

**NI 43-101 TECHNICAL REPORT FOR THE 939 PROPERTY,  
NORTHWEST TERRITORIES, CANADA**



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## 1 Summary

The 939 Property (the “Project” or the “Property”) is located 235 km east of Yellowknife, Northwest Territories (NWT), North of the East Arm of Great Slave Lake. The Property comprises 2 prospecting permits (11,116 hectares (ha)) and 7 mining claims (6,710 ha) of mineral rights. To the best of the author’s knowledge, there has been no historical resource estimation work conducted at the Project and therefore the Property is regarded as an early stage/grassroots exploration project (Figure 2.1).

Historical exploration in the vicinity of Misty Lake by Kennecott Exploration Corp. (“KCI”) and the Geological Survey of Canada (“GSC”) delineated an area approximately 10 kilometers (“km”) by 4 km containing anomalous cobalt in lake sediments (greater than 150 parts per million (“ppm”) cobalt (“Co”), up to 400 ppm Co. Subsequently, Hunter Exploration Group acquired both prospecting permits and mineral claims (now known at the 939 Property).

On January 11, 2021, StrategX Elements Corp. (“StrategX” or “The Company”) entered into a property purchase agreement with Hunter Exploration Group (“Hunter”), which agreement superseded and replaced an earlier property option agreement between the parties dated September 24, 2018. Pursuant to the 2021 agreement, StrategX acquired 100% of the Property on January 13, 2021, subject to a 2 percent (“%”) Net Smelter Return (“NSR”) royalty and 2% Gross overriding royalty (“GORR”) on diamonds in favour of Hunter (described below). The purchase price for the Property is \$350,000 cash payable in tranches by July 1, 2022; \$4,000,000 in expenditures on the Property to be incurred by December 31, 2022; and within 10 days of the last of all other payments being made, StrategX must issue to Hunter 1,500,000 common shares and 1,500,000 warrants (each warrant will be exercisable for one common share at a purchase price of \$0.50/share for a period of 5 years from the date of issue of the warrants). On January 13, 2021, StrategX and Hunter signed a diamond gross overriding royalty and NSR royalty agreement which granted to Hunter a 2% GORR on all diamonds produced from the Property and a 2% NSR royalty on all products other than diamonds produced from the Property. StrategX will pay Hunter an advance royalty payment of \$100,000 per year commencing July 1, 2023 and continuing until commencement of commercial production.

During 2018, 2019 and 2021 StrategX completed exploration at the 939 Property including the collection of: 68 rock grab samples; 127 lake sediment samples; 50 till samples; ground magnetics; Moving Loop Electromagnetics (“MLEM”); experimental, Aurora Rapid Reactance Tomography (“ARRT”) which is a snowmobile-towed Induced Polarized (“IP”) system; and lake sediment sampling survey (24 samples attempted through the ice).

The StrategX sampling programs extended the known lake sediment anomaly delineated by KCI and the GSC in and up-ice direction over 5km to the northeast with values of up to 939 ppm Co; and, delineated a high priority cobalt in lake sediment anomaly in Misty Lake. The 2021 geophysical surveys identified important linear features

(magnetic dykes) and interpreted intersecting coincidental structures that coincide with the lake sediment cobalt anomaly in Misty Lake.

The presence of: anomalous cobalt in both rock and lake sediment samples; favorable geology to host an important deposit; and, the presence of untested geophysical anomalies at multiple locales within the Property are encouraging and therefore follow-up exploration is warranted.

Additional exploration is warranted to determine the consistency and continuity of mineralization as well as develop prioritized targets for follow-up exploration. Phase 1 follow-up exploration should include but not be limited to: 1. Reprocess and re-interpret the regional 1994 airborne magnetics to better incorporate the 2021 ground geophysics (\$40,000); 2. Detailed mapping and sampling utilizing the compiled ground and airborne geophysical data (\$270,000); 3. Petrography on dykes and diatremes located during the field work as well as chips from lake sediment samples (\$10,000). The recommended budget \$320,000 should include a \$30,000 contingency. The total recommended budget is \$350,000Cnd (Table 18.1) and the program should be designed to delineate specific drill collars.

Phase 2, which is contingent on positive results from Phase 1, should include winter drilling to test: Coincidental Geophysical and lake sediment anomalies and/or important structures with coincidental rock grab anomalies (2000m @ \$600/meter = \$1,500,000; Table 19.1).

## 2 Introduction

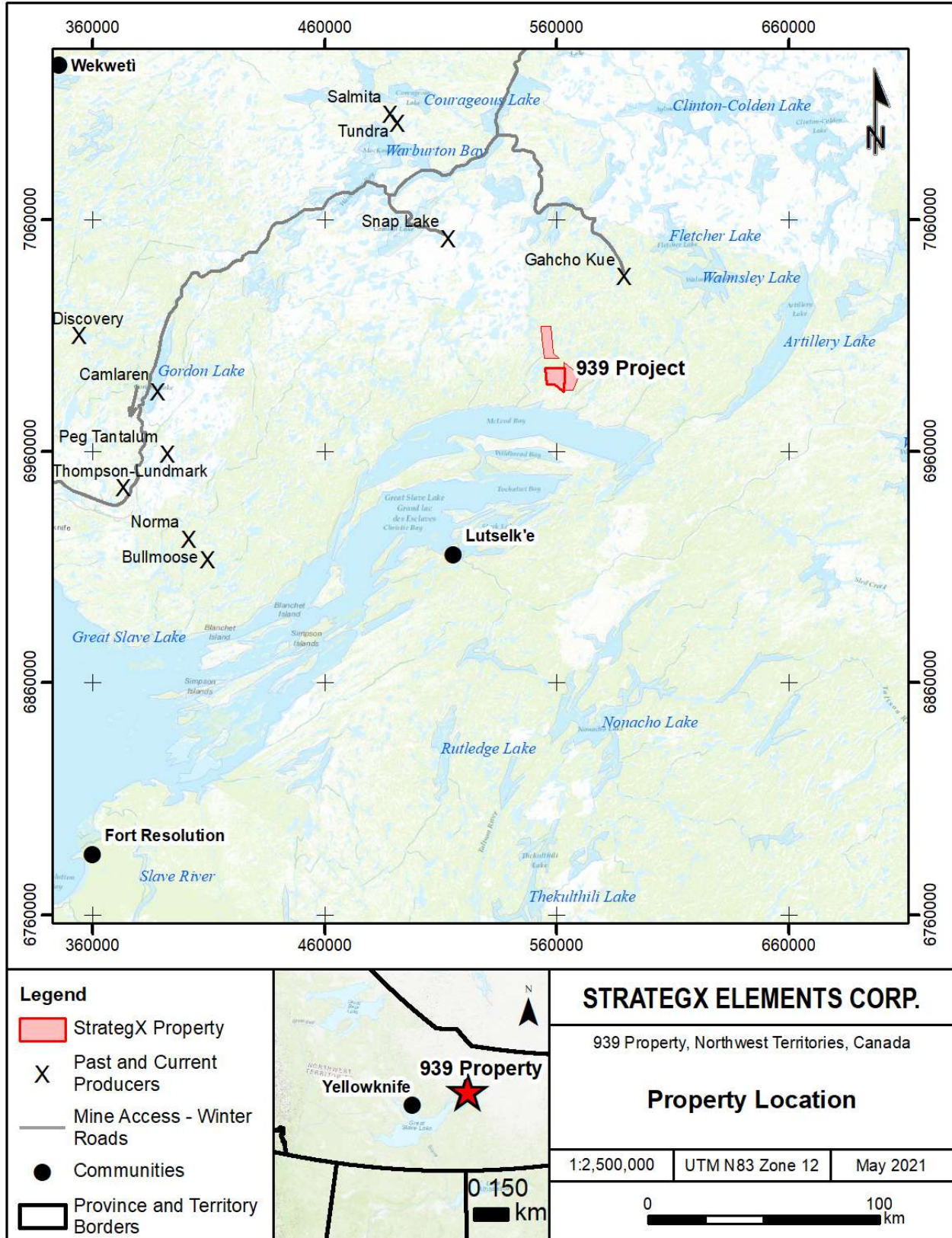
### 2.1 Issuer and Purpose

The 939 Property (the “Project” or the “Property”) is located 235 km east of Yellowknife, Northwest Territories (“NWT”), North of the East Arm of Great Slave Lake. The Property comprises 2 prospecting permits (11,116 hectares (“ha”)) and 7 mining claims (6,710 ha) of mineral rights. To the best of the author’s knowledge, there has been no historical resource estimation work conducted at the Project and therefore the Property is regarded as an early stage/grassroots exploration project (Figure 2.1).

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Mr. Dean Besserer, P.Geol. of Edmonton, Alberta was engaged in March 2021 by StrategX Elements Corp. (“StrategX” or the “Company”) to complete a National Instrument 43-101 Technical Report (the “Report”) pertaining to the exploration work completed to date on the Property. The Report includes a technical summary of geological and exploration activities conducted on the 939 Property to date and recommendations for future work. The Report has been written on behalf of StrategX and was prepared in accordance with the guidelines set out by the Canadian Securities Association (“CSA”) and National Instrument (“NI”) 43-101.

Figure 2.1 939 Property Location Map.



## **2.2 Authors and Site Inspection**

Mr. Dean Besserer, P.Geol., independent consultant, is the author of this Technical Report. Mr. Besserer is independent of StrategX and is a Qualified Person (“QP”) as defined in NI 43-101. The CIM defines a Qualified Person as “an individual who is a geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these; has experience relevant to the subject matter of the mineral project and the technical report; and is a member or licensee in good standing of a professional association.” Mr. Besserer is responsible for all sections of this Technical Report.

Mr. Besserer is a Professional Geologist with the Association of Professional Engineers and Geoscientists of Alberta (“APEGA”) and the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists (“NAPEG”) and has worked as a geologist for more than 25 years since his graduation from university. Mr. Besserer has extensive experience exploring for precious and base metals deposits (including extensive experience specific to cobalt) across Africa and North America in a wide variety of deposit types. This Report has been prepared in accordance with guidelines laid out by the Canadian Securities Association and in NI 43-101.

Mr. Besserer had visited the Property March 27, 2021. During the visit, Mr. Besserer conducted foot traverses throughout the Property and witnessed two geophysical surveys being conducted and documented the samples collected through the ice during the 2021 spring program.

This represents all the authors prior involvement with respect to the Property and, the author has no reason to question the validity of the exploration conducted and/or the results thereon.

## **2.3 Sources of Information**

The author, in writing this Report, used sources of information as listed in the references Section 19. This Technical Report is a compilation of proprietary and publicly available information, as well as information obtained from historical reports and data from exploration programs conducted at the 939 Property. Information on previous exploration on the Property was compiled and reviewed from all available Assessment Reports that overlap the Property as referenced in Section 6.

Information on the geological setting and mineralization of the Property was compiled and reviewed from numerous sources as described in Section 7 but relied particularly on Smith (2020), Smith (2021) and Jelenic and Dziuba, (2021).

The supporting documents that were used as background information are referenced in the ‘History’, ‘Geological Setting and Mineralization’, ‘Deposit Types’, ‘Adjacent Properties’ sections and are listed in the ‘References’ section at the end of the Report.



## 2.4 Units of Measure

With respect to units of measure, unless otherwise stated, this Technical Report uses:

- Abbreviated shorthand consistent with the International System of Units (International Bureau of Weights and Measures, 2006);
- 'Bulk' weight is presented in both United States short tons ("tons"; 2,000 lbs or 907.2 kg) and metric tonnes ("tonnes"; 1,000 kg or 2,204.6 lbs.);
- Geographic coordinates are projected in the Universal Transverse Mercator ("UTM") system relative to Zone 12 of the North American Datum ("NAD") 1983; and,
- Currency in Canadian dollars (CDN\$), unless otherwise specified (e.g., U.S. dollars, US\$; Euros, €);
- PPM is parts per million;
- Co is cobalt.

## 3 Reliance on Other Experts

The author is not qualified to provide an opinion or comment on issues related to legal agreements, royalties, permitting and environmental matters. Accordingly, the author of this Technical Report disclaims portions of the Technical Report particularly as listed in Section 4, 'Property Description and Location'. This limited disclaimer of responsibility includes the following:

- The QP relied entirely on background information and details regarding the nature and extent of Mineral Tenure (in Section 4.1) provided by StrategX on May 24, 2021. On May 27, 2021, the author confirmed the claims are active and in good standing as shown on the NWT Mineral Tenure Online website.

## 4 Property Description and Location

### 4.1 Description and Location

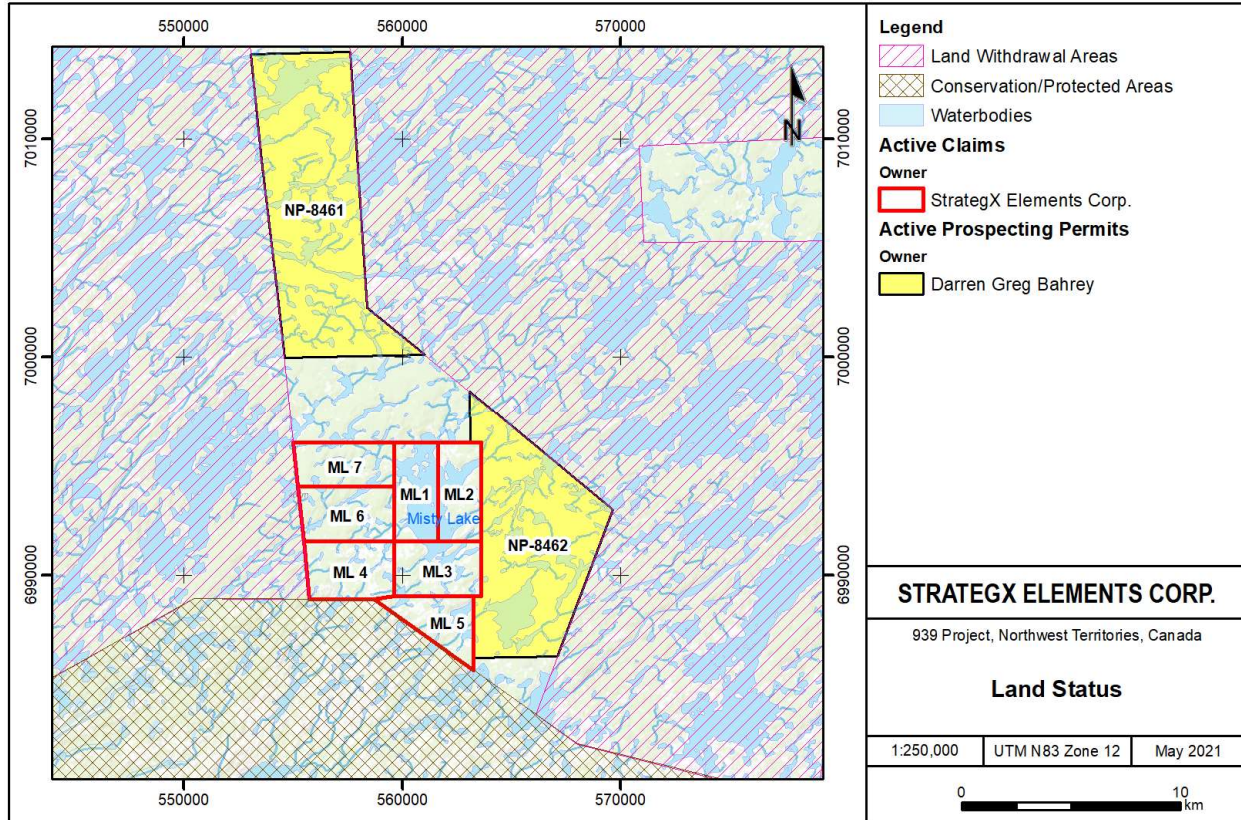
The 939 Property (the "Project" or the "Property") is located 235 km east of Yellowknife, Northwest Territories (NWT), North of the East Arm of Great Slave Lake. The Property comprises 2 prospecting permits (11,116 hectares ("ha")) and 7 mineral claims (6,710 ha) of mineral rights.

