

CSE FORM 2A
LISTING STATEMENT

CORE NICKEL CORP.
(the “Issuer”)

Dated: November 22, 2023

This Listing Statement is intended to provide full, true and plain disclosure about the Issuer. It is not, and is not to be construed as, a prospectus. It has not been reviewed by a securities regulatory authority and no securities are being sold or qualified for distribution by the filing of this Listing Statement.

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GENERAL MATTERS

The Company: References in this Listing Statement to “*the Company*” or “*Core Nickel*” refer to Core Nickel Corp.

Glossary of Terms: See “*Glossary of Terms*” below for the meaning assigned to certain capitalized terms in this Listing Statement.

Currency: In this Listing Statement, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to \$ are to Canadian dollars.

IFRS: For reporting purposes, the Company prepares its financial statements in Canadian dollars and in conformity with International Financial Reporting Standards.

Date of Information: Except as otherwise indicated in this Listing Statement, all information disclosed in this Listing Statement is as of date of this Listing Statement, or as known to the Company, as of the date of this Listing Statement.

Reliance on Information: Readers should rely only on the information contained or incorporated by reference in this Listing Statement and are not entitled to rely only on certain parts of the information contained or incorporated by reference in this Listing Statement to the exclusion of the remainder. Readers should assume that the information contained in this Listing Statement is accurate only as of the date on the front of this Listing Statement and that information contained in any document incorporated by reference is accurate only as of the date of that document.

TECHNICAL INFORMATION

1. **Halfway Lake and Resting Lake Properties:** The scientific and technical information contained in this Listing Statement relating to the Halfway Lake and Resting Lake Properties is supported by, is derived from, and in some instances is a direct extract from, the technical report entitled “*Technical Report on the Halfway Lake and Resting Lake Properties, Thompson Area, Manitoba*”, with an effective date of July 29, 2022, and prepared by Chris Beaumont-Smith, Ph.D.,P.Geo., of CBSGeoscience Ltd. (the “**Halfway Lake and Resting Lake Technical Report**”), a summary of which is provided under “*Narrative Description of the Business – Technical Summary of the Halfway Lake and Resting Lake Properties*”.
2. **Mel Property:** The scientific and technical information contained in this Listing Statement relating to the Mel Property is supported by, is derived from, and in some instances is a direct extract from, the technical report entitled “*Technical Report on the Mel Property, Thompson Region, Manitoba*”, dated August 31, 2023, and prepared by Chris Beaumont-Smith, Ph.D.,P.Geo., of CBSGeoscience Ltd. (the “**Mel Technical Report**”), a summary of which is provided under “*Narrative Description of the Business – Technical Summary of the Mel Property*”.

The technical reports referred to above are subject to certain assumptions, qualifications and procedures described therein. Reference should be made to the full text of each technical report, which have been filed with the applicable Canadian securities regulatory authorities pursuant to NI 43-101 and are available for review under the Company’s profile on SEDAR+ at www.sedarplus.ca.

The scientific and technical information contained in this Listing Statement not derived from any of the above-mentioned technical reports was prepared by or under the supervision of Misty Urbatsch, P. Geo. Ms. Urbatsch is a “qualified person” within the meaning of NI 43-101 but is not independent of the Company.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

Certain statements contained in this Listing Statement (including the documents incorporated by reference herein) may constitute forward-looking information, future oriented financial information or financial outlooks (collectively, “**forward-looking information**”) within the meaning of applicable Canadian securities legislation, including, but not limited to statements or information with respect to this Listing Statement, the Company’s future outlook and anticipated events or results. In some cases, forward-looking information can be identified by terminology such as

“anticipate”, “believe”, “budget”, “continue”, “could”, “estimate”, “expect”, “forecast”, “goal”, “intend”, “may”, “plan”, “potential”, “possible”, “predict”, “project”, “scheduled”, “should”, “targeted”, “will”, and similar expressions or variations (including negative variations) of such words concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to: expectations, strategies and plans, including the Company’s proposed expenditures for exploration work on its properties, and general and administrative expenses; the results of future exploration work and the estimated timelines for same; the timing, receipt and maintenance of approvals, licenses and permits from applicable government, regulatory or administrative bodies; expectations generally about the Company’s business plan and its ability to raise further capital for corporate purposes and further exploration; future financial or operating performance and condition of the Company and its business, operations and properties; environmental, health and safety regulations affecting the mineral exploration industry; competitive conditions; expectations respecting executive compensation; involvement and impact of Indigenous land claims and NGOs; staffing of exploration activities and access to services and supplies at its properties; the impact of the COVID19 public health crisis; the impact of the Russia-Ukrainian war and the Israeli-Palestinian war, the impact of climate change; capital and operating expenditures; and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable.

The reader is further cautioned that the preparation of financial statements, including *pro forma* financial statements, in accordance with IFRS requires management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses.

The forward-looking statements contained in this Information Circular identify additional factors that could affect the operating results and performance of Core Nickel. **Readers are urged to consider those factors.**

Although the forward-looking information in this Listing Statement reflects management’s current beliefs about the prospects of the Company based on information currently available to management and on what management believes to be reasonable assumptions, there is no certainty that the actual results achieved will be consistent with such forward-looking information. Forward-looking information is not a guarantee of future performance and by its nature is based on assumptions and involves significant known and unknown risks, uncertainties and other factors which may cause actual results, performance, achievements, industry results, prospects and opportunities of the Company in future periods to be materially different from those expressed or implied by the forward-looking information provided in this Listing Statement. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking information prove incorrect, then any such change could cause actual results, performance or achievements to differ materially from the anticipated results expressed or implied in the forward-looking information set out in this Listing Statement.

With respect to the forward-looking statements information contained in this Listing Statement, although the Company believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the statements containing forward-looking information, because no assurance can be given that they will prove to be correct. Since statements containing forward-looking information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks which include, but are not limited to risks related to general business, economic, competitive, political and social uncertainties; risks related to the effects of the COVID-19 pandemic on the Company’s operations; risks related to the effects of the Russia-Ukraine war; risks related to climate change; operational risks in exploration, development and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the actual results of current exploration activities and actual results of reclamation activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, changes in labour costs and other costs and expenses or equipment or processes to operate as anticipated, accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and commodity prices. This list is not exhaustive. A large number of factors could affect the assumptions on which statements about forward looking information are made in this Listing Statement or the underlying assumptions. A discussion of the factors that could cause actual results to differ significantly from the forward-looking information given in this Listing Statement is set out under the heading “*Risk Factors*”. Forward-looking information is based on certain assumptions that the Company believes are reasonable, including that the Company will be able to carry on exploration and development activities

as anticipated; required approvals, licenses and permits for its proposed exploration program on its properties will be obtained; sufficient working capital will be available for exploration and the Company's general operations; the current price of and demand for commodities will be sustained or will improve, the supply of commodities will remain stable, that the general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed on reasonable terms and the Company will not experience any material labour dispute, accident, or failure of plant or equipment and such other assumptions and factors as set out herein. See "*Risk Factors*".

Although the Company has attempted to identify important risks and factors that could cause actual actions, events or results to differ materially from those described in the forward-looking information in this Listing Statement, there may be other factors and risks that cause actions, events or results that have not been anticipated. **There can be no assurance that the forward-looking information in this Listing Statement will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The factors discussed in this section should therefore be weighed carefully and readers should not place undue reliance on the forward-looking information provided in this Listing Statement. Forward-looking information contained in this Listing Statement is expressly qualified in its entirety by the foregoing cautionary statements and speak only as of the date of this Listing Statement. Except as required under applicable laws, the Company assumes no obligation to update or revise such information to reflect new events or circumstances.**

GLOSSARY OF TERMS

The following is a glossary of terms and abbreviations used frequently throughout this Listing Statement:

“**Arrangement**” means the arrangement of CanAlaska under the Arrangement Provisions as contemplated by the provisions of the Arrangement Agreement and the Plan of Arrangement.

“**Arrangement Agreement**” means the arrangement agreement dated as of September 1, 2023, between CanAlaska and Core Nickel, including all schedules attached thereto, a copy of which was filed on SEDAR+ on November 10, 2023, under CanAlaska’s profile.

“**Arrangement Provisions**” means Part 9, Division 5 of the BCBCA.

“**Arrangement Resolution**” means the special resolution passed by the CanAlaska Shareholders at the Meeting.

“**Asset Property Interests**” mean the property interests described in paragraph (a) under the definition of Assets below.

“**Assets**” means the assets of CanAlaska transferred to Core Nickel pursuant to the Arrangement, being:

- (a) the five (5) mineral properties commonly referred to as the Halfway Lake Property, the Resting Lake Property, the Hunter Property, the Odei River Property and the Mel Property; and
- (b) \$1,000,000 cash.

“**Author**” means Chris Beaumont-Smith, Ph.D.,P.Geo., of CBSGeoscience Ltd., author of the Halfway Lake and Resting Lake Technical Report and the Mel Technical Report.

“**BCBCA**” means the *Business Corporations Act* (British Columbia) including the regulations thereunder, as amended.

“**Board**” or “**Board of Directors**” means the board of directors of Core Nickel.

“**CanAlaska**” means CanAlaska Uranium Ltd., a corporation incorporated under the laws of the Province of British Columbia.

“**CanAlaska Board**” means the board of directors of CanAlaska.

“**CanAlaska Class A Shares**” means the renamed and redesignated CanAlaska Shares as described in subsection 3.1(c)(i) of the Plan of Arrangement.

“**CanAlaska Optionholders**” means holders of the CanAlaska Options.

“**CanAlaska Options**” means the stock options to acquire CanAlaska Shares that were outstanding immediately prior to the Effective Time.

“**CanAlaska Replacement Option**” means an option to acquire a New CanAlaska Share issued by CanAlaska at the Effective Time to a holder of a CanAlaska Option pursuant to subsection 3.1(e) of the Plan of Arrangement.

“**CanAlaska Shareholder**” means a holder of CanAlaska Shares.

“**CanAlaska Shares**” means the common shares without par value which CanAlaska is authorized to issue as the same were constituted immediately prior to the Effective Time.

“**CanAlaska Warrantholders**” means holders of the CanAlaska Warrants.

“**CanAlaska Warrants**” means the share purchase warrants of CanAlaska exercisable to acquire CanAlaska Shares that were outstanding immediately prior to the Effective Time.

“**CEO**” or “**Chief Executive Officer**” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

“**CFO**” or “**Chief Financial Officer**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

“**Company**” or “**Core Nickel**” means Core Nickel Corp, a company incorporated under the BCBCA.

“**company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Core Nickel Options**” means stock options issued pursuant to the Core Nickel Stock Option Plan, including the Core Nickel Spinout Options issued at the Effective Time pursuant to subsection 3.1(e) of the Plan of Arrangement.

“**Core Nickel Spinout Options**” means the 2,497,334 Core Nickel Options issued to CanAlaska Optionholders at the Effective Time pursuant to subsection 3.1(e) of the Plan of Arrangement.

“**Core Nickel Spinout Shares**” means the 24,997,482 Core Nickel Shares issued to CanAlaska on the Effective Date to complete the acquisition of the Assets, which were distributed to the CanAlaska Shareholders pursuant to the Plan of Arrangement.

“**Core Nickel Stock Option Plan**” means the Core Nickel 10% rolling stock option plan dated September 1, 2023, as may be updated and amended from time to time.

“**Court**” means the Supreme Court of British Columbia.

“**CSE**” means the Canadian Securities Exchange.

“**Effective Date**” means the date of closing of the Arrangement, being November 10, 2023.

“**Effective Time**” means 12:01 a.m. (Vancouver time) on the Effective Date.

“**Final Order**” means the final order of the Court approving the Arrangement dated October 31, 2023.

“**Financial Statements**” means, collectively, the audited Core Nickel Statement of Financial Position as at April 30, 2023, attached hereto as Appendix “B”; the audited CanAlaska Carve-Out Financial Statements for the years ended April 30, 2023 and 2022, attached hereto as Appendix “D”; the unaudited Core Nickel Interim Statement of Financial Position as at July 31, 2023, attached hereto as Appendix “F”; and the unaudited CanAlaska Condensed Interim Carve-Out Financial Statements for the three months ended July 31, 2023 and 2022, attached hereto as Appendix “H”.

“**Halfway Lake and Resting Lake Technical Report**” has the meaning given it under “*Technical Information*” above.

“**Listing Date**” means the date on which the Shares are listed for trading on the CSE.

“**Listing Statement**” means this listing statement dated as of the date on the cover page, and includes any appendices, schedules or attachments hereto.

“**MD&A**” means management’s discussion and analysis.

“**Meeting**” means the annual general and special meeting of CanAlaska Shareholders held on October 25, 2023, at which the CanAlaska Shareholders approved the Arrangement Agreement and the Arrangement and the adoption of the Core Nickel Stock Option Plan, amongst other things.

“**Mel Technical Report**” has the meaning given it under “*Technical Information*” above.

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

“**New CanAlaska Shares**” means the new class of voting common shares without par value which CanAlaska created and issued at the Effective Time as described in subsection 3.1(c)(ii) of the Plan of Arrangement and for which the CanAlaska Class A Shares were, in part, exchanged under the Plan of Arrangement and which, immediately after completion of the transactions comprising the Plan of Arrangement, were identical in every relevant respect to the CanAlaska Shares.

“**NI 41-101**” means National Instrument 41-101 - *General Prospectus Requirements* of the Canadian Securities Administrators.

“**NI 43-101**” means National Instrument 43-101 - *Standards of Disclosure for Mineral Properties* of the Canadian Securities Administrators.

“**NI 52-110**” means National Instrument 52-110 - *Audit Committees* of the Canadian Securities Administrators.

“**NI 58-101**” means National Instrument 58-101 - *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators.

“**option-based award**” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

“**person**” means a company or individual.

“**Plan of Arrangement**” means the plan of arrangement attached as Schedule “A” to the Arrangement Agreement.

“**Promoter**” has the meaning specified in section 1(1) of the *Securities Act* (British Columbia), generally, being a person who, acting alone or in concert with one or more other persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer.

“**SEDAR+**” means System for Electronic Document Analysis and Retrieval Plus, having a website located at www.sedarplus.ca.

“**Shareholder**” means a holder of Shares.

“**Shares**” means the common shares without par value which Core Nickel is authorized to issue as the same are constituted on the date hereof.

“**subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or

contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary.

“**Transfer Agent**” means Olympia Trust Company, or such other trust company or transfer agent as may be designated by Core Nickel.

“**TSXV**” means the TSX Venture Exchange.

“**Warrant Shares**” means the 0.19987 of one Share issuable by the Company upon the due exercise of each CanAlaska Warrant.

CORPORATE STRUCTURE

Name, Address and Incorporation

The full name of the Company is “Core Nickel Corp”. The Company was incorporated in British Columbia on May 5, 2022. No material amendments have been made to Core Nickel’s articles or other constating documents since its incorporation.

The Company is registered extra-provincially in Saskatchewan and Manitoba.

The Company’s head office is located at Unit 204, 75 – 24th Street East, Saskatoon, Saskatchewan S7K 0K3. Its registered office is located at Suite 600 – 890 West Pender Street, Vancouver, British Columbia V6C 1J9.

Following completion of the Arrangement, Core Nickel became a reporting issuer in the provinces of British Columbia, Alberta, Ontario and Newfoundland & Labrador. As of the date of this Listing Statement, Core Nickel does not have any of its securities listed or quoted on any stock exchange.

Intercorporate Relationships

The Company does not have any subsidiaries.

DESCRIPTION OF THE BUSINESS

General

Core Nickel is an exploration stage company involved in the acquisition and exploration of mineral properties in Manitoba.

Halfway Lake and Resting Lake Properties: The Company’s material listing properties are the Halfway Lake and Resting Lake Properties located in the Thompson Area of northern Manitoba. Core Nickel owns 100% of these properties. The Halfway Lake Property was staked by CanAlaska and consists of 20 mineral claims totaling 4,185.8 hectares and the Resting Lake Property was staked by CanAlaska and consists of 11 mineral claims totaling 2,322 hectares. See “Narrative Description of the Business - Technical Summary of the Halfway Lake and Resting Lake Properties” below.

At the time of writing the Halfway Lake and Resting Lake Technical Report, the Halfway Lake property was comprised of 8 mineral claims totaling 1,876 hectares. Subsequently, CanAlaska staked the following 12 additional claims consisting of an additional 2,309.8 hectares of land adjacent to the Halfway Lake claims referenced in the Halfway Lake and Resting Lake Technical Report.

CLAIM NAME	CLAIM #	HOLDER	STAKED	RECORDED	EXPIRES	AREA (ha)
HWM 13166	MB13166	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	230
HWM 13167	MB13167	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	23
HWM 13168	MB13168	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	112.9
HWM 13169	MB13169	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	250
HWM 13170	MB13170	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	232.3
MWM 13171	MB13171	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	254
HWM 13172	MB13172	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	249.6
HWM 13173	MB13173	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	195
HWM 13174	MB13174	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	235
HWM 13175	MB13175	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	243
HWM 14401	MB14401	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	47
HWM 14477	MB14477	CANALASKA URANIUM LTD.	2022-09-22	2022-07-22	2024-11-06	238

While the additional 12 claims were staked in September 2022, they were not granted to CanAlaska by the Manitoba government until September 2023 and therefore are not referenced in the Halfway Lake and Resting Lake Technical Report, however, they were transferred to Core Nickel under the Arrangement and they are considered by Core Nickel to be an extension of the Halfway Lake property.

Mel Property: The Company owns one other material property, the Mel Property. This property consists of one mineral lease and 10 mineral claims covering a total of 2,613 hectares in the Thompson Nickel Belt in Manitoba. The mineral lease contains the Mel deposit, which has a historical indicated resource estimate of 4.3 million tonnes at 0.875% nickel for 82.5 million pounds of contained nickel and an inferred resource estimate of 1.0 million tonnes at 0.839% nickel for 18.7 million pounds of contained nickel. This property is subject to a 10% net profits royalty. The Mel deposit also contains a milling agreement at cash cost plus 5%, subject to certain conditions. See “*Narrative Description of the Business - Technical Summary of the Mel Property*” below.

Hunter Property and Odei River Property: The Company also owns two other properties, the Hunter Property (adjacent to the Mel Property and consisting of 12 mineral claims totaling 8,232 hectares) and the Odei River Property (consisting of one mineral claim totaling 9,411 hectares), which are both grassroots projects located in the Thompson Area of northern Manitoba.

History

The Company was incorporated on May 5, 2022, for the purpose of completing the Arrangement. At such time, one Share was issued to CanAlaska at \$0.01/Share. This Share was returned to treasury upon completion of the Arrangement on the Effective Date.

On September 1, 2023, the Company entered into the Arrangement Agreement with CanAlaska. The Arrangement was completed on the Effective Date. Pursuant to the terms of the Arrangement, on the Arrangement Date:

1. CanAlaska transferred the Assets to Core Nickel in consideration for which Core Nickel issued to CanAlaska 24,997,482 Core Nickel Spinout Shares;
2. the CanAlaska Shares existing immediately prior to the Effective Time were redesignated as CanAlaska Class A Shares;
3. CanAlaska created a new class of common shares known as the New CanAlaska Shares;
4. each CanAlaska Class A Share was exchanged for one New CanAlaska Share and 0.19987 of one Core Nickel Spinout Share;
5. the CanAlaska Class A Shares were then cancelled;
6. the CanAlaska Warrants were adjusted such that from and after the Effective Date, upon exercise of each CanAlaska Warrant, the holder thereof became entitled to receive one New CanAlaska Share and 0.19987 of one Core Nickel Share;
7. the CanAlaska Options were transferred and exchanged for:
 - (a) one CanAlaska Replacement Option to acquire one New CanAlaska Share having an exercise price equal to the product of the original exercise price of the CanAlaska Option multiplied by the fair market value of a New CanAlaska Share at the Effective Time divided by the total of the fair market value of a New CanAlaska Share and the fair market value of 0.19987 of a Core Nickel Share at the Effective Time; and
 - (b) one Core Nickel Option to acquire 0.19987 of one Core Nickel Share, each whole Core Nickel Option having an exercise price equal to the greater of (i) \$0.05, and (ii) the product of the original exercise price of the CanAlaska Option multiplied by the fair market value of 0.19987 of a Core

Nickel Share at the Effective Time divided by the total of the fair market value of one New CanAlaska Share and 0.19987 of a Core Nickel Share at the Effective Time; and

8. the Share issued to CanAlaska on incorporation of Core Nickel was returned to treasury and cancelled.

The Company's Properties

As part of the Arrangement, at the Effective Time the Company acquired from CanAlaska five (5) mineral properties commonly referred to as the Halfway Lake Property, the Resting Lake Property, the Mel Property, the Hunter Property and the Odei River Property. (For further details on these properties, see "General" above, and "Narrative Description of the Business - Technical Summary of the Halfway Lake and Resting Lake Properties" and "Narrative Description of the Business - Technical Summary of the Mel Property" below.

Trends

As a junior resource issuer, Core Nickel is highly subject to the cycles of the resource sector and the financial markets as they relate to junior companies. The Company's financial performance is dependent upon many external factors. Both prices and markets for metals are volatile, difficult to predict and subject to changes in domestic and international, political, social and economic environments. The mineral exploration and development industry is very competitive. As a junior exploration company, Core Nickel is subject to numerous competitive conditions such as need for additional capital and commercial viability of its properties. Circumstances and events beyond its control could materially affect the financial performance of the Company. Apart from these risks, and the risk factors noted under the heading "Risk Factors", Core Nickel is not aware of any other specific trends, commitments, events or uncertainties that are reasonably likely to have a material adverse effect on its business, financial conditions or results of operations.

NARRATIVE DESCRIPTION OF THE BUSINESS

Overview

Core Nickel is an exploration stage company involved in the acquisition and exploration of mineral properties in Manitoba. The Company's material listing properties are the Halfway Lake and Resting Lake Properties located in the Thompson Area of northern Manitoba. The Company has one other material property, the Mel Property and two grassroots properties, the Hunter Property and the Odei Property. Core Nickel owns 100% of these properties. The Mel Property is subject to a 10% net profits royalty and the Mel deposit contains a milling agreement at cash cost plus 5%, subject to certain conditions.

Stated Business Objectives

The Company's immediate plans are to focus its efforts on the Halfway Lake and Resting Lake Properties and to explore for nickel and other mineralization on those properties. The Company intends to use its available funds to carry out the following business objectives for the next 12 months:

1. Listing of its Shares on the CSE - estimated to cost \$9,000 (being the CSE's monthly fees for 12 months post-listing), which is expected to be completed within three days of the date of this Listing Statement.
2. Completing the exploration program for the Halfway Lake and Resting Lake Properties recommended in the Halfway Lake and Resting Lake Technical Report (see "Narrative Description of the Business - Technical Summary of the Halfway Lake and Resting Lake Properties" below) – estimated to cost \$660,000. The exploration program is expected to commence in January 2024, upon the availability of contractors and satisfactory weather conditions. The work program is estimated to be completed within three (3) months of commencement.

As of the date of this Listing Statement, the Company has one part-time consultant, one full-time employee and one part-time employee. The Company's leadership team is composed of the following: (i) Misty Urbatsch – Chief Executive Officer, President, and a director; and (ii) Harry Chan – Chief Financial Officer and Corporate Secretary.

Technical Summary of the Halfway Lake and Resting Lake Properties

The Halfway Lake and Resting Lake Properties are the Company's material listing properties (see "*Description of the Business - General*" above).

CanAlaska and Core Nickel commissioned and received an independent NI 43-101 compliant technical report on the Halfway Lake and Resting Lake Properties. The Halfway Lake and Resting Lake Technical Report, entitled "*Technical Report on the Halfway Lake and Resting Lake Properties, Thompson Area, Manitoba*", with an effective date of July 29, 2022, was prepared by Chris Beaumont-Smith, Ph.D., P.Geo. of CBSGeoscience Ltd. Mr. Beaumont-Smith is independent of the Company and is a "*Qualified Person*" for purposes of NI 43-101.

The following information regarding the Halfway Lake and Resting Lake Properties is summarized or extracted from the Halfway Lake and Resting Lake Technical Report. All defined terms used in this section have the meaning ascribed to them in the Halfway Lake and Resting Lake Technical Report. **Not all figures and tables from the Halfway Lake and Resting Lake Technical Report are included below. A copy of the Halfway Lake and Resting Lake Technical Report is available under the Company's profile on the SEDAR+ website at www.sedarplus.ca.** A copy of the Halfway Lake and Resting Lake Technical Report will also be held at the Company's office located at Unit 204, 75 – 24th Street East, Saskatoon, Saskatchewan, where it may be examined during normal business hours upon prior notice. **Readers are encouraged to review the Halfway Lake and Resting Lake Technical Report in its entirety.**

Introduction

CanAlaska and Core Nickel retained CBSGeoscience Ltd. to provide an independent review of the Halfway Lake and Resting Lake properties located in the Thompson Area of Manitoba, Canada.

Chris Beaumont-Smith, Ph.D., P.Geo., conducted a site visit of the properties, reviewed available exploration results, examined drill core and prepared the Halfway Lake and Resting Lake Technical Report. The Halfway Lake and Resting Lake Technical Report was prepared with information provided by CanAlaska in accordance with the formatting requirements of NI 43-101 and Form 43-101F1 (Standards of Disclosure for Mineral Properties) to be a comprehensive review of the exploration activities on the properties, and, if warranted, to provide recommendations for future work.

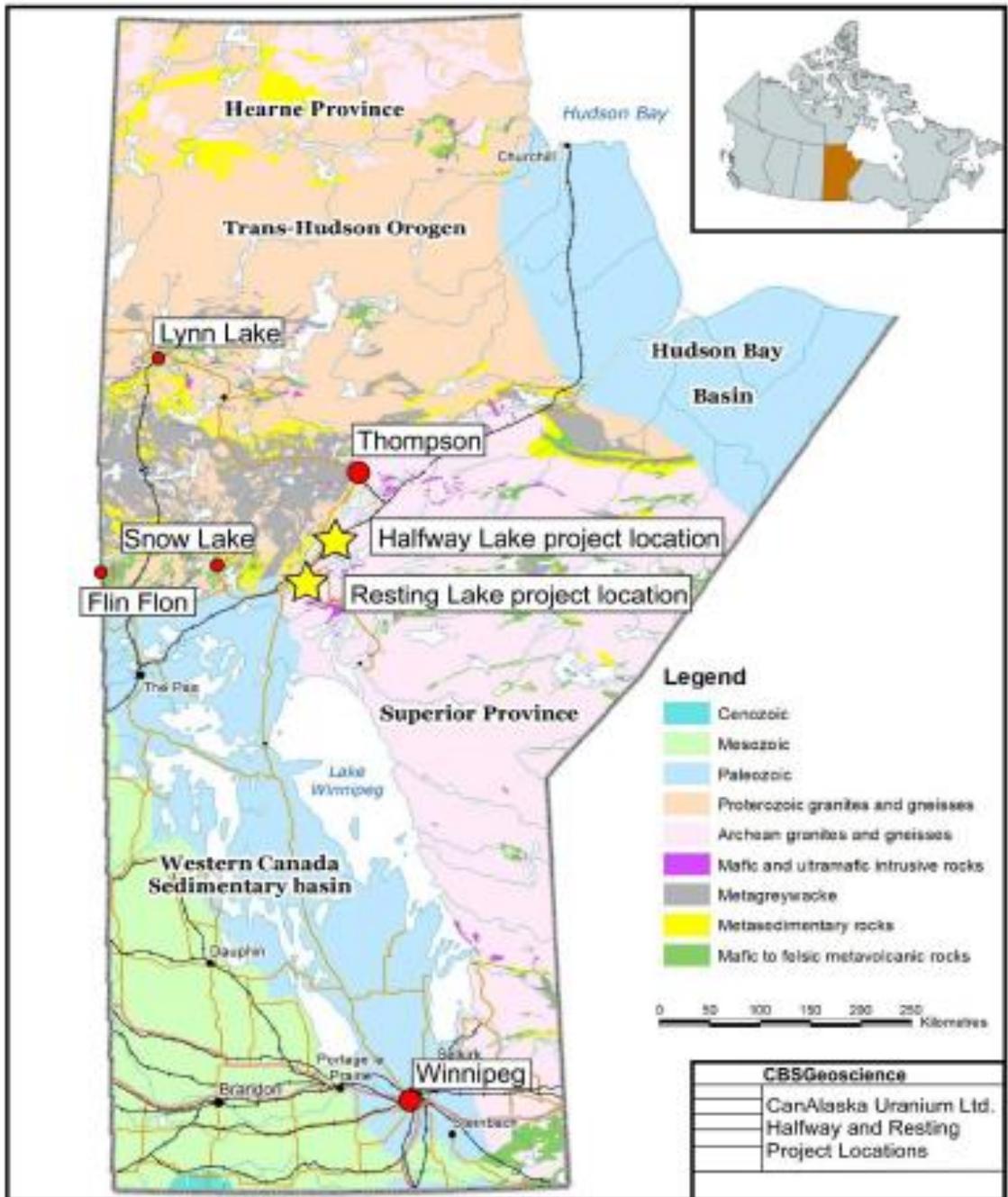


Figure 4-1. Location of the Halfway Lake and Resting Lake properties

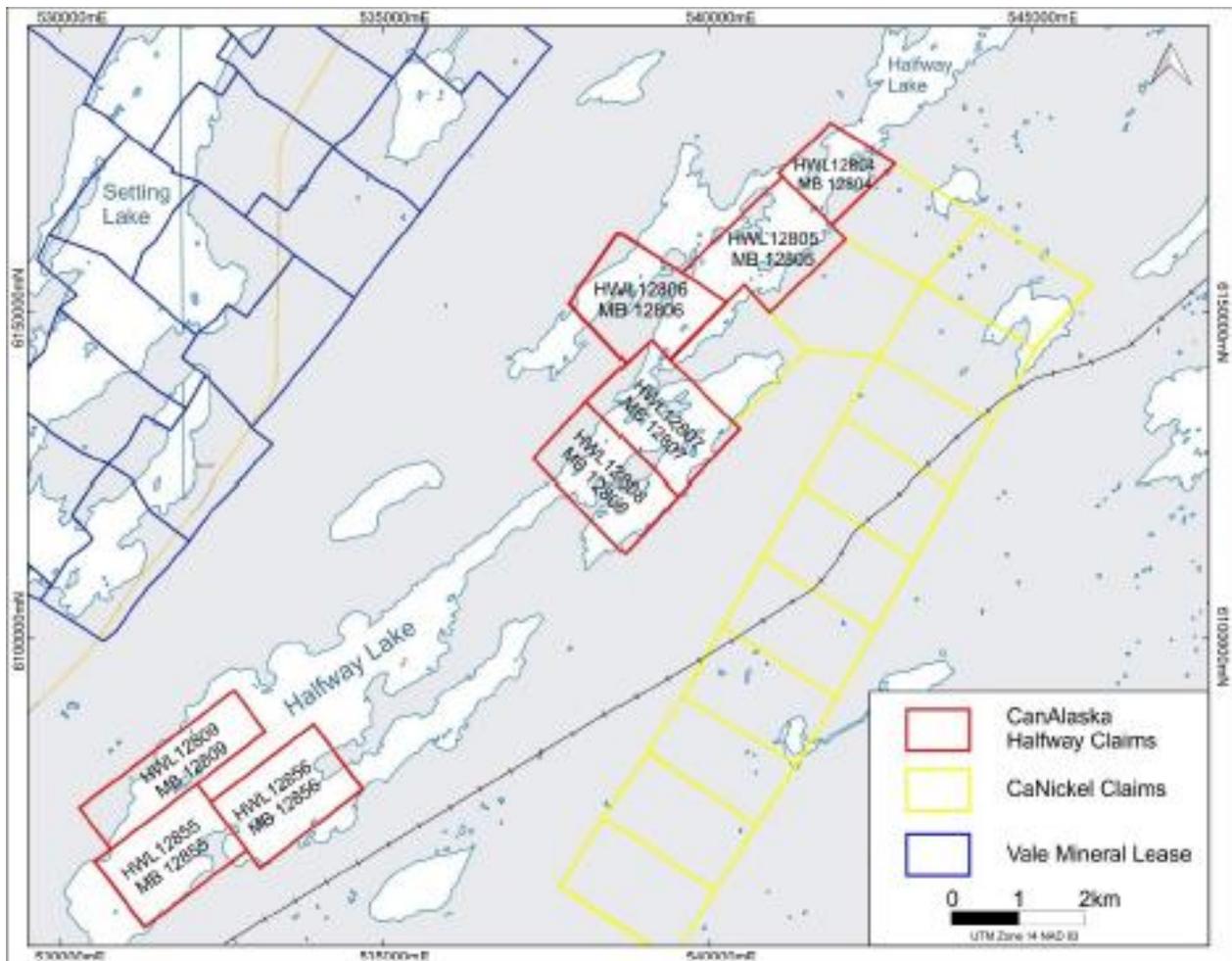


Figure 4-2. Location of the Halfway Lake claims

Table 4-1 Summary of Halfway claims

CLAIM NAME	CLAIM #	HOLDER	STAKED	RECORDED	EXPIRES	AREA (ha)	
HWL 12803	MB12804	CANALASKA LTD.	URANIUM	2021-04-24	2021-04-28	2025-06-27	141
HWL 12805	MB12805	CANALASKA LTD.	URANIUM	2021-04-24	2021-04-28	2025-06-27	255
HWL 12806	MB12806	CANALASKA LTD.	URANIUM	2021-04-25	2021-04-28	2025-06-27	251
HWL 12807	MB12807	CANALASKA LTD.	URANIUM	2021-04-24	2021-04-28	2025-06-27	247
HWL 12808	MB12808	CANALASKA LTD.	URANIUM	2021-04-24	2021-04-28	2025-06-27	235
HWL 12809	MB12809	CANALASKA LTD.	URANIUM	2021-04-25	2021-04-28	2025-06-27	242
HWL 12855	MB12855	CANALASKA LTD.	URANIUM	2021-04-25	2021-04-28	2025-06-27	256
HWL 12856	MB12856	CANALASKA LTD.	URANIUM	2021-04-25	2021-04-28	2025-06-27	249

Property Location and Description

The Halfway and Resting properties are located in northern Manitoba at the southern portion of the Thompson Nickel Belt (TNB). The Halfway property is located approximately 80 km south of the City of Thompson (Figure 4-1). The centre of the Halfway property is located at approximately 55°04' N Latitude, 98°39' W Longitude (NAD83 Zone 14N 538,630 mE and 6,102,075 mN), approximately 600 km north of the City of Winnipeg (Figure 4-1).

The Resting property consists of 11 contiguous claims totalling 2322 ha (Figure 4-3). The claims were staked in March, 2021 and remain in good standing until May, 2025 (Table 4-2).

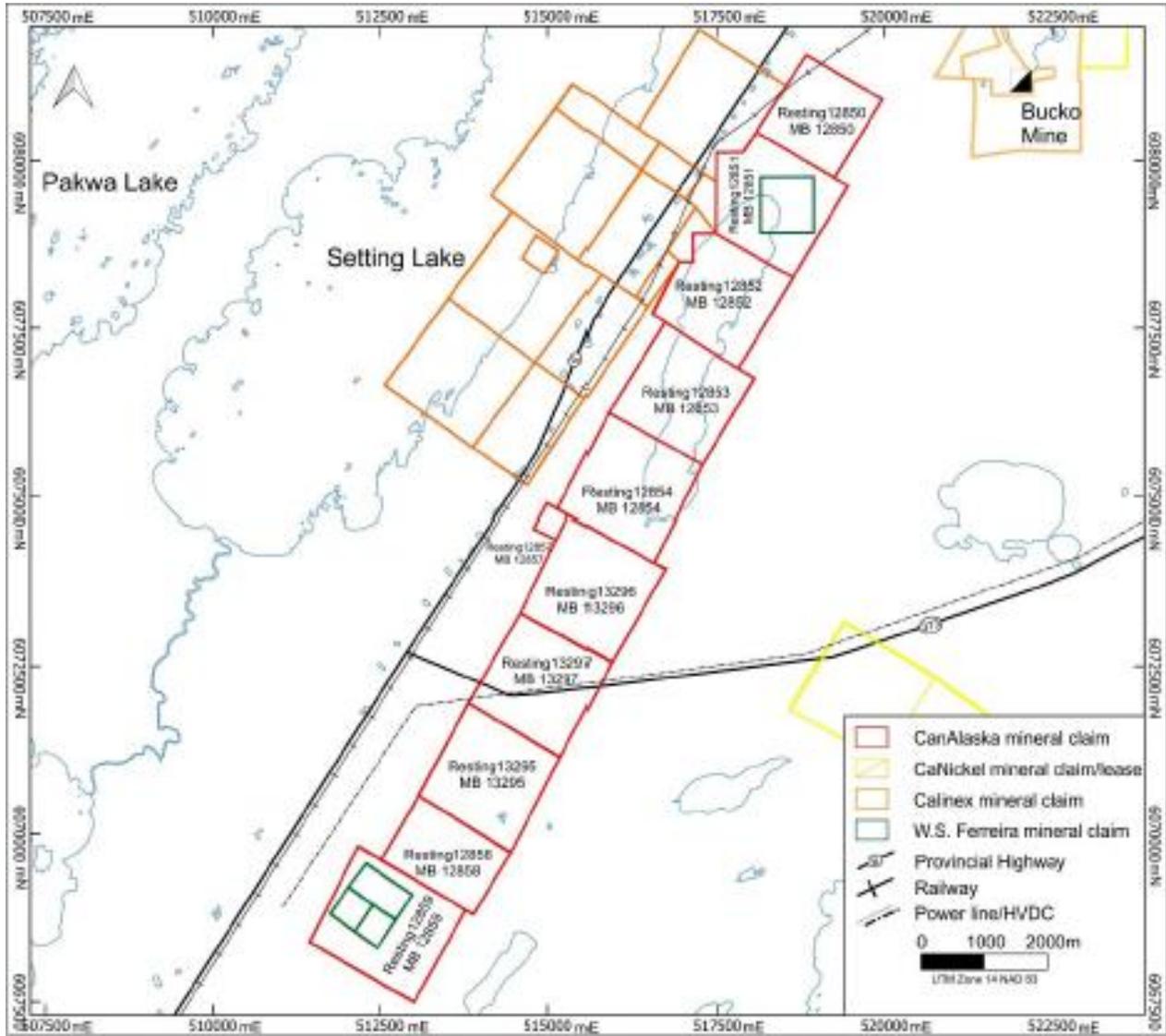


Figure 4-3. Location of the Resting Lake claims

Table 4-2 Summary of Resting claims

CLAIM NAME	CLAIM #	HOLDER	STAKED	RECORDED	EXPIRES	AREA (ha)
RESTING 12850	MB12850	CANALASKA URANIUM LTD.	2021-03-02	2021-03-22	2025-05-21	183
RESTING 12851	MB12851	CANALASKA URANIUM LTD.	2021-03-02	2021-03-22	2025-05-21	193
RESTING 12852	MB12852	CANALASKA URANIUM LTD.	2021-03-01	2021-03-22	2025-05-21	238
RESTING 12853	MB12853	CANALASKA URANIUM LTD.	2021-03-01	2021-03-22	2025-05-21	256
RESTING 12854	MB12854	CANALASKA URANIUM LTD.	2021-03-01	2021-03-22	2025-05-21	256
RESTING 12857	MB12857	CANALASKA URANIUM LTD.	2021-03-10	2021-03-22	2025-05-21	16
RESTING 12858	MB12858	CANALASKA URANIUM LTD.	2021-02-27	2021-03-22	2025-05-21	170
RESTING 12859	MB12859	CANALASKA URANIUM LTD.	2021-03-03	2021-03-22	2025-05-21	242
RESTING 13295	MB13295	CANALASKA URANIUM LTD.	2021-02-27	2021-03-22	2025-05-21	256
RESTING 13296	MB13296	CANALASKA URANIUM LTD.	2021-02-28	2021-03-22	2025-05-21	256
RESTING 13297	MB13297	CANALASKA URANIUM LTD.	2021-02-28	2021-03-22	2025-05-21	256

The maintenance of mineral dispositions in Manitoba requires the annual expenditure of \$12.50 per hectare for the first ten years, and the expenditure of \$25.00 per hectare thereafter. An annual report of work, a summary of the annual exploration activities and an accounting of the associated expenditures, is required. The full disclosure of exploration work and the inclusion of all data generated is required. In lieu of required annual exploration expenditures, Manitoba allows a cash payment equal to the value of required expenditures, refundable for a period of five years. Within this period, the value of exploration expenditures applied to the disposition are refunded following the submission of a report of work. Mineral exploration expenditures in excess of the requirements are credited towards future assessment requirements.

Renewal applications and assessment reports are submitted along with a filing fee of \$13 per claim per year. Assessment credits can be applied to the renewal of any claim within a 3,200 ha contiguous area within a designated grouping.

Mineral exploration in Manitoba requires an authorization (work permit) from the Department of Environment, Conservation and Parks to occupy Crown land and conduct mineral exploration. The issuance of work permits is subject to a Crown assessment on whether the proposed mineral exploration activities may impact the exercise of the treaty rights of Aboriginal peoples under Section 35 of the Constitution of Canada. The Department of Natural Resources and Northern Development is responsible for conducting Crown-Aboriginal consultation.

Aboriginal Communities

The Halfway Lake and Resting Lake properties are located within the Traditional lands of the Community of Wabowden, an aboriginal community located 110 km south of the City of Thompson. The Community of Wabowden was established in its current location in the 1920s with the establishment of the railway. The community has a population of approximately 400 dominated by people of métis descent and Aboriginal people originating from the Cross Lake Band of Indians (Pimicikamak Cree Nation).

The Community of Wabowden has a degree of control over the management of its traditional territory through provisions of the Northern Flood Agreement, which established Resource Management Boards.

The traditional territory of Wabowden was impacted by hydroelectric development on the Nelson River by Manitoba Hydro. Accommodation of the impacts of northern hydroelectric development are the focus of the 1996 Northern Flood Agreement (NFA) between a number of northern Manitoba First Nations and Aboriginal communities, including Wabowden, Manitoba and Canada. The NFA provided financial compensation to the affected First Nations and also granted signatory First Nations certain rights in regard to the management of their traditional territories. To accomplish a process for a degree of First Nation management and development on their traditional territory, Resource Management Boards (RMB) were established to manage this process. The RMBs are composed of First Nation representatives and Manitoba government appointees. The RMBs meet regularly, generally on a quarterly schedule.

