



2023 PRECIOUS METALS SUMMIT

# MAGNA MINING INC.

**TSXV: NICU**  
**OTCQB: MGMNF**

## **NORTH AMERICA'S NEXT NICKEL PRODUCER**



**September 2023**

**[www.magnamining.com](http://www.magnamining.com)**



# CAUTIONARY STATEMENT

## No Advertisement or Solicitation

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## Forward-Looking Statements

This presentation contains forward-looking information and forward-looking statements (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as of the date hereof. Any statement that involves discussions with respect to predictions, expectations, plans, projections, future events or performance, often but not always using words such as "believe", "expect", "intend", "should", "seek", "anticipate", "will", "positioned", "project", "risk", "plan", "may", "estimate" or, in each case, their negative and words of similar meaning are not statements of historical fact and may be forward-looking statements. In this presentation, forward-looking statements relate, among other things, to statements regarding the future plans and objectives of Magna Mining Inc. (the "Company" or "Magna"), the completion of the acquisition of the Denison Project, the timing and production plans relating to the Shakespeare Mine or the Denison Project, the feasibility study results, in-situ value, resource exploration and expansion results, future prospects of the Shakespeare Mine or the Denison Project or surrounding property, estimate of future metal prices, anticipated future revenue streams and financing activities.

All forward-looking statements involve various risks assumptions, estimates and uncertainties that are based on current expectations and actual results may differ materially from those contained in such information. These risks, assumptions, estimates and uncertainties could adversely affect the outcome and financial effects of the plans and events described here in. Even if the outcome and financial effects of the plans and events described herein are consistent with the forward-looking information contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods.

These risks and uncertainties include, but are not limited to, risks relating to: the ability of the Company to complete the acquisition of the Denison Project; the ability of the Company to complete further exploration activities, including drilling; the Company's interest and title to its properties, including the Shakespeare Mine; the ability of exploration activities to accurately predict mineralization; errors in management's geological and financial modeling; the ability of the Company to maintain all current permits; the ability of the Company to obtain any additional approvals and complete additional transactions; the ability of the Company to execute on its drill program; the ability of the Company to secure the necessary contractors in a timely fashion; the legislative and regulatory environments; the impact of competition and the competitive response to the Company's business strategy; the timing and amount of capital and other expenditures; conditions in financial markets and the economy generally; the ability of the Company to obtain additional financing on satisfactory terms or at all; the ability of management of the Company to operate and grow Magna's business effectively; fluctuations in metal prices; the speculative nature of mineral exploration and development; the impact of Covid-19, as well as those risk factors discussed or referred to in the Company's continuous disclosure filings with the securities regulatory authorities in Canada available at [www.sedar.com](http://www.sedar.com), including in its Management Discussion & Analysis for the year ended December 31, 2021.

Although the Company has attempted to identify important risks, uncertainties and other factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there maybe other factors and risks that cause actions, events or results not to be as anticipated, estimated or intended. These statements reflect the current internal projections, expectations or beliefs of the Company and are based on information currently available to the Company. Historical information contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements contained in this presentation are qualified by these cautionary statements. Furthermore, all such statements are made as of the date hereof and, except as required by applicable law, the Company assumes no obligation to update or revise them to reflect new events or circumstances.

An investment in the Company is speculative due to the nature of the Company's business. The ability of the Company to carry out its growth initiatives as described in this presentation is subject to various risks and uncertainties. Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Investors and others who base themselves on the Company's forward-looking statements should carefully consider such risks as well as the uncertainties they represent and the risk they entail. The Company also cautions readers not to place undue reliance on these forward-looking statements.

## National Instrument 43-101 – Standards of Disclosure for Mineral Projects

Unless otherwise indicated, the Company has prepared certain technical information in this presentation ("**Technical Information**") based on (i) information contained in the technical report concerning the Shakespeare Project entitled "Shakespeare Project Feasibility Study Technical Report, Shakespeare Township, Ontario Canada" prepared by AGP Mining Consultants Inc., dated March 17, 2022 and with an effective date of January 31, 2022 (the "**Technical Report**"), which is available under Magna's profile on SEDAR at [www.sedar.com](http://www.sedar.com), and (ii) information contained in the technical report concerning the Denison Project entitled "Mineral Resource Estimate for the Denison Ni-Cu-PGE Sulphide Deposit, Denison Project, Sudbury, Ontario Canada". The Technical Reports were prepared by or under the supervision of a qualified person (a "**Qualified Person**") as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("**NI 43-101**"). For readers to fully understand the information in this presentation, they should read the Technical Reports in their entirety, including all qualifications, assumptions and exclusions that related to the information set out in this presentation which qualifies the Technical Information. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability. The Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Information is subject to the assumptions and qualifications contained in the Technical Report. All maps and diagrams are for illustrative purposes only and not to scale.

The scientific and technical information contained in this presentation has been reviewed and approved by Mynyr Hoxha PhD, P.Geo, or by David King, M.Sc, P.Geo, both "Qualified Persons" for the purposes of NI 43-101.

**Resource Estimates:** This presentation may use the terms "measured", "indicated" and "inferred" resources. We advise U.S. investors that while these terms are recognized and required by Canadian regulations, the U.S. Securities and Exchange Commission does not recognize such terms. U.S. investors are cautioned not to assume that any part or all mineral deposits in these categories will ever be converted into reserves. In addition, "inferred" resources have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of inferred mineral resources will ever be upgraded to a higher category. U.S. investors are cautioned not to assume that any part or all inferred mineral resource exists or is economically or legally mineable. NI 43-101 is a rule developed by the Canadian Securities Administrators, which established standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The resource estimates contained in this presentation have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System.