The Prospecting Permits and contiguous ML1-ML 7 mineral claims are within the Misty Lake area on National Topographic ("NTS") 1:50,000 scale map sheets 075N03,

075K13\_NE, 075N04\_SE, 07504\_NW and 75N04\_NE. The Property is located between Universal Transverse Mercator (“UTM”) 7,017,595mN, 6,992,513mN and Easting 555,993mE and 604,224mE. (Figure 4.1 and Table 4.1).

The 939 Property mineral claims are owned by Mr. Darren Bahrey and/or StrategX. StrategX entered into a purchase agreement with Hunter Exploration Group to acquire a 100% interest in the Property upon completion of the terms of the agreement as described below in Section 4.2.

**Figure 4.1 939 Property Mineral Tenure Overview.**



**Table 4.1 Mineral Claim and Prospecting Permit Descriptions and Status for the 939 Property, NWT.**

<b>Mineral Claim Name:</b>	<b>Claim #</b>	<b>Size ha.</b>	<b>Anniversary Date:</b>	<b>Owner:</b>
ML1	M11031	900	2021-05-14	StrategX Elements Corp.
ML2	M11032	900	2021-05-14	StrategX Elements Corp.
ML3	M11033	1,000	2021-05-14	StrategX Elements Corp.
ML 4	M11034	1,025	2021-12-03	StrategX Elements Corp.
ML 5	M11035	795	2021-12-03	StrategX Elements Corp.
ML 6	M11218	1,190	2021-09-05	StrategX Elements Corp.
ML 7	M11219	900	2021-09-05	StrategX Elements Corp.
<b>Prospecting Permit ("PP") Number</b>	<b>PP NTS Quadrant</b>	<b>Size ha.</b>	<b>Issue Date:</b>	<b>Owner:</b>
NP-8461	75N04NW	6218	02/01/19	Darren Greg Bahrey
NP-8462	75N04SE	4898	02/01/19	Darren Greg Bahrey

## 4.2 Royalties and Agreements

On January 11, 2021, StrategX Elements Corp. ("StrategX" or "The Company") entered into a property purchase agreement with Hunter Exploration Group ("Hunter"), which agreement superseded and replaced an earlier property option agreement between the parties dated September 24, 2018. Pursuant to the 2021 agreement, StrategX acquired 100% of the Property on January 13, 2021, subject to a 2 percent ("%") Net Smelter Return ("NSR") royalty and 2% Gross overriding royalty ("GORR") on diamonds in favour of Hunter (described below). The purchase price for the Property is \$350,000 cash payable in tranches by July 1, 2022; \$4,000,000 in expenditures on the Property to be incurred by December 31, 2022; and within 10 days of the last of all other payments being made, StrategX must issue to Hunter 1,500,000 common shares and 1,500,000 warrants (each warrant will be exercisable for one common share at a purchase price of \$0.50/share for a period of 5 years from the date of issue of the warrants). On January 13, 2021, StrategX and Hunter signed a diamond gross overriding royalty and NSR royalty agreement which granted to Hunter a 2% GORR on all diamonds produced from the Property and a 2% NSR royalty on all products other than diamonds produced from the Property. StrategX will pay Hunter an advance royalty payment of \$100,000 per year commencing July 1, 2023, and continuing until commencement of commercial production.

## 4.3 Mineral Tenure (Modified from GNWT, 2018)

Crown lands are lands owned by the federal, territorial or provincial governments. Authority for control of these public lands' rests with the Crown, hence their name. In the Northwest Territories, Aboriginal Affairs and Northern Development Canada (AANDC) is responsible for the majority of Crown land. Effective April 1, 2014, the responsibility for public land, water and resource management in the Northwest Territories shifted from AANDC to the Government of the Northwest Territories ("GNWT"). Public land is

managed and administered by the GNWT, and specifically, by the Department of Municipal and Community Affairs (“MACA”).

Administration of Crown lands, including minerals for the Northwest Territories and Nunavut, is based on the Territorial Lands Act (“TLA”) and its regulations. The Regulations under the TLA that deal with mineral tenure, leasing and royalties are the Northwest Territories and Nunavut Mining Regulations (“NTNMR”), formerly known as the Canada Mining Regulations (“CMR”). Under the current NTNMR, a party may prospect for minerals and stake mineral claims on any Crown lands covered under the TLA.

#### ***4.3.1 Licence to Prospect (Prospector’s Licence)***

Any person at least 18 years old or a legally registered company under the Business Corporations Act (NWT or Canada) can obtain a license which must be renewed annually. Only a licensee or an individual acting on behalf of a licensee may acquire mineral rights and engage in mining activities under the Regulations, so it is important that the licence remains valid at all times. The person or company that physically erects the legal posts, boundary posts and witness posts (when necessary) to stake a claim for a licensee does not have to be a licensee themselves.

#### ***4.3.2 Prospecting Permits: Application Process (Relevant Sections of the Regulations: ss 8-11)***

Section 9 of the Regulations describes the application process to apply for prospecting permits. Applications for prospecting permits can now be submitted any time between February 1 and the last business day of November before the year in which it is to commence. If two or more applications for a prospecting permit are made in respect of a prospecting permit zone, priority will be given in the following order:

- First, to applications presented in person at the office of the Mining Recorder on the first business day of November in the order of their receipt;
- Second, to applications received before the second business day of November in the order of their drawing from a lottery of all those applications;
- Third, to other applications received after the first business day of November in the order of their receipt (and if this cannot be determined, then in the order of their drawing from a lottery).

#### ***4.3.3 How a Claim shall be staked***

Sections 23 to 30 of the Regulations describe the staking rules which involve the use of identification (claim)tags and legal posts (boundary, corner and/or witness posts).

#### 4.3.4 Size and Duration of a Claim

The area of a claim must not exceed 1,250 hectares. Unless a recorded claim is leased, or its recording is cancelled prior, the duration of a recorded claim is 10 years, beginning on its recording date, plus any suspensions or prolongations.

#### 4.3.5 Work Requirements

The claim holder must do work that incurs a “cost of work” that is equal to or greater than:

- \$10 per full or partial hectare in the claim during the two-year period following the day on which the claim was recorded.
- \$5 per full or partial hectare in the claim during each subsequent one-year period.
- A report of the work that has been done in respect of a prospecting permit must be prepared and submitted in accordance with Part 1 of Schedule 2 of the Regulations unless the nature and value of the work is such that the work report may be a simplified report (discussed below). It must be prepared and signed by a professional geoscientist or a professional engineer.

A recent assessment report documenting the 2018 and 2019 exploration was filed and approved (Smith, 2020). The report documented over \$218,000 of expenditures with respect to exploration at the Property not including the 2021 winter exploration program.

### 4.4 Environmental Liabilities, Permitting and Significant Factors

Table 4.4 Lists the type of permit required to complete exploration at the Property such as drilling as well as put in a camp. StrategX does not currently have a Class A Land Use Permit.

**Table 4.4 Permit Description for completing Exploration at the 939 Property, NWT.**

Permits, Authorizations and Agreements	Legislation	Agency
Class A Land Use Permit (Exploration Activities)	Mackenzie Valley Resource Management Act Mackenzie Valley Land Use Regulations	Mackenzie Valley Resource Management At Mackenzie Valley Land Use Regulations

A recent site inspection completed by the author on March 27, 2021, confirmed that there are no visible environmental liabilities to which the Property is subject. There are no other significant factors or risks that the author is aware of that would affect access, title or the ability to perform work on the Property.

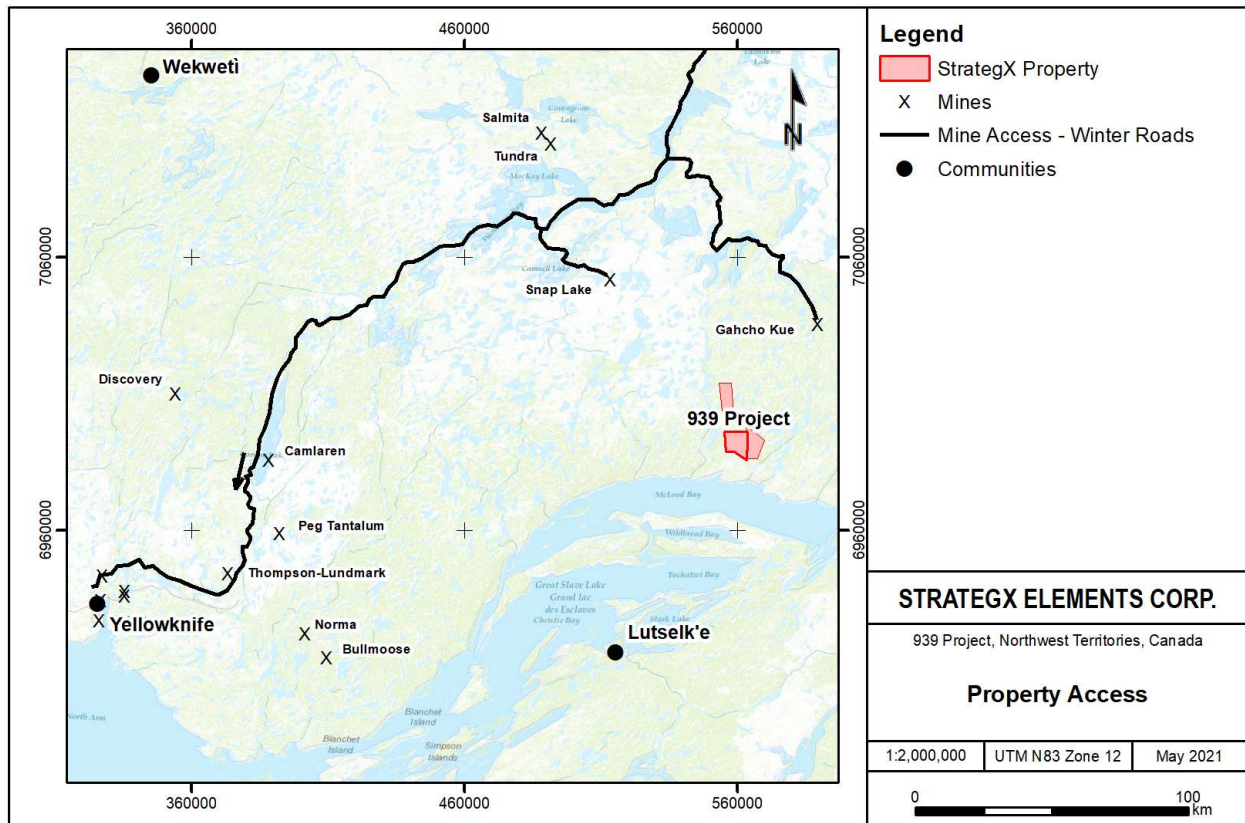
## 5 Accessibility, Climate, Local Resources, Infrastructure and Physiography

### 5.1 Accessibility

The Property can be accessed by fixed or rotary wing (helicopter) aircraft from Yellowknife which is approximately 235km east of the Property. Staging of camp gear, fuel and equipment can be organized using the winter ice road which services the Snap Lake and Gahcho Kue mines (Figure 5.1). All supplies can be accessed from Yellowknife, including casual workers as well as professional services of engineers, geologists, and surveyors.

Prospecting can be conducted between June and September most years, and exploration can be conducted year-round.

**Figure 5.1. 939 Property Access**



### 5.2 Site Topography, Elevation and Vegetation

Continental glaciation has eroded the lake basins from the softer rock formations. In contrast, the uplands are occupied by granitic rocks. Glacial striae, crescentic gouges, grooves and polished surfaces are present on the rock exposures and indicate the

direction of the last movement of the glaciers. The variation in glacial striae direction is mainly influenced by the foliation and relative hardness of the rock formations.

The erosive action of the ice sheets which spread over the area smoothed the topography. Hills have been rounded and depressions deepened (later to form rock-basined lakes) and fresh un-weathered rock has been exposed. The retreat of the final ice sheet left ablation deposits that are now represented by scattered boulders resting on glaciated surfaces of higher levels and thicker deposits of boulders and sands in many of the depressions and valley bottoms (Knight, 2018; GSC Surficial Geology).

The warm weather and long days of summer favour the growth of heavy stands of spruce in the sheltered valleys. The poorly drained areas support black spruce, willow and muskeg growth, The rocky ridges often without trees, support the growth of wild flowers, mosses and lichens. Rocky areas are covered with lichen and moss. Voles, varying hares, squirrels, marten, fox and lynx together with moose, muskox, wolves and black bears inhabit the area.

### 5.3 Climate (Wikipedia.org)

The area is semi-arid with about 11 inches of annual precipitation. Most precipitation falls during the summer months and early fall months. Precipitation data in millimeters is summarized in Table 5.3.1 below.

The climate is typical of continental sub-Artic regions, with long, cold winters with cool to warm, dry summers. Daily temperatures by month in degrees Celsius are summarized in Table 5.3.2 below.

**Table 5.3.1 Precipitation Data in Millimeters**

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
14.1	12.9	13.4	10.8	19.1	26.9	35.0	40.9	32.9	35.0	23.5	16.3	280.7

**Table 5.3.2 Average Monthly Temperatures in Degrees Celsius**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Daily Average	-26.8	-23.4	-17.3	-5.3	5.6	13.5	16.8	14.2	7.1	-1.7	-13.8	-23.7
Daily Maximum	-22.7	-18.6	-11.2	0.4	10.6	18.2	21.1	18.2	10.3	1	-9.9	-19.7
Daily Minimum	-30.9	-28.1	-23.1	-11	0.5	8.7	12.4	10.3	3.8	-4.4	-17.7	-27.7
Extreme maximum	3.4	6.2	9.3	20.3	26.1	30.3	32.5	30.9	26.1	31	7.8	2.8
Extreme minimum	-51	-51.2	-43.3	40.6	-22.8	-4.4	0.6	-0.6	-9.7	28.9	-44.4	-48.3

Misty Lake generally breaks up early to late June. The latter part of June, all of July, and early August are characterized by spells of hot humid weather, when temperatures may exceed 25°C at midday. Towards the latter part of August cooler weather prevails

for most of the time. Rainfall is light, consisting mainly of local thunder showers during the early part of July.

The small lakes in the area freeze in October and the larger lakes freeze between November and December. The winter sunlight is only a few hours long.

#### **5.4 Local Resources and Infrastructure**

The city of Yellowknife is the main support hub for the Property, however, with the nearby diamond mines and winter road, there may be other synergies. Mining and exploration staff are available from Yellowknife.

Power requirements for the initial exploration and development at the Property would be hydrocarbon supported.

Water for all phases of exploration and development is available from water courses on the Property assuming the appropriate permits were in place.

There is no infrastructure at the Property, and it can only be accessed by helicopter and fixed wing. Foot traversing will be necessary for prospecting. Drilling will need to be helicopter supported and drilling can be conducted from the ice in the winter. Snow mobiles will aid a winter exploration/drilling program.

There is currently no camp at the Property so a temporary tent camp will need to be utilized for all exploration.



