Technical Report

on the

Mineral Resource Estimate for the McCreedy West Copper-Nickel Mine, Sudbury, Ontario, Canada

NAD 83 UTM Zone 17N, 469,400 m E; 5,165,000 m N
LATITUDE 46° 38.3' N, LONGITUDE 81° 24.0' W

Prepared for:

Magna Mining Inc.
1300 Kelly Lake Road
Sudbury, Ontario
P3E 5P4

Report Date: October 28, 2024
Effective Date: December 31, 2023

Qualified Persons
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Company
SGS Geological Services ("SGS")
SGS Geological Services ("SGS")

Project # 19996-01

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1 SUMMARY

SGS Geological Services Inc. (“SGS”) was contracted by Magna Mining Inc. (the "Company" or "Magna") to complete a Mineral Resource Estimate (“MRE”) for the McCreedy West copper mine (“McCreedy West” or the “Property”), located near Sudbury, Ontario, Canada, and to prepare a National Instrument 43-101 ("NI 43-101") Technical Report written in support of the MRE. McCreedy West is currently an operating mine.

On September 12, 2024, Magna announced it had entered into a definitive share purchase agreement, dated September 11, 2024, with a subsidiary of KGHM International Ltd. (“KGHM”) to acquire a portfolio of base metals assets located in the Sudbury Basin. Magna will acquire the producing McCreedy West copper mine, the past-producing Levack mine (“Levack”), Podolsky mine (“Podolsky”) and Kirkwood mine (“Kirkwood”) as well as the Falconbridge Footwall (81.41%), Northwest Foy (81.41%), North Range and Rand exploration assets.

Transaction Highlights:

- **Purchase Price:** C$5.3 million in cash and $2.0 million of Magna common shares on the closing of the Transaction and C$2.0 million in cash on December 31, 2026, plus future contingent payments of up to C$24.0 million.
- **Funding:** Magna is negotiating a commitment letter for a C$10 million three-year Term Loan facility and a C$10 million Letter of Credit facility with Fédération des caisses Desjardins du Québec (“FCDQ”), a subsidiary of Desjardins Group.

Acquisition Properties:

- **McCreedy West Mine:** Currently an operating mine which had 2023 production of 317,660 tonnes at grades of 1.59% copper, 0.23% nickel, 0.01% cobalt, 1.03 g/t platinum, 1.34 g/t palladium, 0.41 g/t gold and 14.05 g/t silver.
- **Levack Mine:** On care and maintenance since 2019 with current activities underground to maintain the ramp, shaft and pumping infrastructure. Shaft access extends to the 2650 Level and ramp access to the 5400 Level. Near surface high grade nickel and copper zones to be evaluated for mine restart.
- **Podolsky Mine:** On care and maintenance since 2013 with both ramp access from surface and shaft access to the 2450 Level. Near surface mining potential in the copper rich North Zone as well as potential to develop the Nickel Ramp deposit.
- **An extensive exploration property portfolio in the Sudbury Basin:** this includes the past-producing Kirkwood Mine and the Falconbridge Footwall, Northwest Foy, North Range and Rand exploration properties.

Magna Mining is an exploration and development company focused on nickel, copper and PGM projects in the Sudbury Region of Ontario, Canada. The Company’s flagship assets are the past producing Shakespeare and Crean Hill Mines. The Shakespeare Mine is a feasibility stage project which has major permits for the construction of a 4,500 tonne per day open pit mine, processing plant and tailings storage facility and is surrounded by a contiguous 180 km^2 prospective land package. Crean Hill is a past producing nickel, copper and PGM mine with a technical report dated July 2023. Magna’s common shares are listed on the Toronto Stock Exchange Venture Exchange (“TSX-V”) under the symbol “NICU”. Their current business address is 1300 Kelly Lake Road Sudbury, Ontario P3E 5P4.

The current report is authored by Allan Armitage, Ph.D., P. Geo., (“Armitage”) and William van Breugel, P.Eng. (“Breugel”) of SGS (collectively, the “Authors”). The Authors are independent Qualified Persons as defined by NI 43-101 and are responsible for all sections of this report. The updated MRE presented in this report was estimated by Armitage.

The reporting of the updated MRE complies with all disclosure requirements for Mineral Resources set out in the NI 43-101 Standards of Disclosure for Mineral Projects. The classification of the updated MRE is consistent with the 2014 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards (2014 CIM Definitions).

The current Technical Report will be used by Magna in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). This Technical Report is written in support of an MRE completed for Magna.

1.1 Property Description, Location, Access, and Physiography

McCreedy West Mine is in the Levack Township, in part of Lots 8, 9 and 10 Confections 1 and 2, with land zoned as M4 – Industrial Zone – Mining Zone. Community of Levack is located northeast from the Mine, on the other side of Onaping River, while the Onaping community is placed to the south and southwest of the Mine. McCreedy West Mine is situated within the boundary of the City of Greater Sudbury, Ontario, Canada, approximately 40 km northwest of the downtown Sudbury Area.

The McCreedy West Mine area covers 804,24 acres (325,4 ha) held under patented parcels. Patents include surface and mining rights.

Surface rights belong to Vale Canada Ltd. ("Vale" or "Vale Canada") and private individuals/corporations. This property is part of the Sudbury Basin JV Agreement with Vale and is therefore subject to the KGHMI – Vale Off-take Agreement.

The mine is connected to the Ontario Highway 144 by a 3 km Municipal Road 8, leading through the town of Onaping to the mine site. The Highway provides easy access to and from the Mine. Roads are well maintained all year round, with visible signage and rare restrictions. McCreedy West Mine is about 45 km away from Greater Sudbury, a well-connected city with access to the Sudbury airport with connections to Toronto, North Bay or Thunder Bay, among other cities; and railway (Via Rail Canada Inc.) with lines leading to Hornepayne, White River and Toronto.

The City of Greater Sudbury (population: 166,004, 2021 Canadian Census), located on a convergence of three major highways is a world class mining center, with companies employing approximately 6,000 people. The industry is supported by over 300 mining supply companies and a service sector cluster that employs a further 10,000 people, including a specialized workforce of miners, technicians, engineers, geologists and consultants to serve the region's large mining industry. The City of Greater Sudbury has access to medicine, commerce, and government administration. Moreover, young talents are attracted to a local college and university, which provide mining and geology programs, further expanding the pool of potential employees.

Power to the McCreedy West mine is delivered through a 69kV power line from the main Vale Crean Hill transmission line to McCreedy West substation. The main power distribution for McCreedy West Mine is 4160 V (950 amps), secondary voltage from the main line, which also supplies power to the groundwater recharge pumps for the Levack potable water supply wells (0,75 km north of the substation, on the east bank of Onaping River). Natural gas is supplied by the main gas line, lined alongside Regional Road Number 8. There are two receiving points at the Mine site with main located at Number One Fresh Air Raise, and an offshoot placed at Number Two Fresh Air Raise. Potable water is pumped to the Mine with 6" diameter pipe which runs north along the access road to the McCreedy West parking lot. The source for this water is the City of Greater Sudbury pump house located on Regional Road 8. The single branch supplies main service building, and portable trailers.

1.2 History of Exploration, Drilling

The Mond Nickel Company purchased the McCreedy West (formerly Levack West) property in 1913. Inco (then International Nickel Company Ltd.) subsequently acquired the property in 1929 following its merger with Mond. The Main Zone was discovered through surface diamond drilling in 1939. However,

development of the access ramp from surface and the haulage drift from the Levack 1600 Level was not initiated until 1970. Mining of the Upper Main, Middle Main, Lower Main and Footwall orebodies commenced in 1974. Production to 1998 totalled 15,758,000 tons averaging 1.70% Cu, 1.44% Ni, 0.017 oz/ton Pt, 0.017 oz/ton Pd and 0.009 oz/ton Au (0.043 oz/ton TPM). During the last two years of production by the previous owner, more selective mining of the high-grade Cu-Ni-Pt-Pd-Au veins of the 700 Footwall Vein Complex was re-initiated, and yielded 40,965 tons grading 5.35% Cu, 0.56% Ni and 0.129 oz/ton TPM. At the time, this operation was used as a test site for narrow vein mining techniques as previous mining of the zone was by bulk methods.

In January 2002, FNX signed an agreement with Inco Ltd. (now Vale Canada Ltd.) to option five properties in Sudbury that Inco had determined were no longer of value to their business strategy. These properties include McCreedy West, Levack, Podolsky (formerly Norman/Whistle), Kirkwood and Victoria, and were either located along the Sudbury Igneous Complex (SIC) contact and/or at the mouths of offset dyke environments. All of these historically mined locations represented ideal environments for hosting Ni-Cu-PGE mineralization. Soon after the signing of this Agreement with Inco, FNX and Dynatec Ltd. formed a 75:25 joint venture (the Sudbury Joint Venture - SJV) to explore and mine the five Sudbury properties. Under the Option Agreement with Inco, the SJV was required (among other specifics) incur exploration expenditures totaling C$30 million on the properties over a 52-month period to gain 100% of the mining rights at the properties. These expenditures were completed ahead of schedule in late 2003.

When FNX began work on the McCreedy West property in 2002, the mine infrastructure included an accessible -20% grade, 20 ft by 16 ft ramp to the 1,600 Level with average level development spaced at 150 ft elevations. Ventilation raises with fans remained in place. The 1600 Level haulage drift to the Levack Mine No. 2 Shaft was available. The few buildings that remained on surface included the electrical sub-station, heater house and fresh air raise fans. Electric power was available on site and mine water was being drained to Levack Mine along the 1600 Level drift and pumped through to Vale Inco's Coleman/McCreedy East service shaft.

Since 2002 FNX has maintained a constant exploration effort on the McCreedy West property, including surface and underground mapping, airborne, surface and borehole geophysical surveys, and both surface and underground diamond drill campaigns for both contact Ni and footwall Cu-Ni-PGE mineralization. The result has been the discovery of the contact Ni Intermain Zone in 2002, and its successful production since 2003, in addition to the successful drilling, geological and resource modeling, advanced exploration and ultimately production in 2005 of the first low-sulphide Cu-Ni- PGE deposit with stand-alone infrastructure in the Sudbury camp, the PM Zone.

Production from McCreedy West by FNX was ramped up from 2003 at 50,985 tons to a peak of 761,098 tons to the end of 2008. Contact Ni production was suspended in Q4-08 at McCreedy West, like at Levack, due to rapidly falling commodity prices.

In 2015, mining operations were scaled down and placed on temporary care and maintenance. However, production resumed briefly in 2016 for a 17,500-tonne stope in the 700 Vein Complex. Operations ramped up again in 2018, with full production following the next year. The mine is currently extracting copper and precious metals-rich deposits, along with nickel bulk samples.

On 23 March 2010, FNX Mining Company Inc. announced that it agreed to be acquired by Vancouver-based Quadra Mining Ltd., pending ratification by the shareholders of both companies.

On 6 December 2011, Polish miner, KGHM Polska Miedz S.A. has agreed to buy Quadra FNX Mining Ltd. The takeover of Quadra FNX by KGHM was completed on March 5, 2012.

1.2.1 Drilling

Prior to 2002, Inco Ltd completed a total of 2,019 surface and underground drill holes totalling 807,200 ft (246,035 m). Between 2002 and 2024 FNX/QuadraFNX/KGHM have drilled 6,249 surface and underground drill holes totalling 1,925,157 ft (586,788 m).