# HOW IS MAGNA DIFFERENT FROM OUR PEERS?

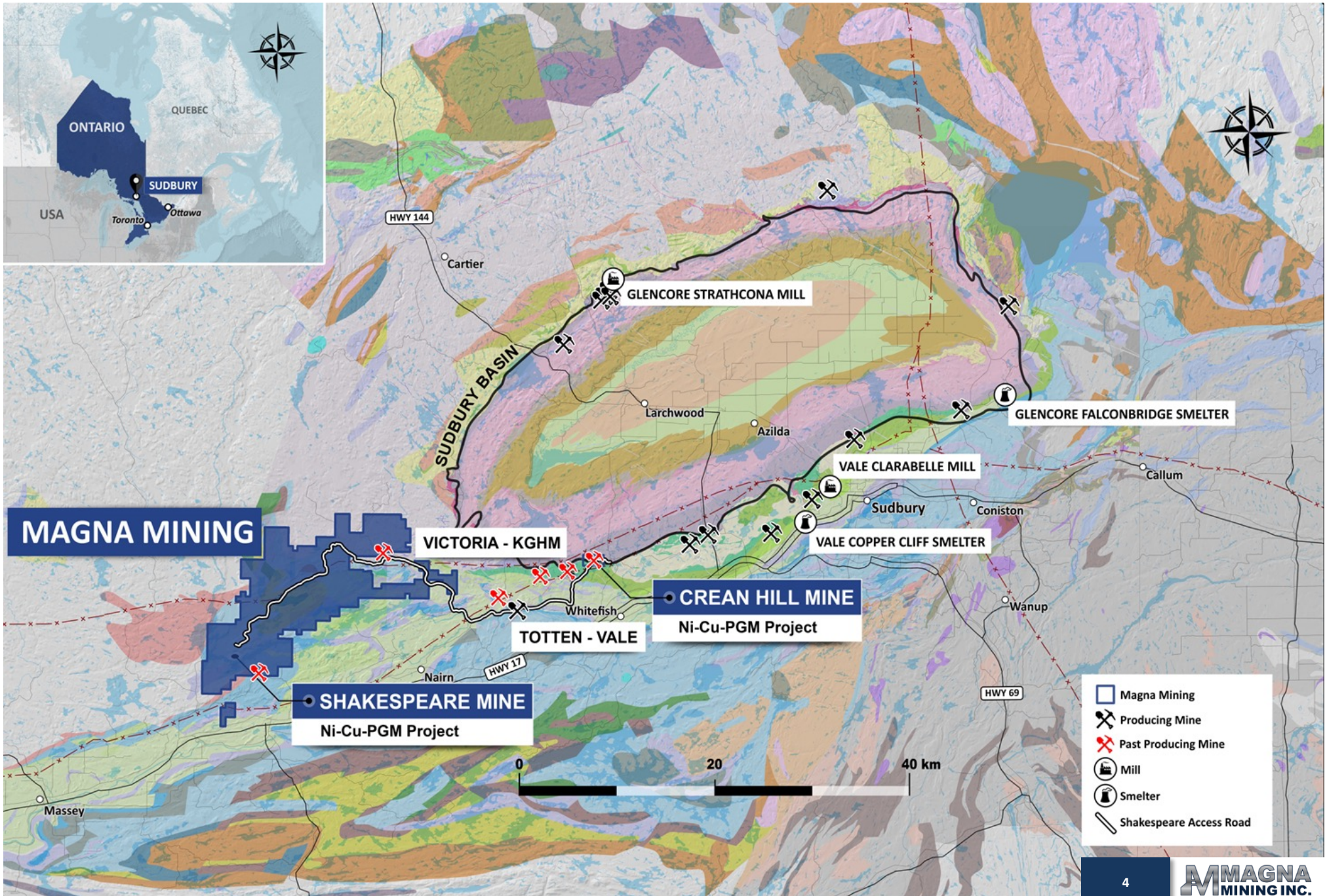
## MAGNA MINING INC.

- ✓ MAJOR PERMITS
- ✓ LONG MINE LIFE ASSETS
- ✓ TECHNICALLY DERISKED
- ✓ SOCIAL LICENSE TO OPERATE
- ✓ ACCESS TO CAPITAL

<sup>1</sup> Feasibility Study, Jan 2022, AGP

<sup>2</sup> PEA, July 2023, Stantec

# SUDBURY – A TIER 1 NICKEL DISTRICT



# THE NEAR-TERM STRATEGY

## NEAR TERM, LOW-COST DEVELOPMENT AT CREAN HILL



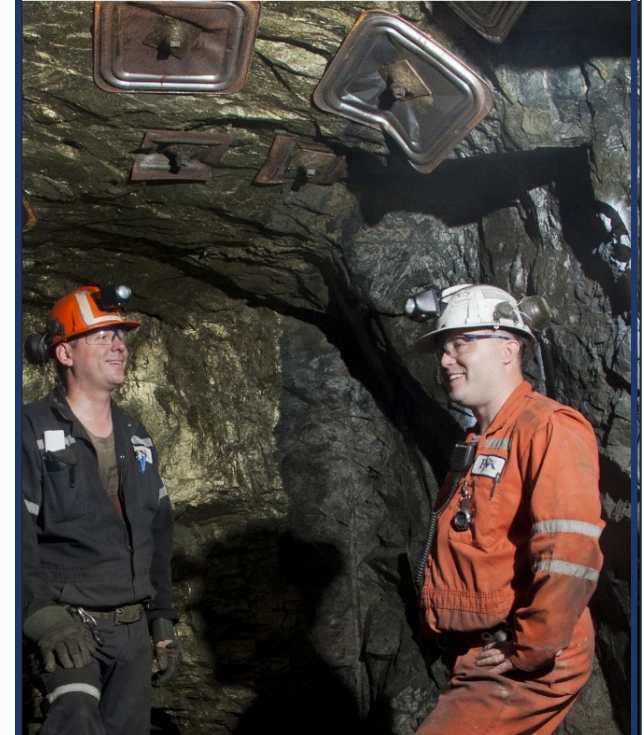
- Near term cash flow will help to fund underground development at Crean Hill and construction of Shakespeare.
- Immediate development focus will be on near surface high-grade portion of the Crean Hill resource.

## HIGH IMPACT EXPLORATION AT CREAN HILL & SHAKESPEARE



- Footwall and contact zone targets at Crean Hill.
- Potential Shakespeare depth and strike extensions.
- Regional greenfield targets and new discoveries.

