National Instrument 43-101 Mineral Resource Estimate and Technical Report on the Deloro Nickel-Cobalt Deposit, Deloro Nickel-Cobalt Sulphide Project

Timmins-Cochrane Area
Ontario, Canada

Report Prepared for:

CANADA NICKEL COMPANY

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Dated: 3 September 2024

CERTIFICATE OF QUALIFIED PERSON

Scott Jobin-Bevans (P.Geo.)

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

1.0 I am an independent consultant and Principal Geoscientist with Caracle Creek International Consulting Inc., with an office at Benjamin 2935, Office 302, Las Condes, Santiago, Chile.
2.0 I graduated from the University of Manitoba (Winnipeg, Manitoba), BSc. Geosciences (Hons) in 1995 and from the University of Western Ontario (London, Ontario), PhD. (Geology) in 2004.
3.0 I am a registered member, in good standing, of the Professional Geoscientists of Ontario (PGO), License Number 0183 (since June 2002).
4.0 I have practiced my profession continuously for more than 28 years, having worked mainly in mineral exploration but also having experience in mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting. I have authored, co-authored or contributed to numerous NI 43-101 and JORC Code reports on a multitude of commodities including nickel-copper-platinum group elements, base metals, gold, silver, vanadium, and lithium projects in Canada, the United States, China, Central and South America, Europe, Africa, and Australia.
5.0 I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “Qualified Person” for the purposes of NI 43-101.
6.0 I am responsible for sections 3.0 to 10.0 and 12.0 to 27.0 and sub-sections 1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.13.2, 1.14, 2.0 to 2.4, 2.6 to 2.7, 14.1 to 14.10, and 14.12 to 14.13 in the technical report titled, “National Instrument 43-101 Technical Report and Mineral Resource Estimate on the Deloro Nickel-Cobalt Deposit, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada” (the “Technical Report”), issued 3 September 2024 and with a Mineral Resource Estimate and Report Effective Date of 17 July 2024.
7.0 I have not visited the Deloro Nickel-Cobalt Sulphide Project (Deloro Deposit), the subject of the Report.
8.0 I am independent of Canada Nickel Company Inc., applying all of the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.
9.0 I have had no prior involvement with the Deloro Nickel-Cobalt Sulphide Project that is the subject of the current Technical Report.
10.0 I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.
11.0 As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Santiago, Chile this 3rd day of September 2024.

/s/ Scott Jobin-Bevans

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

CERTIFICATE OF QUALIFIED PERSON

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

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

1.0 I am an Associate Independent Consultant with Caracle Creek International Consulting Inc. (Caracle) and have an address at 25 3rd Side Road, Milton, Ontario, Canada, L9T 2W5.

2.0 I graduated from the University of Toronto (Toronto, Ontario) with a B.A.Sc. (Geological Engineering) in 1976 and from the University of Toronto (Toronto, Ontario) with an M.A.Sc. (Applied Geology and Geochemistry) in 1979.

3.0 I have been a member, in good standing, of the Association of Professional Engineers of Ontario since June 1980 (Licence Number 42706010) and possess a Certificate of Authorization to practice my profession.

4.0 I have practiced my profession continuously for 39 years and have been involved in mineral exploration, mine site geology, mineral resource and reserve estimations, preliminary economic assessments, pre-feasibility studies, due diligence, valuation and evaluation reporting, and have authored or co-authored numerous reports on a multitude of commodities including nickel-copper-platinum group element, base metals, precious metals, lithium, iron ore and coal projects in the Americas.

5.0 I have read the definition of “Qualified Person” set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “Qualified Person” for the purposes of NI 43-101.

6.0 I am responsible for sections 3.0, 11.0, 23.0, 24.0, and 26.0 and sub-sections 1.1.4, 1.1.5, 1.2, 1.10, 1.11, 1.13.2, 1.14, 1.15, 1.16. 1.17, 2.4 to 2.6, 12.2, 25.4, and 25.6 in the technical report titled, “National Instrument 43-101 Technical Report and Mineral Resource Estimate on the Deloro Nickel-Cobalt Deposit, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada” (the “Technical Report”), issued 3 September 2024 and with a Mineral Resource Estimate and Report Effective Date of 17 July 2024.

7.0 I visited the Deloro Nickel-Cobalt Sulphide Project (Deloro Deposit), the subject of this Report, for 1 day on 16 July 2024.

8.0 I am independent of Canada Nickel Company Inc., applying all of the tests in Section 1.5 of NI 43-101 and Companion Policy 43-101CP.

9.0 I have had no prior involvement with the Deloro Nickel-Cobalt Sulphide Project that is the subject of the current Technical Report.

10.0 I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.

11.0 As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Milton, Ontario this 3rd day of September 2024.

/s/ John Siriunas

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

CERTIFICATE OF QUALIFIED PERSON

David Penswick (P.Eng.)

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

1.0 I am self-employed as an independent consultant. The operating name of my consultancy is Gibsonian Inc., and it is located in Toronto, Canada.

2.0 I graduated from Queens' University in Kingston Canada with a BSc – Mining Engineering in 1989. I graduated from University of Witwatersrand in Johannesburg, South Africa with a MSc – Mining Engineering in 1993.

3.0 I am a professional engineer in good standing with the Professional Engineers Ontario (PEO) in Canada (license# 100111644).

4.0 I have practiced my profession continuously as a mining engineer in various capacities since 1989. I have been continuously self-employed as a consultant since 2002.

5.0 I have read the definition of "Qualified Person" set out in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.

6.0 I am responsible for sections 3.0, 23.0, 24.0, and 26.0 and sub-sections 2.4, 2.6, 1.11, 1.13.2, 1.14, 12.1, 12.3, 14.11, 25.4, and 25.6 in the technical report titled, titled, "National Instrument 43-101 Technical Report and Mineral Resource Estimate on the Deloro Nickel-Cobalt Deposit, Deloro Nickel-Cobalt Sulphide Project, Timmins-Cochrane Area, Ontario, Canada" (the "Technical Report"), issued 3 September 2024 and with a Mineral Resource Estimate and Report Effective Date of 17 July 2024.

7.0 I have not visited the Deloro Nickel-Cobalt Sulphide Project (Deloro Deposit).

8.0 I am independent of Canada Nickel Company Inc. applying all of the tests in Section 1.5 of NI 43-101.

9.0 I have had no prior involvement with the Project that is the subject of the Technical Report.

10.0 I have read NI 43-101, Form 43-101F1 and confirm the Technical Report has been prepared in compliance with that instrument and form.

11.0 As of the Effective Date of the Technical Report, to the best of my knowledge, information and belief, the Sections of the Technical Report for which I am responsible contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Signed at Toronto, Ontario this 3rd day of September 2024.

/s/ David Penswick

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David Penswick (BSc, MSc, P.Eng.)

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1.0 SUMMARY

1.1 Introduction

At the request of Canada Nickel Company Inc. (“Canada Nickel”, “CNC”, the “Company”, or the “Issuer”), Caracle Creek International Consulting Inc. (“Caracle” or the “Consultant”), has prepared a mineral resource estimate and technical report as a National Instrument 43-101 (“NI 43-101”) Mineral Resource Estimate and Technical Report (the “Report”) on the Deloro Nickel-Cobalt Deposit (the “Deposit” or the “Deloro Deposit”) within the Deloro Nickel-Cobalt Sulphide Project (the “Project”, the “Property”, the “Deloro Project”, or the “Deloro Property”), located in the Timmins-Cochrane Mining camp, about 8 km southeast of the City of Timmins, Ontario, Canada.

The Report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators’ National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011).

The Deloro Project is an advanced exploration project (maiden mineral resource estimate) focused on nickel, cobalt, palladium, and platinum, one of several projects being developed in the Timmins area by Canada Nickel.

1.1.1 Purpose of the Technical Report

The Report was prepared for the purpose of describing Mineral Resource Estimates within an NI 43-101 Technical Report to support the public disclosure of Mineral Resources by Canada Nickel, a Canadian based exploration company listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “CNC”, with its head office at 130 King Street West, Suite 1900, Toronto, Ontario, Canada, M5X 1E3.

This Report verifies the data and information related to historical and current mineral exploration and mineral resources on the Project and presents a report on data and information available from the Company and in the public domain.

1.1.2 Previous Technical Reports

There are no previous technical reports and this Report is the first NI 43-101 Technical Report and Mineral Resource Estimate for the Company’s Deloro Nickel-Cobalt Sulphide Project and the Deloro Nickel-Cobalt Deposit, and as such is the current NI 43-101 Technical Report for the Project.

1.1.3 Effective Date

The effective date of the Mineral Resource Estimate (“MRE”) and the Technical Report is 17 July 2024 (together the “Effective Date”).

1.1.4 Qualifications of Consultants

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

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

Mr. Siriunas is a Professional Engineer (PEO #42706010, P.Eng.) with experience in geology, geochemistry, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, QA/QC, land tenure management, and mineral economics.

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

Dr. Scott Jobin-Bevans, Mr. John Siriunas, and Mr. David Penswick, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person ("QP"), as that term is defined in NI 43-101, for the Report. A responsibility matrix showing the report sections and sub-sections assigned to the QPs is provided in Table 1-1.

Table 1-1. Responsibility matrix showing assignment of sections and sub-sections in the Report.

Author	Complete Section Responsibility	Sub-Section Responsibility
Scott Jobin-Bevans P.Geo., Caracle Creek	3.0 to 10.0, 12.0 to 27.0	1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.13.2, 1.14, 2.0 to 2.4, 2.6 to 2.7, 14.1 to 14.10, 14.12 to 14.13
John Siriunas P.Eng., Caracle Creek	3.0, 11.0, 23.0, 24.0, 26.0	1.1.4, 1.1.5, 1.2, 1.10, 1.11, 1.13.2, 1.14, 1.15, 1.16. 1.17, 2.4 to 2.6, 12.2, 25.4, 25.6
David Penswick P.Eng.	3.0, 23.0, 24.0, 26.0	2.4, 2.6, 1.11, 1.13.2, 1.14, 12.1, 12.3, 14.11, 25.4, 25.6

1.1.5 Personal Inspection (Site Visit)

Mr. John Siriunas (M.A.Sc., P.Eng.) visited the Project on 16 July 2024, accompanied by Mr. Edwin Escarraga, CNC's Director of Exploration. The visit was made to observe the general Property conditions and access, and to verify the locations of some of the recent drill hole collars from the work carried out by CNC. Travel from the City of Timmins, Ontario to the Project area takes approximately 20 minutes.

During the site visit, diamond drilling procedures were discussed, and a review of the on-site logging and sampling facilities for processing the drill core was carried out. There is relatively abundant outcrop on the Property (~5-10% exposure) and the ultramafic provenance of the underlying bedrock was readily evident. The QP (John Siriunas) noted that previous historical work (prior to CNC's exploration work) included saw-cut channel sampling and possibly the exploitation or bulk-sampling of the host peridotites/dunites. After verification of existing core logs and assay results against drill core observations, Mr. Siriunas did not feel it necessary to re-sample the drill core.

Mr. Siriunas (QP) is satisfied with the quality of sampling and record keeping (database) procedures followed by the Issuer, Canada Nickel with respect to exploration programs by the Company, including diamond drilling.

1.2 Reliance on Other Experts

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

1.3 Property Description and Location

The Deloro Nickel-Cobalt Sulphide Project is situated within the Timmins-Cochrane Mining Camp in northeastern, Ontario, Canada, a region with a strong mining history (gold, nickel, zinc, lead etc.), and a pro-mining Canadian province with regulations that reflect that history.

The Deloro Nickel-Cobalt Sulphide Project is located in the Timmins Mining Division, Deloro Township, about 8 km southeast of the City of Timmins, and on 1:50 000 NTS map sheet 042A06 - Timmins, Ontario. The approximate centre of the Property is at UTM coordinates 480028 mE, 5361535 mN (NAD83, UTM Zone 17 North; EPSG:2958) and elevation within the Property ranges from about 300 to 350 m above sea level ("ASL").

The Deloro Nickel-Cobalt Sulphide Project comprises approximately 1,005.16 ha (10.05 km^2), consisting of a combination of unpatented mining claims ("staked claims") and patented lands (Crown Patents). The patents and the mining claims are registered 100% by Canada Nickel Company Inc. and all show "active" status. The unpatented mining claims are contiguous whereas the patents form two separate blocks.

Specifically, the Property comprises 31 Crown Patents (freehold patented lands) that cover approximately 487.06 ha and 46 single cell mining claims ("SCMC"s) that cover approximately 518.10 hectares. The two groups of 31 Crown Patents comprise 10 with Mining Rights Only ("MRO") (CNC does not control the surface rights) and 21 with Mining and Surface Rights ("MSR"). The status of patented lands can be verified online through Teranet Express and ONLAND (Ontario Land Registry Access). The unpatented mining claims have expiry dates that range from 18 April to 23 December 2025 and the patent payments are due annually by 1 April.

1.3.1 Claim Status and Holding Cost

Annual holding cost for the 31 patents (mining tax) totals approximately $1,948.24 (there is $36,171 in reserve) and the required annual assessment work for the unpatented mining claims is approximately $14,400. The unpatented mining claims (SCMCs) have approximately $70,800 in work previously applied and approved assessment credits with $191,662 in reserve to apply to future holding costs.

1.3.2 Transaction Terms and Agreements

In November 2021, the Company announced the acquisition of unpatented mining claims and patents with respect to the Deloro Property (Canada Nickel news release dated 22 November 2021). The Net Smelter Return Royalties ("NSR"s) relating to the acquired mining claims and patents are summarized in Table 1-1.

1.3.2.1. 2205730 Ontario Inc.

In an agreement dated 16 November 2021, Canada Nickel acquired 53 unpatented mining claims and 50 patented lands from 2205730 Ontario Inc. Of these acquired lands 46 of the unpatented mining claims and 27 of the patents are within the Deloro Property.

1.3.2.2. Odyssey Explorations Ltd.

In an agreement dated 19 November 2021, Canada Nickel acquired four (4) patented lands from Odyssey Explorations Ltd., including the timber rights for a period of 20 years.

1.3.3 Surface Rights and Legal Access

The surface rights associated with the unpatented mining claims that comprise the Property are owned by the Government of Ontario (Crown Land) and access to these areas of the Property is unrestricted. In addition, the Company holds several Patents with mining and surface rights, also giving the Company unrestricted access.

For the lands that are not Crown Land and that the Company does not hold the surface right to, including the 11 Patents that are Mining Rights Only (MRO), the Company is required to provide official notification to the surface rights holder which is done through the Ontario Government's MLAS online portal. If the exploration work requires an Exploration Plan or Permit then the notification is to include complete Notice of Intent to Submit an Exploration Plan or Exploration Permit Application (Notice of Intent), a copy of a proposed Exploration Plan or Exploration Permit Application, and a map that shows the location of the proposed exploration activities. The surface rights owner has 30 days to review the information and the ministry has 50 days after the circulation date to make a decision on the permit.

1.3.4 Community Consultation

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations identified by the MINES during the permitting process:

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

1.3.5 Environmental Liabilities and Studies

The QP (Scott Jobin-Bevans) is not aware of any environmental liabilities on the Property.

1.3.6 Royalties and Obligations

The Deloro Project consists of mining claims and patents acquired from two vendors in separate Purchase Agreements (Canada Nickel news release dated 22 November 2021).

In the first purchase agreement (2205730 Ontario Inc.), a 100% ownership was acquired in 46 unpatented mining claims and 28 patents. The mining claims are subject to a 2.0% NSR while the patents are subject to a 1.8% NSR; in both cases the Buy-Down Option allows CNC to purchase 1.0% of the NSR for C$1M (Table 1-2).

In the second purchase agreement (Odyssey Explorations Ltd.), Canada Nickel acquired a 100% ownership in four(4) contiguous mining patents. The patents are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C$1M (Table 1-2).

Table 1-2. Summary of the Net Smelter Return Royalties and conditions for the Deloro Project mining lands.

Tenure ID	PIN	Agreement	NSR (%)	Buy-Down Option
105983	-	220573 Ontario Inc.	2.0	1.0% for C$1M

Tenure ID	PIN	Agreement	NSR (%)	Buy-Down Option
107122	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
107123	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
113601	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
125241	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
129900	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
130770	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
130771	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
134209	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
140548	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
145996	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
153147	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
160039	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
163843	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
176036	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
176316	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
249936	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
255373	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
268135	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
278643	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
308531	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
310001	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
315265	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517351	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517352	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517353	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517354	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517355	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517356	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517357	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
549300	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
549301	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
549302	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556086	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556087	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556088	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556089	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556090	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556091	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556092	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556094	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556095	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556096	-	2205730 Ontario Inc.	2.0	1.0% for C$1M

Tenure ID	PIN	Agreement	NSR (%)	Buy-Down Option
556097	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556098	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
567136	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
PAT-30219	65442-0306	Odyssey Explorations	2.0	1.0% for C$1M
PAT-30220	65442-0305	Odyssey Explorations	2.0	1.0% for C$1M
PAT-3244	65442-0298	Odyssey Explorations	2.0	1.0% for C$1M
PAT-3245	65442-0299	Odyssey Explorations	2.0	1.0% for C$1M
PAT-3472	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3473	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3474	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3475	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3476	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3477	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3478	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4905	65442-0423	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4906	65442-0420	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4907	65442-0412	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4908	65442-0422	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4909	65442-0411	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4910	65442-0295	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4911	65442-0296	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4912	65442-0294	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4913	65442-0297	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4914	65442-0293	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4915	65442-0426	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4916	65442-0427	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4917	65442-0419	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4918	65442-0416	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4919	65442-0418	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4920	65442-0414	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4921	65442-0415	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4922	65442-0417	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4923	65442-0421	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4925	65442-0424	2205730 Ontario Inc.	1.8	1.0% for C$1M

1.3.7 Other Significant Factors and Risks

The QP (Scott Jobin-Bevans) is not aware of any significant factors that may affect access, title, or the right or ability to perform the proposed work program.

1.4 Access to Property, Climate and Operating Season

Year-round access to the Property is gained by driving about 5 km east of the city centre of Timmins along Gold Mine Road, taking a right (south) on Shaw Creek Road and following it to the southern end where it turns to a gravel logging road; the road bifurcates about 140 m prior to the northern Property boundary. From this point, an off road vehicle (*e.g.*, 4 x 4 truck) is required, by which you can follow this road south for approximately 4 km, until reaching the Property.

1.4.1 Climate and Operating Season

The local climate is typical of northeastern Ontario, categorized as a continental climate with cold winters and relatively short hot summers. The Project is easily accessible and exploration work can continue year-round. Occasionally, fieldwork is not permitted between May and August due to forest fire danger at which time the Ontario Ministry of Natural Resources (MNR) may prohibit access.

1.5 Exploration History

The Porcupine Mining District of Ontario was founded in 1908 after the discovery of gold in the Ontario portion of the Abitibi Greenstone Belt ("AGB") near Timmins. Since then, gold production in the region has been substantial and the Timmins region is one of the richest goldfields in the world, producing more gold than any other mining camp in Canada (about 230 tonnes).

The advent of airborne geophysics post World War Two, allowed for new and renewed exploration campaigns in the AGB. Starting in the early 1960s, subsidiaries of the International Nickel Company of Canada Ltd. ("INCO"), private and public companies and the Ontario and Canadian governments flew airborne magnetic and electromagnetic surveys across the AGB looking for nickel sulphide deposits. The targets were magnetic anomalies reflected by a magnetic response from pyrrhotite-dominated nickel sulphide mineralization. Since many, but not all, nickel sulphide ores are dominated by semi-massive to massive pyrrhotite with associated chalcopyrite, they generate coincident magnetic-electromagnetic anomalies which are high priority targets in nickel sulphide exploration. This geophysical signature (coincident MAG-EM targets) led to the discovery of the "Type IV hydrothermal-metamorphic" nickel sulphide deposits (Layton-Matthews *et al.*, 2010) at and near Thompson, Manitoba in the 1950s and in subsequent decades.

The enormous number of magnetic and conductive anomalies generated by airborne and ground geophysical surveys and the masking of a "clean" response from potential nickel sulphide deposits, by both magnetic and electromagnetic effects, means that not all targets may have been tested and/or delineated (Jobin-Bevans *et al.*, 2020). In the Timmins region of the AGB and specifically in Deloro Township, given the lack of outcrop and extensive overburden, the only solution is to drill-test targets and trends.

1.5.1 Prior Ownership and Ownership Changes

The 46 unpatented mining claims and 31 patents that comprise the Property were acquired by Canada Nickel in November 2021 through two separate purchase agreements (Canada Nickel news release dated 22 November 2021).

1.5.2 Historical Exploration Work

A summary of the most significant historical exploration within the current Property boundary is provided in Table 1-3. This list is not exhaustive as some of the assessment work filed and available through the MINES covers partially or insignificantly the area within the Property Boundary.

Historical results from exploration work on or proximal to the Project have not been verified by the QP (Scott Jobin-Bevans) or a Qualified Person associated with the Company and as such are not necessarily indicative of the results to be found within the Project.

Table 1-3 Summary of historical exploration work within the boundary of the Deloro Project.

Period	AFRI ID	Company/Prospector	Type	Description
1969	42A06NW0151	Lynx Canada Explorations Ltd	Geophysics	EM / Magnetometer Survey
1970	42A06NW1154	Lynx Canada Explorations Ltd	Diamond Drilling	two holes
1970	42A06NW1153	Canadian Nickel Co. Ltd	Diamond Drilling	one hole
1980	42A06NE0007	Amax Minerals Exploration Ltd	Geophysics	Airborne Magnetometer
1982	42A06NW0135	D.R. Pyke	OB Drilling	Overburden Drilling
1988	42A06NW0163	Kingswood Explorations Ltd	Geophysics	Magnetometer Survey
1989	42A06NW0160	Kingswood Explorations Ltd	Geological Mapping	Geological Survey / Mapping
1992	42A06NW0033	Syndicate 92	Geophysics	Assays, VLF-EM, Geological Survey, Magnetometer Survey, Line Cutting, OB Stripping
1992 - 1993	42A06NW0037	J. Grant, J. Mcauley	Geological Mapping	Assays, Geological Survey, OB Stripping, Prospecting
1992 - 1993	42A06NW0037	J. Grant, J. Mcauley	Geological Mapping	Assays, Geological Survey, OB Stripping, Prospecting
1995	42A06NW0034	Outokumpu Mines Ltd	Geophysics	EM / Magnetometer Survey, Line Cutting
2000	42A06NE2022	Ontex Resources Ltd	Geophysics	EM-Magnetic Survey, Line Cutting
2000	42A06NE2022	Ontex Resources Ltd	Geophysics	EM-Magnetic Survey, Line Cutting
2002	42A06NE2030	Ontex Resources Ltd	Diamond Drilling	Assays, Diamond Drilling
2003	42A06NE2034	Ontex Resources Ltd	Diamond Drilling	Assays, Diamond Drilling
2002 - 2003	42A06NE2037	Ontex Resources Ltd	Geological Mapping	Assays, Geological Survey / Mapping
2002 - 2003	42A06NE2036	Ontex Resources Ltd	Geophysics	EM, VLF-EM, IP, Line Cutting, Magnetometer Survey
2010	20011167	W.T.P. Robert (SGX Resources)	Diamond Drilling	4 holes
2018-2019	200000018904	P2 Gold Inc.	Diamond Drilling	4 holes

1.5.3 Historical Drilling

A summary of historical diamond drilling completed within the boundary of the Deloro Property is provided in Table 1-4.

In 1970, Canada Nickel Co Ltd. completed one drill hole (298.78 m) southeast and along strike of the DUC magnetic anomaly, intersecting serpentinized peridotite. No sampling or assay results were reported.

In 1970, Lynx Canada Explorations Limited completed two holes, both intersecting serpentinized ultramafic rocks. No sampling or assay results were reported.

In 2002, Ontex Resources Ltd. (“Ontex”) completed a 13-hole diamond drilling campaign (Table 1-4) across the Property, targeting PGE and gold. Ten (10) of these drill holes were located over the main magnetic anomaly (the DUC). Seven (7) of the 13 holes reported multiple 50+ metre intersections of mafic-ultramafic lithologies: FY-02-01, FY-02-02, FY-02-06, FY-02-10, FY-02-11, FY-02-12, and FY-02-13.

In 2003, Ontex completed an 8-hole diamond drilling campaign (Table 1-4), with three (3) holes intersecting multiple 50+ metre intervals of serpentinized mafic-ultramafic lithologies: FY-03-06, FY-03-07, and FY-03-08.

Table 1-4. Summary of historical drill holes completed within the Deloro Project boundary.

Year	Drill Hole	Company	Area	UTMX (mE)	UTMY (mN)	Dip	Az	Length (m)	Overburden (m)
1970	43286	Canadian Nickel Co Ltd	C	480677.11	5360297.94	-50	270	298.78	21.34
1970	9	Lynx Canada Explorations Ltd.	SW	478263.84	5359465.99	-45	180	118.87	60.00
1970	10	Lynx Canada Explorations Ltd.	SW	478398.02	5359477.12	-45	180	121.92	40.00
2002	FY-02-01	Ontex Resources Ltd.	NE	480882.96	5361222.50	-45	270	102.00	4.00
2002	FY-02-02	Ontex Resources Ltd.	C	480386.93	5361231.50	-40	223	472.00	5.77
2002	FY-02-03	Ontex Resources Ltd.	C	481376.34	5360750.00	-45	180	100.00	4.50
2002	FY-02-04	Ontex Resources Ltd.	E	481944.65	5360987.00	-45	345	147.00	9.00
2002	FY-02-05	Ontex Resources Ltd.	E	482117.37	5361018.50	-50	343	172.00	33.00
2002	FY-02-06	Ontex Resources Ltd.	C	480560.90	5361308.50	-45	100	301.00	25.00
2002	FY-02-07	Ontex Resources Ltd.	NE	481021.96	5361678.00	-45	70	77.00	1.00
2002	FY-02-08	Ontex Resources Ltd.	NE	481012.31	5361629.00	-45	75	77.00	0.50
2002	FY-02-09	Ontex Resources Ltd.	NE	480990.03	5361563.50	-45	82	125.00	0.40
2002	FY-02-10	Ontex Resources Ltd.	C	480239.75	5361124.00	-45	37	135.00	12.00
2002	FY-02-11	Ontex Resources Ltd.	C	480191.65	5361215.50	-45	22	115.00	0.50
2002	FY-02-12	Ontex Resources Ltd.	C	480266.59	5361085.00	-45	55	272.00	0.19
2002	FY-02-13	Ontex Resources Ltd.	C	480224.15	5361161.00	-60	60	318.00	1.22
2003	FY-03-06	Ontex Resources Ltd.	C	480221.34	5360700.00	-42	90	130.00	12.00
2003	FY-03-07	Ontex Resources Ltd.	C	480192.12	5360818.50	-42	90	100.00	2.00
2003	FY-03-08	Ontex Resources Ltd.	C	480171.96	5360947.00	-42	90	149.00	1.00
2010	LX-10-1	W.T.P. Robert (SGX Resources)	NW	478129.00	5360848.00	-45	40	404.00	4.00
2010	LX-10-2	W.T.P. Robert (SGX Resources)	NW	477974.00	5361026.00	-45	240	308.00	25.50
2010	LX-10-3	W.T.P. Robert (SGX Resources)	NW	477776.00	5361012.00	-45	0	365.00	12.00
2010	LX-10-4	W.T.P. Robert (SGX Resources)	NW	478098.00	5361125.00	-45	180	344.00	4.00
2018-19	D-18-01	P2 Gold Inc.	NW	477630.00	5361043.00	-45	90	420.00	18.00
2018-19	D-18-02	P2 Gold Inc.	NW	477675.00	5361190.00	-45	155	378.00	20.60
2018-19	D-18-03	P2 Gold Inc.	NW	477675.00	5361190.00	-55	155	303.00	22.00
2018-19	D-18-04	P2 Gold Inc.	NW	477495.00	5360950.00	-50	204	501.00	56.90
							Total:	**6,354.57**	

1.6 Geological Setting and Mineralization

The Deloro Project lies within the southwestern part of the Abitibi Subprovince of the Archean Superior Province. The Abitibi Subprovince or Abitibi Greenstone Belt ("AGB") is the world's largest and best preserved example of an Archean supracrustal sequence. The AGB is an assemblage of volcanic, sedimentary, and intrusive rocks deformed into a roughly east-trending, 200 km wide belt exposed from the Kapuskasing Structure in Ontario to the Grenville Orogen in Quebec, a distance of 400 kilometres (Ayer *et al.*, 2005).

Within the Timmins mining camp, the early Precambrian metavolcanic rocks consist of two groups known as the Deloro and Tisdale Groups. The Deloro Group is older than the Tisdale Group and the two groups are separated from one another in Whitney and Tisdale townships by the Destor Porcupine Fault Zone ("DPFZ"). Here the Tisdale Group lies to the north of the DPFZ while the Deloro Group occurs to the south. The Deloro Group is a calc-alkaline volcanic sequence of andesite to basalt flows in the lower portion and dacite flows and felsic pyroclastic units in the upper portion. The Tisdale Group is composed of komatiitic ultramafic and basalt rocks in the lower portion and overlain by a thick sequence of tholeiitic basalt rocks.

1.6.1 Komatiitic Rocks

Of the nine distinct lithotectonic assemblages defined in the AGB, only four of these are generally accepted to contain komatiitic rocks (ultramafic mantle-derived rock with ≥18 wt% MgO) and therefore considered prospective for komatiite-associated Ni-Cu-(PGE) sulphide deposits (Arndt *et al.*, 2008).

These four assemblages, which differ considerably in the physical volcanology and geochemistry of the komatiitic flows or subvolcanic sills, have distinct and well-defined ages as well as spatial distribution (Sproule *et al.*, 2003; Thurston *et al.*, 2008; Houle and Lesher, 2011):

- Pacaud Assemblage (2750-2735 Ma)
- Stoughton-Roquemaure Assemblage (2723-2720 Ma)
- Kidd-Munro Assemblage (2719-2711 Ma)
- Tisdale Assemblage (2710-2704 Ma)

The Kidd-Munro and Tisdale assemblages contain a much greater abundance of cumulate komatiites than the other assemblages. The contact between the Deloro and Tisdale assemblages has been well recognized for its mineral endowment since the early work of Pyke in the 1970s (Houlé *et al.*, 2010; Houlé *et al.*, 2017).

Almost all komatiite-associated Ni-Cu-(PGE) deposits in the AGB are interpreted to be localized in lava channels/channelized sheet flows (*e.g.*, Alexo, Hart, Langmuir, Marbridge, and Texmont) or channelized sheet sills (*e.g.*, Sothman, Dumont, Kelex-Dundeal-Dundonald South). One exception is the McWatters deposit, which occurs within a thick mesocumulate to adcumulate peridotite that is interpreted to be a synvolcanic dike (Houlé and Lesher, 2011).

1.6.2 Local and Property Geology

The ultramafic rocks, including the DUC, intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes cross-cut the Property, trending generally north-northeast and east. Feldspar porphyry dikes cross-cut the intrusion, generally in the northwest of the Property, with north-south orientations.

1.6.3 Alteration

The rocks have undergone greenschist facies metamorphism with widespread carbonate, chlorite and sericite alteration in volcanic rocks and serpentinization in ultramafic rocks (*i.e.,* dunite, peridotite).

The ultramafic rocks (dunite and peridotite) of the DUC have undergone significant serpentinization. The process of serpentinization involves the introduction of water into the rock which leads to a substantial volume increase. Fresh, unaltered dunite and peridotite typically has an SG ranging from 3.2 to 3.4 g/cm^3. Core samples from drilling at Deloro have specific gravity measurements ranging from about 2.45 to 3.00 g/cm^3, much lower than fresh ultramafic rock. This, along with observations recorded from drill core, support the inference that the rocks have been strongly serpentinized.

Serpentinization breaks down the olivine and other silicate minerals, resulting the liberation of nickel and iron in a strongly reducing environment. The result is the liberation and partitioning of nickel into low-sulphur sulphides like heazlewoodite, into the nickel-iron alloy, awaruite, and into the hydrothermal nickel sulphide, millerite (Gole, 2014; Sciortino *et al.*, 2015).

Primary sulphides such as pentlandite and pyrrhotite, along with their primary textures, remain present across the DUC. The serpentinization process also increases magnetic susceptibility of these deposits resulting in a magnetic high, accompanied by a gravity low due to the decrease in rock density from serpentinization; these make for good geophysical targets.

1.6.4 Mineralization

Within Deloro Township, several prominent ultramafic to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) offer the potential for magmatic sulphide, nickel, copper, cobalt, and platinum-group element (PGE) style of mineralization. This mineralization forms the principal target deposit type for the Deloro Nickel-Cobalt Sulphide Project, which in this case is Komatiite-hosted Ni-Co-PGE sulphide mineralization hosted within the DUC.

The DUC is a north-northwest trending ultramafic dunite-peridotite intrusion which, based on historical and 2022 drilling and geophysical data, is approximately 1.7 km along strike, about 700 m thick, and open at depth (Ferron, 2024). Mineralization within the Deloro Deposit extends for about 1.4 km along strike, 400 to 600 m in width and about 440 m depth. The DUC is host to primary sulphides such as pentlandite and pyrrhotite and secondary sulphur-poor sulphide (heazlewoodite), nickel-iron alloy (awaruite), nickel-rich millerite, and nickel-arsenide nickeline or niccolite (Ferron, 2024).

1.7 Deposit Types

The Deloro Deposit is hosted by a thick, differentiated ultramafic body with primary disseminated and bleb nickel sulphide, commonly pentlandite with minor pyrrhotite, and chalcopyrite (Ferron, 2024). Sulphide mineralization discovered to date on the Deloro Project can be characterized as a Komatiite-hosted Type II Ni-Cu-Co-(PGE) deposit type (Ferron, 2024), which is the second type (Type II) as characterized by Lesher and Keays (2002). Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO.

1.8 Exploration – Current

Other than diamond drilling, Canada Nickel has not completed any other exploration work on the Deloro Nickel-Cobalt Sulphide Project.

1.9 Drilling

From 13 January to 28 February 2022 and 1 June to 19 June 2022, Canada Nickel completed 4,312 m (11 NQ-size holes) of diamond drilling in a Phase 1 drilling program. From 26 January to 12 March 2024, Canada Nickel completed 3,930.58 m (11 NQ-size holes) of diamond drilling in a Phase 2 drilling program. The drilling programs were successful in testing and delineating a broad, north-northwest trending ultramafic complex (DUC), originally identified from aeromagnetic data and regional geological maps (Ferron, 2022 and 2024).

The diamond drilling program was successful in targeting and delineating a bulk-tonnage Type II Ni-Co (PGE) deposit with primary disseminated and bleb sulphide and secondary sulphides and Ni-Fe alloy. All holes intersected multiple 100 m+ intersections of mineralized ultramafic-mafic rocks.

These consistently broad intervals (100s of metres) of anomalous nickel (>0.20% Ni) from near surface to depth are similar to those reported in the Crawford Deposit (*e.g.*, Canada Nickel news releases dated 4 April 2022 and 26 October 2021; Lane *et al.*, 2022), also being explored by the Company.

1.10 Sample Preparation, Analysis and Security

1.10.1 Introduction

Mr. Steve Balch (P.Geo.), a qualified person as defined by NI 43-101, is responsible for the ongoing drilling and sampling program, including quality assurance (QA) and quality control (QC), together QA/QC. The Company has put down a total of 22 diamond drill holes on the Deloro Property, eleven (11) in 2022 and eleven (11) in 2024; a total of 4,661 samples for multi-analysis have been prepared from this core.

The core was marked and sampled at primarily 1.5-metre lengths and cut with diamond blade saws. Samples were bagged with QA/QC samples inserted into the sample stream at the recommended rate in each batch of 20 samples. Samples (60 per lot) were transported in secure bags directly from the Company core shack to Activation Laboratories Ltd. (Actlabs) in Timmins or by commercial truck transport (Manitoulin Transport Inc.) to SGS Canada Inc. (SGS) in Lakefield, Ontario. In general, the core recovery for the diamond drill holes on the Property has been better than 95% and little core loss due to poor drilling methods or procedures has been experienced.

In the opinion of the QP (John Siriunas), the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for a preliminary economic assessment.

1.11 Data Verification

The Authors (QPs) have reviewed historical and current data and information regarding past and current exploration work on the Property. More recent exploration work (*i.e.*, 2022 and 2024), having complete databases and documentation such as assay certificates, was thoroughly reviewed. However, older historical records are not as complete and so the Authors do not know the exact methodologies used in the data collection in all cases. Nonetheless, the Authors have no reason to doubt the adequacy of the historical sample preparation, security and analytical procedures and have complete confidence in all historical information and data that was reviewed.

In the opinion of the Authors (QPs), the procedures, policies and protocols for drilling verification are sufficient and appropriate and the core sampling, core handling and core assaying methods used at the Project are consistent with good exploration and operational practices such that the data is therefore reliable for the purpose of Mineral Resource Estimation.

1.12 Mineral Resource Estimates

Caracle Creek was retained by CNC to prepare a maiden NI 43-101 compliant mineral resource estimate ("MRE") supported by a technical report (the Report), for the Deloro Nickel-Cobalt Sulphide Project, which incorporates all current and historical diamond drilling for which the drill hole data could be confidently confirmed. The maiden MRE for the Deloro Nickel-Cobalt Deposit, disclosed herein, were prepared under the supervision of Dr. Scott Jobin-Bevans (P.Geo.), using all available information and reviewing the work completed by Miguel Vera (B.Sc., Geology; Resource Geologist). Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 3 June 2024. The MRE has an effective date of 17 July 2024.

The deposit type being considered for nickel mineralization discovered to date in the Deloro Ultramafic Complex, is Komatiite-Hosted Type II Ni-Cu-Co-(PGE). The Deloro Nickel-Cobalt Deposit is hosted by a thick differentiated ultramafic body with primary disseminated and bleb nickel sulphide, commonly pentlandite with minor pyrrhotite, and chalcopyrite.

The Report discloses results for nickel, cobalt, iron, chromium, sulphur, palladium and platinum mineral resources, considered to be contained within a large, relatively homogenous body of ultramafic rock, the Deloro Ultramafic Complex (DUC). These are classified into indicated and inferred resources, interpreted on the assumption that the mineralization has reasonable prospects for eventual economic extraction using open pit mining methods. Thus, the mineral resources herein are not mineral reserves as they do not have demonstrated economic viability.

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

1.12.1 Resource Database

The drill hole and Project database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, unreliable historical holes or statistical outliers that are clear mistakes, among other correction measures) for geological modelling and resource estimation purposes.

Within an area of approximately 1.4 km along strike, 400 to 600 m in width, and 440 m deep, the working database of the Deloro Project contains the following:

- Collar: 22 holes amounting to 8,242.58 m, with an approximate mean depth of 375 m and a maximum of 492 metres.
- Survey: 22 holes measured by gyroscope tool.
- Lithology: 22 holes with 22 unique rock codes, grouped into 9 codes for modelling purposes (*see* Section 14.4 – Geological Interpretation and Modelling).
- Assays: 22 holes with 4,948 core samples of 1.5 m average length; 34 elements reported.
- Magnetic Susceptibility: 22 holes with 8,071 handheld magnetic susceptibility ("mag-sus") measurements on drill core, taken every 1 metre.
- Specific Gravity: 22 holes with 954 density measurements (by water displacement) from drill core, taken every several metres, averaging 8.5 metres.
- Mineralogy (QEMSCAN): 10 holes with 134 core samples of 1.5 m average length, taken either every 15 m or every 25 m; 34 minerals reported, including brucite.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical drill holes, geophysical surveys and geological maps.

1.12.2 Pit Optimization and Cut-off Grade

According to CIM (2019), for a mineral deposit to be considered a mineral resource it must be shown that there are "reasonable prospects for eventual economic extraction". Given that the Deloro Project will be mined using open pit methods, the 'reasonable prospects' are considered satisfied by limiting mineral resources to those constrained within a conceptual pit shell and above a cut-off grade.

The pit shell was generated under the supervision of Independent Consultant David Penswick (P.Eng. and Qualified Person), using the Lerchs-Grossmann ("LG") algorithm, which is the industry standard tool to define the limits of, and mining sequence for an open pit. Specific inputs to the LG algorithm include the following:

- Nickle price of US$21,000/t and payability of 91% (nickel would generate 83% of total metal revenue).
- Iron price of US$325/t and payability of 50% (iron would generate 17% of total metal revenue).
- Mining Costs that range from C$3.29/t for articulated trucks proposed for use to move clay, to C$2.50/t for 90t trucks proposed for sand and C$1.68/t for 290t autonomous trucks proposed for move rock. As there is very little overburden, these assumptions result in an average mining cost per total tonne mined of C$1.69.
- Process and administration costs of C$8.40/t ore, which is considered appropriate for the scale of mill that the resources could support.

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

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

- Estimated average recovery of nickel and iron of 49% and 55%, respectively.
- Metal prices and payability as reported above.
- Marginal costs of C$8.40, as reported above.
- A long-term C$ f/x of US$0.76.

Based on these parameters, the marginal cut-off can be achieved with less than 1 lb of payable nickel per tonne of ore processed. This has been rounded up to an in-situ grade of 0.10% Ni.

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

Based on the combined block model and constrained by the conceptual pit shell and cut-off grade from the previous analysis, a nickel grade-tonnage curve was calculated for the EST Domain. The reader is cautioned that these G-T Curve values should not be misconstrued as a mineral resource statement.

1.12.3 Mineral Resource Statement

The mineral resources disclosed herein (Table 1-5) are constrained to the pit shell and the 0.10% Ni cut-off grade developed from the pit optimization analysis discussed above. They are presented characterized by class and mineral grades rounded to two significant figures. The effective date of the MRE is 17 July 2024.

Table 1-5.Mineral Resource Statement for the pit-constrained maiden Mineral Resource Estimate, Deloro Deposit.

Domain	Class	Tonnage (Mt)	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe (%)	Fe (Mt)	S (%)	S (kt)	Cr (%)	Cr (kt)	Pd (g/t)	Pd (koz)	Pt (g/t)	Pt (koz)
EST (HG + LG)	Indicated	81.3	0.25	201.8	0.011	8.6	5.2	4.2	0.056	45.6	0.24	193.6	0.0029	7.7	0.0045	11.8
	Inferred	357.5	0.25	885.4	0.011	38.0	5.2	18.6	0.063	224.9	0.23	835.4	0.0040	45.7	0.0053	60.6

- 81.3 Mt of Indicated at 0.25% Ni, containing 201.8 kt of Ni.
- 357.5 Mt of Inferred at 0.25% Ni, containing 885.4 kt of Ni.

1.12.4 Exploration Potential

The Deloro Deposit is open along strike to the north and at depth. With additional drilling it is likely that the current MRE will be expanded from exploration potential (CAT 4) to Inferred (CAT 3) and from Inferred to Indicated (CAT 2), depending on the results of the in-fill drilling.

1.13 Interpretation and Conclusions

The objectives of the Report were to prepare a maiden Mineral Resource Estimate for the Deloro Nickel-Cobalt Deposit, along with a supporting independent NI 43-101 Technical Report, capturing historical information available from the Project area, evaluating this information with respect to the prospectivity of the Project, and presenting recommendations for future exploration and development on the Project.

The Property is located in the northwestern portion of the Shaw Dome and is underlain by felsic to Intermediate intrusive rocks, syntectonic mafic and ultramafic intrusive rocks, chert-rich iron formation, felsic to intermediate metavolcanic rocks, and mafic metavolcanic rocks.