In the context of mineral exploration, Manitoba is constitutionally obligated to consult with Aboriginal communities and Treaty rights holders before authorizing mineral exploration activities. Consultation is a government-to-government process led by Manitoba. For mineral exploration activities, consultation takes place between First Nation Chief and Council and the Manitoba Natural Resources and Northern Development, the government department with

responsibility for the regulation of mineral exploration. In First Nations with Resource Management Boards, the RMB provides Chief and Council with information and recommendations regarding proposed mineral exploration activities. Alternately, First Nation leadership may delegate the management of the consultation process to the RMB.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access

The Halfway Lake property is located approximately 100 km south of the City of Thompson and the Resting Lake property is an additional 40 km south. Access to the Halfway Lake and Resting Lake properties is via an all-weather road (Highway 6) that connects Thompson to southern Manitoba. The north claim block of the Halfway Lake property is located approximately 5 km east of Highway 6 and can be accessed by a gated forestry road. The south claim block of the Halfway Lake property is located approximated 2 km east of Highway 6 and has limited surface access.

The Resting Lake property is located 5 km south of the community of Wabowden, immediately east of Provincial Highway 6. Provincial Trunk Highway (PTH) 373 crosses the Resting Lake property south of Resting Lake. A 230 KV electric transmission line follows Highway 6 immediately west of the highway. BiPole 3, a high voltage direct current (HVDC) transmission line crosses the Resting Lake property along PTH 373.

Climate

The climate is cold temperate continental with a temperature range generally from -25°C in January and February to 25°C in July and August. In the City of Thompson, the average temperature is approximately 21°C in the summer (high of 23.1°C in July) and -27.3° C in the winter (low of -29.3°C in January), for an average temperature of -2.9°C. Annual precipitation averages 509 mm as rain and 1.87 m as snow. Thompson's cold climate, facilities and ease of access has made it a popular cold-weather testing location for automobile, snowmobile and aircraft jet engine manufacturers.

Freeze-up starts in mid-October and break-up starts in mid-May. Approximately a third of the year is frost free (average of 120 days) at the Property. Snow falls typically between November and April and accumulates to depths of up to two metres. Lake ice forms in mid- to late-October and thaws in late May.

Drilling can be conducted year-round, except during the spring thaw in mid- April and May. Geological mapping and outcrop sampling can be conducted May to November when the ground is not snow-covered.

Physiography

The Halfway Lake and Resting Lake properties area is low rolling country with relief limited to a few metres around 250 m above sea level. The Halfway Lake property is located on Halfway Lake and the area drains gently north towards the Burntwood River, which flows north and eventually joins the Nelson River system. The region is covered by a thick veneer of clay-rich glacial till, resulting in a very low incidence of bedrock exposures. The average overburden depth reported in drill holes on the Halfway property is 19 m. Outcrop exposures are generally restricted to higher ground and are generally dominated by basement gneisses; exposures of supracrustal and ultramafic intrusive rocks are rare. Higher ground in the area is dominated by sparsely treed areas supporting mixed spruce and local jack pine stands separated by low areas dominated by larch swamps and open muskeg

The relief in the north basin of Halfway Lake affords the exposure of numerous bedrock outcrops along the shoreline. The number of bedrock outcrops decreases towards the south basin of Halfway Lake as a result of lower topographic relief. Bedrock outcrops in the Resting Lake area are restricted to the northeast portion of the lake, where a large ridge of basement gneiss is exposed along the lake and along a broad ridge rising along the east side of Resting Lake. Generally, the thick glacial sedimentary cover in the Resting Lake area precludes exposed basement outcrops. The southern portion of the Resting Lake property is transected by a major high voltage direct current (HVDC) electrical transmission line, which creates a significant electromagnetic halo that interferes with geophysical electromagnetic surveys.

Local Resources

The closest community to the Halfway Lake and Resting Lake properties is the Community of Wabowden. Wabowden is serviced by hard surface road and rail (passenger and freight) infrastructure, including daily bus service to Thompson and Winnipeg. The community has a K-12 public school, post office, RCMP police detachment, nursing station, volunteer fire department, hotel/restaurant, grocery store and vehicle fuel sales. Wabowden also hosts a number of heavy equipment operators and Manitoba Highways regional road repair and snow clearing depot.

The Halfway Lake and Resting Lake properties are located within driving distance of the City of Thompson. The City of Thompson has a population of 13,678 and is the largest community in Northern Manitoba. The city acts as the regional service centre for northeastern Manitoba. The City of Thompson is connected to southern Manitoba by Provincial Highway 6, a hard surfaced, all-weather road. Thompson is serviced by the Thompson Airport, the third-busiest airport in Manitoba, which hosts a 1768 m asphalt runway, passenger terminal, hanger/cargo and fueling facilities.

Thompson represents the regional health centre with facilities including the Thompson General Hospital, dental services, personal care homes and an Addictions Foundation of Manitoba facility. Thompson has a wide variety of shopping opportunities, restaurants, hotels, vehicle dealerships and professional services. The University College of the North is headquartered in Thompson. The region is serviced by telephone, cellular telephone and broad-band internet and cable television services.

The region has excellent infrastructure for mining development. Thompson is serviced by 230 kV hydroelectrical service provided by Manitoba Hydro. Manitoba's industrial electricity rates are amongst the lowest in North America.

The City of Thompson is serviced by passenger and freight rail service provided by Hudson Bay Railway. Regular passenger bus service is also available. As a regional service centre, Thompson is serviced by several major trucking companies, with warehousing in Thompson.

Thompson was established as a mining town, and accordingly has a skilled labour force available and abundant mining support infrastructure. INCO developed the Thompson deposits building an integrated mining, milling and smelting complex producing over 100 million pounds of refined nickel annually. Recently updated federal environmental emissions standards resulted in the suspension of smelting/refining operations, placing the Thompson smelter and refinery on care and maintenance, and shifting Vale's operation to mining and milling, with nickel concentrate shipped south by truck.

In addition to the major metallurgical facilities in Thompson, the 1000 tpd Bucko nickel mill, located 120 km south of Thompson in the village of Wabowden, remains on care and maintenance since the suspension of operations in 2012.

History

The summary of the historic mineral exploration presented in this section is based on data provided in assessment files (AF) available from the Manitoba Government Mines Branch online database. In response to the COVID-19 pandemic access by the general public to government assessment and mining files has been restricted. Accordingly, the preparation of this report relies heavily on electronic files provided by the Province of Manitoba. Due to the separation of the two properties comprising the focus of this report, the exploration history is presented in two sections, each specific to the respective properties.

Halfway Lake

Exploration in the Halfway Lake area started with an airborne aeromagnetic survey in 1949 conducted by INCO (AF90614) covering the southern Thompson Nickel Belt and the Snow Lake area. The next exploration activity reported is a 1958 airborne magnetic and electromagnetic survey covering the southern TNB conducted by Gresham

Exploration (AF90619). Unfortunately, the quality of the data of this survey provided by the Manitoba government website does not allow for the determination of the data coverage with respect to the property.

The first diamond drilling reported in the property area is drilling conducted by National Malartic and Consolidated Marbenor in 1959 (AF39381/93984). Malartic drilled five closely spaced holes in northeast Halfway Lake, intersecting narrow, pyrrhotite-rich horizons hosted by gneisses grading up to 1% Ni, and four drill holes in the southern claim block that did not return significant results. Malartic completed their exploration efforts in the Halfway Lake area in 1961 with the completion of drill hole in the southern claim block (AF92516). Drill hole W162A-1 intersected a broad zone of weakly mineralized peridotite.

Falconbridge Nickel Mines (eventually Falconbridge Ltd.) established what would become a long-standing presence in the southern TNB with the completion of airborne magnetic and EM surveys in 1960 (AF98875) and 1961 (AF98870) followed the acquisition of a significant land position and drill programs starting in 1961. Falconbridge exploration efforts continuing every year after until 1968, and frequently through the 1970s. Falconbridge and its successors maintained the property position that included the Halfway Lake property until large portions of this property position were optioned to Crowflight Minerals in 2005. Crowflight was subsequently renamed CaNickel Mining Ltd. following an ownership change in 2011.

Falconbridge focused the majority of their early drill efforts and supporting ground geophysical surveys on a series of geophysical anomalies in the northwest (M70), northeast (M19), east (M20) and southwest (W62) portions of Halfway Lake. The M19 anomaly area corresponds to the anomalies targeted by Malartic with their 19 series drill holes. Early exploration efforts by Falconbridge included drilling in the M70 and M19 areas (AF92369) and W62 areas (AF92518/93558) and follow up ground magnetic and EM surveys (AF92419) in advance of additional drilling of targets in the M19, M70 and W62 areas.

Subsequent drilling by Falconbridge between 1962 and 1968 returned numerous intercepts of favourable rock types, including Pipe Formation, sulphur-bearing sediments and variably serpentinized ultramafic intrusive rocks with low grade nickel and copper assays (AF92419/93546/93985/98363/92313/92414/93979). Drilling in 1962 focused on geophysical anomalies M70 and M19 in the north basin of Halfway Lake (AF92369) and the south basin W62 anomaly area (AF92518/93558). The M70 and M19 drill holes returned sulphidic gneisses with rare peridotite intercepts. Drilling in the W62 anomaly area intersected minor sulphidic horizons. Follow up drilling in 1962 in the north and south basins were completed with drill holes in the W62 anomaly area intersecting sulphidic sedimentary Pipe Formation rocks closely associated with peridotite/serpentinite. Drill hole W62-D intersected a serpentinite body with three mineralized horizons; the main one contained 18.9m at 0.68% Ni, including 3.05m at 1.32% Ni (AF93558).

Drilling in 1964 to 1979 tested other targets in the Halfway Lake area, supported by airborne and ground geophysical surveys (AF93982/93987/99530/99899). This drilling confirmed the presence of ultramafic intrusive rocks and Pipe Formation sulphidic sedimentary rocks underlying Halfway Lake. Notable results reported include drill hole W118-25 (AF92293) that intersected numerous intervals of serpentinite and 51' of semi-massive pyrrhotite, and drill hole M118-6 (AF92416), which intersected 379' of serpentinite in the M19 anomaly area.

Starting in 1964 drilling in the M20 anomaly area identified mineralized serpentinite in eastern Halfway Lake. Subsequent drilling of the M20 anomaly over several decades would outline significant nickel mineralization that comprises the Halfway Lake deposit currently held by CaNickel Mining.

The large property position held by Falconbridge largely prevented other companies from exploring the Halfway Lake property area currently held by CanAlaska. AMAX flew an airborne magnetic and AFMAG/AFMAG/EM survey that covered the southern TNB in 1967 (AF91660), overflying the Falconbridge properties. National Malartic completed drill hole 26-173A (AF90698) on the eastern margin of the north Halfway Lake claim block in 1978.

Falconbridge maintained their large property position in the southern TNB, although exploration on the Halfway Lake property experienced a hiatus between 1979 and 1991. Renewed Falconbridge interest in the southern TNB started in 1991 with the completion of an airborne GEOTEM/magnetic survey of their extensive land package (AF72564). This was followed up in 1992 with ground magnetic/HLEM surveys of selected areas on the Halfway Lake property (AF72495) and drilling in 1994 (AF72733) and 1995 (AF72905) testing the W62 and M20 anomaly areas, respectively. Pipe Formation sulphidic sediments and thick intervals of serpentinized peridotite were intersected returning low nickel assays.

The most recent exploration work on the Halfway Lake property is work completed in 2004 and 2005. INCO completed drill hole 1025970 and completed an acoustical magnetotelluric (AMT) survey (AF74127) on the northwestern boundary of the Halfway Lake north claim block in 2004 and flowed up with a ground UTEM survey in 2005 (AF74242). Falconbridge completed an airborne MEGATEM survey covering Halfway Lake in 2005 (AF74232).

Resting Lake

Exploration in the Resting Lake area...started with an airborne magnetic survey conducted by INCO in 1949 (AF91614), and magnetic/EM surveys by Gresham in 1958 (AF90619). The first drill holes were completed by Consolidated Marbenor in 1961 with two drill holes located at the north end of Resting Lake (AF90622) and two drill holes located at the south end of Resting Lake (AF90631). Both areas yielded thick intercepts of barren to very weakly mineralized serpentinite.

Falconbridge acquired a large land package including the Resting Lake area and conducted airborne magnetic/EM surveys in 1960 (AF98875) and 1961 (AF98870). An additional airborne magnetic survey of the Resting Lake area was completed in 1962 (AF99521). Follow up drilling targeted anomalies south of Resting Lake were conducted in 1962 (AF92931), 1963 (AF93555) and the north end of Resting Lake in 1964 (AF98396). The latter two drill programs identified significant serpentinite intercepts south of Provincial Road 373 and north of Resting Lake, respectively.

Ground geophysical surveys in subsequent years (AF93951/93958/94395/98186/93554) refined targeting for follow up drilling in 1968 and beyond. Drilling in 1968 (AF98187) focused on targets in the southern portion of the Resting Lake property that returned disappointing results with no serpentinite intersected. Additional drilling in 1974 (AF92974/93950) targeted geophysical anomalies at the north end of Resting Lake and south of Provincial Road 373, respectively. Both target areas returned intervals of weakly mineralized serpentinite. The final drilling conducted on the Resting property during Falconbridge's period of ownership in the 1970s focused on the very southern portion of the Resting Lake property and returned no significant results. Falconbridge conducted ground geophysical surveys of the southern Resting Lake property and drilled a single drill hole located at the southern limit of the Resting property (AF92988) in 1975 and flew a helicopter airborne magnetic/EM survey covering the southern Resting property (AF99530) in 1977.

The most significant nickel mineralization discovered in the Resting Lake area is the result of exploration activities conducted by AMAX, La Ronge/Granges and INCO in the late 1960s and early 1970s. These companies delineated nickel-copper mineralization hosted in serpentinitized peridotite in three locations centred on Resting Lake.

AMAX conducted an airborne magnetic/EM survey (AF91660) covering Resting Lake in 1967 followed up by drilling of anomalies in 1967 and 1968 (AF92533). Drilling of targets in the central Resting Lake area resulted in the discovery of the AMAX zone, highlighted by drill hole MXR68-7 that intersected 4.0m grading 0.67% Ni.

La Ronge Exploration and Granges conducted intensive drill programs in the northern Resting Lake area starting from 1971, which continued until 1974 (AF92534/93544/92425/92450/92492/92530/92521). These programs resulted in the discovery of the Resting Lake deposit (currently held by W.S. Ferreira Ltd); highlighted by drill hole LR72-29 that intersected 15.6m grading 1.35% Ni (AF92450).

INCO maintained a property position in the Resting Lake area in the mid-1960s through the 1990s and completed a number of drill holes in the central Resting Lake area and south of Resting Lake. Notably, INCO drilling delineated a narrow zone of zinc mineralization grading up to 4.5% Zn over 1-2m intercepts (AF92850) in the central Resting Lake area. INCO's other property position of note in the Resting Lake area was the Reed occurrence located south of Resting Lake, which is currently held by W.S. Ferreira Ltd. The Reed occurrence consists of mineralized serpentinite containing disseminated sulphides with drill intercepts grading up to 2.86% Ni over 1.77 m.

Exploration activities in the Resting Lake area were largely dormant through the 1980s until the early 1990s when Falconbridge re-established a presence in the southern TNB. Their efforts started with an airborne magnetic/EM (GEOTEM) survey of the region in 1991 (AF72564). This was followed up by ground magnetic/HLEM surveys

(AF72557) and a drill program highlighted by drill hole PC92-1A that intersected 213m of barren serpentinite in the southern portion of the Resting property adjacent to the Reed occurrence. Falconbridge completed ground magnetic/HLEM surveys in 1995 (AF94371) but did not complete any follow up drilling on the Resting Lake property.

INCO re-established a presence in the southern TNB in 2002, staking 232 claims totaling more than 54,000 ha, including the area of the Resting Lake property south of Resting Lake. INCO completed an audio magnetotelluric (AMT) survey on the property in 2004 (AF74127). Follow up drilling did not take place within the Resting Lake property.

Renewed exploration by Falconbridge in 2005 focused on the La Ronge and AMAX zones and included a regional MEGATEM airborne survey (AF74232), followed up with ground magnetic/EM surveys and the completion of two drill holes (AF74270) testing the north extension of the La Ronge zone. The drill holes confirmed the presence of weakly mineralized serpentinite but did not return any significant assays.

The final exploration activities reported on the Resting Lake property were completed by successor companies of Falconbridge. Crowflight Minerals optioned the south TNB property from Falconbridge in 2005. Reported exploration included relogging of Granges drill holes and reinterpretation of magnetic data (AF74324) and the completion of an airborne magnetic/VTEM survey covering the southern portion of the Resting Lake property in 2007 (AF74558). CaNickel Mining (formerly Crowflight Minerals) completed a ground magnetic/TDEM survey in 2016 covering the southern Resting Lake property (AF63P1649).

Geological Setting and Mineralization

Regional Geology

The Halfway and Resting lakes properties are located in the southern Thompson Nickel Belt (TNB), which is a 150 km long nickel metallotect extending from Phanerozoic cover in the south, to north of the City of Thompson. The TNB is one of the largest nickel producing regions in the world with mines and deposits located throughout the belt. The geology of the TNB (Figure 7-1) consists of Proterozoic sedimentary and volcanic rocks comprising the Oswagan Group deposited unconformably on Archean basement during a period of continental rifting of the Superior Province margin (Bleeker, 1990). The intrusion of ultramafic dykes and sills into the Oswagan Group resulted in the development of Ni-Cu-Co mineralization.

Nickel deposits hosted by the TNB reflect the confluence of Proterozoic sulphur-rich sedimentary rocks comprising the Oswagan Group (Scoates et al., 1977) and ultramafic intrusive rocks intruded during the rifting of the Superior Province margin. Overlying the Oswagan Group is a number of sedimentary sequences, including terrestrial and shallow water conglomerate and sandstone comprising the Grass River Group and successor fluvial/alluvial sediments of comprising the Kiskeynew Basin.

The TNB is characterized by intense, polyphase deformation and high metamorphic grades, producing a complex 3-dimensional geometry and complex lithostratigraphy. The metamorphic grade ranges from middle amphibolite to granulite making the recognition of protoliths difficult. This complexity is exacerbated by very poor bedrock exposure resulting from the deposition of a thick glacial till sheet. The understanding of the tectonostratigraphy of the Oswagan Group and the relationship with magmatic nickel mineralization has been elucidated through the detailed analysis of bedrock exposures generated through open pit and underground mining operations, drill core, geophysical data and widely-spaced outcrop exposures.

The development of nickel-rich deposits in the TNB has been demonstrated to relate to specific stratigraphic positions dictated by the presence of favourable Oswagan Group intruded by ultramafic intrusive rocks (Bleeker, 1990, Macek, 2006) overlying and intercalated with Archean basement consisting of highly metamorphosed granitic gneiss, locally including retrograded granulites. Accordingly, the determination of nickel prospectivity is highly dependent on the determination of the distribution of prospective Oswagan Group supracrustal rocks and ultramafic intrusive rocks in a highly deformed terrane. This is further complicated by the lack of outcrop exposures in areas of exploration, requiring significant remote sensing and interpretation to determine areas of magmatic nickel deposit prospectivity.

The tectonostratigraphy of the TNB reflects the deposition of Paleoproterozoic supracrustal rocks in a rift environment along the margin of the Archean Superior province, and the subsequent intrusion of fertile, ultramafic magmas into the supracrustal stratigraphy. The development of magmatic nickel-copper-cobalt deposits reflects the convergence of sulphidic supracrustal rocks and ultramafic intrusions.

Archean Basement

The basement of the TNB represents the western margin of the Archean Superior province, consisting of undifferentiated ca. 2.7 Ga quartzofeldspathic gneisses and lesser mafic to ultramafic rocks, the latter generally forming scattered lenses, interpreted as boudins of earlier dykes. The basement has experienced very high metamorphic grades, with mineral assemblages consistent with middle to upper amphibolite facies, generally forming multicomponent migmatite. Local areas of preserved granulite facies rocks indicate that the margin of the Superior Province contains a component of re-worked Pikwitonei Granulite Domain rocks, which occupy the Superior Province margin east of the TNB.

Ospwagan Group

The Ospwagan Group represents a cover sequence deposited unconformably on the Superior province margin. The Ospwagan Group presumably represents a thin sequence, although a determination of the stratigraphic thickness is made difficult by the intense deformation affecting the TNB. The base of the Ospwagan Group is dominated by siliciclastic sedimentary rocks, succeeded by clastic and chemical sedimentary rocks and capped by ultramafic to mafic volcanic rocks. The Ospwagan Group, along with the Archean basement gneisses, is intensely deformed, characterized by early isoclinal folding and a complex sequence of deformational events that has produced a complex geometrical distribution of units. This is generally characterized by the attenuation of units along macroscopic fold limbs and thickening of units in fold hinges. The Ospwagan Group has also experienced high grade metamorphism, significantly altering protoliths. In spite of the intense deformation and metamorphism, the stratigraphic relationship between the respective members has been elucidated (Bleeker, 1990). The Ospwagan Group consists of a cover succession consisting of four clastic and chemical sedimentary formations: Manasan, Thompson, Pipe and Setting followed by the Bah Lake mafic/ultramafic volcanic formation (Bleeker, 1990). The age of the Ospwagan Group is not well constrained, but is assumed to be older than the ca. 1.88 Ga Molson ultramafic dykes that intrude the supracrustal stratigraphy.

The Manasan Formation (M) consists of two clastic sedimentary members. The lower member consists of quartzite and finely laminated sandstone ranging in composition from subarkose to arkose and wacke (M1), and even though a basal conglomerate has not been identified, local thin basal units of quartz pebble conglomerate demarcate the unconformity with the underlying Archean basement. The upper member consists of semipelitic schist and biotite quartzofeldspathic gneiss (M2).

The Thompson Formation (T) is primarily composed of calcareous semi-pelite and marble divided into three members. The lowest member consists of thinly-layered medium to coarse-grained schist (T1). The second member consists of biotite-rich calcareous schist (T2). The upper member consists of dolomitic marble (T3). Thompson Formation rocks generally form calc-silicates at upper amphibolite facies.

The Pipe Formation (P) is an important nickel mineralization host formation in the TNB. The Pipe Formation is composed of pelitic to semi-pelitic schists and paragneisses interbedded with sulphide, silicate and cherty iron formation divided into three members. The lower member consists of a sequence of iron formation, graphitic at the base, containing a variety of silicate and sulphide facies iron formations (P1). The P1 member is overlain by a sequence of coarse-grained, sillimanite-garnet-biotite quartzofeldspathic gneiss and local sulphide facies iron formation (P2). The uppermost Pipe Formation member (P3) is a highly variable succession of medium-grained, sulphidic, biotite-muscovite quartzofeldspathic schist intercalated with semi-pelite and calcsilicate. The P3 member is appears to be a critical stratigraphic component for the development of Ni-Cu-Co mineralization in the TNB.

The Setting Formation (S) marks the top of the sedimentary sequence and includes all clastic sedimentary rocks that are stratigraphically above the upper Pipe Formation P3 iron formation and below the mafic volcanic rocks

comprising the Bah Lake Formation. The Setting Formation consists of quartzite, wacke, semi-pelitic to pelitic schists and paragneisses interpreted to represent medium to coarse-grained turbiditic rocks.

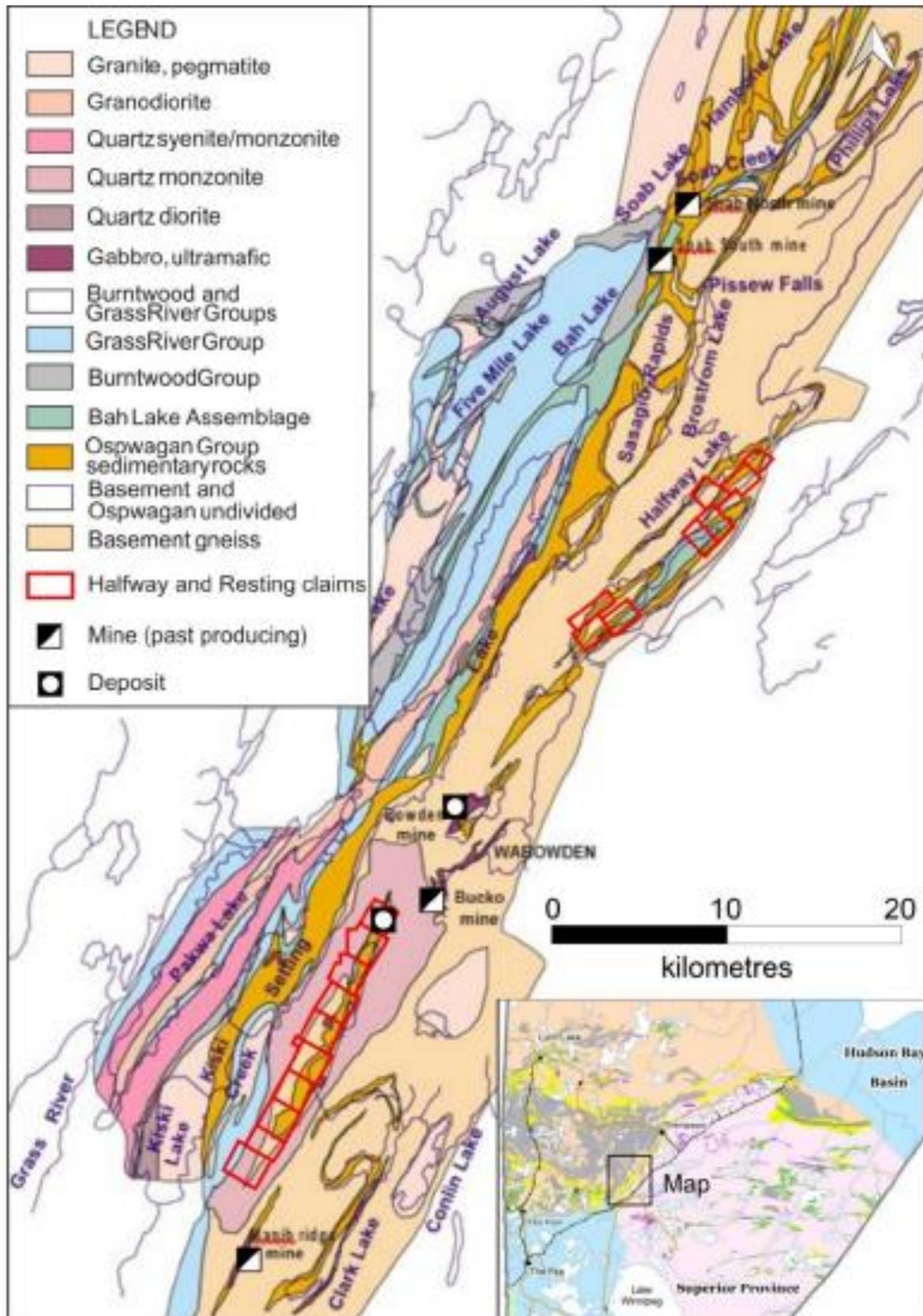


Figure 7-1. Geology of the Thompson Nickel Belt, (after Burnham et al., 2003).

The Bah Lake Formation consists of mafic to ultramafic volcanic rocks and sills with rare interflow sediments lying stratigraphically above the Setting Formation. The rocks comprising this formation were deposited as pillowed to massive flows, breccia and intrusive units. Locally gabbro represents a significant portion of the formation's stratigraphy.

Intrusive Ultramafic Rocks

The nickel prospectivity of the Thompson Nickel Belt is in many degrees a function of the interaction of sulphide-bearing sedimentary rocks with fertile ultramafic intrusive rocks. Ultramafic to mafic dykes and sills (Molson dykes) intrude throughout Oswagan Group stratigraphy generally forming lensoid to tabular bodies. Ultramafic intrusions are highly tectonized and appear to have experienced all phases of deformation experienced by the Oswagan Group, suggesting that ultramafic emplacement occurred following sedimentation but prior to the deformation of the Oswagan Group.

Ultramafic intrusive rocks have a diverse range in composition, interpreted to reflect differing degrees of differentiation, and include dunite, peridotite and a variety of differentiated bodies consisting of basal, olivine-rich cumulate zones and upper zones of pyroxenite and gabbro. Cumulate zones contain variable amounts of chromite forming chromite-bearing dunite, which with upwards decreasing olivine contents, grades towards pyroxenite.

Ultramafic bodies intrude throughout the basement and Oswagan Group stratigraphy. The stratigraphic location of ultramafic intrusions appears biased toward the lower Oswagan Group, with the majority of ultramafic rocks intruding the Pipe and Thompson formations. The size of the ultramafic bodies does not appear to correlate with the stratigraphic level of emplacement, but the degree of mineralization does not appear to be related with intrusion size, as the largest ultramafic intrusions are either unmineralized or weakly mineralized (Burnham et al., 2003).

Grass River Group

The Grass River Group (GRG) consists of a sequence of siliciclastic sedimentary rocks overlying the Oswagan Group, Bah Lake formation volcanic rocks. The sequence locally appears to unconformably overly the Oswagan Group, although the contact is generally highly tectonized. Elsewhere the contact with the underlying Oswagan Group is tectonic, interpreted as an eastward vergent thrust fault (Burnham et al., 2009). The GRG is composed of non-marine conglomerate and sandstone that occupy the eastern margin of the Kisseynew Domain. The GRG appears to grade into Burntwood Group turbidites towards the Kisseynew basin core.

Kisseynew Basin

The Oswagan Group is succeeded by allochthonous sediments comprising the Kisseynew Domain (Zwanzig, 1999). The Kisseynew Domain represents a successor basin developed during the Trans Hudson Orogen and consists of Burntwood Group turbiditic rocks occupying the core of the Kisseynew basin, and fluvial-alluvial sandstone and conglomerate of the Sickie Group generally occupying the margins of the Kisseynew basin. The age of the Kisseynew basin sedimentary rocks is ca. 1.85-1.83 Ga. The contact between the Oswagan Group and Kisseynew domain rocks is interpreted to be a thrust fault, with the Kisseynew domain dipping east, under the Oswagan Group and Superior Province margin (Burnham et al. 2009).

Structural Geology and Metamorphism

The Thompson Nickel Belt is a highly deformed, highly metamorphosed terrane. The TNB has experienced at least four periods of penetrative deformation reflecting the evolution of the western margin of the Superior province, the collision with the Reindeer (internal) zone of the Trans Hudson Orogen (THO) and the terminal collision with the Hearne Province during the assembly of the Laurentian Craton.

The early deformation of the Oswagan Group supracrustal rocks is reflected in the isoclinal folding of the Oswagan Group, resulting in fold thickening of supracrustal units prior to the intrusion of early mafic dykes (Bleeker, 1990). The resulting macroscopic geometry of the TNB is dominated by the interaction between the second and third phases of deformation. The second phase of deformation D2 produced shallow-plunging macroscopic, recumbent isoclinal folds overprinted by steeply-plunging D3 folds producing a dome and basin (egg carton) fold interference geometry with a northeast-trending long axis. Later deformations produced minor refolding but does not significantly alter the macroscopic geometry of the Oswagan Group.

The deformational history of the TNB records the emplacement of an easterly-verging nappe structure over the Kisseynew Basin (Bleeker, 1990). According to this interpretation of the macroscopic structural geometry, the majority of nickel deposits are located on the overturned limb of the regional nappe structure.

The TNB has experienced high-grade metamorphism that has produced significant changes in the mineralogy of the rocks comprising the nickel belt. The exposure of the granulite facies rocks east of the TNB suggests that the Superior Province margin experience rifting, bringing granulite facies rocks comprising the Pikwitonei Domain to surface prior to the deposition of the Oswagan Group supracrustal rocks. Subsequent burial exposed the Oswagan Group to upper amphibolite facies conditions before their exhumation through nappe emplacement during the later stages of the assembly of the Laurentian craton. In this interpretation, the TNB nappe lies in the hanging wall of a major thrust fault juxtaposing the TNB above the eastern margin of Kisseynew Domain sedimentary rocks.

Halfway Lake Property Geology

The Halfway Lake property is overlain by a thick veneer of clay-rich glacial sediments. Accordingly, the geology of the Halfway Lake property is inferred through geophysical responses locally confirmed by drill core intercepts. Exposed outcrop exposures on the Halfway Lake property are limited in the northern claim block and are relatively rare in the southern claim block. Accordingly, the understanding of the property geology is based on regional compilations of geophysical data and drill core review compiled by the Manitoba Geological Survey (Macek et al., 2006). This reliance of public sector data reflects the government's proprietary access to confidential company data and drill core and its aggregated publication. Much of this data was acquired through CAMIRO project 97E-02 (Burnham et al., 2009), an industry-supported, academic research project focused on the geology, metallogeny and geodynamic evolution of the Thompson Nickel Belt (TNB) and its mineral deposits.

The Halfway Lake property is underlain by a tightly folded sequence of Archean basement orthogneisses and Oswagan Group supracrustal rocks. The distribution of Oswagan Group supracrustal rocks delineated by their geophysical response and local diamond drill confirmation define a tight fold interference geometry. Critical to the prospectivity of the property, drilling by Falconbridge and its predecessors, Dunlop and others has identified a sequence of Oswagan Group, Pipe Formation sulphide facies iron formation and sulphidic sediments in close proximity to ultramafic intrusive rocks.

The geological compilation of Macek et al. (2006) is based on limited geological mapping, and relies on aeromagnetic data correlated with limited drill intercepts. The inferred geology of the Halfway Lake area corresponds well to the magnetic data, with greater magnetic intensities dominated by ultramafic intrusive rocks and Pipe Formation rocks. Notably, this includes sulphidic quartzite and impure quartzite in the north basin of Halfway Lake observed by the Author.

The regional compilation of the geology, drill core and geophysics completed by the Manitoba Geological Survey (Macek et al., 2006) notes that the composition of the Oswagan Group in the southern TNB outlines a relatively complete Oswagan stratigraphic sequence including Pipe Formation silicate and sulphide facies iron formation and ultramafic intrusive rocks in a tight synform-antiform pair. A number of ultramafic intrusions intrude the Oswagan Group stratigraphy in this area with the complexity of the inferred map pattern suggesting a complex internal geometry resulting from a prolonged, intense deformational history.

There have been 36 diamond drill holes completed on the Halfway Lake north claim block and 23 diamond drill holes completed on the Halfway Lake south claim block. A limited number of drill holes are available for review during the preparation of this report. A number of drill holes were located and reviewed at the former Falconbridge (now CaNickel) core storage facility located in Wabowden. Drill holes W62K, HW94-01 and HW95-04 were located in

their entirety, with exception of the mineralized interval in drill hole W62K. Drill holes HW94-01 and HW95-04 both contained thick intercepts of weakly mineralized serpentinite and Pipe Formation pelite-semipelite. The mineralization consists of very fine-grained, disseminated pyrrhotite/pentlandite, which are weakly to moderately magnetic. Additional drill holes were located at the Manitoba Geological Survey core storage facility in Winnipeg. Unfortunately, all the drill holes stored in Winnipeg were abbreviated with short intervals of representative rock types intersected in the drill holes preserved, although serpentinite intervals were preserved in their entirety. Several drill holes intersected favourable geology, with examples of thick sequences of Pipe Formation semipelite recorded in drill hole M118-11 and weakly mineralized serpentinite in contact with laminated Pipe Formation pelite-semipelite in drill hole M118-8.

The limited outcrop observations and historic drill core review confirm the presence of Pipe and possibly Setting formations iron-rich sedimentary rocks as part of the supracrustal stratigraphy underlying the Halfway Lake properties. These rocks are in close proximity to ultramafic intrusive rocks, supporting the assessment that the Halfway Lake properties contain the requisite rock types for the potential development of magmatic nickel-copper-cobalt deposits.

Resting Lake Property Geology

The Resting Lake property is overlain by a thick veneer of clay-rich glacial sediments which limits the exposure of bedrock across the property. Bedrock exposures are limited to a ridge of basement gneisses exposed along the northeast shore of Resting Lake. Accordingly, the geology of the Resting Lake property is inferred through geophysical analysis corroborated by diamond drill hole intercepts.

The geology of the Resting Lake area is dominated by a tightly folded sequence of Ospwagan Group rocks forming a narrow antiform cored by Setting Formation rocks followed by Pipe Formation rocks centred on Resting Lake. A series of serpentinitized ultramafic intrusions is dispersed within the Ospwagan Group sedimentary rocks in a manner suggesting the distribution is the result of transposition and/or boudinage in response to intense deformation. The Ospwagan Group stratigraphy in the Resting Lake area does not appear to contain Bah Lake formation volcanic rocks.

The distribution of ultramafic rocks is imaged by their magnetic response, with larger ultramafic bodies returning significantly higher intensity responses imaged in total field magnetic intensity.

A review of drill core from the Resting Lake area available at the Manitoba Geological Survey core storage facility in Winnipeg was hampered by the abbreviation of the drill holes stored in the facility. In rare occasions, the representative core was sufficient to determine that serpentinitized ultramafic intrusive rocks are in close proximity to Pipe Formation sedimentary rocks. Fortunately, many of the serpentinite intersections remained intact, and are characterized by barren to weakly mineralized serpentinite containing very finely disseminated pyrrhotite/pentlandite.

Deposit Types

The rocks underlying the Halfway and Resting lakes properties are prospective for the development of magmatic-hosted nickel-copper-cobalt deposits. The Halfway and Resting lakes properties are located in a portion of the Thompson Nickel Belt underlain by supracrustal and intrusive rocks with the potential for the development of magmatic nickel deposits. This potential is demonstrated by the number of nickel deposits identified in the southern TNB in close proximity to the Halfway and Resting lakes properties. Critical to this evaluation is the proximity of sulphidic sedimentary rocks, such as Pipe Formation iron formation/sulphidic pelite and Setting formation sulphidic rocks identified in the project areas, and fertile, primitive ultramafic rocks; rock types critical to the development of magmatic nickel deposits.

The assimilation of sulphide-rich country rocks within ultramafic-mafic-hosts is acknowledged to be a critical feature for the development of sulphide nickel deposits worldwide. The general theory of magmatic-hosted sulphide-nickel mineralization involves the assimilation and digestion of sulphidic country rocks into a fertile, relatively unfractionated ultramafic magma. The elemental characteristics of sulphur introduced to chalcophile-rich, fertile ultramafic magma results in the preferential partitioning of nickel, copper, cobalt and other chalcophile elements (Goldschmidt, 1937) into the sulphide phase, as opposed to the silicate component of the magma. Sulphide and silicate

melts are inherently immiscible with the greater density of the sulphide phase sinking to the bottom of the magma chamber resulting in the concentration of chalcophile-rich sulphidic minerals forming nickel-sulphide deposits. Accordingly, nickel-copper exploration of ultramafic intrusions focuses on the delineation of the ultramafic stratigraphy to identify the lower portions of the magma chamber.

The Thompson Nickel Belt (TNB) represents one of the world's major nickel metallotects. The TNB hosts a number of past and presently-producing massive sulphide nickel deposits, most notably, Vale Canada's Thompson (ca. 120 MT @ 2.5% Ni), Birchtree (ca. 29 MT @ 2.0% Ni) and Pipe (ca. 22 MT @ 1.0% Ni) deposits (Bamburak, 1990). The Thompson mine continues to operate, with Vale recently announcing significant capital investments that will see mining and milling continue through 2030 (Vale press release, June 29, 2021). Mining operations were suspended at the Birchtree mine in 2017, with the mine placed on care and maintenance. The Pipe mine was closed in 1985 and the mine site has since been decommissioned and remediated.

The nickel mineralization comprising the TNB is interpreted to be the result of ultramafic rocks intruding into Oswagan Group, Pipe Formation sulphide facies iron formation and sulphidic sedimentary rocks along the rifted Superior Province margin (Burnham et al., 2009, and references therein). The nickel deposits in the TNB take a number of forms. Many are hosted by ultramafic intrusive rocks (i.e. Birchtree and Bucko deposits) that are interpreted as the original source of the nickel (autochthonous mineralization). The high degree of deformation and high metamorphic grade that characterizes the Superior Boundary Zone has resulted in the migration of nickel sulphide mineralization into low strain domains, such as fold hinges and fault zones, removing the mineralization from its original host (para-allochthonous mineralization). Much of this migrated mineralization incorporates country rock xenoliths giving it a breccia-like texture.

The nickel-copper-cobalt mineralization historically exploited in the southern TNB has been characterized as ultramafic-hosted sulphide mineralization. This characterization includes the Soab (north and south), Bucko and Manibridge mines. The nickel mineralization intersected in exploration drilling on the Halfway Lake and Resting Lake properties is consistent with this characterization. Drill holes on both properties have intersected thick intervals of peridotite/serpentine containing disseminated nickel mineralization.

The intersection of significant zinc mineralization in the central Resting Lake area suggests that the Oswagan Group stratigraphy may be prospective for the development of copper-zinc volcanogenic massive sulphide (VMS) style mineralization. The supracrustal stratigraphy comprising the Oswagan Group in the southern TNB contains formations (rock types) that are often associated with VMS mineralization in other regions. Notably, the sulphide facies iron formation representing the Pipe Formation P3 unit reflects the deposition of sulphide-rich sediments through a process similar to VMS mineralizing systems.

Exploration

Following the acquisition of the Halfway and Resting lakes properties, CanAlaska/Core Nickel conducted airborne magnetic surveys on the two properties. The Halfway Lake property was flown by a helicopter-based system with a 100m line spacing and 25 to 45m agl flight level. The survey totaled 309 line-km utilizing a full tensor gradiometer and total magnetic intensity sensor. The survey was completed on June 10, 2021.

The Resting Lake property was flown in two phases with phase one consisting of an unmanned aerial vehicle (UAV) survey that covered most of the property. Areas inaccessible to UAV were flown by a helicopter-based system using a triaxial gradiometer. The survey was flown with a 75m line spacing at a flight level averaging 50m agl. The survey totaled 569 line-km and the data was acquired between May 5th and June 18th, 2021.

The magnetic data acquired on the Halfway Lake property (Schimann, 2022a) are presented as total magnetic intensity (TMI) and tilt angle derivative (TADR). The 3D inversion of the magnetic field and displayed as susceptibility envelopes providing detailed views of the synformal structure occupied by supracrustal and ultramafic intrusive rocks in the north and south claim blocks, respectively.

The magnetic data acquired on the Resting Lake property (Schimann, 2022b) are presented as reverse to pole corrected total magnetic field (RTP) and tilt angle derivative (TADR). The 3D inversion of the magnetic field and displayed as

susceptibility envelopes providing detailed views of the numerous synformal structures occupied by ultramafic intrusive rocks on the Resting Lake property.

Drilling

CanAlaska/Core Nickel has not conducted any diamond drilling on the Halfway Lake and Resting Lake properties.

Sample Preparation, Analyses and Security

A large portion of the historic mineral exploration conducted on the Halfway Lake and Resting Lake properties was completed and reported before the advent of implementation of National Instrument (NI) 43-101 reporting requirements and the adoption of Canadian Institute of Mining and Metallurgy (CIM) Mineral Exploration Best Practices Guidelines. Accordingly, the data used in the preparation of this report, which was harvested from the online data repository assembled and disseminated through the Manitoba government Integrated Mining and Quarrying System (IMaQs) portal, relies on the review and confirmation by Manitoba Mines Branch during the process of assembling the provincial assessment file (AF) database. There was no geochemical data generated related to this report, and accordingly, there are no concerns regarding potential sample preparation, analytical or security issues.