## 6 History

Table 6.1 provides a summary of Historic work conducted at or within the 939 Property.

**Table 6.1 Summary of Historical Exploration**

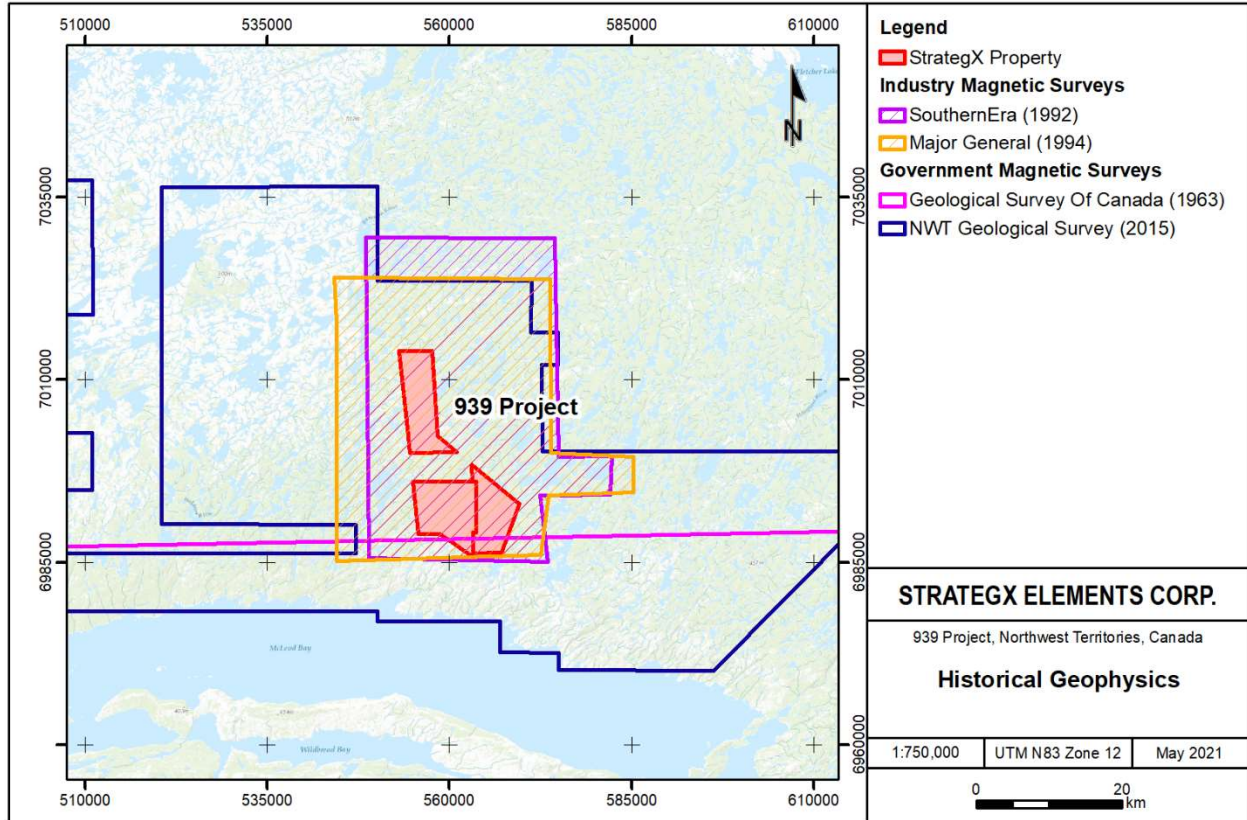
Year	Company	Exploration work	Comments	Reference
1975	Geological Survey of Canada ("GSC")	Regional Lake Sediment Survey	223 ppm Co in sample 075K753376 near Misty Lake	
1992	Southern Era Resources	Airborne Geophysics; Till Sampling; Claim Staking	No Kimberlite Indicator Minerals Reported near Misty Lake. Area was being explored for Diamonds.	
1993	Commander Resources	Claim Staking	NW of Misty Lake	
1994	Major General Resources	100m line spaced Airborne Magnetic Survey	Covers the current 939 Property (Figure 6.1)	AR# 83444
1995	Kennecott Exploration Inc. ("KCI")	Lake Sediment Sample Program to follow up the 1975 GSC work	KCI delineated a 6km x 3km area of highly anomalous lake sediment samples (>150ppm cobalt).	Internal Report StrategX
1996	Kennecott Exploration Inc. ("KCI")	Lake Sediment Sample Program; Claim Staking; Airborne Geophysics	KCI delineated a 10km x 5km area of highly anomalous lake sediment samples (>150ppm cobalt) up to 400 ppm Co.	Internal Report StrategX
2001 to 2003	GNWT	Geological Mapping		
2013	Geological Survey of Canada ("GSC")	Regional Till Samples	One till sample # K-T148 returned 21.3 ppm cobalt	GSC Open File 7196

### 6.1 Geophysics

Historical Geophysical surveys have been compiled by the Northwest Territories Geological Survey and are available to the general public (<https://webapps.nwtgeoscience.ca>). Due to the close proximity of the 939 Property to existing diamond mines, the historical exploration in the area was mostly focussed on diamond exploration. The existing airborne geophysical surveys should be re-processed

as part of the regional compilation of exploration data from StrategX. A summary of the historical airborne geophysical survey locations is on Figure 6.1.

**Figure 6.1. Summary of Historical Airborne Geophysical Surveys**

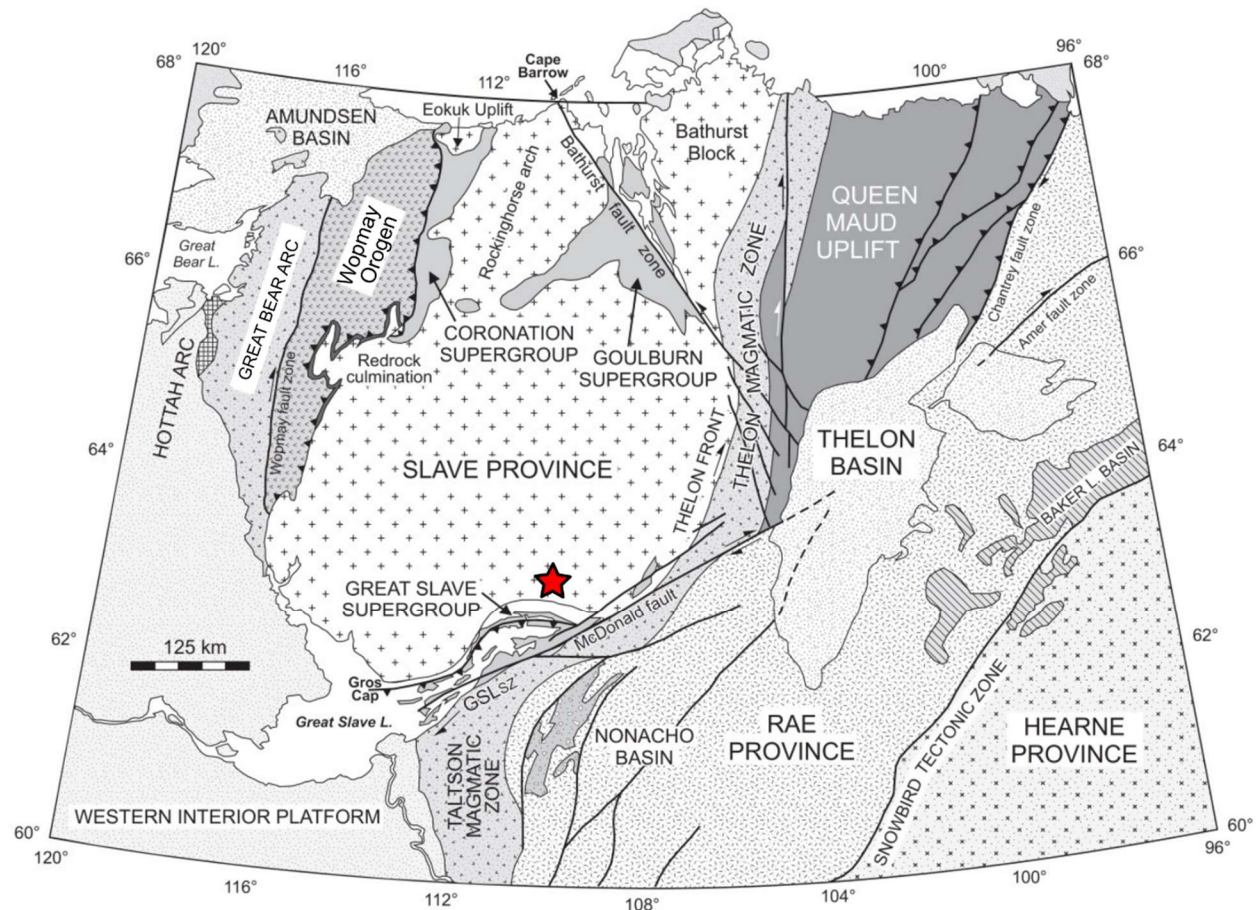


## 7 Geological Setting and Mineralization

### 7.1 Regional Geology

StrategX Elements Corporation’s 939 project is located in the central region of the Northwest Territories, Canada, north of the East Arm of Great Slave Lake. Geologically, the 939 Project is located in the northwest Canadian Shield in the Slave Province which extends from the Coronation Gulf in the north to the northern shore of Slave Lake in the south. The Slave Province represents the northwestern region of the ancient core of North America (Laurentia) and is bound by the Thelon magmatic zone (2020-1910 Ma) to the east, the accretionary Wopmay orogen (1.88–1.74 Ga) to the west, covered by rocks from the Paleoproterozoic Coronation Supergroup (ca. 1.97-1.89 Ga) in the northwest, covered by Paleoproterozoic volcano-sedimentary rocks of the East Arm Basin to the south, and bound by the McDonald fault to the southeast (Helmstaedt and Pehrsson, 2012).

**Figure 7.1 Tectonic setting of the Slave Province with surrounding tectonic regions. Red star represents the 939 project location (modified from Helmstaedt and Pehrsson, 2012).**

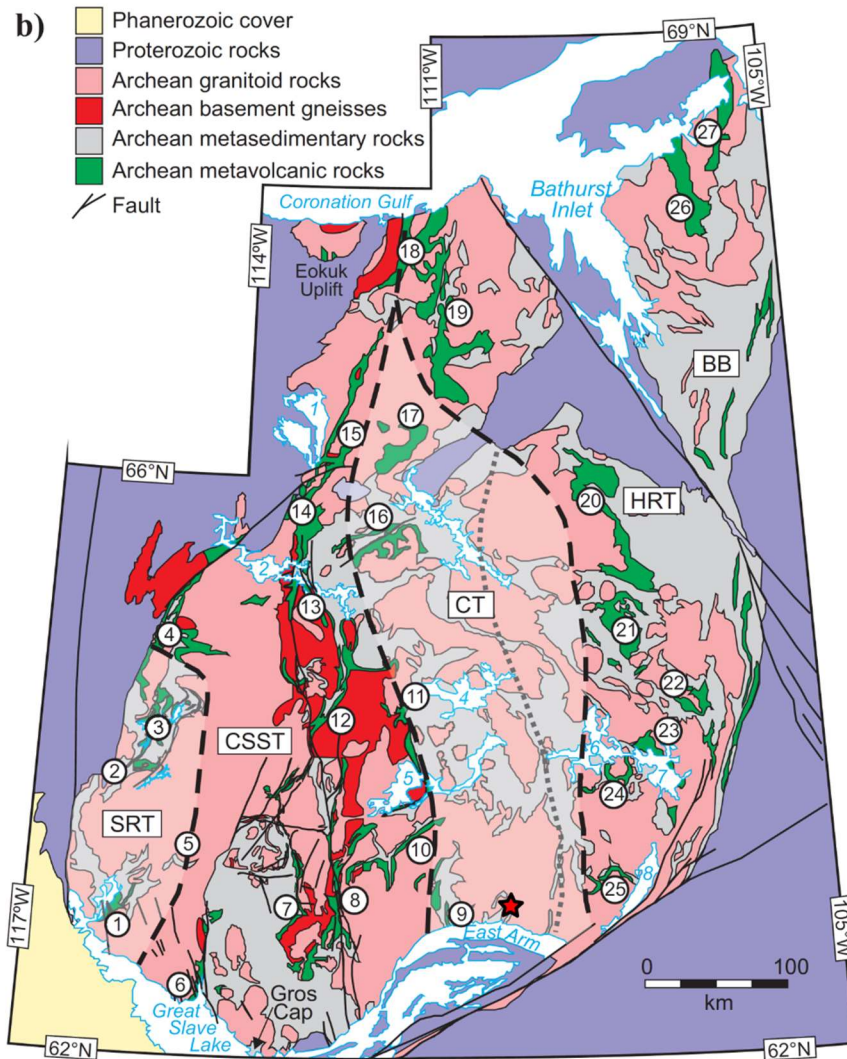


The Slave Province is a continuous exposure of an Archean (ca. 4.05 Ga to ca. 2.55 Ga) granite-greenstone type terrane bound by Proterozoic orogens to the east and west. The Slave is thought to be the remnants of an ancient supercontinent known as Kenorland or a supercraton known as Sclavia that was cratonized between 2.58-2.51 Ga. Five north-south oriented tectonic domains cover the Slave; the Snare River terrane, the Central Slave super terrane, the Contwoyto terrane, the Hackett River terrane, and the Bathurst block (Helmstaedt and Pehrsson, 2012). The 939 project is located in the southern portion of the Contwoyto terrane which is dominantly composed of Archean granitoid rocks and Archean metavolcanic/metasedimentary rocks (turbidites, migmatized turbidites, with locally interlayered volcanics/volcaniclastics) of the Yellowknife supergroup (Bleeker *et al.*, 1999, Helmstaedt and Pehrsson, 2012). The Contwoyto terrane is thought to be an accretionary prism formed between the basement Central Slave super terrane to the west and volcanic arcs to the east with the closure of westward directed subduction zones on the east and west margins. The Contwoyto was obducted onto the Mesoproterozoic basement rocks of the Central Slave super terrane in the Neoproterozoic (Helmstaedt and Pehrsson, 2012; GSC Open File 7196).

Regional deformation and syntectonic plutonism occurred after the deposition of the Yellowknife supergroup turbidite sequences. The turbidite sequences are subject to multiple deformational episodes from regional compression and pluton emplacement. Post-collisional structures are the best preserved and the most recognizable features in the Slave (Helmstaedt and Pehrsson, 2012). Studies by Cairns et al., 2005 and MacLachlan et al., 2003 have described the structure to the northeast of the 939 Property with three main structural deformations (D1-D3) and associated metamorphic events (M1-M3). These events were summarized by Cairns *et al.*, 2005 as:

- 1) Early progressive crustal thickening (D1–M1 and D2–M2) was characterized by development of upright isoclinal folds and related peak thermal conditions followed maximum thickening.
- 2) Tight to isoclinal recumbent folds and associated sub horizontal fabrics (D3–M3) formed in the lower tectonothermal domain and were accompanied by extensive crustal anatexis.
- 3) The upper and lower tectonothermal domains were structurally decoupled during D3.