The main target on the Property is the Archean-age Deloro Ultramafic Complex (DUC), a differentiated ultramafic to mafic komatiitic intrusion. The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes cross-cut the Property, trending generally north-northeast and east. Feldspar porphyry dikes cross-cut the intrusion, generally in the northwest of the Property, with north-south orientations.

1.13.1 Deloro Ultramafic Complex (DUC)

The DUC is a north-northwest trending ultramafic dunite-peridotite intrusion, associated with the Deloro and Tisdale assemblages. Based on the 2022 drilling campaign completed by the Company and geophysical data, DUC is approximately 1.7 km along strike and about 700 m thick, open at depth (Ferron, 2024).

The Deloro Assemblage of the AGB comprises mainly dunite (+90% olivine) and peridotite (+40% olivine), which have undergone extensive serpentinization, along with minor gabbro and pegmatite which have all been cut by late felsic (aplite) and mafic dikes.

The ultramafic rocks (peridotite-dunite) from the DUC have, for the most part, undergone intense serpentinization resulting in a substantial volume increase and the liberation of nickel and iron. This pervasive serpentinization process creates a strongly reducing environment where the nickel released from the decomposition of olivine is partitioned into low-sulphur sulphides like heazlewoodite and into the nickel-iron alloy, awaruite.

1.13.2 Mineralization

Sulphide mineralization discovered to date on the Deloro Project can be characterized as Komatiite-hosted Ni-Cu-Co-(PGE) deposit type and most similar to the sub-type (Type II) Mt. Keith style (Lesher and Keays, 2002). Of the five major volcanic facies for komatiitic flow fields suggested by Barnes *et al.* (2004), the DUC is interpreted to be most similar to the dunitic compound sheet flow (DCSF), the same flow field facies interpreted for Mt. Keith. The DCSF facies represent high-flow volume magma pathways characterized by thick olivine-rich cumulates.

The ultimate determination of whether an economic size and grade of deposit can be developed from the DUC will be predicated on the success of metallurgical test work and the price of nickel and other recoverable metals. The Deloro Nickel-Cobalt Sulphide Project is still early-stage, but initial metallurgical work and mineralogical studies (not yet reported) have shown that the nickel contained within the serpentinized ultramafic rocks of the DUC can be liberated. Critical to the success of this Project is completing further thorough metallurgical test work to determine if the nickel could be economically extracted.

It is the opinion of the Authors (QPs), that at this stage of the Project, there are no reasonably foreseen contributions from risks and uncertainties identified in the Report that could affect the Project's continuance at its current stage of exploration.

1.14 Recommendations

It is the opinion of the Authors (QPs) that the geological setting and character of nickel-cobalt sulphide mineralization discovered to date on the Deloro Project is of sufficient merit to justify additional exploration and development expenditures. A recommended work program, arising through the preparation of the Report and consultation with Canada Nickel, is provided below.

The Authors recommend a single phase program of exploration diamond drilling (Phase 3), designed to follow up on the Phase 1 and Phase 2 drilling programs (DEL-22 and DEL-24 series) (Table 1-6).

Table 1-6. Budget estimate, recommended single phase exploration program, Deloro Nickel-Cobalt Sulphide Project.

Item	Description	Unit	No. Units	C$/Unit	Amount (C$)
Data and Information Compilation/Review	review of all data and information	hr	8	$216	$1,728
Modelling (2D/3D) and Targeting	drill hole targeting/planning	hr	8	$216	$1,728
Diamond Drilling	18 holes; 8,000 m (NQ); all-in cost	m	8,000	$135	$1,080,000
Assays (multi-element) - drill core	~65% of total metres (1.5 m samples)	ea.	5,200	$85	$442,000
QA/QC	CRMs and duplicates (~10% of primary samples)	ea.	520	$90	$46,800
Personnel - drilling program	2 geologists and 2 assistants	day	90	$1,200	$108,000
G&A	food, accommodation, vehicles, fuel, supplies, etc. (~10% of program)	ea.	1	$50,000	$50,000
Contingency (10%)		ea.	1	$173,026	$173,026
				Total (C$):	**$1,903,282**

The planned drilling program (8,000 m) is focussed on extending the Deloro Deposit to the north and in-fill drilling in order to decrease drill hole spacing and increase confidence in mineralization (*i.e.*, from Inferred to Indicated). At a minimum, the planned drilling should upgrade the exploration potential material (CAT 4) to Inferred (CAT 3) and upgrade Inferred to Indicated (CAT 2).

The estimated cost for the recommended single phase program is approximately C$1.9M and this exploration program should be able to be completed within a 12 month period. The final location and parameters of the proposed Phase 2 dill holes should be determined following a review of all of the available data and information.

The Authors (QPs) are of the opinion that the character of the Project and results to date are of sufficient merit to justify the recommended program and to move the Project, in time, through the PEA stage. Furthermore, the proposed budget reasonably reflects the type and amount required for the activities being contemplated.

2.0 INTRODUCTION

At the request of Canada Nickel Company Inc. (“Canada Nickel”, “CNC”, the “Company”, or the “Issuer”), Caracle Creek International Consulting Inc. (“Caracle” or the “Consultant”), has prepared a mineral resource estimate and technical report as a National Instrument 43-101 (“NI 43-101”) Mineral Resource Estimate and Technical Report (the “Report”) on the Deloro Nickel-Cobalt Deposit (the “Deposit” or the “Deloro Deposit”) within the Deloro Nickel-Cobalt Sulphide Project (the “Project”, the “Property”, the “Deloro Project”, or the “Deloro Property”), located in the Timmins-Cochrane Mining camp, about 8 km southeast of the City of Timmins, Ontario, Canada (Figure 2-1).

The Report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators’ National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1 (June 30, 2011).

The Deloro Project is an advanced exploration project (maiden mineral resource estimate) focused on nickel, cobalt, palladium, and platinum, one of several projects being developed in the Timmins area by Canada Nickel.

2.1 Purpose of the Technical Report

The Report was prepared for the purpose of describing Mineral Resource Estimates within an NI 43-101 Technical Report to support the public disclosure of Mineral Resources by Canada Nickel, a Canadian based exploration company listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “CNC”, with its head office at 130 King Street West, Suite 1900, Toronto, Ontario, Canada, M5X 1E3.

This Report verifies the data and information related to historical and current mineral exploration and mineral resources on the Project and presents a report on data and information available from the Company and in the public domain.

The quality of information, conclusions, and recommendations contained herein have been determined using information available at the time of Report preparation and data supplied by outside sources as outlined in Section 2.6 - Sources of Information and Section 27 - References.

2.2 Previous Technical Reports

There are no previous technical reports and this Report is the first NI 43-101 Technical Report and Mineral Resource Estimate for the Company’s Deloro Nickel-Cobalt Sulphide Project and the Deloro Nickel-Cobalt Deposit, and as such is the current NI 43-101 Technical Report for the Project.

2.3 Effective Date

The effective date of the Mineral Resource Estimate (“MRE”) and the Technical Report is 17 July 2024 (together the “Effective Date”).

Figure 2-1. Province-scale location of the Deloro Nickel-Cobalt Sulphide Project (red star) in the Timmins-Cochrane Mining Camp, northeastern Ontario, Canada (Caracle Creek, 2024).

2.4 Qualifications of Consultants

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

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

Mr. Siriunas is a Professional Engineer (PEO #42706010, P.Eng.) with experience in geology, geochemistry, mineral exploration, Mineral Resource and Mineral Reserve estimation and classification, QA/QC, land tenure management, and mineral economics.

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

Dr. Scott Jobin-Bevans, Mr. John Siriunas, and Mr. David Penswick, by virtue of their education, experience, and professional association, are each considered to be a Qualified Person ("QP"), as that term is defined in NI 43-101, for the Report. A responsibility matrix showing the report sections and sub-sections assigned to the QPs is provided in Table 2-1.

Table 2-1. Responsibility matrix showing assignment of sections and sub-sections in the Report.

Author	Complete Section Responsibility	Sub-Section Responsibility
Scott Jobin-Bevans P.Geo., Caracle Creek	3.0 to 10.0, 12.0 to 27.0	1.1, 1.1.1 to 1.1.4, 1.3 to 1.9, 1.11, 1.12, 1.13.2, 1.14, 2.0 to 2.4, 2.6 to 2.7, 14.1 to 14.10, 14.12 to 14.13
John Siriunas P.Eng., Caracle Creek	3.0, 11.0, 23.0, 24.0, 26.0	1.1.4, 1.1.5, 1.2, 1.10, 1.11, 1.13.2, 1.14, 1.15, 1.16. 1.17, 2.4 to 2.6, 12.2, 25.4, 25.6
David Penswick P.Eng.	3.0, 23.0, 24.0, 26.0	2.4, 2.6, 1.11, 1.13.2, 1.14, 12.1, 12.3, 14.11, 25.4, 25.6

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

2.5 Personal Inspection (Site Visit)

Mr. John Siriunas (M.A.Sc., P.Eng.) visited the Project on 16 July 2024, accompanied by Mr. Edwin Escarraga, CNC's Director of Exploration. The visit was made to observe the general Property conditions and access, and to verify the locations of some of the recent drill hole collars from the work carried out by CNC (Figure 2-2a; Table 2-2). Travel from the City of Timmins, Ontario to the Project area takes approximately 20 minutes. With respect to Table 2-2, there are two measurements made for drill hole DEL22-01, as the QP visited the same collar position twice on his Property traverse.

(A) Location of diamond drill hole collar DEL22-08 (Siriunas, 2024).

(B) Drill core from diamond drill hole DEL22-01; NQ core with a diameter of 47.6 millimetres (Siriunas, 2024).

(C) Weathered peridotite/dunite in outcrop (Siriunas, 2024).

(D) Saw-cut channel (yellow arrow - left side of photo) by historical workers on the Property (Siriunas, 2024).

(E) Water-filled open cut near UTM 480360 mE, 5361350 mN, UTM Zone 17N (Siriunas, 2024).

(F) Portion of archived core for hole DEL22-02, Canada Nickel core storage facility, Timmins, Ontario.

Figure 2-2. Selection of photos taking during the Personal Inspection of the Property by QP John Siriunas, 16 July 2024.

Table 2-2. Diamond drill hole collar locations as measured in the field.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)
DEL22-01	480414.2	5361335.4	321
DEL22-01	480415.9	5361337.7	320
DEL22-03	480486.2	5361152.9	317
DEL22-04	480480.5	5361149.9	318

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)
DEL22-05	480418.9	5361335.2	322
DEL22-07	480326.5	5361301.1	324
DEL22-08	480523.2	5361003.8	319
DEL22-09	480587.1	5360858.4	317

During the site visit, diamond drilling procedures were discussed, and a review of the on-site logging and sampling facilities for processing the drill core was carried out (Figure 2-2b). The Company's secure storage and logging facility is located at CNC's Exploration Office at 170 Jaguar Drive, Timmins.

There is relatively abundant outcrop on the Property (~5-10% exposure) and the ultramafic provenance of the underlying bedrock was readily evident (Figure 2-2c). The QP noted that previous historical work (prior to CNC's exploration work) included saw-cut channel sampling (Figure 2-2d) and possibly the exploitation or bulk-sampling of the host peridotites/dunites (Figure 2-2e). After verification of existing core logs and assay results against drill core observations, Mr. Siriunas did not feel it necessary to re-sample the drill core.

Mr. Siriunas is satisfied with the quality of sampling and record keeping (database) procedures followed by the Issuer, Canada Nickel with respect to exploration programs by the Company, including diamond drilling.

2.6 Sources of Information and Data

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

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

The QPs have relied on information and data supplied by the Company, including that from geological, geochemical, assay, mineralogical, metallurgical, diamond drilling, and geophysical work programs. The Report is based on internal Company technical reports, previous studies, maps, published government reports, Company letters and memoranda, and public information as cited throughout the Report and listed in Section 27, References.

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

Information relating to Crown Patents, freehold patented lands with mining rights, was provided by the Company and verified where possible through the Ontario Land Registry Access portal and the Teranet Express portal.

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

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

Work completed by the Consultants was supported by geological consultants Mr. Miguel Vera (B.Sc., Eng.), a Senior Geologist, Geo-modeller and Resource Geologist with Atticus Chile S.A., based in Santiago, Chile and Yordi Aguilar Buguña, a Mining Engineer and Geologist with Atticus Geoscience Consulting S.A.C., based in Lima, Peru.

2.7 Commonly Used Terms and Units of Measure

All units in the Report are based on the International System of Units ("SI"), except for units that are industry standards, such as troy ounces for the mass of precious metals. Table 2-3 provides a list of commonly used terms and abbreviations.

Unless specified otherwise, the currency used is Canadian Dollars ("C$") and coordinates are given in North American Datum 83 ("NAD83"), UTM Zone 17N (EPSG:2958; suitable between 84°W and 78°W).

Table 2-3. Commonly used units, abbreviations and initialisms.

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

Units of Measure/ Abbreviations		Initialisms/ Abbreviations	
three-dimensional	3D	QA/QC	Quality Assurance / Quality Control
tonne (1,000 kg) (metric tonne)	t	QP	Qualified Person
Elements		RC	Reverse Circulation
cobalt	Co	ROFR	Right of First Refusal
copper	Cu	SCMC	Single Cell Mining Claim
gold	Au	SEM	Scanning Electron Microscope
lead	Pb	SG	Specific Gravity
magnesium	Mg	SI	International System of Units
nickel	Ni	SRM	Standard Reference Material
platinum group elements	PGE	SRO	Surface Rights Only
silver	Ag	Twp	Township
sulphur	S	UTM	Universal Transverse Mercator
zinc	Zn	VMS	Volcanogenic Massive Sulphide

3.0 RELIANCE ON OTHER EXPERTS

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

4.0 PROPERTY DESCRIPTION AND LOCATION

The Deloro Nickel-Cobalt Sulphide Project is situated within the Timmins-Cochrane Mining Camp in northeastern, Ontario, Canada (*see* Figure 2-1; Figure 4-1), a region with a strong mining history (gold, nickel, zinc, lead etc.), and a pro-mining Canadian province with regulations that reflect that history.

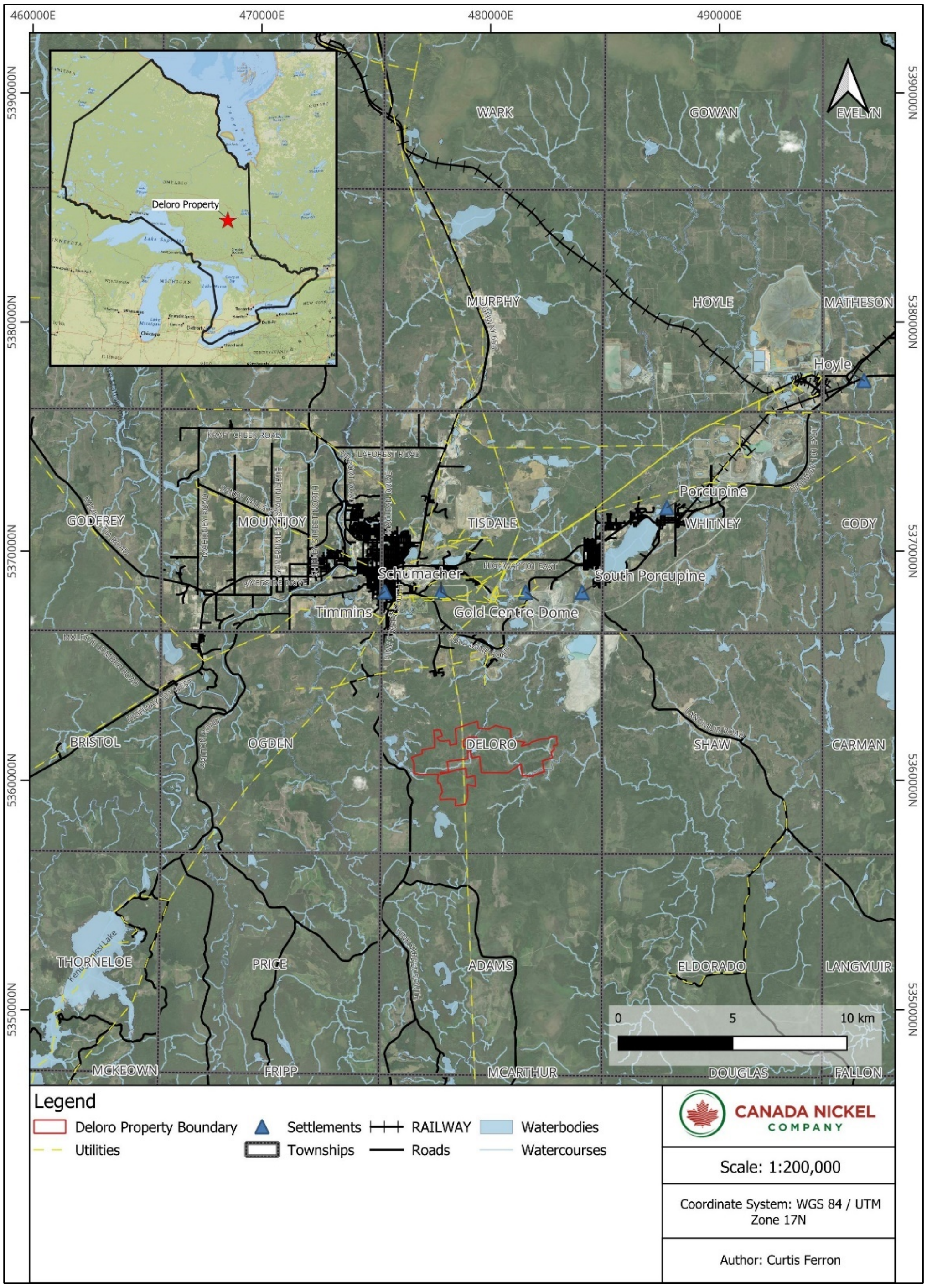

Figure 4-1. Township-scale location of the Deloro Nickel-Cobalt Sulphide Project (red boundary), Deloro Township, Timmins-Cochrane Area, Ontario, Canada. The City of Timmins is located about 8 km northwest of the Property (Ferron, 2024).

All known mineralization, economic or potentially economic, that is the focus of the Report and that of CNC, is located within the boundary of the mining lands that comprise the Deloro Nickel-Cobalt Sulphide Project.

4.1 Property Location

The Deloro Nickel-Cobalt Sulphide Project is located in the Timmins Mining Division, Deloro Township, about 8 km southeast of the City of Timmins, and on 1:50 000 NTS map sheet 042A06 - Timmins, Ontario (*see* Figure 4-1). The approximate centre of the Property is at UTM coordinates 480028 mE, 5361535 mN (NAD83, UTM Zone 17 North; EPSG:2958) and elevation within the Property ranges from about 300 to 350 m above sea level ("ASL").

4.2 Mineral Disposition

The Deloro Nickel-Cobalt Sulphide Project comprises approximately 1,005.16 ha (10.05 km^2), consisting of a combination of unpatented mining claims ("staked claims") and patented lands (Crown Patents), as summarized in Table 4-1 and Table 4-2, and shown in Figure 4-2. The patents and the mining claims are registered 100% by Canada Nickel Company Inc. and all show "active" status. The unpatented mining claims are contiguous whereas the patents form two separate blocks.

Specifically, the Property comprises 31 Crown Patents (freehold patented lands) (Table 4-1) that cover approximately 487.06 ha and 46 single cell mining claims ("SCMC"s) (Table 4-2) that cover approximately 518.10 hectares.

Table 4-1. Summary of the 31 patented lands (MSR and MRO) for the Deloro Project.

Patent	Tenure Pin	Tenure	Description	Disposition	Area (ha)	Annual Tax ($)	Reserve ($)
PAT-30219	65442-0306	P8115	14892SEC	MSR	19.425	$77.70	$0
PAT-30220	65442-0305	P24570	14894SEC	MSR	6.244	$24.98	$0
PAT-3244	65442-0298	P8125 (HR961)	14891SEC	MSR	16.390	$65.56	$0
PAT-3245	65442-0299	P8126 (HR960)	14893SEC	MSR	16.086	$64.34	$0
PAT-3472	65442-0699	P11312	22768SEC	MRO	19.546	$78.18	$661
PAT-3473	65442-0699	P11313 (HR1123)	22768SEC	MRO	16.187	$64.75	$624
PAT-3474	65442-0699	P11363	22768SEC	MRO	17.928	$71.71	$1,725
PAT-3475	65442-0699	P11364	22768SEC	MRO	13.800	$55.20	$1,175
PAT-3476	65442-0699	P11466	22768SEC	MRO	16.187	$64.75	$808
PAT-3477	65442-0699	P11467	22768SEC	MRO	16.592	$66.37	$661
PAT-3478	65442-0699	P11477	22768SEC	MRO	15.095	$60.38	$0
PAT-4905	65442-0423	TRP5857 (HR1074)	1726SEC	MSR	13.759	$55.04	$1,300
PAT-4906	65442-0420	TRP5858	1725SEC	MSR	25.495	$101.98	$2,400
PAT-4907	65442-0412	HR1212 (TRP5350)	1619SEC	MSR	21.651	$86.60	$2,112
PAT-4908	65442-0422	P6097	1602SEC	MRO	7.284	$29.14	$149
PAT-4909	65442-0411	P6098	1452SEC	MRO	11.635	$46.54	$0
PAT-4910	65442-0295	P8415	-	MRO	25.439	$101.76	$3,003
PAT-4911	65442-0296	P8709 (HR962)	3271SEC	MSR	20.942	$83.77	$3,689
PAT-4912	65442-0294	P8980 (P16925)	4967SEC	MSR	26.021	$104.08	$2,516
PAT-4913	65442-0297	P9745	3272SEC	MSR	7.345	$29.38	$1,087
PAT-4914	65442-0293	P19962	6514SEC	MSR	17.130	$68.52	$1,600
PAT-4915	65442-0426	P20206	6515SEC	MSR	14.160	$56.64	$1,350
PAT-4916	65442-0427	P20207	6516SEC	MSR	13.824	$55.30	$1,300
PAT-4917	65442-0419	P20208	6517SEC	MSR	13.921	$55.68	$2,154
PAT-4918	65442-0416	P20209	6512SEC	MSR	15.504	$62.02	$600
PAT-4919	65442-0418	P20216	6518SEC	MSR	16.503	$66.01	$1,550

Patent	Tenure Pin	Tenure	Description	Disposition	Area (ha)	Annual Tax ($)	Reserve ($)
PAT-4920	65442-0414	P20227	6519SEC	MSR	17.138	$68.55	$1,600
PAT-4921	65442-0415	P20228	6520SEC	MSR	12.019	$48.08	$1,150
PAT-4922	65442-0417	P20249	6513SEC	MSR	16.090	$64.36	$600
PAT-4923	65442-0421	P20899	6521SEC	MSR	5.989	$23.96	$1,307
PAT-4925	65442-0424	P21352	6442SEC	MSR	11.728	$46.91	$1,050
				Totals:	**487.057**	**$1,948.24**	**$36,171**

Table 4-2. Summary of the 46 unpatented mining claims that comprise the Deloro Project.

Legacy Claim	Tenure ID	Anniversary	Tenure Type	Work Required (C$)	Work Applied (C$)	Exploration Reserve (C$)
	517351	18-Apr-2025	SCMC	$400	$2,000	$0
	517352	18-Apr-2025	SCMC	$400	$2,000	$37
	517353	18-Apr-2025	SCMC	$400	$2,000	$184
	517354	18-Apr-2025	SCMC	$400	$2,000	$184
	517355	18-Apr-2025	SCMC	$400	$2,000	$0
	517356	18-Apr-2025	SCMC	$400	$2,000	$0
	517357	18-Apr-2025	SCMC	$400	$2,000	$0
4278600	113601	27-Apr-2025	SCMC	$400	$2,400	$123,958
4278600, 4281835	125241	27-Apr-2025	SCMC	$200	$1,200	$28,988
4278600	140548	27-Apr-2025	SCMC	$200	$1,200	$0
4278600	145996	27-Apr-2025	SCMC	$200	$1,200	$1,199
4278600, 4281835	153147	27-Apr-2025	SCMC	$400	$2,400	$1,432
4278600	160039	27-Apr-2025	SCMC	$200	$1,200	$874
4278600	249936	27-Apr-2025	SCMC	$200	$1,200	$1,211
4278600, 4281835	255373	27-Apr-2025	SCMC	$400	$2,400	$115
4278600	268135	27-Apr-2025	SCMC	$200	$1,200	$27,302
4278600	308531	27-Apr-2025	SCMC	$200	$1,200	$1,473
4278600	315265	27-Apr-2025	SCMC	$200	$1,200	$1,285
	549300	04-May-2025	SCMC	$400	$1,600	$0
	549301	04-May-2025	SCMC	$400	$1,600	$0
	549302	04-May-2025	SCMC	$400	$1,600	$0
	556086	19-Aug-2025	SCMC	$400	$1,600	$0
	556087	19-Aug-2025	SCMC	$400	$1,600	$0
	556088	19-Aug-2025	SCMC	$400	$1,600	$0
	556089	19-Aug-2025	SCMC	$400	$1,600	$0
	556090	19-Aug-2025	SCMC	$400	$1,600	$0
	556091	19-Aug-2025	SCMC	$400	$1,600	$0
	556092	19-Aug-2025	SCMC	$400	$1,600	$0
	556094	19-Aug-2025	SCMC	$400	$1,600	$0
	556095	19-Aug-2025	SCMC	$400	$1,600	$0
	556096	19-Aug-2025	SCMC	$400	$1,600	$0
	556097	19-Aug-2025	SCMC	$400	$1,600	$0
	556098	19-Aug-2025	SCMC	$400	$1,600	$0
4278600, 4279929	105983	17-Oct-2025	SCMC	$200	$1,200	$1,122
4279929	107122	17-Oct-2025	SCMC	$200	$1,200	$0
4279929	107123	17-Oct-2025	SCMC	$200	$1,200	$0
4279929	129900	17-Oct-2025	SCMC	$200	$1,200	$294
4279929	130770	17-Oct-2025	SCMC	$200	$1,200	$0
4278600, 4279929	130771	17-Oct-2025	SCMC	$200	$1,200	$0

Legacy Claim	Tenure ID	Anniversary	Tenure Type	Work Required (C$)	Work Applied (C$)	Exploration Reserve (C$)
4279930, 4279931	134209	17-Oct-2025	SCMC	$200	$1,200	$367
4279929	163843	17-Oct-2025	SCMC	$200	$1,200	$0
4279929	176036	17-Oct-2025	SCMC	$200	$1,200	$0
4278600, 4279930	176316	17-Oct-2025	SCMC	$200	$1,200	$1,637
4279929	278643	17-Oct-2025	SCMC	$200	$1,200	$0
4279929	310001	17-Oct-2025	SCMC	$200	$1,200	$0
	567136	23-Dec-2025	SCMC	$400	$1,600	$0
			Totals:	**$14,400**	**$70,800**	**$191,662**

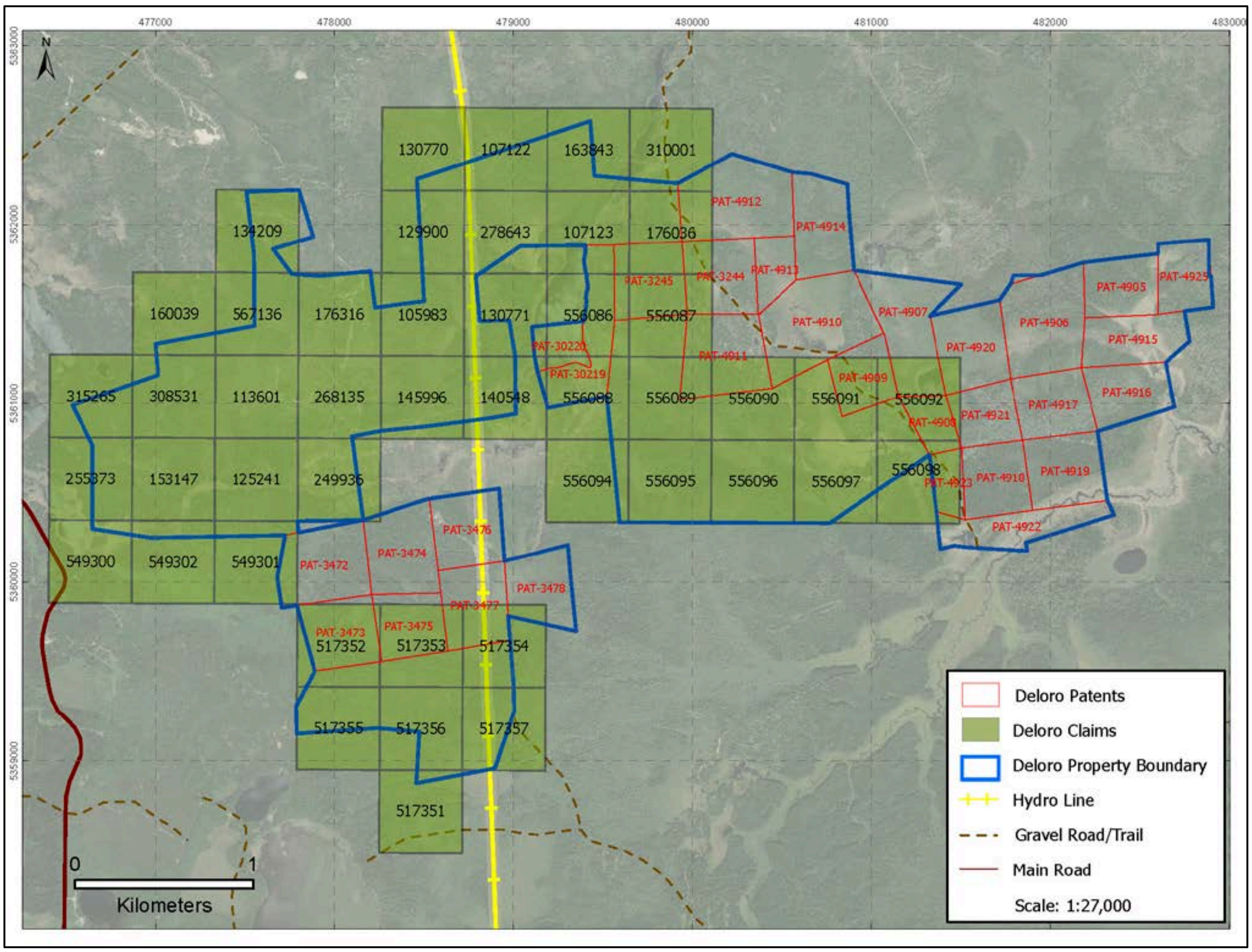

Figure 4-2. Land tenure of the Deloro Project showing the unpatented mining claims and Crown Patents. The Property comprises the Crown Patents (red boundaries) and the unpatented mining claims (blue boundary), the latter which does not encompass entire SCMC claim units (green) (Canada Nickel, 2024).

The two groups of 31 Crown Patents comprise 10 with Mining Rights Only ("MRO") (CNC does not control the surface rights) and 21 with Mining and Surface Rights ("MSR") (*see* Tale 4-1). The status of patented lands can be verified online through Teranet Express and ONLAND (Ontario Land Registry Access).

The unpatented mining claims have expiry dates that range from 18 April to 23 December 2025 and the patent payments are due annually by 1 April.

On the basis of the information provided by the Company and from what is available in the public domain, the QP (Scott Jobin-Bevans) can confirm that all of the unpatented and patented mining lands which comprise the Deloro Project are in good standing.

4.3 Claim Status and Holding Cost

Annual holding cost for the 31 patents (mining tax) totals approximately $1,948.24 (there is $36,171 in reserve) and the required annual assessment work for the unpatented mining claims is approximately $14,400. The unpatented mining claims (SCMCs) have approximately $70,800 in work previously applied and approved assessment credits with $191,662 in reserve to apply to future holding costs (*see* Table 4-2).

4.4 Transaction Terms and Agreements

In November 2021, the Company announced the acquisition of unpatented mining claims and patents with respect to the Deloro Property (Canada Nickel news release dated 22 November 2021). The Net Smelter Return Royalties ("NSR"s) relating to the acquired mining claims and patents are summarized in Table 4-3 (*see* Section 4.11 - Royalties and Obligations).

4.4.1 2205730 Ontario Inc.

In an agreement dated 16 November 2021, Canada Nickel acquired 53 unpatented mining claims and 50 patented lands from 2205730 Ontario Inc. Of these acquired lands 46 of the unpatented mining claims and 27 of the patents are within the Deloro Property.

4.4.2 Odyssey Explorations Ltd.

In an agreement dated 19 November 2021, Canada Nickel acquired four (4) patented lands from Odyssey Explorations Ltd., including the timber rights for a period of 20 years.

4.5 Mining Lands Tenure System in Ontario

Traditional claim staking (physical staking) in Ontario came to an end on January 8, 2018 and on April 10, 2018 the Ontario Government converted all existing claims (referred to as Legacy Claims) into one or more "cell" claims (Single Cell Mining Claim or SCMC) or "boundary" claims (Boundary Cell Mining Claim or BCMC) as part of their new provincial grid system. The provincial grid is latitude- and longitude-based and is made up of more than 5.2 million cells ranging in size from 17.7 ha in the north to 24 ha in the south. A Boundary Cell Mining Claim means that the mining claim cell is a partial cell and that the cell is shared with another claim holder. If, at any time, the other claim holder was to abandon or forfeit their portion of any of the BCMC, it would be converted to a SCMC and the balance of the map cell would become part of the Property.

Dispositions such as leases, patents, and licences of occupation were not affected by the new system. Mining claims are registered and administrated through the Ontario Mining Lands Administration System ("MLAS"), which is the online electronic system established by the Ontario Government for this purpose.

Mining claims can only be obtained by an entity (person or company) that holds a Prospector's Licence granted by the MINES (a "prospector"). A licenced prospector is permitted to enter onto provincial Crown and private lands that are open for exploration and stake a claim on those lands. Notice of the staked claim can then be recorded in the mining register maintained by the MINES. Once the mining claim has been recorded, the prospector is permitted to conduct exploratory and assessment work on the subject lands. To maintain the mining claim and keep it properly staked, the prospector must adhere to relevant staking regulations and conduct all prescribed work thereon. The prescribed work is currently set at $400 per annum per 16-hectare claim unit. The prescribed work must be completed as no payments in lieu of work can be made. No minerals may be extracted from lands that are the subject of a mining claim – the prospector must possess either a mining lease or a freehold interest to mine the land, subject to all provisions of the Ontario Mining Act.

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

4.5.1 Mining Lease

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

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

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

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

4.5.2 Freehold Mining Lands

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

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

As the holder of a mining patent enjoys the freehold interest in the lands that are the subject of such patent, no consents are required for the patentee to transfer or mortgage those lands.

4.5.3 Licence of Occupation

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

4.5.4 Land Use Permit

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

4.6 Mining Law - Province of Ontario

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

4.6.1 Required Plans and Permits

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

4.6.1.1. Exploration Plans

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

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

- Line cutting that is a width of 1.5 m or less;
- Geophysical surveys on the ground requiring the use of a generator;
- Mechanized stripping a total surface area of less than 100 square metres within a 200-metre radius;

- Excavation of bedrock that removes one cubic metre and up to three cubic metres of material within a 200-metre radius; and
- Use of a drill that weighs less than 150 kilograms.

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

4.6.1.2. Exploration Permits

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

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

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

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

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

4.7 Surface Rights and Legal Access

The surface rights associated with the unpatented mining claims that comprise the Property are owned by the Government of Ontario (Crown Land) and access to these areas of the Property is unrestricted. In addition, the Company holds several Patents with mining and surface rights, also giving the Company unrestricted access.

For the lands that are not Crown Land and that the Company does not hold the surface right to, including the 11 Patents that are Mining Rights Only (MRO), the Company is required to provide official notification to the surface rights holder which is done through the Ontario Government's MLAS online portal. If the exploration work requires an Exploration Plan or Permit then the notification is to include complete Notice of Intent to Submit an Exploration Plan or Exploration Permit Application (Notice of Intent), a copy of a proposed Exploration Plan or Exploration Permit Application, and a map that shows the location of the proposed exploration activities. The surface rights owner has 30 days to review the information and the ministry has 50 days after the circulation date to make a decision on the permit.

4.8 Current Permits and Work Status

The Company has one active Permit (PR-22-000004) with respect to the Property. The Permit was issued 8 March 2022 and covers mechanized drilling and line cutting; the Permit expires 7 March 2025. The Patents on which the Company holds the surface and mining rights do not require a permit and Patents on which the Company does hold the surface rights require a Permit (like unpatented mining claims) as well as notification to the surface rights owner.

As of the Effective Date of the Report, no exploration work programs were being conducted on the Property.

4.9 Community Consultation

The Company will maintain an open dialogue with all stakeholders associated with the Property, including private landowners, government officials and representatives of the First Nations identified by the MINES during the permitting process:

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

4.10 Environmental Liabilities and Studies

The QP (Scott Jobin-Bevans) is not aware of any environmental liabilities on the Property.

4.11 Royalties and Obligations

The Deloro Project consists of mining claims and patents acquired from two vendors in separate Purchase Agreements (Canada Nickel news release dated 22 November 2021).

In the first purchase agreement (2205730 Ontario Inc.), a 100% ownership was acquired in 46 unpatented mining claims and 28 patents. The mining claims are subject to a 2.0% NSR while the patents are subject to a 1.8% NSR; in both cases the Buy-Down Option allows CNC to purchase 1.0% of the NSR for C$1M (Table 4-3).

In the second purchase agreement (Odyssey Explorations Ltd.), Canada Nickel acquired a 100% ownership in four(4) contiguous mining patents. The patents are subject to a 2.0% NSR with a Buy-Down Option allowing CNC to purchase 1.0% of the NSR for C$1M (Table 4-3).

Table 4-3. Summary of the NSR royalties as they apply to unpatented and patented lands, Deloro Project.

Tenure ID	PIN	Agreement	NSR (%)	Buy-Down Option
105983	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
107122	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
107123	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
113601	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
125241	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
129900	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
130770	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
130771	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
134209	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
140548	-	2205730 Ontario Inc.	2.0	1.0% for C$1M

Tenure ID	PIN	Agreement	NSR (%)	Buy-Down Option
145996	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
153147	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
160039	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
163843	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
176036	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
176316	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
249936	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
255373	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
268135	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
278643	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
308531	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
310001	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
315265	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517351	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517352	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517353	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517354	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517355	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517356	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
517357	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
549300	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
549301	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
549302	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556086	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556087	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556088	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556089	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556090	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556091	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556092	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556094	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556095	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556096	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556097	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
556098	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
567136	-	2205730 Ontario Inc.	2.0	1.0% for C$1M
PAT-30219	65442-0306	Odyssey Explorations	2.0	1.0% for C$1M
PAT-30220	65442-0305	Odyssey Explorations	2.0	1.0% for C$1M
PAT-3244	65442-0298	Odyssey Explorations	2.0	1.0% for C$1M
PAT-3245	65442-0299	Odyssey Explorations	2.0	1.0% for C$1M
PAT-3472	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3473	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M

Tenure ID	PIN	Agreement	NSR (%)	Buy-Down Option
PAT-3474	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3475	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3476	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3477	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-3478	65442-0699	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4905	65442-0423	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4906	65442-0420	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4907	65442-0412	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4908	65442-0422	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4909	65442-0411	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4910	65442-0295	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4911	65442-0296	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4912	65442-0294	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4913	65442-0297	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4914	65442-0293	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4915	65442-0426	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4916	65442-0427	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4917	65442-0419	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4918	65442-0416	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4919	65442-0418	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4920	65442-0414	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4921	65442-0415	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4922	65442-0417	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4923	65442-0421	2205730 Ontario Inc.	1.8	1.0% for C$1M
PAT-4925	65442-0424	2205730 Ontario Inc.	1.8	1.0% for C$1M

4.12 Other Significant Factors and Risks

The QP (Scott Jobin-Bevans) is not aware of any significant factors that may affect access, title, or the right or ability to perform the proposed work program (*see* Section 26.0 – Recommendations).

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Access to Property

Year-round access to the Property is gained by driving about 5 km east of the city centre of Timmins along Gold Mine Road, taking a right (south) on Shaw Creek Road and following it to the southern end where it turns to a gravel logging road; the road bifurcates about 140 m prior to the northern Property boundary (*see* Figure 4-1). From this point, an off road vehicle (*e.g.*, 4 x 4 truck) is required, by which you can follow this road south for approximately 4 km, until reaching the Property.

5.2 Access and Surface Rights

The surface rights associated with the unpatented mining claims that comprise the Property are owned by the Government of Ontario (Crown Land) and access to these areas of the Property is unrestricted. In addition, the Company holds several patents with mining and surface rights, also giving the Company unrestricted access. For the lands that are not Crown Land and that the Company does not hold the surface right to, including the 11 patents that are Mining Rights Only (MRO), the Company is required to provide official notification to the surface rights holder which is done through the Ontario Government's MLAS online portal (*see* Section 4.7 – Surface Rights and Legal Access).

5.3 Climate and Operating Season

The local climate is typical of northeastern Ontario, categorized as a continental climate with cold winters and relatively short hot summers (Figure 5-1).

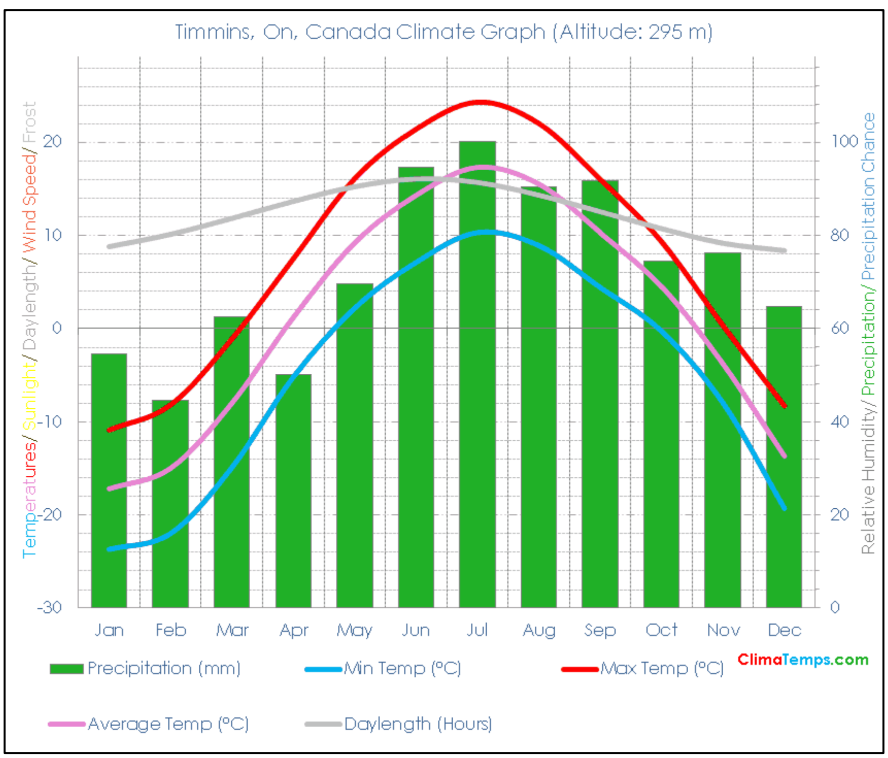

Figure 5-1. Average annual temperature, precipitation and daylight hours, Timmins, Ontario (climate.top website, 2024).

