	0.58	116	1,500	75	52

Notes to Table 25-3:

(1) The independent Qualified Person for the MRE, as defined by NI 43-101, is Mr. Simon Mortimer (FAIG #7795) of Atticus Geoscience Consulting S.A.C., working with Caracle Creek Chile SpA. The effective date of the MRE is 19 April 2024.

(2) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

(3) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(4) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(5) The Mineral Resources were estimated following the 2019 CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM Mineral Resource & Mineral Reserve Committee and the 2014 CIM Definition Standards for Mineral Resources & Mineral Reserves prepared by the CIM Standing Committee on Reserve Definitions.

(6) Geological and block models for the MRE used core assays (2,254 samples from 2021 drilling and 178 samples from 2024 in-fill core sampling) and data and information from 181 surface diamond drill holes (29 from Class 1 Nickel and 152 historical). The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Class 1 Nickel.

(7) The block model was prepared using Micromine 2020. A 6 m x 6 m x 6 m block model was created, with sub blocks to 0.5 m x 0.5 m x 0.5 m. Drill composites of 1.0 m intervals were generated within the estimation domains, and subsequent grade estimation was carried out for Ni, Cu and Co using Ordinary Kriging interpolation method.

(8) Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Interpolation methods), swath plot analysis, and by visual inspection of the assay data, block model, and grade shells in cross-sections.

(9) As a reference, the average estimated density value (specific gravity) within the mineralized domain is 2.89 g/cm^3 (t/m^3).

(10) Estimates have been rounded to 3 significant figures for Indicated resources and 2 significant figures for Inferred resources.

(11) The historical open pit mined areas were removed from the MRE and the MRE considers a geological dilution of 5% and a mining recovery of 95%.

(12) US$ metal prices of $8.00/lb Ni, $3.25/lb Cu, $13.00/lb Co were used in the NSR calculation with respective process recoveries of 85%, 70%, and 80%; gold, platinum and palladium are not considered in the current NSR calculation.

(13) Pit constrained Mineral Resource NSR cut-off considers processing, and G&A costs, applying a factor of 5% for mining dilution, that respectively combine for a total of (($45.00 + $5.00) * (1 + 5%)) = C$52.5/tonne processed.

(14) Out-of-pit Mineral Resource (underground) NSR cut-off considers ore mining, processing, and G&A costs that respectively combine for a total of ($46.00 + $45.00 + $5.00) = C$96.0/tonne processed.

(15) The out-of-pit Mineral Resource grade blocks were quantified above the $96.0/t cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The long-hole stoping with backfill mining method was assumed for the out-of-pit (underground) MRE calculation.

(16) The NSR calculation is as follows: NSR C$/t = ((Ni% x 199.89) + (Cu% x 66.87) +(Co% x 305.71)) x 95%.

(17) The NiEq% calculation is as follows: NiEq% = (Ni% x 1) + (Cu% x 0.33) + (Co% x 1.53).

Table 25-4. Dundonald North, Inferred (no pit optimization) Mineral Resources (Stone *et al.*, 2020).

Dundonald North Resource Category	NSR Cut-off (C$/t)	Tonnes (k)	Ni (%)	Cu (%)	Co (%)	Au (g/t)	Pt (g/t)	Contained Ni (k lbs)	Contained Cu (k lbs)	Contained Co (k lbs)
Inferred (Out-of-Pit)	$90.0	1,821	1.01	0.03	0.02	0.01	0.01	41,000	1,200	800

Notes to Table 25-4:

(1) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability.

(2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

(3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.

(4) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council (2014).

(5) The out-of-pit (underground) Mineral Resource grade blocks were quantified above the $90/t NSR cut-off, below the constraining pit shell and within the constraining mineralized wireframes. Additionally, only groups of blocks that exhibited continuity and reasonable potential stope geometry were included. All orphaned blocks and narrow strings of blocks were excluded. The Longhole stoping with backfill mining method was assumed for the out-of-pit Mineral Resource Estimate calculation.

25.9 Risks and Uncertainties

Risks and uncertainties which may reasonably affect reliability or confidence in future work on the Property relate mainly to the reproducibility of exploration results (*i.e.,* exploration risk) in a future production environment. Exploration risk is inherently high when working to advance mature exploration projects such as the Alexo-Dundonald Nickel Sulphide Project, through the expansion of existing mineral resources and the discovery of new deposit; however, these risks are mitigated by completing 3D geological modelling, applying the latest in geophysical techniques, and comprehensive interpretation of the data and information in order to develop high confidence targets for future drilling programs and updated mineral resource estimates.

The Authors (QPs) are not aware of any other significant risks or uncertainties that would impact the Issuer's ability to perform the recommended work program (*see* Section 26.0) and other future exploration work programs on the Property.

25.10 Conclusions

Based on the Property's favourable location within a prolific Kambalda-style nickel belt in the extensive Abitibi Greenstone Belt, the historical (1960-2011) and current (2019-2021), systematic exploration work completed to date, the availability of all of the historical data and information and that from public (government) sources, diamond drilling completed historically (2004 to 2011) and by Class 1 (2021), the Property presents excellent potential for the discovery of additional nickel sulphide deposits, and is worthy of further evaluation.

The characteristics of the four nickel sulphide deposits (Ni-Cu-(PGE)) discovered to date are of sufficient merit to justify advancing the Project including consideration for the undertaking of preliminary engineering, environmental, and metallurgical studies aimed at completing the characterization of nickel sulphide mineralization and offering economic guidelines for future exploration strategies, including an initial Preliminary Economic Assessment ("PEA") level study.

