



# **Integral Metals Corp.**

**ANNUAL INFORMATION FORM  
For Fiscal Year Ended December 31, 2023**

**February 3, 2025**

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## FORWARD LOOKING STATEMENTS

This annual information form (“**AIF**” or “**Annual Information Form**”) of Integral Metals Corp. (“**Integral**” or the “**Company**”) contains “forward-looking information” within the meaning of applicable Canadian securities legislation (“**forward-looking statements**”). In some cases, forward-looking statements can be identified by words or phrases such as “may”, “might”, “will”, “expect”, “anticipate”, “estimate”, “intend”, “plan”, “indicate”, “seek”, “believe”, “predict”, “assume”, “budget”, “strategy”, “scheduled”, “forecast”, “target” or “likely”, or the negative forms of these terms, or other similar expressions (or variations of such words or phrases) or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. In particular, forward-looking statements in this Annual Information Form include, but are not limited to, statements with respect to: future financial or operating performance of the Company; the Company’s operating plans and strategies; proposed exploration activities at the Kap property, located in the MacKenzie Mountains, Northwest Territories (the “**Kap Property**”) (including the recommended exploration activities contained in the National Instrument 43-101 technical report entitled “Technical Report on the KAP Property, Mackenzie Mountains, Northwest Territories, Canada” (the “**Kap Technical Report**”) or the Company’s other projects, the cost of any such activities, the potential of such activities to establish mineral resources or mineral reserves (as such terms are defined in the CIM Definition Standards) and the timing and results of any future mineral reserve or mineral resource estimates undertaken at any of our properties; the Company’s plans regarding the Kap Property, Mineral Exploration License #1307A (the “**Burntwood Property**”), the Woods Creek Property, comprised of 25 lode mining claims covering 516 acres, located approximately 70 kilometers south of Darby, Montana (the “**Woods Creek Property**”), or any of its other properties; the Company’s expectations with respect to the mineralization present at the Kap Property, the Burntwood Property, the Woods Creek Property and/or any of its other properties; the anticipated timing, results, benefits, costs and parameters of other exploration and development plans; the future viability of the Kap Property, the Burntwood Property, the Woods Creek Property or any of the Company’s other projects, including the ability of the Company to successfully develop and bring to production any of these properties and contribute to the supply chain for the minerals discovered at any of these properties; the prospect of developing a mine at, or producing minerals from, the Kap Property or any of the Company’s other projects; the potential acquisition of additional mineral properties or property concessions; the Company’s ability to obtain and maintain licenses, permits and regulatory approvals required to implement the Company’s proposed activities; the future impact of, and future delays and disruptions caused by, the novel coronavirus, contagious diseases or other global pandemics or epidemics; the Company’s requirements for additional capital, the adequacy of the Company’s financial resources (and its ability to continue as a going concern) and the Company’s ability to raise additional capital and/or pursue additional strategic options, including the potential impact on the Company’s business, financial condition and results of operations of doing so or not; the intended use of proceeds from previously completed financings; and capital allocation plans. All statements other than statements of historical fact included in this Annual Information Form, including, without limitation, statements regarding the future plans and objectives of the Company, predictions, expectations, beliefs, projections, assumptions or future events are forward-looking statements.

These forward-looking statements are not historical facts and are not guarantees of future performance and involve assumptions, estimates and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements. Forward-looking statements are based on the assumptions, beliefs, expectations and opinions of management on the date the statements are made concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities, commitments and future opportunities, many of which are difficult to predict and beyond our control. In connection with the forward-looking statements contained in this Annual Information Form, we have made certain assumptions about, among other things: the Company’s business operations, including that no significant event will occur outside the Company’s normal course of business operations; the demand for and future prices of metals and other commodities; the future impact of pandemics, endemics and epidemics; the Company’s financial resources and its ability to raise any necessary additional capital on reasonable terms; general business and economic conditions; the Company’s ability to procure equipment and operating supplies in sufficient quantities and on a

timely basis; the actual geology of the Kap Property aligning with the description of the Kap Property in the Kap Technical Report; the actual geology of the Burntwood Property and the Woods Creek Property aligning with historic work and the Company's expectations; the accuracy of budgeted exploration costs and expenditures; future interest rates; operating conditions being favourable such that the Company is able to operate in a safe, efficient and effective manner; the Company's ability to attract and retain skilled personnel and directors; political and regulatory stability; competitive conditions; market (including labour, financial and capital market) conditions in Canada; the timely receipt of governmental, regulatory and third-party approvals, licenses and permits on favourable terms, including the successful adjudication of the claims for the Woods Creek Property by the Bureau of Land Management; obtaining required renewals for existing approvals, licenses and permits on favourable terms and in a timely manner; stability in the requirements placed on the Company under applicable laws; sustained labour stability; the availability of certain consumables and services; labour and materials costs; results, costs and timing of future exploration and drilling programs; and our relationship with local groups and Indigenous Groups (as defined herein). Although management considers those assumptions to be reasonable on the date of this Annual Information Form based on information currently available to us, these assumptions are subject to significant business, social, economic, political, regulatory, competitive and other risks and uncertainties, contingencies and other factors that could cause actual performance, achievements, actions, events, results or conditions to be materially different from those projected in the forward-looking statements. The Company cautions that the foregoing list of assumptions is not exhaustive. Other events or circumstances could cause action results to differ materially from those estimated or projected and expressed in, or implied by, the forward-looking statements contained in this Annual Information Form.

Investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, actions, events, conditions, performance or achievements to be materially different from those expressed or implied by the forward-looking statements, including, without limitation, those related to: continuing as a going concern; exploration, development and operating risks; ability to meet financial commitments; dependence on few mineral properties; the early stage status of the Company's mineral properties and the nature of exploration; fluctuations in commodity prices; gallium, germanium and other rare earth metals market risks; risks related to the refining of gallium and germanium; risks related to product alternatives; relationships with local communities and Indigenous Groups; conflicts of interest; litigation or other proceedings; the dependence of the Company on its key personnel; environmental laws, regulations and permitting requirements and environmental hazards; fluctuations in currency exchange rates; the conflict in Ukraine and Middle East and related geopolitical risks; information technology, including cyber security risks; social and environmental activism; the application for and receipt of required permits and approvals; potential acquisitions and their integration with the Company's business; the Company's requirements for additional capital; access to and the availability of adequate infrastructure; compliance with laws; foreign political, economic and other risks and uncertainties; risks related to the Company's reliance on local legal counsel and local consultants; risks associated with "flow-through" financings; title to mineral properties; factors inherent in the exploration and development of mineral properties that are outside of the Company's control; adverse general economic conditions; inflation-related risks; limits of insurance coverage and the occurrence of uninsurable risks; risks related to the Company's internal controls; competitive conditions in the mineral exploration and mining businesses; the growth of the Company; human error; the influence of third party stakeholders; compliance with the *Canadian Extractive Sector Transparency Measures Act*; expansion into other geographical areas; outbreaks of contagious diseases; the Company's compliance with evolving corporate governance and public disclosure regulations; loss of investment in the common shares in the capital of the Company ("**Common Shares:**"); the potential for dilution to holders of Common Shares; the volatility of the market price for the securities of mining companies and the market price for the Common Shares; the Company's policy regarding the payment of dividends; and risks related to the failure by the Company to meet the continued listing requirements of the Canadian Securities Exchange or other stock exchanges.

The factors identified above are not intended to represent a complete list of the risks and factors that could affect any of the forward-looking statements. Some of the important risks and factors that could

affect forward-looking statements are discussed in the section entitled “*Risk Factors*” in this Annual Information Form. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results, actions, events, conditions, performance or achievements not to be as anticipated, estimated or intended. Forward-looking statements are not a guarantee of future performance. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The forward-looking statements contained herein are made as of the date of this Annual Information Form and, accordingly, are subject to change after such date. The Company disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

## INTRODUCTION

This Annual Information Form provides information about the Company and its subsidiary. This Annual Information Form is dated as of February 3, 2025. Unless otherwise indicated, all information in this AIF is current as of such date, other than certain financial information which is current as of December 31, 2023, being the date of the Company’s most recent financial year end.

Except where otherwise indicated, all references to currency in this AIF are to Canadian Dollars (“\$”). All references to “US\$” refer to United States dollars.

### Scientific and Technical Information

Certain scientific and technical information contained in this Annual Information Form relating to the Kap Property is derived from, and in some instances is an extract from, the Kap Technical Report. Mr. Kristian Whitehead, P. Geo., the author of the Kap Technical Report (the “**Author**”) has reviewed, approved and verified the scientific and technical information in this Annual Information Form that is derived from the Kap Technical Report.

Reference should be made to the full text of the Kap Technical Report, which has been filed with certain Canadian securities regulatory authorities pursuant to National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) and is available for review under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The scientific and technical information contained in this Annual Information Form which is not derived or extracted from the Kap Technical Report has been reviewed, approved and verified by Dr. Jared Suchan, the VP, Exploration of the Company and a “qualified person” within the meaning of NI 43-101.

## CORPORATE STRUCTURE

### Name, Address and Incorporation

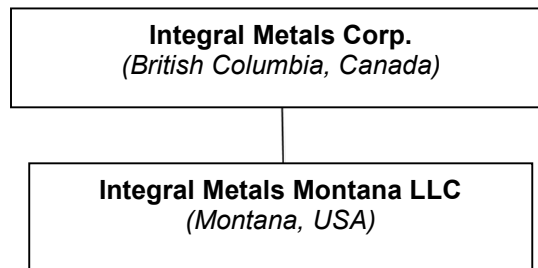
The Company was incorporated under the name “Carmelo Capital Corp.” on November 7, 2017 under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”). On December 20, 2023, the Company changed its name to “Integral Metals Corp.”.

The Company’s head office is located at 610 - 505 3 Street SW, Calgary, Alberta, T2P 3E6 and its registered and records office is located at Suite 2300, 550 Burrard Street Vancouver, British Columbia, Canada V6C 2B5.

Unless otherwise noted or inconsistent with the context, references to “Company”, “Integral”, “we”, “us” and “our” in this AIF are references to Integral Metals Corp. and its subsidiary, Integral Metals Montana LLC, as a whole.

### Intercorporate Relationships

The following diagram illustrates the intercorporate relationships among the Company and its subsidiary, as well as the jurisdiction of incorporation of each entity.



### GENERAL DEVELOPMENT OF THE BUSINESS

#### Three Year History (2021-2023)

The Company was incorporated on November 7, 2017 under the name “Carmelo Capital Corp.” by Ms. Marcelin O’Neill under the BCBCA to raise investment capital to acquire assets and complete a listing on an exchange. The significant events described below contributed to the development of our business.

#### ***Re-capitalization and Acquisition of the Zigzag Project***

On December 31, 2020, following a period during which the Company was unsuccessful at identifying a business or assets to acquire to pursue a listing on a stock exchange, Ms. Marcelin O’Neill and Mr. Thomas O’Neill resigned as directors and officers of the Company, leaving Mr. Aman Parmar as the sole director and officer of the Company.

On August 24, 2023, the Company undertook a financing to re-capitalize the Company in order to enable the Company to continue in its search to acquire a business or assets and complete a listing on an exchange, whereby it issued 20,000,000 units (the “**August Units**”) at a price of \$0.05 per August Unit for gross proceeds of \$1,000,000 (the “**August Private Placement**”). Each August Unit was comprised of one Common Share and one Common Share purchase warrant (a “**Warrant**”), with each Warrant entitling the holder thereof to acquire an additional Common Share until August 24, 2026 at a price of \$0.10 per Common Share.

On December 20, 2023, the Company changed its name to “Integral Metals Corp.” in connection with the Company’s consideration of the acquisition of mineral exploration properties. Effective on December 21, 2023, Mr. Paul Sparkes was appointed Chief Executive Officer of the Company and Mr. Aman Parmar resigned as an officer of the Company.

Subsequently, on January 8, 2024, the Company acquired eight claims in the Thunder Bay Mining Division known as the Zigzag Project (the “**Zigzag Project**”) from Reflex Advanced Materials Corp. (“**Reflex**”) pursuant to a property purchase agreement (the “**Property Purchase Agreement**”) between Reflex and the Company. In consideration for the Company’s acquisition of the Zigzag Project, the Company paid \$400,000 to, or as directed by, Reflex and issued 1,000,000 Common Shares (the “**Zigzag Purchase**”). Pursuant to the Property Purchase Agreement, Reflex agreed to indemnify the Company, its shareholders and its directors, officers and employees from and against damages, losses

and liabilities (including legal fees and the costs of investigating and bringing any claim) which may be suffered or incurred by the Company or its shareholders, directors, officers and employees as a result of or in connection with any breach or non-fulfilment of any agreement on the part of Reflex contained in the Property Purchase Agreement, any breach of or incorrectness in any representation or warranty made by Reflex in the Property Purchase Agreement and any failure of Reflex to transfer the Zigzag Property to the Company free and clear of all encumbrances (other than certain permitted encumbrances).

Shortly following the closing of the Zigzag Purchase, on January 10, 2024, the Company completed a private placement to finance the Company's acquisition of the Zigzag Project and its proposed exploration activities on the Zigzag Project and to provide the Company with the general working capital required to pursue, and pay the expenses of, a listing of the Common Shares on an exchange and to operate as a public company (the "**Subsequent Private Placement**").

Pursuant to the Subsequent Private Placement, the Company issued 2,343,334 units (the "**Subsequent Units**") at a price of \$0.60 per Subsequent Unit for gross proceeds of \$1,406,000.40. Each Subsequent Unit was comprised of one Common Share and one Warrant, with each Warrant entitling the holder thereof to acquire an additional Common Share until January 10, 2026 at a price of \$0.85 per Common Share.

### ***Kap Property***

On February 8, 2024, the Company caused the staking of the Kap Property. In May, 2024, the Company deployed a team to the Kap Property to observe the location of historical mineralized samples or observations and historical drill collars. For additional information regarding the Kap Property and the exploration activities recommended to be undertaken thereon, please see "*Kap Property*".

### ***Consulting Agreement with Astute***

On March 7, 2024, the Company entered into a consulting agreement with Astute Private Investments, LLC ("**Astute**") pursuant to which the Company retained Astute to, among other things, introduce the Company to institutional investors potentially interested in investing in the Company and capital markets advisors in the United States and to provide financial advice to the Company. In consideration for Astute's services, the Company paid Astute US\$200,000. The consulting agreement with Astute was mutually terminated on June 25, 2024.

### ***The Volta Claim and Settlement***

On April 4, 2024, the Company was served with a Statement of Claim, commenced in the Ontario Superior Court of Justice (the "**Court**"), with respect to a claim by Volta Metals Ltd. ("**Volta**") against Reflex, the Company and Paul Gorman (the "**Volta Claim**").

Pursuant to the Volta Claim, Volta alleges that it validly exercised a right of first refusal granted to it by Reflex over the Zigzag Project (the "**Right of First Refusal**") in respect to the Zigzag Purchase.

The Volta Claim sought, among other things: (i) an order unwinding the Company's purchase of the Zigzag Project, (ii) an order requiring Reflex to conclude a transaction with Volta pursuant to the Right of First Refusal, (iii) an order restraining further transactions by the Company involving the Zigzag Project and (iv) damages against each of Reflex, Paul Gorman and the Company, including damages against the Company for inducing breach of contract and unjust enrichment.

On November 8, 2024, the Company sold the Zigzag Project to Volta for C\$350,000. Concurrently with the closing of the sale of the Zigzag Project, Volta and the Company executed a mutual release, releasing all claims between Volta and the Company with respect to the Volta Claim and settling the Volta Claim as between the Company and Volta.



See “*Legal Proceedings and Regulatory Actions*”.

### ***Proposed Private Placement***

On April 11, 2024, the Company and Alexander Capital, LP entered into an engagement agreement (the “**Engagement Agreement**”) with respect to a proposed private placement of up to US\$25,000,000 of securities of the Company to investors in the United States (the “**Proposed Private Placement**”). As of the date hereof, the Company has not issued any securities nor entered into any agreements with investors with respect to the Proposed Private Placement. Pursuant to the Engagement Agreement, the Company retained Alexander Capital to act as placement agent and advisor with respect to the Proposed Private Placement, and, as consideration therefor, the Company has agreed to pay Alexander Capital a cash fee equal to ten percent of the gross proceeds of the Proposed Private Placement and to reimburse Alexander Capital for certain expenditures incurred by it in connection with the Proposed Private Placement. The Company has also agreed to indemnify and hold harmless Alexander Capital and its affiliates, and the respective controlling persons, directors, officers, members, shareholders, agents and employees of any of the foregoing from and against certain liabilities and expenses in connection with the Proposed Private Placement.

### ***Burntwood Acquisition***

On May 24, 2024, the Company entered into a property purchase agreement (the “**Burntwood Agreement**”) with 10148942 Manitoba Limited dba Critical Discoveries (“**Critical Discoveries**”) pursuant to which the Company agreed to acquire the Burntwood Property. The Company closed the acquisition of the Burntwood Property on June 25, 2024.

Pursuant to the Burntwood Agreement, on the closing date, the Company paid Critical Discoveries \$30,000 cash, issued 150,000 Common Shares to Critical Discoveries and granted Critical Discoveries a 1.5% net smelter returns royalty on any claims staked by the Company on the Burntwood Property (which royalty may be repurchased by the Company for \$1,000,000). In addition, the Company has agreed to issue an additional 150,000 Common Shares (the “**Earn-Out Shares**”) to Critical Discoveries in the event that certain milestones are achieved with respect to the Burntwood Property on or before June 25, 2029, as follows:

- 25,000 Common Shares if the Company discovers mineralization on the Burntwood Property as part of a field surface exploration program undertaken by the Company of at least 300 parts per million gallium or 0.5% total rare earth oxides;
- 25,000 Common Shares if the Company completes a drilling program on the Burntwood Property involving at least 2,000 meters of drilling;
- 25,000 Common Shares if the Company stakes ten claims (as that term is defined in the *Mines and Minerals Act (Manitoba)*) on the Burntwood Property; and
- 75,000 Common Shares if the Company publicly discloses a NI 43-101 compliant technical report declaring a mineral resource (as that term is defined in Section 1.2 of NI 43-101) estimate on the Burntwood Property.

All Common Shares issued to Critical Discoveries pursuant to the Burntwood Agreement are subject to a three-year contractual resale restriction, during which time, subject to customary exceptions, such Common Shares may not be traded without the prior approval of the Company. All Common Shares issued pursuant to the Burntwood Agreement will be released from the escrow arrangement in seven tranches: 10% will be released on the date of their issuance, with 15% of the Common Shares then being released on each six month anniversary until all of the Common Shares are released on the date which is three years following their date of issuance. In addition, the Earn-Out Shares are subject to adjustment in the event that the Company undertakes certain actions with respect to its share capital,

such as subdivisions, consolidations and other re-organizations of its Common Shares or amalgamations, arrangements or mergers of the Company with or into another entity.

Work to date on the area in which the Burntwood Property is located indicates that mineralization at the Burntwood Property is hosted in an intrusive alkaline syenite complex containing numerous, recently discovered carbonatites in the northern part of the complex bearing apatite, titanite and allanite enriched in rare earth elements. The potential for meaningful rare earth element mineralization at the Burntwood Property is exemplified by samples with elevated levels of strontium (up to 12,200 ppm), barium (up to 3,150 ppm) and rare earth elements (up to 4,580 ppm) having been taken at the Burntwood Property. In addition, recent forest fires have improved exposure and access to previously covered outcrops, revealing new mineralized carbonatite zones and suggesting a broader geological province with additional rare earth element exploration potential.

### ***Re-Constitution of the Integral Board***

On May 27, 2024, at a meeting of the shareholders of the Company, Mr. Paul Sparkes, Mr. Aman Parmar, Mr. Paul More, Mr. Ungad Chadda and Mr. Raj Rehill were elected as directors of the Company. At this meeting, shareholders also ratified, confirmed, authorized and approved the Company's Equity Incentive Plan (the "**Integral Equity Plan**") and the Company's advance notice policy. Subsequent to this shareholder meeting, Mr. Rehill resigned from the board of directors of the Company.

### ***Subscription Receipt Financing and Listing***

On September 24, 2024, the Company commenced a non-brokered private placement offering (the "**Subscription Receipt Financing**") of subscription receipts of the Company ("**Subscription Receipts**"). The Subscription Receipt Financing closed on October 17, 2024, resulting in the issuance of 53,000 Subscription Receipts at a price of \$0.60 per Subscription Receipt for total gross proceeds of \$31,800. The Company intends to use the net proceeds raised from the Subscription Receipt Financing to fund general and administrative expenditures and for general working capital purposes.

On October 31, 2024, the Common Shares were listed and began trading on the Canadian Securities Exchange (the "**CSE**") under the symbol "INTG". Concurrently with the listing of the Common Shares on the CSE, the Subscription Receipts automatically converted, without any further action or the payment of any additional consideration by a holder of subscription receipts, into one Common Share.

On November 20, 2024, the Common Shares additionally began trading on the Frankfurt Stock Exchange under the symbol "ZK9".

### ***Woods Creek Acquisition***

On January 27, 2025, the Company announced the acquisition of the Woods Creek Property. The Woods Creek Property lies within the Idaho Rare Earth Elements – Thorium belt, which is a geologically significant trend featuring rare earth element-rich carbonatite systems extending across Idaho and Montana. Rare earth element mineralization at the Woods Creek Property is believed to be associated with carbonatite dikes that intrude structurally complex zones of amphibolite-grade gneiss and schist.

On February 3, 2025, the Company shared results from a reconnaissance field survey at the Woods Creek Property, which survey was completed to evaluate the geological potential of the Woods Creek Property by identifying carbonatite zones with rare earth element mineralization. A total of 20 rock geochemistry samples were collected from key geological features at the Woods Creek Property, with three samples returning elevated levels rare earth element mineralization. Sample CK-21A yielded a total rare earth oxide value of 70,831 ppm, demonstrating concentrations of lanthanum (overlimit 25,000 ppm), cerium (overlimit 25,000 ppm), neodymium (6,110 ppm), praseodymium (2,390 ppm)

niobium (687 ppm) and strontium (6,200 ppm), which results suggest a mineralizing system associated with carbonatite-hosted rare earth element deposits.

### ***Expected Changes in the Company's Business During the 2024 and 2025 Financial Years***

The Company's business plan is to continue with the exploration and development of the Kap Property. The Company intends to use the Kap Technical Report as the basis for exploration at the Kap Property, and such exploration remains the sole business objective of the Company. See "*Kap Property*". Depending on the Company's capital resources, the Company may also undertake exploration at the Burntwood Property, through the completion of magnetic and imagery surveys, channel sampling and geological mapping and the development of an exploration model, and at the Woods Creek Property, through the completion of geochemical sampling, detailed geophysical surveys and petrographic studies.

## **DESCRIPTION OF THE BUSINESS**

The Company is an exploration stage company, engaged in the business of mineral exploration for critical minerals, including gallium and germanium, with the goal of contributing to the development of a domestic supply chain for these minerals. The Company holds properties in mining-friendly jurisdictions in Canada, including the Northwest Territories and Manitoba, where it has received regulatory support for its exploration efforts. The Company's exploration is currently focused on the Company's material property, the Kap Property, which is comprised of six contiguous claims located in the Northwest Territories. See "*Kap Property*". The Company also holds the Burntwood Property, located approximately 115 km west of Flin Flon, Manitoba, and the Woods Creek Property, located approximately 70 kilometers south of Darby, Montana, each of which is prospective for rare earth elements.

While the Company's intended focus is the Kap Property, the Company continues to assess new mineral projects and will seek to acquire interests in additional mineral projects if it determines such projects have sufficient geological or economic merit and if the Company has adequate financial resources to complete such acquisitions.