Data Verification

The Author relied on publicly available geoscience data harvested from the Manitoba Department of Natural Resources and Northern Development Integrated Mining and Quarrying System (IMaQs) data distribution website and data provided by CanAlaska/Core Nickel. COVID-19 restrictions in place in Manitoba during the preparation of this report prevented the Author from viewing original assessment file data or archived claim maps. Service providers to CanAlaska/Core Nickel provided data in compliance with NI 43-101 requirements. The Author with support from CanAlaska/Core Nickel professional staff has attempted to confirm the location of government-provided and other public domain data points to the best of his abilities and resources.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical processing has been conducted by CanAlaska/Core Nickel on material collected from the Halfway and Resting lakes properties.

Mineral Resource Estimates

No mineral resource estimates have been prepared for mineralization delineated on the Halfway and Resting lakes properties.

Adjacent Properties

The adjacent mineral claims to the Halfway Lake property represent the few remaining claims of a very large block of claims staked by Falconbridge in the 1990s, a block of contiguous claims covering the area from Halfway Lake to the Manibridge (mine) property. Many of these claims were optioned to Crowflight Minerals in the mid-2000s and are now held by CaNickel Mining, Crowflight's successor.

The Halfway Lake and Resting Lake properties span a large portion of the southern Thompson Nickel Belt, and accordingly, there are a number of adjacent properties that host identified nickel mineralization, including several past-producing nickel-copper-cobalt mines (Figure 15-1). The adjacent and near-field properties host a number of ultramafic-hosted nickel occurrences and deposits.

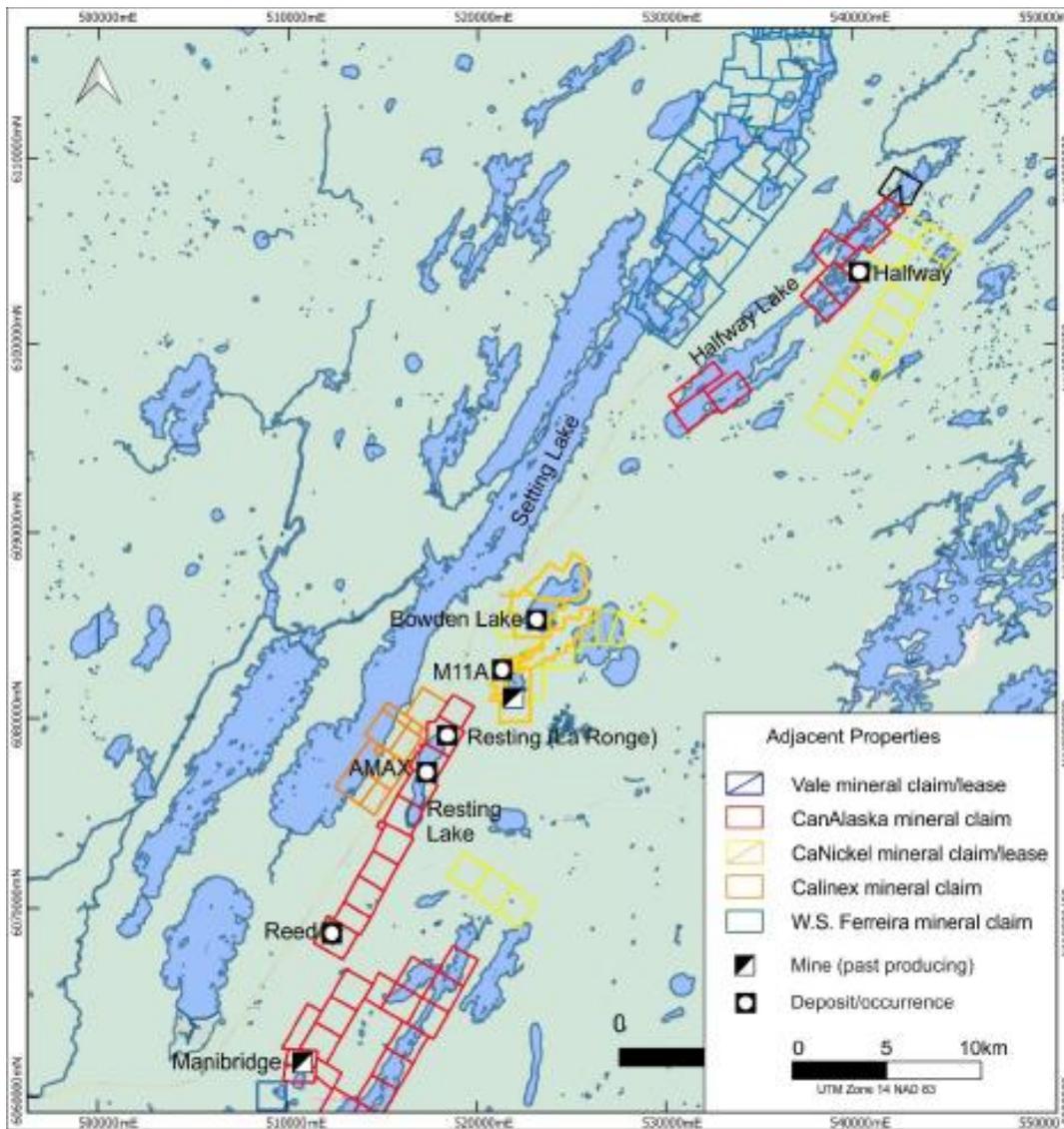


Figure 15-1. Mines and mineral deposits and occurrences in the vicinity of the Halfway Lake and Resting Lake properties.

The nickel mineralization in the southern TNB is dominantly hosted by ultramafic intrusive rocks and is characterized by the presence of disseminated pyrrhotite-pentlandite-chalcopyrite mineralization hosted by variably serpentinized dunite to peridotite. The Author has had the opportunity to visit a number of properties in the TNB including the Bucko mine and the former producing Manibridge property. The nickel mineralization characterizing both deposits consist of disseminated to net-textured pyrrhotite-pentlandite-chalcopyrite hosted by variably serpentinized peridotite. Mineralization intersected in drilling on the Halfway Lake and Resting Lake properties shares this characterization.

The Halfway Lake property is adjacent to the Halfway Lake deposit discovered by Falconbridge in the mid-1990s. The Halfway Lake deposit consists of disseminated sulphides hosted in variably serpentinized peridotite occupying the core of a macroscopic fold hinge. The deposit has returned a number of significant drill intercepts, including 7.97 m grading 1.19% Ni (HW94-02), 17.55 m grading 1.38% Ni (HW95-05) and 5.72 m grading 1.25% Ni (HW96-08). The Halfway Lake deposit is located approximately 600 m northeast of CanAlaska/Core Nickel's claims, which cover the strike extensions of the Halfway Lake deposit.

The Resting Lake property is adjacent to a number of nickel deposits and occurrences. The Resting Lake claims surround both the Resting Lake (La Ronge) deposit in the northern portion of the property, and the Reed occurrence located in the southern portion of the property. Both of these properties contain weakly mineralized serpentinite that

have yielded “ore-grade” drill intercepts and are along strike of favourable stratigraphy for the development of magmatic nickel-copper-cobalt deposits.

Other Relevant Data and Information

The Author is not aware of any other relevant data or information as of the effective date of this technical report.

Interpretation and Conclusions

The Halfway and Resting lakes properties are located within a favourable portion of the highly prospective Thompson Nickel Belt (TNB). Exploration of the properties relies heavily on geophysical remote sensing as the properties are covered by a thick veneer of glacial sediments precluding direct examination of bedrock over large portions of the properties. With the exception of the north basin of Halfway Lake, bedrock exposures of supracrustal and ultramafic rocks on the properties are extremely rare.

The understanding of the genesis of Ni-Cu-Co deposits hosted by the TNB has evolved significantly since most exploration of the Halfway and Resting lakes properties took place. The current scientific understanding of the development of Ni-Cu-Co deposits in the TNB (Burnham et al., 2008) involves the intersection of the intrusion of fertile (primary), ultramafic magma with sulphide-rich sedimentary rocks. Exploration for magmatic Ni-Cu-Co deposits in the TNB is further complicated by the thick glacial cover and the complex tectonometamorphic history of the TNB. The TNB is characterized by high metamorphic grades and intense deformation associated with the tectonic evolution of the western margin of the Superior Province, including the TNB.

Exploration of the Halfway and Resting lakes properties area has identified favourable geology for the development of magmatic Ni-Cu-Co deposits. Exploration efforts identified Oswagan Group, Pipe Formation sulphide facies iron formation and sulphidic sedimentary rocks in close proximity to ultramafic intrusive rocks on both properties. This association is critical for the development of magmatic Ni-Cu-Co deposits exploited in the Thompson Nickel Belt. Exploration of the properties is facilitated by the contrasting geophysical properties of Pipe Formation rocks, ultramafic intrusions and the basement Archean gneisses underlying the properties. This contrast is favourable for the geophysical imaging of the Pipe Formation and ultramafic intrusions, contributing to the ability to generate drill targets.

Recently acquired aeromagnetic data for the Halfway Lake and Resting Lake properties generate a number of target areas for future exploration on both properties. In particular, the boudinage/attenuation of ultramafic intrusions as the result of intense deformation has been identified as target areas through the analysis of the magnetic data. The intense deformation of ultramafic bodies elsewhere in the TNB has been documented to remobilize nickel mineralization into structural traps improving the nickel tenor (Bleeker, 1990, Burnham et al., 2009), and the magnetic response from the Halfway Lake and Resting Lake properties suggests that there is the potential for the presence of remobilized nickel-rich remobilized sulphide bodies related to the deformation of these bodies (Schimann, 2022a & b). These preliminary target areas can be refined with the application of airborne, time-domain electromagnetic surveying.

Similarly, the 3D magnetic inversion imaging of the Halfway Lake data suggests considerable depth extent of more magnetic geological units potentially associated with nickel mineralization. Existing GEOTEM anomaly data corresponds well with zones of higher magnetic susceptibility but has limited depth penetration. The Resting Lake 3D magnetic inversion imaging also suggests depth extensions of higher magnetic susceptibility, but the correlation between the magnetic susceptibility envelopes and existing GEOTEM anomaly data is not as strong as seen at Halfway Lake.

The Halfway and Resting lakes properties are characterized by tightly folded and attenuated prospective Oswagan Group stratigraphy. Much of the historic drilling has tested high-intensity magnetic anomalies, intersecting the thick, central portions of ultramafic bodies. This is well demonstrated by drilling in the Resting Lake area, where the larger, most volumetrically significant ultramafic boudins have been targeted by drilling. There are few examples of drill holes targeting the boudin necks between the ultramafic boudins. The terminations of the boudins may represent target areas owing to the potential for the remobilization and concentration of pyrrhotite-chalcopyrite-dominated sulphides in response to the intense deformation. The preliminary targeting on the Resting Lake property based on

magnetic data appears to identify these areas for follow up. Deep penetration, time-domain electromagnetic surveys may assist the evaluation of the potential for sulphide remobilization.

The vintage of the bulk of the historic drilling on the Halfway and Resting lakes properties predates the advent of down-hole geophysical surveying of completed drill holes. The regulatory requirement for the removal of drill casing upon completion of drill programs prevents the re-entry of most of the historic drill holes for geophysical surveying. Accordingly, the widely spaced drilling that characterizes most of the property areas represent discrete data points, with significant depth and strike extent remaining unsurveyed and prospective for the discovery of Ni-Cu-Co mineralization.

Recommendations

An exploration program consisting of the acquisition of airborne geophysical data consisting of deep penetration, time-domain electromagnetic surveys on the Halfway Lake and Resting Lake properties to augment the recently completed aeromagnetic surveys. Follow up diamond drilling of targets generated from the newly acquired airborne geophysical data and borehole geophysics is recommended.

Budget

Activity	Detail	Cost
Airborne VTEM survey	700 line-km	\$150,000
Diamond drilling	2000m	\$400,000
Borehole geophysics		\$50,000
Contingency 10%		\$60,000
Total:		\$660,000

Technical Summary of the Mel Property

The Mel Property is a material property of the Company (see “*Description of the Business - General*” above).

The Company commissioned and has received an independent NI 43-101 compliant technical report on the Mel Property. The Mel Technical Report, entitled “*Technical Report on the Mel Property, Thompson Area, Manitoba*” with an effective date of August 31, 2023, was prepared for Core Nickel by Chris Beaumont-Smith, Ph.D., P.Geo. of CBSGeoscience Ltd. Mr. Beaumont-Smith is independent of the Company and is a “*Qualified Person*” for purposes of NI 43-101.

The following information regarding the Mel Property is summarized or extracted from the Mel Technical Report. All defined terms used in this section have the meaning ascribed to them in the Mel Technical Report. **Not all figures and tables from the Mel Technical Report are included below. A copy of the Mel Technical Report is available under the Company’s profile on the SEDAR+ website at www.sedarplus.ca.** A copy of the Mel Technical Report will also be held at the Company’s office located at Unit 204, 75 – 24th Street East, Saskatoon, Saskatchewan, where it may be examined during normal business hours upon prior notice. **Readers are encouraged to review the Mel Technical Report in its entirety.**

Introduction

Terms of Reference. CBSGeoscience was retained by CanAlaska and Core Nickel in June, 2023 to prepare this report for CanAlaska and Core in compliance with National Instrument (NI) 43-101 and Form 43-101F1 guidelines.

Site Visit. Chris Beaumont-Smith, Ph.D, P.Geo., a Qualified Person under the terms of NI 43-101, conducted a site visit of the Mel property on August 18th, 2023. As part of the site visit, an attempt was made to locate historical diamond drill collars, but unfortunately the extremely wet, low-lying, swampy nature of the Mel property area and the commensurate difficulty in accessing the ground prevented the location of any historic drill collars. Select diamond drill cores from the project area stored at the Flying Nickel Mining Corp drill core facility in Grand Rapids were reviewed during the site visit from August 15th to 17th.

Sources of Information. The Author conducted a study of all relevant parts of the available literature, documented results concerning the Project, and held discussions with technical personnel from CanAlaska/Core regarding all pertinent aspects of the Mel property. The reader is referred to the sources of data, citations for which are compiled in the “References” section of this Technical Report, for further detail on the properties.

The Author was provided access to all electronic data received by CanAlaska/Core as a result of the acquisition of the assets comprising the Mel property from the financial receivers responsible for the liquidation of Victory Nickel Inc. assets following Victory’s bankruptcy. Much of the data that the Author relies on in the production of this technical report represents electronic data acquired by the owners through this transaction. The Author acknowledges that the data received from the financial receiver is assumed to be authentic and correct, although no representations as to the authenticity of the data have been provided to the Author from the receiver. Where possible, the Author has attempted to independently verify the authenticity of the electronic data.

This report was researched and written under post-COVID-19 pandemic government restrictions. Accordingly, the data and opinions presented in this report are based on the information gleaned from a property site visit, online public domain data, and electronic datasets provided to the Author by CanAlaska/Core that were acquired from the financial receiver following the bankruptcy of Victory Nickel Inc.

Grid coordinates for maps are given in the Universal Transverse Mercator coordinates (UTM) NAD83 Zone 14N or as decimal latitude/longitude coordinates.

Reliance on Other Experts

The Author has assumed that all the information and technical documents listed in the References section of this Technical Report are accurate and complete in all material aspects. Whereas the Author carefully reviewed all the available information presented, he cannot guarantee its accuracy and completeness.

The former owners of the Mel property, Victory Nickel Inc., commissioned a NI43-101 compliant technical report on the Mel deposit that was published in 2007 (Naccashian et al., 2007). The Author relies on this report for information regarding the Mel deposit and exploration conducted on the mineral lease area. Accordingly, the technical report titled “Technical Report on the Mel Deposit, Northern Manitoba”, prepared by Wardrop Engineering Inc. in 2007 (Naccashian et al., 2007) is attached to this report as Appendix 1. ***[Company note: this Appendix 1 report has not been included in this Listing Statement. Readers are encouraged to review the Mel Technical Report, in its entirety, a copy of which is available under the Company’s profile on the SEDAR+ website at www.sedarplus.ca.]***

The results and opinions outlined in this Technical Report are dependent on the aforementioned information being current, accurate and complete as of the effective date of this Technical Report. It has been assumed that no information has been withheld which would impact the conclusions or recommendations made herein.

A draft copy of this Technical Report has been reviewed for factual errors by CanAlaska/Core management. Any changes made because of these reviews did not involve any alteration to the conclusions made. Hence, the statement and opinions expressed in this document are given in good faith and in the belief that such statements and opinions are not false or misleading at the effective date of this Technical Report.

Property Description and Tenure

The Mel property is located in northern Manitoba at the northern portion of the Thompson Nickel Belt (TNB). The Mel property is located approximately 25 km north of the City of Thompson (Figure 4-1). The centre of the Mel property is located at approximately 55°58’ N Latitude, 97°49’ W Longitude (NAD83 Zone 14N 573,960 mE and 6,203,550 mN), approximately 700 km north of the City of Winnipeg.

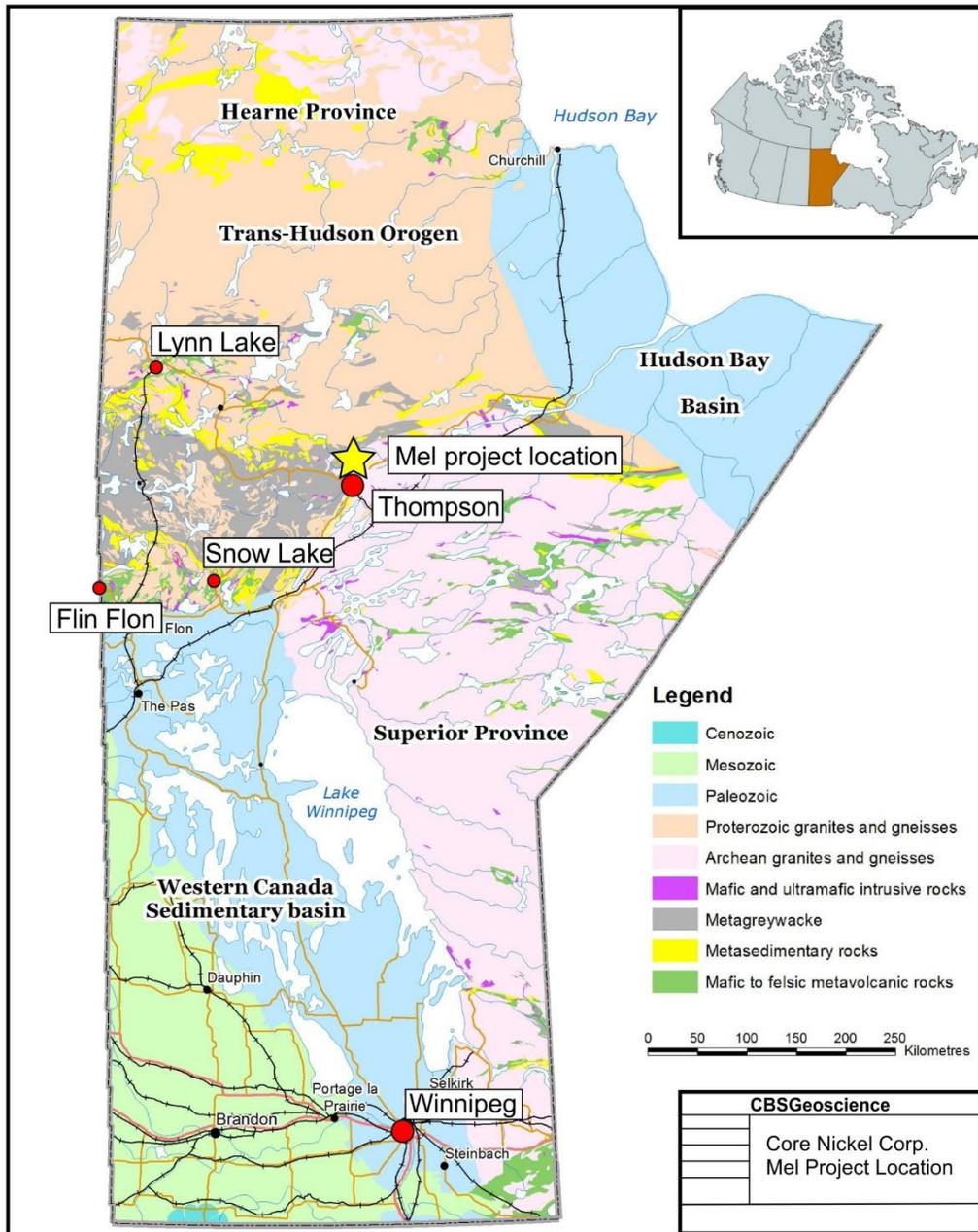


Figure 4-1. Location of the Mel property.

The Mel property consists of a mineral lease (ML007) and 10 contiguous, physically staked mineral claims totalling 2,613 ha (Figure 4-2). The mineral lease has a long history, starting with the staking of mineral claims in the early 1960s. The claims were converted to an Explored Area License (EAL-12) in 1975 and further converted to a Mineral Lease (ML007) in 1992 following legislative changes enacted in 1992. ML007 is currently valid until April 2024.

CanAlaska acquired the Mel mineral lease and claims as a result of the bankruptcy of Victory Nickel Inc. On March 6, 2023 CanAlaska announced that the Trustee in Bankruptcy, B. Riley Farber Inc., who was managing the assets and undertakings of Victory Nickel Inc, had accepted CanAlaska's offer to acquire the Mel mineral lease and surrounding mineral claims, subject to the execution of a definitive agreement and receipt of TSX Venture Exchange approval. The acquisition provided the Company with 100% ownership of the mineral lease that hosts the Mel Deposit and ten mineral claims covering 2,613 hectares in the Thompson Nickel Belt in Manitoba. The purchase price for the Mel mineral lease and surrounding claims was a cash payment of CDN\$300,000, and the issuance of 2,000,000 common shares of CanAlaska to B. Riley Farber Inc. On May 4, 2023, CanAlaska announced that it signed a definitive

agreement with B. Riley Farber Inc. to acquire the Mel mineral lease and surrounding claims subject to receipt of TSX Venture Exchange approval. On May 15, 2023, CanAlaska announced it completed the acquisition.

The Mel claims were staked during two phases in March 1999 and January 2007. The claims are currently in good standing, with the first claims expiring in March 2024 (Table 4-1).

Table 4-1 Summary of Mel property dispositions

CLAIM NAME	CLAIM #	HOLDER	STAKED	RECORDED	EXPIRES	AREA (ha)
Mineral Lease	ML007	CANALASKA URANIUM LTD.			2034-04-01	750
MEL 18	W53570	CANALASKA URANIUM LTD.	1999-03-06	1999-03-18	2026-05-17	256
MEL 25	W53577	CANALASKA URANIUM LTD.	1999-03-05	1999-03-18	2026-05-17	256
MEL 27	W53579	CANALASKA URANIUM LTD.	1999-03-05	1999-03-18	2026-05-17	165
MEL 29	W53580	CANALASKA URANIUM LTD.	1999-03-05	1999-03-18	2026-05-17	165
MEL 28	W53288	CANALASKA URANIUM LTD.	1999-03-05	1999-03-18	2026-05-17	64
MEL 38	W54972	CANALASKA URANIUM LTD.	1999-03-05	1999-03-18	2026-05-17	57
MEL 97	MB3699	CANALASKA URANIUM LTD.	2007-01-12	2007-01-29	2024-03-29	256
MEL 98	MB3700	CANALASKA URANIUM LTD.	2007-01-11	2007-01-29	2026-03-30	256
MEL 99	MB5749	CANALASKA URANIUM LTD.	2007-01-10	2007-01-29	2024-03-29	256
ODEI 10525	MB10525	CANALASKA URANIUM LTD.	2012-01-06	2012-01-29	2027-03-10	132

The Mel claims and mineral lease are also contiguous with a series of mineral claims and Mineral Exploration Licenses (MEL) held by CanAlaska comprising the Hunter project (Figure 4-3).

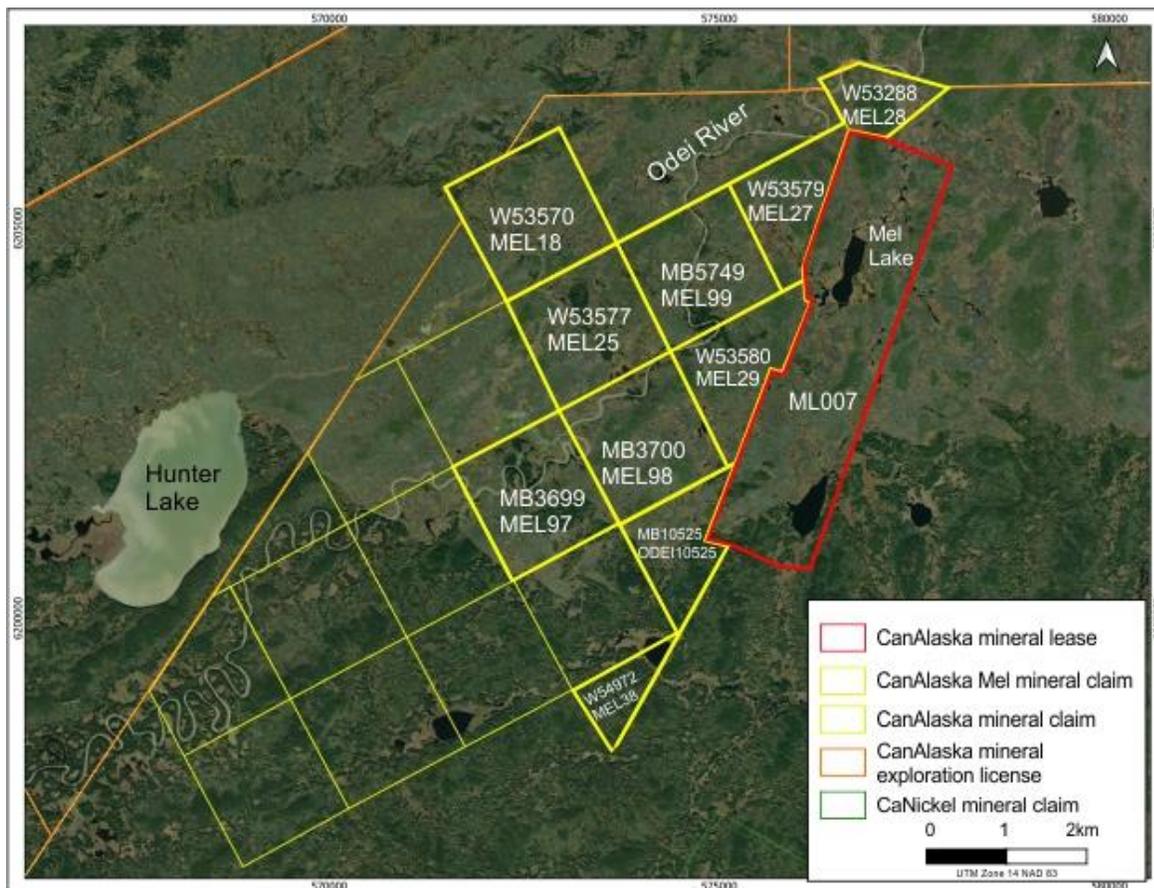


Figure 4-3. Location of the CanAlaska dispositions north of the City of Thompson

The maintenance of mineral dispositions in Manitoba requires annual expenditures or rental payments depending on the type of disposition. Non-producing mineral leases, such as ML007, have a renewable 21-year term, and maintenance requires the payment of annual rent of \$12.00 per hectare and the reporting of exploration work on every fifth year for the first three reporting periods and six years for the final reporting period. Mineral claims require the expenditure of \$12.50 per hectare for the first ten years, and the expenditure of \$25.00 per hectare thereafter, reported annually (Assessment report). An annual report of work, a summary of the annual exploration activities and an accounting of the associated expenditures, is required. The full disclosure of exploration work and the inclusion of all data generated is required. In lieu of required annual exploration expenditures, Manitoba allows a cash payment equal to the value of required exploration expenditures, refundable for a period of five years. Within this period, the value of exploration expenditures applied to the disposition are refunded following the submission of a report of work. Mineral exploration expenditures in excess of the requirements are credited towards future assessment requirements. The reporting of required exploration comprising Assessment Reports are held in confidence for a period of three years

Renewal applications and assessment reports are submitted along with a filing fee of \$13 per claim per year. Assessment credits can be applied to the renewal of any claim within a 3,200 ha contiguous area within a designated grouping.

Mineral exploration in Manitoba requires an authorization (work permit) from the Department of Environment and Climate to occupy Crown land and conduct mineral exploration. The issuance of work permits is subject to a Crown assessment on whether the proposed mineral exploration activities may impact the exercise the treaty rights of Aboriginal peoples under Section 35 of the Constitution of Canada. The Department of Natural Resources and Northern Development is responsible for conducting Crown-Aboriginal consultation, although the Department of Environment and Climate issues the work permit.

Aboriginal Communities

The Mel project is located within the ancestral lands of Nisichawayasihk Cree Nation (NCN), an aboriginal community situated in the community of Nelson House, located 80 km west of the City of Thompson. NCN has gained a degree of control over the management of its traditional territory. NCN is a signatory to a number of agreements with Manitoba and Canada, providing for the establishment of reserve land and accommodations for hydroelectric development in their traditional territory. NCN is entitled to select 32,400 ha of Crown land as reserve land under the 1997 Treaty Land Entitlement Agreement (TLE) process. NCN is currently working with the Manitoba Government to finalize the Crown commitment to establish Reserve lands under the terms of Treaty 5 and the TLE agreement. NCN has made a number of land selections that have been converted to Reserve land or are in the process of being converted.

The traditional territory of NCN is impacted by the Manitoba Hydro project called the Churchill River Diversion (CRD). The project redirects a portion of the flow of the Churchill River into the Burntwood River, which ultimately flows into the Nelson River system north of the City of Thompson. Accommodations of the impacts of northern hydroelectric development are the focus of the 1996 Northern Flood Agreement (NFA) between a number of northern Manitoba First Nations, including NCN, Manitoba and Canada. The NFA provided financial compensation to the affected First Nations and granted NCN and the other First Nations certain rights regarding the management of natural resources in their traditional territories. To provide a process for a degree of First Nation management of development of resources on their traditional territory, Resource Management Areas (RMA) were established that cover the community's traditional territory and Resource Management Boards (RMB) were established to manage this process. The RMBs are composed of First Nation representatives and Manitoba government appointees. The RMBs meet regularly, generally on a quarterly schedule. RMBs have oversight on the granting of work permits, although they do not generally represent communities in the Crown-Aboriginal consultation process.

In the context of authorizing mineral exploration activities, Manitoba is constitutionally obligated to consult with NCN before authorizing mineral exploration activities under obligations outlined in section 35 of the Constitution of Canada. Consultation is a government-to-government process, and accordingly, it is undertaken by the respective governments. For mineral exploration activities, consultation takes place between First Nation Chief and Council and Manitoba Natural Resources and Northern Development, the provincial government department with responsibility for the regulation of mineral exploration. In First Nations with Resource Management Boards, the RMB provides the

Chief and Council with information and recommendations regarding proposed mineral exploration activities. Alternately, First Nation leadership may delegate the management of the consultation process to the RMB

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access

The Mel property is located approximately 25 km north of the City of Thompson. Access to the property is via winter roads accessing PTH 280 that connects Thompson to Gillam. The property is only accessible by air during the summer months. In particular, the Mel deposit is located in a low swampy area with access extremely limited during summer months.

Climate

The climate is cold temperate continental with a temperature range generally from -25°C in January and February to 25°C in July and August. In the City of Thompson, the average temperature is approximately 21°C in the summer (high of 23.1°C in July) and -27.3° C in the winter (low of -29.3°C in January), for an average temperature of -2.9°C. Annual precipitation averages 509 mm as rain and 1.87 m as snow. Thompson's cold climate, facilities and ease of access has made it a popular cold-weather testing location for automobile, snowmobile and aircraft jet engine manufacturers.

Freeze-up starts in mid-October and break-up starts in mid-May. Approximately a third of the year is frost free (average of 120 days) at the property. Snow falls typically between November and April and accumulates to depths of up to two metres. Lake ice forms in mid- to late-October and thaws in late May. Drilling can be conducted year-round, except during the spring thaw in mid- April and May.

Physiography

The Mel property area is low rolling country with relief limited to a few metres around 250 m above sea level. The Mel property is transected by the Odei River which drains gently northeast towards the Burntwood River, which in turn flows north and eventually joins the Nelson River system. The relief in the region is very limited, and accordingly, many river systems exhibit strong meandering paths and have large marginal wetlands. The region is covered by a thick veneer of clay-rich glacial till, resulting in a very low incidence of bedrock exposures. The average overburden depth reported in drill holes on the Mel property is 19m with many drill holes exceeding 50m of overburden. In general, the rare outcrop exposures are generally restricted to higher ground or lakeshores and are generally dominated by basement gneisses; exposures of supracrustal and ultramafic intrusive rocks are rare. There are no reported outcrop exposures on the Mel property. Higher ground in the area is generally dominated by sparsely treed areas supporting mixed spruce and local jack pine stands separated by low areas dominated by larch swamps and open muskeg. Almost the entire Mel property area has been the location of recent forest fires, and accordingly there are few mature trees present.

Local Resources

The closest community to the Mel property is the City of Thompson. The City of Thompson has a population of 13,678 and is the largest community in Northern Manitoba. The city was established in the early 1960s to support the integrated mining, milling and smelting operation operated by INCO (now Vale) exploiting the Thompson nickel deposits. To date, the Thompson metallurgical complex has processed in excess of 150 Mt of ore and produced nearly 2.5 Mt of refined nickel. INCO was acquired by Vale in 2006 and the metallurgical complex has since experienced downsizing, culminating in the closure of the Thompson smelter in 2018; reducing the Thompson operation to a mining and milling operation. Ore produced in Thompson is now trucked south to Vale's metallurgical facilities in Sudbury and Newfoundland.

Thompson acts as the regional service centre for northeastern Manitoba. Thompson hosts the regional health centre with facilities including the Thompson General Hospital, dental services, personal care homes and an Addictions Foundation of Manitoba facility. Thompson has a wide variety of shopping opportunities, restaurants, hotels, vehicle dealerships and professional services. The University College of the North is headquartered in Thompson. The region is serviced by telephone, cellular telephone and broad-band internet and cable television services.

The City of Thompson is serviced by passenger and freight rail service provided by Hudson Bay Railway. Regular passenger bus service is also available. As a regional service centre, Thompson is serviced by several major trucking companies, with warehousing in Thompson.

The region has excellent infrastructure for mining development. Thompson is serviced by 230 Kv hydroelectrical service provided by Manitoba Hydro. Manitoba's industrial electricity rates are amongst the lowest in North America

Thompson was established as a mining town and accordingly has a skilled labour force available and abundant mining support infrastructure. INCO/Vale developed the Thompson deposits as an integrated mining, milling and smelting complex producing over 100 million pounds of refined nickel annually. Recently updated federal environmental emissions standards resulted in the suspension of smelting/refining operations, placing the Thompson smelter on care and maintenance, and shifting Vale's operation to mining and milling, with nickel concentrate shipped south by truck.

In addition to the major metallurgical facilities in Thompson, the 1000 tpd Bucko nickel mill, located 120 km south of Thompson in the village of Wabowden, remains on care and maintenance.

History

The historic mineral exploration presented in this section is based on data provided by assessment files (AF) available from the Manitoba Government Mines Branch online database and the summary of historic exploration presented in the 2007 Wardrop 43-101 technical report (Naccashian et al., 2007). In response to the COVID-19 pandemic access by the general public to government offices are highly controlled. The historic exploration data for the Mel property is summarized in [*the Technical Report*]

The earliest exploration of the Mel property area reported in Manitoba assessment files (AF) is an airborne magnetic survey completed in 1954 by the Canadian Nickel Company Ltd., a wholly owned subsidiary of the International Nickel Company Ltd. that covered northern portions of the Mel claims (AF 91617). Canadian Nickel followed this up in 1960 with a more expansive airborne electromagnetic (AEM) survey that covered the entire Mel property (AF 91627). This survey was followed up with the diamond drilling of anomalies delineated in the 1960 AEM survey in 1961 with 20 drill holes. A single drill hole (22549) in the southern portion of ML007 intersected 2.75% Ni over 0.51 m. The following year (1962), Canadian Nickel conducted ground electromagnetic and magnetic surveys on the Mel property and drilled 157 drill holes totalling 3,350m. (The reporting of drill holes by Canadian Nickel to Manitoba was not completed in sequence, and accordingly, the year of drilling does not correspond to the year of the assessment file, with drilling between 1961 and 1966 reported in AF99001, AF99130, AF99131, AF99132, AF99133). This early success resulted in Canadian Nickel intensively exploring the Mel property area, including the discovery and delineation of the Mel deposit, continuously until 1971.

Drilling in 1963 consisted of 70 drill holes totalling 7,885m. Much of this vintage of drilling focussed on anomalies outside of the Mel deposit area, and included drill hole 21988, located 3000m west of the Mel deposit in the northern portion of MEL 25, which intersected 2.43% Ni over 1.95m. Drilling in 1964 consisted of 27 drill holes totalling 3,124m in the Mel Lake area (Mel deposit), followed by ground magnetic surveys in 1965 and the drilling of an additional 13 drill holes totalling 1,371m. Canadian Nickel completed a major in-fill drill program in the Mel Lake area consisting of 64 drill holes totalling 11,270m in 1966, largely delineating the upper portion of the Mel deposit.

Exploration of the Mel property by Canadian Nickel paused until 1969, when 25 drill holes totalling 7,200m were completed in the Mel Lake area (ML007). This was followed by 26 drill holes totalling 11,360m in 1970 and 31 drill holes totalling 6,413m in 1971 (1969-1971 drilling reported in AF99326, AF99135, AF91994). Following the completion of the 1971 drill program, Canadian Nickel ceased exploration on the Mel property, converting the Mel deposit area into an Explored Area Lease (EAL 12), which in turn was converted into a Mineral Lease (ML007) in 1992. The balance of the Mel property claims was allowed to expire.

During the early exploration of the Mel deposit area, exploration of the Mel claims area not controlled by Canadian Nickel were advancing. Conwest Exploration controlled claims in the Hunter Lake area, west of the Mel claim block, and conducted ground electromagnetic surveys covering portions of MEL 18 and MEL 25 in 1962 (AF91883). This was succeeded by ground geophysical surveys (AF91913) and the drilling of two drill holes on MEL 18 in 1963 by North Ventures east of the Hunter Lake area (AF90878). No significant results were reported. AMAX conducted airborne and ground geophysical surveys covering the area east of ML007 covering portions of MEL19 and MEL 25 in 1967 (AF90876, 90879).

Hudson Bay Exploration and Development (HBED) acquired much of the available ground around the Mel property and completed an airborne electromagnetic and radiometric survey in 1969 (AF91673).

Falconbridge held a large property portfolio bordering the Mel property and conducted airborne electromagnetic and magnetic surveys in 1997 and 1998 (AF73270, AF73500) and ground magnetic and horizontal loop EM surveys in 2001 (AF73920) covering portions of claims MEL 28 and Odei10525. Falconbridge properties in the Mel area were transferred to CaNickel Mining Corp., which completed an airborne VTEM survey (2007, AF74558) and ground magnetic surveys (2014, AF63P14401) covering portions of claims MEL 28 and Odei10525.

Renewed interest in the Mel deposit started with the staking of the area immediately west of ML007 in 1999 by INCO. This coincided with the execution of an option agreement between INCO and Nuinsco Resources (to become Victory Nickel in 2007) to acquire the Mel deposit and claims. INCO, as operator, completed Audio Magneto Telluric (AMT) and UTEM surveys covering the Mel deposit and claims and follow up drilling of 28 drill holes totalling 3,284m. Drill holes 89289-89300 (1999) and 102501-102515 (2000) focussed on the Mel deposit (AF73675) and drill holes 102519 (AF73679) and 102520, 102523 and 102524 (AF73776) were completed on the Mel claims.

INCO reprocessed ground AMT and UTEM data from the Mel claims in 2002 (AF73936) and completed UTEM surveys of selected grids on the Mel claims and completed a number of drill holes west of the Mel claims in 2003. In 2004 INCO drilled 21 drill holes (102579-102599) totalling 5,870m testing the Mel deposit (AF74127). This was followed up in 2005 with the borehole EM of drill hole 102596 (Mel deposit) and the drilling of 6 drill holes on the Mel claims, including drill hole 112801 located in the southwest corner of MEL 18 (AF74245). INCO completed 31 drill holes totalling 5,703m on ML007 in 2007 (112521-112850) testing deeper portions of the Mel deposit (AF74481). The final drilling on the Mel deposit was completed in 2011 with the drilling of 10 in-fill drill holes (M-11-01 to M-11-10) that were recommended in the 2007 Wardrop technical report (Naccashian et al., 2007). Several of the drill holes intersected broad zones of low-grade nickel mineralization below known nickel mineralization comprising the Mel deposit. It appears that the 2011 drilling was not filed for assessment with Manitoba

Geological Setting and Mineralization

The Mel property is located in the northern Thompson Nickel Belt (TNB), which is a 150 km long nickel metallotect extending from Phanerozoic cover in the south, emerging from under the Phanerozoic cover north of Lake Winnipeg to north of the City of Thompson. The TNB consists of Proterozoic sedimentary and volcanic rocks (Ospwagan Group) documenting the rifting of the Superior province margin (Bleeker, 1990) deposited unconformably on Superior province Archean basement. Nickel deposits hosted by the TNB reflect the intersection of late Proterozoic sulphur-rich sedimentary and volcanic rocks comprising the Ospwagan Group (Scoates et al., 1977) and ultramafic intrusive rocks, including the Molson dyke suite, estimated at 1.88 Ma. Overlying the Ospwagan Group is a number of sedimentary sequences, including terrestrial and shallow water conglomerate and sandstone comprising the Grass River Group and sediments of the Kisseynew Basin, including the Burntwood and Sickle Groups.

The TNB represents a segment of a pan-Superior Province margin that hosts numerous nickel-rich metallotects, including the Ungava region of Quebec and the Thompson Nickel Belt, that record the rifting of an ancient Superior Province margin and the subsequent deposition of cover sequences (Bleeker, 1990).

The TNB is characterized by intense multiphase deformation and high-grade metamorphism reflecting the exhumation deep crustal rocks involved in the terminal collision of the Superior province and the Proterozoic Trans Hudson Orogen. The intense deformation associated with terminal collision produced in a complex 3-dimensional geometry

affecting the lithostratigraphy. Understanding this complexity is exacerbated by very poor bedrock exposure resulting from the deposition of a thick glacial till sheet.