1.3 Geology and Mineralization

The McCreedy Mine is situated along the margin of the 1.85-billion-year-old Sudbury Igneous Complex (SIC). The Late Proterozoic Grenville Province and its northern limit, the Grenville Front, is located 10 km south of the SIC. The footwall rocks on the north and east margins of the SIC are the Archean Levack Gneiss Complex and granitoids. A metamorphic age of 2711±7 Ma has been determined for Levack Gneiss Complex footwall rocks near Levack Mine. The footwall rocks to the south are Paleoproterozoic Huronian Supergroup metavolcanic and metasedimentary rocks. These supracrustal rocks are intruded by the 2220 Ma Nipissing Gabbro which consists dominantly of gabbroic sheets and dykes, and locally of amphibolites southwest of the SIC, and by early Proterozoic granitic plutons (Creighton, Murray and Skead plutons). Remnants of Paleoproterozoic mafic-ultramafic intrusions occur in the proximal footwall of the SIC.

The Levack Complex properties (McCreedy West and Levack mines) occur at the western limit of an extensively mineralized 8.5 km long portion of the North Range of the SIC known as the Levack Embayment. This area encompasses all of the major Vale Inco and Glencore past and current producing mines of the North Range (Longvack, Strathcona, Coleman, McCreedy East, Fraser, Fecunis, Craig, Levack, Onaping, McCreedy West – formerly Levack West, Boundary and Hardy).

McCreedy West geology is typical of Sudbury North Range stratigraphy and mineralization, sharing these attributes with the neighboring Levack Mine property (Figure 7-3). The basal contact of the SIC dips south-southeast at approximately 35° on the McCreedy West property. Granite Breccia thicknesses range from minimums of a few feet to locally more than 100 feet in “plumes”, or extensions of Granite Breccia that cross-cut basal SIC stratigraphy up into the Sublayer Norite and Mafic Norite. The Sublayer Norite displays a similar range of stratigraphic thicknesses. Both the Granite Breccia and Sublayer Norite host contact-style Ni-rich mineralization. The footwall to the SIC is dominated by granitic gneisses and migmatites that are locally Sudbury brecciated. The Sudbury Breccia at McCreedy West locally connects to the SIC basal contact at the Middle Main Zone, but typically forms as a tabular sheet that is oriented subparallel to the base of the SIC. The Sudbury Breccia package is commonly separated from the base of the SIC by several hundred feet of relatively unbrecciated granitic gneiss and may be locally up to 1000 ft thick.

Sulphide mineralization at McCreedy West occurs as contact Ni and footwall-hosted Cu-Ni-PGE deposits with mining operations exploiting both (Figure 7-4). Contact Ni-Cu mineralization occurs along the base of SIC within Sublayer Norite and Granite Breccia-filled troughs and irregularities. These features form sulphide traps, and footwall-hosted “low-sulphide” and “sharp-walled” Cu-Ni-PGE mineralization, hosted by Sudbury Breccia. Contact Ni deposits at McCreedy West include the Intermain, East Main, Upper Main, and Lower Main zones. Each take the form of high grade pods, or sulphide concentrations, surrounded by a ubiquitous low-grade halo in the host Sublayer Norite or Granite Breccia. The contact Ni sulphide mineral assemblage is pyrrhotite-dominant, with pentlandite and chalcopyrite, ± pyrite. The footwall-hosted 700 (sharp-walled) and PM (low-sulphide) deposits have been mined at McCreedy West since 2003 and 2005, respectively. The Middle Main Zone consists of “transitional”-style mineralization physically attached to the Cu-rich footwall vein system. The footwall Cu veins at McCreedy West are particularly important because they are the only footwall veins economically exploited in the Sudbury camp to date that are physically connected to contact Ni sulphide mineralisation. The “low-sulphide” PM Zone deposit is hosted in the same Sudbury Breccia package as the 700 Complex, but further east, directly under the contact hosted Intermain. Both “sharp-walled” and “low-sulphide” Cu-Ni-PGE systems are characterized by a sulphide mineral assemblage dominated by chalcopyrite, with less common pentlandite, millerite, cubanite, and pyrrhotite. The contact zones are characterized by increased Ni, Ir, Ru and Rh compared to the footwall systems, whereas the footwall systems have considerably higher Pt, Pd, Au, Ag and Cu contents. Precious metal minerals from Cu-rich veins at McCreedy West commonly occur as large composite grains, dominated by moncheite and hessite. The most common host mineral for the precious metal grains is chalcopyrite, with some grains in amphibole, and some at silicate-sulphide grain margins.

The main mineralized zones from east to west (Figure 7-4) are as follows:

- Intermain Zone
- East Main Zone

- Upper Main Zone
- Lower Main Zone
- 700 footwall-hosted (Sharp-walled) Zone
- PM (low sulphide) Zone

Deposits of McCreedy West include Contact Type and Footwall Type deposits.

1.4 Mineral Processing, Metallurgical Testing and Recovery Methods

The majority of ore extracted in McCreedy West is processed by Vale's Clarabelle Mill in Sudbury, approximately 40 km from the site. During Vale's operations at the properties, ore was transported underground to the Levack Mine by railcar and hoisted to surface at that site, all ore from McCreedy West was processed at other Vale facilities. Prior to 1978, McCreedy West ore was milled partly at the nearby Levack Mill and partly at the Clarabelle Mill in Sudbury. Since the closing of the Levack Mill in 1978, all of Vale's McCreedy West ore was milled at the Clarabelle Mill. Subsequent smelting and refining of the mill concentrate was carried out at other Vale facilities in Sudbury.

With respect to FNX's operations, processing at the McCreedy West property is limited to ore crushing, sorting, and sampling. All ore is further processed at offsite facilities. There are no tailings on the McCreedy West site.

An agreement between FNX and Vale, the "Off-Take Agreement" (see: 11.1 Off-Take Agreement), defines the payment terms for Vale purchase of FNX's ore from the properties. KGHM is responsible for the cost of delivery of these ores to Vale Clarabelle Mill. Current terms include payment to FNX by Vale for copper, nickel, cobalt, platinum, palladium, gold and silver. The accountable metals are defined based on the metallurgical response of the ores during a variety of tests. All deposits are tested for amenability to processing at the Vale Clarabelle Mill. Final accountabilities reflect mill, smelting and refining recoveries to which processing costs are applied, in addition to LME metal prices, and the details of the "Off-Take Agreement" terms are considered proprietary. Vale has purchased most of FNX's ore since restart of production in 2003 and continues to process ore from the 700 Cu Zone and the PM Zone.

Recently KGHMI reached an agreement with Glencore's Sudbury Integrated Nickel Operations (Sudbury INO) to process nickel ore mined at McCreedy West. Under this agreement nickel ore is shipped to the nearby Strathcona mill for processing, with the ore sales agreement defining a percent Gross Metal Value (GMV) payable to KGHMI, based on the average monthly grade of material delivered to Strathcona.

1.4.1 Metallurgical testing

The majority of FNX's current production is shipped directly to the Vale Clarabelle Mill facility in Sudbury, Ontario. Bench-scale composites (20 to 75 kg) for future mining blocks are constructed typically from ¼ inch assay reject material from drill core that has been retained in freezer storage. The composites are designed to be representative of future mining domains for a given deposit and the target grade established from the mineral resource or reserve grade in those domains. More detailed test work is completed on composites designed from currently mined zones, in which case reserve settlement barrel material from sample tower is utilized.

Vale completes routine test work on KGHM's orebodies that are currently in production, including bench-scale flotation studies, detailed quantitative mineralogy using Mineral Liberation Analyzer (MLA) instrumentation, bulk sample testing and batch recovery testing to the mill. The results of these studies are treated as proprietary to Vale. In order to supplement this work and provide KGHM with an internal metallurgical dataset, metallurgical composites have been sent to either the SGS – Lakefield metallurgical facility in Lakefield, Ontario, G&T Metallurgical Services Ltd. (G&T), of Kamloops, British Columbia, JKTech (with ALS Mineralogy) of Australia, or Xstrata Process Support (XPS) in Falconbridge, Ontario. Flotation

test work is designed to mimic the Clarabelle Mill flowsheet with respect to grinding, reagents, etc. Metallurgical samples are collected in duplicate by KGHM, in consultation with Vale representatives.

In the period of 2004-2008 a third-party metallurgical test work has been completed for the East Main Zone, Intermain Zone, PM Zone deposit, 2007 Ni production composite, South West Intermain Zone. The test work includes geochemical analyses for a detailed suite of trace elements to evaluate for deleterious elements in the processing stream, Bond Work Index testing (where possible), liberation analyses, and bench-scale flotation tests. In 2004, detailed quantitative mineralogy was completed using QEM-SCAN instrumentation at SGS for the PM, 2000, and included a study of platinum group mineral speciation and deportment. All test work completed to date demonstrates that each of the above-mentioned orebodies are amenable to processing by the Vale Clarabelle Mill, and all are in pre-production, production or have had their production temporarily suspended.

Based on the analysis of Representative Ore Samples provided by FNX to Vale Canada, Vale Canada issues one or more reports in respect of any given orebody (each, a “Mill Metallurgical Report”).

When a New Zone is been identified within an Orebody which FNX intends to mine, then Vale Canada is provided with Representative Ore Samples from such New Zone for analysis, prior to mining such New Zone.

FNX may provide further Representative Ore Samples from such New Zone, with a view to improving the grade-recovery equations in the Mill Metallurgical Report.

Vale Canada analyzes such ore samples using its standard procedures in effect at such time for its own mines and orebodies (including mill recovery models) and issues an official Mill Metallurgical Report with respect to such new Zone.

1.5 McCreedy West Mineral Resource Estimate

The general requirement that all Mineral Resources have “reasonable prospects for eventual economic extraction” implies that the quantity and grade estimates meet certain economic thresholds and that the Mineral Resources are reported at an appropriate cut-off grade, considering extraction scenarios and processing recoveries. To meet this requirement, the Author considers that the McCreedy West Property mineralization is amenable for underground extraction.

To determine the quantities of material offering “reasonable prospects for economic extraction” by underground mining methods, reasonable mining assumptions to evaluate the proportions of the block model (Indicated and Inferred blocks) that could be “reasonably expected” to be mined from underground are used. Based on the size, shape, and orientation of the deposits, it is envisioned that the deposits may be mined using both bulk and selective mining methods including Longhole Stoping and Mechanized Cut and Fill (MCAF) (mining methods that have long been utilized in the Sudbury region). The underground parameters used, based on these mining methods, are summarized in Table 1-1. Based on these parameters, a selected base-case cut-off grade of 1.1% NiEq is used to determine the underground MRE for the McCreedy West Property mineralization.

The reader is cautioned that the reporting of the underground MRE is presented undiluted and in situ, constrained by continuous 3D wireframe models, and are considered to have reasonable prospects for eventual economic extraction. There are no underground mineral reserves reported at this time.

Table 1-1 Parameters Considered for Underground Base-case Cut-off Grade

Parameter SGS 2024	Value	Unit
Nickel Price	$8.50	US$ per pound
Copper Price	$3.75	US$ per pound
Cobalt Price	$17.00	US$ per pound
Platinum Price	$950.00	US$ per ounce
Palladium Price	$1,100.00	US$ per ounce
Gold Price	$1,950.00	US$ per ounce
Underground Mining Cost	$80.00	US$ per tonne mined
Transportation	$5.00	US$ per tonne milled
Processing Cost (incl. crushing)	$15.50	US$ per tonne milled
Treatment and Refining	$15.00	US$ per tonne milled
Underground General and Administrative	$7.00	US$ tonne of feed
Nickel Recovery	78	Percent (%)
Copper Recovery	95.5	Percent (%)
Cobalt Recovery	56	Percent (%)
Platinum Recovery	69.2	Percent (%)
Palladium Recovery	68	Percent (%)
Gold Recovery	67.7	Percent (%)
Mining loss/Dilution (underground)	10/10	Percent (%) / Percent (%)

The MRE for McCreedy West is presented in Table 1-2 and includes MREs for the 700 Zone, the PM Zone and the Intermain Zone (Table 1-3).