### **Principal Products**

The Company is a mineral exploration company engaged in the acquisition, exploration, evaluation and development of resource properties, with a focus on resource properties being prospective for critical minerals, including gallium and germanium, to supply the semiconductor and clean-energy supply chains. The Company's material mineral property, the Kap Property, is prospective for gallium, germanium and zinc mineralization.

As such, the Company does not produce or sell any products or services at this time. The Company does not know when or if its properties will reach the development or production stage and, as a result, whether it will ever commercially produce or sell minerals mined from its properties.

### **Specialized Skills**

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include, but are not limited to, the areas of geology, drilling, permitting, engineering, logistical planning, geophysics, metallurgy and mineral processing, implementation of exploration programs, legal compliance and accounting. The Company relies, and expects to continue to rely, upon various legal and financial advisors, contractors, consultants and others in the operation and management of its business, including consultants holding exploration and development expertise. The Company does not anticipate any difficulties in locating competent consultants in such fields.

## **Competitive Conditions**

The Company's business is intensely competitive in all its phases. The Company competes for the acquisition of attractive mineral properties, claims, leases and other mineral interests, capital to finance its operations and the recruitment and retention of qualified individuals with many companies and individuals, many of whom have substantial capabilities and greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to obtain additional capital or other types of financing, on acceptable terms or at all, acquire properties of interest or retain qualified personnel and/or contractors. See "*Risk Factors — Competition*".

## **Business Cycles**

The Company's mineral exploration activities may be subject to seasonality due to adverse weather conditions including, without limitation, inclement weather, frozen ground and restricted access due to snow, ice or other weather-related factors. In addition, the mineral exploration sector (including financial markets for mineral exploration and development) is very volatile and cyclical, including as a result of global economic cycles affecting, among other things, raw material costs, the supply chain for minerals, mineral products and necessary inputs and the marketability of mineral products in the global marketplace. See "*Risk Factors*".

## **Environmental Protection Requirements**

The Company's operations are subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations. A breach of such legislation may result in the imposition of fines and penalties. Certain types of operations may also require the submission and approval of environmental impact assessments.

Environmental legislation is evolving in a manner which imposes stricter standards, including more stringent enforcement, fines and penalties for non-compliance. Pursuant to these stricter standards, environmental assessments of proposed mining projects carry a heightened degree of responsibility for companies, including their directors, officers and employees.

The Company is currently engaged principally in exploration activities, and such activities are subject to various laws, rules and regulations governing the protection of the environment. Due to the early stage of the Company's activities, to date environmental protection requirements have had a minimal impact on the Company's capital expenditures and competitive position. As necessary, the Company will make expenditures related to compliance with applicable laws and regulations, including those with respect to the environment. New environmental laws and regulations, amendments to existing laws and regulations or more stringent implementations of existing laws and regulations, as well as the costs of complying with such laws and regulations, could have a material adverse effect on the Company by potentially increasing capital and/or operating costs and reducing potential for profitability. A breach of such legislation may result in the imposition of fines and penalties against the Company and its directors and officers. See "*Risk Factors*".

## **Social and Environmental Policies**

The Company is committed to conducting its operations in accordance with sound social and environmental practices. At present, the scale of operations has not required the adoption of formal policies. The Company will re-evaluate this position if and when necessary.

The Company is subject to laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters. The Company may also be held liable should environmental problems be

discovered that were caused by former owners and operators of its properties. The Company will always strive to conduct its activities in compliance with applicable environmental protection legislation.

## **Employees**

As at December 31, 2023, the Company did not have any employees. Mineral exploration work is carried out by contractors on an as-needed basis. The Company also relies on and engages consultants on a contract basis to assist the Company in carrying on its other business activities, including the administration of the Company. The services of Chief Executive Officer, Chief Financial Officer and VP, Exploration, are provided by contractors pursuant to consulting agreements.

## **Bankruptcy and Similar Procedures**

The Company (including its subsidiary) has not been involved in any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings within the three most recently completed financial years or which occurred during, or is proposed for, the current financial year.

## **RISK FACTORS**

An investment in the Common Shares is highly speculative due to the high-risk nature of the Company's business and the present stage of its development. Shareholders may lose their entire investment. The following risks, as well as risks currently unknown to us, could materially and adversely affect our business, operations and financial condition and could cause our future business, operations and financial condition to differ materially from the estimates described in forward-looking statements relating to the Company or its business, properties or financial results, each of which could cause Shareholders to lose all or part of their investment. The risks described below are not the only risks facing the Company. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair our business, financial condition, results of operations and prospects. If any of the Company's properties move to a development stage, the Company would be subject to additional risks respecting any development and/or production activities.

### **Risks Related to the Company**

#### **Continuing as a Going Concern**

The Company has a very limited history of operations, has no history of earnings, profitability or of a return on investment, has a history of negative cash flow from operating activities, has incurred accumulated net losses of approximately \$519,643 (as of December 31, 2023) and expects to incur additional losses in the future. As of December 31, 2023, we had cash and cash equivalents of approximately \$1,826,019 and working capital of approximately \$1,795,407. We are subject to all the risks inherent in a new business enterprise, and our ability to continue as a going concern is dependent on raising additional capital to fund our exploration activities and ultimately to attain profitable operations.

The Company's mineral properties are in the exploration stage and there are no known mineral resources or mineral reserves located on the Company's properties or other commercial uses for the Company's properties as currently constituted. Significant capital investment will be required to achieve commercial operations at the Company's properties and there is no assurance that any of the Company's property interests will be economically viable or will be advanced to generate earnings, operate profitably or provide a return on investment in the future. No operating revenues are anticipated until Company is able to advance a property into production or such property becomes useful for other commercial purposes, which may never occur. The Company will continue to experience losses unless and until it can successfully develop and begin profitable commercial operations at one of its properties. There can be no assurance that the Company will be able to do so, and even if the Company

commences development or commercial operations at one of its properties, it may continue to incur losses.

Currently, our potential sources of funding consist of the sale of additional equity securities, incurring indebtedness, entering into joint venture agreements or selling a portion of our interests in one or more of our properties. In the past, we have raised capital through the issuance of Common Shares; however, there is no assurance that we will be successful in raising additional capital, or that such additional capital, if available, will be on terms acceptable to us. Accordingly, there is substantial doubt as to whether our existing cash resources and working capital are sufficient to enable us to continue our operations as a going concern. Ultimately, in the event that we cannot obtain additional financial resources, or achieve profitable operations, our operations may be delayed or indefinitely postponed, we may have to liquidate our business interests and investors may lose their investment.

Our financial statements are prepared assuming that the Company will continue as a going concern. As noted above, continued operations are dependent on our ability to obtain additional financial resources or generate profitable operations. Such additional financial resources may not be available or may not be available on reasonable terms. Our financial statements do not include any adjustments that may result from the outcome of this uncertainty, which could be material.

### **Property Exploration, Development and Operating Risks**

To date, we have not established any mineral resources or mineral reserves on any of our mineral properties, and thus we remain in the exploration stage of development. We may never enter the development or production stage. Exploration for mineralization and the determination of whether mineralization might be extracted profitably is highly speculative, and it may take a number of years until production is possible, during which time the economic viability of a property may change. Substantial expenditures are required to establish mineral resources and mineral reserves, extract minerals and construct mining and processing facilities.

Mining operations generally involve a high degree of risk and are subject to a high rate of failure and mineral exploration involves considerable financial and technical risk. The Company's operations are subject to all the hazards and risks normally encountered in mineral exploration and development, including environmental hazards, encounters with unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding, earthquakes, inclement or hazardous weather conditions and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mineral properties, mines and other facilities, personal injury or death, destruction of, or damage to, property, environmental damage, delays in our exploration activities, asset write-downs, monetary losses and possible legal liability. We may not be insured against all losses or liabilities, either because such insurance is unavailable, because we have elected not to purchase such insurance due to high premium costs, because such liabilities might exceed policy limits or other reasons. The realization of any liabilities in connection with our activities could negatively affect our financial condition, activities and operations.

It is impossible to ensure that the exploration programs planned by the Company, or any future development programs undertaken by the Company (if any), will result in profitable commercial operations. Mineral exploration often involves unprofitable efforts, including drilling operations that ultimately do not further our exploration efforts. The cost of mineral exploration is often uncertain, and cost overruns are common. Further, it is not unusual in the mining industry for new mining operations to experience unexpected problems during start-up, resulting in delays and requiring more capital than anticipated. Our exploration operations may be curtailed, delayed or canceled as a result of numerous factors, many of which are beyond our control, including the existence and size of mineralized zones at our properties (if any), title problems, weather conditions, protests, compliance with governmental requirements, including permitting issues, and shortages or delays in the delivery of equipment and services. The revision, reduction, curtailment, delay or termination of exploration programs and budgets could negatively affect the Company's business, plans, prospects, strategies, financial performance and condition and results.

The financing, exploration, development and/or mining of the Company's exploration properties is furthermore subject to a number of macroeconomic, legal, social and other factors, many of which are out of our control, including commodity prices, laws and regulations, including laws regarding taxes, royalties and the environment, political conditions, currency fluctuations, the ability to hire and retain qualified people and the inability to obtain suitable machinery, equipment, supplies, consumables or labour. Unfavourable changes to these and other factors have the potential to negatively affect the Company's business, plans, prospects, strategies, financial performance and condition and results.

Mineral exploration activities are also subject to the risk that no commercially productive or extractable resources will be encountered or, even if they are encountered, that they cannot be exploited profitably. Few mineral properties which are explored are ultimately developed into producing mines or are otherwise exploited profitably. At present, the Company's properties are not known to have a body of bankable commercial minerals, and the proposed work programs on the Company's properties are exploratory in nature only. To advance a property from an exploration property to a development project, we will need to overcome various hurdles, including completing favourable feasibility studies, securing necessary permits and raising significant additional capital to fund activities. The economic feasibility of any mineral project is based upon, among other things: estimates of the size, grade and metallurgical characteristics of mineral reserves and resources; proximity to infrastructure and other resources (such as water, power and transportation resources); anticipated production rates; capital and operating costs; governmental regulations (such as regulations relating to prices, taxes, royalties, land title, land use, import and export of minerals and the environment); the availability, terms and costs of additional funding; local community and landowner sentiment towards the project; and commodity prices. Many of these factors are outside of the control of the Company and cannot be predicted. There is no certainty that the expenditures made and efforts undertaken by the Company towards the exploration and evaluation of the mineralization and other geological characteristics of the Company's properties will result in discoveries or the production of commercial quantities of minerals.

Substantial expenditures may be required to locate, evaluate and establish mineral resources or mineral reserves, to develop metallurgical processes and to construct mining, processing and/or storage facilities at a particular site, which expenditures will require substantial additional financing. It is impossible to guarantee that the Company will be able to secure the necessary financing to pursue the exploration or development activities planned by the Company or that its activities will result in an economically viable or profitable commercial operations.

### **Ability to Meet Financial Commitments**

We must have sufficient funds to pay general and administrative expenses and conduct exploration activities, including funding the amounts necessary to keep the mineral licenses comprising the Kap Property, the Burntwood Property and the Woods Creek Property in good standing and to undertake exploration activities at the Kap Property, the Burntwood Property and the Woods Creek Property. If we are unable to fund these amounts by way of financings, including public or private offerings of equity or debt securities, we will need to reorganize or significantly reduce our operations, which may result in an adverse impact on our business, financial condition and exploration activities.

If we are unable to fund the amounts required to maintain the mineral licenses comprising the Kap Property, the Burntwood Property and/or the Woods Creek Property in good standing, we will lose our interest in the Kap Property, the Burntwood Property and/or the Woods Creek Property. We do not have credit, off-take or other commercial financing arrangements in place that would finance continued evaluation or development of our properties if we were unable to otherwise fund the amounts required to keep our property interests in good standing, and we believe that securing credit financing for our properties at their current stage would be very difficult. Moreover, equity financing may not be available on attractive terms and, if available, will result in dilution to existing shareholders.

## **Dependence on Few Mineral Properties**

Our only material mineral property for the purposes of NI 43-101 is the Kap Property. Unless the Company acquires additional property interests, or the Burntwood Property or the Woods Creek Property becomes material to the Company, any adverse developments affecting the Kap Property could have a disproportionately adverse effect upon the Company and the financial performance or results of operations of the Company. There is no assurance that the Company's mineral exploration programs at the Kap Property will result in the definition of mineral resources or mineral reserves at this property. There is also no assurance that even if mineral resources or mineral reserves are discovered at the Kap Property, that the Kap Property will be brought into commercial production. The failure to discover commercial quantities of mineralization on the Kap Property, or otherwise commercially exploit the Kap Property, over time will have a material adverse impact on the Company's potential future profitability and ability to operate as a going concern.

## **Early-Stage Status and Nature of Exploration**

The Company is at an early stage of exploration and, as a result, has not declared mineral resources or mineral reserves at any of its mineral properties and it is uncertain if further exploration will result in the determination of any mineral resources or mineral reserves at any of its mineral properties. As a result, any reference to potential quantities and/or grades of minerals, or the recovery of such minerals, is conceptual in nature. Any information regarding potential mineralization, including quantities and/or grades or the recovery of minerals, included in this AIF should not be interpreted as assurances of a potential mineral resource or mineral reserve, or of any potential future mine or of the viability or profitability of future operations.

As an exploration stage company, we may never enter the development or production stages, within shareholder investment timelines or at all. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines or otherwise utilized commercially. Even if the presence of mineral resources and mineral reserves is established at a project, the legal and economic viability of the project may not justify exploitation. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with an exploration stage business, and the competitive and regulatory environment in which we operate and will operate, such as under-capitalization, personnel limitations and limited financing sources. These potential problems include unanticipated issues relating to the exploration of the Company's properties and associated cost overruns.

Mineral exploration is highly speculative and often non-productive. Exploration and development of mineral properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. The expenditures made by the Company in the exploration of its properties may not result in the discovery of mineral resources or mineral reserves or the eventual commencement of economically viable or profitable commercial operations. Where expenditures on a property have not led to the discovery of mineral reserves, we may need to write-off part or all of our investment in such property and, potentially, abandon such property. The economics of exploring and developing mineral properties is affected by many factors, including the accuracy of mineral resource and mineral reserve estimates, metallurgical recoveries, the cost of capital and operations, variations in the grade of mineralization and other geological estimations, fluctuations in commodity markets, fluctuations in the markets for end products, costs of mining, processing and transportation equipment and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and other commodities and environmental management and protection. Major expenses may be required to establish mineral resources and mineral reserves and develop those mineral resources and mineral reserves into a commercial mining operation by drilling, developing metallurgical processes, constructing mining and processing facilities at a particular site and extracting minerals from other material. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing. There can be no assurance that the funds required for exploration and development will be available, on a timely basis,



on reasonable terms or at all. The ultimate profitability of the Company's operations will be, in part, directly related to the costs and success of its exploration and development programs, which will be impacted by many factors, including those set forth herein.

Our future growth and productivity will depend on our ability to develop commercial projects at our existing properties or identify and acquire other mineral projects which may be commercially developed, and on the costs and results of exploration and development programs. No assurance can be given that mineral resources or mineral reserves will ever be declared at the Company's properties, or that any such mineral resources and mineral reserves, if declared, can ever be legally and economically exploited. In addition, if we discover mineralization that is deemed to have economic potential, it will take several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of producing from the mineralization may change.

### **Commodity Price Volatility**

Our activities, including our ability to establish mineral resources and mineral reserves through our exploration activities, our future profitability and our long-term viability are influenced by the prices of commodities, including gallium, germanium, zinc and other rare earth elements, and the end products produced from such minerals, such as optical and power semi-conductors, military and defence products, GaN radio frequency devices, telecommunications and fibre optic equipment, gallium-based charging apparatus and solar panels. As a result, the price of the Common Shares and the Company's financial results may be adversely affected by a decline in the price of these commodities or the price of any commodity-based end products. Commodity prices fluctuate widely and are affected by numerous factors beyond our control, including interest rates, expectations for, and the rate of, inflation, global supply, speculation and hedging, currency values and exchange rates, global and regional demand and consumption patterns, political and economic conditions and global investment patterns.

The Chinese market is a significant source of the global demand for commodities, including for gallium and zinc. A sustained slowdown in China's growth or demand, or a significant slowdown in other markets, in either case that is not offset by reduced supply or increased demand from other regions, could have an adverse effect on the price and/or demand for the minerals that we are exploring for, which could in turn have an adverse effect on the Company.

Weakness in the global economy could increase volatility in commodity prices or depress commodity prices, which could in turn reduce the value of our properties, make it more difficult to raise additional capital and/or make it uneconomic for us to continue our exploration activities.

### **Gallium, Germanium and Other Rare Earth Metals Market Risks**

In addition to the general volatility associated with minerals and commodities, the market for gallium, germanium and other rare earth metals is additionally volatile given the strategic importance of these metals to the military and defence, telecommunications and energy industries. China is the largest producer of gallium and controls much of the production of germanium and other rare earth metals. The ongoing geopolitical tensions between China and the United States, the efforts of the United States, Canada and other western countries to develop domestic and regional supply chains for the production of these minerals and end products incorporating these minerals and China's efforts to continue to control the markets for these minerals can cause, among other things, wide fluctuations in the prices for these commodities and the end users of these commodities to search for product alternatives, which may in turn impact the price of the Common Shares and the Company's financial results.

For example, on July 3, 2023, China unveiled restrictions on the exports of eight gallium and six germanium products which served to reduce the amount of wrought gallium and germanium products exported internationally, causing the price of gallium and germanium to increase. In the event that China was to lift these restrictions, or otherwise increase its production and exports of gallium, germanium and/or other rare earth metals, whether for strategic geopolitical reasons or otherwise, the

market price for gallium, germanium and/or other rare earth metals could decrease, which could have a material and adverse effect on the Company.

### **Refining of Gallium and Germanium**

As a result of China's historic dominance over gallium and germanium production, there are currently no production facilities for gallium in North America and very few outside of China. While there are more germanium production facilities outside of China, including Teck Resources Limited's smelter in Trail, British Columbia, these facilities are limited and may not have the capacity to process material mined from the Company's properties, if any. As a result, in the event that the Company discovered economic quantities of gallium and/or germanium at any of its properties, the ultimate development of a mine and the extraction of minerals from any such property would be contingent on the ability of the Company to refine or arrange for the refinement of such materials in an economic manner.

If additional refining capacity for gallium and/or germanium is not developed outside of China, including through the development of gallium refining capacity at existing zinc smelters, or if the Company is unable to utilize existing refineries to refine product produced from any of its properties, as a result of economic, political or capacity restraints, or otherwise, the Company may be unsuccessful at developing its properties and/or bringing such properties into production. Continuing production capacity restraints outside of China may also negatively impact the Company's ability to raise capital to develop its properties, which in turn could negatively impact the price of its Common Shares and the Company's financial results.

### **Product Alternatives**

Gallium, germanium and zinc are primarily used in specific applications, such as the use of gallium in semi-conductors and the use of refined zinc to galvanize steel. Alternative technologies are continually being investigated and developed with a view to reducing production costs or for other reasons, such as minimizing environmental or social impact. If competitive technologies emerge that use other materials in place of the minerals which may be produced from our properties, the demand and price for such commodities might fall. For example, in some electrical applications, gallium and germanium can be replaced by silicon or indium. Given prevailing geopolitical tensions and the importance of military, defence, telecommunications and alternative energy applications, we expect that producers of this equipment and infrastructure will continually investigate alternative technologies with a view to reducing production costs or supply risk. There can be no assurance that competitive technologies not reliant on gallium, germanium, zinc or other rare earth elements won't emerge. If such technologies were to emerge, they could reduce the demand and price of these minerals and, consequently, adversely impact the Company's financial results and the price of its Common Shares.

### **Local Communities and Indigenous Groups**

Our success depends on developing and maintaining productive relationships with the communities surrounding our operations and other stakeholders in our operating locations. Local communities and stakeholders can become dissatisfied with our activities or the level of benefits provided, which may result in legal or administrative proceedings, civil unrest, protests and/or campaigns against us. Any such occurrences could materially and adversely affect our financial condition and results of operations.

In addition, the nature and extent of the rights of First Nations, Metis and other indigenous groups ("**Indigenous Groups**") remains, in many cases, the subject of active debate, claims and litigation. Various national, provincial and state laws, codes, resolutions, conventions, guidelines, court decisions and other materials relate to the rights of Indigenous Groups, which provide Indigenous Groups with a spectrum of rights in lands that have been traditionally used or occupied by such Indigenous Groups. Many of these materials impose obligations on the government to respect the rights of Indigenous Groups. Some mandate that governments consult with Indigenous Groups regarding government actions which may affect Indigenous Groups, including actions to approve or grant mining rights or permits. For example, the United Nations Declaration of the Rights of Indigenous People, which the

Government of Canada has expressed a renewed commitment to implementing, requires governments to obtain the free, prior and informed consent of Indigenous Groups who may be affected by government action, such as the granting of mining concessions or the approval of mining permits. The obligations of government and private parties under the various materials pertaining to Indigenous Groups continue to evolve and be defined.

The Company operates in regions inhabited by members of Indigenous Groups. Specifically, the Kap Property lies in the Sahtu Region of the Northwest Territories, which is the subject of the Sahtu Dene and Metis Comprehensive Land Claim Agreement providing the certain Dene and Metis Indigenous Groups with land title in this region. As a result, aboriginal title claims and rights and rights to consultation and accommodation held by Indigenous Groups may affect the Company's operations, including by lengthening the timeframes required to receive permits and approvals and undertake exploration or development activities and by increasing the cost of these activities. Opposition by Indigenous Groups to the Company's operations may require modification of, or preclude, the exploration, operation or development of the Company's properties or may require the Company to enter into agreements with Indigenous Groups with respect to the Company's properties. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities. In the event that all or some of the communities surrounding one of the Company's properties ultimately oppose the Company's exploration and development of such property, the Company's ability to undertake exploration and development activities at the property may be impeded and such activities may become more costly, management's attention may be diverted away from the operation of the Company's business, the Company's general and administrative, including legal, expenditures may be increased and/or the Company's exploration and development of the property may be delayed or prevented, or made uneconomic.

There can be no assurance that the Company will not face community opposition in respect of its properties or that the Company will not face requests for economic accommodation in respect of its properties. Such opposition may have a material and adverse impact on our ability to explore and develop our properties, and, consequently, on our business, financial condition and prospects. In addition, the Company may be required to enter into mediation, arbitration, litigation and other forms of dispute resolution and/or make economic accommodations to local communities and Indigenous Groups in connection with its exploration and development of its properties which, in either case, could, among other things, increase the Company's costs associated with its exploration and development of the property in question (including general and administrative costs, such as legal costs), cause delays in the exploration and development of the property, divert management's attention away from the operation of the Company's business and/or cause the exploration and development of the property to be delayed, prevented or become uneconomic.

In order to facilitate exploration and development, we may deem it necessary and prudent to obtain the cooperation and approval of local Indigenous Groups, including by entering into memorandums of understanding with these groups which include commitments with respect to, among other things, training, employment and/or economic benefits. There is no assurance that the Company will be able to maintain practical working relationships with Indigenous Groups, and any cooperation and approval may be predicated on our committing to take measures to limit the adverse impacts on local Indigenous Groups or the environment of our activities and ensure that some of the economic benefits of such activities will be enjoyed by the local Indigenous Groups, including by making commitments regarding employment, training and other matters typically contained in memorandums of understanding, impact and benefit agreements and similar agreements. There can be no guarantee that any of our efforts to secure such cooperation or approval would be successful or that the assertion of rights or title, or claims of insufficient consultation or accommodation, by Indigenous Groups will not create delays in approvals or unexpected interruptions in progress or requirements for consent from Indigenous Groups, or result in the cancellation of permits and licenses or additional costs (including general and administrative costs, such as legal costs) to advance our properties.

