National Instrument 43-101

Technical Report and Updated Mineral Resource Estimate for the Reid Ni-Co-Cr-PGE Deposit, Reid Nickel Sulphide Project

Timmins Nickel District
Ontario, Canada

Report Prepared for:

Canada Nickel Company Inc.
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Report Prepared by:

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Mineral Resource Effective: 7 January 2026
Report Effective: 23 February 2026
Issued: 26 February 2026

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Project Number: 696.24.00

DATE AND SIGNATURE

The Report, "National Instrument 43-101 Technical Report and Updated Mineral Resource Estimate for the Reid Ni-Co-Cr-PGE Deposit, Reid Nickel Sulphide Project, Timmins Nickel District, Ontario, Canada", issued 26 February 2026, with a mineral resource estimate effective 7 January 2026, and a report effective 23 February 2026, was prepared for Canada Nickel Company Inc. by Caracle Creek International Consulting Inc. and authored by the following:

/s/ Scott Jobin-Bevans

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Scott Jobin-Bevans (P.Geo. PGO #0183, Ph.D., PMP)
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/s/ John Siriunas

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John Siriunas (P. Eng. Ontario #42706010, M.A.Sc.)
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Caracle Creek International Consulting Inc.

/s/ David Penswick

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David Penswick (P.Eng. Ontario #100111644, M.Sc.)
Co-Author and Mining Engineer
Gibsonian Inc.

Dated: 26 February 2026

CERTIFICATE OF QUALIFIED PERSON

Scott Jobin-Bevans (P.Geo., Ph.D.)

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

1. I am an independent consultant and Principal Geoscientist with Caracle Creek International Consulting Inc., having an address at 1721 Bancroft Drive, Sudbury, Ontario, Canada and Managing Director with Caracle Creek Chile SpA, having an address at Benjamin 2935 – Ste. 302, Las Condes, Santiago, Chile.
2. I graduated from the University of Manitoba (Winnipeg, Manitoba), BSc. Geosciences (Hons) in 1995 and from the University of Western Ontario (London, Ontario), PhD. (Geology) in 2004.
3. I am a registered member, in good standing, of the Professional Geoscientists Ontario (PGO), License Number 0183 (since June 2002).
4. I have practiced my profession continuously for more than 29 years, having worked mainly in mineral exploration but also having experience in mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting. I have authored, co-authored or contributed to numerous NI 43-101 and JORC Code reports on a multitude of commodities including nickel-copper-platinum group elements, base metals, gold, silver, vanadium, and lithium projects in Canada, the United States, China, Central and South America, Europe, Africa, and Australia.
5. I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “Qualified Person” for the purposes of NI 43-101.
6. I am responsible for sections 3.0 to 10.0, 12.0, 13.0, and 15.0 to 27.0 and sub-sections 1.1, 1.1.1 to 1.1.4, 1.3 to 1.14, 1.14.2 to 1.18, 2.0 to 2.4, 2.6, 2.7, 14.1 to 14.10, 14.12 and 14.13 in the technical report titled, “National Instrument 43-101 Technical Report and Updated Mineral Resource Estimate for the Reid Ni-Co-Cr-PGE Deposit, Reid Nickel Sulphide Project, Timmins Nickel District, Ontario, Canada”, issued 26 February 2026, with a mineral resource effective 7 January 2026, and a report effective 23 February 2026 (the “Technical Report”).
7. I have not visited the Reid Nickel Sulphide Project (Reid Deposit).
8. I am independent of Canada Nickel Company Inc. (the Issuer) applying all the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.
9. I was Principal Author on the previous NI 43-101 report titled, “National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project, Timmins Nickel District, Ontario, Canada”, issued 5 February 2025 and with an effective date of 5 December 2024, and I am in independent consultant to the Company.
10. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
11. As of the effective date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Santiago, Chile this 26th day of February 2026.

/s/ Scott Jobin-Bevans

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

CERTIFICATE OF QUALIFIED PERSON

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

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

1. I am an Associate Independent Professional Engineer with Caracle Creek International Consulting Inc. and have an address at 25 3rd Side Road, Milton, Ontario, Canada, L9T 2W5.
2. I graduated from the University of Toronto (Toronto, Ontario) with a B.A.Sc. (Geological Engineering) in 1976 and from the University of Toronto (Toronto, Ontario) with an M.A.Sc. (Applied Geology and Geochemistry) in 1979.
3. I have been a member, in good standing, of the Association of Professional Engineers of Ontario since June 1980 (Licence Number 42706010) and possess a Certificate of Authorization to practice my profession.
4. I have practiced my profession continuously for 39 years and have been involved in mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting, and have authored or co-authored numerous reports on a multitude of commodities including nickel-copper-platinum group element, base metals, precious metals, lithium, iron ore and coal projects in the Americas.
5. I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “Qualified Person” for the purposes of NI 43-101.
6. I am responsible for sections 3.0, 11.0, 12.0, 23.0, 24.0, and 26.0 and sub-sections 1.1.4, 1.2, 1.3, 1.11, 1.12, 1.15 to 1.18, and 2.4 to 2.6, in the technical report titled, “National Instrument 43-101 Technical Report and Updated Mineral Resource Estimate for the Reid Ni-Co-Cr-PGE Deposit, Reid Nickel Sulphide Project, Timmins Nickel District, Ontario, Canada”, issued 26 February 2026, with a mineral resource effective 7 January 2026, and a report effective 23 February 2026 (the “Technical Report”).
7. I visited the Reid Nickel Sulphide Project (Reid Deposit) to complete a Personal Inspection for one day on 19 February 2026 and 20 November 2024.
8. I am independent of Canada Nickel Company Inc. (the Issuer) applying all the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.
9. I was a Co-Author on the previous NI 43-101 report titled, “National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project, Timmins Nickel District, Ontario, Canada”, issued 5 February 2025 and with an effective date of 5 December 2024, and I am in independent consultant to the Company.
10. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
11. As of the effective date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Milton, Ontario this 26th day of February 2026.

/s/ John Siriunas

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

CERTIFICATE OF QUALIFIED PERSON

David Penswick (P.Eng., M.Sc.)

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

1. I am self-employed as an independent consultant. The operating name of my consultancy is Gibsonian Inc., located in Toronto, Canada.
2. I graduated from Queens' University in Kingston Canada with a BSc – Mining Engineering in 1989. I graduated from University of Witwatersrand in Johannesburg, South Africa with a MSc – Mining Engineering in 1993.
3. I am a professional engineer in good standing with the Professional Engineers Ontario (PEO) in Canada (license# 100111644).
4. I have practiced my profession continuously as a mining engineer in various capacities since 1989. I have been continuously self-employed as a consultant since 2002.
5. I have read the definition of "Qualified Person" set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
6. I am responsible for sections 3.0, 23.0, 24.0, and 26.0 and sub-sections 1.3, 1.14.1, 2.4, 2.6, 14.11, and 25.9.1 in the technical report titled, "National Instrument 43-101 Technical Report and Updated Mineral Resource Estimate for the Reid Ni-Co-Cr-PGE Deposit, Reid Nickel Sulphide Project, Timmins Nickel District, Ontario, Canada", issued 26 February 2026, with a mineral resource effective 7 January 2026, and a report effective 23 February 2026 (the "Technical Report").
7. I have not visited the Reid Nickel Sulphide Project (Reid Deposit).
8. I am independent of Canada Nickel Company Inc. (the Issuer) applying all the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.
9. I was a Co-Author on the previous NI 43-101 report titled, "National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project, Timmins Nickel District, Ontario, Canada", issued 5 February 2025 and with an effective date of 5 December 2024, and I am in independent consultant to the Company.
10. I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
11. As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Toronto, Ontario this 26th day of February 2026.

/s/ David Penswick

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David Penswick (P.Eng. Ontario #100111644, M.Sc.)

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

1.0 SUMMARY

1.1 INTRODUCTION

Geological consulting group Caracle Creek International Consulting Inc. ("Caracle") was engaged by Canadian public company Canada Nickel Company Inc. ("Canada Nickel", or "CNC", or the "Company", or the "Issuer"), to prepare an independent National Instrument 43-101 ("NI 43-101") Technical Report in support of an updated Mineral Resource Estimate (the "Report") for its Reid Nickel Sulphide Project (the "Project" or "Reid Project" or the "Property" or "Reid Property") and the Reid Ni-Co-Cr-PGE Deposit ("Reid Deposit" or the "Deposit"), Timmins Nickel District, Ontario, Canada.

This Report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators' National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011) and in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources & Mineral Reserves (CIM, 2014) and CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (CIM, 2019).

1.1.1 Purpose of the Technical Report

The Technical Report has been prepared for Canada Nickel Company Inc., a Canadian public company trading on the TSX Venture Exchange (CNC:TSXV), to provide a summary of scientific and technical information and data concerning the Property and an updated Mineral Resource Estimate (the "MRE") for the Reid Deposit, in support of the Standards of Disclosure for Mineral Projects according to Canadian National Instrument 43-101.

1.1.2 Previous Technical Reports

This Report is the current NI 43-101 Technical Report in support of an updated Mineral Resource Estimate for the Reid Nickel Sulphide Project and Reid Ni-Co-Cr-PGE Deposit. This Report replaces the previous NI 43-101 Technical report titled, "National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project, Timmins Nickel District, Ontario, Canada", issued 5 February 2025 and with an effective date of 5 December 2024.

1.1.3 Effective Date

The Mineral Resource Estimate for the Reid Deposit is effective 7 January 2026, the Report, issued 26 February 2026, is effective 23 February 2026 (together the "Effective Date").

1.1.4 Qualifications of Consultants

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

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

Mr. Siriunas is a Professional Engineer (APEO #42706010) with experience in geology, mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, and valuation and evaluation reporting.

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

Dr. Scott Jobin-Bevans, Mr. John Siriunas, and Mr. David Penswick, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person ("QP"), as that term is defined in NI 43-101 and specifically sections 1.5 and 5.1 of NI 43-101CP (Companion Policy).

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

1.2 PERSONAL INSPECTION (SITE VISIT)

Mr. John Siriunas (M.A.Sc., P.Eng.) visited the Project on November 20, 2024, accompanied by Mr. Edwin Escarraga, CNC's Director of Exploration. The visit was made to observe the general Property conditions and access, and to verify the locations of some of the drill‑hole collars from the work carried out by CNC in 2022 and 2024. A subsequent second visit was made on February 19, 2026, to view examples of core collected during the diamond drilling programs in the latter part of 2024 and 2025; this visit was facilitated by Ms. Jennifer Gignac, P.Geo., Project Geologist for CNC.

Travel from the City of Timmins, Ontario to the Property area (~60 km) takes approximately 60 minutes via Hwy 101, the Kamiskotia Road and forest access routes that continue to the north and eventually intersect Hwy 11 west of the Mattagami River and the Town of Smooth Rock Falls.

The Lower Sturgeon hydro-electric Generating Station of Ontario Power Generation Inc. is located approximately 7 km to the east-northeast of the Property area on the Mattagami River. The Company's important Crawford Township Property is located only 18 km to the east-northeast of the Property location but the Mattagami River provides a logistical barrier between the two Property areas; for much of the early exploration work, access to the Property was facilitated by helicopter from the vicinity of Crawford Township.

During the site visit, diamond drilling procedures were discussed and a review of the logging and sampling facilities for processing the drill core was carried out. The Company's secure storage and logging facility is located at CNC's Exploration Office at 170 Jaguar Drive, Timmins.

1.3 RELIANCE ON OTHER EXPERTS

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

1.4 PROPERTY DESCRIPTION AND LOCATION

The Reid Nickel Sulphide Project, located mainly in the townships of Reid and Thornburn with some of the mining claims in Mahaffy and Geary townships, 38 km northwest of a long-lived and active mining centre, the City of Timmins. The approximate centre of the Property is at about 456500 mE, 5401790 mN (NAD83 Zone 17N) or Latitude 48°46’3” N and Longitude 81°35’31” W. The Project is within the Timmins Nickel District (Timmins Mining Division), NTS Map Sheet 042A13.

1.4.1 Mineral Disposition

The Project consists of 187 Single Cell Mining Claims (“SCMC”s) and 2 Multi-Cell Mining Claims (“MCMC”s) totalling approximately 4,871 ha. The unpatented mining claims are 100% owned by Canada Nickel (subject to certain NSRs) and most of the surface rights are held by the Crown (Ontario).

1.4.2 Claim Status and Holdings Costs

All mining claims that comprise the Project have an Active status and are held 100% by Canada Nickel Company Inc. subject to specific Net Smelter Return Royalties (“NSR”s).

As of the Effective Date of this Report, all mining claims are valid with expiry dates ranging from 4 October 2026 to 11 September 2027. Annual assessment work requirements total $91,600 for the 189 mining claims and as of the Effective Date there is $9,879,064 in Reserve available to apply against the mining claims.

1.4.3 Surface Rights and Legal Access

Most of the surface rights associated with the Project are owned by the Government of Ontario (Crown Land) and access to most of the Property, including the target area, is unrestricted.

1.4.4 Current Permits and Work Status

The Company has one active Exploration Permit (PR-24-000017) with respect to the Reid Project (the “Permit”) which was issued 10 April 2024. The Permit covers 20,000 m of mechanized drilling from more than 20 drill hole pads using NQ core and expires 9 April 2027. As of the Effective Date of this Report there are no exploration work programs being conducted on the Property.

1.4.5 Community Consultation

The Company will maintain an open dialogue with all stakeholders associated with the Project, including private landowners, government officials and representatives of the First Nations and Metis Nation of Ontario. Indigenous groups identified by MINES during the permitting process which include:

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

1.4.6 Environmental Studies and Liabilities

There are no environmental studies being undertaken by the Company for the Reid Project.

1.4.7 Royalties and Obligations

The Reid Project consists of 189 mining claims of which 171 mining claims were acquired from several vendors in five separate Purchase Agreements.

In the first purchase agreement (Hollace Boychuk) dated 17 June 2021, a 100% ownership was acquired in 11 SCMCs. The mining claims are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C$1M.

In the second purchase agreement (Robert Rongits) dated 23 September 2021, Canada Nickel acquired a 100% ownership in two MCMCs. The multi-cell mining claims are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C$1M.

In the third purchase agreement (2205730 Ontario Inc) dated 16 January 2024, a 100% ownership was acquired in 11 SCMCs. The mining claims do not have any NSRs or obligations attached to them.

In the fourth purchase agreement (2205730 Ontario Inc) dated 27 March 2023, a 100% ownership was acquired in 134 SCMCs. The mining claims do not have any NSRs or obligations attached to them.

In the fifth purchase agreement (Robert Laviolette and John Der Weduwen) dated 16 April 2024, Canada Nickel acquired a 100% ownership in 13 SCMCs. The mining 13 claims are subject to a 1.0% NSR with a Buy-Down Option allowing CNC to purchase 0.5% of the NSR for C$250,000 from Robert Laviolette. An additional 1.0% NSR, with a Buy-Down Option allows CNC to purchase 0.5% of the NSR for C$250,000 from John Der Weduwen.

1.4.8 Other Significant Factors and Risks

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations and Metis Nation of Ontario Specific groups identified by MINES during the permitting process. In areas within the Project for which Canada Nickel does not hold the surface rights, there is always the risk that owner of the surface rights could not allow access for mining should mineralization be discovered in those areas.

As of the Effective Date of this Report, the QP Scott Jobin-Bevans is not aware of any significant factors that may affect access, title, or the right or ability to perform the proposed work program on the Reid Project.

1.5 PROPERTY ACCESS AND OPERATING SEASON

The Reid Project is located approximately 38 km northwest of the City of Timmins, Ontario, Canada. It is accessed by driving 8 km west from the city centre along provincial highway 101, taking a right on Kamiskotia road and following it for approximately 20 km before turning left onto Abitibi Main road and following it north for approximately 22 kilometres. From this point and to the east, the Property is accessed mainly by the newly constructed Reid Road for approximately 5 km, which intends to serve all year-round access to the Company and forestry. At the end of Reid Road are a series of minor winter logging roads for which, depending on conditions, all-terrain vehicles may need to be used.

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

1.5.1 Local Resources and Infrastructure

The full range of equipment, supplies and services required for any mining development is available in the City of Timmins that has a population of approximately 50,000 people. The general Timmins area also possesses a skilled mining workforce from which personnel could be sourced for any new mine development. Regional powerlines extend from northeast of Timmins and are near to the Property. Mineral processing facilities are located nearby at the Kidd Creek (base metals (VMS) and nickel) and Redstone (nickel) process plants. Northern Sun Mining's Redstone Mill Facility, commissioned in 2007, is located south of Timmins and is a nickel concentrator plant, designed to process up to 2,000 tonnes per day of high MgO Ni-Cu-PGE mineralization.

On 8 February 2024, Canada Nickel Company Inc. announced that its wholly-owned subsidiary, NetZero Metals Inc. ("NetZero Metals" or the "Company") intends to develop two processing facilities in the Timmins Nickel District: a nickel processing facility and stainless-steel and alloy production facility (Canada Nickel news release 8 February 2024). These initiatives are expected to represent an important economic development for the Timmins Nickel District and provide significant additional capacity to fill a critical link in the development of North American critical minerals supply chains and the province's electric vehicle strategy. Each production facility is expected to utilize Canada Nickel's carbon storage capacity at Canada Nickel's Crawford Nickel Project to deliver zero carbon nickel and stainless steel and alloy production.

The Company is currently at the site-selection stage, considering several sites in the region. The Company is also in the process of choosing engineering firms to complete the design of both facilities and expects to announce the selected firms shortly. Feasibility studies are underway and expected to be completed by year-end, with the nickel processing plant expected to begin production by 2027 (Canada Nickel news release 8 February 2024).

1.5.2 Water Availability

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

1.6 HISTORY

Known exploration in the Project area dates to the early 1950s, with some diamond drilling and a suite of ground and airborne geophysical surveys (private companies and Ontario Government - Ministry of Northern Development and Mines/MNDM).

In the 1960s, with the discovery of the Kidd Creek Volcanogenic Massive Sulphide ("VMS") deposit - located about 17 km southeast of Reid - exploration in the Project area intensified with multiple explorers searching for conductive massive sulphide deposits akin to Kidd Creek (Ferron and Escarraga, 2023). Below is a summary of the historical exploration work completed within or close to the current Property boundary.

1.6.1 Prior Ownership and Ownership Changes

The Reid Project consists of 189 mining claims of which 171 mining claims were acquired from several vendors in five separate Purchase Agreements. Canada Nickel now owns a 100% interest in the Property subject to underlying royalties (*see* Section 1.4.7 – Royalties and Obligations).

1.6.2 Historical Exploration Work

Exploration was directed particularly in the south-central portion of Reid Township with very little exploration completed over the target Reid Ultramafic Complex ("RUC") in the northwestern area. Due to the relatively thick overburden covering much of the area, these studies were generally biased to geophysical studies, particularly electromagnetics (EM). Diamond drilling was then used in follow up to test any geophysical anomalies. This historical exploration work is based on publicly available (Government of Ontario) work assessment filings made by past operators within and around the Reid Project.

There are 22 historical assessment work reports/files, as recorded by the Ontario Government, that have >90% of their work program area "polygon" occurring within the boundary of the Reid Project. There is nothing particularly significant in this work in terms of adding value to the current exploration and development program by the Company on the Reid Project.

1.6.3 Historical Drilling

A total of 44 historical diamond drill holes were completed within the boundary of the Reid Project from the 1950s to 1999 (Ontario Drill Hole Database (ODHD), 2025). Six of these drill holes tested the RUC, encountering serpentinized ultramafic rocks; none of the holes reported assay results.

1.7 GEOLOGICAL SETTING AND MINERALIZATION

The Property lies within the southwestern areas of the Neoarchean (2.75-2.67 Ga) Abitibi Sub-Province or Abitibi Greenstone Belt ("AGB") of the Southern Superior Province. The "granite-greenstone" dominated Abitibi Sub-Province extends some 700 km along the south-eastern edge of the Archean Superior Craton. The volcanic stratigraphy of the Abitibi Sub-Province is divided into seven episodes or assemblages, based on similarity of age intervals, stratigraphy and geochemistry.

1.7.1 Property Geology

The Property area is mainly underlain by depositional units of the Kidd-Munro (2719 to 2711 Ma) and Blake River (2704 to 2696 Ma) assemblages. Units in this age range include the "type" Kidd-Munro Assemblage of the southern Abitibi Greenstone Belt ("AGB") in Ontario and the La Motte-Vassan and Dubuisson Formations of the Malartic Group in Québec. The Kidd-Munro Assemblage is subdivided into lower and upper parts (Ayer *et al.*, 2005).

The Lower Kidd-Munro Assemblage (2719 Ma to 2717 Ma) occurs within the western portion of the Property. It consists of localised, regionally discontinuous depositional centres of predominantly intermediate to felsic calc-alkaline volcanic rocks (Ayer *et al.*, 2005).

The Upper Kidd-Munro Assemblage (2717 Ma to 2711 Ma) occurs within the eastern portion of the Property. It consists of tholeiitic and komatiitic volcanic rocks with minor centimetre-to-metre scale graphitic metasedimentary rocks and localised felsic volcanic centres. The upper Kidd-Munro Assemblage has been interpreted to reflect the impact of widespread mantle plume-related magmatism on localized lower Kidd-Munro arc-magmatism volcanic centres (Ayer *et al.*, 2005).

The RUC intrudes both Kidd-Munro Assemblage (Upper and Lower units) and Lower Blake River Assemblage (Ayer *et al.*, 2005).

1.7.2 Property Structures

The Property is crossed by several northwest and northeast faults which have displaced the local lithologies. The most significant fault within the Project area is the Mattagami River Fault, a near north-trending regional fault that significantly displaces assemblages of the AGB.

1.7.3 Reid Ultramafic Complex (RUC)

Reid Ultramafic Complex (RUC) is a ‘Z-shaped’, folded and overturned ultramafic complex with two thinner tails to the northwest and the southeast and a wider centre dunitic body. Ultramafic rocks of the RUC trend generally north-south and dip steeply to the south-southeast. Drill-testing has demonstrated a repeating succession of progressively more felsic, peridotite-pyroxenite-gabbro sequences becoming thinner in the younging direction on the east-southeast side of the unit. Associated ultramafic lamprophyre dikes variably crosscut the main body. The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes crosscut the Property, trending generally north-northeast (Ferron and Escarraga, 2023).

1.7.4 Reid Deposit Geology and Ni-Co-(PGE) Mineralization

The shape of the Reid Ultramafic Complex (RUC) is expressed mainly through its geophysical signature (magnetics) within the northwest area of Reid Township and continuing north into Mahaffy Township and west into Geary Township. Like several other ultramafic (*i.e.*, peridotite and dunite) to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) within the Timmins Nickel District, the RUC contains magmatic nickel, cobalt, copper, and platinum-group element (PGE) sulphide mineralization hosted within highly serpentinized komatiitic ultramafic rocks.

The RUC’s magnetic signature reflects a “Z-shaped” body, with a wide dunitic core and two smaller, thinner tails in the north-northwest and south-southeast. The main area of the RUC which approximately defines mineral resource (Reid Deposit) is approximately 2.2 km along strike (west to east), 0.6 to 1.2 km in width and at least 700 m deep (open at depth).

Nickel, cobalt, copper, and PGE mineralization within the RUC is interpreted to be the result of a combination of two processes and occurs in two forms:

(1) Original or “primary” mineralization in the form of disseminated sulphides, or in very rare cases semi-massive to massive sulphides, occurs at or near the base of komatiitic sequences or in structural or proto-topographic traps which developed within the magmatic flows. Primary nickel mineralization tends to be dominated by pentlandite.

(2) Secondary mineralization occurs within strongly altered and serpentinized ultramafic rocks (*i.e.*, dunite>peridotite>pyroxenite). The serpentinization process results in the release of nickel that was trapped in the silicate mineral phases (primarily olivine), creating a series of new nickeliferous minerals (*i.e.*,

heazlewoodite, awaruite, millerite, pentlandite), with the mineral phase dependent on the amount of available sulphur. Serpentinization also results in an increase in magnetism (liberation of magnetite) and reduced specific gravity (rock hydration) in the ultramafic rocks. This secondary process (serpentinization) is interpreted to be the principal cause of low-grade nickel mineralization within the RUC and other komatiitic intrusions in the Timmins Nickel District.

The target minerals for potential economic recovery are nickeliferous heazlewoodite, awaruite, millerite, and pentlandite.

1.8 DEPOSIT TYPES

The Reid Nickel-Cobalt Sulphide Project and the Reid Deposit consist mainly of nickel sulphides (*e.g.*, awaruite, heazlewoodite, pentlandite, millerite, pyrrhotite), lesser copper sulphide minerals (*i.e.,* , chalcopyrite) and PGE minerals, hosted by intrusive komatiitic rocks (magnesium-rich and high-temperature volcanic rocks) which fall into the higher-grade nickel/lower-tonnage region of nickel deposit types.

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

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

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

Komatiite-associated nickel sulphide deposits are part of a continuum of lithotectonic associations in the family of magmatic Ni-Cu-PGE deposits, which contains a variety of mineralization types (Lesher and Keays, 2002). Mineralization discovered to date on the Reid Property can be characterized as ultramafic intrusive (extrusive?) komatiite-hosted Ni-Cu-Co-(PGE) deposit type (*e.g.*, Barnes and Fiorentini, 2012), which recognizes two sub-types or styles (Lesher and Keays, 2002): Type I Kambalda-style and Type II Mt. Keith Style. The Reid Deposit is interpreted to be more closely associated with the Type II Mt. Keith-style.

Specifics of the Type II Mt. Keith-style include thick olivine adcumulate-hosted; sheet flow theory; disseminated and bleb sulphides, hosted primarily in a central core of a thick, differentiated, dunite-peridotite dominated, ultramafic body; more common nickel sulphides such as pyrrhotite and pentlandite but also sulphur-poor mineral heazlewoodite (Ni3S2) and nickel-iron alloys such as awaruite (Ni3-Fe); generally on the order of 10s to 100s of million tonnes with nickel grades of less than 1% Ni (*e.g.*, Mt. Keith, Australia; Dumont Deposit, Quebec).

1.9 EXPLORATION

The Company has completed three phases of diamond drilling (2022, 2024, and 2025). The Company has also completed comminution testwork, metallurgical variability tests, and ongoing QEMSCAN mineralogical studies.

1.10 DIAMOND DRILLING

Three phases of diamond drilling have been completed by the Company; the first phase between 18 March and 2 April and 9 June and 25 September 2022, the second phase between 26 January and 19 December 2024, and the third between 8 January and 9 April 2025. All collar locations are reported using NAD83 UTM Zone 17N grid projection.

As of the Effective Date, a total of 90 diamond drill holes (including one abandoned hole REI24-29A) were completed between the three phases, totalling 51,179.4 metres. All drill holes were used in the current MRE except for drill holes REI24-12, 13, and 15.

Drilling was completed using NQ core tools (NW casing) and all casing was left in the ground except for hole REI24-29A which was abandoned. Down-the-hole surveys were completed after casing and then every 50 m during drilling using a Reflex EZ-Gyro system. Once the hole was completed all holes were surveyed with Reflex Sprint-IQ gyro compass continuous survey system.

1.11 SAMPLE PREPARATION, ANALYSIS AND SECURITY

Mr. Edwin Escarraga (P.Geo.), a qualified person as defined by NI 43-101, is responsible for the ongoing drilling and sampling program, including quality assurance (QA) and quality control (QC), together QA/QC.

The Company has completed a total of 90 diamond drill holes on the Reid Project, 16 in 2022, 46 in 2024, and 28 in 2025; the results for a total of 36,240 multi-element analyses from these programs (drill core samples and those samples included for QA/QC purposes) were available at the time of this report. All analyses are reported on a "weight-by-weight" basis (*e.g.*, ppb or parts per billion = ng/g).

The core is marked and sampled at primarily 1.5-metre lengths and cut with diamond blade saws or a hydraulic core splitter. Samples are bagged with QA/QC samples inserted into the sample stream at the recommended rate in each batch of 20 samples. Each batch of 20 samples therefore includes: i) one sample selected from the various Certified Reference Materials used; ii) one sample of blank material; and iii) a sample tag indicating which laboratory-prepared sample pulp is to be reanalyzed as a duplicate sample. Samples (60 per lot) are transported in secure bags directly from the company core shack to Activation Laboratories Ltd. (Actlabs) in Timmins or by commercial truck transport (Manitoulin Transport Inc.) to SGS Canada Inc. (SGS) in Lakefield, Ontario. In general, the core recovery for the diamond drill holes on the Property has been better than 95% and little core loss due to poor drilling methods or procedures has been experienced.

In the opinion of the QPs (John Siriunas and Scott Jobin-Bevans), sample preparation, security and analytical procedures used by Canada Nickel and the assay data are adequate for the purposes of this Report, for the verification of drill core assays, and for use in a preliminary economic assessment ("PEA"). The QPs (Scott Jobin-

Bevans and John Siriunas) have not seen any factors from the drill core database that would materially impact the reliability or accuracy of the data and information for use in the current Mineral Resource Estimate on the Reid Deposit.

1.12 DATA VERIFICATION

The QPs (Scott Jobin-Bevans and John Siriunas) have reviewed historical and current data and information regarding historical and current exploration work on the Property, and as provided by the Issuer, Canada Nickel Company, and as available in the public domain.

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

The QP (Scott Jobin-Bevans) has independently reviewed the status of the mining lands held by the Issuer through the Government of Ontario's Mining Lands Administration System ("MLAS"), an online portal which hosts information regarding mining claims in the Province.

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

1.13 MINERAL PROCESSING AND METALLURGICAL TESTING

The Issuer, Canada Nickel Company, has conducted initial mineral processing and metallurgical testing including a mineralogical program aimed at characterizing drill core samples, comminution testwork on 30 samples to develop an initial understanding of breakage parameters across the deposit, as well as preliminary, open circuit metallurgical variability testing on 13 samples.

1.14 MINERAL RESOURCE ESTIMATE (2026)

Caracle Creek was retained by CNC to prepare an initial NI 43-101 compliant mineral resource estimate ("MRE") supported by a technical report, for the Reid Nickel Sulphide Deposit which is within the Reid Nickel Sulphide Project. The MRE incorporates all current diamond drilling for which the drill hole data and information could be confidently confirmed. The MRE has an effective date of 7 January 2026

The MRE for the Reid Deposit, disclosed herein, was prepared under the supervision of Dr. Scott Jobin-Bevans (P.Geo.), using all available information and reviewing the work completed by Miguel Vera (B.Sc., Geology; Resource Geologist).

Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 8 December 2025, the database closure date. The MRE has an effective date of 7 January 2026.

The Mineral Resource Statement for the initial Mineral Resource Estimate on the Reid Ni-Co-Cr-PGE Deposit is provided in Table 1-1.

Table 1-1. Indicated and Inferred pit-constrained Mineral Resource Statement within the Reid Deposit.

Domain	Class	Tonnage (Mt)	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe (%)	Fe (Mt)	Cr (%)	Cr (kt)	S (%)	S (kt)	Pd (g/t)	Pd (koz)	Pt (g/t)	Pt (koz)
Higher Grade (DUN)	Measured	39.1	0.27	106.9	0.013	4.9	5.6	2.2	0.70	273.4	0.063	24.4	0.015	19.2	0.008	9.8
	Indicated	728.5	0.24	1,776.0	0.012	88.2	6.1	44.2	0.70	5,097.0	0.051	368.0	0.010	231.2	0.007	167.0
	MEA+IND	**767.6**	**0.25**	**1,882.8**	**0.012**	**93.1**	**6.0**	**46.3**	**0.70**	**5,370.4**	**0.051**	**392.4**	**0.010**	**250.4**	**0.007**	**176.8**
	Inferred	983.5	0.24	2,338.1	0.012	118.4	6.1	60.2	0.71	6,955.6	0.048	469.6	0.009	290.6	0.007	225.7
Lower Grade (TDUN)	Measured	1.6	0.20	3.3	0.011	0.2	6.3	0.1	0.64	10.5	0.052	0.9	0.003	0.2	0.004	0.2
	Indicated	138.1	0.19	259.6	0.013	18.0	7.3	10.0	0.57	785.9	0.048	66.8	0.015	64.8	0.012	52.7
	MEA+IND	**139.7**	**0.19**	**262.9**	**0.013**	**18.2**	**7.2**	**10.1**	**0.57**	**796.5**	**0.048**	**67.7**	**0.015**	**65.0**	**0.012**	**52.9**
	Inferred	466.8	0.19	882.3	0.013	59.3	7.2	33.5	0.58	2,707.0	0.046	213.2	0.012	173.6	0.010	146.3
Total	**Measured**	**40.7**	**0.27**	**110.2**	**0.013**	**5.1**	**5.6**	**2.3**	**0.70**	**283.9**	**0.062**	**25.3**	**0.015**	**19.4**	**0.008**	**10.0**
	Indicated	**866.6**	**0.23**	**2,035.6**	**0.012**	**106.2**	**6.3**	**54.2**	**0.68**	**5,882.9**	**0.050**	**434.8**	**0.011**	**296.1**	**0.008**	**219.7**
	MEA+IND	**907.3**	**0.24**	**2,145.7**	**0.012**	**111.3**	**6.2**	**56.5**	**0.68**	**6,166.9**	**0.051**	**460.0**	**0.011**	**315.5**	**0.008**	**229.7**
	Inferred	**1,450.2**	**0.22**	**3,220.4**	**0.012**	**177.7**	**6.5**	**93.7**	**0.67**	**9,662.6**	**0.047**	**682.8**	**0.010**	**464.2**	**0.008**	**372.0**

*Totals may not add due to rounding.

Notes to Table 1-1:

1. The independent Qualified Person for the Mineral Resource Estimate, as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), is Dr. Scott Jobin-Bevans (P.Geo., PGO #0183) of Caracle Creek International Consulting Inc. The effective date of the Mineral Resource Estimate is 7 January 2026.
2. The quantity and grade of reported Inferred Mineral Resources in this MRE are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as Indicated or Measured Mineral Resources. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
3. A cut-off grade of 0.10% Ni was used to define potentially economic material for inclusion within the MRE. Cut-offs were determined on the basis of core assay geostatistics and drill core lithologies for the deposit, and by comparison to analogous nickel deposit types.
4. Geological and block models for the MRE used data from a total of 89 surface drill holes, completed by Canada Nickel in 2022, 2024 and 2025. The drill hole database was

validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Canada Nickel and by comparison of umpire assays performed at a second laboratory.

5. Estimates have been rounded to two significant figures.
6. The MRE was prepared following the CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (November 29, 2019) and the CIM Definition Standards for Mineral Resources & Mineral Reserves (May 19, 2014).
7. The geological model as applied to the MRE comprises two mineralized domains hosted by variably serpentinized ultramafic rocks: a relatively higher-grade core (dunite) and a lower grade (transitional dunite). Individual wireframes were created for each domain in Leapfrog Geo 2025.3 software.
8. A 20 m x 20 m x 15 m block model was created, and samples were composited at 7.5 m intervals. Grade estimation from drill hole data was carried out for Ni, Co, Fe, Cr, S, Pd and Pt using the Ordinary Kriging interpolation method in Isatis 2024.12 software.
9. The MRE has been constrained by a conceptual pit envelope that was developed using the following optimization parameters. Metal prices used were US$21,000/t nickel, US$40,000/t cobalt, US$325/t iron, US$3,860/t chromium, US$1,350/oz palladium, and US$1,150/oz platinum. Different pit slopes were used for each layer (in degrees): 9.5 in clay, 11.4 in sand and 45.0 in rock. Exchange rate utilized was US$/C$ at $0.76. Mining costs utilized different values for clay, sand and rock mining, ranging from C$1.72 to C$4.51/t mined. Processing costs and general and administration costs for a 120 ktpd operation (similar to the ultimate scope of Crawford) were C$8.34/t. Based on the range of grade and ratio of sulphur to nickel, calculated recovery averages 52% for Ni, 7% for Co, 55% for Fe, 24% for Cr and 33% for Pt and Pd.
10. Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Distance Squared methods), swath plot analysis, cross-plots of declustered samples against the nearest Ordinary Kriging estimate, and by visual inspection of the assay data, block model, and grade shells in cross-sections.
11. Density estimation was carried out for the mineralized domains using the Ordinary Kriging interpolation method, based on 5,576 specific gravity measurements collected during the core logging process, using the same block model parameters of the grade estimation. As a reference, the average estimated density value within dunite is 2.65 g/cm^3 (t/m^3), while the transitional dunite domain yielded an average of 2.70 g/cm^3 (t/m^3).

The mineral resources disclosed in Table 1-1 are constrained to the pit shell and the 0.10% Ni cut-off grade developed from the pit optimization analysis. The MRE is characterized by domain, class, mineral grades (rounded to two significant figures) and contained metal. The Effective Date of the MRE is 7 January 2026.

1.14.1 Pit Optimization (RPEEE)

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

Specific inputs to the LG algorithm include the following:

- Nickel price of US$21,000/t and payability of 91% (Ni would generate 69% of total metal revenue).
- Iron price of US$325/t and payability of 50%, which is equivalent to US$100/t for iron ore grading 62% Fe (Fe would generate 17% of total metal revenue).
- Chromium price of US$3,860/t and payability of 65% (Cr would generate 12% of total metal revenue).
- Cobalt price of US$40,000/t and payability of 60% (Co would generate 1% of total metal revenue).
- Palladium and Platinum prices of US$1,350/oz and US$1,150/oz, respectively. Combined Palladium and Platinum payability was based on a deduction of 1 g/t 2E PGE and expected to average 60% (the combined metal revenue from Pd and Pt would be 0.5% of the total).

Average mining costs are expected to range as follows:

- C$4.04/t for clay that would be mined using 40 t articulated trucks operating at 13 m average depth below the average surface elevation of RL 270.
- C$2.31/t for sand & till that would be mined using 90 t trucks operating at 28 m average depth.
- C$2.18/t for rock that would be mined using 290 t autonomous trucks operating at 261 m average depth.

Process and administration costs are expected to average C$8.20/t ore for treatment through a 120 kt/d mill. Royalties would average C$0.43/t ore.

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

The cut-off grade was calculated using the following parameters:

- Estimated average recoveries: Ni% = 52, Fe% = 55, Cr% = 24, Co% = 7, and combined Pd+Pt% = 33.
- Metal prices and payability as reported above.
- Marginal costs of C$8.63/t, as reported above.
- A long-term C$ f/x of US$0.76.

Based on these parameters, the marginal cut-off can be achieved with approximately 1.4 lb of in situ nickel per tonne of ore processed. This has been rounded up to an in-situ grade of 0.10% Ni.

It is the opinion of the QP David Penswick that the calculated cut-off grade of 0.10% Ni from pit optimization is relevant to the grade distribution of this Property and that the mineralization exhibits sufficient continuity for economic extraction under this cut-off value.

1.14.2 Exploration Potential

The Reid Deposit is open at depth and has potential extensions to the north and south. With additional drilling it is likely that the current MRE could be expanded from exploration potential (CAT 4) to Inferred (CAT 3), from Inferred to Indicated (CAT 2) and possibly even from Indicated to Measured (CAT 1), depending on the extent and results of future in-fill drilling.

1.15 ADJACENT PROPERTIES

National Instrument 43-101 defines an “adjacent property” as a property: (a) in which the issuer does not have an interest; (b) that has a boundary reasonably proximate to the property being reported on; and (c) that has geological characteristics like those of the property being reported on.

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

1.16 OTHER RELEVANT DATA AND INFORMATION

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

1.17 INTERPRETATION AND CONCLUSIONS

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

This Report is the second and current NI 43-101 Technical Report in support of an updated MRE for the Reid Nickel Sulphide Project. This Report replaces the previous NI 43-101 Technical report titled, "National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project, Timmins Nickel District, Ontario, Canada", issued 5 February 2025 and with an effective date of 5 December 2024. The effective date of the Mineral Resource Estimate for the Reid Deposit and the Technical Report is 7 January 2026.

1.17.1 Risks and Uncertainties

Risks and uncertainties which may reasonably affect reliability or confidence in future work on the Property relate mainly to the reproducibility of exploration results (*i.e.,* exploration risk) in a future production environment. Exploration risk is inherently high when working to advance mature exploration Projects such as the Reid Project which, in general, require the expansion and upgrading of existing mineral resources and the discovery of additional resources. In addition, these risks are mitigated by completing 3D geological modelling, applying the latest in geophysical techniques, and comprehensive interpretation of the data and information to develop high-confidence targets for future drilling programs and updated mineral resource estimates.

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations and Metis Nation of Ontario Specific groups identified by MINES during the permitting process. In areas within the Project for which Canada Nickel does not hold the surface rights, there is always the risk that owner of the surface rights could not allow access for mining should mineralization be discovered in those areas.

The QPs (Scott Jobin-Bevans, John Siriunas, David Penswick) are not aware of any other significant risks or uncertainties that would impact the Issuer's ability to perform the recommended work program and other future exploration work programs on the Property.

1.17.2 Conclusions

Based on the Property's favourable location within a prolific komatiite hosted nickel belt in the extensive Abitibi Greenstone Belt, and the systematic exploration work (*i.e.*, diamond drilling) completed to date, the Property presents excellent potential for the discovery of additional resources containing nickel, cobalt, chromium, PGE and iron, and is worthy of further evaluation.

The characteristics of the Reid Deposit is of sufficient merit to justify advancing the Property including consideration for the undertaking of preliminary engineering, environmental, and metallurgical studies aimed at completing the characterization of nickel mineralization and offering economic guidelines for future exploration strategies, including an initial Preliminary Economic Assessment ("PEA") level study.

Given Canada Nickel Company's intention to develop two processing facilities in the Timmins Nickel District: a nickel processing facility and stainless-steel and alloy production facility (Canada Nickel news release 8 February 2024), the location of the Reid Deposit makes it a prime candidate to supply additional mineralized material to these processing plants.

1.18 RECOMMENDATIONS

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

It is expected that this recommended work program (Table 1-2) can be accomplished within a 12-month period. The expected cost of this single-phase exploration work program (largely diamond drilling) is estimated at C$5.9M (Table 1-2). Collar locations and drill hole parameters for the 23,370-metre diamond drilling program are provided in Table 1-3.

Table 1-2. Budget estimate recommended exploration program, Reid Nickel Sulphide Project.

Item	Description	Unit	No. Units	C$/Unit	Amount (C$)
Data and Information Compilation/Review	review of all data and information	hr	8	$225	$1,800
Modelling (2D/3D) and Targeting	drill hole targeting/planning	hr	16	$225	$3,600
Diamond Drilling	32 holes; 23,370 m (NQ); all-in cost	m	23,370	$145	$3,388,650
Assays (multi-element) - drill core	~65% of total metres (1.5 m samples)	ea.	15,190	$85	$1,291,150
QA/QC	CRMs and duplicates (~10% of primary samples)	ea.	1,519	$90	$136,710
Personnel - drilling program	2 geologists and 2 assistants	day	200	$1,200	$240,000
Program Reporting/Assessment	assessment level reporting	ea.	1	$20,000	$20,000
Mineral Resource Estimate	update and report - NI 43-101	ea.	1	$35,000	$35,000
G&A	food, accommodation, vehicles, fuel, supplies, etc.	ea.	1	$200,000	$200,000
Contingency (10%)		ea.	1	$531,691	$531,691
				Total (C$):	**$5,848,601**

*does not include local taxes and fees

Table 1-3. Summary of diamond drill hole locations and parameters for the recommended drilling program.

PDH ID	UTMX (mE)	UTMY (mN)	UTMZ (m)	Azimuth	Dip	Length (m)
REI-A	456654.5	5404290.2	277.5	356	78	700
REI-B	456587.2	5403901.7	277.5	185	60	800
REI-C	456033.8	5403984.7	280.3	180	88	800
REI-D	456010.0	5403600.0	281.0	0	82	600

PDH ID	UTMX (mE)	UTMY (mN)	UTMZ (m)	Azimuth	Dip	Length (m)
REI-E	456101.3	5404142.3	280.0	178	82	750
REI-F	456162.4	5403786.6	279.5	196	78	700
REI-G	456243.3	5404289.9	278.7	180	90	700
REI-G2	456243.3	5404289.9	278.7	178	60	800
REI-H	456368.3	5403798.2	278.6	340	85	800
REI-I	456373.0	5404401.6	278.1	180	78	800
REI-J	456464.9	5403726.8	278.4	0	86	800
REI-K	456463.0	5404391.4	277.9	178	55	520
REI-HG1	456468.8	5404040.0	278.5	182	74	900
REI-L	456565.6	5404295.5	277.6	0	90	700
REI-M	456755.5	5404331.1	276.2	180	90	700
REI-N	456690.0	5404690.0	275.6	135	65	700
REI-O	456867.2	5404063.8	276.1	0	89	800
REI-P	457324.4	5404025.7	274.5	290	70	800
REI-Q	457246.3	5404434.1	274.5	184	68	800
REI-R	457241.1	5404033.0	275.5	190	78	800
REI-S	457450.0	5404434.6	273.6	345	70	800
REI-S2	457450.0	5404434.6	273.6	184	72	700
REI-P2	457324.4	5404025.7	274.5	61	65	800
REI-U	457556.8	5403906.9	275.1	275	72	800
REI-V	457345.6	5404726.4	273.8	10	60	650
REI-W	458090.0	5403980.0	268.3	270	70	700
REI-X	458075.0	5404350.0	265.0	270	70	700
REI-D2	456010.0	5403600.0	281.0	180	60	600
REI-D3	456010.0	5403600.0	281.0	150	60	600
REI-T	457078.4	5404874.9	274.5	175	60	750
REI-D4	456010.0	5403600.0	281.0	280	60	500
REI-S3	457450.0	5404434.6	273.6	40	60	800
					Total (m):	**23,370**

In addition to the recommended exploration and drilling program (*see* Table 1-2), the Company should consider:

- Bulk sample (HQ-PQ core) metallurgical and mineralogical testwork to better characterise the nickel-cobalt-PGE sulphide mineralization.
- Future drilling programs that target extensions of the high-grade zones.
- Further drill-testing of the upper sequences of peridotite-pyroxenite-gabbro for the presence of 'Reef-Type' PGE mineralization which has been delineated at the analogous Crawford Property and in other komatiitic deposits in the Timmins Nickel District.
- Future drilling focused on untested areas of the RUC, particularly in the western and southern areas.
- Further infill drilling should be conducted to decrease drill spacing and increase confidence in mineralization continuity along strike.

2.0 INTRODUCTION

Geological consulting group Caracle Creek International Consulting Inc. ("Caracle") was engaged by Canadian public company Canada Nickel Company Inc. ("Canada Nickel", or "CNC", or the "Company", or the "Issuer"), to prepare an independent National Instrument 43-101 ("NI 43-101") Technical Report in support of an updated Mineral Resource Estimate (the "Report") for its Reid Nickel Sulphide Project (the "Project" or "Reid Project" or the "Property" or "Reid Property") and the Reid Ni-Co-Cr-PGE Deposit ("Reid Deposit" or the "Deposit"), Timmins Nickel District, Ontario, Canada (Figure 2-1).

This Report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators' National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011) and in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources & Mineral Reserves (CIM, 2014) and CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (CIM, 2019).

Figure 2-1. Location of the Reid Nickel Sulphide Project (red star) in the Timmins Nickel District, Ontario, Canada (Caracle Creek, 2025).

2.1 PURPOSE OF THE TECHNICAL REPORT

The Technical Report has been prepared for Canada Nickel Company Inc., a Canadian public company trading on the TSX Venture Exchange (CNC:TSXV), to provide a summary of scientific and technical information and data concerning the Property and an updated Mineral Resource Estimate (the "MRE") for the Reid Deposit, in support of the Standards of Disclosure for Mineral Projects according to Canadian National Instrument 43-101.

Specifically, this Report provides an independent review of Canada Nickel's Reid Nickel Sulphide Project, an advanced nickel sulphide property that is targeting nickel, cobalt, chromium, and platinum group elements (PGE) metals, verifies the data and information related to historical and current mineral exploration and resources on the Property, and presents a technical report on data and information available from the Company and in the public domain (*see* Section 4.0 – Property Description and Location).

The quality of information, conclusions, and recommendations contained herein have been determined using information available at the time of Report preparation and data supplied by outside sources as outlined in Section 2.6 – Sources of Information, Section 3.0 Reliance on Other Experts, and Section 27.0 - References.

2.2 PREVIOUS TECHNICAL REPORTS

This Report is the current NI 43-101 Technical Report in support of an updated Mineral Resource Estimate for the Reid Nickel Sulphide Project and Reid Ni-Co-Cr-PGE Deposit. This Report replaces the previous NI 43-101 Technical report titled, "National Instrument 43-101 Initial Mineral Resource Estimate for the Reid Nickel Deposit and Technical Report, Reid Nickel-Cobalt Sulphide Project, Timmins Nickel District, Ontario, Canada", issued 5 February 2025 and with an effective date of 5 December 2024 (Jobin-Bevans *et al.*, 2025).

2.3 EFFECTIVE DATE

The Mineral Resource Estimate for the Reid Deposit is effective 7 January 2026, the Report, issued 26 February 2026, is effective 23 February 2026 (together the "Effective Date").

2.4 QUALIFICATIONS OF CONSULTANTS

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

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

Mr. Siriunas is a Professional Engineer (APEO #42706010) with experience in geology, mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, and valuation and evaluation reporting.

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

Dr. Scott Jobin-Bevans, Mr. John Siriunas, and Mr. David Penswick, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person ("QP"), as that term is defined in NI 43-101 and specifically sections 1.5 and 5.1 of NI 43-101CP (Companion Policy). A responsibility matrix is provided in Table 2-1, summarizing each of the Report sections for which the Authors are responsible.

Table 2-1. Responsibility matrix for the preparation of the Report sections by the three Authors (QPs).

Author	Complete Section Responsibility	Sub-Section Responsibility
Scott Jobin-Bevans P.Geo., Caracle Creek	3.0 to 10.0, 12.0, 13.0, 15.0 to 27.0	1.1, 1.1.1 to 1.1.4, 1.3 to 1.14, 1.14.2 to 1.18, 2.0 to 2.4, 2.6, 2.7, 14.1 to 14.10, 14.12, 14.13
John Siriunas P.Eng., Independent	3.0, 11.0, 12.0, 23.0, 24.0, 26.0	1.1.4, 1.2, 1.3, 1.11, 1.12, 1.15 to 1.18, 2.4, 2.5, 2.6
David Penswick P.Eng., Independent	3.0, 23.0, 24.0, 26.0	1.3, 1.14.1, 1.16, 2.4, 2.6, 14.11, 25.9

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

2.5 PERSONAL INSPECTION (SITE VISIT)

Mr. John Siriunas (M.A.Sc., P.Eng.) recently visited the Project on 19 February 2026, facilitated by Ms. Jennifer Gignac, P.Geo., Project Geologist for CNC. During this site visit, examples of drill core from the diamond drilling programs in the latter part of 2024 and 2025 were reviewed.

A previous site visit was made on 20 November 2024, accompanied by Mr. Edwin Escarraga, CNC's Director of Exploration. The previous personal inspection was made to observe the general Property conditions and access, and to verify the locations of some of the drill hole collars from the work carried out by CNC in 2022 and 2024. At the time of the 2024 site visit to the Project location, construction of an all-weather access road to facilitate future additional diamond drilling was being carried out at that time.

Travel from the City of Timmins, Ontario to the Project area (~60 km) takes approximately 60 minutes via Hwy 101, the Kamiskotia Road and forest access routes that continue to the north and eventually intersect Hwy 11 west of the Mattagami River and the Town of Smooth Rock Falls. At the time of the second visit, access to the Property area was not possible due to snow conditions as the access road not being kept open during the winter.

The Lower Sturgeon hydro-electric Generating Station of Ontario Power Generation Inc. is located approximately 7 km to the east-northeast of the Project Area on the Mattagami River. The Company's important Crawford Township Property is located only 18 km to the east-northeast of the Project but the Mattagami River provides a logistical barrier between the two project areas; for much of the early exploration work, access to the Reid Project was facilitated by helicopter from the vicinity of Crawford Township.

During both the visits (2024 and 2026), diamond drilling procedures were discussed and a review of the logging and sampling facilities for processing the drill core was carried out. The Company's secure storage and logging facility is located at CNC's Exploration Office at 170 Jaguar Drive, Timmins.

In the field for the first visit, a Sherp ATV was provided by the Company to provide access to various areas of the Property along existing drill roads/trails. Drill collars are marked and labelled with metal "flags". The locations of approximately one third of the drill collars were verified using a handheld GPS device, in this case an iPhone 12 Pro running the GPS Tracks Pro app by DM Software Solutions LLC; horizontal accuracy was typically ± 5 m. The surveyed locations were generally found to be within the limits of the GPS accuracy (Table 2-2). The two holes that are observed to be outside of the typical limits can be explained as being approximations of the surveyed locations as there were three collars within close spatial proximity and only one GPS reading was taken to represent the three locations. Based on these observations during the initial visit, the authors are confident that drill-collar locations as provided by the Company are consistently accurate.

As there is no outcrop on the Property, no surface grab samples of target mineralization/lithologies can be collected. After verification of existing core logs and assay results against drill core observations, Mr. Siriunas did not feel it necessary to resample the drill core. Examples of the core collected from the Project in 2025 are shown below.

Table 2-2. Diamond drill hole collar locations as noted in the field during the 2024 personal inspection (site visit).

WP Ref.	DDH ID	Field UTM Coords NAD83 Zone 17			Canada Nickel Surveyed Location			Δ (m)
		Easting (m)	Northing (m)	Elev (m)	Easting (m)	Northing (m)	Elev (m)	
37	REI22-09	457449.0	5403799.3	282	457449.63	5403796.27	274.68	3.1
38	REI24-29A	457555.2	5403910.4	280	457556.76	5403906.87	275.16	3.9
39	REI24-47	457767.4	5404101.3	277	457767.83	5404099.04	273.70	2.3
40	REI24-37	457763.9	5404101.5	277	457765.26	5404099.46	273.84	2.5
42	REI22-08	457823.4	5404258.3	275	457817.24	5404254.68	272.74	7.1
43	REI22-03	457816.4	5404257.6	276	457825.29	5404256.48	272.66	9.0
45	REI24-54	456958.7	5403903.0	279	456959.98	5403900.3	275.63	3.0
47	REI24-35	456960.4	5404101.8	279	456960.88	5404099.46	275.56	2.4
48	REI24-49	456962.9	5404098.6	278	456964.06	5404097.31	275.41	1.7
36	REI22-14	456463.6	5403729.1	283	456464.26	5403727.06	278.16	2.1
35	REI24-17 & 38	456367.4	5403801.7	283	456367.97	5403798.76	278.63	3.0
35	REI24-38	456367.4	5403801.7	283	456368.30	5403798.20	278.63	3.6
34	REI24-31	456363.7	5404003.9	283	456364.16	5404001.85	278.48	2.1
49	REI24-35 & 49	456964.4	5404098.1	278	456960.88	5404099.46	275.56	3.8
49	REI24-49	456964.4	5404098.1	278	456964.06	5404097.31	275.41	0.9
41	REI24-37 & 47	457763.9	5404098.0	275	457765.26	5404099.46	273.84	2.0
41	REI24-47	457763.9	5404098.0	275	457767.83	5404099.04	273.70	4.1
44	REI24-50	457822.4	5404258.6	276	457823.83	5404256.46	272.57	2.6

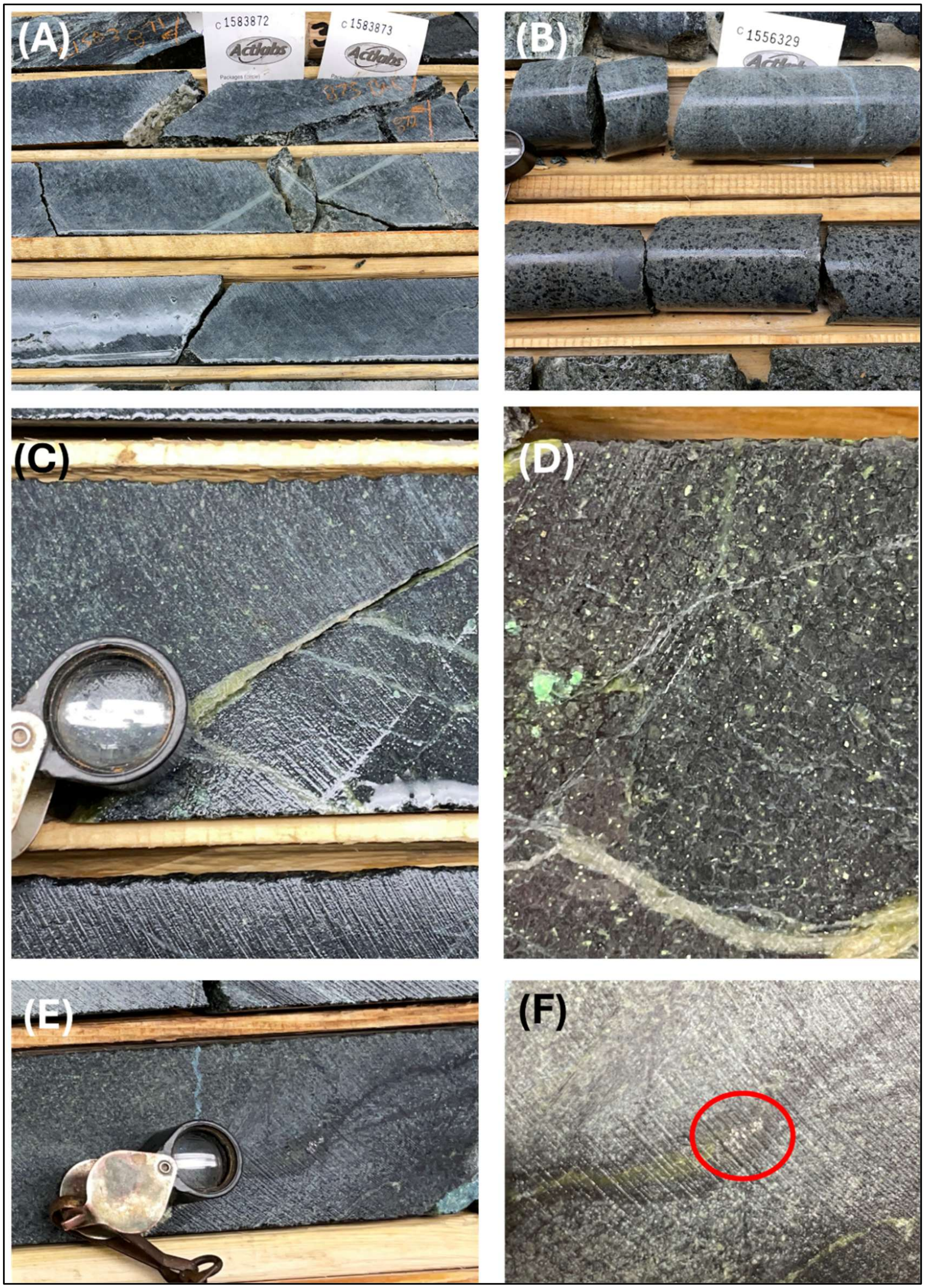


Figure 2-2. Photos taken during the Personal Inspection of the Reid Nickel Sulphide Project in February 2026, (A) Nondescript pyroxenite from hole REI-25-66 that carries up to 1.96 g total PGEs per tonne. (B) Similar pyroxenite from hole REI25-67 again carrying anomalous PGEs but low grades in Ni. This core has been cut using a mechanical hydraulic core splitter. (C) Oxidizing heazlewoodite ("nickel bloom") in the core from hole REI25-69. Assays of up to 0.5% Ni are noted. (D) Close up of previous Figure C. (E) Fracture-controlled heazlewoodite from hole REI25-84. (F) Close up of previous Figure E (Caracle Creek, 2026).

