

This short form prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in each of the provinces of Canada and territories, except Quebec, that permit certain information about these securities to be determined after the short form base shelf prospectus has become final and that permit the omission of that information from this prospectus. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirements has been obtained.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”). They may not be offered or sold in the United States of America or to or for the account or benefit of a “U.S. person” as defined in Regulation S under the U.S. Securities Act. This short form base shelf prospectus does not constitute an offer to sell or a solicitation of an offer to buy these securities in the United States or to any “U.S. person”.

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of Highland Copper Company Inc., 130 King Street West, Suite 1900, Toronto, Ontario Canada, M5X 1 E3, Telephone: 1-416-564-9429, and are also available electronically at www.sedarplus.ca.

SHORT FORM BASE SHELF PROSPECTUS

New Issue

November 28, 2024



HIGHLAND COPPER COMPANY INC.

\$65,000,000

**Common Shares
Warrants
Subscription Receipts
Debt Securities
Units**

This short form base shelf prospectus (this “**Prospectus**”) relates to the offering for sale of common shares (the “**Common Shares**”), warrants (the “**Warrants**”) and subscription receipts (the “**Subscription Receipts**”), debt securities (the “**Debt Securities**”) or any combination of such securities (the “**Units**”) (all of the foregoing, collectively, the “**Securities**”) by Highland Copper Company Inc. (“**Highland**” or the “**Company**”) from time to time, during the 25-month period that the Prospectus, including any amendments hereto, remains effective, in one or more series or issuances, with a total offering price of the Securities in the aggregate, of up to \$65,000,000. The Securities may be offered for sale separately or in combination with one or more other Securities and may be sold from time to time in one or more transactions at a fixed price or prices (which may be changed) or at market prices prevailing at the time of sale, at prices determined by reference to such prevailing market prices or at negotiated prices.

The specific terms of any Securities offered will be described in one or more shelf prospectus supplements (collectively or individually, as the case may be, a “**Prospectus Supplement**”), including, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the offering price and any other specific terms; (ii) in the case of Warrants, the number of Warrants offered, the offering price, the designation, number and terms of the Common Shares issuable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; (iii) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, the procedures for the exchange of the Subscription Receipts for Common Shares or Warrants, as the case may be, and any other specific terms; (iv) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which the Debt Securities may be purchased, the maturity,

interest provisions, authorized denominations, offering price, covenants, events of default, any terms for redemption, any exchange or conversion terms, whether the debt is senior, senior subordinated or subordinated, whether the debt is secured or unsecured and any other terms specific to the Debt Securities being offered; and (v) in the case of Units, the designation, number and terms of the Common Shares, Warrants or Subscription Receipts comprising the Units. Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the Securities will be included in the Prospectus Supplement describing the Securities. A Prospectus Supplement may include specific variable terms pertaining to the Securities that are not within the alternatives and parameters described in this Prospectus.

In addition, the Debt Securities that may be offered may be guaranteed by certain affiliates or associates of the Company with respect to the payment of the principal, premium, if any, and interest on the Debt Securities. The Company expects that any guarantee provided in respect of senior Debt Securities would constitute a senior unsecured or secured obligation of the applicable guarantor. For a more detailed description of the Debt Securities that may be offered, see “Description of Securities – Description of Debt Securities” below.

All shelf information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference to this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains. Investors should read the Prospectus and any applicable Prospectus Supplement carefully before investing in the Securities.

The Company may sell the Securities to or through underwriters or dealers purchasing as principals, and may also sell the Securities directly to one or more purchasers pursuant to applicable statutory exemptions or through agents. See “Plan of Distribution”.

In connection with any offering of the Securities the underwriters, dealers or agents, as the case may be, may over allot or effect transactions which stabilize or maintain the market price of the Securities at a level above that which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “Plan of Distribution”.

The Company’s outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the “TSXV”) under the symbol “HI” and on the OTCQB under the symbol “HDRSF”. The Company’s mailing address is located at 130 King Street West, Suite 1900, Toronto, Ontario Canada, M5X 1 E3. The Company’s registered office is located at Suite 1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

The Company has negative operating cash flow for the year ended June 30, 2024. To the extent that the Company has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Company will be able to generate positive cash flow from its operations, that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

No underwriter has been involved in the preparation of the Prospectus or performed any review of the contents of the Prospectus.

Jonathan Cherry, a director of the Company, Stephen J. Hicks, a director and the Chair of the Board of the Company, and Melanie R. Miller, a director of the Company, reside outside of Canada. Each of Mr. Cherry, Mr. Hicks and Ms. Miller has appointed McMillan LLP, located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process.

Unless otherwise disclosed in any applicable Prospectus Supplement, the Warrants, Subscription Receipts, Debt Securities and the Units will not be listed on any securities exchange. Unless the Securities are

disclosed to be listed, there will be no market through which these Securities may be sold and purchasers may not be able to resell these Securities purchased under this Prospectus. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities, and the extent of issuer regulation. See “Risk Factors”.

TABLE OF CONTENTS

	Page
GENERAL MATTERS	1
THE COMPANY	5
MATERIAL MINERAL PROJECTS	7
RECENT DEVELOPMENTS	10
CONSOLIDATED CAPITALIZATION	10
USE OF PROCEEDS	10
DESCRIPTION OF SECURITIES.....	13
PLAN OF DISTRIBUTION.....	17
PRIOR SALES	19
PRICE RANGE AND TRADING VOLUME.....	19
RISK FACTORS	20
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS.....	23
CERTAIN INCOME TAX CONSIDERATIONS.....	23
LEGAL MATTERS	23
INTEREST OF EXPERTS	23
AUDITORS, TRANSFER AGENT AND REGISTRAR.....	24
MATERIAL CONTRACTS	24
STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION	24
CONTRACTUAL RIGHTS OF RESCISSION	25
CERTIFICATE OF THE COMPANY	1

GENERAL MATTERS

In this Prospectus, references to “Highland”, the “Company”, “we”, “us” and “our” refers, collectively, to Highland Copper Company Inc. and its subsidiaries.

Cautionary Statement Regarding Forward Looking Information

This Prospectus contains “forward-looking information” within the meaning of Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, “**forward-looking statements**”). These forward-looking statements are made as of the date of this Prospectus and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation. Forward-looking statements relate to future events or future performance and reflect our expectations or beliefs regarding future events. Forward-looking statements include, but are not limited to: statements with respect to the completion of a financing to fund the Company’s plans and objectives; statements with respect to the Copperwood Project and the White Pine Project, including the estimation of mineral resources and mineral reserves, the timing and cost of the construction of the mine, the Company’s ability to obtain, amend or renew all necessary licenses and permits that may be required to carry out exploration and development of its projects (including but not limited to the completion of all applicable site impacts as well as the applicable portions of site mitigation, as may be required), the anticipated benefits of the Copperwood Project, including the impact of the Copperwood Project on the global low carbon/electrification transition, the modification of the air permit at the Copperwood Project, the completion of applicable environmental surveys, declining metal prices, development or construction schedule delays, faults creating offsets in the mineralization, power line connection to grid, local housing and community infrastructure, the timing and amount of estimated future production, costs of production and capital expenditures. In certain cases, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “believes” or variations of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved” or the negative of these terms or comparable terminology. In this document, certain forward-looking statements are identified by words including “anticipation”, “plan” and “expected”.