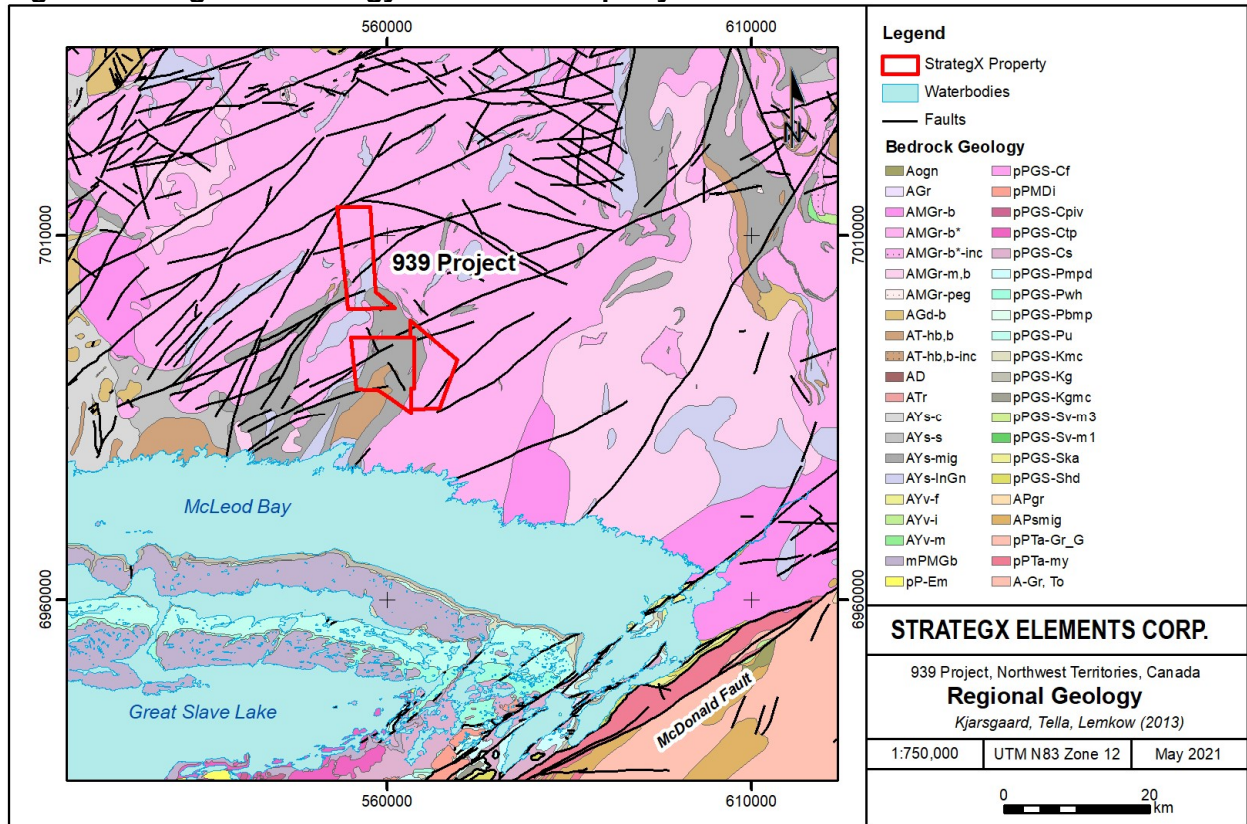
**Figure 7.2. Terrane map of the Abbreviations: BB – Bathurst Block. Terrane boundaries are outlined by heavy dashed lines; CSST – Central Slave super terrane; CT – Contwoyto terrane; HRT – Hackett River terrane; SRT – Snare River terrane. The boundary between the CSST and CT corresponds to the Pb isotopic boundary of Thorpe et al. (1992). Dotted black line in CT represents the Nd isotopic boundary (Davis and Hegner 1992) as extrapolated to the south by Cairns et al. (2005). Numbers of supracrustal belts in the black circles correspond to 1 – Russell-Slemon lakes; 2 – Kwejinne Lake; 3 – Indin Lake; 4 – Grenville Lake; 5 – Wheeler Lake; 6 – Yellowknife; 7 – Cameron River; 8 – Beaulieu River; 9 – Benjamin (Brisbane) Lake; 10 – Camsell Lake; 11 – Courageous Lake; 12 – Winter Lake; 13 – Point Lake; 14 – Northern Point Lake; 14a – Amooga-Booga volcanic belt (Hanikahimajuk Lake); 15 – Napaktulik Lake; 16 – Central Volcanic Belt; 17 – Willingham Lake; 18 – Anialik River (with Kangguyak gneiss belt on west side); 19 – High Lake; 20 – Hackett River; 21 – Back River; 22 – Healey Lake; 23 – Clinton-Golden Lake; 24 – Aylmer Lake; 25 – Cook Lake; 26 – Hope Bay; 27 – Elu. Blue numbers in the lakes correspond to 1 – Napaktulik Lake; 2 – Point Lake; 3 – Contwoyto Lake; 4 – Lac de Gras; 5 – Mackay Lake; 6 – Aylmer Lake; 7 – Clinton-Golden Lake; 8 – Artillery Lake. Red Star indicates location of the 939 property (Figure description and diagram modified from Helmstaedt and Pehrsson, 2012)**



## 7.2 Property Geology

The 939 Property falls within a 30km northeast-southwest trending rock package north of McLeod Bay of Great Slave Lake from the Yellowknife supergroup composed of partial melt migmatites with leucosome and restite schlieren (AYs-mig) and injection gneiss with psammitic to pelitic paleosome with granitoid neosome ranging from centimeters to meters in thickness that are dominantly foliation parallel injections of granitic melt (AYs-InGn). The Yellowknife supergroup packages are surrounded by biotite monzogranites (2.61-2.58 Ga) described as porphyritic to subporphyritic, potassium feldspar-rich, medium to coarse grained with light red to pinkish weathering, with around 10% biotite muscovite and crosscut by pegmatite dykes (AMGr-b). The migmatites are intruded by the hornblende biotite tonalite (2.63-2.61 Ga) with brown-grey weathering, equigranular, medium grained, euhedral to subhedral plagioclase with quartz, biotite, hornblende, and minor potassium feldspar (AT-hb,b) (Kjarsgaard *et al.*, 2013).

Figure 7.3 Regional Geology of the 939 Property



**Figure 7.4. Geology legend for Figure. 7.3****PALEOPROTEROZOIC (2500 to 1600 Ma)****ET THEN GROUP (pP-Ep, pP-Ev, pP-Em)**

**pP-Em** Conglomerate, sedimentary breccia, lithic-feldspathic sandstone (alluvial fans); Murky Formation. Conglomerate, Prebble Island, 12 km southeast of study area, U-Pb detrital zircon maximum age of deposition, < 1888 ± 12 Ma

**GREAT SLAVE SUPERGROUP (pPGS) (~1895 to 1857 Ma)****CHRISTIE BAY GROUP (-Cf, -Cpmv, -Ctp, -Cs)**

**pPMDi** Compton intrusive suite; calc-alkaline plutons and laccoliths of hornblende and biotite monzonite with minor diorite and monzogranite. Quartz monzonite U-Pb (zircon) igneous ages 1872 ± 8 Ma, Stark Lake, and 1861 ± 17 Ma, south shore, Christie Bay

**pPGS-Ctp** Red, crossbedded, lithic-feldspathic sandstone; red mudcrack, muddy siltstone with pseudomorphs after halite and gypsum; Tochatwi and Portage Inlet formations

**pPGS-Cs** Megabreccia consisting of packed clasts of stromatolitic, wave-rippled, dolomitic limestone, and red, silty to sandy mudstone with pseudomorphs after halite; minor pillow basalt; Stark Formation

**PETHEI GROUP (-Pmpd, -Pwh, -Pbmp, -Pu, -Pt)**

**pPGS-Pmpd** Slope facies laminated marlstone, conophytic marlstone, limestone rhythmite, rhythmite-clast breccia; McLean, Pekanatui and Douglas Peninsula formations

**pPGS-Pwh** Platform facies stromatolitic, oolitic, fenestrate and intraclastic dolomitic limestone; Wildbread and Hearne formations

**pPGS-Pbmp** Basinal facies feldspathic wacke turbidites, conophytic marlstone, limestone-argillite, and argillaceous rhythmite; Blanchett Formation and McLean and Pekanatui lithosomes

**pPGS-Pu** Ramp facies conophytic dolomitic limestone; Utsingi Formation

**pPGS-Pt** Platform facies stromatolitic and intraclastic dolomite; Taltthelei Formation

**KAHOCHHELLA GROUP (-Kmc, -Kg, -Kgmc)**

**pPGS-Kmc** Red, green and dark green (sulphidic) concretionary shale; McLeod Bay and Charlton Bay formations

**pPGS-Kg** Red shale, minor dark green concretionary shale, granular hematite ironstone, basalt tuff; Gibraltar Formation

**Seton volcanic rocks (-Sv-m1, -Sv-i1, -Sv-f1, -Sv-m2, -Sv-f2, -Sv-m3)****(ca.1880 - 1857 Ma)**

**pPGS-Sv-m3** Tephrite - trachybasalt flows and irregular-shaped subvolcanic intrusions (plugs, sills, and dykes).

**pPGS-Sv-m1** Tephrite, alkaline basalt, and trachybasalt; lava flows, minor phreatomagmatic breccia pipes, and related maar, volcano lapilli, and crystal tuff deposits

**SOSAN GROUP (-Ska, -Shd)**

**pPGS-Ska** Mature, subfeldspathic quartzite, red and buff, micaceous, glauconitic sandstone, and siltstone, localized volcanic sandstone, basaltic tuff, minor granular hematite ironstone; Kluziai and Akaitcho formations. Volcaniclastic conglomerate and sandstone, Seton Island, Great Slave Lake, U-Pb detrital zircon maximum age of deposition < 1883 ± 10 Ma. Sandstone eastern McLeod Bay, U-Pb detrital zircon maximum age of deposition < 1927 ± 34 Ma

**pPGS-Shd** Crossbedded feldspathic quartzite, dolomitic quartzite, impure stromatolitic dolomite, minor quartz-pebble conglomerate, basaltic tuff; Hornby and Duhamel formations. Sandstone conglomerate outlier, 18 km south of Stark Lake, U-Pb detrital zircon maximum age of deposition < 1908 ± 6 Ma.

**PALEOPROTEROZOIC or ARCHEAN**

**APsmig** Unsubdivided, high-grade metasedimentary rocks: migmatite, plagioclase-hornblende and/or biotite schist and gneiss, calc-silicate gneiss, garnetiferous schist, amphibolite and amphibolitic migmatite (± hornblende ± clinopyroxene ± orthopyroxene ± garnet ± sillimanite); uppermost amphibolite to granulite grade. Includes discontinuous panels of protomylonite to ultramylonite derived from granitoid and metasedimentary protoliths. Granodiorite enclosing mafic rocks of the Berrigan Lake complex, west of Taltson Lake, U-Pb (zircon) igneous age 2294 ± 5 Ma

**TALTSON and THELON MAGMATIC-TECTONIC ZONE****Taltson Magmatic Suite (1980 to 1930 Ma)**

**pPTa-Gr\_G** Gagnon granite: Older phase, megacrystic biotite-hornblende monzogranite; 20 km south of Gagnon Lake, U-Pb (zircon, monazite) igneous age 1940 ± 8 Ma and south shore Gagnon Lake, ca. U-Pb (zircon, titanite) ages 1960-1920 Ma. Younger phase, fine- to medium-grained equigranular biotite-chlorite granite

**pPTa-my** Tectonite and highly laminated and sheared rocks; rectilinear, thinly layered gneiss or schist derived from plutonic and/or sedimentary protoliths, varicoloured. Local cataclasite, protomylonite, mylonite, ultramylonite; locally well developed L-S tectonite; age relative to pPN (Nonacho Group) uncertain, may in part post-date pPR-Hg (Hudson granite). South of Meridian Lake, U-Pb (zircon) igneous ages, horizontally lineated granite, 1978 ± 5 Ma, and vertically lineated granite, 1976 ± 5 Ma

**PALEOPROTEROZOIC or ARCHEAN**

**A-Gr, To** Granite, tonalite, quartz-monzodiorite; often foliated. Vein crosscutting Sandwich granite, ~ 17 km southwest of eastern Stark Lake, U-Pb (zircon) igneous age 2562 ± 20 Ma

**PALEOPROTEROZOIC or NEOARCHEAN**

<b>Aogn</b>	Gametiferous orthogneiss, minor interlayered paragneiss and migmatitic gneiss; age relative to Yellowknife Supergroup unknown
<b>ARCHEAN (&gt;2500 Ma)</b>	
<b>Post-Yellowknife Supergroup Granitoid Rocks (ca. 2622 to 2581 Ma)</b>	
<b>AGr</b>	Undivided granitoid rocks, may consist of granite through diorite, and granitoid gneiss, massive to variably foliated
<b>AMGr-b</b>	Biotite monzogranite, porphyritic to sub-porphyritic; K-feldspar-rich; light red to pinkish-white weathering, medium- to coarse-grained; massive; typically 10% biotite, muscovite absent (or <1%), some secondary muscovite. Microcline-rich pegmatite dykes are generally not associated with these granites; where rarely observed, they contain only biotite. Includes the Lockhart (Artillery) granite with U-Pb (monazite, zircon) igneous ages 2595 ± 10 Ma, 5 km east of Clinton Colden Lake, and 2596 +3/-6 Ma, 7 km west of Artillery Lake; the Mountain River granite, 5 km southwest of Indian Mountain Lake, U-Pb (monazite) igneous age 2590 +5/-3, Ma; and the Musclove granite, 5 km east of Clinton Colden Lake, U-Pb (zircon) igneous age 2603 +5/-4 Ma.
<b>AMGr-b*</b>	Biotite monzogranite, equigranular; K-feldspar-rich, equigranular equivalent of porphyritic biotite monzogranite; U-Pb (zircon, monazite) metamorphic age/minimum age of crystallization, 2581 ± 4 Ma, north shore Goodspeed Lake
<b>AMGr-m,b</b>	Muscovite - biotite monzogranite; white to light grey-green weathering, massive, equigranular, sub-equal quartz, plagioclase and K-feldspar, 5 to 10% biotite and muscovite; apatite and tourmaline common accessories, with zircon and monazite; garnet, cordierite and sillimanite present in granite close to metasedimentary inclusions. Pegmatite dykes are common both within and adjacent to these granite plutons. Reid Lake granite, 3 km east of Reid Lake, U-Pb (monazite, zircon) igneous ages 2615 +3,5/-2.2 and 2615 ± 8 Ma; Ptarmigan Lake granite, 13 km north of Artillery Lake U-Pb (monazite) igneous age 2606 ± 5 Ma; Cook Lake granodiorite, 1.5 km east of Walmsley Lake U-Pb (zircon) igneous age 2602 ± 2.5 Ma; Zyena pluton, 9 km west of study area, U-Pb (monazite) igneous age 2602 ± 2 Ma; Marlo Lake granite pluton, 17 km north of study area, U-Pb (zircon) igneous age 2588 ± 1.6 Ma.
<b>AMGr-pag</b>	Muscovite - biotite pegmatite; white weathering, massive, microcline-rich; dykes typically metres to tens of metres wide; consist of microcline, quartz, albite, biotite and muscovite, and accessory tourmaline, apatite, sillimanite and garnet; close spatial association with muscovite - biotite granite
<b>AGd-b</b>	Biotite granodiorite; equigranular, medium-grained, light brown-grey weathering; subhedral to anhedral plagioclase and biotite, interstitial microcline and quartz; accessory magnetite and minor hornblende, with apatite, zircon and pyrite; weakly to moderately foliated; hornblende-rich micro-diorite enclaves rare to absent; contains minor phases of hornblende-biotite tonalite and more rarely quartz diorite and diorite. Includes Smart tonalite gneiss, north shore, Smart Lake, U-Pb (zircon) igneous age, 2602 ± 2 Ma
<b>AT-hb,b</b>	Hornblende - biotite tonalite; brown-grey weathering, equigranular and medium grained; euhedral to subhedral plagioclase, with subhedral quartz, biotite and hornblende, minor K-feldspar, accessory magnetite, pyrite, epidote and zircon; hornblende-rich micro-diorite enclaves common; moderately foliated; contains minor phases of biotite granodiorite, quartz diorite and diorite
<b>AT-hb,b+ms</b>	AT-hb,b with common metasedimentary rafts and inclusions
<b>AD</b>	Diorite; dark buff-brown weathering; massive, medium- to coarse-grained, equigranular; mineralogy consists of euhedral plagioclase and hornblende with minor clinopyroxene; accessory biotite, magnetite, pyrite, and quartz in quartz diorite; moderately to strongly magnetic. Includes Margaret Lake hornblende-diorite, 1 km west of southern Margaret Lake, U-Pb (zircon) igneous age 2614 ± 2 Ma, and Timber Bay diorite, U-Pb (zircon) igneous age 2615 ± 10 Ma
<b>ATr</b>	Trondhjemite and biotite tonalite; light brown to white weathering, medium-grained, typically recrystallized, well developed foliation, strong plagioclase and quartz mineral lineation; abundant plagioclase plus quartz, minor K-feldspar and biotite (both <10%), hornblende absent or very rare. Tarantula tonalite, southwest shore, Clinton-Colden Lake, U-Pb (zircon) igneous age 2622 ± 1 Ma.