## SYNERGISTIC ACQUISITIONS



- Continued pursuit of Sudbury assets that can be integrated into the Magna business model.
- The recent PEA outlines the significant synergies possible through integration of additional assets into a new central processing hub.

# THE LONG-TERM STRATEGY

## SHAKESPEARE MINE

- Past producing Ni / Cu / PGM mine.
- 20.34 Mt Indicated global resource.
- Feasibility stage project based on 11.8 Mt reserve.
- Permits to construct a 4,500 tpd open pit mine.

## CREAN HILL MINE

- 2023 Mineable Resources of 28Mt (Alt. Processing Scenario).
- Pre-Prod Capex: \$48M ADEX, \$81M OP & UG.
- PFS integrating Shakespeare targeted for Q4 2024.
- Near Term Production Through Toll Milling.

## SHAKESPEARE PROCESSING PLANT

- Permits for a 4,500 t/d capacity mill, possibility exists to apply for expanded capacity post construction.
- The new plant would be compatible with typical Sudbury ore bodies.
- Initial projected capital cost of C\$233 million (Feasibility, Jan 2022).
- Combined resources (Indicated) currently contain ~650 mm lbs or 300k tonnes of nickel.

**NICKEL AND COPPER CONCENTRATE PRODUCTION**  
(including payable Co, Pt, Pd and Au)

# CREAN HILL MINE



# CREAN HILL - SUMMARY

**M** SIGNIFICANT RESOURCE, WITH NEAR-SURFACE, HIGH GRADE ZONES.

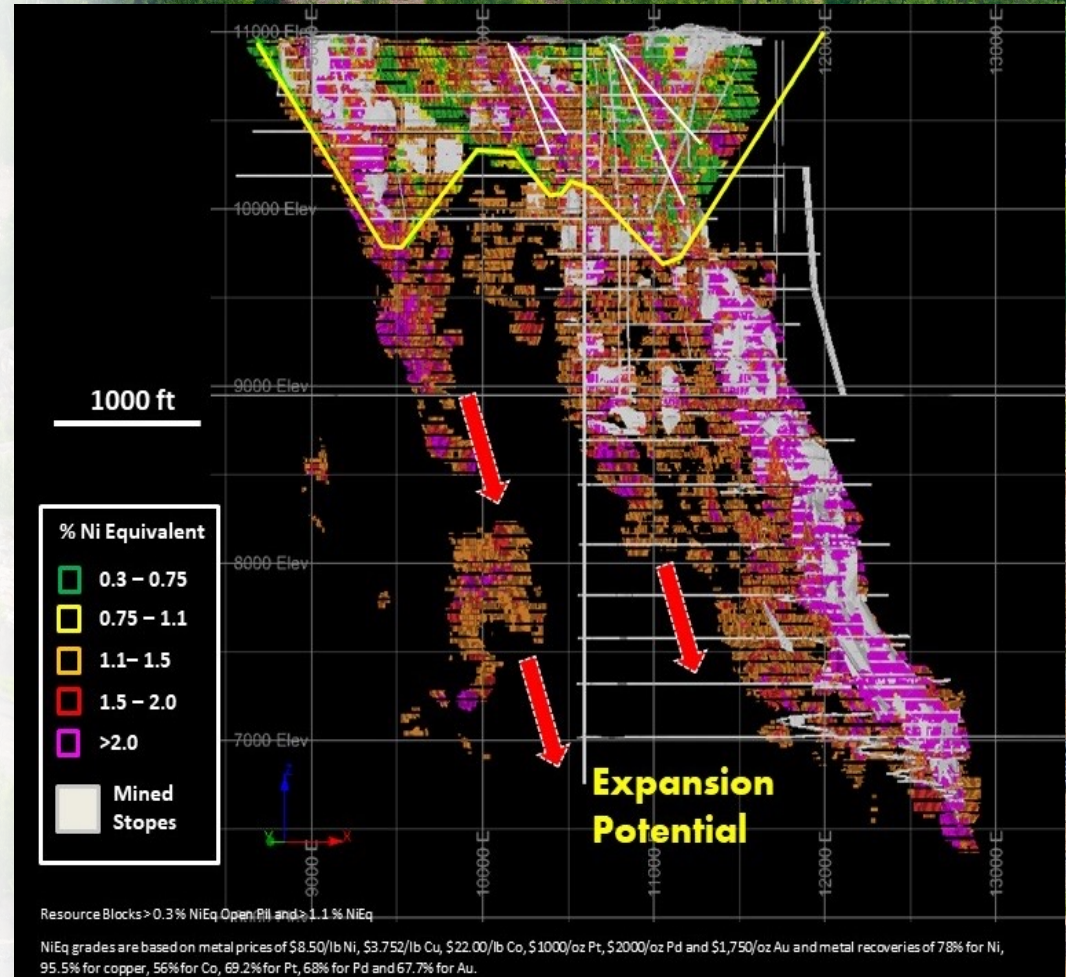
**M** FAST TIMELINES TO INITIAL PRODUCTION (VIA A THIRD-PARTY MILL).