By their very nature, forward-looking statements are based on reasonable assumptions that have been made by the Company as at the date of such information and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to:

- uncertainties about the future market price of copper and other metals;
- uncertainties resulting from the wars in Ukraine and Israel, and the accompanying international response thereto, which have extremely disrupted the global economy, creating increased volatility in commodity markets (including oil and gas prices), international trade and financial markets, all of which have an ongoing and uncertain effect on global economics, supply chains, availability of materials and equipment and execution timelines for project development;
- risks relating to the outbreak of epidemics or pandemics or other health crises;
- exploration, development and production risks;
- inherent risks associated with mining operations;
- risks related to the potential development of the Copperwood Project and the White Pine Project;
- uncertainties as to our ability to control our operating costs, including inflationary cost;
- operating and capital costs;
- development risks;
- supply chain disruptions;
- the accuracy of mineral resource and mineral reserve estimates;
- interpretations and assumptions of mineral resource and mineral reserve estimates;
- future profits/losses and production/revenue expenses;
- the Company’s ability to raise capital;
- the Company’s ability to continue as a going concern;

- challenges to title to the Company's mineral properties;
- risks related to foreign operations;
- risks related to litigation;
- risks related to our expansion and development plans;
- enforcement of civil liabilities;
- environmental risks;
- dilution;
- risks normally associated with the conduct of joint ventures or joint operations;
- compliance with governmental regulations;
- regulatory requirements;
- reliance on key management and operating personnel;
- reliance on approvals and permits from governmental authorities;
- availability of equipment and access restrictions;
- conflict of interest management;
- competition in the mining industry;
- risks related to obtaining and maintaining insurance;
- the market price of the Company's shares;
- global financial conditions;
- currency, credit, interest rate and liquidity risks;
- risks related to any failure or breach of our information technology systems;
- risks related to climate change;
- maintaining social license to operate;
- plans to raise additional funds to achieve the Company's objectives;
- the factors detailed in the 2024 AIF under "Risk Factors"; and
- other risks of the mining industry as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis, all of which are filed and available for review under the Company's profile on SEDAR+ at www.sedarplus.ca.

Although the Company has attempted to identify important factors that could cause our actual results, performance or achievements to differ materially from those described in our forward-looking statements, there may be other factors that cause our results, performance or achievements not to be as anticipated, estimated or intended. There can be no assurance that our forward-looking statements will prove to be accurate, as our actual results, performance or achievements could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on our forward-looking statements.

Some of the important risks and uncertainties that could affect forward-looking statements are described in this Prospectus under the heading "Risk Factors" and in the Company's annual information form, available on SEDAR+, under "*Description of the Business – Risk Factors*". Should one or more of these risks and uncertainties materialize, or should underlying factors or assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Material factors or assumptions involved in developing forward-looking statements include, without limitation, that:

- the conflicts in Ukraine and Israel, and the response of governments thereto, will not result in a material slow down or stoppage of our mining operations or development projects, disrupt our permitting activities or the timing of the response of government agencies to our permitting, development or operating activities;
- our mineral reserve and resource estimates and the assumptions on which they are based, are accurate;
- Highland will continue to be in compliance with regulatory requirements;
- Highland will have sufficient working capital and be able to secure additional funding necessary for the continued exploration and advance the development of its property interests;
- the price of copper and other base and precious metals will not decline significantly nor for a lengthy period of time;
- the key personnel will continue their employment with Highland; and
- Highland will be successful in maintaining its permits at the Copperwood Project, obtaining additional permits necessary to progress operations at Copperwood (including the receipt of any necessary amendments to existing permits);

- Highland’s joint venture partner, Kinterra, will be successful in advancing the White Pine Project; and
- Highland will be able to maintain its interest in the White Pine Project by participating in ongoing development expenditures.

Although the Company believes that the expectations conveyed by the forward-looking statements are reasonable based on the information available to it on the date such statements were made, no assurances can be given as to future results, approvals or achievements. The forward-looking statements contained in this Prospectus and the documents incorporated by reference herein are expressly qualified by this cautionary statement. The Company disclaims any duty to update any of the forward-looking statements after the date of this Prospectus to conform such statements to actual results or to changes in the Company’s expectations except as otherwise required by applicable law.

The forward-looking statements contained in this Prospectus are qualified by the foregoing cautionary statements as well as those in the 2024 AIF (as defined herein). Investors should read this entire Prospectus and the documents incorporated by reference and consider consulting their own professional advisors to assess the income tax, legal, and other risk factors, and other aspects, of any investment.

Responsibility for Technical Information in this Prospectus

The Company owns two material mineral projects in Michigan, USA referred to as the “Copperwood” project (the “**Copperwood Project**”) and the “White Pine” project (the “**White Pine Project**”), which are further described below under “Material Mineral Projects”. Each project is the subject of a mineral project technical report prepared in compliance with Canadian National Instrument 43-101 “Disclosure Standards for Mineral Projects” (“**NI 43-101**”). Technical Information about the Copperwood Project and the White Pine Project, as applicable, is derived from the following NI 43-101 technical reports:

- “Feasibility Study Update Copperwood Copper Project Michigan, USA”, having an effective date of March 6, 2023 (the “**Copperwood Project Technical Report**”) prepared by G Mining Services Inc. (“**GMSI**”). The Copperwood Project Technical Report was filed on SEDAR+ on April 20, 2023; and
- “Preliminary Economic Assessment, White Pine North Michigan, USA”, having an effective date of July 12, 2023 (the “**White Pine Project Technical Report**”), prepared by GMSI. The White Pine Project Technical Report was filed on SEDAR+ on September 7, 2023.

Michael J. Foley, P.Eng., an employee of the Company who is a “qualified person” as defined in NI 43-101, reviewed and approved the technical information in this Prospectus including the summarization of the information under “Material Mineral Projects” which is summarized from the aforementioned Copperwood Project Technical Report and White Pine Project Technical Report.

All named individuals who supervised the preparation of the technical information contained in this Prospectus are Qualified Persons and have reviewed this Prospectus and consented to the reference to their names herein.

Currency Matters

All dollar amounts in this Prospectus are expressed in Canadian dollars, unless otherwise indicated. The Company’s financial statements are expressed in United States dollars and are prepared in accordance with IFRS. All references to “CAD” or “\$” are to Canadian dollar and to “USD” or “US\$” are to the United States dollar.

The following table sets forth the rate of exchange for the Canadian dollar, expressed in United States dollars in effect at (a) the end of the periods indicated and (b) the average of exchange rates in effect on the last day of each month during such periods, based on the noon rate of exchange as reported by the Bank of Canada for conversion of Canadian dollars into United States dollars.

CAD to USD	Year Ended June 30			
	2024	2023	2022	2021
Rate at end of Period	USD 0.7306	USD 0.7553	USD 0.7760	USD 0.8068
Average rate for period	USD 0.7381	USD 0.7467	USD 0.7901	USD 0.7807

Documents Incorporated into this Prospectus by Reference

The following documents filed by the Company with various securities commissions or similar authorities in the provinces of Canada in which the Company is a reporting issuer are available at www.sedarplus.ca and are specifically incorporated by reference into, and form an integral part of, this Prospectus, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Prospectus or in any other subsequently filed document that is also incorporated by reference in this Prospectus:

- the annual information form of the Company for the year ended June 30, 2024 (the “2024 AIF”);
- the audited consolidated financial statements of the Company, and the notes thereto, for the years ended June 30, 2024 and 2023, together with the independent auditor’s report thereon;
- the management’s discussion and analysis of financial condition and results of operations of the Company for the year ended June 30, 2024;
- the management information circular of the Company dated November 9, 2023 distributed in connection with the Company’s annual general meeting of shareholders held on December 13, 2023; and
- the material change report of the Company dated August 22, 2024 in respect of the appointment of Barry O’Shea as Chief Executive Officer and a member of the board of directors.

Any documents of the type referred to above or in Section 11.1 of Form 44-101F1, including any material change reports (excluding confidential reports), annual and interim financial statements (including management’s discussion and analysis filed in connection with such annual and interim financial statements), updated disclosure of earnings interest coverage ratios, and information circulars or annual filings that are filed by the Company with the Securities Commissions or any similar authorities in the provinces of Canada in which the Company is a reporting issuer after the date of this Prospectus and prior to the termination of the offering under any Prospectus Supplement shall be deemed to be incorporated by reference into this Prospectus.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Upon a new annual information form and the related annual financial statements being filed by the Company with, and, where required, accepted by the Securities Commissions and similar authorities in the provinces of Canada in which the Company is a reporting issuer during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all interim financial statements, material change reports and annual filings or information circulars filed before the commencement of the Company’s fiscal year in which the new annual

information form is filed will be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

A Prospectus Supplement containing the specific terms in respect of any Securities, updated disclosure of earnings interest coverage ratios (if applicable) and any additional or updated information that the Company may elect to include (provided that such information does not describe a material change that has not already been the subject of a material change report or a prospectus amendment) will be delivered to purchasers of such Securities, together with this Prospectus, and will be deemed to be incorporated into this Prospectus as of the date of such Prospectus Supplement, but only for the purposes of the offering of such Securities.