The TNB hosts nickeliferous sulphide deposits that reflect the convergence of fertile ultramafic intrusions and sulphur-rich sedimentary rocks forming portions of the Ospwagan Group, which relate to specific stratigraphic positions occupied by the Pipe Formation iron formation (Bleeker, 1990; Macek, 2006; Burnham et al., 2009). Accordingly, the assessment of nickel prospectivity is highly dependent on the determination of the distribution of prospective supracrustal units and ultramafic intrusive rocks in a highly deformed terrane. This is further complicated by the lack of outcrop exposures in areas of exploration requiring significant remote sensing and interpretation.

Recognizing the challenges exploring in a region characterized by very poor bedrock exposures the Manitoba Geological Survey embarked on a process of acquiring geophysical and drill hole data from INCO for the TNB. The Manitoba Geological Survey acquired geophysical and drill hole data through confidential access agreements with INCO and Vale to generate regional geology maps reflecting the aggregated data acquired through the agreements with Manitoba. Much of this data was acquired through CAMIRO project 97E-02 (Burnham *et al.*, 2009), an industry-supported, academic research project focused on the geology, metallogeny and geodynamic evolution of the Thompson Nickel Belt (TNB) and its mineral deposits.

Archean Basement

The basement of the TNB represents the western margin of the Archean Superior province, consisting of undifferentiated ca. 2.7 Ga quartzofeldspathic gneisses and lesser mafic to ultramafic rocks, the latter generally forming scattered lenses, interpreted as boudins of earlier dykes. The basement has experienced very high metamorphic grades, with mineral assemblages consistent with middle to upper amphibolite facies, generally forming multicomponent migmatite. Local areas of preserved granulite facies rocks indicate that the margin of the Superior Province contains a component of re-worked Pikwitonei Granulite Domain rocks, which occupy the Superior Province margin east of the TNB.

Ospwagan Group

The Ospwagan Group represents a presumably thin cover sequence deposited unconformably on the Superior province margin. The Ospwagan Group is intensely deformed, characterized by early isoclinal folding and a complex sequence of deformational events that has produced a complex geometrical distribution of units, generally characterized by the attenuation of units along macroscopic fold limbs and thickening of units in fold hinges. The Ospwagan Group has also experienced high grade metamorphism, altering protoliths. In spite of the intense deformation and metamorphism, the stratigraphic relationship between the respective members has been elucidated (Bleeker, 1990). The Ospwagan Group consists of a cover succession comprising four clastic and chemical sedimentary formations: Manasan, Thompson, Pipe and Setting followed by the Bah Lake mafic volcanic Formation (Bleeker, 1990). The age of the Ospwagan Group is not well constrained but it is older than the ca. 1.88 Ga Molson ultramafic dykes which intrude the sequence.

The Manasan Formation (M) represents a clastic sedimentary sequence unconformably deposited on the Superior province margin. The Manasan Formation consists of two clastic sedimentary members. The lower member consists of quartzite and finely laminated sandstone ranging in composition from sub-arkose to arkose and wacke (M1). Local thin basal units of quartz pebble conglomerate demarcate the unconformity with the underlying Archean basement. The upper member consists of semi-pelitic schist and biotite quartzofeldspathic gneiss (M2).

The Thompson Formation (T) is primarily composed of calcareous semi-pelite and marble divided into three members. The lowest member consists of thinly-layered medium to coarse-grained schist (T1). The second member consists of biotite-rich calcareous schist (T2). The upper member consists of dolomitic marble (T3). Thompson Formation rocks generally form calc-silicates at upper amphibolite facies.

The Pipe Formation (P) is an important nickel mineralization host formation in the TNB. The Pipe Formation is composed of pelitic to semi-pelitic schists and paragneisses interbedded with sulphide, silicate and cherty iron formation divided into three members. The lower member consists of a sequence of iron formation, graphitic at the base, containing a variety of silicate and sulphide facies iron formations (P1). The P1 member is overlain by a

sequence of coarse-grained, sillimanite-garnet-biotite quartzofeldspathic gneiss and local sulphide facies iron formation (P2). The uppermost Pipe Formation member (P3) is a highly variable succession of medium-grained, sulphidic, biotite-muscovite quartzofeldspathic schist intercalated with semi-pelite and calcsilicate.

The Setting Formation (S) includes all clastic sedimentary rocks that are stratigraphically above the upper P3 iron formation and below the mafic volcanic rocks comprising the Bah Lake Formation (V). The Setting Formation consists of quartzite, wacke, semi-pelitic to pelitic schists and paragneisses interpreted to represent medium to coarse-grained turbiditic rocks.

The Bah Lake Formation consists of mafic to ultramafic volcanic rocks and sills with rare interflow sediments lying stratigraphically above the Setting Formation. The rocks comprising this formation were deposited as pillowed to massive flows, breccia and intrusive units. Locally gabbro represents a significant portion of the formation's stratigraphy

Intrusive Ultramafic Rocks

The nickel prospectivity of the Thompson Nickel Belt is in many degrees a function of the interaction of sulphide-bearing sedimentary rocks with fertile ultramafic intrusive rocks. Ultramafic to mafic dykes and sills intrude throughout Ospwagan Group stratigraphy generally forming lensoid to tabular bodies. Ultramafic intrusions are highly ectonised but appear to have experienced all phases of deformation experienced by the Ospwagan Group, suggesting that ultramafic emplacement occurred following sedimentation but prior to the deformation of the Ospwagan Group.

Ultramafic intrusive rocks have a diverse range in composition, interpreted to reflect differing degrees of differentiation, including dunite, peridotite and a variety of differentiated bodies consisting of basal, olivine-rich cumulate zones and upper zones of pyroxenite and gabbro. Cumulate zones contain variable amounts of chromite forming chromite-bearing dunite, which, with upwards decreasing olivine content, grades towards pyroxenite.

Ultramafic bodies intrude throughout the basement and Ospwagan Group stratigraphy. The stratigraphic location of ultramafic intrusions appears biased toward the lower Ospwagan Group, with the majority of ultramafic rocks intruding the Pipe and Thompson Formations. The size of the ultramafic bodies does not appear to correlate with the stratigraphic level of emplacement, but the degree of mineralization appears related with intrusion size, as the largest ultramafic intrusions are either unmineralized or poorly mineralized (Burnham et al., 2003).

Grass River Group

The Grass River Group (GRG) consists of a sequence of siliciclastic sedimentary rocks overlying the Ospwagan Group, Bah Lake Formation volcanic rocks. The sequence locally appears to unconformably overlie the Ospwagan Group, although the contact is generally highly tectonized. The GRG is composed of non-marine conglomerate and sandstone that occupy the eastern margin of the Kiseynew Domain. The GRG appears to grade into Burntwood Group turbidites towards the Kiseynew Basin core.

Kiseynew Basin

The Ospwagan Group is succeeded by allochthonous sediments comprising the Kiseynew Domain (Zwanzig, 1999). The Kiseynew Domain is a successor basin developed during the Trans Hudson Orogen consisting of Burntwood Group turbiditic rocks occupying the core of the Kiseynew basin, and fluvial-alluvial sandstone and conglomerate of the Sickle Group generally occupying the margins of the Kiseynew basin. The age of the Kiseynew basin sedimentary rocks is ca. 1.85-1.83 Ga. The contact between the Ospwagan Group and Kiseynew domain rocks is interpreted to be a thrust fault, with the Kiseynew domain dipping east, under the Ospwagan Group and Superior Province margin.

Structural Geology and Metamorphism

The Thompson Nickel Belt is a highly deformed, highly metamorphosed terrane. The TNB has experienced at least four periods of penetrative deformation reflecting the evolution of the western margin of the Superior province, the collision with the Reindeer (internal) zone of the Trans Hudson Orogen (THO) and the terminal collision with the Hearne Province during the assembly of the Laurentian Craton.

The early deformation of the Ospwagan Group supracrustal rocks is reflected in the isoclinal folding of the Ospwagan Group, resulting in fold thickening of supracrustal units prior to the intrusion of early mafic dykes. The resulting macroscopic geometry of the TNB is dominated by the interaction between the second and third phases of deformation. The second phase of deformation D₂ produced shallow-plunging macroscopic, recumbent isoclinal folds overprinted by steeply-plunging D₃ folds producing a dome and basin (egg carton) fold interference geometry with a northeast-trending long axis. Later deformations produced minor refolding but does not significantly alter the macroscopic geometry of the Ospwagan Group.

The deformational history of the TNB records the emplacement of an westerly-verging nappe structure over the Kisseynew Basin (Bleeker, 1990). According to this interpretation of the macroscopic structural geometry, the majority of nickel deposits are located on the overturned limb of the regional nappe structure.

The TNB has experienced high-grade metamorphism that has produced significant changes in the mineralogy of the rocks comprising the nickel belt. The exposure of the granulite facies rocks east of the TNB suggests that the Superior Province margin experience rifting, bringing granulite facies rocks comprising the Pikwitonei Domain to surface prior to the deposition of the Ospwagan Group supracrustal rocks. Subsequent burial exposed the Ospwagan Group to upper amphibolite facies conditions before their exhumation through nappe emplacement during the later stages of the assembly of the Laurentian craton. In this interpretation, the TNB nappe lies in the hanging wall of a major thrust fault juxtaposing the TNB above the eastern margin of Kisseynew Domain sedimentary rocks.

Mel Property Geology

The Mel property is overlain by a thick veneer of clay-rich glacial sediments with the average overburden thickness reported from drilling on the property averaging 19m. Accordingly, the geology of the Mel property is inferred through geophysical responses, locally confirmed by drill core intercepts. The understanding of the property geology is based on assessment data and regional compilations of geophysical data and the comprehensive drill core review compiled by the Manitoba Geological Survey (Macek et al., 2006).

The Mel property is underlain by a tightly folded sequence of Archean basement orthogneisses and Ospwagan Group supracrustal rocks dominated by the Pipe formation. Critical to the prospectivity of the property through drilling by INCO and Vale, and its predecessors have identified a sequence of Ospwagan Group, Pipe Formation sulphide facies iron formation and sulphidic sediments in close proximity to ultramafic intrusive rocks. The distribution of the Pipe Formation on the property delineates a northeast-trending dome and basin geometry with repeating Pipe Formation units. Critical to the distribution of the Pipe Formation is the relatively high proportion

The regional compilation of the geology, drill core and geophysics completed by the Manitoba Geological Survey (Macek et al., 2006) notes that the composition of the Ospwagan Group in the northern TNB outlines a relatively complete Ospwagan stratigraphic sequence including Pipe Formation silicate and sulphide facies iron formation and ultramafic intrusive rocks in a tightly folded, modified dome and basin 3D geometry. A number of ultramafic intrusions intrude the Ospwagan Group stratigraphy in the property area, notably in the Mel deposit area. The complexity of the inferred map pattern suggesting a complex internal geometry resulting from a prolonged, intense deformational history. The nickel prospectivity of the northern portion of the TNB is highlighted by an increase in the proportion of iron formation, and in particular, sulphide facies iron formation comprising the Pipe formation in comparison with the southern portions of the TNB (Macek et al., 2006).

Mineralization comprising the Mel deposit consists of massive to stringer pyrrhotite-rich massive sulphide with lesser amounts of chalcopyrite and pentlandite. The mineralization reflects two forms, one primary and one secondary: autochthonous and allochthonous mineralization. Primary, autochthonous mineralization reflects sulphide mineralization hosted by the igneous host, reflecting the assimilation of sulphide-rich sedimentary rocks into a

prospective magma chamber and the deposition of the sulphides at the base of the magma chamber. Autochthonous mineralization is characterized by sulphide mineralization hosted by ultramafic intrusive rocks reflecting original sulphide deposition, with primary depositional textures. Allochthonous mineralization represents sulphide mineralization mobilized from its original igneous host, generally reflecting structural remobilization, reflected in the development of deformation textures such as foliations and breccia textures, commonly hosted by Pipe Formation metasedimentary rocks. The structurally remobilization of sulphides is characterized by sulphide-matrix breccias containing host rock clasts.

The Author reviewed five diamond drill holes reflecting mineralized intercepts spanning the strike length of the Mel deposit to assess the nature of the nickel mineralization comprising the Mel deposit. The drill core reviewed include sulphide mineralization reflecting autochthonous, *in situ* mineralization hosted by serpentinized ultramafic rocks and allochthonous, structurally remobilized mineralization hosted by Pipe Formation meta-pelitic rocks.

Handheld XRF analysis of selected massive sulphide intercepts outlined above document the nickeliferous nature of the massive sulphide mineralization reviewed. The XRF analyses returned analyses confirming the nickeliferous nature of the drill intercepts. Unfortunately, the XRF results appear to grossly overrepresent the nickel content in the core, and whether this is the result of oxidation as the split core has been exposed to the elements for more than 20 years, the massive sulphide core returned from the Mel deposit reviewed contains considerable nickel-copper-cobalt values (Table 7-1).

Table 7-1 Summary of XRF Analyses for Selected Drill Intercepts

Drill Hole	From (ft)	To (ft)	Interval (ft)	%Ni	%Cu	%Co
89297	407.0	420.0	13.0	3.51	0.049	0.070
89297	446.0	450.0	4.0	4.16	0.103	0.140
89298	305.0	312.5	7.5	4.62	0.075	0.030
89298	317.5	329.0	11.5	3.29	0.081	0.018
102503	370.0	403.0	33.0	2.21	0.075	0.040
102509	339.5	358.0	18.5	3.96	0.173	0.049

There have been 339 diamond drill holes completed on the Mel mineral lease and 30 diamond drill holes completed on the Mel claim block. The review of data received from CanAlaska/Core by the Author confirms complete drill logs and assays for all drill holes on the Mel property drilled since 1999. Drill logs for drilling conducted between 1961 and 1971 (early drilling) is incomplete in the Victory Nickel data, with drill logs for 78% of the drill holes. Early drill holes contained in the Victory Nickel data are generally complete with assays and survey data. Drill logs reported in Manitoba assessment files generally do not include assay data.

The review of the drill core stored in Grand Rapids appears to include a high proportion of all drill core produced from the Mel property. A high proportion of this core is in core racks, but there are a number of pallets of Mel property core on site owing to a lack of core rack space. The high proportion of the pre-1999 drill core stored in Grand Rapids has been abbreviated, with drill holes reduced to short, representative core samples retained at regular intervals. Drill core generated since 1999 is generally intact, including mineralized intercepts. Unfortunately, the significant mineralized intercept in drill hole 102599 was not located and is either missing or remains stored in pallets adjacent to the core racks. In general, core stored in the core racks is in good condition and the core boxes are in good condition. Mel core remaining in pallets is exposed to the elements, and accordingly, the condition of the core boxes is not as good with many core boxes showing signs of rot.

Deposit Type

The assimilation of sulphide-rich country rocks within ultramafic-mafic-hosts is acknowledged to be a critical feature for the development of sulphide nickel deposits worldwide. The general theory of magmatic-hosted sulphide-nickel mineralization involves the assimilation and digestion of sulphidic country rocks into a fertile, relatively unfractionated ultramafic magma. The elemental characteristics of sulphur introduced to chalcophile-rich, fertile ultramafic magma results in the preferential partitioning of nickel, copper, cobalt and other chalcophile elements

(Goldschmidt, 1937) into the sulphide phase, as opposed to the silicate component of the magma. Sulphide and silicate melts are inherently immiscible with the greater density of the sulphide phase resulting in the sulphide melt sinking to the bottom of the magma chamber and the resultant concentration of chalcophile-rich sulphidic minerals forming nickel-sulphide deposits. Accordingly, nickel-copper exploration of ultramafic intrusions focuses on the delineation of the ultramafic stratigraphy to identify the lower portions of the magma chamber where sulphide mineralization sinks to occupy the lower portions of the magma chamber. Unfortunately, the intense deformation and metamorphism associated with the collision between the Superior province and the rocks comprising the internal portion of the Trans Hudson Orogen has significantly affected the present distribution of nickel-copper-cobalt mineralization in this environment.

The Thompson Nickel Belt (TNB) represents one of the world's major nickel metallotects. The TNB hosts a number of past and presently-producing massive sulphide nickel deposits totalling almost 150 MT of exploited mineralization, most notably, Vale Canada's Thompson (ca. 120 MT @ 2.5% Ni), Birchtree (ca. 29 MT @ 2.0% Ni) and Pipe (ca. 22 MT @ 1.0% Ni) deposits (Bamburak, 1990), producing 2.724 Mt of refined nickel metal. The Thompson mine continues to operate, with Vale recently announcing significant capital investments that will see mining and milling continue through 2030 (Vale press release, June 29, 2021). The Thompson mine reserves are 27.5 Mt grading 1.75% Ni (Vale Canada, 2017). Mining operations were suspended at the Birchtree mine in 2017, with the mine placed on care and maintenance. The Pipe mine was closed in 1985 and the mine site has since been decommissioned and remediated. Vale placed the Thompson smelter on care and maintenance in 2018 and the operations evolved into a mining and milling operation with concentrate shipped to Vale facilities elsewhere in Canada. Vale recently announced investments to the development of new mineral deposits within the Thompson property that will ensure the continual operation of the Thompson operations well into the future.

The nickel mineralization comprising the TNB is interpreted to be the result of ultramafic rocks intruding into the Ospwagan Group, Pipe Formation sulphide facies iron formation and sulphidic sedimentary rocks along the rifted Superior Province margin (Burnham et al., 2009, and references therein). The nickel deposits in the TNB take a number of forms. Many are hosted by ultramafic intrusive rocks (i.e. Manibridge and Bucko deposits), characterized by disseminated pentlandite-rich sulphide mineralization hosted by ultramafic intrusive rocks that are interpreted as the original source of the nickel mineralization (autochthonous mineralization). The high degree of deformation and high metamorphic grade that characterizes the Superior Boundary Zone has resulted in the migration of nickel sulphide mineralization into low strain domains, such as fold hinges and fault zones, removing the mineralization from its original host (allochthonous mineralization), characterized by the Thompson deposits. Much of this allochthonous sulphide mineralization incorporates country rock xenoliths giving it a breccia-like texture. Both types of massive sulphide, nickeliferous mineralization are present in the Mel deposit.

The rocks underlying the Mel property are prospective for the development of magmatic-hosted nickel-copper-cobalt deposit through the intersection of fertile (primary) ultramafic magma and sulphur-rich sediments.

Exploration

Following the acquisition of the Mel property, CanAlaska/Core has not conducted any mineral exploration on the Mel property.

Drilling

Following the acquisition of the Mel property, CanAlaska/Core has not conducted any diamond drilling on the Mel property.

The Author has confirmed that a large proportion of the drill core related to the Mel deposit and Mel property are stored at the Flying Nickel Corp. core storage facility in Grand Rapids.

Sample Preparation, Analyses and Security

The data used in the preparation of this report, which was harvested from the online data repository assembled and disseminated through the Manitoba government Integrated Mining and Quarrying System (IMaQs) internet portal,

relies on the review and confirmation by Manitoba Mines Branch staff during the process of assembling the provincial assessment file (AF) database. The geochemical data referred to in this report are the product of hand-held XRF analysis. *In situ* XRF geochemical analyses were acquired using a Niton XL5 hand-held XRF analyzer. The XRF was calibrated by the distributor immediately prior to its usage. Analyses were acquired using a 30 second, two-gun acquisition time.

Data Verification

Due to the nature of the acquisition of the Mel property by CanAlaska/Core Nickel from the financial receiver, there are no guarantees with respect to the comprehensive nature of the data. The Author was provided with this dataset that reflects the status of the data at the time of the acquisition of the Mel property assets, which included a NI 43-101 report on the Mel deposit constructed by Wardrop Engineering Inc. in 2007 (Location of the five drill holes reviewed in the production of this technical report reflected in the west-looking longitudinal cross section of the Mel deposit.

The data provided by the financial receiver is assumed to reflect the state of data hosted by Victory Nickel at the time of its bankruptcy. The Author has not been provided with any representations regarding the authenticity or completeness of the data provided by the financial receiver to CanAlaska/Core, and by extension, the Author.

The Wardrop Engineering Inc. in 2007 (Naccashian et al., 2007) was relied on in the production of this technical report. Additionally, significant data used in the production of this report was harvested from the Manitoba Department of Natural Resources and Northern Development iMaQs internet portal, and the use of this data reflects the Author's understanding that this data is presented in a "best efforts" basis based on the quality of data provided to Manitoba through mineral exploration disclosure requirements.

A large portion of the historic mineral exploration data conducted on the Mel property and incorporated into this technical report was completed and reported before the advent and implementation of National Instrument (NI) 43-101 reporting requirements and the adoption of Canadian Institute of Mining and Metallurgy (CIM) Mineral Exploration Best Practices Guidelines. Accordingly, the Author has attempted to provide transparency regarding the sources of data relied on in this technical report regarding its vintage.

More recently, the Mel deposit was the focus of an NI 43-101 technical report commissioned by Victory Nickel in 2007 (Naccashian et al., 2007). The 2007 technical report presents data verified for the Mel deposit and is relied on in the preparation of this report. Accordingly, this technical report is attached as Appendix 1. [*Note to reader: this technical report is not reproduced in this Listing Statement.*] In particular, the location of historic drill holes presented in the 2007 technical report (Naccashian et al., 2007) are presented in this report.

The data verification process during the course of the development of this technical report has identified a number of inconsistencies in the drill collar data between Victory Nickel datasets, Wardrop's 2007 43-101 (Naccashian et al., 2007) and drill hole collar locations reported in the domain iMaQs data. CanAlaska/Core provided the Author with drill collar locations for the Mel Property and area largely based on the Manitoba iMaQs website. CanAlaska/Core discovered surveyed collar locations in the NI 43-101 from 2007 compiled by Wardrop. For the purpose of this report, the Author relied on the collar locations from the 2007 Wardrop Ni 43-101 technical report. However, some exploration collars outside of the deposit area were not included or verified in the 2007 43-101 technical report. Inconsistencies in the collar data stem from the historical nature of the drill holes and the use of historical exploration and mine grids forming the locations reported in assessment reports compiled in iMaQs, whereas the regional compilation (Macek et al., 2006) presumably used proprietary data acquired from INCO through the confidentiality agreement with the Manitoba Geological Survey that provided Macek with access to INCO drill core and data. The Wardrop Technical Report (Naccashian et al., 2007) includes professional land surveyor verified locations of drill collars in the vicinity of the Mel deposit. While not comprehensive, the Author has used this verified data to reconcile the location of drill collars reported in this technical report and drill collar location derived from Macek (2006). The Author recommends CanAlaska/Core Nickel verifies the accuracy of the drill hole locations provided in the Wardrop 43-101 (Naccashian et al., 2007) and the location of exploration collars outside of the Mel deposit area if any follow up exploration is contemplated.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical processing has been conducted by CanAlaska/Core on material collected from the Mel property. Wardrop Engineering Inc., at the direction of Victory Nickel, reports that INCO conducted limited ore test work on the Mel deposit (Naccashian et al., 2007). INCO completed “time of grind” and float tests in 2001 of samples reflecting high, medium and low-grade sulphide mineralization compared to samples from drill hole BT 84 (Birchtree 84). A time of grind was conducted in the lab rod mill for each sample in order to conduct the float test at the current plant setting for Birchtree ore of 18% +100 mesh. Float tests were then carried out using the same quantities of reagents for each run. The results are summarized below:

	BT 84	Mel 1.7	Mel 0.9	Mel 0.4
Head Grade	1.8	1.73	0.91	0.43
Grind Time (minutes)	8.25	9	15	10
Ni Recovery	83.96	75.22	74.85	71.52
Cu Recovery	95.32	90.53	88.40	79.07
Fe Recovery	24.04	16.21	13.78	10.61
Concentrate Grades (%)	10.84	11.90	12.24	10.59

Mineral Resource Estimates

Wardrop Engineering Inc. was engaged by the former owner of the Mel property in 2007 to verify the drill data and develop a resource estimate of the nickel-copper-cobalt mineralization comprising the Mel deposit (Naccashian et al., 2007). The resource estimate entailed estimating mineral resources in conformance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Mineral Resource and Mineral Reserve definitions referred to in National Instrument 43-101 (NI 43-101) Standards and Disclosure for Mineral Projects. The resource estimate consisting of an indicated resource of 4,279,000 tons grading 0.875% nickel (Ni) plus an Inferred resource of 1,010,000 tons grading 0.839% Ni at a cut-off of 0.5% Ni.

According to the 2007 Wardrop technical report (Naccashian et al., 2007) the resource estimate was based on the following:

“Wardrop carried out data verification on 5% of the drillhole database from drill logs and assay values. The database verification conducted by Wardrop found no discrepancies with the original information. Wardrop concludes that the database meets industry standards for resource estimation.

Estimation of the resource included the interpolation methods of nearest neighbour, inverse distance squared and ordinary kriging. The methods were validated by comparison of global mean grades, visual review of coded block grades and swath plots. No significant discrepancies exist between the methods. Ordinary kriging methodology was selected for grade estimation on the deposit.”

A review of the data received by CanAlaska/Core from the financial receiver contains the data generated by Wardrop during the process of formulating the Mel deposit resource estimate reported above (Naccashian et al., 2007).

Adjacent Properties

The adjacent mineral claims to the Mel property are held by CanAlaska. The northern Thompson Nickel Bel hosts a number of unexploited nickel deposits located south and east of the Mel property area. The most notably are the Mystery Lake and Moak Lake deposits held by Vale Canada located immediate east of the Mel property (Table 15-1, Figure15-1). The Mystery and Moak lake deposits are large, low-grade nickel-copper-cobalt deposits that represent some of the nickel-copper-cobalt discovered early history in the exploration of the Thompson region. These deposits were discovered in the late 1950s and efforts to fully explore and delineate these deposits were largely abandoned following the discovery of the high-grade nickel-copper-cobalt deposits comprising the Thompson T1 and T3 deposits.

Table 15-1 Summary of northern Thompson Nickel Belt deposits

Deposit	Company	Discovery year	Resource (Mt)	%Ni
Thompson (T1/T3/Birchtree)	Vale Canada Ltd.	1956	150	2.32
Moak Lake	Vale Canada Ltd.	1952	45	0.7
Mystery Lake	Vale Canada Ltd.	1957	227	0.6
Mel	CanAlaska/Core	1961	4.3	0.88

Other Relevant Data and Information

The Author is not aware of any other relevant data or information as of the effective date of this Technical Report.

Interpretation and Conclusion

The Mel property is located within a favourable portion of the highly prospective Thompson Nickel Belt (TNB). Exploration of the property relies heavily on geophysical remote sensing as the property is covered by a thick veneer of glacial sediments that preclude the direct examination of bedrock over large portions of the property. Exploration of the Mel property area has identified favourable geology for the development of magmatic Ni-Cu-Co deposits, specifically the identification of Oswagan Group, Pipe Formation P2 sulphide facies iron formation and sulphidic sedimentary rocks in close proximity to ultramafic intrusive rocks on the property, which are critical for the development of magmatic Ni-Cu-Co deposits characterizing Thompson Nickel Belt deposits.

The Mel deposit is a significant, undeveloped nickel-copper-cobalt deposit, which remains open along strike and at depth. The stratigraphy hosting the Mel deposit persists through folding into the area covered by the Mel claims. Accordingly, the potential for the discovery of additional nickel-copper-cobalt mineralization is present on the Mel property.

The manner in which CanAlaska/Core acquired the Mel mineral lease and claims previously held by Victory Nickel Inc. is somewhat nonideal, with few representations regarding the completeness of the data currently in the possession of CanAlaska/Core. Accordingly, this report attempts to provide an assessment of the state of the data, and in particular, the availability of salient drill core. The electronic data provided to the author by CanAlaska/Core appears to represent the entirety of the data received by the company from the financial receivers, and this data set appears complete in the context of supporting the findings of the technical report on the Mel deposit, and in some respects the claims adjacent to the deposit, produced and published by Wardrop at the request of Victory Nickel in 2007 (Naccashian et al., 2007). Importantly, the working files used by Wardrop in its generation of the resource estimate are included in the dataset provided to CanAlaska/Core by the financial receivers.

It is impossible to discern whether the electronic dataset is comprehensive, but the electronic dataset appears internally consistent. The dataset includes complete drill logs for all drill holes on the property since 1999, assessment reports and geophysical data for the period in which Victory Nickel held the property, and the electronic data associated with the development of the mineral resource estimate for the Mel deposit included in the 2007 Technical Report (Naccashian et al., 2007). Cross referencing the exploration work reported in assessment files submitted to the Manitoba government by Vale/Victory Nickel and the data comprising the electronic dataset supplied to the Author appears to be a wholesome dataset of exploration data generated since the execution 1999-2000 option agreement (subsequently amended) between Vale (then INCO) and Victory Nickel (then Nuinsco Resources).

The review of Mel property drill core stored in Grand Rapids indicates that a significant mineralized intercept from the Vale/Victory Nickel drilling is missing (drill hole 102599). Additionally, much of the drill core reflecting the early phases of the drilling of the Mel deposit is incomplete, either missing or present as abbreviated, representative core; consisting of short intervals of representative rock types intersected in the drill holes.

Recommendations

Fortunately, the former owner of the Mel property commissioned a NI43-101 Technical Report in 2007 (Naccashian et al., 2007), and due to its vintage, the results and recommendations remain largely salient. With the exception of

infill drilling of the Mel deposit that was completed in 2011, there has been little exploration completed on the Mel project since the publication of the report, and accordingly, many of the recommendations of the 2007 technical report (Naccashian et al., 2007) have yet to be acted on. Notably, the 2007 technical report recommended additional drilling to test for strike-length extensions of the Mel deposit. The Author believes that recommending additional drilling may be premature due to the relative novel understanding of the project by CanAlaska/Core staff.

The nature of the CanAlaska/Core acquisition of the Mel property presents unique issues, and accordingly, the recommendations reflect rather basic, somewhat prudent requirements. Central to this assessment is the completion of a comprehensive compilation of all data received from the financial receiver. This may identify gaps in the data through the cross-referencing the existing dataset received from the financial receivers with data filed for assessment. CanAlaska/Core should approach contractors to acquire geophysical data in its native format, as a custodian and to protect the potential for future reprocessing. As part of the data compilation process, a detailed accounting of the drill core related to the Mel project area should be completed including the relogging of critical drill holes to build an understanding of the geology of the Mel deposit and property. The review of all existing data and drill core will also contribute to the familiarization of the property/data by CanAlaska/Core staff, informing future exploration programs.

USE OF AVAILABLE FUNDS

Funds Available

Pursuant to the terms of the Arrangement Agreement, CanAlaska transferred \$1,000,000 cash to Core Nickel on the Effective Date.

The approximate working capital of the Company as of the date of this Listing Statement is \$1,000,000.

The Company currently has no operating revenue and will rely primarily on equity financing to satisfy its capital requirements moving forward. The quantity of funds to be raised and the terms of any equity financing that may be undertaken will be negotiated by management as opportunities to raise funds arrive. There can be no assurance that such funds will be available on favourable terms, or at all.

Principal Purposes

During the next 12 months, the Company intends to use funds currently available for the principal purposes described below:

Principal Purposes	\$
Estimated exploration program expenditures on the Halfway Lake and Resting Lake Properties ⁽¹⁾	660,000
Estimated related party salaries/consulting fees payable for management services for 12 months ⁽²⁾	192,000
Estimated general and administrative expenses for 12 months ⁽³⁾	148,000
Total	1,000,000

Notes:

- (1) See “Narrative Description of the Business – Technical Summary of the Halfway Lake and Resting Lake Properties” above.
 (2) The following payments are expected to be made to related parties for management services (see “Executive Compensation – Employment, Consulting and Management Agreements”):

Category	Amount	Related Party
Salary	\$144,000	Misty Urbatsch, President & CEO of the Company
Consulting Fee	\$48,000	Harry Chan, CFO of the Company

(3) Estimated general and administrative expenses for the next 12 months are comprised of the following:

Description	\$
Non-management consulting fees	12,000
Accounting, audit and tax prep fees	28,500
Legal fees and other professional fees	12,000
CSE monthly fees	9,000
Transfer agent and regulatory fees	21,000
Rent	12,000
AGM and shareholder information	7,900
Website, advertising and promotion	7,200
Insurance	30,000
Other office & miscellaneous costs	8,400
Total	148,000

Core Nickel estimates that its working capital will be sufficient to fund operations for 12 months after the Listing Date.

The proceeds received from the exercise of any CanAlaska Warrants and Core Nickel Stock Options will be applied to unallocated working capital. The use to which the unallocated working capital will be put has not yet been determined by the Company, as the nature of the Company's future expenditures is contingent on the results of the exploration programs expected to be carried out by the Company over the next 12 months. The Company's unallocated working capital will account for future contingencies, including the possibility of commencing work on further exploration programs on the Halfway Lake and Resting Lake Property or commencing work on an exploration program on one of the Company's other properties, if warranted, or the possibility of pursuing opportunities to acquire interests in other properties.

Pending their use, net funds available to the Company will be maintained in bank accounts or invested in short-term, interest-bearing, investment-grade securities.

Business Objectives and Milestones

The Company's business objectives for the next 12 months are:

1. to list the Company's Shares on the CSE, which is estimated to cost \$9,000 (being the CSE's monthly fees for the 12 months post-listing), and which is expected to be completed within three days of the date of this Listing Statement; and
2. to complete the work program recommended in the Halfway Lake and Resting Lake Technical Report at an estimated cost of \$660,000 (see "*Narrative Description of the Business - Technical Summary of the Halfway Lake and Resting Lake Properties*" above). The work program is estimated to commence in January, 2024, and be completed within three (3) months, but the exact timeline is subject to change. Milestones that must occur to complete the work program are the availability of contractors and satisfactory weather conditions.

If the results of the exploration program are positive, the Company will look towards carrying out a next phase exploration program on the Halfway Lake and Resting Lake Properties. The Company's unallocated working capital will not be sufficient to fund any additional exploration programs on these properties. Therefore, in the event the results of the proposed exploration program warrant conducting further exploration on the properties, the Company will require additional financing to complete the next phase exploration programs. In addition, the Company will require additional financing to complete any work programs on the Mel Property or its other properties. The availability of such financing cannot be guaranteed.

Although the Company intends to expend the funds available to it as set out above, the amount actually expended for the purposes described above could vary significantly depending on, among other things, actual funds available to the Company, mineral prices, unforeseen events, and the Company's future operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Due to the nature of the business of mineral exploration, management of the Company will regularly review its budget with respect to both the success of its exploration programs and other opportunities which may become available to the Company. Accordingly, if the results of the exploration program on the Halfway Lake and Resting Lake Properties are not supportive of proceeding with additional work, or if continuing with the current proposed exploration program becomes inadvisable for any reason, the Company may abandon in whole or in part its interest in the Halfway Lake and Resting Lake Properties or may, as work progresses, alter the recommended work program, and may use any funds so diverted for the purpose of conducting work on its other properties, although the Company has no present plans in this respect. Investors must rely on the experience, good faith, and expertise of management of the Company with respect to future acquisitions and activities.

Other Sources of Funding

Any funds raised from the exercise of outstanding any CanAlaska Warrants and Core Nickel Stock Options will be used for general working capital.

DIVIDENDS OR DISTRIBUTIONS

The Company has not declared nor paid any dividends on its Shares since its incorporation. Subject to restrictions in the BCBCA relating to solvency, there are no restrictions in the Company's articles or elsewhere which would prevent Core Nickel from paying dividends. However, there are no plans to pay any dividends in the foreseeable future as the Company intends to retain its cash to finance its exploration activities, finance growth and otherwise expand its operations. Any decisions to pay dividends in cash or otherwise in the future will be made at the discretion of the Board and will depend on the availability of distributable earnings and the operating results and the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Board. No assurance in relation to the payment of dividends can be given by the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Financial Statements and MD&A are included as appendices to this Listing Statement as follows:

Financial Statements

- ◆ Appendix "B" – Core Nickel Audited Statement of Financial Position as at April 30, 2023
- ◆ Appendix "D" – CanAlaska Audited Carve-Out Financial Statements for the years ended April 30, 2023 and 2022
- ◆ Appendix "F" – Core Nickel Interim Statement of Financial Position as at July 31, 2023 (unaudited)
- ◆ Appendix "H" – CanAlaska Condensed Interim Carve-Out Financial Statements for the three months ended July 31, 2023 and 2022 (unaudited)

The Financial Statements and the financial data derived therefrom and included in this Listing Statement have been prepared in accordance with IFRS.

Management Discussion and Analysis

- ◆ Appendix "C" – Core Nickel's MD&A from date of incorporation (May 5, 2022) to April 30, 2023
- ◆ Appendix "E" – CanAlaska's Carve-Out MD&A for the year ended April 30, 2023
- ◆ Appendix "G" – Core Nickel's MD&A for the three months ended July 31, 2023
- ◆ Appendix "I" – CanAlaska's Carve-Out MD&A for the three months ended July 31, 2023

The Company's MD&A included herein should be read in conjunction with the Financial Statements and the disclosure contained in this Listing Statement. The discussions of results are as of the dates stated in the MD&A.

Additional Disclosure for Venture Issuers

The table below summarizes selected financial data for the periods indicated and is qualified in its entirety by, and should be read in conjunction with, the Financial Statements and MD&A set out in Appendices “B” through to and including “I” attached hereto.

	3 Months ended Jul 31, 2023 (unaudited)	Year ended Apr 30, 2023 (audited)	Year ended Apr 30, 2022 (audited)
Operations Data			
Total revenue	--	--	--
Total expenses			
Consulting, labour and professional fees,	41,085	192,692	109,030
Insurance, licenses and filing fees	1,494	20,873	14,815
Other corporate costs	3,925	22,914	9,216
Investor relations and presentations	17,744	52,724	25,457
Rent	705	3,478	3,531
Share-based payments	43,757	173,131	129,689
Travel and accommodation	1,682	8,229	2,030
Total G&A expenses	110,392	474,041	293,768
Mineral property expenditures, net of reimbursements	--	160,438	157,429
Loss and comprehensive loss for the period	(113,073)	(634,479)	(451,197)

	3 Months ended Jul 31, 2023 (unaudited)	Year ended Apr 30, 2023 (audited)	Year ended Apr 30, 2022 (audited)
Balance Sheet Data			
Current assets			
Deposits	1,634	196,606	256
Non-current assets			
Reclamation Bonds	74,226	74,226	74,226
Mineral property interests	1,121,716	151,566	87,130
Total assets	1,197,576	422,398	161,612
Current liabilities			
Trade and other payables	197	--	68
Long term liabilities	--	--	--
Equity			
Contributions from CanAlaska	2,049,551	1,205,254	483,052
Equity reserve	346,577	302,820	129,689
Accumulated deficit	(1,198,749)	(1,085,676)	(451,197)
	1,197,379	422,398	161,544

DESCRIPTION OF THE SECURITIES DISTRIBUTED

Common Shares

Core Nickel is authorized to issue an unlimited number of Shares, of which 24,997,482 are issued and outstanding as of the date of this Listing Statement as fully paid and non-assessable.

All of the Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company, and the entitlement to dividends. Holders of Shares are entitled to receive notice of, and to attend and vote at, all meetings of the Shareholders of the Company and to receive all notices and other documents required to be sent to holders of Shares in accordance with Core Nickel’s articles,

corporate law and any applicable stock exchange. On a poll, every holder of Shares is entitled to one vote for each Share held.

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of Shares will be entitled to receive, on a *pro rata* basis, all of the assets remaining after Core Nickel has paid out its liabilities. Distribution in the form of dividends, if any, will be set by the Board. The Shares do not carry any preemptive, subscription, redemption or conversion rights, nor do they contain any sinking fund or purchase fund provisions.

The Board is authorized to issue additional Shares on such terms and conditions and for such consideration as the Board may deem appropriate without further securityholder action.

Warrants

Under the Arrangement, each CanAlaska Warrant will be exercisable for:

- (a) one New CanAlaska Share for each CanAlaska Share that was issuable upon due exercise of each CanAlaska Warrant outstanding immediately prior to the Effective Time; and
- (b) 0.19987 of one Core Nickel Share for each CanAlaska Share that was issuable upon due exercise of each CanAlaska Warrant outstanding immediately prior to the Effective Time.

This effectively translates to an aggregate of 6,137,012 Core Nickel Shares being issuable upon due exercise of the following CanAlaska Warrants as of the Effective Date:

Number of Shares issuable upon exercise of CanAlaska Warrants	Exercise Price	Expiry Date
2,308,814	(1)	May 16, 2024
103,942	(1)	July 18, 2024
176,801	(1)	August 15, 2024
1,571,543	(1)	November 17, 2023
1,766,141	(1)	November 1, 2025
209,771	(1)	November 1, 2025
Total: 6,137,012		

Notes:

- (1) The exercise price calculated in accordance with the Arrangement Agreement will be based on 5 day value weighted average prices (VWAP) of the New each CanAlaska Shares and the Core Nickel Shares for the first 5 trading days after listing of the Core Nickel Shares.

Certain CanAlaska Warrants expired, unexercised, on November 17, 2023. Consequently, as at the date of this Listing Statement, an aggregate of 4,565,469 Core Nickel Shares are issuable upon due exercise of the following CanAlaska Warrants:

Number of Shares issuable upon exercise of CanAlaska Warrants	Exercise Price	Expiry Date
2,308,814	(1)	May 16, 2024
103,942	(1)	July 18, 2024
176,801	(1)	August 15, 2024
1,766,141	(1)	November 1, 2025
209,771	(1)	November 1, 2025
Total: 4,565,469		

Notes:

- (1) The exercise price calculated in accordance with the Arrangement Agreement will be based on 5 day value weighted average prices (VWAP) of the New each CanAlaska Shares and the Core Nickel Shares for the first 5 trading days after listing of the Core Nickel Shares.

Stock Options

Pursuant to the Arrangement, as of the Effective Date, Core Nickel granted 2,497,334 Core Nickel Options, each exercisable for one Core Nickel Share, having the following terms:

Optionee	Number of Options	Exercise Price	Expiry Date
Directors of the Company (who are not executive officers)(3)	39,974	(2)	May 12, 2024
	49,967		Jul 28, 2024
	89,940		Nov 20, 2024
	164,892		Jul 21, 2025
	89,940		Nov 28, 2025
	99,935		Jan 11, 2025
	104,930		Jul 28, 2026
Executive Officers of the Company (2)	29,980	(2)	May 12, 2024
	24,983		Nov 20, 2024
	9,993		Jul 21, 2025
	9,993		Nov 28, 2025
	39,974		Jan 11, 2025
	94,938		Jul 28, 2026
All other employees of the Company (1)	19,987	(2)	Jul 21, 2025
	14,990		Nov 28, 2025
	19,987		Jul 28, 2026
All consultants of the Company (0)	--	--	--
All others (19)	111,925	(2)	May 12, 2024
	39,974		Jul 15, 2024
	29,980		Jul 28, 2024
	234,841		Nov 20, 2024
	238,838		Jul 21, 2025
	321,781		Nov 28, 2025
	334,781		Jan 11, 2025
	280,811		Jul 28, 2026
Total	2,497,334		

Notes:

- (1) Subject to the terms of the Core Nickel Stock Option Plan.
- (2) The exercise price calculated in accordance with the Arrangement Agreement will be based on 5 day value weighted average prices (VWAP) of the New CanAlaska Shares and the Core Nickel Shares for the first 5 trading days after listing of the Core Nickel Shares, subject to a minimum \$0.05/share price in compliance with CSE policies.