**YELLOWKNIFE SUPERGROUP (AY) Sedimentary and Volcanic Rocks (no stratigraphic order implied; ca. 2698 to 2671 Ma)**

Sedimentary rocks: Metamudstone and metagreywacke, interlayered; centimetre to metre thick paired units; thicker metagreywacke dominated beds, massive; metagreywacke grades into mudstone characteristic of turbidity current deposits; thin beds of graphite-rich metasediments and iron formation are rare; metamorphic grade varies from lower greenschist through upper amphibolite

<b>AYs-b</b>	Biotite-bearing spotted schists, typically grey-green to blue-green weathering.
<b>AYs-c</b>	Cordierite ± andalusite ± staurolite porphyroblastic 'knotted' schist, typically brown-green weathering
<b>AYs-s</b>	Sillimanite ± cordierite porphyroblastic 'knotted' schist, typically rusty-brown, to brown weathering
<b>AYs-mig</b>	Migmatite (partial melt); leucosome and restite schlieren, typically brown-white weathering.
<b>AYs-InGn</b>	Injection gneiss; 20 to 80% psammitic to pelitic paleosome, with granitoid neosome ranging from centimetres to metres in thickness that are dominantly foliation-parallel injections of granite melt, producing a gneissic texture; metasedimentary host typically at sillimanite or migmatite grade.
<b>AYv-f</b>	Felsic volcanic and volcanoclastic rocks; cream, pink, buff, white, pale grey, pale green-grey, dark grey weathering dacitic to rhyolitic rocks; variably quartz-, plagioclase-, K-feldspar-phyric; more rarely hornblende- or biotite-phyric. Includes: massive lava domes, flows, flow breccias, lapilli tuff, ash tuff, and pillow lavas; minor associated proportions of mafic and intermediate volcanic rocks. Indian Mountain greenstone belt, east of Indian Mountain Lake, rhyodacite U-Pb (zircon) igneous age 2675.5 ± 1.5 Ma, rhyolite, 2672 ± 4 Ma, and 'Brislane tuff' 2678 ± 13 Ma; rhyolite from the 'Upper Diverse Volcanoclastic series' Aylmer Lake volcanic belt, 5 km southeast Aylmer Lake, U-Pb (zircon) igneous age 2674 ± 3 Ma; rhyolite, on island, east Clinton-Colden Lake, U-Pb (zircon) igneous age 2671 +2/-4 Ma
<b>AYv-i</b>	Intermediate volcanic and volcanoclastic rocks; green to grey-green weathering andesitic rocks; pillowed and/or massive flows with associated breccias and hyaloclastite; plagioclase-rich crystal tufts; associated with minor proportions of mafic and felsic volcanic rocks; grain size varies from aphanitic- to fine-grained through plagioclase- and/or hornblende- (after pyroxene) phyric. Intermediate volcanoclastic rock, Cook Lake volcanic belt, 5 km south of Walmsley Lake U-Pb (zircon) igneous age 2673 ± 8 Ma
<b>AYv-m</b>	Mafic volcanic and volcanoclastic rocks; dark green to green weathering basaltic rocks; pillowed, amygdaloidal, ropy, fragmental, and massive flows with hyaloclastite and associated breccias; minor intermediate and felsic volcanic rocks; aphanitic- to fine-grained, and hornblende (after pyroxene, olivine) phyric
<b>AYv-sch</b>	Layered schists and gneisses, derived from mafic, intermediate and felsic volcanoclastic protolith; minor pelitic and semi-pelitic schists, quartz and feldspar sandstone, and volcanic clast-rich wackes
<b>MESOPROTEROZOIC (1600 to 1000 Ma)</b>	
<b>mPMGb</b>	Mackenzie gabbro sills and irregular hypabyssal bodies; medium- to coarse-grained, sub-ophitic; well developed chill margins, sills up to 190 m thick; unmetamorphosed; strongly magnetic, ca. 1268 Ma, cut by vertical Mackenzie diabase dykes

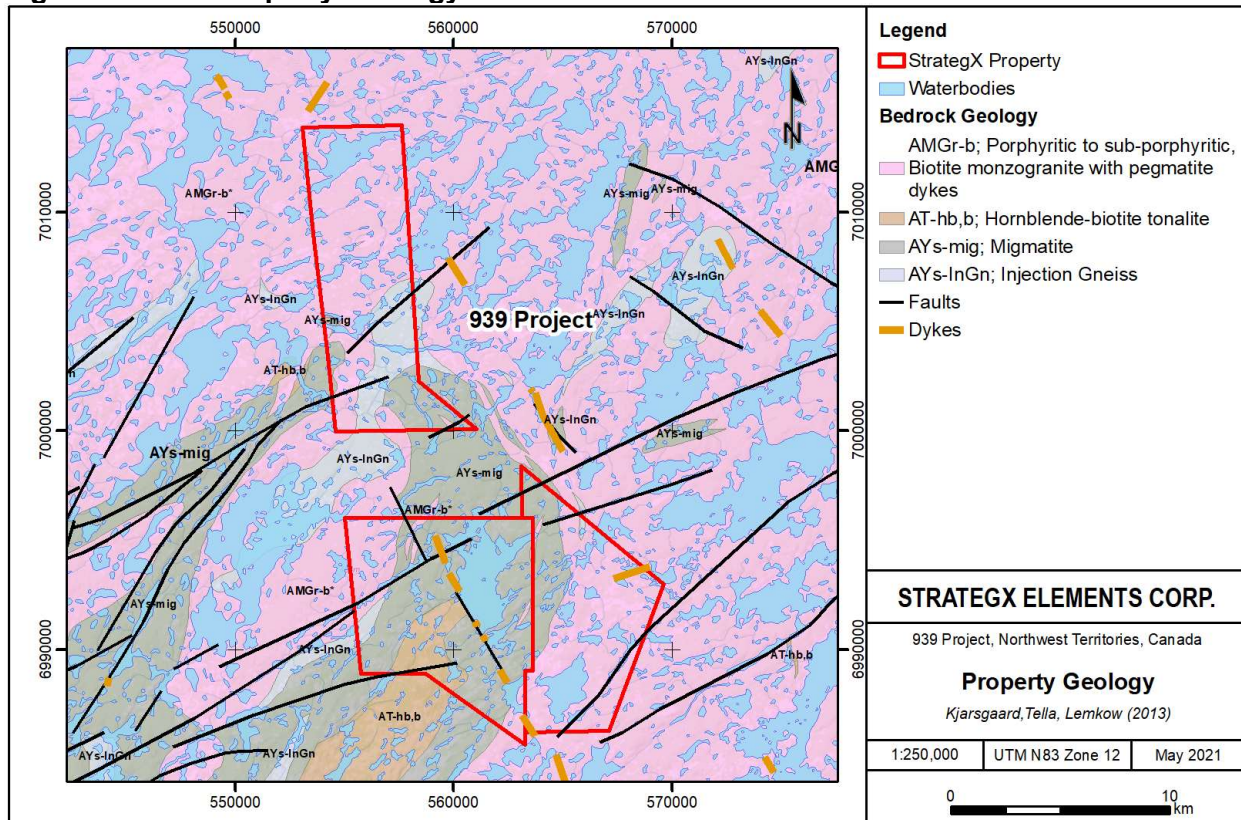


The following observations of the project area geology was taken from Smith, 2021:

*The western portion of the Project area consists of mixed sedimentary and intermediate tuffaceous rocks of the Yellowknife Supergroup Sedimentary and Volcanic Rocks (AYs-mig). Trace to minor pyrrhotite has oxidized to give a weak gossan in places, often associated with increased quartz veining. The eastern portion of the project is underlain by Archean aged granite rocks; tonalites and biotite monzogranite.*

*The granitic rock is massive and resistant with widely spaced joints and shows no compositional layering or foliation. The rock comprises up to 70% potassium feldspar and plagioclase. Quartz and hornblende comprise approximately 20% and 10% respectively. The quartz is glassy and interstitial to other generally euhedral minerals. The metavolcanics is a strongly foliated (chlorite) amphibolite with irregular white quartz carbonate veins and local beds of light green sericitized tuff containing small lithic fragments. Near fault zones mineralization can show intense silicification, hematite and gossanous pods with abundant subhedral pyrite.*

**Figure 7.4 939 Property Geology**



## 8 Deposit Types

Due to the early stage of exploration on the 939 Project, multiple deposit types have been proposed to explain the cobalt anomalies. Deposit types include IOCG (iron oxide-copper-gold) deposits and five element (Ni-Co-As-Ag-Bi±U) hydrothermal vein deposits. IOCGs are a loose grouping of structurally controlled magmatic-hydrothermal deposits often with initial sodic or sodic-calcic alteration phases, minor quartz veins, often occur in Precambrian inter-cratonic settings, and contain precious metals associated with iron oxide (hematite, magnetite) (Groves *et al.*, 2010). Grades in most IOCG deposits are moderate to low (with some rare giant deposits like Olympic Dam in Australia), and can contain economic quantities of a variety of commodities (Fe, Cu, Pb, Zn, Co, Bi, Mo, V, U, Th and rare earth elements). Mineralization styles in IOCG deposits are diverse and can consist of strata-bound, discordant breccia zones, veins, replacements, disseminations, mantos, and skarns (Potter *et al.*, 2020). The East Arm Basin and Great Bear magmatic zone, to the south and west of 939 respectively, are known to host polymetallic veins, iron-oxide apatite (IOA) showings, and IOCG showings with both areas highlighted for further exploration potential (Potter *et al.*, 2020).

Five-element veins (also called Ni-Co-native Ag veins) are hydrothermal fissure veins composed of quartz, calcite, arsenides, sulphides, uraninite and sometimes barite and fluorite. They are typically deposited in sedimentary or crystalline rocks (plutonic and metamorphic) with little to no interbedded volcanics and deposited within or beside diabase dykes. Five-element veins mostly produce economic quantities of Ag and sometimes Ba, Co, Pb, Zn, Cu, and U. Alteration on the margins of five-element veins is typically minor propylitic alteration (chlorite-epidote-calcite) only extending 10cm or less from the vein margin. Five element veins are known throughout numerous districts dominantly in Europe and North America. The East Arm region of Slave Lake is noted to host five element vein occurrences (Kissin, 1991). The most relevant example to 939 is found at Cobalt, Ontario, where narrow silver-cobalt-calcite veins are hosted in in the Cobalt series sediments. The veins at cobalt are noted to occur within and proximal to diabase sills sometimes following similar structures to mafic dykes in some areas (Kissin, 1991; Hitzman *et al.*, 2017).

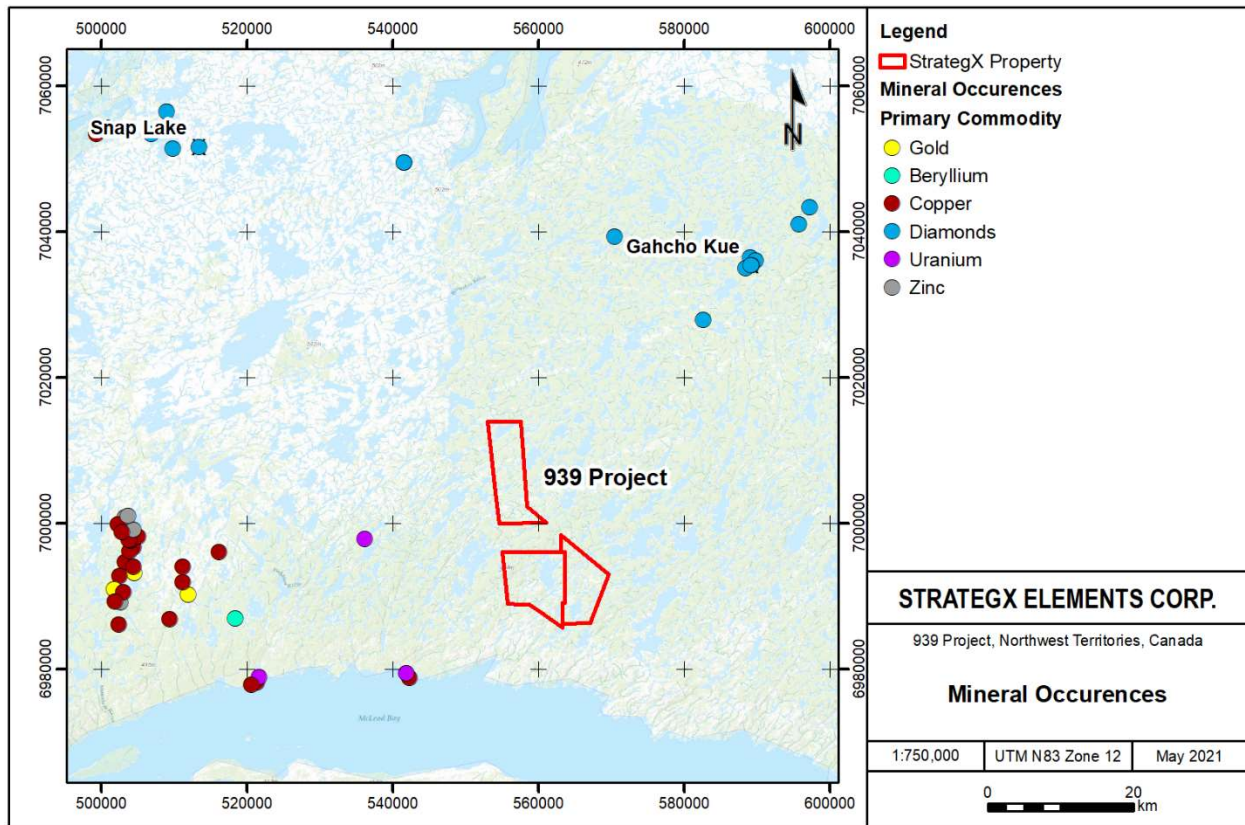
The 939 property is located approximately 50 km southwest of the Gahcho Kué diamond mine and has potential for diamondiferous kimberlites.