Any template version of any “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators) filed after the date of a Prospectus Supplement and before the termination of the distribution of the Securities offered pursuant to such Prospectus Supplement (together with this Prospectus) is deemed to be incorporated by reference in such Prospectus Supplement.

THE COMPANY

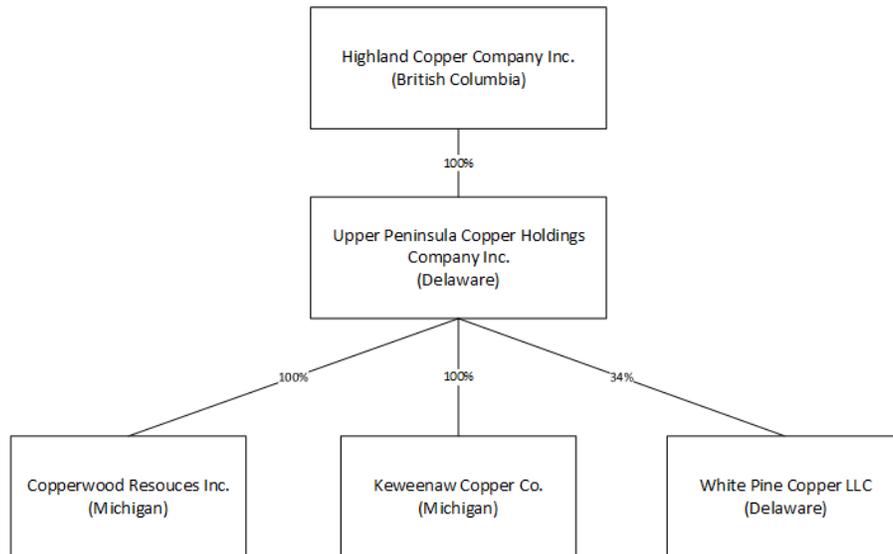
The Company was incorporated as a British Columbia corporation on June 7, 2006 under the BCBCA, under the name “Highland Resources Inc.”. The Company changed its name to “Highland Copper Company Inc.” on October 31, 2012. The Common Shares are traded on the TSXV, under the symbol “HI” and on the OTCQB, under the symbol “HDRSF”.

The mailing office of Highland is located at 130 King Street West, Suite 1900, Toronto, Ontario Canada, M5X 1 E3. The Company’s registered office is located at Suite 1500-1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

Highland is a reporting issuer in British Columbia and Alberta.

As of the date of this Prospectus, the Company has one wholly-owned subsidiary, Upper Peninsula Copper Holdings Inc., which was incorporated in February 2014 in the state of Delaware, USA. Upper Peninsula Copper Holdings Inc. in turn wholly owns the following two companies: (i) Keweenaw Copper Co., a corporation incorporated under the laws in the state of Michigan, USA; (ii) and Copperwood Resources Inc., a corporation incorporated under the laws in the state of Michigan, USA. As of the date of the 2024 AIF, UPCH also owns a 34% interest in White Pine Copper LLC, a limited liability corporation incorporated in the state of Delaware, USA.

The organizational chart for the Company is as follows:



The 2024 AIF contains further details about the intercorporate structure and the business operations of the Company and its subsidiaries.

Copper is an essential material in electric vehicles and electric vehicle charging stations. There is significant projected deficiency in the world supply of copper. Management believes that any new copper mine development will help support the global low carbon / electrification transition. Management is of the view that the Company’s Copperwood Project, as a fully permitted project, could be brought online in the near future.

The Company aims to develop its Copperwood Project responsibly by minimizing and mitigating its environmental impact. Specifically, its underground mine is designed to have a modest surface footprint and not to draw water from Lake Superior. In addition, its above ground facilities are designed with downward facing light fixtures to minimize light pollution and for every acre of wetland impacted, the Company has covenanted to create or preserve 10 acres.

For over a decade, the Copperwood Project team has worked alongside local and regional community groups, government representatives and regulatory bodies in the Upper Peninsula. The project has garnered strong local support, as evidenced by the fact that the Michigan Strategic Fund (“MSF”) \$50 million grant application was accompanied by more than 30 formal resolutions and letters of support from local community representatives. Transparent and regular communications with local communities are central to the Company’s values and have resulted in strong support for the Copperwood Project.

The Copperwood Project is expected to create 300 full time jobs during construction and 380 long term jobs during operation. In addition, it is anticipated that the Copperwood Project will bring substantial direct, indirect, and induced economic benefits from additional spending in the area. Management expects that the return of responsible mining will be a transformative catalyst to renewed industrial investments which will support the regional economy for decades to come.

A copy of the Company’s ESG Position Statement can be found on the Company’s website at <https://www.highlandcopper.com/responsible-mining/>

Unless otherwise expressly stated, a reference to Highland or the Company includes its subsidiaries.

MATERIAL MINERAL PROJECTS

The below information is summarized from the Company's 2024 AIF which should be referred to for further details about each of the disclosure sub-headings discussed below. The 2024 AIF incorporates the full summaries of the Copperwood Project Technical Report and White Pine Project Technical Report, and the below information summarizes the 2024 AIF information.

Copperwood Project

The Copperwood Project is located within Gogebic County near Ironwood and Wakefield townships in northwestern Michigan, USA.

The Copperwood Project comprises the Copperwood Deposit and the Satellite Deposits. The Copperwood Deposit includes three (3) zones referred to in the Copperwood Technical Report as the Main Zone, the Section 5 (or Zone 5) and the Section 6 (or Zone 6).

The Copperwood Project consists of four metallic and non-metallic mineral leases totalling 1,904 contiguous hectares under two (2) 20 year lease agreements with Keweenaw Minerals, LLC (formerly Keweenaw Land Association Limited) ("KLA"), a 20 year lease agreement with KLA (formerly Sage Minerals Inc.) and a 30 year mineral lease agreement with A. M. Chesbrough LLC ("Chesbrough"). The Chesbrough lease agreement was assigned to KLA in September, 2023. Each lease was executed by Copperwood Resources Inc. ("CRI"), formerly known as Orvana Resources US Corp., a wholly owned subsidiary of Highland.

In addition to annual lease payments, CRI must pay a sliding scale net smelter return royalty on production from its leases to the mineral right owners (KLA and Chesbrough). The royalty rate ranges from 2% to 4% on a sliding scale based on adjusted copper prices and a 1.5% NSR royalty on all metals produced at Copperwood (other than silver) to Osisko Gold Royalties Ltd ("Osisko"). Osisko also owns 3/26th of an 11.5% net smelter return royalty on all the produced silver from the Copperwood Project. Osisko also acquired an option to purchase 100% of future silver production from the Copperwood Project and White Pine Project for a total consideration of US\$23,000,000.

CRI owns approximately 717 ha of land that provides full access rights to the Copperwood Project and provides surface infrastructure space for the future mine site.

On April 20, 2023, the Company filed the Copperwood Project Technical Report, which was conducted by, and under the supervision of, GMSI in collaboration with SGS Canada Inc. (Lakefield), Associates and Foth Infrastructure and Environment. The Copperwood Project Technical Report provides a comprehensive overview of the Copperwood Project and defines an economically feasible, technically and environmentally sound project. The Copperwood Project Technical Report supports the disclosure made by the Company in its March 6, 2023 news release entitled "Highland Copper announces fully permitted status and updated feasibility study results for its Copperwood Project in Michigan, USA".

On November 29, 2023, the Company announced the results of the Economic Contribution Analysis for the Copperwood Project completed by Public Sector Consultants of Lansing, Michigan. Key highlights of the findings included a projected construction spend of approximately \$425 million over the course of the three-year construction phase if project development is initiated and, if the project proceeds to operations, the creation of 380 jobs at or near the site in Wakefield Township, Michigan, an additional 313 indirect and induced jobs throughout Michigan, and increased spending to Michigan businesses by approximately \$130 million annually.