Mr. Siriunas is satisfied with the procedures that had been undertaken by the Company to archive and maintain the core from previous drilling campaigns. Mr. Siriunas is also satisfied with the quality of sampling and record keeping (database) procedures followed by Canada Nickel for the purposes of diamond drilling completed to date, the completion of an initial mineral resource estimate, and with respect to the purpose of this Report (*see* Section 2.1 – Purpose of the Technical Report).

2.6 SOURCES OF INFORMATION

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

Work completed by the Consultants was supported by geological consultants Mr. Miguel Vera (B.Sc., Eng.), a Senior Geologist, Geo-modeller and Resource Geologist with L&M Geociencias SpA, based in Santiago, Chile and Curtis Ferron (P.Geo., MSc), Principal Geoscientist with Ferron Geoscience Consulting Inc., based in Sudbury, Ontario.

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

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

The mining lands system for Ontario was accessed online through the Mining Lands Administration System (“MLAS”) online platform. Digital data and historical work reports (assessment reports) were accessed online through the Ontario Ministry of Mines (“MINES” or “MOM”), which is under the umbrella of the Ministry of Northern Development and Mines Natural Resources and Forests (“MNDMNRF”), previously referred to as the MNDM and MENDM.

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

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

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

2.7 COMMONLY USED TERMS, INITIALISMS AND UNITS OF MEASURE

All units in the Report are based on the International System of Units ("SI"), except for units that are industry standards, such as troy ounces for the mass of precious metals. Table 2-3 provides a list of commonly used terms and abbreviations, Table 2-4 element and mineral abbreviations, and Table 2-5 conversions for common units. Unless specified otherwise, the currency used is Canadian Dollars ("C$") and coordinates are given in North American Datum 83 (“NAD83”), UTM Zone 17N (EPSG:2958; suitable between 84°W and 78°W).

Table 2-3. Commonly used units of measure, abbreviations, initialisms and technical terms.

Units of Measure/ Abbreviations		**Initialisms/ Abbreviations**	
above mean sea level	AMSL	AA	Atomic Absorption
annum (year)	a	AGB	Abitibi Greenstone Belt
billion years ago	Ga	APGO	Association Professional Geoscientists of Ontario
centimetre	cm	ATV	All-Terrain Vehicle
degree	°	BCMC	Boundary Claim Mining Claim
degrees Celsius	°C	CRM	Certified Reference Material
dollar (Canadian)	C$	RUC	Reid Ultramafic Complex
foot	ft	DDH	Diamond Drill Hole
gram	g	DFO	Department of Fisheries and Oceans Canada
grams per tonne	g/t	EM	Electromagnetic
greater than	>	EOH	End of Hole
hectares	ha	EPSG	European Petroleum Survey Group
hour	hr	FA	Fire Assay
inch	in	GSC	Geological Survey of Canada
kilo (thousand)	K	ICP	Inductively Coupled Plasma
kilogram	kg	Int.	Interval
kilometre	km	LDL	Lower Detection Limit
less than	<	LLD	Lower Limit of Detection
litre	L	LOI	Letter of Intent
megawatt	Mw	LUP	Land Use Permit
metre	m	MAG	Magnetics or Magnetometer
millimetre	mm	MINES	Ministry of Energy Northern Development and Mines (MENDM)
million	M	MLO	Mining Licences of Occupation
million years ago	Ma	MOM	Ministry of Mines
nanotesla	nT	MNDM	Ministry of Northern Development and Mines
not analyzed	na	MNDMNRF	Ministry of Northern Development and Mines Natural Resources and Forests
ounce	oz	MNR	Ministry of Natural Resources
parts per million	ppm	MRO	Mining Rights Only
parts per billion	ppb	MSR	Mining and Surface Rights
percent	%	NAD83	North American Datum 83
pound(s)	lb	NI 43-101	National Instrument 43-101
short ton (2,000 lb)	st	NSR	Net Smelter Return (Royalty)
specific gravity	SG	OGS	Ontario Geological Survey
square kilometre	km2	PEO	Professional Engineers Ontario
square metre	m2	P.Geo.	Professional Geoscientist or Professional Geologist

Units of Measure/ Abbreviations		**Initialisms/ Abbreviations**	
three-dimensional	3D	QA/QC	Quality Assurance / Quality Control
tonne (1,000 kg) (metric tonne)	t	QP	Qualified Person
		RC	Reverse Circulation
		RL	Reduced Level (elevation)
		ROFR	Right of First Refusal
		SCMC	Single Cell Mining Claim
		SEM	Scanning Electron Microscope
		SG	Specific Gravity
		SI	International System of Units
		SRM	Standard Reference Material
		SRO	Surface Rights Only
		Twp	Township
		UTM	Universal Transverse Mercator
		VMS	Volcanogenic Massive Sulphide

Table 2-4. Elements and mineral abbreviations.

Elements		**Minerals***	
calcium	Ca	Act	actinolite
cobalt	Co	Aw	awaruite
copper	Cu	Ccp	chalcopyrite
chromium	Cr	Chl	chlorite
gold	Au	Hz	heazlewoodite
iron	Fe	Mag	magnetite
nickel	Ni	Mill	millerite
palladium	Pd	Pn	pentlandite
platinum	Pt	Py	pyrite
platinum group elements	PGE	Qz	quartz
potassium	K	Tlc	talc
silver	Ag		
sodium	Na		
sulphur	S		

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

Table 2-5. Conversions for common units.

Metric Unit	**Imperial Measure**
1 hectare	2.47 acres
1 metre	3.28 feet

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

3.0 RELIANCE ON OTHER EXPERTS

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

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 PROPERTY LOCATION

The Reid Nickel Sulphide Project, located mainly in the townships of Reid and Thornburn, with some of the mining claims in Mahaffy and Geary townships, is about 38 km northwest of a long-lived and active mining centre, the City of Timmins, Ontario (Figure 4-1).

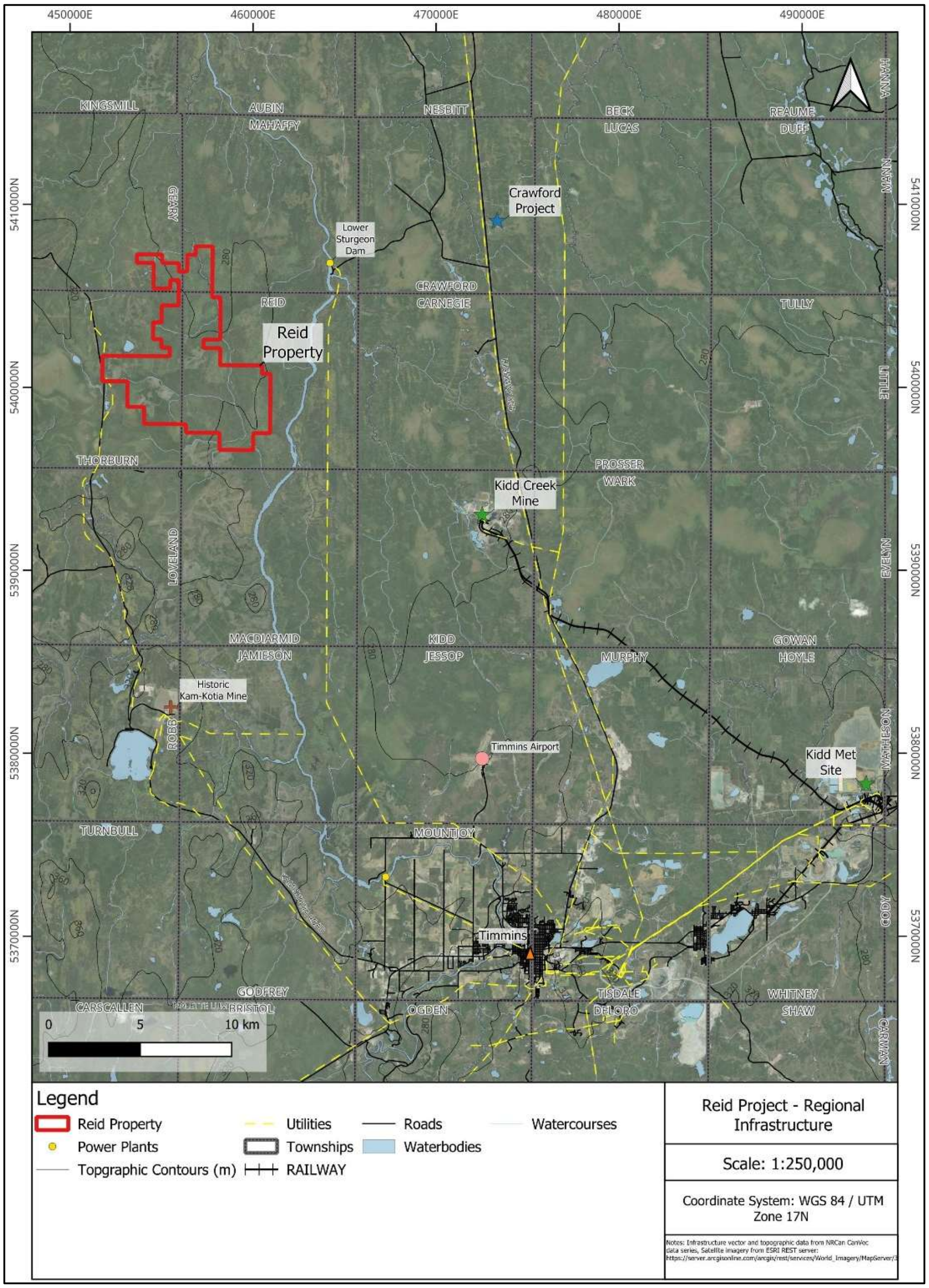


Figure 4-1. Location of the Reid Nickel Sulphide Project (red outline), about 38 km northwest of the mining centre, City of Timmins, Ontario, Canada. Note the location of the Crawford Nickel Project (blue star) northeast of the Reid Property (Caracle Creek, 2026).

The approximate centre of the Property is at about 456500 mE, 5401790 mN (NAD83 Zone 17N) or Latitude 48°46’3” N, Longitude 81°35’31” W. The Project is within the Timmins Mining Division (Timmins Nickel District), NTS Map Sheet 042A13.

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

4.2 MINERAL DISPOSITION

The Project consists of 187 Single Cell Mining Claims (“SCMC”s) and 2 Multi-Cell Mining Claims (“MCMC”s) totalling approximately 4,871 ha (*see* Figure 4-1; Figure 4-2; Table 4-1). The unpatented mining claims are 100% owned by Canada Nickel (subject to certain royalties; *see* Section 4.10 - Royalties and Obligations) and surface rights are held by the Crown (Ontario).

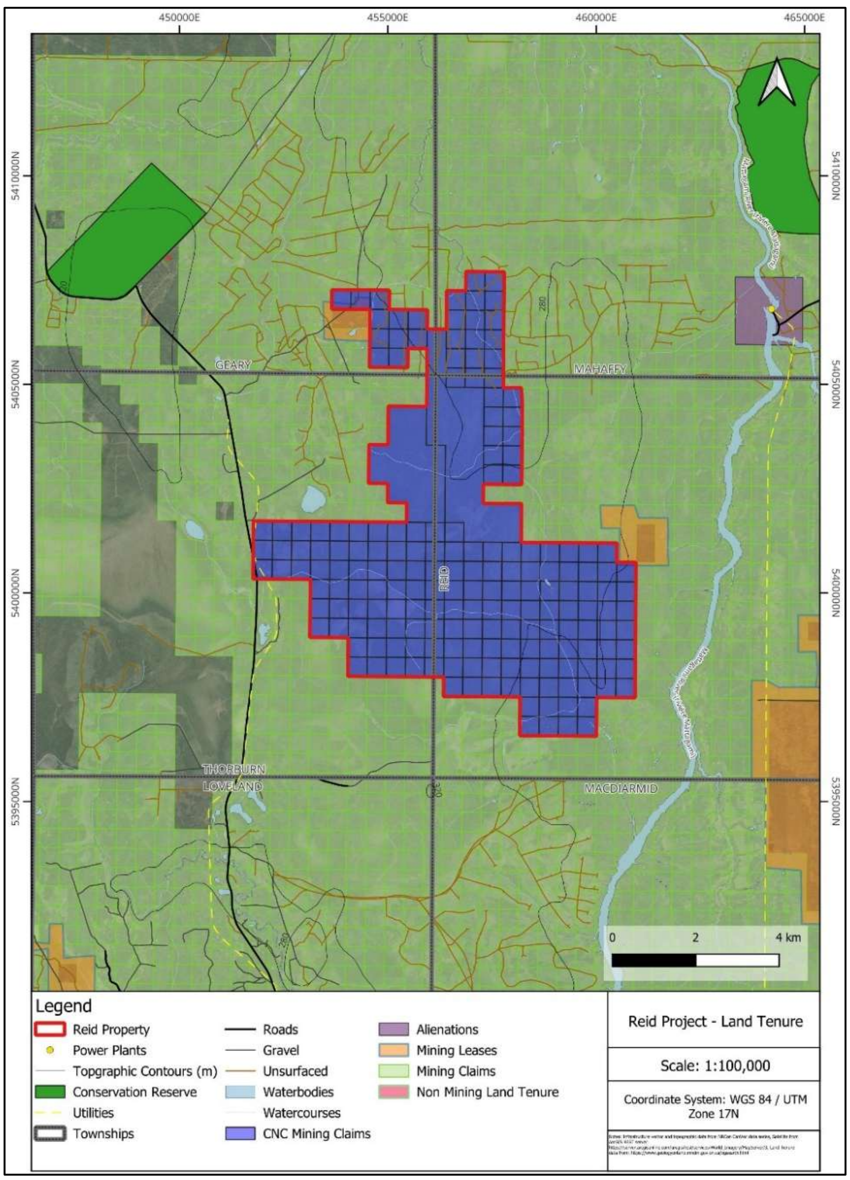


Figure 4-2. Township-scale map showing the location of the Reid Nickel Sulphide Project and surround mining lands (from MLAS, Government of Ontario, 2024; Caracle Creek, 2026).

Table 4-1. Summary of the unpatented mining claims that comprise the Reid Nickel Sulphide Project.

Tenure Number	Type	Issued (dd-mm-yyyy)	Anniversary (dd-mm-yyyy)	Reserve Credits (C$)
650954	SCMC	16-04-2021	16-04-2026	$0
650955	SCMC	16-04-2021	16-04-2026	$0
855481	SCMC	29-08-2023	29-08-2026	$0
855482	SCMC	29-08-2023	29-08-2026	$0
855483	SCMC	29-08-2023	29-08-2026	$0
855484	SCMC	29-08-2023	29-08-2026	$0
855485	SCMC	29-08-2023	29-08-2026	$0
855486	SCMC	29-08-2023	29-08-2026	$0
855487	SCMC	29-08-2023	29-08-2026	$0
855488	SCMC	29-08-2023	29-08-2026	$0
855489	SCMC	29-08-2023	29-08-2026	$0
855490	SCMC	29-08-2023	29-08-2026	$0
855491	SCMC	29-08-2023	29-08-2027	$0
855492	SCMC	29-08-2023	29-08-2027	$0
857633	SCMC	11-09-2023	11-09-2027	$0
650927	SCMC	16-04-2021	16-04-2026	$0
650925	SCMC	16-04-2021	16-04-2026	$0
506740	SCMC	10-04-2018	10-04-2026	$35,816
506741	SCMC	10-04-2018	10-04-2026	$793,748
506742	SCMC	10-04-2018	10-04-2026	$14,525
506743	SCMC	10-04-2018	10-04-2026	$1,522,444
506744	SCMC	10-04-2018	10-04-2026	$1,148,345
507073	SCMC	10-04-2018	10-04-2026	$430,949
507074	SCMC	10-04-2018	10-04-2026	$0
507075	SCMC	10-04-2018	10-04-2026	$0
507076	SCMC	10-04-2018	10-04-2026	$0
507077	SCMC	10-04-2018	10-04-2026	$0
877668	SCMC	25-01-2024	25-01-2027	$0
877669	SCMC	25-01-2024	25-01-2027	$0
877670	SCMC	25-01-2024	25-01-2027	$0
877675	SCMC	25-01-2024	25-01-2027	$0
877676	SCMC	25-01-2024	25-01-2027	$0
877671	SCMC	25-01-2024	25-01-2027	$0
877677	SCMC	25-01-2024	25-01-2027	$0
877678	SCMC	25-01-2024	25-01-2027	$0
877672	SCMC	25-01-2024	25-01-2027	$0
877673	SCMC	25-01-2024	25-01-2027	$0
877674	SCMC	25-01-2024	25-01-2027	$0
604508	MCMC	04-08-2020	04-08-2026	$5,373,267
604509	MCMC	04-08-2020	04-08-2027	$4,842
650926	SCMC	16-04-2021	16-04-2026	$0
650928	SCMC	16-04-2021	16-04-2026	$0
650938	SCMC	16-04-2021	16-04-2026	$0
650939	SCMC	16-04-2021	16-04-2026	$0
650940	SCMC	16-04-2021	16-04-2026	$0
650941	SCMC	16-04-2021	16-04-2026	$0
650942	SCMC	16-04-2021	16-04-2026	$0
650943	SCMC	16-04-2021	16-04-2026	$0
650944	SCMC	16-04-2021	16-04-2026	$0
650945	SCMC	16-04-2021	16-04-2026	$0
650946	SCMC	16-04-2021	16-04-2026	$0
877682	SCMC	25-01-2024	25-01-2027	$0
877679	SCMC	25-01-2024	25-01-2027	$0
877680	SCMC	25-01-2024	25-01-2027	$0
877681	SCMC	25-01-2024	25-01-2027	$0
877683	SCMC	25-01-2024	25-01-2027	$0
521213	SCMC	11-05-2018	11-05-2026	$309,955
650929	SCMC	16-04-2021	16-04-2026	$0
650930	SCMC	16-04-2021	16-04-2026	$0

Tenure Number	Type	Issued (dd-mm-yyyy)	Anniversary (dd-mm-yyyy)	Reserve Credits (C$)
650931	SCMC	16-04-2021	16-04-2026	$0
650932	SCMC	16-04-2021	16-04-2026	$0
650933	SCMC	16-04-2021	16-04-2026	$0
650934	SCMC	16-04-2021	16-04-2026	$0
650935	SCMC	16-04-2021	16-04-2026	$0
650936	SCMC	16-04-2021	16-04-2026	$0
530490	SCMC	03-09-2018	03-09-2026	$0
530491	SCMC	03-09-2018	03-09-2026	$0
530492	SCMC	03-09-2018	03-09-2026	$0
530493	SCMC	03-09-2018	03-09-2026	$0
530494	SCMC	03-09-2018	03-09-2026	$0
530495	SCMC	03-09-2018	03-09-2026	$0
530496	SCMC	03-09-2018	03-09-2026	$0
530497	SCMC	03-09-2018	03-09-2026	$0
530498	SCMC	03-09-2018	03-09-2026	$0
530499	SCMC	03-09-2018	03-09-2026	$0
530500	SCMC	03-09-2018	03-09-2026	$0
530501	SCMC	03-09-2018	03-09-2026	$0
530502	SCMC	03-09-2018	03-09-2026	$0
530503	SCMC	03-09-2018	03-09-2026	$0
530504	SCMC	03-09-2018	03-09-2026	$0
640833	SCMC	05-03-2021	05-03-2027	$172,694
640834	SCMC	05-03-2021	05-03-2027	$0
640835	SCMC	05-03-2021	05-03-2027	$0
640839	SCMC	05-03-2021	05-03-2027	$0
640840	SCMC	05-03-2021	05-03-2027	$0
640842	SCMC	05-03-2021	05-03-2027	$0
640845	SCMC	05-03-2021	05-03-2027	$0
640846	SCMC	05-03-2021	05-03-2027	$0
640847	SCMC	05-03-2021	05-03-2027	$0
640850	SCMC	05-03-2021	05-03-2027	$0
640851	SCMC	05-03-2021	05-03-2027	$0
640854	SCMC	05-03-2021	05-03-2027	$0
640855	SCMC	05-03-2021	05-03-2027	$0
640859	SCMC	05-03-2021	05-03-2027	$72,467
640860	SCMC	05-03-2021	05-03-2027	$0
640861	SCMC	05-03-2021	05-03-2027	$12
849801	SCMC	07-08-2023	07-08-2026	$0
849802	SCMC	07-08-2023	07-08-2026	$0
849803	SCMC	07-08-2023	07-08-2026	$0
849804	SCMC	07-08-2023	07-08-2026	$0
650937	SCMC	16-04-2021	16-04-2026	$0
650947	SCMC	16-04-2021	16-04-2026	$0
650948	SCMC	16-04-2021	16-04-2026	$0
650949	SCMC	16-04-2021	16-04-2026	$0
650950	SCMC	16-04-2021	16-04-2026	$0
650951	SCMC	16-04-2021	16-04-2026	$0
650952	SCMC	16-04-2021	16-04-2026	$0
650953	SCMC	16-04-2021	16-04-2026	$0
650956	SCMC	16-04-2021	16-04-2026	$0
650957	SCMC	16-04-2021	16-04-2026	$0
650958	SCMC	16-04-2021	16-04-2026	$0
650959	SCMC	16-04-2021	16-04-2026	$0
650960	SCMC	16-04-2021	16-04-2026	$0
650961	SCMC	16-04-2021	16-04-2026	$0
650962	SCMC	16-04-2021	16-04-2026	$0
650963	SCMC	16-04-2021	16-04-2026	$0
650964	SCMC	16-04-2021	16-04-2026	$0
650965	SCMC	16-04-2021	16-04-2026	$0
650966	SCMC	16-04-2021	16-04-2026	$0
650967	SCMC	16-04-2021	16-04-2026	$0

Tenure Number	Type	Issued (dd-mm-yyyy)	Anniversary (dd-mm-yyyy)	Reserve Credits (C$)
650968	SCMC	16-04-2021	16-04-2026	$0
650969	SCMC	16-04-2021	16-04-2026	$0
650970	SCMC	16-04-2021	16-04-2026	$0
650971	SCMC	16-04-2021	16-04-2026	$0
650972	SCMC	16-04-2021	16-04-2026	$0
650973	SCMC	16-04-2021	16-04-2026	$0
650974	SCMC	16-04-2021	16-04-2026	$0
650975	SCMC	16-04-2021	16-04-2026	$0
650976	SCMC	16-04-2021	16-04-2026	$0
650977	SCMC	16-04-2021	16-04-2026	$0
650978	SCMC	16-04-2021	16-04-2026	$0
650979	SCMC	16-04-2021	16-04-2026	$0
650980	SCMC	16-04-2021	16-04-2026	$0
650981	SCMC	16-04-2021	16-04-2026	$0
650982	SCMC	16-04-2021	16-04-2026	$0
650983	SCMC	16-04-2021	16-04-2026	$0
650984	SCMC	16-04-2021	16-04-2026	$0
650985	SCMC	16-04-2021	16-04-2026	$0
650986	SCMC	16-04-2021	16-04-2026	$0
650987	SCMC	16-04-2021	16-04-2026	$0
650988	SCMC	16-04-2021	16-04-2026	$0
650989	SCMC	16-04-2021	16-04-2026	$0
650990	SCMC	16-04-2021	16-04-2027	$0
650991	SCMC	16-04-2021	16-04-2026	$0
650992	SCMC	16-04-2021	16-04-2026	$0
650993	SCMC	16-04-2021	16-04-2026	$0
650994	SCMC	16-04-2021	16-04-2026	$0
650995	SCMC	16-04-2021	16-04-2026	$0
650996	SCMC	16-04-2021	16-04-2026	$0
650997	SCMC	16-04-2021	16-04-2026	$0
650998	SCMC	16-04-2021	16-04-2026	$0
650999	SCMC	16-04-2021	16-04-2026	$0
651000	SCMC	16-04-2021	16-04-2027	$0
651001	SCMC	16-04-2021	16-04-2026	$0
651002	SCMC	16-04-2021	16-04-2026	$0
651003	SCMC	16-04-2021	16-04-2027	$0
651004	SCMC	16-04-2021	16-04-2026	$0
651005	SCMC	16-04-2021	16-04-2027	$0
651006	SCMC	16-04-2021	16-04-2026	$0
651007	SCMC	16-04-2021	16-04-2026	$0
651008	SCMC	16-04-2021	16-04-2026	$0
651009	SCMC	16-04-2021	16-04-2027	$0
651010	SCMC	16-04-2021	16-04-2026	$0
651011	SCMC	16-04-2021	16-04-2026	$0
651012	SCMC	16-04-2021	16-04-2026	$0
651013	SCMC	16-04-2021	16-04-2026	$0
652623	SCMC	20-04-2021	20-04-2026	$0
652624	SCMC	20-04-2021	20-04-2026	$0
652625	SCMC	20-04-2021	20-04-2026	$0
652626	SCMC	20-04-2021	20-04-2026	$0
652627	SCMC	20-04-2021	20-04-2026	$0
652628	SCMC	20-04-2021	20-04-2026	$0
652629	SCMC	20-04-2021	20-04-2026	$0
652630	SCMC	20-04-2021	20-04-2026	$0
652631	SCMC	20-04-2021	20-04-2026	$0
652632	SCMC	20-04-2021	20-04-2026	$0
652633	SCMC	20-04-2021	20-04-2026	$0
652634	SCMC	20-04-2021	20-04-2026	$0
652635	SCMC	20-04-2021	20-04-2026	$0
652636	SCMC	20-04-2021	20-04-2026	$0
652637	SCMC	20-04-2021	20-04-2026	$0

Tenure Number	Type	Issued (dd-mm-yyyy)	Anniversary (dd-mm-yyyy)	Reserve Credits (C$)
653129	SCMC	25-04-2021	25-04-2026	$0
741865	SCMC	07-08-2022	07-08-2026	$0
741866	SCMC	07-08-2022	07-08-2026	$0
741867	SCMC	07-08-2022	07-08-2026	$0
741868	SCMC	07-08-2022	07-08-2026	$0
741869	SCMC	07-08-2022	07-08-2026	$0
741870	SCMC	07-08-2022	07-08-2026	$0
741871	SCMC	07-08-2022	07-08-2026	$0
			Total (C$):	**$9,879,064**

4.3 CLAIM STATUS AND HOLDING COSTS

All mining claims that comprise the Project have an "Active" status on the MLAS and are held 100% by Canada Nickel Company Inc., subject to specific Net Smelter Return Royalties ("NSR"s) (*see* Section 4.10 – Royalties and Obligations).

As of the Effective Date of this Report, all mining claims are valid with expiry dates ranging from 4 October 2026 to 11 September 2027. Annual assessment work requirements total $91,600 for the 189 mining claims and as of the Effective Date there is $9,879,064 in Reserve Credit available to apply against the mining claims (*see* Table 4-1).

The 189 unpatented mining claims were independently verified online by the QP Scott Jobin-Bevans through the Mining Lands Administration System ("MLAS") system of the Ontario Ministry of Energy, Northern Development and Mines ("MENDM") or also referred to as "MINES".

4.3.1 Purchase Agreements

Canada Nickel executed five different purchase agreements with four different vendors for the purchase of a total of 169 SCMCs and 2 MCMCs. These 171 mining claims are subject to three different NSRs (*see* Section 4.10 – Royalties and Obligations).

4.3.1.1 2205730 Ontario Inc.

Dated 27 March 2023, the vendor (2205730 Ontario Inc.) agreed to sell a 100% legal and beneficial interest in 134 SCMCs. The purchase price was for 54,000 common shares of Canada Nickel Company Inc.

Dated 16 January 2024, the vendor (2205730 Ontario Inc.) agreed to sell a 100% legal and beneficial interest in 11 SCMCs. The purchase price was for 11,000 common shares of Canada Nickel Company Inc.

4.3.1.2 Hollace Boychuck

Dated 17 June 2021, the vendor (Hollace Boychuck) agreed to sell a 100% right, title and interest in and to the Property free and clear of all charges, encumbrances, liens and claims in 14 SCMCs, subject to an NSR (*see* Section 4.10 – Royalties and Obligations). The purchase price was for 35,000 common shares of Canada Nickel Company Inc.

4.3.1.3 Robert Laviolette and John Der Weduwen

Dated 16 April 2024, the vendors (Robert Laviolette and John Der Weduwen) agreed to sell a 100% right, title and interest in and to the Property free and clear of all charges, encumbrances, liens and claims in 13 SCMCs, subject to an NSR (*see* Section 4.10 – Royalties and Obligations). The purchase price was for a total of 16,000 common shares of Canada Nickel Company Inc.

4.3.1.4 Rongits

Dated 23 September 2021, the vendor (Robert Rongits) agreed to sell a 100% right, title and interest in and to the Property free and clear of all charges, encumbrances, liens and claims in 2 SCMCs, subject to an NSR (*see* Section 4.10 – Royalties and Obligations). The purchase price was for C$400,000 and 600,000 common shares of Canada Nickel Company Inc. the agreement was also subject to certain exploration work commitments within 12 months of the agreement approval date: complete an airborne geophysical survey over the claims and drill 2,500 m aimed at Cu-Zn targets.

4.4 MINERAL LANDS TENURE SYSTEM – PROVINCE OF ONTARIO

Traditional field-based claim staking (physical staking) in Ontario came to an end on 8 January 2018 and on 10 April 2018 the Ontario Government converted all existing claims (referred to as Legacy Mining Claims) into one or more “cell” claims or “boundary” claims as part of their new provincial grid system. The provincial grid is latitude- and longitude-based and is made up of more than 5.2 million cells ranging in size from 17.7 ha in the north to 24 ha in the south. Dispositions such as leases, patents and licenses of occupation were not affected by the new system.

4.4.1 Mining Claims

Mining claims are registered and administrated through the Ontario Mining Lands Administration System (MLAS), which is the online electronic system established by the Ontario Government for this purpose.

Mining claims can only be obtained by an entity (person or company referred to as a “prospector”) that is a registered MLAS User, has completed the Mining Act Awareness Program, and holds a valid Prospector’s License granted by MINES. A licensed prospector is permitted to register open lands for exploration on the MLAS system onto provincial Crown and private lands that are open for registration. Once the mining claim has been registered, the prospector is permitted to conduct exploratory and assessment work on the subject lands. To maintain the mining claim and keep it properly staked, the prospector must adhere to relevant staking regulations and conduct all prescribed work thereon. The prescribed work is currently set at $400 per annum per single cell mining claim (SCMC) and $200 per annum per boundary cell mining claim (BCMC). The prescribed work must be completed or payments in lieu of work can be made to maintain the claim. No minerals may be extracted from lands that are subject to a mining claim – the prospector must possess either a mining lease or a freehold interest to mine the land, subject to all provisions of the Ontario Mining Act.

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

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

4.4.2 Mining Lease

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

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

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

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

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

4.4.3 Freehold Mining Lands (Patent)

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

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

As the holder of a mining patent enjoys the freehold interest in the lands that are the subject of such patent, no consents are required for the patentee to transfer or mortgage those lands. The annual payment for Mining Land Tax is due April 1st and any surface rights payments are due annually to the Municipality at varying months.

4.4.4 Licence of Occupation

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

4.4.5 Land Use Permit

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

4.5 MINING LAW - PROVINCE OF ONTARIO

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

4.5.1 Required Plans and Permits

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

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

4.5.1.1 Exploration Plans

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

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

- Line cutting that is a width of 1.5 m or less.
- Geophysical surveys on the ground requiring the use of a generator.
- Mechanized stripping a total surface area of less than 100 square metres within a 200 m radius.
- Excavation of bedrock that removes one cubic metre and up to three cubic metres of material within a 200 m radius.
- Use of a drill that weighs less than 150 kilograms.

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

4.5.1.2 Exploration Permits

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

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

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

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

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

4.6 SURFACE RIGHTS AND LEGAL ACCESS

Most of the surface rights associated with the Project are owned by the Government of Ontario (Crown Land) and access to most of the Property, including the target area, is unrestricted.

4.7 CURRENT WORK PERMITS AND WORK STATUS

At the time of writing this report, the Company has one active Exploration Permit (PR-24-000017) with respect to the Reid Project (the “Permit”) which was issued 10 April 2024. The Permit covers 20,000 m of mechanized drilling from more than 20 drill hole pads using NQ core and expires 9 April 2027. As of the Effective Date of this Report there are no exploration work programs being conducted on the Property.

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

4.8 COMMUNITY CONSULTATION

The Company will maintain an open dialogue with all stakeholders associated with the Project, including private landowners, government officials and representatives of the First Nations and Metis Nation of Ontario. Indigenous groups identified by MINES during the permitting process which include:

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

4.9 ENVIRONMENTAL STUDIES AND LIABILITIES

There are no environmental studies being undertaken by the Company for the Reid Project. The QP (Scott Jobin-Bevans) is unable to comment on any remediation which may have been undertaken by previous companies and is not aware any environmental liabilities associated with the Property.

4.10 8ROYALTIES AND OBLIGATIONS

The Reid Project consists of 189 mining claims of which 171 mining claims were acquired from several vendors in five separate purchase agreements (Figure 4-3).

In the first purchase agreement (Hollace Boychuk) dated 17 June 2021, a 100% ownership was acquired in 11 SCMCs. The mining claims are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C$1M (Figure 4-3).

In the second purchase agreement (Robert Rongits) dated 23 September 2021, Canada Nickel acquired a 100% ownership in two MCMCs. The multi-cell mining claims are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C$1M (Figure 4-3).

In the third purchase agreement (2205730 Ontario Inc) dated 16 January 2024, a 100% ownership was acquired in 11 SCMCs (Figure 4-3). The mining claims do not have any NSRs or obligations attached to them.

In the fourth purchase agreement (2205730 Ontario Inc) dated 27 March 2023, a 100% ownership was acquired in 134 SCMCs (Figure 4-3). The mining claims do not have any NSRs or obligations attached to them.

In the fifth purchase agreement (Robert Laviolette and John Der Weduwen) dated 16 April 2024, Canada Nickel acquired a 100% ownership in 13 SCMCs. The mining 13 claims are subject to a 1.0% NSR with a Buy-Down Option allowing CNC to purchase 0.5% of the NSR for C$250,000 from Robert Laviolette (Figure 4-3). An additional 1.0% NSR, with a Buy-Down Option allows CNC to purchase 0.5% of the NSR for C$250,000 from John Der Weduwen.

The QP Scott Jobin-Bevans, is not aware of any other royalties or obligations connected with the Reid Project.

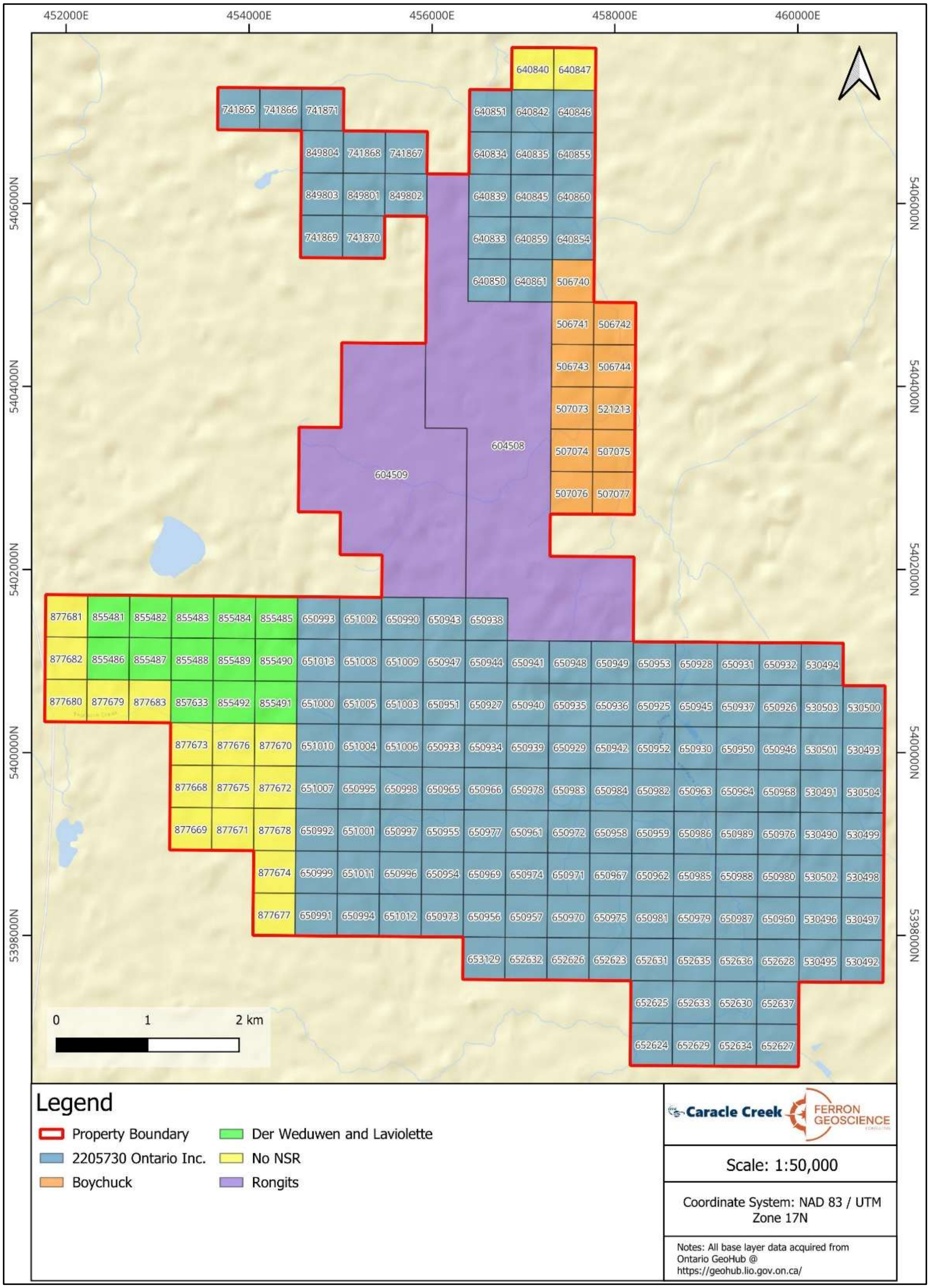


Figure 4-3. Land tenure map of the Reid Project, colour-coded to reflect claims covered by the various NSR agreements (Caracle Creek, 2026).

4.11 OTHER SIGNIFICANT FACTORS AND RISKS

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations and Metis Nation of Ontario Specific groups identified by MINES during the permitting process (*see* Section 4.8 – Community Consultation).

In areas within the Project for which Canada Nickel does not hold the surface rights, there is always the risk that owner of the surface rights could not allow access for mining should mineralization be discovered in those areas.

The surface trace of the current optimized pit shell extends to the east and west outside of the current claim boundary; the Company will need to make provisions for acquiring these lands (surface and mining rights) in order to facilitate mine construction and mineral exploitation.

As of the Effective Date of this Report, the QP Scott Jobin-Bevans is not aware of any significant factors that may affect access, title, or the right or ability to perform the proposed work program on the Reid Project.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 ACCESSIBILITY

The Reid Project is located approximately 38 km northwest of the City of Timmins, Ontario, Canada (*see* Figure 4-2). It is accessed by driving 8 km west from the city centre along provincial highway 101, taking a right on Kamiskotia road and following it for approximately 20 km before turning left onto Abitibi Main road and following it north for approximately 22 kilometres. From this point and to the east, the Property is accessed mainly by the newly built Reid Road for approximately 5 km, which intends to serve all year-round access to the Company and forestry. At the end of this new Reid Road, are a series of minor winter logging roads for which depending on conditions, all-terrain vehicles may need to be used.

5.1.1 Surface Rights and Access

Almost all the surface rights associated with the Property are owned by the Government of Ontario (Crown Land) and access to the Property is virtually unrestricted.

5.2 CLIMATE AND OPERATING SEASON

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

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

5.3 LOCAL RESOURCES AND INFRASTRUCTURE

The full range of equipment, supplies and services required for any mining development is available in the City of Timmins that has a population of approximately 50,000 people. The general Timmins area also possesses a skilled mining workforce from which personnel could be sourced for any new mine development. Regional powerlines extend from northeast of Timmins and are near to the Property. Mineral processing facilities are located nearby at the Kidd Creek (base metals (VMS) and nickel) and Redstone (nickel) process plants. Northern Sun Mining's Redstone Mill Facility, commissioned in 2007, is located south of Timmins and is a nickel concentrator plant, designed to process up to 2,000 tonnes per day of high MgO Ni-Cu-PGE mineralization.

On 8 February 2024, Canada Nickel Company Inc. announced that its wholly-owned subsidiary, NetZero Metals Inc. ("NetZero Metals" or the "Company") intends to develop two processing facilities in the Timmins Nickel District: a nickel processing facility and stainless-steel and alloy production facility (Canada Nickel news release 8 February 2024). These initiatives are expected to represent an important economic development for the Timmins Nickel District and provide significant additional capacity to fill a critical link in the development of North American critical minerals supply chains and the province's electric vehicle strategy. Each production facility is expected to utilize Canada Nickel's carbon storage capacity at Canada Nickel's Crawford Nickel Project to deliver zero carbon nickel and stainless steel and alloy production.

The Company is currently at the site-selection stage, considering several sites in the region. The Company is also in the process of choosing engineering firms to complete the design of both facilities and expects to announce the selected firms shortly. Feasibility studies are underway and expected to be completed by year-end, with the nickel processing plant expected to begin production by 2027 (Canada Nickel news release 8 February 2024).

5.4 PHYSIOGRAPHY

The Project area comprises recently glaciated terrain with stream, lake and swamp filled valleys separated by low-level ridges and platform topographic highs of what is usually esker material. The area in general is poorly drained and boggy, a reflection of the low relief. Mean elevation within the Property ranges from about 265 to 295 m above mean sea level ("AMSL"). The Project area is underlain by sandy glacio- to fluvial outwash material, which supports mature jack pine forest. Much of the Project area has been historically logged and is also currently being re-logged. Natural outcrop exposure within the Property is near zero percent with any outcrop exposures to date resulting from establishing drill pads.

5.4.1 Water Availability

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

5.4.2 Flora and Fauna

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

6.0 HISTORY

Known exploration in the Project area dates to the early 1950s, with some diamond drilling and a suite of ground and airborne geophysical surveys (private companies and Ontario Government - Ministry of Northern Development and Mines/MNDM).

In the 1960s, with the discovery of the Kidd Creek Volcanogenic Massive Sulphide (VMS) deposit - located about 17 km southeast of Reid and hosted by the Blake River Assemblage - exploration in the Project area intensified with multiple explorers searching for conductive massive sulphide deposits akin to Kidd Creek (Ferron and Escarraga, 2023). Below is a summary of the historical exploration work completed within or close to the current Property boundary.

It is the opinion of the QP Scott Jobin-Bevans that, to the extent that it is known, historical exploration work (geophysics and diamond drilling) on the Property is adequate for the purposes of this Report (*see* Section 2.1 – Purpose of the Technical Report).

6.1 PRIOR OWNERSHIP AND OWNERSHIP CHANGES

The Reid Project consists of 189 mining claims of which 171 mining claims were acquired from several vendors in five separate Purchase Agreements. Canada Nickel now owns a 100% interest in the Property subject to underlying royalties (*see* Section 4.10 – Royalties and Obligations).

6.2 HISTORICAL EXPLORATION WORK

Exploration was directed particularly in the south-central portion of Reid Township with very little exploration completed over the target Reid Ultramafic Complex (“RUC”) in the northwestern area. Due to the relatively thick overburden covering much of the area, these studies were generally biased to geophysical studies, particularly electromagnetics (EM). Diamond drilling was then used in follow up to test any geophysical anomalies (*see* Section 6.3 – Historical Drilling). A summary of historical exploration work completed within and close to the Reid Property boundary is provided in Table 6-1 and shown as coloured polygons in Figure 6-1. This historical exploration work is based on publicly available (Government of Ontario) work assessment filings made by past operators within and around the Reid Project.

Table 6-1 lists the 22 historical assessment work reports/files, as recorded by the Ontario Government, that have >90% of their work program area “polygon” occurring within the boundary of the Reid Project (Figure 6-1). There is nothing particularly significant in this work in terms of adding value to the current exploration and development program by the Company on the Reid Project.

Table 6-1. Summary of known historical exploration work completed nearly entirely within the Reid Project.

OGS File ID	Period	Company	Twp	Work Description
20000008047	2013-2014	Glencore Canada Corp, International Explorers & Prospectors Inc	Reid	Airborne Electromagnetic, Electromagnetic Very Low Frequency, Induced Polarization, Linecutting, Magnetic / Magnetometer Survey
20000002625	2007	Western Kidd Resources Inc	Reid	Airborne Electromagnetic, Airborne Magnetometer

OGS File ID	Period	Company	Twp	Work Description
20000000822	2005	Falconbridge Ltd	Reid	Electromagnetic, Linecutting, Magnetic / Magnetometer Survey
42A12NE2034	2000	Laramide Resources Ltd	Reid	Electromagnetic, Open Cutting
42A13SE0061	1989	Comstate Resources Ltd	Reid	Electromagnetic, Magnetic / Magnetometer Survey
20000005029	1988	Noranda Exploration Co Ltd	Reid	Geological Survey / Mapping, Linecutting
42A13SE0065	1987	Falconbridge Ltd	Reid	Electromagnetic, Electromagnetic Very Low Frequency, Magnetic / Magnetometer Survey
42A13SE0067	1986	Kidd Creek Mines Ltd	Reid	Geological Survey / Mapping
42A14SW0105	1979	Gulf Minerals Canada Ltd	Reid	Geochemical, Overburden Drilling
42A13SE0063	1973	Noranda Exploration Co Ltd	Reid	Electromagnetic, Magnetic / Magnetometer Survey
42A13SE0089	1972	Hollinger Mines Ltd	Reid	Electromagnetic, Magnetic / Magnetometer Survey
42A12NE0027	1971	Noranda Exploration Co Ltd	Thorburn	Electromagnetic, Magnetic / Magnetometer Survey
42A13SE0046	1967	Keevil Mining Group	Mahaffy	Electromagnetic, Magnetic / Magnetometer Survey
42A13SE0090	1967	Mespi Mines Ltd	Reid	Magnetic / Magnetometer Survey
42A13SE0048	1966	Mespi Mines Ltd	Reid	Electromagnetic
42A13SE0105	1965	Allied Pitch-Ore Mines Ltd	Reid	Electromagnetic
42A13SE0025	1965	Consolidated Mining & Smelting Company	Geary	Compilation and Interpretation - Ground Geophysics, Diamond Drilling
42A13SE0096	1964-1966	Mespi Mines Ltd	Reid	Airborne Electromagnetic, Airborne Magnetometer, Electromagnetic
42A13SE0164	1964-1966	Crowpat Minerals Ltd	Thorburn	Electromagnetic, Induced Polarization, Magnetic / Magnetometer Survey
42A13SE0106	1964-1965	Canadian Javelin Ltd	Reid	Airborne Electromagnetic, Airborne Magnetometer, Assaying and Analyses, Diamond Drilling, Electromagnetic, Geological Survey / Mapping, Magnetic / Magnetometer Survey
42A13SE0102	1964-1965	New Mylamaque Mines Ltd	Reid	Electromagnetic, Geological Survey / Mapping, Magnetic / Magnetometer Survey, Seismic
42A12NW0064	1964-1965	Canadian Javelin Ltd	Reid	Airborne Electromagnetic, Airborne Magnetometer, Diamond Drilling

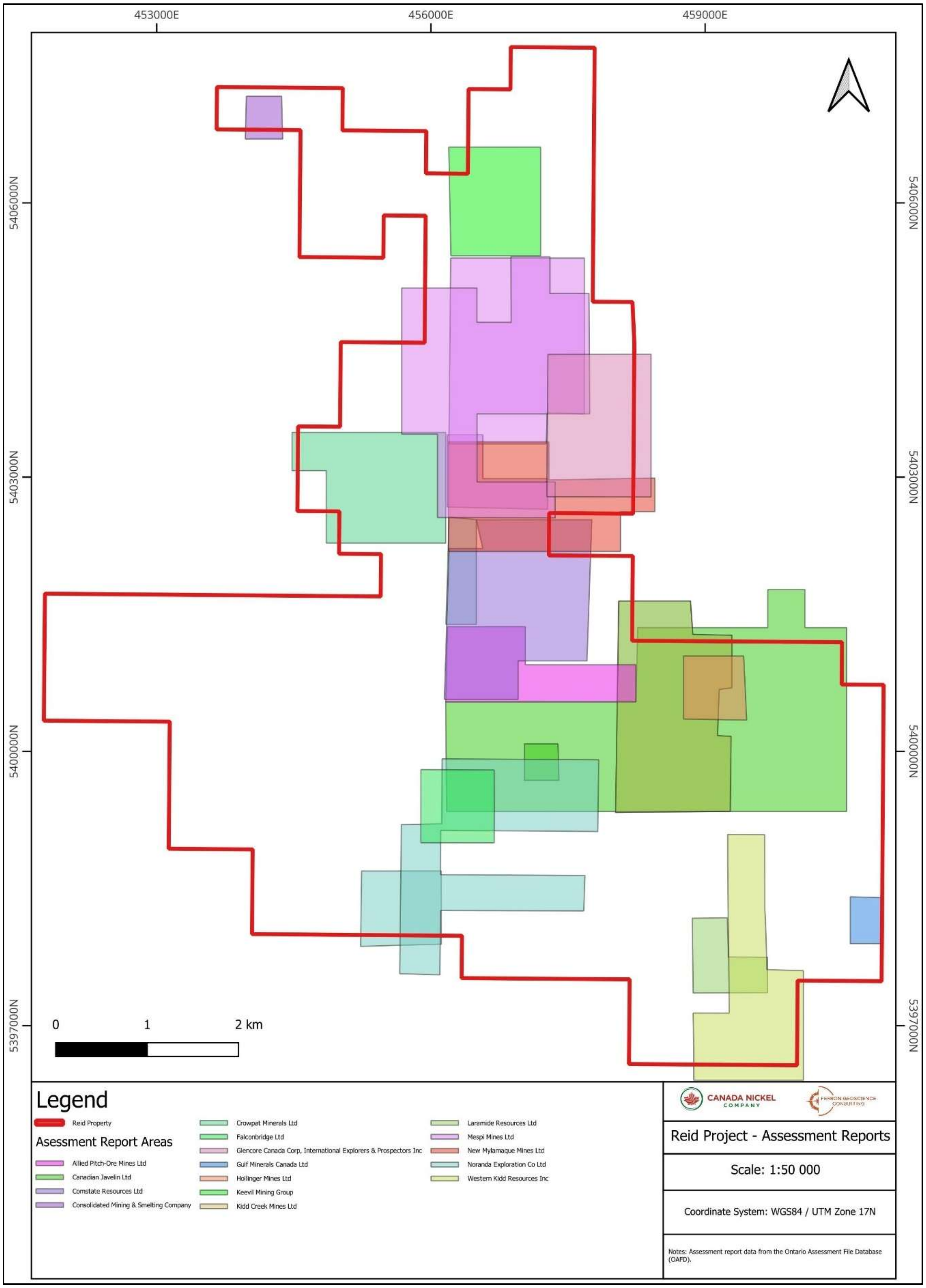


Figure 6-1. Location of publicly available assessment work filed with the Ontario Government and that is nearly entirely within the boundary of the Reid Project (Caracle Creek, 2026).

6.3 HISTORICAL DRILLING

A total of 44 historical diamond drill holes were completed within the boundary of the Reid Project from the 1950s to 1999 (Table 6-2) (Ontario Drill Hole Database (ODHD, 2025)). Six of these drill holes tested the RUC (shaded), encountering serpentinized ultramafic rocks; none of the holes reported assay results. The first four holes in Table 1 have coordinates in NAD83 Z17N whereas the remainder are in NAD27 Z17N.

Table 6-2. Summary of the historical 44 drill holes that were collared within the Reid Project area.

Assess. File ID	Drill Hole	Company	Type	Twp	Dip	Length (m)	Az	OB (m)	Year	Comments
42A14SW2005	RE42-02	Falconbridge Ltd	DDH	Reid	-50	245.00	180	103.00	1999	Intersected metavolcanics, metasediments and lamprophyre dike
42A14SW2005	RE33-02	Falconbridge Ltd	DDH	Reid	-50	200.00	90	55.00	1999	Intersected metavolcanics, metasediments and diabase dikes
42A14SW2005	RE42-01	Falconbridge Ltd	DDH	Reid	-45	248.00	180	88.00	1999	Intersected metavolcanics, metasediments and diabase dikes. 0.29% Zn over 0.3m.
42A14SW2005	RE43-01	Falconbridge Ltd	DDH	Reid	-45	221.00	180	54.00	1998	Intersected metavolcanics, metasediments and diabase dikes 0.16% Zn over 1m
42A12NE0078	RM-95-1	Mcchip Resc Inc	DDH	Reid	-50	248.00	180	31.00	1995	Intersected metavolcanics and metasediments
42A12NE0023	R94-1	Noranda Exploration Co Ltd	DDH	Reid	-50	254.00	328	87.00	1994	Intersected metavolcanics and metasediments
42A12NE0041	TE-91-4	Noranda Exploration Co Ltd	DDH	Reid	-55	182.00	180	44.00	1991	Intersected metavolcanics and metasediments - pervasive sulphides
42A13SE8637	FPG-89-1	Noranda Exploration Co Ltd	DDH	Geary	-50	234.08	350	43.90	1989	Intersected metavolcanics, metasediments and lamprophyre dike - strong S mineralization - no assays
42A13SE1052	R-81-G-1	Gulf Minerals Ltd	DDH	Mahaffy	-55	148.13	351	33.83	1981	Intersected mafic metavolcanics. Trace S
42A13SE0073	R-81-I-1	Gulf Minerals Canada Ltd	DDH	Reid	-60	99.97	32	41.45	1981	Intersected metavolcanics, metasediments and diabase dikes
42A13SE0073	R-81-I-2	Gulf Minerals Canada Ltd	DDH	Reid	-55	102.41	32	36.58	1981	Intersected metavolcanics, metasediments and diabase dikes
42A13SE0073	R-81-J-1	Gulf Minerals Canada Ltd	DDH	Reid	-50	117.35	212	48.77	1981	Intersected metavolcanics w/ localized zones of semi-massive to massive S
42A13SE0042	R-81-K-1	Gulf Minerals Ltd	DDH	Thorburn	-60	138.99	212	73.15	1981	Intersected metavolcanics
42A11NW0050	R-81-J-2	Gulf Minerals Ltd	DDH	Reid	-55	124.05	212	35.35	1981	Intersected metavolcanics w/ localized zones of semi-massive to massive S
42A12NE0051	R-81-J-3	Gulf Minerals Can Ltd	DDH	Reid	-45	148.13	212	54.86	1981	Intersected metavolcanics w/ localized zones of semi-massive to massive S
42A14SW0105	R-151	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	34.76	0	32.93	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-60	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	34.76	0	33.23	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-65	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	46.65	0	45.73	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-58	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	22.26	0	20.73	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-59	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	23.78	0	22.56	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-62	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	34.15	0	32.77	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-63	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	41.16	0	40.09	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SW0105	R-150	Gulf Minerals Canada Ltd	RC (Sonic)	Reid	-90	27.44	0	26.68	1979	Overburden drilling - no S or Au from heavy min. separation
42A14SE0428	P1-5	Geoph Eng Ltd	DDH	Reid	-50	137.20	210	68.29	1978	Intersected metavolcanics and metasediments. 0.1% Zn over 2m
42A13SE0127	HR-74-1	Newmont Mining Corp Of Canada Ltd	DDH	Reid	-60	304.88	360	43.29	1974	Intersected metavolcanics and diabase dikes. Trace S

Assess. File ID	Drill Hole	Company	Type	Twp	Dip	Length (m)	Az	OB (m)	Year	Comments
42A13SE0127	HR-74-4	Newmont Mining Corp Of Canada Ltd	DDH	Reid	-60	271.04	360	13.41	1974	Intersected metavolcanics and diabase dikes. Trace S
42A13SE0129	R-22	Mespi Mines Ltd	DDH	Reid	-50	171.04	225	28.96	1968	Serpentinized peridotite from 29 to 107 m followed by argillite to 125 m then serpentinized peridotite to 171m (EOH); no assays.
42A13SE0348	T67-1	Keevil Mining Grp Ltd	DDH	Mahaffy	-50	128.35	35	20.73	1967	Strongly serpentinized peridotite from 21 to 128 m (EOH); no assays.
42A13SE0348	T67-2	Keevil Mining Grp Ltd	DDH	Mahaffy	-49	59.76	210	15.24	1967	Strongly serpentinized peridotite from 15 to 60 m (EOH); no assays.
42A13SE0155	R-18	Mespi Mines Ltd	DDH	Reid	-50	96.95	90	54.57	1966	Strongly serpentinized peridotite from 54 to 96 m (EOH), abandoned in peridotite; no assays.
42A12NE0034	LT-13	Mespi Mines	DDH	Thorburn	-60	128.35	233	67.07	1966	Intersected metavolcanics. Trace S
42A12NE0034	LT-12	Mespi Mines	DDH	Thorburn	-60	132.01	223	61.59	1966	Intersected metasediments and metavolcanics
42A13SE0131	R-16B	Mespi Mines Ltd	DDH	Reid	-60	168.29	165	62.20	1966	Serpentinized and moderately carbonatized peridotite from 27 to 88 m into felsic volcanics to 158 m followed by minor mafic dikes and felsic volcanics to EOH; no assays.
42A13SE0131	R-15	Mespi Mines Ltd	DDH	Reid	-50	205.79	135	53.35	1966	Intersected metavolcanics and diabase dikes. Trace S
42A12NW0062	R-1	Patino Mining	DDH	Reid	-50	170.12	190	12.20	1965	Intersected gabbro w/ trace S
42A13SE0131	R-10	Mespi Mines Ltd	DDH	Reid	-50	211.28	315	57.93	1965	Strongly serpentinized peridotite from 58 to 211 m; no assays
42A13SE0025	L-2	Consolidated Mining & Smelting Co Of Can	DDH	Geary	-60	105.79	228	42.07	1965	Intersected chloritic schist. Trace to localized semi-massive S.
42A13SE0025	L-3	Consolidated Mining & Smelting Co Of Can	DDH	Geary	-60	97.87	228	42.07	1965	No log available
42A12NW0063	K-1/2	Can Javelin Ltd	DDH	Reid	-65	168.90	225	53.35	1964	Intersected metavolcanics and metasediments localized massive S. No assays
42A12NW0064	K-1/1	Can Javelin Ltd	DDH	Reid	-55	184.45	225	52.44	1964	Intersected metavolcanics and metasediments; trace sulphide; no assays
42A12NW0065	K-1/3	Canadian Javelin Ltd	DDH	Reid	-60	186.28	225	39.63	1964	Intersected metavolcanics and gabbro; trace sulphide; no assays.
42A12NW0066	475-1	Grandroy Mines Ltd	DDH	Reid	-58	213.11	180	39.63	1964	Intersected metavolcanics; trace sulphide
42A12NW0066	475-2	Grandroy Mines Ltd	DDH	Reid	-50	169.82	180	60.98	1964	Intersected metavolcanics; trace sulphide
42A13SE0133	32905	Intl Nickel Co Can Ltd	DDH	Reid	-55	177.13	360	52.44	1950s?	Intersected metavolcanics, metasediments, and chloritized schist.