**M** LONG POTENTIAL MINE LIFE.

**M** MODEST PRE-PRODUCTION CAPITAL COSTS.

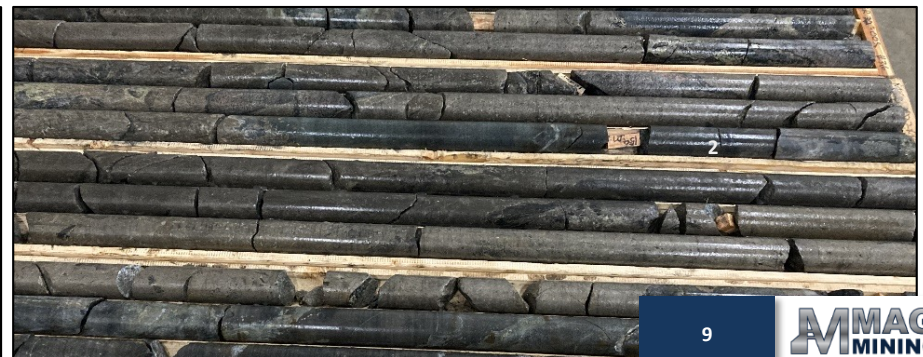
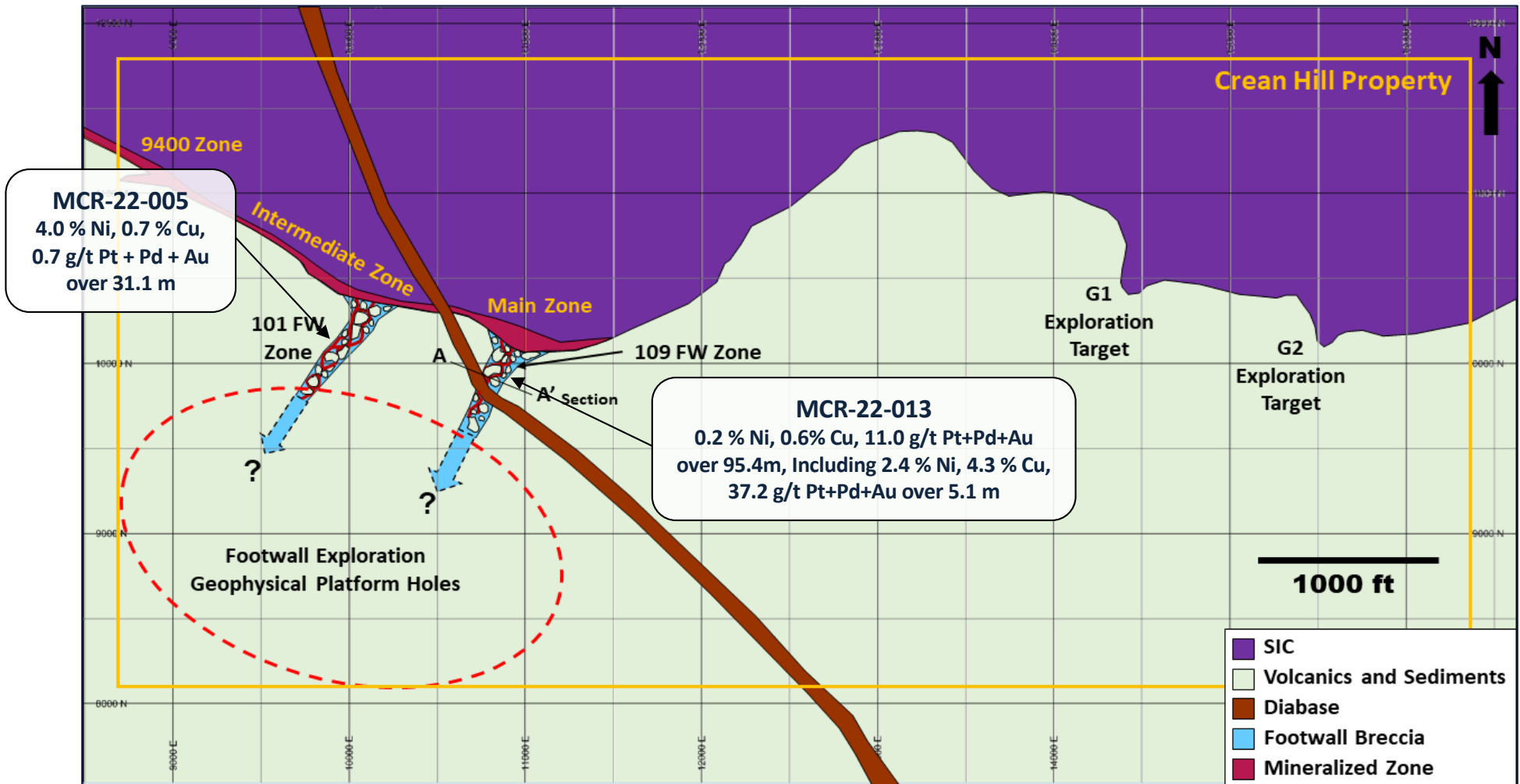
**M** HIGH IMPACT EXPLORATION PROGRAM.