In the fall of 2023, the Company completed key Copperwood site impacts assessment and initiated the related environmental mitigation projects as required by its permit obligations and in line with Highland's goal to operate in an environmentally friendly manner. The work completed has allowed Highland to initiate pre-construction activities including site clearing and grubbing focused on wetland and stream areas, the development of stream relocation infrastructure, improvements to existing site roads, and the initiation of key environmental mitigation projects. Particularly, compensating wetland has been constructed to offset wetland impacts. These works satisfied initial

wetland permit obligations required to maintain the Company's mine permits in good standing. The site work was performed on budget with no lost time or reportable environmental incidents.

In May 2024, Highland re-initiated its early site work program. The focus of the 2024 program is continued construction of site stream relocation structures, the ongoing construction of compensating wetland to offset wetland impacts and off-site activities for stream mitigation. The site work satisfies key obligations under the Wetland and Streams Permit, maintaining permits in good standing, in addition to establishing operating presence and spending a portion of initial capital.

The MEDC presented the Copperwood Project to the Board of the MSF for grant consideration in January 2024 and obtained MSF approval in March 2024. The MSF was the first level of approval. Approval of the grant requires final approval at the Appropriations Committees in both the Michigan House and Senate. In June 2024, the Company received the approval from the House Appropriations Committee. Per Michigan state law, the House approval of these grant funds expires on November 29, 2024, being 60 days after the State fiscal year end. As a matter of procedure, appropriation of the grant funds will require legislative reapproval from the Michigan House Appropriations Committee, along with other appropriations similarly impacted. The grant is also pending approval from the Senate Appropriations Committee.

The grant funds, if fully approved, will be in the form of performance-based reimbursements for eligible activities relating to infrastructure development and are expected to have various conditions attached to them, including requirements related to capital raising and job creation. The Company is not in a position to predict timing or outcome of this grant, and there is no assurance that the grant will be approved or that the performance-based reimbursements will be received.

Recommendations

Based on the positive results of the feasibility study, GMSI recommended that the Copperwood Project move forward to the next phase which would include the following:

- Secure Copperwood Project financing.
- Initiate critical detailed engineering to support critical and long lead items purchases.
- Finalize and implement an early works program to do, in a timely manner, the impacts and mitigation work as per the permit requirements and the site preparation in anticipation of construction release.
- General detailed engineering of process plant and other project components.
- Implement an Enterprise Resource Planning to facilitate project management and controls.
- Review site water balance including construction schedule to optimize the precipitation and run-off water recovery.
- Detailed engineering of the tailings disposal facility and submittal for dam safety permit to construct.
- Initiate routing development of the powerline to site.
- Project Construction.

Next Steps

For a detailed description of the Company's proposed next steps at the Copperwood Project, see "Use of Proceeds" below.

White Pine Project

The White Pine Project is held by White Pine Copper LLC, a joint venture held 34% by the Company and 66% by Kinterra Copper USA LLC and operated pursuant to the White Pine Operating Agreement, as hereinafter defined. Kinterra Copper USA LLC is the operator of the White Pine Copper LLC.

The White Pine Copper Project is located in the historical copper range district of the Upper Peninsula of Michigan, approximately 7.5 km south of Lake Superior in Ontonagon County. The White Pine Project covers approximately 4,500 ha (11,000 acres) of surface rights and approximately 11,990 ha (29,615 acres) of mineral rights.

In July 2021, White Pine Copper LLC successfully completed the acquisition of the rights, title and interest of CRC, a subsidiary of First Quantum Minerals Ltd., in the White Pine Project. In July of 2023, concurrent with the announcement of the Preliminary Economic Assessment for the White Pine Project, Highland sold a 66% interest in White Pine Copper LLC to Kinterra, which is the operator and controlling shareholder of White Pine Copper LLC.

On September 7, 2023, the Company filed the White Pine Technical Report which was conducted by, and under the supervision of, GMSI.

On January 24, 2024, the Company announced that White Pine Copper LLC, has initiated a drilling program at the White Pine North Project. On April 24, 2024, the Company announced that the winter drilling program has been successfully completed, drilling a total of 6,593 meters in 10 holes focusing on the first ten years of the mine plan area. In June 2024, the Company announced the initiation of a second drill program at White Pine, expected to be approximately 14,500 metres, in addition to the commencement of geotechnical and metallurgical test work, as well as environmental baseline studies, a key initial step to support permit applications. Geotechnical test work has been initiated on samples collected to date and will continue with the second drill program samples. Engineering trade-off studies are underway to evaluate mining methods, mine access options, and material handling systems.

In addition to its option to purchase 100% of future silver production from the Copperwood Project and White Pine Project for a total consideration of US\$23,000,000, Osisko has a 1.5% NSR royalty on all metals to be produced from the White Pine North Project.

Recommendations

Based on the positive results of the PEA, GMSI recommended that the White Pine Project move forward to the next phase which would include the following:

- Infill resource drilling at White Pine North deposit (eastern sector) to upgrade current inferred mineral resources to indicated category in order to support a Feasibility Study;
- Confirm mining methods, ventilation and initiate underground geotechnical rock mechanics analysis studies;
- Establish and execute metallurgical testwork program and confirm process flowsheets including preliminary equipment sizing and trade-off studies and other processing alternatives;
- Feasibility engineering designs including infrastructure, preliminary layouts; and
- Starting project definition process for permitting.

Next Steps

Kinterra is advancing the development of the White Pine project. The Company is funding its proportionate share of expenditures under the White Pine Operating Agreement through a loan provided by Kinterra. The loan has a maximum term of three years and bears interest at 10%.

RECENT DEVELOPMENTS

There have been no other material developments in the Company's business since September 17, 2024, the date of the Company's 2024 AIF, which have not been disclosed in this Prospectus or the documents incorporated by reference therein.

CONSOLIDATED CAPITALIZATION

There have been no material changes in the Company's share and loan capitalization, on a consolidated basis, since June 30, 2024, being the date of the Company's most recently filed consolidated financial statements incorporated by reference in this Prospectus other than as described below and under "Prior Sales" and "Recent Developments".

Since June 30, 2024, the Company has drawn down approximately US\$4.9 million on a credit facility made available to the Company by Kinterra to fund its proportionate share of expenditures under the White Pine Operating Agreement. As of October 31, 2024, the total amount owing to Kinterra under this facility was US\$7.2million.

USE OF PROCEEDS

The use of proceeds from the sale of Securities will be described in a Prospectus Supplement relating to a specific issuance of Securities. This information will include the net proceeds to the Company from the sale of the Securities, the use of those proceeds and the specific business objectives that the Company expects to accomplish with those proceeds.

As of the date of this Prospectus, the Company expects to use the net proceeds from the sale of any Securities for non-discretionary corporate overhead costs, Copperwood site overhead costs, costs to advance the development of the Copperwood Project, maintaining the Company's interest in the White Pine Copper LLC, and general working capital, including achieving the following milestones over the next 12 to 24 months, as detailed further below. The Company may use the proceeds from the future offering of securities under this Prospectus to repay amounts owing to Kinterra.

The Company's cash and working capital balances as of October 31, 2024 are approximately US\$15.8 million and US\$14.4 million. The Company has sufficient non-contingent and currently available resources to fund planned, non-contingent operations over the next 12 months, which consists of an estimated US\$4,000,000 required to fund the completion of early site works and environmental mitigation commitments, US\$350,000 required for annual property holding costs, US\$2,100,000 for project development, US\$700,000 for power supply study, and US\$2,800,000 for site and corporate overhead.

Copperwood Project

The following key steps will be taken to facilitate a construction decision at the Copperwood Project anticipated in early 2026:

- **Early Site Works and Environmental Mitigation:** Certain early site work must be completed to meet permit obligations under the Wetlands and Streams Permit. The Copperwood Project has completed permitted impacts, which include site clearing and grubbing, during the summer of 2023. Work is currently underway on environmental mitigation commitments under the Wetland and Streams Permit which must be completed within year one and two of on-site impact respectively.
- **Detailed Engineering:** Detailed engineering will be initiated, particularly for power supply, mine portal construction, metallurgical test work, process plant engineering, tailings engineering, water balance management and any aspects of the project being included in early site works.

- **Construction Finance Plan:** Capital markets will continue to be assessed and Highland will develop a broad financing plan for the construction of the Copperwood Project.

If the Company does not raise additional capital by Q2 2025 and is unable to undertake the required detailed engineering and additional project optimization work at Copperwood, then a 2026 construction decision will necessarily be delayed until such work is completed. See “Business Objectives and Milestones” below.