The Project is easily accessible and exploration work can continue year-round. Occasionally, fieldwork is not permitted between May and August due to forest fire danger at which time the Ontario Ministry of Natural Resources (MNR) may prohibit access.

5.4 Local Resources and Infrastructure

Supplies, food, fuel, lodgings and the full range of equipment, supplies and services that are required for exploration and mining work are available in Timmins, the fourth-largest city in northeastern Ontario (population of 41,145 in 2021). A major hydro transmission line runs north through Deloro Township and through the middle of the Property (*see* Figure 4-1).

5.4.1 Sufficiency of Potential Surface Rights

Although a relatively early-stage project in terms of a mining decision, there is sufficient suitable land area available within the current Project boundary and within the region in general, for any future tailings disposal, mine waste disposal, and potential processing plant sites.

5.5 Physiography

The Property lies within the Abitibi upland physiographic region and has a typical "Laurentian Shield" landscape, composed of forest covered ridges, relatively few rock outcrops (approx. 5% exposure and concentrated in the northern half of the target area), boulder and gravel tills, as well as swampy tracts, ephemeral spring-runoff stream beds and swales, beaver ponds, and small lakes.

Thick fine-grained, glaciolacustrine deposits subdue local landscape and form terrain characterized by broad, poorly drained, swampy conditions. Overburden, predominantly glacial till consisting of sand, clay, loose gravel and boulders, averages about 6.0 metres.

5.5.1 Topography

In general, the area is well drained with moderate topographic relief and minor, steep depressions along river and stream routes. It is largely a low relief, bedrock- dominated peneplain with isolated, lithologically controlled topographic highs. Locally, glacial landforms add to relief which is generally less than 15 metres. Elevations on the Property range from 300 to 350 m ASL with sand and outcrop ridges trending north-south.

5.5.2 Water Availability

Water accessibility is excellent throughout the year with several small ponds and numerous swampy areas associated with small lakes and creeks, and a shallow water table.

5.5.3 Flora and Fauna

The Property lies within the Boreal Shield Ecozone, as defined by the Commission for Environmental Cooperation ("CEC") and is the largest ecozone in Canada.

Tree species include white and black spruce, balsam fir, tamarack, trembling aspen (poplar), white and red pine, jack pine, maple, eastern red cedar, eastern hemlock, paper birch, speckled alder, pin cherry, and mountain ash. Many of the forests in the area have been designated for cutting or have already been cut by forestry companies, leaving a majority of secondary growth forests. Other plants include ericaceous shrubs, sphagnum moss, willow, Labrador tea, blueberries, feathermoss, cotton grass, sedges, kalmia heath, shield fern, goldenrod, water lilies, horsetails and cattails.

Mammals include moose, black bear, wolf, chipmunk, beaver, muskrat, snowshoe hare, vole, red squirrel, mice, marten, short-tailed weasel, fisher, ermine, mink, river otter, coyote, and red fox. Garter snakes and frogs are also present. Waterfowl are seen on lakes during the ice-free season, and fish can be abundant in some lakes and the larger perennial streams.

6.0 HISTORY

The Porcupine Mining District of Ontario was founded in 1908 after the discovery of gold in the Ontario portion of the Abitibi Greenstone Belt ("AGB") near Timmins. Since then, gold production in the region has been substantial and the Timmins region is one of the richest goldfields in the world, producing more gold than any other mining camp in Canada (about 230 tonnes).

In the early years, prospectors followed rivers and lakeshores hunting for gold and base metals, but the extensive drift-covered ridges and valleys left by the Pleistocene Laurentide Ice Sheet meant that they could not explore the area in detail. Because of immature surficial covers of the glacial landscape, there were no alluvial gold trains in creek bottoms extending from hard-rock mineralization. Without outcropping mineralization, ore deposits of all kinds remained undetected.

The advent of airborne geophysics post World War Two, allowed for new and renewed exploration campaigns in the AGB. Starting in the early 1960s, subsidiaries of the International Nickel Company of Canada Ltd. ("INCO"), private and public companies and the Ontario and Canadian governments flew airborne magnetic and electromagnetic surveys across the AGB looking for nickel sulphide deposits. The targets were magnetic anomalies reflected by a magnetic response from pyrrhotite-dominated nickel sulphide mineralization. Since many, but not all, nickel sulphide ores are dominated by semi-massive to massive pyrrhotite with associated chalcopyrite, they generate coincident magnetic-electromagnetic anomalies which are high priority targets in nickel sulphide exploration. This geophysical signature (coincident MAG-EM targets) led to the discovery of the "Type IV hydrothermal-metamorphic" nickel sulphide deposits (Layton-Matthews *et al.*, 2010) at and near Thompson, Manitoba in the 1950s and in subsequent decades.

Not all coincident magnetic-electromagnetic anomalies are due to pyrrhotite dominated sulphides as magnetite will naturally generate a very strong magnetic response and if present, graphite will generate a very strong conductive response. Ultramafic rocks, including extrusive komatiite flows, komatiitic channelized sheet sills, and intrusive mafic-ultramafic bodies, the host lithologies to many of the nickel sulphide ores discovered to date in the Timmins Mining Camp and the AGB, are commonly serpentinized by dynamic metamorphism which results in the liberation of magnetite from olivine, which in turn results in a very strong magnetic response, overwhelming weaker magnetic signatures, and lower specific gravity. The serpentinization also results in the liberation of nickel which forms iron-nickel alloy (*i.e.*, awaruite) and nickel sulphides (*e.g.*, pentlandite, pyrrhotite, heazlewoodite), reflected in increased concentrations of available nickel. This in comparison to "fresh" non-serpentinized ultramafic rocks which have relatively high specific gravity, a relatively low magnetic signature, and low (background) concentrations of nickel.

The enormous number of magnetic and conductive anomalies generated by airborne and ground geophysical surveys and the masking of a "clean" response from potential nickel sulphide deposits, by both magnetic and electromagnetic effects, means that not all targets may have been tested and/or delineated (Jobin-Bevans *et al.*, 2020). In the Timmins region of the AGB and specifically in Deloro Township, given the lack of outcrop and extensive overburden, the only solution is to drill-test targets and trends.

6.1 Prior Ownership and Ownership Changes

The 46 unpatented mining claims and 31 patents that comprise the Property were acquired by Canada Nickel in November 2021 through two separate purchase agreements (Canada Nickel news release dated 22 November 2021).

6.2 Government Data and Information

Government of Ontario published reports and data that cover the area of the Property include:

- OFR5012: Geology of Ogden, Deloro and Shaw townships, District of Cochran (Carlson, 1967).
- MP041: Distribution and characteristics of the sulphide ores of the Timmins area (Pyke and Middleton, 1970).
- MP056.027: Geochemistry of ultramafic rocks in the Abitibi greenstone belt, districts of Cochrane and Timiskaming (Wolfe, 1973).
- MP067.038: Nickel deposits associated with ultramafic rocks within the Abitibi greenstone belt (Coad, 1976).
- MDC018: Gold deposits of Ontario, part 2, part of District of Cochrane, districts of Muskoka, Nipissing, Parry Sound, Sudbury, Timiskaming, and counties of southern Ontario (Gordon *et al.*, 1979).
- P2079: Deloro Township, Cochrane District; Ontario Geological Survey Preliminary Map P.2079, Timmins Data Series. Scale 1:15 840 or 1 inch to ¼ mile (Sangster and Maharaj, 1981).
- P3595: Geological compilation of the Shaw Dome area, northeastern Ontario (Houlé and Hall, 2007).

6.3 Historical Exploration Work

A summary of the most significant historical exploration within the current Property boundary is provided in Table 6-1. This list is not exhaustive as some of the assessment work filed and available through the MINES covers partially or insignificantly the area within the Property Boundary. Figure 6-1 shows the distribution of historical assessment work within Deloro Township, relative to the Property boundary.

Historical results from exploration work on or proximal to the Project have not been verified by the QP (Scott Jobin-Bevans) or a Qualified Person associated with the Company and as such are not necessarily indicative of the results to be found within the Project.

Table 6-1. Summary of historical exploration work within the boundary of the Deloro Project.

Period	AFRI ID	Company/Prospector	Type	Description
1969	42A06NW0151	Lynx Canada Explorations Ltd	Geophysics	EM / Magnetometer Survey
1970	42A06NW1154	Lynx Canada Explorations Ltd	Diamond Drilling	two holes
1970	42A06NW1153	Canadian Nickel Co. Ltd	Diamond Drilling	one hole
1980	42A06NE0007	Amax Minerals Exploration Ltd	Geophysics	Airborne Magnetometer
1982	42A06NW0135	D.R. Pyke	OB Drilling	Overburden Drilling
1988	42A06NW0163	Kingswood Explorations Ltd	Geophysics	Magnetometer Survey
1989	42A06NW0160	Kingswood Explorations Ltd	Geological Mapping	Geological Survey / Mapping
1992	42A06NW0033	Syndicate 92	Geophysics	Assays, VLF-EM, Geological Survey, Magnetometer Survey, Line Cutting, OB Stripping
1992 - 1993	42A06NW0037	J. Grant, J. Mcauley	Geological Mapping	Assays, Geological Survey, OB Stripping, Prospecting
1992 - 1993	42A06NW0037	J. Grant, J. Mcauley	Geological Mapping	Assays, Geological Survey, OB Stripping, Prospecting
1995	42A06NW0034	Outokumpu Mines Ltd	Geophysics	EM / Magnetometer Survey, Line Cutting
2000	42A06NE2022	Ontex Resources Ltd	Geophysics	EM-Magnetic Survey, Line Cutting
2000	42A06NE2022	Ontex Resources Ltd	Geophysics	EM-Magnetic Survey, Line Cutting
2002	42A06NE2030	Ontex Resources Ltd	Diamond Drilling	Assays, Diamond Drilling

Period	AFRI ID	Company/Prospector	Type	Description
2003	42A06NE2034	Ontex Resources Ltd	Diamond Drilling	Assays, Diamond Drilling
2002 - 2003	42A06NE2037	Ontex Resources Ltd	Geological Mapping	Assays, Geological Survey / Mapping
2002 - 2003	42A06NE2036	Ontex Resources Ltd	Geophysics	EM, VLF-EM, IP, Line Cutting, Magnetometer Survey
2010	20011167	W.T.P. Robert (SGX Resources)	Diamond Drilling	4 holes
2018-2019	200000018904	P2 Gold Inc.	Diamond Drilling	4 holes

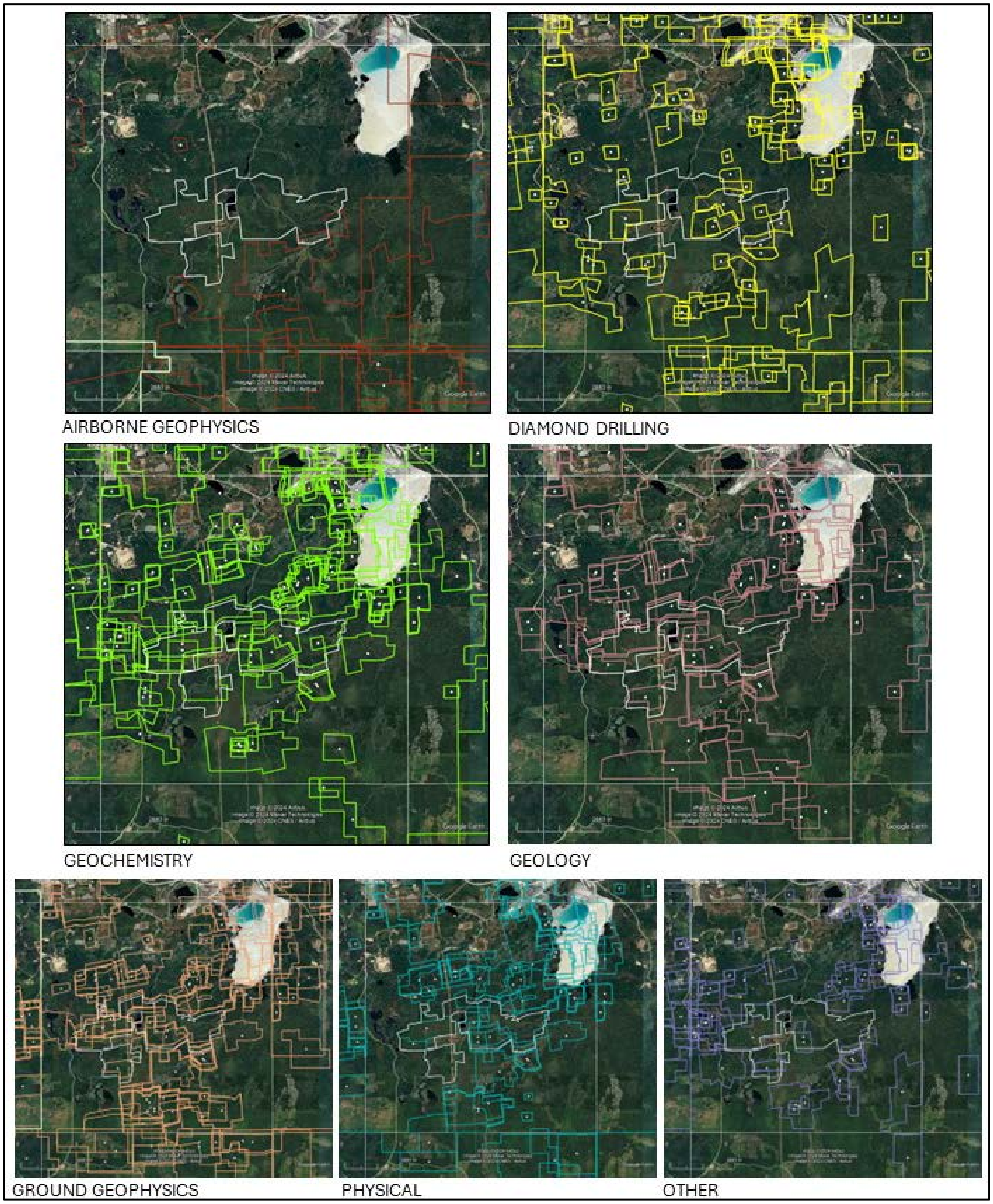

Figure 6-1. Distribution of historical assessment work types within Deloro Township, relative to the Property boundary shown in white and in central Deloro Township (Caracle Creek, 2024).

Exploration in Deloro Township and area dates to the early 1900's with the Bowman Mine producing 194 tons of chrysotile asbestos from 1923-1926 and the Faymar Gold Mine (outside of the Deloro Property boundary) producing 28,417 ounces of gold from 1935-1942 (Mines and Minerals Division, 2024).

In 1969, Lynx Canada Exploration Ltd. completed a ground electromagnetic and magnetic survey over some of the Property.

In 1970, the Canadian Nickel Company Ltd. drilled a single diamond drill hole, that of interest, intersected about 113 m of serpentinized peridotite (Ontario Drill Hole Database ODHD, 2024).

In 1980 Amax Minerals Exploration Ltd. completed and extensive airborne magnetometer survey within Deloro Township and beyond, which covered the Deloro Property.

Multiple ground and airborne geophysics surveys along with geological mapping and surface sampling programs were completed in the 1980's and 1990's, mostly over central Deloro Township. Between 2000 and 2003, Ontex Resources Ltd. completed multiple ground electromagnetic, very low frequency electromagnetic, magnetic and induced polarization surveys over the Property.

6.3.1 Historical Drilling

A summary of historical diamond drilling completed within the boundary of the Deloro Property is provided in Table 6-2 and shown in Figure 6-2 and Figure 6-3.

In 1970, Canada Nickel Co Ltd. completed one drill hole (298.78 m) southeast and along strike of the DUC magnetic anomaly, intersecting serpentinized peridotite. No sampling or assay results were reported.

In 1970, Lynx Canada Explorations Limited completed two holes, both intersecting serpentinized ultramafic rocks. No sampling or assay results were reported.

In 2002, Ontex Resources Ltd. ("Ontex") completed a 13-hole diamond drilling campaign (Table 6-2) across the Property, targeting PGE and gold. Ten (10) of these drill holes were located over the main magnetic anomaly (the DUC). Seven (7) of the 13 holes reported multiple 50+ metre intersections of mafic-ultramafic lithologies: FY-02-01, FY-02-02, FY-02-06, FY-02-10, FY-02-11, FY-02-12, and FY-02-13.

In 2003, Ontex completed an 8-hole diamond drilling campaign (Table 6-2), with three (3) holes intersecting multiple 50+ metre intervals of serpentinized mafic-ultramafic lithologies: FY-03-06, FY-03-07, and FY-03-08.

Table 6-2. Summary of historical drill holes completed within the Deloro Project boundary.

Year	Drill Hole	Company	Area	UTMX (mE)	UTMY (mN)	Dip	Az	Length (m)	Overburden (m)
1970	43286	Canadian Nickel Co Ltd	C	480677.11	5360297.94	-50	270	298.78	21.34
1970	9	Lynx Canada Explorations Ltd.	SW	478263.84	5359465.99	-45	180	118.87	60.00
1970	10	Lynx Canada Explorations Ltd.	SW	478398.02	5359477.12	-45	180	121.92	40.00
2002	FY-02-01	Ontex Resources Ltd.	NE	480882.96	5361222.50	-45	270	102.00	4.00
2002	FY-02-02	Ontex Resources Ltd.	C	480386.93	5361231.50	-40	223	472.00	5.77
2002	FY-02-03	Ontex Resources Ltd.	C	481376.34	5360750.00	-45	180	100.00	4.50
2002	FY-02-04	Ontex Resources Ltd.	E	481944.65	5360987.00	-45	345	147.00	9.00
2002	FY-02-05	Ontex Resources Ltd.	E	482117.37	5361018.50	-50	343	172.00	33.00
2002	FY-02-06	Ontex Resources Ltd.	C	480560.90	5361308.50	-45	100	301.00	25.00
2002	FY-02-07	Ontex Resources Ltd.	NE	481021.96	5361678.00	-45	70	77.00	1.00
2002	FY-02-08	Ontex Resources Ltd.	NE	481012.31	5361629.00	-45	75	77.00	0.50
2002	FY-02-09	Ontex Resources Ltd.	NE	480990.03	5361563.50	-45	82	125.00	0.40

Year	Drill Hole	Company	Area	UTMX (mE)	UTMY (mN)	Dip	Az	Length (m)	Overburden (m)
2002	FY-02-10	Ontex Resources Ltd.	C	480239.75	5361124.00	-45	37	135.00	12.00
2002	FY-02-11	Ontex Resources Ltd.	C	480191.65	5361215.50	-45	22	115.00	0.50
2002	FY-02-12	Ontex Resources Ltd.	C	480266.59	5361085.00	-45	55	272.00	0.19
2002	FY-02-13	Ontex Resources Ltd.	C	480224.15	5361161.00	-60	60	318.00	1.22
2003	FY-03-06	Ontex Resources Ltd.	C	480221.34	5360700.00	-42	90	130.00	12.00
2003	FY-03-07	Ontex Resources Ltd.	C	480192.12	5360818.50	-42	90	100.00	2.00
2003	FY-03-08	Ontex Resources Ltd.	C	480171.96	5360947.00	-42	90	149.00	1.00
2010	LX-10-1	W.T.P. Robert (SGX Resources)	NW	478129.00	5360848.00	-45	40	404.00	4.00
2010	LX-10-2	W.T.P. Robert (SGX Resources)	NW	477974.00	5361026.00	-45	240	308.00	25.50
2010	LX-10-3	W.T.P. Robert (SGX Resources)	NW	477776.00	5361012.00	-45	0	365.00	12.00
2010	LX-10-4	W.T.P. Robert (SGX Resources)	NW	478098.00	5361125.00	-45	180	344.00	4.00
2018-19	D-18-01	P2 Gold Inc.	NW	477630.00	5361043.00	-45	90	420.00	18.00
2018-19	D-18-02	P2 Gold Inc.	NW	477675.00	5361190.00	-45	155	378.00	20.60
2018-19	D-18-03	P2 Gold Inc.	NW	477675.00	5361190.00	-55	155	303.00	22.00
2018-19	D-18-04	P2 Gold Inc.	NW	477495.00	5360950.00	-50	204	501.00	56.90
							Total:	**6,354.57**	

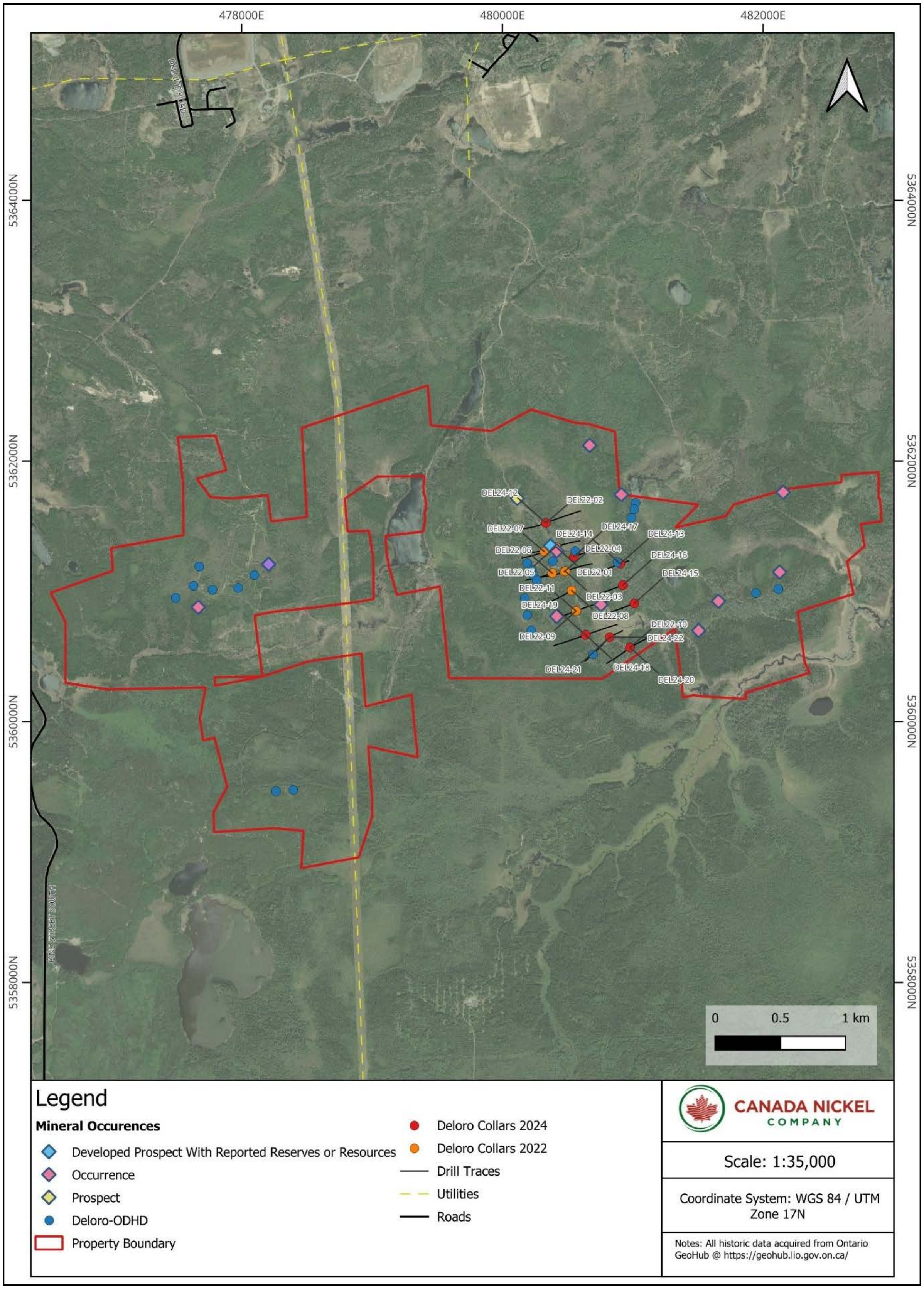

Figure 6-2. Location of historical drill holes, prospects and mineral occurrences, and collars and traces from the 2022 and 2024 drill holes completed by CNC, within the Deloro Property (*see* also Figure 6-3) (Canada Nickel, 2024).

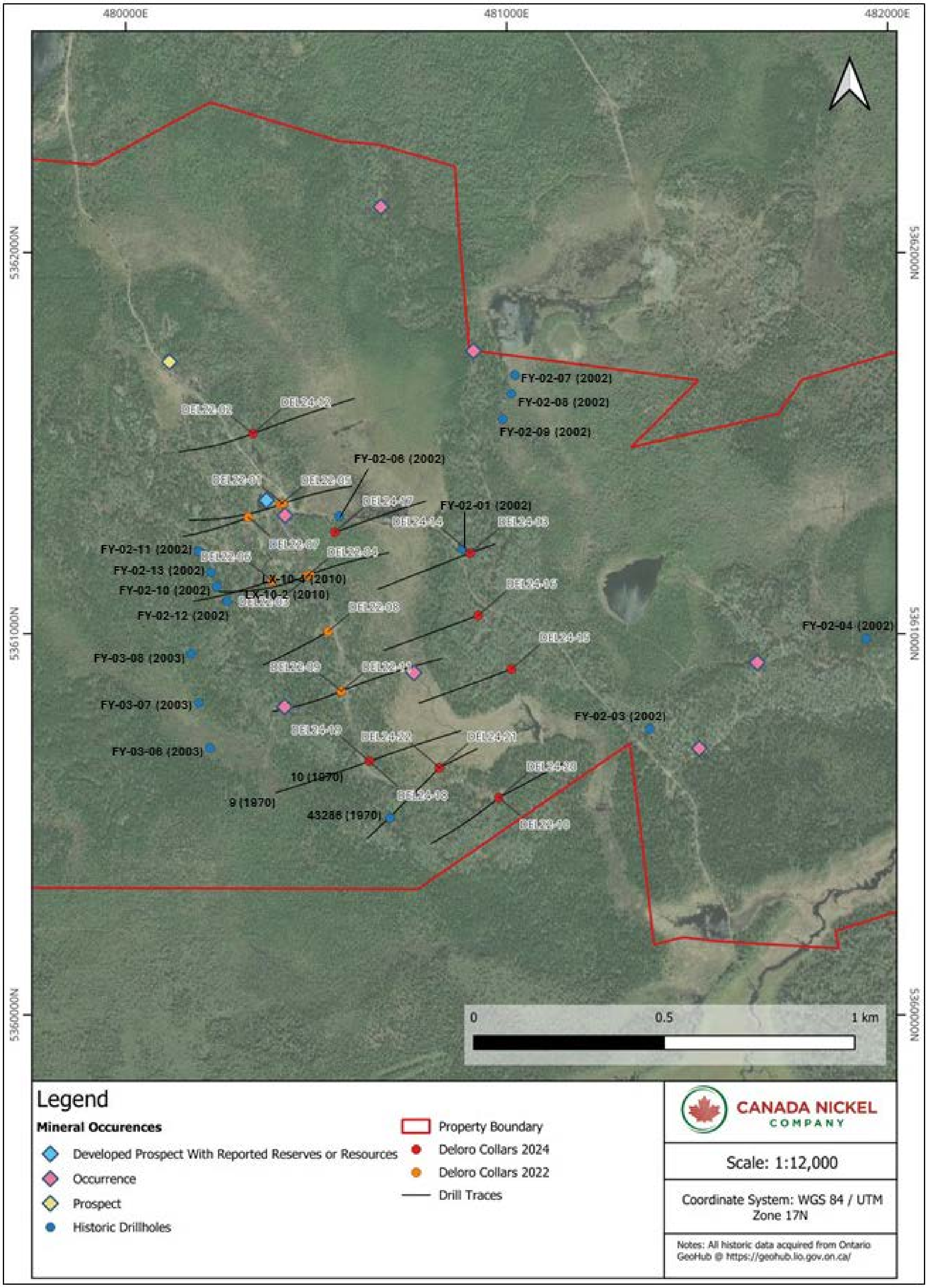

Figure 6-3. Location of historical drill holes, prospects and mineral occurrences, and collars and traces from the 2022 and 2024 drill holes completed by CNC, within the Deloro Property (*see* also Figure 6-2) (Canada Nickel, 2024).

7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Geology

The Deloro Project lies within the southwestern part of the Abitibi Subprovince of the Archean Superior Province (Figure 7-1 and Figure 7-2). The Abitibi Subprovince or Abitibi Greenstone Belt ("AGB") is the world's largest and best preserved example of an Archean supracrustal sequence. The AGB is an assemblage of volcanic, sedimentary, and intrusive rocks deformed into a roughly east-trending, 200 km wide belt exposed from the Kapuskasing Structure in Ontario to the Grenville Orogen in Quebec, a distance of 400 kilometres (Ayer *et al.*, 2005).

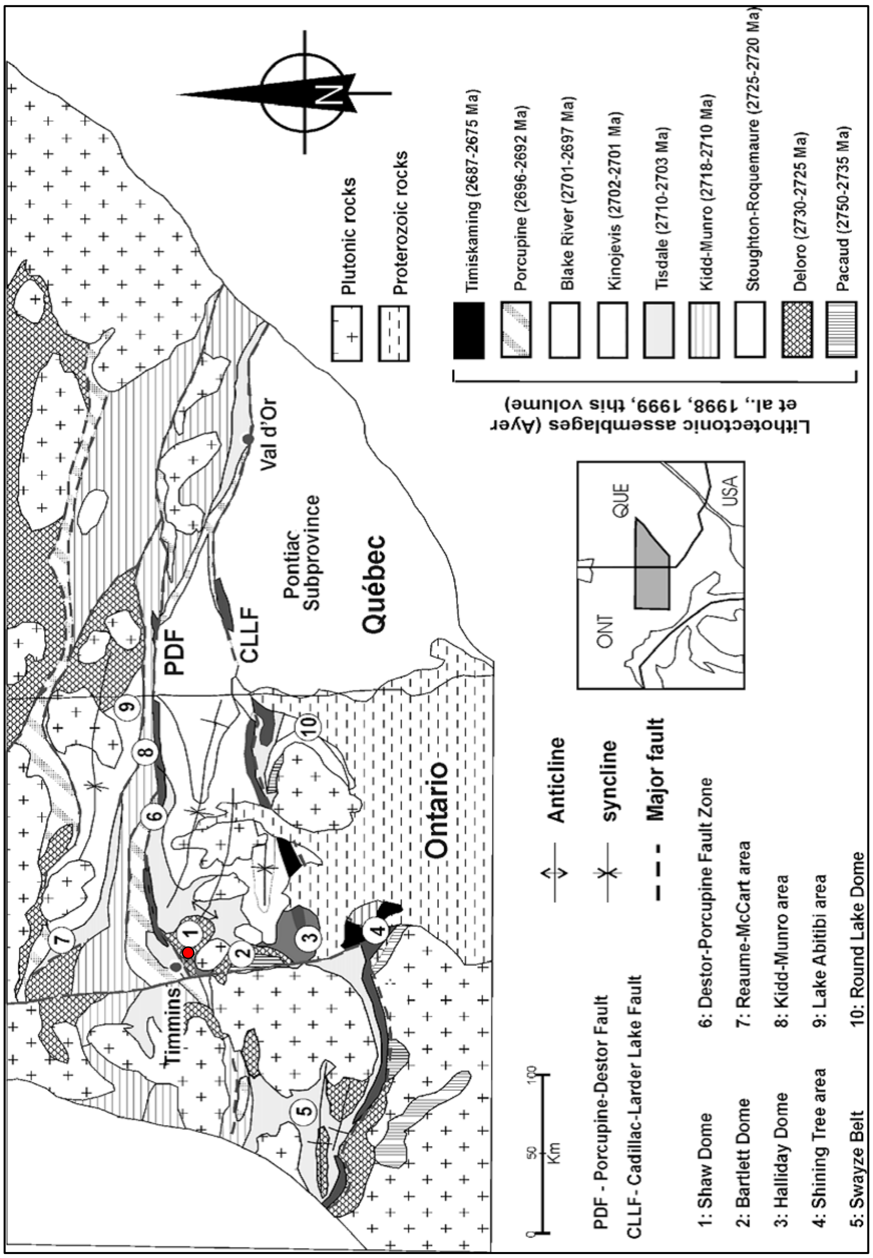

Figure 7-1. Generalized geology of the Abitibi Greenstone Belt showing the location of the Shaw Dome. The Deloro Nickel-Cobalt Sulphide Project (red dot) is located in the northwestern area of the Shaw Dome (Sproule *et al.*, 2002).

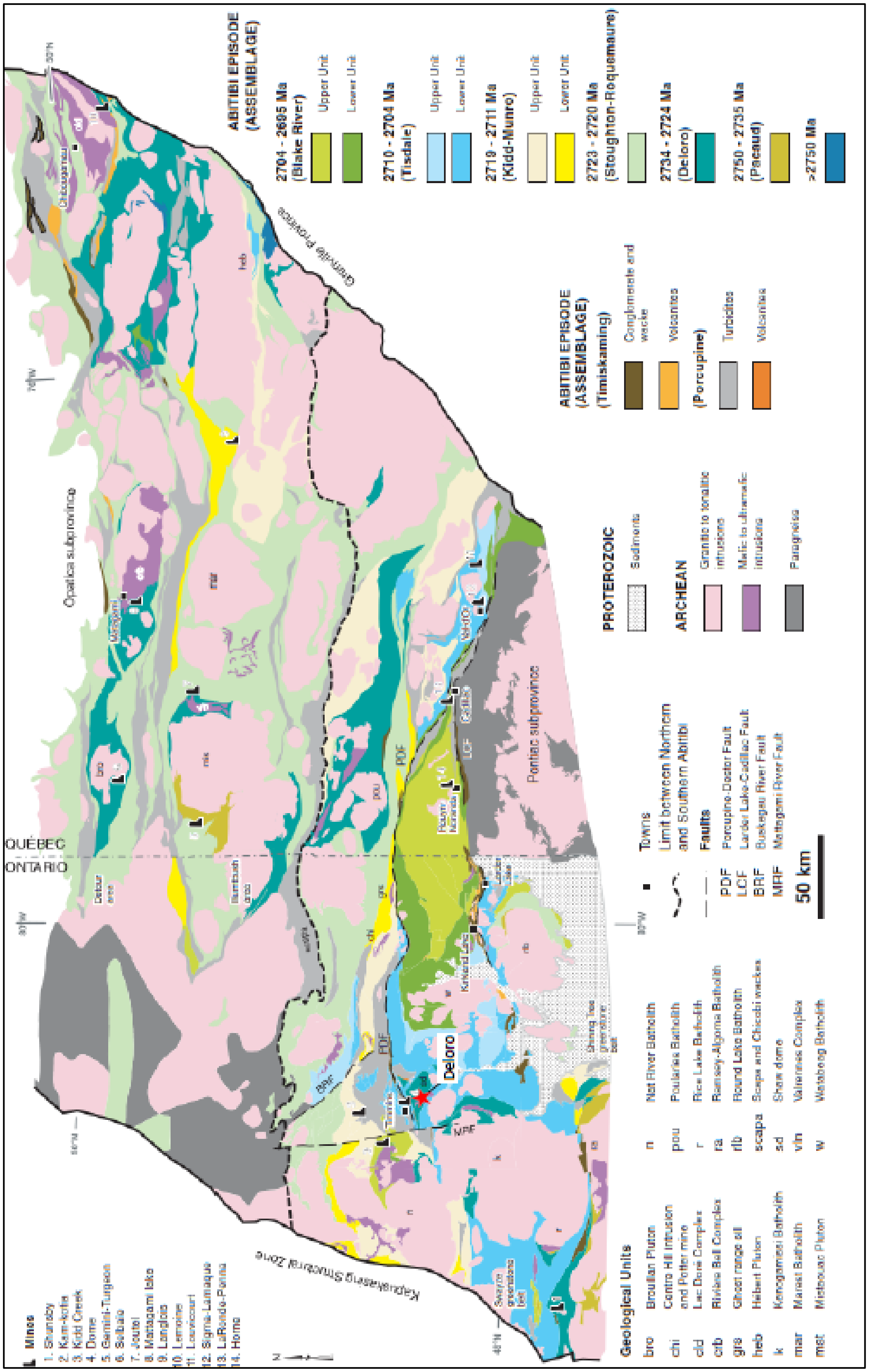

Figure 7-2. Generalized geology of the Abitibi Greenstone Belt and the location (red star) of the Deloro Nickel-Cobalt Sulphide Project (Deloro Township), northeastern Ontario (Thurston *et al.*, 2008; MERC, 2017).

The AGB developed between 2.8 to 2.6 Ga (Jackson and Fyon, 1991) and compared to all other Archean Subprovinces of the Superior Province, is uniquely well endowed with metallic mineral deposits including the mining areas of Timmins (base metals and gold), Kirkland Lake (gold), Val d'Or (gold and base metals), and Noranda (base metals and gold). These mining areas are situated along major east and northeast trending deformation zones (Destor Porcupine Deformation Zone, Cadillac-Larder Lake Deformation Zone). These were active throughout the main periods of Archean volcanism and became the focus of a late period of alkaline volcanism and sedimentation between 2680 and 2677 Ma.

Several cycles of volcanism and sedimentation are known in the southern Abitibi Subprovince (*see* Figure 7-1). These sequences usually begin with the deposition of ultramafic flows and intrusions and tholeiitic basalts which have interflow argillaceous sediments. The cycles then typically evolve into calc-alkaline flows, pyroclastic rocks and epiclastic sedimentary rocks deposited in marine to fluvial basins. The layered stratigraphy is intruded by gabbroic to granitic plutons during and after deformation and metamorphism. Metamorphic grade varies from greenschist to lower amphibolite facies. The basal komatiitic parts of the volcanic cycles are of most interest for nickel exploration.

Within the Timmins mining camp, the early Precambrian metavolcanic rocks consist of two groups known as the Deloro and Tisdale Groups. The Deloro Group is older than the Tisdale Group and the two groups are separated from one another in Whitney and Tisdale townships by the Destor Porcupine Fault Zone ("DPFZ"). Here the Tisdale Group lies to the north of the DPFZ while the Deloro Group occurs to the south. The Deloro Group is a calc-alkaline volcanic sequence of andesite to basalt flows in the lower portion and dacite flows and felsic pyroclastic units in the upper portion. The Tisdale Group is composed of komatiitic ultramafic and basalt rocks in the lower portion and overlain by a thick sequence of tholeiitic basalt rocks.

7.1.1 Lithotectonic Assemblages

The AGB has been subdivided into nine lithotectonic assemblages (Ayer *et al.*, 2002; Sproule *et al.*, 2002). Only four of these nine assemblages are generally accepted to contain komatiitic rocks and therefore considered prospective for komatiite-hosted Ni-Cu-(PGE) sulphide deposits. These four assemblages have distinct and well defined ages as well as spatial distribution (*see* Figure 7-1): the Pacaud assemblage (2750-2735Ma), the Stoughton-Roquemaure assemblage (2723-2720 Ma), the Kidd-Munro assemblage (2719-2711 Ma), and the Tisdale assemblage (2710-2703Ma). These four assemblages differ considerably in the physical volcanology and geochemistry of the komatiitic flows. It is important to note that the latter two of these assemblages contain larger volumes of high magnesium, Al-undepleted komatiite (>5% Al), while the Tisdale assemblage contains more andesitic rocks and sulphide facies iron formation (Sproule *et al.*, 2003).

Proterozoic dikes of the Matachewan Dike Swarm and the Abitibi Dike Swarm intrude all of the rock in the region. Matachewan dikes generally trend north-northwest while the younger Abitibi Dike Swarm trends northeast.

7.1.2 The Shaw Dome

The Shaw Dome is a major northwest trending anticline centred approximately 20 km southeast of Timmins (Muir, 1979; Green and Naldrett, 1981) (*see* Figure 7-1; Figure 7-3). The anticlinal structure may be a result of regional folding that affected rocks north of the Shaw Dome or, more probably, due to the diapiric action of a large granitic body which partially outcrops in the central south-east portion of the dome.

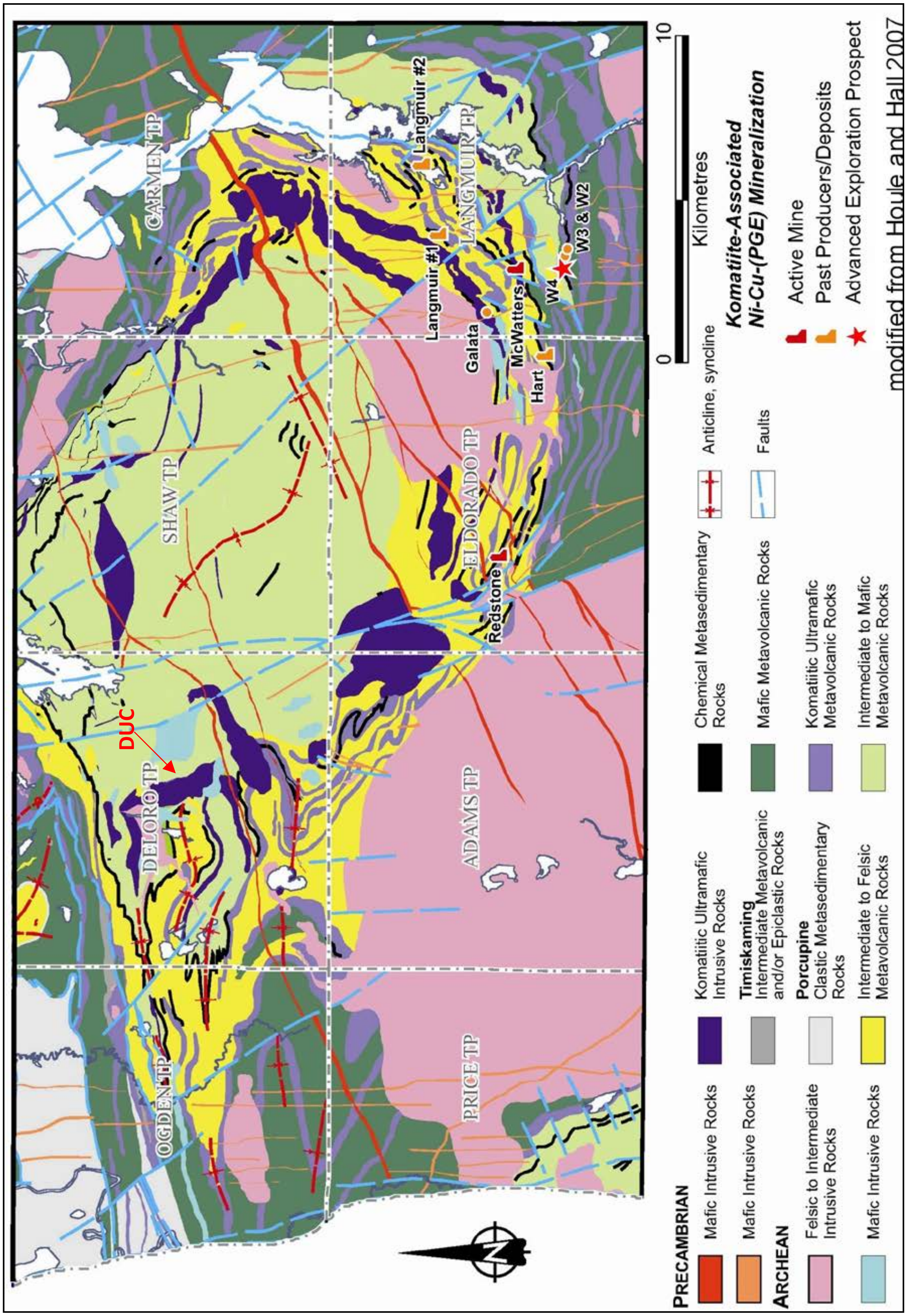

Figure 7-3. Regional geology and location of the Deloro Ultramafic Complex (DUC - red arrow), relative to the Shaw Dome (modified from Cole *et al.*, 2010; geological base map P3595 after Houlé and Hall, 2007).