## **Conflicts of Interest**

Certain directors and officers of the Company are, and may continue to be, or may become involved in, the mining or mineral exploration industry through their direct and indirect participation in corporations, partnerships, joint ventures or other business entities which are potential competitors of the Company. In addition, some of the directors and officers of the Company have either other full-time employment or other business or time restrictions placed on them and, accordingly, the Company will not be the only business enterprise of these directors and officers. This involvement or participation in the mining or mineral exploration industry or the other employment or business interests of the directors and officers of the Company may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the Company are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of the Company. Any failure of the directors or officers of the Company to address any conflict of interest in the appropriate manner, or to allocate opportunities that they become aware of to the Company, could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

## **Legal and Litigation**

Due to the nature of its business, the Company may be subject to regulatory investigations, claims, lawsuits and other proceedings. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation or dispute resolution process, the resolution of any particular legal proceeding to which the Company may become subject cannot be predicted with certainty and could have a material adverse effect on the Company's business, prospects, financial condition, and operating results. To the knowledge of the Company, there are no current claims or litigation outstanding against the Company.

## **Dependence on Management and Personnel**

We rely, in large part, on the efforts of our directors and officers and, as a result, the Company is very dependent upon the personal efforts and commitment of its directors and officers. If one or more of the Company's executive officers or directors becomes unavailable for any reason, including as a result of other employment or business or time restrictions placed on them, a disruption to the business and operations of the Company could result and, if the unavailability persists, the Company may not be able to replace them readily, if at all. As the Company's business activity grows, the Company will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets is high. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's results of operations and financial condition.

## **Environmental Risks and Hazards**

All phases of the Company's operations are subject to environmental regulation by federal, provincial, state and local authorities. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which imposes stricter standards, including more stringent enforcement, fines and penalties for non-compliance. Pursuant to these stricter standards, environmental assessments of proposed projects carry a heightened degree of responsibility for companies, including their directors, officers and employees. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Compliance with

these environmental requirements may also necessitate the devotion of significant management time and capital outlays, which may negatively impact our financial condition and results of operations. In addition, no assurance can be given that environmental standards imposed on the Company will not continue to be changed or that such changes will not materially and adversely affect our activities or prohibit them altogether.

Environmental hazards which are unknown to the Company at present and which have been caused by previous owners or operators, or occurred naturally, may exist on any of our properties. We may be liable for remediating these liabilities and any other liabilities that we may cause. This liability could include costs for removing or remediating the release of hazardous substances or the damage to natural resources caused thereby, including ground water, as well as the payment of fines and penalties. Parties engaged in mining operations may also be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. The Company may not be able to, or may elect not to, insure against any such liabilities.

### **Currency Exchange Rates**

Our financial condition is affected in part by currency exchange rates, as portions of our exploration costs in the United States denominated in U.S. dollars. A weakening Canadian dollar relative to the U.S. dollar may have the effect of increasing exploration costs, while a strengthening Canadian dollar may have the effect of reducing exploration costs. The exchange rates between the Canadian dollar and the U.S. dollar have fluctuated widely in response to international political conditions, general economic conditions and other factors, all of which are beyond our control.

### **Conflict in the Ukraine and the Middle East**

The ongoing hostilities in Ukraine and in the Middle East, and the accompanying international response, including economic sanctions, has been disruptive to the world economy, with increased volatility in commodity markets, including higher oil and gas prices, international trade and financial markets, all of which have a trickle-down effects on supply chains and equipment. There is substantial uncertainty about the extent to which either of these conflicts will continue to impact economic and financial affairs, as the numerous issues arising from these conflicts are in flux and there is the potential for escalation of these conflicts both within Europe and the Middle East, and globally. There is a risk of substantial market and financial turmoil arising from these conflicts which could have a material adverse effect on the Company's ability to obtain equity or debt financing in the future on terms favorable to the Company or at all, operate its business and/or advance its exploration plans.

### **Cyber Security Risks**

As the Company continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. The Company's information systems, along with those of any of its counterparties, may be vulnerable to the increasing threat of continually evolving cyber security risks. Cyber security risks include, among others, attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the loss of control over computer systems and breaches due to employee error.

The successful operation of the Company's business depends, in part, on how well the Company and its counterparties protect networks, equipment, information technology systems and software against damage from threats. The failure of information systems, or a component of information systems could, depending on the nature of any such failure, seriously harm the Company's reputation and materially adversely affect its business and results of operations, including by causing business and supply chain disruptions, plant and utility outages and information technology system and network disruptions. There can be no assurance that the Company or its counterparties will not be subject to such failures, or the consequences arising therefrom. To date, the Company has not experienced any material impact from

cyber security events; however, the Company's risk and exposure to these matters cannot be fully mitigated, as a result of the evolving nature of these threats, and it may not have the resources or technical sophistication to anticipate, prevent or recover from rapidly evolving types of cyber-attacks. Compromises to its information systems could have severe financial and other business implications.

### **Social and Environmental Activism**

There is an increasing level of public concern relating to the effect of mining on the natural landscape, on communities and on the environment. Certain non-governmental organizations, public interest groups and other organizations ("NGOs") who oppose resource development can be vocal critics of the mining industry. In addition, there have been many instances in which local community groups have opposed resource extraction activities, which has resulted in disruption and delays to the relevant operation. NGOs or local community organizations could direct adverse publicity against, and/or disrupt the operations of, the Company in respect of one or more of its properties, regardless of its compliance with social and environmental best practices, due to political factors, activities of unrelated third parties on lands in which the Company has an interest or the Company's operations. Any such actions, and the resulting media coverage, could have an adverse effect on the reputation of the Company and/or its relationships with the communities in which it operates, which could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

For a description of related risks in respect of opposition from community groups, see "*Risk Factors – Risks Related to the Company - Local Communities and Indigenous Groups*" above.

### **Permitting**

The Company's interest in its properties is subject to its maintenance of the mineral rights comprising such properties. In addition, the Company's activities on its properties will require approvals and permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, exploration, development, mining, production, exports, taxes, labour standards, health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There is no assurance that we will be able to acquire all required licenses, permits or property rights on reasonable terms, in a timely manner or at all, that such terms will not be adversely changed, that required extensions will be granted, in a timely manner or at all, or that the issuance of such licenses, permits or property rights will not be challenged by third parties. Delays in obtaining or a failure to obtain any licenses or permits, or extensions thereto, challenges to the issuance of such licences or permits, whether successful or unsuccessful, changes to the terms of such licences or permits or a failure to comply with the terms of any such licences or permits that the Company has obtained could have a material adverse effect on the Company by delaying, preventing or making more expensive exploration and/or development. In addition, the process of applying for, seeking and receiving any required approvals or permits may require the devotion of significant management time and capital outlays by the Company, which may negatively impact our financial condition and results of operations. A failure to comply with the terms of any licenses or permits held by the Company may also result in enforcement actions, including orders issued by regulatory or judicial authorities, which may require corrective or remedial measures to be undertaken, resulting in delays and increased expenditures, or revoking the permit or license, resulting in the Company losing its interest in the mineral property in question or having to re-apply for the permit or license.

### **Acquisition Strategy**

As part of the Company's business strategy, it intends to seek new exploration and development opportunities in the resource industry. The Company cannot provide any assurance that it will be able to complete any acquisition that it pursues on favourable terms, or at all, or that any acquisition that the Company chooses to complete will be beneficial to the Company. Any acquisition that we may choose to complete may change the scale of our business and operations, and may expose us to new or greater geographic, political, operating, financial, legal and geological risks. Our success in our acquisition activities depends on our ability to identify suitable acquisition candidates, negotiate

acceptable terms for any such acquisition and integrate the acquired business and/or assets into the Company successfully. The identification of attractive candidates and integration of acquired properties, assets or entities involve inherent risks, including but not limited to the risk that:

- the Company has not accurately assessed the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates;
- the Company will be unable to achieve identified and anticipated operating and financial synergies;
- unanticipated costs will arise from the acquisition;
- the diversion of management's attention from the Company's existing business will adversely affect the Company's results of operations, prospects and financial condition;
- the acquisition will result in disruption to ongoing business and operations or the loss of our key employees or contractors, or the key employees or contractors of any business acquired;
- unanticipated changes in business, industry or general economic conditions will adversely affect the assumptions underlying the acquisition; and/or
- the value of the acquired properties, companies or securities will decline as a result of the acquisition.

Any one or more of these factors or risks, or other risks and factors associated with an acquisition, could cause us not to realize the anticipated benefits of an acquisition, and could have a material adverse effect on our business, financial condition, results of operations or prospects. There can be no assurance that we will be able to successfully manage the integration and operations of businesses or properties we acquire or that the anticipated benefits of our acquisitions will be realized. The process of managing acquisitions may involve unforeseen difficulties and may require a disproportionate amount of management resources, which may divert management's focus and resources from other strategic opportunities and from operational matters during this process.

In connection with any future acquisitions, we may incur indebtedness or issue equity securities, resulting in increased interest expense or dilution of the percentage ownership of existing shareholders. Acquisition costs, additional indebtedness or issuances of securities in connection with such acquisitions may adversely affect the price of our Common Shares and negatively affect our results of operations.

### **Additional Capital**

The exploration, development and mining of our properties will require ongoing financing. The Company will additionally be required to finance the fees and expenses necessary to maintain its properties in good standing under applicable law and to operate as a public company. The Company will require additional funds if, among other things, it encounters unexpected costs, problems or delays, if the costs of its activities are greater than the Company has anticipated and if the Company decides to obtain additional mineral properties. Our ability to continue exploration and to engage in any development or production activities will depend on our ability to obtain additional external financing.

As the Company has no expectations of generating cash flow from its properties or assets in the near term, the Company will be required to rely on external financing. Until the Company is able to generate cash flow and achieve profitability, the Company's future is dependent upon its ability to obtain financing. Failure to obtain additional financing could result in the delay or indefinite postponement of exploration or development activities, require us to sell our properties or assets, result in the loss of our properties or assets or result in the failure of the Company's business and the loss of investors' entire

investment. The sources of external financing that we may use for these purposes include project or bank financing, royalty, streaming or other similar arrangements or, most likely, public or private offerings of securities. In addition, we may enter into one or more strategic alliances or joint ventures, decide to sell certain property interests or utilize one or a combination of all of these alternatives to finance the Company and its operations. The Company currently does not have any arrangements for further financing and it may not be able to obtain financing when required, on acceptable terms or at all. The ability of the Company to arrange such additional financing in the future will depend, in part, on the prevailing capital market conditions as well as the business and performance of the Company. Even if we raise sufficient additional capital, there can be no assurance that we will achieve profitability or positive cash flow. In addition, any future equity offering will dilute the equity interest of existing shareholders in the Company, and any future debt financing will require us to dedicate a portion of our cash flow to payments on indebtedness and will limit our flexibility in planning for or reacting to changes in our business.

The Company may encounter difficulty sourcing future financing in light of the recent economic downturn. The current financial equity market conditions and the inhospitable funding environment make it difficult to raise capital through the issuance of Common Shares. The junior resource industry has been severely affected by the world economic situation, as it is considered speculative and high-risk in nature.

### **Infrastructure**

Exploration and development and mining and processing activities depend on adequate infrastructure. Reliable roads, bridges, power sources, communication networks and water supply are important determinants which affect capital and operating costs and the viability of a project. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of a property. If adequate infrastructure is not available in a timely manner, we cannot assure you that the exploration or development of a property will be commenced, conducted or completed on a timely basis, or at all, or that the costs associated with such exploration and/or development of such property will not be higher than anticipated. In addition, unusual or infrequent weather phenomena, fires, sabotage, community, government, Indigenous Group, NGO or other interference or activism or other sources of damage to, or interference in the maintenance or provision of, infrastructure could adversely affect our business, operations, financial condition and prospects.

In particular, the Kap Property is located in a very remote area, 160 kilometres away from the nearest town with road access, with no access to sources of power or water infrastructure. As a result, in order to conduct exploration work on the Kap Property, the Company will be required to fly in all necessary equipment (including power generation and water supply equipment) and personnel, which will increase the cost of exploration and may limit or delay access to the Kap Property where inclement weather conditions limit flight. In the event that the Kap Property is successfully explored by the Company and reaches the development stage, as part of development, road access to the Kap Property would need to be established and the Company would need to construct, or arrange for the construction of, power lines and water infrastructure, all of which would be time consuming and expensive and could delay or prohibit the development of a mine at the Kap Property.

### **Compliance with Laws**

The Company is headquartered in Calgary, Alberta and its mineral properties are located in Canada and in the United States. As such, the Company's business is subject to various laws and regulations in Canada and the United States, including mining-related laws, environmental laws and anti-corruption and anti-bribery laws. As legal and regulatory requirements in the United States are different from those in Canada. The Company relies, to a great extent, on the Company's local advisors in the United States with respect to compliance with applicable laws and regulations, including with respect to environmental compliance and banking, financing and tax matters.



Additionally, our activities are subject to extensive federal, provincial, state and local laws, regulations and policies governing various matters, including, but not limited to:

- environmental protection;
- the management and use of toxic substances and explosives;
- the management of waste;
- the management of natural resources and land;
- the exploration and development of mineral properties;
- taxation;
- labour standards and occupational health and safety; and
- historic and cultural preservation.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in significant expenditures and/or have a material adverse affect on our business, results of operations, prospects and financial condition. We may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. Amendments to current laws, regulations and permitting requirements, future laws and regulations or changes in the interpretation or the more stringent enforcement of current laws and regulations by governmental authorities could have a material adverse impact on the Company, including by resulting in additional expenses or capital expenditures or a requirement to suspend or delay our activities or abandon one or more of our properties.

Our efforts to comply with applicable laws, rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management's time and attention from operating activities to compliance activities. If we fail to comply with such laws, rules and regulations, it could have a negative effect on our business, results of operations, financial condition, prospects and the price of our Common Shares and investors could lose all or part of their investment. These laws, rules and regulations continue to evolve in scope and complexity, and many new requirements have been created as a result of laws enacted by governments, making compliance more difficult and uncertain. Even if the Company is successful in complying with all applicable laws, rules and regulations, there can be no assurance that this compliance in and of itself will not have an adverse effect on the Company or its property.

### **Foreign Operations**

We conduct business in the United States and, as such, our activities are exposed to various levels of foreign political, economic and other risks and uncertainties. These risks and uncertainties include, but are not limited to, terrorism, fluctuations in currency exchange rates, high rates of inflation, labor unrest, war or civil unrest, expropriation and nationalization, changes in taxation policies, changing political conditions and governmental regulations that favor or require the rewarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies, or shifts in political attitude, in the United States may adversely affect our exploration and possible future development activities. In recent years, there has been a substantial increase in political tensions, which is particularly acute in respect to gallium,

germanium and rare earth metals. Gallium and Germanium, and certain other rare earth metals have been identified as a “critical mineral” in multiple jurisdictions and are the subject of increasingly active industrial policy. The Company expects that, over time, this industrial policy, and the associated political tensions, may limit our ability to undertake business opportunities with actors from non-Western countries. We may also be affected to varying degrees by government regulations with respect to, but not limited to, foreign investment, maintenance of claims, environmental legislation, land use, land claims of Indigenous Groups, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on our operations. In addition, legislation in Canada or the United States regulating foreign trade, investment and taxation could have a material adverse effect on our financial condition.

### **International Advisors and Consultants**

The legal and regulatory requirements in the United States with respect to conducting mineral exploration and mining activities are different from those in Canada. The officers and directors of the Company must rely, to a great extent, on the Company’s local legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company’s business operations. The Company relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing, labour, litigation and tax matters in the United States. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond the control of the Company. The impact of any such changes may adversely affect the business of the Company.

### **Flow-Through Financings**

There is no guarantee the Company will fulfill its spending commitments from any “flow-through financing” undertaken by the Company. These expenditures are often audited and challenged by the tax authorities, and there is no guarantee that the Company’s spending on exploration and development will be considered as eligible flow-through expenditures by the Canada Revenue Agency.

### **No Assurance of Title to Property**

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. The Company cannot give an assurance that title to its property interests will not be challenged or impugned. Title to a property may be subject to prior unregistered agreements, interests or land claims by Indigenous Groups, and title may be affected by undetected defects. Additionally, mineral properties sometimes contain claim or transfer histories that examiners cannot verify, and so title to such property cannot be certain. Further, the Company cannot give any assurance that the existing description of mining titles will not be changed due to changes in policy, rulings or law in the jurisdiction where the property is located. A successful claim that the Company does not have title to a property could cause the Company to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property, or impair such rights. Challenges to permits or property rights (whether successful or unsuccessful), changes to the terms of permits or property rights or a failure to comply with the terms of any permits or property rights that have been obtained could have a material adverse effect on our business by delaying or preventing our operations or making continued operations economically unfeasible.

The property interests of the Company may now or in the future be the subject of land claims by Indigenous Groups. The legal nature of land claims by Indigenous Groups is a matter of considerable complexity. The impact of any such claim on the Company’s interest in its properties cannot be

predicted with any degree of certainty and no assurance can be given that a broad recognition of rights of Indigenous Groups in the area in which any of the properties of the Company are located, by way of a negotiated settlement, judicial pronouncement or otherwise, would not have an adverse effect on the Company's activities or interest in such properties. Even in the absence of such recognition, the Company may at some point be required to negotiate with Indigenous Groups in order to facilitate exploration and development work on a property owned by the Company. There can be no guarantee that such negotiations will be successful, and any cooperation and approval on behalf of Indigenous Groups with respect to the exploration and development of our properties may be predicated on our committing to take measures to limit the adverse impacts on local Indigenous Groups of our activities and ensure that some of the economic benefits of such activities will be enjoyed by the local Indigenous Groups. For additional risks associated with the rights of Indigenous Groups, see "*Risk Factors – Risks Related to the Company - Local Communities and Indigenous Groups*" above.

If there are title defects with respect to any of the Company's properties, the Company might be required to compensate other persons or may have its interest in the subject property reduced or eliminated. Title insurance is generally not available, and our ability to ensure that we have obtained secure title to individual mineral properties or mining concessions may be severely constrained. Also, in the event of a title defect with respect to any of the Company's properties, the investigation and resolution of the title issues would divert management's time from ongoing exploration and advancement programs at such property, and these activities may be required to be halted while the title issues are resolved.

### **Factors Beyond the Control of the Company**

The exploration and development of a mining property is inherently challenging and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome, including, without limitation, the occurrence of:

- unusual or unexpected geological conditions, including unexpected or unfavourable ground conditions, and other forms of geological, mineralogical, geochemical or geotechnical complexities associated with natural systems and conditions;
- metallurgical problems;
- environmental hazards;
- power outages;
- availability of water;
- labour disruptions;
- community relations issues;
- industrial accidents;
- periodic interruptions due to inclement or hazardous weather conditions;
- climate change-related events;
- flooding, explosions, fire, rockbursts, cave-ins or landslides;
- mechanical equipment and facility performance problems; or
- the unavailability of materials and equipment.

These risks could result in damage to, or destruction of, mineral property, facilities or other property, facility and workforce evacuation, personal injury or death, environmental damage, delays in operations, the failure of exploration efforts, asset write downs and/or monetary losses and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums, or at all. Insurance against certain risks, including potential liability for pollution and other hazards resulting from the disposal of waste products, is not generally available to companies within the mining industry. We may suffer a material adverse impact on our business if we incur losses related to any of the foregoing events that are not insurable losses.

### **Adverse General Economic Conditions**

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the mineral resource industry, have been and continue to be impacted by these market conditions. Some of the key impacts of the financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity and foreign exchange markets and a lack of market confidence. A continued or worsened slowdown in the financial markets or volatility in other economic conditions, including, but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, financial markets, interest rates and tax rates, may adversely affect our growth and ability to obtain financing. Specifically:

- a global credit/liquidity crisis, volatility in commodity prices and recessionary pressures could impact the cost and availability of financing and the Company's overall market liquidity;
- volatility in energy, commodity and consumable prices could impact our operating costs and may potentially limit our ability to complete offerings of our securities and the Company's overall market liquidity; and
- the devaluation and volatility of global stock markets could impact the valuation of our Common Shares and potentially limit our ability to complete offerings of our securities.

These factors are beyond the control of the Company and could have a material adverse effect on the Company's financial condition and results of operations.

### **Inflation**

The general rate of inflation impacts the economies and business environments in which the Company operates. Increased inflation and any economic conditions resulting from governmental attempts to reduce inflation, such as the imposition of higher interest rates or wage and price controls, may impact the Company's cost of operations, and could, accordingly, have a material adverse effect on the Company's business, financial condition and results of operations. Higher interest rates as a result of inflation could negatively impact the Company's borrowing costs, which could, in turn, have a material adverse effect on Company's financial condition and ability to service obligations under any debt securities and other debt obligations that may be incurred.

### **Insurance**

The Company's business is subject to a number of hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, environmental occurrences and natural phenomena (such as inclement weather conditions, fires, floods, hurricanes, earthquakes, ground or slope failures and cave-ins), encountering unusual or unexpected geological conditions and mechanical failures. The occurrence of any of the foregoing hazards could result in damage to, or destruction of, the Company's properties or facilities, personal injury or death, environmental damage, delays in or interruption or cessation of its exploration or development activities, costs, monetary losses, legal liability or adverse governmental action. Insurance will not cover all of the potential risks associated with our operations or the risks associated

with being a publicly traded company generally. Even if insurance is available, we may decline to insure against certain risks, whether as a result of not being able to obtain or maintain such insurance coverage at economically feasible premiums, or otherwise, and any insurance that we obtain may not be adequate to cover any liability that we may suffer or incur. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution or certain other hazards associated with exploration or development is not generally available to us or to other companies in the mining industry on acceptable terms or at all. Should any liabilities arise from any of the foregoing hazards, or any other hazards, which are not adequately covered by insurance, the Company could be subject to increased costs and may be required to temporarily suspend or terminate its operations, and the Company's business, operations and financial condition, and the price of the Common Shares, may be materially and adversely affected.

### **Internal Controls**

Effective internal controls are necessary for the Company to provide reliable financial reports and to help prevent fraud. Although the Company will undertake a number of procedures in order to help ensure the reliability of its financial reports, including those imposed on it under Canadian securities laws, the Company cannot be certain that such measures will ensure that the Company will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's results of operations or cause it to fail to meet its reporting obligations. If the Company or its independent auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in the Company's financial statements and harm the trading price of the Common Shares.

### **Competition**

The mineral exploration and mining business is intensely competitive in all of its phases. The Company competes for the acquisition of attractive mineral properties, claims, leases and other mineral interests, capital to finance exploration and the recruitment and retention of qualified individuals with numerous other companies and individuals, including competitors with greater financial, technical and other resources and capabilities than the Company. The Company's ability to acquire properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable prospects for mineral exploration or producing properties. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

As a result of this competition, the Company may have to compete for financing and may be unable to acquire financing on terms it considers acceptable, or at all. The Company may also have to compete with other companies for the recruitment and retention of qualified managerial and technical employees.

If the Company is unable to successfully compete for the acquisition of attractive mineral properties, claims, leases and other mineral interests, capital to finance exploration plans and/or the recruitment and retention of qualified individuals, the Company's operations may be delayed or impeded and the Company may be required to cease operations entirely.

### **Management of Growth**

The Company is concurrently overseeing the advancement of multiple exploration properties. Work to advance these properties requires the dedication of considerable time and resources by the Company and its management team and advisors. The advancement of multiple properties concurrently brings with it the associated risk of strains arising on managerial and other resources. The Company's ability to successfully manage each of these properties will depend on a number of factors, including its ability to manage competing demands on time and other resources, financial or otherwise, and successfully retain personnel, consultants and advisors and recruit new personnel, consultants and advisors to support its growth and the advancement of its properties.

If we experience a period of significant growth, our management systems and resources may be strained. Our future will depend in part on the ability of our officers and other key personnel to implement and improve our financial and management controls, reporting systems and procedures on a timely basis and to expand, train and manage our employee workforce. There can be no assurance that we will be able to effectively manage our growth. The inability of the Company to deal with growth effectively could have a material adverse impact on our business, plans, operations, financial condition and prospects.