White Pine Project

The development timeline for the White Pine Project is determined by the Company’s joint operating partner, Kinterra. The Company may use the proceeds from any offering of securities under this Prospectus to fund its commitments to maintain its interest in White Pine Copper LLC pursuant to the terms of the amended and restated limited liability company operating agreement between UPOCH and Kinterra dated July 24, 2023 (the “**White Pine Operating Agreement**”) which is a material contract for the Company and provides for the governance and funding of the White Pine Project going forward. For additional information regarding the White Pine Operating Agreement, please see the section titled “General Development of the Business – Three Year History - Sale of 66% Interest in White Pine Copper LLC to Kinterra” in the 2024 AIF, which is incorporated by reference in this Prospectus.

To the year ended June 30, 2024, the Company has drawn down approximately \$2.3 million on a credit facility made available to the Company by Kinterra to fund its proportionate share of expenditures under the White Pine Operating Agreement. The Company may continue to draw down on the credit facility, and either repay the facility at its maturity, or accept dilution of its interest in the White Pine project. Since June 30, 2024, the Company has further drawn down approximately US\$4.9 million on a credit facility made available to the Company by Kinterra to fund its proportionate share of expenditures under White Pine Operating Agreement. At October 31, 2024, the total amount owing to Kinterra under this facility is US\$7.2 million. The Company may use a portion of the proceeds to repay the facility or fund the expenditure as it is incurred.

Management will retain broad discretion in allocating the net proceeds of any offering of Securities under this Prospectus. Actual use of the net proceeds will vary depending on its operating and capital needs from time to time.

All expenses relating to an offering of Securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of our general funds, unless otherwise stated in the applicable Prospectus Supplement.

Business Objectives and Milestones

The Company intends to achieve the following objectives and milestones with a combination of existing working capital and the proceeds of the sale of securities under this Prospectus. Not all amounts set out below are currently funded and certain milestones may only be met if additional funds are raised, as further indicated in the table below.

Business Purpose/Objective	Milestone Event for Business Objective	Anticipated Completion Time (Calendar Year) or Estimated Completion Timeline	Budgeted Spend without Additional Financing/ Additional Spend with New Funding
Facilitate a construction decision at the Copperwood Project	Complete early site works and environmental	July 2025	US\$4 million/ Nil ²

Business Purpose/Objective	Milestone Event for Business Objective	Anticipated Completion Time (Calendar Year) or Estimated Completion Timeline	Budgeted Spend without Additional Financing/ Additional Spend with New Funding
	mitigation commitments ¹		
	Initiate detailed engineering and continue optimization work on Copperwood ³	Twelve to Fifteen Months	US\$2.8 million/ US\$16 million ^{4,5}
Development for the White Pine Project (pursuant to White Pine Operating Agreement)	The Company's 34% of White Pine's exploration budget ⁶	Ongoing (estimated spending through to end of 2025)	Nil/ US\$9.5 million
Maintain ongoing run rate costs	Attract and retain employees and contractors and maintain ongoing run rate costs	Ongoing (estimated spending through to end of 2026)	US\$8.1 million ⁷

- (1) As of the date of this report, the Company has substantially completed the on-site wetland and in-stream feature development projects, which have been substantive in nature and involved critical site altering activities. Specifically, the Company has constructed a multi-celled wetland, and has relocated on-site stream channels around future major project infrastructure, creating natural stream corridors and wetland pockets. These projects will be permanently protected by conservation easements, encompassing a total of 18.3 acres of newly created emergent wetlands and approximately 13,700 lineal feet (4.18 km) of newly constructed stream. While the on-site wetland and stream development are substantially complete, the on-site landscaping and tree planting and an offsite stream mitigation project will be completed in 2025. The early site works for the Copperwood Project are environmental mitigation commitments for the Company to maintain permit compliance and have set the foundation for future development.
- (2) The Company has spent US\$3.5 million in the current fiscal year to date on the early site work project and is expected to spend a further US\$4 million in the next 8 months to complete it. This US\$4 million in expenditures will not include any overhead or salaries and is specifically construction cost, consisting primarily of outsourced construction and engineering firm costs. The costs of the early site work and environmental mitigation work and initial detailed engineering work form part of the initial project capital expenditures of US\$391 million (the "Initial CAPEX") per the feasibility study for the Copperwood Project. This is the only portion of the Initial CAPEX that will be incurred over the next 12 months, unless the Company completes additional capital raising in that time period. In the event that the Company does not draw down on this Prospectus, this work will be funded from existing working capital.
- (3) Before a construction decision can be made for the Copperwood Project, the Company needs to complete sufficient detailed engineering in the following areas: power supply engineering, process plant engineering, mine engineering, Tailings Disposal Facility engineering, water balance and management engineering, and additional metallurgical testing. This engineering is critical to both derisk and optimize Copperwood's design. The Company technical team will consider a number of optimizations strategies, including the applicability of ultrafine flotation technology to improve recoveries as part of the optimization initiative. Internal work will also focus on identifying gaps and/or optimization opportunities for future test work to be scheduled when funds can be raised.

- (4) The Company has allocated US\$16 million from the proceeds of the offering (if raised) for external costs related to detailed engineering and optimization strategies it considers most promising. This budget represents costs for outsourced engineering work packages and does not include any overhead or costs of in-house engineers and metallurgists. In addition to external costs for engineering and optimization, the Company's in-house engineers and metallurgists, under the direction of the Company's new Project Director for Copperwood, will conduct internal data review of all existing technical information and test work results for mine design, process plant design and overall water balance & management with the aim to define detailed design criteria. The work will also focus on identifying gaps and/or optimization opportunities for future test work to be scheduled when funds can be raised. These internal costs of approximately US\$2.1 million (consisting of US\$1.7 million in technical team costs and US\$400,000 in environmental work and monitoring) will be funded from existing working capital. The Company will also continue with its power supply study; the budget to complete this work in the next 12 months is approximately US\$700,000.
- (5) If the Company is able to raise the required capital for this work, it is anticipated that US\$6 million of the budgeted amount would be spent by June 2025 and the remainder would be spent between July 2025 to December 2025 to support a 2026 construction decision. This timing may shift depending on the timing and completion of additional capital raising and project financing. If the Company does not raise additional capital by Q2 2025 and is unable to undertake the detailed engineering and additional project optimization work at Copperwood, which is required to further derisk the project and support potential project financing, then a 2026 construction decision will necessarily be delayed until such work is completed.
- (6) Repayment of the Kinterra credit facility and funding of ongoing cash call with cash are contingent on the Company raising additional funds. If the Company is unable to raise additional funds to fund the White Pine operation, it may choose to dilute its interest in White Pine.
- (7) On a normalized annual basis, the Company requires approximately US\$350,000 for annual property holding costs, US\$560,000 for site G&A and US\$2.3 million for corporate G&A and compliance costs. In addition, the Company requires US\$1.7 million annually for the internal technical team and US\$200,000 annually for environmental work and monitoring. The US\$8.3 million in run rate costs for the next 24 months does not include the US\$2.1 million in internal costs that is allocated to engineering and optimization work under footnote (4).

The offering size of CAD\$65 million under this Prospectus represents management's current expectation of the most likely minimum amount to be utilized by the Company over the next two years based on its current plan of development and operations. Besides the committed site mitigation work and planned detailed engineering noted in the Business Objectives and Milestones above, a portion of the Initial CAPEX for the Copperwood Project, to be incurred over a 27-month period, may be incurred in 2026 if the construction decision is made at that time. If the Company makes a positive construction decision at Copperwood, then the proceeds from take-downs under this prospectus may be allocated to a portion of the construction of the Copperwood Project. In addition, if more financing were to be available to the Company as a result of an improved financing market and/or improved copper prices, the Company's plan of operations may be expanded and accelerated to reflect additional available capital. Finally, near the end of the two-year period, the Company will be required to fund its portion of previously incurred joint venture expenditures at White Pine or have its interest therein diluted. Accordingly, the proposed maximum is reflective of its future development plans and contingent requirements which could accelerate based on capital market conditions over the next two years.