Volcanic rocks associated with the Shaw Dome have been interpreted to be a part of the Deloro Assemblage (2730 to 2725 Ma: Ayer *et al.*, 2005) and the younger Tisdale Assemblage. Pyke (1982), further sub-divided these assemblages into three volcanic formations: lower, middle, and upper volcanic formations. The lower formation of the Deloro Assemblage is not exposed in the Shaw Dome, while the middle formation occupies the central part of the Shaw Dome, north of the Redstone mine.

The upper volcanic formation of the Deloro was described by Pyke (1982) to contain a relative abundance of sulphide facies iron formations and a predominance of intermediate to felsic volcanic rocks of dacitic to andesitic composition. Pyke (1982) does not mention the presence of extrusive komatiitic rock in this assemblage having mapped all of the ultramafic rocks contained within this supracrustal package as intrusive in nature (*e.g.*, Pyke, 1970a, 1970b and 1975). Pyke (1982) does, however note that there is some intercalation of the komatiite (of the Tisdale assemblage) with the Deloro Group volcanic rocks. Since, both intrusive and extrusive ultramafic rocks have been identified within the Deloro volcanic package (Hall and Houlé, 2003; Houlé *et al.*, 2017; Houlé and Guilmette, 2005) outlined by Pyke (1982). Therefore, either the assumption that the Deloro assemblage is devoid of komatiitic flows needs to be revised or the disconformity that delineates the contact between Deloro and Tisdale rocks modified (Cole *et al.*, 2010).

7.1.3 Komatiitic Rocks

Of the nine distinct lithotectonic assemblages defined in the AGB, only four of these are generally accepted to contain komatiitic rocks (ultramafic mantle-derived rock with ≥18 wt% MgO) and therefore considered prospective for komatiite-associated Ni-Cu-(PGE) sulphide deposits (Arndt *et al.*, 2008).

These four assemblages, which differ considerably in the physical volcanology and geochemistry of the komatiitic flows or subvolcanic sills, have distinct and well-defined ages as well as spatial distribution (Sproule *et al.*, 2003; Thurston *et al.*, 2008; Houle and Lesher, 2011):

- Pacaud Assemblage (2750-2735 Ma)
- Stoughton-Roquemaure Assemblage (2723-2720 Ma)
- Kidd-Munro Assemblage (2719-2711 Ma)
- Tisdale Assemblage (2710-2704 Ma)

The Kidd-Munro and Tisdale assemblages contain a much greater abundance of cumulate komatiites than the other assemblages (Figure 7-4; Table 7-1). The contact between the Deloro and Tisdale assemblages has been well recognized for its mineral endowment since the early work of Pyke in the 1970s (Houlé *et al.*, 2010).

The Kidd-Munro Assemblage is east to southeast-striking and comprises komatiitic flows, magnesium to iron-rich mafic volcanic rocks, thin rhyolite units (FIII-type to calc-alkaline), clastic sedimentary rocks (argillite and greywackes, many graphitic), and chemical sedimentary rocks (limestone, dolomite) occurring as interflow horizons. These units are intruded by mafic to ultramafic bodies and minor felsic dikes (Ayer *et al.*, 2002; Sproule *et al.*, 2005; Ayer *et al.*, 2005).

The lower part of the Tisdale assemblage ranges from 2710 to 2706 Ma in age and consists of tholeiitic mafic flows with locally developed komatiites, intermediate to felsic calc-alkalic volcanic rocks, and oxide- and sulfide-facies iron formation. Locally, the lowermost part of the lower Tisdale is underlain by calc-alkalic felsic to intermediate volcaniclastic rocks interleaved with komatiitic subvolcanic sills and komatiite flows. Over most of its exposed length, the main part of the assemblage directly overlies the Deloro assemblage, marking a profound stratigraphic gap of approximately 15 million years (Ayer *et al.*, 2002; Amelin *et al.*, 2002; Houlé *et al.*, 2010).

Almost all komatiite-associated Ni-Cu-(PGE) deposits in the AGB are interpreted to be localized in lava channels/channelized sheet flows (*e.g.*, Alexo, Hart, Langmuir, Marbridge, and Texmont) or channelized sheet sills (*e.g.*, Sothman, Dumont, Kelex-Dundeal-Dundonald South). One exception is the McWatters deposit, which occurs within a thick mesocumulate to adcumulate peridotite that is interpreted to be a synvolcanic dike (Houlé and Lesher, 2011).

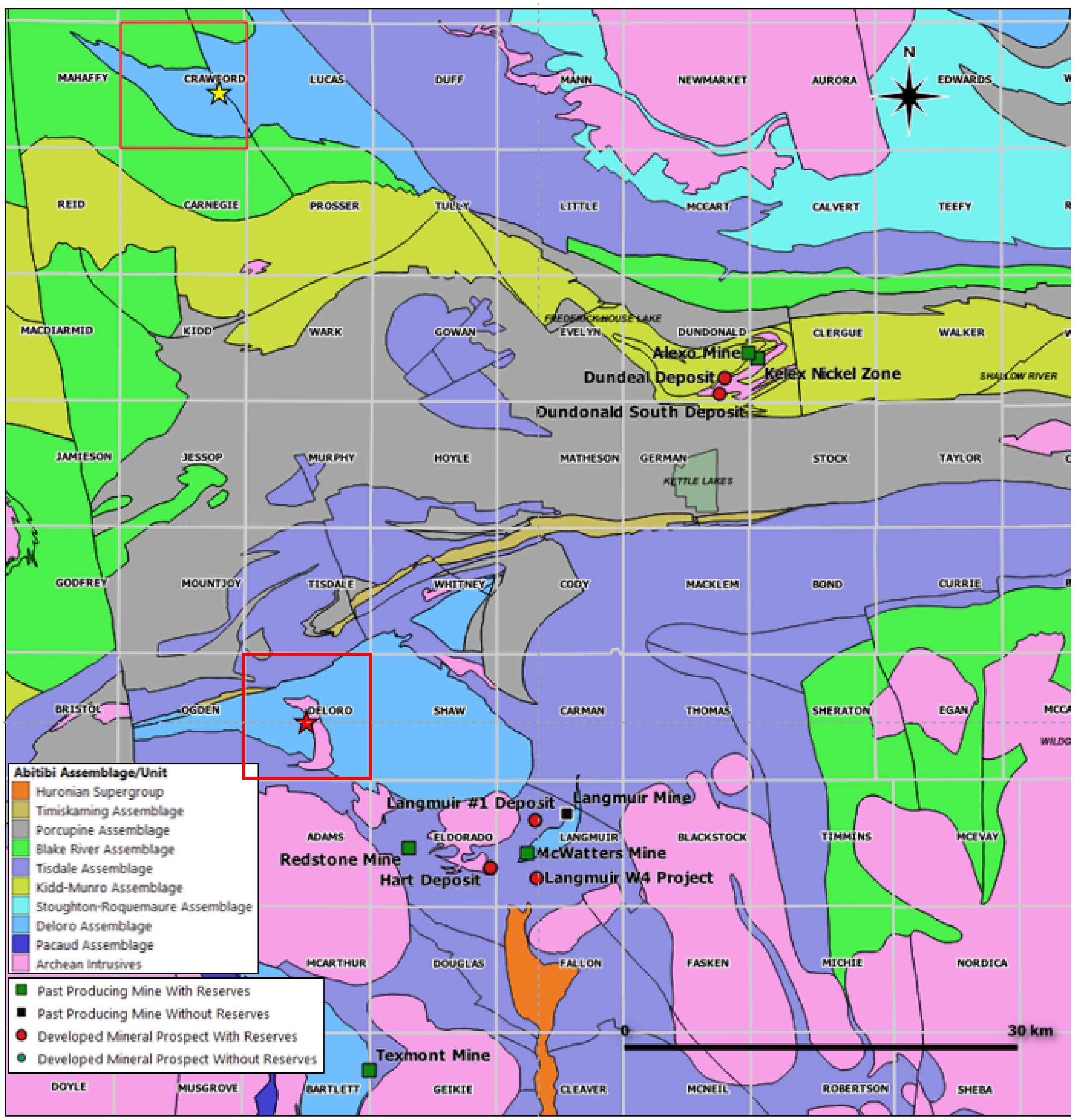

Figure 7-4. Township-scale generalized geology, past-producing nickel mines, and significant nickel deposits in the Timmins area, showing the location of the Deloro Project (red star) in Deloro Township and the location of Canada Nickels's Crawford Project (yellow star) in Crawford Township. Geology of the Abitibi Assemblages (volcanic episodes) is from Ayer *et al.*, 2005 and Ontario Geological Survey MRD155.

Table 7-1. Summary of significant mines and deposits in the AGB and their hosting assemblages (after Houlé *et al.*, 2010).

Assemblage	Location	Deposit	Source
Tisdale (ON)	Shaw Dome	Hart	Houle et al, 2010
Tisdale (ON)	Shaw Dome	Langmuir	Houle et al, 2010
Tisdale (ON)	Shaw Dome	McWatters	Houle et al, 2010
Tisdale (ON)	Shaw Dome	Redstone	Houle et al, 2010
Tisdale (ON)	Bartlett Dome	Texmont	Houle et al, 2010
Tisdale (ON)	Halliday Dome	Sothman	Houle et al, 2010
Tisdale (ON)	Bannockburn	C Zone	Houle et al, 2010
Tisdale-Deloro (ON)	Shaw Dome	Deloro	current report
Deloro (ON)	Crawford Twp.	Crawford	Jobin-Bevans *et al.*, 2020
Kidd-Munro (ON)	Dundonald Twp.	Alexo-Dundonald	Houle et al, 2010
Kidd-Munro (ON)	Munro Twp.	Mickel	Houle et al, 2010
Malartic Group (QC)	La Motte Twp.	Marbridge	Houle et al, 2010
Malartic Group (QC)	La Motte Twp.	Bilson	Houle et al, 2010
Malartic Group (QC)	Amos Area	Dumont	Houle et al, 2010

7.1.4 Economic Geology

The Timmins Mining camp has a history of nickel production from komatiite-associated Ni-Cu-(PGE) deposits (Table 7-2; see Figure 7-4). Several of these deposit types have been identified within the Kidd-Munro Assemblage (*e.g.*, Alexo, Dundonald, Mickel, and Marbridge) and the Tisdale Assemblage (*e.g.*, Hart, Langmuir, Redstone, Texmont, and Sothman). Specifically, the contact between the Deloro and Tisdale assemblages hosts several komatiite-associated Ni-Cu-(PGE) deposits (Houlé *et al.*, 2010; Mercier-Langevin *et al.*, 2017).

Table 7-2. Pre-mining geological resource estimates plus mined ore, Komatiite-hosted Ni-Cu-(PGE) mines/deposits, Timmins Mining Camp, Ontario (after Atkinson *et al.*, 2010).

Mine	Years of Production	Ore milled	% Ni	% Cu
Alexo	1912-1919	51,857 tons	4.5	0.55
	1943-1944	4,923 tons		
Alexo / Kelex	2004-2005	17 398 tonnes	2.3	0.23
Langmuir No. 1	1990-1991	111,502 tons	1.74	
Langmuir No. 2	1972-1978	1.1 M tons	1.47	
McWatters	2008	15 361 tonnes	0.55	
	2009	7 664 tonnes	0.41	
Montcalm	2004-2008	3 722 929 tonnes	1.26	0.67
Redstone	1989-1992	294,895 tons	2.4	
	1995-1996	10,228 tons	1.7	
	2006-2008	133 295 tonnes	1.92	
	2009	36,668 tonnes	1.16	
Texmont	1971-1972	unknown		

The QP (Scott Jobin-Bevans) has been unable to verify this information and as such this information is not necessarily indicative of the mineralization on the Property that is the subject of the Report.

In addition to nickel, the Timmins-Porcupine Gold Camp of northeastern Ontario represents the largest Archean orogenic greenstone-hosted gold camp in the world in terms of total gold production (*e.g.*, Monecke *et al.*, 2017; Monecke *et al.*, 2019).

7.2 Local and Property Geology

The main source for the local and Property geology is the Ontario Geological Survey Precambrian geological map P.3528 of Deloro Township (Hall *et al.*, 2003). The Property is located in the northwestern portion of the Shaw Dome and is underlain by the following lithologies:

- Felsic to Intermediate Intrusive Rocks.
- Syntectonic Mafic and Ultramafic Intrusive Rocks.
- Chert-rich Iron Formation.
- Felsic to Intermediate Metavolcanic Rocks.
- Mafic Metavolcanic Rocks.

The ultramafic rocks intrude mafic to intermediate metavolcanics consisting of basaltic to andesitic flows, tuffs, and breccias. A swarm of younger mafic (diabase) dikes cross-cut the Property, trending generally north-northeast and east. Feldspar porphyry dikes cross-cut the intrusion, generally in the northwest of the Property, with north-south orientations.

7.2.1 Deloro Ultramafic Complex (DUC)

The main geological target in the Deloro Project consists of a north-northwest trending ultramafic dunite-peridotite intrusion (Deloro Ultramafic Complex or “DUC”). Based on the 2022 drilling campaign completed by the Company and geophysical data, DUC is approximately 1.7 km along strike and about 700 m thick, open at depth (Ferron, 2024). The DUC is shown to intrude the Deloro and Tisdale assemblages (*see* Figure 7-4).

7.2.2 Structure

North of the northern Property boundary in the northern area of Deloro Township (northern margin of the Shaw Dome), there is an approximately 100 m-wide east to northeast-trending high-strain deformation zone, which is interpreted as the locus of the Destor-Porcupine Fault Zone (DPFZ) or Porcupine–Destor Deformation Zone (“PDDZ”).

The stratigraphy in the area of the Property is highly complicated by the presence of a number of facing reversals related to the PDDZ. This includes the many north to northwest-trending faults and east to northeast-trending faults (several are contact associated) cross the Property (Houle *et al.*, 2010; Hall *et al.*, 2003).

7.2.3 Alteration

Rocks in Deloro Township have undergone greenschist facies metamorphism with widespread carbonate, chlorite and sericite alteration in volcanic rocks and serpentinization in ultramafic rocks (*i.e.*, dunite, peridotite).

The ultramafic rocks (dunite and peridotite) of the DUC have undergone significant serpentinization. The process of serpentinization involves the introduction of water into the rock which leads to a substantial volume increase. Fresh, unaltered dunite and peridotite typically has an SG ranging from 3.2 to 3.4 g/cm^3. Core samples from drilling at Deloro have specific gravity measurements ranging from about 2.45 to 3.00 g/cm^3, much lower than fresh ultramafic rock. This, along with observations recorded from drill core, support the inference that the rocks have been strongly serpentinized.

Serpentinization breaks down the olivine and other silicate minerals, resulting the liberation of nickel and iron in a strongly reducing environment. The result is the liberation and partitioning of nickel into low-sulphur sulphides like heazlewoodite, into the nickel-iron alloy, awaruite, and into the hydrothermal nickel sulphide, millerite (Gole, 2014; Sciortino *et al.*, 2015).

Primary sulphides such as pentlandite and pyrrhotite, along with their primary textures, remain present across the DUC. The serpentinization process also increases magnetic susceptibility of these deposits resulting in a magnetic high, accompanied by a gravity low due to the decrease in rock density from serpentinization; these make for good geophysical targets.

7.3 Mineralization

Within Deloro Township, several prominent ultramafic to mafic bodies (*i.e.*, volcanic flows and sub-volcanic sills) offer the potential for magmatic sulphide, nickel, copper, cobalt, and platinum-group element (PGE) style of mineralization. This mineralization forms the principal target deposit type for the Deloro Nickel-Cobalt Sulphide Project, which in this case is Komatiite-hosted Ni-Co-PGE sulphide mineralization hosted within the DUC (*see* Section 8.0 - Deposit Types).

The DUC is a north-northwest trending ultramafic dunite-peridotite intrusion which, based on historical and 2022 drilling and geophysical data, is approximately 1.7 km along strike, about 700 m thick, and open at depth (Ferron, 2024). Mineralization within the Deloro Deposit extends for about 1.4 km along strike, 400 to 600 m in width and about 440 m depth (*see* Section 14.0 – Mineral Resource Estimates). The DUC is host to primary sulphides such as pentlandite and pyrrhotite and secondary sulphur-poor sulphide (heazlewoodite), nickel-iron alloy (awaruite), nickel-rich millerite, and nickel-arsenide nickeline or niccolite (Ferron, 2024).

A summary of mineralized occurrences, prospects and developed prospects within the Property boundary is provided in Table 7-3.

Table 7-3. Summary of prospects and occurrences reported within the Deloro Project boundary (MDI, 2024).

Name	Type	Primary	Secondary
Ontex Sample 65265	Occurrence	Nickel	-
Ontex Sample 6676	Occurrence	Gold	-
Ontex Sample 65420	Occurrence	Nickel	-
Bowman Pit	Developed Prospect With Reported Reserves or Resources	Asbestos	-
Deloro Nickel	Occurrence	Nickel, Gold, PGE	Asbestos
Ontex Resources DDH Fy-02-05	Occurrence	Copper	Gold
Jodelo	Prospect	Gold	-
Collins Nickel	Occurrence	Nickel	Asbestos

Name	Type	Primary	Secondary
Ontex Resources DDH Fy-02-03	Occurrence	Copper	Gold
O'Shea Shear Zone	Occurrence	Gold, Nickel	-

8.0 DEPOSIT TYPES

The Deloro Deposit is hosted by a thick, differentiated ultramafic body with primary disseminated and bleb nickel sulphide, commonly pentlandite with minor pyrrhotite, and chalcopyrite (Ferron, 2024). Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO. Sulphide mineralization discovered to date on the Deloro Project can be characterized as a Komatiite-hosted Type II Ni-Cu-Co-(PGE) deposit type (Ferron, 2024), which is the second type as characterized by Lesher and Keays (2002):

1) Type I - Kambalda-style: channelized flow theory; komatiite-hosted; dominated by net-textured and massive sulphides situated at or near the basal ultramafic/footwall contact with deposits commonly found in footwall embayments up to 200 m in strike length, 10s to 100s of metres in down-dip extent, and metres to 10s of metres in thickness; generally on the order of millions of tonnes (generally <5 Mt) with nickel grades that are typically much greater than one percent nickel; tend to occur in clusters (*e.g.*, Alexo-Dundonald, Ontario; Langmuir, Ontario; Redstone, Ontario; Montcalm, Ontario; Thompson, Manitoba; Raglan, Quebec).
2) Type II - Mt. Keith-style: sheet flow theory; thick komatiitic olivine adcumulate-hosted; disseminated and bleb sulphide, hosted primarily in a central core of a thick, differentiated, dunite-peridotite dominated, ultramafic body; more common nickel sulphides such as pyrrhotite and pentlandite but also sulphur poor mineral Heazlewoodite (Ni_3S_2) and nickel-iron alloys such as Awaruite (Ni_3-Fe); generally on the order of 10s to 100s of million tonnes with nickel grades of less than one percent (*e.g.*, Mt. Keith, Australia; Dumont Deposit, Quebec).

The Mt. Keith deposit (aka MKD5), located in the Yilgarn Craton of Western Australia, was first drill-tested and discovered in 1968 and put into production in 1993 (Butt and Brand, 2003). The MKD5 deposit is hosted by a serpentinized dunite within a larger, lenticular peridotite-dunite komatiite body, the Mt. Keith Ultramafic Complex and has a complex residual regolith profile of more than 75 m thickness (up to 120 m weathering profile). Ultramafic-hosted disseminated nickel sulphide mineralization strikes for 2 km, is 350 m wide, and is open below 600 m depth. In 2002, the deposit had proven and probable reserves of 299 Mt grading 0.56% Ni (0.4% Ni cut-off) (Butt and Brand, 2003).

8.1 Komatiite Emplacement Models

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

Komatiitic rocks are derived from high degree partial melts of the Earth's mantle. Due to the high degree of partial melting the komatiitic melt is enriched in elements such as nickel and magnesium. When erupted, the melts have a low viscosity and tend to flow turbulently over the substrate eroding the footwall lithologies through a combination of physical and chemical processes.

Due to the low viscosity of the komatiitic melts, the lavas tended to concentrate in topographic lows. Komatiitic eruptions have been envisaged to have a high effusion rate and large volumes of lava and/or magma. The Mt. Keith-style of deposits are no exception, interpreted to be large volume sheet flows several hundreds of metres thick by several kilometres to tens of kilometres long and are composed primarily of olivine adcumulate to mesocumulate.

Further downstream, more distal from the eruptive source, the komatiitic flows become channelized, similar to a river channel today, and begin to erode the substrate forming more defined channel feature. This channelization is the cornerstone of the Kambalda model. Denser sulphides would tend to accumulate in the bottom of the channel-like features under the influence of gravity. As the eruption continued the channel would fill with olivine mesocumulate to adcumulate because of the constantly replenished magnesium-rich komatiitic melt.

As the eruption waned the channel would be capped by a sequence of regressive komatiitic flows composed of komatiitic pyroxenite and basalts. In order to develop Ni-Cu sulphides, the komatiitic melt must become sulphide saturated. A komatiitic melt will become sulphur saturated when an external source of sulphur is introduced to the melt by assimilation of a sulphide-rich lithology or by differentiation or contamination of a komatiitic melt until the sulphur content exceeds the saturation point. A strong relationship exists between the presence of footwall lithologies rich in sulphide and the development of Ni-Cu sulphide deposits in the overlying komatiitic flows. This association is strongest in the Kambalda-style Ni-Cu sulphide deposits. Differentiation or the assimilation of rocks rich in certain elements may result in the oversaturation of the komatiitic melt in sulphur. This is the mechanism related to the development of the Mt. Keith-style of deposits.

Komatiite-hosted Ni sulphide deposits, whether they are Archean (*e.g.*, Kambalda, Australia) or Proterozoic (*e.g.*, Thompson, Manitoba; Raglan, Quebec) occur in clusters of small sulphide bodies generally less than 1 Mt. At 1:250 000 scale, these deposits usually occur at a pronounced thickening of ultramafic stratigraphy, and at 1:5 000 scale, these deposits occur as net-textured to massive sulphide in small embayments up to 200 m in strike length, tens to hundreds of metres in down-dip length and metres to tens of metres thick. The shape can be cylindrical, podiform, or in rare instances tabular.

8.1.1 Komatiite Volcanic Facies

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

- thin differentiated flows (TDF)
- compound sheet flows with internal pathways (CSF)
- dunitic compound sheet flows (DCSF)
- dunitic sheet flows (DSF)
- layered lava lakes or sills (LLLS).

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

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

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

9.0 EXPLORATION

Other than diamond drilling (*see* Section 10.0 - Drilling), Canada Nickel has not completed any other exploration work on the Deloro Nickel-Cobalt Sulphide Project.

10.0 DRILLING

From 13 January to 28 February 2022 and 1 June to 19 June 2022, Canada Nickel completed 4,312 m (11 NQ-size holes) of diamond drilling in a Phase 1 drilling program. From 26 January to 12 March 2024, Canada Nickel completed 3,930.58 m (11 NQ-size holes) of diamond drilling in a Phase 2 drilling program (Figure 10-1; Table 10-1). The drilling programs were successful in testing and delineating a broad, north-northwest trending ultramafic complex (DUC), originally identified from aeromagnetic data and regional geological maps (Ferron, 2022 and 2024).

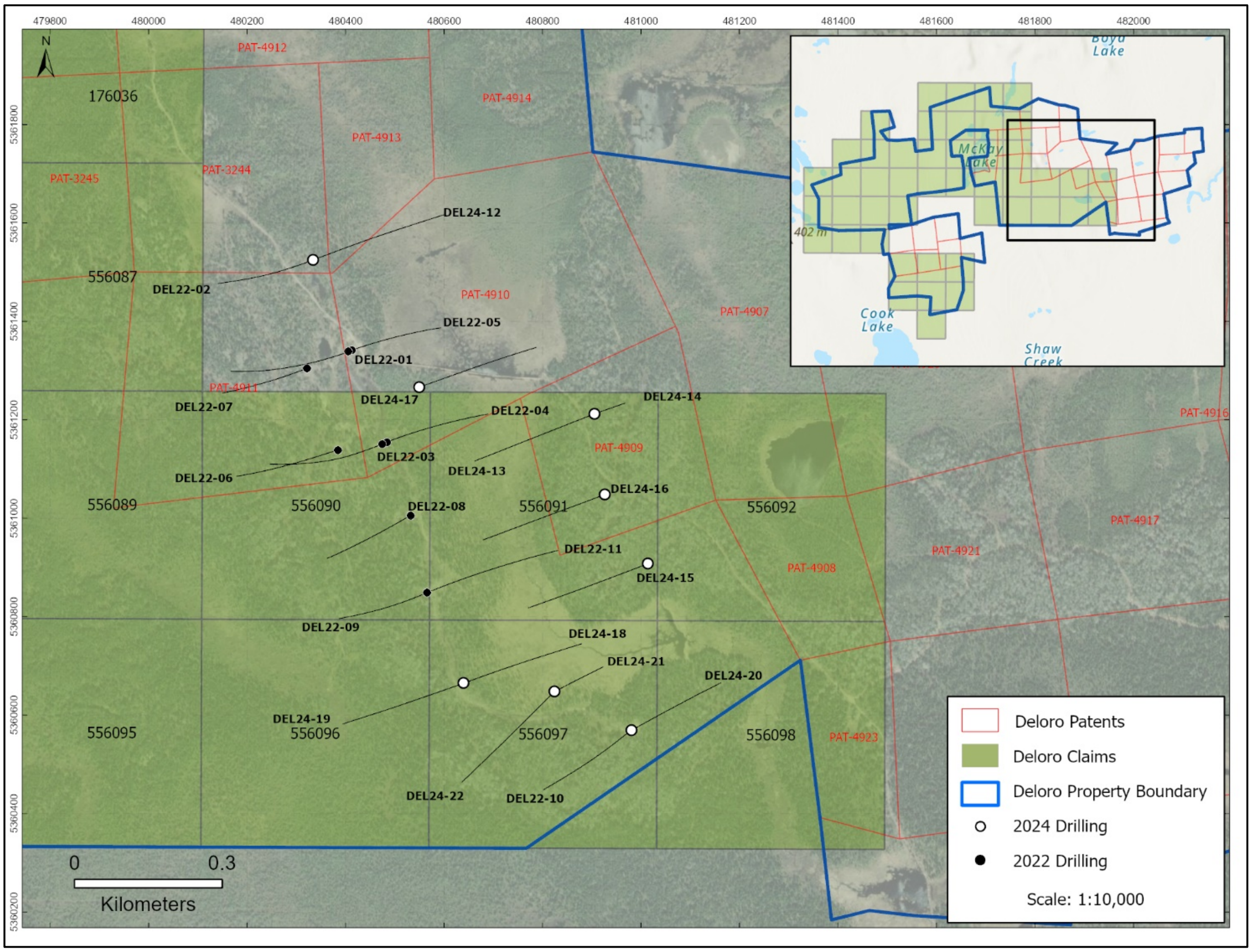

Figure 10-1. Plan view showing diamond drill hole traces from the DEL-series 2022 (11-hole) and 2024 (11-hole) diamond drilling programs, Deloro Nickel-Cobalt Sulphide Project (Canada Nickel, 2024).

Table 10-1. Summary of 2022 and 2024 diamond drill holes completed by Canada Nickel, Deloro Project.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMX (m)	Length (m)	Az	Dip
DEL22-01	480413.00	5361341.00	320.00	492.00	248	-60
DEL22-02	480334.00	5361525.00	320.00	411.00	248	-60
DEL22-03	480484.00	5361154.00	320.00	434.00	248	-60
DEL22-04	480475.00	5361151.00	320.00	401.00	68	-60
DEL22-05	480406.00	5361339.00	320.00	401.00	68	-60

Drill Hole	UTMX (mE)	UTMY (mN)	UTMX (m)	Length (m)	Az	Dip
DEL22-06	480384.00	5361139.00	341.00	347.00	248	-50
DEL22-07	480322.00	5361305.00	290.00	278.00	248	-50
DEL22-08	480532.00	5361006.00	321.00	402.00	248	-60
DEL22-09	480566.00	5360849.00	320.00	402.00	248	-60
DEL22-10	480980.00	5360570.00	320.00	342.00	230	-50
DEL22-11	480566.00	5360849.00	320.00	402.00	70	-45
DEL24-12	480334.00	5361525.00	317.40	441.00	71	-50
DEL24-13	480905.00	5361212.00	317.30	403.58	250	-50
DEL24-14	480905.00	5361212.00	317.30	102.00	70	-50
DEL24-15	481013.20	5360907.50	319.90	405.00	250	-50
DEL24-16	480926.00	5361048.00	319.30	408.00	250	-50
DEL24-17	480549.00	5361266.00	318.00	402.00	70	-50
DEL24-18	480640.00	5360665.00	313.90	401.00	70	-50
DEL24-19	480640.00	5360665.00	313.90	402.00	250	-50
DEL24-20	480980.00	5360569.00	319.10	396.00	60	-60
DEL24-21	480824.00	5360648.00	318.00	168.00	62	-50
DEL24-22	480824.00	5360648.00	318.00	402.00	225	-50
			Total:	**8,242.58**		

All of the drill holes in Table 10-1 were used in the calculation of the current Mineral Resource Estimate (*see* Section 14.0 – Mineral Resource Estimates).

10.1 Drilling Process and Drill Core Handling

The 2022 drilling was completed in two programs, the first (winter) contracted to the FCDD drilling company and the second (summer) contracted to NPLH drilling company. The 2024 winter drilling program was contracted to NPLH drilling company.

An all year-round road crosses the Property and access can be achieved using regular pickup trucks. However, access to each drill hole site was done by Sherp ATV during the winter and trucks / ATV, during the summer. The drilling programs were supervised by CNC personnel (Curtis Ferron, Project Geologist; Edwin Escarraga (Director of Exploration), and Adam Gauthier (Field Superintendent - field logistics).

The recovered drill core was placed in sequential order into marked and measured wooden core trays. The core boxes were transported from the drill rig to a drill lay-down at the Deloro site by the NPLH foreman of shift. CNC personnel picked up the core and delivered it to the Canada Nickel core shack at 170 Jaguar Drive, Timmins, where the core was quick-logged (same day) and programmed for detailed logging and sampling by the CNC geologists and geotechnicians.

10.2 Drill Rig Alignment

Alignment of the drill rig begins with front and/or back sight pickets placed at roughly 25 m from the planned collar location. The front/back sights indicate the general azimuth for orienting the pad on which the drill will be placed. Once the drill rig has been mobilized to the collar location, the true alignment is determined using a REFLEX TN14 Gyrocompass (north-seeking), which makes use of a continuously driven gyroscope to seek the direction of true (geographic) north. The TN14 has a visual interface built into a handheld unit, that provides the alignment data for the geologist on shift to confirm the orientation. Inclination or dip is measured using a manual clinometer and confirmed with the TN14 tool as well. The TN14 data is then synced to the Company's cloud (referred to as IMDEXHUB), which can then be accessible remotely.

10.3 Drill Collar Surveys

All the drill hole collar locations, were determined through a differential GPS (DGPS) survey with sub-metre accuracy. DGPS drill hole collar surveys were carried out by contractor Talbot Surveys Inc. of Timmins, Ontario after the drill hole was completed. All collars surveyed are top of casing at ground elevation. The database records the original handheld GPS location (accuracy of approximately ±3 m), and the final DGPS surveyed location.

10.4 Drill Hole Surveys

Down-the-hole drill hole surveys are initiated immediately following the placement of the casing and then every 50 m afterward, using a Reflex gyrocompass system (SPRINT-IQ). These preliminary surveys serve the purpose of informing the geologists on deviation in real time. After the hole is finished, a survey is completed before removing the rods, in this case the final survey is a "continuous" survey, taking measurements approximately every 5 metres. The data is synced and accessed through the IMDEXHUB.

10.5 Analytical Results

The diamond drilling program was successful in targeting and delineating a bulk-tonnage Type II Ni-Co (PGE) deposit with primary disseminated and bleb sulphide and secondary sulphides and Ni-Fe alloy. All holes intersected multiple 100 m+ intersections of mineralized ultramafic-mafic rocks. A summary of selected core assay results from the 2022 and 2024 diamond drilling is provided in Table 10-2.

Table 10-2. Selected core assay results, 2022 and 2024 diamond drilling programs.

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Cr (%)	Fe (%)	S (%)
DEL22-01	**1.80**	**487.00**	**485.20**	**0.25**	**0.010**	**0.003**	**0.003**	**0.22**	**5.03**	**0.030**
incl.	234.00	365.90	131.90	0.27	0.011	0.003	0.003	0.24	5.27	0.030
incl.	373.50	464.90	91.40	0.28	0.011	0.003	0.003	0.37	5.20	0.030
DEL22-06	54.50	128.20	73.70	0.20	0.011	0.003	0.006	0.49	5.82	0.040
and	140.50	281.90	141.40	0.21	0.012	0.028	0.023	0.50	6.59	0.100
incl.	227.50	260.00	32.50	0.27	0.012	0.049	0.034	0.57	6.55	0.140
incl.	248.30	260.00	11.70	0.33	0.014	0.103	0.055	0.69	7.50	0.200
DEL22-07	3.10	113.00	109.90	0.19	0.011	0.021	0.015	0.39	6.32	0.020
and	128.20	216.40	88.20	0.17	0.011	0.018	0.016	0.39	6.72	0.040
incl.	129.50	159.50	30.00	0.24	0.013	0.039	0.028	0.46	7.20	0.090
DEL22-09	**9.00**	**402.00**	**393.00**	**0.26**	**0.010**	**0.003**	**0.006**	**0.25**	**4.66**	**0.040**
incl.	58.50	99.00	40.50	0.28	0.010	0.003	0.005	0.45	4.51	0.010
incl.	218.50	269.50	51.00	0.28	0.011	0.003	0.005	0.14	4.71	0.100

Drill Hole	From (m)	To (m)	Interval (m)	Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Cr (%)	Fe (%)	S (%)
DEL22-10	3.00	87.00	84.00	0.23	0.010	0.003	0.005	0.22	5.63	0.090
and	123.50	203.00	79.50	0.25	0.010	0.003	0.005	0.16	4.92	0.100
and	235.30	322.70	87.40	0.25	0.010	0.003	0.005	0.23	5.09	0.130
DEL24-12	**9.90**	**441.00**	**431.10**	**0.26**	**0.010**	**0.003**	**0.005**	**0.28**	**5.25**	**0.100**
incl.	103.50	130.50	30.00	0.30	0.010	0.003	0.005	0.20	5.00	0.030
DEL24-13	**6.00**	**187.50**	**181.50**	**0.24**	**0.010**	**0.003**	**0.005**	**0.23**	**4.89**	**0.060**
and	222.00	277.00	55.00	0.25	0.010	0.003	0.005	0.22	5.25	0.050
and	289.90	402.00	112.10	0.25	0.010	0.003	0.005	0.21	5.20	0.070
DEL24-14	5.30	92.70	87.40	0.22	0.010	0.003	0.005	0.19	4.75	0.050
DEL24-15	**6.00**	**164.00**	**162.00**	**0.24**	**0.010**	**0.004**	**0.006**	**0.17**	**5.59**	**0.090**
and	202.60	377.60	175.00	0.25	0.010	0.003	0.005	0.24	5.35	0.100
DEL24-16	**9.50**	**219.50**	**210.00**	**0.20**	**0.010**	**0.004**	**0.005**	**0.18**	**5.63**	**0.050**
and	234.00	286.50	52.50	0.23	0.010	0.003	0.004	0.24	5.70	0.040
and	361.00	408.00	47.00	0.26	0.010	0.003	0.004	0.20	5.33	0.060
DEL24-17	**35.80**	**329.10**	**293.30**	**0.27**	**0.010**	**0.003**	**0.003**	**0.18**	**5.13**	**0.050**
and	379.00	402.00	23.00	0.23	0.010	0.003	0.003	0.22	5.11	0.040
DEL24-18	**9.00**	**233.50**	**224.50**	**0.26**	**0.010**	**0.003**	**0.005**	**0.18**	**4.84**	**0.080**
and	371.60	401.00	29.40	0.23	0.010	0.003	0.005	0.46	5.83	0.080
DEL24-19	12.00	67.00	55.00	0.17	0.010	0.006	0.006	0.33	7.52	0.010
and	206.70	354.00	147.30	0.22	0.010	0.003	0.004	0.22	6.27	0.020
DEL24-20	3.00	319.60	316.60	0.24	0.010	0.003	0.005	0.13	4.88	0.100
DEL24-22	75.20	270.00	194.80	0.19	0.010	0.007	0.011	0.38	6.84	0.040

These consistently broad intervals (100s of metres) of anomalous nickel (>0.20% Ni) from near surface to depth are similar to those reported in the Crawford Deposit (*e.g.*, Canada Nickel news releases dated 4 April 2022 and 26 October 2021; Lane *et al.*, 2022), also being explored by the Company.

11.0 SAMPLE PREPARATION, ANALYSIS AND SECURITY

11.1 Introduction

Mr. Steve Balch (P.Geo.), a qualified person as defined by NI 43-101, is responsible for the ongoing drilling and sampling program, including quality assurance (QA) and quality control (QC), together QA/QC. The Company has put down a total of 22 diamond drill holes on the Deloro Property, eleven (11) in 2022 and eleven (11) in 2024; a total of 4,661 samples for multi-analysis have been prepared from this core.

The core is marked and sampled at primarily 1.5-metre lengths and cut with diamond blade saws. Samples are bagged with QA/QC samples inserted into the sample stream at the recommended rate in each batch of 20 samples. Samples (60 per lot) are transported in secure bags directly from the Company core shack to Activation Laboratories Ltd. (Actlabs) in Timmins or by commercial truck transport (Manitoulin Transport Inc.) to SGS Canada Inc. (SGS) in Lakefield, Ontario. In general, the core recovery for the diamond drill holes on the Property has been better than 95% and little core loss due to poor drilling methods or procedures has been experienced.

In the opinion of the QP (John Siriunas), the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for a preliminary economic assessment. The Authors (QPs) are independent of the analytical laboratories used by the Company, Activation Laboratories Ltd. and SGS Canada Inc.

11.2 Sample Collection and Transportation

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

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

11.3 Core Logging and Sampling Procedures

CNC leases logging, sample preparation and exploration office space at 170 Jaguar Drive in Timmins which is approximately 20 km from the Project area. This section describes the protocols followed at the latter facility.

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

Core is first turned and aligned to be sure the same side of the core is being marked, cut and sampled. Core is measured and the nominal sampling interval of 1.5 metres is marked and tagged for the entirety of the drill hole by a geotechnician. Samples are identified by inserting two identical prefabricated, sequentially numbered, weather-resistant sample tags at the end of each sample interval. Magnetic susceptibility is measured at every three-metre block, taking a minimum of two readings (averaged) and a third reading if the first two readings are significantly different. The relative density of core samples (specific gravity or SG) is calculated from core in one out of every four core boxes that contain the target ultramafic rocks. The logging geologist determines if additional SG measurements need to be made. The geotechnician writes the SG measurement directly on the core that was measured. Core is stored sequentially, hole by hole, in racks ahead of the logging process.

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

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

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

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

11.4 Analytical

Activation Laboratories Ltd., a geochemical services company accredited to international standards, with assay lab ISO 17025 certification, certification to ISO 9001:2008 and CAN-P-1579 (Mineral Analysis), was used for the majority of the analytical requirements related to the Project. The Actlabs laboratory in Timmins, Ontario carried out the sample login/registration, sample weighing, sample preparation and analyses. Actlabs certificates and report numbers are prefixed with an "A" and year designation (*e.g.*, A19-, A20- etc.)

SGS Canada Inc., likewise a geochemical services company accredited to the same international standards as Actlabs, was used for some of the analytical requirements as the Actlabs facility became overtaxed with service requests. Sample preparation by SGS was carried out in Lakefield, Ontario while analyses were performed at SGS' facilities in Burnaby, BC with some analyses being performed at SGS' facilities in Lima, Perú. SGS certificates and report numbers are prefixed with a "BBM" and year designation (*e.g.*, BBM21-) for the Burnaby lab or "GQ" for the lab in Lima.

Actlabs and SGS are both independent of Canada Nickel.

Platinum group elements (PGEs) palladium (Pd) and platinum (Pt), and precious metal gold (Au) were analyzed using a fire assay (FA) digestion of 30 g of sample material followed by an ICP-OES determination of concentration. Base metals and other elements (total of 20 elements are reported herein including Al, As, Be, Ca, Co, Cr, Cu, Fe, K, Li, Mg, Mn, Ni, Pb, S, Sb, Si, Ti, W, Zn) were determined by ICP-OES following a sodium peroxide (Na2O2) fusion digestion. The sodium peroxide fusion method is suitable for the “total” digestion of refractory minerals and samples with high sulphide content. Select samples have been analyzed for total S by combustion and infrared absorption techniques (SGS labs only). Detection limits for all elements at Actlabs and SGS are summarized in Table 11-1 and Table 11-2. Differences between the instrumental detection limits can have a profound influence on the relative difference between analyses at low levels of elemental concentration. Samples from recent (2023) diamond drilling (not part of this report) also include total carbon analyses by infrared absorption methods; these sample results will ultimately be included in carbon sequestration studies being initiated by CNC.

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

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

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

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

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

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

For statistical purposes within the report, any analytical result that was reported to be less than the detection limit was set to one half of that detection limit (*e.g.*, a result reported as <0.5 was set to a numeric value of

0.25). Results reported to be greater that maximum value reportable, and where no corresponding over limit analysis was performed, were set to that maximum value (*e.g.*, a result reported as >15.0 was set to a numeric value of 15).

11.5 QA/QC – Control Samples

A total of 5,828 samples related to the Deloro Project have been submitted for analysis by CNC. Included in the sample total are 581 "control" samples (either a blank or CRM sample) and 293 field duplicates for a total inclusion rate of 15%. The current rates of QA/QC sample submission are completely in-line with that recommended for the Project.

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

CNC have inserted five (5) different samples of CRM into the sample stream: OREAS 683 (PGE ore; 56 samples), OREAS 70b (nickel sulphide ore; 198 samples), OREAS 72a (nickel sulphide ore; 7 samples), OREAS 72b (nickel sulphide ore; 26 samples), and OREAS 74a (nickel sulphide ore; 4 samples).

CNC introduced 290 samples of blank material ("blank silica") into the sample stream.

CNC did quarter core-sample intervals for 293 samples to generate "sampling" or "field" duplicates. The QP (John Siriunas) is not aware of any samples being submitted to a referee lab.

11.6 QA/QC – Data Verification

11.6.1 Certified Reference Material

Certified reference materials are used by CNC to monitor the accuracy of the analyses performed by Actlabs and SGS. A number of different reference materials for different combinations of elements were used during the course of the analytical work being reported on herein. For the purposes of the report, we have focused on the results of the most frequently used reference materials submitted for analysis by CNC, namely OREAS 70b and OREAS 683; they report certified values in the expected concentration ranges similar to the samples of drill core that was submitted to for analysis.