*DDH = diamond drill hole; RC (Sonic) = Reverse Circulation

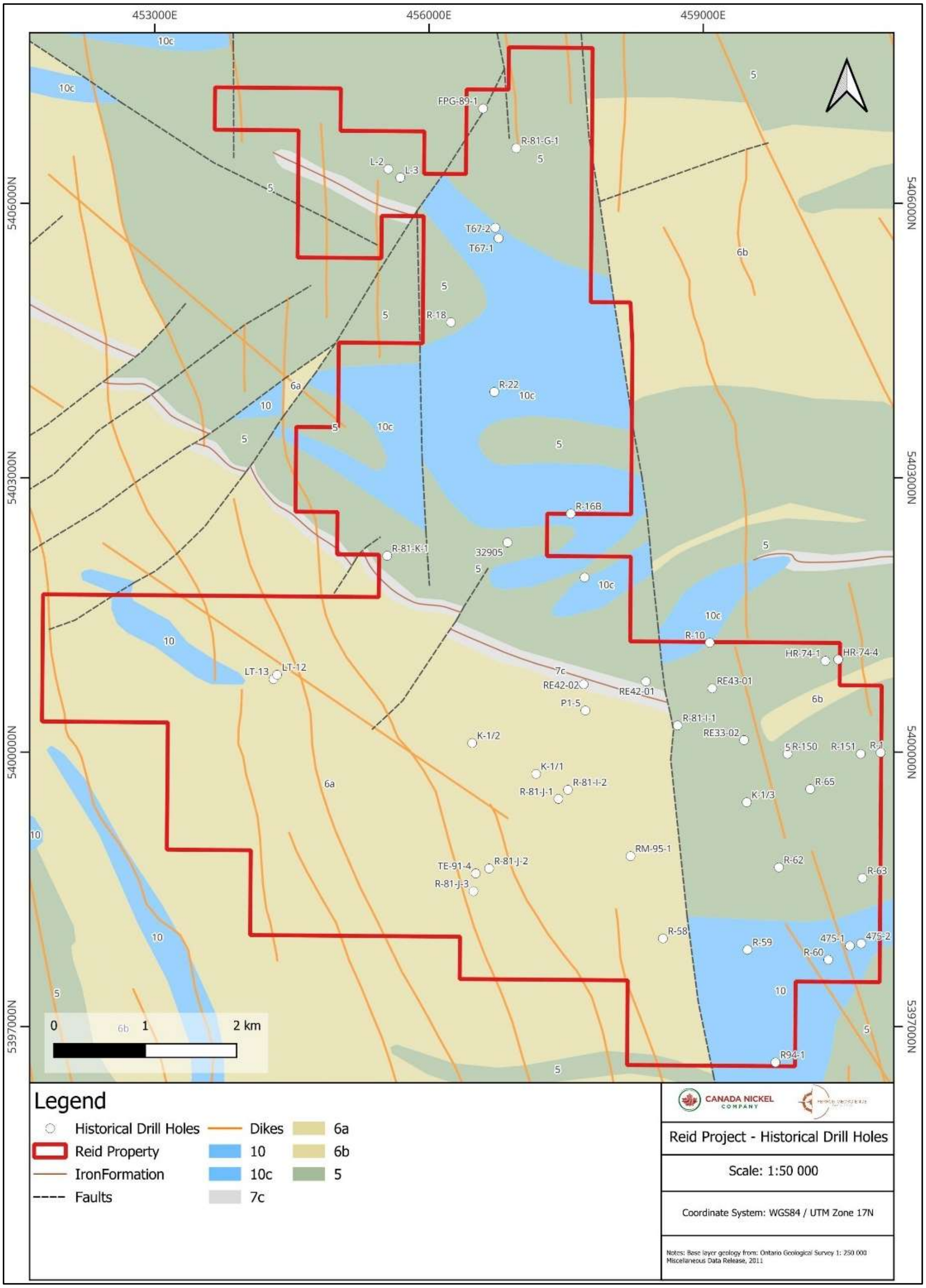


Figure 6-2. Location of all known historical drill holes (core and RC) within the Reid Project boundary (red) along with generalized geology (OGS). Table 6-2 provides a summary description of the historical drilling (Caracle Creek, 2026).

6.4 HISTORICAL SAMPLE PREPARATION, ANALYSIS AND SECURITY

There is no historical data or information from sample preparation, analysis and security related to the Reid Nickel Sulphide Project.

6.5 HISTORICAL MINERAL PROCESSING AND METALLURGICAL TESTING

There is no historical mineral processing and metallurgical testing related to the Reid Nickel Sulphide Project.

6.6 HISTORICAL MINERAL RESOURCE ESTIMATES

There are no historical mineral resource estimates related to the Reid Nickel Sulphide Project.

6.7 HISTORICAL PRODUCTION

There is no historical production related to the Reid Nickel Sulphide Project.

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 REGIONAL GEOLOGY

The regional geological setting associated with the Property has been described by numerous authors including Jackson and Fyon (1992), Pilote (2000), Montgomery (2004), Ayer *et al.* (2005), Thurston *et al.* (2008), and Zhou and Lafrance (2017).

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

- Pre-2750 Ma unnamed assemblage.
- 2750–2735 Ma Pacaud Assemblage.
- 2734–2724 Ma Deloro Assemblage.
- 2723–2720 Ma Stoughton–Roquemaure Assemblage.
- 2719–2711 Ma Kidd–Munro Assemblage.
- 2710–2704 Ma Tisdale Assemblage.
- 2704–2695 Ma Blake River Assemblage.

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

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

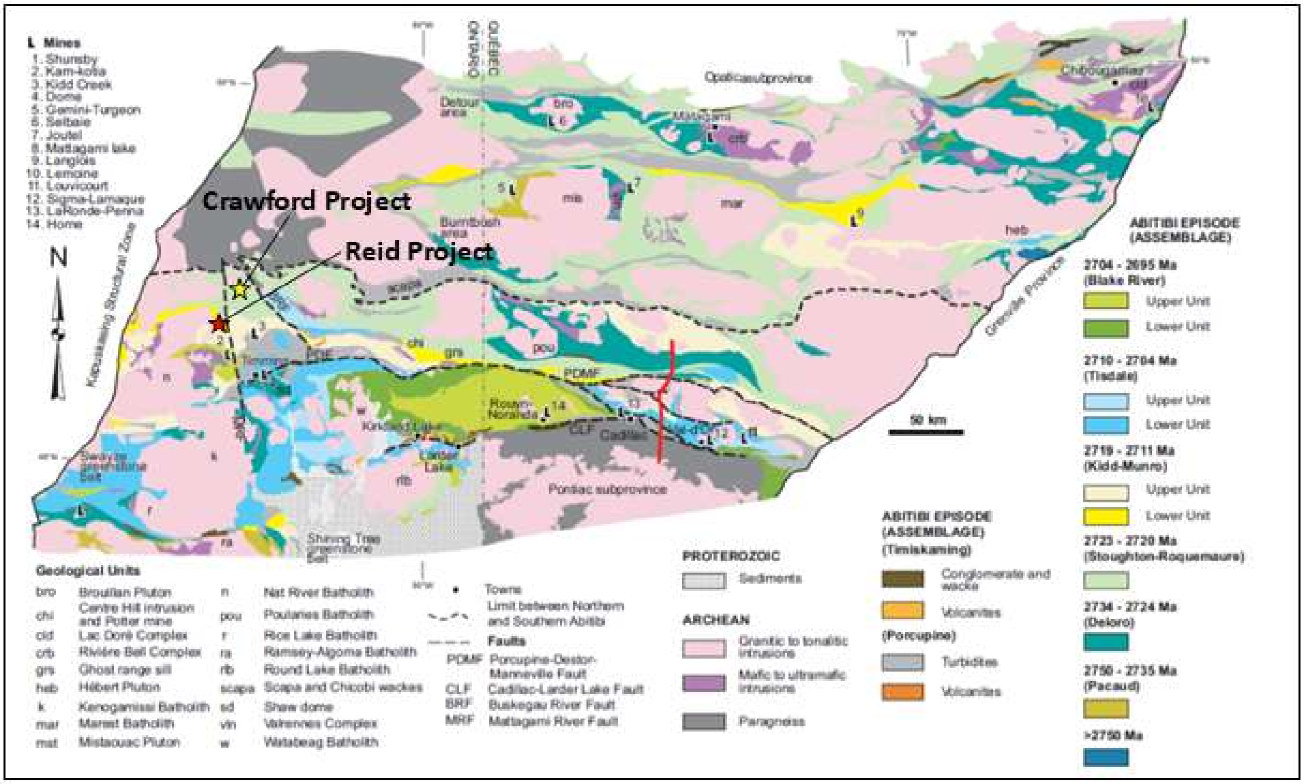


Figure 7-1. Regional geological setting of the Reid Nickel Sulphide Project (red star) area in the Abitibi Sub-province, Ontario. Also shown is the location of Canada Nickel's Crawford Nickel Property (yellow star) (after Thurston *et al.*, 2008).

Proterozoic-age mafic dikes of the Matachewan and Abitibi dike swarms intrude all rocks in the region, occurring generally as swarms following broadly north-south oriented structures.

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

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

7.1.1 Regional Structures

The AGB consists of east-trending successions of folded and faulted volcanic and sedimentary rocks with intervening domes of felsic to intermediate plutons (Ayer *et al.*, 2002, 2005; Monecke *et al.*, 2017, 2019; Thurston *et al.*, 2008). Crustal scale faults such as the Porcupine-Destor and Cadillac-Larder deformation zones cut across the AGB displacing units 10-100's of km's along these transform faults. These structures are interpreted as failed rift zones that were later filled with unconformable 'Timiskaming' style sedimentary successions consisting of generally upward fining sedimentary units (Ferron and Escarraga, 2023).

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

7.1.2 Regional Metamorphism

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

7.2 PROPERTY GEOLOGY

The Property area is mainly underlain by depositional units of the Kidd-Munro (2719 to 2711 Ma) and Blake River (2704 to 2696 Ma) assemblages (Figure 7-2). Units in this age range include the “type” Kidd-Munro Assemblage of the southern Abitibi Greenstone Belt (“AGB”) in Ontario and the La Motte-Vassan and Dubuisson Formations of the Malartic Group in Québec. The Kidd-Munro Assemblage is subdivided into lower and upper parts (Ayer *et al.*, 2005).

The Lower Kidd-Munro Assemblage (2719 Ma to 2717 Ma) occurs within the western portion of the Property. It consists of localised, regionally discontinuous depositional centres of predominantly intermediate to felsic calc-alkaline volcanic rocks (Ayer *et al.*, 2005).

The Upper Kidd-Munro Assemblage (2717 Ma to 2711 Ma) occurs within the eastern portion of the Property. It consists of tholeiitic and komatiitic volcanic rocks with minor centimetre-to-metre scale graphitic metasedimentary rocks and localised felsic volcanic centres. The upper Kidd-Munro Assemblage has been interpreted to reflect the impact of widespread mantle plume-related magmatism on localized lower Kidd-Munro arc-magmatism volcanic centres (Ayer *et al.*, 2005).

The younger Blake River Assemblage is dominated by mafic to intermediate volcanic rocks and is the target host lithology to VMS deposits such as Glencore’s Kidd Creek.

The near surface expression of the RUC is hosted by the Blake River Assemblage (Lower?) but likely intrudes the Kidd-Munro Assemblage at depth, given its proximity to that assemblage (Ayer *et al.*, 2005) (Figure 7-2).

7.2.1 Property Structures

The Property is crossed by several northwest and northeast faults which have displaced the local lithologies (Figure 7-2 and Figure 7-3). The most significant fault within the Project area is the Mattagami River Fault, a near north-trending regional fault that significantly displaces assemblages of the AGB (Figure 7-2 and Figure 7-3).

7.2.2 Reid Ultramafic Complex (RUC)

Reid Ultramafic Complex (RUC) is a ‘Z-shaped’, folded and overturned ultramafic complex with two thinner tails to the northwest and the southeast and a wider centre dunitic body (Figure 7-3). Ultramafic rocks of the RUC trend generally north-south and dip steeply to the south-southeast. Drill-testing has demonstrated a repeating succession of progressively more felsic, peridotite-pyroxenite-gabbro sequences becoming thinner in the younging direction on the east-southeast side of the unit. Associated ultramafic lamprophyre dikes variably crosscut the main body. The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes crosscut the Property, trending generally north-northeast (Ferron and Escarraga, 2023).

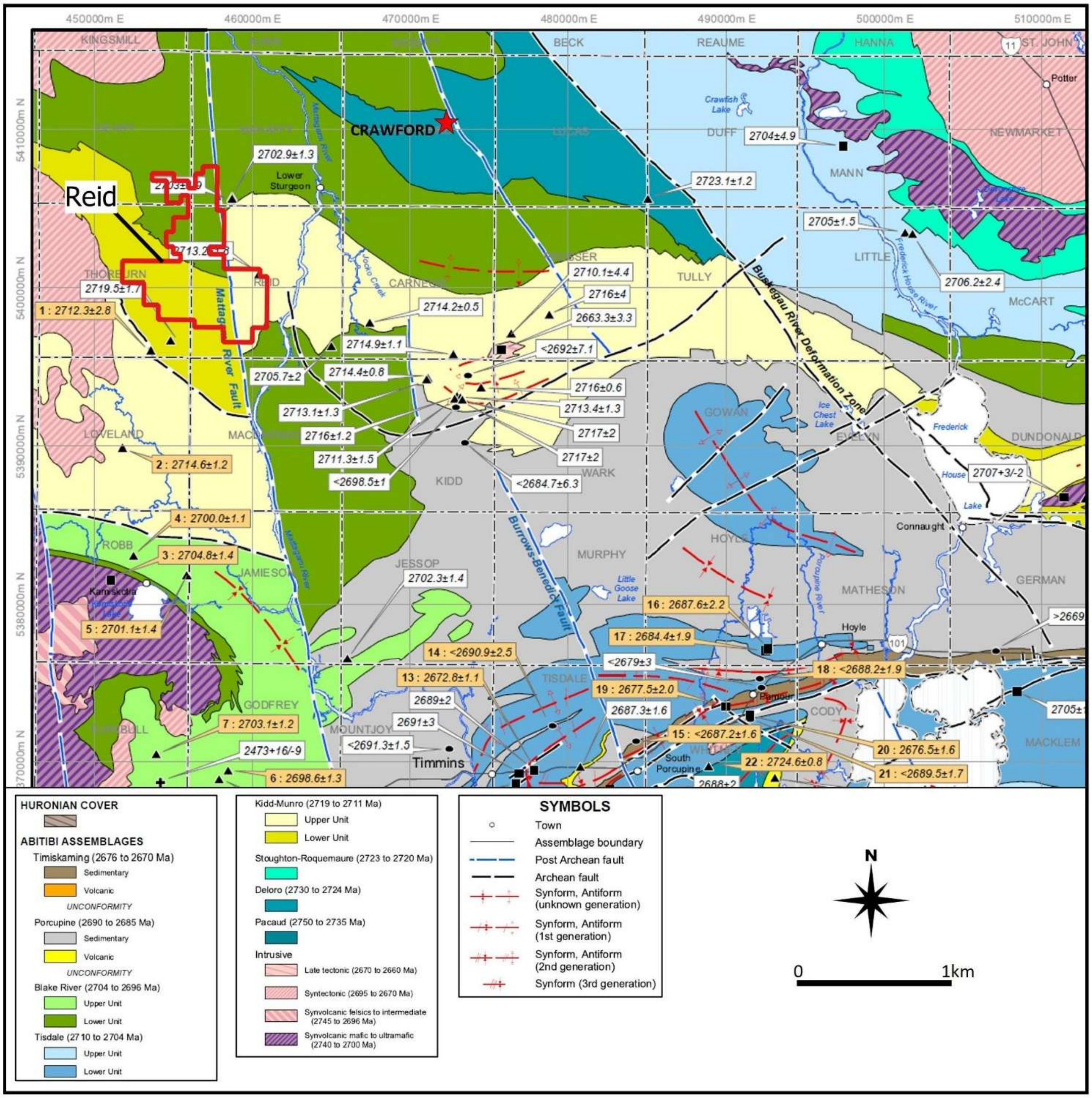


Figure 7-2. Township-scale generalized geology and rock age determinations showing the location of the Reid Nickel Sulphide Project's mining claims boundary (red) and the location of the Crawford Project (red star) to the northeast (after Ayer *et al.*, 2005).

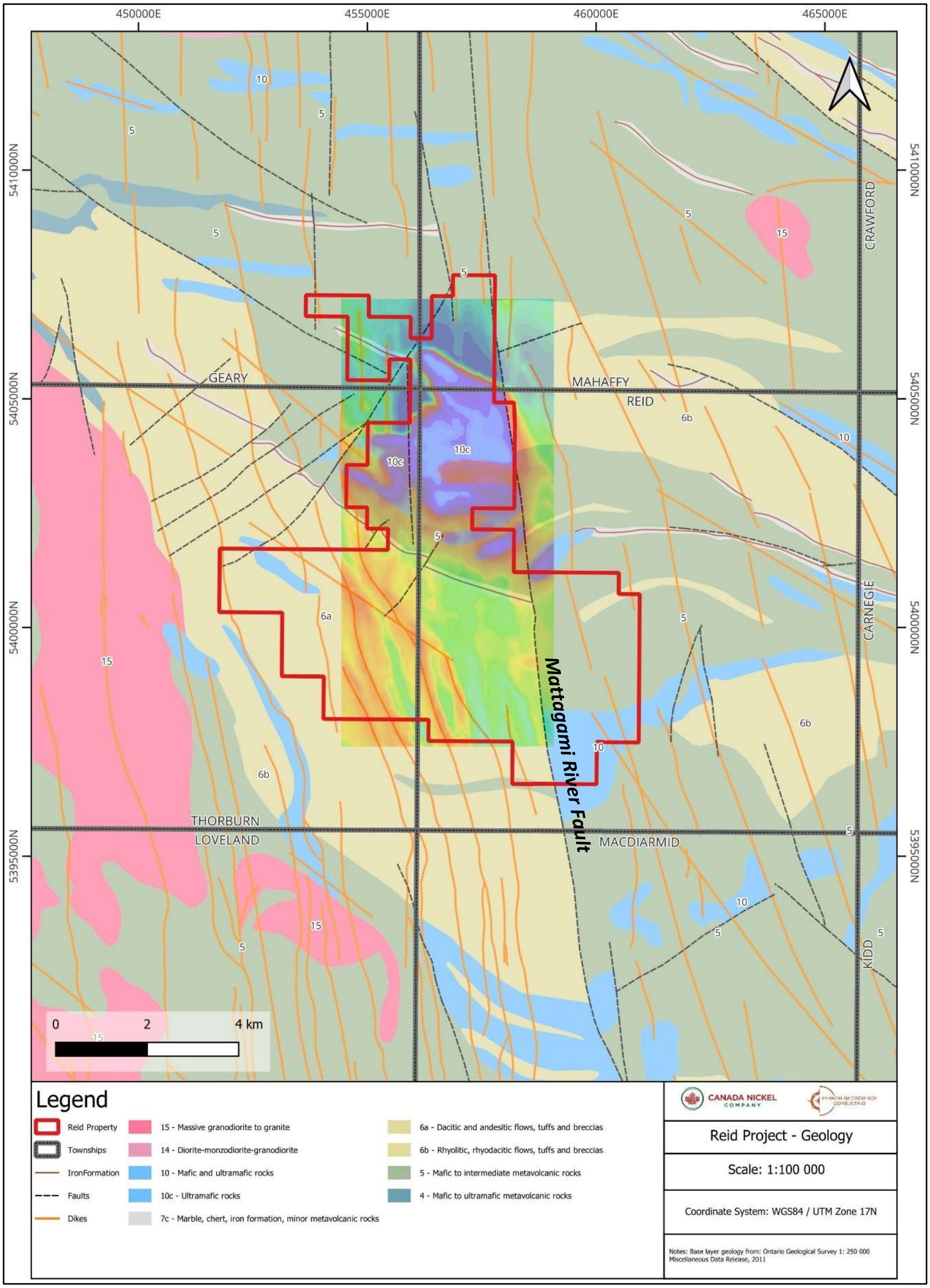


Figure 7-3. Township-scale generalized geological map (geological base from OGS) for the Reid Nickel Sulphide Project showing the outline of the mining claims boundary (red), the regional Mattagami River Fault, and where available, the total field (TF) magnetics (Caracle Creek, 2026).

7.3 REID DEPOSIT GEOLOGY AND NI-CO-(PGE) MINERALIZATION

The shape of the Reid Ultramafic Complex (RUC) is expressed mainly through its geophysical signature (magnetics) within the northwest area of Reid Township and continuing north into Mahaffy Township and west into Geary Township (*see* Figure 7-3). Like several other ultramafic (*i.e.*, peridotite and dunite) to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) within the Timmins Nickel District, the RUC contains magmatic nickel, cobalt, copper, and platinum-group element (PGE) sulphide mineralization hosted within highly serpentinized komatiitic ultramafic rocks.

The RUC's magnetic signature reflects a "Z-shaped" body, with a wide dunitic core and two smaller, thinner tails in the north-northwest and south-southeast (*see* Figure 7-3 and Figure 10-1). The main area of the RUC which approximately defines mineral resource (Reid Deposit) is approximately 2.2 km along strike (west to east), 0.6 to 1.2 km in width and at least 700 m deep (open at depth) (*see* Section 14.0 – Mineral Resource Estimates).

Nickel, cobalt, copper, and PGE mineralization within the RUC is interpreted to be the result of a combination of two processes and occurs in two forms:

(1) Original or "primary" mineralization in the form of disseminated sulphides, or in very rare cases semi-massive to massive sulphides, occurs at or near the base of komatiitic sequences or in structural or proto-topographic traps which developed within the magmatic flows. Primary nickel mineralization tends to be dominated by pentlandite.

(2) Secondary mineralization occurs within strongly altered and serpentinized ultramafic rocks (*i.e.*, dunite>peridotite>pyroxenite). The serpentinization process results in the release of nickel that was trapped in the silicate mineral phases (primarily olivine), creating a series of new nickeliferous minerals (*i.e.*, heazlewoodite, awaruite, millerite, pentlandite), with the mineral phase dependent on the amount of available sulphur. Serpentinization also results in an increase in magnetism (liberation of magnetite) and reduced specific gravity (rock hydration) in the ultramafic rocks. This secondary process (serpentinization) is interpreted to be the principal cause of low-grade nickel mineralization within the RUC and other komatiitic intrusions in the Timmins Nickel District.

The target minerals for potential economic recovery are nickeliferous heazlewoodite, awaruite, millerite, and pentlandite. Ultramafic rocks in the Reid Deposit also contain ancillary pyrrhotite and chalcopyrite.

8.0 DEPOSIT TYPES

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

The Reid Nickel Sulphide Project and the Reid Deposit consist mainly of nickel sulphides (*e.g.*, awaruite, heazlewoodite, pentlandite, millerite, pyrrhotite), lesser copper sulphide minerals (*i.e.,* , chalcopyrite) and PGE minerals, hosted by intrusive komatiitic rocks (magnesium-rich and high-temperature volcanic rocks) which fall into the high-tonnage/low-grade region of nickel deposit types (Figure 8-2).

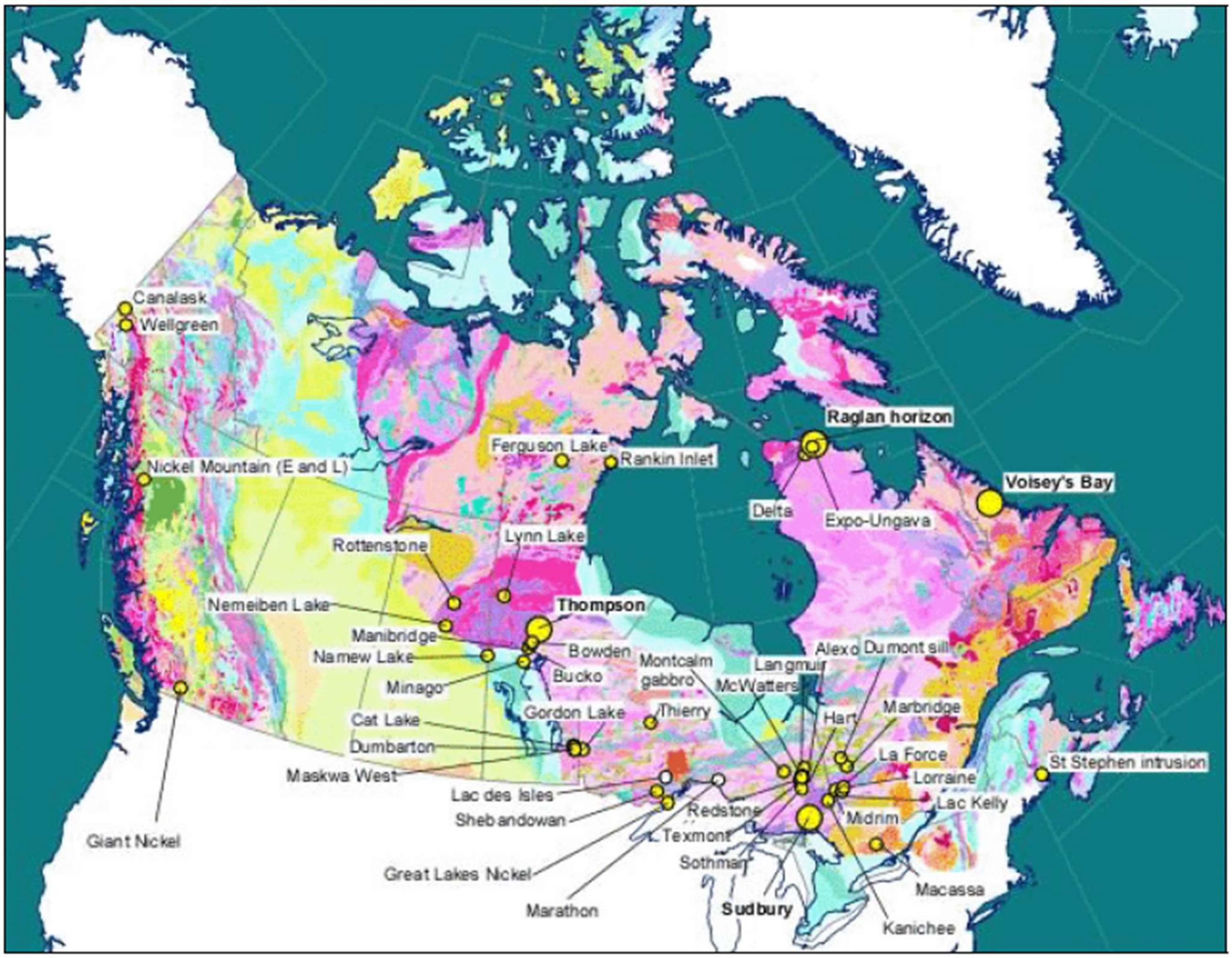


Figure 8-1. Map of Canada showing the distribution of magmatic Ni-Cu-PGE sulphide deposits in Canada with resources greater than 100,000 tonnes (after Wheeler *et al.*, 1996).

8.1 KOMATIITE-ASSOCIATED DEPOSITS

Considerable research by various writers over the years (*e.g.*, Green and Naldrett, 1981; Houlé *et al.*, 2008, 2010; Houlé and Lesher, 2019; Lesher and Keays, 2002; Sproule *et al.*, 2005) indicates that komatiite hosted nickel deposits in the Timmins Nickel District are similar to the Archaean age nickel deposits of the Kambalda and Windarra areas in Western Australia (Figure 8-2). Komatiite-hosted Ni-Cu-PGE deposits are one of several lithological associations within the broader group of magmatic Ni-Cu-PGE deposits. Mineralization occurs in both extrusive and intrusive settings and experimental studies indicate that komatiitic magmas/lavas are mantle-derived and emplaced at very high temperatures. Deposits of this association are mined primarily for their nickel contents, but they contain economically-significant amounts of Cu, Co, and PGE (Lesher and Keays, 2002; Sproule *et al.*, 2005).

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

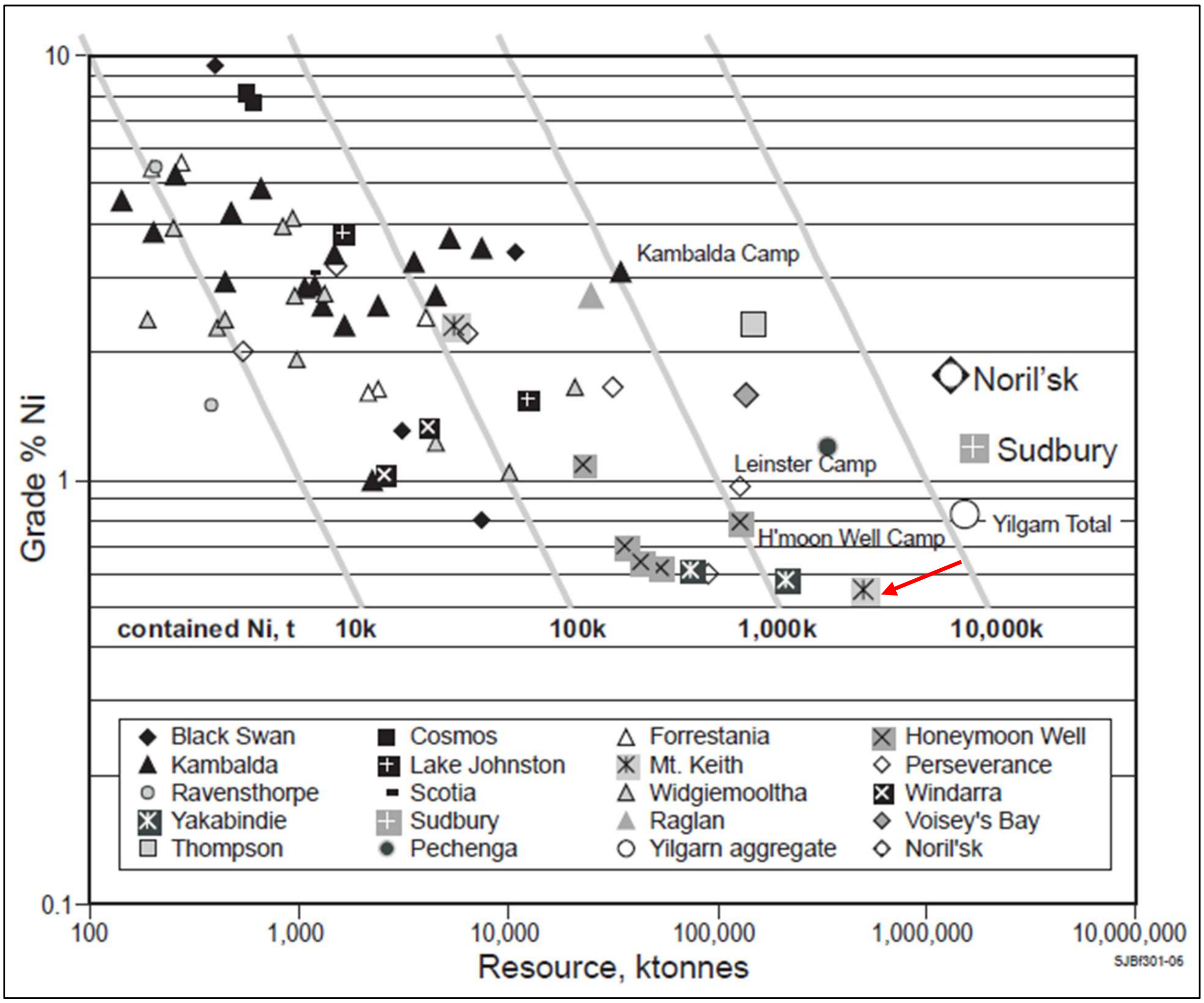


Figure 8-2. Nickel grade and deposit tonnage distribution in traditional magmatic (*e.g.*, Sudbury, Noril'sk, Voisey's Bay) and komatiite-hosted (*e.g.*, Kambalda Camp, Black Swan, Windarra) settings. The Reid Deposit is most like the high-tonnage/low-grade deposits found at Mt. Keith (red arrow) (after Barnes, 2006).

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

Komatiite-associated nickel sulphide deposits are part of a continuum of lithotectonic associations in the family of magmatic Ni-Cu-PGE deposits, which contains a variety of mineralization types (Lesher and Keays, 2002). Mineralization discovered to date on the Reid Property can be characterized as ultramafic intrusive (extrusive?) komatiite-hosted Ni-Cu-Co-(PGE) deposit type (*e.g.*, Barnes and Fiorentini, 2012), which recognizes two sub-types or styles (Lesher and Keays, 2002):

> **Type I Kambalda-style**: komatiite-hosted; channelized flow theory; dominated by net-textured and massive sulphides situated at or near the basal ultramafic/footwall contact with deposits commonly found in footwall embayments up to 200 m in strike length, 10s to 100s of metres in down-dip extent, and metres to 10s of metres in thickness; generally on the order of a million tonnes (usually <1Mt) with nickel grades that are typically much greater than 1% Ni; tend to occur in clusters (*e.g.*, Alexo-Dundonald, Ontario; Langmuir, Ontario; Redstone, Ontario; Thompson, Manitoba; Raglan, Quebec).
>
> **Type II Mt. Keith-style**: thick olivine adcumulate-hosted; sheet flow theory; disseminated and bleb sulphides, hosted primarily in a central core of a thick, differentiated, dunite-peridotite dominated, ultramafic body; more common nickel sulphides such as pyrrhotite and pentlandite but also sulphur-poor mineral heazlewoodite (Ni_3S_2) and nickel-iron alloys such as awaruite (Ni_3-Fe); generally on the order of 10s to 100s of million tonnes with nickel grades of less than 1% Ni (*e.g.*, Mt. Keith, Australia; Dumont Deposit, Quebec).

The Reid Deposit is interpreted to be more closely associated with the Type II Mt. Keith-style.

The genesis of the Reid Deposit and Australian deposits may be attributed to the combined effect of lava channels and intrusions that provide the heat and metal sources to interact with sulphide-bearing host rocks which provide an external sulphur source. Thermal erosion of the underlying rocks by the komatiite flows is undoubtedly a dominant mechanism for adding sulphur to the magma (Figure 8-3). This is consistent with the interpretation that komatiite associated Ni-Cu-(PGE) deposits form within lava channels having generated large volumes of magma.

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

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

8.2 KOMATIITE GEOLOGICAL MODELS

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

Komatiitic rocks are derived from high degree partial melts of the Earth's mantle. Due to the high degree of partial melting the komatiitic melt is enriched in elements such as nickel and magnesium. When erupted, the melts have a low viscosity and tend to flow turbulently over the substrate eroding the footwall lithologies through a combination of physical and chemical processes. Due to the low viscosity of the komatiitic melts, the lavas tended to concentrate in topographic lows. Komatiitic eruptions have been envisaged to have a high effusion rate and large volumes of lava and/or magma.

Komatiite-hosted Ni sulphide deposits, whether they are Archean or Proterozoic, occur in clusters of small sulphide bodies that are generally less than 1 million tonnes. At 1:25 0000 scale, these deposits usually occur at a pronounced thickening of ultramafic stratigraphy, and at 1:5 000 scale, these deposits occur as net-textured to massive sulphide in small embayments up to 200 m in strike length, tens to hundreds of metres in down-dip length and metres to tens of metres thick. The shape can be cylindrical, podiform, or in rare instances tabular.

8.2.1 Komatiite Volcanic Flow Facies

The five major volcanic facies that are common constituents of komatiitic flow fields include (Barnes *et al.*, 2004) (Table 8-1) (Figure 8-3):

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

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

8.2.2 Komatiite Flow Facies and Prospective Environments

Nickel-copper-cobalt sulphides are interpreted to have formed in-situ within the komatiite flows by contamination of the ultramafic lava through melting of the underlying rock and assimilation of any released sulphur. As the komatiite lava flowed, the high temperature lava melted and assimilated substrate lithologies. This melting of substrate was achieved in long-lived lava channels where prolonged high-heat input into the substrate from the channelized lava flow led to thermo-mechanical erosion and assimilation of substrate fragments into the lava (Figure 8-3A). If the substrate contained sulphide-bearing sedimentary or volcanic units, the injection of external sulphur into the komatiite drove the magmatic system to sulphur saturation. The nickel, copper and cobalt within the magmatic system combined with the sulphur and precipitated as immiscible sulphide droplets within the magma (Figure 8-3B).

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

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

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

Komatiite lava-channels favourable for sulphide accumulation also accumulated olivine-crystals from the melt under the same gravitational settling model. These lava channels have experienced serpentinization of the olivine in the presence of metamorphic, hydrothermal or meteoric water, which breaks down the olivine crystal structure to the hydrous mineral serpentine. Iron present in the olivine mineral lattice is not readily incorporated into the serpentine mineral lattice and instead precipitates magnetite. Thus, originally olivine-rich channelized environments favourable for nickel sulphide accumulation contain significant secondary magnetite after the serpentinization of the olivine. This secondary magnetite results in a high magnetic susceptibility of the rock and a prominent magnetic anomaly response to magnetic survey techniques. On the other hand, subsequent talc-carbonate alteration of serpentinized lava channels destroys magnetite and enhances large rheology contrasts during structural deformation, metamorphism and intrusion for potential remobilization of the sulphides (Stone *et al.*, 2005).

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

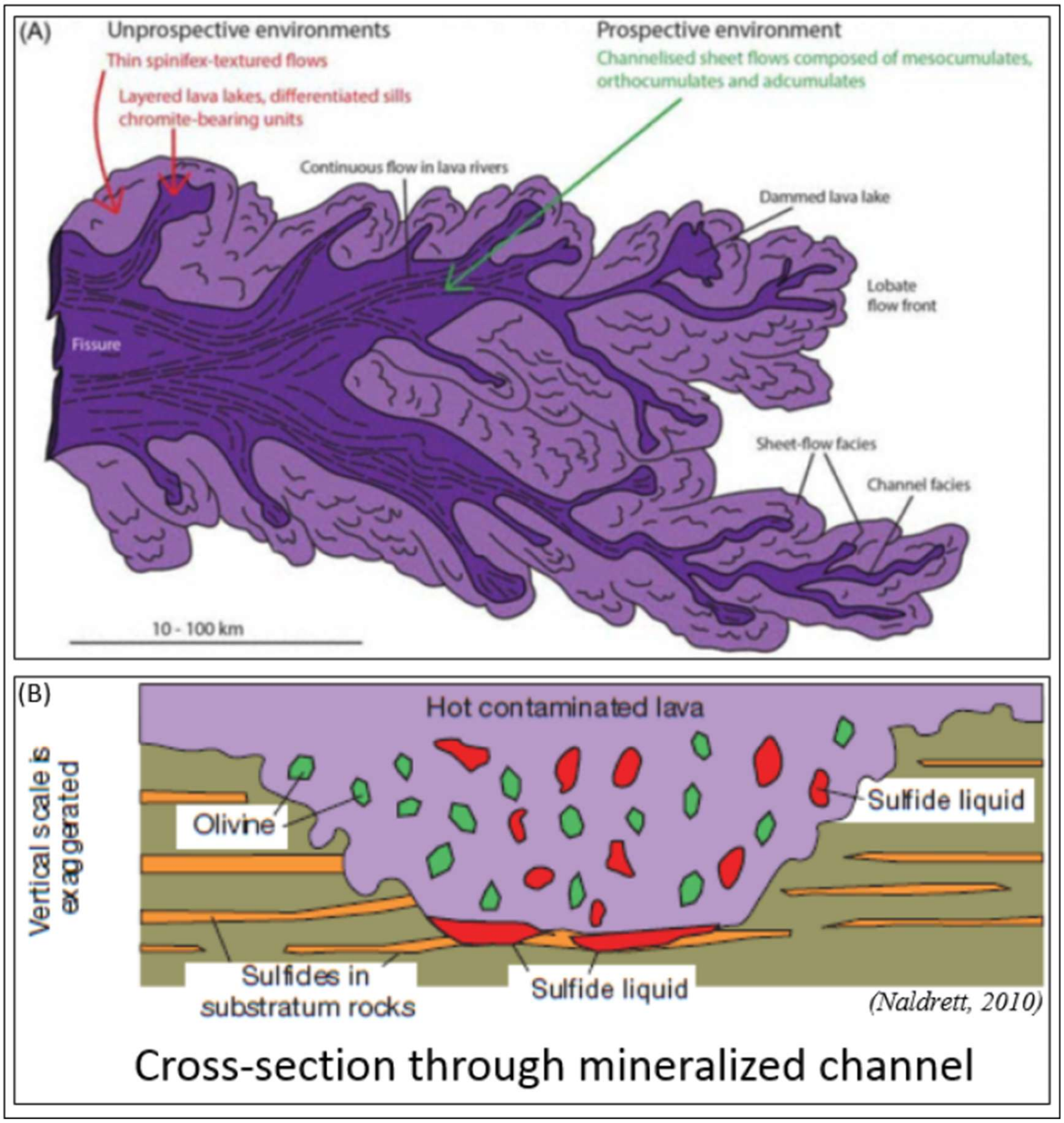


Figure 8-3. Komatiite flow facies and prospective environments for nickel-copper-cobalt sulphide formation. (A) Komatiitic flow showing prospective environment for nickel sulphide accumulation. (B) Cross-section through a nickel sulphide mineralized channel (Donaghy and Puritch, 2020).

These closed systems are bound within the confines of the volcanic channel, with little to no alteration halo or geochemical exchange with the surrounding wall rock, except for potential leakage of metal-bearing fluids along faults or penetrative deformation fabrics that intersect the sulphide deposits. Electromagnetic surveys remain the preferred tool for direct detection of Ni-sulphide mineralization of sufficient quantity and quality for economic extraction, because favourable conductive responses require 18% to 20% sulphide content by volume.

8.3 EXPLORATION TARGETING

The ultramafic bodies on the Property are highly serpentinized thereby releasing Ni from the primary cumulate olivine structure and upgrading and re-distributing Ni sulphides pentlandite, heazlewoodite, and millerite across the ultramafic complex. During the serpentinization process magnetite and potentially Ni alloy awaruite is generated increasing the magnetic susceptibility of these deposits and decreasing the overall density (Gole, 2014; Sciortino *et al.*, 2015) of the unit causing a high magnetic, low gravity anomaly that can be targeted by geophysical surveys. Due to the relatively thick overburden and lack of outcrop on the Property, geophysical surveys are key to targeting this deposit. The Crawford Nickel deposit was used as an analogue for targeting and understanding the Reid Target deposit mineralization (Lane *et al.*, 2022).

9.0 EXPLORATION

The Company has completed three phases of diamond drilling (2022, 2024, and 2025), which are reported in Section 10.0 – Drilling. The Company has also completed comminution testwork, metallurgical variability tests, and ongoing QEMSCAN mineralogical studies, which are reported in Section 13.0 – Mineral Processing and Metallurgical Testing.

10.0 DRILLING

Three phases of diamond drilling have been completed by the Company; the first phase between 18 March and 2 April and 9 June and 25 September 2022, the second phase between 26 January and 19 December 2024, and the third between 8 January and 9 April 2025. Locations of drill hole collars and hole surface traces are shown in Figure 10-1. All collar locations are reported using NAD83 UTM Zone 17N grid projection. Any historical drilling completed within the boundaries of the Property is reported in Section 6.0 – History.

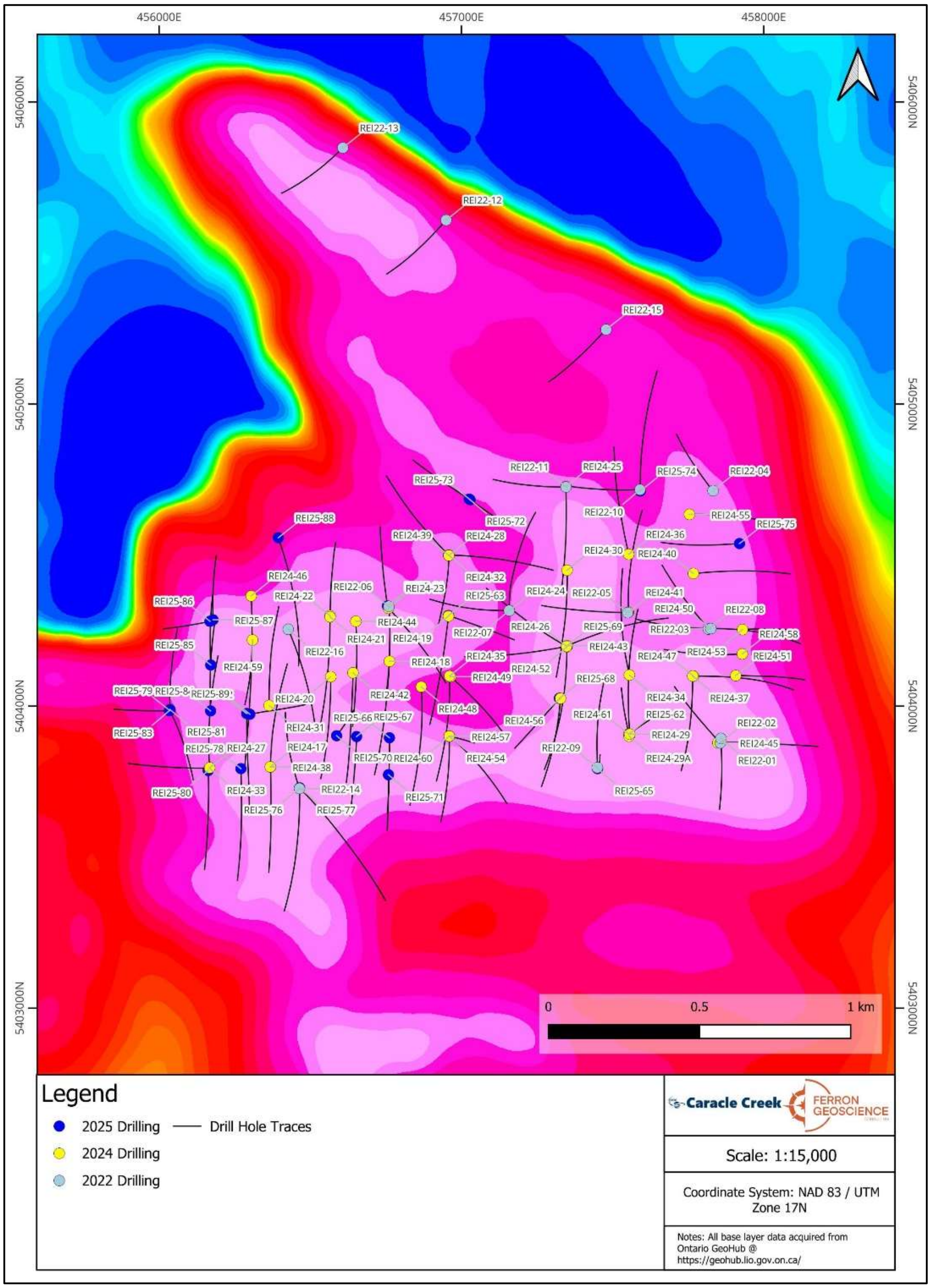


Figure 10-1. Plan map showing the location of the 2022, 2024 and 2025 drill hole collars and traces, Reid Project (Caracle Creek, 2026).

All three drilling campaigns were conducted to test a broad north-south trending ultramafic complex identified from aeromagnetic data and regional geological maps (*see* Figure 7-3). Representative drill hole sections are provided in Figures 10-1, 10-3, and 10-4.

Logged mineralization was supported by bulk mineralogy QEMSCAN work (*see* Section 13.0 – Mineral Processing and Metallurgical Testing) sampling indicating that nickel sulphides are distributed widely across the Reid Ultramafic Complex.

10.1 PHASE 1 (2022)

The first part of the Phase 1 program (2022) was contracted to FCDD Drilling Company (2 holes) and the second part was contracted to NPLH Drilling Company (14 holes). A summary of the Phase 1 drilling program details is provided in Table 10-1.

A total of 16 diamond drill holes were completed in Phase 1, totalling 6,831.4 metres. All drill holes in Table 10-2 were used in the current MRE except for REI24-12, 13, and 15. Selected core assay results are provided in Table 10-3.

Table 10-1. Summary of diamond drilling information for 2022 Phase 1 drilling program.

Drill Hole	Land Tenure	Drilling Start (dd-mm-yyyy)	Drilling End (dd-mm-yyyy)	Primary Core Samples Assayed
REI22-01	521213	18-03-2022	24-03-2022	220
REI22-02	521213	25-03-2022	02-04-2022	237
REI22-03	506744	09-06-2022	18-06-2022	224
REI22-04	506742	19-06-2022	28-06-2022	247
REI22-05	506743	29-06-2022	07-07-2022	275
REI22-06	604508	07-07-2022	14-07-2022	253
REI22-07	604508	15-07-2022	22-07-2022	234
REI22-08	506744	22-07-2022	29-07-2022	250
REI22-09	507073	29-07-2022	09-08-2022	278
REI22-10	506741	09-08-2022	15-08-2022	217
REI22-11	506741	15-08-2022	19-08-2022	237
REI22-12	640859	21-08-2022	21-08-2022	268
REI22-13	640833	31-08-2022	06-09-2022	258
REI22-14	604508	06-09-2022	13-09-2022	246
REI22-15	506740	13-09-2022	20-09-2022	230
REI22-16	604508	20-09-2022	25-09-2022	315
			Total:	**3,989**

Table 10-2. Summary of 2022 drill holes, Reid Nickel Sulphide Project.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Length (m)	Collar Az	Collar Dip	*Survey
REI22-01	457858.56	5403892.81	272.40	380.00	175	-50	DGPS
REI22-02	457856.59	5403877.96	272.32	396.00	316	-50	DGPS
REI22-03	457825.29	5404256.48	272.66	417.00	270	-50	DGPS
REI22-04	457832.50	5404713.09	271.15	417.00	320	-50	DGPS
REI22-05	457550.17	5404309.11	273.91	462.00	270	-50	DGPS
REI22-06	456760.08	5404329.79	276.06	471.00	176	-52	DGPS
REI22-07	457158.18	5404315.94	274.84	462.00	270	-50	DGPS
REI22-08	457817.24	5404254.68	272.74	430.00	330	-50	DGPS

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Length (m)	Collar Az	Collar Dip	*Survey
REI22-09	457449.63	5403796.27	274.68	438.00	0	-50	DGPS
REI22-10	457590.90	5404716.35	272.88	405.40	270	-50	DGPS
REI22-11	457346.09	5404725.26	273.73	402.00	270	-50	DGPS
REI22-12	456949.64	5405609.00	274.47	441.00	225	-50	DGPS
REI22-13	456607.88	5405848.42	274.75	405.00	225	-55	DGPS
REI22-14	456464.26	5403727.06	278.16	402.00	342	-50	DGPS
REI22-15	457478.73	5405246.49	272.02	402.00	227	-50	DGPS
REI22-16	456427.09	5404254.16	278.13	501.00	160	-50	DGPS
			Total:	**6,831.4**			

*DGPS = Differential GPS; APS = Automatic Positioning System; GPSPre = GPS pre-drilling; GPSPst = GPS post-drilling

Table 10-3. Selected drill core assay intercepts from 2022 drilling, Reid Nickel Sulphide Project.

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	S (%)	Pd (g/t)	Pt (g/t)	Fe (%)
REI22-01	51.00	127.20	76.20	0.17	0.01	0.02	0.003	0.005	7.00
and	128.00	380.00	252.00	0.10	0.01	0.02	0.030	0.028	7.64
incl.	260.00	272.00	12.00	0.04	0.01	0.01	0.395	0.340	6.53
REI22-02	42.00	396.00	354.00	0.24	0.01	0.02	0.005	0.006	5.97
incl.	226.00	242.50	16.50	0.38	0.01	0.06	0.045	0.024	6.20
REI22-03	58.60	129.00	70.40	0.23	0.01	0.04	0.003	0.003	5.48
and	130.90	354.00	223.10	0.24	0.01	0.04	0.003	0.003	5.57
and	384.50	417.00	32.50	0.17	0.01	0.07	0.006	0.007	6.36
REI22-04	48.50	318.30	269.80	0.19	0.01	0.08	0.005	0.007	6.31
and	338.00	417.00	79.00	0.21	0.01	0.11	0.010	0.007	6.30
REI22-05	52.50	462.00	409.50	0.24	0.01	0.06	0.004	0.005	5.63
REI22-06	28.80	164.00	135.20	0.19	0.01	0.05	0.010	0.011	7.79
and	177.10	195.00	17.90	0.22	0.01	0.09	0.008	0.005	7.91
and	214.00	312.50	98.50	0.25	0.01	0.07	0.007	0.005	7.33
and	360.10	471.00	110.90	0.28	0.01	0.07	0.018	0.007	6.99
incl.	369.00	414.00	45.00	0.30	0.01	0.07	0.021	0.008	7.23
REI22-07	37.00	49.00	12.00	0.18	0.01	0.06	0.022	0.011	8.82
and	53.00	61.50	8.50	0.16	0.01	0.11	0.029	0.014	9.31
and	135.00	328.50	193.50	0.30	0.01	0.08	0.028	0.011	5.43
incl.	147.00	175.50	28.50	0.41	0.01	0.09	0.044	0.016	5.35
and	196.50	228.00	31.50	0.35	0.01	0.15	0.082	0.019	5.50
and	330.00	462.00	132.00	0.27	0.01	0.09	0.008	0.005	5.10
REI22-08	57.20	430.00	372.80	0.24	0.01	0.08	0.004	0.006	6.11
REI22-09	30.00	438.00	408.00	0.20	0.01	0.08	0.007	0.008	8.08
REI22-10	60.30	103.70	43.40	0.23	0.01	0.11	0.003	0.005	6.11
and	127.30	404.40	277.10	0.20	0.01	0.06	0.011	0.014	7.44
REI22-11	23.60	103.20	79.60	0.20	0.01	0.10	0.025	0.018	8.19
and	121.00	249.90	128.90	0.15	0.01	0.08	0.007	0.012	8.51
and	258.50	402.00	143.50	0.15	0.01	0.06	0.004	0.007	8.04

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	S (%)	Pd (g/t)	Pt (g/t)	Fe (%)
REI22-12	40.00	441.00	401.00	0.22	0.01	0.02	0.003	0.005	6.34
REI22-13	82.50	405.00	322.50	0.21	0.01	0.03	0.007	0.006	6.82
REI22-14	27.40	170.80	143.40	0.16	0.01	0.03	0.003	0.007	6.65
and	177.50	402.00	224.50	0.22	0.01	0.05	0.009	0.006	5.84
incl.	343.50	402.00	58.50	0.30	0.01	0.08	0.026	0.008	5.30
REI22-15	60.00	402.00	342.00	0.18	0.01	0.03	0.004	0.006	6.86
REI22-16	30.00	501.00	471.00	0.25	0.01	0.04	0.014	0.009	6.32
incl.	469.50	501.00	31.50	0.35	0.01	0.06	0.021	0.008	5.50

*represent drill core intervals and are not indicative of true widths

10.2 PHASE 2 (2024)

Phase 2 drilling (2024) was contracted to NPLH Drilling Company (46 holes including one abandoned hole). Helicopter support was provided by Expedition Helicopters and pad construction by Exsics Exploration. In some cases, land-based skid rigs were used once the drill rig was mobilized. A summary of the Phase 2 drilling program details is provided in Table 10-4.

A total of 46 diamond drill holes were completed in Phase 2, totalling 29,082.7 metres. All drill holes in Table 10-5 were used in the current MRE except for the abandoned hole REI24-29A. Selected core assay results are provided in Table 10-6.

Table 10-4. Summary of diamond drilling information for 2024 Phase 2 drilling program.