Long section of the past producing Crean Hill Mine, looking North





# CREAN HILL – FOOTWALL EXPLORATION



# CREAN HILL – NEXT STEPS

**M** EXAMINE OPPORTUNITIES FOR OPTIMISATION

**M** NEW RESOURCE

**M** DEFINITIVE ORE SELLING AGREEMENT

**M** ADVANCED EXPLORATION TO COMMENCE H1 2024

**M** DEEP FOOTWALL EXPLORATION

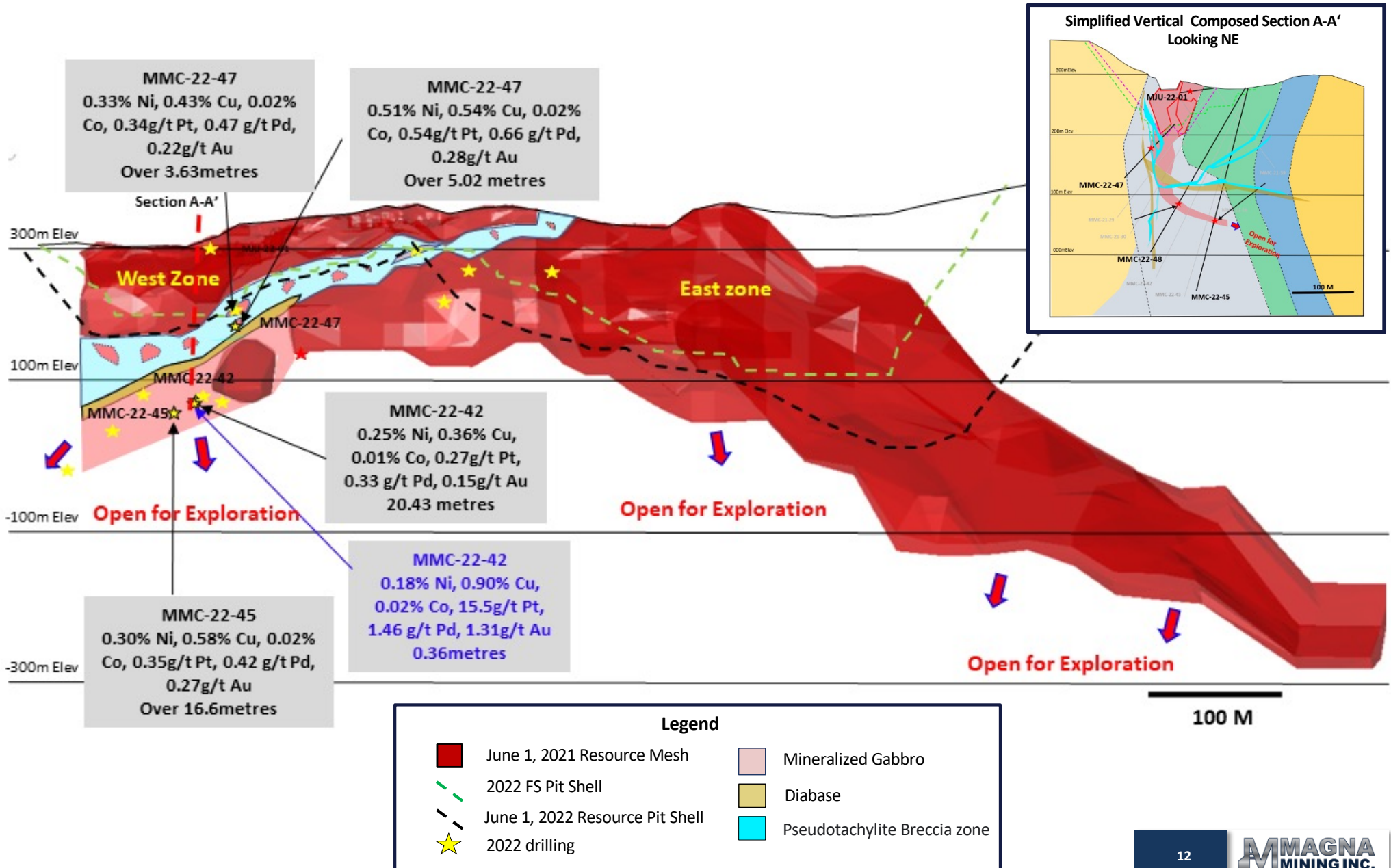
# THE HUB – THE SHAKESPEARE PROJECT

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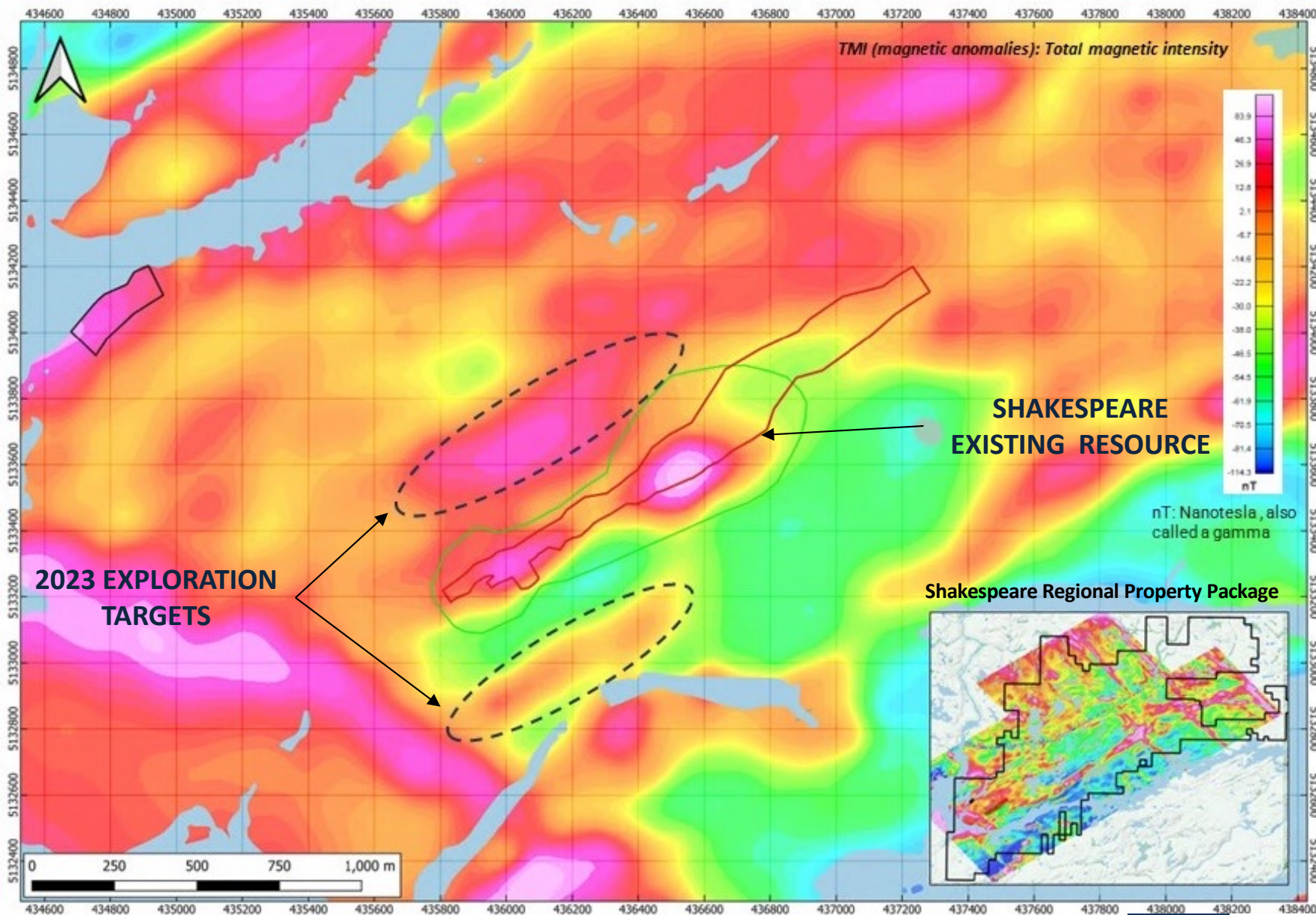
# SHAKESPEARE – CURRENT RESOURCE PIT SHELL & EXPLORATION POTENTIAL