### **The Company's Operations are Subject to Human Error**

Human error could result in significant uninsured losses to the Company. These could include, among other things, loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, significant tax liabilities in connection with any tax planning effort the Company might undertake and legal claims for errors or mistakes by Company personnel. The occurrence of any uninsured loss as a result of human error could have a material and adverse impact on our business, results of operations and financial condition.

### **Influence of Third-Party Stakeholders**

The mineral properties in which the Company holds an interest and the exploration equipment and road or other means of access which the Company intends to utilize in carrying out its work programs or operations may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's operations with respect to a given property may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for the Company.

### **Canada's Extractive Sector Transparency Measures Act**

The Canadian Extractive Sector Transparency Measures Act ("**ESTMA**") requires public disclosure of payments to governments by entities engaged in the commercial development minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments, including Indigenous Groups. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments and any other prescribed payments. Failure to report, false reporting or structuring payments to avoid reporting may result in fines. The Company has not yet been required to begin ESTMA reporting. If the Company becomes subject to an enforcement action or is found to be in violation of ESTMA, the Company may be subject to significant penalties, fines and/or sanctions, which could have a material adverse effect on the Company's business, financial condition and reputation.

### **Expansion into other Geographic Areas**

The Company may, in the future, expand into geographic areas outside of Canada and the United States, which could increase the Company's operational, regulatory, compliance, reputational and foreign exchange rate risks. The failure of the Company's operating infrastructure to support such expansion could result in operational failures and regulatory fines or sanctions. Future international expansion could require the Company to incur a number of up-front expenses, including those associated with obtaining regulatory approvals, as well as additional ongoing expenses, including those associated with infrastructure, staff and regulatory compliance. The Company may not be able to successfully identify suitable acquisition and expansion opportunities or integrate such operations and facilitate the Company's expansion to additional geographic areas successfully. In the event that the Company is unsuccessful at integrating international operations or facilitating the Company's expansion to additional geographic areas, the Company could be exposed to liabilities and legal or regulatory proceedings and management's attention could be diverted away from the operation of the Company's

business, any or all of which may result in an adverse impact on the Company's business, financial condition, results of operations or prospects.

### **Outbreaks of Contagious Diseases**

Global outbreaks of contagious diseases or similar pathogens, including COVID-19, have the potential to significantly and adversely impact our operations and business. Pandemics or disease outbreaks, such as COVID-19, may have a variety of adverse effects on our business, including by negatively impacting global economic conditions (including monetary policy and inflation), negatively impacting our ability to obtain additional financing, including by limiting the ability of our management to meet with potential financing sources, depressing commodity markets and the market value of our securities, causing supply chain disruptions and increased government regulations and negatively impacting our ability to travel to the regions where our projects are located and complete the work required to maintain the our properties (or our interests therein) in good standing.

### **Corporate Governance and Public Disclosure Regulations**

The Company is subject to changing rules and regulations promulgated by governmental and self-regulated organizations, including the Canadian Securities Administrators, the CSE and any other exchange or marketplace on which the Company's securities are listed or trade and the Financial Accounting Standards Board. These rules and regulations continue to evolve in scope and complexity, making compliance more difficult and uncertain. The Company's efforts to comply with these and other new and existing rules and regulations have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. In the event that the Company is found to be in violation of these laws, rules and regulations, the Company could be subject to legal or administrative investigations and/or penalties, including fines, cease trade orders, the de-listing of the Common Shares from exchanges and sanctions imposed against the directors and officers of the Company, any of which may have a material and adverse effect on the Company's results of operation, financial condition, prospects and reputation and the price of the Common Shares.

### **Risks Related to the Common Shares**

#### **Loss of Entire Investment**

An investment in the Common Shares is speculative and may result in the loss of an investor's entire investment. Only investors who are experienced in high-risk investments and who can afford to lose their entire investment should consider an investment in the Company. The Company has no history of earnings, limited cash reserves, a limited operating history, has not paid dividends and is unlikely to pay dividends in the immediate or near future. The likelihood of success of the Company must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business.

#### **Dilution**

In the future, in order to finance its operations or for other corporate purposes, the Company may issue additional Common Shares and/or debt instruments or other securities convertible into Common Shares. The Company cannot predict the size of future issuances of Common Shares or the size and terms of future issuances of debt instruments or other securities convertible into Common Shares. Likewise, the Company cannot predict the effect, if any, that future issuances and sales of the Company's securities will have on the market and market price of the Common Shares. Any transaction involving the issuance of previously authorized but unissued Common Shares or the conversion of previously authorized and issued convertible securities into Common Shares would result in dilution, which may be substantial, to the Company's securityholders. Additionally, sales of substantial numbers of Common Shares or securities convertible into Common Shares, or the perception that such a sale may occur, may adversely affect the market, liquidity and any prevailing market prices for the Common

Shares.

### **Market for Securities**

The market price for the securities of mineral exploration companies has historically been highly volatile. As such, the market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following:

- announcements regarding business developments relating to the Company and the public's reaction;
- announcements relating to litigation involving the Company;
- the results and progress of our exploration activities;
- actual or anticipated fluctuations in the Company's quarterly or annual results;
- recommendations by securities research analysts;
- changes in the economic performance or market valuations of companies in the industry in which the Company operates;
- the release or expiration of lock-up or other transfer restrictions on outstanding Common Shares;
- additions to or departures of the Company's executive officers and other key personnel;
- sales or perceived sales of additional Common Shares or issuances of securities convertible into Common Shares;
- significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or the Company's competitors;
- our operating, financial and Common Share price performance relative to the operating, financial and share price performance of other companies that investors deem comparable to the Company;
- changes in commodity and input prices, political events, global financial markets, global economies and general market conditions;
- regulatory changes in the industry in which the Company operates; and
- news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry.

Securities of public companies may also be subject from time to time to manipulative trading tactics of third parties, which are beyond their control and which can have an adverse impact on the market price of their securities. In addition, stock markets have experienced significant price volatility in recent months and years. This volatility has had a substantial effect on the share prices and trading volume of companies, at times for reasons unrelated to their operating performance.

We cannot make any predictions or projections as to what the prevailing market price of our Common Shares will be at any time, if any, including as to as to what effect the sale of Common Shares (or



securities convertible into Common Shares) or the availability of Common Shares (or securities convertible into Common Shares) for sale at any time will have on the prevailing market price of the Common Shares. The value of the Common Shares is determined by the evaluations, perceptions and sentiments of both individual investors and the investment community taken as a whole. Such evaluations, perceptions and sentiments are subject to change both in short-term time horizons and longer-term time horizons. Any negative change in the public's perception of our prospects, or the prospects of mineral exploration companies generally, could cause the price of our Common Shares to decrease, regardless of our results. A prolonged decline in the price of the Common Shares could result in a reduction in the liquidity of the Common Shares and a reduction in the Company's ability to raise capital. Because a significant portion of the Company's operations have been and are expected to be financed through the sale of equity securities, such a decline in the price of the Common Shares could be especially detrimental to the Company's ability to raise the necessary funds to finance its exploration and development programs and maintain its rights to its property and other assets in good standing and may force the Company to reallocate funds from other planned uses. If the Company is unable to raise sufficient capital in the future, the Company may not have the resources to continue its normal operations which may result in further decreases to the price of Common Shares and cause investors to lose some or all of their investment in the Company. Additionally, following declines in the market price of a company's securities, securities class-action litigation may be instituted. Litigation of this type, if instituted, could result in substantial costs and a diversion of our management's attention and resources.

### **Dividends**

No dividends on the Common Shares have been paid by the Company to date, and the Company does not expect to pay any dividends, in cash or otherwise, in the future, in favor of utilizing cash to support the operation and development of our business. Any future determination relating to the Company's dividend policy will be made at the discretion of the Board and will depend on a number of factors, including the Company's operating results, capital requirements and financial condition, the terms of any credit facility or other financing arrangements the Company may obtain or enter into, the Company's future prospects and other factors the Board may deem relevant at the time such payment is considered. As a result, shareholders will have to rely on capital appreciation, if any, to earn a return on their investment in the Common Shares for the foreseeable future. There can be no assurance that we will pay dividends.

### **Exchange Listing**

In the future, the Common Shares may fail to meet the continued listing requirements of the CSE and/or the other exchange(s) on which the Common Shares may trade. If the CSE or any such other exchange delists the Common Shares from trading, the Company could face material adverse consequences, including, but not limited to, a limited availability of market quotations for the Common Shares, a determination the Common Shares are a "penny stock" which may require brokers trading in the Common Shares to adhere to more stringent rules and possibly resulting in a reduced level of trading activity in the secondary market for the Common Shares, a limited amount of news and analyst coverage for the Company and a decreased ability to issue additional securities or obtain additional financing in the future. Because a significant portion of the Company's operations have been and are expected to be financed through the sale of equity securities, such a decline in the price of the Common Shares could be especially detrimental to the Company's ability to raise the necessary funds to finance its exploration and development programs and maintain its rights to its properties in good standing and may force the Company to reallocate funds from other planned uses. If the Company is unable to raise sufficient capital in the future, the Company may not have the resources to continue its normal operations which may result in further decreases to the price of Common Shares and cause investors to lose some or all of their investment in the Company.

If the Common Shares are de-listed from the CSE and/or the other exchange(s) on which the Common Shares may trade, shareholders may experience decreased liquidity and losses in the value of their Common Shares.

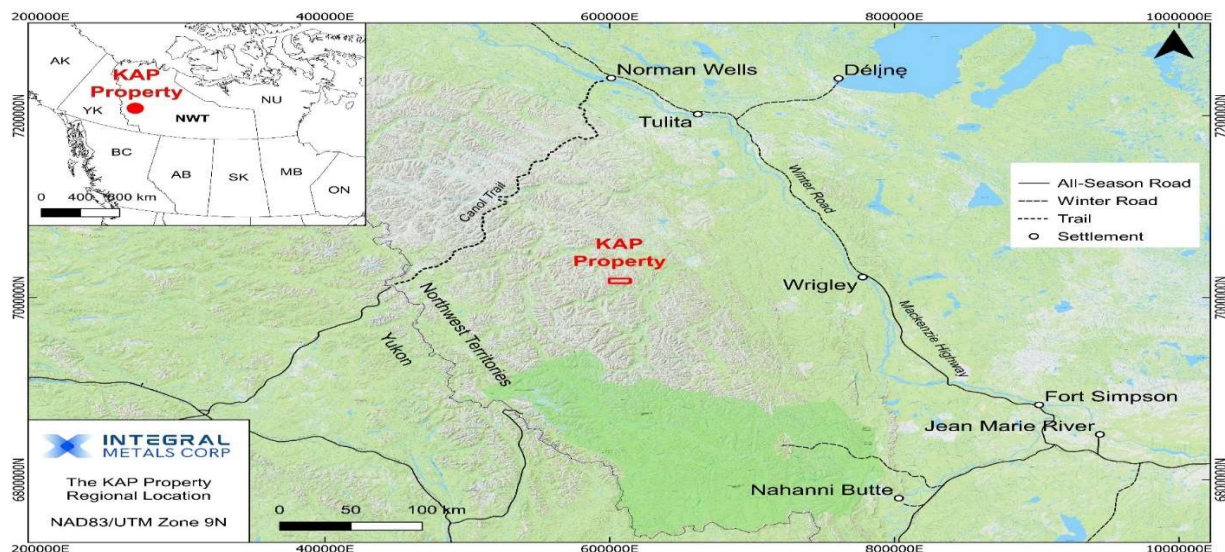
## KAP PROPERTY

The following is a general description of the Company's material mineral project. The information regarding the Company's material mineral project in this Annual Information Form is based upon assumptions, qualifications and procedures that are not fully described herein. Reference should be made to the full text of the technical report respecting the material mineral project, a copy of which is available for review on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Unless stated otherwise, the following information concerning the Kap Property is derived from the technical report entitled "Technical Report on the KAP Property, Mackenzie Mountains, Northwest Territories, Canada", with an effective date of August 9, 2024 prepared by Kristian Whitehead, P. Geo, a "qualified person" as defined under NI 43-101, and is qualified in its entirety by the full Kap Technical Report. Readers are encouraged to review the Kap Technical Report in full, as the Kap Technical Report contains additional assumptions, qualifications, references, reliances and procedures which are not fully described herein. The Kap Technical Report is available on the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### Property Description, Location and Access

Figure 1 presents the regional location of the Kap Property. The Kap Property is comprised of six mineral claims covering approximately 7,500 hectares of land in the Mackenzie Mountains, Northwest Territories, Canada. The Kap Property is located approximately 160 kilometers west of Wrigley, Northwest Territories and approximately 220 kilometers south of Norman Wells, Northwest Territories. The Kap Property area is covered by NTS map sheets 95M06 and 95M07, and is centered at the geographic coordinate of UTM NAD 83, Zone 9N, 607167mE and 7018574mN. The Company owns 100% of the title to the Kap Property and there are no royalties associated with the Property. The Property can be accessed by helicopter from Norman Wells or Wrigley. The all-weather Mackenzie Highway extends up to Wrigley, and is serviceable throughout the year. An extension of this highway to Norman Wells is currently under review. Float-equipped aircraft can land at Hayhook Lake (25 kilometers north of the Kap Property) and Dal Lake (22 kilometers southeast of the Kap Property). Winter road access to the Kap Property along the Redstone River valley may be possible.



**Figure 1** - Regional location of the Kap Property.

Table 1 presents a list of the mineral claims that form the Kap Property. The claims were staked in-person on behalf of the Company on February 8, 2024. As the holder of the mineral claims comprising the Property, the Company has the exclusive right to prospect on the Property, apply for recording and prospecting permits, take existing claims to mineral leases and attempt to acquire a surface lease to

support potential future mining activities on the Property. The Company obtained a Prospector's License (#N34874) on April 17, 2024, which permits the Company to enter, prospect and locate mineral claims on Commissioner's Land that is available to be staked in the Northwest Territories.

| Tenure       | Owner                            | Issue Date | Anniversary Date | NTS Map Sheets | Status | Hectares     |
|--------------|----------------------------------|------------|------------------|----------------|--------|--------------|
| M12414       | Integral Metals Corp.<br>100.00% | 2024-02-08 | 2026-02-08       | 095M07         | Active | 1,250        |
| M12415       | Integral Metals Corp.<br>100.00% | 2024-02-08 | 2026-02-08       | 095M07         | Active | 1,250        |
| M12416       | Integral Metals Corp.<br>100.00% | 2024-02-08 | 2026-02-08       | 095M07         | Active | 1,250        |
| M12417       | Integral Metals Corp.<br>100.00% | 2024-02-08 | 2026-02-08       | 095M07         | Active | 1,250        |
| M12418       | Integral Metals Corp.<br>100.00% | 2024-02-08 | 2026-02-08       | 095M07         | Active | 1,250        |
| M12420       | Integral Metals Corp.<br>100.00% | 2024-02-08 | 2026-02-08       | 095M07, 095M06 | Active | 1,250        |
| <b>Total</b> |                                  |            |                  |                |        | <b>7,500</b> |

**Table 1** – List of the mineral claims that form the Kap Property.

Once recorded, a mineral claim is valid for a period of two years, provided that \$10/hectare of eligible work is completed and recorded per claim during those two years (resulting in a total work commitment for the Kap Property of \$75,000 in the first two years). For each subsequent year, the work requirement is \$5/hectare (\$37,500/year total for the Kap Property). As a result, to keep the Kap Property in good standing, a work report must be filed with the Mining Recorders Office at the end of each period, along with a filing fee of \$0.25/hectare (\$1,875/report). Mineral claims can be combined into groupings of no larger than 5,000 hectares (i.e. four full-sized claims), to which eligible work expenditures can be distributed amongst claims within a grouping. Examples of eligible work include: the examination of outcrops and surficial deposits; geological mapping; sampling; geochemical analysis; geophysical analysis; drilling; excavation; remote sensing; placing of grid lines in the field; petrography; data analysis; map generation and preparation of reports; building roads, airstrips or docks to provide claim access; and environmental baseline studies. A payment in lieu of work can be filed with the Mining Recorders Office, along with a filing fee of \$0.25/hectare. Current regulations allow for a maximum of three consecutive extensions before work must be filed. If the mineral claims that form the Kap Property are validly maintained, these mineral claims can be held by the Company for up to 10 years, at which point the mineral claims must either be converted into mining leases or relinquished.

There are risks that may affect the right or ability to access and perform work on the Kap Property, which include continued community consultation and infrastructure development and improvement at each stage of exploration and development. Specifically, the lack of road access to the Kap Property may adversely impact access to the Kap Property and the Company's ability to perform work on the Kap Property, in particular when weather prevents an aircraft from accessing the Kap Property, and will impact the cost of exploration activities carried out on the Kap Property. See "*Risk Factors*".

#### History

##### *The Cominco Ltd. – 1975-76*

In 1975, Cominco carried out geological mapping on a scale of 1:500 covering the Adyjo mineral showing (approximately 9 km west of the Main showing). The Adyjo showing extended over a 300m x 300m area that was found to contain lead-zinc mineralization, hosted in a sequence of faulted and folded Devonian carbonates between 5m-to-50m thick, and situated on the eastern flanks of the Proterozoic Redstone Arch.

In 1976, Cominco carried out geological mapping, soil geochemistry, trenching, rock hand sampling and channel sampling geochemistry and drilling. The mapping was performed at a 1:10,000 scale across the entire Kap Property, and then at scales of 1:1,000, 1:200 and 1:100 in certain smaller areas. Significant lead-zinc mineralization was discovered in the Main, Breccia Creek and Steep Creek showings. Detailed soil geochemistry sampling over the Main showing area revealed a number of anomalous zones that were enriched in lead (over 2,000 ppm Pb) and/or zinc (over 1,000 ppm Zn). Trenching was performed on eight areas around the Main mineral showing, ranging from 1m-to-13m in length, 0.6m-to-1.8m in width and 0.6m-to-1.2m in depth. In total there was 47.5m<sup>3</sup> of material excavated. Rock geochemistry was performed in and around the trenches, defining the “A-Showing” (where a 4.5m x 19m area had an average grade of 18.5% Zn), the “B-Showing” (where a 2.5m x 12m area had an average grade of 32.3% Zn) and the “W-Showing” (where a 0.7m channel cut had an average grade of 25.6% Zn). The Steep Creek mineral showing (located 1.6km northwest of the Main showing) reported a 3m x 3m area with an average grade of 36% Pb and 24.5% Zn, a 2.5m x 33m area with an average grade of 2.4% Zn and a 0.3m channel cut with an average grade of 22% Zn. The Breccia Creek mineral showing (located 2.8 km northwest of the Main showing) reported a 0.6m channel cut with an average grade of 34.4% Pb and a 75m x 20m area that was described as “<5% Pb + Zn”.

Table 2 presents the most significant drill intersections on the Main showing area in 1976. The drilling was performed across thirteen diamond drill holes (approximately 18mm core diameter) that were closely spaced (spread across a 60m x 70m area) and shallow (maximum of 40m depth), testing the “A-Showing”, “B-Showing” and “W-Showing” in the immediate vicinity of the Main showing. In total, there was 373.67m drilled.

| Hole Number | Uncorrected Mineralized Thickness (m) | Zinc (%) |
|-------------|---------------------------------------|----------|
| C-76-1      | 3.6                                   | 10.3     |
| C-76-2      | 13.5                                  | 16.5     |
| C-76-3      | 9.5                                   | 25.2     |

**Table 2** – Significant 1976 drill intersections on the Main showing area.

#### *Raymond Cook – 1977-81*

In 1977, prospectors (including Raymond Cook) acquired the Blanche Claims, and in 1979 performed rock hand sampling geochemistry and discovered what is now referred to as the Blanche and Olaxis mineral showings. The Blanche showing (approximately 2.4kms east of the Main showing) reported a 40m x 40m area in which sphalerite occurred sporadically over a thickness of 22m. There were 19 rock hand samples collected, in which one sample returned 169 ppm Ag and 61.03% Pb, and three more individual samples that returned 54.79% Zn, 47.90% Zn and 33.40% Zn, respectively. The Olaxis showing (approximately 3.2kms southeast of the Main showing) had mineralization that occurred in pods over a thickness of 20m-to-30m and continued for 50m-to-60m along strike.

#### *Equinox Resources – 1986-87*

In 1986, Equinox Resources acquired a Prospecting Permit that covered approximately 43,000 hectares, including the mineral showings on the Kap Property, and in 1987 they performed rock hand sampling geochemistry. The intent of exploration was to assess previously identified lead-zinc occurrences for gallium-germanium content.

Table 3 presents the significant results of the sampled mineral showings on the Kap Property. As part of the reconnaissance exploration program, nine rock hand samples were collected from across the Adyjo, Main, Steep Creek and Blanche showings, of which eight reported high levels of gallium (average 0.014% Ga) and germanium (average 0.051% Ge) presumed to be hosted in sphalerite. It was concluded that considerable potential existed for establishing high-grade mineralization via grid-

drilling, but this would require higher metal prices to off-set the remote nature of the Kap Property.

| Mineral Showing | Zinc (%) | Lead (%) | Gallium (%) | Germanium (%) |
|-----------------|----------|----------|-------------|---------------|
| Adyjo           | 13.47    | 0.04     | 0.001       | 0.020         |
| Adyjo           | 49.60    | 0.02     | 0.005       | 0.062         |
| Blanche         | 59.11    | 0.01     | 0.009       | 0.080         |
| Main            | 30.12    | 0.25     | 0.018       | 0.036         |
| Main            | 46.40    | 0.01     | 0.025       | 0.038         |
| Main            | 17.75    | 0.01     | 0.002       | 0.018         |
| Steep Creek     | 55.80    | 0.01     | 0.039       | 0.077         |
| Steep Creek     | 59.18    | 0.01     | 0.025       | 0.075         |

**Table 3** – Significant 1987 hand sample results across the Kap Property.

*Firesteel Resources Ltd. – 1995-98*

In 1995, Firesteel Resources performed a ground-based gravity geophysical survey across the Main showing, and resource modelling/forecasting based upon historical drilling and surveying. The geophysical survey covered a 1.8km x 1.6km area, and included a detailed orientation study to define the specific gravity of the rocks surrounding the mineralization, as well as the mineralized rock. There were six significant gravity anomalies identified (Anomalies A-F), in which the target horizon was within 170ms from the surface in each case. All the anomalies were interpreted to represent shallow, blind Zn ( $\pm$ Pb) sulfide mineralization. The principal anomalies (A and B) were located below a plateau area several hundred meters to the north and along trend with the Main showing area. Anomaly F was smaller; however, it was located immediately adjacent to the west of the 1976 drill holes.

Table 4 presents a geological resource calculation for zinc on the Main showing area based upon the 1976 drilling and sampling results prepared by Firesteel Resources. The resource estimated 50,523 tonnes at 17.8% Zn with an average thickness of 6.6m, and estimated that the resource was geologically open to the south, east and northwest.

| Hole/Showing | Thickness (m) | Zinc (%) | Lead (%) | Area (m <sup>2</sup> ) | Tonnage (t) |
|--------------|---------------|----------|----------|------------------------|-------------|
| C-76-1       | 3.6           | 10.3     | 0.0      | 725                    | 9,135       |
| C-76-2       | 13.5          | 16.5     | 0.0      | 475                    | 22,444      |
| C-76-11      | 9.5           | 25.2     | 0.0      | 275                    | 9,144       |
| Showing "A"  | 4.5           | 18.5     | 0.0      | 525                    | 8,269       |
| Showing "B"  | 2.5           | 32.3     | 0.0      | 175                    | 1,531       |
| Total        | 6.6*          | 17.8*    | 0.0*     | 2,175                  | 50,523      |

\*Average value.

**Table 4** – A geological resource calculation by Firesteel Resources in 1995 for the Main showing area based upon the modelled 1976 drilling and sampling results.