Drill Hole	Land Tenure	Drilling Start (dd-mm-yyyy)	Drilling End (dd-mm-yyyy)	Primary Core Samples Assayed
REI24-17	604508	26-01-2024	05-02-2024	447
REI24-18	604508	05-02-2024	12-02-2024	459
REI24-19	604508	13-02-2024	20-02-2024	454
REI24-20	604508	20-02-2024	26-02-2024	453
REI24-21	604508	27-02-2024	18-03-2024	486
REI24-22	604508	06-03-2024	11-03-2024	261
REI24-23	604508	18-03-2024	23-03-2024	339
REI24-24	604508	11-04-2024	21-04-2024	349
REI24-25	506741	21-04-2024	03-05-2024	468
REI24-26	506743	22-04-2024	02-05-2024	302
REI24-27	604508	03-05-2024	13-05-2024	446
REI24-28	604508	03-05-2024	13-05-2024	458
REI24-29	507073	14-05-2024	27-05-2024	391
REI24-29A	507073	13-05-2024	14-05-2024	0
REI24-30	506743	13-05-2024	22-05-2024	448
REI24-31	604508	14-05-2024	23-05-2024	418
REI24-32	604508	22-05-2024	29-05-2024	457
REI24-33	604508	24-05-2024	29-05-2024	268
REI24-34	506743	27-05-2024	07-06-2024	421
REI24-35	604508	29-05-2024	10-06-2024	442
REI24-36	506741	29-05-2024	10-06-2024	432
REI24-37	506743	08-06-2024	18-06-2024	441

Drill Hole	Land Tenure	Drilling Start (dd-mm-yyyy)	Drilling End (dd-mm-yyyy)	Primary Core Samples Assayed
REI24-38	604508	11-06-2024	22-06-2024	460
REI24-39	604508	11-06-2024	20-06-2024	455
REI24-40	506743	19-06-2024	06-07-2024	366
REI24-41	506743	20-06-2024	28-06-2024	384
REI24-42	604508	23-06-2024	01-07-2024	476
REI24-43	506743	29-06-2024	11-07-2024	436
REI24-44	604508	02-07-2024	08-07-2024	452
REI24-45	521213	06-07-2024	18-07-2024	384
REI24-46	604508	09-07-2024	22-07-2024	445
REI24-47	506744	18-07-2024	03-08-2024	407
REI24-48	604508	22-07-2024	01-08-2024	386
REI24-49	604508	01-08-2024	10-08-2024	231
REI24-50	506744	04-08-2024	10-08-2024	329
REI24-51	506744	11-08-2024	20-08-2024	89
REI24-52	506743	12-08-2024	20-08-2024	482
REI24-53	506744	21-08-2024	26-08-2024	174
REI24-54	604508	22-08-2024	31-08-2024	173
REI24-55	506741	19-09-2024	26-09-2024	343
REI24-56	506743	26-09-2024	03-10-2024	377
REI24-57	604508	15-10-2024	24-10-2024	119
REI24-58	506744	25-10-2024	01-11-2024	179
REI24-59	604508	30-11-2024	9/12/2024	419
REI24-60	604508	10-12-2024	18-12-2024	394
REI24-61	507073	11-12-2024	19-12-2024	403
			Total:	**17,003**

Table 10-5. Summary of 2024 drill holes, Reid Nickel Sulphide Project.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Length (m)	Collar Az	Collar Dip	*Survey
REI24-17	456367.97	5403798.76	278.63	702.00	0	-60	DGPS
REI24-18	456762.03	5404148.27	276.04	720.00	180	-60	DGPS
REI24-19	456957.27	5404297.63	275.12	726.00	180	-60	DGPS
REI24-20	456567.80	5404097.03	277.60	702.00	180	-60	DGPS
REI24-21	456565.60	5404295.53	277.65	750.00	180	-60	DGPS
REI24-22	456565.73	5404299.21	277.31	489.00	0	-60	DGPS
REI24-23	456759.09	5404323.71	275.97	564.00	135	-55	DGPS
REI24-24	457158.52	5404316.01	274.81	705.00	0	-60	DGPS
REI24-25	457345.60	5404726.40	273.57	717.00	180	-60	DGPS
REI24-26	457350.00	5404200.00	278.90	528.00	258	-50	GPSPre
REI24-27	456167.35	5403795.78	279.37	702.00	0	-60	DGPS
REI24-28	456958.66	5404498.50	275.02	705.00	180	-70	DGPS
REI24-29	457556.76	5403906.87	275.16	696.00	0	-55	DGPS
REI24-29A	457555.00	5403900.00	274.88	42.00	0	-60	GPSPre
REI24-30	457349.82	5404449.65	274.96	702.00	180	-60	DGPS
REI24-31	456364.16	5404001.85	278.48	648.40	0	-60	DGPS
REI24-32	456958.55	5404499.43	275.07	705.00	315	-60	DGPS
REI24-33	456166.23	5403794.42	279.25	432.00	270	-50	DGPS

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Length (m)	Collar Az	Collar Dip	*Survey
REI24-34	457555.77	5404102.69	275.33	702.00	350	-60	DGPS
REI24-35	456960.88	5404099.46	275.56	702.00	180	-60	DGPS
REI24-36	457553.49	5404502.50	272.51	702.00	0	-60	DGPS
REI24-37	457765.26	5404099.46	273.84	697.50	180	-60	DGPS
REI24-38	456368.30	5403798.20	278.63	702.00	180	-60	DGPS
REI24-39	456957.65	5404499.65	275.04	720.00	90	-60	DGPS
REI24-40	457767.47	5404438.97	273.13	643.70	90	-60	DGPS
REI24-41	457552.73	5404310.86	273.71	706.00	0	-60	DGPS
REI24-42	456641.49	5404110.02	277.01	735.00	180	-60	DGPS
REI24-43	457350.01	5404199.87	274.46	696.00	70	-60	DGPS
REI24-44	456650.81	5404280.76	277.21	702.00	180	-60	DGPS
REI24-45	457848.51	5403878.51	272.13	667.50	90	-60	DGPS
REI24-46	456304.53	5404364.53	278.32	702.00	180	-50	DGPS
REI24-47	457767.83	5404099.04	273.70	702.60	90	-60	DGPS
REI24-48	456867.20	5404063.80	275.59	702.00	180	-55	APS
REI24-49	456964.06	5404097.31	275.41	483.00	130	-50	DGPS
REI24-50	457823.83	5404256.46	272.57	600.00	90	-60	DGPS
REI24-51	457900.00	5404100.00	272.00	447.00	90	-60	GPSPst
REI24-52	457349.38	5404196.20	274.41	759.00	180	-55	DGPS
REI24-53	457930.07	5404253.22	271.97	372.00	90	-60	DGPS
REI24-54	456959.98	5403900.30	275.63	501.00	180	-55	DGPS
REI24-55	457754.41	5404634.62	272.20	561.00	90	-60	DGPS
REI24-56	457327.75	5404025.33	274.25	621.00	180	-60	DGPS
REI24-57	456960.94	5403900.19	276.00	537.00	130	-55	DGPS
REI24-58	457929.40	5404172.44	273.00	531.00	270	-60	DGPS
REI24-59	456309.05	5404218.66	278.88	654.00	180	-50	DGPS
REI24-60	456960.06	5403900.29	275.58	648.00	110	-82	DGPS
REI24-61	457553.93	5403906.97	274.96	651.00	355	-75	DGPS
			Total:	**29,082.7**			

*DGPS = Differential GPS; APS = Automatic Positioning System; GPSPre = GPS pre-drilling; GPSPst = GPS post-drilling

Table 10-6. Selected drill core assay intercepts from 2024 drilling, Reid Nickel Sulphide Project.

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	S (%)	Pd (g/t)	Pt (g/t)	Fe (%)
REI24-17	27.00	136.50	109.50	0.22	0.01	0.06	0.003	0.003	5.97
and	144.00	702.00	558.00	0.26	0.01	0.07	0.012	0.007	5.97
incl.	385.50	409.50	24.00	0.40	0.01	0.14	0.027	0.011	5.89
incl.	396.00	408.00	12.00	0.47	0.01	0.17	0.030	0.013	5.82
REI24-18	32.25	409.70	377.45	0.27	0.01	0.02	0.005	0.005	5.32
and	411.00	572.80	161.80	0.26	0.01	0.04	0.005	0.007	5.66
and	573.00	720.00	147.00	0.29	0.01	0.05	0.026	0.015	5.82
REI24-19	46.00	726.00	680.00	0.25	0.01	0.02	0.013	0.009	6.35
REI24-20	26.00	71.30	45.30	0.25	0.01	0.04	0.003	0.003	4.95
and	71.60	255.50	183.90	0.27	0.01	0.04	0.009	0.007	5.22
and	255.70	702.00	446.30	0.25	0.01	0.05	0.009	0.005	6.24
incl.	255.70	333.00	77.30	0.35	0.01	0.10	0.025	0.011	5.58

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	S (%)	Pd (g/t)	Pt (g/t)	Fe (%)
REI24-21	24.00	750.00	726.00	0.24	0.01	0.05	0.010	0.012	6.77
incl.	529.50	553.50	24.00	0.35	0.01	0.07	0.026	0.013	5.01
REI24-22	139.50	403.50	264.00	0.21	0.01	0.03	0.014	0.010	7.08
REI24-23	24.00	306.00	282.00	0.17	0.01	0.02	0.010	0.012	7.84
and	343.80	564.00	220.20	0.25	0.01	0.04	0.011	0.006	7.47
REI24-24	78.90	94.85	15.95	0.27	0.01	0.10	0.067	0.024	5.89
and	174.10	247.20	73.10	0.25	0.01	0.04	0.006	0.005	5.61
and	260.00	627.00	367.00	0.24	0.01	0.06	0.005	0.008	5.79
and	669.00	705.00	36.00	0.18	0.01	0.03	0.003	0.006	7.39
REI24-25	28.00	717.00	689.00	0.21	0.01	0.03	0.008	0.009	6.77
REI24-26	30.60	289.80	259.20	0.22	0.01	0.04	0.033	0.013	7.12
and	321.40	488.50	167.10	0.21	0.01	0.03	0.024	0.017	8.25
REI24-27	27.20	510.00	482.80	0.27	0.01	0.07	0.014	0.010	5.42
REI24-28	18.60	705.00	686.40	0.26	0.01	0.02	0.011	0.006	5.90
REI24-29	54.00	568.60	514.60	0.23	0.01	0.03	0.011	0.008	6.59
and	642.60	696.00	53.40	0.24	0.01	0.03	0.018	0.011	7.47
REI24-30	30.00	702.00	672.00	0.24	0.01	0.06	0.014	0.010	6.79
REI24-31	28.00	648.40	620.40	0.22	0.01	0.07	0.013	0.010	6.85
REI24-32	21.00	705.00	684.00	0.21	0.01	0.03	0.008	0.007	6.45
REI24-33	30.00	432.00	402.00	0.25	0.01	0.04	0.011	0.008	5.46
REI24-34	39.60	669.00	629.40	0.25	0.01	0.04	0.004	0.005	5.72
REI24-35	39.70	702.00	662.30	0.29	0.01	0.05	0.019	0.013	5.68
incl.	601.50	702.00	100.50	0.42	0.02	0.12	0.035	0.020	6.26
incl.	645.00	679.50	34.50	0.53	0.02	0.16	0.041	0.023	6.20
REI24-36	36.00	261.00	225.00	0.24	0.01	0.06	0.003	0.005	6.01
and	283.50	702.00	418.50	0.20	0.01	0.04	0.021	0.016	7.12
REI24-37	42.20	697.50	655.30	0.24	0.01	0.03	0.012	0.010	6.28
incl.	202.50	213.90	11.40	0.47	0.02	0.11	0.315	0.187	7.20
REI24-38	27.00	702.00	675.00	0.22	0.01	0.05	0.025	0.019	6.56
REI24-39	21.00	169.80	148.80	0.23	0.01	0.02	0.003	0.005	6.15
and	213.80	636.70	422.90	0.24	0.01	0.05	0.003	0.005	6.12
and	653.00	720.00	67.00	0.24	0.01	0.03	0.003	0.005	5.69
REI24-40	51.40	141.00	89.60	0.22	0.01	0.04	0.003	0.003	6.29
and	153.00	330.00	177.00	0.24	0.01	0.07	0.005	0.004	5.82
and	341.10	599.00	257.90	0.24	0.01	0.05	0.004	0.003	5.76
REI24-41	40.50	116.00	75.50	0.24	0.01	0.07	0.003	0.005	5.48
and	216.00	706.00	490.00	0.19	0.01	0.05	0.012	0.012	7.51
REI24-42	25.00	735.00	710.00	0.25	0.01	0.04	0.010	0.006	5.67
incl.	291.00	394.50	103.50	0.35	0.01	0.10	0.030	0.011	5.69
incl.	370.50	393.00	22.50	0.41	0.02	0.11	0.030	0.012	5.87

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	S (%)	Pd (g/t)	Pt (g/t)	Fe (%)
REI24-43	27.00	469.20	442.20	0.26	0.01	0.04	0.003	0.005	5.52
and	494.70	678.00	183.30	0.26	0.01	0.05	0.009	0.005	5.64
and	678.70	696.00	17.30	0.24	0.01	0.07	0.015	0.014	7.45
REI24-44	24.00	702.00	678.00	0.24	0.01	0.04	0.039	0.014	7.03
incl.	481.50	489.00	7.50	0.41	0.01	0.11	0.030	0.014	7.58
REI24-45	44.60	191.60	147.00	0.19	0.01	0.02	0.003	0.003	6.83
and	215.30	382.10	166.80	0.22	0.01	0.03	0.006	0.004	5.69
and	394.00	586.00	192.00	0.25	0.01	0.05	0.019	0.011	5.64
REI24-46	38.00	702.00	664.00	0.23	0.01	0.10	0.022	0.013	6.97
REI24-47	48.30	303.00	254.70	0.26	0.01	0.03	0.003	0.003	5.58
and	335.50	450.80	115.30	0.24	0.01	0.03	0.003	0.003	5.88
and	477.00	702.00	225.00	0.19	0.01	0.03	0.011	0.015	7.59
REI24-48	56.80	126.40	69.60	0.22	0.01	0.04	0.023	0.008	6.98
and	210.00	702.00	492.00	0.21	0.01	0.03	0.003	0.003	6.43
REI24-49	40.00	189.20	149.20	0.28	0.01	0.05	0.006	0.006	5.55
incl.	40.00	61.50	21.50	0.36	0.01	0.08	0.023	0.009	5.82
and	200.00	215.50	15.50	0.23	0.01	0.08	0.003	0.005	5.44
and	226.50	280.50	54.00	0.26	0.01	0.08	0.003	0.005	5.51
and	363.30	440.70	77.40	0.26	0.01	0.06	0.016	0.011	5.64
REI24-50	51.00	144.00	93.00	0.25	0.01	0.05	0.003	0.003	5.56
and	161.00	314.00	153.00	0.24	0.01	0.03	0.005	0.003	5.43
and	327.30	532.20	204.90	0.27	0.01	0.06	0.004	0.003	5.49
REI24-51	285.00	417.00	132.00	0.24	0.01	0.04	0.003	0.005	5.29
REI24-52	36.30	759.00	722.70	0.24	0.01	0.05	0.012	0.007	6.03
incl.	309.00	321.00	12.00	0.48	0.02	0.12	0.058	0.032	6.68
incl.	415.50	442.50	27.00	0.44	0.01	0.11	0.033	0.017	6.17
incl.	415.50	426.00	10.50	0.62	0.02	0.17	0.052	0.026	6.41
REI24-53	51.00	127.30	76.30	0.24	0.01	0.06	0.005	0.006	5.54
and	141.00	307.90	166.90	0.26	0.01	0.09	0.007	0.006	5.73
and	366.00	372.00	6.00	0.19	0.01	0.11	0.003	0.005	6.38
REI24-54	136.00	160.60	24.60	0.17	0.01	0.06	0.004	0.010	7.41
and	185.76	227.50	41.74	0.13	0.01	0.05	0.006	0.007	8.47
and	384.50	427.78	43.28	0.14	0.01	0.04	0.008	0.003	9.24
REI24-55	45.00	301.10	256.10	0.20	0.01	0.03	0.005	0.005	7.00
and	315.10	561.00	245.90	0.22	0.01	0.04	0.005	0.006	6.55
REI24-56	59.10	621.00	561.90	0.22	0.01	0.04	0.003	0.003	5.95
REI24-57	30.80	208.50	177.70	0.20	0.01	0.03	0.003	0.003	6.65
REI24-58	57.00	235.50	178.50	0.26	0.01	0.05	0.003	0.003	5.47
and	322.50	412.50	90.00	0.27	0.01	0.02	0.003	0.003	5.17

*represent drill core intervals and are not indicative of true widths

10.3 PHASE 3 (2025)

Phase 3 drilling (2025) was contracted to NPLH Drilling Company (28 NQ holes). A summary of the Phase 3 drilling program details is provided in Table 10-7.

A total of 28 diamond drill holes were completed in Phase 3, totalling 15,265.3 metres. All drill holes in Table 10-8 were used in the current MRE. Selected core assay results are provided in Table 10-9.

Table 10-7. Summary of diamond drilling information for 2025 Phase 3 drilling program.

Drill Hole	Land Tenure	Drilling Start (yyyy-mm-dd)	Drilling End (yyyy-mm-dd)	Primary Core Samples Assayed
REI25-62	507073	2025-01-08	2025-01-15	293
REI25-63	604508	2025-01-08	2025-01-12	186
REI25-64	604508	2025-01-12	2025-01-17	307
REI25-65	507073	2025-01-16	2025-01-22	336
REI25-66	604508	2025-01-17	2025-01-21	249
REI25-67	604508	2025-01-21	2025-01-26	316
REI25-68	506743	2025-01-23	2025-01-26	166
REI25-69	506743	2025-01-26	2025-02-02	319
REI25-70	604508	2025-01-26	2025-02-02	475
REI25-71	604508	2025-02-03	2025-02-05	77
REI25-72	604508	2025-02-05	2025-02-08	225
REI25-73	604508	2025-02-08	2025-02-13	234
REI25-74	506741	2025-02-13	2025-02-19	438
REI25-75	506742	2025-02-19	2025-02-26	322
REI25-76	604508	2025-02-25	2025-03-06	461
REI25-77	604508	2025-03-06	2025-03-12	434
REI25-78	604508	2025-03-07	2025-03-15	460
REI25-79	604508	2025-03-12	2025-03-16	385
REI25-80	604508	2025-03-15	2025-03-20	356
REI25-81	604508	2025-03-17	2025-03-21	351
REI25-82	604508	2025-03-21	2025-04-03	683
REI25-83	604508	2025-03-21	2025-03-22	202
REI25-84	604508	2025-03-23	2025-03-27	378
REI25-85	604508	2025-03-27	2025-03-30	322
REI25-86	604508	2025-03-30	2025-03-31	206
REI25-87	604508	2025-03-31	2025-04-02	245
REI25-88	604508	2025-04-03	2025-04-08	443
REI25-89	604508	2025-04-04	2025-04-09	420
			Total:	**9,289**

Table 10-8. Summary of 2025 drill holes, Reid Nickel Sulphide Project.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Length (m)	Collar Az	Collar Dip	*Survey
REI25-62	457554.16	5403906.93	274.84	528.00	58	-72	DGPS
REI25-63	456957.39	5404299.61	275.15	351.00	110	-50	DGPS
REI25-64	456755.50	5404331.11	276.65	522.00	350	-60	DGPS
REI25-65	457450.37	5403792.85	274.64	534.00	30	-85	DGPS
REI25-66	456761.90	5403895.04	276.42	468.00	180	-60	DGPS
REI25-67	456653.31	5403899.03	276.77	501.00	180	-60	DGPS
REI25-68	457324.39	5404025.68	274.52	351.00	220	-50	DGPS

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Length (m)	Collar Az	Collar Dip	*Survey
REI25-69	457347.93	5404197.58	274.55	577.30	302	-55	DGPS
REI25-70	456587.21	5403901.71	277.23	738.00	45	-84	DGPS
REI25-71	456758.73	5403772.53	276.26	264.00	180	-50	DGPS
REI25-72	457026.04	5404685.21	274.39	354.00	305	-50	DGPS
REI25-73	457028.84	5404683.19	274.47	450.00	125	-70	DGPS
REI25-74	457591.74	5404711.94	272.83	711.00	0	-55	DGPS
REI25-75	457920.07	5404538.01	270.60	540.00	270	-60	DGPS
REI25-76	456464.90	5403728.77	278.31	717.00	135	-50	DGPS
REI25-77	456464.89	5403728.79	278.27	672.00	180	-50	DGPS
REI25-78	456270.55	5403792.75	278.84	699.00	178	-60	DGPS
REI25-79	456035.20	5403984.93	279.95	600.00	155	-65	DGPS
REI25-80	456162.41	5403786.56	279.20	570.00	180	-55	DGPS
REI25-81	456036.20	5403988.47	280.28	552.00	0	-60	DGPS
REI25-82	456300.22	5403972.95	278.94	1,044.00	85	-80	DGPS
REI25-83	456033.83	5403984.68	279.93	330.00	270	-55	DGPS
REI25-84	456170.37	5403983.81	279.31	591.00	358	-60	DGPS
REI25-85	456170.78	5404135.85	279.21	501.00	358	-60	DGPS
REI25-86	456168.16	5404280.66	278.81	324.00	358	-60	DGPS
REI25-87	456178.26	5404285.63	278.77	429.00	358	-60	DGPS
REI25-88	456394.24	5404557.34	277.48	684.00	160	-52	DGPS
REI25-89	456289.62	5403975.18	279.07	663.00	180	-60	DGPS
			Total:	**15,265.30**			

*DGPS = Differential GPS; APS = Automatic Positioning System; GPSPre = GPS pre-drilling; GPSPst = GPS post-drilling

Table 10-9. Selected drill core assay intercepts from 2025 drilling, Reid Nickel Sulphide Project.

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Cr (%)	Fe (%)	S (%)
REI25-61	47.30	160.00	112.70	0.24	0.01	0.00	0.00	0.62	6.22	0.03
and	169.50	651.00	481.50	0.26	0.01	0.00	0.00	0.70	5.99	0.04
REI25-62	45.00	139.30	94.30	0.23	0.01	0.00	0.00	0.63	6.31	0.03
and	154.50	314.80	160.30	0.22	0.01	0.00	0.00	0.55	6.45	0.03
and	361.50	528.00	166.50	0.27	0.01	0.00	0.00	0.71	5.77	0.03
REI25-64	27.00	279.60	252.60	0.25	0.01	0.01	0.01	0.76	6.20	0.03
and	325.00	522.00	197.00	0.22	0.01	0.00	0.00	0.80	6.33	0.04
REI25-66	27.00	312.00	285.00	0.13	0.01	0.01	0.01	0.44	8.03	0.04
and	312.00	321.00	9.00	0.03	0.01	0.53	0.48	0.31	5.74	0.11
and	420.80	468.00	47.20	0.16	0.01	0.00	0.00	0.59	6.53	0.07
REI25-67	28.00	203.50	1750	0.17	0.01	0.00	0.01	0.55	7.03	0.04
and	213.00	369.00	156.00	0.11	0.01	0.03	0.03	0.40	8.67	0.06
and	369.00	375.00	6.00	0.04	0.01	0.53	0.50	0.37	8.00	0.04
and	408.50	501.00	92.50	0.22	0.01	0.00	0.00	0.71	6.13	0.05
REI25-70	27.00	738.00	711.00	0.27	0.01	0.01	0.01	0.73	5.63	0.05
including	267.00	387.00	120.00	0.37	0.01	0.03	0.02	0.74	5.66	0.09
including	268.50	307.50	39.00	0.45	0.02	0.03	0.01	0.85	6.01	0.13
REI24-60	27.00	466.80	439.80	0.22	0.01	0.01	0.00	0.67	5.72	0.03
including	348.00	355.50	7.50	0.44	0.02	0.08	0.04	0.58	5.81	0.12
and	514.30	648.00	133.70	0.28	0.01	0.00	0.00	0.74	5.32	0.03
REI25-63	25.80	189.50	163.70	0.25	0.01	0.01	0.01	0.76	6.54	0.03
and	214.10	302.70	88.60	0.19	0.01	0.00	0.01	0.62	8.24	0.03
REI25-68	108.50	351.00	242.50	0.23	0.01	0.00	0.00	0.67	6.00	0.03
REI25-69	31.00	502.60	471.60	0.28	0.01	0.01	0.01	0.79	5.75	0.03

Drill Hole	From (m)	To (m)	*Interval (m)	Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Cr (%)	Fe (%)	S (%)
including	192.00	330.00	138.00	0.33	0.01	0.03	0.01	0.74	5.64	0.05
including	198.00	220.50	22.50	0.45	0.01	0.03	0.01	0.76	5.78	0.10
REI25-82	25.40	1,044	1018.60	0.28	0.01	0.02	0.01	0.68	5.97	0.08
including	120.00	164.80	44.80	0.42	0.02	0.04	0.02	0.68	5.94	0.15
including	124.50	135.00	10.50	0.50	0.02	0.05	0.02	0.69	6.12	0.18
and	583.50	681.00	97.50	0.36	0.01	0.04	0.02	0.66	5.58	0.10
REI25-89	33.70	663.00	629.30	0.25	0.01	0.01	0.01	0.68	5.94	0.07
including	33.70	228.00	194.30	0.31	0.01	0.02	0.01	0.64	5.35	0.12
including	148.50	183.00	34.50	0.41	0.01	0.03	0.01	0.63	5.51	0.16
REI25-65	169.50	534.00	364.50	0.20	0.01	0.00	0.00	0.56	6.66	0.04
REI25-75	49.50	234.40	184.90	0.20	0.01	0.00	0.00	0.68	6.81	0.04
and	263.60	540.00	276.40	0.24	0.01	0.00	0.00	0.83	6.47	0.04
including	334.00	417.00	83.00	0.27	0.01	0.00	0.00	0.94	5.94	0.05
REI25-79	27.00	600.00	573	0.25	0.01	0.01	0.01	0.63	5.41	0.04
including	231.00	289.50	58.50	0.30	0.01	0.06	0.04	0.63	5.76	0.04
and	358.50	378.00	19.50	0.31	0.01	0.02	0.01	0.60	5.19	0.05
REI25-84	23.70	208.60	184.90	0.26	0.01	0.01	0.01	0.69	5.76	0.07
including	117.00	145.50	28.50	0.34	0.01	0.02	0.01	0.71	5.46	0.09
and	218.00	591.00	373.00	0.21	0.01	0.02	0.02	0.56	6.99	0.08
including	291.00	309.00	18.00	0.35	0.01	0.01	0.01	0.75	6.23	0.10
REI25-85	18.00	501.00	483.00	0.19	0.01	0.02	0.01	0.52	7.35	0.06
including	18.00	108.00	90.00	0.25	0.01	0.01	0.00	0.67	6.40	0.08
REI25-71	65.20	110.80	45.60	0.14	0.01	0.01	0.01	0.34	10.03	0.07
REI25-72	24.50	354.00	329.50	0.18	0.01	0.01	0.01	0.54	7.10	0.03
including	25.50	68.00	42.50	0.26	0.01	0.01	0.01	0.83	5.64	0.04
REI25-73	14.40	54.00	39.60	0.23	0.01	0.00	0.00	0.76	5.18	0.01
and	88.50	158.30	69.80	0.15	0.01	0.01	0.01	0.45	7.45	0.01
and	221.20	286.80	65.60	0.14	0.01	0.00	0.01	0.42	7.19	0.06
and	334.60	415.30	80.70	0.21	0.01	0.00	0.00	0.83	6.27	0.05

*represent drill core intervals and are not indicative of true widths

10.4 DRILLING AND CORE HANDLING PROCEDURES

All three phases of drilling were completed using NQ core tools (NW casing) and all casing was left in the ground except for hole REI24-29A which was abandoned.

10.4.1 Drill Rig Alignment

In general, the drill rig was oriented on the site of the drill hole using a compass and hand-held GPS and verified using the Reflex TN14 rig alignment system. Collars were then verified using differential GPS surveys post-drilling.

10.4.2 Drill Hole and Collar Surveys

Down-the-hole surveys were completed after casing the drill hole and then every 50 m during drilling, using a Reflex EZ-Gyro system. Once the drill hole was completed and the rig removed, all drill holes were surveyed with Reflex Sprint-IQ gyro compass continuous survey system.

10.4.3 Core Handling

After the core was packed into wooden core trays by the drillers, the trays were covered and bound and transported by Canada Nickel personnel (field assistant or geologist) to the core shack for logging and processing. Core is stored in the Company's secure core shack/fenced yard in Timmins (*see* Section 11.0 – Sample Preparation, Analyses and Security).

11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

11.1 INTRODUCTION

Mr. Edwin Escarraga (P.Geo.), a qualified person as defined by NI 43-101, is responsible for the ongoing drilling and sampling program, including quality assurance (QA) and quality control (QC), together QA/QC.

The Company has completed a total of 90 diamond drill holes on the Reid Project, 16 in 2022, 46 in 2024, and 28 in 2025; the results for a total of 36,240 multi-element analyses from these programs (drill core samples and those samples included for QA/QC purposes) were available at the time of this report. All analyses are reported on a "weight-by-weight" basis (*e.g.*, ppb or parts per billion = ng/g).

The core is marked and sampled at primarily 1.5-metre lengths and cut with diamond blade saws or a hydraulic core splitter. Samples are bagged with QA/QC samples inserted into the sample stream at the recommended rate in each batch of 20 samples. Each batch of 20 samples therefore includes: i) one sample selected from the various Certified Reference Materials used; ii) one sample of blank material; and iii) a sample tag indicating which laboratory-prepared sample pulp is to be reanalyzed as a duplicate sample. Samples (60 per lot) are transported in secure bags directly from the company core shack to Activation Laboratories Ltd. (Actlabs) in Timmins or by commercial truck transport (Manitoulin Transport Inc.) to SGS Canada Inc. (SGS) in Lakefield, Ontario. In general, the core recovery for the diamond drill holes on the Property has been better than 95% and little core loss due to poor drilling methods or procedures has been experienced.

In the opinion of the QPs (John Siriunas and Scott Jobin-Bevans), sample preparation, security and analytical procedures used by Canada Nickel and the assay data are adequate for the purposes of this Report (*see* Section 2.1 – Purpose of the Technical Report), for the verification of drill core assays, and for use in a preliminary economic assessment ("PEA"). The QPs (Scott Jobin-Bevans and John Siriunas) have not seen any factors from the drill core database that would materially impact the reliability or accuracy of the data and information for use in the current Mineral Resource Estimate on the Reid Deposit.

11.2 SAMPLE COLLECTION AND TRANSPORTATION

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

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

11.3 CORE LOGGING AND SAMPLING PROCEDURES

CNC leases logging, sample preparation and exploration office space at 170 Jaguar Drive in Timmins, Ontario, which is approximately 60 km from the Project. This section describes the protocols followed at the latter facility.

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

Core is first turned and aligned to be sure the same side of the core is being marked, cut and sampled.. Samples are identified by inserting two identical prefabricated, sequentially numbered, weather-resistant sample tags at the end of each sample interval. Magnetic susceptibility is measured at every three-metre block, taking a minimum of two readings (averaged) and a third reading if the first two readings are significantly different. The relative density of core samples (specific gravity or SG) is calculated from core in one out of every four core boxes that contain the target ultramafic rocks. The logging geologist determines if additional SG measurements need to be made. The geotechnician writes the SG measurement directly on the core that was measured. Core is stored sequentially, hole by hole, in racks ahead of the logging process.

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

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

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

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

11.4 ANALYTICAL

Activation Laboratories Ltd. (Actlabs), a geochemical services company accredited to international standards, with assay lab ISO 17025 certification, certification to ISO 9001:2008 and CAN-P-1579 (Mineral Analysis), was used for most of the analytical requirements related to the Project. The Actlabs laboratory in Timmins, Ontario carried out the sample login/registration, sample weighing, sample preparation and analyses. Actlabs certificates and report numbers are prefixed with an "A" and year designation (*e.g.*, A22-, A24- etc.)

SGS Canada Inc. (SGS), likewise a geochemical services company accredited to the same international standards as Actlabs, was used for some of the analytical requirements as the Actlabs facility became overtaxed with service requests. Sample preparation by SGS was carried out in Lakefield, Ontario while analyses were performed at SGS' facilities in Burnaby, BC with some analyses being performed at SGS' facilities in Lima, Perú.

SGS certificates and report numbers are prefixed with a "BBM" and year designation (*e.g.*, BBM22-) for the Burnaby lab or "GQ" for the lab in Lima.

Actlabs and SGS are both independent of Canada Nickel, the QP John Siriunas and the other Authors (QPs).

Platinum group elements (PGEs) palladium (Pd) and platinum (Pt), and precious metal gold (Au) were analyzed using a fire assay (FA) digestion of 30 g of sample material followed by an ICP-OES determination of concentration. Base metals and other elements (total of 20 elements are reported herein including Al, As, Be, Ca, Co, Cr, Cu, Fe, K, Li, Mg, Mn, Ni, Pb, S, Sb, Si, Ti, W, Zn) were determined by ICP-OES following a sodium peroxide (Na_2O_2) fusion digestion. The sodium peroxide fusion method is suitable for the "total" digestion of refractory minerals and samples with high sulphide content. Select samples have been analyzed for total sulphur by combustion and infrared absorption techniques (SGS labs only). Detection limits for all elements at Actlabs and SGS are summarized in Tables 11-1 and 11-2. Differences between the instrumental detection limits can have a profound influence on the relative difference between analyses at low levels of elemental concentration. Samples from recent (2024) diamond drilling also include total carbon analyses by infrared absorption methods; these sample results will ultimately be included in carbon sequestration studies being initiated by CNC.

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

Element	Method	LLD	Unit	Element	Method	LLD	Unit
Au	FA-ICP	2	ppb	Li	FUS-Na-2O2	0.01	%
Pt	FA-ICP	5	ppb	Mg	FUS-Na-2O2	0.01	%
Pd	FA-ICP	5	ppb	Mn	FUS-Na-2O2	0.01	%
Al	FUS-Na-2O2	0.01	%	Ni	FUS-Na-2O2	0.005	%
As	FUS-Na-2O2	0.01	%	Pb	FUS-Na-2O2	0.01	%
Be	FUS-Na-2O2	0.001	%	S	FUS-Na-2O2	0.01	%
Ca	FUS-Na-2O2	0.01	%	Sb	FUS-Na-2O2	0.01	%
Co	FUS-Na-2O2	0.002	%	Si	FUS-Na-2O2	0.01	%
Cr	FUS-Na-2O2	0.01	%	Ti	FUS-Na-2O2	0.01	%
Cu	FUS-Na-2O2	0.005	%	W	FUS-Na-2O2	0.005	%
Fe	FUS-Na-2O2	0.05	%	Zn	FUS-Na-2O2	0.01	%
K	FUS-Na-2O2	0.1	%				

Notes: FA-ICP=fire assay with ICP-OES finish. FUS-Na_2O_2=sodium peroxide fusion digestion with ICP-OES finish. %= per cent by weight. ppb=parts per billion by weight (ng/g).

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

Element	Method	LLD	Unit	Element	Method	LLD	Unit
Au	FA-ICP	5	ppb	Li	FUS-Na-2O2	0.001	%
Pt	FA-ICP	10	ppb	Mg	FUS-Na-2O2	0.01	%
Pd	FA-ICP	5	ppb	Mn	FUS-Na-2O2	0.001	%
Al	FUS-Na-2O2	0.01	%	Ni	FUS-Na-2O2	0.001	%
As	FUS-Na-2O2	0.003	%	Pb	FUS-Na-2O2	0.002	%
Be	FUS-Na-2O2	0.0005	%	S	FUS-Na-2O2	0.01	%
Ca	FUS-Na-2O2	0.1	%	S	IR	0.005	%
Co	FUS-Na-2O2	0.001	%	Sb	FUS-Na-2O2	0.005	%
Cr	FUS-Na-2O2	0.001	%	Si	FUS-Na-2O2	0.1	%
Cu	FUS-Na-2O2	0.001	%	Ti	FUS-Na-2O2	0.01	%
Fe	FUS-Na-2O2	0.01	%	W	FUS-Na-2O2	0.005	%
K	FUS-Na-2O2	0.1	%	Zn	FUS-Na-2O2	0.001	%

Notes: FA-ICP=fire assay with ICP-OES finish. FUS-Na_2O_2=sodium peroxide fusion digestion with ICP-OES finish. IR=infrared combustion method. %= per cent by weight. ppb=parts per billion by weight (ng/g).

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

11.5 QA/QC – CONTROL SAMPLES

CNC submitted a total of 36,240 samples related to the Reid Project for analysis. Included in the sample total are 3,636 "control" samples (either a blank or CRM sample) and 1,809 duplicates for a total inclusion rate of 15%. The current rates of QA/QC sample submission are completely in-line with that recommended for the Project.

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

CNC has inserted six different samples of CRM into the nominal sample stream: OREAS 683 (PGE ore; 288 samples), OREAS 70b (nickel sulphide ore; 518 samples), OREAS 74a (nickel sulphide ore; 23 samples), OREAS 72b (nickel sulphide ore; 266 samples), OREAS 180 (lateritic nickel-cobalt ore; 62 samples), and OREAS 181 (lateritic nickel-cobalt ore; 19 samples).

CNC also introduced 1,822 samples of blank material ("blank silica") into the sample stream.

CNC requested that each laboratory carry out a duplicate analysis on prepared pulps for Company-selected samples. This was carried out at a rate of one (1) duplicate in each batch of 20 samples; 1,809 sample-duplicate pairs were generated in this manner. The authors are not aware of any samples being submitted to a referee lab; this is likely since there are no domestic laboratories (other than Actlabs and SGS) that are capable/equipped/willing to handle sample material that could potentially include "asbestos" minerals.

11.6 QA/QC - DATA VERIFICATION

11.6.1 Certified Reference Material

Certified reference materials are used by CNC to monitor the accuracy of the analyses performed by Actlabs and SGS. Several different reference materials for different combinations of elements were used during the analytical work being reported on herein. For the purposes of the report, we have focused on the results of the most frequently used reference materials submitted for analysis by CNC, namely OREAS 70b and OREAS 683; they report certified values in the expected concentration ranges similar to the samples of drill core that was submitted to for analysis. The results from each laboratory, Actlabs and SGS (Burnaby and including Lima) have been examined separately for these materials.

It is observed that in general the analyses for the certified reference material examined in detail averaged within two standard deviations of the average concentration for each element over the span of the laboratory work with rare (and inconsistent) occurrences of analyses greater than more or less three standard deviations; this gives reason to believe that the precision of the analyses be considered as acceptable. Average concentrations of the various elements analyzed were also very close to the reported certified concentrations for each element (Table 11-3) giving cause to believe that the analyses can also be considered as being "accurate". Examples of the CRM responses are shown in Figures 11-1 to 11-11. Samples analyzed by SGS do exhibit a general negative bias for results reported from Lima as compared to those analyzed by the Burnaby lab (*see* Figures 11-3, 11-7, 11-10 and 11-11). Samples of OREAS 70b analyzed for Au by Actlabs post August 2024 have a pronounced negative bias (*see* Figure 11-9).

Table 11-3. Summary of Average Analysis of Select Elements from Various CRMs vs. their Certified ("Expected") Value.

CRM	Element	Certified Value	Actlabs Average	SGS Average	Units^
OREAS 683	Ni	0.1215	0.124	0.121	%
OREAS 70b	Ni	0.222	0.225	0.220	%
OREAS 180	Ni	0.3038	0.300*	--	%
OREAS 683	Au	207	203.7	205.8	ppb
OREAS 683	Pd	853	860.7	863.6	ppb
OREAS 70b	Co	0.0078	0.008	0.008	%
OREAS 70b	S	0.309	0.305	0.293	%
^ Units are by weight					
* Combined average from Actlabs and SGS					

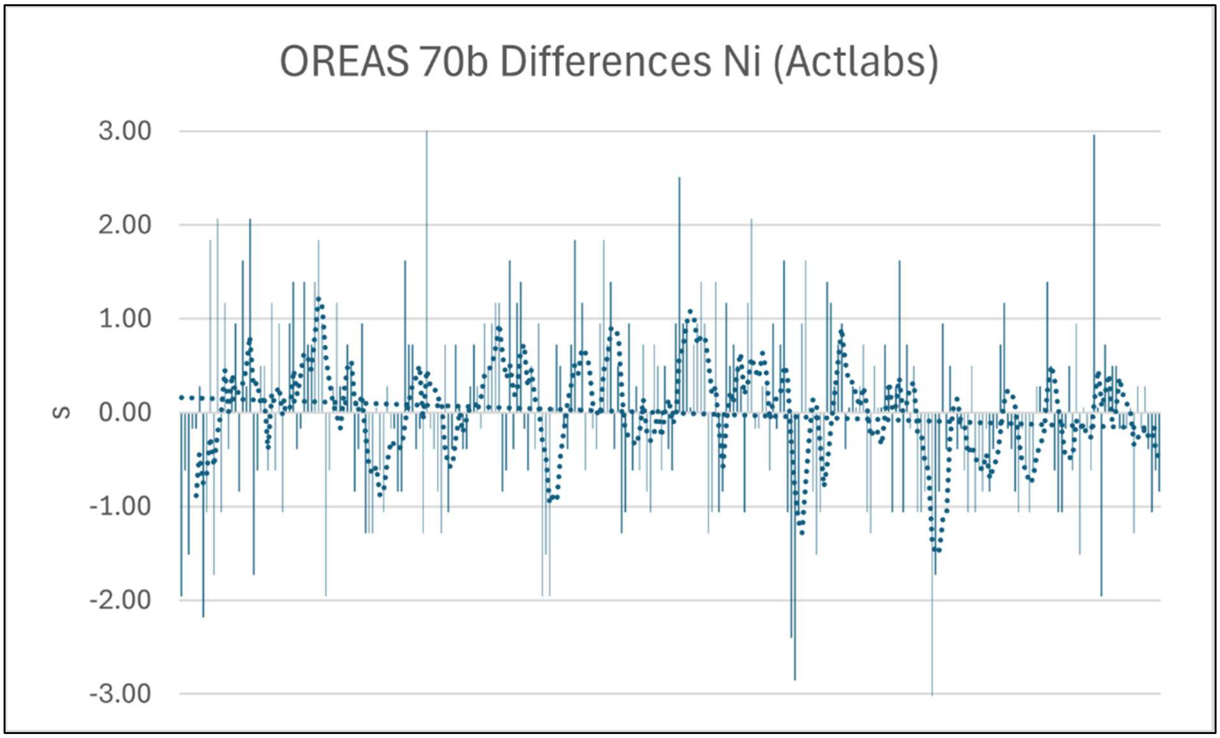


Figure 11-1. CRM OREAS 70b – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs at Actlabs (Caracle Creek, 2026).

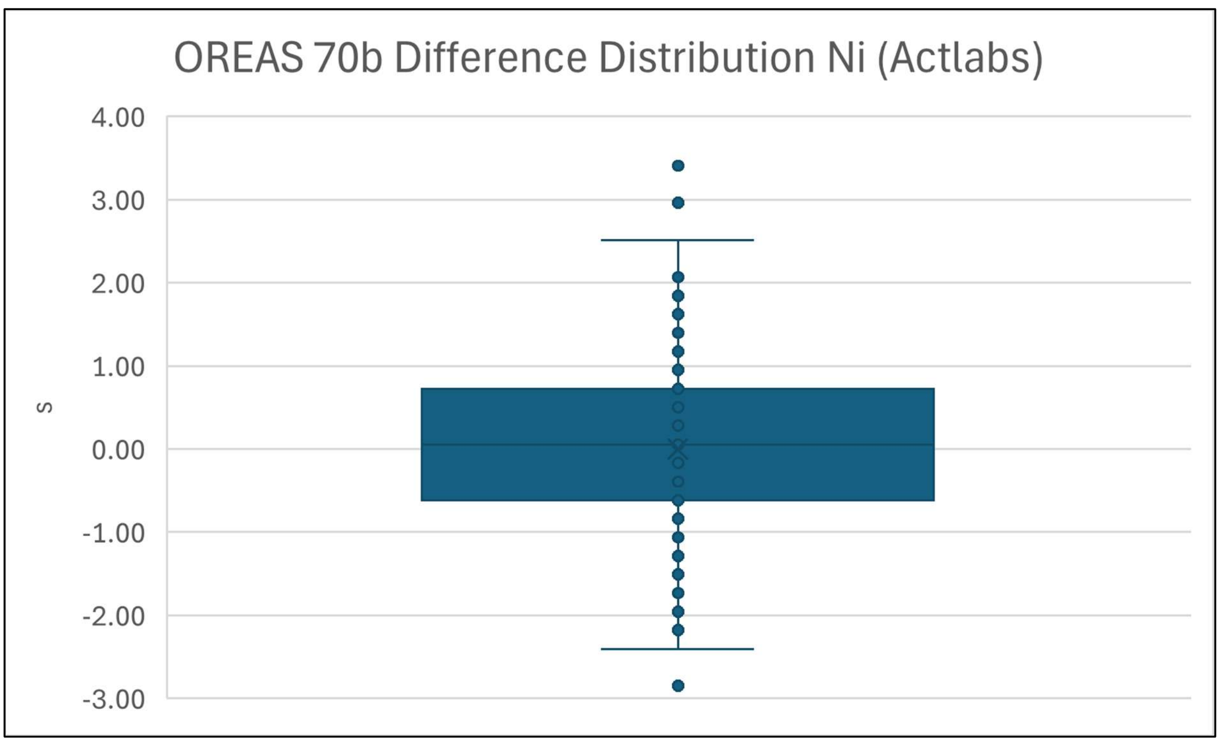


Figure 11-2. CRM OREAS 70b – Distribution of Standard Deviations Difference for Ni Analysis from the Average Value at Actlabs (Caracle Creek, 2026).

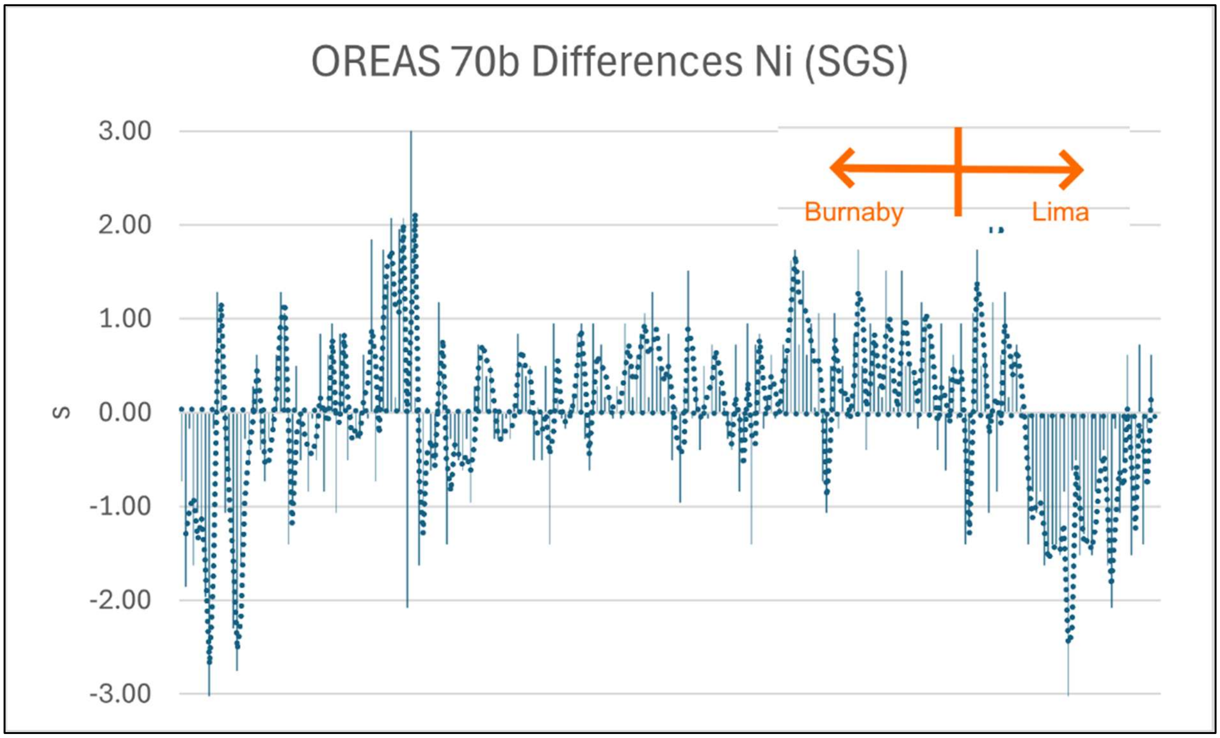


Figure 11-3. CRM OREAS 70b – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs at SGS (Caracle Creek, 2026).

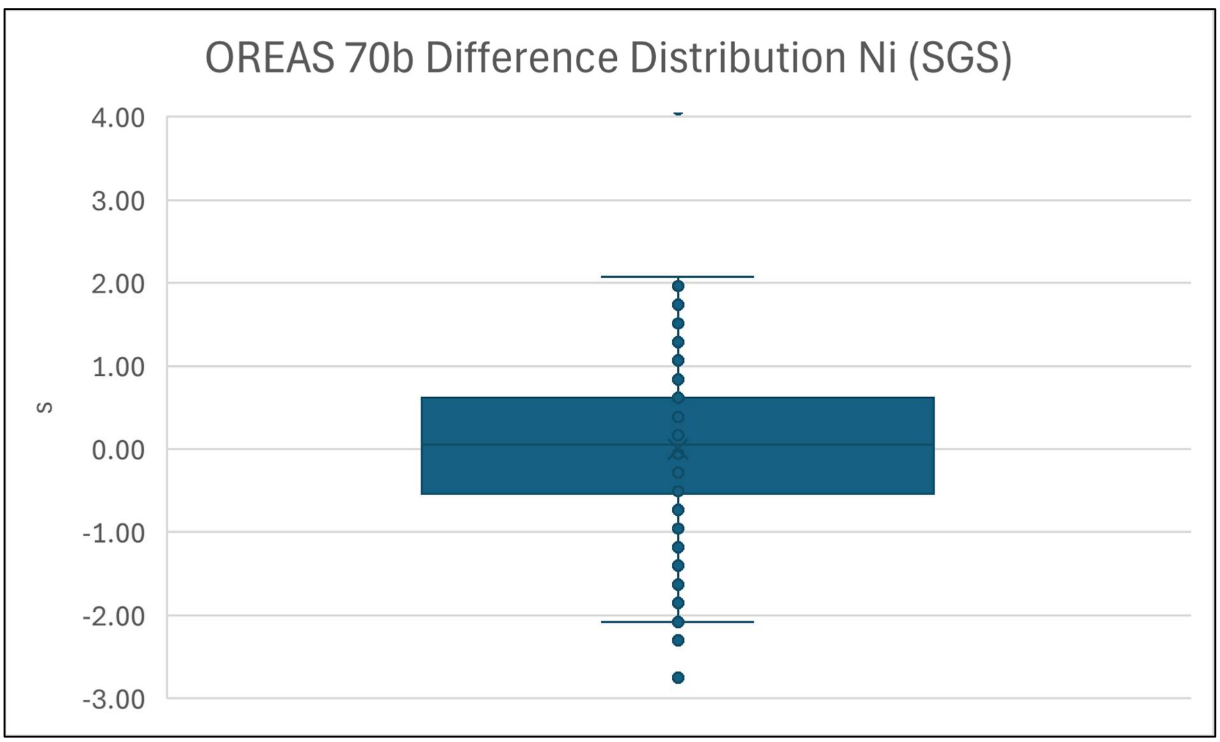


Figure 11-4. CRM OREAS 70b – Distribution of Standard Deviations Difference for Ni Analysis from the Average Value at SGS (Caracle Creek, 2026).

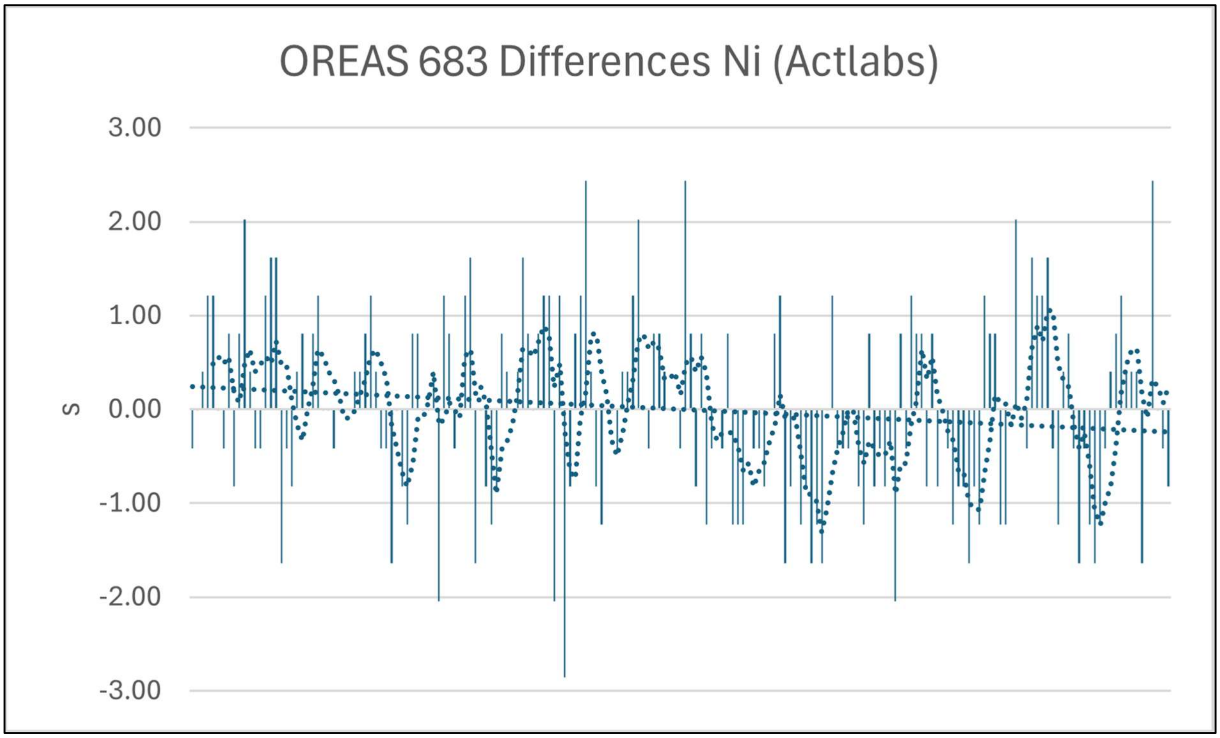


Figure 11-5. CRM OREAS 683 – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs at Actlabs (Caracle Creek, 2026).

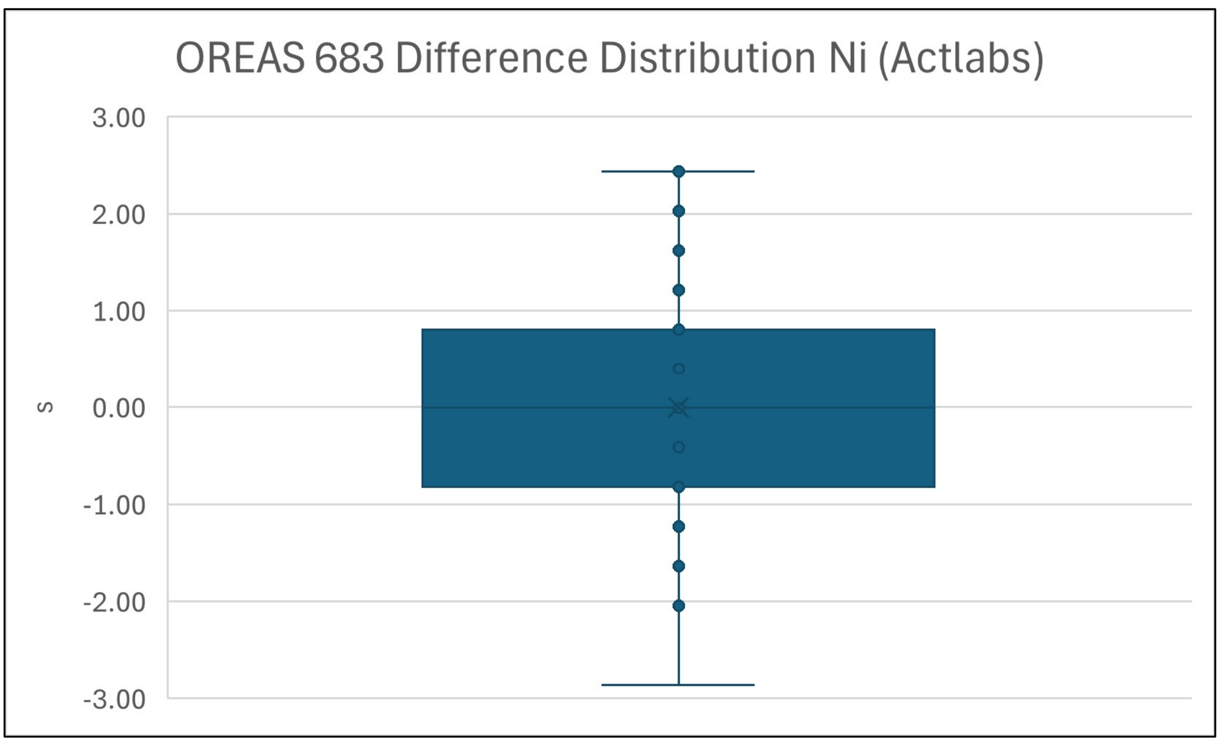


Figure 11-6. CRM OREAS 683 – Distribution of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs at Actlabs (Caracle Creek, 2026).

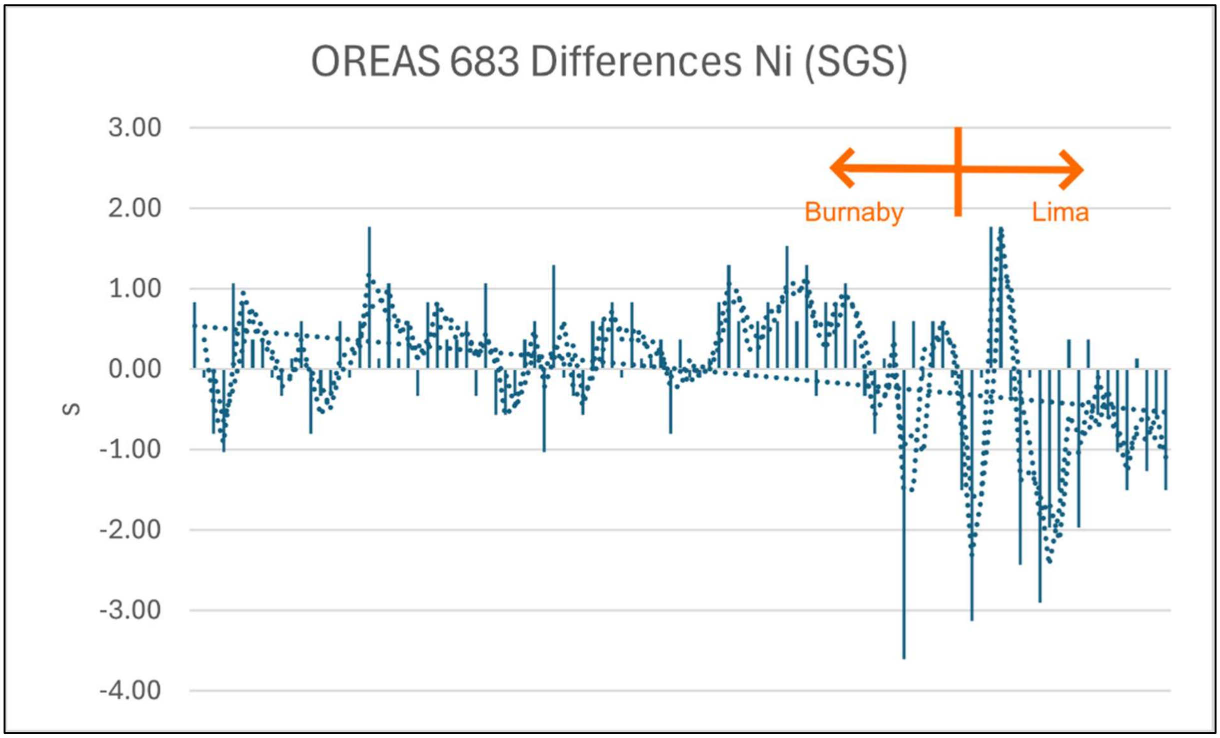


Figure 11-7. CRM OREAS 683 – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs at SGS (Caracle Creek, 2026).

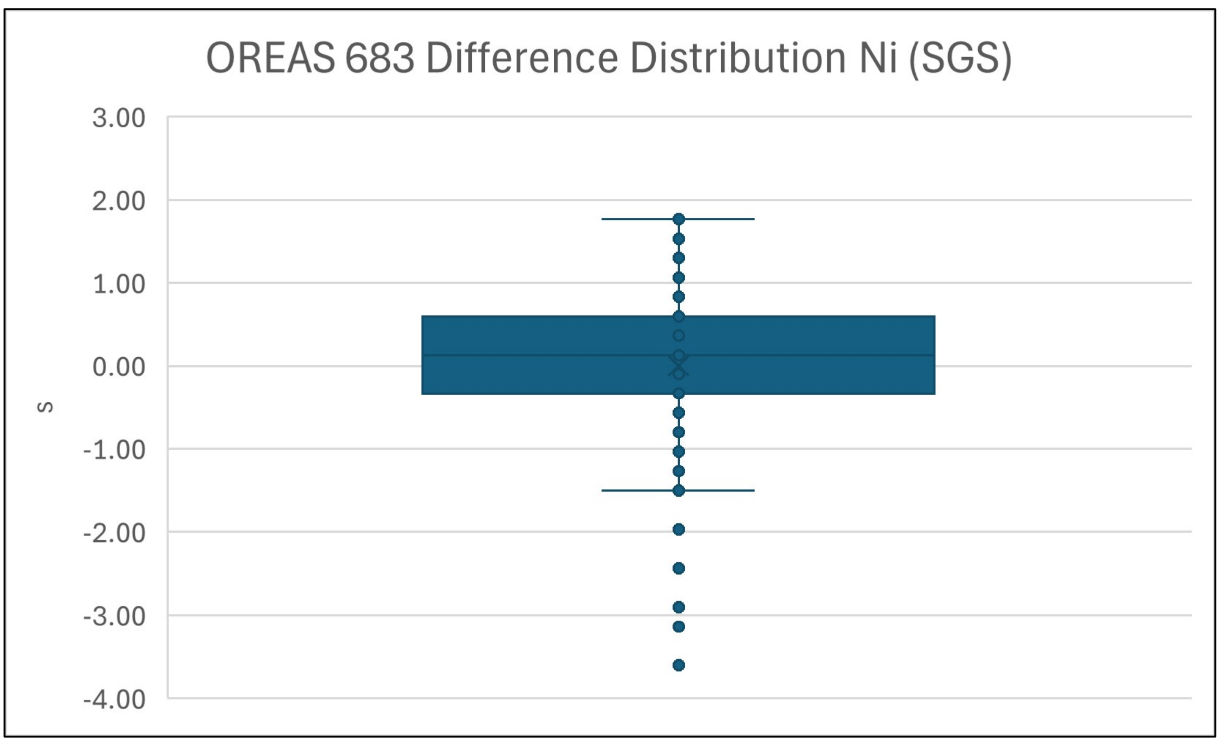


Figure 11-8. CRM OREAS 683 – Distribution of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs at SGS (Caracle Creek, 2026).