## Longitudinal Section Showing the Location of Select 2022 Drilling Looking NW



# SHAKESPEARE – EXPLORATION POTENTIAL

## New Geophysical Exploration Targets at Shakespeare



# CATALYSTS & GROWTH

## POTENTIAL HIGH-IMPACT EXPLORATION

- Crean Hill resource expansion, footwall exploration, & new discoveries (>15,000m of the 2023 drill program to report).
- 6,000m drill program at Shakespeare, prioritizing high impact exploration targets (structural and geophysical).

## NEAR TERM PRODUCTION & CASH FLOW

- Advanced exploration permitting expected to be complete in Q4 2023.
- Ore selling terms to be announced by Q4 2023
- Surface bulk sample and advanced exploration to commence Q1 2024 bringing the potential for near term cash flow.

## CORPORATE GROWTH INITIATIVES

- Canadian & US government grant applications
- Other corporate development initiatives including possible further Sudbury acquisitions or strategic partnerships.

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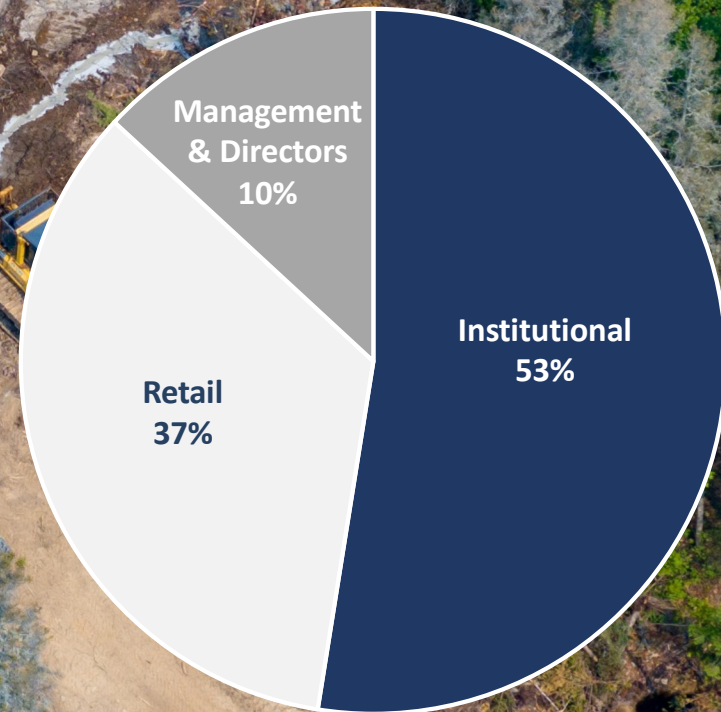
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# CAPITAL STRUCTURE

## CURRENT CAPITAL STRUCTURE

Issued & Outstanding	161,591,748
Options & RSU's	8,059,425
Warrants <sup>1</sup>	36,695,491
Fully Diluted	206,346,664
Cash <sup>2</sup>	~\$18.5M
Share Price	\$0.64
Market Capitalization (Basic)	C\$105 million



<sup>1</sup> Warrant strike prices are \$0.405, and \$1.10

<sup>2</sup> As of Q2 Financial Statements, June 30<sup>th</sup> 2023



# MANAGEMENT



**Jason Jessup, MBA  
CEO & Director**

Jason has over 25 years of experience in the mining industry comprising operations management, corporate development and project evaluation. Formerly FNX Mining, Sandstorm Gold, Premier Royalty, and INCO.



**Paul Fowler, CFA  
Senior Vice President**

Paul is an experienced Mining Executive and has worked with publicly-listed Canadian mining companies for over 17 years. He has extensive experience in Corporate Development, Marketing, M&A, & Capital Raising, and most recently worked in Corporate Development roles for Reunion Gold and Benz Mining.



**Ann-Marie Finney, MBA,  
CFO**

Ann-Marie has over 25 years of experience in treasury and finance roles in the mining and renewable power sectors. Her prior responsibilities have included corporate finance, capital market activities, project financings, treasury operations and financial analysis. Ms. Finney is a mining engineer and holds an MBA from the University of British Columbia.



**David King, M.Sc., P.Geo.  
Senior Vice President**

David King is a registered professional geologist with more than 25 years of base and precious metal experience, focused on both mining production and exploration. Mr. King most recently served as Vice President, Exploration and Geoscience for TMAC Resources Inc, and prior to that was Senior Manager, Geoscience and Mineral Resources of KGHM International Ltd (previously FNX Mining Company).



**Dr. Mynyr Hoxha,  
Ph.D, P.Geo, VP Exploration**

Dr. Hoxha is a Professional Geoscientist with more than 30 years of mining and exploration industry experience, most recently serving as Chief Geologist at the Young Davidson Mine for Alamos Gold since 2015. In 2004, he joined FNX Mining as Senior Geologist and was appointed as Chief Geologist in 2008.

# DIRECTORS AND STRATEGIC ADVISORS

## **Vern Baker, P.Eng., MBA Chairman**

Vern has +30 years of experience in the mining sector. He is currently the CEO of Jaguar Mining (TSX), previously served as General Manager of Goldcorp's Cerro Negro Mine, VP Operations at FNX Mining, and President of Duluth Metals.