The geological resource calculation discussed above and presented in Table 4 is a “historical estimate” as defined in NI 43-101. The historical estimate for the Kap Property is based upon Cominco’s 1976 drilling and sampling of surface showings. This estimate was later produced in an assessment report by Firesteel Resources in 1995. The estimate is considered relevant to the Kap Property as it provides preliminary context to the mineralized subsurface potential of the Kap Property and is considered to be reasonably reliable, as the location of the historical estimate was included in the Company’s recent exploration work at the Property, such that outcropping mineralization was observed and sampled, drill

collar locations were validated and the original core was found in a mostly preserved state.

That said, this historical estimate does not use the resource categories set out in Sections 1.2 and 1.3 of NI 43-101; rather, it provides a rough estimate of the geological resource without specific classification. This means the estimate can not and should not be directly compared with current standards without proper re-evaluation and reclassification.

This historical estimate is presented for context and informational purposes only. There have been no more recent estimates or data provided that supersede this historical estimate. The potential quantity and grade are conceptual in nature, and there has been insufficient exploration to define a mineral resource under NI 43-101. It is uncertain if further exploration will result in the targets being delineated as a mineral resource. Additional work would be necessary to update and validate these figures as current mineral resources under NI 43-101, including re-logging, re-assaying and modeling historical drill information, in addition to twin drilling select drill holes with a modern program. As neither the Author nor the Company has done sufficient work to classify these historical estimates as current mineral resources or mineral reserves, the Company is not treating these historical estimates as current mineral resources or mineral reserves.

In 1996, Firesteel Resources performed an extension to the previous ground-based gravity geophysical survey and drilling along structural and geophysical targets. The geophysical gravity survey comprised selected fill-in lines, in addition to northwest and southeast extensions to the previous 1995 survey. The survey covered an area of approximately 4km x 1.5km. There were no new significant gravity anomalies detected; however, it was noted that the gravity map was strongly affected by the complex topography, and that further work should include the generation of a detailed digital terrane model to be used to correct the dataset.

Table 5 presents the most significant drill intersections on the Main showing area encountered by Firesteel Resources in 1996. The drilling comprised thirteen diamond drill holes of approximately NQ diameter drill core. The results showed a pattern of varying geological and mineralogical characteristics. Hole 1 was drilled in the Main showing area, and presented results comparable to historical intersections from 1976, showing consistency in the mineralization of the area. Holes 2 and 3 were drilled as a fence from a shared collar, and revealed a gradual southern cutoff to the high-grade values intersected in Hole 1. Hole 4 was positioned south of Holes 1 to 3 and targeted a weak geophysical feature, but failed to intersect significant sulfides. Holes 1 to 4 suggested a limit to southern mineralization beyond the Main showing zone, and indicated that the high-grade mineralization was contained within a tabular karst feature on the southern flank of a collapse breccia unit. Hole 5 intersected a low-grade zinc section within a major collapse breccia unit and Hole 6 (drilled from the same collar as Hole 5) defined a sharp lateral limit. This indicated substantial potential for discovery of high-grade zinc within the collapse breccia unit, or along similar geological structures, and the inferred extension of the breccia unit to the north-northwest under a plateau hint at further exploration prospects towards the Breccia Creek and Steep Creek showings. Holes 7 to 10 tested gravity anomalies A, B and F; however, overall did not return significant Zn-Pb results. Hole 11 was abandoned due to technical issues. Holes 10, 12 and 13 further explored the west and south flanks of the collapse breccia unit, respectively, and found similar geological structures to earlier holes, but with no significant new metal zones, which highlighted the localized nature of mineralization.

| <b>Hole</b> | <b>Thickness</b> | <b>Zinc</b> | <b>Lead</b> | <b>Copper</b> | <b>Iron</b> | <b>Cadmium</b> |
|-------------|------------------|-------------|-------------|---------------|-------------|----------------|
|             | <b>m</b>         | <b>%</b>    | <b>ppm</b>  | <b>ppm</b>    | <b>%</b>    | <b>ppm</b>     |
| F-96-01     | 17.85            | 13.57       | 69          | 531           | 0.16        | 415            |
| F-96-01     | 7.70             | 24.68       | 127         | 1,000         | 0.22        | 740            |
| F-96-05     | 58.99            | 1.75        | 126         | 101           | 0.18        | 50             |
| F-96-05     | 19.75            | 2.51        | 35          | 173           | 0.14        | 81             |

|         |       |      |     |     |      |    |
|---------|-------|------|-----|-----|------|----|
| F-96-05 | 11.15 | 3.31 | -   | -   | -    | -  |
| F-96-05 | 4.07  | 4.66 | -   | -   | -    | -  |
| F-96-05 | 5.40  | 2.27 | 40  | 76  | 0.16 | 40 |
| F-96-05 | 8.89  | 2.68 | 464 | 119 | 0.16 | 74 |
| F-96-05 | 5.35  | 3.36 | -   | -   | -    | -  |
| F-96-12 | 2.50  | 2.70 | -   | -   | -    | -  |

“-“ = *not reported*

**Table 5** – Significant 1996 drill intersections on the KAP/Main showing area.

In 1998, Firesteel Resources performed an extension to the original soil geochemistry survey performed in 1976 by Cominco. The program defined a moderate soil anomaly with values of 563 ppm zinc and lead from two separate sample sites. The anomalous geochemistry zones are all associated with the collapse breccia unit which has a continuous outcrop exposure from the Main showing area to Hole 10, and extends into the subsurface towards the north-northwest under a plateau area. The notable soil geochemical anomalies positioned directly over the mineralized collapse breccia unit confirm this technique is an effective exploration tool on the Kap Property.

*Peter Risby, Andesite Capital Corp, and Stoneshield Capital Corp. – 2005-2012*

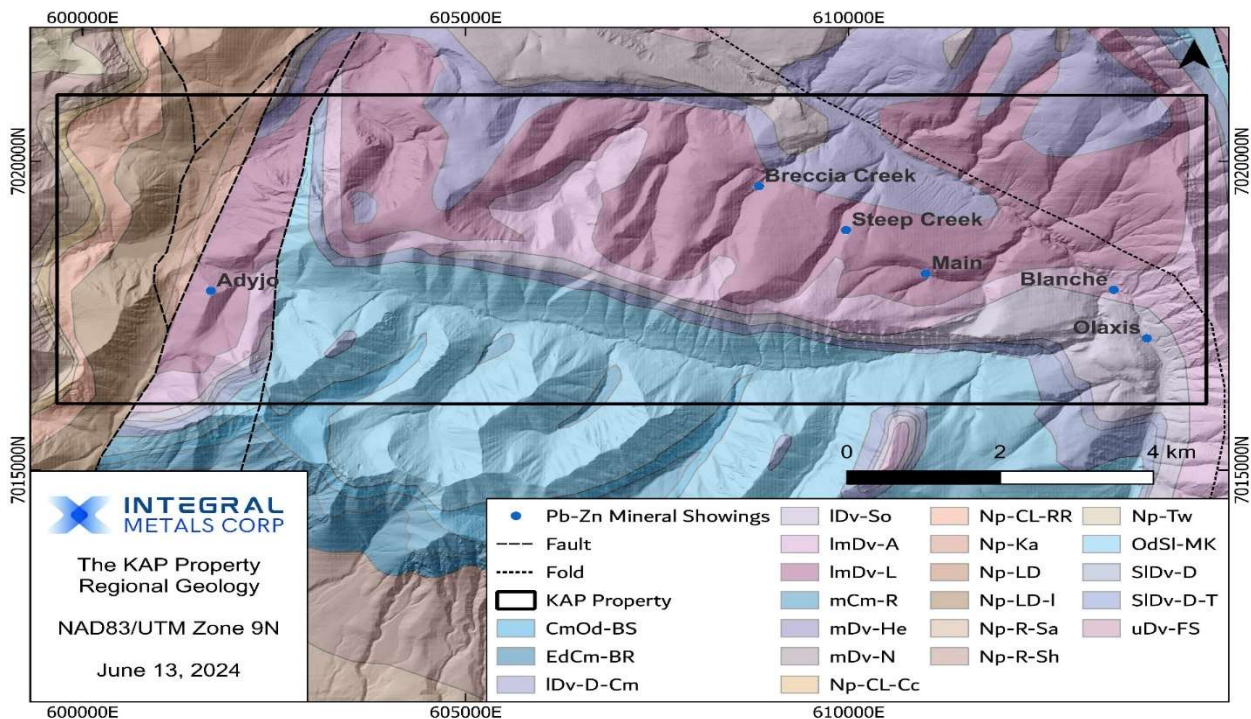
Between 2005 and 2009, “postage stamp” sized claims over the Adyjo and Main showings were acquired by P. Risby and subsequently Andesite Capital Corp. No work was documented to have been performed on these claims during this time period. In 2010, Stoneshield Capital Corp. entered into an option agreement with Andesite Capital Corp. Under the terms of the option agreement, Stoneshield could acquire up to a 100% undivided interest in the project by incurring exploration expenditures on the project. In 2011, Aurora Geoscience was contracted by Stoneshield to perform a small prospecting and sampling program in an attempt to classify the potential for finding significant occurrences of zinc, lead and copper. One sample was collected from the Adyjo showing (>10,000 ppm Zn, 900 ppm Pb and 548 ppm Cu) and one was collected from the Main showing (>10,000 ppm Zn, 3 ppm Pb and 346 ppm Cu).

Geological Setting, Mineralization and Deposit Types

*Regional Geology*

Figure 2 presents a regional geologic map of the Kap Property area. The Kap Property is situated in the Mackenzie Fold Belt which comprises the eastern component of the Cordilleran Orogenic Zone. The Paleozoic supracrustal sediments deposited in this zone underwent decollement deformation with little or no structural disruption, volcanism or plutonism during the orogenic phase. Broad, simple folds with intervening zones of complex folding and faulting developed. The principle structural elements were derived from the Laramide and Columbian (Cretaceous) Orogenies. The sediments of the belt were deposited in an environment of recurrent emergence and submergence controlled by a Proterozoic basement core called the Mackenzie Arch. The Mackenzie and Redstone Arches form the backbone of the central and southern Mackenzie Mountains.





**Figure 2** – Regional geology of the Kap Property area.

The Kap Property lies on the east flank of the Proterozoic Redstone Arch, which acted as a positive feature during the early part of the Proterozoic. Thick pre-Whittaker formation clastic sediments were eroded and derived from this high during Cambrian to Lower Ordovician time. A prominent unconformity developed at the base of the Ordovician-Silurian Whittaker formation, marking the end of clastic sedimentation and the beginning of extensive carbonate sedimentation. A thick sequence of Ordovician shelf carbonates was deposited on the eastern edge of the Redstone Arch while coeval shales were deposited farther east in the adjacent Root Basin. The Arch became gradually submerged during Silurian/Devonian time resulting in a thin veneer of carbonate deposition over the top of the arch. This thin cover of Devonian carbonates contains several unconformable horizons and is the most favourable target zone for Mississippi Valley Type (“MVT”) lead/zinc orebodies in the Mackenzie Mountains and adjacent interior platform. In Upper Devonian and Mississippian time, the increased submergence of the whole Mackenzie belt led to extensive argillaceous carbonate and shale deposition and the shelf carbonate/shale facies front migrated several hundred kilometers east, to the Pine Point area.

Table 6 presents the stratigraphic sequence in the region. The Paleozoic sequence contains a number of features normally associated with carbonate hosted lead/zinc deposits. These include abrupt carbonate to clastic facies changes, unconformities and related karst surfaces, arching, development of breccias in carbonate rocks, reef facies and granular dolomitization. Penecontemporaneous basement faulting is also believed to have occurred in the area and to have locally influenced sedimentation.

| Formation          | Age             | Thickness (m) | Description                                                     |
|--------------------|-----------------|---------------|-----------------------------------------------------------------|
| Nahanni Formation  | Middle Devonian | 53            | Limestone; Resistant; Cliff-forming; Fine-grained.              |
| Headless Formation | Middle Devonian | 84            | Limestone; Recessive; Argillaceous; Fossiliferous.              |
| Landry Formation   | Middle Devonian | 170           | Resistant micritic limestone; Restricted lagoon environment (?) |



|                                  |                         |          |                                                                                                                                                                                                                                                                                                         |
|----------------------------------|-------------------------|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Recrystallized Zone <sup>1</sup> | -                       | Up to 80 | The main lead-zinc hosting unit. Altered, recrystallized basal part of the Landry formation. Locally extends downwards (across unconformity?) in Arnica formation. Most strongly developed in mineralized area. Contains collapse breccia, karst, sparry dolomite-calcite, quart needle silicification. |
| Unconformity                     |                         |          |                                                                                                                                                                                                                                                                                                         |
| Arnica Formation                 | Middle Devonian         | 170      | Dolomite; Bituminous; Medium-to-Fine grained.                                                                                                                                                                                                                                                           |
| Sombre Formation                 | Lower Devonian          | 230      | Dolomite; Fine-grained.                                                                                                                                                                                                                                                                                 |
| Unconformity                     |                         |          |                                                                                                                                                                                                                                                                                                         |
| Delorme Formation                | Lower Devonian/Silurian | 325      | Ferruginous dolomite; Fine-grained.                                                                                                                                                                                                                                                                     |
| Whittaker Formation              | Ordovician/Silurian     | 330      | Fossiliferous dolomite; Vuggy; Cherty.                                                                                                                                                                                                                                                                  |
| Unconformity                     |                         |          |                                                                                                                                                                                                                                                                                                         |
| L. Paleo/Proterozoic             | -                       | -        | Clastics.                                                                                                                                                                                                                                                                                               |

<sup>1</sup> An alteration feature, not a formation.

"-" – Not applicable or not reported.

**Table 6** – Stratigraphic sequence in the region of the Kap Property area.

### Local Geology

In the local area, a thin sequence of Arnica and Landry formations overlies the Sombre formation. The Arnica formation comprises 150m-to-180m of fetid bituminous dolarenites. These are fine-to-medium grained laminated crystalline dolomites which contain local crackle breccias, spar-lined vugs and minor secondary zinc mineralization. The Arnica formation is overlain by 150m-to-173m of calcilutites assigned to the Landry Formation. Further east, away from the axis of the Redstone Arch, the Arnica-Landry section thickens abruptly to 500m-to-600m of similar carbonate stratigraphy. The mineralization is hosted by the Recrystallized Zone, which exhibits brecciation, fracturing, granular (Pine Point Presquile-type) dolomite, bitumen coated quartz needle silicification, dolspar and calspar. This zone forms as replacement of limestone in the basal part of the Landry formation, and has an irregular upper contact. Locally, the recrystallized zone forms the base level for large upwards stoping zones of collapse breccia in the Landry formation. Galena, sphalerite and secondary zinc minerals occur in the recrystallized zone. In the Kap Property area, the Arnica-Landry contact is obscured by the recrystallization, but regionally it is an unconformity. The Headless formation overlies the Landry formation, and consists of argillaceous limestones and shales. The Nahanni formation limestone comprises the top of the Middle Devonian carbonate sequence. The Fort Simpson formation shales and siltstones conformably overlie the Nahanni formation, and are the uppermost Givetian age rocks in the area.

### Property Geology

The Kap Property exhibits a diverse and complex geological framework, characterized by several distinct rock formations. The overburden layer, composed of unconsolidated materials such as soil, sand and gravel, is typically encountered at the surface, covering the underlying bedrock. Beneath the overburden, the Arnica and Landry formations dominate, featuring extensive deposits of limestone and dolomite. The limestone is primarily composed of calcium carbonate, often containing fossils and

exhibiting various textures like lamination and massive structure. The dolomite, on the other hand, is found in fine-grained, granular and laminated forms, indicative of hydrothermal alteration and replacement processes.

Siliceous rocks, including quartz needle rocks and black siliceous dolomite, represent significant silicification processes associated with secondary mineralized zones. Breccias, including collapse breccia and fault zone breccia, are prevalent and indicative of intense fracturing and hydrothermal activity, often found in the Landry formation. Elevated zinc mineralization is a notable feature of the Kap Property, with zones of sphalerite (zinc sulfide) and other zinc minerals identified through historical drilling and sampling. These sphalerite zones, visually distinct and of significant economic interest, are commonly associated with brecciated and veined structures in formations like the Manetoe Facies. Additionally, occurrences of calcite veining, representing secondary mineralization and fluid flow pathways, are found within dolomite and breccia zones, further contributing to the Kap Property's geological complexity and mineral potential.

### *Mineralization*

Extensive granular dolomitization and euhedral quartz needle silicification of the Recrystallized Zone occurs in the lower part of the Landry formation, and spans the contact between the Arnica and Landry formations. Mineralization is stratabound within the Recrystallized Zone. Numerous occurrences of disseminated and massive sphalerite and galena have been historically discovered in this horizon over a 12km x 3km area (including the Adyjo, Breccia Creek, Steep Creek, Main, Blanche and Olaxis mineral showings). Concentric solution collapse breccia developments appear to have a lower base in the Recrystallized Zone and extend upwards into the Landry limestone. Dark gray banded internal sediments are associated with high-grade zinc mineralization. Documented mineralization across the Kap Property area tends to occur within or near to steeply incised stream valleys which cut down from a plateau area to expose the Arnica-Landry contact sequence. The abundance of known mineral showings wherever this contact is exposed indicates high potential for additional blind mineralization beneath the plateau areas.

### *Structure*

The region is deformed into broad gentle anticlines and synclines with low angle thrust faults present on the limbs of folds. The Kap Property and the mineral showings are located on the southwest limb of a broad syncline. The west side of this structure is bounded by the Plateau Thrust Fault, and the east side is bounded by normal block faulting. The fold axis strikes 120° and plunges gently northwest. Bedding is gently dipping with a strike and dip of approximately 130°/14° at the Main showing. Much of the topography is characterized by dip slopes, and consequently the Recrystallized Zone is situated below 250 meters of overlaying sedimentary layers and scree over extensive areas of the Kap Property.

### *Gallium and Germanium Deposit Types*

Gallium is a metal found in the Earth's crust, but is not typically found in isolation or in large quantities as a primary mineral. Gallium is usually produced as a byproduct from the mining and processing of other metals, and is traditionally obtained through the extraction process of sphalerite or bauxite. Zinc deposits are a significant source of gallium.

Germanium is a lustrous, hard, grayish-white metalloid in the carbon group, chemically similar to its group neighbors tin and silicon. It is found in various ore minerals, predominantly in trace amounts, and is primarily recovered as a byproduct of zinc ore processing and coal combustion. The primary sources of germanium include sphalerite and coal. Germanium is commonly associated with zinc ores.

Sphalerite is found in several deposit models, including MVT, Sedimentary Exhalative, Volcanogenic Massive Sulfide, skarn, carbonate-hosted lead-zinc, replacement deposits and epithermal vein systems. These models represent diverse geological settings such as carbonate formations, sedimentary basins, submarine volcanic environments and hydrothermal systems.

### *Deposit Model*

MVT deposits are a significant source of lead and zinc, formed within platform carbonate rocks such as dolostones and limestones. In the Mackenzie Mountain region of the Northwest Territories, these deposits are epigenetic, meaning they form from mineral precipitations from low-temperature hydrothermal fluids, typically between 50°C to 200°C, which migrate through an extensive network of fractures and pore spaces in the host rock.

In this region, MVT deposits primarily develop in stable continental platform environments. The host carbonate rocks are often deposited in shallow marine settings, creating ideal conditions for mineralization. The presence of extensive carbonate platforms or ramps, proximity to evaporite deposits or basinal brines and tectonic settings that promote the development of extensive fracture and fault systems are crucial geological features that facilitate fluid migration and subsequent mineral deposition.

The mineralization process in MVT deposits in the Mackenzie Mountain region begins with the migration of metal-bearing brines through permeable zones within the carbonate rocks. These brines, enriched in metals and sulfides, often originate from evaporated seawater or basinal fluids. As these brines move through the host rocks, they mix with sulfur-rich fluids or encounter conditions that reduce sulfate to sulfide, leading to the precipitation of sulfide minerals, primarily galena (PbS) and sphalerite (ZnS). The low-temperature and low-pressure conditions are critical for the deposition of these minerals, distinguishing MVT deposits from other hydrothermal deposit types. Additionally, gallium and germanium can be associated with these deposits, occurring as trace elements within the sphalerite, contributing to their economic value.

The host rocks in this region are typically platform carbonates that have undergone varying degrees of dolomitization. These rocks are well-bedded to massive dolostones and limestones, often featuring evaporite layers or remnants and secondary porosity developed through dissolution and dolomitization processes. This secondary porosity is crucial for fluid flow and mineral precipitation.

The mineralogical composition of MVT deposits in the Mackenzie Mountain region is distinct. The primary ore minerals are galena and sphalerite, often accompanied by minor amounts of pyrite, marcasite and chalcopyrite. The primary gangue minerals include dolomite and calcite, with barite and fluorite as common accessory minerals. Alteration features in these deposits typically include silicification and minor sulfidation.

Several geological controls influence the localization of MVT deposits in this region. Structural controls, such as faults, fractures and bedding planes, act as conduits for fluid flow and sites for mineral deposition. Stratigraphic controls are also significant, as specific carbonate units with high porosity and permeability are more favourable hosts for mineralization. Additionally, geochemical controls, such as the presence of sulfate-bearing evaporites or organic-rich layers, can enhance the precipitation of sulfide minerals through chemical reduction processes.

### Exploration

From April to June, 2024, the Company carried out exploration work on the KAP Property. The work included compiling and digitizing historical data, modelling historical drill holes, modelling historical gravity surveys and digitizing historical soil surveys. A field exploration program was carried out, with the objectives to confirm the location of the Main showing area, to collect representative hand samples for assay, to confirm the location of historical drill collars and to recover representative historical drill core samples. The purpose of these activities was to further understand and replicate highly anomalous historical values of Zn-Pb-Ga-Ge in order to develop an exploration model for the Kap Property that could be based upon validated historical exploration activities.

### *Modelling Historical Drill Holes*

The modelling of historical drill data provided spatial information pertaining to mineralization trends and patterns for future exploration targeting, and (while not sufficient on its own) was a step towards bringing the historical geological resource estimate into compliance. The process of modelling the historical drill hole data involved digitization of drill logs, standardization of geologic descriptions and combination of results into a common database. Select drill collar locations were field checked, and a spatial-shift was applied to the georeferenced locations.