Highlights of the McCreedy West Property MRE are as follows (exclusive of mined material):

- The underground MRE includes, at a base-case cut-off grade of 1.1% NiEq, 9,345,000 tonnes grading 0.89% Ni, 1.30% Cu, 0.024% Co, 0.96 g/t Pt, 1.10 g/t Pd, 0.45 g/t Au and 5.28 g/t Ag in the Indicated category, and 123,000 tonnes grading 1.60% Ni, 0.75% Cu, 0.047% Co, 0.21 g/t Pt, 0.23 g/t Pd, 0.05 g/t Au and 0.55 g/t Ag in the Inferred category (Table 1-2).

Table 1-2 McCreedy West Project Underground Mineral Resource Estimate, December 31, 2023

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	9,345,000	0.89	1.30	0.024	0.96	1.10	0.45	5.28	2.02
Inferred									
1.10	123,000	1.60	0.75	0.047	0.21	0.23	0.05	0.55	2.12

The underground base case cut-off grade of 1.10% NiEq considers metal prices of $8.50/lb Ni, $3.75/lb Cu, $17.00/lb Co, $950/oz Pt, $1100/oz Pd and $1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), 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.

Table 1-3 McCreedy West Project Underground Mineral Resource Estimate by Zone, December 31, 2023

700 Footwall Cu Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	5,230,000	0.70	1.92	0.014	1.08	1.17	0.57	6.48	2.16
Inferred									
1.10	63,000	1.63	1.23	0.040	0.40	0.43	0.10	0.82	2.43

PM Footwall PGE-Cu Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	1,438,000	0.27	0.95	0.002	2.27	2.84	0.82	10.43	1.87

Intermain Contact Ni Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	2,677,000	1.59	0.27	0.055	0.01	0.02	0.00	0.15	1.83
Inferred									
1.10	61,000	1.58	0.24	0.054	0.01	0.02	0.01	0.27	1.80

McCreedy West Mineral Resource Estimate Notes:

(1) The effective date of the McCreedy West Property Mineral Resource Estimate (MRE) is December 31, 2023. This is the close out date for the final mineral resource models and mine out models (as-builts)

(2) The mineral resource was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services and is an independent Qualified Person as defined by NI 43-101. Armitage conducted two site visits to the McCreedy Property Mine on two occasions, on August 22-23, 2023 (surface tour) and July 24, 2024 (included an underground tour).

(3) The classification of the current MRE into Indicated and Inferred mineral resources is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.

(4) All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.

(5) The mineral resource is presented undiluted and in situ, constrained by 3D grade control resource models, and are considered to have reasonable prospects for eventual economic extraction. The mineral resource is exclusive of mined out material.

(6) 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 most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

(7) The McCreedy West mineral resource estimate is based on a validated drill hole database which includes data from 7,587 surface and underground diamond drill holes completed between 1970 and March 2024. The

drilling totals 2,381,333 ft (725,830 m). The resource database totals 264,268 assay intervals representing 1,103 460 ft (336,335 m) of data.

(8) The mineral resource estimate is based on 3 three-dimensional ("3D") resource models representing the 700 Footwall Cu Zone, the PM Footwall PGE-Cu Zone, and the Intermain Contact Ni Zone. 3D models of mined out areas were used to exclude mined out material from the current MRE. The 3D models and as-builts are based on drill data and mining to December 31, 2023. The 2024 drilling and 2024 production are not considered in the current MRE.

(9) Grades for Ni, Cu, Co, Pt, Pd, Ag and Au are estimated for each mineralization domain using ~5.0 ft (1.52 m) capped composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID^2) interpolation method was used for all domains.

(10) Average density values were assigned to each domain based on a database of 45,525 samples.

(11) Based on the size, shape, and orientation of the deposits, it is envisioned that the deposits may be mined using both bulk and selective mining methods including Longhole Stoping and Mechanized Cut and Fill (MCAF) (mining methods that have long been utilized in the Sudbury region). The MRE is reported at a base case cut-off grade of 1.10% NiEq. The mineral resource grade blocks are quantified above the base case cut-off grade and within the constraining mineralized wireframes (considered mineable shapes).

(12) The underground base case cut-off grade of 1.10% NiEq considers metal prices of $8.50/lb Ni, $3.75/lb Cu, $17.00/lb Co, $950/oz Pt, $1100/oz Pd and $1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), 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.

The McCreedy West MRE has been estimated at a range of cut-off grades to demonstrate the sensitivity of the resource to cut-off grades (Table 1-4). The current MRE is reported at a base-case cut-off grade of 1.10 % NiEq (highlighted).

Table 1-4 McCreedy West Project Mineral Resource Estimate, at Various NiEq Cut-off Grades, December 31, 2023

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
0.80	14,039,000	0.72	1.07	0.020	0.81	0.92	0.37	4.81	1.66
1.00	10,690,000	0.83	1.22	0.023	0.91	1.04	0.42	5.12	1.90
1.10	9,345,000	0.89	1.30	0.024	0.96	1.10	0.45	5.28	2.02
1.20	8,209,000	0.94	1.38	0.025	1.00	1.16	0.47	5.43	2.14
1.30	7,223,000	1.00	1.46	0.026	1.05	1.21	0.50	5.59	2.27
Inferred									
0.80	192,000	1.28	0.56	0.041	0.18	0.20	0.05	0.59	1.69
1.00	137,000	1.52	0.70	0.045	0.20	0.22	0.05	0.54	2.01
1.10	123,000	1.60	0.75	0.047	0.21	0.23	0.05	0.55	2.12
1.20	109,000	1.70	0.80	0.049	0.22	0.23	0.05	0.55	2.25
1.30	96,000	1.80	0.85	0.051	0.23	0.22	0.05	0.51	2.38

(1) Underground mineral resources are reported at a base case cut-off grade of 1.10% NiEq. Values in this table reported above and below the base case 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 estimate to the base case cut-off grade.

(2) All values are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.

1.6 Mining

Mine production at McCreedy West is a combination of longhole stoping, mechanized cut and fill mining and post pillar panel mining, with longhole stoping with backfill being the primary mining method. Overall production from the mine is approximately 800 tons per day.

The mining method chosen for any particular portion of the deposit depends on the geometry in that location, ground conditions and access to minimize ore loss and dilution and maintain geotechnical stability for long term mine viability.

Waste rock from mine development is backfilled into open stopes. The current mine plan indicates that the waste rock from development is sufficient for backfill requirements for cut and fill stoping.

1.7 Infrastructure

Prior to FNX reopening the site, the majority of Vale's equipment and buildings at the site had been removed. Since operating on the site, FNX has commissioned buildings and infrastructure to support mining operations.

Current site infrastructure is suitable for continuing operations.

1.8 Environment and Permitting

The mine operates under existing permits, and an approved closure plan is in place.

Stakeholder consultation is ongoing, with periodic updates provided to government agencies and the local community and indigenous groups.

1.9 Recommendations

The McCreedy West Mine property contains significant underground Indicated and Inferred Mineral Resources that are associated with well-defined mineralized trends and geological models. The mine is currently in production, and has been continuously since 1974, with exception of two periods of no production from 1998-2003, and 2015-2018.

The Author is recommending Magna continue definition diamond drilling and re-interpretation, geological and resource modeling as new data becomes available, to facilitate life of mine planning and conversion of resource to reserve. The total cost of the recommended work program by Magna is estimated at C$2.8 million to C$3.4 million based on approximately 20,000 metres of diamond drilling and ongoing geological compilation and interpretation.

2 INTRODUCTION

SGS Geological Services Inc. (“SGS”) was contracted by Magna Mining Inc. (the "Company" or "Magna") to complete a Mineral Resource Estimate (“MRE”) for the McCreedy West copper mine (“McCreedy West” or the “Property”), located near Sudbury, Ontario, Canada, and to prepare a National Instrument 43-101 ("NI 43-101") Technical Report written in support of the MRE. McCreedy West is currently an operating mine.

On September 12, 2024, Magna announced it had entered into a definitive share purchase agreement, dated September 11, 2024, with a subsidiary of KGHM International Ltd. (“KGHM”) to acquire a portfolio of base metals assets located in the Sudbury Basin. Magna will acquire the producing McCreedy West copper mine, the past-producing Levack mine (“Levack”), Podolsky mine (“Podolsky”) and Kirkwood mine (“Kirkwood”) as well as the Falconbridge Footwall (81.41%), Northwest Foy (81.41%), North Range and Rand exploration assets.

Transaction Highlights:

- **Purchase Price:** C$5.3 million in cash and $2.0 million of Magna common shares on the closing of the Transaction and C$2.0 million in cash on December 31, 2026, plus future contingent payments of up to C$24.0 million.
- **Funding:** Magna is negotiating a commitment letter for a C$10 million three-year Term Loan facility and a C$10 million Letter of Credit facility with Fédération des caisses Desjardins du Québec (“FCDQ”), a subsidiary of Desjardins Group.

Acquisition Properties:

- **McCreedy West Mine:** Currently an operating mine which had 2023 production of 317,660 tonnes at grades of 1.59% copper, 0.23% nickel, 0.01% cobalt, 1.03 g/t platinum, 1.34 g/t palladium, 0.41 g/t gold and 14.05 g/t silver.
- **Levack Mine:** On care and maintenance since 2019 with current activities underground to maintain the ramp, shaft and pumping infrastructure. Shaft access extends to the 2650 Level and ramp access to the 5400 Level. Near surface high grade nickel and copper zones to be evaluated for mine restart.
- **Podolsky Mine:** On care and maintenance since 2013 with both ramp access from surface and shaft access to the 2450 Level. Near surface mining potential in the copper rich North Zone as well as potential to develop the Nickel Ramp deposit.
- **An extensive exploration property portfolio in the Sudbury Basin:** this includes the past-producing Kirkwood Mine and the Falconbridge Footwall, Northwest Foy, North Range and Rand exploration properties.

Magna Mining is an exploration and development company focused on nickel, copper and PGM projects in the Sudbury Region of Ontario, Canada. The Company’s flagship assets are the past producing Shakespeare and Crean Hill Mines. The Shakespeare Mine is a feasibility stage project which has major permits for the construction of a 4,500 tonne per day open pit mine, processing plant and tailings storage facility and is surrounded by a contiguous 180km^2 prospective land package. Crean Hill is a past producing nickel, copper and PGM mine with a technical report dated July 2023. Magna’s common shares are listed on the Toronto Stock Exchange Venture Exchange (“TSX-V”) under the symbol “NICU”. Their current business address is 1300 Kelly Lake Road Sudbury, Ontario P3E 5P4.

The current report is authored by Allan Armitage, Ph.D., P. Geo., (“Armitage”) and William van Breugel, P.Eng. (“Breugel”) of SGS (collectively, the “Authors”). The Authors are independent Qualified Persons as defined by NI 43-101 and are responsible for all sections of this report. The updated MRE presented in this report was estimated by Armitage.

The reporting of the updated MRE complies with all disclosure requirements for Mineral Resources set out in the NI 43-101 Standards of Disclosure for Mineral Projects. The classification of the updated MRE is consistent with the 2014 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards (2014 CIM Definitions).

The current Technical Report will be used by Magna in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). This Technical Report is written in support of an MRE completed for Magna.

2.1 Sources of Information

In preparing the current Property MRE and the current technical report, Armitage has utilized a digital database, provided to the Author by Magna, and miscellaneous published and internal technical reports provided by Magna. All background information regarding the Property has been sourced from previous technical reports and revised or updated as required. As of the effective date of this report, Magna has yet to complete exploration on the Property.