## **Jonathan Goodman, Director**

Jonathan Goodman has over 30 years mining investment and operating experience and has built extensive relationships in the global mining resource and finance sectors over a distinguished career. He has worked as a geologist, senior analyst, portfolio manager and senior executive, operated a mining company, and led a mining focused investment banking group. Jonathan held the role of Executive Chairman of Dundee Precious Metals (TSX:DPM) from April 2013 to September 2017, at which time he was appointed Chairman, and was its CEO from 1995 to 2013. Mr. Goodman is President and CEO of Dundee Corporation, Mr. Goodman graduated from the Colorado School of Mines as a Professional Engineer, holds a Master of Business Administration from the University of Toronto and is a CFA Charter holder.

## **Carl DeLuca, Director**

Carl was the Chief Legal Counsel for Detour Gold until the take over by KL Gold. He has +13 years of experience with Vale (Inco) in various roles including Head of Legal, Corporate and Assistant Secretary. He has extensive transaction experience, including M&A, JVs, and structured project financing.

## **John Seaman, ICD.D Director**

John is an executive with +22 years experience in the mining industry, from exploration through development and production. He is currently a Director of i-80 Gold Corp, and was previously the Lead Director of Premier Gold Mines (PG:TSX). John served as the CFO of Premier Gold Mines from 2006-2012 and CFO of Wolfden Resources from 2002 to 2007. John currently is President and CEO of a large private security company and is an ICD.D member of the Institute of Corporate Directors.

## **Gord Morrison, Advisor**

Gord is an Executive Advisor for TMAC Resources. Previously he served as President and Chief Technology Officer of TMAC, Chief Technology Officer of KGHM International Ltd and SVP of Exploration for FNX Mining. Prior to FNX Mining, Gord worked 32 years for INCO Ltd. He is an acknowledged expert in the exploration of the Sudbury Basin and played an integral part in numerous major discoveries in the Sudbury Basin.

## **Dr. Catharine Farrow, Advisor**

Dr. Catherine Farrow is a director of Franco Nevada and Centamin and President of FarExGeoMine Ltd. (a private consultancy). Dr. Farrow previously served as founding Chief Executive Officer and a Director of TMAC Resources Inc. and Chief Operating Officer of KGHM International Ltd. (formerly FNX Mining Company Inc.). She holds a Doctorate in Earth Sciences from Carleton University, a Master's degree in Geology from Acadia University, and a Bachelor of Science degree in Geology from Mount Allison University.

# CREAN HILL – PAST PRODUCER WITH FUTURE POTENTIAL

Crean Hill Mine, circa 1975, looking South-East



Crean Hill Mine, 2022, looking South



## HISTORY

- M** Past Producer (INCO) for over 80 years, with a cumulative 20Mt of ore mined.
- M** Mine put into closure in 2002 during low nickel prices
- M** Lonmin entered into an option agreement to acquire the mine in 2003, and acquired 100% in 2018. Exploration focus over this period was on low sulphide, high PGM mineralisation in the shallow footwall zones.
- M** No focussed nickel and copper exploration since 2002.

## RESOURCES

- M** Contained metal (Indicated category) of 500M lbs nickel, 450M lbs copper, and 1.7M oz platinum + palladium + gold
- M** High grade underground Indicated resource of 14.5 M tonnes at 2.07 % nickel equivalent\*
- M** Resource starts at surface and could be amenable to open pit mining as well as near surface underground mining methods

\* NiEq grades are based on metal prices of \$8.50/lb Ni, \$3.75/lb Cu, \$22.00/lb Co, \$1000/oz Pt, \$2000/oz Pd and \$1,750/oz Au and considers metal recoveries of 78% for Ni, 95.5% for copper, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au.

# SHAKESPEARE NI 43-101 RESOURCE

## Shakespeare Mineral Resources, January 2022

Category	(Mt)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)	Ni Eq. (%)
<b>Open Pit</b>								
<b>Indicated</b> (0.2% Ni Eq cut off)	16.51	0.34	0.36	0.02	0.33	0.36	0.19	0.56
<b>Underground</b>								
<b>Indicated</b> (0.4% Ni Eq cut off)	3.83	0.31	0.36	0.02	0.3	0.32	0.19	0.53
<b>Inferred</b> (0.4% Ni Eq cut off)	2.36	0.33	0.4	0.02	0.34	0.37	0.2	0.57
<b>Total</b>								
<b>Indicated</b> (0.2 / 0.4% Ni eq cut off)	20.34	0.33	0.36	0.02	0.32	0.35	0.19	0.55
<b>Inferred</b> 0.4% Ni Eq cut off)	2.36	0.33	0.4	0.02	0.34	0.37	0.2	0.57

## Shakespeare Mineral Reserves, January 2022

Category	(Mt)	Ni (%)	Cu (%)	Co (%)	Pt (g/t)	Pd (g/t)	Au (g/t)
<b>Open Pit</b>							
<b>Probable</b>	11.87	0.33	0.35	0.02	0.32	0.36	0.18

Mineral Resources are exclusive of material mined. CIM (2014) definitions were followed for Mineral Resources Reporting. Mineral resources which are not mineral reserves do not have demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate. Open pit Mineral Resources are reported at a base case cut-off grade of 0.2% NiEq within a conceptual pit shell. Underground (below-pit) Mineral Resources are estimated from the bottom of the pit and are reported at a base case cut-off grade of 0.4% NiEq. The underground Mineral Resource grade blocks were quantified above the base case cut-off grade, below the constraining pit shell and within the constraining mineralized wireframes. At this base case cut-off grade the deposit shows excellent deposit continuity. Based on the size, shape, and orientation of the Deposit, it is envisioned that the underground mineralization may be mined using the longitudinal longhole retreat mining method (a branch of the generic mining method known as sublevel stoping). A fixed specific gravity value of 3.00 was used to estimate the resource tonnage from block model volumes; an SG of 2.85 for waste. NiEq Cut-off grades are based on metal prices of \$7.50/lb Ni, \$3.25/lb Cu, \$21.00/lb Co, \$1,000/oz Pt, \$2,000/oz Pd and \$1,600/oz Au, and metal recoveries of 75% for Ni, 96% for copper, 56% for Co, 73% for Pt, 39% for Pd and 36% for Au. The results from the pit optimization are used solely for the purpose of testing the "reasonable prospects for economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues. There is no certainty that all or any part of the Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration.