### 8.1 Mineralization

Cobalt lake sediment anomalies were present in Misty Lake but not identified in outcrop. Float boulder samples were found around the edges of Misty Lake with Co values from 166-360 ppm and consisted of iron carbonate altered metasedimentary rocks with fine disseminated pyrite mineralization hosted in strong silicification and quartz veins (Smith, 2021). The highest grading cobalt samples were found on the northwest and southeastern margins of Misty Lake. The western region of the project area has oxidized disseminated pyrrhotite, known to form gossanous outcrops at surface and seems to increase with an increased density of veining. These gossans have not contained any

significant mineralization to date. The regional contacts of the Yellowknife Supergroup and the Post-Yellowknife granitoid rocks might provide a structural conduit for a later dyke or vein that hosts cobalt mineralization. However, the geologic host rocks, controls, and extents of potential mineralization is presently unknown. A discussion of the geochemistry results and interpretations from the geophysics programs is found in Section 9 in addition to potential deposit models in Section 8. Figure 8.1 shows the known mineral occurrences in the area which includes: diamonds; gold; beryllium; copper; uranium and zinc.

**Figure 8.1 939 Property Geology**



## 9 Exploration

StrategX has conducted reconnaissance geological mapping, prospecting, rock sampling, till sampling and geophysical surveys at the 939 Property mainly focused in and around Misty Lake, between spring of 2018 to April 2021 (no sampling occurred during 2020 due to the Covid-19 pandemic).

During 2018, 50 till samples were collected by StrategX. Till samples were approximately 1 to 5 kilograms (“kg”), however, often material was insufficient and/or too sandy for processing to recover heavy minerals. Also, during 2018, StrategX collected 43 rock grab samples and 6 lake sediment samples while prospecting.

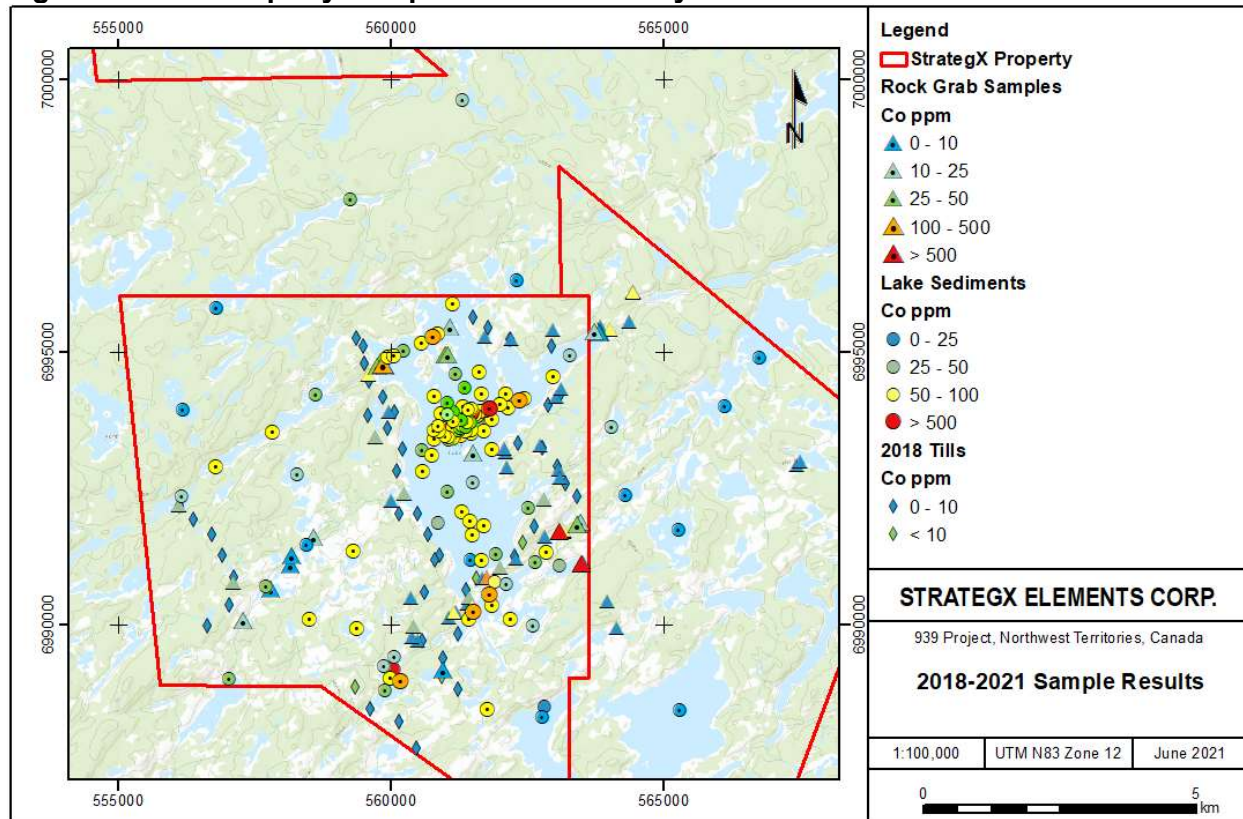
Lake sediment sampling was used as the primary exploration tool in 2019. Between April 1 and May 1, 2019, 121 samples were collected. As well, during 2019, 25 rock grab samples were collected. In general, sampling was focused within a recessed valley trending northeast that corresponds to a 30-50m wide, 7000 m long linear magnetic high.

Exploration carried out by StrategX in 2021 consisted of: (1) ground Magnetics; (2) Moving Loop Electromagnetics; (3) experimental, Aurora Rapid Reactance Tomography (“ARRT”) which is a snowmobile-towed IP system; and (4) lake sediment sampling survey (24 samples attempted). The program was conducted by Aurora Geosciences, Yellowknife, NWT.

Figure 9.1 summarizes the cobalt results to date within the 939 Property. A number highly anomalous rock grab samples exist throughout the Property (up to 1885 ppm Co) and StrategX has delineated a high priority northeast trending cobalt lake sediment anomaly with 8 samples greater than 1095 ppm Co (Up to 4900 ppm Co; Figure 9.1). This northeast trending target is referred to as The Trench Target by StrategX (Smith, 2020, 2021).

Mr. Besserer visited the property on March 27<sup>th</sup>, 2021, on behalf of StrategX and reviewed the winter geophysical program and data thereon.

**Figure 9.1 939 Property Sample Result Summary**



### 9.1 2021 Geophysical Program parameters and procedures

A total field magnetic survey was completed by a snowmobile towing a magnetometer. The base stations were installed in a magnetically quiet area and cycled every second during the survey. Base station and field magnetometers were synchronized daily to GPS time prior to surveying. Diurnal geomagnetic variation was removed by linear interpolation and subtraction of the base station drift. The survey was paused, and data omitted and remeasured if geomagnetic variation exceeded 50 nT over 10 s on a sustained basis (Jelenic and Dziuba, 2021).

A moving loop electromagnetic (“MLEM”) survey was completed. The survey was carried out using a moving loop configuration with center loop sounding over a grid. Time Domain Electromagnetic center loop soundings are acquired from a single coil position located in the centre of a 100x100 square transmit loop. Geonics Protem systems are used for the Time Domain Electromagnetic soundings and is comprised of a Digital Protem 57 Receiver and a TEM57-MK2A Transmitter. Each instrument is portable and is operated each is operated by a single person. Snowmobiles are equipped with a sleighs and surveying is accomplished by establishing 100 m x 100 m square loops using 10 AWG copper wire, and injecting current with the transmitter. A team of 5 people carried

out the above procedure. Typically, during this survey 5 readings with 30 second duration are measured and stacked. The loop is then moved 100 m, and the process repeats itself (Jelenic and Dziuba, 2021).

An experimental Aurora Rapid Reactance Tomography (“ARRT”) technique survey was completed by towing a capacitively coupled resistivity and chargeability system behind a snowmobile over a survey grid. Misty Lake was deemed an acceptable test target for the ARRT device due to the large, easily accessible lake surface. Each line on the survey grid was read once, using the dipole-dipole system configuration with one transmitter and four receivers with 20 m dipole lengths. Data was recorded continuously (Jelenic and Dziuba, 2021).

## **9.2 Geophysical Survey details**

During the period of March 14 to March 27, 2021, 76.7 line-km of MAG survey was completed (Figure 9.1). The geophysics survey area is approximately 2 km by 2 km. The grid was laid out in WGS84 UTM zone 12N and supplied as a series of GPS waypoints spaced 20 m apart. Line azimuth is 151.55°, spaced 50 m apart with lines starting and ending according to rectangular boundary and or water bodies. Lengths ranged from 1 km to about 2.2 km. Baselines and ties lines were oriented SW-NE at 61.55° (Jelenic and Dziuba, 2021).

During the period of March 14 to March 27, 2021, 180 MLEM soundings were completed. The geophysics survey area is approximately 2 km by 2 km. The grid was laid out in WGS84 UTM zone 12N and supplied as a series of GPS waypoints spaced 100 m apart. Line azimuth is 151.55°, spaced 100 m apart with lines starting and ending according to rectangular boundary and or water bodies. Lengths ranged from 800 m to about 1.6 km. Stations spacing is 100 meters (Jelenic and Dziuba, 2021).

During the period of March 14 to March 27, 2021, 20 line-km of ARRT survey was completed. The geophysics survey area is approximately 2 km by 2 km. The grid was laid out in WGS84 UTM zone 12N and supplied as a series of GPS waypoints spaced 100 m apart. The Misty Lake survey grid consists of 12 parallel lines averaging 1.7 km each, spaced 100 m apart and oriented at 151.55° (Jelenic and Dziuba, 2021).

## **9.3 Geophysics - Interpretation**

### **9.3.1 Magnetics**

Diurnally corrected magnetic field data are gridded to produce an image of the total magnetic field across the survey area. The gridded data are further processed by applying a reduction to magnetic pole (“RTP”) filter using Geosoft’s 2D filtering extension MAGMAP. RTP filtering is used to better locate magnetic responses which are offset from the location of their source by the inclination and declination of the Earths inducing field. The RTP magnetic field grid is then upward continued to 20 m above the surface to reduce the effects of any small near surface magnetic sources and shaded to enhance subtle

linear features that may be striking NE and parallel to the Trench Zone. The resulting image of the magnetic field is shown on Figure 9.2. The gap in data occurring in the SW quadrant is due to a base magnetometer malfunction during data acquisition. Attempts to revisit that area failed due to the accumulation of slush on the lake. The pole-reduced magnetic field of the survey area ranges approximately 180 nT from 57999 nT to 58170 nT.

Two linear NE striking positive anomalies, labelled as MAG A-01 and A-02, strike across the central and southern edge of the area and are interpreted to be mapping the location of magnetic dikes. Breaks and the deformation of anomaly MAG A-02 seen between EM survey lines 3850 and 4150, and between lines 4450 and 4550, suggest the location of a possible intersecting NS structure. Anomalous lake sediment samples for cobalt are located proximal to this portion of the anomaly. A curvilinear feature labelled MAG-B-01 separates lower and higher magnetic domains across the northern limits of the EM grid and may represent a geological contact (Figure 9.2; Jelenic and Dziuba, 2021).

### **9.3.2            *Moving Loop Electromagnetics (MLEM)***

The MLEM sounding profiles are inversion modelled in 1D. The results of the models are resistivity values with depths to 300m below surface for each station. These models are merged, kriged and presented as depth slices with this report. The modelled resistivity values range approximately from 1000 ohm-m to 30,000 ohm-m. There does not seem to be a correlation between of the resistivity values from the MLEM survey with high magnetic responses from the magnetometer data set.

No strongly conductive sources are modelled to occur on the survey area. The MLEM early time channel data are examined for responses that may be caused by weaker conductors. Time channels 1 and 2 are plotted as profiles on Figure 9.2, overlying the magnetic field image. Positive bumps in the early time channels would be the expected response for poorly conductive sources. The locations of the early time responses are used to sketch the interpreted 'weak' conductor axes seen on Figure 9.2. The axes are labelled EM A and EM B. Conductor axes EM A-01 and 02 strike at approximately 60° and are parallel to and range 200- 250 m south of the magnetic anomaly MAG A-02. Conductor axes EM B-01 and 02 are considerably shorter and are located within 200 m of MAG A-02 (Jelenic and Dziuba, 2021).

### **9.3.3            *ARRT Survey***

The ARRT data are continuing to be processed and products and results are pending. Raw data is presented as pseudo-sections to the field operators to determine data quality. This preliminary view allows for initial inspection of the data and can be used to correlate responses to known geology, topography, bathymetry, or other geophysical data (Jelenic and Dziuba, 2021).

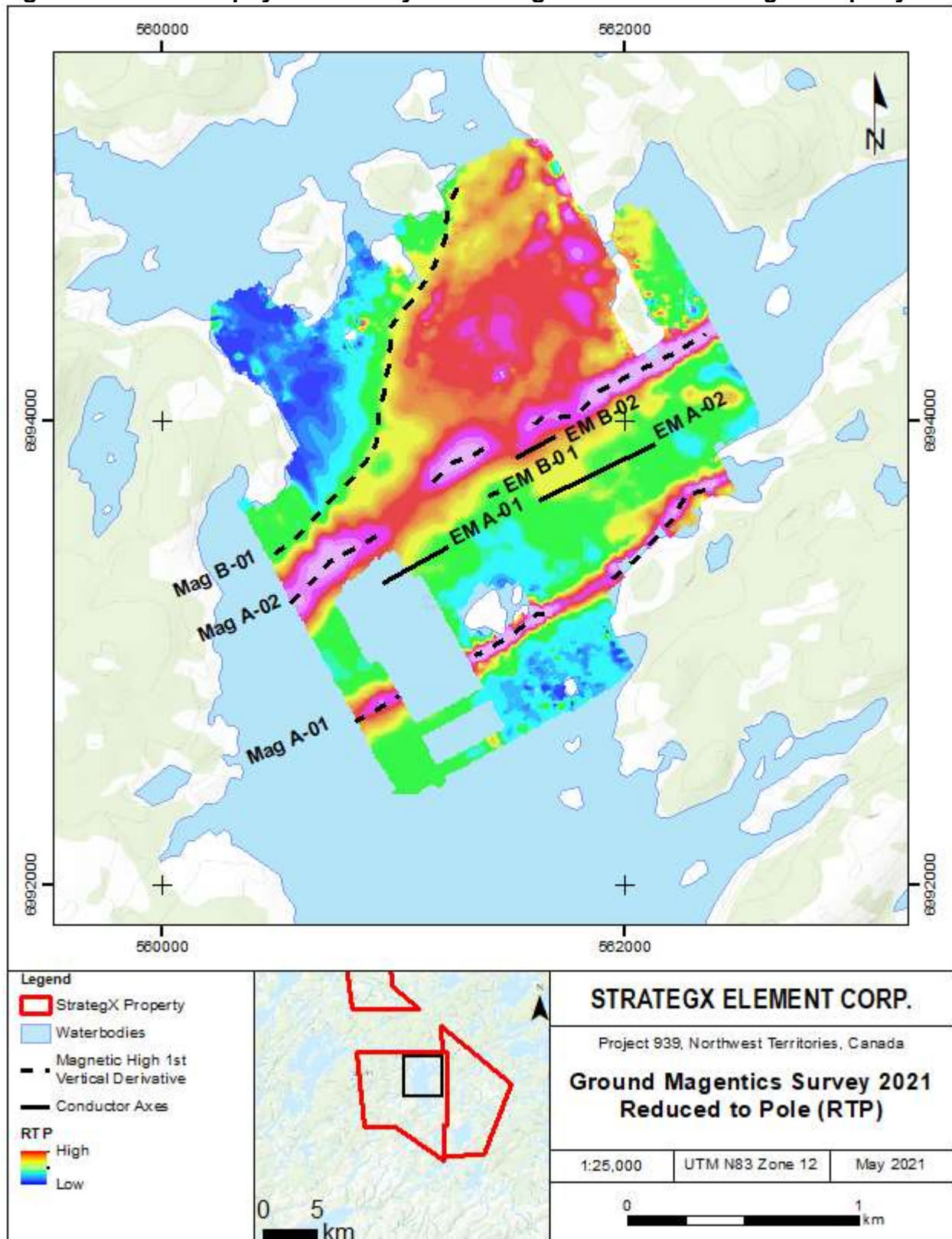
#### **9.4 2021 Lake Sediment Samples**

An experimental lake sediment survey was attempted on the ice. First attempts were with the Idaho Claw a sampling device that was used on the lake during the summer months with success. Pulling the claw up through 3 feet of ice was unsuccessful and instead samples were collected with the smaller 1976 model Geological Survey of Canada, Lake Sampling Torpedo. Samples were ideally taken from the centre most area of each lake and were taken by cutting a hole through the ice in the winter and or from the Husky Aircraft with floats, dropping the torpedo attached to a rope to the bottom of the lake and collecting a 200g sediment sample and bagging the entire sample. If organic matter was encountered, it was removed (Plate 1).