Any options issued to persons that are not eligible optionees under the Core Nickel Stock Option Plan on the Effective Date will terminate 90 days after the Effective Date in accordance with the termination provisions of the Core Nickel Stock Option Plan.

CONSOLIDATED CAPITALIZATION

Share Capital – Non-Diluted

The following table sets out the capitalization of the Company as of the dates specified below:

Designation of Security	Amount Authorized	Amount Outstanding as of Apr 30, 2023 (audited)	Amount Outstanding as of Jul 31, 2023 (unaudited)	Amount Outstanding On the Effective Date after giving effect to Completion of the Arrangement (unaudited)	Amount Outstanding as of the date of this Listing Statement (unaudited) ⁽¹⁾
Shares	Unlimited	1 (\$0.01)	1 (\$0.01)	24,997,482 (\$2,197,576)	24,997,482 (\$2,197,576)
Warrants	6,137,012	Nil	Nil	6,137,012	4,565,469 ⁽²⁾
Stock Options	Up to 10% of issued capital from time to time	Nil	Nil	2,497,334	2,497,334

Notes:

- (1) Refer to “Description of the Securities Distributed” above for details of all outstanding warrants and stock options.
(2) 1,571,543 warrants expired, unexercised, on November 17, 2023 (see “Description of the Securities Distributed – Warrants”).

Share Capital – Fully Diluted

The following table sets out the details of the issued and outstanding Shares and securities convertible into Shares on a fully diluted basis as of the date of this Listing Statement:

Designation of Security	Amount Outstanding/Reserved	Percentage (%) of Total
Issued and outstanding Shares as of the date of this Listing Statement:	24,997,482	78.0%
Shares reserved for issuance upon exercise of outstanding CanAlaska Warrants ⁽¹⁾	4,565,469	14.2%
Shares reserved for issuance upon exercise of outstanding Core Nickel Stock Options ⁽²⁾	2,497,334	7.8%
Total fully diluted Share capitalization:	32,060,285	100%

Notes:

- (1) See “Description of the Securities Distributed – Warrants”.
(2) See “Description of the Securities Distributed – Stock Options”.

OPTIONS TO PURCHASE SECURITIES

Outstanding Options

Refer to “Description of the Securities Distributed – Stock Options” above.

Core Nickel Stock Option Plan

The Board has adopted the Core Nickel Stock Option Plan dated September 13, 2023, under which it may grant incentive stock options to eligible persons which include directors, officers, employees and consultants or any affiliate thereof. The Stock Option Plan has been prepared to comply with CSE requirements. The Core Nickel Stock Option Plan was approved by the CanAlaska Shareholders at the Meeting.

The purpose of the Core Nickel Stock Option Plan is to (a) advance the interests of the Company by encouraging equity participation in the Company by eligible optionees through the acquisition of Shares; (b) retain and attract qualified personnel; and (c) provide a long-term incentive element in overall compensation paid by the Company to eligible optionees.

The Core Nickel Stock Options issued in conjunction with the Arrangement were granted pursuant to the terms of the Core Nickel Stock Option Plan. Any Core Nickel Stock Options issued to persons that are not eligible optionees under

the Core Nickel Stock Option Plan on the Effective Date will terminate 90 days after the Effective Date in accordance with the termination provisions of the Core Nickel Stock Option Plan.

The following is a summary of the substantive terms of the Core Nickel Stock Option Plan:

- ◆ The Core Nickel Stock Option Plan is a “rolling” 10% stock option plan. It is administered by the Board who has the full authority and sole discretion to grant options under the Core Nickel Stock Option Plan to any eligible recipient, including themselves. Eligible recipients include: directors, officers, employees and consultants of (including the personal holding companies of such individuals), or employees of management companies providing services to, Core Nickel or its affiliates.
- ◆ The maximum number of Shares which may be reserved for issuance to any one option holder shall be subject to applicable securities laws and policies of the stock exchange on which the Company’s shares are listed at the time of grant of the options.
- ◆ The exercise price of options will be set by the Board in compliance with applicable regulatory requirements at the time of grant. As of the date hereof, CSE policies mandate that the exercise price must be no less than the greater of the closing market price of the Shares on (a) the trading day prior to the date of grant of the option, and (b) the date of grant of the option.
- ◆ Options may have a maximum exercise period of ten (10) years.
- ◆ Options are non-assignable and non-transferable (subject to options being exercisable by the optionee’s heirs or administrator).
- ◆ On the death, disability or termination of services/employment of an optionee:
 - (a) any vested options held by an optionee who ceases to be an eligible optionee under the Core Nickel Stock Option Plan for any reason other than those set out in (b) – (d) below, will expire on the earlier of the 90th day following the date the optionee ceased to be an eligible optionee and the date of expiration of the term otherwise applicable to such options;
 - (b) in the case of the termination of an optionee due to disability, any vested options held by the optionee at the date of termination will become exercisable by the optionee until the earlier of six months after the termination date and the date of expiration of the term otherwise applicable to such option;
 - (c) in the case of death of an optionee, any vested options held by the deceased at the date of death will become exercisable by the optionee’s estate until the earlier of one year after the date of death and the date of expiration of the term otherwise applicable to such option; and
 - (d) in the case of an optionee ceasing to be an eligible optionee as a result of (i) termination for cause, (ii) the optionee ceasing to meet the qualifications set forth in corporate or other legislation applicable to Core Nickel, (iii) in the case of a director, a special resolution having been passed by the shareholders of the Company removing the optionee as a director of the Company, or (iv) an order made by any regulatory authority having jurisdiction to so order the cessation of the optionee as a service provider to the Company, then such optionee’s options, whether or not vested at the date of such dismissal or other termination or cessation, will immediately terminate without right to exercise same.
- ◆ Any options that expire unexercised or that are otherwise lawfully cancelled will be eligible for re-issue under the Core Nickel Stock Option Plan.
- ◆ The Core Nickel Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Shares.

- ◆ Core Nickel has the authority to deduct and withhold, or require an optionee to remit to the Company, the amount of any taxes or other required source deductions which Core Nickel is required by law or regulation of any governmental authority whatsoever to remit in connection with any issuance of shares upon the exercise of options.

PRIOR SALES

Prior to the Effective Date, Core Nickel had issued one Share, being the incorporator’s Share issued to CanAlaska on May 5, 2022 for \$0.01. This Share was returned to treasury and cancelled in conjunction with completion of the Arrangement on the Effective Date.

On the Effective Date, in consideration for the Assets, Core Nickel issued 24,997,482 Core Nickel Spinout Shares to CanAlaska, which Shares were ultimately distributed to the CanAlaska Shareholders *pro rata* their holdings in CanAlaska.

On the Effective Date, Core Nickel also issued 1,996,668 Core Nickel Options to those persons holding CanAlaska Options immediately prior to the Effective Date, and Core Nickel agreed to issue up to 6,137,012 Shares upon exercise the outstanding CanAlaska Warrants (see “*Description of the Securities Distributed – Stock Options*” and “*Description of the Securities Distributed – Warrants*”, respectively).

ESCROWED SECURITIES

No Shares will be escrowed or subject to resale restrictions as of the Effective Date.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of Core Nickel, and based on Core Nickel’s review of the records maintained by the Transfer Agent, there are no Shareholders who beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the voting rights attached to all outstanding Shares as at the date of this Listing Statement.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Security Holding

The following table sets forth information regarding the Company’s directors and executive officers:

Name, Province and Country of Resident and Current Position with the Company	Director or Officer Since	Principal Occupation during the 5 years preceding the date of this Listing Statement	Number and Percentage of Shares Beneficially Owned or Controlled⁽¹⁾
MISTY URBATSCH⁽²⁾ Saskatchewan, Canada <i>President, CEO, Promoter & Director</i>	CEO & President Sep 5, 2023 Director – Nov 10, 2023	Vice-President Corporate Development of CanAlaska (since July 2023); Senior Marketing Analyst, Cameco Corporation (Mar 2020 - Jun 2023); Exploration Geologist, Cameco Corporation (Jan 2012-Mar 2020)	Nil

HARRY CHAN British Columbia, Canada <i>CFO & Corporate Secretary</i>	Sep 5, 2023	Certified Chartered Accountant (since 1996); CFO of CanAlaska (since Jan 2013) and Corporate Secretary of CanAlaska (since Jun 2016); CFO of Independent Gold Corp. (since Dec 2017) and CFO of Canterra Minerals Corporation (since Dec 2017)	3,997 (0.02%)
CORY BELYK Saskatchewan, Canada <i>Director</i>	Nov 10, 2023	President of CanAlaska (since Jun 2023); CEO of CanAlaska (since Jun 2021); former Executive Vice-President of CanAlaska (Jun 2021 – Jun 2023); former COO of CanAlaska (Jan 2019 – Jun 2021); CEO and director of Canada Metals (Sep 2018 – Jul 2019); Director, Exploration, International and Agreements of Cameco Corporation (May 2014 – Aug 2018)	190,444 (0.8%)
KAREN LLOYD⁽²⁾ Saskatchewan, Canada <i>Director</i>	May 5, 2022	Independent Director of CanAlaska (since Jul 2021); COO, Kreos Aviation Inc. (since Apr 2021) Director, Marketing Administration, Cameco Corporation (2009 - 2020), Director of Saskatoon Friendship Inn (since Aug 2023); Director & Secretary of the Greater Saskatoon Catholic Schools Foundation (2014 - 2023), Mentor for Women in Mining (2019), member of the RUH Foundation Gala Committee (2009 - 2011) and Co-chair of the Saskatoon YWCA Women of Distinction Awards Dinner in 2009	4,996 (0.02%)
SHANE SHIRCLIFF⁽²⁾⁽³⁾ Saskatchewan, Canada <i>Director</i>	Nov 10, 2023	Founder and CEO of Clinworth Management Corp.; and director of Timeless Capital Corp (since Jul 2019)	Nil

Notes:

- (1) This information has been furnished by the respective directors.
(2) Member of the Audit Committee.
(3) Chair of the Audit Committee.

The term of each director expires at the annual meeting of Shareholders following the date of his or her appointment or election. The term of office of the executive officers expires at the discretion of the Board.

Security Holdings of Directors and Executive Officers

As at the date of this Listing Statement, the Company's directors and executive officers, as a group, beneficially own, directly or indirectly, or exercise control or discretion over an aggregate of 199,437 Shares, which is approximately 0.8% of the Shares issued and outstanding as of the date hereof.

Management of the Company

Below is a brief description of each member of management of the Company, including their names, ages, positions and responsibilities with Core Nickel, relevant educational background, principal occupations or employment during the five years preceding the date of this Listing Statement and experience in the Company's industry.

As of the date of this Listing Statement and other than as set out below, Core Nickel has not entered into any other management, consulting or employment agreements with any of its management team. None of the Company's directors or executive officers have entered into non-competition or non-disclosure agreements with the Company.

Misty Urbatsch, age 41 – President, CEO, Promoter and Director

Ms. Misty Urbatsch, B.Sc., MBA, P.Geo., received her Bachelor of Science degree in Geology and Geography from the University of Regina in 2008 and graduated with an MBA from Athabasca University in 2019. Ms. Urbatsch has been registered as a Professional Geoscientist with the Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS) since 2013.

Ms. Urbatsch is the Vice President Corporate Development of CanAlaska. Ms. Urbatsch is a professional geoscientist with over 15 years of experience with Cameco Corporation in uranium exploration in Australia and Canada, and international uranium sales, marketing, and trading. Ms. Urbatsch started as an exploration geologist with Cameco Australia Pty. Ltd. in Darwin, Northern Territory, Australia after graduating from the University of Regina. Ms. Urbatsch led successful exploration projects in Australia for both unconformity and sandstone-type uranium deposits in the East Alligator Rivers Uranium Field, Northern Territory, and the Frome Basin, South Australia. Ms. Urbatsch joined Cameco's Canadian exploration operations in 2012, where she led exploration projects in the Athabasca Basin, Saskatchewan, exploring for unconformity uranium deposits adjacent to known deposits and operating mines. In 2020, Ms. Urbatsch joined Cameco's marketing team, focusing on international uranium sales and marketing, and led the company's uranium trading operations.

In her capacity as President & CEO of Core Nickel, Ms. Urbatsch will commit 100% of her time to the Company's business. Ms. Urbatsch is an employee of the Company.

Harry Chan, age 56 – CFO & Corporate Secretary

Mr. Harry Chan is a graduate of the University of British Columbia and received his Certified General Accountant designation in BC in 1996. Mr. Chan has over 20 years of experience working in several different industries ranging from public practice, sports entertainment, wholesale distribution and telecommunications. Mr. Chan has been the CFO of CanAlaska since January 2013. He is also the CFO of two other TSXV-listed companies: Independent Gold Corp. (since December 2017) and Canterra Minerals Corporation (since December 2017).

In his capacity as CFO and corporate secretary of the Company, Mr. Chan will devote approximately 20% of his working time to the Company's business. Mr. Chan is independent contractor of the Company.

Cory Belyk, age 53 – Director

Mr. Cory Belyk, B.Sc., P.Geo., FGC, received his Bachelor of Science degree in Geology from the University of Saskatchewan in 1994. He is a registered member of the Association of Professional Engineers and Geoscientists of Saskatchewan and British Columbia.

Mr. Belyk is the CEO, President and director of CanAlaska. Mr. Belyk is a professional geoscientist with nearly 30 years of experience in exploration and mining operations, project evaluation and business development. His depth of experience is a result of work on a global scale including Asia, Africa, Europe, North America and Australia. Mr. Belyk was previously employed by Orano, Uranerz Exploration and Mining Ltd, and Cameco Corporation in the Athabasca Basin, Saskatchewan. Mr. Belyk led Cameco's Eagle Point uranium mine geology department as Chief Mine Geologist following his discovery of the nearby 02 NEXT and 02 NEXT Footwall uranium deposits, increasing mine life by more than ten years. Following Eagle Point and with Cameco, his focus was on global activities related to Cameco's project evaluation, business development, and international exploration activity with direct oversight and accountability for exploration offices in Mongolia and Australia. He was a member of Cameco's exploration management team during the Fox Lake and West McArthur 42 Zone uranium discoveries. Between 2019 and 2021, he was Chief Operating Officer for CanAlaska Uranium overseeing exploration programs within CanAlaska's

uranium and nickel portfolios. Since 2021, he has been leading CanAlaska in the role of Executive VP and CEO, and more recently in 2023 he was appointed President and Director. In 2022 and under his leadership, the CanAlaska team discovered the high-grade uranium Pike Zone on the West McArthur project, a new discovery that remains under development. Mr. Belyk is also a director of two other public companies: Murchison Minerals Ltd. (TSXV:MUR) and Basin Energy Ltd. (ASX:BSN).

Mr. Belyk expects to devote <5% of his time to Core Nickel's business. Notwithstanding the foregoing, Mr. Belyk will devote such additional time to the business and affairs of the Company as may be necessary to discharge his duties as a director of the Company.

Karen Lloyd, age 57 – Director

Ms. Karen Lloyd (B. Comm., M.B.A.) comes from a strong and significant strategy, marketing and operations background across six different industries including mining, aviation, telecommunications, online payments, executive training and banking. This depth of experience comes from her employment with Telus Communications, Hongkong Bank of Canada and Cameco Corporation. Between 2009 and 2020, Ms. Lloyd managed a team of contract and inventory specialists to seamlessly fulfill global uranium sales generating annual revenue of between \$1.8 and \$2.4 billion for Cameco Corporation as a Director in Cameco's marketing team. In April 2021, Ms. Lloyd joined Kreos Aviation as Chief Operating Officer where she oversees all aspects of the Kreos operations including asset management, strategic alliances, managed aircraft, charter sales, flight operations, maintenance, fuel operations, marketing, sales and business development. She received her ICD.D designation from the ICD-Rotman Directors Education Program in June 2023 and has served as an independent director for CanAlaska since July 2021 where she chairs the compensation and corporate governance committees and is a member of the audit committee. Ms. Lloyd also serves as a director of the Saskatoon Friendship Inn (since August 2023).

Ms. Lloyd expects to devote <5% of her time to Core Nickel's business. Notwithstanding the foregoing, Ms. Lloyd will devote such additional time to the business and affairs of the Company as may be necessary to discharge her duties as a director of the Company.

Share Shircliff, age 52 – Director

Mr. Shane Shircliff has over 20 years of experience in executive, director and board advisory roles for both publicly traded and private companies and has extensive experience with various regulatory regimes. Mr. Shircliff has been directly involved with all aspects of developing natural resource projects encompassing lithium, uranium, gold and industrial minerals. Mr. Shircliff's breadth of expertise over his career includes building companies, structuring deals, negotiations, due diligence and transacting mergers, acquisitions and divestitures. Most recently, Mr. Shircliff has been advising First Nations on strategy and business growth opportunities. Mr. Shircliff is also a director of Timeless Capital Corp. (TSXV:TLC.P).

Mr. Shircliff has a Bachelor of Commerce and a Masters of Business Administration, both from the University of Saskatchewan.

Mr. Shircliff expects to devote <5% of his time to Core Nickel's business. Notwithstanding the foregoing, Mr. Shircliff will devote such additional time to the business and affairs of the Company as may be necessary to discharge his duties as a director of the Company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Cease Trade Orders

To the Company's knowledge, no director or executive officer of Core Nickel is, as at the date of this Listing Statement, or was within 10 years before the date hereof, a director, CEO or CFO of any company, including the Company, that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, CEO or CFO; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period for more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

Bankruptcies

To the Company's knowledge, no director or executive officer of Core Nickel or a Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as at the date of this Listing Statement, or has been within the 10 years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or Shareholder.

Penalties or Sanctions

To the Company's knowledge, no director or executive officer of Core Nickel or a Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Directors and officers are required by law to act honestly and in good faith with a view to the best interests of the Company, and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict arises, any director in a conflict will disclose his or her interest and abstain from voting on such matter at a meeting of the Board.

To the best of the knowledge of the Company, and other than as disclosed in this Listing Statement, there are no known existing or potential conflicts of interest among the directors and officers of the Company as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies (including CanAlaska) and therefore it is possible that a conflict may arise between their duties to Core Nickel and their duties as a director or officer of such other companies. It is expected that all conflicts of interest will be resolved in accordance with the provisions of the BCBCA.

The directors and officers of Core Nickel will not be devoting all of their time to the affairs of the Company. The directors and officers of Core Nickel are directors and officers of other companies (including CanAlaska), some of which are in the same business as the Company. The directors and officers of Core Nickel are required by law to act in the best interests of the Company. They have the same obligations to the other companies in respect of which they act as directors and officers. Discharge by the directors and officers of their obligations to Core Nickel may result in a breach of their obligations to the other companies, and in certain circumstances this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligations to act in the best interests of the Company. Such conflicting legal obligations may expose Core Nickel to liability to others and impair its ability to achieve its business objectives.

EXECUTIVE COMPENSATION

Executive Compensation

Core Nickel was incorporated on May 5, 2022, for the purpose of completing the Arrangement. During the last fiscal year, being the period from incorporation until April 30, 2023, there were no NEOs of the Company. On September 5, 2023, Misty Urbatsch was appointed the CEO and President of Core Nickel and Harry Chan was appointed the CFO of Core Nickel.

No compensation has been paid to date to any Named Executive Officers or non-NEO directors. Except as set out below, Core Nickel has no compensatory plan or other arrangements in respect of compensation received or that may be received by its Chief Executive Officer or its Chief Financial Officer in its current financial year.

Compensation Discussion and Analysis

With the Arrangement having just recently been completed, Core Nickel does not have a formal compensation philosophy at the present time, and no formal objectives or benchmarking have been established to date for determining the compensation of its NEOs. To date, the Company has primarily relied on the discussions and determinations of the Board. In determining the appropriate compensation, the Board considers the responsibilities of the individual, comparable salaries in the industry, the experience level of the individual and overall performance. The Company's executive compensation program is expected to consist of a combination of base salaries and participation in the Core Nickel Stock Option Plan. When deemed appropriate, the Board may also pay bonuses to its management executives in future. These elements contain both short-term incentives, comprised of cash payments, being those provided by way of base salaries (and, when applicable, bonuses), as well as long-term incentives, comprised of equity-based incentives, being those provided under the Core Nickel Stock Option Plan.

No compensation has been paid to date to any Named Executive Officers or non-NEO directors, given the Arrangement was recently completed and the NEOs were just recently appointed on September 5, 2023. The Company has budgeted \$192,000 for compensation payable to its Named Executive Officers for the next 12 months, which compensation is expected to be paid to Misty Urbatsch for her services as President and CEO of the Company (as to \$144,000) and to Harry Chan for his services as CFO and Corporate Secretary of the Company (as to \$48,000) commencing the Effective Date. When applicable, the Board will assess the then-current industry standard rates payable for similar positions and it is expected that any increase will be in line with such industry standards.

Cash compensation amounts to executive officers are determined solely by Board discussion without any formal objectives, criteria or analysis. When options are granted, it is expected that such option based awards to NEOs will be determined by the Board, upon consideration of both the past and future expected contributions of the individual officers, previous grants of stock options, and the number of available stock options.

Option Based Awards

There were no incentive stock options to purchase Shares of the Company (option-based awards) or other compensation securities granted or issued to any director or NEO by the Company in the fiscal year ended April 30,

2023, and no stock options or other compensation securities were outstanding at any time during the financial year ended April 30, 2023.

No compensation securities were exercised by any directors or NEOs during the fiscal year ended April 30, 2023.

The Company adopted the Core Nickel Stock Option Plan on September 13, 2023 (see “*Options to Purchase Securities – Core Nickel Stock Option Plan*” for a description of the Core Nickel Stock Option Plan).

Employment, Consulting and Management Agreements

Core Nickel has entered into verbal arrangements under which it pays its NEOs as follows:

1. *Misty Urbatsch – CEO, President, Promoter and a director*

Ms. Urbatsch was appointed as the CEO and President of the Company on September 5, 2023 and her employment with Core Nickel commenced on the Effective Date. She is currently paid \$144,000/year for her services pursuant to a verbal arrangement between the parties. The Company intends to enter into a formal employment agreement with Ms. Urbatsch during the current fiscal year.

2. *Harry Chan - CFO and Corporate Secretary*

Mr. Chan was appointed as the CFO and Corporate Secretary of the Company on September 5, 2023, and his engagement with Core Nickel commenced on the Effective Date. He is currently paid \$48,000/year for his services pursuant to a verbal arrangement between the parties. The Company intends to enter into a formal consulting agreement with Mr. Chan during the current fiscal year.

Core Nickel does not have any defined benefit or actuarial plan.

Termination and Change of Control Benefits

Core Nickel does not have any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO’s responsibilities.

Director Compensation

The Company does not have any arrangements, standard or otherwise, for cash or non-cash compensation pursuant to which directors are compensated by the Company for their attendance at Board meetings or in their capacity as directors. The directors may be reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors. At this time, the Board intends to compensate directors primarily through the grant of stock options.

Share-based awards, option-based awards and non-equity incentive plan compensation **Outstanding share-based awards and option-based awards**

No stock options and share based awards were granted or awarded to, earned by or paid to the directors during the financial year ended April 30, 2023, and no stock options and share based awards were outstanding to the directors at any time during the financial year or at the end of the most recently completed financial year.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

No director, executive officer, associate of a director or executive officer, employee, or former director, executive officer or employee of the Company, is, as at the date of this Listing Statement, or was at any time during the Company's last completed financial year, indebted to the Company or any other entity where such indebtedness is the subject of a guarantee, support agreement letter of credit or other similar arrangement or understanding provided by the Company.

Indebtedness of Directors and Executive Officers under Securities Purchase and Other Programs

This section is not applicable to the Company.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

The Audit Committee is the sole committee established by the Board as of the date of this Listing Statement. NI 52-110, NI 41-101 and Form 52-110F2 require the Company's Audit Committee to meet certain requirements. CSE policies require the Company to disclose in this Listing Statement certain information regarding the Audit Committee. That information is disclosed below.

The Audit Committee's mandate includes reviewing: (i) the financial statements, reports and other financially-based information provided to Shareholders, regulators and others; (ii) the internal controls that management and the Board have established; and (iii) the audit, accounting and financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system, reviews and appraises the work of the external auditors, and provides an open avenue of communication between the external auditors, senior management and the Board.

Audit Committee Charter

The Board has adopted an Audit Committee Charter which sets out the Audit Committee's mandate, organization, powers and responsibilities. The text of the Company's Audit Committee Charter is attached as Appendix "J" to this Listing Statement.

Composition of Audit Committee

The Company's Audit Committee is comprised of three directors: Cory Belyk, Karen Lloyd and Shane Shircliff. The following table sets out the names of the members of the Audit Committee and whether they are "*independent*" and "*financially literate*" for the purposes of NI 52-110.

Name of Member	Independent⁽¹⁾	Financially Literate⁽²⁾
Cory Belyk	Yes	Yes
Karen Lloyd	Yes	Yes
Shane Shircliff	Yes	Yes

Notes:

- (1) To be independent, a member of the Audit Committee must not have any direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Accordingly, an executive officer of the Company is not independent, nor is a director that is paid consulting fees for non-director services provided to the Company.
- (2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Relevant Education and Experience

The education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting, are as follows:

Member	Education/Experience
Cory Belyk	Mr. Cory Belyk, B.Sc., P.Geo., FGC, received his Bachelor of Science degree in Geology from the University of Saskatchewan in 1994. He is a registered member of the Association of Professional Engineers and Geoscientists of Saskatchewan and British Columbia. Mr. Belyk is a professional geoscientist with nearly 30 years of experience in exploration and mining operations, project evaluation and business development. Mr. Belyk is the CEO, President and a director of CanAlaska, a company listed on the TSXV. He is also a director of two other reporting issuers: Murchison Minerals Ltd. (TSXV:MUR) and Basin Energy Ltd. (ASX:BSN). In his previous positions, and current public company roles, he acquired the necessary experience to be able to properly review, understand, oversee and assess the Company's financial statements.
Karen Lloyd	Ms. Lloyd (B. Comm., M.B.A., ICD.D) comes from a strong and significant strategy and marketing background across six different industries including mining, aviation, telecommunications, online payments, executive training and banking. This depth of experience comes from her employment with Telus Communications, Hongkong Bank of Canada and Cameco Corporation. Between 2009 and 2020, Ms. Lloyd managed a team of contract and inventory specialists to seamlessly fulfill global uranium sales generating annual revenue of between \$1.8 and \$2.4 billion for Cameco Corporation as a Director in Cameco's Marketing team. In April 2021, Ms. Lloyd joined Kreos Aviation as Chief Operating Officer where she oversees all aspects of the Kreos operations including asset management, strategic alliances, managed aircraft, charter sales, flight operations, maintenance, fuel operations, marketing, sales and business development. Ms. Lloyd also serves a director of the Saskatoon Friendship Inn (since August 2023). She received her ICD.D designation from the ICD-Rotman Directors Education Program in June 2023.
Shane Shircliff	Mr. Shircliff has a Bachelor of Commerce and a Masters of Business Administration, both from the University of Saskatchewan. He has over 20 years of experience in executive, director and board advisory roles for both publicly traded and private companies and has extensive experience with various regulatory regimes. Mr. Shircliff's breadth of expertise over his career includes building companies, structuring deals, negotiations, due diligence and transacting mergers, acquisitions and divestitures. Most recently, Mr. Shircliff has been advising First Nations on strategy and business growth opportunities. Mr. Shircliff is also a director of Timeless Capital

	Corp. (TSXV:TLC.P). In his various previous positions, and current public company roles, he has obtained experience to be able to properly review, understand, oversee and assess the Company’s financial statements.
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Audit Committee Oversight

Since the commencement of the Company’s most recent financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in Section 2.4, 6.1(4), (5), or (6) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter, a copy of which is attached hereto as Appendix “J”.

External Auditor Service Fees (By Category)

No fees have been billed to Core Nickel by its external auditor since its incorporation. The following table discloses the fees billed to CanAlaska in relation to Core Nickel by its external auditor since Core Nickel’s incorporation.

	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
Incorporation to April 30, 2023	\$10,000	Nil	Nil	Nil

Notes:

- (1) “*Audit Fees*” include the aggregate fees billed during the noted period for professional services of the external auditor for the audit of the Company’s annual financial statements.
- (2) “*Audit-Related Fees*” include the aggregate fees billed during the noted period for assurance and related services by the external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under (1) above.
- (3) “*Tax Fees*” include the aggregate fees billed during the noted period for professional services rendered by the external auditor for tax compliance, tax advice and tax planning.
- (4) “*All Other Fees*” include the aggregate fees billed during the noted period for services provided by the external auditor, other than the services reported in the above items.

Corporate Governance

Overview

Corporate governance relates to activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company.

The Canadian securities regulatory authorities have issued corporate governance guidelines pursuant to NI 58-101, together with certain related disclosure requirements pursuant to NI 58-101. The corporate governance guidelines under NI 58-101 are recommended as “*best practices*” for issuers to follow. The Company recognizes that good corporate governance plays an important role in its overall success and in enhancing Shareholder value and, accordingly, has adopted certain corporate governance practices which are reflective of the recommended guidelines. A description of the Company’s general approach to corporate governance is summarized below. The Board will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through meetings of the Board. The Company has four directors: Cory Belyk, Karen Lloyd, Shane Shircliff and Misty Urbatsch. As the size of the Board is small, the Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Section 1.4 of NI 52-110 sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, three of the four members of the Board are independent. The members who are independent are: Cory Belyk, Karen Lloyd and Shane Shircliff, as they have no direct or indirect material relationship with the Company.

Misty Urbatsch is not independent by virtue of the fact that she is an executive officer of the Company (i.e., the President and CEO).

Other Directorships

The following directors of the Company are presently directors of one or more other reporting issuers (or equivalents) in a Canadian jurisdiction or a foreign jurisdiction:

Name of Director	Reporting Issuer(s) or Equivalent(s)
Cory Belyk	CanAlaska Uranium Ltd. (TSXV:CVV) Basin Energy Ltd. (ASX:BSN) Murchison Minerals Ltd. (TSXV:MUR)
Karen Lloyd	CanAlaska Uranium Ltd. (TSXV:CVV)
Shane Shircliff	Timeless Capital Corp. (TSXV:TLC.P).

Orientation and Continuing Education

The Company has not adopted a formalized process of orientation for new Board members. Orientation of new directors has been and will be conducted on an ad hoc basis through discussions and meetings with other directors and officers where a thorough description of the Company's business, assets, operations and strategic plans and objectives are discussed. Orientation activities have been and will be tailored to the particular needs and experiences of each director and the overall needs of the Board.

In order to achieve continuing improvement in Board performance, all directors are encouraged to undergo continual professional development, however, the Board does not take any formal measures to provide continuing education for the directors. Directors are kept informed as to matters impacting, or which may impact, the Company's operations through periodic discussions and through presentations at the Board meetings. Directors are also provided the opportunity to meet with senior management, advisors and other directors who can answer any questions that may arise.

At this stage in the Company's development, and having regard to the background and experience of its directors, the Board does not feel it necessary to have such policies or programs in place.

Ethical Business Conduct

The Board has not adopted a formal written Code of Business Conduct and Ethics. In recruiting new Board members, the Board considers only persons with a demonstrated record of ethical business conduct.

The Board has concluded that fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, in addition to the applicable corporate legislation restrictions placed on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

Due to the Company's size and stage of development, the Board does not have a nominations committee nor has the Board adopted a written mandate or formal procedure with respect to the nomination of directors. It is expected that future nominees will be recruited by the efforts of existing Board members, and the recruitment process will involve both formal and informal discussions among Board members. It is further expected that new nominees will be required to have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives and have a willingness to serve.

Compensation

Due to the Company's size and stage of development, it does not have a separate compensation committee, but rather, the Board as a whole determines executive and director compensation by way of discussions at Board meetings. The independent members of the Board are also responsible for determining the compensation to be paid to the executive directors of the Company. Should the Company's circumstances change to warrant a separate compensation committee, one will be established.

As at the date of this Listing Statement, the Company has verbal agreements with its NEOs with respect to their compensation arrangements (see "*Executive Compensation – Employment, Consulting and Management Agreements*" above). The Board expects that it will enter into formal written agreements with the NEOs in the current fiscal year. Until such time, the non-NEO Board members review the compensation of the NEOs on an annual basis. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each of the NEOs. The Company's executive compensation practices are intended to provide both current and long term rewards to its NEOs that are competitive within the compensation practices of the industry and consistent with their individual performance and contribution to the Company's objectives. In determining the appropriate compensation of an executive officer, the Board considers the responsibilities of the individual, comparable salaries in the industry, the experience level of the individual and overall performance.

Non-executive directors are currently not paid a director fee. Non-executive director compensation will be reviewed by the Board on an annual basis.

Other Board Committees

The Board has no standing committees other than the Audit Committee.

Assessments

The Board monitors, but does not formally assess, the performance of individual Board members and their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size and its stage of development, the Board considers a formal assessment process to be inappropriate at this time.

PLAN OF DISTRIBUTION

No securities will be distributed in conjunction with the Company's listing on the CSE.

Listing of Common Shares – CSE Listing

The Company has applied to list its Shares on the CSE. Listing of the Shares is subject to the Company fulfilling all of the listing requirements of the CSE.

IPO Venture Issuer

As at the date of the Listing Statement, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).

RISK FACTORS

AN INVESTMENT IN SECURITIES OF A NATURAL RESOURCE COMPANY INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE COMPANY'S PROPERTIES ARE IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. AS SUCH, AN INVESTMENT IN THE COMPANY IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK AND SHOULD ONLY BE MADE BY INVESTORS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT.

The risks and uncertainties identified and described below are not necessarily the only ones that could be faced by the Company. If any of the following risks, or any other risks and uncertainties that Core Nickel has not yet identified, actually occur, the Company's business, prospects, financial condition, results of operations, and cash flows could be materially and adversely affected.

Liquidity and Financing Risks

Core Nickel has limited financial resources. There is no assurance given by the Company that it will be able to secure the financing necessary to explore, develop and produce its mineral properties. The Company does not presently have sufficient financial resources or operating cash-flow to undertake by itself all of its planned exploration and development programs. Further exploration and development of the Company's properties will therefore depend on the Company's ability to obtain additional required financing. There is no assurance Core Nickel will be successful in obtaining the required financing on terms acceptable to it, or at all, the lack of which could result in the loss of its interests (as existing or as proposed to be acquired) in its properties. The Company's ability to continue as a going concern is dependent on its ability to raise equity capital financings, exploration success, the attainment of profitable operations and the completion of further Share issuances to satisfy working capital and operating needs. Core Nickel will need to raise further funds to complete additional exploration programs at the Halfway Lake and Resting Lake Properties, as well as to retain key personnel, finance general and administration costs and maintain its listing on the

CSE. In addition, the Company will also need to raise additional funds to complete exploration programs on its other properties, should it determine to advance such properties in future.

Going Concern Risk

The financial information relating to Core Nickel disclosed herein has been prepared on a going concern basis. The going concern basis of presentation assumes that Core Nickel will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The financial information disclosed herein does not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should Core Nickel be unable to continue as a going concern. These adjustments could be material. The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of Core Nickel to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. Due to the difficult market conditions facing junior exploration companies there is no assurance that Core Nickel will be successful in raising funds through financings. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries. Given that Core Nickel does not generate recurring revenues from operations and other factors as noted, material uncertainties exist which may cast significant doubt regarding Core Nickel's ability to continue as a going concern. Management may either need to dilute its ownership in its properties or secure financing to continue to advance the development of Core Nickel's exploration projects. Due to changing market conditions facing junior exploration companies there is no assurance that Core Nickel will be successful in raising funds through financings.

Climate Change Risks

Governments are moving to introduce climate change legislation and treaties at the international, national, provincial/state and local levels. Regulations relating to greenhouse gas emission levels (such as carbon taxes) and energy efficiency are becoming more stringent. If the current regulatory trend continues, and the increased transitional risks evolve as society and industry work to reduce their reliance on carbon, the Company's operating costs could increase at its operations. In addition, the physical risks of climate change may also have an adverse effect on the Company's operations. These physical risks include changes in rainfall rates, rising sea levels, reduced water availability, higher temperatures, increased snowpack and extreme weather events. Such events could materially disrupt the Company's operations if they affect any of the Company's property sites, impact local infrastructure or threaten the health and safety of the Company's employees and contractors, and there can be no assurances that the Company will be able to predict, respond to, measure, monitor or manage the physical risks posed as a result of climate change factors. Climate-related risks could also result in shifts in demand for certain commodities, including precious metals. The Company's operations are exposed to climate-related risks as a result of geographical location. The Company's operations may be adversely affected by climate change factors.

The occurrence of any climate change violation or enforcement action may have an adverse impact on the Company's operations, the Company's reputation and could adversely affect the Company's results of operations. As well, environmental hazards caused by third parties may exist on a property in which the owners or operators of the mining projects are not aware at present, and which could impair the commercial success, levels of production and continued feasibility and project development and mining operations on these properties.

The Company acknowledges international and community concerns around climate change and supports initiatives consistent with international initiatives on climate change.

Epidemics & Pandemic

The Company's business, operations and financial condition could be materially and adversely affected by the outbreak of epidemics or pandemics or other health crises, including the ongoing outbreak of the coronavirus (COVID-19) and its numerous variants. To date, there have been many temporary business closures, quarantines and from time to time a general reduction in consumer activity in Canada and worldwide. The outbreak has caused companies and various governmental bodies to impose travel, gathering and other public health restrictions from time to time. While these restrictions, when imposed, are expected to be temporary, and in most locations have been lifted, there is no

guarantee that they will not be reinstated and consequently the duration of the various disruptions to the Company's business cannot be reasonably estimated at this time.

Outbreaks of COVID-19 and numerous variants could persist for a prolonged period. A global pandemic, such as COVID-19, could result in adverse development results due to workforce reductions, supply and/or demand interruptions, travel restrictions and downturn in new equity and debt financings for mining projects. The Company's employees, contractors and suppliers could be affected by contagious diseases, including COVID-19 and its numerous variants, that could result in a reduction in the Company's workforce due to illness or quarantine, critical supply disruptions, transportation and travel restrictions, and other factors beyond the Company's control. These and other factors could negatively affect the Company's business in complex ways, which are difficult or impossible to predict. The Company continues to closely monitor and assess the impact of COVID-19 and its variants on its planned exploration activities and available financing opportunities. The Company has and will continue to take measures recommended by local health authorities and applicable regulatory bodies, as appropriate. The extent to which COVID-19 or any variant outbreak will or may impact the Company is uncertain and these factors are beyond the Company's control. It is possible that COVID-19 or the outbreak of any other contagious disease may have a material adverse effect on the Company's business, results of operations and financial condition.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on supply chain disruptions may adversely affect the Company's business, financial condition and results of operations. The Israeli-Palestinian war may also adversely affect the Company's business, financial condition and results of operations. The extent and duration of both of these current conflicts and related international action cannot be accurately predicted at this time and the effects of such conflicts may magnify the impact of the other risks identified herein, including those relating to commodity price volatility and global financial conditions. The situation in both areas of the world could rapidly change and unforeseeable impacts, including on the Company's shareholders and counterparties on which the Company rely and transact, may materialize and may have an adverse effect on the Company's business, results of operation and financial condition.

Exploration and Development Risks

There is no assurance given by Core Nickel that its exploration and development programs and properties will result in the discovery, development or production of a commercially viable deposit or ore body. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration activities will result in any discoveries of bodies of commercial ore. The economics of developing mineral properties are affected by many factors including capital and operating costs, variations of the grades and tonnages of ore mined, fluctuating metal prices, costs of mining and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Substantial expenditures are required to establish resources or reserves through drilling and other work, to develop metallurgical processes to extract metal from ore, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. No assurance can be given that funds required for exploration and/or development can be obtained on a timely basis. The marketability of any metals or minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of required processing facilities, mineral markets and required processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Estimates of Mineral Deposits

Core Nickel provides no assurance that any estimates of mineral deposits or resources will materialize on any of its properties. No assurance can be given that any identified mineralization will be developed into a coherent

mineralization deposit, or that such deposit will even qualify as a commercially viable and mineable ore body that can be legally and economically exploited. Estimates regarding mineralized deposits can also be affected by many factors such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. In addition, the grades and tonnages of ore ultimately mined may differ from that indicated by drilling results and other exploration and development work. There can be no assurance that test work and results conducted and recovered in small-scale laboratory tests will be duplicated in large-scale tests under on-site conditions. Material changes in mineralized tonnages, grades, dilution and stripping ratios or recovery rates may affect the economic viability of projects. The existence of mineralization or mineralized deposits should not be interpreted as assurances of the future delineation of ore reserves or the profitability of any future operations.

Commodity Prices

No assurances are provided that commodity prices will not change. Core Nickel has no control over future commodity prices. The price of the Shares and the Company's financial results may be significantly adversely affected by a decline in the price of nickel and other mineral commodities. The mining industry is competitive and commodity prices fluctuate constantly so that there is no assurance, even if commercial quantities of a mineral resource are discovered, that a profitable market will exist for the sale of same. Factors beyond the Company's control may affect the marketability of any substances discovered. The prices of precious and base metals fluctuate on a daily basis, have experienced volatile and significant price movements over short periods of time, and are affected by numerous factors beyond the Company's control, including international economic and political trends, expectations of inflation, currency exchange fluctuations (specifically, the U.S. dollar relative to other currencies), interest rates, central bank transactions, world supply for precious and base metals, international investments, monetary systems, and global or regional consumption patterns (such as the development of gold coin programs), speculative activities and increased production due to improved mining and production methods. The supply of and demand for precious and base metals are affected by various factors, including political events, economic conditions and production costs in major producing regions, and governmental policies with respect to precious metal holdings by a nation or its citizens. The exact effect of these factors cannot be accurately predicted, and the combination of these factors may result in Core Nickel not receiving adequate returns on invested capital or the investments retaining their respective values. There is no assurance that the prices of nickel and other precious and base metals will be such that the properties owned by Core Nickel can be mined at a profit. The Company is particularly exposed to the risk of movement in the price of nickel. Declining market prices for nickel could have a material effect on the Company's perceived value and profitability potential.

Cost Estimates May not be Accurate

Core Nickel prepares budgets and estimates of cash costs and capital costs for its operations and its main costs relate to material costs, workforce and contractor costs, and energy costs. As a result of the substantial expenditures involved in the exploration and development of mineral projects and the fluctuation of costs over time, projects may be prone to material cost overruns. Actual costs may vary from estimates for a variety of reasons, including short-term operating factors; revisions to exploration and development plans; risks and hazards associated with exploration, development and mining; natural phenomena, such as inclement weather conditions, water availability and unexpected labour issues, labour shortages, strikes or community blockades and quality of existing infrastructure being less than expected. Many of these factors are beyond the Company's control and the inaccuracy of any estimates may result in the Company requiring additional capital and time to execute on its development and exploration plans.