CIM Definition Standards (2014) were followed for calculating Mineral Reserves. The mineral reserve estimate is as of December 31, 2021 and is based on the mineral resource estimate for the Shakespeare Property dated June 1, 2021. The mineral reserve estimate was completed under the supervision of Gordon Zurowski, P.Eng. of AGP, who is a Qualified Person as defined under NI 43-101. Mineral reserves are stated within the final pit design based on metal prices of US\$ 6.50/lb. nickel, US\$ 3.00/lb. copper, US\$ 17/lb. cobalt, US\$ 900/oz platinum, US\$ 1,700/oz palladium and US\$ 1,500 gold and an exchange rate of 0.77 US\$/CDN. Metal recoveries are 76.8% nickel, 95.1% copper, 55.9% cobalt, 76.2% platinum, 42.9% palladium and 38.3% gold. The nickel cutoff applied was 0.23% nickel. Open pit mining costs used were \$2.30/t mined. Processing costs were \$15.23/t ore and G&A was \$2.59/t ore. Numbers may not sum due to rounding.

# CREAN HILL - EXISTING RESOURCE

## CREAN HILL MINERAL RESOURCES, OCTOBER 2022

Category	Tonnes	Nickel		Copper		Cobalt		Platinum		Palladium		Gold		Ni Eq
		Grade (%)	lbs (Millions)	Grade (%)	lbs (Millions)	Grade (%)	lbs (Millions)	Grade (g/t)	ozs (000's)	Grade (g/t)	ozs (000's)	Grade (g/t)	ozs (000's)	Grade (%)
<b>OPEN PIT</b>														
<b>Indicated</b> (0.3% Ni Eq cut off)	16,760,000	0.53	195.78	0.49	181.00	0.02	7.39	0.48	258.65	0.37	199.38	0.25	134.71	1.08
<b>Inferred</b> (0.3% Ni Eq cut off)	434,000	0.43	4.11	0.49	4.69	0.02	0.19	0.29	4.05	0.14	1.95	0.07	0.98	0.82
<b>UNDERGROUND</b>														
<b>Indicated</b> (1.1% Ni Eq cut off)	14,531,000	0.96	307.45	0.84	269.02	0.03	9.61	0.88	411.12	1.02	476.53	0.54	252.28	2.07
<b>Inferred</b> (1.1% Ni Eq cut off)	1,170,000	0.61	15.73	0.46	11.86	0.02	0.52	0.64	24.07	1.09	41.00	0.21	7.90	1.41

- (1) *In-pit Mineral Resources are reported at a cut-off grade of 0.3% NiEq within a conceptual pit shell and underground (below-pit) Mineral Resources are reported at a cut-off grade of 1.1% NiEq from the bottom of the conceptual pit shell. Values in this table reported above and below the cut-off grades should not be misconstrued with a Mineral Resource Statement. The values are only presented to show the sensitivity of the block model estimates to the selection of cut-off grade. All values are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.*
- (2) *NiEq Cut- off grades are based on metal prices of \$8.50/lb Ni, \$3.75/lb Cu, \$22.00/lb Co, \$1000/oz Pt, \$2000/oz Pd and \$1,750/oz Au and consider metal recoveries of 78% for Ni, 95.5% for copper, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au.*
- (3) *All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate*

# CREAN HILL – NOTES ON ASSUMPTIONS

## Notes on Mineral Resource Assumptions:

- (1) *The classification of the current Mineral Resource Estimate into Indicated and Inferred is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.*
- (2) *All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.*
- (3) *All Resources are presented undiluted and in situ, constrained by continuous 3D wireframe models, and are considered to have reasonable prospects for eventual economic extraction.*
- (4) *Mineral resources which are not mineral reserves do not have demonstrated economic viability. 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 the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.*
- (5) *It is envisioned that parts of the Denison deposit may be mined using open pit mining methods. In-pit mineral resources are reported at a cut-off grade of 0.3 % NiEq within a conceptual pit shell.*
- (6) *The results from the pit optimization are used solely for the purpose of testing the “reasonable prospects for economic extraction” by an open pit and do not represent an attempt to estimate mineral reserves. There are no mineral reserves on the Property. The results are used as a guide to assist in the preparation of a Mineral Resource statement and to select an appropriate resource reporting cut-off grade.*
- (7) *Underground (below-pit) Mineral Resources are estimated from the bottom of the pit and are reported at a base case cut-off grade of 1.1 % NiEq. The underground Mineral Resource grade blocks were quantified above the base case cut-off grade, below the constraining pit shell and within the constraining mineralized wireframes. At this base case cut-off grade the deposit shows good deposit continuity with limited orphaned blocks. Any orphaned blocks are connected within the models by lower grade blocks.*
- (8) *Based on the size, shape, location and orientation of the Denison deposit, it is envisioned that the deposit may be mined using longhole open stoping (a bulk mining method that has long been utilized in the Sudbury region).*
- (9) *High grade capping was done on 10 ft (3.05 m) composite data.*
- (10) *Bulk density values were determined based on physical test work from each deposit model and waste model.*
- (11) *NiEq grades are based on metal prices of \$8.50/lb Ni, \$3.75/lb Cu, \$22.00/lb Co, \$1000/oz Pt, \$2000/oz Pd and \$1,750/oz Au and considers metal recoveries of 78% for Ni, 95.5% for copper, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au.*
- (12) *The in-pit base case cut-off grade of 0.3% NiEq considers a mining cost of US\$2.50/t rock and processing, treatment and refining, transportation and G&A cost of US\$38.00/t mineralized material, and an overall pit slope of 55 degrees. The below-pit base case cut-off grade of 1.1 % NiEq considers a mining cost of US\$80.00/t rock and processing, treatment and refining, transportation and G&A cost of US\$42.50/t mineralized material.*
- (13) *The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*