- *The Property was the subject of a previous technical report by FNX Mining Inc. in 2009 titled "Technical Report on Mineral Properties in the Sudbury Basin, Ontario" Prepared for FNX Mining Company Inc. and Issued March 31, 2009, effective December 31, 2008.*

The Authors have carefully reviewed all digital data and Property information and assumes that all information and technical documents reviewed and listed in the "References" are accurate and complete in all material aspects. Information regarding the property exploration history, previous mineral resource estimates, regional property geology, deposit type, recent exploration and drilling, metallurgical test work, and sample preparation, analyses, and security for previous drill programs (Sections 5-13) have been sourced from previous technical reports.

Historical Mineral Resource and Reserve figures contained in this report, including any underlying assumptions, parameters and classifications, are quoted "as is" from the source.

The Author believes the information used to prepare the current Technical Report is valid and appropriate considering the status of the Property and the purpose of the Technical Report. By virtue of the Author's technical review of the Project, the Author affirms that the work program and recommendations presented herein are in accordance with current NI 43-101 requirements (2014) and the MRE follow CIM Standards on Mineral Resources and Reserves – Definitions and Guidelines (2016) ("CIM Definition Standards").

2.2 Site Visit

Armitage conducted two site visits to the McCreedy Property Mine on two occasions, on August 22-23, 2023 (surface tour) and July 24, 2024 (included an underground tour). On both occasions, the Author was accompanied Dave Truscott Manager, Technical & Commercial Services Sudbury Operations for KGHM. Dave was available to answer any questions regarding geology, mineralization, internal mineral resource and reserve estimation procedures and mining operations. Armitage was able to tour the mining operation on surface and underground.

At the time of the visit, underground mining and exploration was active on the Property. However, Magna has completed no exploration or mining on the Property.

As a result of the two site visits, the Author was able to become familiar with conditions on the Property, was able to observe and gain an understanding of the geology and various styles mineralization, was able to verify the work done and, on that basis, is able to review and recommend to Magna an appropriate exploration or development program.

The Author considers the last site visit current, per Section 6.2 of NI 43-101CP. To the Authors knowledge there is no new material scientific or technical information about the Property since that personal inspection. The technical report contains all material information about the Property.

2.3 Effective Date

The Effective Date of the current MRE is December 31, 2023.

2.4 Units and Abbreviations

All units of measurement used in this technical report are in metric. All currency is in US dollars (US$), unless otherwise noted.

Table 2-1 List of Abbreviations

$	Dollar sign	m^2	Square metres
%	Percent sign	m^3	Cubic meters
°	Degree	masl	Metres above sea level
°C	Degree Celsius	mm	millimetre
°F	Degree Fahrenheit	mm^2	square millimetre
µm	micron	mm^3	cubic millimetre
AA	Atomic absorption	Moz	Million troy ounces
Ag	Silver	MRE	Mineral Resource Estimate
Au	Gold	Mt	Million tonnes
Az	Azimuth	NAD 83	North American Datum of 1983
CAD$	Canadian dollar	Ni	Nickel
cm	centimetre	NQ	Drill core size (4.8 cm in diameter)
cm^2	square centimetre	oz	Ounce
cm^3	cubic centimetre	Pd	Palladium
Co	Cobalt	PGE	Platinum Group Elements
Cu	Copper	ppb	Parts per billion
DDH	Diamond drill hole	ppm	Parts per million
ft	Feet	Pt	Platinum
ft^2	Square feet	QA	Quality Assurance
ft^3	Cubic feet	QC	Quality Control
g	Grams	QP	Qualified Person
g/t or gpt	Grams per Tonne	RC	Reverse circulation drilling
GPS	Global Positioning System	RQD	Rock quality description
Ha	Hectares	SG	Specific Gravity
HQ	Drill core size (6.3 cm in diameter)	t.oz	Troy ounce (31.1035 grams)
ICP	Induced coupled plasma	Ton	Short Ton
kg	Kilograms	Tonnes or T	Metric tonnes
km	Kilometres	TPM	Total Platinum Minerals
km^2	Square kilometre	US$	US Dollar
m	Metres	UTM	Universal Transverse Mercator

3 RELIANCE ON OTHER EXPERTS

Verification of information concerning Property status and ownership, which are presented in Section 4 below, have been provided to the Author by Magna by way of E-mail. The Author only reviewed the land tenure in a preliminary fashion and has not independently verified the legal status or ownership of the Property or any underlying agreements or obligations attached to ownership of the Property. However, the Author has no reason to doubt that the title situation is other than what is presented in this technical report (Section 4). The Author is not qualified to express any legal opinion with respect to Property titles or current ownership.

Mr. William van Breugel has relied upon previous technical reports on the property with respect to Sections 16, 18 and 20.

4 PROPERTY DESCRIPTION AND LOCATION

McCreedy West Mine is in the Levack Township, in part of Lots 8, 9 and 10 Confections 1 and 2, with land zoned as M4 – Industrial Zone – Mining Zone. Community of Levack is located northeast from the Mine, on the other side of Onaping River, while the Onaping community is placed to the south and southwest of the Mine. McCreedy West Mine is situated within the boundary of the City of Greater Sudbury, Ontario, Canada, approximately 40 km northwest of the downtown Sudbury Area (Figure 4-1).

Figure 4-1 Project Location on Map of Ontario

4.1 Mineral Disposition and Tenure Rights

The McCreedy West Mine area covers 804,24 acres (325,4 ha) held under patented parcels listed in

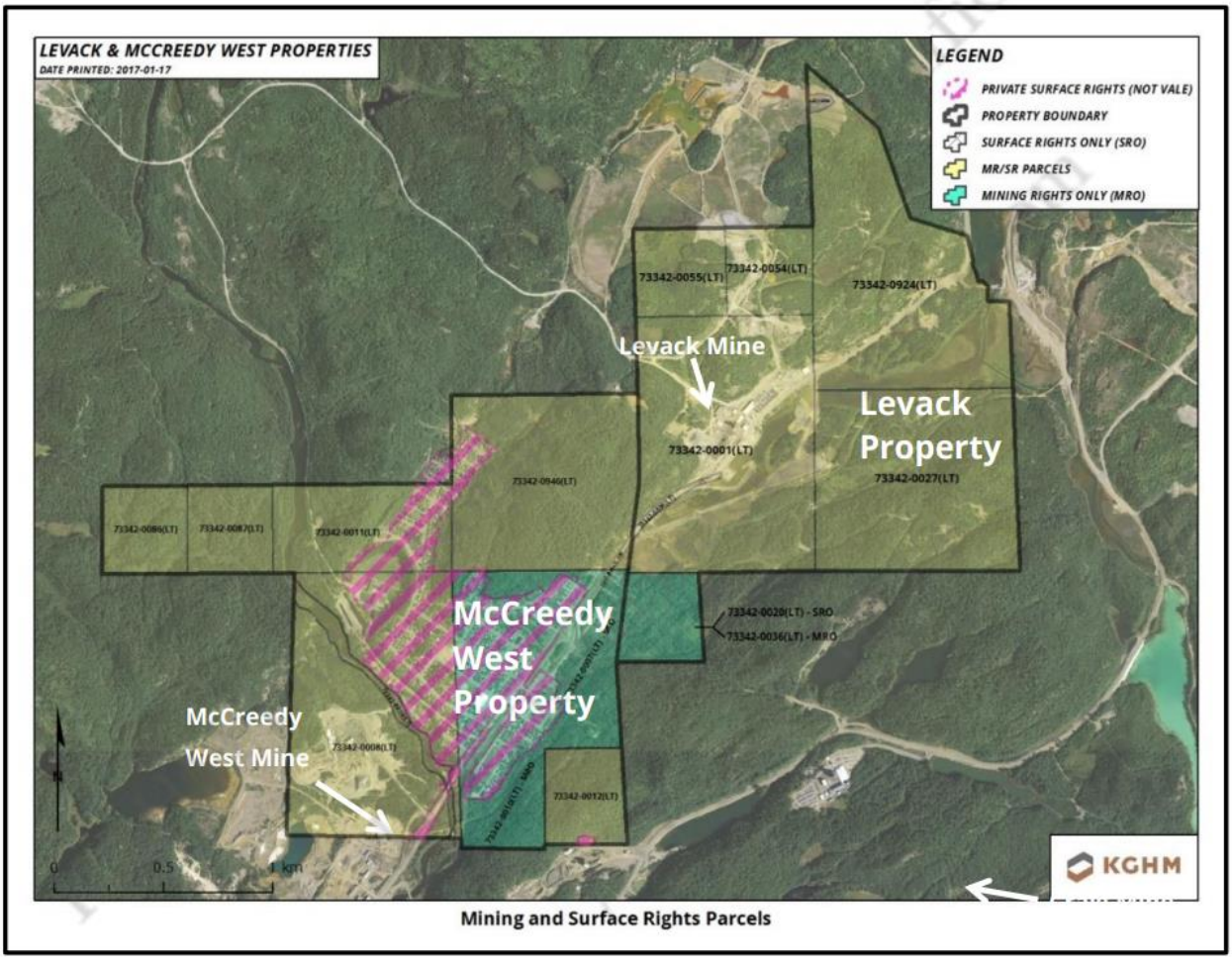
Table 4-1 (Figure 4-2). Patents include surface and mining rights.

Surface rights belong to Vale Canada Ltd. (“Vale” or “Vale Canada”) and private individuals/corporations. This property is part of the Sudbury Basin JV Agreement with Vale and is therefore subject to the KGHMI – Vale Off-take Agreement.

Table 4-1 Listing of the McCreedy West Patented Parcels

Numbers	Type	Maintenance Requirements
73342-0007(LT)	Patented Parcel	Municipal Taxes (CGS)
73342-0008(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)
73342-0010(LT)	Patented Parcel	Mining Land Taxes (MNDM)
73342-0011(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)
73342-0012(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)
73342-0078(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)
73342-0086(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)
73342-0087(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)
73342-0894(LT)	Patented Parcel	Municipal Taxes (CGS)
73342-0946(LT)	Patented Parcel	Municipal Taxes (CGS); Mining Land Taxes (MNDM)

Figure 4-2 McCreedy West Patented Parcels



4.2 Underlying Agreements

4.2.1 Off-Take Agreement

On August 1, 2013, FNX entered into the Sudbury Basin Properties Off-Take Agreement (the "Off-Take Agreement") with Vale Canada Ltd. based on which FNX is obliged to sell and Vale Canada Ltd. is obliged to purchase all of the mineral products and ores produced from McCreedy West, Levack, Podolsky and Kirkwood properties.

Description of Ore Sold

Vale Canada Ltd. retains first right of refusal for ore processing and marketing of mineral products extracted from McCreedy West, Levack, Podolsky and Kirkwood properties. Payable metals and their recoveries are established as follows:

Mill Metallurgical Report

Based on the analysis of Representative Ore Samples provided by FNX to Vale Canada, Vale Canada shall issue one or more reports in respect of any given Ore body (each, a "Mill Metallurgical Report"), containing the following information:

1. official grade-recovery equations for copper, nickel and cobalt reporting to the Theoretical Bulk Concentrate at a given copper and nickel grade in the Theoretical Bulk Concentrate across a range of copper and nickel grades in the Product,
2. official grade-recovery equations for Pt, Pd, Au and Ag reporting to the Theoretical Bulk Concentrate,
3. official grade-recovery equations for the ratios of recovered Pt, Pd, Au and Ag reporting to Copper Concentrate; and
4. feed assays for samples received, mineralogical analysis of the feed samples (including liberation), flotation test results for copper and nickel and technical commentary on the samples tested.

Mechanisms exist for Vale Canada Ltd. to waive its rights to processing specific products, and this has happened from time-to-time under certain circumstances.

Each deposit/ore type has its own set of recoveries/accountabilities, subject to periodic review and auditing. Some contracts prescribe minimum grades, below which payment are not made. The seven payable metals (Cu-Ni-Co-Pt-Pd-Au-Ag) are managed separately from an accounting perspective.