The analyses for the certified reference material examined in detail averaged within two standard deviations of the average concentration for each element over the span of the laboratory work; this gives reason to believe that the accuracy of the analyses be considered as acceptable. Average concentrations of the various elements analyzed were also very close to the reported certified concentrations for each element. Examples of the CRM responses are shown in Figures 11-1 to 11-7.

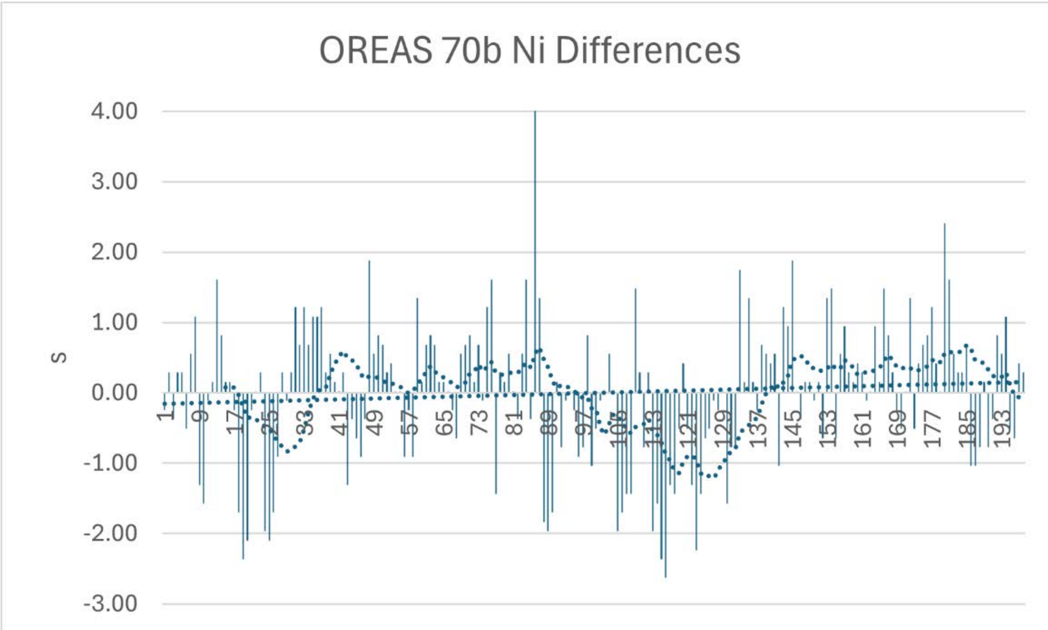

Figure 11-1. CRM OREAS 70b – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2024).

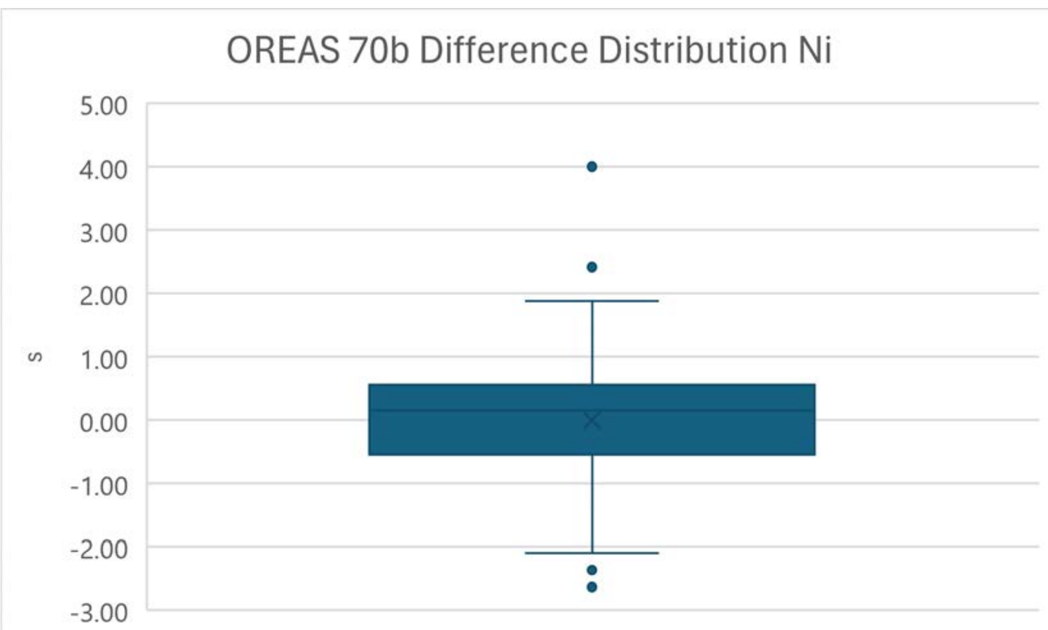

Figure 11-2. CRM OREAS 70b – Distribution of Standard Deviations Difference for Ni Analysis from the Average Value (Caracle Creek, 2024).

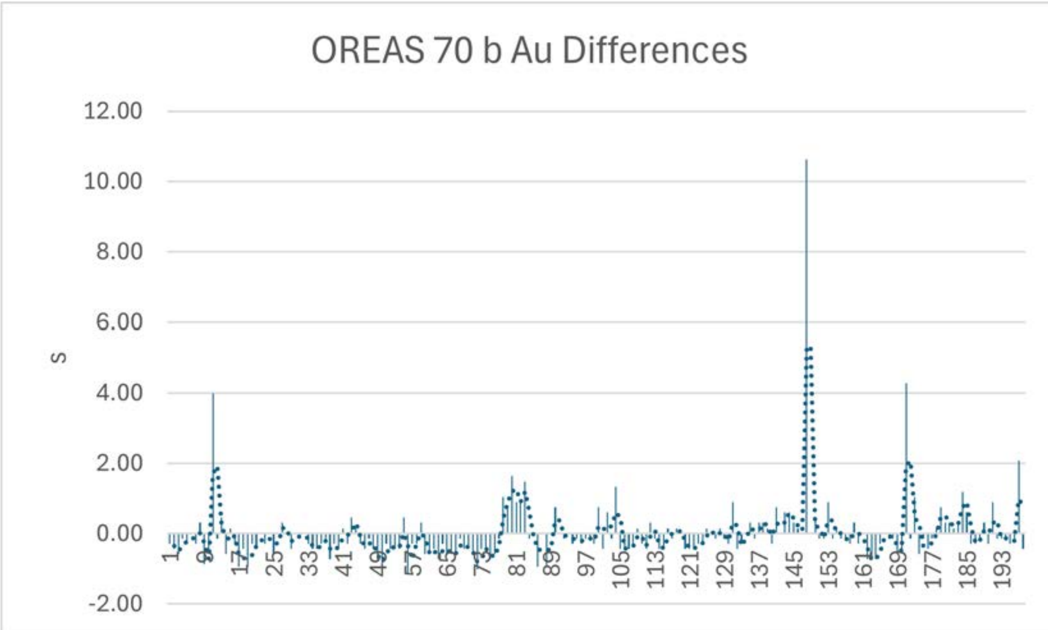

Figure 11-3. CRM OREAS 70b – Number of Standard Deviations Difference for Au Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2024).

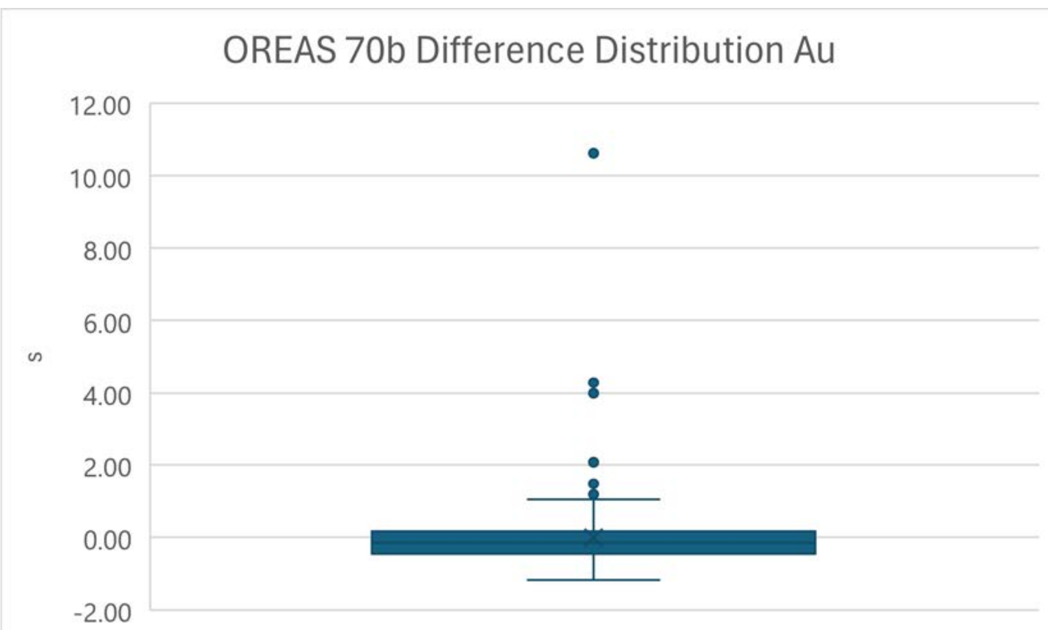

Figure 11-4. CRM OREAS 70b – Distribution of Standard Deviations Difference for Au Analysis from the Average Value (Caracle Creek, 2024).

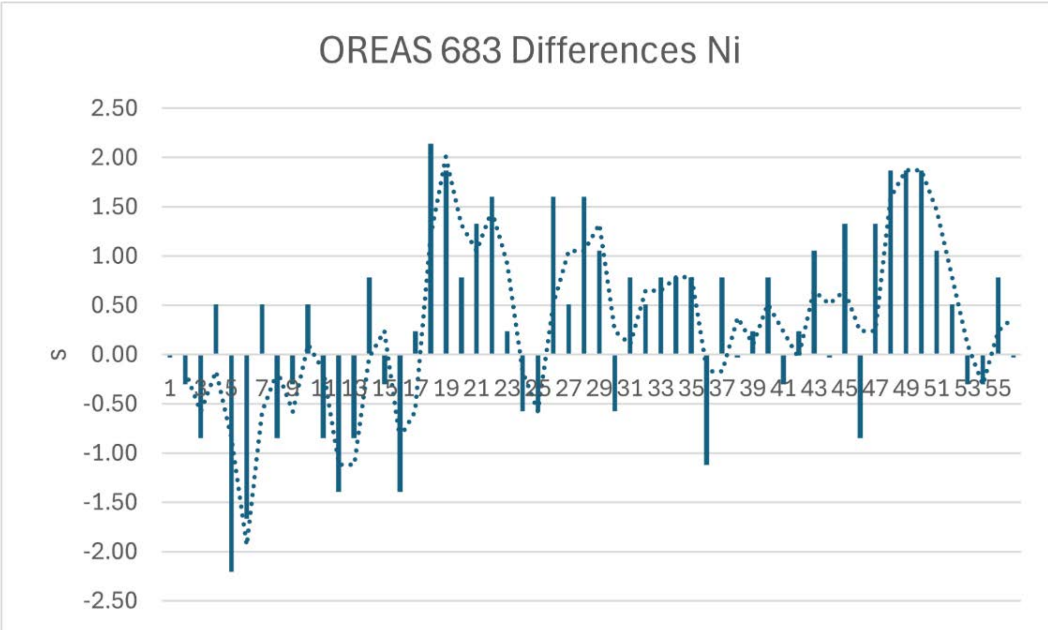

Figure 11-5. CRM OREAS 683 – Number of Standard Deviations Difference for Ni Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2024).

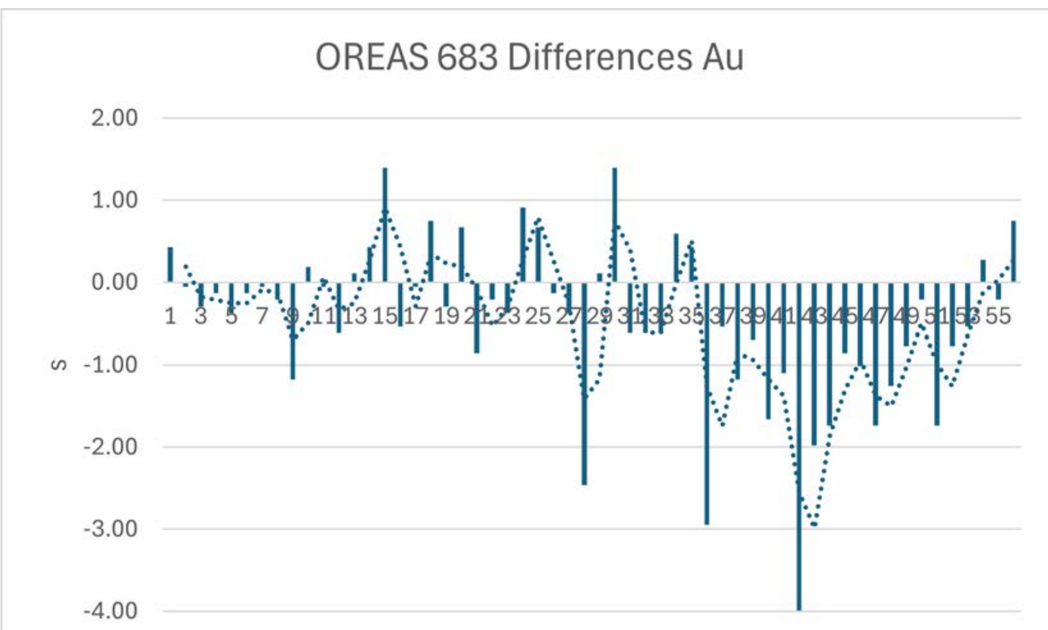

Figure 11-6. CRM OREAS 683 – Distribution of Standard Deviations Difference for Au Analysis from the Average Value for Various Analytical Runs (Caracle Creek, 2024).

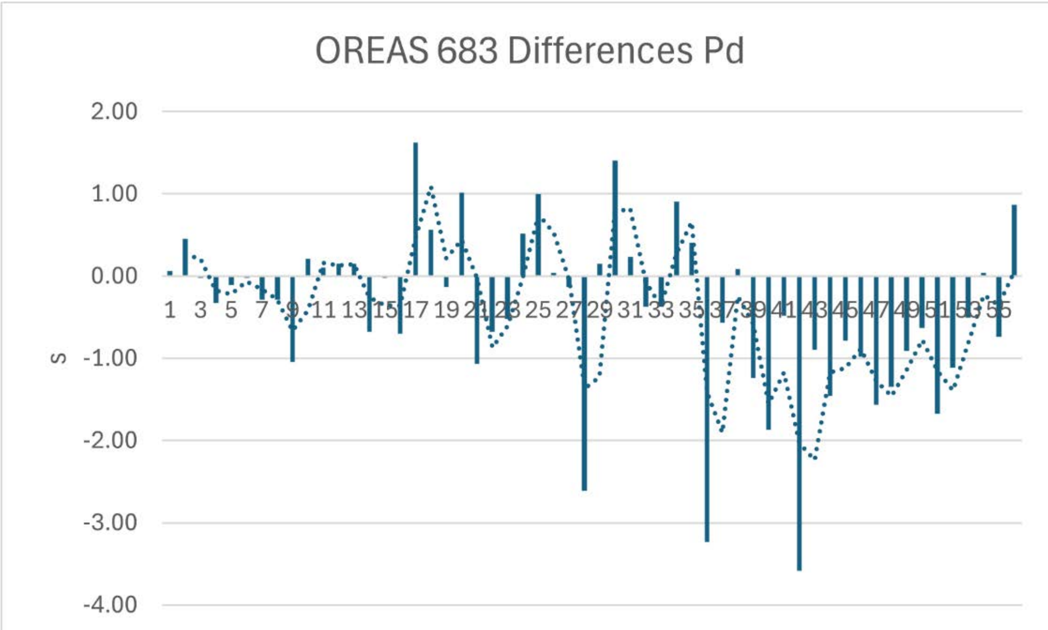

Figure 11-7. CRM OREAS 683 – Number of Standard Deviations Difference for Pd Analysis from the Certified Value for Various Analytical Runs (Caracle Creek, 2024).

11.6.2 Duplicate Samples – "Field Duplicates"

Canada Nickel had a total of 293 sample intervals quarter-cut and these samples were submitted for analysis as duplicate ("field duplicate") samples.

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

The duplicate pairs for Ni, Co and S exhibited good correlation (Figures 11-8 to 11-10) while those for the platinum group metals were poorer (example Au and Pt, Figure 11-11 and Figure 11-12); the poor correlations are attributed to the low absolute concentrations of these elements in the sample material.

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

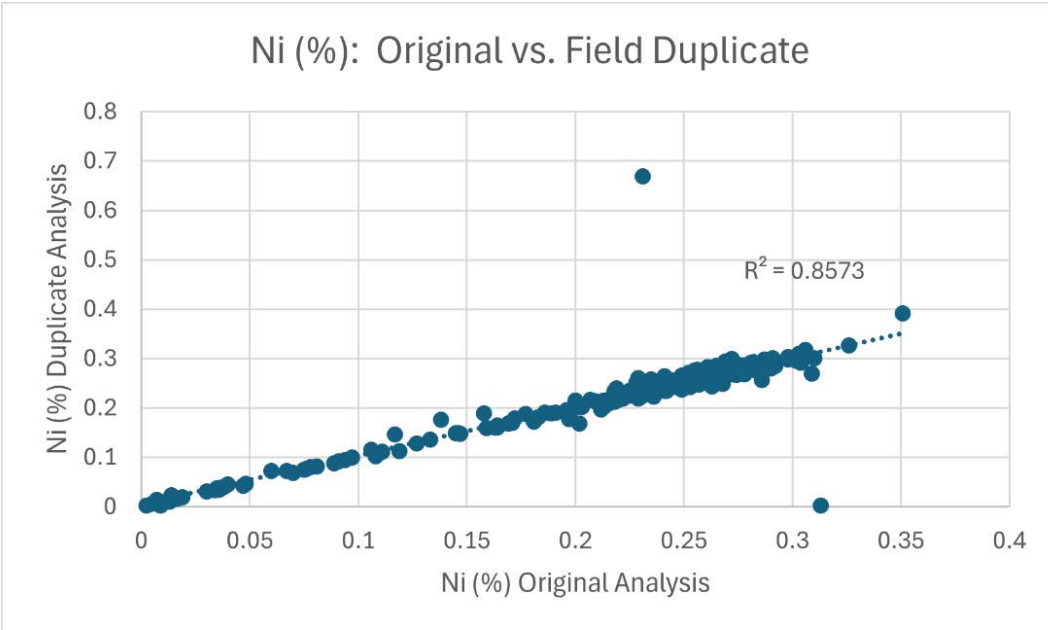

Figure 11-8. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Nickel (Ni) (Caracle Creek, 2024).

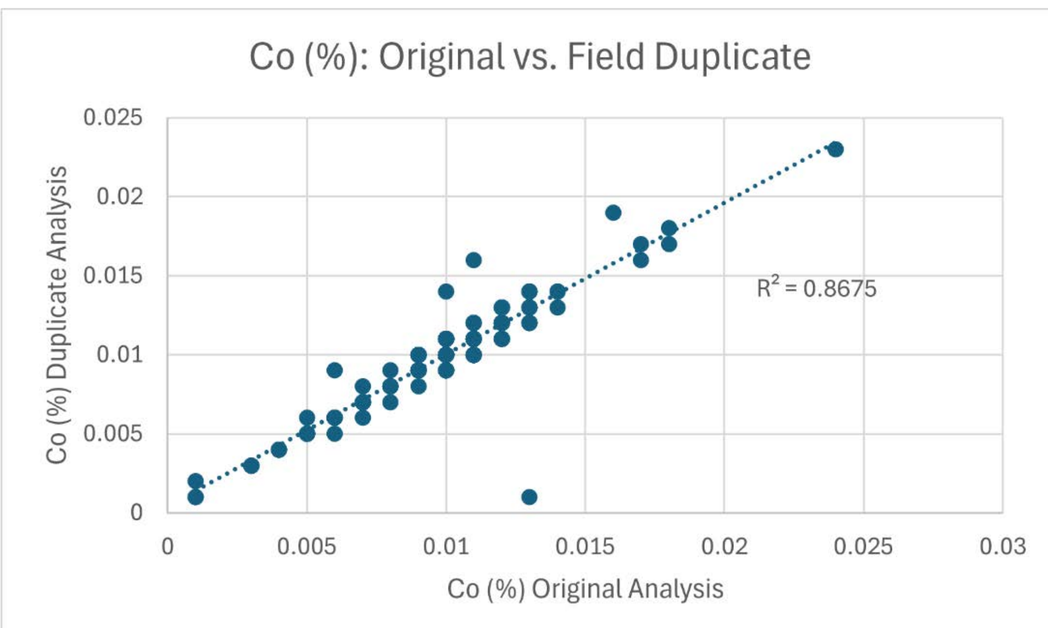

Figure 11-9. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Cobalt (Co) (Caracle Creek, 2024).

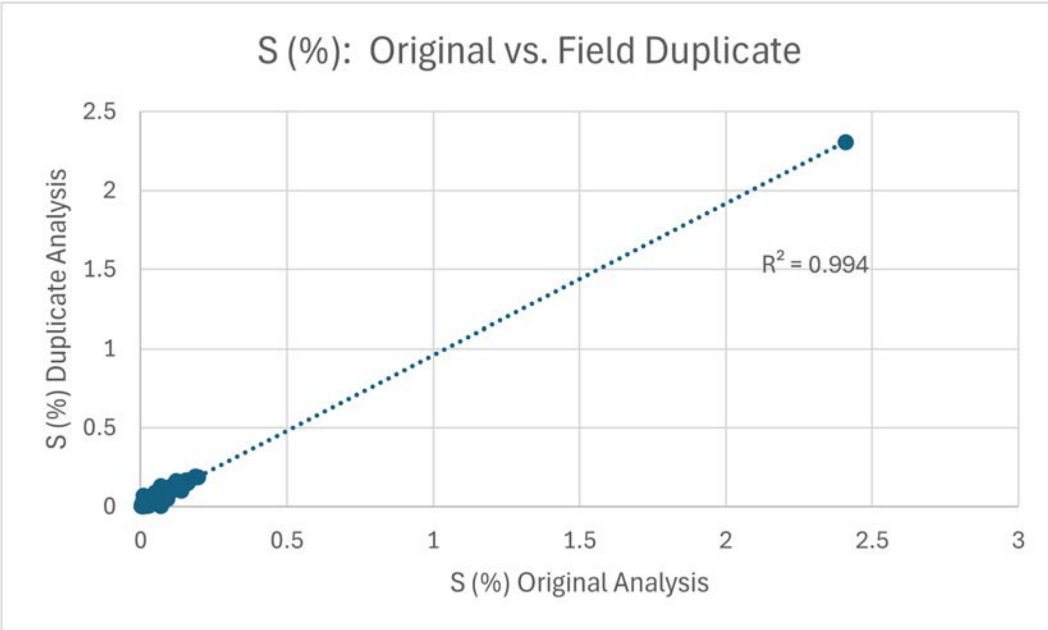

Figure 11-10. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Sulphur (S) (Caracle Creek, 2024).

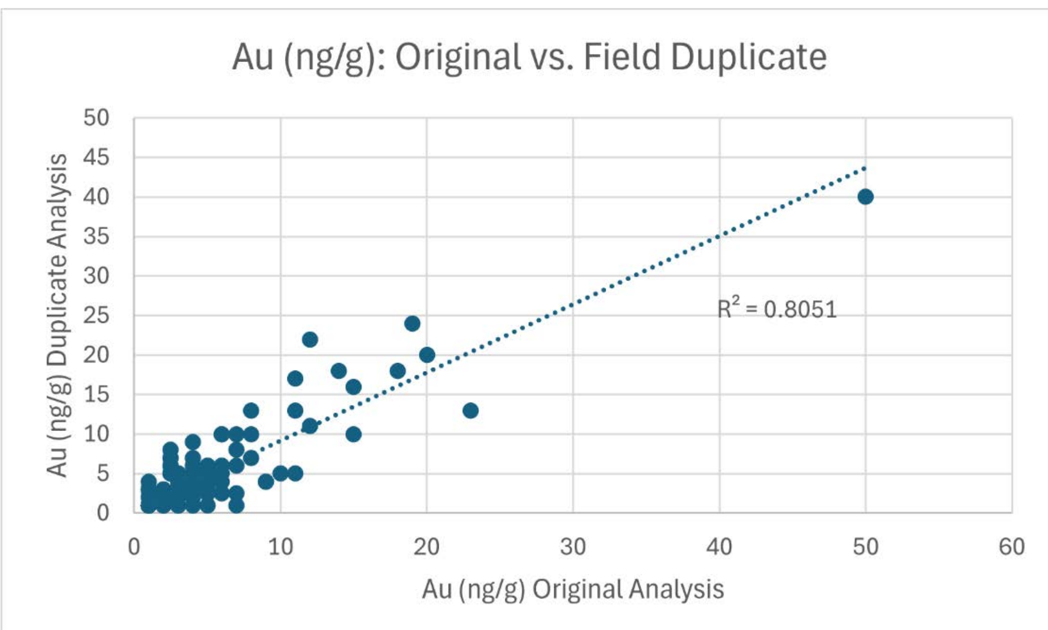

Figure 11-11. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Gold (Au) (Caracle Creek, 2024).

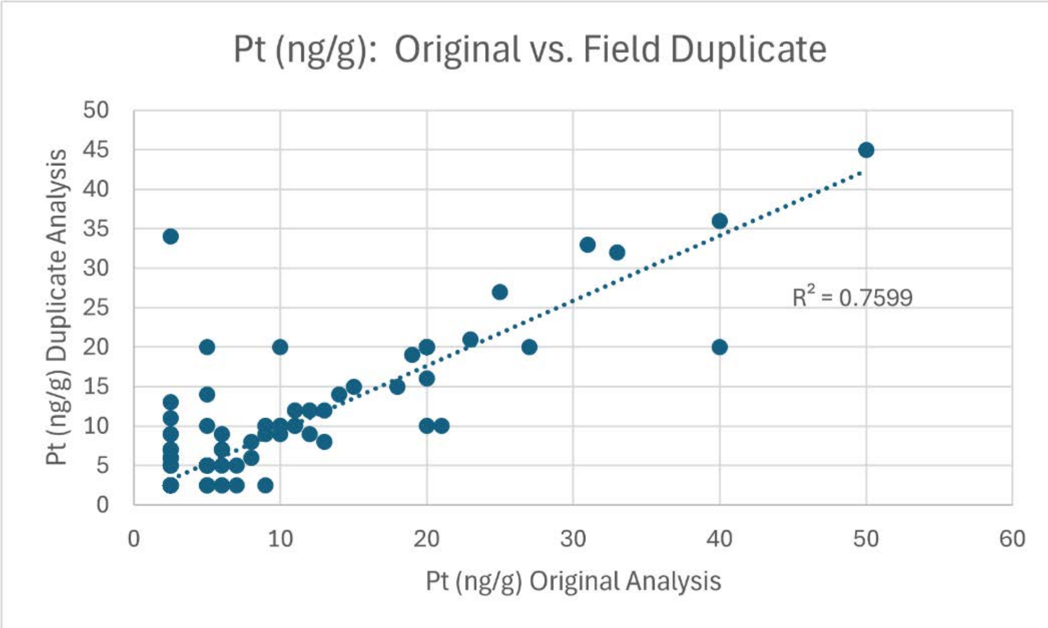

Figure 11-12. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Platinum (Pt) (Caracle Creek, 2024).

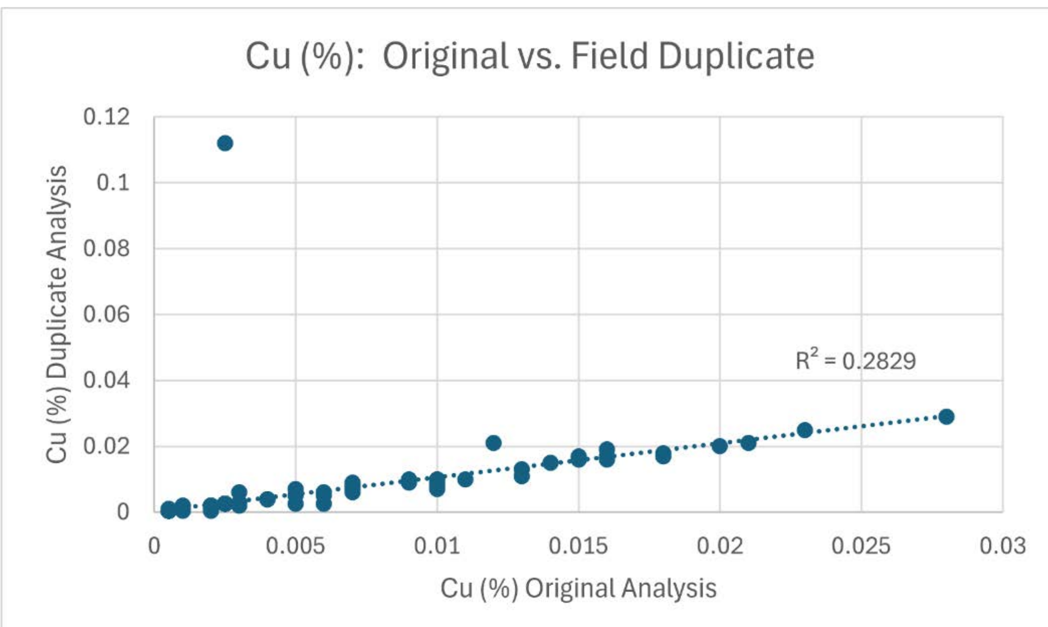

Figure 11-13. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Copper (Cu) (Caracle Creek, 2024).

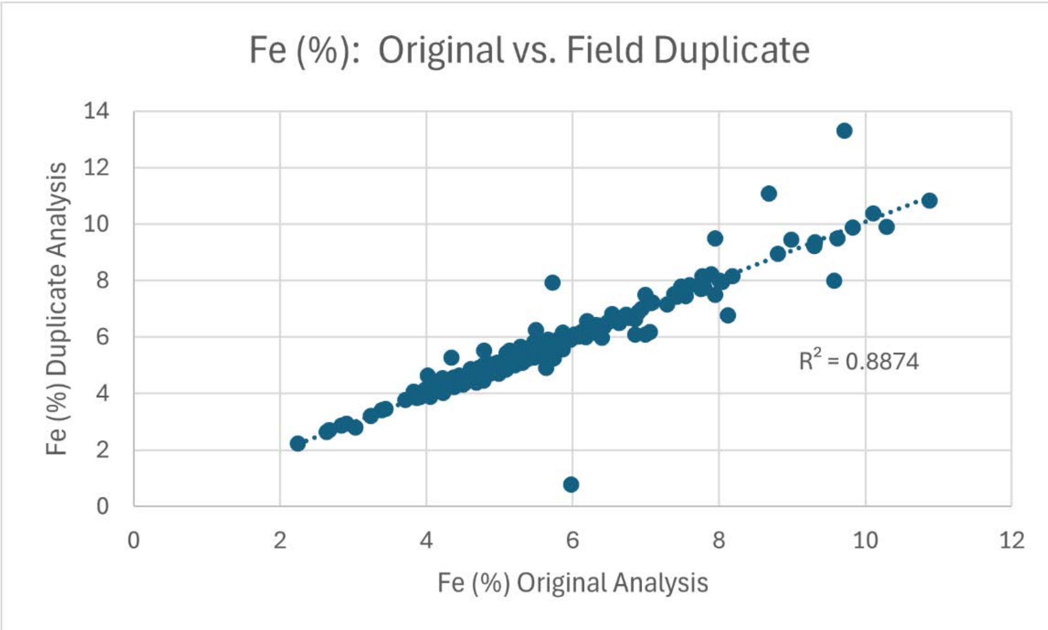

Figure 11-14. Plot of Absolute Concentrations of Pairs of Duplicate Samples Analyzed for Iron (Fe) (Caracle Creek, 2024).

11.6.3 Blank Material

The analytical results from the 290 blank samples introduced by CNC into their QA/QC program ("blank silica") are considered to be acceptable as the results were observed to report low or negligible variance for each element examined. Only one Au analysis (90 ppb by weight or ng/g) and one Fe analysis (4.37%) were deemed to be absolute "failures".

In the opinion of the QP (John Siriunas), the assay data is adequate for the purpose of verifying drill core assays, estimating mineral resources, and for a preliminary economic assessment.

11.7 Sample Security and Sample Storage

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

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

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

12.0 DATA VERIFICATION

12.1 Internal-External Data Verification

The Authors (QPs) have reviewed historical and current data and information regarding past and current exploration work on the Property. More recent exploration work (*i.e.*, 2022 and 2024), having complete databases and documentation such as assay certificates, was thoroughly reviewed. However, older historical records are not as complete and so the Authors do not know the exact methodologies used in the data collection in all cases. Nonetheless, the QPs have no reason to doubt the adequacy of the historical sample preparation, security and analytical procedures and have complete confidence in all historical information and data that was reviewed.

12.2 Verification Performed by the QPs

Mr. John Siriunas (M.A.Sc., P.Eng.) visited the Project on 16 July 2024, accompanied by Mr. Edwin Escarraga, CNC's Project Manager. The visit was made to observe the general Property conditions and access, and to verify the locations of some of the recent drill hole collars from the work carried out by CNC (*see* Section 2.5 – Personal Inspection). During the site visits, diamond drilling procedures were discussed and a review of the on-site logging and sampling facilities for processing the drill core was carried out. After verification of existing core logs and assay results against drill core observations, QP, Mr. Siriunas, did not feel it necessary to re-sample the drill core.

12.3 Comments on Data Verification

In the opinion of the Authors (QPs), the procedures, policies and protocols for drilling verification are sufficient and appropriate and the core sampling, core handling and core assaying methods used at the Project are consistent with good exploration and operational practices such that the data is therefore reliable for the purpose of Mineral Resource Estimation.

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

The Issuer, Canada Nickel is in the process of completing initial mineral processing and metallurgical testwork on mineralized material collected from the Deloro Nickel-Cobalt Deposit with nine (9) metallurgical test samples at COREM in Quebec City, Quebec and 13 samples for comminution testing at SGS Lakefield Laboratory, Ontario. Results are pending in both cases.

Any historical information with respect to mineral processing and metallurgical testing is covered in Section 6.0 – History.

14.0 MINERAL RESOURCE ESTIMATES

14.1 Introduction

Caracle Creek was retained by CNC to prepare a maiden NI 43-101 compliant mineral resource estimate ("MRE") supported by a technical report (the Report), for the Deloro Nickel-Cobalt Sulphide Project, which incorporates all current and historical diamond drilling for which the drill hole data and information could be confidently confirmed.

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

Drill hole information utilized in the preparation of the estimates was confidently confirmed up to 3 June 2024. The MRE has an effective date of 17 July 2024.

The deposit type being considered for nickel mineralization discovered to date in the Deloro Ultramafic Complex, is Komatiite-Hosted Type II Ni-Cu-Co-(PGE). The Deloro Nickel-Cobalt Deposit is hosted by a thick differentiated ultramafic body with primary disseminated and bleb nickel sulphide, commonly pentlandite with minor pyrrhotite, and chalcopyrite.

The Report discloses results for nickel, cobalt, iron, chromium, sulphur, palladium and platinum mineral resources, considered to be contained within a large, relatively homogenous body of ultramafic rock, the Deloro Ultramafic Complex (DUC). These are classified into indicated and inferred resources, interpreted on the assumption that the mineralization has reasonable prospects for eventual economic extraction using open pit mining methods. Thus, the mineral resources herein are not mineral reserves as they do not have demonstrated economic viability.

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

14.2 Resource Database

The drill hole and Project database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, unreliable historical holes or statistical outliers that are clear mistakes, among other correction measures) for geological modelling and resource estimation purposes. A summary of the diamond drill holes used in the MRE is provided in Table 10-1 (*see* Section 10.0 – Drilling).

Within an area of approximately 1.4 km along strike, 400 to 600 m in width, and 440 m deep, the working database of the Deloro Project contains the following:

- Collar: 22 holes amounting to 8,242.58 m, with an approximate mean depth of 375 m and a maximum of 492 metres.
- Survey: 22 holes measured by gyroscope tool.
- Lithology: 22 holes with 22 unique rock codes, grouped into 9 codes for modelling purposes (*see* Section 14.4 – Geological Interpretation and Modelling).
- Assays: 22 holes with 4,948 core samples of 1.5 m average length; 34 elements reported.
- Magnetic Susceptibility: 22 holes with 8,071 handheld magnetic susceptibility ("mag-sus") measurements on drill core, taken every 1 metre.

- Specific Gravity: 22 holes with 954 density measurements (by water displacement) from drill core, taken every several metres, averaging 8.5 metres.
- Mineralogy (QEMSCAN): 10 holes with 134 core samples of 1.5 m average length, taken either every 15 m or every 25 m; 34 minerals reported, including brucite.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical drill holes, geophysical surveys and geological maps.

14.3 Methodology

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

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

These steps involve the use of mining software packages such as Leapfrog Geo 2023.2.3 (3D modelling) and Isatis.neo 2024.04 (geostatistics).

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

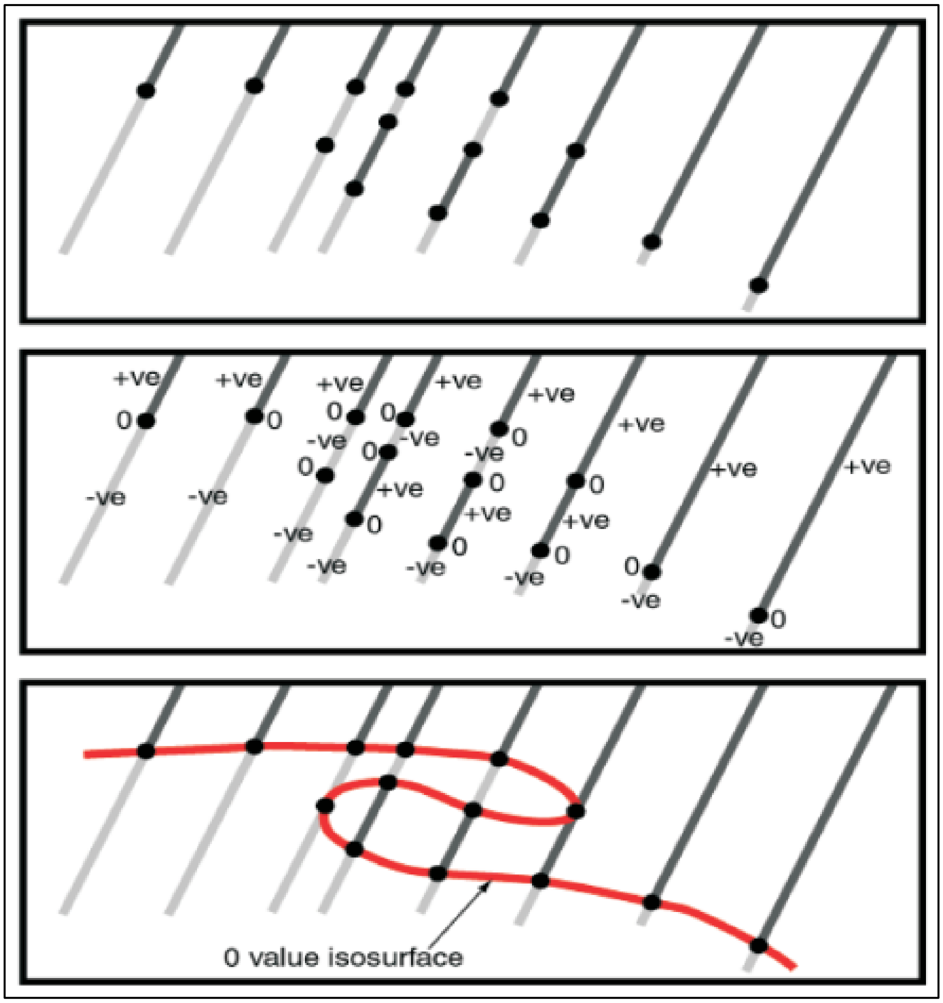

Figure 14-1. Implicit Modelling technique. Two sets of intervals (upper panel), converted into positive (“+ve” or inside) and negative (“-ve” or outside) distance points (middle panel) and the resulting interpolation through zero distance (“0” or contact) value points (lower panel) (modified after Cowan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

14.4 Geological Interpretation and Modelling

14.4.1 Overburden and Topography

The Deloro Project area is almost entirely covered by a barren overburden layer (likely clay and gravels) which averages 6.0 m in depth with a maximum of 20.0 metres (Figure 14-2), based on available drill hole data. This volume was generated using the topographic and the “top of bedrock” surfaces. The topography was obtained from the Ontario Geological Survey, presenting an acceptable match with collar heights, while the bedrock surface was obtained by interpolating through the base of CNC’s “OVB” drill hole intervals and their equivalent in historical holes within or near the Project area.

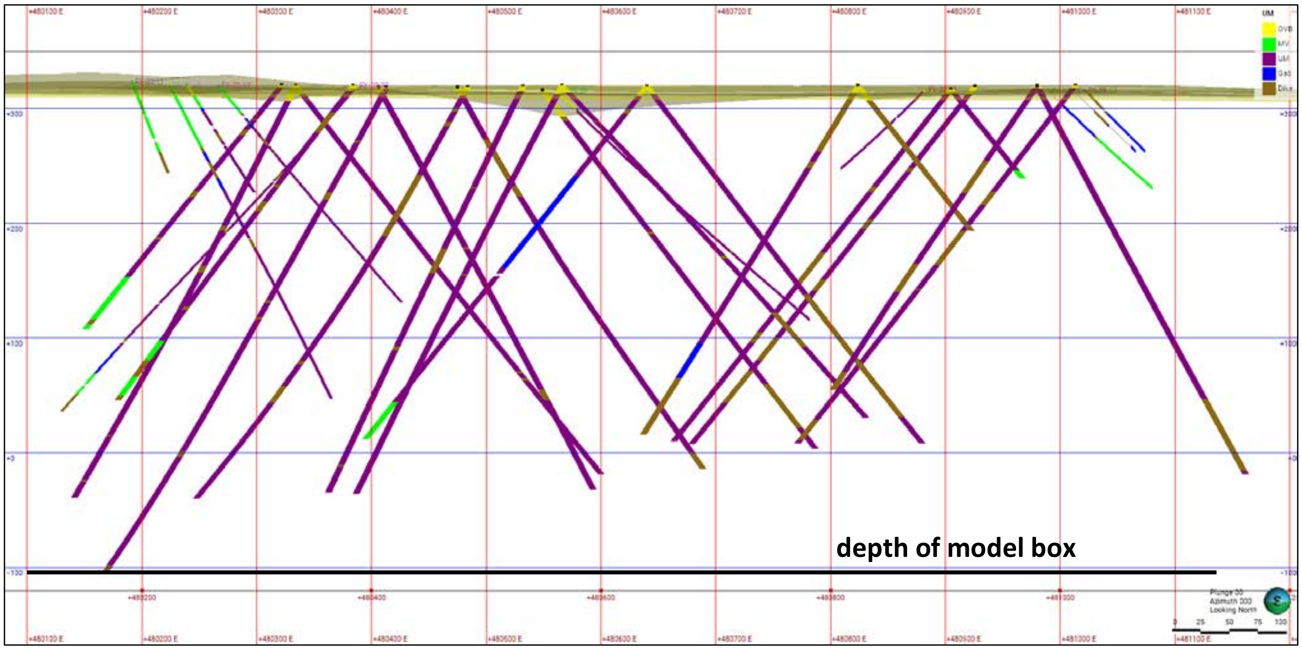

Figure 14-1. Longitudinal view (Looking North) of the Deloro Project showing the overburden volume (transparent olive) as well as historical and CNC drill holes with grouped lithologies. The ultramafic package (UM) is coloured purple in the drill traces. Broader traces represent CNC holes while narrower ones are historical holes (Caracle Creek, 2024).