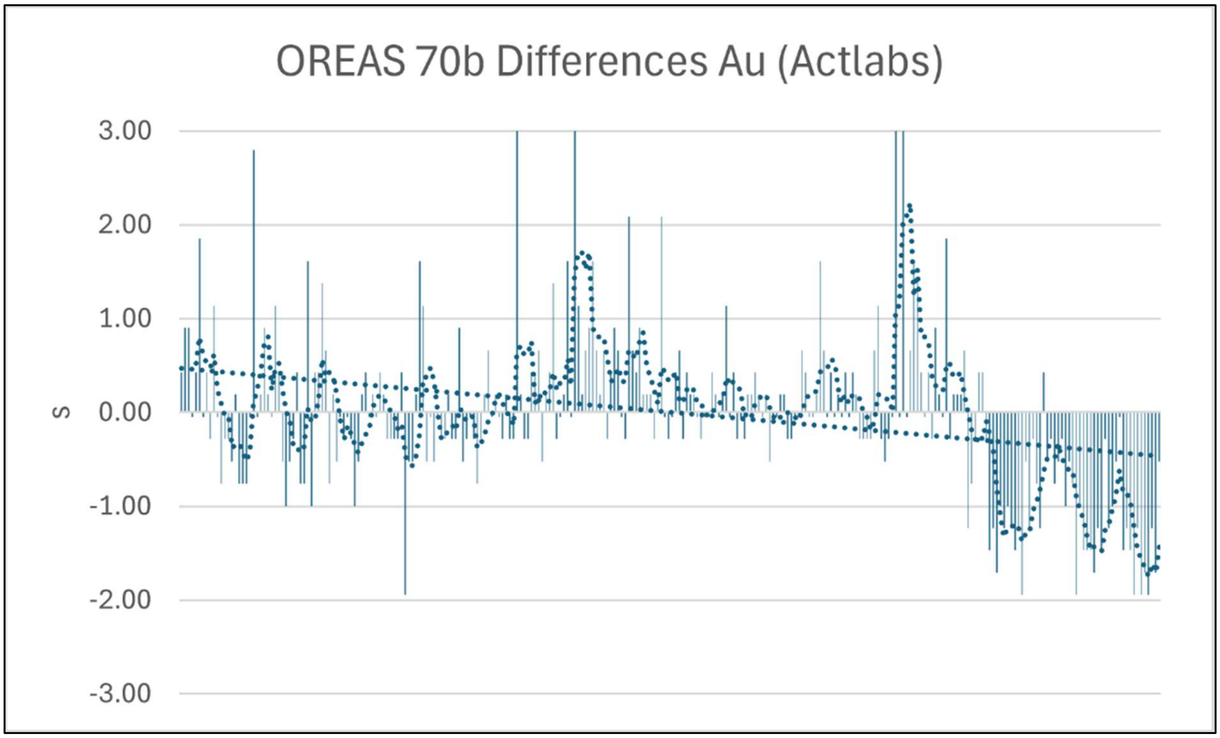


Figure 11-9. CRM OREAS 70b – Number of Standard Deviations Difference for Au Analysis from the Average Value for Various Analytical Runs at Actlabs (Caracle Creek, 2026).

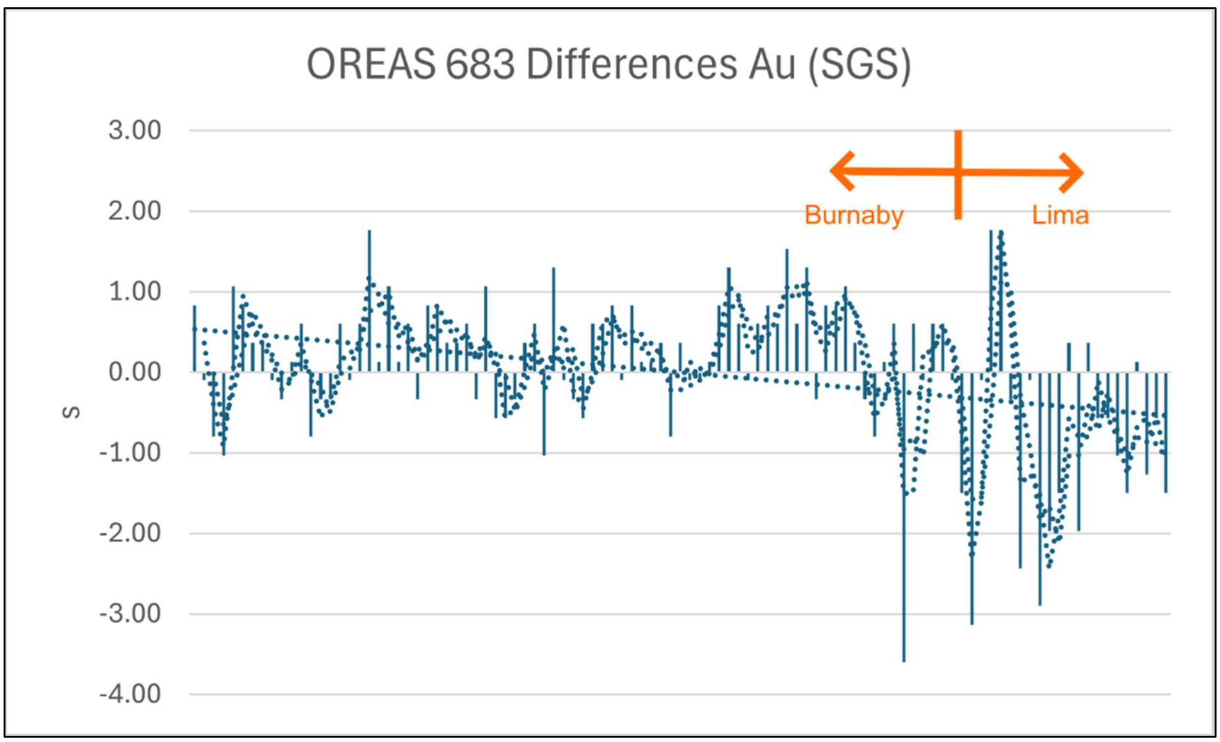


Figure 11-10. CRM OREAS 683 – Distribution of Standard Deviations Difference for Au Analysis from the Average Value for Various Analytical Runs at SGS (Caracle Creek, 2026).

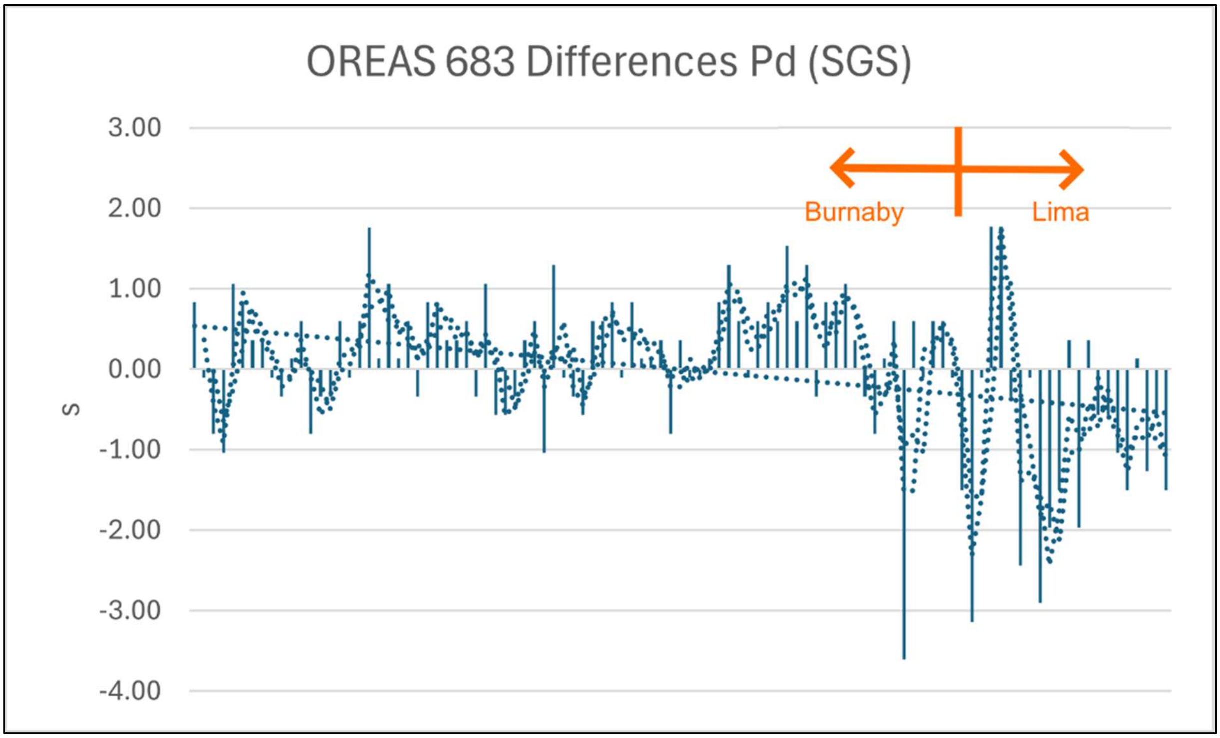


Figure 11-11. CRM OREAS 683 – Number of Standard Deviations Difference for Pd Analysis from the Certified Value for Various Analytical Runs at SGS (Caracle Creek, 2026).

11.6.2 Duplicate Samples – "Pulp Duplicates"

Canada Nickel had the laboratory-prepared pulps from a total of 1,809 sample intervals reanalyzed to generate duplicate sample pairs to monitor the reproducibility of the sample preparation procedures.

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

The duplicate pairs for Ni, Co, S, Cu and Fe exhibited good correlation (Figures 11-12 to 11-18) while those for the platinum group metals were poorer (*e.g.*, Au and Pt, Figures 11-15 and 11-16); the poor correlations are attributed to the low absolute concentrations of these elements in the sample material.

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

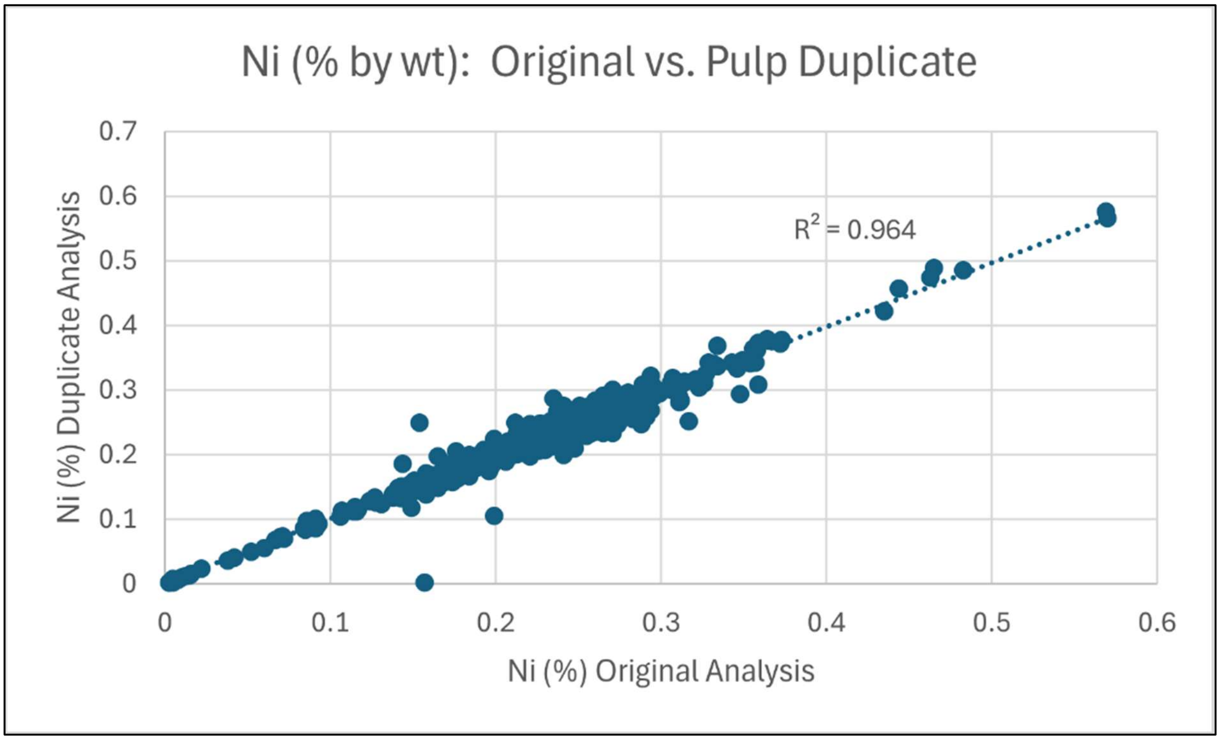


Figure 11-12. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Ni (Caracle Creek, 2026).

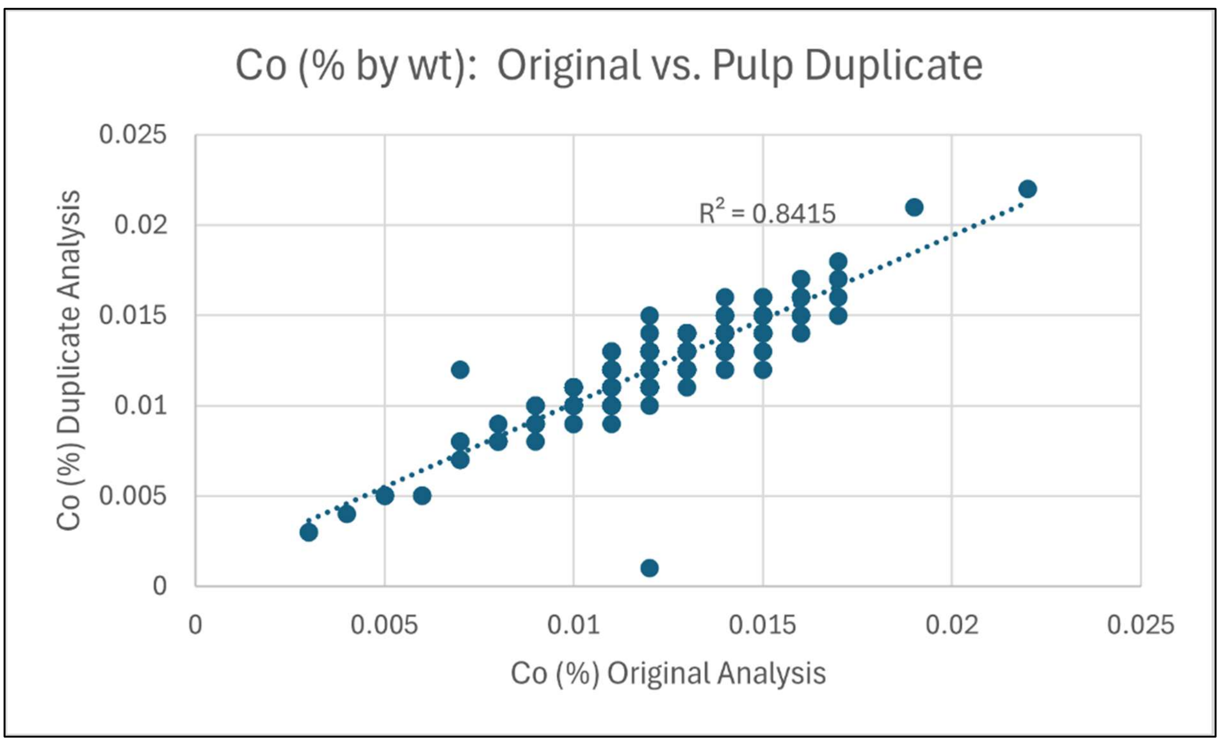


Figure 11-13. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Co (Caracle Creek, 2026).

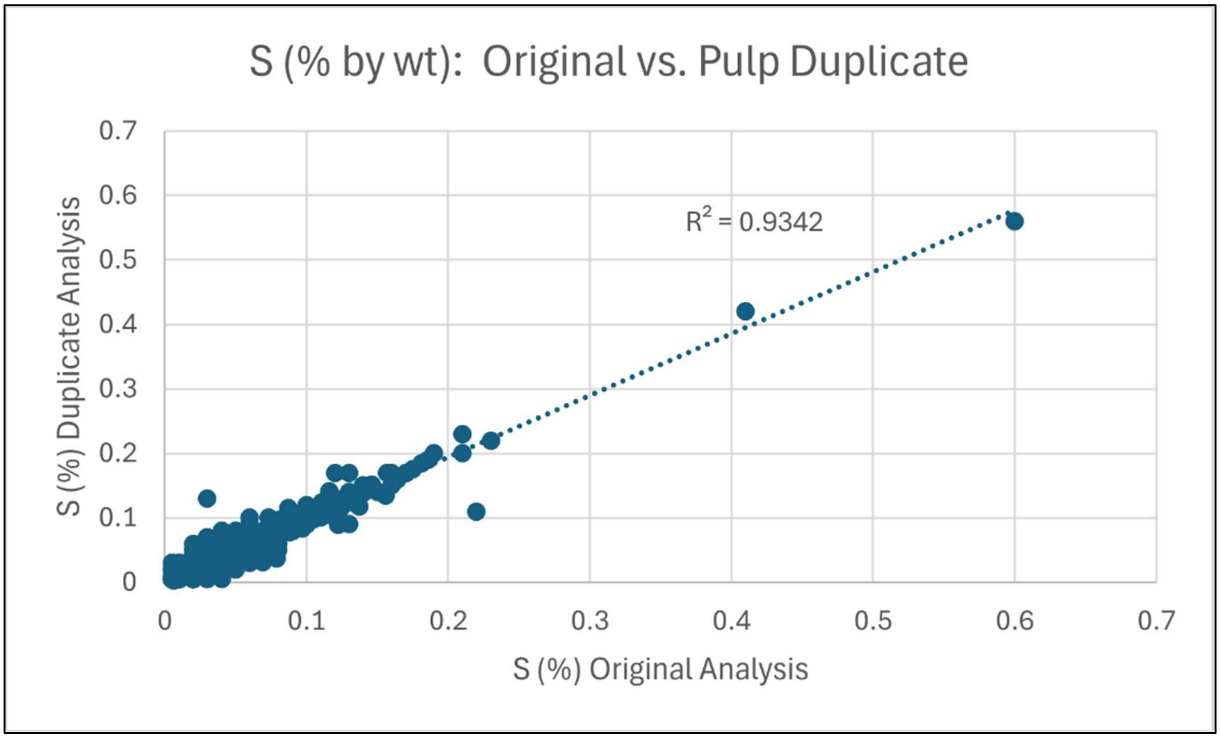


Figure 11-14. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for S (Caracle Creek, 2026).

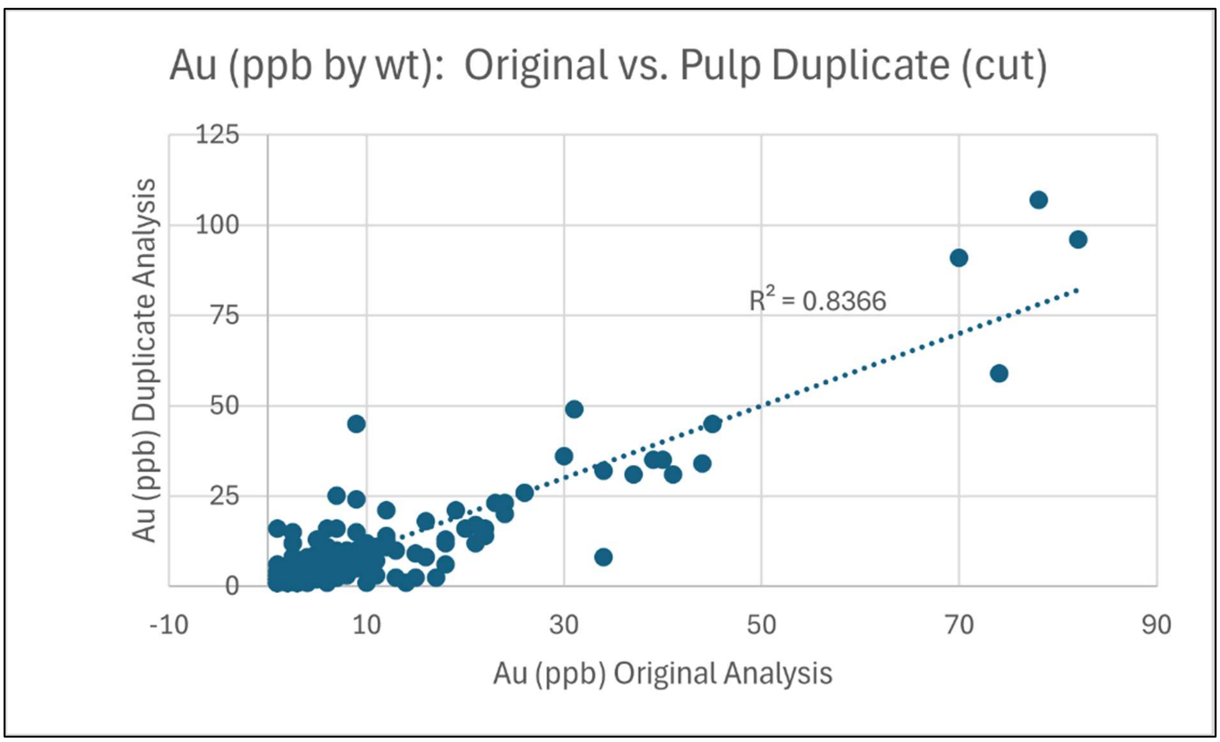


Figure 11-15. Plot of Absolute Concentrations (capped) of Pairs of Duplicate Samples Analyzed for Au (Caracle Creek, 2026).

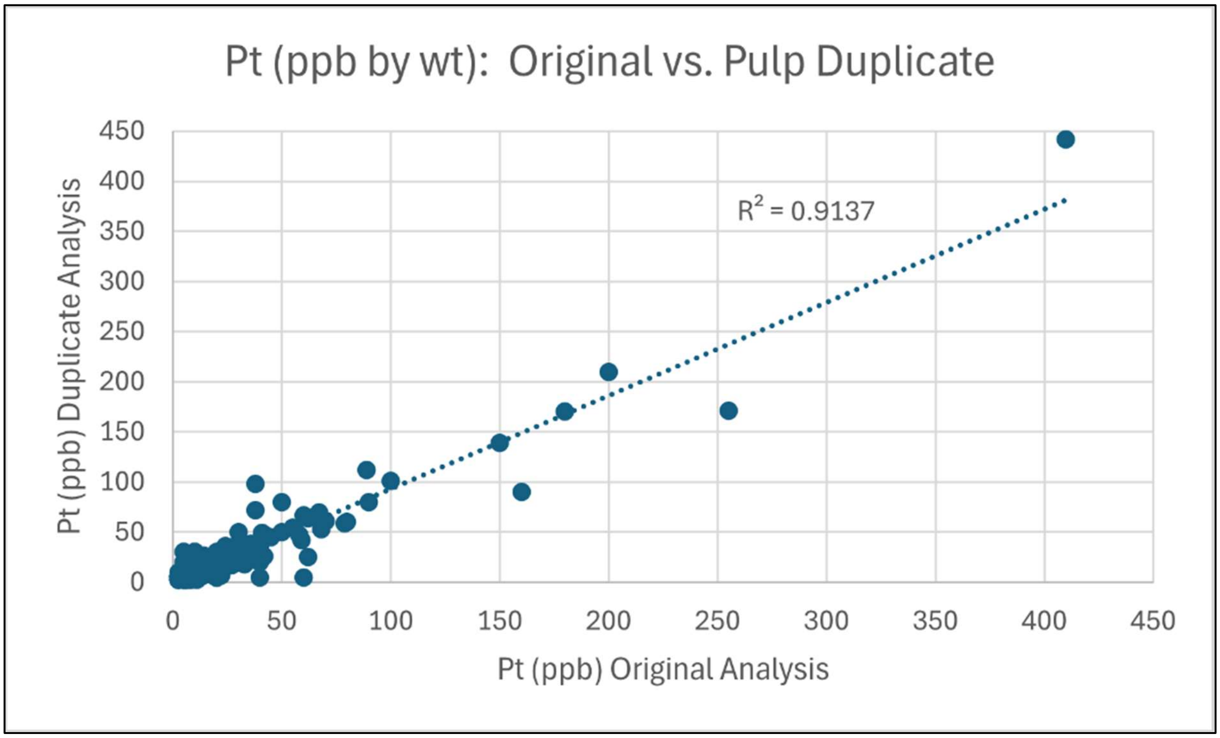


Figure 11-16. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Pt (Caracle Creek, 2026).

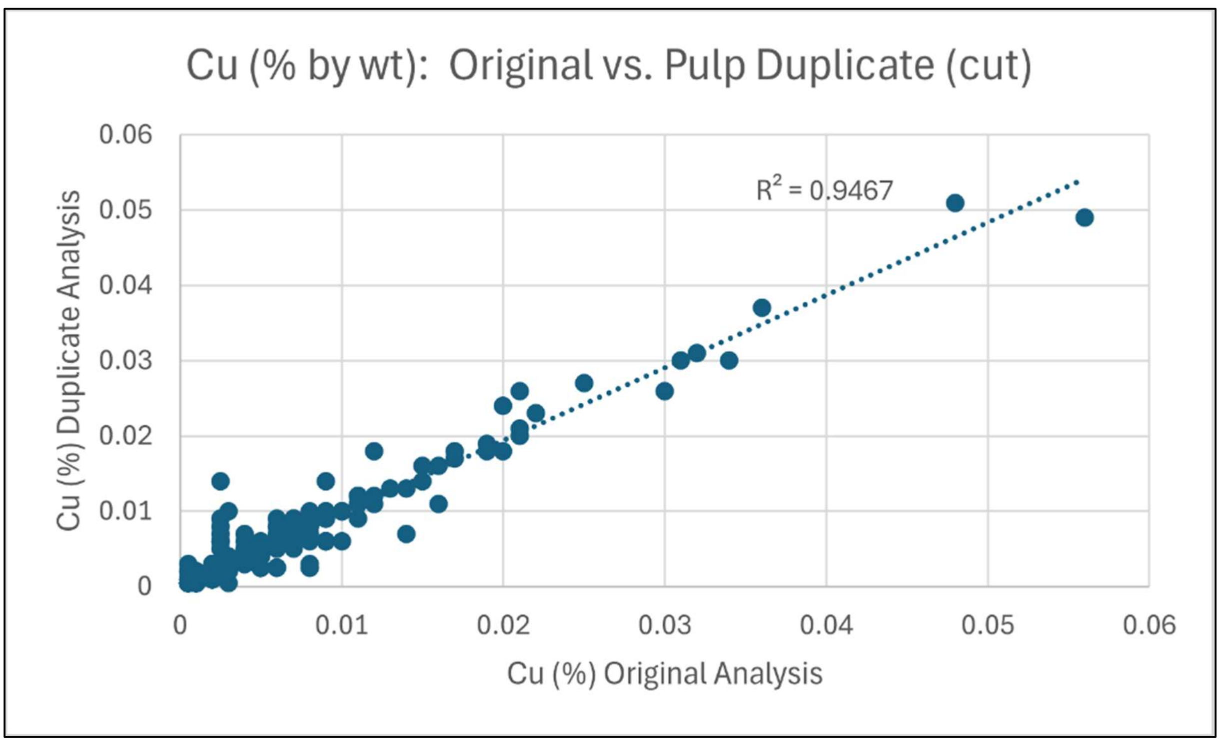


Figure 11-17. Plot of Absolute Concentrations (capped) of Pairs of Duplicate Samples Analyzed for Cu (Caracle Creek, 2026).

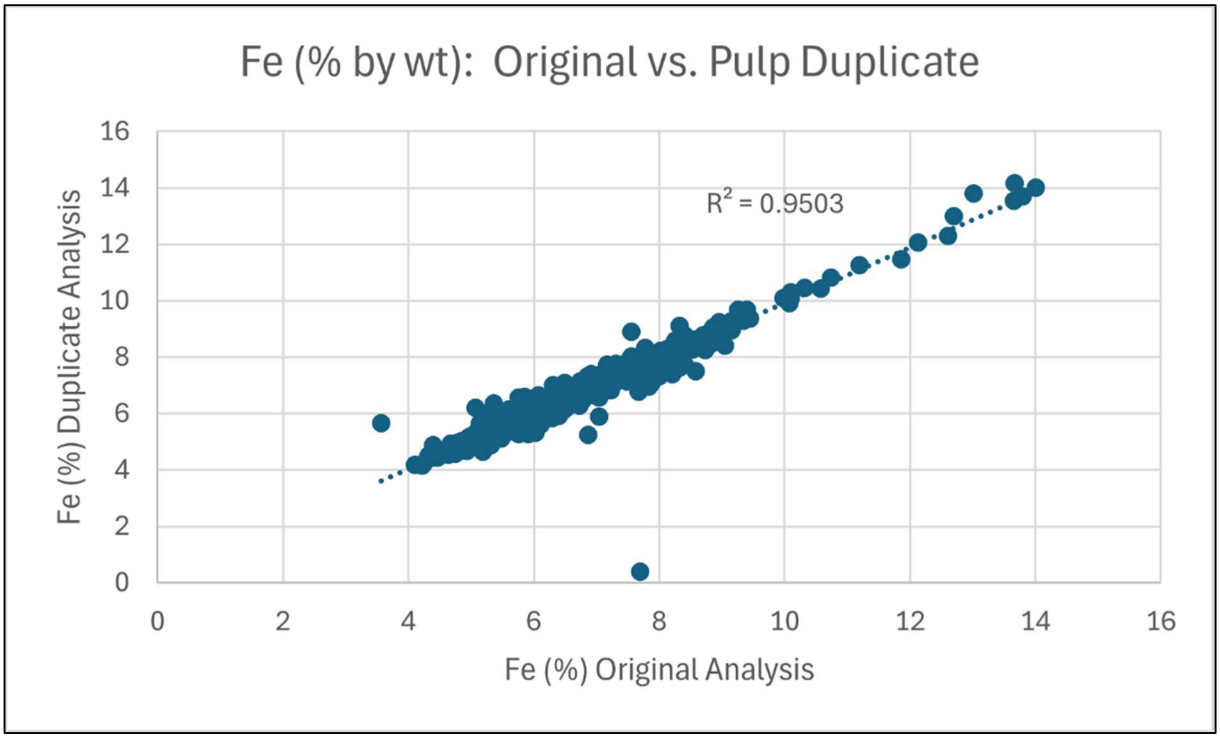


Figure 11-18. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Fe (Caracle Creek, 2026).

11.6.3 Blank Material

The analytical results from the 1,822 blank samples introduced by CNC into their QA/QC program ("blank silica") are acceptable, as the results were observed to report low or negligible variance for each element examined. Only one Au analysis (12 ppb by weight or ng/g), two Pt (analyses 20 and 40 ppb by weight or ng/g) and one Fe analysis (13.59%) were deemed to be absolute "failures". This latter Fe analysis suggests that there might have been a contamination issue with sample D00471340. Nickel analyses could occasionally range as high as 0.014% in the blank material; the Ni analyses exceeded +2.5 s of the average blank analysis (0.002% Ni) only 2.4% of the time.

11.7 SAMPLE SECURITY AND SAMPLE STORAGE

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

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

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

12.0 DATA VERIFICATION

12.1 INTERNAL-EXTERNAL DATA VERIFICATION

The QPs (Scott Jobin-Bevans and John Siriunas) have reviewed historical and current data and information regarding historical and current exploration work on the Property, and as provided by the Issuer, Canada Nickel Company, and as available in the public domain.

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

The QP (Scott Jobin-Bevans) has independently reviewed the status of the mining lands held by the Issuer through the Government of Ontario's Mining Lands Administration System ("MLAS"), an online portal which hosts information regarding mining claims in the Province.

12.2 VERIFICATION PERFORMED BY THE QPS

The QP, Mr. John Siriunas (M.A.Sc., P.Eng.), a Co-Author of the Report, visited the Property on 20 November 2024, accompanied by Mr. Edwin Escarraga, CNC's Director of Exploration. Prior to the site visit, Mr. Siriunas spent time reviewing data and information from work completed on the Property to date.

The site visit was made to observe the general Property conditions and access, and to verify the locations of some of the historical drill hole collars. During the site visit, diamond drilling procedures were discussed and a review of the logging and sampling facilities for processing the drill core was carried out. The Company's secure storage and logging facility is located at CNC's Exploration Office at 170 Jaguar Drive, Timmins, Ontario.

In the field, drill collars are marked and labelled with metal "flags". The locations of several drill hole collars were verified using a handheld GPS device; the surveyed locations were generally found to be within the limits of the GPS accuracy.

The QP (Scott Jobin-Bevans), along with Geologist Miguel Vera, reviewed the drill core database for the purposes of geological modelling and interpretation and for its use in the calculation of the current mineral resource estimate (*see* Section 14.0 – Mineral Resource Estimates). In addition, all laboratory assay certificates used in the current MRE were reviewed and some of these were compared against the electronic drill hole database; no errors were found in this data review.

12.3 COMMENTS ON DATA VERIFICATION

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

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

As of the Effective Date, the Company has completed mineralogical studies (QEMSCAN/TIMA), Comminution testwork, and preliminary open circuit metallurgical variability testwork (Stokreef, 2024).

13.1 MINERALOGICAL STUDY (QEMSCAN)

Mineralogical characterization of core samples was completed at SGS Lakefield in Lakefield, Ontario as part of the exploration program (Stokreef, 2024). The mineralogy program was completed to understand the distribution of key minerals across the deposit. For ultramafic nickel deposits, the mineralogy is a critical part of establishing the resource estimate as nickel can exist in recoverable form as minerals such as heazlewoodite, pentlandite, awaruite and millerite, or nickel can be hosted within the matrix of silicate minerals. Silicate-hosted nickel is not recoverable by flotation, except through gangue entrainment within the final concentrate products.

Mineralogy samples were selected through the core logging process to provide a consistent distribution of mineralogy samples throughout the drill core. One in every 20 samples that was submitted for assay was also sent to SGS Lakefield for Quantitative Evaluation of Minerals by Scanning Electron Microscopy ("QEMSCAN") or Tescan Integrated Mineralogy Analyzer ("TIMA") analyses as part of the Company's ongoing mineralogical studies. These fully automated micro-analysis systems are used to quantitatively evaluate the minerals contained within a rock sample and the relationship between those minerals, generating high-resolution mineral maps and images.

More than 1,260 samples from the Reid Project have been characterized for mineralogy. The sample dataset was filtered to 1,067 samples that fall within the mineral resource envelope and which have a nickel grade greater than or equal to 0.10% Ni.

13.1.1 Mineralogy Results

Serpentinization is the alteration process where heat, time, pressure, and reducing fluids cause iron and nickel to leave the silicate mineral matrix of olivine and form distinct minerals such as magnetite, tochilinite and/or pyrrhotite in the case of iron, and heazlewoodite, pentlandite and/or awaruite in the case of nickel. Understanding the mineralogical transformations that happen during serpentinization is important, as the alteration state affects the recoverable mineral content (Stokreef, 2024).

At Reid, the main mineral present in the rock is broadly classified as serpentine. To support the mineralogy program, serpentine has been divided into two subcategories called iron serpentine and magnesium serpentine. The difference between iron and magnesium serpentines relates to the composition of the mineral, where iron serpentine has more than 5% iron in the lattice structure and magnesium serpentine has less than 5% iron in the lattice structure. Iron serpentine is typically in less altered ores and sometimes in the presence of olivine, where the recoverable nickel and iron tends to be lower as they are still hosted within the matrix of silicate minerals.

To analyze the mineralogy dataset, the samples were classified into three populations based on geological logged data (Stokreef, 2024):

- Samples with a magnetic susceptibility less than 70. This population is meant to represent samples with a lower degree of serpentinization. The magnetic susceptibility threshold was selected based on the geometallurgical domains from the Crawford Project Feasibility Study (Ausenco, 2023: Section 13.11.1.1.1). There are 124 mineralogical samples in this grouping.

- Samples from the dunite lithology with a magnetic susceptibility greater than or equal to 70. This population is meant to represent the well serpentinized material from the dunite lithology. There are 845 mineralogical samples in this sample grouping.
- Samples from the peridotite lithology with a magnetic susceptibility greater than or equal to 70. This population is meant to represent the well serpentinized material from the peridotite lithology. There are 98 mineralogical samples in the grouping.

Table 13-1. Mineralogy Summary – Magnetic Susceptibility <70 (124 samples) (Stokreef, 2024).

Description	Serp (Mg)	Serp (Fe)	Hz	Pn	Aw	Brucite	Talc	Pyrrhotite	Cr Spinel	Magnetite
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Average	**60**	**16**	**0.10**	**0.01**	**0.04**	**2.2**	**2.2**	**0.0**	**2.9**	**3.9**
Std. Deviation	23	12	0.08	0.03	0.04	3.5	7.6	0.0	1.2	1.9
Minimum	2.7	2.9	0.00	0.00	0.00	0.0	0.0	0.0	0.4	0.1
25th Percentile	51	7.1	0.03	0.00	0.00	0.5	0.0	0.0	2.0	2.5
Median	**69**	**13**	**0.10**	**0.00**	**0.03**	**1.5**	**0.0**	**0.0**	**2.6**	**3.7**
75th Percentile	76	21	0.15	0.01	0.06	2.6	0.0	0.0	3.6	5.0
Maximum	**89**	**64**	**0.33**	**0.22**	**0.19**	**27**	**37**	**0.1**	**5.8**	**10.5**

Table 13-2. Mineralogy Summary – Dunite Lithology with Magnetic Susceptibility ≥70 (845 samples) (Stokreef, 2024).

Description	Serp (Mg)	Serp (Fe)	Hz	Pn	Aw	Brucite	Talc	Pyrrhotite	Cr Spinel	Magnetite
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Average	**74**	**9**	**0.16**	**0.01**	**0.03**	**2.2**	**0.0**	**0.0**	**2.6**	**6.2**
Std. Deviation	8	6	0.11	0.03	0.03	1.9	0.1	0.0	1.1	1.9
Minimum	33	1.5	0.00	0.00	0.00	0.0	0.0	0.0	0.2	1.6
25th Percentile	72	5.3	0.09	0.00	0.00	0.6	0.0	0.0	1.8	4.8
Median	**76**	**7.2**	**0.14**	**0.00**	**0.02**	**1.8**	**0.0**	**0.0**	**2.5**	**5.8**
75th Percentile	79	12	0.20	0.01	0.04	3.3	0.0	0.0	3.2	7.3
Maximum	**87**	**41**	**1.35**	**0.28**	**0.20**	**10**	**1.8**	**0.1**	**7.6**	**14**

Table 13-3. Mineralogy Summary – Peridotite Lithology with Magnetic Susceptibility ≥ 70 (98 samples) (Stokreef, 2024).

Description	Serp (Mg)	Serp (Fe)	Hz	Pn	Aw	Brucite	Talc	Pyrrhotite	Cr Spinel	Magnetite
	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Average	**71**	**12**	**0.08**	**0.01**	**0.01**	**0.4**	**0.1**	**0.0**	**2.1**	**7.2**
Std. Deviation	12	7.9	0.05	0.02	0.02	0.7	0.4	0.0	1.0	1.9
Minimum	18	2.6	0.00	0.00	0.00	0.0	0.0	0.0	0.5	2.8
25th Percentile	69	6.4	0.04	0.00	0.00	0.0	0.0	0.0	1.3	5.9
Median	**74**	**9.8**	**0.07**	**0.00**	**0.00**	**0.1**	**0.0**	**0.0**	**1.9**	**7.2**
75th Percentile	77	13	0.10	0.00	0.01	0.5	0.0	0.0	2.6	8.6
Maximum	**83**	**39**	**0.25**	**0.11**	**0.10**	**3.8**	**2.6**	**0.0**	**6.9**	**12**

Stokreef (2024), summarized the key points as follows:

- The mineralogy data suggests that ultramafic nickel mineralization from the Reid Deposit is well serpentinized as each of the defined populations have relatively high levels of magnesium serpentine.
- The main nickel sulphide mineral across each of the three populations appears to be heazlewoodite, which has a nickel content of 72%. This suggests that there is potential for high-grade nickel concentrate production at Reid. Awaruite and pentlandite are also present in the deposit but in lower proportions than heazlewoodite.
- The Reid Deposit contains brucite, which is a mineral that can sequester carbon dioxide. The brucite is primarily distributed within the well serpentinized dunite and the material with a magnetic susceptibility <70. The brucite levels in peridotite are lower, which agrees with observations at the Crawford Nickel Sulphide Project.
- The Reid Deposit appears to have low levels of iron sulphides such as pyrrhotite, which is a typical contaminant in nickel concentrates. The low levels of iron sulphides from the Reid Deposit support the potential for production of higher-grade, nickel concentrates compared to typical nickel sulphide projects, such as those mined in Sudbury, Ontario.
- There appears to be low levels of talc within the Reid Deposit.

13.2 COMMINUTION TESTWORK

Comminution samples were selected from drill core from Reid to develop an initial database of ore breakage parameters across the deposit. Thirty half NQ core samples were tested for Bond ball mill work index, Bond rod mill work index, Bond abrasion index and SMC Axb indices. The samples were selected to provide spatial coverage of the expected resource and to capture different lithologies, grades and mineralization styles (Stokreef, 2024).

Table 13-4 summarizes the characteristics and grindability testwork results for the 30 samples that were tested with the following supporting statements (Stokreef, 2024):

- The samples subjected to testwork were primarily well serpentinized samples with nickel head grades ranging from 0.15% to 0.25% Ni, sulphur grades ranging from 0.02% to 0.12% S, and iron grades ranging 5.1% to 8.9% Fe.
- 24 or 80% of the samples were from the dunite lithology and the remaining samples were from the peridotite lithology. The dunite was slightly less competent as measured in the Axb parameter and had a slightly higher BWi than the peridotite.
- The SMC test, which is an abbreviated version of the standard JK Drop Weight Test (DWT) is used to characterize ore specific parameters that are used for sizing semi-autogenous grinding (SAG) and autogenous grinding (AG) mills. The ore specific parameter is the Axb parameter which is a measure of an ore’s resistance to impact breakage. The test results show that the Axb parameter results ranged from 38.0 to 75.0 which covers the low competence to moderate competence range.
- Bond rod mill work index tests were performed at 14 mesh of grind (1,180 µm) on each of the 30 samples. The RWi results ranged from 12.8 to 19.7 kWh/t, which covers the range of moderately soft to very hard.
- Bond ball mill work index tests were performed with a closing screen size of 60 mesh (250 µm) on each of the 30 samples. The BWi results ranged from 19.8 to 28.6 kWh/t, which are all classified as very hard.

- Bond abrasion testing was done to understand the potential for wear of material including mill liners or pipes as well as the potential for media consumption in the ball mills. The maximum measured abrasion index was 0.014 g and the average across the 30 tests was 0.005 grams. These values indicate that the abrasiveness of material at Reid is very low which is typical of ultramafic deposits.

Table 13-4. Comminution sample characteristics and grindability testwork results (Stokreef, 2024).

	JK Tech Parameters		Bond Work Indices			Sample Head Grades			
	Relative Density	SMC Axb	RWi (kWh/t)	BWi (kWh/t)	Ai (g)	Ni (%)	S (%)	Fe (%)	Magnetic Susceptibility
# of datapoints	30	30	30	30	30	30	30	30	30
Average	**2.64**	**58.6**	**16.3**	**24.7**	**0.005**	**0.21**	**0.04**	**6.7**	**133**
Std Deviation	0.04	9.1	1.4	2.3	0.004	0.03	0.02	1.1	37
Rel Std Deviation	2%	16%	9%	9%	84%	13%	51%	17%	27%
Minimum	**2.54**	**38.0**	**12.8**	**19.8**	**0.001**	**0.15**	**0.02**	**5.1**	**46**
10th Percentile	2.59	44.9	14.5	21.9	0.001	0.17	0.02	5.5	91
25th Percentile	2.62	52.5	15.3	22.8	0.001	0.19	0.03	5.8	110
Median	**2.64**	**60.1**	**16.5**	**24.9**	**0.003**	**0.21**	**0.04**	**6.2**	**130**
75th Percentile	2.65	64.9	17.4	26.8	0.008	0.24	0.05	7.9	152
90th Percentile	2.70	71.3	18.2	28.0	0.011	0.24	0.07	8.3	191
Maximum	**2.73**	**75.0**	**19.7**	**28.6**	**0.014**	**0.25**	**0.12**	**8.9**	**228**

13.3 METALLURGICAL VARIABILITY TESTWORK

Metallurgical variability testwork on samples from the Reid deposit were conducted using the flowsheet, standard test procedure and reagent dosing strategy that was developed for the Crawford Nickel Sulphide Project (Ausenco, 2023: Section 13.0). Preliminary metallurgical testwork was conducted with the following goals (Stokreef, 2024):

- evaluate the potential to transfer the Crawford Project flowsheet to the Reid Deposit.
- evaluate the potential for nickel, cobalt, iron and chromium recovery from the Reid Deposit.

The flowsheet that was tested comminutes the material and then uses a combination of flotation and magnetic separation processes to recover nickel, cobalt, iron and chromium bearing minerals. The flowsheet produces two concentrates: a nickel sulphide concentrate (“nickel concentrate”) and a magnetic concentrate containing iron, chromium and some nickel (“FeCr concentrate”). The nickel concentrate is produced in the flotation circuit through recovery of nickel sulphide minerals, mostly heazlewoodite and pentlandite. The FeCr concentrate, is produced in the magnetic recovery circuit through recovery of the minerals magnetite, chrome-spinel and awaruite (Stokreef, 2024).

13.3.1 Metallurgical Variability Samples

Samples were selected from the Reid deposit for recovery characterization using a standard flowsheet. The tests were completed at two labs: XPS in Sudbury, Ontario and COREM in Quebec City, Quebec.

Table 13-5 summarizes the head grades for 13 samples that were subjected to open circuit testing. The samples represent well serpentinized material with nickel head grades ranging from 0.19% to 0.37% Ni, sulphur head grades ranging from 0.03% to 0.10% S, sulphur to nickel ratios ranging from 0.14 to 0.41, iron head grades ranging from 5.6% to 9.0% Fe, and chromium head grades between 0.51 to 1.3% Cr. Twelve samples were selected from the dunite lithology and one sample was selected from the peridotite lithology (Stokreef, 2025).

Table 13-5. Metallurgical variability sample head grades (Stokreef, 2024).

Sample ID	Drill Hole Number	From (m)	To (m)	Lithology	Magnetic Susceptibility	Ni (%)	S (%)	S/Ni	Fe (%)	Cr (%)
RAS-001	REI22-07	193.0	244.0	Dunite	123	0.37	0.06	0.16	5.7	0.88
RAS-002	REI22-14	343.5	391.5	Dunite	142	0.35	0.10	0.29	6.0	0.84
RBS-001	REI22-04	206.0	236.0	Dunite	179	0.22	0.06	0.27	7.0	0.67
RBS-003	REI22-13	300.0	321.0	Dunite	132	0.26	0.05	0.19	6.7	1.28
RBS-004	REI22-07	279.0	295.5	Dunite	118	0.25	0.04	0.16	5.6	0.71
RBS-005	REI22-07	361.0	379.5	Dunite	114	0.33	0.05	0.15	5.6	0.93
RBS-006	REI22-11	200.0	220.0	Dunite	151	0.19	0.03	0.16	9.0	0.62
RDS-001	REI24-21	43.5	71.0	Dunite	160	0.19	0.08	0.41	8.1	0.60
RDS-002	REI22-11	159.0	179.0	Peridotite	203	0.19	0.04	0.21	8.6	0.59
RDS-003	REI22-07	295.0	324.0	Dunite	126	0.29	0.04	0.14	5.6	0.88
RDS-004	REI24-21	190.7	223.0	Dunite	147	0.23	0.05	0.22	7.3	0.51
RDS-005	REI24-32	463.5	495.0	Dunite	147	0.25	0.06	0.24	6.4	0.86
RDS-008	REI22-15	112.5	135.2	Dunite	150	0.23	0.07	0.30	7.0	0.81

13.3.2 Metallurgical Variability Test Procedure

Figure 13-1 illustrates the laboratory test flowsheet that formed the basis of the open circuit metallurgical test program (Stokreef, 2024). The green circles in Figure 13-1 show the streams that were used to define recovery in open circuit tests. Circuit recoveries were defined as follows (Stokreef, 2024):

- For open circuit tests, the flotation circuit nickel recovery was defined as that which is recovered to the coarse cleaner 1 concentrate and the fine rougher concentrate.
- In the magnetic recovery circuit, recovery was defined as that which is recovered to the final magnetic concentrate, which also represents the feed to the desulphurization float.
- Total nickel recovery is the sum of the flotation and magnetic circuit recoveries.
- Cobalt recoveries are measured in the flotation circuit only
- Iron and chromium recoveries are measured in the magnetic circuit only.

Samples of ½ NQ or whole HQ core from Reid were delivered to the laboratories for metallurgical testwork. Procedures used to prepare the samples at the metallurgical test laboratories were as follows (Stokreef, 2024):

- Stage crush and stage screen core samples to 100% passing 10 mesh (1.7 mm). Composite and homogenize the crushed sample.
- Separate the bulk material into 5 kg test charges using a carousel splitter.
- Use three 5 kg samples to build a grind calibration curve for each sample. Confirm the grind curve with an additional 5 kg sample at the target P_{80} grind size.

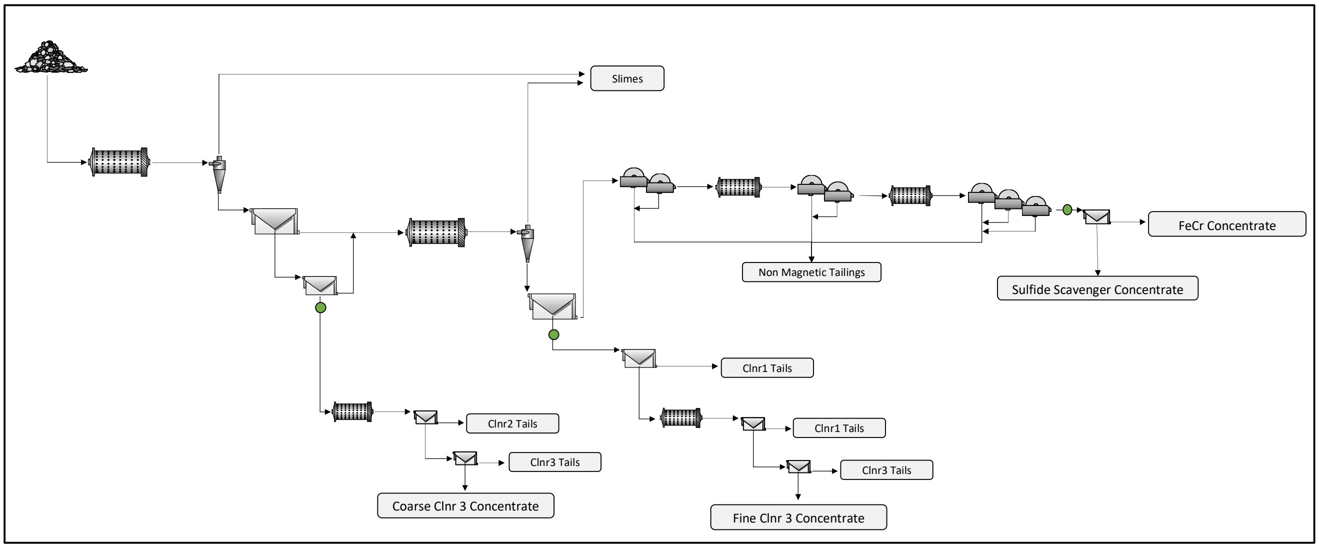


Figure 13-1. Open circuit test flowsheet (Canada Nickel, 2024).

To complete the open circuit tests, the following procedure was utilized (Stokreef, 2024):

- Grind two 5 kg batches of sample in wet media to the target 80% passing 180 µm.
- Treat the ground sample with a hydrocyclone to deslime the pulp.
- Perform rougher and first cleaner flotation separation on the hydrocyclone underflow.
- Grind the coarse first cleaner concentrate to 80% passing 55 µm and treat with flotation separation through two cleaning stages to produce the coarse final nickel concentrate.
- Combine the coarse rougher and cleaner tail together and regrind to 80% passing 100 µm.
- Treat the reground product with a secondary hydrocyclone to deslime the pulp.
- Perform rougher and first cleaner flotation separation on the secondary deslime cyclone underflow.
- Grind the fine first cleaner concentrate to 80% passing 55 µm and treat with flotation separation to make the fine circuit final nickel concentrate.
- Perform two stages of magnetic separation at 2000 G on the fine rougher flotation tailings.
- Regrind the magnetic portion of the fine rougher flotation tails to a target grind size of approximately 63 µm.
- Perform two stages of magnetic separation at 1500 G on the reground product.
- Regrind the magnetic portion of the 1500 G cleaner concentrate to 25 µm.
- Perform three stages of magnetic separation at 1500 G on the reground product.
- Record weights for all products.
- Send products for analysis. Assays were completed using XRF for nickel, cobalt, iron, chromium, and magnesium. Sulphur was analyzed separately with LECO.

13.3.2.1 Reagent Dosing Strategy

The reagent dosing strategy for the Reid Deposit metallurgical test program was based on the standard test procedure from the Crawford Nickel Sulphide Project Feasibility Study (Ausenco, 2023). Table 13-6 summarizes the conditions used in the open circuit metallurgical variability test program with the following supporting comments (Stokreef, 2024):

Table 13-6. Metallurgical variability program reagent dosing strategy (Open Circuit Tests) (Stokreef, 2024).

Stage	Reagents (g/t)						Time (min)	
	H_2SO_4 (98%)	KAX51	Calgon	CMC	MIBC	A65	Cond.	Froth
Primary Grind (180 µm)		25						
Deslime								
Coarse Rougher	1000	20	200		12 - 26	0 - 4	9.5	6
Cleaner 1		2 - 5		2.5 - 10	0 - 4	0 - 1	3	6
Cleaner 1 Regrind (60 µm)								
Cleaner 2		1 - 3		0 - 6	0 - 3	0 - 0.5	2	4
Cleaner 3					0 - 1	0 - 0.5	0.5	2
Secondary Grind (100 µm)		25						
Deslime								
Fine Rougher		20	100		14 - 24	0 - 2.5	2	9
Cleaner 1		2		2.5 - 10	0 - 4	0 - 0.1	2	4
Cleaner 1 Regrind (60 µm)								
Cleaner 2		1 - 4		2.5 - 10	0 - 2	0 - 0.6	2	3
Cleaner 3					0 - 1.7	0 - 0.6	2	2
Magnetic Separation on Fine Rougher Tails								
Regrind Magnetics to 63 µm								
Magnetic Separation (2x 1500 G)								
Regrind magnetics to 25 µm								
Magnetic Separation (3x 1500 G)								

13.3.3 Metallurgical Variability Test Results – Open Circuit Tests

Each of the metallurgical variability samples were subjected to the test procedure outlined in Section 13.4.2. The results, which includes the first metallurgical test result for Reid (Sample RAS-002) that was reported on in a news release dated 15 March 2023, were within expectations and demonstrated the potential for the recovery of nickel, cobalt, iron and chromium from the Reid ultramafic mineralization using the flowsheet developed for the Crawford Nickel Sulphide Project (Ausenco, 2023; Stokreef, 2024). These initial results will be used to develop a second phase test program with the goal of optimizing the Crawford flowsheet for Reid. As part of the second phase of work, locked cycle testing will be done to confirm the results from these open circuit tests and validate recoveries and final concentrate grades (Stokreef, 2024).

14.0 MINERAL RESOURCE ESTIMATES

14.1 INTRODUCTION

Caracle Creek was retained by CNC to prepare an updated NI 43-101 compliant mineral resource estimate (“MRE”) supported by a technical report, for the Reid Ni-Co-Cr-PGE Deposit (the “Deposit”), located within the Reid Nickel Sulphide Project. The MRE has an effective date of 7 January 2026

The updated MRE incorporates all current diamond drilling for which the drill hole data and information could be confidently confirmed. Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 8 December 2025, the database closure date.

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

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

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

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

The deposit type being considered for nickel mineralization discovered to date in the RUC, is Komatiite-Hosted Type II Ni-Cu-Co-(PGE). The Reid Deposit is hosted by a thick differentiated ultramafic body with primary disseminated and bleb nickel sulphide, dominated by pentlandite with minor pyrrhotite, chalcopyrite and secondary mineralization within strongly altered and serpentinized ultramafic rocks (*i.e.*, dunite > peridotite > pyroxenite) comprising heazlewoodite, awaruite, and millerite.

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

14.2 RESOURCE DATABASE

The drill hole database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, uninformed abandoned holes or statistical outliers) for geological modelling and resource estimation purposes. A summary of the diamond drill holes used in the MRE is provided in Table 10-1 (*see* Section 10.0 – Drilling).

Within an area of approximately 2.2 km along strike (west to east), 0.6 to 1.2 km in width, and 700 m deep, the working database of the deposit contains the following:

- Collars: 89 holes amounting to 51,137.4 m, with a mean drilling depth of 575 m and a maximum drilling depth of 1,044 metres.
- Surveys: 89 holes measured by gyroscope tool.
- Lithologies: 89 holes with 18 unique rock codes, grouped into 10 codes for modelling purposes (see Section 14.4 – Geological Interpretation and Modelling).
- Assays: 89 holes with 30,310 core samples of 1.5 m average length; 35 elements reported.
- Magnetic Susceptibility Measurements: 89 holes with 48,165 handheld “mag-sus” measurements on drill core, taken every 1 metre.
- Specific Gravity (Density): 89 holes with 5,655 measurements (by water displacement) from drill core, taken every several metres, averaging a sample every 8.5 metres.
- Mineralogy: 56 holes with 1,315 core samples (70 TIMA, 1,245 QEMSCAN), most of them of 1.5 m length, taken either every 12.5 m or every 25 m; 33 minerals reported.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical geophysical surveys and a lithology map (Ayer and Trowell, 1998) from the Ontario Geological Survey (OGS).

14.3 METHODOLOGY

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

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

These steps involve the use of mining software packages such as Leapfrog Geo 2025.3 (3D modelling) and Isatis.neo 2024.12 (geostatistics).