Other contracts (subject to processing waiver) may have terms framed differently (Net Profit, Net Smelter/Refinery, % Gross Metal Value Returned) and independently of the Off-take Agreement. Payable metals are detailed in contracts with each concentrator.

Vale retains a 2.25% net smelter return (NSR) royalty on product processed through third party facilities. Details of this agreement are documented in the Sudbury Basin Properties Off-Take Agreement.

Franco Nevada has the option to purchase 50% of the contained gold equivalent ounces shipped to the processing facility, at a fixed price per ounce as set out in the agreement. The gold equivalent ounce payment considers contained platinum, palladium and gold converted to gold equivalent ounces based on the pricing ratio of each metal.

Title transfer is dependent upon the specific processor, but typically takes place upon delivery to the processor.

Ores are typically crushed, sampled shipped and processed, with commercial settlement taking place over contractual Quotational Period (QP) which can vary from two (2) to six (6) months post-delivery, depending upon the specific metal and contract in question.

4.3 Magna Acquisition of McCreedy West

On September 12, 2024, Magna announced it had entered into a definitive share purchase agreement, dated September 11, 2024, with a subsidiary of KGHM International Ltd. ("KGHM") to acquire a portfolio of base metals assets located in the Sudbury Basin. Magna will acquire the producing McCreedy West copper mine, the past-producing Levack mine ("Levack"), Podolsky mine ("Podolsky") and Kirkwood mine ("Kirkwood") as well as the Falconbridge Footwall (81.41%), Northwest Foy (81.41%), North Range and Rand exploration assets.

Transaction Summary:

The Transaction will be completed pursuant to the Agreement and is structured as a share purchase transaction whereby Magna will acquire all of the outstanding shares of Project Nikolas Company Inc. ("PNCI") from FNX Mining Inc., a subsidiary of KGHM. The purchase price is comprised of:

- C$5.3 million cash payable at closing;
- C$2.0 million of Magna common shares issuable at closing;
- A deferred payment of C$2.0 million in cash payable on December 31, 2026; and
- Contingent payments on satisfaction of certain future milestones totalling up to C$24 million.

Magna will assume certain liabilities of PNCI, including C$9.9 million of reclamation liabilities.

In addition, FNX Mining will retain a 4.0% net smelter returns royalty on New Discoveries on certain exploration properties that are part of the Sale Assets. Magna has the right to buy-back 3% of these royalties (for a remaining 1% NSR residual) at any time for various cash considerations.

The Transaction is subject to satisfaction of customary closing conditions including the receipt of all required third party consents and regulatory approvals, including the approval of the TSX Venture Exchange. The Transaction is expected to close by the end the fourth quarter of 2024 or the first quarter of 2025.

4.4 Ontario Permits and Authorization

The Ontario Mining Act regulations require exploration plans and permits, with graduated requirements for early exploration activities of low to moderate impact undertaken on mining claims, mining leases and licences of occupation. Exploration plans and permits are not required on patented mining claims.

As the Property is on patented land, exploration plan and permit applications under the Mining Act are not required by Ontario's Ministry of Energy, Northern Development and Mines (MENDM), for exploration and advanced exploration work. The Property is also considered an active mining area, where any mining activities that fit within the current Closure Plan may commence without additional permitting.

SGS is unaware of any other significant factors and risks that may affect access, title, or the right, or ability to perform the exploration work recommended for the Property.

4.4.1 Exploration Plans and Permits Required under the Mining Act

The Ontario Mining Act regulations require exploration plans and permits, with graduated requirements for early exploration activities of low to moderate impact undertaken on mining claims, mining leases and

licences of occupation. Exploration plans and permits are not required on patented mining claims. This is the case for the Property.

There are a number of exploration activities that do not require a plan or permit and may be conducted while waiting for a plan or permit is effective. These may include the following:

- Prospecting activities such as grab/hand sampling, geochemical/soil sampling, geological mapping
- Stripping/pitting/trenching below thresholds for permits
- Transient geophysical surveys such as radiometric, magnetic
- Other baseline data acquisition such as taking photos, measuring water quality, etc.

4.5 Water Rights

According to Ontario's law any business that plans to take 50 000+ liters of water is obliged to secure Permit to Take Water, which ensures that water taking in Ontario are managed to the standards of the Great Lakes-St. Lawrence River Basin Sustainable Water Resources Agreement. Other limitations than amount drawn consider possibility of negatively affecting existing users or the environment, as well as taking from watershed that already has a high level of use. Complete set of rules related to water taking in Ontario is presented in Ontario Water Resources Act, Section 34 – 34.11 and Ontario Regulation 387/04 (Water Taking and Transfer).

McCreedy West Mine has a valid Permit to Take Water (surface water) issued by Ministry of the Environment and Climate Change (formally to FNX Mining Company Inc.). The permit expires on November 15, 2027. Under this permission FNX is allowed to take water from Onaping River according to the following rules (Table 14-2):

Table 4-2 McCreedy West Mine Water Taking Specification

Source name	Source type	Taking Specific purpose	Taking major category	Max taken per minute (liters)	Max num. of hours taken per day	Max taken per day (liters)	Max num. of days taken per year	Zone /easting /northing
Onaping river	River	Other – industrial	Industrial	2,273	24	3,273,000	365	17/ 469450/ 5165350
Total taking: 3,273,000								

4.6 Property Environmental Considerations

Liabilities at the property are described in the Levack-Onaping Closure Plan.

4.7 Other Relevant Factors

The Author is unaware of any other significant factors and risks that may affect access, title, or the right, or ability to perform exploration work recommended for the Property.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

5.1 Accessibility

The mine is connected to the Ontario Highway 144 by a 3 km Municipal Road 8, leading through the town of Onaping to the mine site. The Highway provides easy access to and from the Mine. Roads are well maintained all year round, with visible signage and rare restrictions. McCreedy West Mine is about 45 km away from Greater Sudbury, a well-connected city with access to the Sudbury airport with connections to Toronto, North Bay or Thunder Bay, among other cities; and railway (Via Rail Canada Inc.) with lines leading to Hornepayne, White River and Toronto.

5.2 Local Resources and Infrastructure

The City of Greater Sudbury (population: 166,004, 2021 Canadian Census), located on a convergence of three major highways is a world class mining center, with companies employing approximately 6,000 people. The industry is supported by over 300 mining supply companies and a service sector cluster that employs a further 10,000 people, including a specialized workforce of miners, technicians, engineers, geologists and consultants to serve the region's large mining industry. The City of Greater Sudbury has access to medicine, commerce, and government administration. Moreover, young talents are attracted to a local college and university, which provide mining and geology programs, further expanding the pool of potential employees.

Power to the McCreedy West mine is delivered through a 69kV power line from the main Vale Crean Hill transmission line to McCreedy West substation. The main power distribution for McCreedy West Mine is 4160 V (950 amps), secondary voltage from the main line, which also supplies power to the groundwater recharge pumps for the Levack potable water supply wells (0,75 km north of the substation, on the east bank of Onaping River). Natural gas is supplied by the main gas line, lined alongside Regional Road Number 8. There are two receiving points at the Mine site with main located at Number One Fresh Air Raise, and an offshoot placed at Number Two Fresh Air Raise. Potable water is pumped to the Mine with 6" diameter pipe which runs north along the access road to the McCreedy West parking lot. The source for this water is the City of Greater Sudbury pump house located on Regional Road 8. The single branch supplies main service building, and portable trailers.

Additional details on project infrastructure is presented in Section 18.

5.3 Climate

According to Köppen climate classification Sudbury Basin has a humid continental climate (Dfb), which is characterized by warm, humid summers accompanied by cold and snowy winters. According to Canadian Climate Normals 1981-2010 Station Data the average temperature varies from -13˚C during January to about 19.1˚C in July.

The property lies at a mean elevation of about 290 masl (metres above sea level). Relief is moderate and typical of Precambrian Shield topography. There are no significant precipitation differences between seasons, monthly precipitation is equal, with snow cover being present for about 6 months.

It is important to note, that even with harsh winter conditions and significant snowfall McCreedy West Mine is able to operate all year round, thanks to excellent work organization, safety-oriented crew and well-maintained roads both on site and leading to the property. Vegetation on site is scarce, with few trees and bushes present, however mine is surrounded by trees, with forest adjacent to the west and east side. There is no agriculture activity in vicinity.

6 HISTORY

The Mond Nickel Company purchased the McCreedy West (formerly Levack West) property in 1913. Inco (then International Nickel Company Ltd.) subsequently acquired the property in 1929 following its merger with Mond. The Main Zone was discovered through surface diamond drilling in 1939. However, development of the access ramp from surface and the haulage drift from the Levack 1600 Level was not initiated until 1970. Mining of the Upper Main, Middle Main, Lower Main and Footwall orebodies commenced in 1974. Production to 1998 totalled 15,758,000 tons averaging 1.70% Cu, 1.44% Ni, 0.017 oz/ton Pt, 0.017 oz/ton Pd and 0.009 oz/ton Au (0.043 oz/ton TPM). During the last two years of production by the previous owner, more selective mining of the high-grade Cu-Ni-Pt-Pd-Au veins of the 700 Footwall Vein Complex was re-initiated, and yielded 40,965 tons grading 5.35% Cu, 0.56% Ni and 0.129 oz/ton TPM. At the time, this operation was used as a test site for narrow vein mining techniques as previous mining of the zone was by bulk methods.

In January 2002, FNX signed an agreement with Inco Ltd. (now Vale Canada Ltd.) to option five properties in Sudbury that Inco had determined were no longer of value to their business strategy. These properties include McCreedy West, Levack, Podolsky (formerly Norman/Whistle), Kirkwood and Victoria, and were either located along the Sudbury Igneous Complex (SIC) contact and/or at the mouths of offset dyke environments. All of these historically mined locations represented ideal environments for hosting Ni-Cu-PGE mineralization. Soon after the signing of this Agreement with Inco, FNX and Dynatec Ltd. formed a 75:25 joint venture (the Sudbury Joint Venture - SJV) to explore and mine the five Sudbury properties. Under the Option Agreement with Inco, the SJV was required (among other specifics) incur exploration expenditures totaling C$30 million on the properties over a 52-month period to gain 100% of the mining rights at the properties. These expenditures were completed ahead of schedule in late 2003.

When FNX began work on the McCreedy West property in 2002, the mine infrastructure included an accessible -20% grade, 20 ft by 16 ft ramp to the 1,600 Level with average level development spaced at 150 ft elevations. Ventilation raises with fans remained in place. The 1600 Level haulage drift to the Levack Mine No. 2 Shaft was available. The few buildings that remained on surface included the electrical sub-station, heater house and fresh air raise fans. Electric power was available on site and mine water was being drained to Levack Mine along the 1600 Level drift and pumped through to Vale Inco's Coleman/McCreedy East service shaft.

Since 2002 FNX has maintained a constant exploration effort on the McCreedy West property, including surface and underground mapping, airborne, surface and borehole geophysical surveys, and both surface and underground diamond drill campaigns for both contact Ni and footwall Cu-Ni-PGE mineralization. The result has been the discovery of the contact Ni Intermain Zone in 2002, and its successful production since 2003, in addition to the successful drilling, geological and resource modeling, advanced exploration and ultimately production in 2005 of the first low-sulphide Cu-Ni- PGE deposit with stand-alone infrastructure in the Sudbury camp, the PM Zone.

Production from McCreedy West by FNX was ramped up from 2003 at 50,985 tons to a peak of 761,098 tons to the end of 2008. Contact Ni production was suspended in Q4-08 at McCreedy West, like at Levack, due to rapidly falling commodity prices.

In 2015, mining operations were scaled down and placed on temporary care and maintenance. However, production resumed briefly in 2016 for a 17,500-tonne stope in the 700 Vein Complex. Operations ramped up again in 2018, with full production following the next year. The mine is currently extracting copper and precious metals-rich deposits, along with nickel bulk samples.