14.4.2 Lithology

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

- A combination of consistently ordered, subvertical ultramafic (dunite, peridotite and pyroxenite) rock "horizons" which usually transition into each other, as the main feature.
- Gabbroic rocks adjacent to the pyroxenite units, mainly found west of Deloro's ultramafic core body, separating it from other, less mineralized ultramafic/gabbroid horizons further to the west-southwest.
- Metavolcanic rocks of mafic/intermediate and lesser felsic composition, marking both western and eastern contacts of the previous lithological ensemble.

These lithologies encompass most of the deposit (Figure 14-3), the remaining ones corresponding to two contrasting sets of felsic and mafic dikes, the former seemingly originating from a larger intrusion further to the northwest.

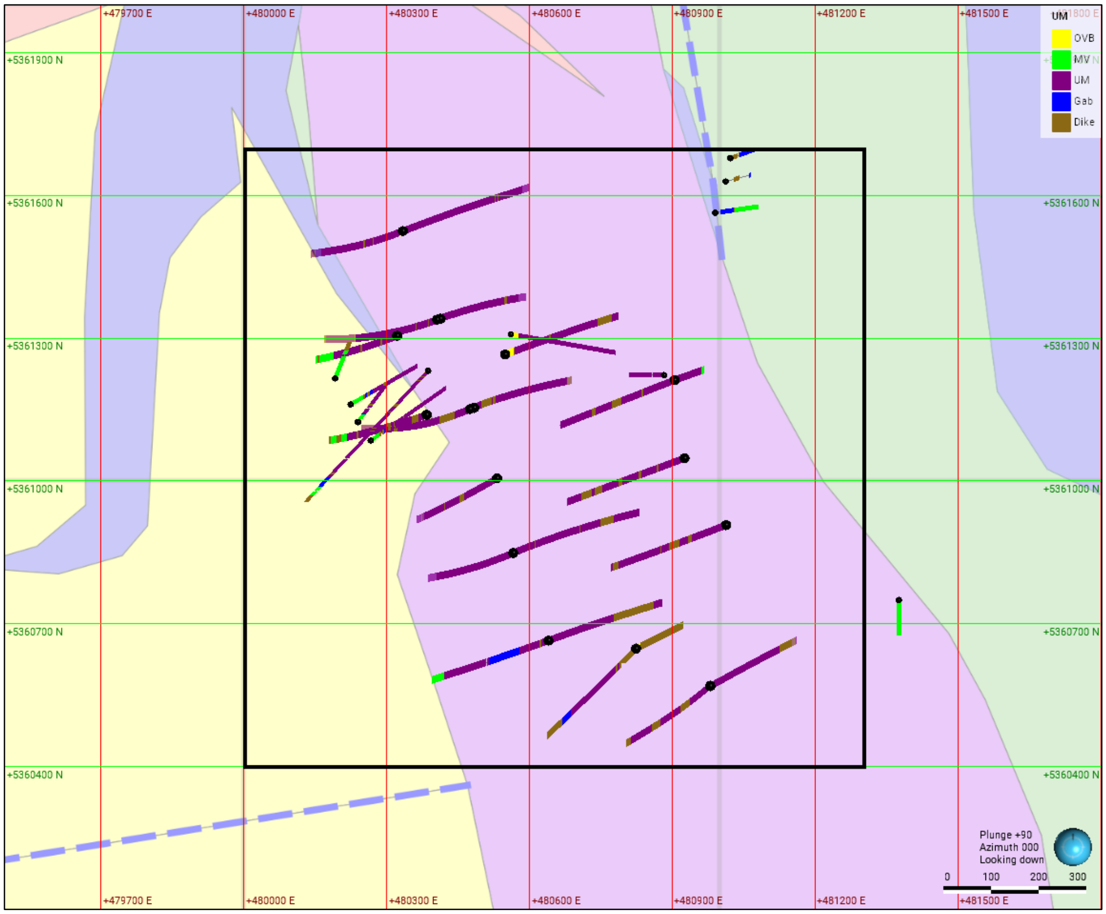

Figure 14-2. Plan view of the Deloro Project showing historical and CNC drill holes with grouped lithologies. Background geology from Ontario Geological Survey (MRD126). The ultramafic package (UM) is coloured purple both in the map and drill traces. Broader traces represent CNC holes while narrower ones are historical holes. The black square represents the current resource boundary and main modelling area (Caracle Creek, 2024).

Using available core logging information, as well as aluminum/magnesium ratios for rock type validation, lithologies were initially generalized and grouped into broader categories to facilitate correlation between major units (Table 14-1). Subsequently, individual horizons from each category were singled out and codified, given the regularity and ordered appearance exhibited by the different ultramafic units and gabbro/metavolcanics in drilling logs; akin to stratigraphic layering, although in this case, with distinct sub-vertical orientation.

Table 14-1. Table diagram summarizing the lithology grouping criteria.

LITHOLOGY	ROCK GROUP	
Overburden	OVB	
Felsic Dyke	FDy	Dike
Quartz-Feldspar Porphry	FDy	Dike
Intermediate Intrusive	FDy	Dike
Lamprophyre	MDy / FDy	Dike
Porphyry	MDy / FDy	Dike
Diabase	MDy	Dike
Mafic Intrusive	MDy	Dike
Gabbro	GAB	
Pyroxenite	PYX	UM
Talcose Ultramafics	PYX / PER / DUN	UM
Peridotite	PER	UM
Carbonatized Peridotite	PER	UM
Carbonatized Dunite	DUN	UM
Dunite	DUN	UM
Bleached Dunite	DUN	UM
Mafic Metavolcanics	MV	
Intermediate Metavolcanics	MV	
Lost Core	LC	
Rodingite Vein	Not modelled	

Horizons were coded and numbered relative to their location (Figure 14-4), from west to east:

- Metavolcanics (MV), the bounding lithology to the west.
- Pyroxenite (PYX-0), the westernmost ultramafic unit, only present in a single hole.
- Peridotite (PER-0), like the previous one, only present in a single hole. As such, they're interpreted to be separate from the main mineralized ultramafic package, and thus this unit was not considered in the resource.
- Gabbro (GAB-1), dividing the previous ultramafic units from the main mineralized ultramafic package.
- Pyroxenite (PYX-1).
- Peridotite (PER-1), the westernmost mineralized unit.
- Dunite (DUN), the main mineralized unit.
- Peridotite (PER-2), the easternmost mineralized unit.
- Pyroxenite (PYX-2), mostly interpreted from Al/Mg content in two holes.

Historical holes to the northeast of the deposit (Figure 14-3) suggest the existence of another gabbro unit (GAB-2?), possibly adjacent to PYX-2. However, until this sequence is properly identified, the final and easternmost modelled unit was another metavolcanics (MV), not drilled by CNC but confirmed by historical holes and geological maps.

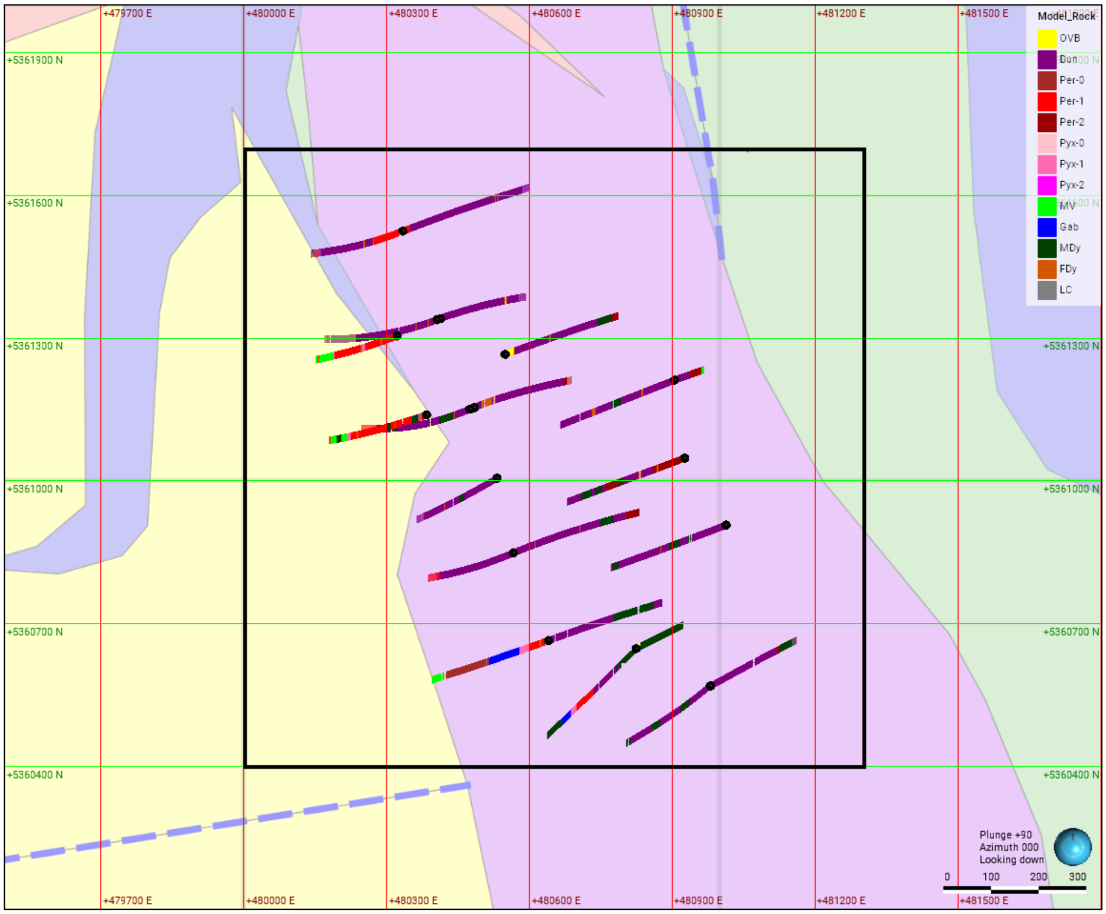

Figure 14-3. Plan view of CNC Drill holes with lithologies coded for modelling. Background geology from Ontario Geological Survey (MRD126). The black square represents the current resource boundary and main modelling area (Caracle Creek, 2024).

The main modelling area and resource boundary (square in Figure 14-4) is 1.3 km long (from 480000 mE to 481300 mE) by 1.3 km wide (from 5360400 mN to 5361700 mN), with a maximum depth set at -120 m elevation, approximately 440 m below overburden (Figure 14-2). Despite these limits, the deposit can be considered open in the northwest-southeast direction and also at depth due the observed lithological and mineralization trends. An extended modelling area, 500 m beyond the main one, was defined for waste management and pit optimization purposes.

Given the relatively simple nature of the geological sequence, cross-section interpretation was deemed unnecessary before modelling. Lithological contacts were interpolated individually and sequentially, adding polylines to control their shape and trend where necessary. This process helped improve the predictability of the model and, to some extent, compensates for the lack of information in some areas, especially at great depths.

Felsic and mafic dikes were singled out and codified (FDy and MDy) through interval correlations and later modelled individually by CNC as sub-vertical, tabular structures cutting through the previously modelled lithologies, with felsic dikes following a mostly northwest-southeast trend and mafic dikes with no clear trend.

Complementary datasets (density, hole mag-sus, assays) facilitated verification of ambiguous contacts. For example, distinct density differences between ultramafic and gabbroic/dike rocks, mag-sus differences between ultramafic and metavolcanic rocks, as well as mineral grade drops outside of the core dunite-peridotite unit. Regional geophysics datasets provided further information to determine the extents of the ultramafic package, as well as confirmation of its overall shape and dimensions, while structural logs helped define its general trend and dip.

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

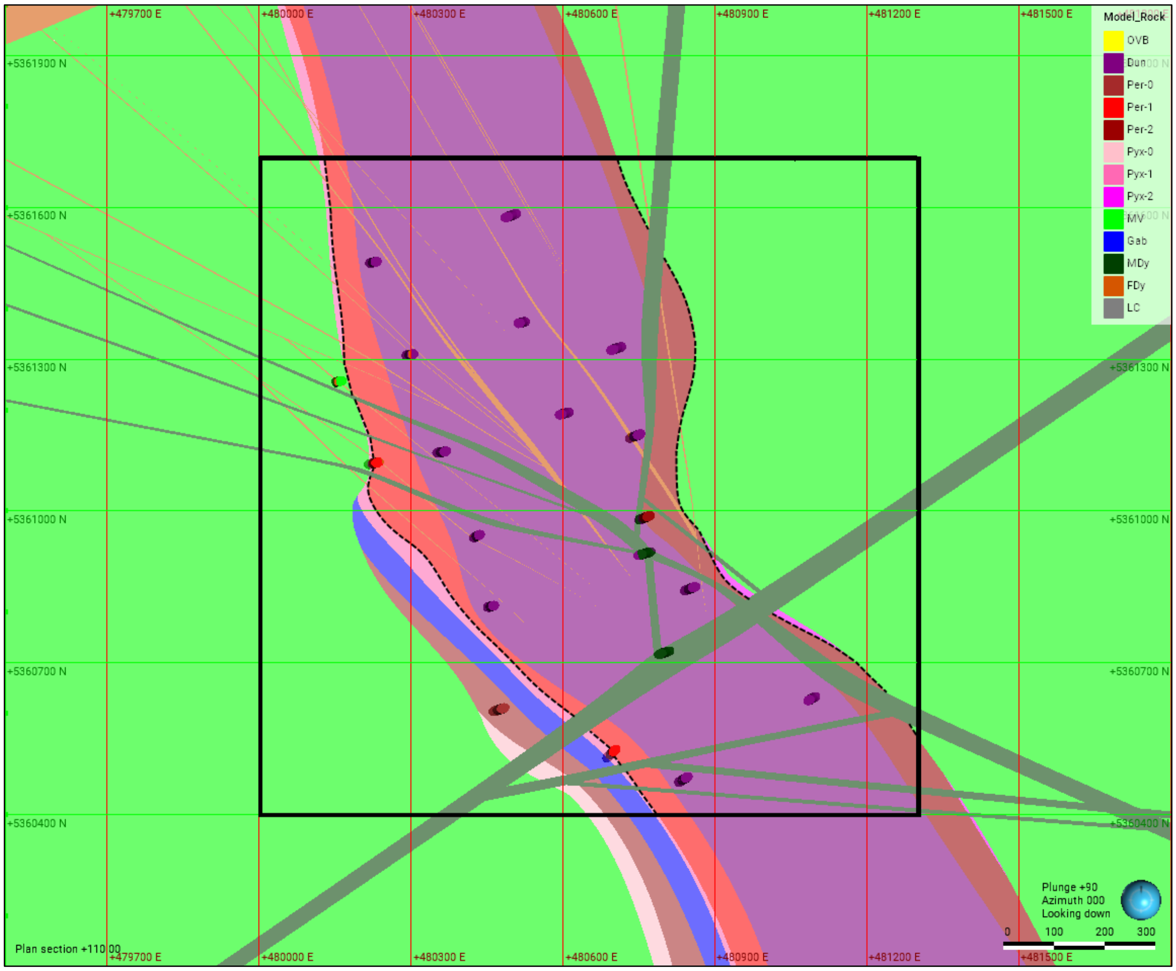

Figure 14-4. Plan section (110 m level) of the extended lithology model with CNC drill hole intercepts. The black square represents the current resource boundary and main modelling area. The mineralization envelope limit is marked with dashed lines (Caracle Creek, 2024).

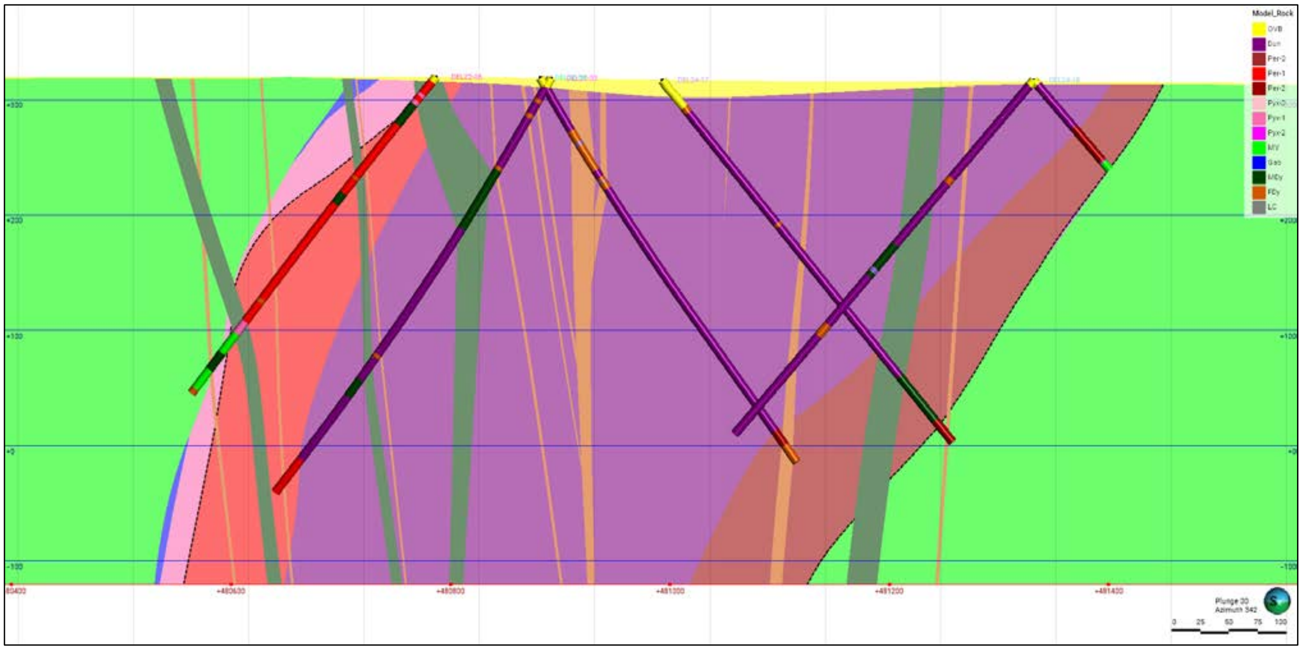

Figure 14-5. Oblique vertical section (Looking NW) of the Extended Lithology Model with CNC Drill hole Intercepts. Some drill hole intercepts may not precisely match their corresponding feature due to section plane distance (up to 50 m). The mineralization envelope limit is marked with dashed lines (Caracle Creek, 2024).

14.4.3 Alteration

The most prevalent alteration in the Deloro Project is serpentinization, given the predominance of ultramafic rocks, with talc-carbonation as a secondary occurrence. Other alteration types (silicification, sericitization, albitization, etc.) are seldom found and are seen to affect very limited areas so as to become relevant for study. Therefore, alteration modelling was limited to the ultramafic package with its two main alteration types.

Based on this criterion, the approach to alteration interpretation focused on the discrimination of talc-altered from serpentinized intervals, to ultimately model the contact between them. The datasets used for this purpose were alteration and lithology logs as well as density values, representative of serpentinization degree, and magnetic susceptibility, representative of magnetite content (mostly derived from serpentinization). The QEMSCAN dataset was incomplete for a proper analysis at this stage.

The alteration study concluded that talc is present in two, not too dissimilar styles: The main one is found towards both western and eastern peridotite/pyroxenite contacts while the other, rarer one, is adjacent to and seemingly related to dike intrusions within the dunite unit. It was also derived that most to all serpentinites are magnesium rich as opposed to iron rich, though more QEMSCAN data is required for confirmation.

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

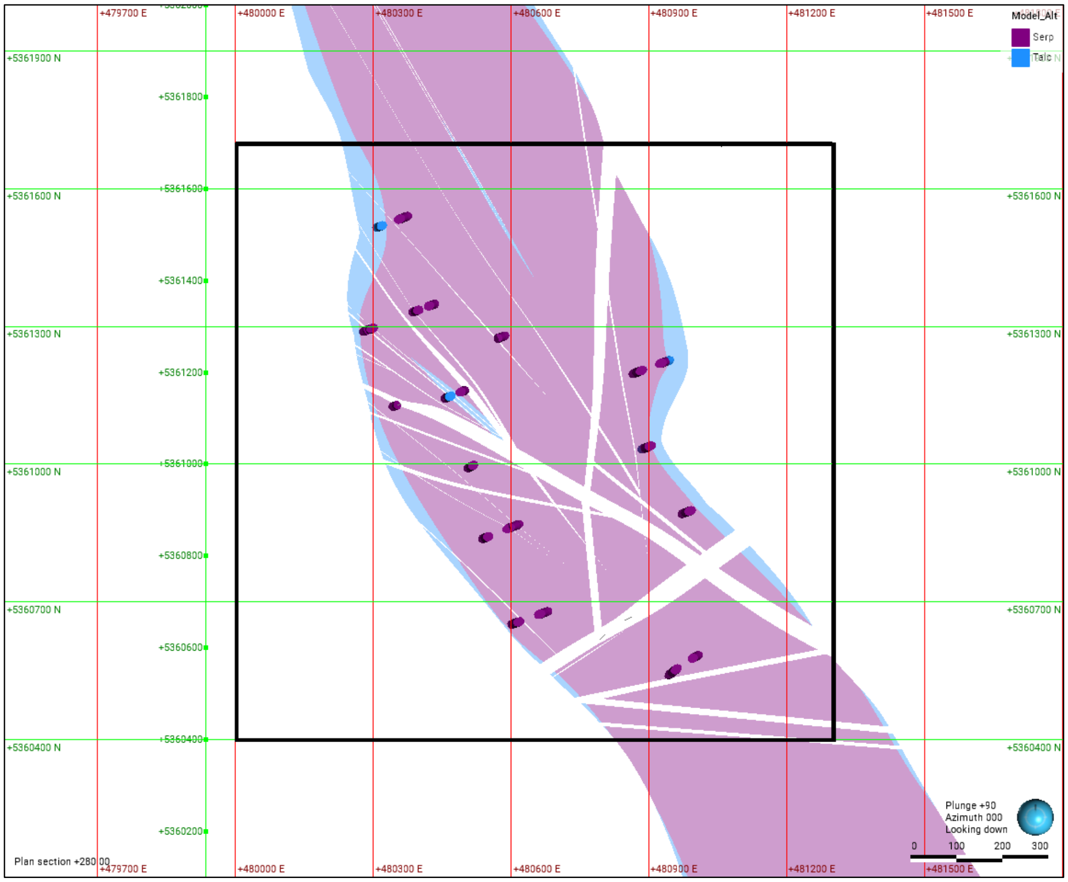

Figure 14-6. Plan section (280 m level) of the Extended Alteration Model with CNC drill hole Intercepts. The black square represents the current resource boundary and main modelling area (Caracle Creek, 2024).

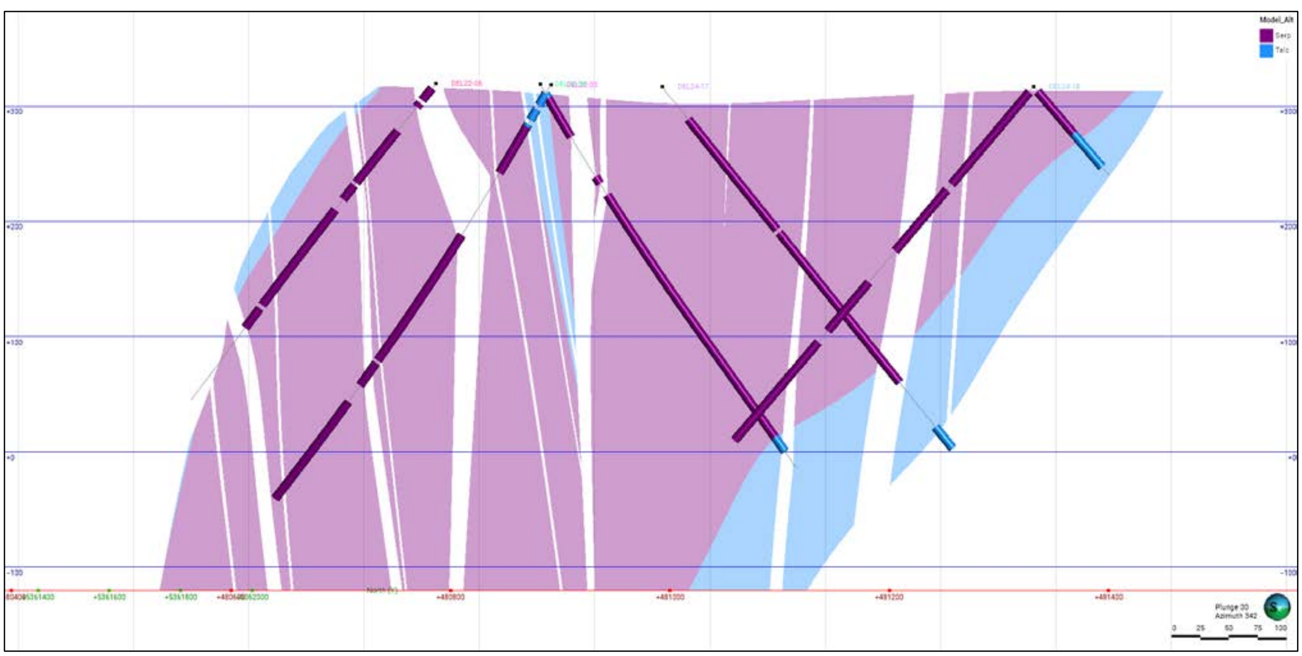

Figure 14-7. Oblique vertical section (Looking NW) of the Extended Alteration Model with CNC drill hole Intercepts. Some drill hole intercepts may not precisely match their corresponding feature due to section plane distance (up to 50m) (Caracle Creek, 2024).

14.5 Data Analysis and Estimation Domains

14.5.1 Exploratory Data Analysis (EDA)

The Deloro Project drill hole database currently contains 4,948 assay sample results and 954 density measurements. Seven elements of interest were selected to determine the Project's economic value: Nickel being the main one, and following it cobalt, iron, chromium, sulphur, palladium and platinum. Density values, as proxies for serpentinization intensity, are closely related to grades and were therefore included in the analyses.

Statistical and visual inspection of nickel grades filtered by lithology (Figure 14-9), along with other variables, revealed that three ultramafic horizons (PER-1, DUN, PER-2) make up the main mineralized package (deemed the "EST Domain") and thus contain most of the drilling with 4,256 assay samples and 735 density measurements.

There seems to be some potential in horizon PER-0 as a secondary target, though it has only been found in one hole, meaning it is not well understood and needs more sampling.

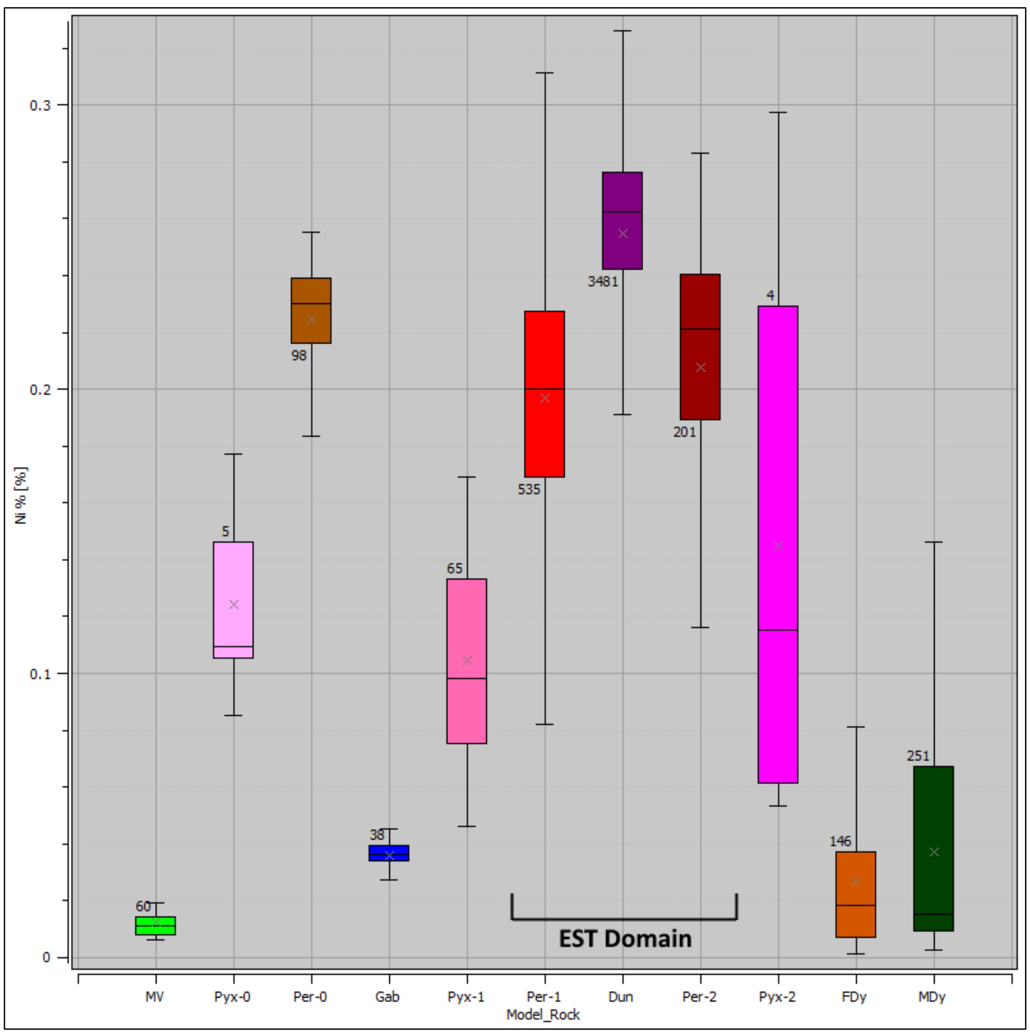

Figure 14-8. Nickel grade boxplot according to model lithologies (Caracle Creek, 2024).

Nickel grades within the EST Domain show a right-skewed unimodal distribution (Figure 14-10). This lower-grade tail contains more peridotite than dunite samples, which was expected given their compositional difference, though not enough at this stage to result in bimodality and justify setting apart the grade populations of the two rock types. Other elements (Figure 14-10) have mostly normal distributions, like cobalt and iron, while sulphur, palladium and platinum approximate to a log-normal distribution. As such, all of them were treated as a single population.

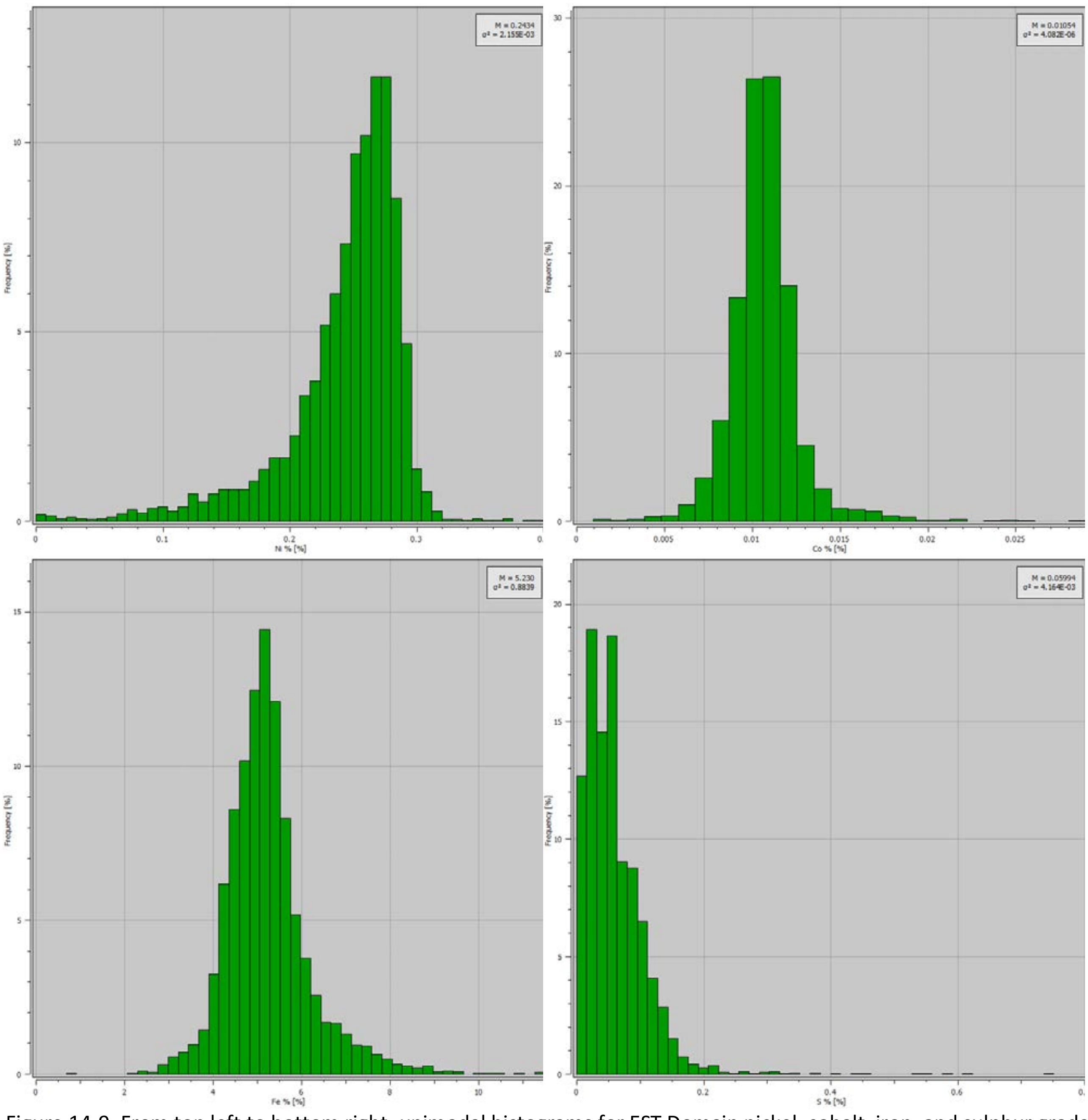

Figure 14-9. From top left to bottom right: unimodal histograms for EST Domain nickel, cobalt, iron, and sulphur grades (Caracle Creek, 2024).

There is, however, a very small but distinct lower-grade population that was not evident from histograms but made apparent after a visual inspection against other lithologies. It was observed in the vicinity of some dikes as a noticeable drop in nickel grades (from >0.25% to <0.15% Ni), as well as other grades, which suggests that dikes may have sporadically affected serpentinization and/or mineralization of surrounding ultramafic rocks. These occurrences were easily set apart from higher grades for sub-domaining purposes (*see* Section 14.5.2 – Estimation Domains (Grade Shells)).

Chromium is a special case, its histogram (Figure 14-11) shows distinct grade peaks which point to the existence of three populations. In addition, a 3D visual inspection reveals that these populations are particularly distributed within the EST Domain: The higher-grade population (>0.35% Cr) to the west, the medium-grade population (0.20%-0.35% Cr) to the east, and the lower-grade population (<0.20% Cr) in between them up until the north zone of the deposit, where it seemingly wedges out in a sudden way and disappears, possibly due to a fault but it is unclear at this stage.

This grade distribution did not seem to correlate with other datasets such as lithology or alteration, besides displaying a similar geological trend, but it was characteristic enough to facilitate the separation of the three populations for sub-domaining purposes (*see* Section 14.5.2 – Estimation Domains (Grade Shells)).

Density values within the EST Domain show a slight bimodal distribution (Figure 14-11) owed to the effect of serpentinization and talc-carbonation alterations, which typically produce rock densities below and above 2.85 g/cm^3 respectively.

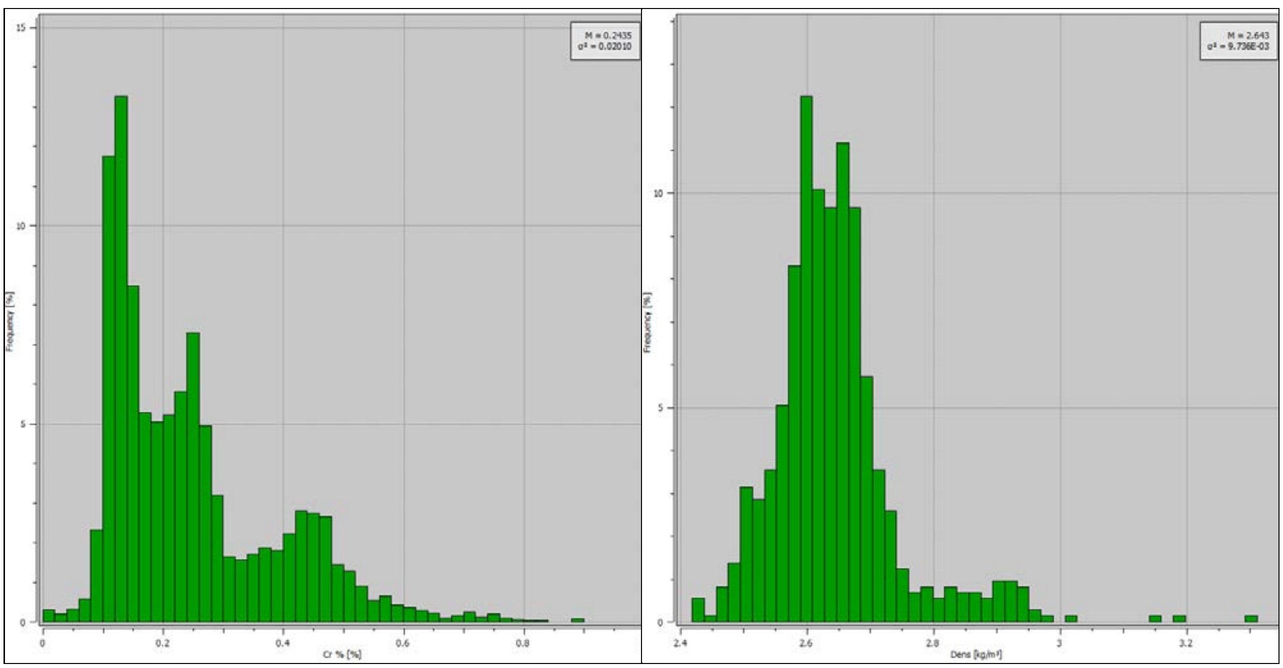

Figure 14-10. Multimodal histograms for EST Domain Chromium grades (left) and density values (right) (Caracle Creek, 2024).

14.5.2 Estimation Domains (Grade Shells)

Sub-domains were generated within the EST Domain by the same interpolation process used for the geological models, following the set of rules defined in the EDA to allow for separate geostatistical treatment of different populations. For all variables, except for density values, the main subdivision (Figure 14-12) was that of the higher-grade HG Domain containing 4,181 samples and the dike-adjacent low-grade LG Domain with 75 samples. Despite the small number of samples in the latter case, it seems relevant to have a measure of representation of the zones where dikes negatively affect the ore. This separation will be reevaluated and updated once more data becomes available.

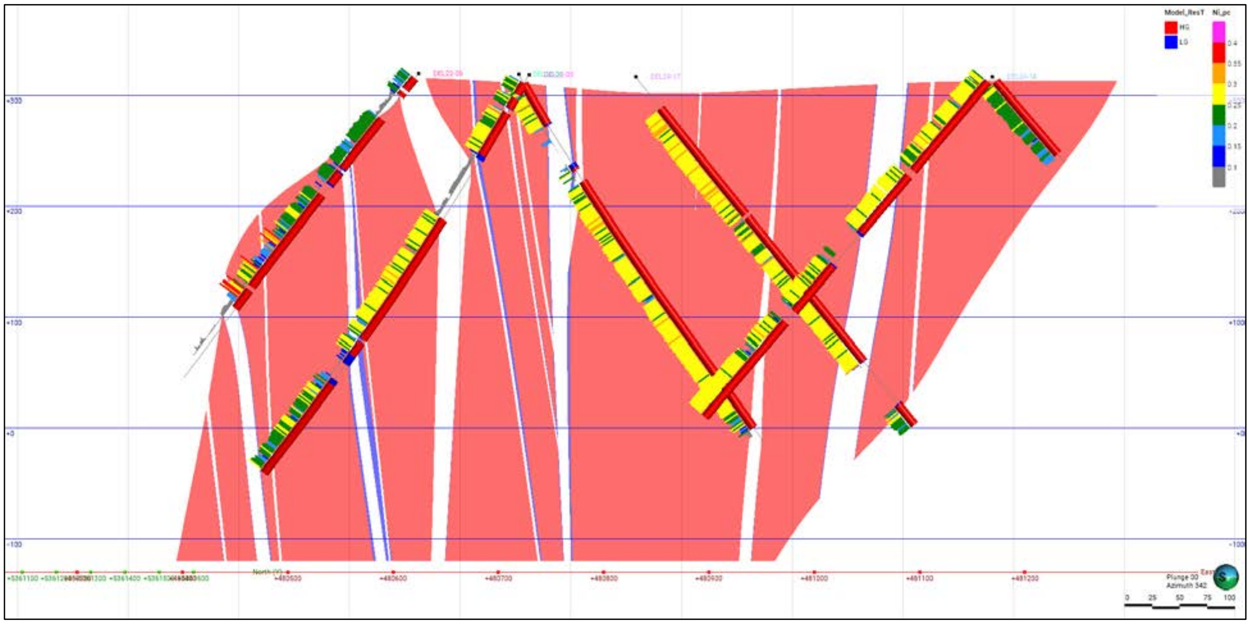

Figure 14-11. Oblique vertical section (Looking NW) of the HG/LG Estimation Domains with CNC Drill hole Intercepts and nickel grades. Background outline and drill trace colours represent HG (red) and LG (blue) estimation domains. Some drill hole intercepts may not precisely match their corresponding feature due to section plane distance (up to 50 m) (Caracle Creek, 2024).

As previously established, chromium required further sub-domaining (Figure 14-13) due to its peculiar grade distribution, resulting in a higher-grade HCR Domain containing 1,085 samples, a medium-grade domain ("MCR") with 1,272 samples and a lower-grade domain ("LCR") with 1,824 samples.