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

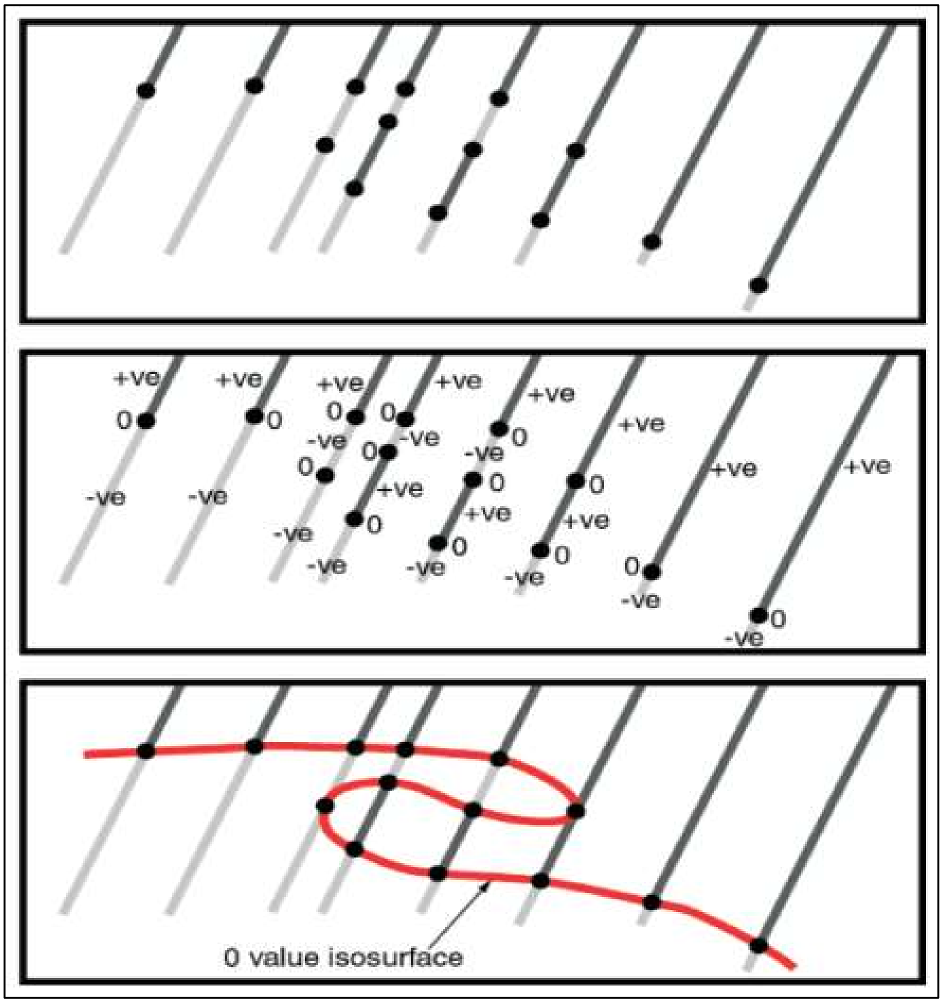


Figure 14-1. Implicit Modelling technique. Two sets of intervals (upper panel), converted into positive ("+ve" or inside) and negative ("-ve" or outside) distance points (middle panel) and the resulting interpolation through zero distance ("0" or contact) value points (lower panel) (modified after Cowan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

14.4 GEOLOGICAL INTERPRETATION AND MODELLING

14.4.1 Overburden and Topography

The Reid Project area is entirely covered by a barren overburden layer (likely clay and gravels), with average depths of 23 m in the western side progressively increasing to over 40 m towards the watercourse-adjacent eastern side (Figure 14-2) and a maximum depth of almost 50 m, based on available data. This volume was generated using the topographic and the "top of bedrock" surfaces. The topography was obtained from a CNC Lidar survey, presenting a very good match with collar heights, while the bedrock surface was obtained by interpolating through the base of overburden intervals logged in CNC drill holes.

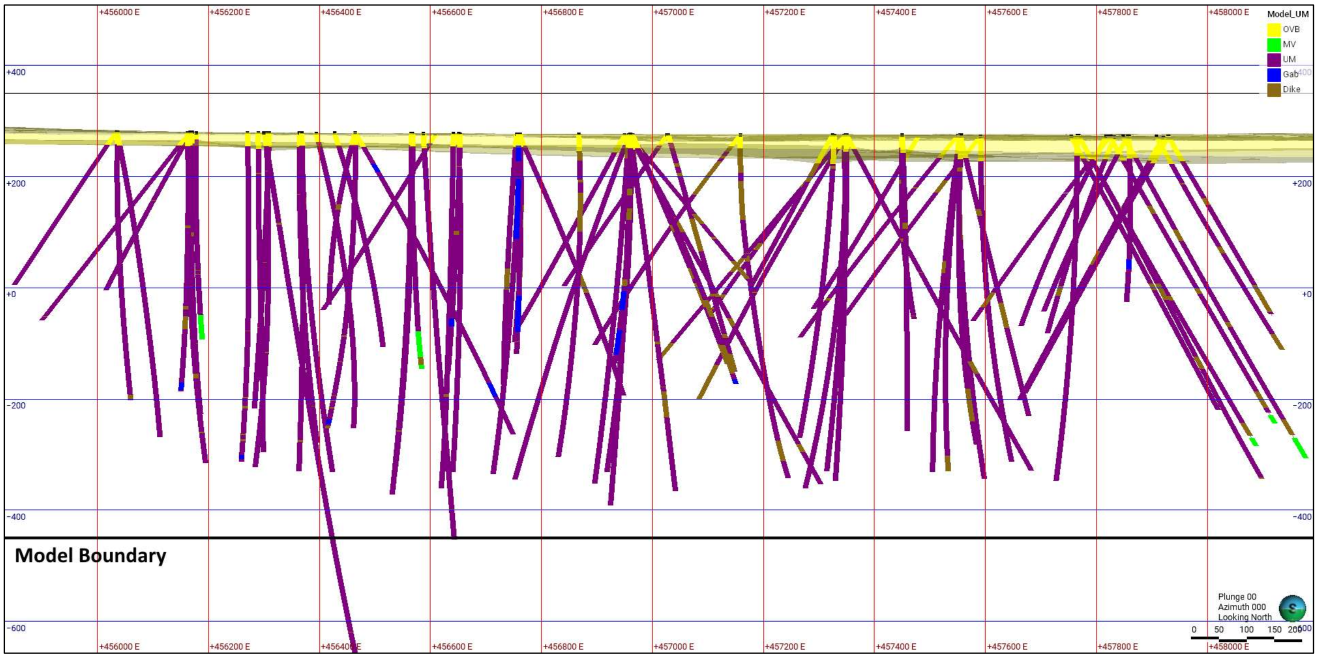


Figure 14-2. Longitudinal view (Looking North) of the Reid Property with the overburden volume (transparent yellow) and CNC drill holes showing the main rock types, including the ultramafic package (UM) coloured in purple (Caracle Creek, 2026).

14.4.2 Lithology

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

- A subvertical ultramafic intrusive, with a dunite core transitioning first to peridotite and then to pyroxenite to the north and south, as the main feature.
- Gabbroic rocks, adjacent and seemingly conformable to the pyroxenite units, often separating them from other, unmineralized rock types.
- Mafic metavolcanics and lesser metasediments as host rocks to the ultramafic/gabbroic package.

These lithologies make up most of the deposit (Figure 14-3), the remaining ones corresponding to a set of diabase/mafic and lamprophyre dikes.

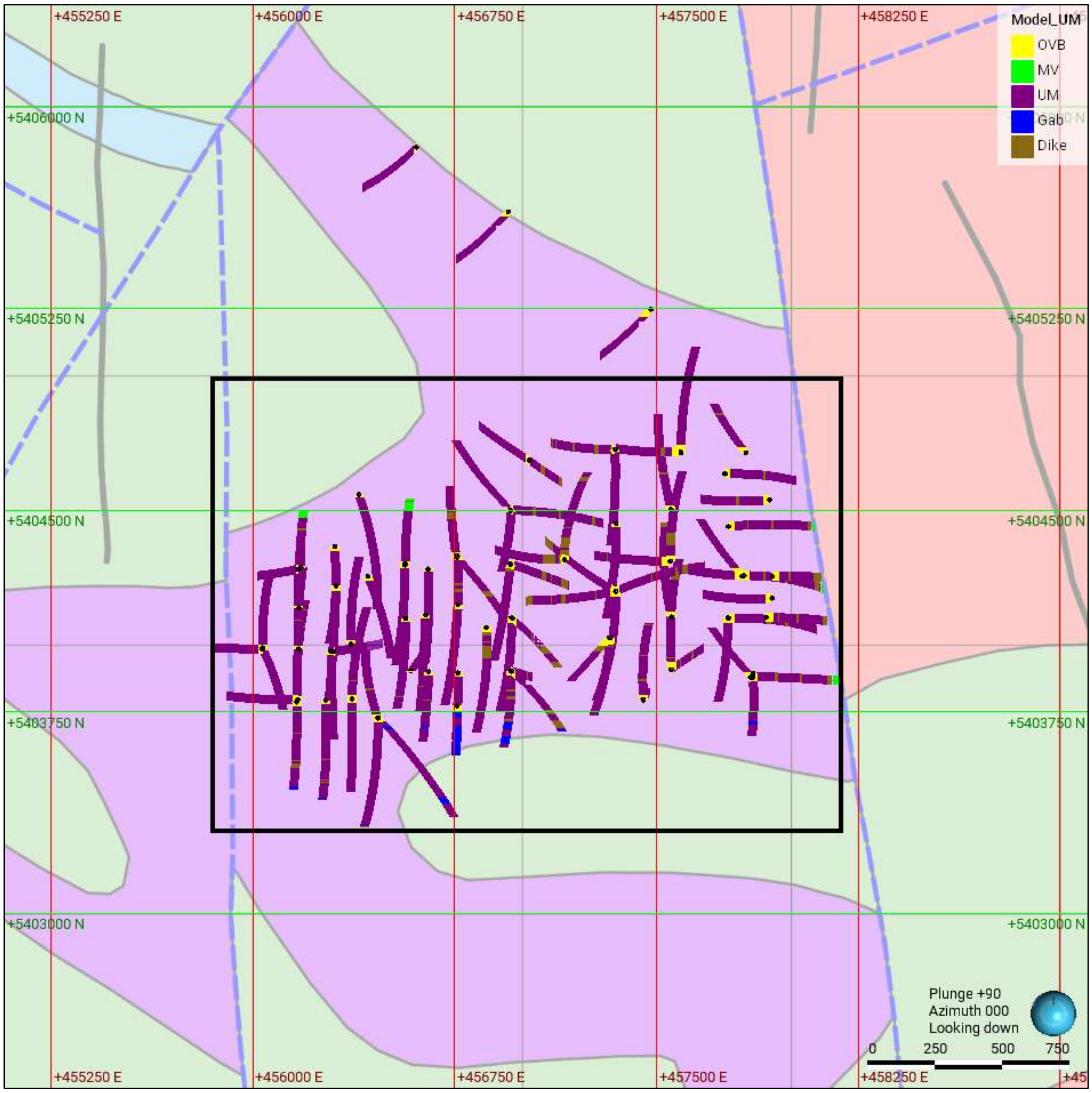


Figure 14-3. Plan view of the Reid Deposit with MRE drill hole intervals showing the main rock types. Background lithology from OGS (Ayer and Trowell, 1998). The UM package is coloured purple in the map and drill traces. The black rectangle represents the resource boundary and main modelling area (Caracle Creek, 2026).

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

Regional geophysics datasets provided further information to interpret the overall shape and dimensions of all lithologies in the deeper and outer extents of the model.

A more focused exploratory data analysis of the dunite unit, meant to differentiate it for geological and geostatistical purposes as it constitutes 95% of sampled rock units in the database, revealed two spatially consistent and compositionally distinct variants: A “pure” dunite variant (Al < 0.65%, Mg > 23.5%, Ni > 0.2%) and a “transitional” dunite (0.65-1.25% Al, 22.5-23.5 Mg, Ni < 0.2%), which is intermediate to and in a few cases approaches peridotite composition.

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

LITHOLOGY	LENGTH (m)	ROCK GROUP		
Overburden	3,065.9	OVB		
Intermediate Intrusive	7.0	MDy		Dike
Diabase	2,293.4	MDy		Dike
Mafic Intrusive	207.2	MDy		Dike
Lamprophyre	116.4	LAM		Dike
Gabbro	380.1	GAB		
Pyroxenite	277.2	PYX		UM
Talcose Ultramafics	2,034.8	PYX / PER	TDUN	UM
Peridotite	5,859.8	PER		UM
Dunite	**35,884.9**	DUN	TDUN	UM
Bleached Dunite	5.7	DUN	TDUN	UM
Carbonatized Dunite	580.4	DUN	TDUN	UM
Carbonatized Ultramafic	211.7	DUN	TDUN	UM
Mafic Metavolcanics	128.8	MV		
Metasediments	73.2	MV		
Major Fault	1.9	FT		
Lost Core	3.9	Not modelled		
Rodingite Vein	5.2	Not modelled		

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

- Metavolcanics (MV): Host unit to the ultramafic package. Its boundary was mainly interpreted from the OGS lithology map (Figures 14-3 and 14-4) and some drilled intercepts to the northwest and east of the deposit. It seems to be subvertical in depth, a feature that is supported by the overall trend displayed by the ultramafic rocks.
- Gabbro (GAB): Unmineralized mafic unit. Transitions from pyroxenite with a subvertical dip. It is generally present as the last ultramafic "layer" before the metavolcanics boundary. Few narrow intercepts found to the northeast and south of the deposit, though not against the northwestern or eastern MV unit contacts, the latter due to faulting.
- Pyroxenite (PYX): Outermost unmineralized ultramafic unit. Transitions from peridotite and into gabbro with a subvertical dip. Few narrow intercepts found to the north and south of the deposit, and in direct contact with the MV unit to the northwest.
- Peridotite (PER): Very low grade, nickel mineralized ultramafic unit. Transitions from dunite and into pyroxenite with a subvertical dip. Intercepts of a few metres to tens of metres, found consistently to the north and south of the deposit. It comprises multiple sequences (two or three) in the southern area of the deposit, along with corresponding pyroxenite and gabbro transitions.

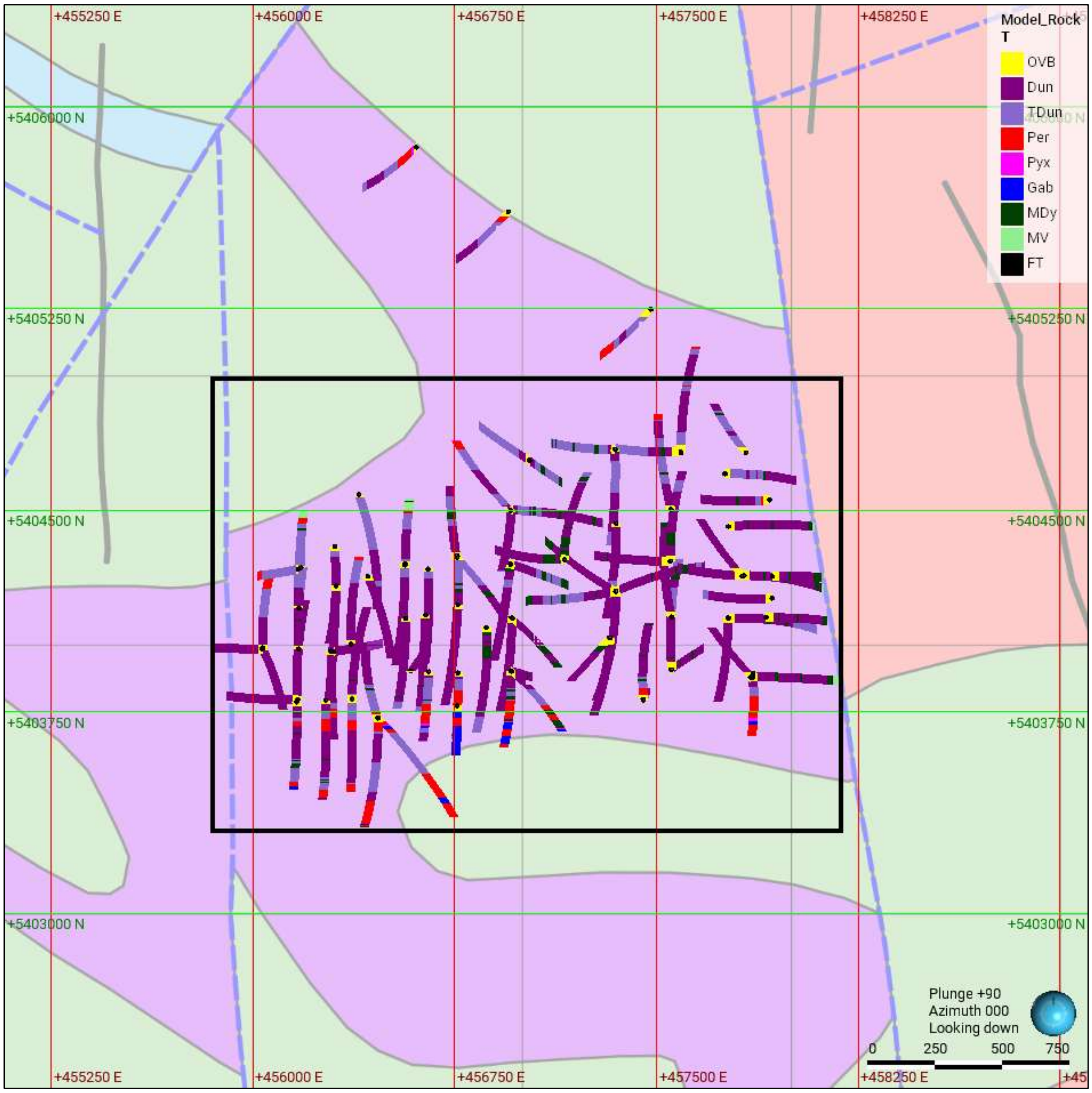


Figure 14-4. Plan view of the Reid Deposit with MRE drill hole intervals showing the final lithology codes for modelling. Background lithology from OGS (Ayer and Trowell, 1998). The black rectangle represents the resource boundary and main modelling area (Caracle Creek, 2026).

- Transitional Dunite (TDUN): Lower grade, nickel mineralized ultramafic unit. Often visually identifiable as dunite but compositionally intermediate to dunite and peridotite, from which it transitions. Tens of metres to larger intercepts found consistently between the DUN and PER units to the north and south of the deposit but also running east-west through the deposit's centre.
- Dunite (DUN): Higher grade, nickel mineralized and main ultramafic unit. Very large intercepts comprising the core of the deposit and the largest volume of the UM package. Along with the TDUN unit, it is also found towards the southwest of the main mineralized volume in a separate "pocket", transitioning from other ultramafic sequences (mostly peridotite) and then back into them, from north to south.
- Diabase/mafic (MDy) and lamprophyre (LAM) dikes: Unmineralized, mostly subvertical structures. The former comprises numerous, roughly north-south trending structures, 5 to 30 m wide,

throughout the central and eastern areas of the deposit, while the latter comprises several structures following a northwest-southeast trend, up to 5 m wide, in the western area.

- Major Fault (FT): Unmineralized, severely broken core intervals found between the DUN and MV units at the eastern boundary of the deposit. These match a fault interpreted in complementary geological and geophysical datasets, defining a roughly north-south trending 3 m wide structure.

The main modelling area and resource boundary (rectangle in Figures 14-3 and 14-4) is 2.35 km long (from 455,850 E to 458,200 E) by 1.7 km wide (from 5,403,300 N to 5,405,000 N), with a maximum depth set at RL -450, approximately 700 m below overburden (Figure 14-2). These dimensions are mostly based on drill hole distribution, quantity and depth, leaving the three northern exploratory holes (REI24-12, REI24-13 and REI24-15) outside of the resource, along with the lower half of hole REI25-74.

An extended modelling area, approximately 1 km beyond the resource boundary in horizontal direction (area depicted outside of the rectangle in Figures 14-3 and 14-4), was defined for waste management and pit optimization purposes, but also for definition of future exploration targets.

Cross-section interpretation was deemed unnecessary given the relatively simple nature of the lithological sequence, opting instead for a direct implicit modelling approach (*see* Section 14.3 – Methodology).

Prior to lithological modelling, four structural domains were defined: Reid (mineralized domain), East, West and Northwest. These were modelled based on three major faults (blue lines in Figure 14-5) interpreted from the OGS lithology map (Figures 14-3 and 14-4), geophysical datasets and, in one case, major fault (FT unit) drilling intercepts. These faults are:

- East Fault: North-south trending and subvertical. It is the better documented of the three structures and the only with a defined fault volume. Based on broken core intervals separating two rock types (DUN/MV) not expected to be in contact according to the lithological sequence, and the trace from the OGS map, which shows a very good alignment with the drilling. This fault defines the eastern boundary of the Reid domain.
- West Fault: North-south trending and interpreted as vertical, modelled as a surface. Based mostly on the trace from the OGS map and geophysical datasets, complemented by a large talc occurrence at the end of the two westernmost, west-dipping drill holes seemingly overlapping the vertical projection of the trace, which could be an indication of fault proximity. This fault defines the western boundary of the Reid domain.
- Northwest Fault: Northeast-southwest trending and interpreted as vertical, modelled as a surface. Based solely on the trace from the OGS map and geophysical datasets. This fault provides a boundary for the northern extension of the ultramafic package.

Lithological contacts within the main modelling area were interpolated individually and sequentially using the previously codified units in drill hole data, adding polylines to control their shape and applying trends with varying intensities where necessary.

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

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

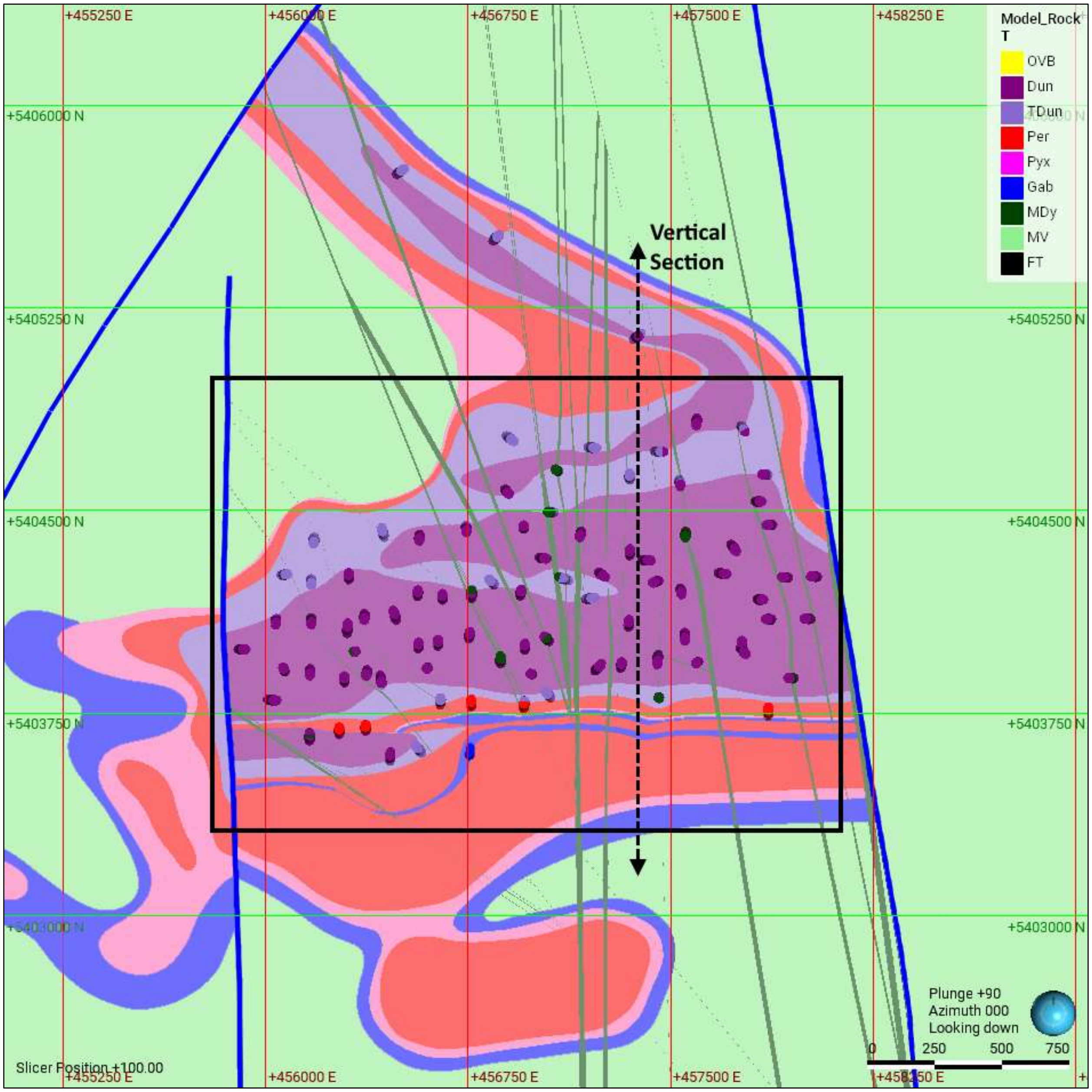


Figure 14-5. Plan section (RL 100) of the Reid lithology model, major faults (blue lines) and coded drill hole intervals. The black rectangle represents the resource boundary and main modelling area, and the dashed line is the trace of the vertical section presented in Figure 14-6 (Caracle Creek, 2026).

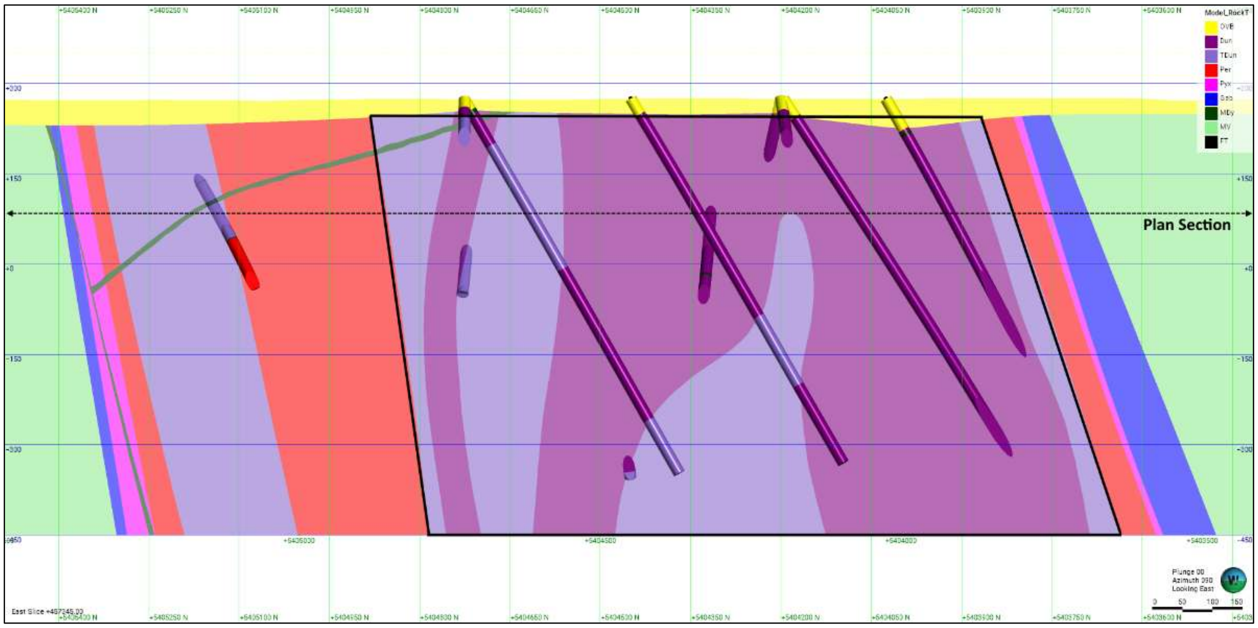


Figure 14-6. Vertical section 457345 mE (Looking East) of the lithology model and drill holes showing lithology intercepts. Some intercepts may not precisely match their corresponding feature due to the 100 m section width. The black box represents the current resource boundary and main modelling area, and the dashed line is the trace of the plan section presented in Figure 14-5 (Caracle Creek, 2026).

14.4.3 Alteration

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

As with lithology, the framework for alteration analysis was adapted by Caracle Creek from CNC's analogous Crawford Deposit (*e.g.*, Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022), given that it shares common features with the Reid Deposit, such as fully and partially serpentinized domains, as well as a weathering domain.

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

The alteration study concluded with the definition of an interpreted talc-carbonation domain and three serpentinization domains, the latter corresponding to two recognizable alteration stages and one interpreted substage, all of which are mineralogically and spatially consistent (Figure 14-7):

- Talc-carbonation domain ("Talc"): Averages 12% total serpentine, 33% talc, 22% magnesite and no fresh olivine. Densities usually range from 2.90 to 2.99 g/cm^3, consistent with a weak serpentinization stage. This alteration type is mostly found in the proximity of the interpreted West Fault, and sporadically across the deposit as apparent talc structures or dikes.

- Partial serpentinization domain ("PSerp", 50-75% serpentinized dunite): Averages 42% Mg-rich serpentine, 21% Fe-rich serpentine, 24% fresh olivine and 4% magnetite (or 110 mag-sus). Densities mostly range from 2.70 to 2.85 g/cm^3, consistent with the serpentinization stage. This alteration type is constrained to the deeper levels (below RL -100) of the deposit's central area, running in a roughly east-west direction, with no apparent correlation with the transitional dunite lithology.
- Advanced serpentinization domain ("Serp UW", 75-95% serpentinized dunite): Averages 73% Mg-rich serpentine, 10% Fe-rich serpentine, 1% fresh olivine and 6% magnetite (or 138 mag-sus). Densities mostly range from 2.60 to 2.70 g/cm^3, consistent with the serpentinization stage. This alteration type is located around the deposit's central area, enveloping the other serpentinization domains, spanning the whole depth of the dunite envelope with little to no vertical differentiation or apparent signs of weathering.
- Weathered serpentinite domain ("Serp W", 75-95% serpentinized dunite): Averages 73% Mg-rich serpentine, 11% Fe-rich serpentine, 1% fresh olivine and 5% magnetite (or 93 mag-sus), making it very similar to the Serp UW domain, but with mag-sus values more akin to the PSerp domain. Densities transition from 2.55 g/cm^3 or less (at times even below the theoretical serpentinization limit) usually near the upper contact with overburden, to 2.60 g/cm^3 or slightly more at intermediate depths, which points to a weathering effect due to water infiltration, possibly related to the concentration of dikes in certain areas of the deposit.

  This alteration type can be found at intermediate (at and above RL -100) to near overburden levels of the deposit's central to north-central area, running in a roughly east-west direction. In section view it is funnel-shaped (*i.e.*, larger extension near surface, narrowing with depth) and seems to converge towards the "PSerp" domain in depth. This could point to a relationship between both (*i.e.*, a former portion of the PSerp domain subject to renewed serpentinization along with weathering) or simply be a coincidence, in which case this would be a portion of the Serp UW domain (unrelated to the PSerp domain) subject to intense weathering due to water infiltration.

Based on previous assumptions and continuing with the interpretation of the previous version of this model, both the "PSerp" and "Serp W" alteration types were modelled as a single envelope, spanning the whole depth of the deposit, and then divided into their corresponding lower and upper domains, with the "Serp UW" domain around them (Figure 14-8).

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

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

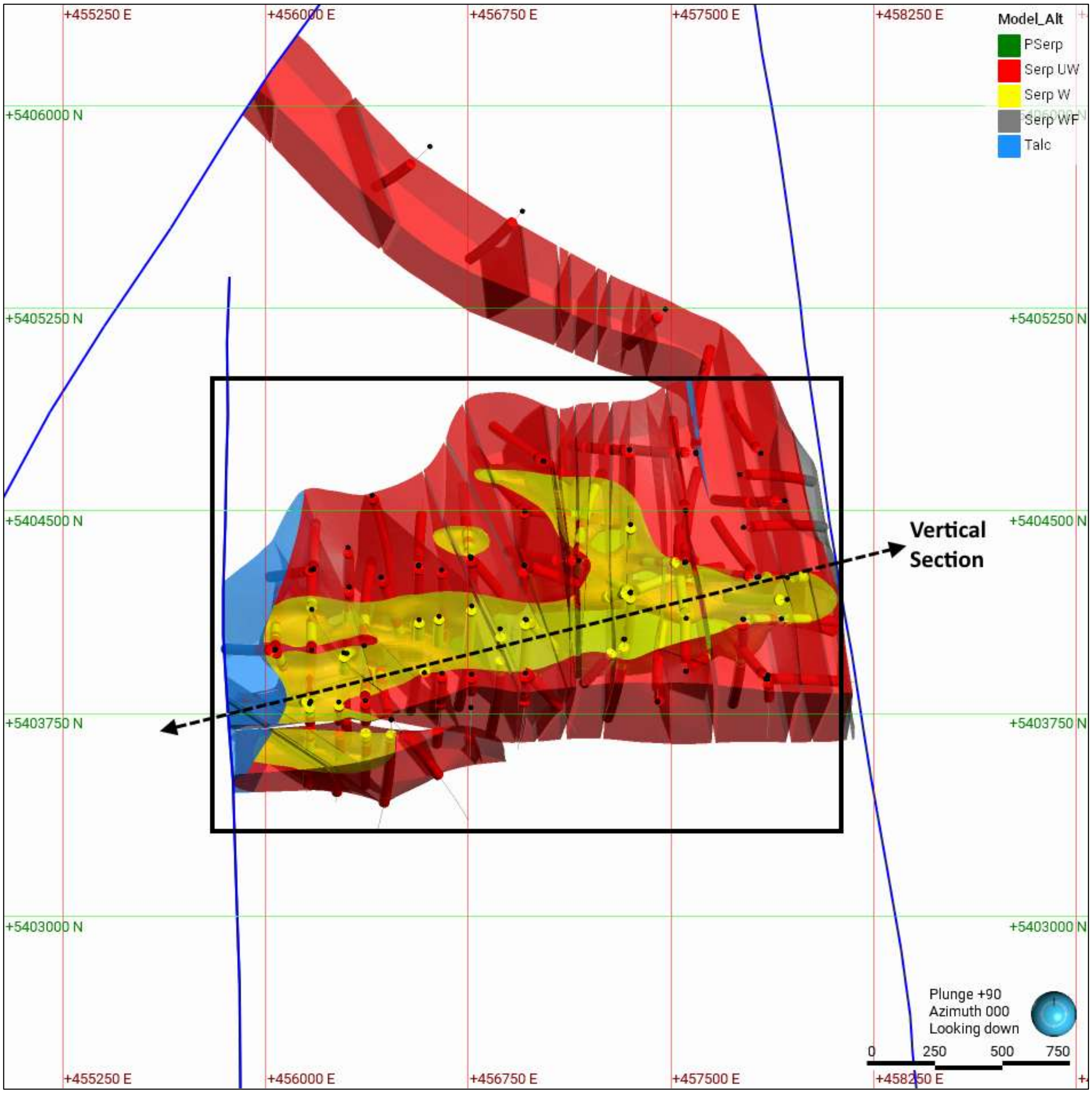


Figure 14-7. Plan view of the Reid alteration model (limited to the dunite envelope), major faults (blue lines) and coded drill hole intervals. The black rectangle represents the resource boundary and main modelling area, and the dashed line is the trace of the vertical section presented in Figure 14-8 (Caracle Creek, 2026).

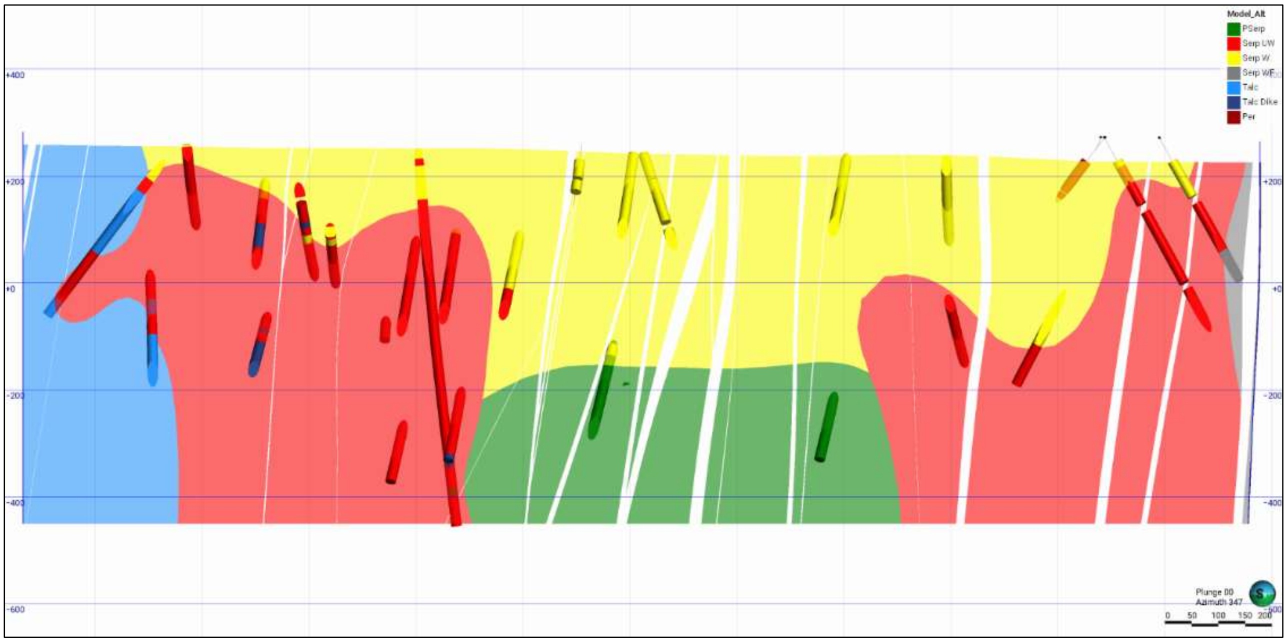


Figure 14-8. Oblique vertical section (Looking Northwest) of the Reid alteration model (limited to the dunite envelope), major faults (bounding blue lines) and coded drill hole intervals. Some drill hole intercepts may not precisely match their corresponding feature due to the 75 m section width (Caracle Creek, 2026).

14.5 DATA ANALYSIS AND ESTIMATION DOMAINS

14.5.1 Exploratory Data Analysis (EDA)

The Reid Project drill hole database was closed with 30,310 assay samples and 5,655 density measurements available. Seven assayed elements were selected to assess the Project's economic value and thus took part in the EDA: Nickel (Ni) being the main one, together with cobalt (Co), iron (Fe), chromium (Cr), sulphur (S), palladium (Pd) and platinum (Pt).

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

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

The EDA was spatially constrained to the resource boundary (rectangle in Figure 14-4). Within these limits, visual and statistical inspection of nickel grades filtered by lithology (Figure 14-9), along with the supporting variables, showed that the dunite envelope (DUN/TDUN) contained the bulk of the mineralization, hence becoming the general estimation domain (deemed "EST Domain", Figure 14-10). With this, the final resource database was left with 27,054 assay samples and 4,737 density measurements.

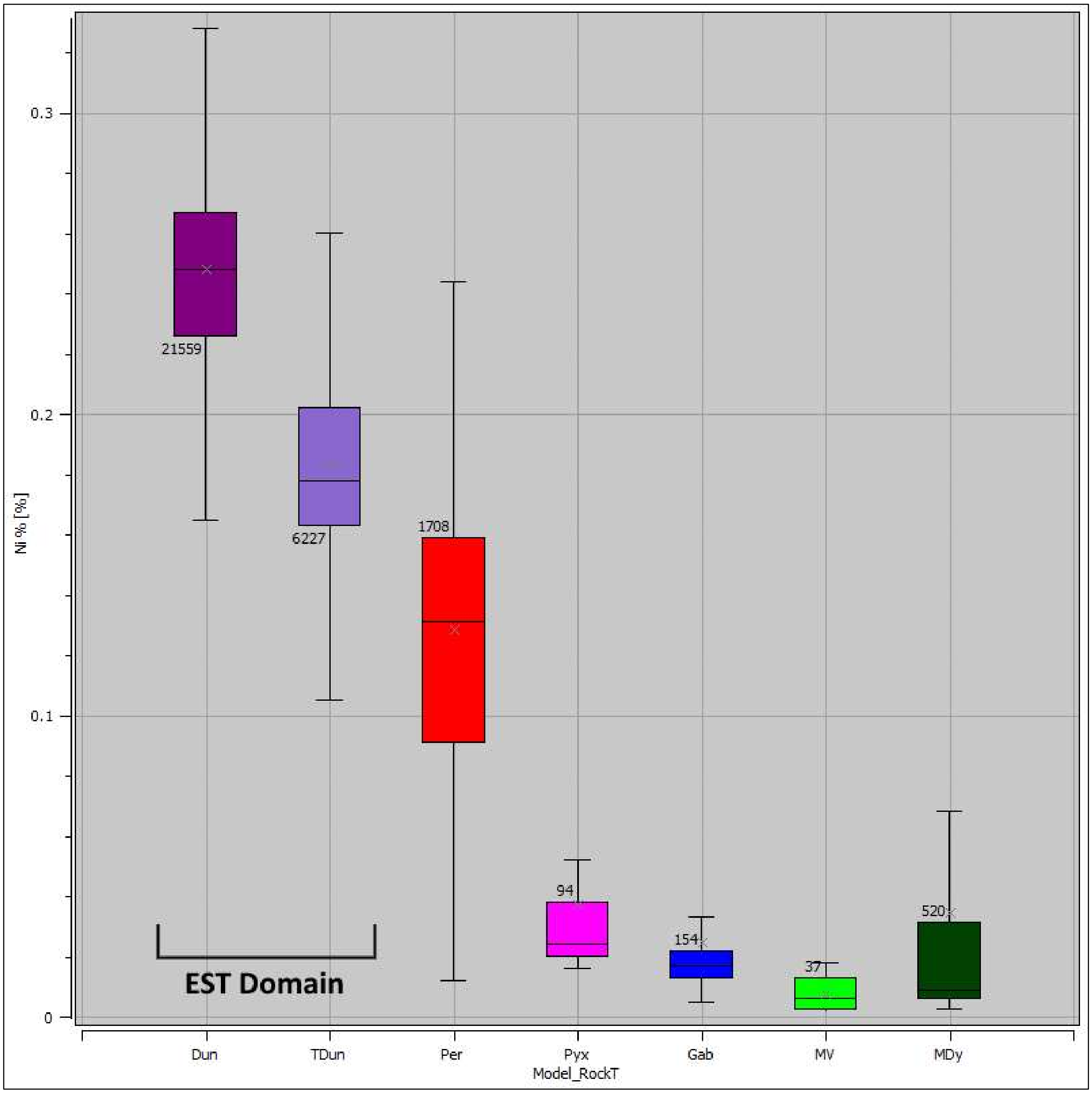


Figure 14-9. Boxplot of nickel grades according to the lithology model (Caracle Creek, 2026).

The possibility of including the peridotite unit ("Per" in Figure 14-9) within the EST domain was considered (following the approach of CNC's analogous Crawford Deposit), but it was left out due to insufficient sampling intervals and a lack of economic grades in those available.

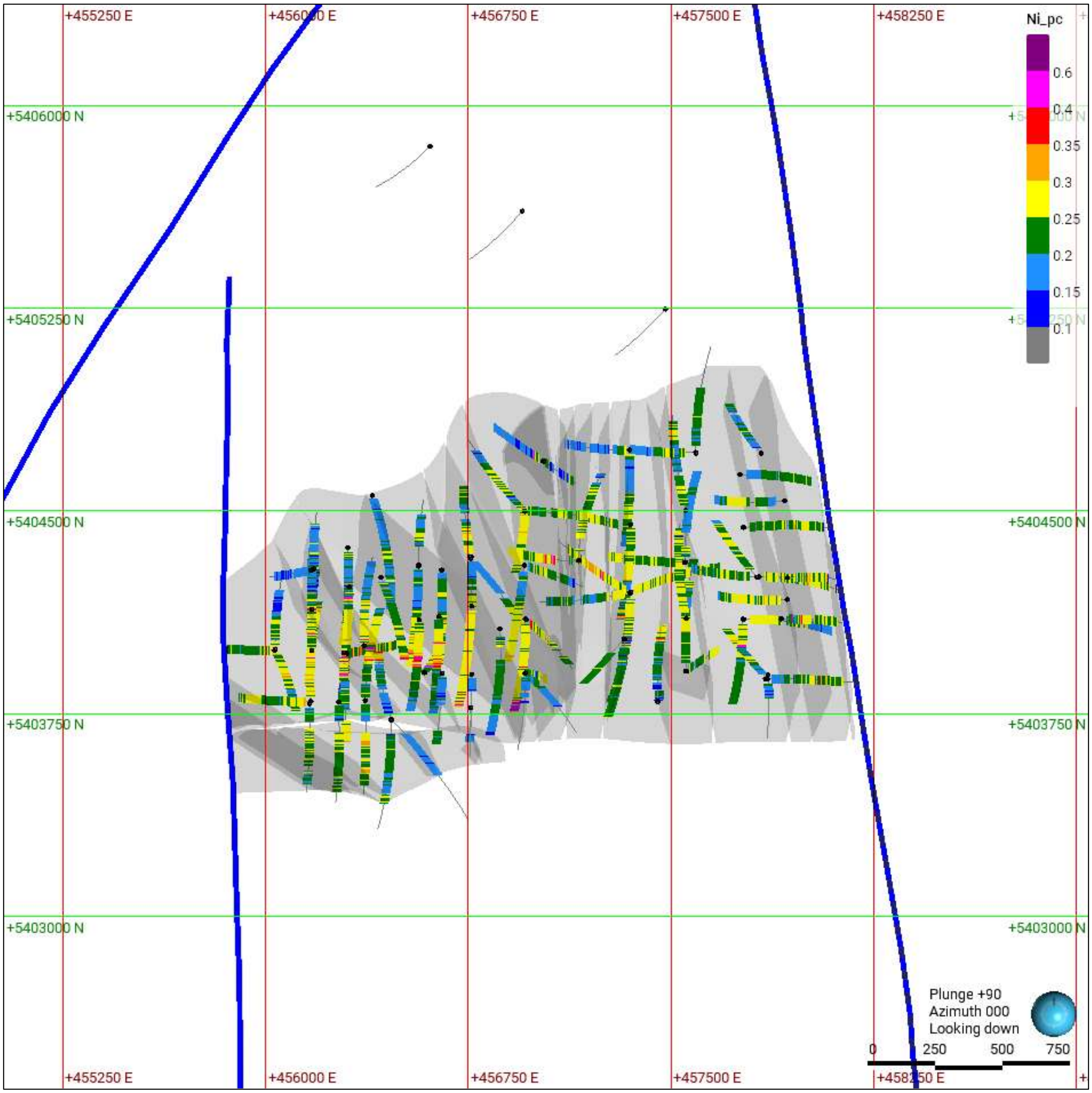


Figure 14-10. Plan view of the EST domain (transparent grey), major faults (blue lines) and nickel grade drill hole intervals (Caracle Creek, 2026).

Nickel grades within the EST Domain present a bimodal distribution (Figure 14-11A), with a lower-grade population going from 0.15 to 0.20% Ni and a medium-grade population going from 0.21 to 0.29% Ni. Detailed observation of the spatial distribution of these two nickel populations (Figure 14-10) revealed that they follow the general trend of the two corresponding dunite variants (Figure 14-4). This means that, more often than not, lower grades lie within the TDUN domain and medium (to higher) grades within the DUN domain.

However, despite their reasonable correlation with assay grades, the lithology domains proved insufficient to separate the nickel populations since grade statistics within each domain still displayed slight but noticeable bimodal distributions.

Considering that these populations did not seem to correlate with other datasets besides lithology, the most practical approach to separating them was the use of a grade cut-off, in this case 0.20% Ni, below which a low-grade (LG) domain and above it a medium-grade (MG) domain would be modelled (*see* Section 14.5.2 – Estimation Domains (Grade Shells)). This cut-off-based strategy successfully set apart each population into their own domains for proper resource estimation (Figures 14-11B and 14-11C).

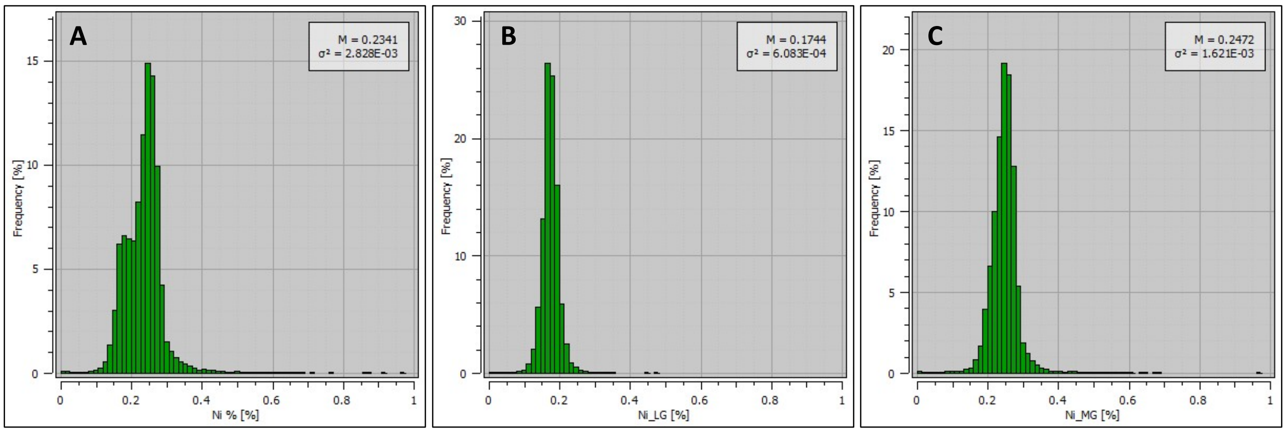


Figure 14-11. Nickel grade histograms within: A) EST Domain, B) LG Domain and C) MG domain (Caracle Creek, 2026).

Visual inspection of nickel grades further allowed for the identification of a higher-grade (>0.30% Ni) value alignment in the style of a vein or structure towards the western area of the deposit, which was also singled out for modelling as the HG domain (*see* Section 14.5.2 – Estimation Domains (Grade Shells)). This finding is further supported by correlative higher-grade sulphur values (>0.12% S) which, to be clear, are not exclusive to the structure.

In similar fashion to nickel, chromium grades within the EST Domain present a bimodal distribution (Figure 14-12A), with a lower-grade population going from 0.45% to 0.60% Cr and a higher-grade population going from 0.60% to 0.85% Cr. Separation of these populations by dunite variants also proved insufficient despite reasonable correlation, with the TDUN domain still showing a noticeable bimodal distribution. Domain generation from grade cut-offs was unnecessary in this case, as the two populations were successfully set apart by use of the previously defined LG and MG nickel domains (Figures 14-12B and 14-12C), owing to the fairly good correlation between chromium and nickel.

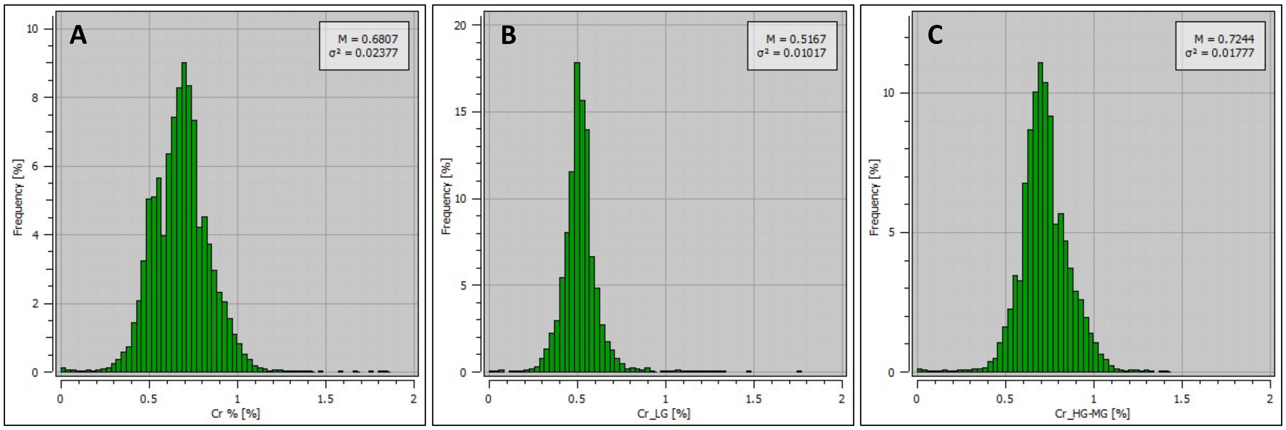


Figure 14-12. Chromium grade histograms within: A) EST Domain, B) LG Domain and C) MG+HG domain (Caracle Creek, 2026).

Despite the former finding, chromium grades did not seem to have a counterpart to the HG nickel domain, showing only moderate values across the interpreted structure that were handled as part of the MG domain.

Iron grades within the EST domain present another instance of bimodal distribution (Figure 14-13A), with a lower-grade population going from 5.0 to 7.0% Fe and a higher-grade population going from 7.0 to 8.5% Fe. Iron has an inverse relationship to that of nickel with the dunite variants, meaning similar trends with the corresponding lithologies, but with lower grades mostly within the DUN domain and higher grades mostly within the TDUN domain. However, this association was likewise insufficient for population separation, with persisting bimodal distributions within both dunite domains.

Due to the weak correlation between iron and nickel, the LG and MG nickel domains could not properly separate the two populations either, leaving again the use of a grade cut-off, in this case 7.0% Fe, as the most practical approach and from which lower- (LFE) and higher-grade (HFE) domains would be modelled (*see* Section 14.5.2 – Estimation Domains (Grade Shells)). As seen in previous cases, this strategy successfully set apart each population into their own domains for proper resource estimation (Figures 14-13B and 14-13C).

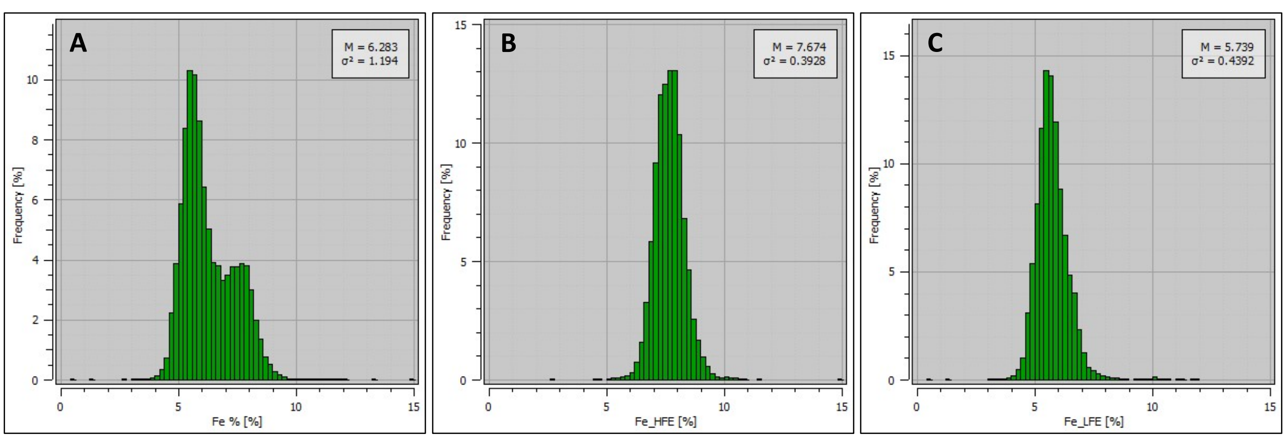


Figure 14-13. Iron grade histograms within: A) EST Domain, B) HFE Domain and C) LFE domain (Caracle Creek, 2026).

Cobalt grades within the EST domain present a seemingly unimodal normal distribution (Figure 14-14A). However, cobalt correlates well with iron both statistically and visually, meaning that it is likely also bimodal in its distribution but hardly perceptible due to the resolution of the assay methodology. Thus, cobalt grades were given the same treatment as iron grades, separating them into the same lower- (LFE) and higher-grade (HFE) domains for proper resource estimation (Figures 14-14B and 14-14C).

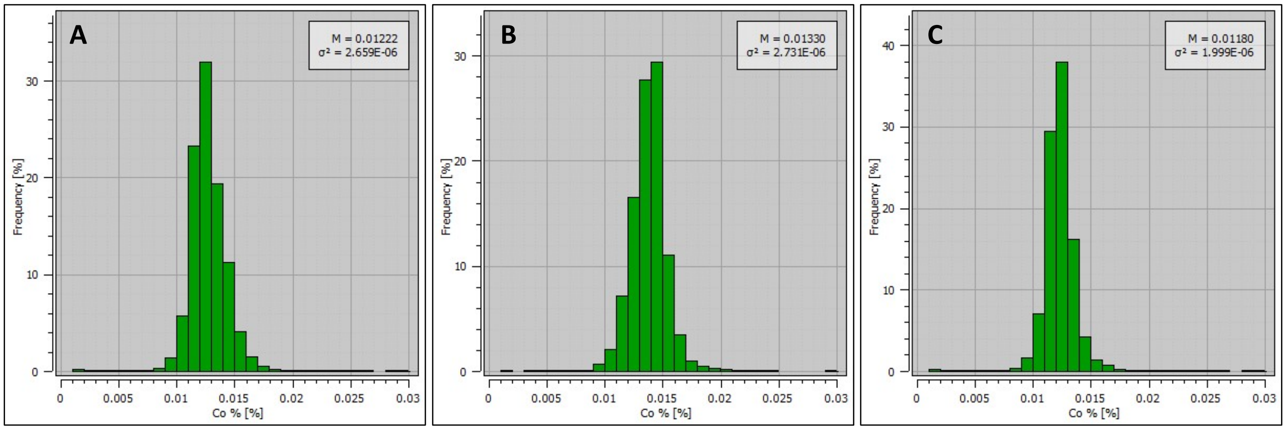


Figure 14-14. Cobalt grade histograms within: A) EST Domain, B) HFE Domain and C) LFE domain (Caracle Creek, 2026).

Sulphur grades within the EST domain present a unimodal log-normal distribution (Figure 14-15A) with no clear trend after visual inspection. Thus, they were for the most part treated as a single population, except for those included in the HG nickel domain, which were treated separately.

Palladium and platinum grades within the EST domain present atypical distributions given that 60 to 70% of them are at or below the detection limit, with the rest tending to unimodal log-normal (Figures 14-15B and 14-15C). Visual inspection shows no clear trend for grades of both elements besides a good general correlation between them and a weak to moderate correlation with nickel within the HG domain, which is not enough to justify any type of subdomaining. Thus, they were each treated as single populations.