Table 6-1 presents the most significant events in the McCreedy West Mine's operation history. Table 6-2 presents historical production completed at McCreedy West from 2003-2023.

On 23 March 2010, FNX Mining Company Inc. announced that it agreed to be acquired by Vancouver-based Quadra Mining Ltd., pending ratification by the shareholders of both companies.

On 6 December 2011, Polish miner, KGHM Polska Miedz S.A. has agreed to buy Quadra FNX Mining Ltd. The takeover of Quadra FNX by KGHM was completed on March 5, 2012.

Table 6-1 Historical Exploration Activities completed at the McCreedy West Property

Year(s)	Company	Activity
1913	Mond Nickel	The Mond Nickel Company purchased the McCreedy West (formerly Levack West) property
1929	Inco Ltd.	Inco acquired the property following the merger with Mond Nickel Company
1939	Inco Ltd.	Surface diamond drilling discovered the Main zone
1970	Inco Ltd.	Development of the access ramp from surface and the haulage drift from Levack 1600 Level was initiated
1974	Inco Ltd.	Mining of the orebodies commenced, and production came from the Upper Main, Middle Main, Lower Main and Footwall orebodies
1974 to 1998	Inco Ltd.	Developed and mined by Inco Ltd. Production throughout this period totaled 15,758,000 tons averaging 1.70% Cu, 1.44% Ni, 0.017 oz/ton Pt, 0.017 oz/ton Pd, 0.009 oz/ton Au, (0.043 oz/ton TPM)
2002	FNX Mining Company Inc	FNX Mining Company Inc. acquires property through Option Agreement with Inco and reopens the mine. Exploration initiates drilling program and discovers the Intermain Zone
2003	FNX Mining Company Inc	Development commences at the 700 Vein Complex.
2004	FNX Mining Company Inc	Official re-opening of the mine. Ni production from the East Main, Upper Main and Intermain
2005	FNX Mining Company Inc	Mining initiated on the PM Zone deposit from the Exploration ramp
2011	Quadra FNX Mining Ltd	Mining terminated at the PM Zone deposit
2015	KGHMI	Mining operation scaled down - mine put on temporary care and maintenance
2016	KGHMI	Mine temporarily re-opened for a 17,500 tonnes stope in the 700 Vein Complex
2018	KGHMI	Production ramped up in 2018 with full production in following year; currently mining copper and precious metals rich deposits, as well as nickel bulk samples. XRT sorter purchased.

Table 6-2 Historical Production at the McCreedy West Property from 2003-2023.

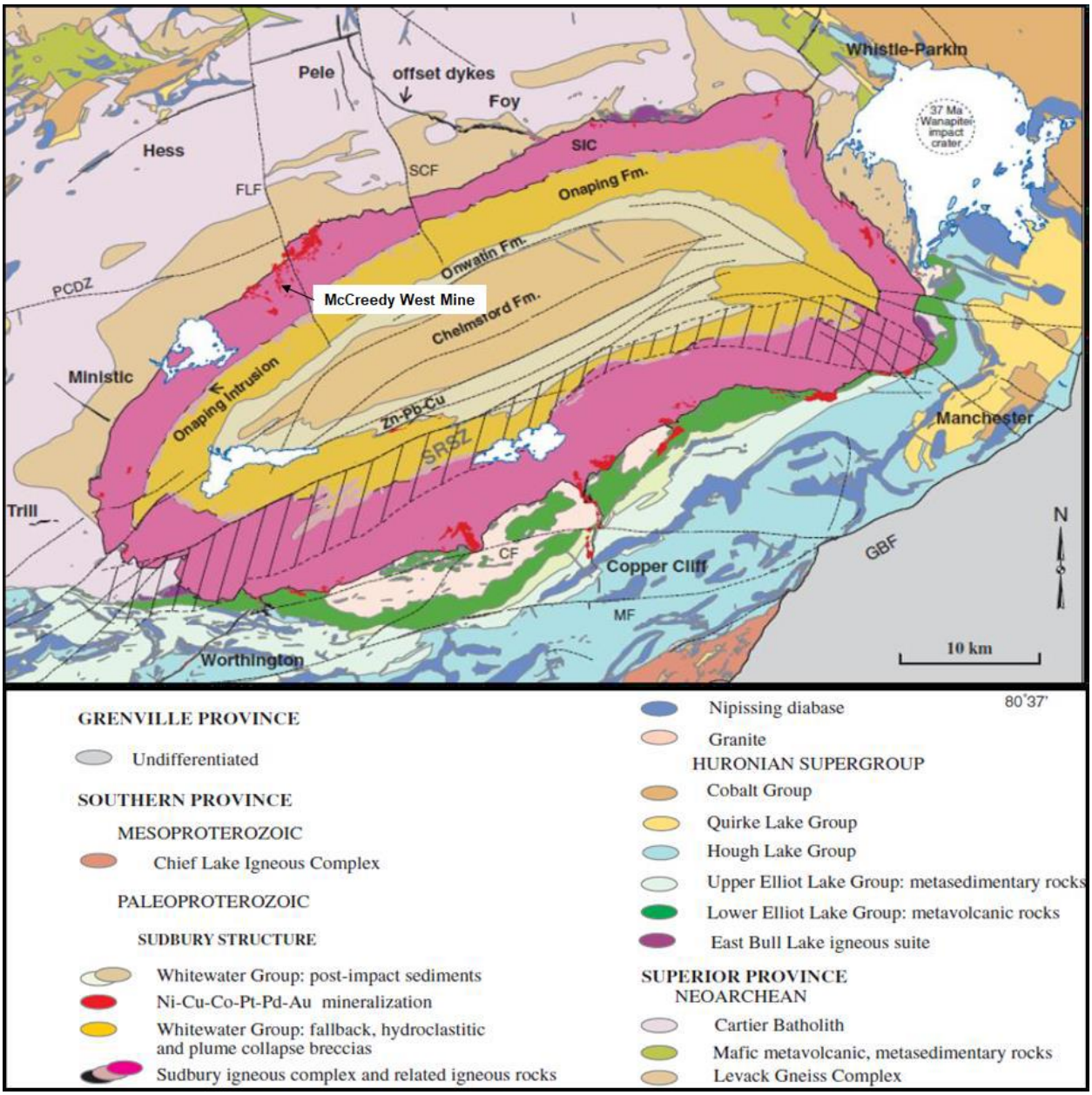
Zone	Tonnes	Tons	Ni (%)	Cu (%)	Co (%)	Pt g/t	Pd g/t	Au g/t	TPM g/t
Contact Ni	**2,957,138**	**3,258,766**	**1.35**	**0.30**	**0.05**				
700 FW	1,261,544	1,390,222	0.35	2.31	0.01	1.23	1.61	0.62	3.46
PM FW	2,083,389	2,295,895	0.24	0.88	0.00	1.77	2.35	0.58	4.70
Subtotal FW	**3,344,934**	**3,686,117**	**0.28**	**1.42**	**0**	**1.57**	**2.07**	**0.6**	**4.23**
Total	**6,302,072**	**6,944,883**	**0.78**	**0.89**	**0.03**	**0.83**	**1.1**	**0.32**	**2.25**

7 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Regional Stratigraphy

The accepted theory derived from volumes of data and study for the genesis of Ni-Cu-PGE deposits in Sudbury occur within the Sudbury Structure formed as a result of a major Early Proterozoic meteorite impact 1,850 million years ago (Ames and Farrow, 2007). The Sudbury Structure straddles the unconformity between Archean gneisses and plutons of the Superior Province and overlying Paleoproterozoic Huronian supra-crustal rocks of the Southern Province (Figure 7-1). It is geographically divided into the North, South, and East Ranges.

Figure 7-1 Simplified Regional Geology (Ames et al., 2008)



The Sudbury Structure comprises four geologic domains:

- The Sudbury Igneous Complex (SIC) occurs as a 60 km by 27 km elliptical bowl-shaped body that formed from a meteorite impact melt sheet. It consists of a basal xenolithic norite breccia (contact sublayer) overlain by norite, quartz-gabbro, and granophyre. It has historically been referred to as the Nickel-Bearing Irruptive, the Sudbury Nickel Irruptive, and the Nickel Irruptive.
- Concentric and radial dykes of diorite, granodiorite, and quartz diorite.
- The FW to the SIC contains a zone, up to 80 km wide, of Archean and Proterozoic rocks that are fractured, brecciated (i.e., Sudbury breccia), and locally partially melted (e.g., Late Granite Breccia) or recrystallized due to the meteorite impact and subsequent emplacement of the SIC.
- The SIC is overlain by the Whitewater Group, comprising of fall-back impact debris forming super-crustal breccia of the Onaping Formation and the overlying basin-fill sedimentary rocks of the Onwatin and Chelmsford Formations.

The McCreedy Mine is situated along the margin of the 1.85-billion-year-old SIC. The Late Proterozoic Grenville Province and its northern limit, the Grenville Front, is located 10 km south of the SIC. The footwall rocks on the north and east margins of the SIC are the Archean Levack Gneiss Complex and granitoids. A metamorphic age of 2711±7 Ma has been determined for Levack Gneiss Complex footwall rocks near Levack Mine. The footwall rocks to the south are Paleoproterozoic Huronian Supergroup metavolcanic and metasedimentary rocks. These supracrustal rocks are intruded by the 2220 Ma Nipissing Gabbro which consists dominantly of gabbroic sheets and dykes, and locally of amphibolites southwest of the SIC, and by early Proterozoic granitic plutons (Creighton, Murray and Skead plutons). Remnants of Paleoproterozoic mafic-ultramafic intrusions occur in the proximal footwall of the SIC.

The Levack Gneiss Complex is largely composed of gneisses that range from felsic compositions, Granite Gneiss, to mafic compositions, Mafic Gneiss. The gneissic banding can be regular or contorted, and locally is continuous over tens of feet. Lenses of Mafic Gneiss are commonly boudinaged within the Granitic Gneiss. The granitic component of the complex is medium to coarse-grained and massive to incipiently foliated. Irregular discontinuous veins of pegmatitic granite up to 45 cm wide occur within medium-grained granite bodies. Granite crosscuts the gneisses with sharp to diffuse contacts, and also sharply crosscuts gabbro. Gabbro is medium-grained, massive to incipiently foliated with 30-40% interstitial feldspar as a mosaic of feldspar laths or as rosettes interstitial to amphibole. Diabase dykes that pre-date the Sudbury Event at 1.85 Ga are common in the Levack Gneiss Complex and are referred to as Anhedral Porphyries in the local geological literature. The anhedral porphyritic rocks are characterized by 1% to 20% glomeroporphyroblasts of anhedral to subhedral clots of white feldspar up to 5 cm in diameter. Their matrix is fine-grained with approximately equal proportions of feldspar and amphibolitized pyroxene and exhibits aphanitic chill margins in contact with gneisses granite and gabbro, an indication of their intrusion into these rocks.

The Main Mass of the SIC is characterized by a lower sequence of norite, separated from an upper sequence of granophyre by quartz gabbro. An igneous breccia, termed the Sublayer Norite, occurs discontinuously along the contact between the base of the norite and the country rocks. The Sublayer Norite consists of 55 to 70% dominantly mafic, and rarely ultramafic, fine- to medium-grained subrounded to rounded fragments within a mafic noritic igneous matrix. A variably igneous or metamorphic-textured breccia of more ambiguous origin, Footwall/Granite Breccia, is locally developed along the SIC-footwall rock interface as the basal unit of the Sublayer. The Granite Breccia is a matrix supported heterolithic breccia with clast sizes ranging from 1 cm to hundreds of metres in diameter. Clast types are dominantly gabbro, diabase, mafic gneiss, intermediate gneiss, granitic gneiss, and granite. The clasts are typically sub-angular to sub-rounded and represent approximately 70 to 80% of the rock mass. Both the Sublayer Norite and the Footwall/Granite Breccia (together termed the Sublayer) are the dominant hosts to pyrrhotite-pentlandite-chalcopyrite sulphide mineral assemblages that typify the Contact Ni –style of deposit.