The Company had negative operating cash flow for the year ended June 30, 2024. To the extent that the Company has negative operating cash flow in future periods, it may need to allocate a portion of its cash reserves to fund such negative cash flow. The Company may also be required to raise additional funds through the issuance of equity or debt securities. There can be no assurance that the Company will be able to generate a positive cash flow from its operations, that additional capital or other types of financing will be available when needed or that these financings will be on terms favourable to the Company.

DESCRIPTION OF SECURITIES

The following is a summary of the material attributes and characteristics of the Securities as at the date of this Prospectus. This summary does not purport to be complete. A Prospectus Supplement will include specific variable terms pertaining to the Securities, some of which may not be within the alternatives and parameters generally described in this Prospectus.

Common Shares

Highland is authorized to issue an unlimited number of Common Shares without par value. As of the date of this Prospectus, there were 736,363,619 Common Shares issued and outstanding as fully paid and non-assessable common shares.

Holders of Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of the shareholders of Highland, and each Common Share confers the right to one vote, provided that the shareholder is a holder on the applicable record date declared by the Board. The holders of Common Shares, subject to the prior rights, if any, of any other class of shares of Highland with special rights as to dividends, are entitled to receive such dividends in any financial year as the Board may determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of Highland, the remaining property and assets of Highland. The Common Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Warrants

This section describes the general terms that will apply to any Warrants that may be offered by the Company pursuant to a Prospectus Supplement to this Prospectus. Warrants may be offered separately or together with other Securities.

The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement. The Warrants may or may not be issued under a warrant indenture involving the Company's share transfer agent. The applicable Prospectus Supplement will include the details of the warrant indenture governing the Warrants being offered.

The particular terms of each issue of Warrants will be described in the related Prospectus Supplement. Such description will include, where applicable:

- (a) the number of Warrants being offered and, if offered as a units with another Security, the number of Warrants or a fraction of a Warrant being offered with such other Security;
- (b) the Securities which are underlying the Warrants;
- (c) the exercise price of the Warrants;
- (d) the expiry date of the Warrants;
- (e) the procedure for exercising Warrants into underlying Securities;
- (f) details of any warrant indenture and its administration;
- (g) the material Canadian federal tax consequences of owning the Warrants (if any); and
- (h) any other material terms and conditions of the Warrants.

Subscription Receipts

This section describes the general terms that will apply to any Subscription Receipts that may be offered by the Company pursuant to a Prospectus Supplement to this Prospectus. Subscription Receipts may be offered separately or together with Common Shares or Warrants, as the case may be. The Subscription Receipts will be issued under a Subscription Receipt agreement.

In the event the Company issues Subscription Receipts, the Company will provide the original purchasers of Subscription Receipts a contractual right of rescission exercisable following the issuance of Common Shares to such purchasers.

The applicable Prospectus Supplement will include details of the Subscription Receipt agreement covering the Subscription Receipts being offered. A copy of the Subscription Receipt agreement relating to an offering of Subscription Receipts will be filed by the Company with the applicable securities regulatory authorities after it has been entered into. The specific terms of the Subscription Receipts, and the extent to which the general terms described in this section apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- (a) the number of Subscription Receipts;
- (b) the price at which the Subscription Receipts will be offered;
- (c) the conditions of, and procedures for, the exchange of the Subscription Receipts into Common Shares or Warrants;
- (d) the number of Common Shares or Warrants that may be exchanged upon exercise of each Subscription Receipt;
- (e) the designation and terms of any other securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each security;
- (f) terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- (g) material Canadian federal income tax consequences of owning the Subscription Receipts; and
- (h) any other material terms and conditions of the Subscription Receipts.

Description of Debt Securities

This section describes the general terms that will apply to any Debt Securities that may be offered by the Company pursuant to a Prospectus Supplement to this Prospectus. Debt Securities may be offered separately or together with other Securities. The specific terms of the Debt Securities, and the extent to which the general terms described in this section apply to those Debt Securities, will be set forth in the applicable Prospectus Supplement.

The Debt Securities will be direct obligations of the Company and may be guaranteed by an affiliate or associate of the Company. The Debt Securities may be senior or subordinated indebtedness of the Company and may be secured or unsecured, all as described in the relevant Prospectus Supplement. In the event of the insolvency or winding up of the Company, the subordinated indebtedness of the Company, including the subordinated Debt Securities, will be subordinate in right of payment to the prior payment in full of all other liabilities of the Company (including senior indebtedness), except those which by their terms rank equally in right of payment with or are subordinate to such subordinated indebtedness.

The Debt Securities will be issued under one or more trust indentures (each, a “**Trust Indenture**”), in each case between the Company and a trustee (each, an “**Indenture Trustee**”). The statements made hereunder relating to any Trust Indenture and the Debt Securities to be issued thereunder are only references to the customary anticipated provisions and may differ materially for any final Trust Indenture to which reference will need to be made by any investor.

A Trust Indenture will provide that Debt Securities may be issued thereunder up to a stated aggregate principal amount, or may provide that amounts may be authorized from time to time by the Company.

The particular terms of each issue of Debt Securities will be described in the related Prospectus Supplement. Such description will include, as applicable:

- the designation, aggregate principal amount and authorized denominations of such Debt Securities;
- the currency or currency units for which the Debt Securities may be purchased and the currency or currency unit in which the principal and any interest is payable (in either case, if other than Canadian dollars);
- the percentage of the principal amount at which such Debt Securities will be issued;
- the date or dates on which such Debt Securities will mature and be due for repayment;
- the rate or rates per annum at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any);
- the dates on which any such interest will be payable and the record dates for such payments;
- the Indenture Trustee of the Debt Security under the Trust Indenture pursuant to which the Debt Securities are to be issued;
- the designation and terms of any securities with which the Debt Securities will be offered, if any, and the number of Debt Securities that will be offered with each security;
- whether the Debt Securities are subject to redemption or call and, if so, the terms of such redemption or call provisions;
- whether such Debt Securities are to be issued in registered form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any exchange or conversion terms into other securities of the Company;
- whether the Debt Securities will be subordinated to other liabilities of the Company and, if so, to what extent;
- the material Canadian federal tax consequences of owning the Debt Securities, if any; and
- any other material terms and conditions of the Debt Securities.

Debt Securities may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary.

The Company will file, along with this Prospectus, an undertaking to the securities regulatory authority in each province and territory of Canada other than Quebec, to the effect that the Company will, if any Debt Securities are distributed under this Prospectus and for so long as such Debt Securities are issued and outstanding, file the periodic and timely disclosure of any credit supporter similar to the disclosure required under Section 12.1 of Form 44-101F1 – Short Form Prospectus (“Form 44-101F1”).

Any Prospectus Supplement offering guaranteed debt securities will comply with the requirements of Item 12 of Form 44-101F1 or the conditions for an exemption from those requirements and will include a certificate from each credit supporter as required by Section 21.1 of Form 44-101F1 and Section 5.12 of NI 41-101.

Units

This section describes the customary terms that will apply to Units that may be offered by the Company pursuant to a Prospectus Supplement to this Prospectus.

The following sets forth certain general terms and provisions of the Units under this Prospectus. The following sets forth certain general terms and provisions of the Units offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms described in this section apply to those Units, will be set forth in the applicable Prospectus Supplement.

The Units may be comprised of one or more of the other Securities described in the Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each of the Securities included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each included Security. The unit agreement, if any, under which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

The particular terms of each issue of Units will be described in the related Prospectus Supplement. Such description will include, where applicable:

- (a) the number of Units offered;
- (b) the price or prices, if any, at which the Units will be issued;
- (c) the currency at which the Units will be offered;
- (d) the Securities comprising the Units;
- (e) whether the Units will be issued with any other Securities and, if so, the amount and terms of these Securities;
- (f) any minimum or maximum subscription amount;
- (g) whether the Units and the Securities comprising the Units are to be issued in registered form, “book-entry only” form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- (h) any material risk factors relating to such Units or the Securities comprising the Units;
- (i) any other rights, privileges, restrictions and conditions attaching to the Units or the Securities comprising the Units; and
- (j) any other material terms or conditions of the Units or the Securities comprising the Units, including whether and under what circumstances the Securities comprising the Units may be held or transferred separately.