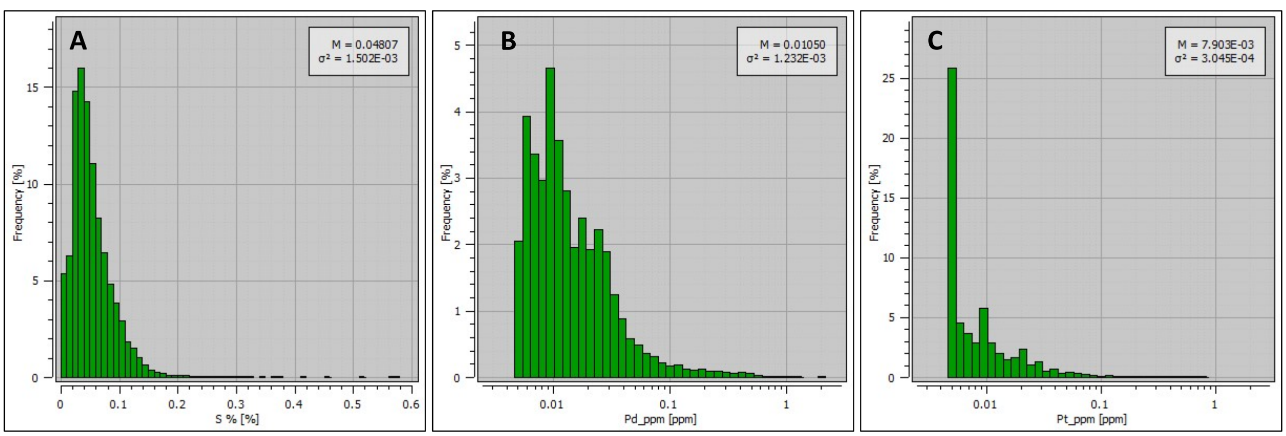


Figure 14-15. Histograms within the EST Domain for: A) Sulphur, B) Palladium and C) Platinum (Caracle Creek, 2026).

Density values within the EST Domain belong to multiple populations that transition into each other, which makes it difficult to determine from a histogram (Figure 14-16). These populations are related to the four alteration types previously described (*see* Section 14.4.3 – Alteration), making it reasonable to approach their separation by assigning them to their corresponding alteration domains. This was mostly successful (and it is better discerned through the box plot in Figure 14-17), only requiring a new subdivision of the Serp UW domain (representing advanced serpentinization, the most prevalent alteration in the deposit) based on the dunite variants (DUN/TDUN). This is because the ultramafic rock type also plays a role in the observed degree of serpentinization (and related rock mass expansion) which is expressed by density, owed to the olivine content available in the original rock before the development of alteration.

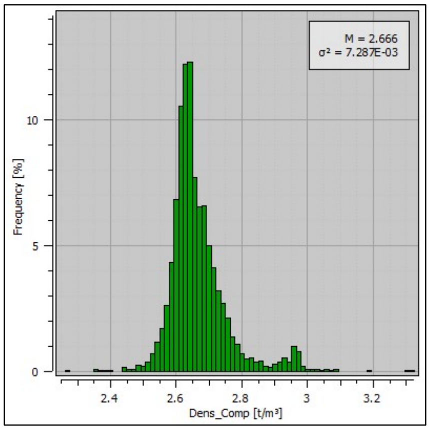


Figure 14-16. Histogram of density values within the EST Domain (Caracle Creek, 2026).

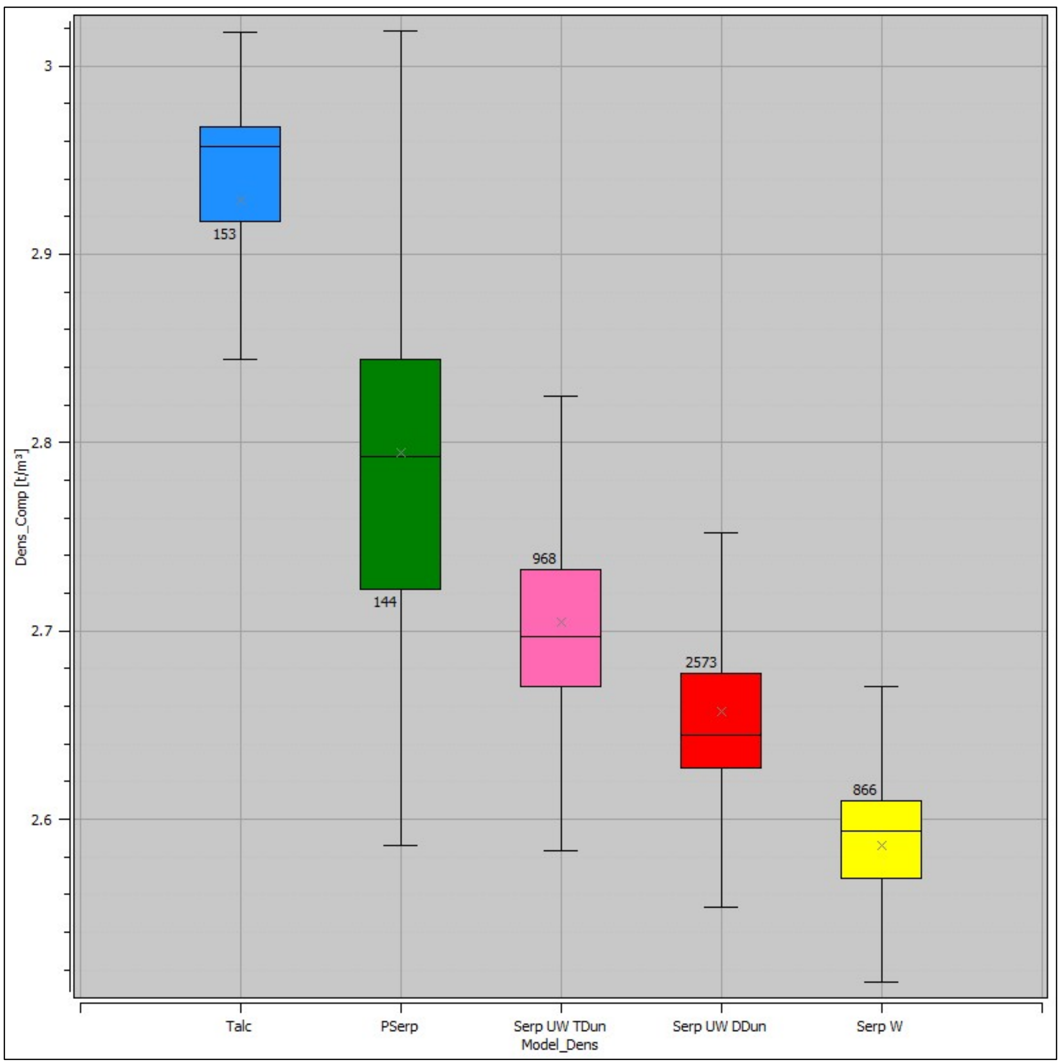


Figure 14-17. Boxplot of density values according to the alteration model and further subdivision of the Serp UW domain by dunite variant (Caracle Creek, 2026).

14.5.2 Estimation Domains (Grade Shells)

Resource modelling was constrained to the general estimation domain (EST Domain in Figure 14-10), initially following the previously described grade cut-off criteria to generate modelling intervals with spatially consistent categories, and then applying the same interpolation process used for the geological models to generate the subdomains, which served as estimation domains for their corresponding subpopulations and elements of interest.

The main nickel and chromium population subdivisions were based on a 0.20% Ni cut-off, from which two lower- (LG) and medium-grade (MG) shells were generated to serve as estimation domains. The guiding principle for the overall shape and trend of these domains was the strong spatial correlation between the two grade populations and their corresponding dunite variants, resulting in the LG and MG domains (Figure 14-18) closely following the TDUN and DUN domain outlines (*see* Figure 14-5), respectively.

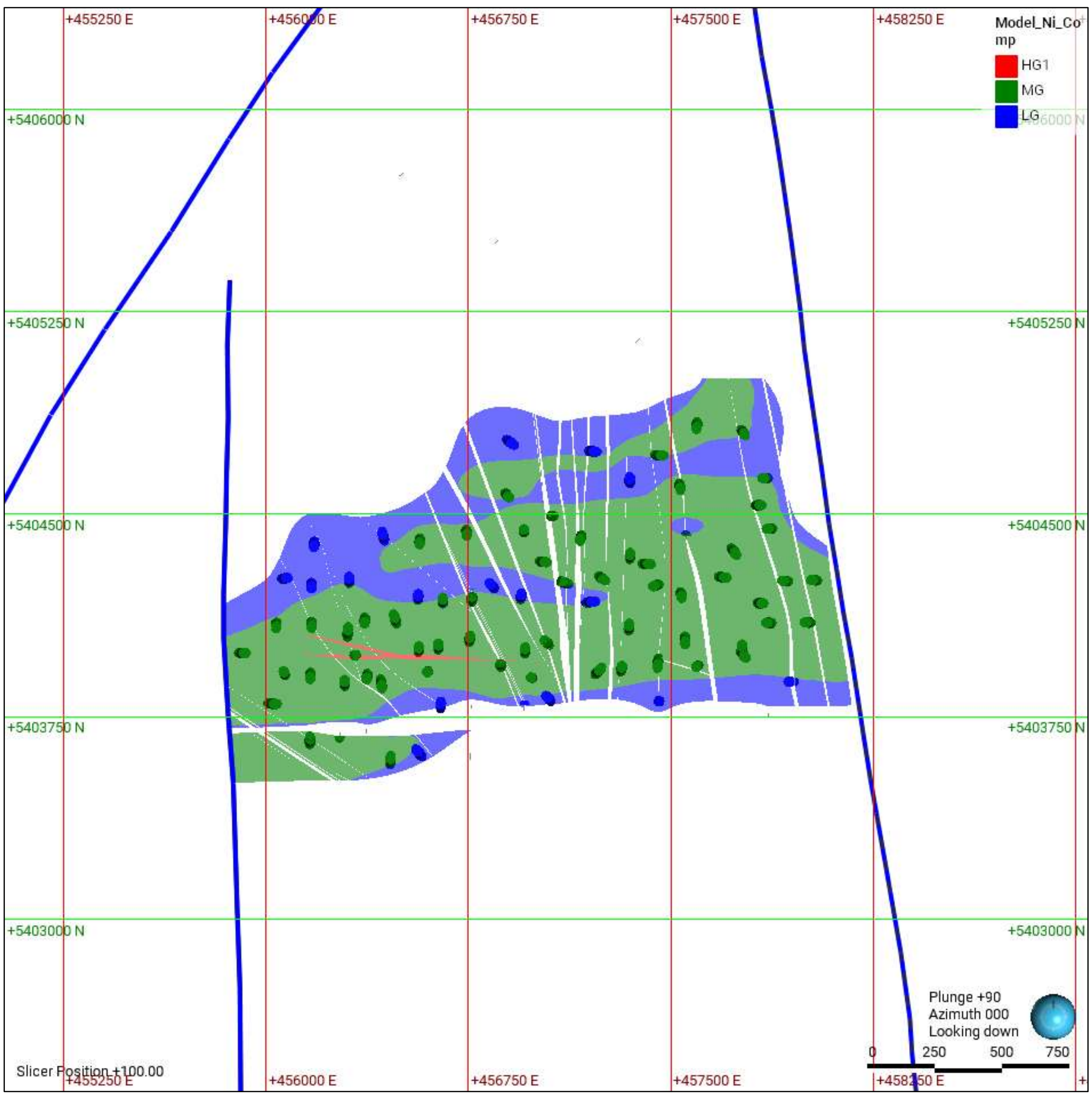


Figure 14-18. Plan section (RL 100) of the Reid nickel/chromium estimation domains, major faults (blue lines) and coded drill hole intervals. The LG Domain (<0.20% Ni) is coloured blue, the MG Domain (0.20-0.30% Ni) is coloured green and the HG Domain (>0.30% Ni) is coloured red (Caracle Creek, 2026).

The additional higher-grade (HG) domain, only relevant for nickel and sulphur, was modelled as narrow, vein-shaped grade shells (red lines in Figure 14-18) following the observed >0.30% Ni grade alignments. The basis for the constrained nature of this domain was keeping the high grades from exerting more influence in the surrounding MG domain than their observed alignment would suggest.

The iron and cobalt population subdivisions were based on a 7.0% Fe cut-off, from which two higher- (HFE) and lower-grade (LFE) shells were generated to serve as estimation domains. As with the nickel/chromium domains, the guiding principle for the overall shape and trend of the iron/cobalt domains was the strong spatial correlation (inverse to that of nickel and chromium) between the two grade populations and their corresponding dunite variants, resulting in the HFE and LFE domains (Figure 14-19) closely following the TDUN and DUN domain outlines (*see* Figure 14-5), respectively.

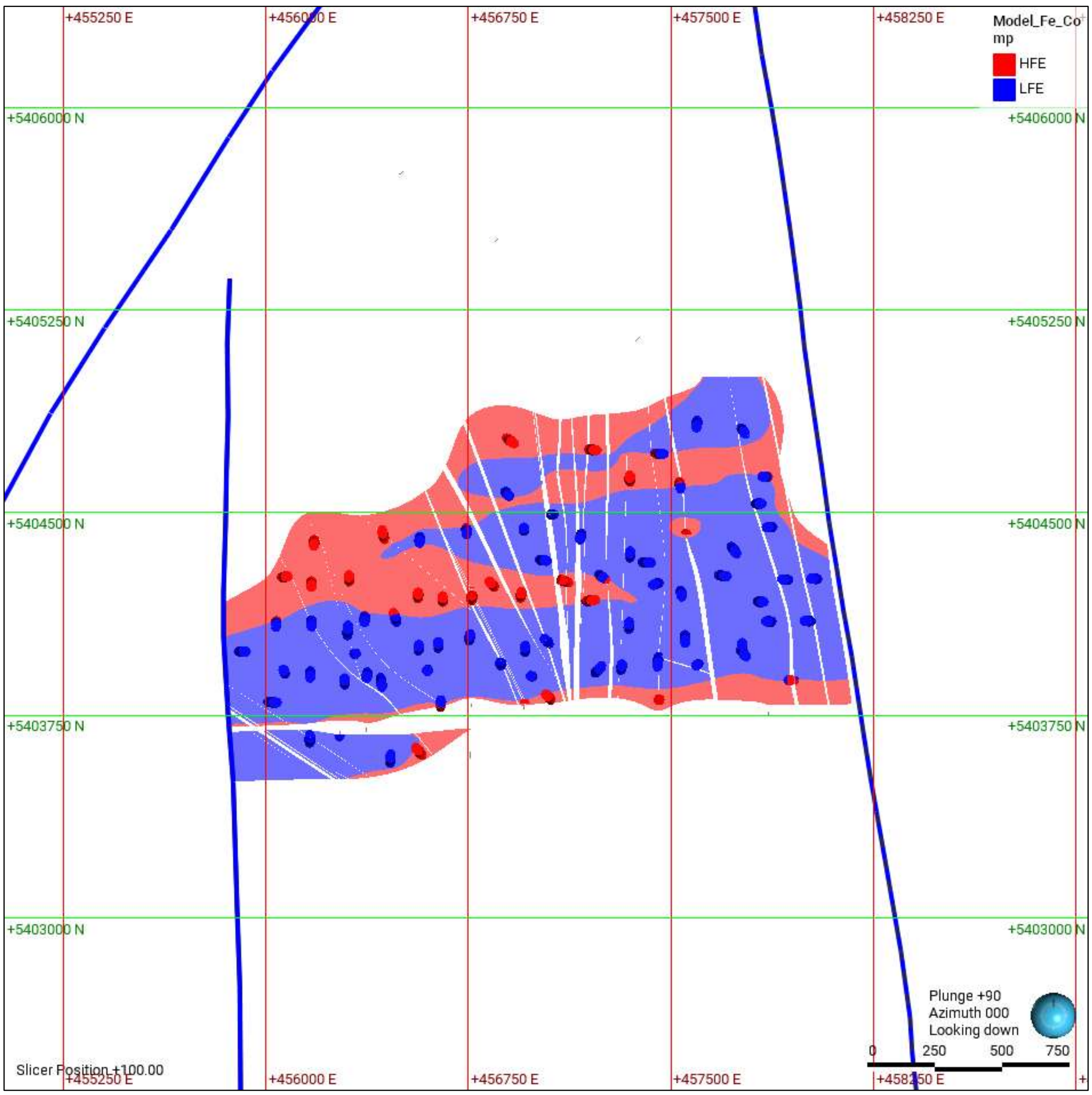


Figure 14-19. Plan section (RL 100) of the Reid iron/cobalt estimation domains, major faults (blue lines) and coded drill hole intervals. The HFE Domain (>7.0% Fe) is coloured red and the LFE Domain (<7.0% Fe) is coloured blue (Caracle Creek, 2026).

No additional estimation domains were generated. Elements with unimodal distributions such as sulphur, palladium and platinum only required the EST domain (except for sulphur grades within the HG Domain), while density estimation domains were obtained by combining alteration and lithology (dunite) domains.

14.5.3 Compositing and Capping

The compositing criteria mainly considered three parameters: The resource database size of 27,054 samples (enough for a rather large compositing length), the predominant drilling length of 1.5 m (97% of samples) and the block height of 15.0 m (*see* Section 14.6 – Block Modelling). Based on these, a 7.5 m compositing length was deemed the most appropriate. Composites were generated for the seven studied elements (Ni, Co, Fe, Cr, S, Pd, Pt) within the EST Domain, not considering any subdomains.

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

Capping was applied, if necessary, before compositing and only for "true" outliers (values out of context such as a single high grade among low grades). Capping values were then calculated based on cases that met the previous condition, along with histogram and probability plot distributions, resulting in top cuts of 0.45% Ni, 0.025% Co, 10.0% Fe, 1.3% Cr, 0.33% S, 0.5 ppm Pd, 0.2 ppm Pt and none for density.

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

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

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

Element	Domain	1.5 m Drill Hole Samples						7.5 m Composites (Except Density)				
		Count	Mean	Std. Dev.	CV	Med		Count	Mean	Std. Dev.	CV	Med
Ni %	HG	459	0.38	0.09	0.24	0.36		92	0.38	0.06	0.16	0.36
	MG	20,884	0.25	0.04	0.16	0.25		4,160	0.25	0.03	0.13	0.25
	LG	5,711	0.17	0.02	0.14	0.17		1,141	0.17	0.02	0.11	0.17
Co %	LFE	19,470	0.012	0.001	0.12	0.012		3,875	0.012	0.001	0.10	0.012
	HFE	7,584	0.013	0.002	0.12	0.013		1,518	0.013	0.001	0.10	0.013
Fe %	LFE	19,470	5.7	0.7	0.12	5.7		3,875	5.7	0.5	0.10	5.7
	HFE	7,584	7.7	0.6	0.08	7.7		1,518	7.7	0.5	0.07	7.6
Cr %	HG+MG	21,343	0.72	0.13	0.18	0.72		4,252	0.73	0.12	0.16	0.72
	LG	5,711	0.52	0.10	0.20	0.51		1,141	0.52	0.08	0.15	0.51
S %	HG	459	0.11	0.04	0.38	0.10		92	0.11	0.03	0.27	0.10
	MG+LG	26,595	0.05	0.03	0.70	0.04		5,301	0.05	0.03	0.64	0.04
Pd ppm	EST	27,051	0.010	0.030	2.87	0.002		5,393	0.010	0.022	2.17	0.003
Pt ppm	EST	27,051	0.008	0.015	1.91	0.002		5,393	0.008	0.012	1.52	0.005
Density	Serp UW TDUN	968	2.70	0.06	0.02	2.70						
	Serp UW DUN	2,573	2.66	0.05	0.02	2.64						
	Serp W	866	2.59	0.05	0.02	2.59						
	PSerp	144	2.79	0.10	0.03	2.79						
	Talc	153	2.93	0.06	0.02	2.96						

14.6 BLOCK MODELLING

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

The block model dimensions (Table 14-3) were adjusted to the extended modelling area (*see* Section 14.4.2 - Lithology), reaching 1 km beyond the resource boundary (square in Figure 14-4) to be able to accommodate a conceptual pit shell. Vertical constraints come from the topographic surface at the top, and from the modelling depth at the bottom (RL -450).

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

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

Reid Block Model	X (m)	Y (m)	Z (m)
Base Corner Coordinates	454900	5402250	-450
Box Extents	4,400	4,640	765
Block Size	20	20	15
Number of Blocks	220	232	51
Rotation	-	-	-

14.7 ESTIMATION STRATEGY

14.7.1 Estimation Methodology (Composite EDA and Contact Analysis)

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

Nickel and sulphur grades displayed mostly abrupt breaks (non-gradual transitions) at the HG/MG domain boundary (Figure 14-20), establishing it as a hard boundary, meaning no composites were shared between domains.

Nickel and chromium grades at the MG/LG domain boundary as well as iron and cobalt grades at the LFE/HFE domain boundary, displayed rather gradual transitions with slight to moderate breaks (Figure 14-21), making them semi-soft boundaries, with composites shared between domains up to 10 m from their respective boundaries.

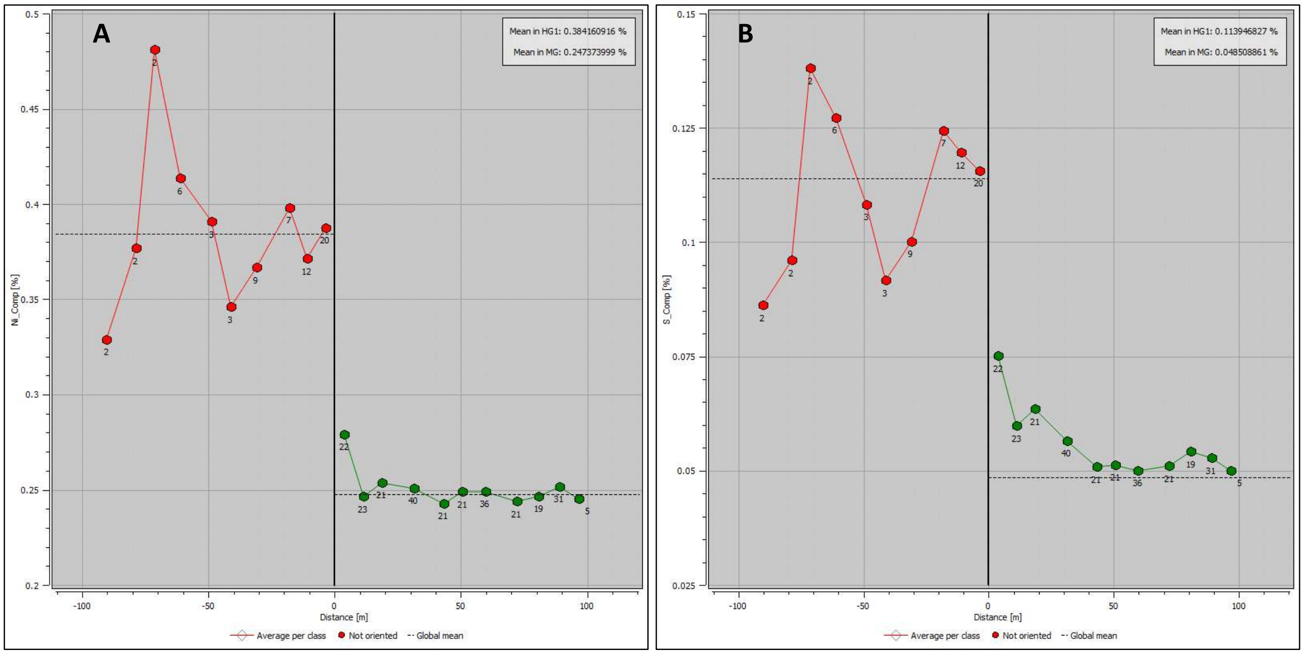
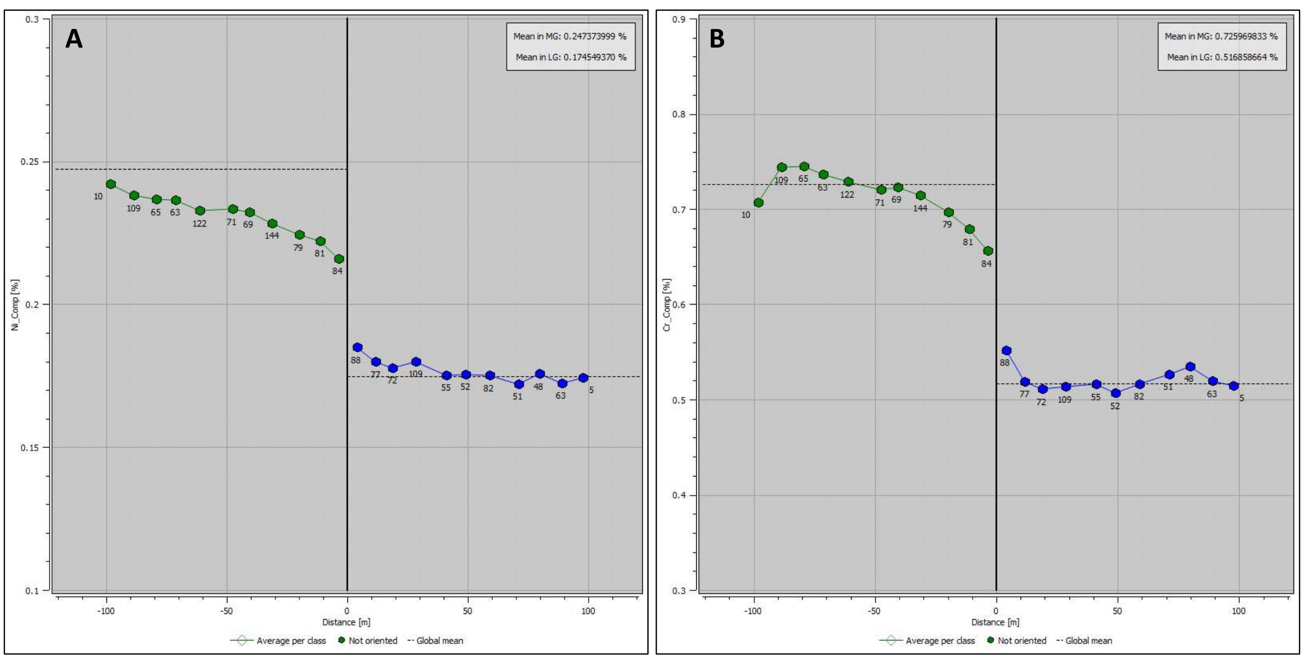


Figure 14-20. Contact analysis plots of: A) Nickel composites at the HG/MG domain boundary, B) Sulphur composites at the HG/MG domain boundary (Caracle Creek, 2026).



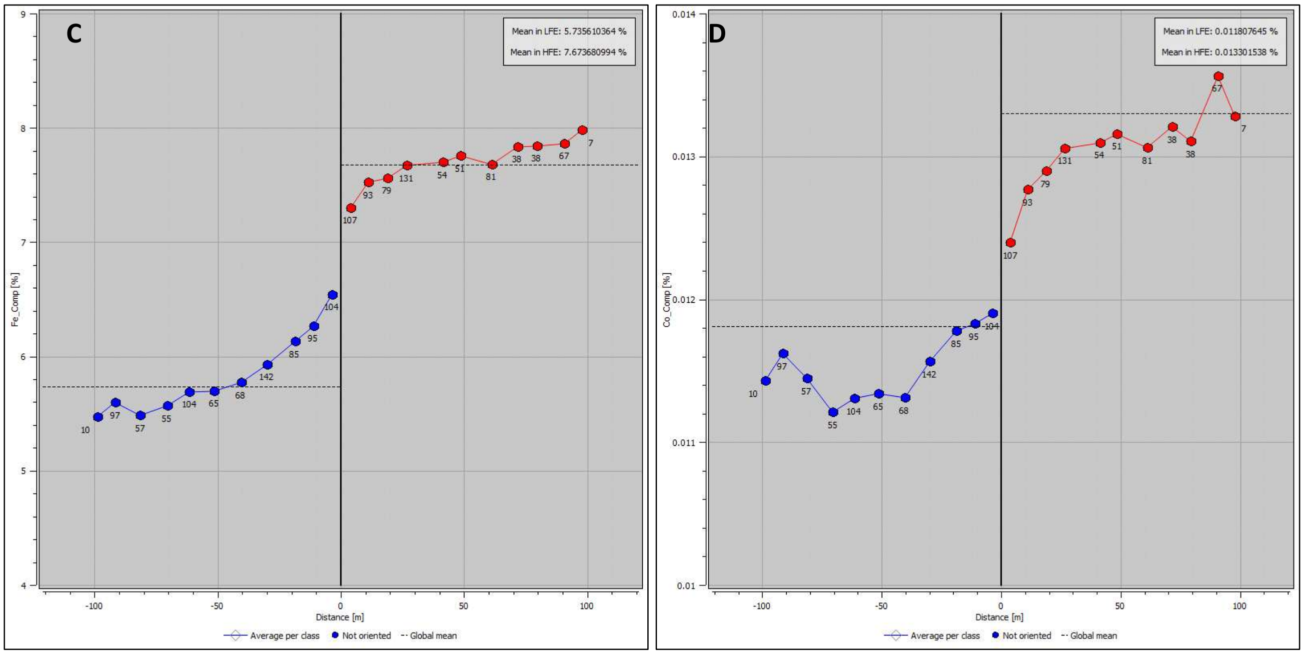
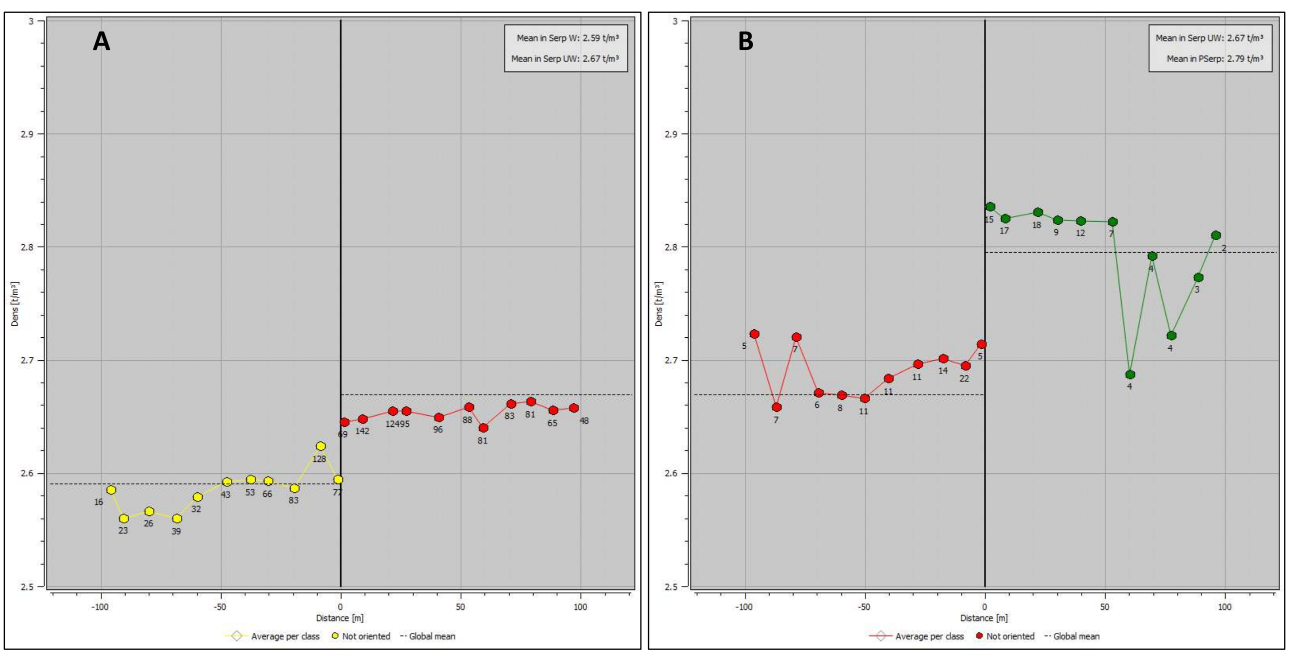


Figure 14-21. Contact analysis plots of: A) Nickel composites at the MG/LG domain boundary, B) Chromium composites at the MG/LG domain boundary, C) Iron composites at the LFE/HFE domain boundary and D) Cobalt composites at the LFE/HFE domain boundary (Caracle Creek, 2026).

Density values displayed varied transitions at the different domain boundaries (Figure 14-22), in some cases more gradual than others. To better represent these transitions, most of them were treated as semi-soft boundaries (except for the Talc domain), with composites shared up to 5 m from the Serp UW TDUN and Serp UW DUN domain boundaries and 10 m from the PSerp and Serp W domain boundaries.



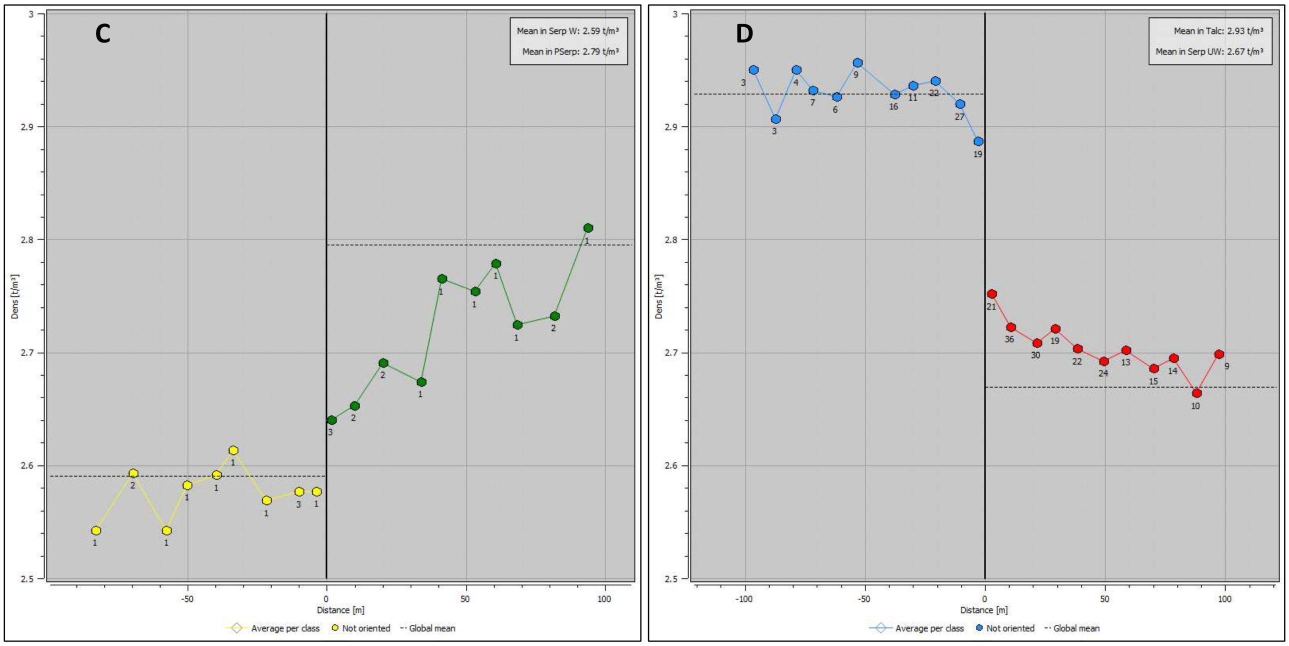


Figure 14-22. Contact analysis plots of density values at: A) Serp W/Serp UW domain boundary, B) Serp UW/PSerp domain boundary, C) Serp W/PSerp domain boundary and D) Talc/Serp UW domain boundary (Caracle Creek, 2026).

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

14.7.2 Estimation Parameters

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

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

Parameter	Neighbourhood	
Pass	1st	2nd
Sector Search	Single	
Minimum Sectors	NO	
Maximum Points per Sector	20	20
Minimum Total Points	8	1
Maximum Points per Drill Hole	4	4
Minimum Points per Drill Hole	-	-
Minimum Drill Holes	2	1
Search Radius Directions	90° Az / 80°S Dip / 210° Pitch	
Search Radius Axis 1	600	∞
Search Radius Axis 2	450	∞
Search Radius Axis 3	150	∞

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

Element	Domain	Top Cut	Low Cut	Ellipsoid Size (m)		
				Axis 1	Axis 2	Axis 3
Ni %	MG	0.42	-	150	112.5	37.5
	LG	0.28	-	150	112.5	37.5
Co %	LFE	0.018	-	150	112.5	37.5
Fe %	LFE	8.6	-	150	112.5	37.5
	HFE	10.0	-	150	112.5	37.5
Cr %	HG+MG	-	0.3	150	112.5	37.5
	LG	0.84	-	150	112.5	37.5
S %	MG+LG	0.2	-	150	112.5	37.5
Pd ppm	EST	0.3	-	150	112.5	37.5
Pt ppm	EST	0.2	-	150	112.5	37.5
Density	Serp UW TDUN	3.0	-	150	112.5	37.5
	Serp UW DUN	3.0	-	150	112.5	37.5
	Serp W	2.81	2.3	150	112.5	37.5

14.8 VARIOGRAPHY

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

- Nickel: MG, LG and HG domains (Figure 14-23), and EST domain for resource classification (Figure 14-36).
- Cobalt: LFE and HFE domains (Figure 14-24).
- Iron: LFE and HFE domains (Figures 14-25).
- Chromium: HG+MG and LG domains (Figures 14-26).
- Sulphur: HG and MG+LG domains (Figures 14-27).
- Palladium: EST domain (Figure 14-28).
- Platinum: EST domain (Figure 14-28).
- Density: Serp UW (DUN/TDUN), PSerp and Serp W. The Talc domain did not require variography.

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

A general preferential direction of 90° azimuth (east-west) and 80°S dip was defined based on geological and mineral trends as well as drilling orientations, with variogram maps as the main analysis tool.

In most cases multidirectional variograms were modelled considering zonal anisotropies (independent sills in each axis) due to the significant grade variability differences between directions. In the other cases only omnidirectional variograms were modelled, such as with nickel and sulphur in the HG domain, due to the vein-like nature of the envelope, and with density in the PSerp domain, due to the low number of composites. No variogram was modelled for the Talc domain, as it was estimated by inverse distance weighting squared (IDW2).

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

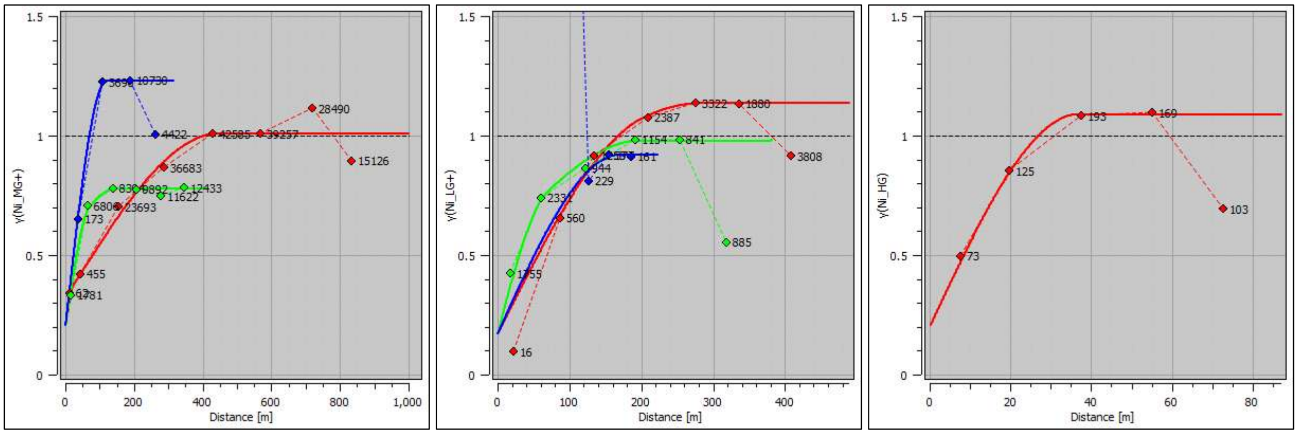


Figure 14-23. Nickel variograms for the MG (left), LG (centre) and HG (right) domains (Caracle Creek, 2026).

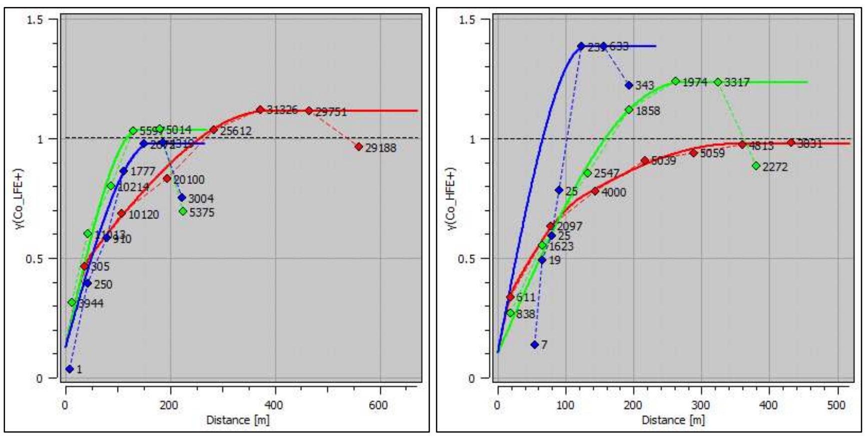


Figure 14-24. Cobalt variograms for the LFE (left) and HFE (right) domains (Caracle Creek, 2026).

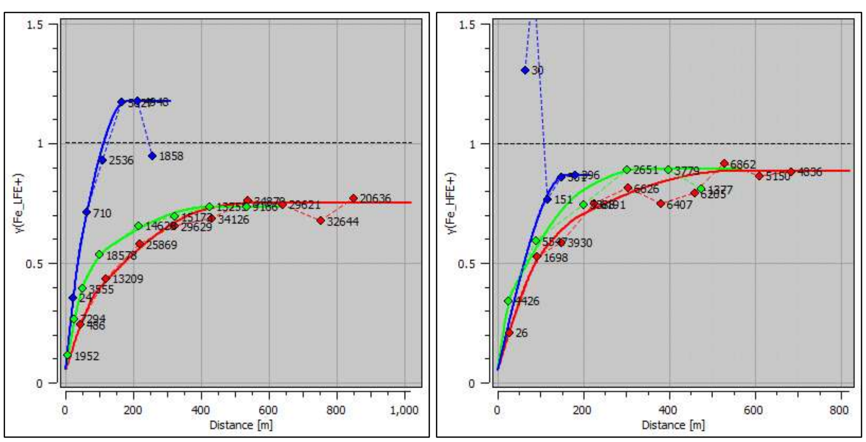


Figure 14-25. Iron variograms for the LFE (left) and HFE (right) domains (Caracle Creek, 2026).

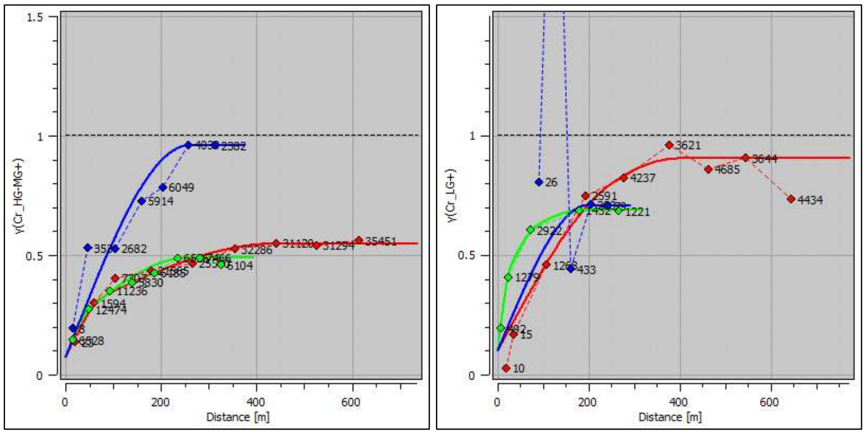


Figure 14-26. Chromium variograms for the HG+MG (left) and LG (right) domains (Caracle Creek, 2026).

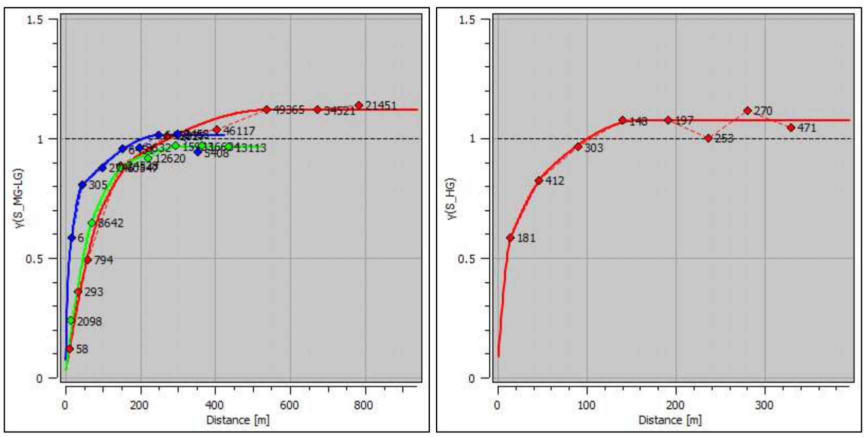


Figure 14-27. Sulphur variograms for the MG+LG (left) and HG (right) domains (Caracle Creek, 2026).

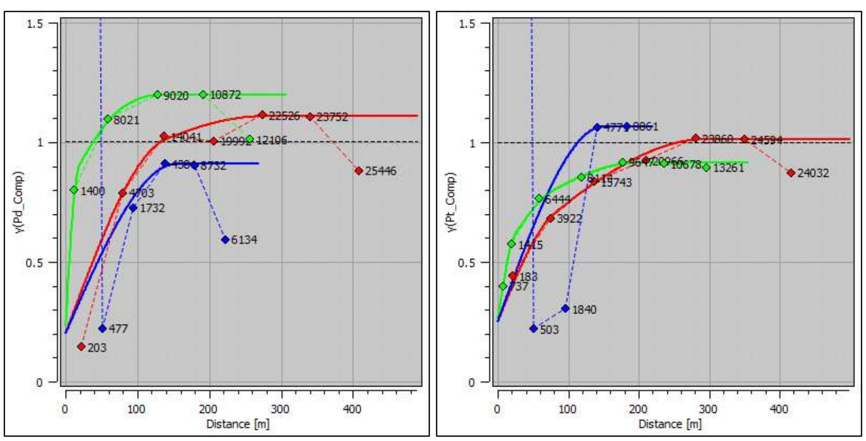


Figure 14-28. Variograms of palladium (left) and platinum (right) for the EST domain (Caracle Creek, 2026).

14.9 BLOCK MODEL VALIDATION

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

14.9.1 Visual Validation

Plan views and predefined sections (Figures 14-29 and 14-30) based on drill hole direction and location were used for visual comparison of block models and composites, showing generally good consistency.

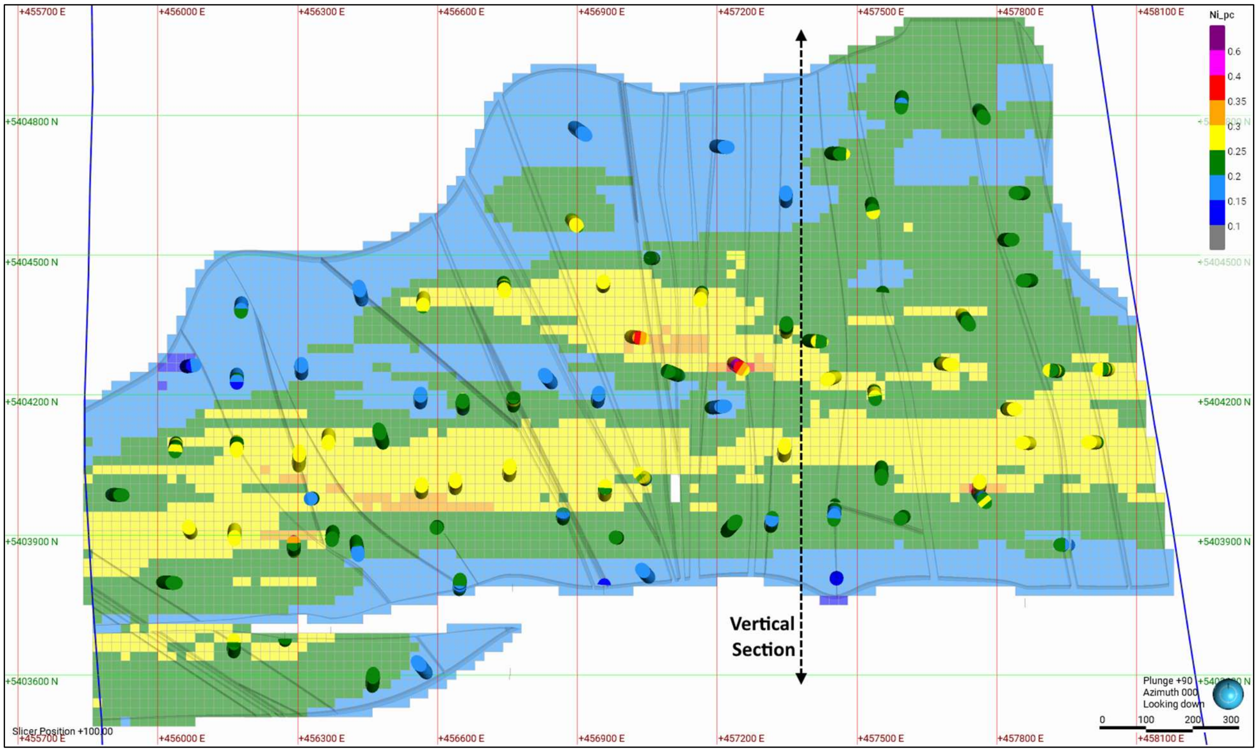


Figure 14-29. Plan section (RL 100) of Reid nickel grade blocks against composites within the EST domain, and major faults (blue lines). The dashed line is the trace of the vertical section presented in Figure 14-30 (Caracle Creek, 2026).

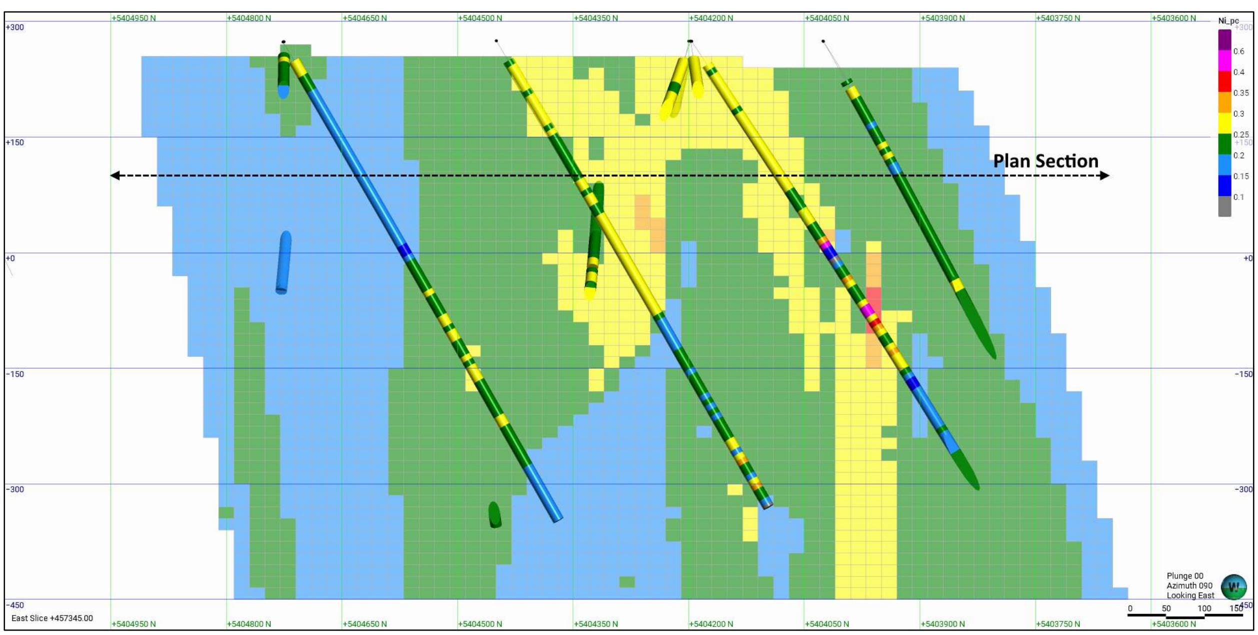


Figure 14-30. Vertical section 457,345 E (Looking East) of Reid nickel grade blocks against composites within the EST domain. Some intercepts may not precisely match their corresponding feature due to the 100 m section width. The dashed line is the trace of the plan section presented in Figure 14-29 (Caracle Creek, 2026).

14.9.2 Statistical Validation

Global bias measures percentage differences between declustered composites and estimate means (OK, IDW2 and NN), which preferably should not exceed 5%, with a maximum tolerance of 10%.

Under this criterion, all variables show generally good consistency (Table 14-6). Complementary statistical parameters are included for further comparison. It should be noted that even though values are rounded, calculations are based on non-rounded values, and that very low grades tend to produce large percentage differences, as is the case for the palladium estimate.

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

Element	Domain	Count	Mean	Bias	Std. Dev.	CV
Ni %	HG	Composites	0.38	-	0.06	0.16
		OK	0.38	**-0.48%**	0.02	0.06
		IDW2	0.38	**-0.73%**	0.03	0.07
		NN	0.38	**0.06%**	0.06	0.16
	MG	Composites	0.24	-	0.04	0.16
		OK	0.24	**-0.45%**	0.02	0.09
		IDW2	0.24	**-0.14%**	0.02	0.10
		NN	0.24	**-0.46%**	0.04	0.16
	LG	Composites	0.18	-	0.03	0.14
		OK	0.19	**1.10%**	0.01	0.07
		IDW2	0.19	**0.91%**	0.02	0.08
		NN	0.19	**2.63%**	0.03	0.15
Co %	LFE	Composites	0.012	-	0.001	0.11
		OK	0.012	**0.40%**	0.001	0.06
		IDW2	0.012	**0.34%**	0.001	0.06
		NN	0.012	**0.32%**	0.001	0.09
	HFE	Composites	0.013	-	0.002	0.12
		OK	0.013	**0.32%**	0.001	0.07
		IDW2	0.013	**0.55%**	0.001	0.07
		NN	0.013	**0.55%**	0.001	0.10
Fe %	LFE	Composites	6.0	-	0.8	0.13
		OK	6.0	**-0.26%**	0.5	0.09
		IDW2	6.0	**-0.79%**	0.5	0.09
		NN	6.0	**-0.69%**	0.8	0.14
	HFE	Composites	7.3	-	0.8	0.11
		OK	7.2	**-0.07%**	0.5	0.07
		IDW2	7.3	**0.02%**	0.6	0.08
		NN	7.2	**-0.49%**	0.9	0.13
Cr %	HG+MG	Composites	0.71	-	0.13	0.19
		OK	0.71	**0.45%**	0.09	0.13
		IDW2	0.71	**0.90%**	0.10	0.14
		NN	0.71	**0.41%**	0.14	0.20
	LG	Composites	0.56	-	0.11	0.20
		OK	0.55	**-0.73%**	0.06	0.11
		IDW2	0.55	**-1.35%**	0.06	0.11
		NN	0.57	**2.88%**	0.12	0.21
S %	HG	Composites	0.11	-	0.03	0.27
		OK	0.11	**-2.10%**	0.01	0.10
		IDW2	0.11	**-1.00%**	0.01	0.13
		NN	0.11	**-0.77%**	0.03	0.26
	MG+LG	Composites	0.05	-	0.03	0.67

Element	Domain	Count	Mean	Bias	Std. Dev.	CV
		OK	0.05	**-0.21%**	0.02	0.34
		IDW2	0.05	**-1.67%**	0.02	0.40
		NN	0.05	**-1.51%**	0.03	0.64
Pd ppm	EST	Composites	0.010	-	0.023	2.38
		OK	0.010	**-3.21%**	0.009	0.91
		IDW2	0.009	**-4.52%**	0.010	1.02
		NN	0.009	**-6.25%**	0.019	2.06
Pt ppm	EST	Composites	0.008	-	0.013	1.68
		OK	0.008	**-2.11%**	0.005	0.63
		IDW2	0.008	**-2.16%**	0.006	0.74
		NN	0.008	**-2.98%**	0.011	1.53
Density (g/cm^3)	Serp UW TDUN	Composites	2.70	-	0.06	0.02
		OK	2.70	**-0.10%**	0.03	0.01
		IDW2	2.70	**-0.03%**	0.03	0.01
		NN	2.69	**-0.25%**	0.06	0.02
	Serp UW DUN	Composites	2.66	-	0.06	0.02
		OK	2.66	**0.02%**	0.03	0.01
		IDW2	2.66	**0.02%**	0.03	0.01
		NN	2.66	**0.04%**	0.06	0.02
	Serp W	Composites	2.61	-	0.06	0.02
		OK	2.60	**-0.27%**	0.02	0.01
		IDW2	2.60	**-0.33%**	0.03	0.01
		NN	2.61	**0.08%**	0.08	0.03
	PSerp	Composites	2.77	-	0.10	0.04
		OK	2.77	**-0.14%**	0.03	0.01
		IDW2	2.77	**0.05%**	0.04	0.01
		NN	2.75	**-0.63%**	0.08	0.03

14.9.3 Moving Window Validation

Swath plots allow for localized statistical comparisons by averaging grades in sequential slices (or windows) across the estimation domain. The main slicing axis was aligned with that of the variograms, namely 90° Az with a 125 m slice width. The resulting plots (Figures 14-31 to 14-36) run from west (left) to east (right) showing grades of declustered composites (black), OK (red), IDW2 (green) and NN (blue) estimates, as well as histograms of sample/block numbers.

All variables show generally good consistency between datasets, despite some instances of high variability of composite value means between slices.

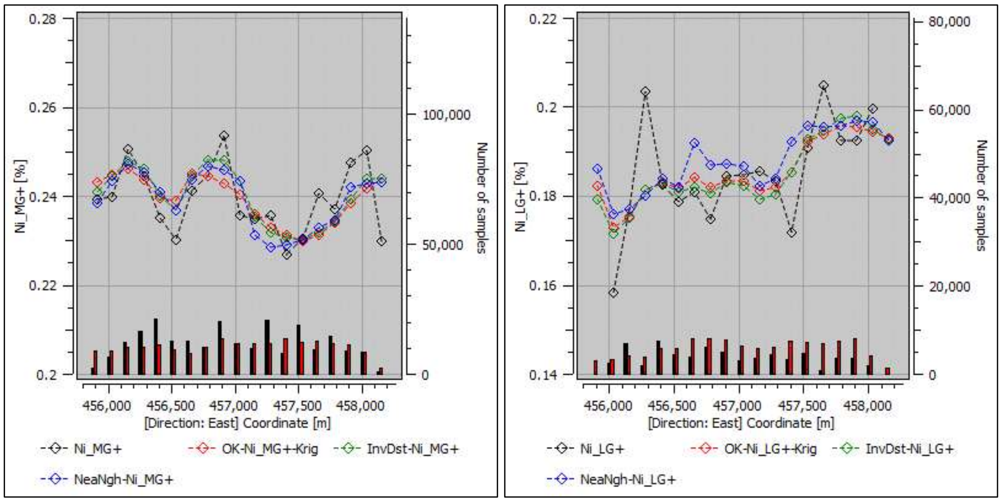


Figure 14-31. Nickel swath plots for validation of the MG (left) and LG (right) domains (Caracle Creek, 2026).