The sample quality was poor based on winter conditions and having to use the Torpedo. The results are on Figure 9.1.



**Figure 9.2 2021 Geophysical survey for StrategX's 939 Trench Target Property.**



## 10 Drilling

StrategX has yet to conduct drilling at the 939 Property. A summary of the historical drilling completed by companies other than StrategX is summarized in Section 6. None of this work was conducted by or on behalf of StrategX.

## 11 Sample Preparation, Analyses and Security

### 11.1 Till and Lake Sediment Sampling 2018

#### *11.1.1 Sampling procedures and handling*

Till sampling carried out along fences perpendicular to the regional glacial ice direction. Samples taken were collected from areas of possible frost boil (very few apparent frost boils were identified). The most common samples taken are described as thin till veneer found on terraces of outcrops and appeared to be very sandy. Sampling was quite difficult, and samples taken were generally quite small weighing between 1.00 to 2.10kg and overall, the quality of the till samples was quite poor.

Lake sediment sampling was carried out using a 1976' model Geological Survey of Canada, Lake Sampling Torpedo. Samples were collected from a Husky Fixed Wing Aircraft with floats by dropping the torpedo attached to a rope to the bottom of the lake and collecting a 200g sediment sample and bagging the entire sample. If organic matter was encountered, it was removed (Smith, 2020).

#### *11.1.2 Till and Lake Sediment Sample Analytical Procedure*

Till samples were prepared and analyzed as follows in 2018. Samples were weighted and logged in using barcode system and then screened SCR-41 to -180um and both fractions saved. The samples were then analyzed using ALS's ME-MS41 Ultra Trace Aqua Regia ICP-MS for 71 elements. Select till samples (12259, 12266, 12307, 12309, 12508, 12528, 12535, 12754) were re-analysed November, 2018 using a different screening size SCR-51 (-/+75um) Sample preparation, and ME-MS41 Aqua Regia ICP-MS Analytical procedures.

The samples were hand delivered to ALS's preparatory lab in Yellowknife, NWT and subsequently shipped to ALS Laboratories in Vancouver or Kamloops, BC for geochemical analysis.

2018 Lake sediment sampling methodology: Lake sediment samples were prepared and analyzed as follows. From April to August 2018 sample were weighted and logged in using barcode system and then screened to -180um and both fractions saved. The samples were then analyzed using ALS's ME-MS41 Ultra Trace Aqua Regia ICP-MS for 71 elements.

2019 Lake sediment sampling methodology: Lake sediment samples were prepared and analyzed as follows. From April to August 2019 sample were weighted and logged in using barcode system and then screened to -180um and both fractions saved. The samples were then analyzed using ALS's ME-MS41 Ultra Trace Aqua Regia ICP-MS for 71 elements.

The sample preparation procedure used in October 2019 was weighted and login in using a barcode. The samples were dried (max. temp 60C). These sample were then pulverized to 90% < 75um and analyzed using ALS's ME-MS61 48 Element four acid ICP-MS.

The sample preparation procedure used in November 2019 was weighted and logged in in using a barcode system. These sample were then pulverized up to 250g 85% < 75um and then split using a riffle splitter. Pulverizing QC Test were preformed every 20 samples. The pulverized material was then analyzed using ALS's ME-MS61 48 Element four acid ICP-MS (Smith, 2020).

## **11.2 Rock Sampling**

### ***11.2.1 Sampling procedures and handling***

StrategX collected rock grab in 2018 and 2019. Rock samples were obtained prospecting from the Property. Sample locations were selected to investigate anomalous areas identified by historical data. Individual rock grab samples were selected based on the presence of alteration and/or mineralization. Rock grab samples were approximately 1-2 kg in size and collected using a geological hammer. The location, material type and a brief geological description were recorded.

All rock samples were placed in a poly bag with a unique sample number and zip tied closed. The outside of the bag was labeled with the same unique sample number and the location of the sample was flagged with the unique number on flagging tape and an aluminum tag. The sample site was photographed with the poly bag in view. Individual rock grab samples were placed into large rice bags weighing approximately 15 kg. The larger rice bags were secured with zip ties and a security tag. The samples were hand delivered to ALS's preparatory lab in Yellowknife, NWT and subsequently shipped to ALS Laboratories in Vancouver or Kamloops, BC for geochemical analysis.

### ***11.2.2 Rock Sample Analytical Procedures***

Each rock sample was dried and individually crushed and pulverized following preparation code "PREP-31A" whereby samples were crushed until 70% of the sample material passed through a less than 2 mm screen. From this material a 250 g riffle split sample is collected and then pulverized until 85% passes through a 75-micron screen. A 0.5 g split of each sample was collected for multi-element analysis and a 50 g split of each sample was collected for gold assay.

A 0.5 g split of each rock sample was evaluated for 51 elements by aqua regia digestion and analyzed using inductively coupled plasma mass spectrometry (ICP-MS) (method ME-MS41).

### **11.3 StrategX Till, Lake Sediment and Rock Sampling Analytical QA/QC Program**

StrategX did not insert their own blanks, duplicates, or standards. All standards and blanks were inserted by ALS and fell within their respective two standard threshold.

The author has reviewed the adequacy of the historical exploration information as conducted by StrategX and/or various contractors and the visual, physical, and geological characteristics of the Property.

The Qualified Person has found no significant issues or inconsistencies that would cause one to question the validity of the data for its specific use as 'background information' during the preparation of this Technical Report.

In the future, however, the author recommends that the sample collection, preparation, security, analytical procedures, and QA/QC procedures of any exploration program completed by the Issuer is current with CIM standards and guidelines and robust enough to develop confidence for any future mineral resource/reserve modelling and estimations.

ALS Global is accredited in accordance with the recognized International Standard ISO/IEC 17025:2005 and is independent of the issuer, and the author of this Technical Report.

## **12 Data Verification**

The Qualified Professional site inspection, which was conducted by the author, D. Besserer, P.Geol., on March 27, 2021, satisfies the National Instrument 43-101 criteria. Furthermore, data verification procedures include:

1. I physically stood on the Property;
2. I observed some of the initial findings on the Properties including:
  - a) By reviewing all existing sample results and geophysical survey data;
  - b) I conducted aerial and foot traverses within the property and witnessed the geophysical surveys being conducted; and,
  - c) Witnessed lake sediment samples being prepared for shipping;
  - d) (Plate 1).

The author relied on the various assessment and internal reports (Smith, 2020; .....) for historical data as well as field observations.

During the visit, I witnessed the collection of the 2021 geophysical surveys and reviewed the data with the onsite geophysicist. Because of snow cover, historical rock

grab sample sites were not able to be visited. However, ice based geophysical grids were located in the field at coordinates which matched the data provided in the report from Aurora Geosciences (Jelenic and Dziuba, 2021).

Based on a review of: geophysical surveys; and extensive structures noted from previous exploration; the author has no reason to question the validity of the exploration conducted and/or the results thereon. That is, the adequacy of the data used in this report is considered reliable in the author's opinion.



**Plate 1. Lake sediment samples at the Misty Lake Camp on March 27, 2021.**

## **12.1 Site visit**

Mr. Besserer visited the Property March 27, 2021. During the visit, Mr. Besserer conducted aerial and foot traverses throughout the Property. At the time of the visit Aurora Geosciences was conducting geophysical surveys on the ice. The author reviewed the preliminary survey data with the onsite geophysicist and witnessed crews collecting data (Plate 1).

## **12.2 Data Verification Procedures**

The sample locations and results from StrategX exploration programs conducted at the Property between 2018-2021 were provided to Mr. Besserer as digital files. The author reviewed the digital data provided by StrategX and compared it against original assay certificates. No errors or issues were identified in the historical exploration data. All other information regarding historical exploration on the Property was obtained from mineral assessment reports. No other issues were noted.

## **12.3 Adequacy of the Data**

The QP has reviewed the adequacy of the exploration information and the visual, physical, and geological characteristics of the Property and has found no significant issues or inconsistencies that would cause one to question the validity of the data.

The author is satisfied, and takes responsibility, to include the historical exploration data as background information for this geological introduction and qualifying Technical Report. In the future, however, the author recommends that the sample collection, preparation, security, analytical procedures, and QA-QC procedures for any exploration program completed on the 939 Property is current with CIM definition standards and guidelines.

## **13 Mineral Processing and Metallurgical Testing**

StrategX has yet to conduct mineral processing and/or metallurgical testing at the Property.

## **14 Mineral Resource Estimates**

StrategX has yet to conduct mineral resource/reserve modelling or estimations. There are no known mineral resources or reserves outlined at the 939 Property.

## **15 Adjacent Properties**

The reader is cautioned that the following section discusses mineralization, and/or historical occurrences that are not located on the 939 Property but are located in the vicinity of the Property. The author of this report has not had the opportunity to visit most of these sites and mineral deposits, or verify any of information presented below, and the

reader is further cautioned that this information is not intended to imply that such mineralization exists at the 939 Property. The information provided in this section is simply intended to describe examples of the type and tenor of mineralization that exists in the region and is potentially being explored for at the 939 Property.

The major focus of exploration in the vicinity of the Property has been for diamonds since the early 1990's. The Gahcho Kué Diamond mine is located 50 km northeast of the Property and the past-producing Snap Lake Diamond Mine is located 80 km northwest of the Property. The Nechalacho Property, a major heavy rare earth project, is located 175 km southwest of the Property. Additionally, several historical cobalt occurrences are located in the East Arm area of Great Slave Lake (Figure 23.1). Historically, cobalt in this area has been produced largely as a by-product of polymetallic veins.

### 15.1 Historical Cobalt Occurrences

Prospecting Permits south of the East Arm of Great Slave Lake, ~80 km southwest of the 939 Project encompass four historical cobalt occurrences: Fair, GM, LUX, and UR.

The main mineralized zone at the Fair occurrence (Showing ID 075LSE0053) contains quartz, usually in short lenses, cobaltite and erythrite, with lesser amounts of galena, chalcopyrite, niccolite and pitchblende. Drilling and trenching was completed in the area between the 1950's and 1980's. The average assay for cobalt is 0.2% across a width of 41 inches over a length of 400 feet. A grab sample from a trench returned assays of 5.9% uranium, 1.1% copper, 0.64% cobalt and 0.71% nickel (Kizan, 1972).

The GM occurrence (Showing ID 075LSW0027) is characterized by pitchblende, hematite, chalcopyrite, cobaltite, fluorite, pyrite, apatite, graphite, and crystalline carbonate with local alteration stains of uranium, copper and cobalt. In 1967 reconnaissance work included limited trenching and recovered a surface sample from trench A that assayed 0.16 oz gold per ton, 1.1 oz silver per ton, 2.25% U<sub>3</sub>O<sub>8</sub> and 1.93% cobalt. (Steiner, 1967). In 1971 eight holes totalling 305 feet were drilled (Howdle, 1971).

The LUX occurrence (Showing ID 075LSE0016) was discovered in 1951 and comprises to six-inch wide, massive chalcopyrite veins intersecting dolomite. Small irregular fractures in the dolomite contain chalcopyrite, quartz, minor malachite, azurite, and erythrite (Barnes, 1952). The UR (Showing ID 075LSE0052), discovered in 1953, is characterized by chalcopyrite and cobalt minerals that are erratically disseminated within quartz veins and in fractures within local 1 inch to 6 feet wide actinolite veins.

The remainder of the cobalt occurrences are currently on open ground. The most significant of which are 3 minor past producers: LUX, Blanchet Island and Copper Pass and 1 advanced exploration project: BBX. These are briefly described below. Additional occurrences include the drilled occurrences Sachowia 1, 2, 3, R&R, CL 06-18, and DL and reconnaissance occurrences: HAR, Bet and Bingo, TO, Zig 1 and Zig 6.

On Blanchet Island two occurrences “LUX” (Showing ID 085HNE0036 – different from the LUX occurrence described above) and Blanchet Island Mine are described with the same characteristics. The showings occur in dolomite/limestone breccias within five metres to the contact of the diorite. The Co-Ni mineralization is massive and appears to be confined to a dolomite/limestone breccia zone, in areas that have not replaced with magnetite. Often only minor veinlets are found between blocks, but elsewhere matrix fillings of 30%-60% coarse dolomite or grey Co-Ni arsenide are found. In 1969, small scale mining was completed at the Blanchet Island Mine location targeting the Co-Ni vein. The vein was described as 9 to 11 meters long and 0.1 to 1.5 meters wide, with an ore shoot 3 to 4.5 m long, averaging 1.2 m wide. The vein had a strike of 60° and a dip of 15 - 40° to the northwest. Historical reports indicate a shipment of 320 tons to France contained ore grades that varied from 10.66% Co to 5.42% Co, and Ni grades of 14.86% to 11.5% (Mason, 1969).

The Copper Pass occurrence (Showing ID 075LSW0001) covers a group of three trenches that target several steeply dipping veins of the Sachowia Lake Ni-Co-Bi deposit. Niccolite, skutterudite, gersdorffite, rammelsbergite, arsenopyrite, pyrite and chalcopyrite occur in structurally controlled quartz-carbonate veins and vein breccias. In 1969 high grade ore from surface workings was mined started with several shipments of niccolite ore sent to a European smelter. An estimated 23 tons of nickel ore was bagged. Follow-up drilling in the 1970's failed to intersect mineralization. More recent sampling conducted by Wyn Developments (website Nov. 26, 2007) reports assays ranging from 1.18%-36.45% nickel and 0.07%-6.29% cobalt from 8 samples collected from hydrothermal veins and breccias in the area.

The BBX occurrence (Showing ID 075LNW0002) contains copper and cobalt mineralization in the vicinity of Taltheilei Narrows known from as early as 1899. Copper, silver, cobalt, nickel, and minor gold mineralization is hosted in a brecciated mafic volcanic plug that has intruded Sosan Group sediments. Chalcopyrite is the main ore mineral, erythrite staining is common and garnierite is sparingly developed. Pyrite is abundant and widespread and smaltite and cobaltite have been reported from drill core. Numerous drillholes and trenches have been completed in the area between 1949 and 1976. Drilling in 1972 intersected copper mineralization ranging between 0.06% - 1.88% from 50-138 feet downhole. A composite sample of this section graded 0.54% copper and 0.01% cobalt (Nickerson, 1972). In 1976 random samples collected from trenches returned assays between 2.74% to 6.64% Cu, 0.06 to 2.12% Co, 0.04 to 1.23% Ni, 0.16 to 7.52 oz/T Ag, and trace to 0.02 ounces gold per ton.