Operating Hazards and Other Uncertainties

Core Nickel's business operations are subject to risks and hazards inherent in the mining industry. The exploration for and the development of mineral deposits involves significant risk, including but not limited to:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- labour disputes and shortages;
- supply and shipping problems and delays;
- shortage of equipment and contractor availability;

- unusual or unexpected geological or operating conditions;
- fire;
- changes in the regulatory environment; and
- natural phenomena such as inclement weather conditions, floods and earthquakes.

These or other occurrences could result in damage to, or destruction of, mineral properties, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. Core Nickel could also incur liabilities as a result of pollution and other casualties all of which could be very costly and could have a material adverse effect on the Company's financial position and results of operations.

Competition

The mining industry is intensely competitive in all of its phases. Core Nickel competes with larger, better capitalized competitors in the mining industry and the Company provides no assurance that it can compete for mineral properties, future financings, technical expertise, the recruitment and retention of qualified employees and the purchase or lease of equipment and third-party servicing companies.

Title Matters

Core Nickel provides no assurance given that it owns legal title to its mineral properties. The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to any of its mineral claims may come under dispute. While the Company has diligently investigated title considerations to its mineral properties, in certain circumstances, it has only relied upon representations of property partners and government agencies. There is no guarantee of title to any of its properties. The properties may be subject to prior unregistered agreements or transfers, governmental claims for fees and title may be affected by unidentified and undetected defects and by different interpretations of the law. Indigenous land claims or claims of Indigenous title may be asserted over areas in which the Company's properties are located.

Community Groups

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

Permits and Licenses Risks

Core Nickel's operations will require licenses and permits from various governmental authorities. The Company believes it will be able to obtain in the future all necessary licenses and permits to carry on the activities which it intends to conduct and intends to comply in all material respects with the terms of such licenses and permits. There can be no guarantee, however, that Core Nickel will be able to obtain and maintain, at all times, all licenses and permits required to undertake its proposed exploration or to place its properties into commercial production and to operate mining facilities if its exploration programs are successful. Amendments to current laws and regulations governing the operating and activities of the Company and the more stringent implementation thereof could have a substantial adverse impact on the business, financial condition and the results of operations of the Company. Obtaining necessary permits, leases and licenses can be a complex, time consuming process and Core Nickel cannot be certain that it will be able to obtain necessary permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits, leases and licenses and complying with these permits and applicable laws and regulations could stop, delay or restrict the Company from proceeding with the development of an exploration project

or the development and operation of a mine. Any failure to comply with applicable laws and regulations or permits could result in interruption or closure of exploration, development or mining operations, or fines, penalties or other liabilities. The Company could also lose its licenses or permits under the terms of its existing agreements.

Environmental and Other Regulatory Requirements

Core Nickel provides no assurance that it has met all environmental or regulatory requirements. The current or future operations of the Company, including exploration and development activities and commencement of production on its properties, require permits from various federal, provincial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. There can be no assurance that approvals and permits required in order for the Company to commence exploration, development or production on its various properties will be obtained. Additional permits and studies, which may include environmental impact studies conducted before permits can be obtained, are necessary prior to operation of the other properties in which the Company has interests and there can be no assurance that the Company will be able to obtain or maintain all necessary permits that may be required to commence exploration, construction, development or operation of mining facilities at these properties on terms which enable operations to be conducted at economically justifiable costs.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration, development and mining operations may be required to compensate those suffering loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. New laws or regulations or amendments to current laws, regulations and permits governing operations and activities of exploration and mining companies, or more stringent implementation of current laws, regulations or permits, could have a material adverse impact on the Company and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Reclamation

Land reclamation requirements for the Company's properties may be burdensome. There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of any potential waste rock and/or tailings and/or revisions to government regulations. Therefore additional funds, or reclamation bonds or other forms of financial assurance may be required over the tenure of the Company's properties to cover potential risks. These additional costs may have material adverse impact on the financial condition and results of the Company.

Unknown Environmental Risks for Past Activities

Exploration and mining operations involve a potential risk of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. However, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at these properties do not exist.

Geopolitical Risk

Core Nickel may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploitation and production, price controls, export controls, currency availability, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, expropriation of property, ownership of assets, environmental legislation, labour

relations, limitations on mineral exports, increased financing costs, and site safety. In addition, legislative enactments may be delayed or announced without being enacted and future political action that may adversely affect the Company cannot be predicted. Any changes in regulations or shifts in political attitudes that may result, among other things, in significant changes to mining laws or any other national legal body of regulations or policies are beyond the control of the Company and may adversely affect its business.

Litigation affecting Mineral Properties

Potential litigation may arise on a mineral property on which the Company has an interest (for example, litigation with the original property owners or neighbouring property owners). The results of litigation cannot be predicted with certainty and defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. If the Company is unable to resolve these disputes favourably or if the cost of the resolution is substantial, such events may have a material adverse impact on the ability of the Company to carry out its business plan.

Changes in Tax Laws Impacting the Company

There can be no assurance that new tax laws, regulations, policies or interpretations will not be enacted or brought into being in the jurisdictions where Core Nickel has interests that could have a material adverse effect on the Company. Any such change or implementation of new tax laws or regulations could adversely affect the Company's ability to conduct its business. No assurance can be given that new taxation rules or accounting policies will not be enacted or that existing rules will not be applied in a manner which could result in the profits of the Company being subject to additional taxation or which could otherwise have a material adverse effect on the profitability of the Company, the Company's results of operations, financial condition and the trading price of the Company's securities. In addition, the introduction of new tax rules or accounting policies, or changes to, or differing interpretations of, or application of, existing tax rules or accounting policies could make royalties or other investments and dispositions by the Company less attractive to counterparties. Such changes could adversely affect the ability of the Company to acquire new assets or make future investments and dispositions.

Uninsured Risks

Core Nickel provides no assurance that it is adequately insured against all risks. The Company maintains insurance in such amounts as it considers to be reasonable, however, such insurance may not cover all the potential risks associated with its activities, including any future mining operations. Core Nickel may not be able to obtain or maintain insurance to cover its risks at economically feasible premiums, or at all. Insurance coverage may not be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration or production may not be available to the Company on acceptable terms. Core Nickel might also become subject to liability for pollution or other hazards which it is does not insure against or in future may not insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs which could have a material adverse effect on Company's business, financial condition, results of operations or prospects.

Negative Cash Flow and No Assurance of Profitability

Core Nickel has no history of cash flow from operations. The Company does not expect to generate material revenue or to achieve self-sustaining operations for several years, if at all. This may have a negative impact on the financial position of Core Nickel.

Core Nickel has no history of earnings and due to the nature of its business there can be no assurance that the Company will ever be profitable. The Company has not paid dividends on its Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the sale of its Shares or from the sale or optioning of a portion of its interest in its resource properties. Even if the results of exploration are encouraging, Core Nickel may not have sufficient funds to conduct the further exploration that may be necessary to determine whether a commercial deposit exists. While the Company may generate additional working capital through further equity offerings or through the sale or syndication of its properties, there can be no assurance that any such funds will be available on favorable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Dependence on Key Individuals

Core Nickel is dependent on a relatively small number of key personnel, being primarily its executive officers and directors, the loss of any one of whom could have an adverse effect on it. The Company does not maintain key-person insurance on the life of any of its personnel. In addition, while certain of the Company's officers and directors have experience in the exploration of mineral producing properties, Core Nickel will be highly dependent upon contractors and third parties in the performance of its exploration and development activities. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms. As the Company's business activity grows, Core Nickel will require additional key financial, administrative and mining personnel as well as additional operations staff. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increase. If Core Nickel is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Substantial Number of Authorized but Unissued Shares

Core Nickel has an unlimited number of Shares which may be issued by the Board without further action or approval of the Company's shareholders. While the Board is required to fulfil its fiduciary obligations in connection with the issuance of such Shares, the Shares may be issued in transactions with which not all shareholders agree, and the issuance of such Shares will cause dilution to the ownership interests of the Company's shareholders.

No Market for Securities

The Shares are not currently listed on any stock exchange and there is no assurance that the Shares will be listed and posted for trading on the CSE. There is currently no market through which any of the Shares may be sold and there is no assurance that if the Shares are listed on the CSE, that such exchange will provide a liquid market for such Shares. Until the Shares are listed on a stock exchange, holders of the Shares may not be able to sell their Shares. Even if a listing is obtained, there can be no assurance that an active public market for the Shares will develop or be sustained after listing. The holding of Shares involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. The Shares should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Potential Volatility of Market Price of Common Shares and Related Litigation Risks

Securities of publicly listed companies have, from time to time, experienced significant price and volume fluctuations unrelated to the operating performance of particular companies. If a listing on the CSE is obtained, these broad market fluctuations may adversely affect the market price of the Shares. In addition, the market price of the Shares is likely to be highly volatile. Factors such as nickel prices, the average volume of Shares traded, announcements by competitors, changes in stock market analysts' recommendations regarding the Company and general market conditions and attitudes affecting other exploration and mining companies may have a significant effect on the market price of the Shares. It is likely that the Company's results or development and exploration activities may fluctuate significantly or may fail to meet the expectations of stock market analysts and investors and, in such event, the market price of the Shares could be materially adversely affected. In the past, securities class action litigation has often been initiated following periods of volatility in the market price of a company's securities. Such litigation, if brought against the Company, could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on the Company's business, financial position and results of operations.

Future Sales of Shares by Existing Shareholders

Sales of a large number of Shares in the public markets, or the potential for such sales, could decrease the trading price of the Shares and could impair the Company's ability to raise capital through future sales of Shares.

Dividend Policy

No dividends on Shares have been paid by Core Nickel to date. The Company anticipates that it will retain all earnings and other cash resources for the foreseeable future for the operation and development of its business. The Company does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Company's Board after taking into account many factors, including Core Nickel's operating results, financial condition and current and anticipated cash needs.

Conflicts of Interest

Core Nickel provides no assurance that its directors and officers will not have conflicts of interest from time to time. Directors and officers of Core Nickel may serve as directors or officers of CanAlaska, as well as other mineral exploration and development companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which Core Nickel may participate, the Company's directors and management may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The interests of these companies may differ from time to time. In the event that such a conflict of interest arises at a meeting of the Core Nickel directors, a director who has such a conflict will abstain from voting for or against any resolution involving any such conflict. From time to time several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of the Province of British Columbia, the directors of Core Nickel are required to act honestly, in good faith and in the best interests of the Company. In determining whether the Company will participate in any particular exploration or mining project at any given time, the directors will primarily consider the upside potential for the project to be accretive to shareholders, the degree of risk to which the Company may be exposed and its financial position at that time.

PROMOTERS

Misty Urbatsch may be considered to be the promoter of Core Nickel within the meaning of applicable securities laws. As at the date of this Listing Statement, Ms. Urbatsch does not beneficially own, or control or direct, any Shares. In conjunction with the closing of the Arrangement, Ms. Urbatsch was granted an aggregate of 14,990 options expiring on July 28, 2026 and exercisable at an exercise price per Share to be determined in conjunction with the terms of the Arrangement. Ms. Urbatsch is the President and CEO of the Company and is compensated for providing these services to the Company. (See "*Directors and Executive Officers*" and "*Executive Compensation*" above.)

No person who is a Promoter of the Company:

1. received anything of value directly or indirectly from the Company;
2. sold or otherwise transferred any asset to the Company within the last 2 years;
3. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;
4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;

5. is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;
6. has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person;
7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority;
8. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision; or
9. has within the past 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets.

The Company does not have any written or verbal contracts or any other arrangement in effect with any person to provide promotional or investor relations services.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

There are no legal proceedings outstanding, threatened or pending as of the date of this Listing Statement by or against Company or to which it is a party or its business or any of its assets is the subject of, nor to the knowledge of the directors and officers of Core Nickel are any such legal proceedings contemplated.

Regulatory Actions

There have not been any penalties or sanctions imposed against Core Nickel by a court relating to provincial or territorial securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and Core Nickel has not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with a securities regulatory authority, as of the date of this Listing Statement or since its incorporation.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed below and elsewhere in this Listing Statement, no director, executive officer or principal Shareholder of the Company, or associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction prior to the date hereof that has materially affected or which is reasonably expected to materially affect Core Nickel.

AUDITOR, TRANSFER AGENT AND REGISTRAR

Auditor

The auditor of Core Nickel is Deloitte LLP, Chartered Professional Accountants of 410 West Georgia Street, Vancouver, British Columbia V6B 0S7.

Transfer Agent and Registrar

The registrar and transfer agent for the Shares is Olympia Trust Company at its principal offices at 4000, 520 – 3 Avenue SW, Calgary, Alberta T2P 0R3.

EXPERTS

Names of Experts

The following persons or companies whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company named in this Listing Statement as having prepared or certified a report, valuation, statement or opinion in this Listing Statement:

- ◆ The Halfway Lake and Resting Lake Technical Report was prepared by Chris Beaumont-Smith, Ph.D., P.Geo., CBSGeoscience Ltd., who have no interest in Core Nickel, the Company's securities or the Halfway Lake and Resting Lake Properties.
- ◆ The Mel Technical Report was prepared by Chris Beaumont-Smith, Ph.D., P.Geo., CBSGeoscience Ltd., who have no interest in Core Nickel, the Company's securities or the Halfway Lake and Resting Lake Properties.
- ◆ Deloitte LLP, auditor of the Company, who audited the Company's Audited Statement of Financial Position as at April 30, 2023, attached to this Listing Statement as Appendix "B", is independent of Core Nickel within the meaning of the rules of professional conduct of the Chartered Professional Accountants of British Columbia.

Interest of Experts

None of the persons set out under the heading "*Experts – Names of Experts*" have held, received or is to receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of its associates or affiliates when such person prepared the report, valuation, statement or opinion aforementioned or thereafter.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only material contracts which the Company has entered into since incorporation, are the following:

1. Arrangement Agreement dated September 1, 2023, between Core Nickel and CanAlaska; and
2. Registrar and Transfer Agent Agreement dated September 11, 2023, between Core Nickel and the Transfer Agent.

Copies of the above material contracts are available under the Company's profile at www.sedarplus.ca.

OTHER MATERIAL FACTS

There are no other material facts about the securities of the Company that are not disclosed under any other items and are necessary in order for this Listing Statement to contain full, true and plain disclosure of all material facts relating to the securities of the Company.

APPENDIX “A”

SECTION 14 – CAPITALIZATION TABLES

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully -diluted)	%of Issued (non-diluted)	% of Issued (fully diluted)
<u>Public Float</u>				
Total outstanding (A)	24,997,482	32,060,285	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	199,437	1,052,941	0.8%	3.3%
Total Public Float (A-B)	24,798,045	31,007,344	99.2%	96.7%
<u>Freely-Tradeable Float</u>				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	199,870 (voluntary hold expires: Jan 13, 2024 as to 99,935 shares; and Mar 13, 2024 as to 99,935 shares)	700,536 (Statutory hold period expires: Nov 29, 2023 as to 500,666 options; and voluntary hold expires: Jan 13, 2024 as to 99,935 shares; and Mar 13, 2024 as to 99,935 shares)	0.8%	2.2%
Total Tradeable Float (A-C)	24,797,612	31,359,749	99.2%	97.8%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	55	681
100 – 499 securities	1	199
500 – 999 securities	4	2,364
1,000 – 1,999 securities	2	2,181
2,000 – 2,999 securities	1	2,664
3,000 – 3,999 securities	--	--
4,000 – 4,999 securities	5	24,980
5,000 or more securities	32	24,844,491 ⁽¹⁾
TOTAL:	100	24,877,560

Note:

(1) CDS & Co is the registered holder of 22,929,919 shares. CDS & CO has not confirmed the number of shares held by it on behalf of Related Persons and 5% shareholders. Such # has been inferred from information the Issuer has received from Related Persons and 5% shareholders.

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Number of holders

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	--	--
100 – 499 securities	--	--
500 – 999 securities	--	--
1,000 – 1,999 securities	262	422,750
2,000 – 2,999 securities	94	334,687
3,000 – 3,999 securities	64	235,487
4,000 – 4,999 securities	23	191,828
5,000 or more securities	127	3,264,078
Unable to confirm	Unknown	18,481,089

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	0	0
100 – 499 securities	0	0
500 – 999 securities	0	0
1,000 – 1,999 securities	0	0
2,000 – 2,999 securities	0	0
3,000 – 3,999 securities	0	0
4,000 – 4,999 securities	0	0
5,000 or more securities	1	119,922
TOTAL:	1	119,922

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Warrants Exercise price: TBD ⁽¹⁾ Expiry date: May 16, 2024	2,308,814	2,308,814
Warrants Exercise price: TBD ⁽¹⁾ Expiry date: July 18, 2024	103,942	103,942
Warrants Exercise price: TBD ⁽¹⁾ Expiry date: August 15, 2024	176,801	176,801
Warrants Exercise price: TBD ⁽¹⁾ Expiry date: November 1, 2025	1,766,141	1,766,141
Warrants Exercise price: TBD ⁽¹⁾ Expiry date: November 1, 2025	209,771	209,771
Options Exercise price: TBD ⁽²⁾ Expiry date: May 12, 2024	181,879	181,879
Options Exercise price: TBD ⁽²⁾ Expiry date: July 15, 2024	39,974	39,974
Options Exercise price: TBD ⁽²⁾ Expiry date: July 28, 2024	79,947	79,947
Options Exercise price: TBD ⁽²⁾ Expiry date: November 20, 2024	349,764	349,764
Options Exercise price: TBD ⁽²⁾ Expiry date: July 21, 2025	433,710	433,710

Options Exercise price: TBD ⁽²⁾ Expiry date: November 28, 2025	436,704	436,704
Options Exercise price: TBD ⁽²⁾ Expiry date: January 11, 2025	474,690	474,690
Options Exercise price: TBD ⁽²⁾ Expiry date: July 28, 2026	500,666	500,666

Notes:

- (1) The exercise price calculated in accordance with the Arrangement Agreement will be based on 5 day value weighted average prices (VWAP) of the New CanAlaska Shares and the Core Nickel Shares for the first 5 trading days after listing of the Core Nickel Shares.
- (2) The exercise price calculated in accordance with the Arrangement Agreement will be based on 5 day value weighted average prices (VWAP) of the New CanAlaska Shares and the Core Nickel Shares for the first 5 trading days after listing of the Core Nickel Shares, subject to a minimum \$0.05/share price in compliance with CSE policies.

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

N/A

APPENDIX “B”

CORE NICKEL AUDITED STATEMENT OF FINANCIAL POSITION
AS AT APRIL 30, 2023

Core Nickel Corp.

Statement of Financial Position
As at April 30, 2023

Independent Auditor's Report

To the Shareholders of
Core Nickel Corp.

Opinion

We have audited the Statement of Financial Position of Core Nickel Corp. (the "Company"), which comprise the statement of financial position as at April 30, 2023, and notes to the statement of financial position, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Company as at April 30, 2023, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
September 13, 2023

Core Nickel Corp.
Statements of Financial Position
(Expressed in Canadian dollars)

	April 30, 2023
	\$
Asset	
Due from parent	0.01
Total asset	<u>0.01</u>
Shareholder's Equity	
Share capital – unlimited shares authorized, 1 issued and outstanding (Note 3)	0.01
	<u>0.01</u>

Approved by the Board of Directors

“Peter Dasler”

Director

“Karen Lloyd”

Director

The accompanying notes are an integral part of this Statement of Financial Position

Core Nickel Corp.

Notes to the Statement of Financial Position

As at April 30, 2023

(Expressed in Canadian dollars)

1 ORGANIZATION

Core Nickel Corp. (the “Company”) was incorporated on May 5 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement (the “Arrangement”) to reorganize CanAlaska Uranium Ltd. (“CanAlaska”). The Company’s intended business activity is the acquisition and exploration of exploration and evaluation properties in Canada. To date, the Company has not commenced operations. The Company’s head office is located at 625 Howe Street, Suite 580, Vancouver, British Columbia, V6C 2T6, Canada.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

The statement of financial position has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). Separate Statements of Income and Comprehensive Income, Change in Shareholder’s Equity and Cash Flows have not been presented as there have been no activities for the Company to date other than its formation.

The statement of financial position was approved and authorized for issuance on September 13, 2023 by the Board of Directors.

a) Functional currency and presentation currency

These financial statements are presented in Canadian dollars, which is the Company’s functional currency.

3 SHAREHOLDER’S EQUITY

The Company issued one common share for \$0.01 upon incorporation, the share is held by CanAlaska being the Company’s ultimate parent and sole shareholder. As at April 30, 2023, one common share with no par value was issued and outstanding. The authorized capital of the Company is an unlimited number of Common Shares.

APPENDIX “C”

CORE NICKEL MD&A
FROM DATE OF INCORPORATION (MAY 5, 2022) TO APRIL 30, 2023

Core Nickel Corp.

Management Discussion and Analysis
From date of incorporation (May 5, 2022) to April 30, 2023

GENERAL

The following Management Discussion and Analysis (“MD&A”) of Core Nickel Corp. (the “Company” or “Core Nickel”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of September 13, 2023 and should be read in conjunction with the audited statement of financial position as at April 30, 2023 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Company, unless specifically noted.

Management of the Company is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company’s Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

FORWARD LOOKING STATEMENTS

information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Investors are cautioned against attributing undue certainty to forward looking statements.

DESCRIPTION OF BUSINESS AND OVERVIEW

The Company was incorporated on May 5, 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement to reorganize CanAlaska Uranium Ltd. (“CanAlaska”). The Company’s intended business activity is the acquisition and exploration of mineral properties, principally in Manitoba, Canada. To date, the Company has not commenced operations.

SIGNIFICANT EVENTS/OVERALL PERFORMANCE

There were no significant events or transaction during the period.

RESULTS OF OPERATIONS

Period from incorporation on May 5, 2022 to April 30, 2023

The Company issued one common share for \$0.01 upon incorporation, the share is held by CanAlaska being the Company’s parent and sole shareholder. The Company does not have any operations or working capital. There are no liabilities, expenses or cash flows and no operations for the Company during the period.

LIQUIDITY AND CAPITALIZATION

Working Capital

The Company had no working capital as at April 30, 2023.

Long-Term Liability

The Company had no long-term liabilities as at April 30, 2023.

RELATED PARTY TRANSACTIONS

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of non-executive members of the Company's Board of Directors.

During the period ended April 30, 2023, the Company issued one common share for \$0.01 to CanAlaska. As at April 30, 2023, there is \$0.01 due from CanAlaska.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no undisclosed off-balance sheet arrangements or off-balance sheet financing structures in place.

PROPOSED TRANSACTIONS

Subsequent to April 30, 2023, CanAlaska Uranium Ltd. ("CanAlaska") intends to strategically reorganize its exploration business. CanAlaska intends to spinout five of its nickel properties along with other non-core assets (the "Asset Property Interests") to Core Nickel, a wholly owned subsidiary of CanAlaska.

In connection with the reorganization, Core Nickel will then complete the acquisition of the Asset Property Interests by the issuance of approximately 25,000,000 common shares ("SpinCo Shares") to CanAlaska. CanAlaska will then complete a share capital reorganization by way of a statutory plan of arrangement ("Arrangement") whereby CanAlaska will spin-out the SpinCo shares to CanAlaska shareholders.

Upon closing of the Arrangement, the Company will be owned exclusively by existing shareholders of CanAlaska, keeping their identical proportion to their pre-Arrangement shareholdings of CanAlaska.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by CanAlaska shareholders and receipt of court and necessary regulatory approvals.

The statement of financial position reflects the assets of the operations included in the exploration business to be spun out by the Company

SUMMARY OF ACCOUNTING POLICIES

Please refer to the statement of financial position as at April 30, 2023.

RISKS AND UNCERTAINTIES

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's only exposure to credit risk is on its due from parent. The Company assessed credit risk as low.

APPENDIX “D”

CANALASKA AUDITED CARVE-OUT FINANCIAL STATEMENTS
FOR THE YEARS ENDED APRIL 30, 2023 AND 2022



CanAlaska Uranium Ltd.

Carve-Out

Carve-Out Financial Statements
For the year ended April 30, 2023 and 2022

(Expressed in Canadian dollars, except where indicated)

Independent Auditor's Report

To the Board of Directors of
CanAlaska Uranium Ltd.

Opinion

We have audited the carve-out financial statements of CanAlaska Uranium Ltd. (the "Asset Property Interests"), which comprise the statements of financial position as at April 30, 2023 and 2022, and the carve-out statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the carve-out financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Asset Property Interests as at April 30, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Assets in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Asset Property Interests has a loss of \$634,479 for the year ended April 30, 2023. In addition, the Asset Property Interests is a resource exploration stage entity, which does not generate any revenues. As stated in Note 2, these events, or conditions, along with other matters as set forth in Note 2, indicate that material uncertainties exist that may cast significant doubt on the Asset Property Interests' ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Assets' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Assets or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Assets' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Assets' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Assets' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Assets to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
September 13, 2023

CanAlaska Uranium Ltd.

Carve-Out Statements of Financial Position

As at April 30, 2023 and 2022

(Expressed in Canadian dollars)

	April 30 2023	April 30 2022
	\$	\$
Assets		
Current assets		
Deposits (note 7)	196,606	256
Non-current assets		
Reclamation bonds	74,226	74,226
Mineral property interests (note 8)	151,566	87,130
Total assets	422,398	161,612
Liabilities		
Trade and other payables	-	68
Equity		
Contributions from CanAlaska Uranium Ltd. (note 9)	1,205,254	483,052
Equity reserve	302,820	129,689
Accumulated deficit	(1,085,676)	(451,197)
	422,398	161,544
	422,398	161,612

Going concern (note 2)

Subsequent events (note 15)

Approved by the Board of Directors

“Peter Dasler”

Director

“Jean Luc Roy”

Director

CanAlaska Uranium Ltd.

Carve-Out Statements of Loss and Comprehensive Loss

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

	2023	2022
	\$	\$
EXPLORATION COSTS		
Mineral property expenditures, net of reimbursements (note 8)	160,438	157,429
OTHER EXPENSES		
Consulting, labour and professional fees	192,692	109,030
Insurance, licenses and filing fees	20,873	14,815
Other corporate costs	22,914	9,216
Investor relations and presentations	52,724	25,457
Rent	3,478	3,531
Share-based payments	173,131	129,689
Travel and accommodation	8,229	2,030
	474,041	293,768
Loss and comprehensive loss for the year	(634,479)	(451,197)

The accompanying notes are an integral part of these carve-out financial statements.

CanAlaska Uranium Ltd.

Carve-Out Statements of Changes in Equity
For the years ended April 30, 2023 and 2022
(Expressed in Canadian dollars)

	Contributions from CanAlaska Uranium Ltd. \$	Equity reserve \$	Accumulated deficit \$	Total \$
Balance-April 30, 2021	36,805	-	-	36,805
Share-based payments – allocated from CanAlaska Uranium Ltd.		129,689		129,689
Contribution from CanAlaska Uranium Ltd.	446,247	-	-	446,247
Loss and comprehensive loss for the year	-	-	(451,197)	(451,197)
Balance-April 30, 2022	483,052	129,689	(451,197)	161,544
Share-based payments – allocated from CanAlaska Uranium Ltd.	-	173,131	-	173,131
Contribution from CanAlaska Uranium Ltd.	722,202	-	-	722,202
Loss and comprehensive loss for the year	-	-	(634,479)	(634,479)
Balance-April 30, 2023	1,205,254	302,820	(1,085,676)	422,398

The accompanying notes are an integral part of these carve-out financial statements.

CanAlaska Uranium Ltd.

Carve-Out Statements of Cash Flows

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

	2023	2022
	\$	\$
Operating activities		
Net loss for the year	(634,479)	(451,197)
Adjustments		
Share-based payments	173,131	129,689
Change in non-cash operating working capital		
Increase in prepaid and deposits	(196,350)	(256)
(Decrease) increase in trade and other payables	(68)	68
Cash used in operating activities	<u>(657,766)</u>	<u>(321,696)</u>
Financing activities		
Contributions from CanAlaska Uranium Ltd.	722,202	446,247
Cash from financing activities	<u>722,202</u>	<u>446,247</u>
Investing activities		
Additions to mineral property interests	(64,436)	(50,325)
Reclamation bonds	-	(74,226)
Cash used in investing activities	<u>(64,436)</u>	<u>(124,551)</u>
Increase in cash	-	-
Cash - beginning of year	<u>-</u>	<u>-</u>
Cash - end of year	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these carve-out financial statements.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

1 Nature of Operations

CanAlaska Uranium Ltd. (the “Company” or “CanAlaska”) is engaged in the exploration and development of mineral properties in Canada. The Company has not determined whether these properties contain ore reserves that are economically recoverable. The Company’s registered office is located at 625 Howe Street, Suite 580, Vancouver, British Columbia, V6C 2T6, Canada.

On June 12, 2023, Company announced that it intends to spinout five of its nickel properties: Halfway Lake, Resting Lake, Hunter, Odei River and the Mel nickel deposit lease and claims by way of a statutory plan of arrangement (“Arrangement”) to its wholly owned subsidiary, Core Nickel Corp. (“Core Nickel” or “SpinCo”).

In connection with the Arrangement, the Company will transfer cash and the certain nickel properties (the “Asset Property Interests”) to Core Nickel in exchange for common shares of Core Nickel.

As a result of the Arrangement, Core Nickel will be owned exclusively by existing CanAlaska shareholders in identical proportion to their pre-Arrangement shareholdings of CanAlaska. Closing of the Arrangement is subject to several conditions including, but not limited to, approval by the Company’s shareholders and receipt of the court and necessary regulatory approvals.

These carve-out financial statements reflect the financial position, results of operations, and cash flows for the Asset Property Interests and have been compiled for purposes of inclusion in an Information Circular for CanAlaska in connection with the Arrangement described above.

2 Going Concern

These carve-out financial statements have been prepared using International Financial Reporting Standards (“IFRS”) as they apply to a going concern basis. The going concern basis of presentation assumes that the Asset Property Interests will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. The Asset Property Interests are in the exploration stage and has not generated revenue from operations. The Asset Property Interests incurred a loss of \$634,479 during the year ended April 30, 2023 (2022 - \$451,197), generated negative cash flows from operating activities of \$657,766 (2022 - \$321,696) and, as of April 30, 2023, the Asset Property Interests' deficit was \$1,085,676 (2022 - \$451,179).

As the Asset Property Interests are in the exploration stage, the recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Asset Property Interests to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. These factors indicate the existence of material uncertainties that my cast significant doubt about the Asset Property Interests’ ability to continue as a going concern, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These carve-out financial statements do not reflect the adjustments to the carrying values and classification of assets and liabilities, or to the reported expenses that would be necessary if the Asset Property Interests were unable to realize its asset and settle its liabilities as a going concern in the normal course of operations. Such adjustment could be material.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

3 Arrangement Agreement

Subsequent to April 30, 2023, the “Company intends to strategically reorganize its exploration business. The Company intends to spinout five of its nickel properties along with other non-core assets (the “Nickel Properties”) to its wholly owned subsidiary. In connection with the reorganization, the Company will then complete a share capital reorganization by way of a statutory plan of arrangement whereby the Company will spin-out the SpinCo shares to the Company’s shareholders.

In connection with the Arrangement, the Asset Property Interests will hold the following assets:

- 100% interest in the Halfway Lake project
- 100% interest in the Resting Lake project
- 100% interest in the Hunter project
- 100% interest in the Odei River project
- 100% interest in the Mel nickel deposit lease and claim which were acquired in May 2023 (Note 15)
- Prepaid and deposits, and
- Reclamation bonds

Upon closing of the Arrangement, the Asset Property Interests will be owned exclusively by existing shareholders of the Company, keeping their identical proportion to their pre-Arrangement shareholdings of the Company. Closing of the Arrangement is subject to several conditions including, but not limited to, approval by the Company shareholders and receipt of court and necessary regulatory approvals. These carve-out financial statements reflect the assets, liabilities, expenses and cash flows of the operations including in the exploration business to be spun out by the Company using a legal entity approach.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

4 Basis of preparation

These carve-out financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IFRS”).

The purpose of these carve-out financial statements is to provide general purpose historical financial information of the Asset Property Interests in connection with the Arrangement detailed in note 3. Therefore, these carve-out financial statements present the historical financial information of the Company that make up the Asset Property Interests, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocation of shared income and expenses of the Company that are attributable to the Asset Property Interests. The transfer of the Nickel Properties under the Arrangement represents a transfer of assets ultimately controlled by the same parties before and after the transaction. The assets comprising the Asset Property Interests have been determined not to qualify as a business under IFRS 3. Therefore, this transaction has been accounted for using the carrying values of the assets.

These carve-out financial statements were approved for issuance by the Company’s board of directors (“Board”) on September 13, 2023.

These carve-out financial statements have been prepared on a historical cost basis except as disclosed in the significant accounting policies in note 5. The carve-out financial statements are presented in Canadian dollars which is the Company’s functional currency.

The basis of preparation for the carve-out statement of financial position, loss and comprehensive loss, cash flows and changes in equity of the Asset Property Interests have been applied. The carve-out financial statements have been allocated on the basis of direct usage where identified from historical accounting records of the Company with estimates used, when necessary, for certain allocations.

- The carve-out statements of financial position reflect the assets and liabilities recorded by the Company which have been assigned to the Asset Property Interests on the basis that they are specifically identifiable and attributable to the Asset Property Interests;
- The carve-out statement of loss and comprehensive loss included a pro-rata allocation of the Company’s general and administration and share based compensation expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of the Company’s exploration and evaluation assets, and based on specifically identifiable mineral property expenditure activities attributable to the Asset Property Interests. The allocation of expense for each period presented is as follows: 2023 and 2022 – 10%. Management believes that the percentages are considered reasonable under the circumstances;
- Income taxes have been calculated as if the Asset Property Interests had been a separate legal entity and had filed separate tax returns for the periods presented.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

4 Basis of preparation (continued)

Management cautions readers of these carve-out financial statements that the Asset Property Interests' results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Asset Property Interests been a separate entity. Further, the allocation of income and expense in these carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Asset Property Interests' future income and operating expenses. The Company's investment in the Asset Property Interests, presented as equity in these carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Asset Property Interests.

5 Significant Accounting Policies

The accounting policies have been applied consistently to all periods presented in these carve-out financial statements, except as disclosed under the Future Changes in Accounting Policies Not Yet Effective.

a) Income taxes

Income tax expense consists of current and deferred tax expense. Income tax is recognized in the statement of loss and comprehensive loss except to the extent it relates to items recognized directly in equity, in which case the related taxes are recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates substantially enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to unused tax loss carry forwards, unused tax credits and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the substantially enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Asset Property Interests does not consider it probable that deferred tax asset will be recovered, the deferred tax asset is reduced.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable income; and
- investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to the set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Asset Property Interests intend to settle its current tax assets and liabilities on a net basis.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

5 Significant Accounting Policies (continued)

b) Mineral property interests and mineral exploration expenditures

Mineral property interests

Mineral properties are exploration and evaluation assets that consist of payments to acquire mineral exploration rights, licenses and mining permits. Acquisition costs are capitalized and deferred until such a time as the mineral property is put into production, sold or abandoned, or impaired.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the mineral properties are transferred to mine under development. When a property is placed into commercial production, capitalized costs will be depleted using the units-of-production method.

The carrying values of capitalized amounts are reviewed when indicators of impairment are present. Recorded amounts of mineral properties are not intended to reflect present or future values of the properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

Option payments made by an interested acquirer are recorded as a reduction of the value of the asset, with any excess over the carrying value of the asset recorded into income.

Exploration expenditures

Exploration and evaluation expenditure, including but not limited to geological and geophysical evaluation, surveying, exploratory drilling and sampling, and evaluating the technical feasibility of extracting a mineral resource, is expensed as incurred until the property reaches the development stage.

The development stage is considered to begin once the technical feasibility and commercial viability of the extraction of mineral property in an area of interest are demonstrable. Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method based upon estimated proven and probable reserves.

The Asset Property Interests accounts for all proceeds received for option or farm-out arrangements or recovery of costs against the exploration expenditures.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

5 Summary of Significant Accounting Policies (continued)

c) Impairment of non-financial assets

At each reporting date, the carrying amounts of the Asset Property Interests' non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates, generally by mineral property interests. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. For exploration and evaluation assets, indication of impairment includes but is not limited to expiration of the rights to explore, substantive expenditure in the specific area is neither budgeted or planned, and if the entity has decided to discontinue exploration activity in the specified area.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Management considers both external and internal sources of information in assessing whether there are any indications that the Asset Property Interests' non-financial assets are impaired. External sources of information management considers include changes in market, economic and legal environment in which the Asset Property Interests operate that are not within its control and affect the recoverable amount of its non-financial assets. Internal sources of information management consider include the manner in which non-financial assets are being used or are expected to be used and indications of economic performance of the assets.

d) Foreign currencies

The functional and presentation currency of the Asset Property Interests is the Canadian dollar. Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on dates of transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the spot rates prevailing at the date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the date of the transaction and not revalued every period.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

5 Summary of Significant Accounting Policies (continued)

e) Decommissioning liabilities

Obligations associated with the decommissioning of tangible non-current assets are recorded as provisions when those obligations are incurred, with the amount of the liability initially measured at management's best estimates. These obligations are capitalized in the accounts of the related non-current assets and are amortized over the useful lives of the related assets. It is possible that the Asset Property Interests' estimates of its ultimate decommissioning liabilities could change as a result of changes in regulations, the extent of environmental remediation required and the means of reclamation or costs estimates. Changes in estimates are accounted for prospectively from the period these estimates are revised. There are no decommissioning liabilities as at April 30, 2023 and April 30, 2022.

f) Share-based payments

The Asset Property Interests does not have its own equity incentive plan, however employees of the Asset Property Interests participate in the CanAlaska plan.

CanAlaska operates an equity-settled, share-based compensation plan, under which the entity receives services from employees and non-employees as consideration for equity instruments (options) of the Company. The Company may also issue warrants as consideration for services received. The total amount to be expensed is determined by reference to the fair value of the services received and if not determinable, the fair value of options and warrants granted.

The fair value of share-based compensation is determined using the Black-Scholes option-pricing model and management's assumptions. When a stock option is exercised, the Company recognizes an increase in its share capital equivalent to the consideration paid by the option holder and the fair value amount previously recognized in equity reserve. The fair value of any stock options granted to directors, officers and employees of the Asset Property Interests is recorded as an expense over the vesting period with a corresponding increase in equity reserve.

g) Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities Arising from a Single Transaction which amended IAS 12, Income Taxes ("IAS 12"). The amendments narrowed the scope of the recognition exemption in IAS 12, relating to the recognition of deferred tax assets and liabilities, so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as leases and reclamation and closure cost provisions. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 to transactions that occur on or after the beginning of the earliest comparative period presented. Earlier application is permitted. The Asset Property Interests does not expect the adoption of these amendments to have a material impact on its financial statements.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

5 Summary of Significant Accounting Policies (continued)

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current. The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The IASB is currently considering further amendments to the requirements in IAS 1 on classification of liabilities as current or non-current, including deferring the application of the January 2020 amendments. The directors of the Company anticipate that the application of these amendments may not have an impact on the financial statements in future periods..

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ described in IFRS Practice Statement 2. The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements

In October 2022, the IASB published amendments to IAS 1 Presentation of Financial Statements to clarify whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current (based on a substantive right to defer settlement). This amendment is in effect for reporting periods beginning on or after January 1, 2024 with early adoption permitted. The Asset Property Interests has not yet determined the effect of adoption of this amendment on its financial statements.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

6 Significant Accounting Judgments and Estimates

The preparation of these carve-out financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the carve-out financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the carve-out financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) Critical judgments

- Management has applied judgement in the assessment of the Asset Property Interests' ability to continue as a going concern when preparing its carve-out financial statements for the years ended April 30, 2023 and 2022 (note 2). Management prepares the carve-out financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. As a result of the assessment, management concluded the going concern basis of accounting is appropriate based on its profit and cash flow forecasts and access to replacement financing for the future twelve months.
- The Asset Property Interests determined not to recognize deferred tax assets arising from Canadian exploration expenses, capital losses and unused tax losses as it considered it not to be probable that taxable income will be available in the near future to offset the reversal of these items.
- Management assesses each mineral property interest at each reporting period to determine whether any indication of impairment exists, and if events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made which is considered to be the higher of the fair value less costs to sell and its value in use. These assessments may require the use of estimates and assumptions such as future capital requirements and assessments of preliminary assay results. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties.

b) Estimates

- The fair value estimation of share-based awards included in the carve-out statements of financial position and the inputs used in accounting for stock options in the carve-out statements of loss and comprehensive loss. The Company uses the Black-Scholes option pricing model to calculate the compensation expense and the estimates used for the calculation.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

7 Prepaid and deposits

The Asset Property Interests' deposits are as follows:

	2023	2022
	\$	\$
GST receivable	56	256
Odei River mineral license deposit	1,550	-
Mel property deposit	195,000	-
Total	196,606	256

8 Mineral Property Interests

The Asset Property Interests holds approximately 23,831 (2022 – 16,718) hectares of mining claims in the Athabasca region located in the Province of Manitoba in Canada. The holdings are through 4 projects which are in the early stages of exploration and evaluation.

Details of acquisition costs for the years ended April 30, 2023 and April 30, 2022 respectively are as follows:

	Resting Lake	Halfway Lake	Hunter	Odei River	Total
	\$	\$	\$	\$	\$
As at April 30, 2021	17,505	19,300	-	-	36,805
Additions	-	-	50,325	-	50,325
At April 30, 2022	17,505	19,300	50,325	-	87,130
Additions	-	80,769	-	5,107	85,876
Recoveries	-	-	(21,440)	-	(21,440)
At April 30, 2023	17,505	100,069	28,885	5,107	151,566

During the year ended April 30, 2023, the Asset Property Interests incurred exploration expenditures as follows:

	Resting Lake	Halfway Lake	Hunter	Odei River	Total
	\$	\$	\$	\$	\$
General Administrative	415	5,868	16,441	-	22,724
Geology	11,512	11,512	-	-	23,024
Geophysics	-	-	114,690	-	114,690
Total for the year	11,927	17,380	131,131	-	160,438

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

8 Mineral Property Interests (continued)

During the year ended April 30, 2022, the Asset Property Interests incurred exploration expenditures as follows:

	Resting Lake	Halfway Lake	Hunter	Odei River	Total
	\$	\$	\$	\$	\$
General Administrative	14,272	13,797	2,962	-	28,069
Geology	3,225	2,625	112	-	5,850
Geophysics	26,033	43,465	74,758	-	69,498
Reimbursements	(23,820)	-	-	-	(23,820)
Total for the year	19,710	59,887	77,832	-	157,429

a) Resting Lake, Manitoba

In March 2021, the Asset Property Interests staked 11 claim blocks totaling 2,322 hectares at Resting Lake in the southern Thompson Nickel Belt, near Wabowden, Manitoba for \$17,505.

b) Halfway Lake, Manitoba

In April 2021, the Asset Property Interests staked 8 claim blocks totaling 1,876 hectares in the eastern Athabasca for \$19,300.