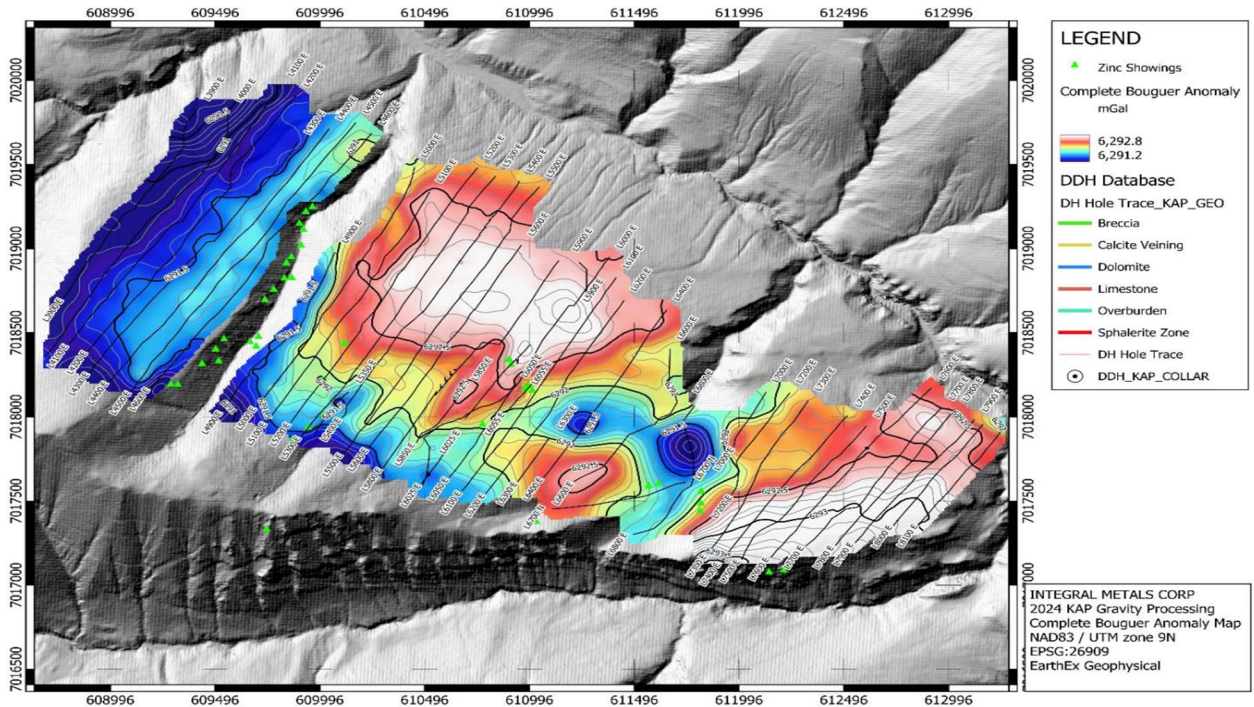
Data validation corrections were performed to address various issues identified in historical drill hole logs. For hole C-76-10, the assay interval at depth (27.75 ms) extended past the end of hole (“EOH”) depth of 26.45ms; therefore, the EOH value in the log was used, and contradictory values were disregarded. In hole C-76-11, overlapping intervals from 13.76ms to 14.94ms and 13.76ms to 23.32ms were corrected by taking the weighted average of assays over several samples and removing the redundant intervals. Hole C-76-13 had an assay interval at depth (33.77ms) extending past the EOH depth of 31.42ms; therefore, the EOH value was used and contradictory values disregarded. Additionally, overlapping intervals from 6.23ms to 6.61ms and from 6.23ms to 7.02ms were resolved by averaging the assays and removing overlaps. For holes F-96-01, F-96-10 and F-96-11, numerous overlapping intervals were edited for continuity of lithological intervals on the basis of broad and detailed unit descriptions. Hole F-96-09’s EOH depth was adjusted from 69.80ms to 72.85ms, and for hole F-96-13, all EOH depths were adjusted to 103.34ms to resolve discrepancies. These corrections ensured consistency and accuracy in the historical data, facilitating the ability to perform reliable future resource estimation and geological modeling.

### *Modelling Historical Gravity Surveys*

The gravity data was acquired in 1995 (498 points) and 1996 (671 points) by Maple Services across the high elevation plateau that hosts the Main showing. The data appeared to be acquired in a systematic and rigorous manner. The relative locations and elevations measured in the course of the survey are assumed to be correct. The bulk of the data was collected at 50m station and 100m line spacing, with some tighter spacing over areas of interest. Raw data was not available; however, there was a description of the processing in the original report along with tables containing local elevation and processed gravity results. The tables of the original data were processed with a text recognition algorithm and outputted to an Oasis Montaj database. Manual quality control of the OCR output was done in Oasis Montaj by examining profiles and grids of all important parameters of the input data.

Several publicly available elevation datasets were compared to the surveyed elevation grid, and it was determined that the ArticDEM dataset provided the highest resolution and best correlation to the original elevation survey. A regional grid using the 32m resolution ArticDEM was created as well as a local correction grid using 2m resolution. The regional grid extended approximately 150kms past the survey outline and the local grid extended 2.5kms past the survey outline.

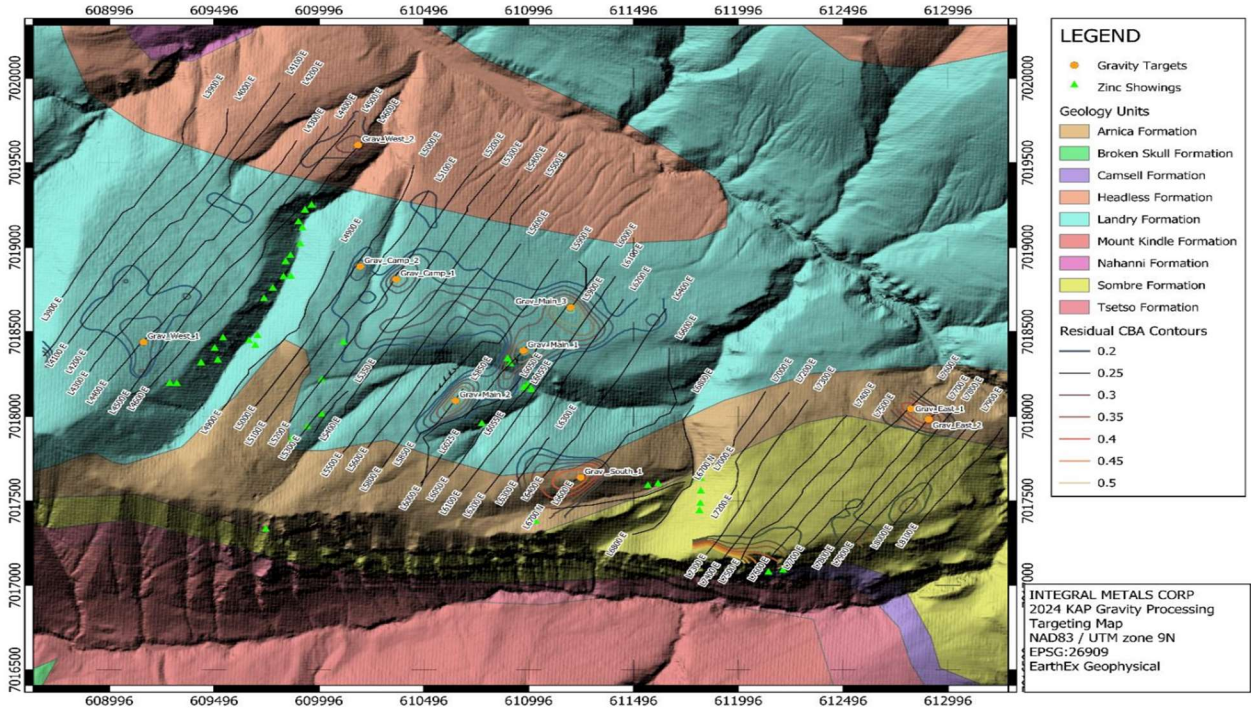
Figure 3 presents the Complete Bouguer Anomaly (“CBA”), the result of digitizing, re-processing and modelling the 1995 and 1996 gravity geophysical data. The CBA was created by performing georeferencing, elevation processing and terrain corrections. The result was used as input for modelling the density in 3D using the Oasis Montaj VOXI platform. The cell size was 25m horizontally and 10m vertically. The model was otherwise unconstrained.



**Figure 3** – Result of digitizing, re-processing and modelling the 1995 and 1996 gravity geophysical data.

Figure 4 presents gravity targets interpreted from the data and Table 8 presents details on the interpreted gravity targets. All historical zinc showings in the survey area were reported to occur at the same stratigraphic level, and they were only exposed in the drainages which steeply incise the plateau. Therefore, the target horizon can be expected to be within a few hundred meters of the surface across most of the Kap Property. This represents an ideal target for a gravity survey. The Main showing is associated with a NE-SW trend of high gravity that is part of a broad gravity high that spans much of the plateau. This trend of anomalous gravity is in line with topography features and could be associated with faulting. The “Grav East 1” and “Grav\_South 1” are near the interpreted near contact between the Arnica and Landry formation and could be sub-cropping below cover. The “Grav\_west\_2” is the only anomaly below the Headless formation and its low amplitude could be caused by deeper burial. The Main showing outcrop and drilling is east of the Main anomaly in the drainage; however, this is the area that has the worst coverage and least reliable gravity observations. The “Grav\_Main\_3” is a strong anomaly measured across several lines that is untested. It is interpreted to be the best drilling target based on the interpreted gravity survey.





**Figure 4 – Residual gravity contours and targets overlain on a hillshade coloured by geological units.**

| Name         | UTM X  | UTM Y   | Description                                                                                                                                                                                                                     |
|--------------|--------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Grav_South_1 | 611244 | 7017638 | Poorly constrained by data, at the south ends of L6400, L6600 and L6700. Some zinc showings nearby. Close to drainage so unreliable terrain correction.                                                                         |
| Grav_Camp_1  | 610364 | 7018811 | The best anomaly in the area surrounding the old camp (0.35mGal). North of existing drilling and the historic residual anomaly that it targeted. Questionable elevations here decrease confidence in the target.                |
| Grav_Camp_2  | 610192 | 7018887 | Across the drainage from Grav_Camp_1, a weaker 0.25 mgal minor anomaly measured on L5000. Mineralization in steep creek to the west.                                                                                            |
| Grav_East_1  | 612819 | 7018044 | Distinct gravity high at the north end of L7600- 7800. Although the elevation data is generally suspect in this area, this stands out as a discrete high worth following up on. Could be subcropping because of high amplitude. |
| Grav_East_2  | 612902 | 7017982 | Same as Grav_east 1, but on L7700.                                                                                                                                                                                              |
| Grav_Main_1  | 610971 | 7018388 | The gravity anomaly nearest to the main showings. Measured on the north end of L6001. Challenging terrain decreases confidence in the CBA here.                                                                                 |

|             |        |         |                                                                                                                                                                                                         |
|-------------|--------|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Grav_Main_2 | 610647 | 7018092 | Southernmost anomaly along the main trend. Only observed on L5850, high amplitude (0.4 mgal) but not closed off. Suspect terrain correction enhancing anomaly.                                          |
| Grav_Main_3 | 611196 | 7018645 | Part of the Main Trend, a 0.5mGal anomaly below cover. Observed on L6000 and L6100. Best anomaly for follow-up drilling.                                                                                |
| Grav_West_1 | 609159 | 7018440 | Peak (0.25 mgal) of a wide anomaly interpreted on the west side of steep creek. Questionable elevations here, but there is widespread mineralization in the creek east of here. Best observed on L4400. |
| Grav_West_2 | 610182 | 7019605 | Observed on the north end of L4500 and L4600. A discrete anomaly that peaks at 0.25 mgal. Close to the drainage so questionable quality of data. Geologic map indicates deeper burial.                  |

**Table 7** – Details on the interpreted gravity targets.

### *Mapping Historical Soil Surveys*

The modelling of historical soil geochemistry data integrated historical data into a modern database, and provided a comprehensive understanding of the spatial distribution between lead and zinc concentrations from across multiple soil surveys. Trend analysis highlighted geochemical anomalies and potential mineralization zones, which could be used to refine exploration targets and optimize future drilling programs. Furthermore, the presence of geochemical anomalies over known areas of mineralization validated the technique as an effective exploration tool – the expansion of the grid is the next recommended step for development. The process of modelling the historical soil geochemistry data involved georeferenced maps and the digitization of sample stations.

Using a previously georeferenced hand drawn map of lead ppm in soil samples from 1976, the map from 1976 was georeferenced by matching multiple sample locations between the two maps. Individual points were created at each sample site with the corresponding lead and zinc. It was assumed that there was one sample site and each sample had multi-element analysis for lead and zinc for both the 1976 and 1996/1998 programs. Two maps were produced for the 1996 and 1998 soil sampling programs with both lead and zinc (measured in ppm) in soil sample sites. These maps were georeferenced by matching contour lines in correspondence to sample sites. The georeferencing for these maps was more arduous but ended up matching relatively well with the corresponding contour lines and with the sample locations from 1976. Again, individual points were created at each sample site with corresponding lead and zinc ppm. One small discrepancy observed was an off-set of about 30m between survey lines 5950, 6050, 6150 and 6250 on the maps from 1996/1998. This was corrected by shifting the points on these lines by 15m to split the difference without knowing what caused this inconsistency between both georeferenced maps. A small number of data points from the 1996/1998 maps were unable to be digitized due to the values being illegible on one or both maps. The maps identified anomalous zones and also show the correlation of anomalies from both the 1976 program and the 1996/1998 programs, which provides confidence that all of data was georeferenced properly and is reliable.

### *Hand Sampling, Drill Collar Verification and Core Recovery*

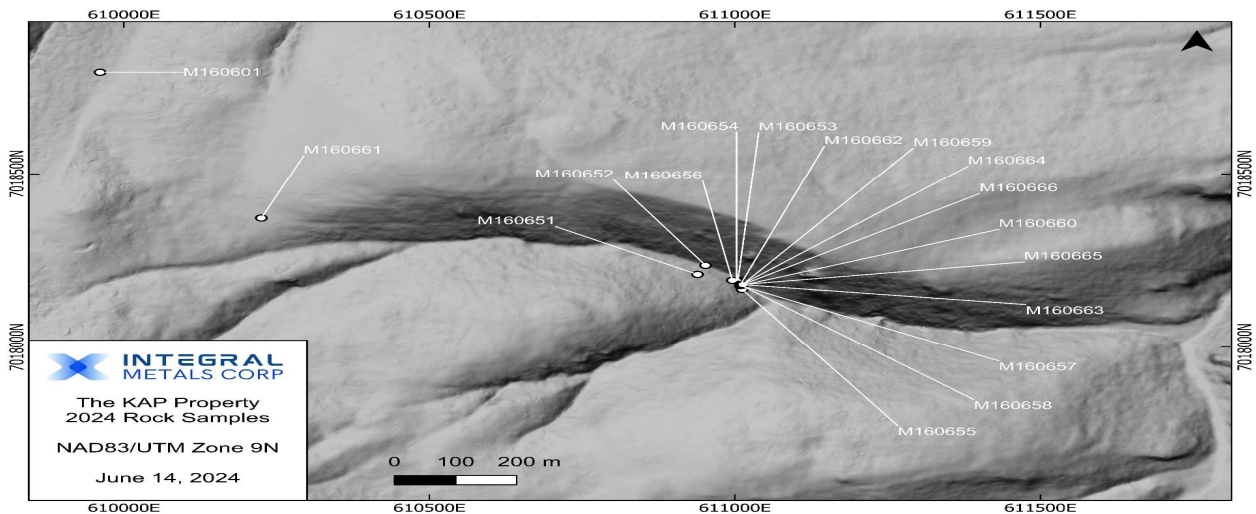
A field program undertaken by a crew of four took place from May 16<sup>th</sup> to 19<sup>th</sup>, 2024. The program was helicopter-supported and mobilized from the community of Normal Wells, Northwest Territories. The

program was of limited duration, but considered to be a highly successful site visit. Highlights of the program included:

- identification, sampling and measurement of characteristics of the Main showing;
- identification and recording of the coordinates of numerous historical drill collars from both eras of historical drilling (i.e. the 1976 and the 1996 drill programs);
- identification of a core cache that appeared to have contained core from all holes of the 1976 program and most core from the 1996 program; and
- recovery and retrieval of all 1976 and significant 1996 core from the field to Yellowknife.

The outcrop exposure at the Main showing contained visually distinct replacement-style mineralization that primarily consisted of sphalerite. The sphalerite was typically orange-red, but was also observed as being green and yellow as well. Mineralization occurred as 1cm-to-4cm wide colloform bands related to carbonate veins that were mostly sub-parallel to the strata, though notably occurred at all angles in an erratic nature. Sphalerite mineralization was also observed as a pervasive replacement texture into the host rock; this mineralization was occasionally present as decimeter scale pods of particularly dense sphalerite mineralization. On a centimeter-to-decimeter scale, sphalerite could locally account for up to 80%-to-90% of the mineralogy. Irregular calcite pods with very coarse crystals (up to decimeter-scale), numerous breccia zones, and a possible coincident kink in the strata were present in the Main showing area.

Figure 5 presents the location of the geochemical samples, and Table 8 presents the results of geochemical sampling. There were 17 rock hand samples collected for geochemical analysis. The rock samples were primarily collected at the Main showing trend. Sample M160601 was taken in the geology overlying the Breccia Creek showing and contained narrow calcitic veinlets. It was expected that this sample would not assay significantly, but would serve as a useful sample to help quantify background values. Sample M160661 was found at the core cache location and appears to have been collected elsewhere on the Kap Property and left at the cache site in the past. This sample contained probable malachite and azurite along with sphalerite and was sampled due to it being the only notable rock identified for copper potential. Of the 17 samples collected, 16 were collected on mineralized rock. All 16 of these assayed over 10,000 ppm zinc and 12 select samples assayed over 30% zinc, exceeding the overlimit analysis capacity of the laboratory. One sample assayed over 10,000 ppm lead. Gallium reached up to 1,280 ppm, and averaged 495 ppm across 14 select mineralized samples. Germanium reached up to 486 ppm, and averaged 245 ppm across 14 select mineralized samples. Further analysis may be completed to understand the exact values of zinc in these samples, but the results were comprehensive enough to validate the high-grade mineralization previously observed at the Main showing.



**Figure 5** – Location of rock hand samples collected during the 2024 program.



| Sample  | UTM X  | UTM Y   | UTM Z  | Zn      | Zn      | Pb      | Ga      | Ge      |
|---------|--------|---------|--------|---------|---------|---------|---------|---------|
|         |        |         |        | Zn-OG62 | ME-MS61 | ME-MS61 | ME-MS61 | ME-MS61 |
|         |        |         |        | %       | ppm     | ppm     | ppm     | ppm     |
| M160601 | 609961 | 7018791 | 609961 | -       | 9       | 4       | 0.36    | 0.21    |
| M160651 | 610939 | 7018210 | 610939 | >30.0   | >10000  | 102     | 291     | 260     |
| M160652 | 610952 | 7018236 | 610952 | 4.24    | >10000  | 43.7    | 122     | 0.24    |
| M160653 | 611005 | 7018194 | 611005 | >30.0   | >10000  | 8320    | 920     | 486     |
| M160654 | 611003 | 7018192 | 611003 | >30.0   | >10000  | 237     | 600     | 366     |
| M160655 | 611012 | 7018167 | 611012 | >30.0   | >10000  | 75.5    | 435     | 296     |
| M160656 | 610996 | 7018193 | 610996 | >30.0   | >10000  | 105.5   | 205     | 280     |
| M160657 | 611009 | 7018178 | 611009 | >30.0   | >10000  | 2070    | 175     | 232     |
| M160658 | 611010 | 7018179 | 611010 | >30.0   | >10000  | 45.7    | 500     | 208     |
| M160659 | 611011 | 7018179 | 611011 | 21.7    | >10000  | 15.3    | 61      | 30      |
| M160660 | 611012 | 7018179 | 611012 | >30.0   | >10000  | 401     | 1280    | 381     |
| M160661 | 610225 | 7018372 | 610225 | -       | 4120    | >10000  | 8       | 0.17    |
| M160662 | 611009 | 7018181 | 611009 | >30.0   | >10000  | 191.5   | 162     | 83      |
| M160663 | 611010 | 7018181 | 611010 | 25.4    | >10000  | 267     | 540     | 76      |
| M160664 | 611011 | 7018181 | 611011 | >30.0   | >10000  | 112.5   | 380     | 176     |
| M160665 | 611012 | 7018181 | 611012 | >30.0   | >10000  | 1635    | 790     | 439     |
| M160666 | 611013 | 7018181 | 611013 | >30.0   | >10000  | 215     | 530     | 116     |

**Table 8** – Summary of the geochemical analysis on collected rock hand samples during the 2024 survey.

Two crew members were tasked with identifying historical drill collars. Georeferenced historical maps proved accurate enough to find historical collar locations in the field. Seven out of thirteen holes from the 1976 drilling campaign were located in the field, and five out of thirteen holes from the 1996 program were located. Handheld GPS units typically record XY coordinates within a  $\pm 3$ -meter accuracy. The standard deviation of XY coordinates for both drilling campaigns is considered to be within the standard GPS accuracy range. As such, the delta values for measured XY coordinates were used in applying a correction to collar locations that were not measured. There is reasonable confidence that this correction is accurate and can be used with confidence for plotting DDH collar locations in a 3D environment.

#### Drilling

No drilling has been done on the Kap Property by the Company.

#### Sampling, Analysis and Data Verification

##### *Sample Preparation, Analysis and Security*

The trenching, drilling and geological sampling report and work completed by Cominco in 1975/1976 was performed by the geologist E.G. Olfert, under the supervision of D.W. Heddle, a registered professional engineer, and the report was approved for release by W.T. Irvine, a registered professional engineer. A detailed picket-grid was established in the main showings area where the work was performed. There are no details documented regarding sample preparation, analyses or security with respect to this work.

In 1979, the geological sampling report and work was performed by the geologist R. Cook. Assay certificates from Bondar-Clegg & Company Ltd. are provided in the assessment report. Certain samples are indicated to have undergone hot aqua regia extraction, and have been analyzed by atomic absorption. There are no details documented regarding sample preparation or security with respect to this work. Bondar-Clegg & Company Ltd. was a Canadian geochemical and assay laboratory which was acquired by ALS Chemex in 2001.

The geological sampling report and work completed by Equinox in 1987 was performed by D.G. Leighton, a registered professional geologist. Assay certificates from Acme Analytical Laboratories Ltd. are provided in the assessment report. There are no details documented regarding sample preparation, analyses or security with respect to this work.

The geophysical survey and report completed by Firesteel in 1995 was supervised and written by the geophysicist A.J. White, while the geological sampling and report was written and approved by I.D. McCartney, a registered professional engineer, and E.G. Olfert, a registered professional geologist. Details are provided on the geophysical data collection, as well as the raw data (including line number, station number, elevation, Bouguer, northing and easting). The survey equipment consisted of a LaCoste & Romberg Gravity meter (#199), a Wild T1 Theodolite and a Distomat Wild DI 1000 EDM. A gravity base station was set up on a flat rock beside the camp and market with fluorescent paint, with its coordinates tied to a specific reference point to ensure positive grid coordinates without external gravity or elevation references. The survey grid was established with a baseline azimuth of 120 degrees and cross lines at 30 degrees, maintaining Northing and Easting alignment. Gravity data was collected in loops starting and ending at the base station, with daily drift errors kept below 0.08 milligals and repeat readings within 0.04 milligals. The data collection involved converting gravimeter dial readings to milligals, correcting for solar and lunar tides, and adjusting for meter height above surveyed ground level. Corrections were also made for the difference in gravity between field and base stations, with free air corrections applied based on station latitude and elevation. Data reduction involved linear prorating between base ties and adding absolute base station gravity values, ensuring data integrity. Bouguer gravity was calculated to correct for material attraction between the station, sea level and local terrain, using a density of 2.65 g/cm<sup>3</sup>. The data set, deemed of high quality, was used to base exploration decisions. Assay certificates from the Cominco Ltd. exploration research are provided in the assessment report. The samples are indicated to have undergone aqua regia digestion, and have been analyzed by inductively coupled plasma (“ICP”) atomic absorption. There are no details documented regarding sample preparation or security with respect to this work.

The geophysical survey and report completed by Firesteel in 1996 was supervised and written by the geophysicist A.J. White, while the drilling and report was written and approved by I.D. McCartney, a registered professional engineer, and E.G. Olfert, a registered professional geologist. Details are provided on the geophysical data collection, as well as the raw data (including line number, station number, observed gravity, elevation, Bouguer, northing and easting). The geophysical equipment and procedure are the same as describe above with respect to the 1995 report. The samples are indicated to have undergone aqua regia decomposition, and have been analyzed by Atomic Absorption Spectroscopy, except zinc which also underwent solvent extraction. There are no details documents regarding sample preparation or security with respect to this work.