Sudbury offset dykes' group into two main types:

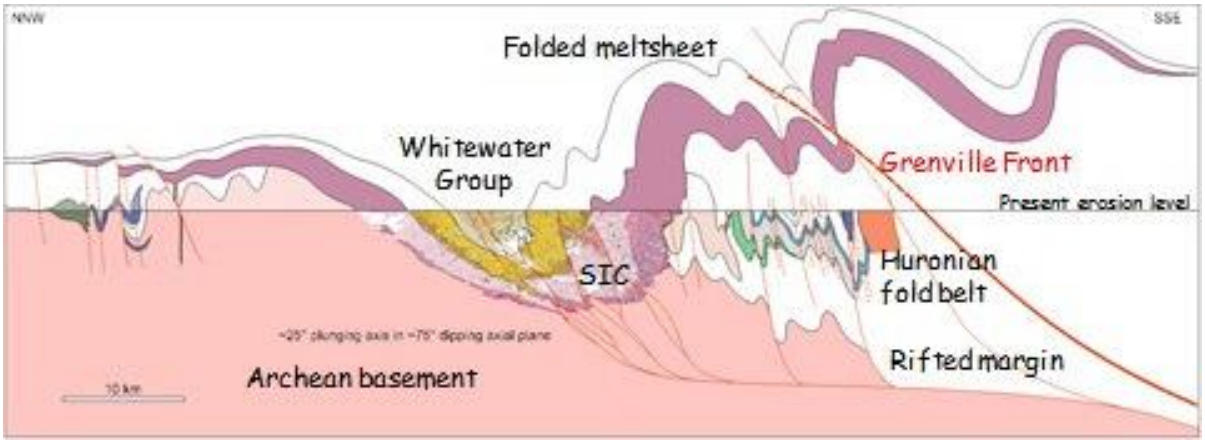
1) Radial offsets which extend away from the SIC, tend to follow domains of Sudbury Breccia, and are frequently discontinuous. They commonly pinch and swell, and are locally broken, rather than faulted, for short distances at a high angle to the trend of the offset.

2) Concentric offsets form ring-like structures centered on the SIC. Rock types within offsets are dominated by quartz diorite and inclusion quartz diorite and include metabreccia in North Range (Foy and Whistle) examples.

Sudbury Breccia is a pseudotachylite-like footwall breccia that forms discontinuous belts on both the North and South ranges. The breccias are largely interpreted to have formed by comminution of footwall rocks as a result of meteorite impact and are considered to be important in the preparation of the country rocks for Cu-Ni-PGE system emplacement of which they are the primary host. Sudbury Breccia is a matrix supported fragmental rock with a black to light grey, aphanitic to fine-grained, and variably re-crystallized, quartzo-feldspathic (±amphibole, biotite) matrix. Rounded, equant, footwall rock clasts from 1 mm to 30 m in diameter consist of gabbro, diabase, mafic gneiss, intermediate gneiss, granite gneiss, and granite, although exotic fragments of iron formation and quartzite have been observed locally. Sudbury Breccia occurs as veinlets and veins in fractured footwall rocks to the SIC and can form irregularly shaped masses or belts on the scale of hundreds of metres.

The age of the deformation, which has resulted in the current sub-vertical orientation of the Huronian rocks (Figure 7-2), has not been definitively established. The metasedimentary rocks are interbedded sparingly with mafic volcanic flows of the Elsie Mountain Formation and commonly with volcanic rocks of the Stobie Formation. Many of these interflow metasedimentary rocks are sulphide bearing. The sulphides are dominantly pyrrhotite, with minor amounts of pyrite and trace chalcopyrite.

Figure 7-2 Cross-Section Illustration of the Conceptual Deformation of the SIC (looking east) (Bleeker et al., 2014)



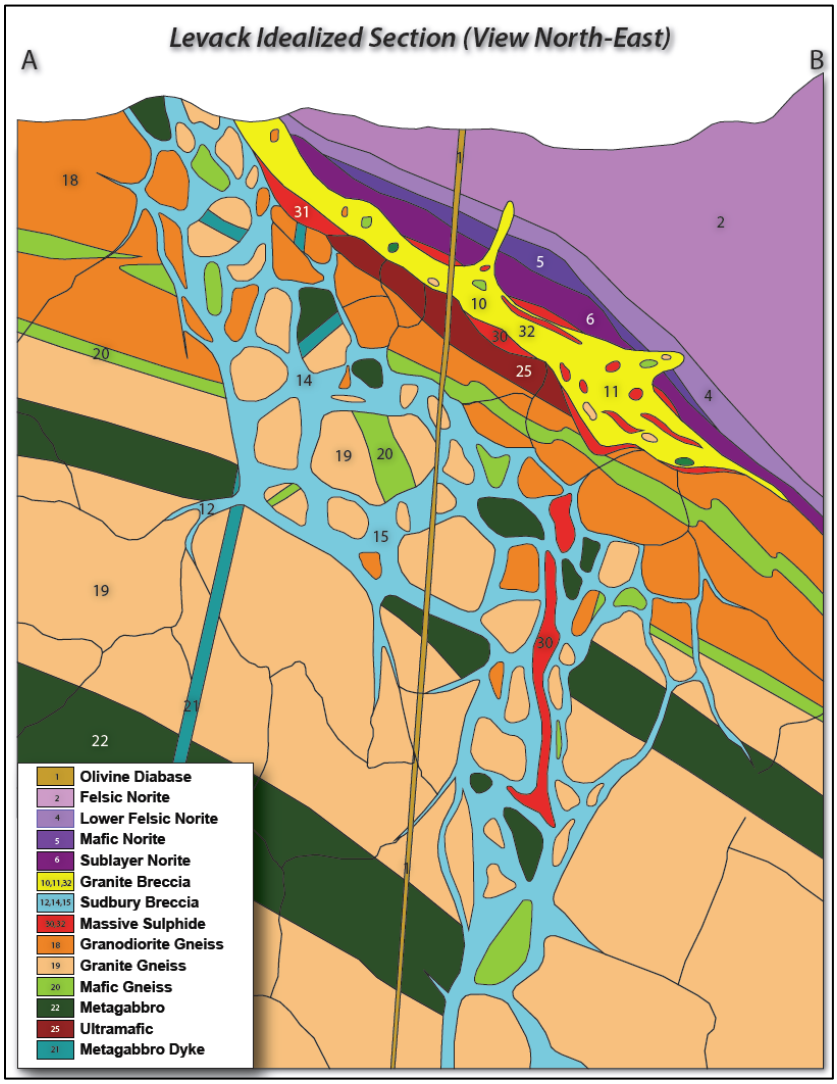
7.2 Property Geology

The Levack Complex properties (McCreedy West and Levack mines) occur at the western limit of an extensively mineralized 8.5 km long portion of the North Range of the SIC known as the Levack Embayment. This area encompasses all of the major Vale Inco and Glencore past and current producing mines of the North Range (Longvack, Strathcona, Coleman, McCreedy East, Fraser, Fecunis, Craig, Levack, Onaping, McCreedy West – formerly Levack West, Boundary and Hardy).

McCreedy West geology is typical of Sudbury North Range stratigraphy and mineralization, sharing these attributes with the neighboring Levack Mine property (Figure 7-3). The basal contact of the SIC dips south-southeast at approximately 35° on the McCreedy West property. Granite Breccia thicknesses range from

minimums of a few feet to locally more than 100 feet in “plumes”, or extensions of Granite Breccia that cross-cut basal SIC stratigraphy up into the Sublayer Norite and Mafic Norite. The Sublayer Norite displays a similar range of stratigraphic thicknesses. Both the Granite Breccia and Sublayer Norite host contact-style Ni-rich mineralization. The footwall to the SIC is dominated by granitic gneisses and migmatites that are locally Sudbury brecciated. The Sudbury Breccia at McCreedy West locally connects to the SIC basal contact at the Middle Main Zone, but typically forms as a tabular sheet that is oriented subparallel to the base of the SIC. The Sudbury Breccia package is commonly separated from the base of the SIC by several hundred feet of relatively unbrecciated granitic gneiss and may be locally up to 1000 ft thick.

Figure 7-3 North Range Stratigraphy - Idealized Cross Section Mineralization (KGHM, 2023)



7.3 McCreedy West Mineralization

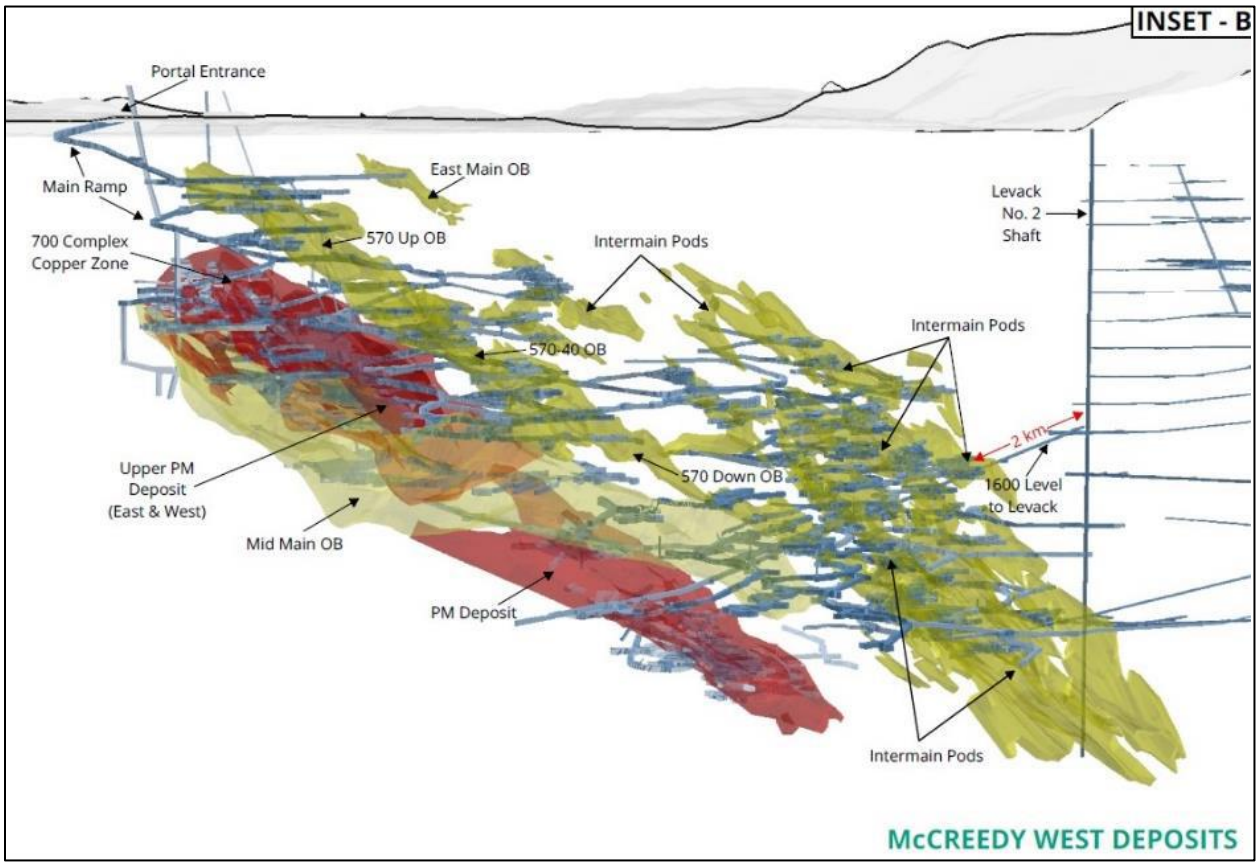
Sulphide mineralization at McCreedy West Mine occurs as contact Ni and footwall-hosted Cu-Ni-PGE deposits with mining operations exploiting both (Figure 7-4). Contact Ni-Cu mineralization occurs along the base of SIC within Sublayer Norite and Granite Breccia-filled troughs and irregularities. These features form sulphide traps, and footwall-hosted “low-sulphide” and “sharp-walled” Cu-Ni-PGE mineralization, hosted by Sudbury Breccia. Contact Ni deposits at McCreedy West include the Intermain, East Main, Upper Main, and Lower Main zones. Each take the form of high grade pods, or sulphide concentrations, surrounded by a ubiquitous low-grade halo in the host Sublayer Norite or Granite Breccia. The contact Ni sulphide mineral