## **15.2 Current Projects**

The Nechalacho Property located at Thor Lake is a polymetallic rare metals deposit containing potentially economic quantities of rare earth elements (REE), lithium, zirconium, beryllium, niobium, and tantalum. Mineralization is hosted by the Nechalacho Nepheline Syenite. The Property includes the Nechalacho deposit, and the separate and distinct R, S and T Zones. The deposits are extensively metasomatized with pronounced magmatic layering and cyclic ore mineral deposition. The Nechalacho deposit essentially

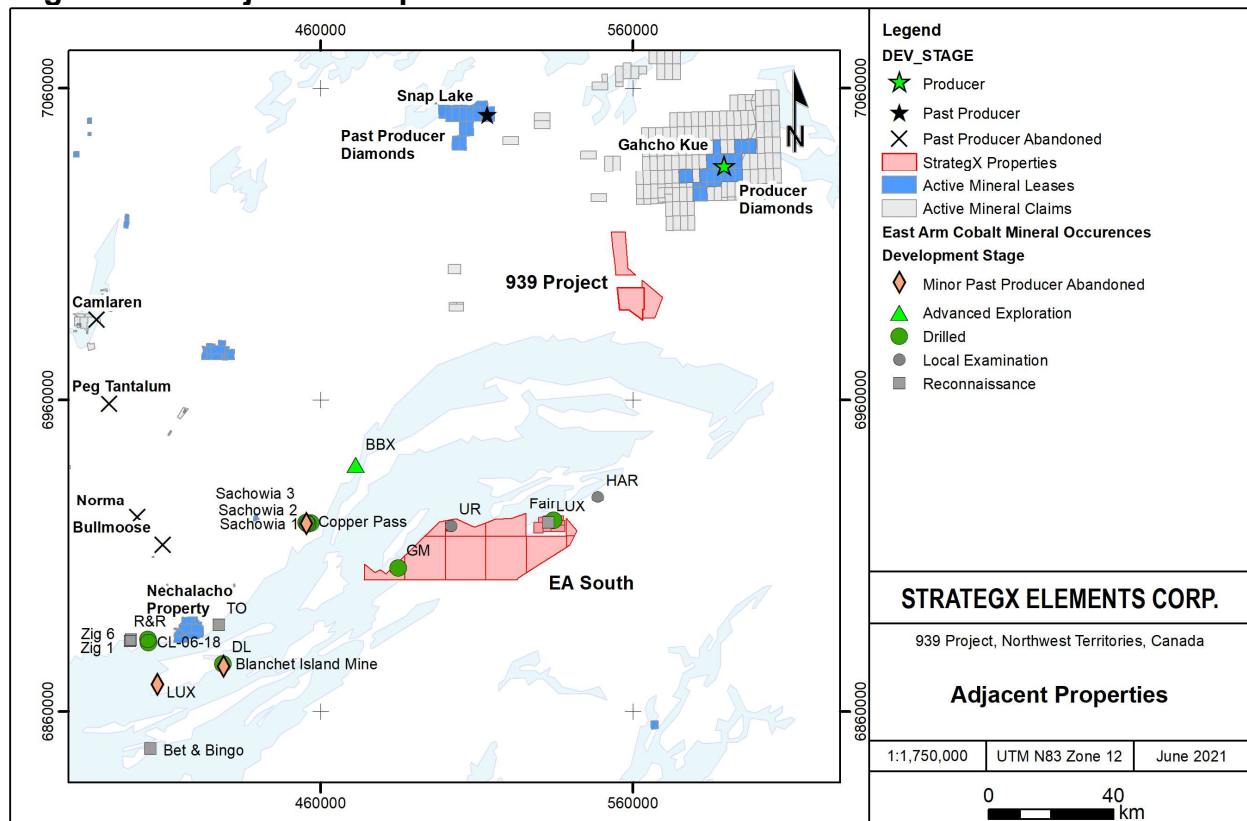


forms part of a layered, igneous, peralkaline intrusion. In 2013 Avalon Rare Metals Inc. (“Avalon”) released a feasibility study for the Project including resource and reserve estimates that include rare earth oxides, ZrO<sub>2</sub>, Nb<sub>2</sub>O<sub>5</sub>, and Ta<sub>2</sub>O<sub>5</sub> (Ciuculescu *et al.*, 2013). In June 2019, Avalon and Cheetah Resources Pty Ltd. signed a purchase and sale agreement under which Cheetah acquired ownership of the near-surface T-Zone and Tardiff Zone resources for C\$5 million. Avalon retained ownership of the mineral resources below a depth of 150 metres above sea level and has access to the property for exploration, development, and mining purposes.

Gahcho Kué diamond mine is a joint venture between Mountain Province Diamonds through its subsidiary, Kennedy Diamonds Inc. (49% ownership), and the mine operator, De Beers Canada (51% ownership). Mining commenced in 2016 with an open-pit mine that will comprise three pits over the 12-year life of mine. Production is estimated to average of 4.5 million carats a year, and total 54 million carats from an estimated 35 million tonnes of ore. Gahcho Kué yielded a total of 432,000 carats between the official opening in September 2016 and the end of that year, while ramping up to full production.

Snap Lake Mine is wholly owned by De Beers Canada. The mine was a commercial producer of diamonds from 2008 to 2015. In 2014 production totaled 1.2 million carats. The mine was placed into care and maintenance on December 4, 2015.

**Figure 15.1. Adjacent Properties**



## 16 Other Relevant Data and Information

The 939 agreement between StrategX and Hunter Exploration Group also includes the EA South Property (Figure 15.1).

## 17 Interpretation and Conclusions

### 17.1 Results and Interpretations

Work carried out on 939 Trench Target by StrategX in 2021 consisted of: (1) ground Magnetics; (2) Moving Loop EM; (3) experimental, Aurora Rapid Reactance Tomography (ARRT) a snowmobile-towed IP system; and (4) lake sediment sampling survey (24 samples). All these surveys were completed through the ice and focused on an area where 2019 lake sediment sampling returned up to 4,900 ppm Cobalt. Unfortunately, the samples contained insufficient material to be analyzed.

The 2021 magnetic survey shows two NE/SW trending mafic dykes. The dyke identified in the trench zone can be traced to the SW on land for more than 7km and aligns with a 600 ppm Co sediment sample (2018). Aurora Geoscience is currently reprocessing the original magnetic data collected by Major General (1994) with the intend of incorporating it with the 2021 ground survey to better delineate regional structures that extend through the property.

The EM survey has identified several weak conductors occurring as discontinuous (up to 700m in length), linear anomalies from up to 200m south of and parallel to the mafic dyke described above. The EM conductor is “broken” (discontinuous) at several points and shows a similar signature to the magnetics which also is broken (see figure 7).

This dyke highlighted by the ground magnetics survey was possibly identified on shore to the northeast of Misty Lake by StrategX geologists in 2018. These boulders were at that time identified as possible mafic diatrems. The “diatrems” looking rocks follow the general trend of the recessed valley (similar to the trace of the dyke to the southwest) and appear to occur within breaks in the 1994 magnetics. Very little sulphide mineralization and no anomalous cobalt values were noted in the “diatrems” rock samples to date. Two small diatrems lenses were also observed up to 10 metres in length and up to 2 metres wide were observed along the north side of the valley. The “diatrems” rocks show fine-grained mafic ground mass with up to 60% metasediments and lesser amounts of granitic clasts.

The diatrems phase of the mafic dyke(s) may explain why there are breaks in the magnetic trend at several locations in the trench target area, (discussions with Franz Dziuba, Aurora Geophysicist). The 1994 airborne magnetic survey also appears to show NE/SW trending dykes with similar breaks in the magnetic signature located: immediately north of Misty Lake where cobalt in lake sediments and cobalt in boulders (up to 367 ppm

Co, 2019) were found; and at Marlowe Lake (1km south of Misty Lake) where lake sediments returned up to 983 ppm Cobalt (2019 sampling).

Cobalt, up to 367 ppm (2019) has been found in iron carbonate altered, metasedimentary boulders along the perimeter of Misty Lake. Mineralization in these boulders consists of weakly-disseminated, fine-grained pyrite associated with quartz flooding +/- quartz veins. Elsewhere, 177 ppm Cobalt (2018) was found in fine-grained granitic rock. Mineralization at this location includes quartz veins as stock-working and 0.5% fine-grained pyrite.

The exploration work to date has identified a significant area of anomalous cobalt in lake sediments covering an area known as the Trench Zone. This large zone is associated with a northeast trending mafic dike. The area to the north of the dike appears to be a different bedrock type based on the magnetic response which is quite higher than the rocks to the south of the dike. The bedrock type to the north is unknown as it is covered by water but is postulated that it could be a sill, a laccolith or a similar flat lying body; it does but appear to be solely intrusive. The cobalt in sediments north of the dike are anomalous when compared to other studies but the highest numbers are located south of the dike and associated with breaks in the magnetic signature of the dike (diatremes?). The bedrock to the south of the dike is mapped as metasedimentary rocks. South of the dike several weak northeast trending EM anomalies were mapped by Aurora paralleling the dyke. As the target is expected to comprise disseminated sulphides and not massive sulphides this type of response from the EM survey is considered encouraging. More refined geophysics is required to determine if the mineralization is associated with the dykes or if the dykes are late, unmineralized and have used the same structural corridors to reach the surface.

Preliminary raw ARRT apparent resistivity images show the highest conductivity being located between two dikes (see figure 9.1) and parallel to the trend of the EM and magnetic signatures. The EM anomalies appear to mark the southern and northern extent of the resistivity anomaly. This resistive area is about 200m wide, 1.3km in length and open in either direction. All indications suggest a northeast trending mineralized body extending across Misty Lake.

Mafic dykes have been associated with cobalt and silver mineralization elsewhere (Cobalt, Ontario) and may be important at the 939 Property, however it is too early to make any conclusions in this regard.

## **17.2 Risks and Uncertainties**

The author is unaware of any unusual risk factors, other than those normally associated with early stage/grassroots mineral exploration, that might affect future exploration work and potential development of the Property.

## 18 Recommendations

The focus of StrategX Element Corp.'s exploration work to date was to discover the source of the anomalous cobalt in lake sediment samples taken by the GSC (Open File 326), 1971 and KCI in 1996. Follow-up sampling and prospecting originally focused southwest of Misty Lake and progressed northeast up ice to the northeast extent of the permits in an attempt to find the source of the cobalt anomaly. The highest lake sediment samples for cobalt to date that could be related to the source and correlate well up ice glacially is tied to the steepest areas of the north side of the Trench Zone (See Figure 9.1) within Misty Lake. To the southwest down-ice of Misty Lake, very little correlation exists in the lake sediment samples between Cobalt and any other metals, other than weak to moderately anomalous values of Copper, Nickel and Arsenic. Cobalt values in lake sediment samples up-ice to the northeast of Misty Lake are very low and similar to background values for cobalt on regional RGS surveys (Ref. OF 326), and thus suggest that targeted source(s) could occur in Misty Lake and/or immediately south of Misty Lake (Davenport *et al.*, 2019).

The presence of: anomalous cobalt in both rock and lake sediment samples; favorable geology to host an important deposit; and, the presence of untested geophysical anomalies at multiple locales within the Property are encouraging and therefore follow-up exploration is warranted.

Additional exploration is warranted to determine the consistency and continuity of mineralization as well as develop prioritized targets for follow-up exploration. Phase 1 follow-up exploration should include but not be limited to: 1. Reprocess and re-interpret the regional 1994 airborne magnetics to better incorporate the 2021 ground geophysics (\$40,000); 2. Detailed mapping and sampling utilizing the compiled ground and airborne geophysical data (\$270,000); 3. Petrography on dykes and diatremes located during the field work as well as chips from lake sediment samples (\$10,000). The recommended budget \$320,000 should include a \$30,000 contingency. The total recommended budget is \$350,000Cnd (Table 18.1) and the program should be designed to delineate specific drill collars.

Phase 2, which is contingent on positive results from Phase 1, should include winter drilling to test: Coincidental Geophysical and lake sediment anomalies and/or important structures with coincidental rock grab anomalies (2000m @ \$600/meter = \$1,500,000; Table 18.1).

**Table 18.1 Recommended Budget**

<b>Phase 1</b>		
<b>Activity Type</b>		<b>Cost</b>
Re-process and re-interpret historical geophysics Geophysicist for 20 days (\$1000/day = \$20,000) Incorporate with the existing StrategX dataset for 10 days (\$1000/day = \$10,000) Use of specialized software (\$10,000)		\$40,000
Field Program Detailed mapping and sampling utilizing existing geophysical compilation 4 Geologists for 30 days (\$500 each = \$60,000) Expediting (\$5,000) Meals and camp for 1 month including mob/demob (\$100,000) Rock Samples (300 @\$50/sample = \$15,000) Helicopter and fuel and daily minimums (\$70,000) Fixed wing support (\$20,000)		\$270,000
Petrography		\$10,000
Contingency		\$30,000
<b>Phase 1 Subtotal Cnd\$</b>		<b>\$350,000</b>
<b>Phase 2 (Contingent on the results from Phase 1)</b>		
<b>Activity Type</b>		<b>Cost</b>
Drilling – 2000m @ \$600/meter including analytical		\$1,200,000
Helicopter and fixed wing support		\$140,000
Updated 43-101 Report		\$40,000
Permitting		\$20,000
Contingency		\$100,000
<b>Phase 2 Activities Subtotal</b>		<b>\$1,500,000</b>

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## 20 Certificate of Author

I, Dean J. Besserer, P.Geol., of 100, 11450 160 St. NW, Edmonton, Alberta, do hereby certify that:

1. I am a self-employed Senior Geological Consultant.
2. I graduated with B.Sc. in Earth Sciences (Geology) from the University of Western Ontario in 1995.
3. I am registered as a Professional Geologist with the Association of Professional Engineers and Geoscientists of Alberta (APEGA) and with the Northwest Territories and Nunavut Association of Professional Engineers and Geoscientists (NAPEG).
4. I have worked as a geologist for 25 years since my graduation from university. This includes all facets of exploration from grassroots exploration to feasibility. I have managed projects and/or acted as a consultant for exploration projects for various commodities, including cobalt, in over 50 countries with annual budgets exceeding \$20,000,000Cnd. per annum.
5. I have read the definition of “qualified person” set out in National Instrument 43-101 and certify that due to education, experience, independence, and affiliation with a professional association, I meet the requirements of an Independent Qualified Person as defined in National Policy 43-101.
6. I am responsible for the preparation of the Report titled “Technical Report for The 939 Property, Northwest Territories, Canada”, and dated June 10, 2021. I visited the Property on March 27, 2021, on behalf of StrategX Element Corporation (the issuer), as described in this Report. As of the effective date of this technical report, to the best of my knowledge, information, and belief, the technical report, or parts that I am responsible for, contains all scientific and technical information that is required to be disclose, to make the technical report not misleading. I did not have any involvement with the Property prior to March 2021.
7. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Report, the omission to disclose which makes the Technical Report misleading.
8. I am independent of the issuer and the vendors and the Property applying all the tests in section 1.5 of NI 43-101.
9. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.
10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files or their websites.

Dated this 9th day of July, 2021  
Edmonton, Alberta, Canada



*Signed and Sealed*  
*Dean J. Besserer, B.Sc., P.Geol.*