The geological sampling and report completed by Firesteel in 1998 was performed and written by D.G. DuPre, a registered professional engineer. The survey involved the establishment of lines using a compass and topofil chain, with stations marked by flagging at 20m intervals along the lines. Soil samples were collected at 20m intervals along lines that were spaced 100m apart. Each sample was identified according to its grid coordinates. All samples were taken from the “B” soil horizon using a shovel and placed into kraft sample bags. Samples were collected and sent to the Bondar-Clegg & Company Ltd. laboratory in Vancouver for analysis using ICP methods. There are no details documented regarding sample security with respect to this work.

The geological sampling and report completed by Stoneshield Capital Corp. was performed and written

by G. Vivian and D. White, both registered professional geologists. The samples were described, bagged and tagged in the field and taken to the ACME prep lab in Yellowknife, an independent laboratory. All samples were prepped using the R200-250 code, crushing the sample to 80% passing 10 mesh, splitting 250g and pulverizing to 85% passing 200 mesh. Samples were then analyzed using ICP-MS analysis using 36 elements and a 15g sample. There are no further details documented regarding sample security with respect to this work.

The Company's work carried out on the Kap Property from May 16<sup>th</sup> to 19<sup>th</sup>, 2024 included gaining access to the Property and traversing to select historically discovered mineral showings. All of the 1976 drill core and select mineralized intercepts from the 1996 drill core was recovered for future re-analysis, while rock hand samples were obtained for geochemical analysis from the main mineral showing. There were 17 rock hand samples collected from previously mapped and trenched parts of the Main showing that were also sent for analysis. All rock hand samples were under the care and control of contractor personnel. The historical drill core was found on the Kap Property near the Main showing, stored in properly organized stacks, with core that was previously split in half with sample tags still attached and visible.

The rock hand samples were collected in the field by placing between 0.3kg and 5.0kg of material in a heavy-duty plastic sample bag with the sample number written with permanent marker. Each sample bag was then sealed with a plastic cable tie, and transported back to the base station at the end of each day. Rock samples were recorded as to their source location coordinates and sample type, exposure type, lithology, colour, texture and grain size were described. The source location coordinates were determined by hand-held GPS set to report locations in UTM coordinates using the North American Datum established in 1983 (NAD 83) Zone 9N. The drill core was kept in the original core boxes and trays while undergoing extraction from the site. The 1976 core was in plastic trays, while the 1996 core was in wooden boxes. The hand samples and core were shipped back to Yellowknife. The collected samples were sent to the ALS Laboratory facility in Yellowknife for preparation, and then were shipped to the facility in Vancouver for analysis. A chain of custody form exists for all samples transferred to the care of ALS Minerals. ALS is an accredited and ISO Certified laboratory in Canada that is independent of the Company.

The first analytical method employed with respect to samples taken from the Kap Property was the *Four Acid Digestion with ICP-MS Finish* (ME-MS61; 0.25-gram sample) technique. This procedure involved a four-acid digestion of 0.25 grams of sample paired with ICP-MS and Atomic Emission Spectroscopy (“**ICP-AES**”) analyses for trace level, exploration samples, and provided a finer-level of detection limits. The method involved the decomposition of samples using a combination of hydrochloric, nitric, perchloric and hydrofluoric acids, which ensured the dissolution of nearly all mineral species, including silicates. A digestion specialised to prevent the loss of volatile germanium species was requested, as it can be lost during the standard procedure. Following digestion, the solution was analyzed using ICP-MS and ICP-AES, which provided precise and accurate multi-element determinations at trace levels. When samples exhibited a mineralized detection overlimit, they underwent re-testing using a second analytical method called the *Four Acid Overlimit Method* ((+)-OG62; 0.4-gram sample) technique. This procedure involved a four-acid digestion on 0.4 grams of sample with ICP-AES analyses, which provided higher-level detection limits.

Additionally, the historical work undertaken on the Property was carried out by industry professionals and was included in assessment reports verified by the Northwest Territories Geological Survey. The ALS and ACME laboratories used for the past and recent exploration work also have their own QA/QC procedures for sample preparation, analysis and security. As a result, the Author is of the opinion that the sample preparation, security and analytical procedures undertaken with respect to this work were likely carried out in accordance with best practices at the time the work was completed and, therefore, can be considered adequate for the purposes of this report.

#### *Data Verification*

The Author visited the Kap Property on August 7, 2024 to verify historical and recent exploration work,

to examine mineralized outcrops, to collect necessary geological data, to take infrastructure and other technical observations and to assess the potential of the Property for the discovery of lead, zinc, gallium, germanium and other mineralization.

The data collected during the 2024 exploration program is considered reliable because it was verified by the Author and collected by a professional geologist. The data quoted from other sources is also considered reliable because information was collected, supervised or reviewed by a professional geologist or engineer, verified during the 2024 exploration program where possible and validated in the process of a literature search on the Kap Property. The results of data verification samples collected by the Author are consistent with historical exploration work results. Furthermore, the historical exploration work was carried out under the supervision of professional geoscientists, and taken from assessment reports verified by the Northwest Territories Geological Survey. A limited search of tenure data on the Mineral Tenure website on August 3, 2024 confirmed the property ownership data supplied by the Company.

In summary, the Author believes that the data utilized and relied upon for the Kap Technical Report is adequate for the purposes for which it is used in the Kap Technical Report.

#### Mineral Processing and Metallurgical Testing; Mineral Resource and Mineral Reserve Estimates

The Company has not performed any mineral processing or metallurgical testing within the Kap Property. The Company has not performed any mineral resource or mineral reserve estimates on the Kap Property.

#### Exploration, Development and Production

In the Author's opinion, the Kap Property is a property of merit with good potential to host meaningful lead, zinc, gallium, germanium and other mineralization due to the documented mineral showings, historical and recent exploration work results and favourable geological setting. In addition, the interplay of structural, stratigraphic and geochemical controls enhances the potential for discovering additional mineralization. The Author is also of the opinion that the character of the Kap Property merits further geological mapping, sampling and geophysical surveys to refine the understanding of the Kap Property's mineralization and to guide future drilling programs.

A two-phased exploration approach, where the second phase is contingent upon the results of the first phase, is recommended. The first phase includes detailed geological mapping and low-impact surveys, followed by a second phase of targeted drilling.

#### *Phase 1 – Soil Geochemical Survey*

Table 9 presents a budget for the proposed Phase 1 exploration activity and it is expected to take about two months' time to complete this work. A soil geochemical survey is an appropriate next step, as historical data from the 1976 and 1996 drill hole results have indicated the presence of mineralization hosted by the Recrystallized Zone in the Manetoe Facies; however, the spatial extent and continuity of these mineralized zones remain inadequately defined. Previous soil geochemical surveys orientated over the Main showing have demonstrated success in identifying mineralization, revealing significant geochemical anomalies that correlate with known mineralized zones. An expanded soil geochemical survey will build on the previous success, providing a cost-effective and non-destructive method to delineate surface geochemical anomalies that could correlate with subsurface mineralization. This survey will help identify new target areas, refine existing targets and enhance the understanding of the geochemical landscape of the project area. By systematically collecting and analysing soil samples, a detailed geochemical map can be generated that will guide Phase 2 exploration activities, thereby optimizing resource allocation and increasing the likelihood of discovery.

| <b>Category</b>        | <b>Count</b> | <b>Units</b> | <b>Rate</b> | <b>Total</b>     |
|------------------------|--------------|--------------|-------------|------------------|
| Food and Consumables   | 7 people     | 16 days      | \$70/day    | \$7,840          |
| Senior Geologist       | 2 people     | 16 days      | \$1,050/day | \$33,600         |
| Junior Geologist       | 4 people     | 16 days      | \$675/day   | \$43,200         |
| Wildlife Monitor       | 1 person     | 16 days      | \$500/day   | \$8,000          |
| Gasoline and Propane   | -            | 16 days      | \$35/day    | \$560            |
| Travel to Norman Wells | 7 people     | 2 trips      | 850/trip    | \$11,900         |
| Helicopter Charter     | -            | 16 days      | \$7,500/day | \$120,000        |
| Geochemical Analysis   | -            | 500 samples  | \$50/sample | \$25,000         |
| GPS Rental             | 4 units      | 16 days      | \$15/day    | \$960            |
| inReach Rental         | 2 units      | 16 days      | \$25/day    | \$800            |
| Mountain Tent Rental   | 10 units     | 16 days      | \$110/day   | \$17,600         |
| Generator Rental       | 2 units      | 16 days      | \$55/day    | \$1,760          |
| Field Kit Rental       | 6 units      | 16 days      | \$110/day   | \$10,560         |
| Accommodations         | 3 rooms      | 2 days       | \$357/day   | \$2,142          |
| Expediting             | -            | 4 days       | \$500/day   | \$2,000          |
| <b>TOTAL</b>           |              |              |             | <b>\$285,922</b> |

**Table 9** – Budget for the proposed Phase 1 exploration activity.

*Phase 2 – Diamond Drilling Program*

Table 10 presents a budget for the proposed Phase 2 exploration activity. If results from the first phase identify mineralization that justifies further exploration, then a strategically planned drilling program would be warranted. The total estimated budget for the Phase 2 program is approximately \$2,694,235 and it will take about four months' time to complete this work. This budget includes \$30,000 for First Nation engagement (including a traditional knowledge study); \$764,643 to mobilize, construct and maintain a remote camp for a four-month period; \$1,879,592 to perform 2,000 meters of drilling (including wages, equipment, transport, food and fuel); and \$20,000 to analyse the resulting data. The scope of work for this program is as follows:

- setup and take-down a temporary remote work camp on-site to house and support workers;
- approximately 300 meters of drilling will be used to twin two historical drill holes on the Main showing. It is anticipated that in combination with re-logging the historical drill core, that past results may be brought into compliance with modern standards and contribute to the development of a mineral resource estimate on the Kap Property;
- approximately 500 meters will be used to test the previously un-drilled gravity anomalies in the vicinity of the Main showing. It is anticipated that additional mineralization could be added to the Main showing mineralization and contribute towards the development of a mineral resource estimate on the Kap Property; and

- approximately 1,200 meters will be used to test soil geochemistry anomalies that may occur in the vicinity of other showings (e.g. Breccia Creek, Steep Creek and Blanche), as well as in-between the showings, as demonstrated by the Phase 1 exploration work.

| <b>Category</b>                                         | <b>Count</b>       | <b>Units</b> | <b>Rate</b> | <b>Total</b> |
|---------------------------------------------------------|--------------------|--------------|-------------|--------------|
| Food and Consumables                                    | 40 days            | 1 camp       | \$500       | \$20,000     |
| First Nation Engagement and Traditional Knowledge Study | -                  | 1 program    | \$30,000    | \$30,000     |
| Camp Setup, Operation, and Take-down                    | 4 months           | 1 camp       | \$191,160   | \$764,643    |
| Drill Mobilization Team                                 | 5-person x 3 days  | 180 hours    | \$105       | \$18,900     |
| Driller                                                 | 2-person x 40 days | 80 days      | \$1,350     | \$108,000    |
| Driller Assistant                                       | 2-person x 40 days | 80 days      | \$750       | \$60,000     |
| Geologist                                               | 1 person x 30 days | 30 days      | \$750       | \$22,500     |
| Core Cutter                                             | 2-person x 20 days | 40 days      | \$350       | \$14,000     |
| Camp Assistant                                          | 1 person x 50 days | 50 days      | \$600       | \$30,000     |
| Camp Manager                                            | 1 person x 50 days | 50 days      | \$800       | \$40,000     |
| Cook                                                    | 1 person x 50 days | 50 days      | \$800       | \$40,000     |
| Drill Diesel                                            | 6 drums x 40 days  | 240 drums    | \$600       | \$144,000    |
| Jet Fuel                                                | 25 drum/program    | 25 drums     | \$600       | \$15,000     |
| Drill Gasoline                                          | 20 drums/program   | 20 drums     | \$600       | \$12,000     |
| Camp Gasoline                                           | 4 drums/program    | 4 drums      | \$600       | \$2,400      |
| Helicopter Support                                      | 4 hours/day        | 160 hours    | \$2,600     | \$416,000    |
| Fuel Mobilization Charter Fixed-Wing Flight             | 6 drums/flight     | 27 flights   | \$4,500     | \$121,500    |
| Drill Equipment Mobilization Fixed-Wing Flight          | -                  | 8 flights    | \$4,500     | \$36,000     |
| Drill Equipment Mobilization Trucking                   | -                  | 2 trips      | \$25,000    | \$50,000     |
| Drill Crew Mobilization Commercial Flight               | -                  | 10 seats     | \$1,500     | \$15,000     |
| Standards                                               |                    | 100 units    | \$100       | \$10,000     |
| XRF                                                     |                    | 60 days      | \$250       | \$15,000     |

|                                              |   |               |              |                    |
|----------------------------------------------|---|---------------|--------------|--------------------|
| ALS lab analysis                             |   | 1,350 samples | \$100        | \$135,000          |
| Tooling Charge                               | - | 2,000 units   | \$45         | \$90,000           |
| Quad                                         | - | 2 units       | \$3,000      | \$6,000            |
| Survival Shack Supplies                      | - | 1 unit        | \$1,500      | \$1,500            |
| Satellite Phone                              | - | 1 unit        | \$500        | \$500              |
| Internet Service                             | - | 1 unit        | \$1,000      | \$1,000            |
| Centrifuge                                   | - | 1 unit        | \$16,500     | \$16,500           |
| Drill Generators                             | - | 3 units       | \$1,500      | \$4,500            |
| Drill Survey Equipment                       | - | 60 days       | \$285        | \$17,100           |
| Tractor                                      | - | 1 unit        | \$12,500     | \$12,500           |
| Marking Blocks and Tape                      | - | 1 unit        | \$750        | \$750              |
| AMC Poly Plug                                | - | 2 units       | \$300        | \$600              |
| AMC Pure Vis                                 | - | 12 units      | \$210        | \$2,520            |
| Van Ruth Hole Plug                           | - | 10 units      | \$305        | \$3,050            |
| Cement Per Bag                               | - | 30 units      | \$15         | \$450              |
| Mega Bag Totes                               | - | 45 units      | \$45         | \$2,025            |
| Core boxes                                   | - | 600 boxes     | \$15         | \$9,000            |
| Core Saw                                     | - | 1 unit        | \$10,000     | \$10,000           |
| Data Analysis, Interpretation, and Reporting | - | 1 program     | \$20,000     | \$20,000           |
| Land Use Permit                              | - | 1 fee         | \$40,000     | \$40,000           |
| Contingency (5%)                             | - | -             | \$128,297    | \$128,297          |
|                                              |   |               | <b>TOTAL</b> | <b>\$2,694,235</b> |

**Table 10** – Budget for proposed Phase 2 exploration activity.

### DIVIDENDS AND DISTRIBUTIONS

The Company has not, since the date of its incorporation, declared or paid any dividends on the Common Shares, and does not currently have a policy with respect to the payment of dividends. The Company currently intends to retain any future earnings to fund the development and growth of its business and does not currently anticipate paying dividends on the Common Shares. Any determination to pay dividends in the future will be at the discretion of the Board and will depend on many factors, including our financial condition, current and anticipated cash requirements, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the Board may deem relevant. See “*Risk Factors – Risks Related to Our Common Shares – Dividends*”.

## DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized capital stock consists of an unlimited number of Common Shares, of which 28,830,334 Common Shares are issued and outstanding as of the date of this AIF.

### Common Shares

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding-up its affairs, the holders of the Common Shares are entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of the Common Shares are entitled to receive dividends as and when declared by the Board in respect of the Common shares, on a *pro rata* basis. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

### Warrants

As at the date of this AIF, the Company has 22,343,334 Warrants issued and outstanding, consisting of: (i) 20,000,000 Warrants, each exercisable into one Common Share for \$0.10 per Common Share until August 24, 2026 and (ii) 2,343,334 Warrants, each exercisable into one Common Share for \$0.85 per Common Share until January 10, 2026.

The terms and conditions which govern the Warrants are set out on certificates representing the Warrants, which include, among other things, provisions for the appropriate adjustments in the class, number and price of the Common Shares issuable upon exercise of the warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends and the amalgamation, arrangement or reorganization of the Company, as well as a provision restricting the exercise of the Warrants in the event that the holder thereof, together with any person acting jointly or in concert, would, following the intended exercise, have actual or deemed beneficial ownership or control or direction over, directly or indirectly, 10% or more of the Company's outstanding voting or equity securities or would result in the holder being considered an "Insider", "Related Party" or "Related Person of the Company". The terms of the Warrants do not restrict or prevent the Company from obtaining any other financing, or from issuing additional securities or rights, during the period within which the Warrants may be exercised.

### Options

As at the date of this AIF, the Company has 1,800,000 Options issued and outstanding. Each vested Option entitles the holder to receive one Common Share upon satisfaction of the exercise price of the Option, subject to adjustment pursuant to the Integral Equity Plan. The Integral Equity Plan contains terms governing, among other things, the vesting of Options, the termination of Options (including termination upon death and disability), the exercise of Options (including the right of the Option holder to exercise Options on a "net settlement" basis) and the treatment of Options in the event certain corporate transactions are undertaken by the Company (including a change of control transaction).

The foregoing summary of the Integral Equity Plan is a summary only and does not purport to summarize, in full, all of the provisions of the Integral Equity Plan.

### RSUs

As at the date of this AIF, the Company has 1,450,000 RSUs issued and outstanding. Each vested RSU entitles the holder to receive one Common Share upon settlement, subject to adjustment pursuant



to the Integral Equity Plan. The Integral Equity Plan contains terms governing, among other things, the vesting and settlement of RSUs, the termination of RSUs (including termination upon death and disability), the adjustment of RSUs in the event of the payment by the Company of cash dividends declared by the Company and the treatment of RSUs in the event certain corporate transactions are undertaken by the Company (including a change of control transaction).

The foregoing summary of the Integral Equity Plan is a summary only and does not purport to summarize, in full, all of the provisions of the Integral Equity Plan.

## MARKET FOR SECURITIES

### Trading Price and Volume

The Company's Common Shares were listed on the CSE on October 31, 2024 under the symbol "INTG". On November 20, 2024, the Company began trading on the Frankfurt Stock Exchange under the stock symbol "ZK9". The following table sets forth trading information for the Common Shares on the CSE on a monthly basis since October 31, 2024.

| Month            | Price Range |        | CSE                    |
|------------------|-------------|--------|------------------------|
|                  | High \$     | Low \$ | Monthly Trading Volume |
| October 31, 2024 | N/A         | N/A    | 0                      |
| November 2024    | \$1.20      | \$0.65 | 15,022                 |
| December 2024    | \$1.20      | \$0.40 | 105,983                |
| January 2025     | \$0.80      | \$0.40 | 1,794,286              |

The closing price of our Common Shares on the CSE on January 31, 2025, the last trading day before the date hereof, was \$0.67.

## PRIOR SALES

During the Company's most recently completed financial year, the Company issued the following securities which are not listed or quoted on a marketplace:

| Security                | Date of Issue   | Aggregate Number Issued | Exercise Price |
|-------------------------|-----------------|-------------------------|----------------|
| Warrants <sup>(1)</sup> | August 24, 2023 | 20,000,000              | \$0.10         |

Notes:

(1) Warrants exercisable for one Common Share until August 24, 2026.

## ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

As of the date of this AIF, the following securities of the Company are held in escrow or are subject to a contractual restriction on transfer.

| Designation of class held in escrow                                                   | Number of securities held in escrow or that are subject to a contractual restriction on transfer | Percentage of class <sup>(5)</sup> |
|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------|
| Common Shares escrowed in connection with the listing of the Common Shares on the CSE | 2,160,000 <sup>(1)</sup>                                                                         | 7.49%                              |

|                                                                                                                                                  |                        |       |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------|
| Warrants escrowed in connection with the listing of the Common Shares on the CSE                                                                 | 90,000 <sup>(2)</sup>  | 0.40% |
| Common Shares issued to Reflex in connection with Zigzag Purchase and subject to contractual restriction on transfer                             | 500,000 <sup>(3)</sup> | 1.73% |
| Common Shares issued to Critical in connection with the acquisition of the Burntwood Property and subject to contractual restriction on transfer | 112,500 <sup>(4)</sup> | 0.39% |

Notes:

- (1) At the time of the Company's listing on the CSE on October 31, 2024 (the "**Listing Date**"), 2,400,000 Common Shares were subject to a thirty-six month escrow period pursuant to the Escrow Agreement (as defined below). The Common Shares subject to the Escrow Agreement are released as follows: (i) 10% were released on the Listing Date; (ii) 15% will be released on April 30, 2025; (iii) 15% will be released on October 31, 2025; (iv) 15% will be released on April 30, 2026; (v) 15% will be released on October 31, 2026; (vi) 15% will be released on April 30, 2027; and (vii) 15% will be released on October 31, 2027.
- (2) On the Listing Date, 100,000 Warrants were subject to a thirty-six month escrow period pursuant to the Escrow Agreement (as defined below). The Warrants subject to the Escrow Agreement are released as follows: (i) 10% were released on the Listing Date; (ii) 15% will be released on April 30, 2025; (iii) 15% will be released on October 31, 2025; (iv) 15% will be released on April 30, 2026; (v) 15% will be released on October 31, 2026; (vi) 15% will be released on April 30, 2027; and (vii) 15% will be released on October 31, 2027.
- (3) Subject to contractual restrictions on resale pursuant to the Property Purchase Agreement. 250,000 of the Common Shares issued pursuant to the Property Purchase Agreement were released from such restrictions on July 8, 2024 and an additional 250,000 of the Common Shares were released on January 8, 2025. The remaining Common Shares will be released from these restrictions as follows: (i) 250,000 of the remaining Common Shares will be released on July 8, 2025; and (ii) the remaining 250,000 Common Shares will be released on January 8, 2026.
- (4) Subject to contractual restrictions on resale pursuant to the Burntwood Agreement. 15,000 of the Common Shares issued pursuant to the Burntwood Agreement were released on June 24, 2024 and an additional 22,500 Common Shares were released on December 24, 2024. The remaining Common Shares will be released from these restrictions in equal tranches of 22,500 Common Shares on each six-month anniversary of December 24, 2024 until all of such Common Shares are released on June 24, 2027.
- (5) On an undiluted basis, based on 28,830,334 Common Shares and 22,343,334 Warrants issued and outstanding as of the date hereof.

### *Escrow Agreement*

The securities held in escrow as required by and in compliance with National Policy 46-201 - *Escrow for Initial Public Offerings* ("**NP 46-201**") and CSE policy are subject to an escrow agreement entered into between the Company, Odyssey Trust Company and the securityholder subject to the escrow agreement (the "**Escrow Agreement**"). The securities are subject to the release schedule specified in NP 46-201 for emerging issuers and as set out in the form of escrow required by Policy 2 – *Qualifications for Listing of the CSE*. The release schedule for these securities is set forth above and may be accelerated if the Company establishes itself as an "established issuer" as described in NP 46-201.

Pursuant to the terms of the Escrow Agreement, the securities subject to the Escrow Agreement will not be able to be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within escrow are:

- transfers to continuing or, upon their appointment, incoming directors and senior officers of the Company or a material operating subsidiary, with the approval of the Board;
- transfers to a person or company that, before the proposed transfer, holds more than 20% of the Company's outstanding Common Shares, or to a person or company that, after the

proposed transfer, will hold more than 10% of the Company's outstanding Common Shares and has the right to elect or appointment one or more directors or senior officers of the Company or any material operating subsidiary;

- transfers to a registered retirement savings plan, registered retirement income fund or other similar registered plan or trustee fund, provided that the annuitant or the beneficiaries are the transferor or the transferor's spouse, children or parents;
- transfers upon bankruptcy to the trustee in bankruptcy or another person or company entitled to escrow securities on bankruptcy; and
- pledges, mortgages or charges to a financial institution as collateral for a loan, provided that, upon a realization, the securities remain subject to escrow.