In August and September 2022, the Asset Property Interests staked 11 claim blocks totaling 2,309 hectares in the eastern Athabasca for \$80,769.

c) Hunter, Manitoba

In January 2019 and February 2020, the Asset Property Interests staked 12 claim blocks in central Manitoba, northwest of the Manibridge Mines for \$26,265.

In March 2022, the Asset Property Interests staked 1 claim block totaling 10,065 hectares for \$50,325.

In November 2022, the Asset Property Interests recovered \$21,440 from the Manitoba Minister of Finance for the overpayment on the March 2022 staking cost as the claim block was reduced in size by 4,288 hectares to 5,777 hectares.

c) Odei River, Manitoba

In March 2023, the Asset Property Interests received the mineral exploration license totaling 9,411 hectares in the Athabasca Basin for \$5,107.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

9 Contribution from CanAlaska Uranium Ltd.

The Company's investment in the operations of the carve-out Asset Property Interests is presented as contribution from the Company in the carve-out financial statements. Contributions represent the accumulated net contributions from the Company (related to exploration and evaluation assets) and losses of the carve-out Asset Property Interests since May 1, 2021.

10 Share Stock Options

The Asset Property Interests does not have its own equity incentive plan, however employees of the Asset Property Interests participate in the CanAlaska plan. The carve-out statement of loss and comprehensive loss included a pro-rata allocation of the Company's share based compensation expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of the Company's exploration and evaluation assets, and based on specifically identifiable mineral property expenditure activities attributable to the Asset Property Interests. The allocation of expense for each period presented is as follows: 2023 and 2022 – 10%. Management believes that the percentages are considered reasonable under the circumstances.

CanAlaska Uranium Ltd. has an omnibus equity incentive plan that permits the granting of stock options, RSUs, DSUs, PSUs and other share-based compensation awards to directors, officers, key employees and consultants. The omnibus plan is a rolling up to 10% and fixed up to 10% plan. Terms and pricing of options are determined by board and management at the date of grant. Under the plan, stock options of up to 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance and RSUs, DSUs, PSUs and other share-based compensation awards of up to 10,197,605 in respect of such awards may be granted. No RSUs, DSUs, PSUs and other share-based compensation have been issued.

As at April 30, 2023, the following summary of change in stock options of CanAlaska:

	Number of options 000's	Weighted average exercise price \$
Outstanding – April 30, 2021	6,855	0.49
Granted	4,120	0.60
Exercised	(1,935)	0.28
Expired	(1,100)	0.67
Outstanding – April 30, 2022	7,940	0.57
Granted	6,740	0.44
Forfeited	(60)	0.69
Expired	(4,620)	0.56
Outstanding – April 30, 2023	10,000	0.49

As at April 30, 2023, the following stock options of CanAlaska were outstanding:

	Number of options outstanding 000's	Number of options exercisable 000's	Exercise price	Expiry date (Fiscal Year)
	5,635	5,635	\$0.43 - \$0.68	2025
	4,365	4,365	\$0.40 - \$0.49	2026
Total	10,000	10,000		

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

10 Share Stock Options (continued)

The weighted average remaining life of the outstanding options are 1.9 years (2022 – 1.4 years).

Option pricing models require the input of assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options and warrants. The Company's expected volatility is based on the historical volatility of the Company's share price on the TSX Venture Exchange. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense of CanAlaska with the resulting weighted average fair value for the year ended April 30, 2023 and 2022:

Options	2023	2022
Weighted average fair value	\$0.26	\$0.31
Forfeiture rate	0%	0%
Risk-free interest rate	3.13% - 3.83%	0.33% - 0.97%
Expected life	2.0 – 3.0 years	1.9-2.0 years
Expected volatility	94.5% – 100.5%	100.0-103.2%
Expected dividend	0%	0%

11 Related Party Transactions

Related parties include the board of directors and officers of CanAlaska Uranium Ltd and enterprises which are controlled by these individuals. During the year ended April 30, 2023, CanAlaska incurred \$282,908 (2022 - \$202,252) of costs associated with the management of the Asset Property Interests. The cost allocation is on a pro-rata basis of exploration and evaluation activities of CanAlaska. The cost allocation is applied to the director's fees, salaries, consulting fees and share-based compensation.

12 Income Tax

Income tax expense differs from the amount computed by applying the combined Canadian federal and provincial income tax rates, applicable to CanAlaska Uranium Ltd., to the loss before tax provision due to the following:

	2023	2022
	\$	\$
Loss before income taxes	(634,479)	(451,197)
Canadian federal and provincial income tax rates	27.00%	27.00%
Income tax recovery based on Canadian federal and provincial income tax rates	(171,309)	(121,823)
Increase attributable to:		
Non-deductible (taxable) expenditures	46,745	35,016
Deferred tax assets not recognized	124,564	86,807
Income tax recovery	-	-

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

12 Income Tax (continued)

Unrecognized deductible temporary differences, unused tax losses, and unused tax credits are attributable to the following:

	2023	2022
	\$	\$
Non-capital loss carry forwards	464,989	164,079
Mineral property interests	317,867	157,429
	782,856	321,508

The Asset Property Interests has not recorded its deferred income tax asset because of its history of net operating losses since inception.

The Asset Property Interests have income tax loss carry-forwards of approximately \$464,989 (April 30, 2022 - \$164,079) for Canadian tax purposes. These un-recognized tax losses will expire between 2041 to 2042.

13 Financial Instruments

The fair value of the Asset Property Interests' trade and other payables approximate their carrying values due to the short-term nature of these instruments.

The Asset Property Interests' financial instruments are exposed to certain financial risks, including credit risk and liquidity risk.

a) Credit Risk

Financial instruments that potentially subject the Asset Property Interests to credit risk consist of deposits.

As at April 30, 2023, the Asset Property Interests' maximum exposure to credit risk is the carrying value of its deposits.

b) Liquidity Risk

Liquidity risk is the risk that the Asset Property Interests will not be able to meet its financial obligations as they fall due. The Asset Property Interests is currently reliant upon the contributions from CanAlaska as a source of cash. In the future, the Asset Property Interests will be reliant upon equity issuances as its source of cash. The Asset Property Interests manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations and is currently reliant on the contributions from CanAlaska. The Asset Property Interests continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its cash and cash equivalents to capital and operating needs.

CanAlaska Uranium Ltd.

Notes to the Carve-Out Financial Statements

For the years ended April 30, 2023 and 2022

(Expressed in Canadian dollars)

14 Management of Capital

The Asset Property Interests considers its capital to consist of common shares, stock options and warrants. The Asset Property Interests' objectives when managing capital are to safeguard the Asset Property Interests' ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Asset Property Interests manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Asset Property Interests may attempt to issue new shares and acquire or dispose of assets. In order to maximize ongoing exploration efforts, the Asset Property Interests does not pay out dividends. The Asset Property Interests' investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

15 Subsequent Events

On May 12, 2023, the CanAlaska completed the acquisition of 100% interest in the Mel project in which it paid the residual amount of \$105,000 and issued 2,000,000 common shares of CanAlaska Uranium Ltd. with a fair value of \$670,000 to B. Riley Farber Inc., in its capacity as Trustee in Bankruptcy of the property, assets and undertakings of Victory Nickel Inc. CanAlaska will spin out the Mel project with a total value of \$970,000 (inclusive of a \$195,000 deposit paid on March 3, 2023) as part of the Arrangement to Core Nickel.

APPENDIX “E”

CANALASKA CARVE-OUT MD&A
AS AT AND FOR THE YEAR ENDED APRIL 30, 2023



CanAlaska Uranium Ltd. Carve-Out

Management Discussion and Analysis
For the Year Ended
April 30, 2023

GENERAL

The following Management Discussion and Analysis (“MD&A”) of CanAlaska Uranium Ltd. Carve-Out (the “Asset Property Interests”) or “Carve-out”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of September 13, 2023 and should be read in conjunction with the audited carve-out financial statements of the Asset Property Interests for the years ended April 30, 2023 and 2022 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Asset Property Interests.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Asset Property Interests, unless specifically noted.

Management of CanAlaska Uranium Ltd. (“CanAlaska” or “Company”) is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company’s Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board’s audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

FORWARD LOOKING STATEMENTS

Management cautions readers of the carve-out financial statements that the Asset Property Interests’ results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Asset Property Interests been a separate entity. Further, the allocation of income and expense in the carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Asset Property Interests’ future income and operating expenses. The Company’s investment in the Asset Property Interests, presented as equity in the carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Asset Property Interests.

Certain statements included in this “MD&A” constitute forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Asset Property Interests or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Asset Property Interests’ forward-looking statements. In addition, any forward-looking statements represent the Asset Property Interests’ estimates only as of the date of this MD&A and should not be relied upon as representing the Asset Property Interests’ estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Asset Property Interests’ existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Asset Property Interests, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Asset Property Interests’ expectations. Readers should not place undue reliance on the Asset Property Interests’ forward-looking statements, as the Asset Property Interests’ actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Asset Property Interests’ business, or if the Asset Property Interests’ estimates or assumptions prove inaccurate. Therefore, the Asset Property Interests cannot provide any assurance that forward-looking statements will materialize.

DESCRIPTION OF BUSINESS

The Asset Property Interests is a mineral exploration stage entity engaged in the acquisition and exploration of mineral properties, principally in Manitoba, Canada. The carve-out financial statements presented have been prepared in accordance with IFRS as issued

by the International Accounting Standards Board (“IASB”) and interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). The purpose of the carve-out financial statements is to provide general purpose historical financial information of the Asset Property Interests in connection with the Arrangement. Therefore, the carve-out financial statements present the historical financial information of the Company that make up the Asset Property Interests, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocation of shared income and expenses of the Company that are attributable to the Asset Property Interests. The Asset Property Interests' principal properties are the Resting Lake, Halfway Lake, Hunter, Odei River and Mel projects located southwest of Thompson, Manitoba in what is known as the “Thompson Nickel Belt.” As at the reporting date of the carve-out financial statements, the Asset Property Interests did not yet own the Mel property. The Mel project was subsequently acquired on May 12, 2023, when the Company completed the acquisition of 100% interest in the Mel project in which it paid the residual amount of \$105,000 and issued 2,000,000 common shares of CanAlaska Uranium Ltd with a fair market value of \$670,000.

PROPOSED ARRANGEMENT

Subsequent to April 30, 2023, CanAlaska Uranium Ltd. (“CanAlaska” or “Company”) intends to strategically reorganize its exploration business. The Company intends to spinout five of its nickel properties along with other non-core assets (the “Asset Property Interests”) to a wholly owned subsidiary.

In connection with the reorganization, the Asset Property Interests will then complete a share capital reorganization by way of a statutory plan of arrangement (“Arrangement”) whereby the Company will spin-out the SpinCo shares to the Company’s shareholders.

In connection with the Arrangement, the Asset Property Interests will hold the following assets:

- 100% interest in the Halfway Lake project
- 100% interest in the Resting Lake project
- 100% interest in the Hunter project
- 100% interest in the Odei River project
- 100% interest in the Mel nickel deposit lease and claim which were acquired in May 2023
- Prepaid and deposits, and
- Reclamation bonds

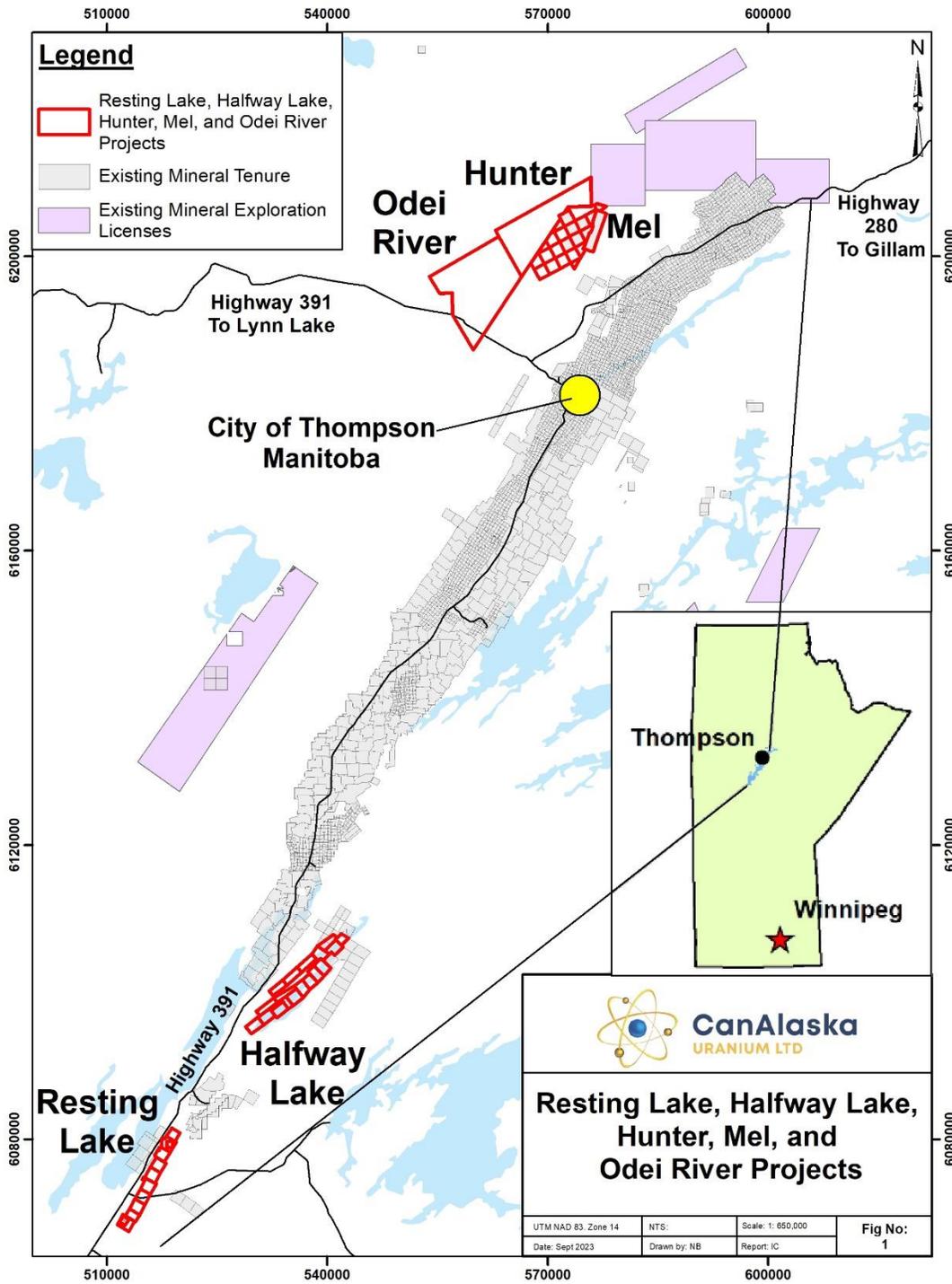
Upon closing of the Arrangement, the Asset Property Interests will be owned exclusively by existing shareholders of the Company, keeping their identical proportion to their pre-Arrangement shareholdings of the Company.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by the Company shareholders and receipt of court and necessary regulatory approvals.

The carve-out financial statements reflect the assets, liabilities, expenses and cash flows of the operations included in the exploration business to be spun out by the Company

PROJECT UPDATES

Nickel Property Summary		
Property / Project Name	Notes	Hectares
Halfway Lake	Seeking Venture Partner	3,866
Resting Lake	Seeking Venture Partner	2,322
Hunter	Seeking Venture Partner	8,232
Odei River	Seeking Venture Partner	9,441
Mel	Seeking Venture Partner	2,613



Resting Lake, Manitoba

The Resting Lake property consists of eleven mineral claims located in the southern Thompson Nickel Belt 5 km south of Wabowden and the Bucko deposit and northwest of the Manibridge.

In March 2021, the Asset Property Interests staked several claim blocks at Resting Lake in the southern Thompson Nickel Belt, near Wabowden, Manitoba. The claims cover and surround known mineralized zones as well as untested target horizons, south of the Wabowden nickel mines and mill. The claims cover the majority of the Resting Lake structure, which is a 15-kilometre long synclinorium of Ospwagan Group sediments. The claims cover thirty ultramafic lenses within the prospective Pipe Formation. In the Thompson Nickel Belt, the maximum potential for high-grade nickel mineralization resides in association of ultramafic and Pipe Formation rocks.

In June 2021, the Asset Property Interests also completed the first pass exploration targeting on its two newly acquired Resting Lake and Halfway Lake nickel projects. The Resting Lake airborne survey received \$23,820 of funding from the Manitoba government through the Manitoba Mineral Development Fund (MMDF) program.

During the year ended April 30, 2023, the Asset Property Interests incurred net exploration expenditures in the amount of \$11,927 (2022 - \$19,710).

Halfway Lake, Manitoba

The Halfway property consists of eight mineral claims located in the southern Thompson Nickel Belt, 12km northeast of Wabowden and less than 2km from Highway 6.

In April 30, 2021, the Asset Property Interests staked 8 claim blocks totaling 1,876 hectares in the Thompson Nickel Belt, Manitoba for approximately \$19,300. The claims cover known mineralized nickel zones and are adjacent to the Halfway Lake nickel deposit owned by CaNickel. All of the claims are located close to highway 391 and benefit from adjacent rail and power infrastructure.

In June 2021, the Asset Property Interests also completed the first pass exploration targeting on its two newly acquired Resting Lake and Halfway Lake nickel projects. The Resting Lake airborne survey received \$23,820 of funding from the Manitoba government through the Manitoba Mineral Development Fund (MMDF) program.

In August and September 2022, the Asset Property Interests staked 11 claim blocks totaling 2,279 hectares in the Athabasca Basin for \$80,769.

During the year ended April 30, 2023, the Asset Property Interests incurred exploration expenditures in the amount of \$17,380 (2022 - \$59,887).

Hunter, Manitoba

The Hunter Project is located 20 kilometres north of Thompson, Manitoba and consists of one Mineral Exploration License and 11 claims in the northern extension of the Thompson Nickel Belt. The area is underlain by Archean, Ospwagan Group and ultramafic intrusions. Locally Kisseynew metasediments are infolded with the Ospwagan and Archean.

In June 2021, the Company announced that it had resumed 100% control of the Hunter nickel project on termination of the option agreement with Fjordland Exploration Inc. due to unexpected delays in the permitting. Because of the delay, the Asset Property Interests and Fjordland mutually agreed to terminate the agreement and the Asset Property Interests returned 1,000,000 common shares of Fjordland that was issued as part of the option agreement.

In March 2022, the Asset Property Interests staked 1 claim block totaling 10,065 hectares for \$50,325.

In April 2022, the Company had commenced an airborne Versatile Time Domain Electromagnetic (“VTEM”) Survey on its 100%-owned Hunter project in the Thompson Nickel Belt. The VTEM Survey consists of 867 line-km’s of airborne surveying across the Hunter project to identify conductive targets within the Ospwagan Group metasediments which are host to the nearby world-class Thompson nickel deposits.

In August 2022, the Company announced it had received and processed the results of an airborne Versatile Time Domain Electromagnetic and Horizontal Magnetic Gradiometer geophysical survey on its 100% owned Hunter project in the Thompson Nickel Belt. Preliminary evaluation of the geophysical survey has identified several target areas within the Hunter project. The survey consisted of 882 line-kms of surveying.

In November 2022, the Asset Property Interests recovered \$22,140 from the Manitoba government as a result of an overpayment.

During the year ended April 30, 2023, the Asset Property Interests incurred exploration expenditures in the amount of \$131,131 (2022 - \$77,832).

Odei River, Manitoba

In March 2023, the Asset Property Interests received the mineral exploration license totaling 9,411 hectares in the Athabasca Basin for \$5,107.

Mel, Manitoba

The Mel Project is comprised of one mineral lease and ten mineral claims covering a total of 2,613 hectares in the Thompson Nickel Belt, Manitoba. The Mel project is located within 25 kilometres from Vale Canada Limited's processing facilities in Thompson, Manitoba.

In March 2023, the Company announced that B. Riley Farber Inc., in its capacity as Trustee in Bankruptcy of the property, assets and undertakings of Victory Nickel Inc, has accepted the Asset Property Company's offer to acquire the Mel Nickel Deposit and surrounding mineral claims. The acquisition provides the Asset Property Interests with 100% ownership of the mineral lease that hosts the Mel Deposit, as well as ten mineral claims covering a total of 2,613 hectares in the Thompson Nickel Belt in Manitoba. The Mel project claims are contiguous with the Asset Property Interests' 100% owned Hunter project. The Mel property is located within 25 kilometres of Vale Canada Limited's processing facilities in Thompson, Manitoba. The mineral lease contains the Mel deposit, which has a historical indicated resource estimate of 4.3 million tonnes at 0.875% nickel for 82.5 million pounds of contained nickel and an inferred resource estimate of 1.0 million tonnes at 0.839% nickel for 18.7 million pounds of contained nickel. The Asset Property Interests believes the Mel property is underexplored, with previous focus being mostly on the immediate Mel lease and deposit. The Asset Property Interests will acquire 100% of the Mel Deposit lease and surrounding claims by paying Cdn\$300,000 and issuing 2,000,000 common shares of CanAlaska, subject to TSX Venture Exchange approval.

In May 2023, the Company announced that it has completed the acquisition of the Mel nickel deposit and surrounding mineral claims.

SELECTED ANNUAL INFORMATION

The following is a summary of certain selected annual financial information for the most recent three fiscal years

Selected Annual Information	Year ended April 30, 2023 (audited)	Year ended April 30, 2022 (audited)
	\$	\$
Total revenue	-	-
Loss	(634,479)	(451,197)
Total assets	422,398	161,612
Total liabilities	-	68

EXPENDITURE REVIEW**For the years ended April 30, 2023 and 2022**

The Asset Property Interests are in the exploration stage without any producing properties

Exploration Costs and Expenses	Notes	Year ended April 30,2023	Year ended April 30,2022
		\$	\$
Exploration Cost			
Mineral property expenditures, net of reimbursements	1	160,438	157,429
Other Expenses			
Consulting, labour and professional fees	2	192,692	109,030
Insurance, licenses and filing fees	3	20,873	14,815
Other corporate costs	4	22,914	9,216
Investor relations and presentations	5	52,724	25,457
Rent		3,478	3,531
Share-based payments	6	173,131	129,689
Travel and accommodation	7	8,229	2,030
Total Other Expenses		474,041	293,768
Net loss		634,479	451,197

Notes

1. Mineral property expenditures for the year ended April 30, 2023, was higher than the year ended April 30, 2022 as the Asset Property Interests increased exploration activities for on the Hunter projects in fiscal 2023. The mineral property expenditures include an airborne survey and geophysical work on the property.
2. Consulting, labour and professional fees for the year ended April 30, 2023, was higher than the year ended April 30, 2022. The increase was primarily attributable to a combination of an increase in the termination costs on labour contracts and an increase in the number of employees relative to fiscal 2022. The Asset Property Interests also incurred higher legal fees in fiscal 2023 relative to fiscal 2022.
3. Insurance, licenses and filing fees for the year ended April 30, 2023, was higher than the year ended April 30, 2022. The increase was primarily due to the increase in the allocation of the filing fees of CanAlaska compared to 2022.
4. Other corporate costs for the year ended April 30, 2023, was higher than the year ended April 30, 2022. The increase was primarily attributable to the expansion of our exploration office and team in Saskatoon. The Company leased additional space in Saskatoon and expanded our exploration team.
5. Investor relations and presentations for the year ended April 30, 2023, was higher than the year ended April 30, 2022. The increase was primarily attributable to the increase in the use of investor relation consultants and the usage of print and web-based media and attendance to investor relations conferences in fiscal 2023 compared to fiscal 2022.
6. Share-based payments for the year ended April 30, 2023, was higher than the year ended April 30, 2022. The increase was primarily due to the increase in the number of options granted in fiscal 2023 relative to fiscal 2022.
7. Travel and accommodations for the year ended April 30, 2023, was higher than the year ended April 30, 2022. The increase was primarily due to the increase corporate and exploration activities relative to fiscal 2022.

LIQUIDITY AND CAPITALIZATION

Financial Position and Liquidity

The Asset Property Interests had no working capital as at April 30, 2023 and April 30, 2022. Prior to the Arrangement, the nickel properties and its operations relied on CanAlaska for funding as CanAlaska manages its liquidity requirement at the corporate level and funds its operations as required. For this reason, the nickel properties and its operations have not raised capital, and did not historically have access as a stand-alone entity

Operating Activities

The Asset Property Interests' operating activities resulted in net cash outflows of \$657,766 and \$321,696 for the fiscal years ended April 30, 2023 and 2022 respectively. Operating activities and costs for fiscal 2023 are higher than fiscal 2022. The increase was primarily due to the increase in Company consulting, labour and professional fees as well as in the increase in investor relations fees compared to the prior period

Financing Activities

The Asset Property Interests' financing activities resulted in net cash inflows of \$722,202 and \$446,247 for the fiscal years ended April 30, 2023 and 2022 respectively. Cash inflows were contributed by CanAlaska as the nickel properties and its operations does not have a cash balance and relied on CanAlaska for funded its liquidity requirement.

Investing Activities

The Asset Property Interests' investing activities resulted in net cash outflows of \$64,436 and \$124,511 for the fiscal years ended April 30, 2023 and 2022 respectively. During the fiscal year ended April 30, 2023, the Asset Property Interests had net staked costs of \$64,436 for Halfway Lake, Odei River and Hunter projects. During the fiscal year ended April 30, 2022, the Asset Property Interests had staked costs of \$50,325 for the Hunter project and made \$74,226 in reclamation bond payments.

Off-Balance Sheet Arrangements

The Asset Property Interests does not have any off-balance sheet arrangements.

Liquidity and Capital Resources

The Asset Property Interests has no operations that generate cash flows and the Asset Property Interests' future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Asset Property Interests' management.

For the foreseeable future, the Asset Property Interests will rely upon its ability to raise financing through the sale of equity. This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for metal exploration generally, a company's track record and the experience and calibre of a company's management.

There is no assurance that the Asset Property Interests will be able to access equity funding at the times and in the amounts required to fund the Asset Property Interests' activities. The outlook for the world economy remains uncertain and vulnerable to various events that could adversely affect the Asset Property Interests' ability to raise additional funds going forward.

Financial Instruments

The Asset Property Interests' financial instruments currently consist of prepaid and deposits and trade and other payables. The fair value of prepaid and deposits and trade and other payables approximate their book values because of the short-term nature of these instruments. Moreover, it is management's opinion that the Asset Property Interests is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Long-Term Liability

The Asset Property Interests had no long-term liabilities as at April 30, 2023 and 2022.

RELATED PARTY TRANSACTIONS

Related parties include the board of directors and officers of CanAlaska Uranium Ltd and enterprises which are controlled by these individuals. During the year ended April 30, 2023, CanAlaska incurred \$282,908 (2022 - \$202,252) of costs associated with the management of the Asset Property Interests. The cost allocation is on a pro-rata basis of exploration and evaluation activities of CanAlaska. The cost allocation is applied to the director's fees, salaries, consulting fees and share-based compensation.

Accounting Policies and Significant Accounting Judgements and Estimates

Share-Based Payment Plan

The Company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees and non-employees as consideration for equity instruments (options) of the Asset Property Interests. The total amount to be expensed is determined by reference to the fair value of the options granted.

The fair value of share-based compensation is determined using the Black-Scholes option-pricing model and management's assumptions. When a stock option is exercised, the Company recognizes an increase in its share capital equivalent to the consideration paid by the option holder and the fair value amount previously recognized in equity reserve. The fair value of any stock options granted to directors, officers and employees of the Asset Property Interests is recorded as an expense over the vesting period of the options with a corresponding increase in equity reserve.

Mineral Property Interest

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Asset Property Interests to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as mineral property costs represent net acquisition costs incurred to date and do not necessarily represent current or future values of the mineral properties.

Going Concern

The carve-out financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Asset Property Interests will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The carve-out financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Asset Property Interests be unable to continue as a going concern. These adjustments could be material.

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Asset Property Interests to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. Due to the difficult market conditions facing junior exploration companies there is no assurance that the Asset Property Interests will be successful in raising funds through financings. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries.

Given that the Asset Property Interests do not generate recurring revenues from operations and other factors as noted, material uncertainties exist which may cast significant doubt regarding the Asset Property Interests' ability to continue as a going concern. Management may either need to dilute its ownership in its properties or secure financing to continue to advance the development of the Asset Property Interests' exploration projects. Due to changing market conditions facing junior exploration companies there is no assurance that the Asset Property Interests will be successful in raising funds through financings.

Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities Arising from a Single Transaction which amended IAS 12, Income Taxes ("IAS 12"). The amendments narrowed the scope of the recognition exemption in IAS 12, relating to the recognition of deferred tax assets and liabilities, so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as leases and reclamation and closure cost provisions. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 to transactions that occur on or after the beginning of the earliest comparative period presented. Earlier application is permitted. The Asset Property Interests does not expect the adoption of these amendments to have a material impact on its financial statements.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current. The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted. The Asset Property Interests anticipates that the application of these amendments may not have an impact on the financial statements in future periods.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

RISKS AND UNCERTAINTIES

Cash Flows and Additional Funding Requirements

The Asset Property Interests has limited financial resources, no sources of operating cash flows and no assurances that sufficient funding, including adequate financing, will be available. If the Asset Property Interests' exploration programs are successful, additional funds will be required in order to complete the development of its projects. The sources of funds currently available to the Asset Property Interests are the raising of equity capital or the offering of an ownership interest in its projects to a third party. There is no assurance that the Asset Property Interests will be successful in raising sufficient funds to conduct further exploration and development of its projects or to fulfill its obligations under the terms of any option or joint venture agreements, in which case the Asset Property Interests may have to delay or indefinitely postpone further exploration and development or forfeit its interest in its projects or prospects.

Commodity Prices

The profitability of the Asset Property Interests' operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Asset Property Interests. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Asset Property Interests' future revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of mineral commodities.

Competition

The mining industry is intensely competitive in all of its phases, and the Asset Property Interests competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. The Asset Property Interests has carried out exploration, and found multiple targets of interest, but has not defined an economic deposit. Other exploration companies have been successful with the discovery of deposits in the Athabasca, and these companies tend to attract investors away from the Asset Property Interests. Competition in the mining industry could adversely affect the Asset Property Interests' prospects for mineral exploration in the future.

Government Laws, Regulation and Permitting

Mining and exploration activities of the Asset Property Interests are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Asset Property Interests believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Asset Property Interests or more stringent implementation thereof could have a substantial adverse impact on the Asset Property Interests .

The operations of the Asset Property Interests will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. In Canada, the issuance of governmental licenses and permits are increasingly being influenced by land use consultations between the government and local First Nations communities. There can be no assurance that the Asset Property Interests will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Asset Property Interests has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Asset Property Interests cannot give an assurance that title to such properties will not be challenged or impugned.

Estimates of Mineral Resources

The mineral resource estimates used by the Asset Property Interests are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally or commercially exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

Key Management

The success of the Asset Property Interests will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The success of the Asset Property Interests is largely dependent on the performance of its key individuals. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Asset Property Interests' success.

Volatility of Share Price

Market prices for shares of early-stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Asset Property Interests' shares and the amount of financing that can be raised by the Asset Property Interests.

Conflict of Interest

Some of the Asset Property Interests' directors and officers are directors and officers of other natural resource or mining-related companies. These associations may give rise from time to time to conflicts of interest. As a result of such conflict, the Asset Property Interests may miss the opportunity to participate in certain transactions.

APPENDIX “F”

CORE NICKEL INTERIM STATEMENT OF FINANCIAL POSITION
AT JULY 31, 2023
(UNAUDITED)

Core Nickel Corp.

Interim Statement of Financial Position
As at July 31, 2023
(Unaudited)

Core Nickel Corp.

Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

	July 31, 2023	April 30, 2023
	\$	\$
Asset		
Due from parent	0.01	0.01
Total asset	<u>0.01</u>	<u>0.01</u>

Shareholder's Equity

Share capital – unlimited shares authorized, 1 issued and outstanding
(Note 3)

0.01	0.01
<u>0.01</u>	<u>0.01</u>

Subsequent Events (note 4)

Approved by the Board of Directors

“Karen Lloyd”

Director

“Shane Shircliff”

Director

Core Nickel Corp.

Notes to the Interim Statement of Financial Position

For the three months ended July 31, 2023

(Expressed in Canadian dollars)

1 ORGANIZATION

Core Nickel Corp. (the “Company”) was incorporated on May 5 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement (the “Arrangement”) to reorganize CanAlaska Uranium Ltd. (“CanAlaska”). The Company’s intended business activity is the acquisition and exploration of exploration and evaluation properties in Canada. To date, the Company has not commenced operations. The Company’s head office is located at 625 Howe Street, Suite 580, Vancouver, British Columbia, V6C 2T6, Canada.

2 SUMMARY OF ACCOUNTING POLICES

The interim statement of financial position has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). Separate Statements of Income and Comprehensive Income, Change in Shareholder’s Equity and Cash Flows have not been presented as there have been no activities for the Company to date other than its formation.

The interim statement of financial position was approved and authorized for issuance on November 22, 2023 by the Board of Directors.

a) Functional currency and presentation currency

These financial statements are presented in Canadian dollars, which is the Company’s functional currency.

3 SHAREHOLDER’S EQUITY

The Company issued one common share for \$0.01 upon incorporation, the share is held by CanAlaska being the Company’s ultimate parent and sole shareholder. As at July 31, 2023, one common share with no par value was issued and outstanding. The authorized capital of the Company is an unlimited number of Common Shares.

4 SUBSEQUENT EVENTS

On September 13, 2023, CanAlaska Uranium Ltd. (“CanAlaska”) completed a Management Information Circular which outlines an arrangement agreement dated September 1, 2023 between the CanAlaska and the Company, a wholly owned subsidiary of CanAlaska pursuant to which the CanAlaska will transfer five nickel properties and \$1 million in cash to Core Nickel in exchange for approximately 25 million Core Nickel common shares which will subsequently be distributed to CanAlaska shareholders on a pro rata basis. The transaction will be completed by way of a statutory plan of arrangement. The transaction will require the approval of (i) 66.67% of votes of CanAlaska at its annual general meeting to be held on October 25, 2023, (ii) court approval, and (iii) regulatory approvals.

APPENDIX “G”

CORE NICKEL MD&A
FOR THE THREE MONTHS ENDED JULY 31, 2023

Core Nickel Corp.

Management Discussion and Analysis For the Three Months Ended July 31, 2023

GENERAL

The following Management Discussion and Analysis (“MD&A”) of Core Nickel Corp. (the “Company” or “Core Nickel”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of November 22, 2023 and should be read in conjunction with the unaudited interim statement of financial position of the Company as at July 31, 2023 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Company.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Company, unless specifically noted.

Management of the Company is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company’s Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

FORWARD LOOKING STATEMENTS

Information set forth in this MD&A may involve forward-looking statements under applicable securities laws. Forward-looking statements are statements that relate to future events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about the size and timing of future exploration are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Investors are cautioned against attributing undue certainty to forward looking statements.

DESCRIPTION OF BUSINESS AND OVERVIEW

The Company was incorporated on May 5, 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement to reorganize CanAlaska Uranium Ltd. (“CanAlaska”). The Company’s intended business activity is the acquisition and exploration of mineral properties, principally in Manitoba, Canada. To date, the Company has not commenced operations.

SIGNIFICANT EVENTS/OVERALL PERFORMANCE

There were no significant events or transaction during the period.

RESULTS OF OPERATIONS

Period from May 1, 2023 to July 31, 2023

The Company does not have any operations or working capital. There are no liabilities, expenses or cash flows and no operations for the Company during the period.

LIQUIDITY AND CAPITALIZATION

Working Capital

The Company had no working capital as at July 31, 2023.

Long-Term Liability

The Company had no long-term liabilities as at July 31, 2023.

RELATED PARTY TRANSACTIONS

Key Management Personnel

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that key management personnel consist of non-executive members of the Company's Board of Directors.

During the period ended July 31, 2023, there were no related party transactions. As at July 31, 2023, there is \$0.01 due from CanAlaska Uranium Ltd.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no undisclosed off-balance sheet arrangements or off-balance sheet financing structures in place.

PROPOSED TRANSACTIONS

Subsequent to July 31, 2023, CanAlaska Uranium Ltd. ("CanAlaska") intends to strategically reorganize its exploration business. The CanAlaska intends to spinout five of its nickel properties along with other non-core assets (the "Asset Property Interests") to Core Nickel, a wholly owned subsidiary of CanAlaska.

In connection with the reorganization, Core Nickel will then complete the acquisition of the Asset Property Interests by the issuance of approximately 25,000,000 common shares ("SpinCo Shares") to CanAlaska. CanAlaska will then complete a share capital reorganization by way of a statutory plan of arrangement ("Arrangement") whereby CanAlaska will spin-out the SpinCo shares to CanAlaska shareholders.

Upon closing of the Arrangement, the Company will be owned exclusively by existing shareholders of CanAlaska, keeping their identical proportion to their pre-Arrangement shareholdings of CanAlaska.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by CanAlaska shareholders and receipt of court and necessary regulatory approvals.

The unaudited interim statement of financial position reflects the assets of the operations included in the exploration business to be spun out by the Company

SUMMARY OF ACCOUNTING POLICIES

Please refer to the statement of financial position as at July 31, 2023.

RISKS AND UNCERTAINTIES

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's only exposure to credit risk is on its due from parent. The Company assessed credit risk as low.

APPENDIX “H”

CANALASKA CONDENSED INTERIM CARVE-OUT FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED JULY 31, 2023 AND 2022
(UNAUDITED)



CanAlaska Uranium Ltd.

Carve-Out

**Condensed Interim Carve-Out Financial Statements
For the three months ended July 31, 2023 and 2022**

(Expressed in Canadian dollars, except where indicated)

(unaudited)

CanAlaska Uranium Ltd.

Condensed Interim Carve-Out Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars)

	As at July 31 2023 \$	As at April 30 2023 \$
Assets		
Current assets		
Deposits (note 6)	1,634	196,606
Non-current assets		
Reclamation bonds	74,226	74,226
Mineral property interests (note 7)	1,121,716	151,566
Total assets	<u>1,197,576</u>	<u>422,398</u>
Liabilities		
Trade and other payables	197	-
Equity		
Contributions from CanAlaska Uranium Ltd. (note 8)	2,049,551	1,205,254
Equity reserve	346,577	302,820
Accumulated deficit	(1,198,749)	(1,085,676)
	<u>1,197,379</u>	<u>422,398</u>
	<u>1,197,576</u>	<u>422,398</u>

Going concern (note 2)

Subsequent Events (note 14)

Approved by the Board of Directors

“Peter Dasler”

Director

“Jean Luc Roy”

Director

CanAlaska Uranium Ltd.

Condensed Interim Carve-Out Statements of Loss and Comprehensive Loss

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

	Three months ended July 31 2023	Three months ended July 31 2022
	\$	\$
EXPLORATION COSTS		
Mineral property expenditures, net of reimbursements (note 7)	2,681	139,266
OTHER EXPENSES		
Consulting, labour and professional fees	41,085	26,340
Insurance, licenses and filing fees	1,494	4,860
Other corporate costs	3,925	5,649
Investor relations and presentations	17,744	13,559
Rent	705	944
Share-based payments	43,757	54,140
Travel and accommodation	1,682	1,963
	110,392	107,455
Loss and comprehensive loss for the period	(113,073)	(246,721)

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

CanAlaska Uranium Ltd.

Condensed Interim Carve-Out Statements of Changes in Equity

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

	Contributions from CanAlaska Uranium Ltd. \$	Equity reserve \$	Accumulated deficit \$	Total \$
Balance-April 30, 2022	483,052	129,689	(451,197)	161,544
Share-based payments – allocated from CanAlaska Uranium Ltd.		54,140		54,140
Contribution from CanAlaska Uranium Ltd.	200,806	-	-	200,806
Loss and comprehensive loss for the period	-	-	(246,721)	(246,721)
Balance-July 31, 2022	683,858	183,829	(697,918)	169,769
Balance-April 30, 2023	1,205,254	302,820	(1,085,676)	422,398
Share-based payments – allocated from CanAlaska Uranium Ltd.	-	43,757	-	43,757
Contribution from CanAlaska Uranium Ltd.	844,297	-	-	844,297
Loss and comprehensive loss for the period	-	-	(113,073)	(113,073)
Balance-July 31, 2023	2,049,551	346,577	(1,198,749)	1,197,379

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

CanAlaska Uranium Ltd.

Condensed Interim Carve-Out Statements of Cash Flows (Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

	Three months ended July 31 2023	Three months ended July 31 2022
	\$	\$
Operating activities		
Net loss for the period	(113,073)	(246,721)
Adjustments		
Share-based payments	43,757	54,140
Change in non-cash operating working capital		
Increase in deposits (note 6)	(28)	(12,095)
Increase in trade and other payables	197	3,870
Cash provided by (used in) operating activities	<u>(69,147)</u>	<u>(200,806)</u>
Financing activities		
Contributions from CanAlaska Uranium Ltd. (note 11)	174,297	200,806
Cash from financing activities	<u>174,297</u>	<u>200,806</u>
Investing activities		
Additions to mineral property interests	(105,150)	-
Cash used in investing activities	<u>(105,150)</u>	<u>-</u>
Increase in cash	-	-
Cash - beginning of period	<u>-</u>	<u>-</u>
Cash - end of period	<u>-</u>	<u>-</u>
Supplemental disclosure with respect to cash flow (note 11)		

The accompanying notes are an integral part of these condensed interim carve-out financial statements.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

1 Nature of Operations,

CanAlaska Uranium Ltd. (the “Company” or “CanAlaska”) is engaged in the exploration and development of mineral properties in Canada. The Company has not determined whether these properties contain ore reserves that are economically recoverable. The Company’s registered office is located at 625 Howe Street, Suite 580, Vancouver, British Columbia, V6C 2T6, Canada.

On June 12, 2023, Company announced that it intends to spinout five of its nickel properties: Halfway Lake, Resting Lake, Hunter, Odei River and the recently acquired Mel projects by way of a statutory plan of arrangement (“Arrangement”) to its wholly owned subsidiary, Core Nickel Corp. (“Core Nickel” or “SpinCo”).

In connection with the Arrangement, the Company will transfer cash and the certain nickel properties (the “Asset Property Interests”) to Core Nickel in exchange for common shares of Core Nickel.

As a result of the Arrangement, Core Nickel will be owned exclusively by existing CanAlaska shareholders in identical proportion to their pre-Arrangement shareholdings of CanAlaska. Closing of the Arrangement is subject to several conditions including, but not limited to, approval by the Company’s shareholders and receipt of the court and necessary regulatory approvals.