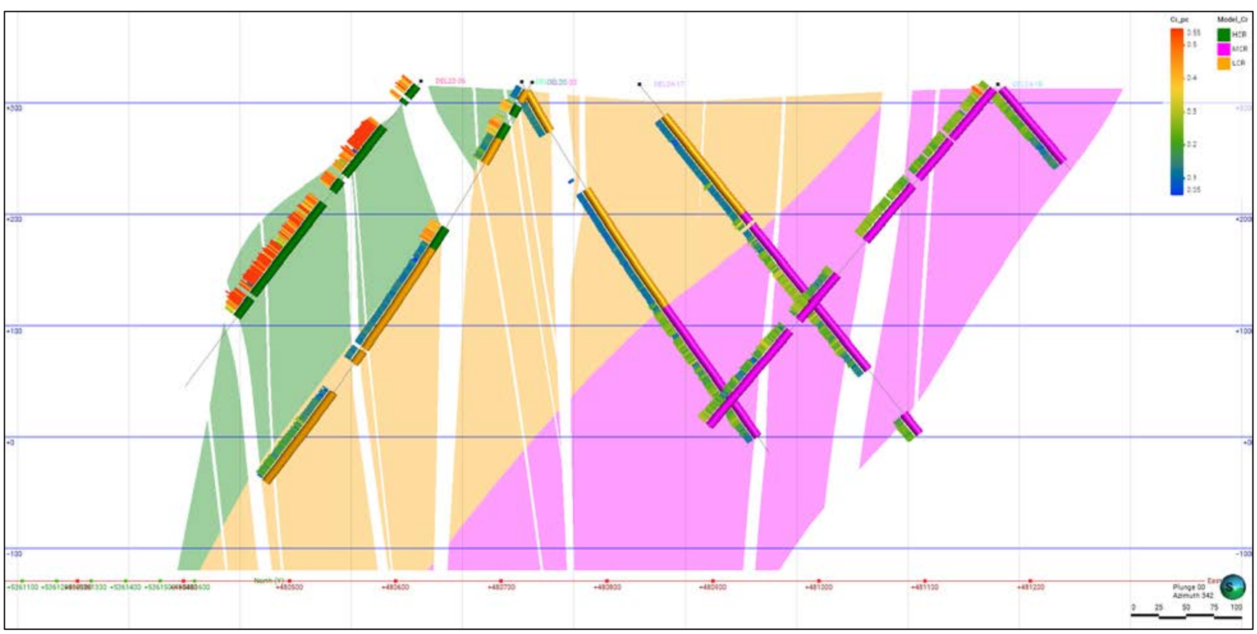

Figure 14-12. Oblique vertical section (Looking NW) of the HCR/LCR/MCR Estimation Sub-Domains with CNC drill hole Intercepts and chromium grades. Background outline and drill trace colours represent HCR (green), MCR (pink) and LCR (orange) estimation sub-domains. Some drill hole intercepts may not precisely match their corresponding feature due to section plane distance (up to 50 m) (Caracle Creek, 2024).

Statistical analysis within this set of estimation domains confirmed the appropriate separation of grade populations, evidenced by adequate distributions and statistical parameters, especially in the chromium case (Figures 14-14). Further analyses suggested no need for additional sub-domaining.

Density populations were already properly set apart by the alteration domains and thus did not require additional sub-domaining either. These are the serpentine-altered Serp Domain containing 684 samples and the talc-altered Talc Domain with 51 samples.

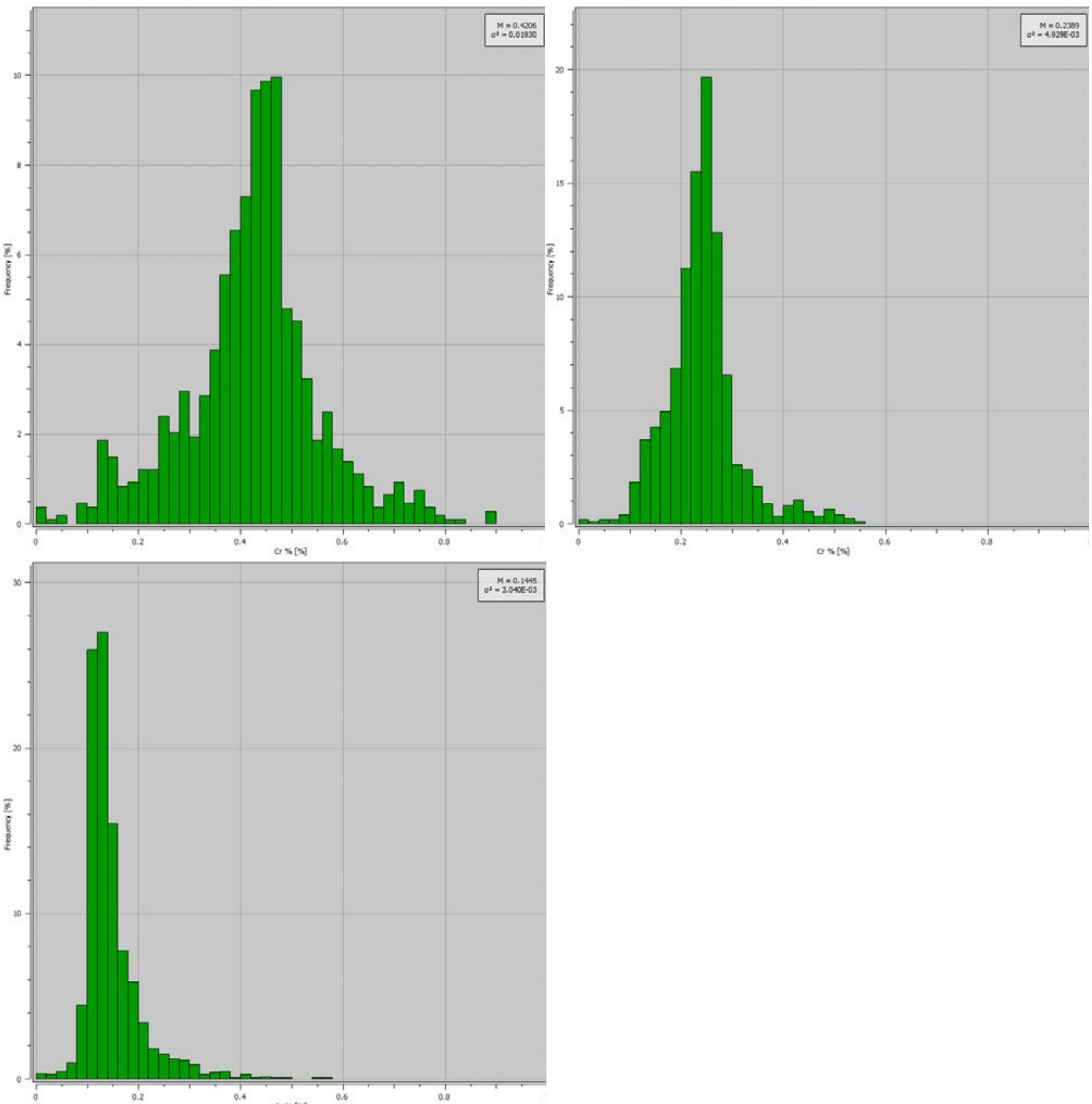

Figure 14-13. From top left to bottom: chromium grade histograms for the HCR, MCR, and LCR estimation sub-domains (Caracle Creek, 2024.

14.5.3 Compositing and Capping

Considering that 90% of drill hole samples are 1.5 m in length, the 15.0 m block height (*see* Section 14.6 – Block Modelling) and the sample database size, composites of 7.5 m were deemed the most appropriate. These were generated within the HG Domain for the seven studied elements (Ni, Co, Fe, Cr, S, Pd, Pt), not considering the chromium sub-domains.

Density values could not be composited given that they are data points as opposed to intervals; therefore, the points themselves were treated as composites for all intents and purposes. Only values within the Serp Domain were considered, as it contains most of them.

Capping was applied, if necessary, before compositing and only for "true" outliers (values out of context such as a single high grade among low grades). Capping values were then based on cases that met the previous condition, along with histogram and probability plot distributions, resulting in top caps of 0.75% for sulphur, 0.25 ppm for palladium, 0.15 ppm for platinum and none for nickel, cobalt, iron, chromium or density.

Anomalous zones that transition into very high values were not capped at this stage; instead, their influence was limited to a set ellipsoid size during estimation if deemed necessary (*see* Section 14.7.2 – Estimation Parameters).

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

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

Domain	Element	1.5 m Drill Hole Samples					7.5 m Composites (Except Density)				
		Count	Mean	Std. Dev.	CV	Med	Count	Mean	Std. Dev.	CV	Med
HG	Ni %	4,181	**0.25**	0.04	0.18	0.26	829	**0.25**	0.04	0.14	0.26
	Co %	4,181	**0.011**	0.002	0.19	0.011	829	**0.011**	0.001	0.14	0.011
	Fe %	4,181	**5.22**	0.91	0.18	5.14	829	**5.22**	0.77	0.15	5.15
	S %	4,181	**0.060**	0.064	1.06	0.050	829	**0.060**	0.042	0.70	0.050
	Pd ppm	4,181	**0.004**	0.014	3.34	0.003	829	**0.004**	0.008	2.05	0.003
	Pt ppm	4,181	**0.006**	0.011	1.98	0.005	829	**0.005**	0.006	1.05	0.005
HCR	Cr %	1,085	**0.15**	0.06	0.38	0.13	362	**0.15**	0.04	0.30	0.13
MCR		1,272	**0.42**	0.14	0.33	0.43	215	**0.42**	0.10	0.24	0.43
LCR		1,824	**0.24**	0.07	0.29	0.24	252	**0.24**	0.06	0.24	0.24
Serp	Density	684	**2.63**	0.08	0.03	2.62					

14.6 Block Modelling

The selection of block model size for the Deloro Project was mostly based on drill spacing, arriving to a 20 m x 20 m x 15 m size as the more optimal choice using CNC's analogous Crawford deposit as a reference.

The block model dimensions (Table 14-3) were adjusted to the extended modelling area (*see* Section 14.4.2 - Lithology), reaching 500 m beyond the resource boundary (square in Figure 14-4) to be able to accommodate a conceptual pit shell. Vertical constraints come from the topographic surface at the top, and from the modelling depth at the bottom (-120 m elevation).

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

Table 14-3. Block Model Parameters.

Deloro Block Model	X	Y	Z
Minimum Centroid Coordinates	479,510	5,359,910	-112.5
Box Extents	2,300	2,300	450
Block Size	20	20	15
Number of Blocks	115	115	30
Rotation	-	-	-

14.7 Estimation Strategy

14.7.1 Estimation Methodology

Composite data and contact analyses helped confirm previously established working hypotheses (*see* Section 14.5 – Data Analysis and Estimation Domains) and define estimation strategies.

Most elements within the HG Domain, including nickel (Figure 14-15), did not display marked grade variations when transitioning between ultramafic rock types, instead showing progressive grade changes (soft boundary). This reinforced the initial premise that there was no need, at least at this stage, to separate rock grade populations and thus all elements, except for chromium, were deemed fit for ordinary kriging (OK) estimation within the domain.

Grades within the LG Domain, which contained less than 100 samples, were interpolated using the inverse distance weighting squared (IDW2) method.

Chromium grades displayed significant grade variations (hard boundary) at the transitions between HCR, LCR and MCR sub-domains (Figure 14-16) confirming that separate OK estimation within each one was necessary. However, in order to moderate potentially unrealistic grade disparities between the independent estimates, they were made slightly dependent by including additional composites from adjacent sub-domains up to 10 m away.

Density is typically a non-additive variable but considering that in this case its values follow a pattern that reasonably correlates with assay grades, owed to rock serpentinization, arguably makes it suitable for estimation.

Density values displayed a noticeable grade variation at the transition of both alteration types (Figure 14-17), confirming the need to separate the ones within the predominant Serp Domain, fit for OK estimation, from those within the scarcely sampled Talc Domain, which were interpolated using the IDW2 method.

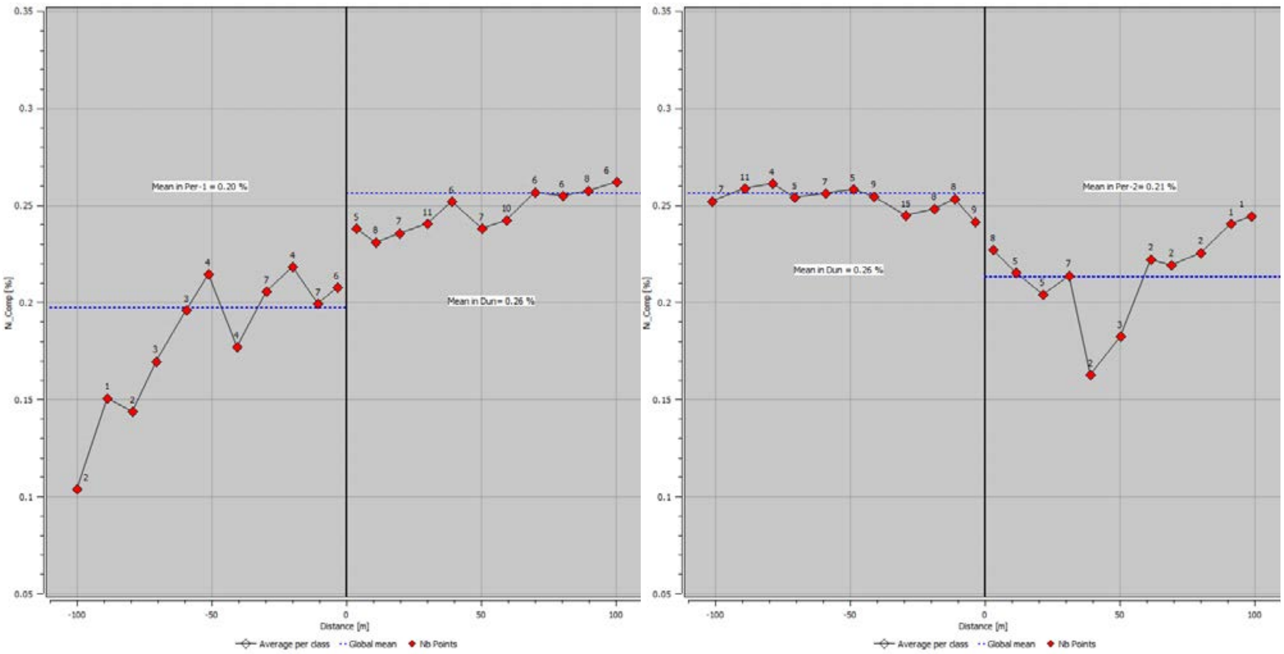

Figure 14-14. Contact Analysis Plots of the Per-1/Dun (left) and Dun/Per-2 (right) rock domains for nickel grades (Caracle Creek, 2024).

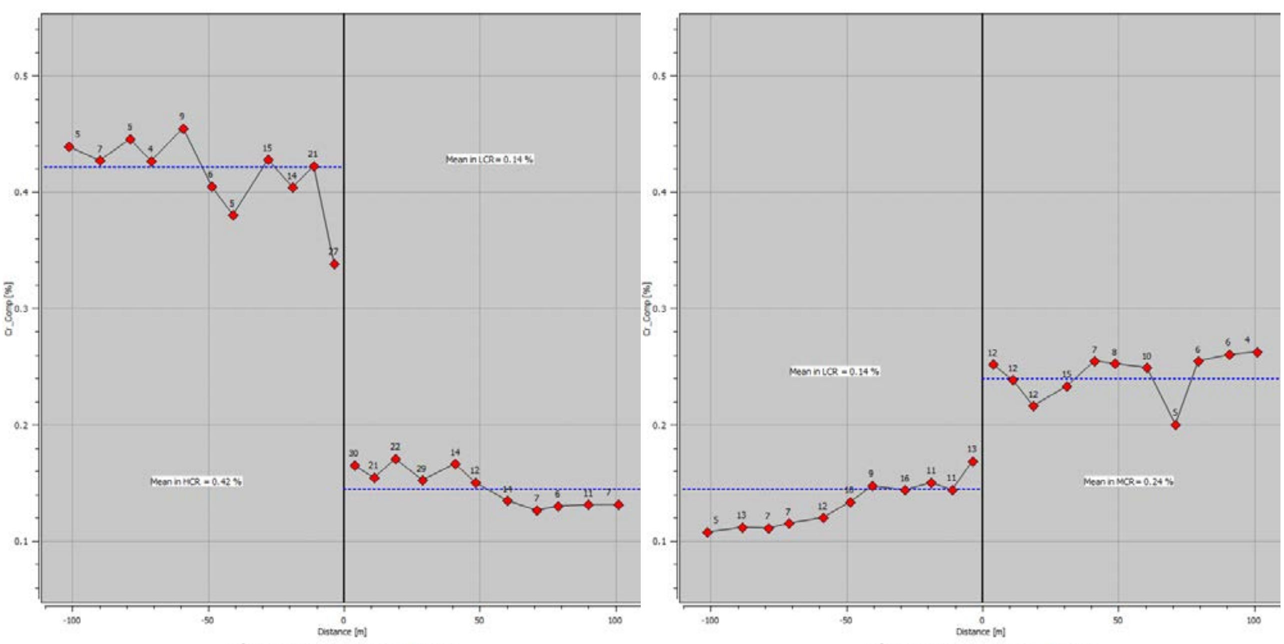

Figure 14-15. From left to right, Contact Analysis Plots of the HCR/LCR and LCR/MCR sub-domains for chromium grades (Caracle Creek, 2024).

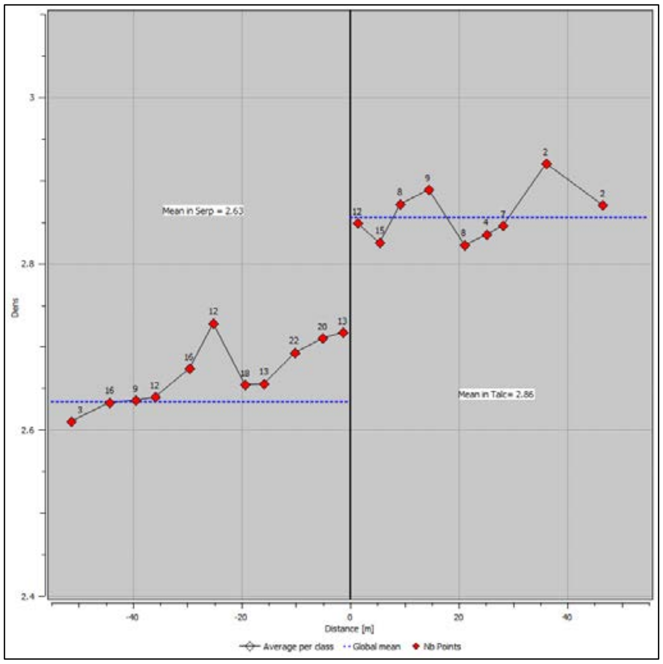

Figure 14-16. Contact Analysis Plot of the Serp/Talc alteration domains for density values (Caracle Creek, 2024).

14.7.2 Estimation Parameters

Blocks were discretized to a 2 x 2 x 2 ratio for estimation. A single-pass kriging routine was implemented, with a neighbourhood search range that covered close to 95% of the EST Domain, followed by a complementary "infinite" range pass for blocks that did not meet previous criteria. The search range was mostly based on deposit geometry rather than variography and it was replicated for all variables, as were most interpolation parameters (Table 14-4) save for capping ellipsoids (Table 14-5).

Table 14-4. Kriging Neighbourhood search parameters and ranges for all variables.

Parameter	Neighbourhood	
Pass	1st	2nd
Sector Search	Single	
Minimum Sectors	NO	
Maximum Points per Sector	20	20
Minimum Total Points	8	1
Maximum Points per Drill Hole	4	4
Minimum Points per Drill Hole	-	-
Minimum Drill Holes	2	1
Search Radius Directions	340° Az / 70° Dip / 270° Pitch	
Search Radius Axis 1	300	∞
Search Radius Axis 2	500	∞
Search Radius Axis 3	200	∞

Table 14-5. Capping ellipsoid thresholds and sizes. Elements not included were not capped.

Element	Cap	Ellipsoid Size		
		Axis 1	Axis 2	Axis 3
S %	0.22	75	125	50
Pd ppm	0.07	75	125	50
Pt ppm	0.05	75	125	50
Density	2.95	50	80	35

14.8 Variography

Variography was carried out for the seven studied elements and density (Figure 14-18), including the three chromium subsets (Figure 14-19), within their corresponding domains or sub-domains. A preferential direction of 340° azimuth and 70°S dip was defined based on deposit geometry, mineralization trends, drilling orientations, and variogram maps serving as further reference.

Multidirectional variograms were modelled considering zonal anisotropies (independent sills in each axis) due to the significant grade variability differences between directions. Disruptive grade outliers were excluded in one instance to reduce noise. Down-the-hole variograms were also modelled for an initial approach to the nugget value.

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

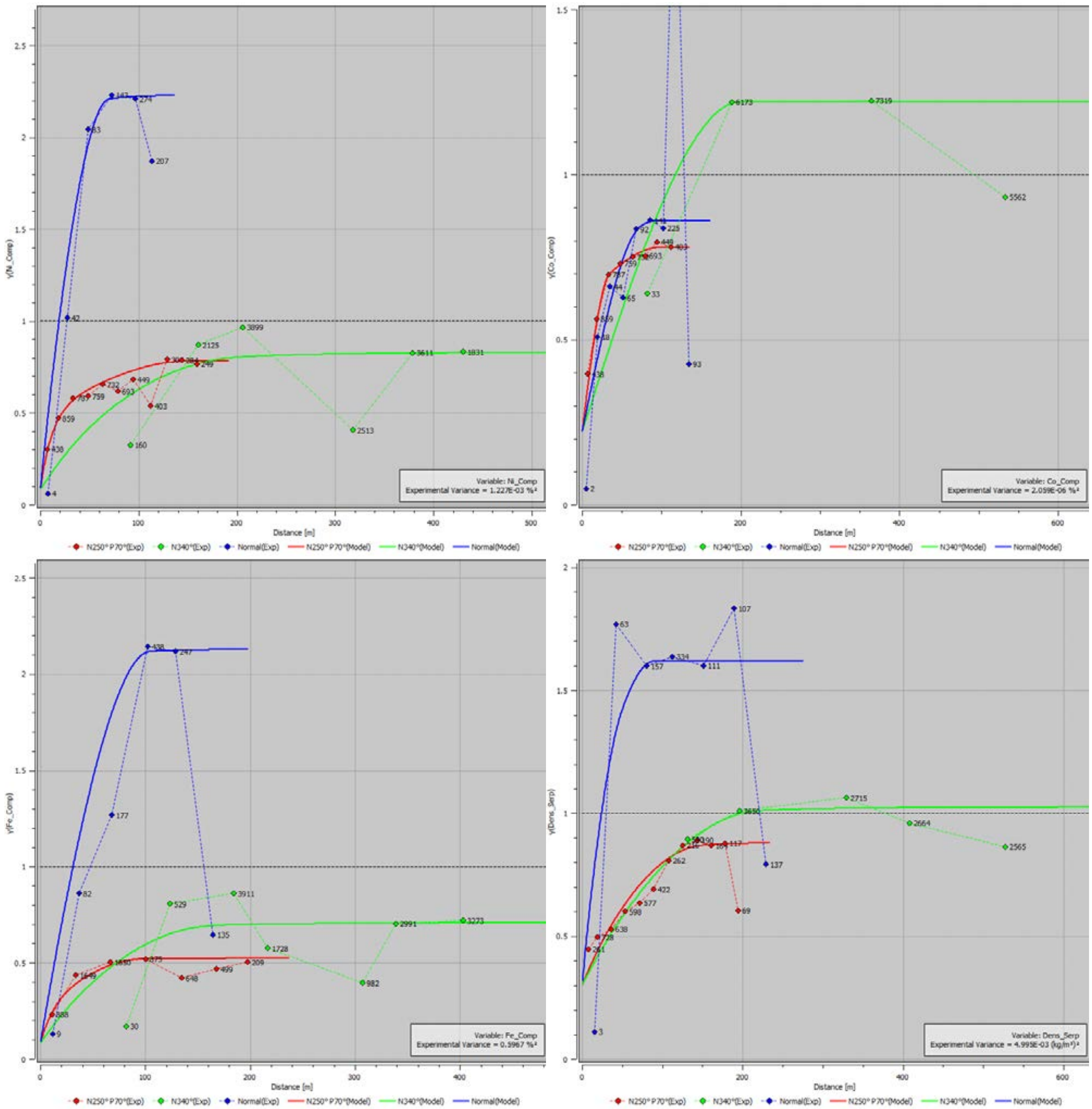

Figure 14-17. From top left to bottom right: variograms of nickel, cobalt, iron grades and density values (Caracle Creek, 2024).

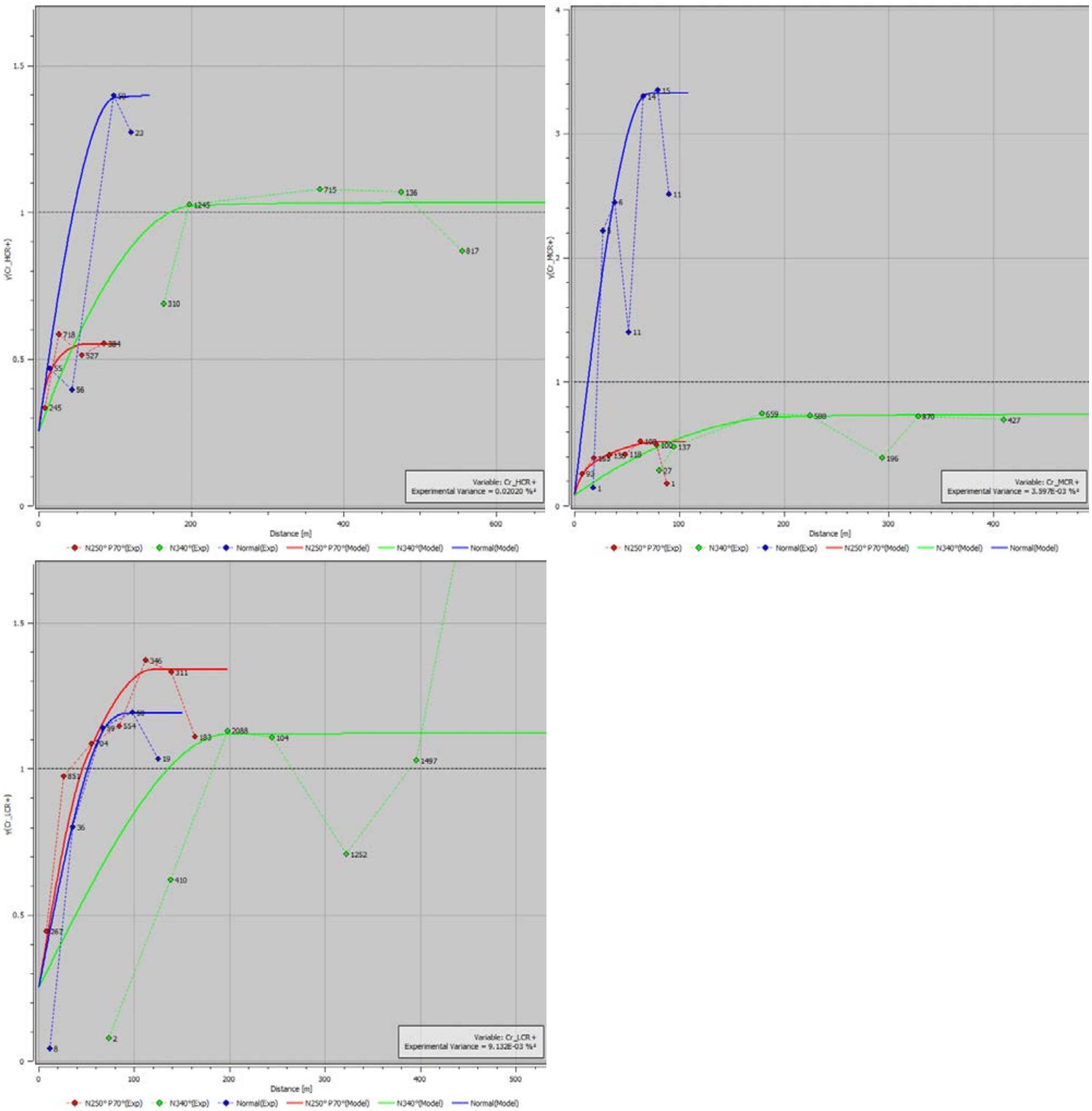

Figure 14-18. From top left to bottom: variograms of chromium grades within the HCR, MCR, and LCR sub-domains (Caracle Creek, 2024).

14.9 Block Model Validation

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

14.9.1 Visual Validation

Plan views and predefined sections (Figures 14-20 and 14-21) based on drill hole direction and location were used for visual comparison of block models and composites, showing generally good consistency.

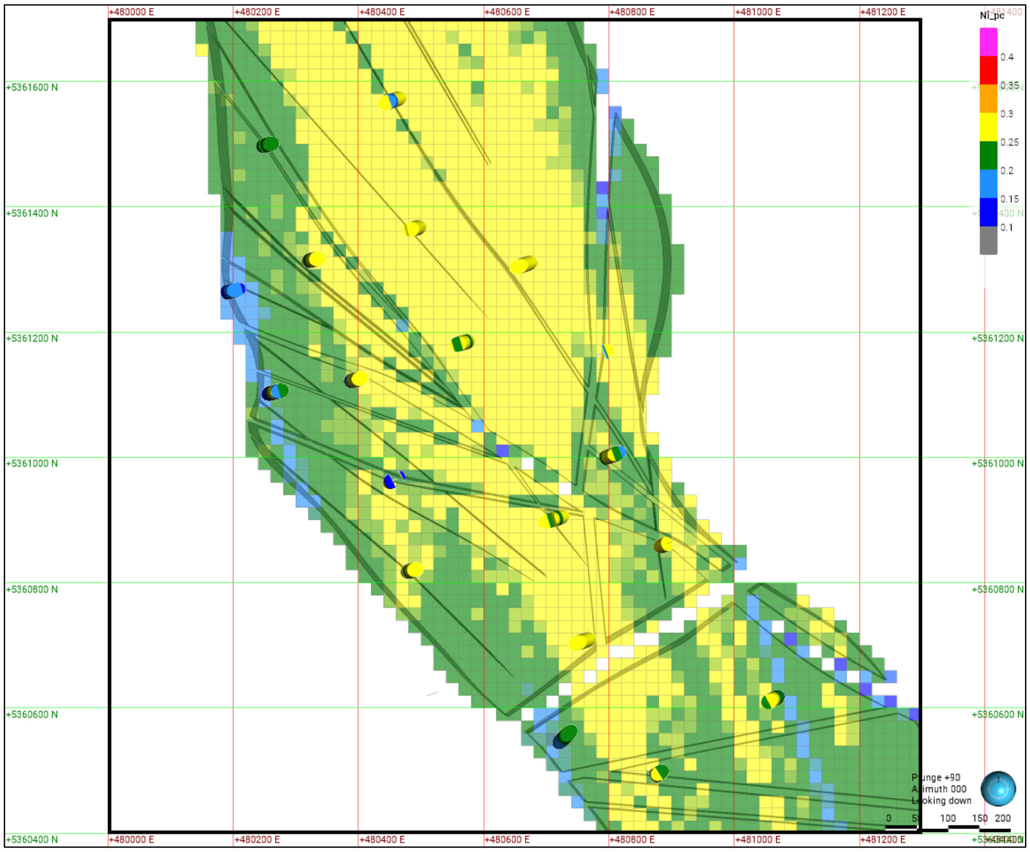

Figure 14-19. Plan Section (165 m) of Nickel Grade Blocks against Nickel Composites within the EST Domain Envelope. The black square represents the current resource boundary and main modelling area. (Caracle Creek, 2024).

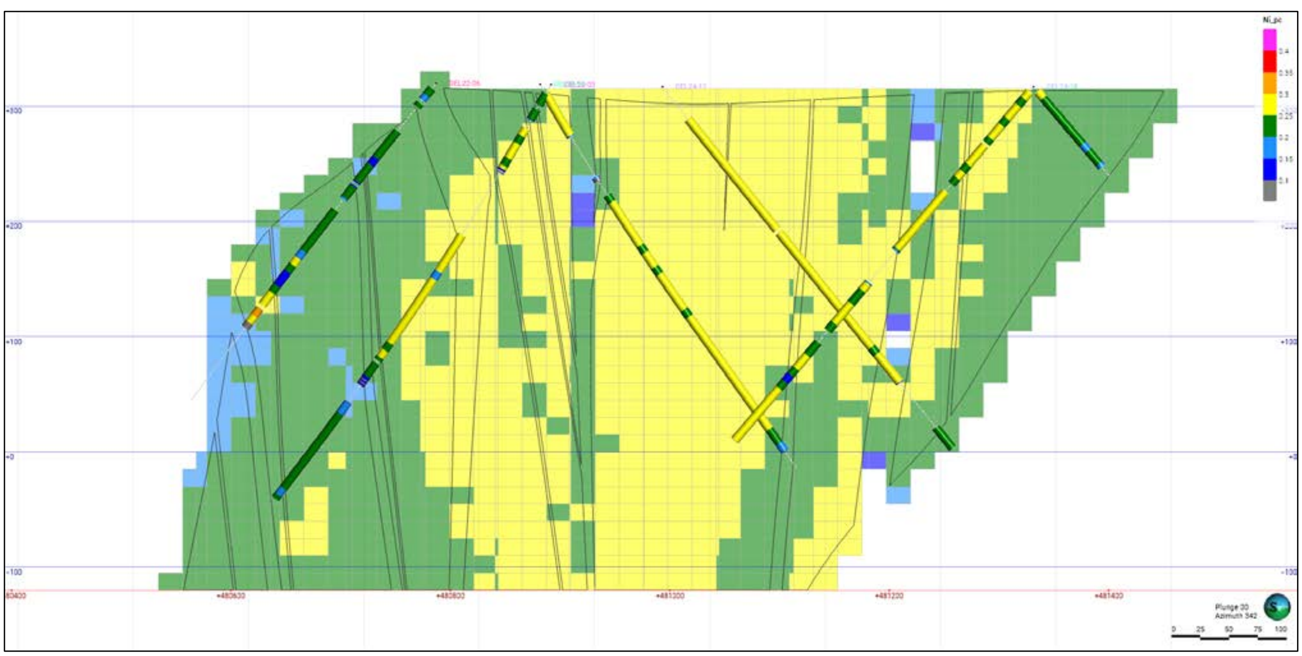

Figure 14-20. Oblique vertical section (Looking NW) of Nickel Grade Blocks against Nickel Composites within the EST Domain Envelope. Some drill hole intercepts may not precisely match their corresponding feature due to section plane distance (up to 50 m) (Caracle Creek, 2024).

14.9.2 Statistical Validation

Global bias measures percentage differences between composites and estimates (OK, IDW2 and NN), which preferably should not exceed 5% (Table 14-6), with a maximum tolerance of 10%. Statistical parameters for all studied variables are also included for comparison. It should be noted that even though values are rounded, calculations are based on non-rounded values, and that very low grades tend to produce large percentage differences.

All variables show generally good consistency when comparing OK estimate means against composites. There are a couple cases where other estimates are seemingly biased, in the case of palladium (IDW2) it is due to differences between very low grades and in the case of chromium within the HCR Domain (NN), it is possibly due to an isolated low value that was overrepresented.

Table 14-6. Global Statistical Comparisons Between Composites and Estimates

Domain	Element	Count	Mean	Bias	Std. Dev.	CV
HG	Ni %	Composites	0.25	-	0.04	0.14
		OK	0.25	**-0.18 %**	0.02	0.09
		IDW2	0.25	**-0.07 %**	0.02	0.08
		NN	0.24	**-1.28 %**	0.04	0.15
	Co %	Composites	0.011	-	0.001	0.14
		OK	0.011	**-0.14%**	0.001	0.05
		IDW2	0.011	**-0.62%**	0.001	0.06
		NN	0.010	**-2.11%**	0.001	0.13
	Fe %	Composites	5.22	-	0.77	0.15
		OK	5.26	**0.72%**	0.52	0.10
		IDW2	5.25	**0.60%**	0.43	0.08
		NN	5.19	**-0.67%**	0.75	0.14
	S %	Composites	0.060	-	0.042	0.70
		OK	0.064	**6.33%**	0.024	0.37
		IDW2	0.065	**8.24%**	0.028	0.43
		NN	0.065	**7.91%**	0.041	0.64
	Pd ppm	Composites	0.004	-	0.008	2.05
		OK	0.004	**-6.55%**	0.004	1.00
		IDW2	0.004	**-14.08%**	0.003	0.90
		NN	0.004	**8.14%**	0.010	2.21
	Pt ppm	Composites	0.005		0.006	1.05
		OK	0.005	**-1.86%**	0.003	0.61
		IDW2	0.005	**-5.47%**	0.003	0.49
		NN	0.006	**3.41%**	0.007	1.20
HCR	Cr %	Composites	0.37	-	0.14	0.39
		OK	0.36	**-2.27%**	0.07	0.19
		IDW2	0.36	**-2.86%**	0.08	0.21
		NN	0.33	**-11.00%**	0.15	0.46
MCR		Composites	0.24	-	0.06	0.26
		OK	0.23	**-3.15%**	0.04	0.16
		IDW2	0.24	**2.54%**	0.04	0.16
		NN	0.23	**-0.28%**	0.08	0.34
LCR		Composites	0.18	-	0.10	0.54
		OK	0.18	**1.71%**	0.04	0.23
		IDW2	0.17	**-1.52%**	0.05	0.27
		NN	0.18	**0.46%**	0.09	0.49
Serp	Density	Composites	2.63	-	0.08	0.03
		OK	2.63	**0.11 %**	0.04	0.01

Domain	Element	Count	Mean	Bias	Std. Dev.	CV
		IDW2	2.63	**0.18 %**	0.04	0.01
		NN	2.64	**0.39 %**	0.08	0.03

14.9.3 Moving Window Validation

Swath plots allow for localized statistical comparisons by averaging grades in sequential slices (or windows) across the estimation domain. The main slicing direction was aligned with that of the variogram (340° Az), with a 100 m slice width. The resulting plots (Figures 14-22 and 14-23) run from southeast (left) to northwest (right) showing mean grade of composites (black), OK (red), IDW2 (green) and NN (blue) estimates, as well as histograms of sample/block numbers.

All variables show acceptable consistency between datasets, considering the high variability of composite value means between slices, mostly due to the limited drilling available at this stage.

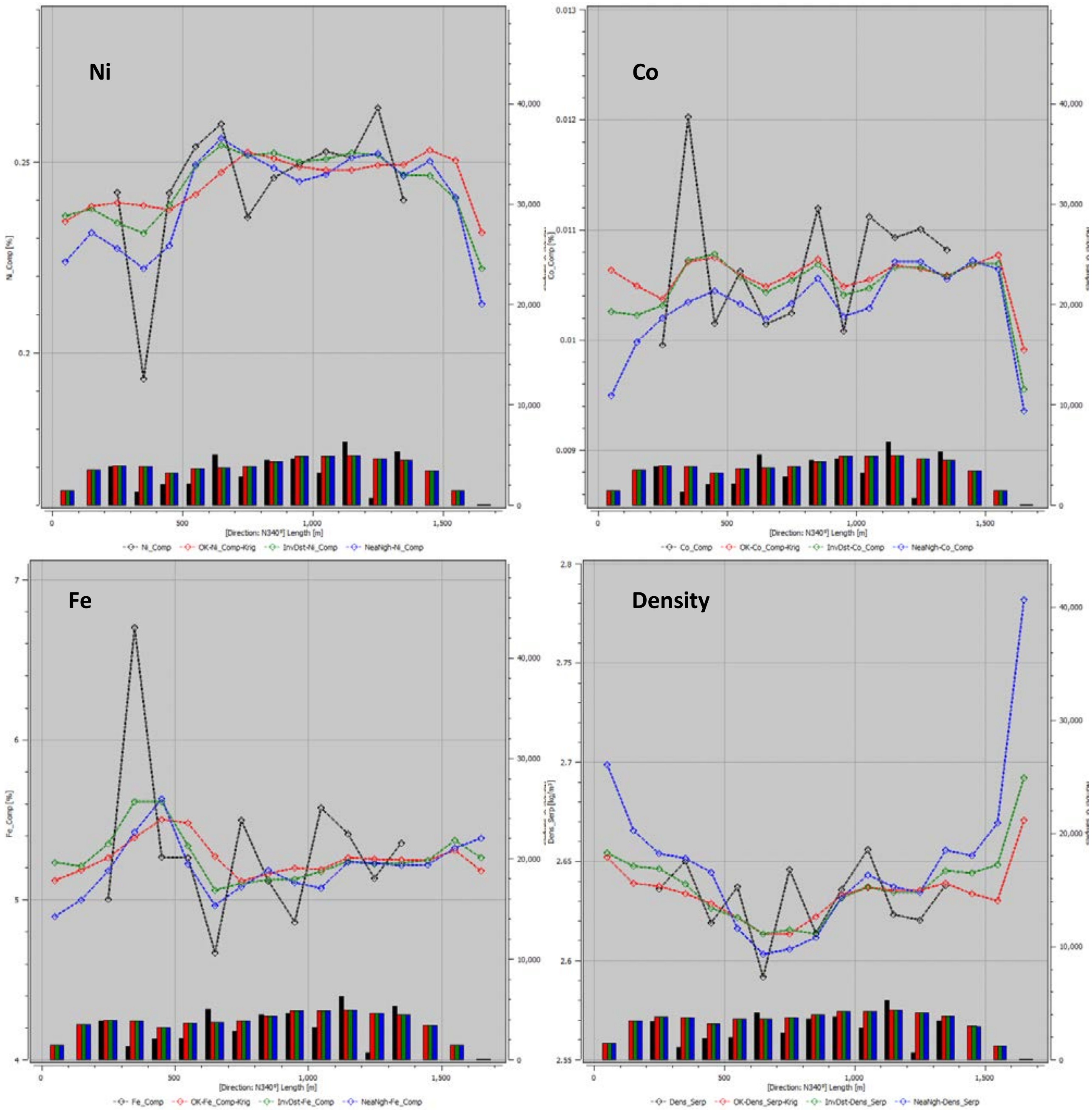

Figure 14-21. From top left to bottom right: 100-m spaced Swath Plots of nickel, cobalt, iron grades and density values (Caracle Creek, 2024).