PLAN OF DISTRIBUTION

The Company may offer and sell Securities directly to one or more purchasers, to underwriters or dealers acting as principal or through agents, underwriters or dealers designated by us from time to time. The Company may distribute the Securities from time to time in one or more transactions at fixed prices (which may be changed from time to time), at market prices prevailing at the times of sale, at varying prices determined at the time of sale, at prices related to prevailing market prices or at negotiated prices. A description of such manner of sale and pricing will be disclosed in the applicable Prospectus Supplement. The Company may offer different classes of Securities in the same offering, or the Company may offer different classes of Securities in separate offerings.

A Prospectus Supplement will describe the terms of each specific offering of Securities, including: (i) the terms of the Securities to which the Prospectus Supplement relates, including the type of Security being offered; (ii) the name or names of any agents, underwriters or dealers involved in such offering of Securities; (iii) the purchase price of the Securities offered thereby and the proceeds to, and the portion of expenses borne by, the Company from the sale of such Securities; (iv) a description to be provided by agents, underwriters or dealers in relation to the offering; (v) any agents' commission, underwriting discounts and other items constituting compensation payable to agents, underwriters or dealers; and (vi) any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers.

If underwriters are used in an offering, the Securities offered thereby will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase Securities will be subject to the conditions precedent agreed upon by the parties and the underwriters will be obligated to purchase all Securities under that offering if any are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers may be changed from time to time.

The Securities may also be sold: (i) directly by the Company at such prices and upon such terms as agreed to; or (ii) through agents designated by the Company from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Company to such agent will be set forth, in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a "best efforts" basis for the period of its appointment. The Company does not regularly engage in direct sales of Securities and any direct sales will be conducted on a non-brokered private placement basis.

The Company may agree to pay the underwriters a commission for various services relating to the issue and sale of any Securities offered under any Prospectus Supplement. Agents, underwriters or dealers who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such agents, underwriters and dealers may be required to make in respect thereof. Such underwriters, and dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

Each class or series of Warrants, Subscription Receipts and Units will be a new issue of Securities with no established trading market. Unless otherwise specified in the applicable Prospectus Supplement, Warrants, Subscription Receipts or Units will not be listed on any securities or stock exchange. Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Warrants, Subscription Receipts or Units may be sold and purchasers may not be able to resell Warrants, Subscription Receipts or Units purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of the Warrants, Subscription Receipts or Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. Subject to applicable laws, certain dealers may make a market in the Warrants, Subscription Receipts or Units, as applicable, but will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that any dealer will make a market in the Warrants, Subscription Receipts or Units or as to the liquidity of the trading market, if any, for the Warrants, Subscription Receipts or Units.

The Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws. Accordingly, the Securities may not be offered, sold or delivered within the United States, and each underwriter or agent for any offering of Securities will agree that it will not offer, sell or deliver the Securities within the United States, except pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A thereunder ("**Rule 144A**") and in compliance with applicable state securities laws. In addition, until 40 days after the commencement of the offering of Securities, any offer or sale of such Securities within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy the Securities in the United States or to, or for the account or benefit of, U.S. persons.

PRIOR SALES

For the 12-month period before the date of this Prospectus, the Company issued the following Common Shares and securities exercisable or convertible into Common Shares:

Date of Issuance	Security	Number of Securities	Issue/Exercise Price Per Security (\$)
October 16, 2023	Options	16,250,002	\$0.07
July 26, 2024	Options	7,250,000	\$0.12
July 26, 2024	RSUs	1,900,492	-
July 26, 2024	DSUs	1,812,500	-
August 19, 2024	Options	825,000	\$0.12
August 19, 2024	RSUs	343,750	-
September 3, 2024	Options	1,750,000	\$0.12

PRICE RANGE AND TRADING VOLUME

The Common Shares are listed on the TSXV under the symbol “HI”. The Common Shares are quoted on the OTCQB under the symbol “HDRSF”.

The following table sets out the high and low sale prices and the aggregate volume of trading of the Common Shares on the TSXV for the months indicated.

Date	High (\$)	Low (\$)	Volume (# of Common Shares)
November 2023	0.08	0.045	2,514,975
December 2023	0.085	0.055	1,355,428
January 2024	0.10	0.07	3,167,855
February 2024	0.09	0.07	1,775,895
March 2024	0.11	0.07	2,763,174
April 2024	0.16	0.10	3,495,238

Date	High (\$)	Low (\$)	Volume (# of Common Shares)
May 2024	0.13	0.09	2,674,678
June 2024	0.13	0.105	2,267,744
July 2024	0.12	0.105	1,703,997
August 2024	0.11	0.095	1,020,000
September 2024	0.105	0.08	1,444,283
October 2024	0.12	0.085	1,115,846

The following table sets out the high and low sale prices and the aggregate volume of trading of the Common Shares on the OTCQB for the months indicated.

Date	High (\$)	Low (\$)	Volume (# of Common Shares)
November 2023	0.065	0.032	3,426,268
December 2023	0.065	0.05	1,836,986
January 2024	0.075	0.054	5,277,091
February 2024	0.068	0.055	2,302,732
March 2024	0.082	0.054	2,150,788
April 2024	0.105	0.072	4,073,127
May 2024	0.1	0.065	3,075,013
June 2024	0.105	0.08	2,738,866
July 2024	0.094	0.071	1,550,727
August 2024	0.091	0.061	1,079,789
September 2024	0.08	0.06	1,109,125
October 2024	0.087	0.0625	1,644,325

RISK FACTORS

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of

the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

Prospective investors should carefully consider all information contained in this Prospectus, including all documents incorporated by reference, and in particular should give special consideration to the risk factors under the section titled "Risk Factors" in the 2024 AIF, which is incorporated by reference in this Prospectus and which may be accessed on the Company's SEDAR+ profile at www.sedarplus.ca, and the information contained in the section entitled "Cautionary Statement Regarding Forward-Looking Information". Additionally, purchasers should consider the risk factors set forth below.

The risks and uncertainties described or incorporated by reference in this Prospectus are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company's business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Common Shares could decline and investors could lose all or part of their investment.

Use of Proceeds

While information regarding the use of proceeds from the sale of the Securities will be described in the applicable Prospectus Supplement, the Company will have broad discretion over the use of the net proceeds from an offering of Securities. Because of the number and variability of factors that will determine the use of such proceeds, the Company's ultimate use might vary substantially from its planned use. Purchasers of Securities may not agree with how the Company allocates or spends the proceeds from an offering of Securities. The Company may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of our Securities, including the market value of the Common Shares, and that may increase our losses.

Return on Investment is not Guaranteed

There is no government or other guarantee that an investment in the Securities described herein will provide any positive return in the short term or long term. An investment in the Securities of the Company is speculative and 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. An investment in the securities of the Company described herein is appropriate only for holders who have the capacity to absorb a loss of some or all of their investment.

Negative Cash Flow from Operations

During the year ended June 30, 2024, the Company had negative cash flow from operating activities. The Company anticipates it will have negative cash flow from operating activities in future periods. To the extent that the Company has negative cash flow in any future period, certain of the net proceeds from the Offering may be used to fund such negative cash flow from operating activities, if any.

No Certainty of a Trading Market (other than for Common Shares)

There is currently no market through which the Securities (other than Common Shares) may be sold and purchasers of such Securities may not be able to resell such Securities purchased under a Prospectus Supplement to this Prospectus. Unless otherwise provided in such Prospectus Supplement, there can be no assurance that an active trading market will develop for such Securities after an offering or, if developed, that such market will be sustained. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. The public offering prices of the Securities may be determined by negotiation between the Company and underwriters based on several factors and may bear no relationship to the prices at which the Securities will trade in the public market subsequent to such offering. See "Plan of Distribution".

Future Sales May Affect the Market Price of the Company Shares

In order to finance future operations, the Company will need to raise funds through the issuance of either additional Common Shares or the issuance of debt instruments or other securities which may or may not be convertible into Common Shares. The Company cannot predict the size of future issuances of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares or the dilutive effect, if any, that future issuances and sales of the Company's securities will have on the market price of the Common Shares. These sales may have an adverse impact on the market price of the Common Shares.