Tenders of securities subject to the Escrow Agreement to a take-over bid or business combination are permitted, provided that, if the tenderer is a principal (as that term is defined in the Escrow Agreement) of the successor corporation, upon completion of the take-over bid or business combination, securities received in exchange for tendered securities subject to the Escrow Agreement are substituted in escrow on the basis of the successor corporation's escrow classification.

If securityholders subject to the Escrow Agreement beneficially acquire any additional securities of the Company of the types listed above pursuant to dividends or other distributions made by the Company on the escrowed securities, upon the exercise of a right of purchase, conversion or exchange attaching to escrow securities, upon a subdivision or compulsory or automatic conversion or exchange or from a successor issuer in a business combination, those securities will be added to the securities already in escrow, to increase the number of remaining securities subject to the Escrow Agreement. Such increased number of remaining securities will be released in accordance with the release schedule noted above.

#### *Common Shares Subject to Property Purchase Agreement*

The Property Purchase Agreement imposes a 24-month restricted period on all Common Shares issued pursuant to the Property Purchase Agreement, during which time Reflex may not dispose of any such Common Shares without the prior approval of the Company. Pursuant to the release schedule set out in the Property Purchase Agreement, such Common Shares are automatically released from these restrictions in four tranches: (i) as to 250,000 of such Common Shares, on July 8, 2024, (ii) as to another 250,000 of such Common Shares, on January 8, 2025, (iii) as to another 250,000 of such Common Shares, on July 8, 2025 and (iv) as to the final 250,000 of such Common Shares, on January 8, 2026. Notwithstanding the restrictions set forth above, Reflex may dispose of such Common Shares pursuant to a third-party take-over bid made to all holders of Common Shares, or in connection with a merger, business combination, arrangement, consolidation, reorganization, restructuring or similar transaction of all of the Common Shares outstanding at any time, provided, however, that in the event that such take-over bid or similar acquisition or transaction is not completed, such Common Shares shall remain subject to the restrictions set out above.

#### *Common Shares Subject to Burntwood Agreement*

The Burntwood Agreement imposes a 36-month restricted period on all Common Shares issued pursuant to the Burntwood Agreement, during which time Critical may not dispose of any such Common Shares without the prior approval of the Company. Pursuant to the release schedule set out in the Burntwood Agreement, such Common Shares are automatically released from these restrictions in seven tranches. 15,000 of such Common Shares were released on June 24, 2024, with additional tranches of 22,500 Common Shares being released on each six-month anniversary of June 24, 2024 until all of such Common Shares are released on June 24, 2027. Notwithstanding the restrictions set forth above, Critical may dispose of such Common Shares pursuant to a third-party take-over bid made

to all holders of Common Shares, or in connection with a merger, business combination, arrangement, consolidation, reorganization, restructuring or similar transaction of all of the Common Shares outstanding at any time, provided, however, that in the event that such take-over bid or similar acquisition or transaction is not completed, such Common Shares shall remain subject to the restrictions set out above.

## DIRECTORS AND OFFICERS

### Name, Occupation and Security Holding

The following table sets forth the name of all directors and executive officers of the Company, their municipalities of residence, their current positions with the Company, their principal occupations during the past five years, the date they first become a director or officer of the Company and the number and percentage of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised as at the date of this Annual Information Form.

All directors of the Company have been elected or appointed to serve until the next annual meeting of shareholders of the Company, or until such director's earlier death, resignation or removal. As at the date of this AIF, the Company's directors and executive officers beneficially owned, or controlled or directed, directly or indirectly, an aggregate of 2,400,000 Common Shares, representing approximately 8.32% of the issued and outstanding Common Shares.

| Name,<br>Municipality of<br>Residence and<br>Position Held                                       | Principal Occupation for Past<br>Five Years                                                                                                                                                                                                                                                                                                                                                                                                                      | Director /<br>Officer of the<br>Company<br>Since | Number and Percentage<br>of Common Shares<br>Beneficially Owned or<br>Controlled <sup>(1)(2)</sup> |
|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Paul Sparkes<sup>(4)</sup></b><br><br>Toronto, Ontario,<br>Canada<br><br>CEO and Director     | President of Otterbury Holdings Inc., a consulting and advisory firm for growth companies in the public and private markets (since January, 2015); Chief Executive Officer of Vortex Energy Corp. (a halite exploration company, from March 17, 2023 to present); and Chief Executive Officer of AlphaGen Intelligence Corp. (a technology company, from June 28, 2024 to present).                                                                              | May 27, 2024                                     | Nil<br>0.0%                                                                                        |
| <b>Tasheel Jeerh</b><br><br>Calgary, Alberta,<br>Canada<br><br>CFO and<br>Corporate<br>Secretary | President of Jeerh Advisory Inc., a consulting firm (since February, 2022); Chief Financial Officer of Traction Uranium Corp. (a uranium exploration company, from June, 2022 to present); Chief Financial Officer of Reflex (a graphite exploration company, from November 2022 to present); President of Global Uranium Corp. (a uranium exploration company, from June, 2024 to present); Manager of Strathcona Resources Ltd. (an oil and gas producer, from | N/A                                              | 100,000 Common Shares;<br>0.35%                                                                    |

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                  |                                  |
|----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------|
|                                                                                                    | June, 2019 to January, 2022); Manager, PwC LLP, from October, 2012 to June, 2019).                                                                                                                                                                                                                                                                                                                                                                                                       |                  |                                  |
| <b>Jared Suchan</b><br>Regina,<br>Saskatchewan,<br>Canada<br><br>Vice President,<br>Exploration    | President of Jared Suchan Consulting Ltd., a consulting firm (since November 2023 until present); Managing Partner and Director of Voyageur Exploration Ltd. (a mineral exploration company, from July, 2018 until present); Chief Operating Officer of Northern Critical Minerals Corp. (a mineral exploration company, from December, 2022 until present); and Vice President, Exploration, of Global Uranium Corp. (a uranium exploration company, from June 24, 2024 until present). | N/A              | Nil<br>0.0%                      |
| <b>Aman Parmar</b> <sup>(3)(5)(6)</sup><br><br>Vancouver, British Columbia, Canada<br><br>Director | Consultant to various public and private companies (since 2010); Interim Chief Executive Officer of Refined Energy Corp. (a mineral exploration company, June, 2022 to February, 2024).                                                                                                                                                                                                                                                                                                  | January 11, 2018 | 2,200,000 Common Shares<br>7.63% |
| <b>Paul More</b> <sup>(3)(4)(5)</sup><br><br>Vancouver, British Columbia, Canada<br><br>Director   | Chartered Professional Accountant providing CFO, controller, and business consulting services (since 2012); CFO to Pan American Energy Corp. (a lithium exploration company, from December 2021 to present); CFO of HYTN Innovations Inc. (a cannabis company, from October 2021 to present); and CFO of Vortex Energy Corp. (a halite exploration company, from August 1, 2022 to present).                                                                                             | May 27, 2024     | 100,000 Common Shares;<br>0.35%  |
| <b>Ungad Chadda</b> <sup>(3)(4)(5)</sup><br><br>Toronto, Ontario, Canada<br><br>Director           | Consultant to various public and private companies (Since May, 2019); Chief Executive Officer of Urban Infrastructure Group Inc. (a construction company focused on the concrete and drain sector, since March, 2024); Employee of TMX Group Ltd. (from December, 1997 until May, 2019).                                                                                                                                                                                                 | May 27, 2024     | Nil<br>0.0%                      |
| <b>Total Common Shares</b>                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                  | 2,400,000 Common Shares<br>8.32% |

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective directors and executive officers.
- (2) On an undiluted basis, based on 28,830,334 Common Shares issued and outstanding of the Company.
- (3) Member of the Audit Committee.
- (4) Member of the Corporate Governance and Nominating Committee.
- (5) Member of the Compensation Committee.
- (6) Mr. Aman Parmar previously served as an officer of the Company until December 21, 2023.

In addition, Mr. Raj Rehill served as a director of the Company until his resignation from the Board on August 14, 2024.

**Director and Management Biographies**

The following are brief biographies of the executive officers and directors of the Company:

**Paul Sparkes** (Age: 59) – Chief Executive Officer and Director

Paul Sparkes has served as the Chief Executive Officer of the Company since December 21, 2023. Mr. Sparkes is an accomplished business leader and entrepreneur with over twenty-five years of experience in media, finance, capital markets and Canada’s political arena. Paul spent a decade as a leader in the broadcast and media industry as CTV globemedia’s Executive Vice President, Corporate Affairs. He also held senior positions in public service, including with the Government of Canada as Director of Operations to Prime Minister Jean Chretien and Special Assistant for Atlantic Canada, and as a senior aide to two Premiers of Newfoundland and Labrador. Paul was a Co-Founder and Executive Vice Chairman at Difference Capital Financial and serves on several private and public boards. In addition to being the CEO of the Company, Vortex Energy Corp., a halite exploration company with a property in Newfoundland and Labrador, and AlphaGen Intelligence Corp., a technology company, he is currently President of Otterbury Holdings Inc. and is an advisor and deal maker for growth companies in the private and public markets.

**Tasheel Jeerh** (Age: 35) – Chief Financial Officer and Corporate Secretary

Mr. Tasheel Jeerh, CPA, CA is a finance and accounting professional with over 10 years of accounting expertise and management experience. Mr. Jeerh has experience in both public and private sectors, over a broad range of industries, including energy, mining, exploration and technology. Prior to joining the Company, Mr. Jeerh played a pivotal role in the growth of a private upstream oil and gas company, dealing with over \$2.0 billion of M&A activity and \$1.0 billion of financing activities. Mr. Jeerh received his accounting designation at PricewaterhouseCoopers LLP, where he gained valuable audit experience through his work as a manager in the assurance practice.

**Jared Suchan** (Age: 33) – Vice President, Exploration

Jared Suchan has served as the Vice President, Exploration, of the Company since November 15, 2023. Dr. Suchan is a professional geoscientist with nearly 10 years of experience in the exploration and development of mining projects in Canada. He received his Ph.D. in Environmental Systems Engineering in 2023 and his Honours B.Sc. in Geography and B.Sc. in Geology in 2016 from the University of Regina. His expertise is in the development and execution of early-stage mineral exploration programs in the remote regions of Canada. His previous experience includes coal mining operations and uranium exploration in Saskatchewan, rare earth element and diamond exploration in the Northwest Territories and gold exploration in the Yukon. In addition to serving as the VP, Exploration, of the Company, Dr. Suchan currently serves as the Chief Operating Officer for the rare earth element exploration company Northern Critical Minerals Corp., as a Managing Partner with the mineral exploration project generator company Voyageur Exploration Ltd., as the VP, Exploration, of Global Uranium Corp., a uranium exploration company, as the Chief Executive Officer of BioGeomics Technology Corp., geology focused technology company, and as a geological consultant to Pan

American Energy Corp., a lithium exploration company, and Vortex Energy Corp., a salt cavern exploration company.

**Aman Parmar** (Age: 36) – Director

Mr. Parmar's corporate experience includes over 12 years of working with both public and private companies in various sectors, including the resources, health care, manufacturing, and real estate sectors. Mr. Parmar has extensive experience in the capital markets and has been involved in corporate restructuring and financing for both public and private companies. Mr. Parmar obtained a Chartered Professional Accountant designation in 2012 and holds a Bachelor of Technology in Accounting from the British Columbia Institute of Technology.

**Paul More** (Age: 38) – Director

Paul More, CPA, CA, is a finance and accounting professional with over 10 years of combined experience in both public and private sectors. Mr. More provides or has provided CFO consulting and accounting services to clients in the health, pharmaceutical, technology, mining and real estate sectors. Mr. More obtained his Chartered Professional Accountant designation in 2011 and holds a Bachelor of Commerce with a double major in Accounting and Finance from the University of Northern British Columbia.

**Ungad Chadda** (Age: 52) – Director

Mr. Chadda is an experienced capital markets regulator and financial services executive having previously worked at TMX Group, the parent company of Toronto Stock Exchange. Mr. Chadda was responsible for building and maintaining the TMX Group investor base as well as supporting its public interest mandate and strategies to grow as a company. Mr. Chadda joined TMX Group through one of its predecessor entities in 1997. During his tenure, Mr. Chadda held progressively senior roles, including Director of Listings, TSX Venture Exchange; Chief Operating Officer, TSX Venture Exchange; Vice President, Business Development, Toronto Stock Exchange and TSX Venture Exchange; President, Toronto Stock Exchange; CFO of TSX Trust (formerly Equity Transfer and Trust); and SVP, Head of Enterprise Corporate Strategy and External Affairs, TMX Group. Ungad currently advises clients on capital markets, regulatory and governance strategies. Mr. Chadda attended McMaster University, where he received an Honours Bachelor of Commerce in 1994 and he received his Chartered Accountancy designation while working with Ernst and Young LLP in 1996. Mr. Chadda has served on multiple boards, and has completed University of Toronto's Rotman Business School Director Education Program. Mr. Chadda is currently the CEO and Director of Urban Infrastructure Group Inc. which is a TSX Venture Exchange listed company trading under the symbol "UIG".

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

Except as disclosed herein, no director or executive officer of the Company is, as at the date of this AIF, or was, within the 10 years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Company), that (a) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (a "**Cease Trade Order**"), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to a Cease Trade Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

On July 8, 2022, the British Columbia Securities Commission issued a cease trade order to Telecure Technologies Inc., a company for which Mr. Paul More serves as a director and for which Mr. Aman Parmar formerly served as a director, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management's discussion and analysis, failing to

file an interim financial report for the period ended March 31, 2022, along with the accompanying management's discussion and analysis, and failing to file certifications of annual and interim filings for the periods ended December 31, 2021 and March 31, 2022, in each case within the required time period. This cease trade order currently remains in place as at the date of this Prospectus.

On May 3, 2022, the British Columbia Securities Commission issued a cease trade order to Mr. Josh Rosenberg, Mr. Eli Dusenbury and Telecure Technologies Inc., a company for which Mr. Paul More serves as a director and for which Mr. Aman Parmar formerly served as a director, for failing to file audited financial statements for the year ended December 31, 2021, along with the accompanying management's discussion and analysis, within the required time period. The cease trade order currently remains in place as at the date of this Prospectus.

On January 11, 2022, the British Columbia Securities Commission issued a cease trade order to Refined Energy Corp. (then, Chemesis International Inc.), a company for which Mr. Aman Parmar serves as a director and formerly served as the Interim Chief Executive Officer, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis, as well as the interim financial statements for the period ended September 30, 2021, along with the accompanying management's discussion and analysis, in each case within the required time period. This cease trade order was revoked on March 29, 2022.

On October 29, 2021, the British Columbia Securities Commission issued a cease trade order to Edgar Montero, Eli Dusenbury and Refined Energy Corp. (then, Chemesis International Inc.), a company for which Mr. Aman Parmar serves as a director and formerly served as the Interim Chief Executive Officer, for failing to file audited financial statements for the year ended June 30, 2021, along with the accompanying management's discussion and analysis, within the required time period. This cease trade order was revoked on March 29, 2022.

On July 23, 2021, the British Columbia Securities Commission issued a cease trade order in respect of United Lithium Corp., a company for which Mr. Aman Parmar formerly served as director, for filing a material change report in respect of an amalgamation that did not contain the required disclosure. This cease trade order was revoked on August 25, 2021.

On February 3, 2016, the Ontario Securities Commission and, on February 5, 2016, the British Columbia Securities Commission each issued a cease trade order against Ziplocal Inc., a company for which Mr. Paul Sparkes formerly served as a director, for failing to file audited annual financial statements for the year ended September 30, 2015 along with the accompanying management's discussion and analysis, as well as the certification of the foregoing filings, within the required time period. The Ontario Securities Commission revoked its cease trade order on February 26, 2016 and the British Columbia Securities Commission revoked its cease trade order on March 11, 2016.

On May 8, 2013, the British Columbia Securities Commission issued a cease trade order against Upper Canyon Minerals Corp. (now Savannah Minerals Corp.), a company for which Mr. Aman Parmar formerly served as a director, for failing to file audited annual financial statements for the financial year ended December 31, 2012, along with the accompanying management's discussion and analysis, and on August 14, 2013, the Alberta Securities Commission issued a cease trade order against Upper Canyon Minerals Corp. for failing to file annual audited financial statements, annual management's discussion and analysis and the certification of annual filings, in each case for the year ended December 31, 2012, and interim unaudited financial statements, interim management's discussion and analysis, and the certification of interim filings, in each case for the interim period ended March 31, 2013. Each of the British Columbia Securities Commission and the Alberta Securities Commission revoked its respective cease trade order on May 16, 2017.

No director or executive officer of the Company, nor, to our knowledge, any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is, as of the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while the person was acting in that capacity, or



within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No director or executive officer of the Company, nor, to our knowledge, any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Company, nor, to our knowledge, any shareholder holding a sufficient number of securities to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **Conflicts of Interest**

To the best of the Company's knowledge, information and belief, there are no known existing or potential conflicts of interest between the Company and any of its directors or officers as a result of their outside business interests at the date hereof. However, certain of the Company's directors and officers are, or may become, directors or officers of other companies with business that may conflict with our business, and therefore it is possible that a conflict of interest may arise between their duties to the Company and their duties as a director or officer of such other companies. Specifically, Mr. Tasheel Jeerh, the Chief Financial Officer and Corporate Secretary of the Company, also serves as the Chief Financial Officer of Reflex, who is a defendant in the Volta Claim. See "*Risk Factors – Risks related to the Company – Conflicts of Interest*", "*General Development of the Business – Three Year History – The Volta Claim and Settlement*" and "*Legal Proceedings and Regulatory Actions*".

Pursuant to the BCBCA, each of the directors of the Company is required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA:

A director or executive officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or executive officer of the Company, must promptly disclose the nature and extent of that conflict.

A director who holds a disclosable interest (as that term is used in the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve the contract or transaction.

Generally, as a matter of practice, directors or executive officers who have disclosed a material interest in any transaction or agreement that our Board is considering will not take part in any Board discussion respecting that contract or transaction. If, on occasion, such directors do participate in the discussions, they will abstain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, we will establish a special committee of independent directors to review a matter in which directors, or management, may have a conflict.

### **AUDIT COMMITTEE**

National Instrument 52-110 – *Audit Committees* ("**52-110**") requires us to disclose certain information regarding the Audit Committee of the Board. The required information has been disclosed in our

prospectus, dated October 25, 2024 (the “**Prospectus**”), under the heading “*Audit Committee*” and in Appendix “H” to the Prospectus. Our Prospectus is available under our profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

In reliance on Section 6.1 and Section 6.2 of 52-110, the Company intends to include the required disclosure in respect of its Audit Committee in its management information circulars distributed in respect of its annual general meetings of shareholders of the Company.

## **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**58-101**”) requires us to disclose certain information regarding our corporate governance practices. The required information has been disclosed in the Prospectus, under the heading “*Corporate Governance*” and in Appendix “G” to the Prospectus. Our Prospectus is available under our profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## **AUDITOR**

Charlton & Company is the Company’s auditor and was appointed as the Company’s auditor in January, 2024.

## **PROMOTERS**

Mr. Aman Parmar may be considered to be a promoter of the Company, in that he took the initiative in re-organizing the business of the Company. Mr. Parmar beneficially owns, controls or directs, directly or indirectly, 2,200,000 Common Shares, 350,000 Options and 150,000 RSUs, representing approximately 7.63% of the issued and outstanding Common Shares, approximately 19.44% of the issued and outstanding Options and approximately 10.34% of the issued and outstanding RSUs, respectively, as of the date of this Annual Information Form; or approximately 9.20% of the issued and outstanding Common Shares on a partially-diluted basis giving effect to the exercise of the Options and the RSUs beneficially owned, or controlled and directed, by Mr. Parmar.

In total, \$612,949 has been paid or accrued in consulting fees to a company controlled by Mr. Parmar in respect of business advisory services provided by Mr. Parmar to the Company. Mr. Parmar (through this wholly-owned company) continues to have a consulting agreement with the Company to provide business advisory services to the Company, pursuant to which Mr. Parmar (through this wholly-owned company) receives \$7,500 per month of services rendered, plus additional fees for assisting the Company with other various corporate services (including press release dissemination and document preparation, review and revision).

Additional information about Mr. Parmar, his ownership of securities of the Company and his role in the formation of the Company is disclosed elsewhere in this Prospectus. See “*General Development of the Business – Three Year History*” and “*Directors and Officers*”.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

Other than as follows, since the beginning of the financial year ended December 31, 2023, there have been no legal proceedings to which the Company is or was a party or of which any of its property is or was the subject of, nor are any such proceedings known by the Company to be contemplated.

Following the closing of the Zigzag Purchase, on April 4, 2024, Volta served the Company with the Volta Claim in the Ontario Superior Court of Justice. The Volta Claim sought, among other things: (i) an order unwinding the Company’s purchase of the Zigzag Project, (ii) an order requiring Reflex to conclude a transaction with Volta pursuant to the Right of First Refusal, (iii) an order restraining further transactions by the Company involving the Zigzag Project and (iv) damages against each of Reflex, Paul Gorman and the Company, including damages against the Company for inducing breach of

contract and unjust enrichment.

On November 8, 2024, the Company sold the Zigzag Project to Volta for C\$350,000. Concurrently with the closing of the sale of the Zigzag Project, Volta and the Company executed a mutual release, releasing all claims between Volta and the Company with respect to the Volta Claim and settling the Volta Claim as between the Company and Volta.

Since the beginning of the financial year ended June 30, 2024, the Company has not had any penalties or sanctions imposed on it by, or entered into any settlement agreements with, a court or a securities regulatory authority relating to securities laws, nor has the Company been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Except as disclosed elsewhere in this AIF, no (a) director or executive officer, (b) person or company that beneficially owns, controls or directs, directly or indirectly, more than 10% of the Common Shares, or (c) associate or affiliate of any of the persons or companies referred to in (a) or (b) has, or has had any material interest, direct or indirect, in any transaction within the three most recent financial years preceding the date of this AIF or during the current financial year that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries.

### **TRANSFER AGENT AND REGISTRAR**

The registrar and transfer agent of the Common Shares is Odyssey Trust Company, located at 350 – 409 Granville Street, Vancouver, BC V6C 1T2.

### **MATERIAL CONTRACTS**

As at the date of this AIF, except for contracts entered into in the ordinary course of business, the following agreement is reasonably regarded as being material to the Company:

- the Escrow Agreement (see *Escrowed Securities and Securities Subject to Contractual Restriction on Transfer – Escrow Agreement* for the particulars of this contract).

A copy of the Escrow Agreement is available under the Company's profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **INTERESTS OF EXPERTS**

Certain scientific and technical information regarding the Kap Property included in this AIF is derived from, and in some instances is an extract from, the Kap Technical Report prepared by Kristian Whitehead, P. Geo., who is a "Qualified Person" as such term is defined in NI 43-101. Mr. Whitehead is independent of the Company within the meaning of NI 43-101 and has reviewed and approved the scientific and technical information in this AIF that is derived from the Kap Technical Report. To the best of our knowledge, as of the date hereof, Mr. Whitehead beneficially owns, directly or indirectly, less than 1% of the outstanding Common Shares.

The scientific and technical information which is not derived from or extracted from the Kap Technical Report has been reviewed and approved by Dr. Jared Suchan, the VP, Exploration of the Company, who is a "Qualified Person" as such term is defined in NI 43-101. As of the date hereof, Dr. Suchan beneficially owns, directly or indirectly, less than 1% of the outstanding Common Shares.

The independent auditors of the Company are Charlton & Company, who have issued an independent auditor's report dated May 28, 2024 in respect of our financial statements for the years ended

December 31, 2023 and 2022. Charlton & Company has informed the Company that it is independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

#### **ADDITIONAL INFORMATION**

Additional information, including with respect to directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, will be contained in the management information circulars for the annual general meetings of the Company, which will be available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Additional financial information about the Company can be found in the Company's financial statements and management's discussion and analysis for the financial year ended December 31, 2023 and 2022, also available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Additional information relating to the Company may be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).