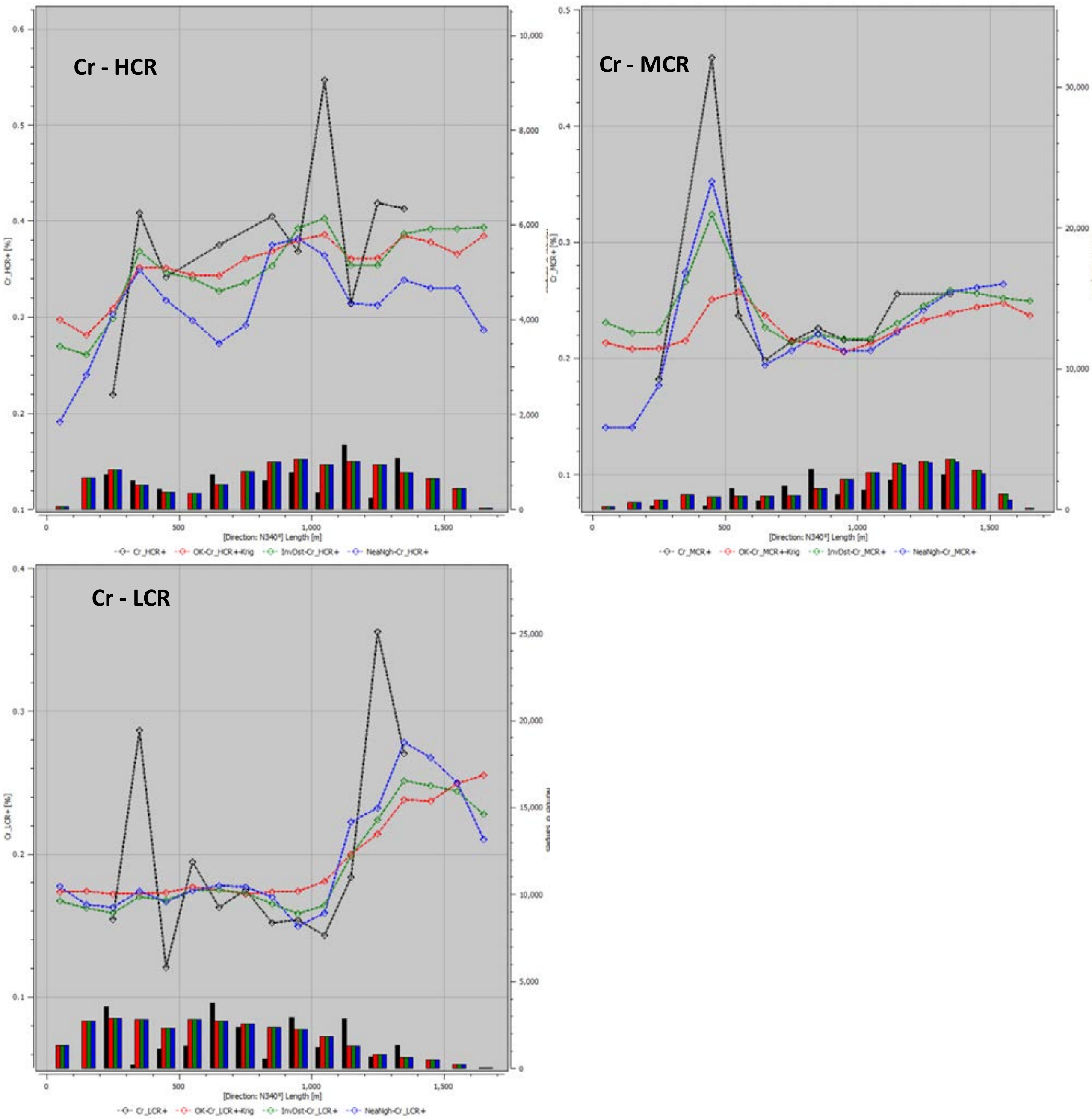

Figure 14-22. From top left to bottom: 100-m spaced Swath Plots of chromium grades within the HCR, MCR and LCR sub-domains (Caracle Creek, 2024).

14.10 Mineral Resource Classification and Estimate

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

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

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

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

14.10.1 Mineral Resource Classification

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

Preliminary block classes are assigned through successive kriging neighbourhood search routines, first set to stricter parameters than the ones used for resource estimation and subsequently loosening them with each pass (Table 14-7). Neighbourhood dimensions conform to a set of range values measured along the curves of the nickel variogram (Figure 14-18) at different steps from the sill, namely 80% of the sill to assign indicated resources and 95% of the sill for inferred resources. Any blocks that did not meet previous criteria were classified as “potential”.

At this stage of the Project, there is not enough information or confidence to reach measured mineral resources.

Smoothing was carried out by digitizing rough cross-section outlines of the block distribution of each preliminary class every 50 m, and subsequently generating shells that could provide coherent class volumes. These shells were then flagged into the block model, producing the final classification (Figures 14-24 and 14-25).

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

Parameter	Neighbourhood		
Pass (Preliminary Class)	1st (IND)	2nd (INF)	3rd (POT)
Sector Search	Single		
Minimum Sectors	NO		

Parameter	Neighbourhood		
Maximum Points per Sector	20	20	20
Minimum Total Points	8	4	1
Maximum Points per Drill Hole	4	4	4
Minimum Points per Drill Hole	-	-	-
Minimum Drill Holes	2	1	1
Search Radius Directions	340° Az / 70° Dip / 270° Pitch		
Search Radius Axis 1	100	125	∞
Search Radius Axis 2	150	175	∞
Search Radius Axis 3	55	60	∞

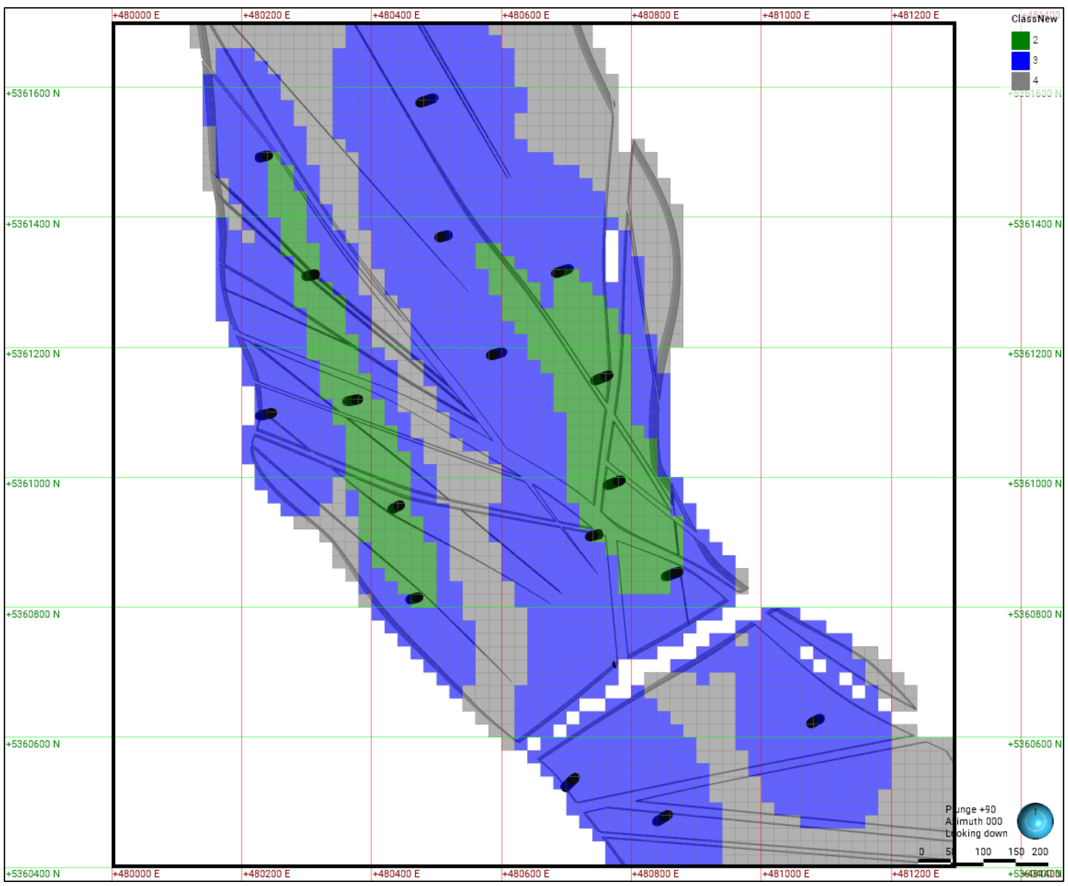

Figure 14-23. Plan section (125 m) of Smoothed Resource Classification against Composites within the EST Domain Envelope. Block colours represent indicated (green), inferred (blue) and potential (grey) resource classes. The black square represents the current resource boundary and main modelling area. (Caracle Creek, 2024).

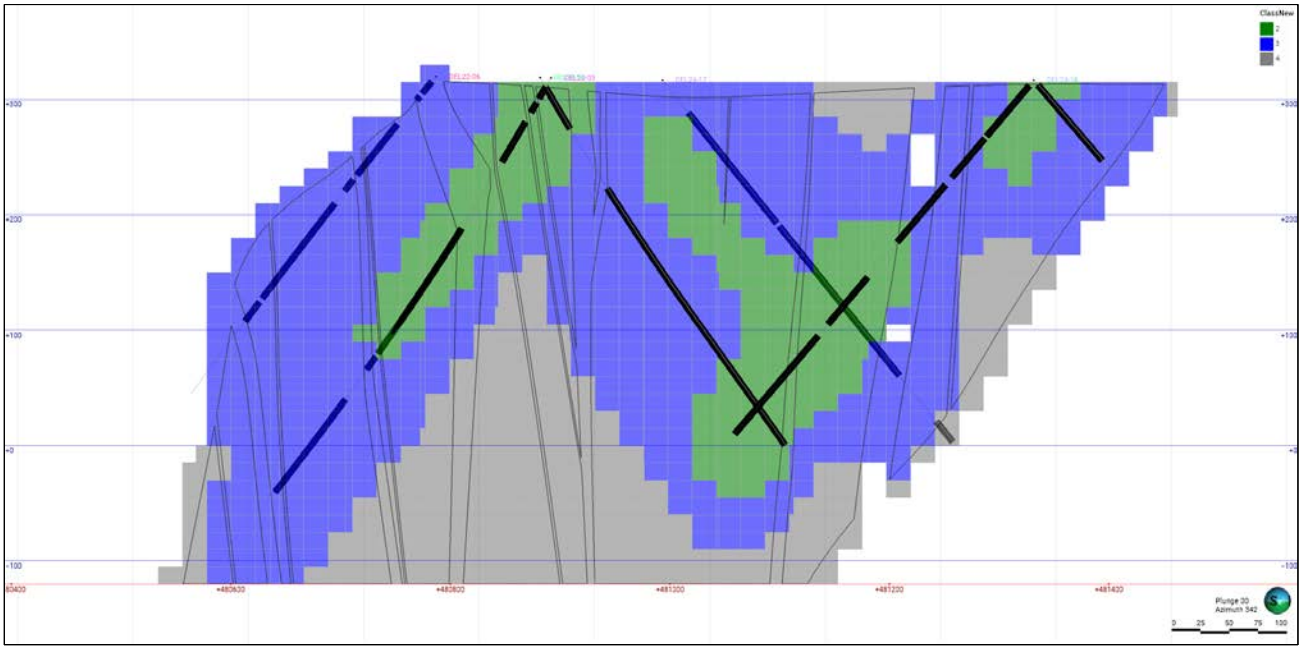

Figure 14-24. Oblique vertical section (Looking NW) of Smoothed Resource Classification against Composites within the EST Domain Envelope. Block colours represent indicated (green), inferred (blue) and potential (grey) resource classes. Some drill hole intercepts may not precisely match their corresponding feature due to section plane distance (up to 50 m). (Caracle Creek, 2024).

14.11 Pit Optimization and Cut-off Grade

According to CIM (2019), for a mineral deposit to be considered a mineral resource it must be shown that there are "reasonable prospects for eventual economic extraction". Given that the Deloro Project will be mined using open pit methods, the 'reasonable prospects' are considered satisfied by limiting mineral resources to those constrained within a conceptual pit shell and above a cut-off grade.

The pit shell (Figure 14-26) was generated under the supervision of Independent Consultant David Penswick (P.Eng. and Qualified Person), using the Lerchs-Grossmann ("LG") algorithm, which is the industry standard tool to define the limits of, and mining sequence for an open pit. Specific inputs to the LG algorithm include the following:

- Nickle price of US$21,000/t and payability of 91% (nickel would generate 83% of total metal revenue).
- Iron price of US$325/t and payability of 50% (iron would generate 17% of total metal revenue).
- Mining Costs that range from C$3.29/t for articulated trucks proposed for use to move clay, to C$2.50/t for 90t trucks proposed for sand and C$1.68/t for 290t autonomous trucks proposed for move rock. As there is very little overburden, these assumptions result in an average mining cost per total tonne mined of C$1.69.
- Process and administration costs of C$8.40/t ore, which is considered appropriate for the scale of mill that the resources could support.

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

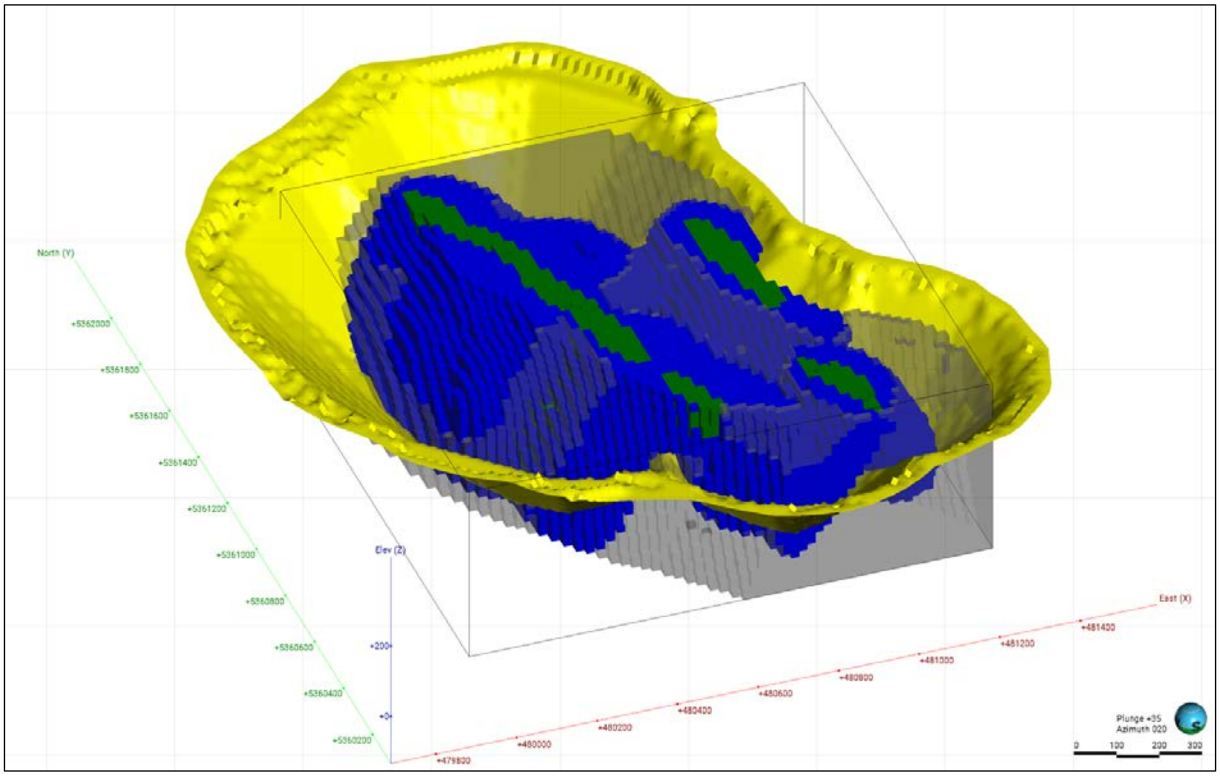

Figure 14-25. 3D Perspective (Looking NE) of the Pit Shell and Resource Classification Blocks. Conceptual pit shell (yellow) against indicated (green), inferred (blue) and potential (transparent grey) resource blocks. The box-shaped edges represent the current resource boundary and main modelling volume (Caracle Creek, 2024).

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

- Estimated average recovery of nickel and iron of 49% and 55%, respectively.
- Metal prices and payability as reported above.
- Marginal costs of C$8.40, as reported above.
- A long-term C$ f/x of US$0.76.

Based on these parameters, the marginal cut-off can be achieved with less than 1 lb of payable nickel per tonne of ore processed. This has been rounded up to an in-situ grade of 0.10% Ni.

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

Based on the combined block model from Section 14.10.1 (Mineral Resource Classification) and constrained by the conceptual pit shell and cut-off grade from the previous analysis, a nickel grade-tonnage curve was calculated for the EST Domain (Figure 14-27). The reader is cautioned that the values presented in Figure 14-27 should not be misconstrued as a mineral resource statement (*see* Section 14.12 – Mineral Resource Statement).

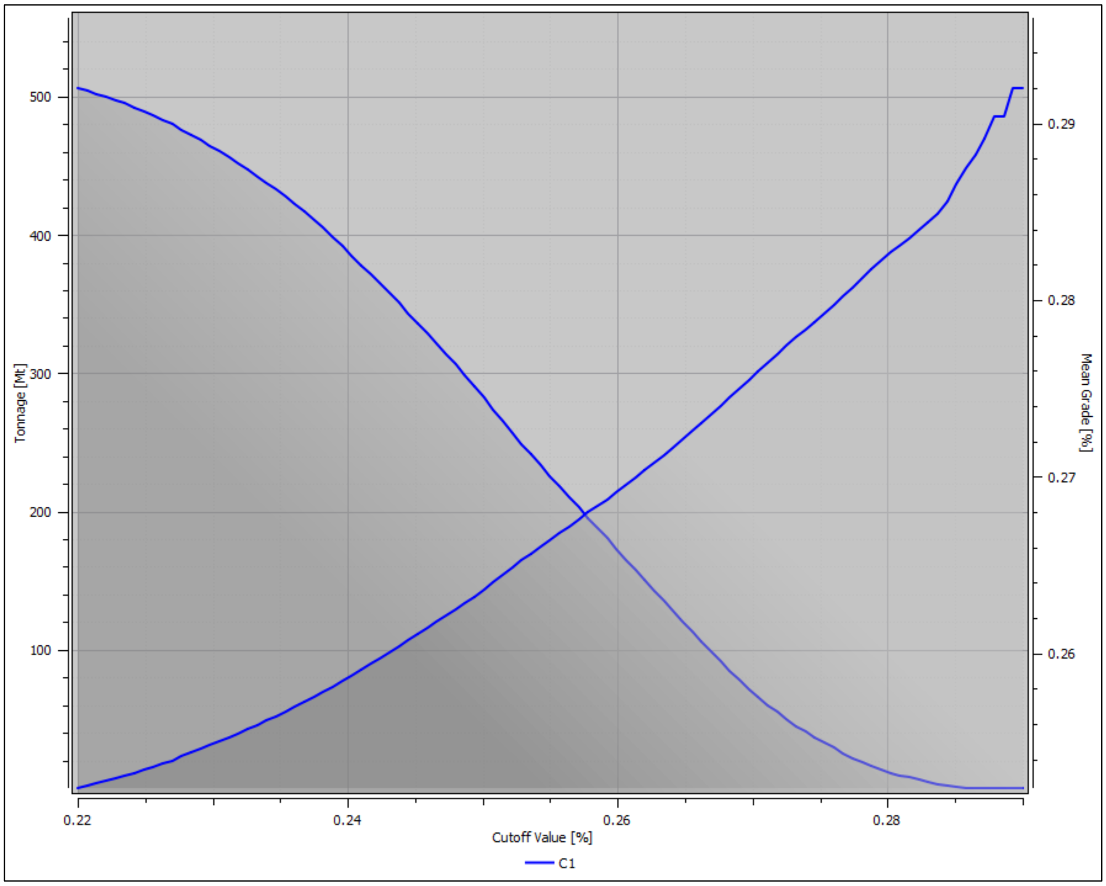

Figure 14-26. Grade-Tonnage Curve for nickel grades (Caracle Creek, 2024).

14.12 Mineral Resource Statement

The mineral resources disclosed herein (Table 14-8) are constrained to the pit shell and the 0.10% Ni cut-off grade developed from the pit optimization analysis discussed above. They are presented characterized by class and mineral grades rounded to two significant figures. The effective date of the MRE is 17 July 2024.

Table 14-8. Mineral Resource Statement for the pit-constrained maiden Mineral Resource Estimate, Deloro Deposit.

Domain	Class	Tonnage (Mt)	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe (%)	Fe (Mt)	S (%)	S (kt)	Cr (%)	Cr (kt)	Pd (g/t)	Pd (koz)	Pt (g/t)	Pt (koz)
EST (HG + LG)	Indicated	81.3	0.25	201.8	0.011	8.6	5.2	4.2	0.056	45.6	0.24	193.6	0.0029	7.7	0.0045	11.8
	Inferred	357.5	0.25	885.4	0.011	38.0	5.2	18.6	0.063	224.9	0.23	835.4	0.0040	45.7	0.0053	60.6

- 81.3 Mt of Indicated at 0.25% Ni, containing 201.8 kt of Ni.
- 357.5 Mt of Inferred at 0.25% Ni, containing 885.4 kt of Ni.

14.13 Exploration Potential

The Deloro Deposit is open along strike to the north and at depth. With additional drilling it is likely that the current MRE will be expanded from exploration potential (CAT 4) to Inferred (CAT 3) and from Inferred to Indicated (CAT 2), depending on the results of the in-fill drilling.

15.0 MINERAL RESERVE ESTIMATES

This section is not relevant at this stage of the Property.

16.0 MINING METHODS

This section is not relevant at this stage of the Property.

17.0 RECOVERY METHODS

This section is not relevant at this stage of the Property.

18.0 PROJECT INFRASTRUCTURE

This section is not relevant at this stage of the Property.

19.0 MARKET STUDIES AND CONTRACTS

This section is not relevant at this stage of the Property.

20.0 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

This section is not relevant at this stage of the Property.

21.0 CAPITAL AND OPERATING COSTS

This section is not relevant at this stage of the Property.

22.0 ECONOMIC ANALYSIS

This section is not relevant at this stage of the Property.

23.0 ADJACENT PROPERTIES

There are no adjacent properties that are actively being explored that would materially affect the Authors' (QPs) understanding of the Project or the interpretations and conclusions presented in the Report.

24.0 OTHER RELEVANT DATA AND INFORMATION

The Authors (QP)s are not aware of any additional information or explanations necessary to make the Report understandable and not misleading.

25.0 INTERPRETATION AND CONCLUSIONS

The objectives of the Report were to prepare a maiden Mineral Resource Estimate for the Deloro Nickel-Cobalt Deposit, along with a supporting independent NI 43-101 Technical Report, capturing historical information available from the Project area, evaluating this information with respect to the prospectivity of the Project, and presenting recommendations for future exploration and development on the Project.

The Deloro Nickel-Cobalt Sulphide Project, within the Timmins-Cochrane Mining Camp, is located wholly within Deloro Township, about 8 km southeast of the City of Timmins.

The Project comprises approximately 1,005.16 ha (10.05 km^2), consisting of a combination of unpatented mining claims ("staked claims") and patented lands (Crown Patents). The patents and the mining claims are registered 100% by Canada Nickel Company Inc. and all show "active" status. The unpatented mining claims are contiguous whereas the patents form two separate blocks.

Specifically, the Property comprises 31 Crown Patents (freehold patented lands) that cover approximately 487.06 ha and 46 single cell mining claims ("SCMC"s) that cover approximately 518.10 hectares.

The Project is easily accessible and exploration work can continue year-round.

25.1 Deloro Ultramafic Complex

The main target on the Property is the Archean-age Deloro Ultramafic Complex (DUC), a differentiated ultramafic to mafic komatiitic body (sill/intrusive). The DUC is associated with both the Deloro and Tisdale assemblages (*see* Figure 7-4).

The main geological target on the Property is the Archean-age Deloro Ultramafic Complex (DUC), a north-northwest trending differentiated ultramafic dunite-peridotite intrusion. Based on the 2022 drilling campaign completed by the Company and geophysical data, DUC is interpreted to be approximately 1.7 km along strike and about 700 m thick, open at depth (Ferron, 2024).

The DUC is mostly covered and as such is mainly defined by its geophysical signature (strong magnetic highs), historical diamond drill holes, and the recent drilling in 2022 and 2024 by the Company.

The ultramafic rocks (peridotite-dunite) in the DUC drill core intersections have, for the most part, undergone intense serpentinization resulting in a substantial volume increase and the liberation of nickel and iron. This pervasive serpentinization process creates a strongly reducing environment where the nickel released from the decomposition of olivine is partitioned into low-sulphur sulphides like heazlewoodite and into the nickel-iron alloy, awaruite. Primary sulphides such as pentlandite and pyrrhotite do occur in the DUC.

25.2 Deposit Model

Sulphide mineralization discovered to date on the Deloro Project can be characterized as Komatiite-hosted Ni-Cu-Co-(PGE) deposit Type II, most similar to the sub-type typified by the Mt. Keith style (Lesher and Keays, 2002). Although a preliminary interpretation, of the five major volcanic facies for komatiitic flow fields suggested by Barnes *et al.* (2004), the DUC is interpreted to be most similar to the dunitic compound sheet flow (DCSF), the same flow field facies interpreted for Mt. Keith (*see* Table 8-1). The DCSF facies represent high-flow volume magma pathways characterized by thick olivine-rich cumulates. Ultramafic rocks in the DUC are komatiitic, having magnesium oxide contents that average about 22.0 wt% MgO, with a maximum of 29.8 wt% MgO.

The geological analogue for the DUC is at least in part the Crawford Nickel Sulphide Deposit (Main and East zones), which is within the AGB (Deloro Assemblage), located 42 km north of the City of Timmins and being explored by Canada Nickel (*e.g*., Jobin-Bevans *et al.*, 2020; Lane *et al.*, 2022).

25.3 Diamond Drilling (2022 and 2024)

From 13 January to 28 February 2022 and 1 June to 19 June 2022, Canada Nickel completed 4,312 m (11 NQ-size holes) of diamond drilling in a Phase 1 drilling program. From 26 January to 12 March 2024, Canada Nickel completed 3,930.58 m (11 NQ-size holes) of diamond drilling in a Phase 2 drilling program. The drilling programs successfully delineated a broad, north-northwest trending ultramafic complex (DUC), originally identified from aeromagnetic data and regional geological maps (Ferron, 2022 and 2024).

Drilling into the DUC delineated a north-northwest trending ultramafic dunite-peridotite intrusion which, based on historical and 2022 drilling and geophysical data, is approximately 1.7 km along strike, about 700 m thick, and open at depth (Ferron, 2024). Currently defined mineralization within the Deloro Deposit extends for about 1.4 km along strike, 400 to 600 m in width and about 440 m depth (*see* Section 14.0 – Mineral Resource Estimates). The DUC is host to primary sulphides such as pentlandite and pyrrhotite and secondary sulphur-poor sulphide (heazlewoodite), nickel-iron alloy (awaruite), nickel-rich millerite, and nickel-arsenide nickeline or niccolite (Ferron, 2024).

25.4 Resource Database

The drill hole and Project database provided by CNC was validated and refined (*e.g.*, ignored duplicate data, unreliable historical holes or statistical outliers that are clear mistakes, among other correction measures) for geological modelling and resource estimation purposes.

Within an area of approximately 1.4 km along strike, 400 to 600 m in width, and 440 m deep, the working database of the Deloro Project contains the following:

- Collar: 22 holes amounting to 8,242.58 m, with an approximate mean depth of 375 m and a maximum of 492 metres.
- Survey: 22 holes measured by gyroscope tool.
- Lithology: 22 holes with 22 unique rock codes, grouped into 9 codes for modelling purposes (*see* Section 14.4 – Geological Interpretation and Modelling).
- Assays: 22 holes with 4,948 core samples of 1.5 m average length; 34 elements reported.
- Magnetic Susceptibility: 22 holes with 8,071 handheld magnetic susceptibility (“mag-sus”) measurements on drill core, taken every 1 metre.
- Specific Gravity: 22 holes with 954 density measurements (by water displacement) from drill core, taken every several metres, averaging 8.5 metres.
- Mineralogy (QEMSCAN): 10 holes with 134 core samples of 1.5 m average length, taken either every 15 m or every 25 m; 34 minerals reported, including brucite.

Secondary data sources include alteration, mineralization, and structural drill hole logs, as well as historical drill holes, geophysical surveys and geological maps.

The QP (John Siriunas) has reviewed the drilling, logging and sampling, quality assurance-quality control, analytical and security procedures for the 2022 and 2024 drilling programs and concluded that the observed failure rates are within acceptable ranges and that no significant assay biases or issues are present.

The QP (John Siriunas) is of the opinion that the protocols in place are adequate and in general, to industry standards. The Authors (QPs) also find that the database for the Deloro Nickel-Cobalt Sulphide Project is of good overall quality and is appropriate for the purposes of the Mineral Resource Estimation.

The measured density of the host ultramafic rock units and sampling density allows for a reliable estimate to be made of the size, tonnage and grade of the mineralization in accordance with the level of confidence established by the Mineral Resource categories in the CIM Definition Standards (CIM, 2014).

25.5 Mineral Resource Estimate

The mineral resources for the Deloro Project were classified in accordance with the most current CIM Definition Standards (CIM, 2019) and following the "CIM Definition Standards for Mineral Resources and Reserves", November 29, 2019, which provides standards for the classification of Mineral Resources and Mineral Reserves estimates.

The mineral resources disclosed in Table 25-1 are constrained to the pit shell (*see* Figure 14-26) and the 0.10% Ni cut-off grade developed from the pit optimization analysis discussed above. They are presented characterized by class and mineral grades rounded to two significant figures.

Table 25-1. Mineral Resource Statement for the pit-constrained maiden Mineral Resource Estimate, Deloro Deposit.

Domain	Class	Tonnage (Mt)	Ni (%)	Ni (kt)	Co (%)	Co (kt)	Fe (%)	Fe (Mt)	S (%)	S (kt)	Cr (%)	Cr (kt)	Pd (g/t)	Pd (koz)	Pt (g/t)	Pt (koz)
EST (HG + LG)	Indicated	81.3	0.25	201.8	0.011	8.6	5.2	4.2	0.056	45.6	0.24	193.6	0.0029	7.7	0.0045	11.8
	Inferred	357.5	0.25	885.4	0.011	38.0	5.2	18.6	0.063	224.9	0.23	835.4	0.0040	45.7	0.0053	60.6

- 81.3 Mt of Indicated at 0.25% Ni, containing 201.8 kt of Ni.
- 357.5 Mt of Inferred at 0.25% Ni, containing 885.4 kt of Ni.

The estimate is categorized as Inferred and Indicated resources based on data density, geological and grade continuity, search ellipse criteria, drill hole intersection spacing and specific interpolation parameters. The Effective Date of the mineral resource estimate is 17 July 2024, based on the drill hole data compilation status, cut-off grade parameters and pit optimization.

25.6 Risks and Opportunities

The Authors (QPs) are not aware of any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or relevant issues could be expected to materially affect the reliability or confidence in the exploration information and Mineral Resource discussed herein or the right or ability to perform future work on the Deloro Nickel-Cobalt Sulphide Project.

External risks are, to a certain extent, beyond the control of the Project proponents and are much more difficult to anticipate and mitigate, although, in many instances, some risk reduction can be achieved. External risks are things such as the political situation in the Project's region, metal prices, exchange rates and government legislation. These external risks are generally applicable to all mining projects. Negative variance to these items from the assumptions made in the economic model would reduce the profitability of the mine and the mineral resource estimates.

As with all mineral exploration projects, there is an inherent risk associated with mineral exploration. Many of these risks are based on a lack of detailed knowledge and can be managed as more sampling, testing, design, and engineering are conducted at each of the next study stages. The mineral resources may be affected by a future conceptual study assessment of mining, processing, environmental, permitting, taxation, socio-economic, and other factors.

Excluding opportunities that are universal to all mining projects, such as improvements in grade and tonnage, higher metal prices, improved exchange rates, etc., there are several opportunities, mostly technical, that could enhance the Project. The DUC offers good potential for developing a low-grade, large tonnage nickel (Co, Pt, Pd, Fe) resource and should be investigated further.

Whether an economic size and grade of deposit can be developed from the DUC will be predicated largely on the success of metallurgical test work and the price of nickel and other recoverable metals. The Deloro Nickel-Cobalt Sulphide Project is still early-stage and critical to the success of this Project is completing thorough metallurgical test work to determine if the nickel can be economically extracted.

Given that the DUC is largely covered by 10 m (or more) of overburden, and with only 22 recent drill holes (DEL22- and DEL24-series), there is much additional sampling (*i.e.,* diamond drilling), metallurgical, and mineralogical test work and studies required in order to understand the geology, mineralization, geochemistry, and geometry of the DUC.

It is the opinion of the Authors (QPs), that at this stage of the Project, there are no reasonably foreseen contributions from risks and uncertainties identified in the Report that could affect the Project's continuance at its current stage of exploration ad specifically to complete the exploration program proposed in Section 26 – Recommendations.

26.0 RECOMMENDATIONS

It is the opinion of the Authors (QPs) that the geological setting and character of nickel-cobalt sulphide mineralization discovered to date on the Deloro Project is of sufficient merit to justify additional exploration and development expenditures. A recommended work program, arising through the preparation of the Report and consultation with Canada Nickel, is provided below.

The QPs recommend a single phase program of exploration diamond drilling (Phase 3), designed to follow up on the Phase 1 and Phase 2 drilling programs (Table 26-1; Table 26-2; Figure 26-1; Figure 26-2).

The planned drilling program (8,000 m) is focussed on extending the Deloro Deposit to the north and in-fill drilling in order to decrease drill hole spacing and increase confidence in mineralization (*i.e.*, from Inferred to Indicated). At a minimum, the planned drilling should upgrade the exploration potential material (CAT 4) to Inferred (CAT 3) and upgrade Inferred to Indicated (CAT 2).

The estimated cost for the recommended single phase program is approximately C$1.9M and this exploration program should be able to be completed within a 12 month period. The final location and parameters of the proposed Phase 3 drill holes should be determined following a review of all of the available data and information.

Table 26-1. Budget estimate, recommended single phase exploration program, Deloro Nickel-Cobalt Sulphide Project.

Item	Description	Unit	No. Units	C$/Unit	Amount (C$)
Data and Information Compilation/Review	review of all data and information	hr	8	$216	$1,728
Modelling (2D/3D) and Targeting	drill hole targeting/planning	hr	8	$216	$1,728
Diamond Drilling	18 holes; 8,000 m (NQ); all-in cost	m	8,000	$135	$1,080,000
Assays (multi-element) - drill core	~65% of total metres (1.5 m samples)	ea.	5,200	$85	$442,000
QA/QC	CRMs and duplicates (~10% of primary samples)	ea.	520	$90	$46,800
Personnel - drilling program	2 geologists and 2 assistants	day	90	$1,200	$108,000
G&A	food, accommodation, vehicles, fuel, supplies, etc. (~10% of program)	ea.	1	$50,000	$50,000
Contingency (10%)		ea.	1	$173,026	$173,026
				Total (C$):	**$1,903,282**

Table 26-2. Summary of drill hole parameters for proposed Phase 3 diamond drill holes.

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Az	Dip	Length (m)
DEL24-I	480415.0	5360695.0	319.5	70	70	450
DEL24-J	480990.0	5360690.0	319.7	60	50	350
DEL24-K	480177.1	5361370.9	327.9	70	70	450
DEL24-L	480522.2	5361487.0	316.4	70	50	500
DEL24-M	480646.0	5361632.0	316.2	70	50	300
DEL24-N	480310.0	5360995.0	320.0	70	70	450
DEL24-O	480635.0	5360667.0	319.5	55	82	500
DEL24-P	480801.9	5361087.4	318.2	70	50	350

Drill Hole	UTMX (mE)	UTMY (mN)	UTMZ (m)	Az	Dip	Length (m)
DEL24-Q	480899.6	5360945.4	320.0	70	50	350
DEL24-R	480200.0	5361588.0	319.2	70	55	500
DEL24-S	480333.7	5361525.1	319.8	70	84	500
DEL24-T	480409.7	5361340.0	318.5	70	84	500
DEL24-U	480480.8	5361153.0	318.7	70	84	500
DEL24-V	480566.0	5360849.0	319.8	70	84	500
DEL24-W	480980.0	5360569.0	319.9	60	84	500
DEL24-X	480809.3	5361255.1	315.9	70	50	280
DEL24-Y	480960.0	5361510.0	314.9	250	50	450
DEL24-Z	480825.0	5360645.0	319.6	70	84	500
					Total:	**7,930**

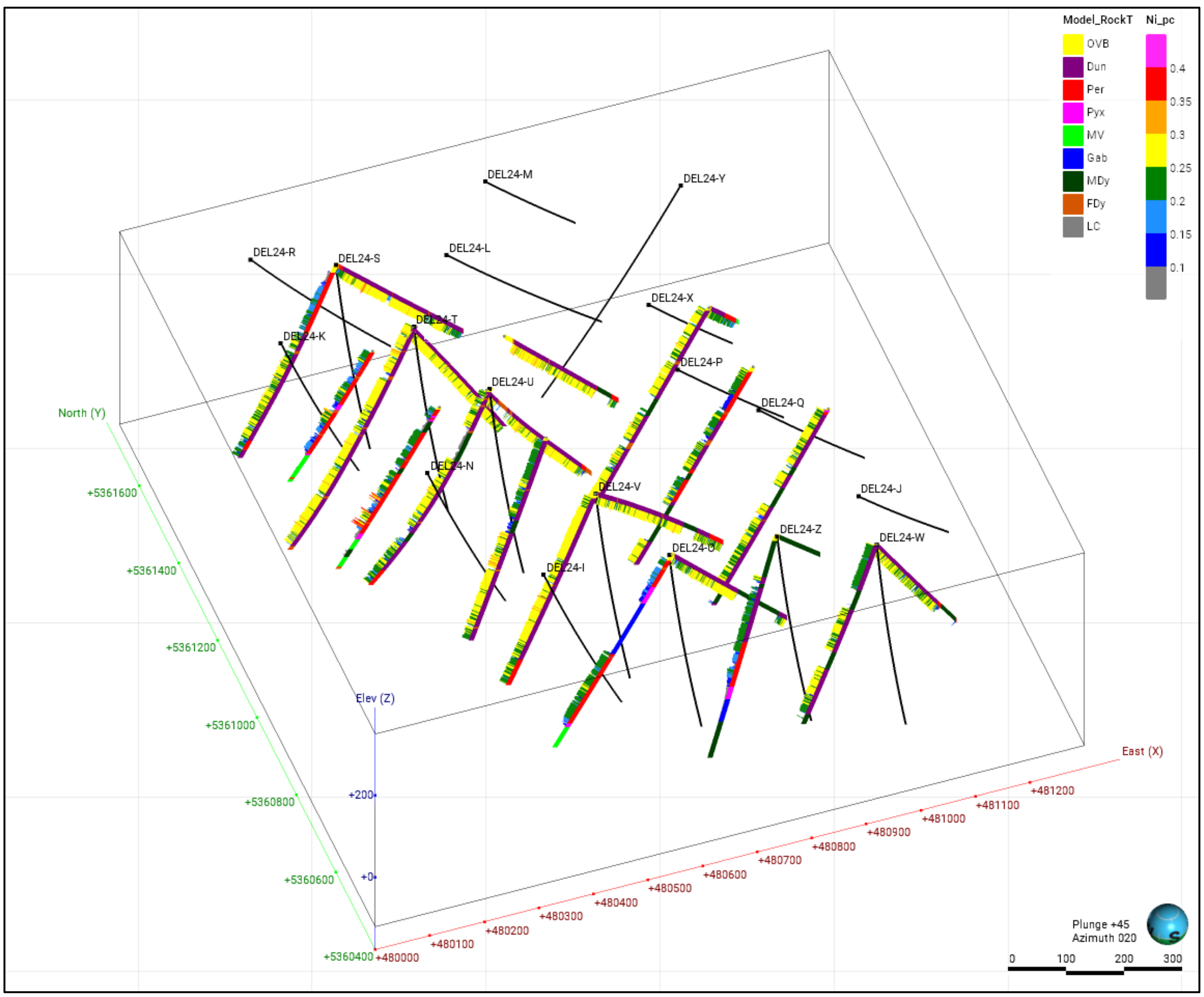

Figure 26-1. Isometric view of the 18 proposed diamond drill holes (black collars and traces) and unlabelled drill holes (with Ni% and lithologies plotted) used in the current MRE, Deloro Project (Caracle Creek, 2024).

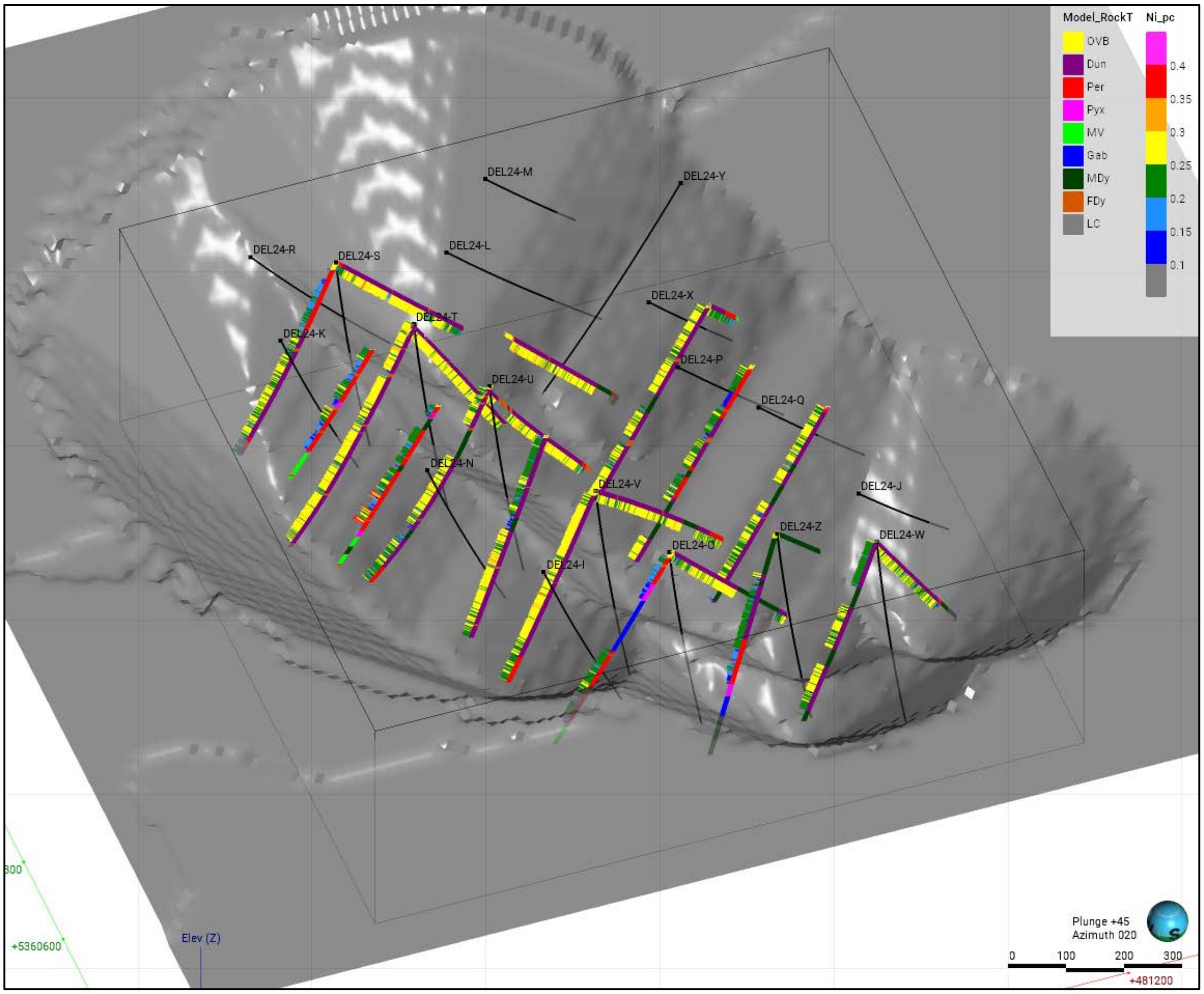

Figure 26-2. Isometric view of the 18 proposed diamond drill holes (black traces) within shaded area of the optimized pit shell and unlabelled drill holes (with Ni% and lithologies) used in the current mineral resource estimate, Deloro Project (Caracle Creek, 2024).

The Authors (QPs) are of the opinion that the character of the Project and results to date are of sufficient merit to justify the recommended program and to move the Project, in time, through the PEA stage. Furthermore, the proposed budget reasonably reflects the type and amount required for the activities being contemplated.

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