Climate change, as well as the increase in regulations surrounding climate change and related increase in compliance costs, may have a material adverse effect on us

Mining is an energy-intensive business, resulting in a significant carbon footprint and we acknowledge climate change as an area of risk requiring specific focus. A number of governments and/or governmental bodies have introduced or are contemplating more stringent regulatory changes in response to the potential impacts of climate change. The increased regulation, such as limiting greenhouse gas emissions and introducing new carbon or water taxes, may adversely affect our operations and have an impact on our compliance costs. The Company has not yet taken steps to determine the impact of its current or proposed operations on greenhouse gas emissions and has not yet determined its impact on climate change. There is no assurance that regulations relating to climate change will not have an adverse effect on the Company's results of operations and financial condition.

The effects of climate change or extreme weather events may cause prolonged disruption to operations and the delivery of essential commodities which could negatively affect production efficiency. The Copperwood and White Pine Projects are located in remote, wooded areas, and may be subject to the greater risk of wildfire associated with remote woodlands generally in North America. Wildfire risk and other extreme weather events, such as severe storms, flooding, landslides, droughts and water shortages, may increase in duration and/or frequency as a result of climate change and could result in disruption of operations, damage to facilities and infrastructure, and loss of personnel, for which insurance may not be available. There may also be supply chain implications in getting supplies or personnel to the Company's operations, including transportation issues. These physical impacts have the potential to adversely affect the cost, production, and financial performance of our operations. In addition, such events could have other adverse effects on our workforce and on the communities surrounding our projects, such as an increased risk of food insecurity, water scarcity and prevalence of disease.

While the Company will continue to evaluate the potential impact of climate change and material risks on a regular basis, it is not able to meaningfully quantify the potential financial and other impact(s) of such risks or the magnitude and timing due to the highly unpredictable nature of such events. The Company maintains insurance coverage that is aligned with its operations and will adjust such coverage as its operations grow to mitigate the risks of climate-related events, to the extent possible. It will also continue to monitor, and expand as needed, emergency response policies and procedures to ensure proper evacuation during weather-related events. However, there is no certainty that such a strategy will mitigate any material adverse effects on the Company's results of operations and financial condition.

New anti-greenwashing rules limit the permissibility of certain sustainability-related disclosures

On June 20, 2024, Bill C-59 received royal assent, thereby enacting certain changes to the Competition Act to address "greenwashing", meaning false, misleading, or deceptive environmental claims made for the purpose of promoting a product or a business interest. Under the new rules, the use of environmental-related words and phrases, for instance "sustainable", is problematic given that such terms can be vague and can mean different things to different people. How the new rules will be interpreted and applied is currently unclear, which creates significant uncertainty regarding how Canadian companies may publicly communicate their environmental and climate performance. The new rules also impose significant financial penalties for non-performance. Companies found to have made representations that violate the rules, intentionally or inadvertently, could be subject to an administrative penalty for the greater of \$10 million for the first order and \$15 million dollars for any subsequent order, and 3% of the corporation's annual worldwide gross revenues.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Prospectus, or the documents incorporated herein, there are no material interest, direct or indirect, of the directors or officers of the Company, any shareholder that beneficially owns more than 10% of the Common Shares or any associate or affiliate of any of the foregoing persons in any transaction within the last three years or any proposed transaction that has materially affected or would materially affect the Company or any of its subsidiaries.

CERTAIN INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement may describe certain Canadian federal income tax consequences generally applicable to investors described therein of acquiring Securities, including, in the case of an investor who is not a resident of Canada, Canadian non-resident withholding tax consideration.

LEGAL MATTERS

Certain legal matters relating to an offering of the Securities will be passed upon by McMillan LLP, on behalf of the Company. In addition, certain legal matters in connection with any offering of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of the offering by such underwriters, dealers or agents with respect to matters of Canadian and, if applicable, United States or other foreign law.

INTEREST OF EXPERTS

The following are the names of each person or company who has prepared or certified a report, valuation, statement or opinion in this Prospectus, either directly or in a document incorporated by reference, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company:

- (a) The Company's independent auditors are KPMG LLP, Chartered Professional Accountants, who have issued an independent auditor's report dated August 27, 2024 in respect of the Company's consolidated annual financial statements for the years ended June 30, 2024 and 2023;
- (b) Carl Michaud, P. Eng., VP, Mining Engineering of GMSI, authored the Copperwood Technical Report and the White Pine Technical Report;
- (c) James Purchase, P. Geo., Consulting Geologist of GMSI authored the Copperwood Technical Report;
- (d) Luc Binette, P. Eng., Mechanical Engineer of GMSI authored the Copperwood Technical Report and the White Pine Technical Report;
- (e) Martin Houde, P. Eng., Senior Metallurgist of GMSI authored the Copperwood Technical Report and the White Pine Technical Report;
- (f) Andrea K. Martin, P. Eng., Lead Environmental Engineer of Foth authored the Copperwood Technical Report and the White Pine Technical Report;
- (g) Réjean Sirois, P.Eng., Consultant for GMSI authored the White Pine Technical Report;
- (h) Christian Beaulieu, P.Geo., Consultant for GMSI authored the White Pine Technical Report; and
- (i) Michael J. Foley, P.Eng., an employee of the Company who is a "qualified person" under NI 43-101, reviewed and approved the information herein relating to the Copperwood Project and the White Pine Project.

Each of the aforementioned persons in (b) through (i) have confirmed to the Company in writing that such person held less than 1% of the outstanding securities of the Company when they prepared the reports referred to above or following the preparation of such reports. Other than Michael Foley, and employee of the Company, none of the persons received any direct or indirect interest in any securities or projects of the Company or of any associate or affiliate of the Company in connection with the preparation of such reports. Other than Michael Foley, none of the persons are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company. Michael Foley is an employee of the Company. Mr. Foley is entitled to participate in the Company's share compensation plans. Mr. Foley currently holds less than 1% of the outstanding securities of the Company.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The Company's auditor is KPMG LLP located in Montreal, Quebec. KPMG LLP provided an audit report on the Company's consolidated financial statements as at, and for the financial year ended June 30, 2024. KPMG LLP is independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The Company's Registrar and Transfer Agent is Computershare Investor Services Inc. located in Vancouver, British Columbia.

MATERIAL CONTRACTS

The following is a list of all contracts which the Company or its subsidiaries are a party to as of the date of this Prospectus and which currently can reasonably be regarded as material to a security holder of the Company:

- (a) Omnibus Equity Incentive Compensation Plan;
- (b) White Pine Lease Agreement;
- (c) Silver Royalty Option;
- (d) 2021 Osisko Agreement;
- (e) KLA Leases; and
- (f) White Pine Securities Purchase Agreement.

Capitalized terms used but not defined in this section have the meaning ascribed to them in the 2024 AIF. The business of the Company is not substantially dependant on the Silver Royalty Option and the 2021 Osisko Agreement, as such terms are defined in the 2024 AIF.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase Securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus or a Prospectus Supplement (including a pricing supplement) relating to the Securities purchased by a purchaser and any amendment thereto. In several of the provinces and territories of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages, if the prospectus or Prospectus Supplement (including a pricing supplement) relating to the Securities purchased by a purchaser and any amendment thereto contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the

securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

In an offering of convertible, exchangeable or exercisable Securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial or territorial securities legislation, to the price at which the convertible, exchangeable or exercisable Securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces or territories, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal adviser.

CONTRACTUAL RIGHTS OF RESCISSION

Original purchasers of Securities which are convertible, exchangeable or exercisable for other securities of the Company will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original purchasers to receive, upon surrender of the underlying securities, the amount paid (including any additional amount paid upon conversion, exchange or exercise) for the applicable convertible, exchangeable or exercisable Securities in the event that this Prospectus, the applicable Prospectus Supplement or an amendment thereto contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of such Securities under this Prospectus and the applicable Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of such Securities under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario) and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law.

In an offering of convertible securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the convertible securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon conversion of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories.

CERTIFICATE OF THE COMPANY

Dated: November 28, 2024

This short form base shelf prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada, except Quebec.

Barry O'Shea
Chief Executive Officer

Cybill Tsung
Chief Financial Officer

On Behalf of the Board of Directors

Jo Mark Zurel
Director

Stephen J. Hicks
Director