26.0 RECOMMENDATIONS

It is the opinion of the Authors (QPs) that the geological setting and character of the nickel sulphide mineralization delineated to date within the Alexo-Dundonald Nickel Sulphide Property, is of sufficient merit to justify additional exploration and development expenditures. A recommended work program, arising through the preparation of this Report and consultation with the Company, is provided below.

The search and discovery of these types of nickel sulphide deposits (Komatiite-hosted) requires dedicated and systematic exploration programs. The Alexo-Dundonald Nickel Sulphide Project is now at the stage of exploration where it should be advanced toward a Preliminary Economic Assessment (PEA) study which would consider, at a minimum, the mineral resources calculated within the four nickel sulphide deposits (Alexo North and South and Dundonald South and North).

It is expected that this work can be accomplished within a time frame of 18 months from initiation, considering Phase 2 diamond drilling aimed at expanding resources and improving grade, surface and borehole geophysical surveys, geotechnical diamond drilling, environmental studies, updated mineral resource estimates, and metallurgy (Table 26-1). The expected cost of the recommended exploration work and PEA is estimated at C$3,035,000.

Collar locations and drill hole parameters for the recommended 5,000 metre diamond drilling program would be determined as part of the data review and targeting stage in the proposed work program (Table 26-1).

Table 26-1. Budget estimate recommended advanced-stage exploration/economic study work, Alexo-Dundonald Project.

Item	Description	Estimate (C$)
Data Review and Targeting	review of all data; geology, geophysics, drilling	$25,000
Diamond Drilling	Phase 2 drilling (5,000 m); increasing resources; testing new targets outside of resources	$1,250,000
Geotechnical drilling	overburden and condemnation drilling	$200,000
Geophysics	additional surface and BHEM surveys	$100,000
Environmental	studies and reporting; permitting	$250,000
Metallurgy	updated metallurgical and mineralogical test work	$200,000
Mineral Resource Estimates	updated MREs for all deposits	$100,000
Preliminary Economic Assessment Study	PEA incorporating four nickel sulphide deposits	$350,000
Community Consultation		$100,000
G&A	operating costs	$250,000
Contingency (10%)		$210,000
	Total:	**$3,035,000**

*does not include local taxes and fees

26.1 Metallurgical and Mineralogical Testwork Recommendations

Recommendations made by Stone *et al.* (2020), with respect to more accurately predicting metallurgical performance, have been reviewed by the QPs Simon Mortimer and Scott Jobin-Bevans and are considered relevant to the advancement of the Project and the four deposits within the Alexo-Dundonald Nickel Sulphide Project.

Mineralized material could be sourced from multiple areas and resources, such as dewatered and re-developed Alexo North and Alexo South open pits, newly developed underground and open pit mines at Dundonald South and Dundonald North.

Overall nickel grade is anticipated to range from 0.8% to 1.5% Ni, which is lower that the Alexo South composite sample tested by XPS in 2011 (2.1% Ni). The mineralized material would be shipped to a processor's plant for toll processing.

Preliminary tests to date suggest that recoveries of Ni and Cu could be >80% and >75%, respectively, at 10% Ni grade or higher. However, recoveries may be modified by the predicted lower mined grades for the Project and the toll processing operator's specific flowsheet.

As available, stored drill core (historical and 2021) and new core from future Phase 2 drilling, representative of the to-be-mined mineralized zones, should be subject to the following testing:

- QEMSCAN modal and liberation analyses, and
- A range of comminution tests.

Fresh drill core samples from each distinct mineralized zone should be obtained for additional investigations during Phase 2 drilling. These samples should be stored in freezers (to prevent pyrrhotite oxidation) in advance of testing. The investigations should include:

- Rougher, cleaner and locked-cycle flotation tests using the recommended flowsheet of the potential toll processing customer on representative composites of mineralized material. The PGE content and distribution in flotation products should be followed; and
- Acid rock drainage and metal leaching (ARD/ML) tests on flotation tailings and on waste rock from open pits.

In addition:

- If mineralized material is to be transported a considerable distance by truck or by rail (*e.g.,* to Sudbury), preliminary material sorting characteristics could be considered; and
- Alternatively, if the material is to be transported to the nearby Kidd Creek facility for custom processing, preliminary material sorting characteristics would be less important.

26.2 General Recommendations

General recommendations, compiled during the preparation of this Report, are as follows:

- Additional density (SG) measurements should be collected to be able to better model the variability and association with respect to sulphide mineralization concentration.
- During the next phase of drilling, density measurements should be taken from the non-mineralized lithologies to determine the specific gravity of such lithologies as diabase dikes, volcanic units and overburden. Also, it is recommended that at least 10% of the density samples collected should be verified by sending to a certified laboratory for testing.

- Referee samples collected and sent to a third-party lab should be introduced into the QA/QC process to check results from the primary lab. Drill hole collar locations should be surveyed using a differential GPS system to ensure higher accuracy in the X, Y, Z coordinates for the collars.
- Sulphur exhibits higher co-efficient of variance across the domains, indicating that there are potentially other controls on the distribution that are not yet being isolated or modelled within this phase of work. Further analysis is required to determine the role of sulphur within the deposit and to fully understand the spatial distribution including the collection of mineralogical and alteration information/data to determine more robust domains for sulphur and iron estimations.
- The Company should consider re-stating (re-estimating) the mineral resource estimates to include Pt, Pd, and Au values as these precious metals made add value to the NiEq or NSR used in the reporting of the estimates. At a minimum, a review of these precious metals and their relative potential contribution should be reviewed.
- Additional in-fill core sampling needs to be attempted on both historical drill core (as available) and on some core from the 2021 drilling program.

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