2 Going Concern

These condensed interim carve-out financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Asset Property Interests will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of business. The Asset Property Interests are in the exploration stage and have not generated revenue from operations. The Asset Property Interests incurred a loss of \$113,073 during the three months ended July 31, 2023 (three months ended July 31, 2022 - \$246,721), generated negative cash flows from operating activities of \$69,147 (three months ended July 31, 2022 - \$200,806) and, as of July 31, 2023, the Asset Property Interests’ deficit was \$1,198,749 (April 30, 2023 - \$1,085,676).

As the Asset Property Interests are in the exploration stage, the recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Asset Property Interests to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties, and the ability of the Asset Property Interests to obtain financing as a stand alone reporting issuer. These factors indicate the existence of material uncertainties that may cast significant doubt on the Asset Property Interests’ ability to continue as a going concern, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

These condensed interim carve-out financial statements do not reflect the adjustments to the carrying values and classification of assets and liabilities, or to the reported expenses that would be necessary if the Asset Property Interests were unable to realize its asset and settle its liabilities as a going concern in the normal course of operations. Such adjustment could be material.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

3 Arrangement Agreement

Subsequent to July 31, 2023, the Company intends to strategically reorganize its exploration business. The Company intends to spinout five of its nickel properties along with other non-core assets (the “Asset Property Interest”) to its wholly owned subsidiary. In connection with the reorganization, the Company will then complete a share capital reorganization by way of a statutory plan of arrangement whereby the Company will spin-out the SpinCo shares to the Company’s shareholders.

In connection with the Arrangement, the Asset Property Interests will hold the following assets:

- 100% interest in the Halfway Lake project
- 100% interest in the Resting Lake project
- 100% interest in the Hunter project
- 100% interest in the Odei River project
- 100% interest in the Mel project
- Prepaid and deposits, and
- Reclamation bonds

Upon closing of the Arrangement, the Asset Property Interests will be owned exclusively by existing shareholders of the Company, keeping their identical proportion to their pre-Arrangement shareholdings of the Company. Closing of the Arrangement is subject to several conditions including, but not limited to, approval by the Company shareholders and receipt of court and necessary regulatory approvals. These condensed interim carve-out financial statements reflect the assets, liabilities, expenses and cash flows of the operations included in the exploration business to be spun out by the Company using a legal entity approach.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

4 Basis of preparation

These condensed interim carve-out financial statements of the Company, including comparatives, have been prepared in accordance with International Accounting Standards 34 Interim Financial Reporting (“IAS 34”). These condensed interim carve-out financial statements have been prepared on the basis of and using accounting policies, methods of computation and presentation consistent with those applied in the Company’s April 30, 2023 annual carve-out financial statements.

The purpose of these condensed interim carve-out financial statements is to provide general purpose historical financial information of the Asset Property Interests in connection with the Arrangement detailed in note 3. Therefore, these condensed interim carve-out financial statements present the historical financial information of the Company that make up the Asset Property Interests, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocation of shared income and expenses of the Company that are attributable to the Asset Property Interests. The transfer of the Asset Property Interests under the Arrangement represents a transfer of assets ultimately controlled by the same parties before and after the transaction. The assets comprising the Asset Property Interests have been determined not to qualify as a business under IFRS 3. Therefore, this transaction has been accounted for using the carrying values of the assets.

These condensed interim carve-out financial statements were approved for issuance by the Company’s board of directors (“Board”) on November 22, 2023.

These condensed interim carve-out financial statements are presented in Canadian dollars. The condensed interim carve-out financial statements are prepared on the historical cost basis except for certain financial instruments that are measured on the fair value basis.

The basis of preparation for the condensed interim carve-out statement of financial position, loss and comprehensive loss, cash flows and changes in equity of the Asset Property Interests have been applied. The condensed interim carve-out financial statements have been allocated on the basis of direct usage where identified from historical accounting records of the Company with estimates used, when necessary, for certain allocations.

- The condensed interim carve-out statements of financial position reflect the assets and liabilities recorded by the Company which have been assigned to the Asset Property Interests on the basis that they are specifically identifiable and attributable to the Asset Property Interests;
- The condensed interim carve-out statement of loss and comprehensive loss included a pro-rata allocation of the Company’s general and administration and share based compensation expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of the Company’s exploration and evaluation assets, and based on specifically identifiable mineral property expenditure activities attributable to the Asset Property Interests. The allocation of expense for each period presented is as follows: 2023 and 2022 – 10%. Management believes that the percentages are considered reasonable under the circumstances;
- Income taxes have been calculated as if the Asset Property Interests had been a separate legal entity and had filed separate tax returns for the periods presented.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

4 Basis of preparation (continued)

Management cautions readers of these condensed interim carve-out financial statements that the Asset Property Interests' results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Asset Property Interests been a separate entity. Further, the allocation of income and expense in these condensed interim carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Asset Property Interests' future income and operating expenses. The Company's investment in the Asset Property Interests, presented as equity in these condensed interim carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Asset Property Interests.

Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities Arising from a Single Transaction which amended IAS 12, Income Taxes ("IAS 12"). The amendments narrowed the scope of the recognition exemption in IAS 12, relating to the recognition of deferred tax assets and liabilities, so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as leases and reclamation and closure cost provisions. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 to transactions that occur on or after the beginning of the earliest comparative period presented. Earlier application is permitted. The Entity does not expect the adoption of these amendments to have a material impact on its financial statements.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current. The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The IASB is currently considering further amendments to the requirements in IAS 1 on classification of liabilities as current or non-current, including deferring the application of the January 2020 amendments. The application of these amendments is not expected to have a material impact on the financial statements in future periods.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

4 Basis of preparation (continued)

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term ‘significant accounting policies’ with ‘material accounting policy information’. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the ‘four-step materiality process’ described in IFRS Practice Statement 2. The amendments are effective from January 1, 2023. The amendments did not have a significant impact to the Asset Property Interests’ condensed interim carve-out financial statements.

In October 2022, the IASB published amendments to IAS 1 Presentation of Financial Statements to clarify whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current (based on a substantive right to defer settlement). This amendment is in effect for reporting periods beginning on or after January 1, 2024 with early adoption permitted. The Entity has not yet determined the effect of adoption of this amendment on its financial statements.

5 Significant Accounting Judgments and Estimates

In preparing these condensed interim carve-out financial statements, management has made judgments, estimates and assumptions that affect the application of the Asset Property Interests accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ. Significant judgments made by management in applying the Asset Property Interests accounting policies and key sources of estimation uncertainty were the same as those applied in the most recent annual audited consolidated carve-out financial statements for the year ended April 30, 2023.

6 Prepaid and deposits

The Asset Property Interests’ deposits are as follows:

	July 31, 2023	April 30, 2023
	\$	\$
GST receivable	84	56
Odei River mineral license deposit	1,550	1,550
Mel property deposit	-	195,000
Total	1,634	196,606

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

7 Mineral Property Interests

The Asset Property Interests holds approximately 26,763 (April 30, 2023 – 23,831) hectares of mining claims in the Athabasca region located in the Province of Manitoba in Canada. The holdings are through 5 projects which are in the early stages of exploration and evaluation.

Details of acquisition costs for the twelve and three months ended April 30, 2023 and July 31, 2023 respectively are as follows:

	Resting Lake	Halfway Lake	Hunter	Odei River	Mel	Total
	\$	\$	\$	\$	\$	\$
As at April 30, 2022	17,505	19,300	50,325	-	-	87,130
Additions	-	80,769	-	5,107	-	85,876
Recoveries	-	-	(21,440)	-	-	(21,440)
At April 30, 2023	17,505	100,069	28,885	5,107	-	151,566
Additions	-	-	-	-	970,150	970,150
At July 31, 2023	17,505	100,069	28,885	5,107	970,150	1,121,716

During the three months ended July 31, 2023, the Asset Property Interests incurred exploration expenditures as follows:

	Resting Lake	Halfway Lake	Hunter	Odei River	Mel	Total
	\$	\$	\$	\$	\$	\$
General	-	-	-	-	-	-
Administrative	-	-	62	2,475	144	2,681
Geology	-	-	-	-	-	-
Geophysics	-	-	-	-	-	-
Total for the period	-	-	62	2,475	144	2,681

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

7 Mineral Property Interests (continued)

During the three months ended July 31, 2022, the Asset Property Interests incurred exploration expenditures as follows:

	Resting Lake \$	Halfway Lake \$	Hunter \$	Odei River \$	Mel \$	Total \$
General						
Administrative	367	15,539	19,604	-	-	35,510
Geology	1,199	1,199	-	-	-	2,398
Geophysics	-	-	101,358	-	-	101,358
Total for the period	1,566	16,738	120,962	-	-	139,266

a) Mel, Manitoba

On May 12, 2023, the Asset Property Interest completed the acquisition of 100% interest in the Mel project in which it paid the residual amount of \$105,000 (\$195,000 paid on March 3, 2023) and issued 2,000,000 common shares of CanAlaska Uranium Ltd. with a fair value of \$670,000 for a total value of \$970,000.

8 Contribution from CanAlaska Uranium Ltd.

The Company's investment in the operations of the carve-out Asset Property Interests is presented as contribution from the Company in the condensed interim carve-out financial statements. Contributions represent the accumulated net contributions from the Company (related to exploration and evaluation assets) and losses of the carve-out Asset Property Interests since May 1, 2021.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

9 Share Stock Options

The Asset Property Interests does not have its own equity incentive plan, however employees of the Asset Property Interests participate in the CanAlaska plan. The condensed interim carve-out statement of loss and comprehensive loss included a pro-rata allocation of the Company's share based compensation expenses incurred in each of the periods presented based on the percentage of exploration and evaluation activity on the carve-out exploration and evaluation assets, compared to the expenditures incurred on all of the Company's exploration and evaluation assets, and based on specifically identifiable mineral property expenditure activities attributable to the Asset Property Interests. The allocation of expense for each period presented is as follows: 2023 and 2022 – 10%. Management believes that the percentages are considered reasonable under the circumstances.

CanAlaska Uranium Ltd. has an omnibus equity incentive plan that permits the granting of stock options, RSUs, DSUs, PSUs and other share-based compensation awards to directors, officers, key employees and consultants. The omnibus plan is a rolling up to 10% and fixed up to 10% plan. Terms and pricing of options are determined by board and management at the date of grant. Under the plan, stock options of up to 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance and RSUs, DSUs, PSUs and other share-based compensation awards of up to 10,197,605 in respect of such awards may be granted. No RSUs, DSUs, PSUs and other share-based compensation have been issued.

As at July 31, 2023, the following summary of change in stock options of CanAlaska:

	Number of options 000's	Weighted average exercise price \$
Outstanding – April 30, 2022	7,940	0.57
Granted	6,740	0.44
Forfeited	(60)	0.69
Expired	(4,620)	0.56
Outstanding – April 30, 2023	10,000	0.49
Granted	2,505	0.30
Forfeited	(10)	0.40
Outstanding – July 31, 2023	12,495	0.45

As at July 31, 2023, the following stock options of CanAlaska were outstanding:

	Number of options outstanding 000's	Number of options exercisable 000's	Exercise price	Expiry date (Fiscal Year)
	5,635	5,635	\$0.43 - \$0.68	2025
	4,355	4,355	\$0.40 - \$0.49	2026
	2,505	2,405	\$0.30	2027
Total	12,495	12,395		

For the three months ended July 31, 2023 total share-based compensation expense was \$437,565 (July 31, 2022: \$541,404).

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

9 Share Stock Options (continued)

Option pricing models require the input of assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options. The Company's expected volatility is based on the historical volatility of the Company's share price on the TSX Venture Exchange. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense of CanAlaska with the resulting weighted average fair value for the three months ended July 31, 2023 and 2022:

Options	Three months ended July 31	
	2023	2022
Weighted average fair value	\$0.18	\$0.25
Forfeiture rate	0%	0%
Risk-free interest rate	4.38%	3.16%
Expected life	3.0 years	2.0 years
Expected volatility	90.0%	97.3%
Expected dividend	0%	0%

10 Related Party Transactions

Related parties include the board of directors and officers of CanAlaska Uranium Ltd and enterprises which are controlled by these individuals. During the three months ended July 31, 2023, CanAlaska incurred \$51,016 (three months ended July 31, 2022 - \$74,954) of costs associated with the management of the Asset Property Interests. The cost allocation is on a pro-rata basis of exploration and evaluation activities of CanAlaska. The cost allocation is applied to the director's fees, salaries, consulting fees and share-based compensation.

11 Supplemental Disclosure with Respect to Cash Flows

Significant non-cash investing and financing transactions during the three months ended July 31, 2023 consisted of the following:

- Issuance of 2,000,000 common share with a fair value of \$670,000 for mineral property interest.
- Transfer of \$195,000 from deposits to mineral property interest.

12 Financial Instruments

The fair value of the Asset Property Interests' trade and other payables approximate their carrying values due to the short-term nature of these instruments.

The Asset Property Interests' financial instruments are exposed to certain financial risks, including credit risk and liquidity risk.

CanAlaska Uranium Ltd.

Notes to the Condensed Interim Carve-Out Financial Statements

(Unaudited)

For the three months ended July 31, 2023 and 2022

(Expressed in Canadian dollars)

12 Financial Instruments (continued)

a) Credit Risk

Financial instruments that potentially subject the Asset Property Interests to credit risk consist of deposits.

As at July 31, 2023, the Asset Property Interests' maximum exposure to credit risk is the carrying value of its deposits.

b) Liquidity Risk

Liquidity risk is the risk that the Asset Property Interests will not be able to meet its financial obligations as they fall due. The Asset Property Interests are currently reliant upon the contributions from CanAlaska as a source of cash. In the future, the Asset Property Interests will be reliant upon equity issuances as its source of cash. The Asset Property Interests manages liquidity risk by maintaining an adequate level of cash and cash equivalents to meet its ongoing obligations and is currently reliant on the contributions from CanAlaska. The Asset Property Interests continuously reviews its actual expenditures and forecast cash flows and matches the maturity dates of its contributions from CanAlaska to capital and operating needs.

13 Management of Capital

The Asset Property Interests considers its capital to consist of common shares and stock options. The Asset Property Interests' objectives when managing capital are to safeguard the Asset Property Interests' ability to continue as a going concern in order to pursue the exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Asset Property Interests manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Asset Property Interests may attempt to issue new shares and acquire or dispose of assets. In order to maximize ongoing exploration efforts, the Asset Property Interests does not pay out dividends.

14 Subsequent Events

On September 13, 2023, the Company completed a Management Information Circular which outlines an arrangement agreement dated September 1, 2023 between the Company and Core Nickel Corp., a wholly owned subsidiary of the Company pursuant to which the Company will transfer five nickel properties and \$1 million in cash to Core Nickel in exchange for approximately 25 million Core Nickel common shares which will subsequently be distributed to CanAlaska shareholders on a pro rata basis. The transaction will be completed by way of a statutory plan of arrangement. The transaction will require the approval of (i) 66.67% of votes of the Company at the annual general meeting to be held on October 25, 2023, (ii) court approval, and (iii) regulatory approvals.

APPENDIX “I”

CANALASKA CARVE-OUT MD&A
FOR THE THREE MONTHS ENDED JULY 31, 2023



CanAlaska Uranium Ltd. Carve-Out

Management Discussion and Analysis
For the Three Months Ended
July 31, 2023

GENERAL

The following Management Discussion and Analysis (“MD&A”) of CanAlaska Uranium Ltd. Carve-Out (the “Asset Property Interests”) or “Carve-out”) has been prepared by management, in accordance with the requirements of National Instrument 51-102 (“NI 51-102”) as of November 22, 2023 and should be read in conjunction with the unaudited interim carve-out financial statements of the Asset Property Interests for the three months ended July 31, 2023 and 2022 and the related notes contained therein which have been prepared under International Financial Reporting Standards (“IFRS”). The information contained herein is not a substitute for detailed investigation or analysis on any particular issue. The information provided in this document is not intended to be a comprehensive review of all matters and developments concerning the Asset Property Interests.

All financial information in this MD&A has been prepared in accordance with IFRS and all dollar amounts are quoted in Canadian dollars, the reporting currency of the Asset Property Interests, unless specifically noted.

Management of CanAlaska Uranium Ltd. (“CanAlaska” or “Company”) is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company’s Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board’s audit committee meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

FORWARD LOOKING STATEMENTS

Management cautions readers of the interim carve-out financial statements that the Asset Property Interests’ results do not necessarily reflect what the results of operations, financial position, or cash flows would have been had the Asset Property Interests been a separate entity. Further, the allocation of income and expense in the interim carve-out statements of loss and comprehensive loss does not necessarily reflect the nature and level of the Asset Property Interests’ future income and operating expenses. The Company’s investment in the Asset Property Interests, presented as equity in the interim carve-out financial statements, includes the accumulated total loss and comprehensive loss of the Asset Property Interests.

Certain statements included in this “MD&A” constitute forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend”, “may”, “should” and similar expressions to the extent they relate to the Asset Property Interests or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This MD&A contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors.

Information concerning the interpretation of drill results also may be considered forward-looking statements; as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. The estimates, risks and uncertainties described in this MD&A are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the Asset Property Interests’ forward-looking statements. In addition, any forward-looking statements represent the Asset Property Interests’ estimates only as of the date of this MD&A and should not be relied upon as representing the Asset Property Interests’ estimates as of any subsequent date. The material factors and assumptions that were applied in making the forward-looking statements in this MD&A include: (a) execution of the Asset Property Interests’ existing plans or exploration programs for each of its properties, either of which may change due to changes in the views of the Asset Property Interests, or if new information arises which makes it prudent to change such plans or programs; and (b) the accuracy of current interpretation of drill and other exploration results, since new information or new interpretation of existing information may result in changes in the Asset Property Interests’ expectations. Readers should not place undue reliance on the Asset Property Interests’ forward-looking statements, as the Asset Property Interests’ actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Asset Property Interests’ business, or if the Asset Property Interests’ estimates or assumptions prove inaccurate. Therefore, the Asset Property Interests cannot provide any assurance that forward-looking statements will materialize.

DESCRIPTION OF BUSINESS

The Asset Property Interests is a mineral exploration stage entity engaged in the acquisition and exploration of mineral properties, principally in Manitoba, Canada. The interim carve-out financial statements presented have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”). The purpose of the interim carve-out financial statements is to provide general purpose historical financial information of the Asset Property Interests in connection with the Arrangement. Therefore, the interim carve-out financial statements present the historical financial information of the Company that make up the Asset Property Interests, either fully, or partially, where only specifically identifiable assets and liabilities are included, and allocation of shared income and expenses of the Company that are attributable to the Asset Property Interests. The Asset Property Interests' principal properties are the Resting Lake, Halfway Lake, Hunter, Odei River and Mel projects located southwest of Thompson, Manitoba in what is known as the “Thompson Nickel Belt.”

PROPOSED ARRANGEMENT

Subsequent to July 31, 2023, CanAlaska Uranium Ltd. (“CanAlaska” or “Company”) intends to strategically reorganize its exploration business. The Company intends to spinout five of its nickel properties along with other non-core assets (the “Asset Property Interests”) to a wholly owned subsidiary.

In connection with the reorganization, the Asset Property Interests will then complete a share capital reorganization by way of a statutory plan of arrangement (“Arrangement”) whereby the Company will spin-out the SpinCo shares to the Company’s shareholders.

In connection with the Arrangement, the Asset Property Interests will hold the following assets:

- 100% interest in the Halfway Lake project
- 100% interest in the Resting Lake project
- 100% interest in the Hunter project
- 100% interest in the Odei River project
- 100% interest in the Mel nickel deposit lease and claim which were acquired in May 2023
- Prepaid and deposits, and
- Reclamation bonds

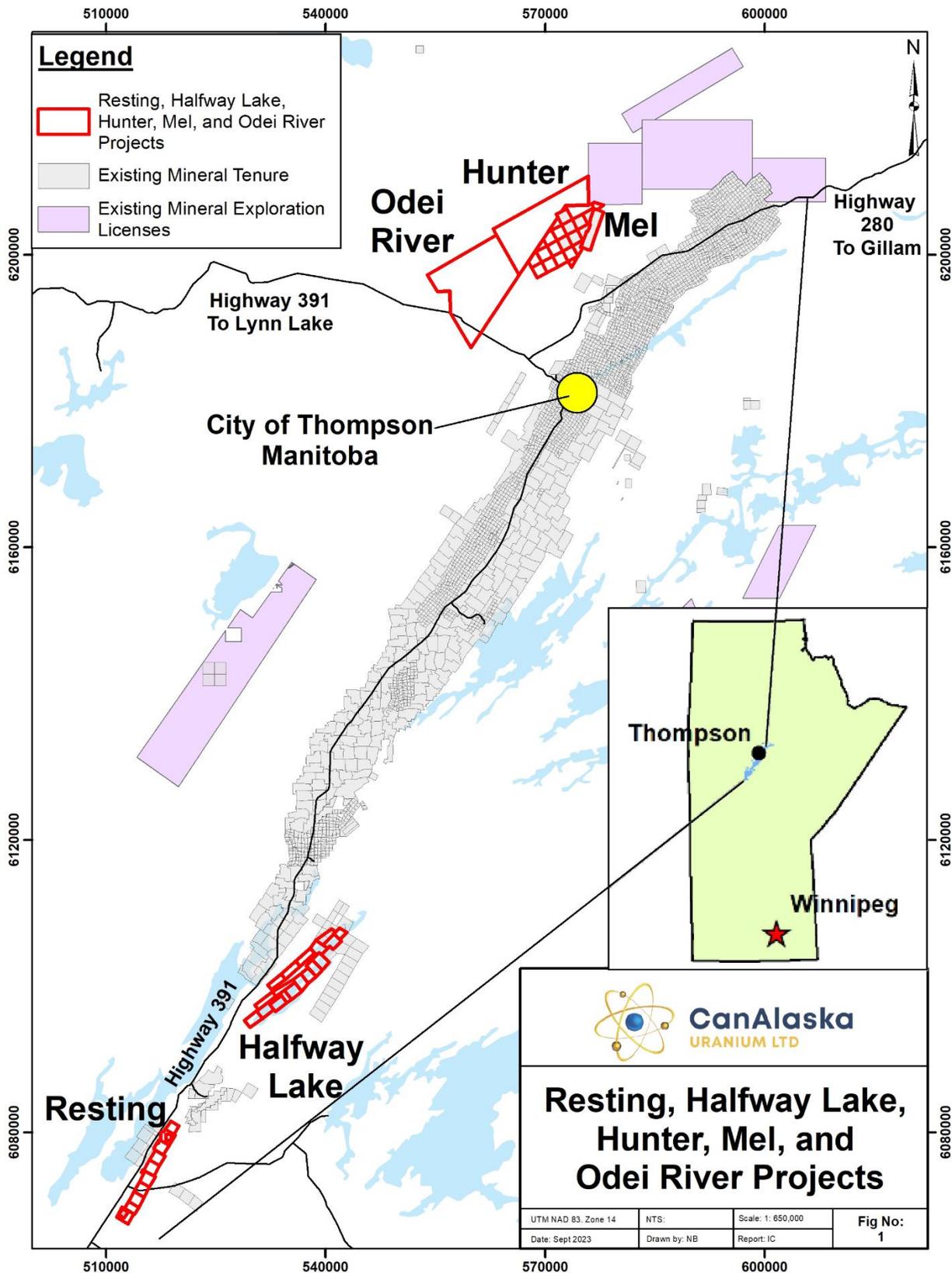
Upon closing of the Arrangement, the Asset Property Interests will be owned exclusively by existing shareholders of the Company, keeping their identical proportion to their pre-Arrangement shareholdings of the Company.

Closing of the Arrangement is subject to several conditions including, but not limited to, approval by the Company shareholders and receipt of court and necessary regulatory approvals.

The interim carve-out financial statements reflect the assets, liabilities, expenses and cash flows of the operations included in the exploration business to be spun out by the Company

PROJECT UPDATES

Nickel Property Summary		
Property / Project Name	Notes	Hectares
Halfway Lake	Seeking Venture Partner	4,185
Resting Lake	Seeking Venture Partner	2,322
Hunter	Seeking Venture Partner	8,232
Odei River	Seeking Venture Partner	9,441
Mel	Seeking Venture Partner	2,613



Resting Project, Manitoba

The Resting property consists of eleven mineral claims located in the southern Thompson Nickel Belt 5 km south of Wabowden and the Bucko deposit and northwest of the Manibridge.

In March 2021, the Asset Property Interests staked several claim blocks at Resting Lake in the southern Thompson Nickel Belt, near Wabowden, Manitoba. The claims cover and surround known mineralized zones as well as untested target horizons, south of the Wabowden nickel mines and mill. The claims cover the majority of the Resting Lake structure, which is a 15-kilometre long synclinorium of Ospwagan Group sediments. The claims cover thirty ultramafic lenses within the prospective Pipe Formation. In the Thompson Nickel Belt, the maximum potential for high-grade nickel mineralization resides in association of ultramafic and Pipe Formation rocks.

In June 2021, the Asset Property Interests also completed the first pass exploration targeting on its two newly acquired Resting and Halfway Lake nickel projects. The Resting airborne survey received \$23,820 of funding from the Manitoba government through the Manitoba Mineral Development Fund (MMDF) program.

During the three months ended July 31, 2023, the Asset Property Interests incurred net exploration expenditures in the amount of \$nil (three months ended July 31, 2022 - \$1,566).

Halfway Lake, Manitoba

The Halfway property consists of eight mineral claims located in the southern Thompson Nickel Belt, 12km northeast of Wabowden and less than 2km from Highway 6.

In April 30, 2021, the Asset Property Interests staked 8 claim blocks totaling 1,876 hectares in the Thompson Nickel Belt, Manitoba for approximately \$19,300. The claims cover known mineralized nickel zones and are adjacent to the Halfway Lake nickel deposit owned by CaNickel. All of the claims are located close to highway 391 and benefit from adjacent rail and power infrastructure.

In June 2021, the Asset Property Interests also completed the first pass exploration targeting on its two newly acquired Resting and Halfway Lake nickel projects. The Resting airborne survey received \$23,820 of funding from the Manitoba government through the Manitoba Mineral Development Fund (MMDF) program.

In August and September 2022, the Asset Property Interests staked 11 claim blocks totaling 2,279 hectares in the Athabasca Basin for \$80,769.

During the three months ended July 31, 2023, the Asset Property Interests incurred exploration expenditures in the amount of \$nil (three months ended July 31, 2022 - \$16,738).

Hunter, Manitoba

The Hunter Project is located 20 kilometres north of Thompson, Manitoba and consists of one Mineral Exploration License and 11 claims in the northern extension of the Thompson Nickel Belt. The area is underlain by Archean, Ospwagan Group and ultramafic intrusions. Locally Kisseynew metasediments are infolded with the Ospwagan and Archean.

In June 2021, the Company announced that it had resumed 100% control of the Hunter nickel project on termination of the option agreement with Fjordland Exploration Inc. due to unexpected delays in the permitting. Because of the delay, the Asset Property Interests and Fjordland mutually agreed to terminate the agreement and the Asset Property Interests returned 1,000,000 common shares of Fjordland that was issued as part of the option agreement.

In March 2022, the Asset Property Interests staked 1 claim block totaling 10,065 hectares for \$50,325.

In April 2022, the Company had commenced an airborne Versatile Time Domain Electromagnetic (“VTEM”) Survey on its 100%-owned Hunter project in the Thompson Nickel Belt. The VTEM Survey consists of 867 line-km’s of airborne surveying across the Hunter project to identify conductive targets within the Ospwagan Group metasediments which are host to the nearby world-class Thompson nickel deposits.

In August 2022, the Company announced it had received and processed the results of an airborne Versatile Time Domain Electromagnetic and Horizontal Magnetic Gradiometer geophysical survey on its 100% owned Hunter project in the Thompson Nickel Belt. Preliminary evaluation of the geophysical survey has identified several target areas within the Hunter project. The survey consisted of 882 line-kms of surveying.

In November 2022, the Asset Property Interests recovered \$22,140 from the Manitoba government as a result of an overpayment.

During the three months ended July 31, 2023, the Asset Property Interests incurred exploration expenditures in the amount of \$62 (three months ended July 31, 2022 - \$120,962).

Odei River, Manitoba

In March 2023, the Asset Property Interests received the mineral exploration license totaling 9,411 hectares in the Athabasca Basin for \$5,107.

During the three months ended July 31, 2023, the Asset Property Interests incurred exploration expenditures in the amount of \$2,475 (three months ended July 31, 2022 - \$nil).

Mel, Manitoba

The Mel Project is comprised of one mineral lease and ten mineral claims covering a total of 2,613 hectares in the Thompson Nickel Belt, Manitoba. The Mel project is located within 25 kilometres from Vale Canada Limited's processing facilities in Thompson, Manitoba.

On May 12, 2023, the Asset Property Interest completed the acquisition of 100% interest in the Mel project in which it paid the residual amount of \$105,000 (\$195,000 paid on March 3, 2023) and issued 2,000,000 common shares of CanAlaska Uranium Ltd. with a fair value of \$670,000 for a total value of \$970,000.

During the three months ended July 31, 2023, the Asset Property Interests incurred exploration expenditures in the amount of \$144 (three months ended July 31, 2022 - \$nil).

SELECTED QUARTERLY INFORMATION

The following is a summary of certain selected annual financial information for the most recent three fiscal years

Selected Annual Information	Three months ended July 31, 2023 (unaudited)	Three months ended July 31, 2022 (unaudited)
	\$	\$
Total revenue	-	-
Loss	(113,073)	(246,721)
Total assets	1,197,576	173,707
Total liabilities	197	3,938

EXPENDITURE REVIEW**For the three months ended July 31, 2023 and 2022**

The Asset Property Interests are in the exploration stage without any producing properties

Exploration Costs and Expenses	Notes	Three months ended July 31,2023	Three months ended July 31,2022
		\$	\$
Exploration Cost			
Mineral property expenditures, net of reimbursements	1	2,681	139,266
Other Expenses			
Consulting, labour and professional fees	2	41,085	26,340
Insurance, licenses and filing fees	3	1,494	4,860
Other corporate costs	4	3,925	5,649
Investor relations and presentations	5	17,744	13,559
Rent		705	944
Share-based payments	6	43,757	54,140
Travel and accommodation	7	1,682	1,963
Total Other Expenses		110,392	107,455
Net loss	8	113,073	246,721

Notes

1. Mineral property expenditures for the three months ended July 31, 2023, was lower than the three months ended July 31, 2022 as the Asset Property Interests decreased exploration activities on the Hunter projects in the first quarter of 2024. The mineral property expenditures in the first quarter of 2023 include an airborne survey and geophysical work on the property.
2. Consulting, labour and professional fees for the three months ended July 31, 2023, was higher than the three months ended July 31, 2022. The increase was primarily attributable to an increase in the number of employees relative to the first quarter of 2023. The Asset Property Interests also incurred higher legal fees in the first quarter of 2024 relative to the first quarter of 2023.
3. Insurance, licenses and filing fees for the three months ended July 31, 2023, was lower than the three months ended July 31, 2022. The decrease was primarily due to the decrease in the filing fees in the first quarter of 2024 compared to the first quarter of 2023.
4. Other corporate costs for the three months ended July 31, 2023, was lower than the three months ended July 31, 2022. The decrease was primarily attributable to the decrease corporate overhead and activities in the first quarter of 2024 compared to the first quarter of 2023.
5. Investor relations and presentations for the three months ended July 31, 2023, was higher than the three months ended July 31, 2022. The increase was primarily attributable to the increase in the use of investor relation consultants and the usage of print and web-based media and attendance to investor relations conferences in the first quarter of 2024 compared to the first quarter of 2023.
6. Share-based payments for the three months ended July 31, 2023, was higher than the three months ended July 31, 2022. The increase was primarily due to the increase in the number of options granted in the first quarter of 2024 relative to first quarter of 2023.
7. Travel and accommodations for the three months ended July 31, 2023, was lower than the three months ended July 31, 2022. The decrease was primarily due to the decrease corporate and exploration activities relative to the first quarter of 2023.
8. All costs have been incurred by CanAlaska. No costs have been incurred directly by Core Nickel. Consequently, all costs are included in the condensed interim carve-out financial statement of CanAlaska and not in Core Nickel's statement of financial position.

LIQUIDITY AND CAPITALIZATION

Financial Position and Liquidity

The Asset Property Interests had no working capital as at July 31, 2023 and April 30, 2023. Prior to the Arrangement, the nickel properties and its operations relied on CanAlaska for funding as CanAlaska manages its liquidity requirement at the corporate level and funds its operations as required. For this reason, the nickel properties and its operations have not raised capital, and did not historically have access as a stand-alone entity

Operating Activities

The Asset Property Interests' operating activities resulted in net cash outflows of \$69,147 and \$200,806 for the three months ended July 31, 2023 and 2022 respectively. Operating activities and costs for the three months ended July 31, 2023 were lower than the three months ended July 31, 2022. The decrease was primarily due to the decrease in Company's mineral property exploration activities compared to the prior comparative period.

Financing Activities

The Asset Property Interests' financing activities resulted in net cash inflows of \$174,297 and \$200,806 for the three months ended July 31, 2023 and 2022 respectively. Cash inflows were contributed by CanAlaska as the nickel properties and its operations does not have a cash balance and relied on CanAlaska for funded its liquidity requirement.

Investing Activities

The Asset Property Interests' investing activities resulted in net cash outflows of \$105,150 and \$nil for the three months ended July 31, 2023 and 2022 respectively. During the three months ended July 31, the Asset Property Interests completed the acquisition of the Mel property valued at approximately \$970,000.

Off-Balance Sheet Arrangements

The Asset Property Interests does not have any off-balance sheet arrangements.

Liquidity and Capital Resources

The Asset Property Interests has no operations that generate cash flows and the Asset Property Interests' future financial success will depend on the discovery of one or more economic mineral deposits. This process can take many years, can consume significant resources and is largely based on factors that are beyond the control of the Asset Property Interests' management.

For the foreseeable future, the Asset Property Interests will rely upon its ability to raise financing through the sale of equity. This is dependent on positive investor sentiment, which in turn is influenced by a positive climate for metal exploration generally, a company's track record and the experience and calibre of a company's management.

There is no assurance that the Asset Property Interests will be able to access equity funding at the times and in the amounts required to fund the Asset Property Interests' activities. The outlook for the world economy remains uncertain and vulnerable to various events that could adversely affect the Asset Property Interests' ability to raise additional funds going forward.

Financial Instruments

The Asset Property Interests' financial instruments currently consist of prepaid and deposits and trade and other payables. The fair value of prepaid and deposits and trade and other payables approximate their book values because of the short-term nature of these instruments. Moreover, it is management's opinion that the Asset Property Interests is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Long-Term Liability

The Asset Property Interests had no long-term liabilities as at July 31, 2023 and April 30, 2023.

RELATED PARTY TRANSACTIONS

Related parties include the board of directors and officers of CanAlaska Uranium Ltd and enterprises which are controlled by these individuals. During the three months ended July 31, 2023, CanAlaska incurred \$51,016 (three months ended July 31, 2022 - \$74,954) of costs associated with the management of the Asset Property Interests. The cost allocation is on a pro-rata basis of exploration and evaluation activities of CanAlaska. The cost allocation is applied to the director's fees, salaries, consulting fees and share-based compensation.

Accounting Policies and Significant Accounting Judgements and Estimates**Share-Based Payment Plan**

The Company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees and non-employees as consideration for equity instruments (options) of the Asset Property Interests. The total amount to be expensed is determined by reference to the fair value of the options granted.

The fair value of share-based compensation is determined using the Black-Scholes option-pricing model and management's assumptions. When a stock option is exercised, the Company recognizes an increase in its share capital equivalent to the consideration paid by the option holder and the fair value amount previously recognized in equity reserve. The fair value of any stock options granted to directors, officers and employees of the Asset Property Interests is recorded as an expense over the vesting period of the options with a corresponding increase in equity reserve.

Mineral Property Interest

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Asset Property Interests to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. The amounts shown as mineral property costs represent net acquisition costs incurred to date and do not necessarily represent current or future values of the mineral properties.

Going Concern

The interim carve-out financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Asset Property Interests will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The interim carve-out financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Asset Property Interests be unable to continue as a going concern. These adjustments could be material.

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Asset Property Interests to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. Due to the difficult market conditions facing junior exploration companies there is no assurance that the Asset Property Interests will be successful in raising funds through financings. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries.

Given that the Asset Property Interests do not generate recurring revenues from operations and other factors as noted, material uncertainties exist which may cast significant doubt regarding the Asset Property Interests' ability to continue as a going concern. Management may either need to dilute its ownership in its properties or secure financing to continue to advance the development of the Asset Property Interests' exploration projects. Due to changing market conditions facing junior exploration companies there is no assurance that the Asset Property Interests will be successful in raising funds through financings.

Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities Arising from a Single Transaction which amended IAS 12, Income Taxes ("IAS 12"). The amendments narrowed the scope of the recognition exemption in IAS 12, relating to the recognition of deferred tax assets and liabilities, so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as leases and reclamation and closure cost provisions. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 to transactions that occur on or after the beginning of the earliest comparative period presented. Earlier application is permitted. The Asset Property Interests does not expect the adoption of these amendments to have a material impact on its financial statements.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current. The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or noncurrent in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted. The Asset Property Interests anticipates that the application of these amendments may not have an impact on the financial statements in future periods.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2. The application of these amendments is not expected to have a material impact on the financial statements in future periods. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

RISKS AND UNCERTAINTIES

Cash Flows and Additional Funding Requirements

The Asset Property Interests has limited financial resources, no sources of operating cash flows and no assurances that sufficient funding, including adequate financing, will be available. If the Asset Property Interests' exploration programs are successful, additional funds will be required in order to complete the development of its projects. The sources of funds currently available to the Asset Property Interests are the raising of equity capital or the offering of an ownership interest in its projects to a third party. There is no assurance that the Asset Property Interests will be successful in raising sufficient funds to conduct further exploration and development of its projects or to fulfill its obligations under the terms of any option or joint venture agreements, in which case the Asset Property Interests may have to delay or indefinitely postpone further exploration and development or forfeit its interest in its projects or prospects.

Commodity Prices

The profitability of the Asset Property Interests' operations will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Asset Property Interests. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable. The Asset Property Interests' future revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of mineral commodities.

Competition

The mining industry is intensely competitive in all of its phases, and the Asset Property Interests competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties, the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. The Asset Property Interests has carried out exploration, and found multiple targets of interest, but has not defined an economic deposit. Other exploration companies have been successful with the discovery of deposits in the Athabasca, and these companies tend to attract investors away from the Asset Property Interests. Competition in the mining industry could adversely affect the Asset Property Interests' prospects for mineral exploration in the future.

Government Laws, Regulation and Permitting

Mining and exploration activities of the Asset Property Interests are subject to both domestic and foreign laws and regulations governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances, the environment and other matters. Although the Asset Property Interests believes that all exploration activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing the operations and activities of the Asset Property Interests or more stringent implementation thereof could have a substantial adverse impact on the Asset Property Interests .

The operations of the Asset Property Interests will require licenses and permits from various governmental authorities to carry out exploration and development at its projects. In Canada, the issuance of governmental licenses and permits are increasingly being influenced by land use consultations between the government and local First Nations communities. There can be no assurance that the Asset Property Interests will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities.

Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Asset Property Interests has investigated the title to all of the properties for which it holds concessions or other mineral leases or licenses or in respect of which it has a right to earn an interest, the Asset Property Interests cannot give an assurance that title to such properties will not be challenged or impugned.

Estimates of Mineral Resources

The mineral resource estimates used by the Asset Property Interests are estimates only and no assurance can be given that any particular level of recovery of minerals will in fact be realized or that an identified resource will ever qualify as a commercially mineable (or viable) deposit which can be legally or commercially exploited. In addition, the grade of mineralization ultimately mined may differ from that indicated by drilling results and such differences could be material.

Key Management

The success of the Asset Property Interests will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits depends on a number of factors, not the least of which is the technical skill of the exploration personnel involved. The success of the Asset Property Interests is largely dependent on the performance of its key individuals. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Asset Property Interests' success.

Volatility of Share Price

Market prices for shares of early-stage companies are often volatile. Factors such as announcements of mineral discoveries, financial results, and other factors could have a significant effect on the price of the Asset Property Interests' shares and the amount of financing that can be raised by the Asset Property Interests.

Conflict of Interest

Some of the Asset Property Interests' directors and officers are directors and officers of other natural resource or mining-related companies. These associations may give rise from time to time to conflicts of interest. As a result of such conflict, the Asset Property Interests may miss the opportunity to participate in certain transactions.

APPENDIX “J”

AUDIT COMMITTEE CHARTER

CORE NICKEL CORP.

AUDIT COMMITTEE CHARTER

ITEM 1: THE AUDIT COMMITTEE'S CHARTER

PURPOSE

The overall purpose of the Audit Committee (the "Committee") of Core Nickel Corp.. (the "Company") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "Board").
2. At least two (2) members of the Committee shall be independent and the Committee shall endeavor to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Committee present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
 - a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - b) the external auditors shall have the right to attend all meetings of the Committee; and

- c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
2. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly financial statements and related financial disclosure;
 - b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance.
 - c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - c) review the audit plan of the external auditors prior to the commencement of the audit;
 - d) to review with the external auditors, upon completion of their audit:
 - i) contents of their report;
 - ii) scope and quality of the audit work performed;
 - iii) adequacy of the Company's financial and auditing personnel;
 - iv) co-operation received from the Company's personnel during the audit;
 - v) internal resources used;
 - vi) significant transactions outside of the normal business of the Company;
 - vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - viii) the non-audit services provided by the external auditors;
 - e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
 - a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;

- b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
4. The Committee is also charged with the responsibility to:
- a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - b) review and approve the financial sections of:
 - i) the annual report to Shareholders;
 - ii) the annual information form, if required;
 - iii) annual and interim MD&A;
 - iv) prospectuses;
 - v) news releases discussing financial results of the Company; and
 - vi) other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - c) review regulatory filings and decisions as they relate to the Company's financial statements;
 - d) review the appropriateness of the policies and procedures used in the preparation of the Company's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - e) review and report on the integrity of the Company's financial statements;
 - f) review the minutes of any audit committee meeting of subsidiary companies;
 - g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the financial statements;
 - h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
 - i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

5. The Committee shall have the authority:
 - a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - b) to set and pay the compensation for any advisors employed by the Committee; and
 - c) to communicate directly with the internal and external auditors.

CERTIFICATE OF ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Core Nickel Corp. hereby applies for the listing of the above mentioned securities on Canadian Securities Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Core Nickel Corp. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Saskatoon, Saskatchewan, this 22nd day of November, 2023.

“Misty Urbatsch”
Misty Urbatsch
Chief Executive Officer

“Harry Chan”
Harry Chan
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

“Cory Belyk”
Cory Belyk
Director

“Karen Lloyd”
Karen Lloyd
Director

ON BEHALF OF THE PROMOTER

“Misty Urbatsch”
Misty Urbatsch
Promoter