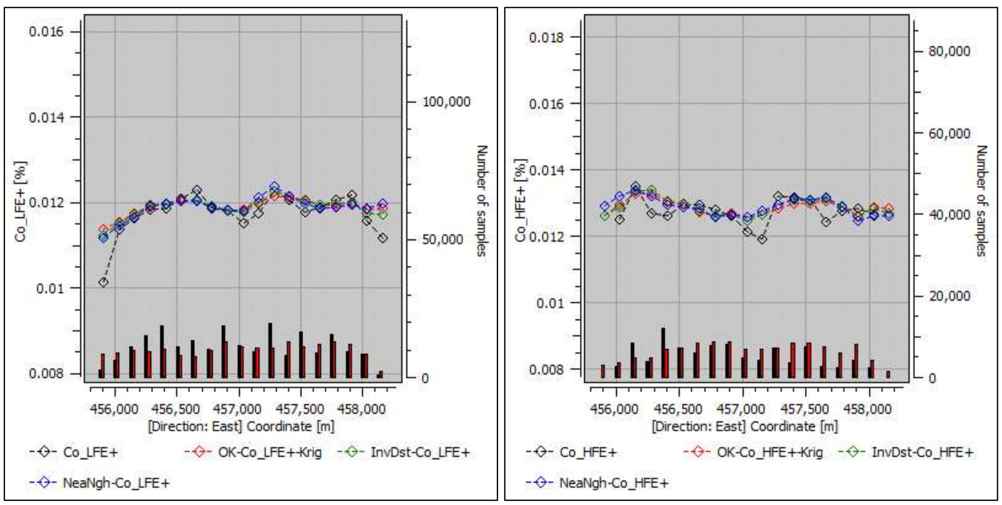


Figure 14-32. Cobalt swath plots for validation of the LFE (left) and HFE (right) domains (Caracle Creek, 2026).

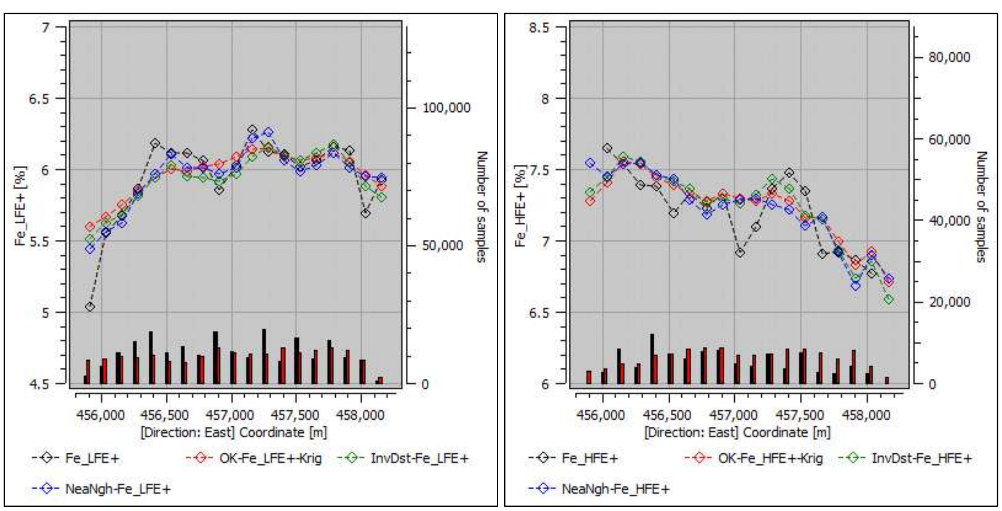


Figure 14-33. Iron swath plots for validation of the LFE (left) and HFE (right) domains (Caracle Creek, 2026).

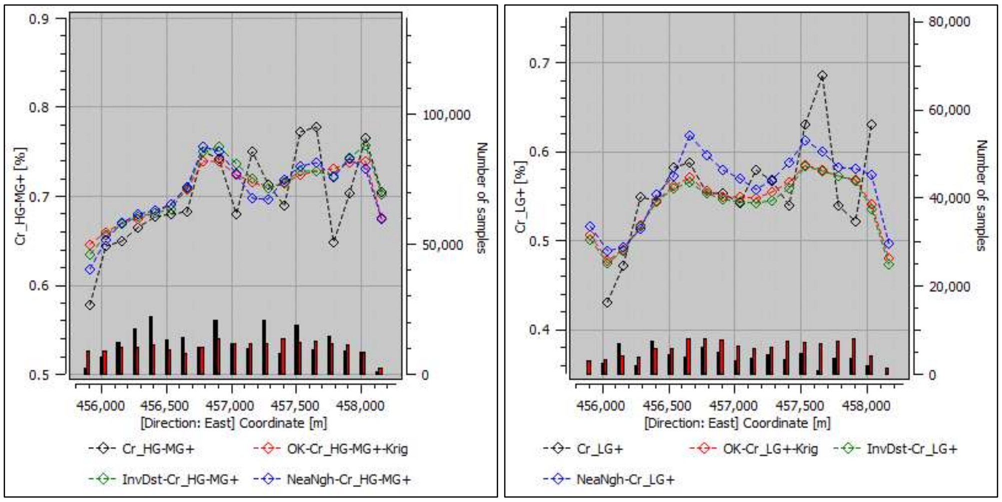


Figure 14-34. Chromium swath plots for validation of the HG+MG (left) and LG (right) domains (Caracle Creek, 2026).

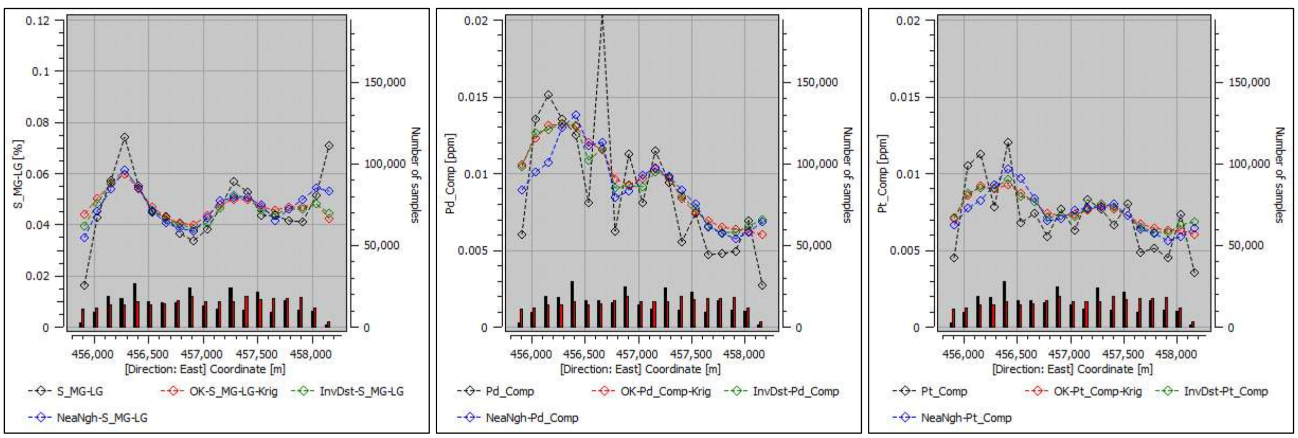


Figure 14-35. Swath plots of sulphur (left) for validation of the MG+LG domain, and of palladium (centre) and platinum (right) for validation of the EST domain (Caracle Creek, 2026).

14.10 MINERAL RESOURCE CLASSIFICATION AND ESTIMATE

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

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

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

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

14.10.1 Mineral Resource Classification

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

Preliminary block classes were assigned through successive kriging neighbourhood search passes, first set to stricter parameters than the ones used for resource estimation and subsequently loosening them with each pass (Table 14-7). Neighbourhood dimensions conform to a set of range values measured along the curves of the nickel variogram (Figure 14-36) at different steps from the sill, namely 60% of the sill to assign measured resources (CAT 1), 75% of the sill for indicated resources (CAT 2) and 90% of the sill for inferred resources (CAT 3). Any blocks that did not meet previous criteria were classified as “potential” (CAT 4).

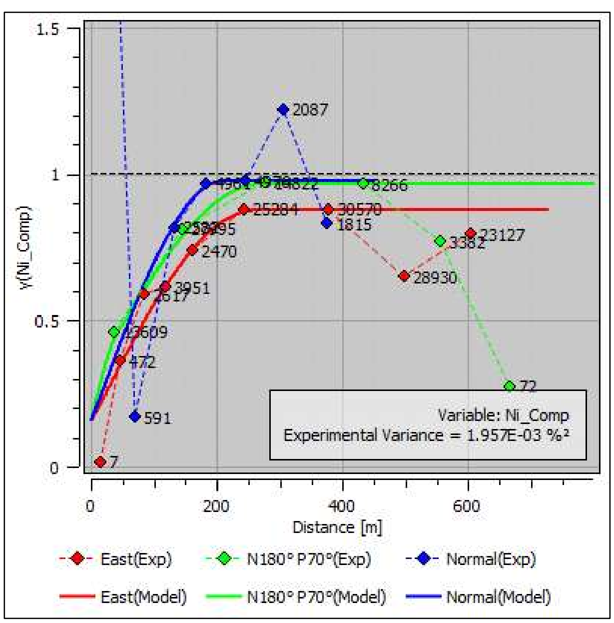


Figure 14-36. Variogram of nickel in the EST domain for resource classification (Caracle Creek, 2026).

Smoothing was carried out by digitizing rough cross-section outlines of the block distribution of each preliminary class every 50 m, with some geological interpretation involved, and subsequently modelling them into shells that could provide coherent class volumes, which were then flagged into the block model. In addition, considering the current uncertainty of several dike paths (MDy/LAM) in the lithology model, a preventive measure was taken of downgrading blocks within 10 m of any dike to the immediate lower category (measured to indicated or indicated to inferred), and with this the final classification was completed (Figures 14-37 and 14-38).

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

Parameter	Neighbourhood			
Pass (Preliminary Class)	1st (MEA)	2nd (IND)	3rd (INF)	4th (POT)
Sector Search	Single			
Minimum Sectors	NO			
Maximum Points per Sector	20	20	20	20
Minimum Total Points	10	8	6	1
Maximum Points per Drill Hole	4	4	4	4
Minimum Points per Drill Hole	-	-	-	-
Minimum Drill Holes	2	2	2	1
Search Radius Directions	90° Az / 70°S Dip / 0° Pitch			
Search Radius Axis 1	90	120	170	∞
Search Radius Axis 2	70	115	165	∞
Search Radius Axis 3	70	100	135	∞

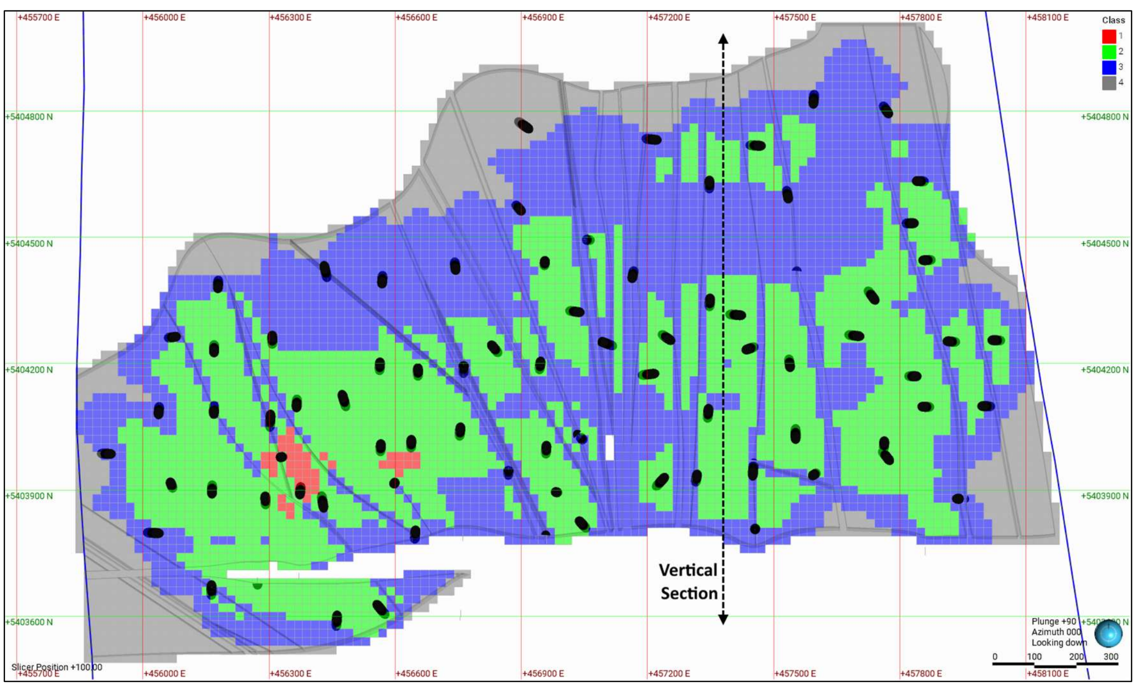


Figure 14-37. Plan section (RL 100) of the Reid resource classification against drill hole intercepts within the EST domain, and major faults (blue lines). Block colours represent measured (red), indicated (green) and inferred (blue) resource classes, as well as unclassified potential (grey). The dashed line is the trace of the vertical section presented in Figure 14-38 (Caracle Creek, 2026).

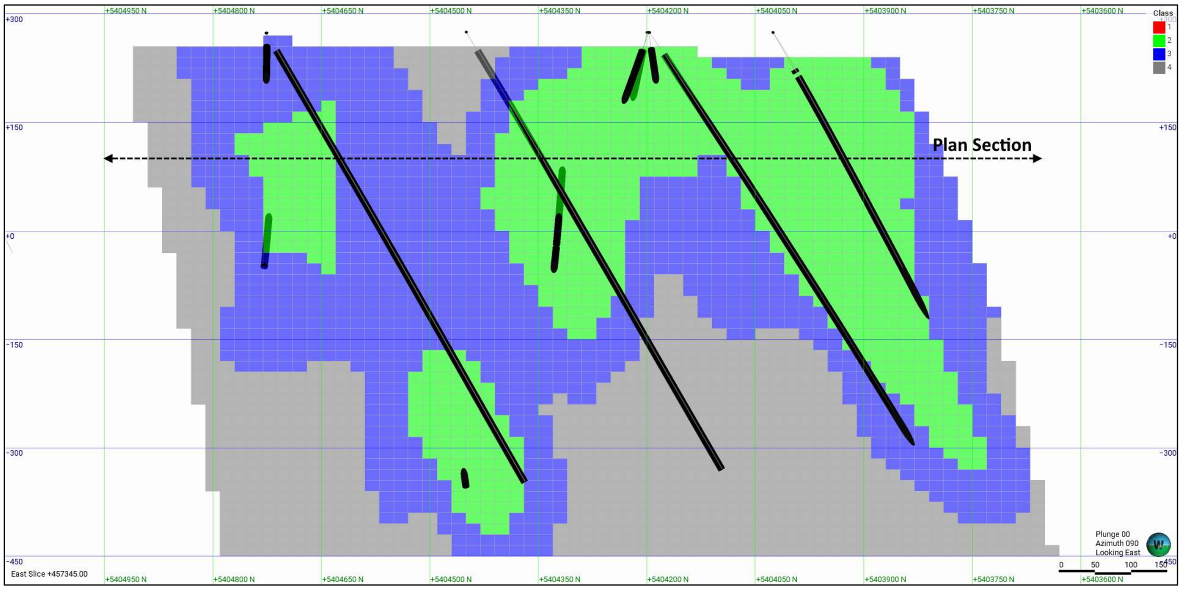


Figure 14-38. Vertical section 457,345 E (Looking East) of the Reid resource classification against drill hole intercepts within the EST domain. Intercepts shown within a 100 m section width. Block colours represent measured (red), indicated (green) and inferred (blue) resource classes, as well as unclassified potential (grey). The dashed line is the trace of the plan section presented in Figure 14-37 (Caracle Creek, 2026).

14.11 PIT OPTIMIZATION AND CUT-OFF GRADE

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

The pit shell (Figure 14-39) was generated under the supervision of Independent Consultant David Penswick (P.Eng. and Qualified Person), using the Lerchs-Grossmann (“LG”) algorithm, which is the industry standard tool to define the limits of, and mining sequence for an open pit.

Specific inputs to the LG algorithm include the following:

- Nickel price of US$21,000/t and payability of 91% (Ni would generate 69% of total metal revenue).
- Iron price of US$325/t and payability of 50%, which is equivalent to US$100/t for iron ore grading 62% Fe (Fe would generate 17% of total metal revenue).
- Chromium price of US$3,860/t and payability of 65% (Cr would generate 12% of total metal revenue).
- Cobalt price of US$40,000/t and payability of 60% (Co would generate 1% of total metal revenue).
- Palladium and Platinum prices of US$1,350/oz and US$1,150/oz, respectively. Combined Palladium and Platinum payability was based on a deduction of 1 g/t 2E PGE and expected to average 60% (the combined metal revenue from Pd and Pt would be 0.5% of the total).

Average mining costs are expected to range as follows:

- C$4.04/t for clay that would be mined using 40 t articulated trucks operating at 13 m average depth below the average surface elevation of RL 270.
- C$2.31/t for sand & till that would be mined using 90 t trucks operating at 28 m average depth.

- C$2.18/t for rock that would be mined using 290 t autonomous trucks operating at 261 m average depth.

Process and administration costs are expected to average C$8.20/t ore for treatment through a 120 kt/d mill. Royalties would average C$0.43/t ore.

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

The cut-off grade was calculated using the following parameters:

- Estimated average recoveries for Ni of 52%, Fe of 55%, Cr of 24%, Co of 7% and combined Pd and Pt of 33%.
- Metal prices and payability as reported above.
- Marginal costs of C$8.63, as reported above.
- A long-term C$ f/x of US$0.76.

Based on these parameters, the marginal cut-off can be achieved with approximately 1.4 lb of in situ nickel per tonne of ore processed. This has been rounded up to an in-situ grade of 0.10% Ni.

It is the opinion of the QP David Penswick that the calculated cut-off grade of 0.10% Ni from pit optimization is relevant to the grade distribution of this Property and that the mineralization exhibits sufficient continuity for economic extraction under this cut-off value.

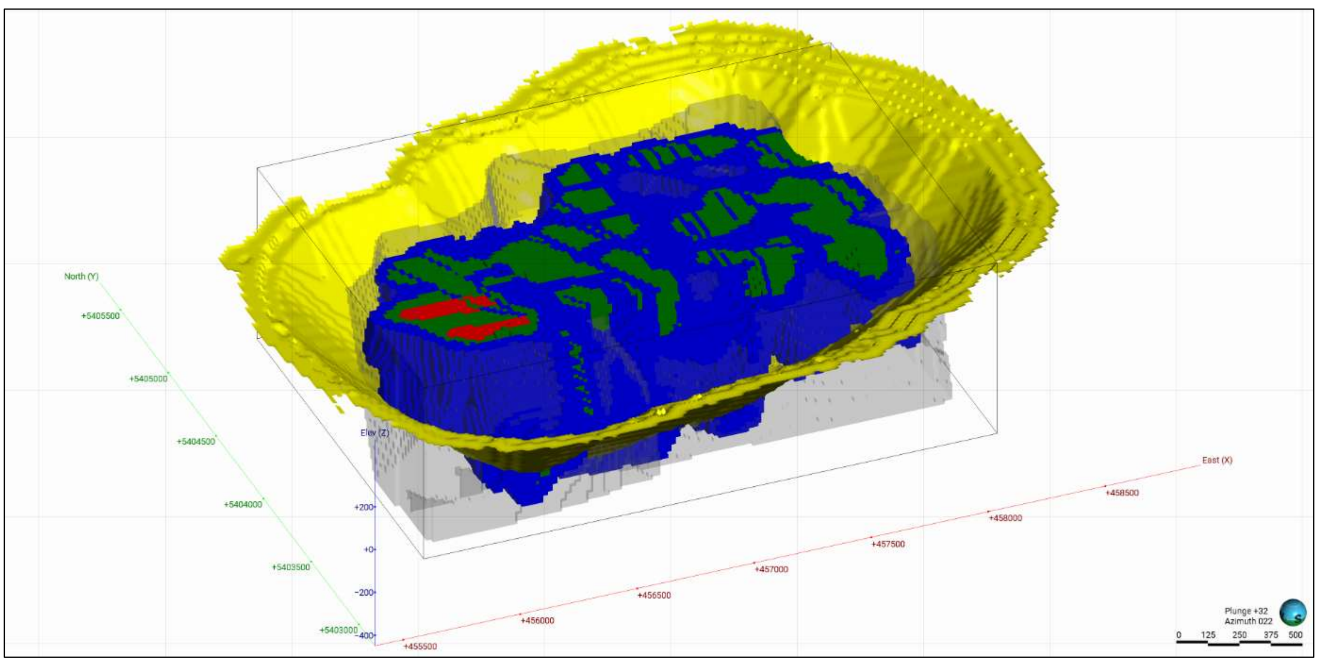


Figure 14-39. 3D Perspective (Looking Northeast) of the Reid Pit Shell (yellow) and Resource Class Blocks: Measured (red), Indicated (green), Inferred (blue) and unclassified potential (transparent grey). The box-shaped edges represent the current resource boundary and main modelling volume (Caracle Creek, 2026).

Based on the combined block model from Section 14.10.1 - Mineral Resource Classification, and constrained by the conceptual pit shell and cut-off grade from the previous analysis, a nickel grade-tonnage curve was calculated for the EST Domain (Figure 14-40). The reader is cautioned that the values presented in Figure 14-40 should not be misconstrued as a mineral resource statement (*see* Section 14.12 – Mineral Resource Statement).

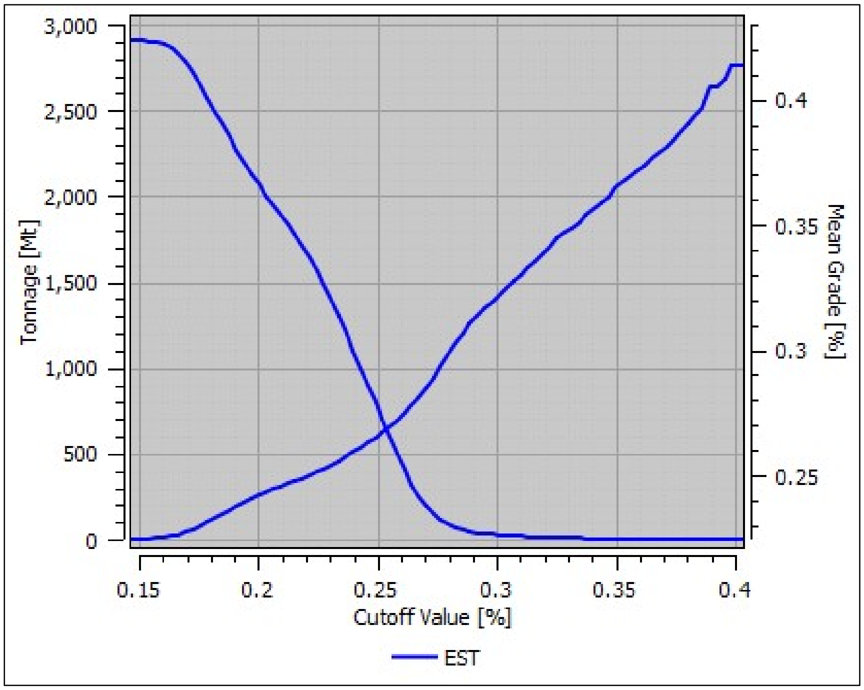


Figure 14-40. Nickel grade-tonnage curve for the pit-constrained Reid Deposit. Not equivalent to a mineral resource statement as by necessity it comprises all mineralized blocks above the pit, regardless of class (Caracle Creek, 2026).

14.12 MINERAL RESOURCE STATEMENT

The mineral resources disclosed herein (Table 14-8) are constrained to the Reid pit shell and to the 0.10% Ni cut-off grade developed from the pit optimization analysis discussed above. The MRE is characterized by domain, class, mineral grades (rounded to two significant figures) and contained metal. The Effective Date of the MRE is 7 January 2026.

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

Domain	Class	Tonnage (Mt)	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe (%)	Fe (Mt)	Cr (%)	Cr (kt)	S (%)	S (kt)	Pd (g/t)	Pd (koz)	Pt (g/t)	Pt (koz)
Higher Grade (DUN)	Measured	39.1	0.27	106.9	0.013	4.9	5.6	2.2	0.70	273.4	0.063	24.4	0.015	19.2	0.008	9.8
	Indicated	728.5	0.24	1,776.0	0.012	88.2	6.1	44.2	0.70	5,097.0	0.051	368.0	0.010	231.2	0.007	167.0
	MEA+IND	**767.6**	**0.25**	**1,882.8**	**0.012**	**93.1**	**6.0**	**46.3**	**0.70**	**5,370.4**	**0.051**	**392.4**	**0.010**	**250.4**	**0.007**	**176.8**
	Inferred	983.5	0.24	2,338.1	0.012	118.4	6.1	60.2	0.71	6,955.6	0.048	469.6	0.009	290.6	0.007	225.7
Lower Grade (TDUN)	Measured	1.6	0.20	3.3	0.011	0.2	6.3	0.1	0.64	10.5	0.052	0.9	0.003	0.2	0.004	0.2
	Indicated	138.1	0.19	259.6	0.013	18.0	7.3	10.0	0.57	785.9	0.048	66.8	0.015	64.8	0.012	52.7

	MEA+IND	**139.7**	**0.19**	**262.9**	**0.013**	**18.2**	**7.2**	**10.1**	**0.57**	**796.5**	**0.048**	**67.7**	**0.015**	**65.0**	**0.012**	**52.9**
	Inferred	466.8	0.19	882.3	0.013	59.3	7.2	33.5	0.58	2,707.0	0.046	213.2	0.012	173.6	0.010	146.3
TOTAL	**Measured**	**40.7**	**0.27**	**110.2**	**0.013**	**5.1**	**5.6**	**2.3**	**0.70**	**283.9**	**0.062**	**25.3**	**0.015**	**19.4**	**0.008**	**10.0**
	Indicated	**866.6**	**0.23**	**2,035.6**	**0.012**	**106.2**	**6.3**	**54.2**	**0.68**	**5,882.9**	**0.050**	**434.8**	**0.011**	**296.1**	**0.008**	**219.7**
	MEA+IND	**907.3**	**0.24**	**2,145.7**	**0.012**	**111.3**	**6.2**	**56.5**	**0.68**	**6,166.9**	**0.051**	**460.0**	**0.011**	**315.5**	**0.008**	**229.7**
	Inferred	**1,450.2**	**0.22**	**3,220.4**	**0.012**	**177.7**	**6.5**	**93.7**	**0.67**	**9,662.6**	**0.047**	**682.8**	**0.010**	**464.2**	**0.008**	**372.0**

14.13 EXPLORATION POTENTIAL

The Reid Deposit is open at depth and has potential extensions to the north and south. With additional drilling it is likely that the current MRE could be expanded from exploration potential (CAT 4) to Inferred (CAT 3), from Inferred to Indicated (CAT 2) and possibly even from Indicated to Measured (CAT 1), depending on the extent and results of future in-fill drilling.

15.0 MINERAL RESERVES

This section is not applicable to the Property at its current stage.

16.0 MINING METHODS

This section is not applicable to the Property at its current stage.

17.0 RECOVERY METHODS

This section is not applicable to the Property at its current stage.

18.0 PROPERTY INFRASTRUCTURE

This section is not applicable to the Property at its current stage.

19.0 MARKET STUDIES AND CONTRACTS

This section is not applicable to the Property at its current stage.

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This section is not applicable to the Property at its current stage.

21.0 CAPITAL AND OPERATING COSTS

This section is not applicable to the Property at its current stage.

22.0 ECONOMIC ANALYSIS

This section is not applicable to the Property at its current stage.

23.0 ADJACENT PROPERTIES

National Instrument 43-101 defines an “adjacent property” as a property: (a) in which the issuer does not have an interest; (b) that has a boundary reasonably proximate to the property being reported on; and (c) that has geological characteristics like those of the property being reported on.

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

24.0 OTHER RELEVANT DATA AND INFORMATION

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

25.0 INTERPRETATION AND CONCLUSIONS

The objective of this Report was to prepare an independent NI 43-101 Technical Report on the Reid Nickel Sulphide Project in support of an initial Mineral Resource Estimate for the Reid Deposit, capturing historical and current information and data available about the Property and the Reid Deposit, in addition to providing interpretation and conclusions, and making recommendations for future work.

This Report is the first and current NI 43-101 Technical Report in support of an initial MRE for the Reid Nickel Sulphide Project; there are no known previous NI 43-101 technical reports. The effective date of the Mineral Resource Estimate for the Reid Deposit and the Technical Report is 7 January 2026.

25.1 PROPERTY DESCRIPTION

The Reid Nickel Sulphide Project, located mainly in the townships of Reid and Thornburn with some of the mining claims in Mahaffy and Geary townships, 38 km northwest of a long-lived and active mining centre, the City of Timmins. The approximate centre of the Property is at about 456500 mE, 5401790 mN (NAD83 Zone 17N) or Latitude 48°46’3” N and Longitude 81°35’31” W. The Project is within the Timmins Nickel District (Timmins Mining Division), NTS Map Sheet 042A13.

The Project consists of 187 Single Cell Mining Claims (“SCMC”s) and 2 Multi-Cell Mining Claims (“MCMC”s) totalling approximately 4,871 ha. The unpatented mining claims are all Active and 100% owned by Canada Nickel (subject to certain NSRs on 40 of the mining claims) (*see* Section 4.10 – Royalties and Obligations) and most of the surface rights are held by the Crown (Ontario) .

As of the Effective Date of this Report, all mining claims are valid with expiry dates ranging from 4 October 2026 to 11 September 2027. Annual assessment work requirements total $91,600 for the 189 mining claims and as of the Effective Date there is $9,879,064 in Reserve available to apply against the mining claims.

The Company has one active Exploration Permit (PR-24-000017) with respect to the Reid Project (the “Permit”) which was issued 10 April 2024. The Permit covers 20,000 m of mechanized drilling from more than 20 drill hole pads using NQ core and expires 9 April 2027. As of the Effective Date of this Report there are no exploration work programs being conducted on the Property.

25.2 TARGET DEPOSIT TYPE

The Property contains komatiite-hosted nickel-copper-platinum group metals sulphide mineralization, Type II Mt. Keith-style (Lesher and Keys, 2002).

Mt. Keith-style deposits are described as thick olivine adcumulate-hosted; sheet flow theory; disseminated and bleb sulphides, hosted primarily in a central core of a thick, differentiated, dunite-peridotite dominated, ultramafic body; more common nickel sulphides such as pyrrhotite and pentlandite but also sulphur-poor mineral heazlewoodite (Ni_3S_2) and nickel-iron alloys such as awaruite (Ni_3Fe); generally on the order of 10s to 100s of million tonnes with nickel grades of less than 1% Ni (*e.g.*, Mt. Keith, Australia; Dumont Deposit, Quebec).

25.3 GEOLOGY AND MINERALIZATION

The Property lies within the southwestern areas of the Neoarchean (2.75-2.67 Ga) Abitibi Sub-Province or Abitibi Greenstone Belt (“AGB”) of the Southern Superior Province. The “granite-greenstone” dominated Abitibi Sub-Province extends some 700 km along the south-eastern edge of the Archean Superior Craton. The volcanic stratigraphy of the Abitibi Sub-Province is divided into seven episodes or assemblages, based on similarity of age intervals, stratigraphy and geochemistry.

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

Proterozoic-age mafic dikes of the Matachewan and Abitibi dike swarms intrude all rocks in the region, occurring generally as swarms following broadly north-south oriented structures. Granitoid intrusive rocks that penetrate the Abitibi Sub-Province sequences include tonalite-trondhjemite-granodiorite batholiths, granodiorite intrusions, and syenite stocks.

25.3.1 Property Geology

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

25.3.2 Reid Ultramafic Complex (RUC)

Reid Ultramafic Complex (RUC) is a 'Z-shaped', folded and overturned ultramafic complex with two thinner tails to the northwest and the southeast and a wider centre dunitic body (Figure 7-2). Ultramafic rocks of the RUC trend generally north-south and dip steeply to the south-southeast. Drill-testing has demonstrated a repeating succession of progressively more felsic, peridotite-pyroxenite-gabbro sequences becoming thinner in the younging direction on the east-southeast side of the unit. Associated ultramafic lamprophyre dikes variably crosscut the main body. The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes crosscut the Property, trending generally north-northeast (Ferron and Escarraga, 2023).

25.4 REID DEPOSIT GEOLOGY AND NI-CO-(PGE) MINERALIZATION

The shape of the Reid Ultramafic Complex (RUC) is expressed mainly through its geophysical signature (magnetics) within the northwest area of Reid Township and continuing north into Mahaffy Township and west into Geary Township (*see* Figure 7-2). Like several other ultramafic (*i.e.*, peridotite and dunite) to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) within the Timmins Nickel District, the RUC contains magmatic nickel, cobalt, copper, and platinum-group element (PGE) sulphide mineralization hosted within highly serpentinized komatiitic ultramafic rocks.

The RUC's magnetic signature reflects a "Z-shaped" body, with a wide dunitic core and two smaller, thinner tails in the north-northwest and south-southeast (*see* Figure 7-2 and Figure 10-1). The main area of the RUC which approximately defines mineral resource (Reid Deposit) is approximately 2.2 km along strike (west to east), 0.6 to 1.2 km in width and at least 700 m deep (open at depth) (*see* Section 14.0 – Mineral Resource Estimates).

Nickel, cobalt, copper, and PGE mineralization within the RUC is interpreted to be the result of a combination of two processes and occurs in two forms:

(3) Original or "primary" mineralization in the form of disseminated sulphides, or in very rare cases semi-massive to massive sulphides, occurs at or near the base of komatiitic sequences or in structural or proto-topographic traps which developed within the magmatic flows. Primary nickel mineralization tends to be dominated by pentlandite.

(4) Secondary mineralization occurs within strongly altered and serpentinized ultramafic rocks (*i.e.*, dunite>peridotite>pyroxenite). The serpentinization process results in the release of nickel that was trapped in the silicate mineral phases (primarily olivine), creating a series of new nickeliferous minerals (*i.e.*, heazlewoodite, awaruite, millerite, pentlandite), with the mineral phase dependent on the amount of available sulphur. Serpentinization also results in an increase in magnetism (liberation of magnetite) and reduced specific gravity (rock hydration) in the ultramafic rocks. This secondary process (serpentinization) is interpreted to be the principal cause of low-grade nickel mineralization within the RUC and other komatiitic intrusions in the Timmins Nickel District.

The target minerals for potential economic recovery are nickeliferous heazlewoodite, awaruite, millerite, and pentlandite. Ultramafic rocks in the Reid Deposit also contain ancillary pyrrhotite and chalcopyrite.

25.5 HISTORICAL EXPLORATION WORK

Known exploration in the Project area dates to the early 1950s, with some diamond drilling and a suite of ground and airborne geophysical surveys (private companies and Ontario Government - Ministry of Northern Development and Mines/MNDM).

In the 1960s, with the discovery of the Kidd Creek VMS deposit - located about 17 km southeast of Reid - exploration in the Project area intensified with multiple explorers searching for conductive massive sulphide deposits akin to Kidd Creek (Ferron and Escarraga, 2023). Below is a summary of the historical exploration work completed within or close to the current Property boundary.

25.5.1 Assessment Work

Exploration was directed particularly in the south-central portion of Reid Township with very little exploration completed over the target Reid Ultramafic Complex ("RUC") in the northwestern area. Due to the relatively thick overburden covering much of the area, these studies were generally biased to geophysical studies, particularly electromagnetics (EM). Diamond drilling was then used in follow up to test any geophysical anomalies (*see* Section 6.3 – Historical Drilling). This historical exploration work is based on publicly available (Government of Ontario) work assessment filings made by past operators within and around the Reid Project.

There are 22 historical assessment work reports/files, as recorded by the Ontario Government, that have >90% of their work program area "polygon" occurring within the boundary of the Reid Project. However, there is nothing particularly significant in this work in terms of adding value to the current exploration and development program by the Company on the Reid Project.

25.5.2 Drilling - Historical

A total of 44 historical diamond drill holes were completed within the boundary of the Reid Project from the 1950s to 1999 (Ontario Drill Hole Database - ODHD, 2025). Six of these drill holes tested the RUC, encountering serpentinized ultramafic rocks; none of the holes reported assay results.

25.6 EXPLORATION WORK - CURRENT

The Company has completed three phases of diamond drilling (2022, 2024 and 2025), comminution testwork, metallurgical variability tests, and ongoing QEMSCAN mineralogical studies.

25.7 DIAMOND DRILLING - CURRENT

Three phases of diamond drilling have been completed by the Company; the first phase between 18 March and 2 April and 9 June and 25 September 2022, the second phase between 26 January and 19 December 2024, and the third between 8 January and 9 April 2025. All collar locations are reported using NAD83 UTM Zone 17N grid projection.

As of the Effective Date, a total of 90 diamond drill holes (including one abandoned hole REI24-29A) were completed between the three phases, totalling 51,179.4 metres. All drill holes were used in the current MRE except for drill holes REI24-12, 13, and 15.

Drilling was completed using NQ core tools (NW casing) and all casing was left in the ground except for hole REI24-29A which was abandoned. Down-the-hole surveys were completed after casing and then every 50 m during drilling using a Reflex EZ-Gyro system. Once the hole was completed all holes were surveyed with Reflex Sprint-IQ gyro compass continuous survey system.

25.8 MINERAL PROCESSING AND METALLURGICAL TESTING

The Issuer, Canada Nickel Company Inc. has not conducted any mineral processing or metallurgical testing on material collected from the Reid Project.

One in every 20 samples that was submitted for assay was also sent to SGS Lakefield (Canada) for Quantitative Evaluation of Minerals by Scanning Electron Microscopy ("QEMSCAN") or Tescan Integrated Mineralogy Analyzer ("TIMA") analyses as part of the Company's ongoing mineralogical studies. These fully automated micro-analysis systems are used to quantitatively evaluate the minerals contained within a rock sample and the relationship between those minerals, generating high-resolution mineral maps and images.

More than 1,266 QEMSCAN analyses have been completed on drill core from the Reid Property. The most important minerals with respect to the Reid Deposit mineralogy are magnetite-serpentinite, iron-serpentinite, talc, olivine (reflects the degree of serpentinization), magnetite (to calculate recovery), brucite, magnesite, and coalingite (used to infer core degradation over time). Potentially recoverable nickel minerals are pentlandite (Pn), heazlewoodite (Hz), awaruite (Aw) and millerite (Mill).

25.9 MINERAL RESOURCE ESTIMATE STATEMENT (2026)

Caracle Creek was retained by CNC to prepare an updated NI 43-101 compliant mineral resource estimate ("MRE") supported by a technical report, for the Reid Ni-Co-Cr-PGE Deposit which is within the Reid Nickel Sulphide Project. The MRE incorporates all current diamond drilling for which the drill hole data and information could be confidently confirmed. Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 8 December 2025, the database closure date. The MRE has an effective date of 7 January 2026

The MRE for the Reid Deposit, disclosed herein, was prepared under the supervision of Dr. Scott Jobin-Bevans (P.Geo.), using all available information and reviewing the work completed by Miguel Vera (B.Sc., Geology; Resource Geologist).

The Mineral Resource Statement for the initial Mineral Resource Estimate on the Reid Ni-Co-Cr-PGE Deposit is provided in Table 25-1.

Table 25-1. Indicated and Inferred pit-constrained Mineral Resource Statement within the Reid Deposit.

Domain	Class	Tonnage (Mt)	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe (%)	Fe (Mt)	Cr (%)	Cr (kt)	S (%)	S (kt)	Pd (g/t)	Pd (koz)	Pt (g/t)	Pt (koz)
Higher Grade (DUN)	Measured	39.1	0.27	106.9	0.013	4.9	5.6	2.2	0.70	273.4	0.063	24.4	0.015	19.2	0.008	9.8
	Indicated	728.5	0.24	1,776.0	0.012	88.2	6.1	44.2	0.70	5,097.0	0.051	368.0	0.010	231.2	0.007	167.0
	MEA+IND	**767.6**	**0.25**	**1,882.8**	**0.012**	**93.1**	**6.0**	**46.3**	**0.70**	**5,370.4**	**0.051**	**392.4**	**0.010**	**250.4**	**0.007**	**176.8**
	Inferred	983.5	0.24	2,338.1	0.012	118.4	6.1	60.2	0.71	6,955.6	0.048	469.6	0.009	290.6	0.007	225.7
Lower Grade (TDUN)	Measured	1.6	0.20	3.3	0.011	0.2	6.3	0.1	0.64	10.5	0.052	0.9	0.003	0.2	0.004	0.2
	Indicated	138.1	0.19	259.6	0.013	18.0	7.3	10.0	0.57	785.9	0.048	66.8	0.015	64.8	0.012	52.7
	MEA+IND	**139.7**	**0.19**	**262.9**	**0.013**	**18.2**	**7.2**	**10.1**	**0.57**	**796.5**	**0.048**	**67.7**	**0.015**	**65.0**	**0.012**	**52.9**
	Inferred	466.8	0.19	882.3	0.013	59.3	7.2	33.5	0.58	2,707.0	0.046	213.2	0.012	173.6	0.010	146.3
TOTAL	**Measured**	**40.7**	**0.27**	**110.2**	**0.013**	**5.1**	**5.6**	**2.3**	**0.70**	**283.9**	**0.062**	**25.3**	**0.015**	**19.4**	**0.008**	**10.0**
	Indicated	**866.6**	**0.23**	**2,035.6**	**0.012**	**106.2**	**6.3**	**54.2**	**0.68**	**5,882.9**	**0.050**	**434.8**	**0.011**	**296.1**	**0.008**	**219.7**
	MEA+IND	**907.3**	**0.24**	**2,145.7**	**0.012**	**111.3**	**6.2**	**56.5**	**0.68**	**6,166.9**	**0.051**	**460.0**	**0.011**	**315.5**	**0.008**	**229.7**
	Inferred	**1,450.2**	**0.22**	**3,220.4**	**0.012**	**177.7**	**6.5**	**93.7**	**0.67**	**9,662.6**	**0.047**	**682.8**	**0.010**	**464.2**	**0.008**	**372.0**

*Totals may not add due to rounding.

Notes to Table 25-1:

1. The independent Qualified Person for the Mineral Resource Estimate, as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"), is Dr. Scott Jobin-Bevans (P.Geo., PGO #0183) of Caracle Creek International Consulting Inc. The effective date of the Mineral Resource Estimate is January 07, 2026.
2. The quantity and grade of reported Inferred Mineral Resources in this MRE are uncertain in nature and there has been insufficient exploration to define these Inferred Mineral Resources as Indicated or Measured Mineral Resources. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.
3. A cut-off grade of 0.10% Ni was used to define potentially economic material for inclusion within the MRE. Cut-offs were determined on the basis of core assay geostatistics and drill core lithologies for the deposit, and by comparison to analogous nickel deposit types.
4. Geological and block models for the MRE used data from a total of 89 surface drill holes, completed by Canada Nickel in 2022, 2024 and 2025. The drill hole database was validated prior to resource estimation and QA/QC checks were made using industry-standard control charts for blanks, core duplicates and commercial certified reference material inserted into assay batches by Canada Nickel and by comparison of umpire assays performed at a second laboratory.
5. Estimates have been rounded to two significant figures.
6. The MRE was prepared following the CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines (November 29, 2019) and the CIM Definition Standards for Mineral Resources & Mineral Reserves (May 19, 2014).
7. The geological model as applied to the MRE comprises two mineralized domains hosted by variably serpentinized ultramafic rocks: a relatively higher-grade core (dunite) and a lower grade (transitional dunite). Individual wireframes were created for each domain in Leapfrog Geo 2025.3 software.
8. A 20 m x 20 m x 15 m block model was created, and samples were composited at 7.5 m intervals. Grade estimation from drill hole data was carried out for Ni, Co, Fe, Cr, S, Pd and Pt using the Ordinary Kriging interpolation method in Isatis 2024.12 software.
9. The MRE has been constrained by a conceptual pit envelope that was developed using the following optimization parameters. Metal prices used were US$21,000/t nickel, US$40,000/t cobalt, US$325/t iron, US$3,860/t chromium, US$1,350/oz palladium, and US$1,150/oz platinum. Different pit slopes were used for each layer (in degrees): 9.5 in clay, 11.4 in sand and 45.0 in rock. Exchange rate utilized was US$/C$ at $0.76. Mining costs utilized different values for clay, sand and rock mining, ranging from C$1.72 to C$4.51/t mined. Processing costs and general and administration costs for a 120 ktpd operation (similar to the ultimate scope of Crawford) were C$8.34/t. Based on the range of grade and ratio of sulphur to nickel, calculated recovery averages 52% for Ni, 7% for Co, 55% for Fe, 24% for Cr and 33% for Pt and Pd.
10. Grade estimation was validated by comparison of input and output statistics (Nearest Neighbour and Inverse Distance Squared methods), swath plot analysis, cross-plots of declustered samples against the nearest Ordinary Kriging estimate, and by visual inspection of the assay data, block model, and grade shells in cross-sections.
11. Density estimation was carried out for the mineralized domains using the Ordinary Kriging interpolation method, based on 5,576 specific gravity measurements collected during the core logging process, using the same block model parameters of the grade estimation. As a reference, the average estimated density value within dunite is 2.65 g/cm^3 (t/m^3), while the transitional dunite domain yielded an average of 2.70 g/cm^3 (t/m^3).

The mineral resources disclosed in Table 25-1 are constrained to the pit shell and the 0.10% Ni cut-off grade developed from the pit optimization analysis. The MRE is characterized by domain, class, mineral grades (rounded to two significant figures) and contained metal. The Effective Date of the MRE is 7 January 2026.

25.9.1 Pit Optimization (RPEEE)

For a mineral deposit to be considered a mineral resource it must be shown that there are Reasonable Prospects for Eventual Economic Extraction (RPEEE) (CIM, 2019). Given that the Property will be mined using open pit methods, the 'reasonable prospects' are considered satisfied by limiting mineral resources to those constrained within a conceptual pit shell and above a cut-off grade (*see* Section 14.11 – Pit Optimization and Cut-off Grade).

Specific inputs to the LG algorithm include the following:

- Nickel price of US$21,000/t and payability of 91% (Ni would generate 69% of total metal revenue).
- Iron price of US$325/t and payability of 50%, which is equivalent to US$100/t for iron ore grading 62% Fe (Fe would generate 17% of total metal revenue).
- Chromium price of US$3,860/t and payability of 65% (Cr would generate 12% of total metal revenue).
- Cobalt price of US$40,000/t and payability of 60% (Co would generate 1% of total metal revenue).
- Palladium and Platinum prices of US$1,350/oz and US$1,150/oz, respectively.
- Combined Palladium and Platinum payability was based on a deduction of 1 g/t 2E PGE and expected to average 60% (the combined metal revenue from Pd and Pt would be 0.5% of the total).

Average mining costs are expected to range as follows:

- C$4.04/t for clay that would be mined using 40 t articulated trucks operating at 13 m average depth below the average surface elevation of RL 270.
- C$2.31/t for sand & till that would be mined using 90 t trucks operating at 28 m average depth.
- C$2.18/t for rock that would be mined using 290 t autonomous trucks operating at 261 m average depth.

Process and administration costs are expected to average C$8.20/t ore for treatment through a 120k tpd mill. Royalties would average C$0.43/t ore.

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

The cut-off grade was calculated using the following parameters:

- Estimated average recoveries: Ni% = 52, Fe% = 55, Cr% = 24, Co% = 7, and combined Pd+Pt% = 33.
- Metal prices and payability as reported above.
- Marginal costs of C$8.63/t, as reported above.
- A long-term C$ f/x of US$0.76.

Based on these parameters, the marginal cut-off can be achieved with approximately 1.4 lb of in-situ nickel per tonne of ore processed. This has been rounded up to an in-situ grade of 0.10% Ni.

It is the opinion of the QP David Penswick that the calculated cut-off grade of 0.10% Ni from pit optimization is relevant to the grade distribution of this Property and that the mineralization exhibits sufficient continuity for economic extraction under this cut-off value.

25.10 EXPLORATION POTENTIAL

The Reid Deposit is open at depth and has potential extensions to the north and south. With additional drilling it is likely that the current MRE could be expanded from exploration potential (CAT 4) to Inferred (CAT 3), from Inferred to Indicated (CAT 2) and possibly even from Indicated to Measured (CAT 1), depending on the extent and results of future in-fill drilling.

25.11 RISKS AND UNCERTAINTIES

Risks and uncertainties which may reasonably affect reliability or confidence in future work on the Property relate mainly to the reproducibility of exploration results (*i.e.,* exploration risk) in a future production environment. Exploration risk is inherently high when working to advance mature exploration Projects such as the Reid Project which, in general, require the expansion and upgrading of existing mineral resources and the discovery of additional resources. In addition, these risks are mitigated by completing 3D geological modelling, applying the latest in geophysical techniques, and comprehensive interpretation of the data and information to develop high-confidence targets for future drilling programs and updated mineral resource estimates.

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations and Metis Nation of Ontario Specific groups identified by MINES during the permitting process (*see* Section 4.8 – Community Consultation). In areas within the Project for which Canada Nickel does not hold the surface rights, there is always the risk that owner of the surface rights could not allow access for mining should mineralization be discovered in those areas.

The QPs (Scott Jobin-Bevans, John Siriunas, David Penswick) are not aware of any other significant risks or uncertainties that would impact the Issuer's ability to perform the recommended work program (*see* Section 26.0 - Recommendations) and other future exploration work programs on the Property.

25.12 CONCLUSIONS

Based on the Property's favourable location within a prolific komatiite hosted nickel belt (Table 25-2) in the extensive Abitibi Greenstone Belt, and the systematic exploration work (*i.e.*, diamond drilling) completed to date, the Property presents excellent potential for the discovery of additional resources containing nickel, cobalt, chromium, PGE and iron, and is worthy of further evaluation.

Table 25-2. Total Measured, Indicated and Inferred Resources on Canada Nickel Properties to date (Canada Nickel, 2026).

			Measured and indicated			Inferred			Exploration Target
Project	**Geophysical Footprint (km^2)**	**Resource Date/ Target Date**	**Resource (Bt)**	**Ni (%)**	**Contained Nickel (Mt)**	**Resource (Bt)**	**Ni (%)**	**Contained Nickel (Mt)**	**Resource (Bt)**
Crawford	1.6	Oct-23	2.56	0.24	6.03	1.69	0.22	3.73	-
Reid	3.9	Jan-26	0.91	0.23	2.14	1.45	0.22	3.22	0.5-1.4
Mann West	3.4	Jun-25	0.41	0.23	0.95	0.6	0.22	1.31	0.5-1.0
Mann Central	3.1	Jul-25	0.24	0.22	0.52	0.54	0.21	1.15	0.6-2.0
Deloro	0.4	Jul-24	0.08	0.25	0.2	0.36	0.25	0.89	-

			Measured and indicated			Inferred			Exploration Target
Project	Geophysical Footprint (km^2)	Resource Date/ Target Date	Resource (Bt)	Ni (%)	Contained Nickel (Mt)	Resource (Bt)	Ni (%)	Contained Nickel (Mt)	Resource (Bt)
Texmont	0.1	Jul-25	0.04	0.29	0.11	0.05	0.25	0.14	-
Bannockburn	0.4	Oct-25	0.06	0.28	0.18	0.13	0.27	0.34	0.06-0.35
Midlothian	1.7	Dec-25	TBD		TBD	0.59	0.28	1.68	0.4-1.0
Nesbitt	0.4	Dec-25	TBD		TBD				TBD
TOTAL:	**15.0**		**4.30**	**0.24**	**10.13**	**5.41**	**0.23**	**12.46**	

The characteristics of the Reid Deposit is of sufficient merit to justify advancing the Property including consideration for the undertaking of preliminary engineering, environmental, and metallurgical studies aimed at completing the characterization of nickel mineralization and offering economic guidelines for future exploration strategies, including an initial Preliminary Economic Assessment ("PEA") level study.

Given Canada Nickel Company's intention to develop two processing facilities in the Timmins Nickel District (*see* Section 5.3 – Local Resources and Infrastructure): a nickel processing facility and stainless-steel and alloy production facility (Canada Nickel news release 8 February 2024), the location of the Reid Deposit makes it a prime candidate to supply additional mineralized material to these processing plants.

26.0 RECOMMENDATIONS

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

It is expected that this recommended work program (Table 26-1) can be accomplished within a 12-month period. The expected cost of this single-phase exploration work program (largely diamond drilling) is estimated at C$5.9M (Table 26-1). Collar locations and drill hole parameters for the 23,370-metre diamond drilling program are provided in Table 26-2 and shown in Figure 26-1 and Figure 26-2.

Table 26-1. Budget estimate recommended exploration program, Reid Nickel Sulphide Project.

Item	Description	Unit	No. Units	C$/Unit	Amount (C$)
Data and Information Compilation/Review	review of all data and information	hr	8	$225	$1,800
Modelling (2D/3D) and Targeting	drill hole targeting/planning	hr	16	$225	$3,600
Diamond Drilling	32 holes; 23,370 m (NQ); all-in cost	m	23,370	$145	$3,388,650
Assays (multi-element) - drill core	~65% of total metres (1.5 m samples)	ea.	15,190	$85	$1,291,150
QA/QC	CRMs and duplicates (~10% of primary samples)	ea.	1,519	$90	$136,710
Personnel - drilling program	2 geologists and 2 assistants	day	200	$1,200	$240,000
Program Reporting/Assessment	assessment level reporting	ea.	1	$20,000	$20,000
Mineral Resource Estimate	update and report - NI 43-101	ea.	1	$35,000	$35,000
G&A	food, accommodation, vehicles, fuel, supplies, etc.	ea.	1	$200,000	$200,000
Contingency (10%)		ea.	1	$531,691	$531,691
				Total (C$):	**$5,848,601**

*does not include local taxes and fees

Table 26-2. Summary of diamond drill hole locations and parameters for the recommended drilling program.

PDH ID	UTMX (mE)	UTMY (mN)	UTMZ (m)	Az	Dip	Length (m)
REI-A	456654.5	5404290.2	277.5	356	78	700
REI-B	456587.2	5403901.7	277.5	185	60	800
REI-C	456033.8	5403984.7	280.3	180	88	800
REI-D	456010.0	5403600.0	281.0	0	82	600
REI-E	456101.3	5404142.3	280.0	178	82	750
REI-F	456162.4	5403786.6	279.5	196	78	700
REI-G	456243.3	5404289.9	278.7	180	90	700
REI-G2	456243.3	5404289.9	278.7	178	60	800
REI-H	456368.3	5403798.2	278.6	340	85	800
REI-I	456373.0	5404401.6	278.1	180	78	800
REI-J	456464.9	5403726.8	278.4	0	86	800
REI-K	456463.0	5404391.4	277.9	178	55	520
REI-HG1	456468.8	5404040.0	278.5	182	74	900

PDH ID	UTMX (mE)	UTMY (mN)	UTMZ (m)	Az	Dip	Length (m)
REI-L	456565.6	5404295.5	277.6	0	90	700
REI-M	456755.5	5404331.1	276.2	180	90	700
REI-N	456690.0	5404690.0	275.6	135	65	700
REI-O	456867.2	5404063.8	276.1	0	89	800
REI-P	457324.4	5404025.7	274.5	290	70	800
REI-Q	457246.3	5404434.1	274.5	184	68	800
REI-R	457241.1	5404033.0	275.5	190	78	800
REI-S	457450.0	5404434.6	273.6	345	70	800
REI-S2	457450.0	5404434.6	273.6	184	72	700
REI-P2	457324.4	5404025.7	274.5	61	65	800
REI-U	457556.8	5403906.9	275.1	275	72	800
REI-V	457345.6	5404726.4	273.8	10	60	650
REI-W	458090.0	5403980.0	268.3	270	70	700
REI-X	458075.0	5404350.0	265.0	270	70	700
REI-D2	456010.0	5403600.0	281.0	180	60	600
REI-D3	456010.0	5403600.0	281.0	150	60	600
REI-T	457078.4	5404874.9	274.5	175	60	750
REI-D4	456010.0	5403600.0	281.0	280	60	500
REI-S3	457450.0	5404434.6	273.6	40	60	800
					Total (m):	23,370

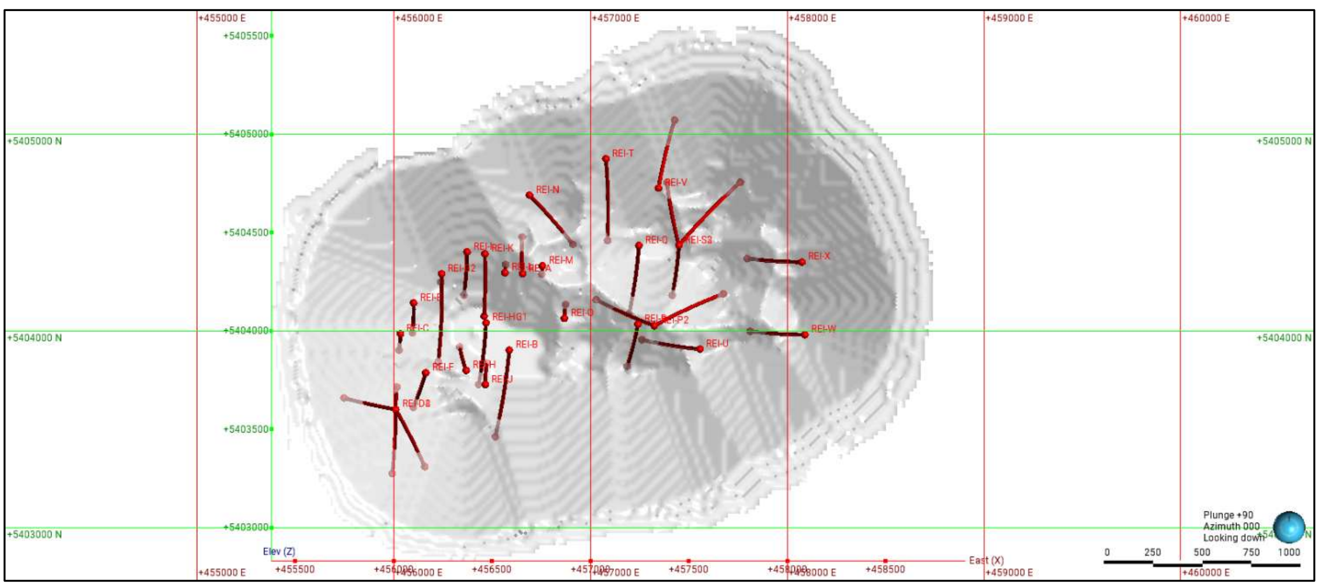


Figure 26-1. Plan map of the Reid Deposit showing the location of the MRE pit envelope and the planned drill hole projections (Caracle Creek, 2026).

In addition to the recommended drilling program (Table 26-1), the Company should consider:

- Bulk sample (HQ-PQ core) metallurgical and mineralogical testwork to better characterise the Nickel-PGE sulphide mineralization;
- Future drilling programs that target extensions of the high-grade zones;

- Further drill-testing of the upper sequences of peridotite-pyroxenite-gabbro for the presence of 'Reef-Type' PGE mineralization which has been delineated at the analogous Crawford Property and in other komatiitic deposits in the Timmins Nickel District;
- Future drilling focused on untested areas of the RUC, particularly in the western and southern areas; and
- Further infill drilling should be conducted to decrease drill spacing and increase confidence in mineralization continuity along strike.

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