assemblage is pyrrhotite-dominant, with pentlandite and chalcopyrite, ± pyrite. The footwall-hosted 700 (sharp-walled) and PM (low-sulphide) deposits have been mined at McCreedy West since 2003 and 2005, respectively. The Middle Main Zone consists of “transitional”-style mineralization physically attached to the Cu-rich footwall vein system. The footwall Cu veins at McCreedy West are particularly important because they are the only footwall veins economically exploited in the Sudbury camp to date that are physically connected to contact Ni sulphide mineralisation. The “low-sulphide” PM Zone deposit is hosted in the same Sudbury Breccia package as the 700 Complex, but further east, directly under the contact hosted Intermain. Both “sharp-walled” and “low-sulphide” Cu-Ni-PGE systems are characterized by a sulphide mineral assemblage dominated by chalcopyrite, with less common pentlandite, millerite, cubanite, and pyrrhotite. The contact zones are characterized by increased Ni, Ir, Ru and Rh compared to the footwall systems, whereas the footwall systems have considerably higher Pt, Pd, Au, Ag and Cu contents. Precious metal minerals from Cu-rich veins at McCreedy West commonly occur as large composite grains, dominated by moncheite and hessite. The most common host mineral for the precious metal grains is chalcopyrite, with some grains in amphibole, and some at silicate-sulphide grain margins.

The main mineralized zones from east to west (Figure 7-4) are as follows:

- Intermain Zone
- East Main Zone
- Upper Main Zone
- Lower Main Zone
- 700 footwall-hosted (Sharp-walled) Zone
- PM (low sulphide) Zone

Figure 7-4 McCreedy West deposits – Sulphide Mineralization (KGHM, 2023)



8 DEPOSIT TYPES

Historical production over the past 125 years, plus current reserves in the Sudbury mining districts, have been estimated at approximately 1.6 billion tonnes of ore, containing over 60 million ounces of PGM plus Au, over 11 million tonnes of Ni, and over 10.8 million tonnes of Cu (Lightfoot and Farrow, 2002; Eckstrand and Hulbert, 2007; Ames and Farrow, 2007; Lightfoot, 2016).

There are several main types of mineral deposits in the Sudbury area:

- Contact deposits, including massive sulphide consisting of Ni, Cu, Co, Pt, Pd, and Au mineralization along the lower contact of the SIC, both within the contact sublayer and in the immediately adjacent FW Breccia.
- FW deposits, including sulphide veins and stringers containing Cu, Ni, Pt, Pd, and Au, in the brecciated FW rocks beneath the SIC.
- Structurally and/or hydrothermally remobilized sulphide Ni, Cu, Co, Pt, Pd, and Au mineralization.
- Offset dyke deposits, including massive sulphide consisting of Ni, Cu, Co, Pt, Pd, and Au mineralization associated with brecciated and inclusion-bearing phases of the quartz diorite (QD) offset dykes (i.e., inclusion-rich quartz diorite [IQD]).
- Hybrid type deposits representing combinations of the above.

Figure 8-1 shows a cross-section through the SIC contact on the north range, illustrating the host environments for contact and FW mineralization (Lightfoot, 2016).

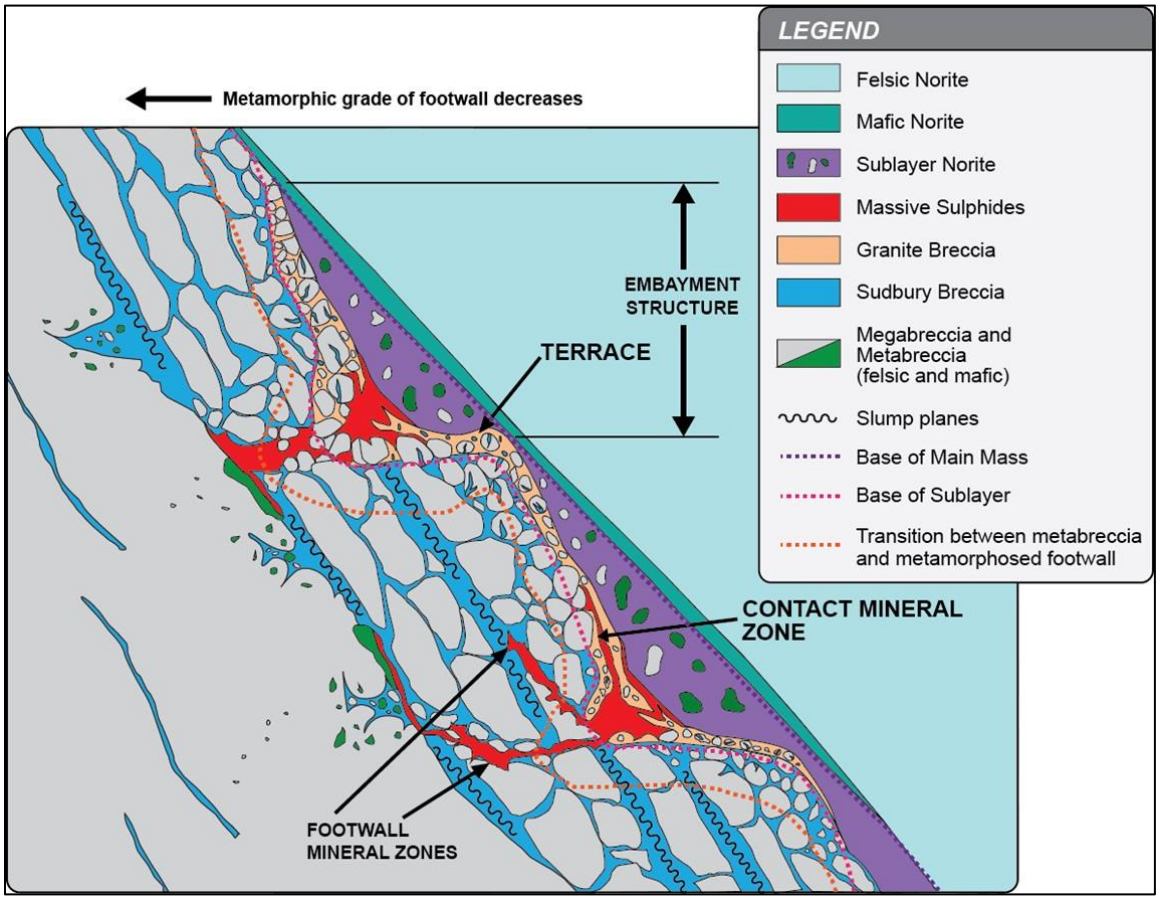
Deposits of McCreedy West include Contact Type and Footwall Type deposits.

8.1 Contact Type Deposits

Much of the historic mining activity on the property exploited the first type of deposit mentioned, which are contact type deposits. Mineralization includes blebby to massive accumulations of sulphide, including pyrrhotite > chalcopyrite > pentlandite concentrated within embayment depressions along the base of the SIC, both within the contact sublayer and in the immediately adjacent FW Breccia (though FW Breccia is more prevalent in the North and East Ranges; refer to Figure 8-1).

The massive and semi-massive accumulations of sulphide are strongly conductive and borehole electromagnetics (BHEM) is used routinely on all drillholes of significant depth. Generally, current BHEM technology can detect an off-hole conductor about the same distance as the median dimension of that conductor, with several practical caveats. Maximum effectiveness requires strong coupling between the loop configuration and the conductor.

Figure 8-1 Cross-section through the SIC Contact on the North Range (Lightfoot, 2016)



8.2 Footwall Type Deposits

Footwall-type deposits or “Cu-Ni-PGE Systems” are characterised by chalcopyrite-rich assemblages hosted entirely within brecciated footwall rocks to the SIC, typically either in re-crystallized Sudbury Breccia or Offset Quartz Diorite. The best-known of these deposits occur in the North Range. The most spectacular and intensely studied of these are the Cu-rich veins at the McCreedy West, Morrison Deposit at Levack Mine, McCreedy East, Coleman, Strathcona and Fraser mines in the Onaping-Levack area of the North Range. They are characterised by complex networks of veins, pods and disseminations of chalcopyrite cubanite, with minor pyrrhotite, pentlandite, millerite and magnetite. Copper contents of the footwall deposits are extremely high, with Cu/Ni ratios typically greater than 6, and typical production grades of Cu greater than 6.5 wt.% and Pt+Pd+Au contents greater than 7 g/t. Sudbury Cu-(Ni)-PGE systems can be sub-divided into three styles of mineralization: “Sharp-walled” veins, “Low-sulphide” and “Hybrid”. Both “sharp-walled” and “low-sulphide” mineralization occur to variable extents in all Sudbury Cu-(Ni)-PGE mineralization, but the distinction is made according to the volumetrically dominant or economically most important style of mineralization. “Sharp-walled” vein systems are dominated by massive, chalcopyrite-rich veins with barren inter-vein rock/dilution. “Hybrid” systems display massive, chalcopyrite-rich veins and pods, with low-sulphide, high PGE tenor mineralization in the host rock between the massive sulphide concentrations. The “low sulphide” deposit-type is characterized by stringers, small veins, blebs and disseminations of low-sulphide, very high PGE tenor mineralization in Sudbury Breccia matrix-dominant host rocks. In all three chalcopyrite is the dominant sulphide mineral, and the platinum group minerals (PGM) occur ubiquitously as discrete grains in either sulphide or silicate hosts, along host grain boundaries. “Sharp-walled” and “hybrid” Cu-Ni-PGE systems tend to be polymetallic and have very high margins per

ton of ore. These margins vary depending on the mining method applied, and a variety of mining methods, from bulk long-hole methods to very selective modified shrink stope methods have been applied to these systems historically in the Sudbury camp.

Examples of recent FW deposit discoveries in the region include the Crean Hill 109 FW Zone, parts of the 9400 Zone, McCreedy East FW deposits at Vale's Coleman Mine (the 148, 153, and 170 orebodies), the FW orebodies at Glencore's Nickel Rim South Mine, and the FW deposits at Vale's Victor and Capre development projects.

8.3 Structurally and/or Hydrothermally Remobilized Mineralization

In some deposits, sulphide has been remobilized into shear zones and related structural traps. Important examples of this type of deposit include those at Garson, Falconbridge, Falconbridge East, and Creighton mines. Several mineralized trends at Cran Hill mimic the underlying shear fabric; because of this, these trends may fall under this deposit type. However, it is unclear whether the mineralization has been remobilized or if the shear zones acted as ground preparation providing pathways for the magmatic melts to follow or is a combination of both without knowing the order of mineralization.

8.4 Offset Dyke Deposits

Though not identified at McCreedy West, the potential for the property to host offset dyke deposits exists. Examples of recent offset dyke deposit discoveries in the region include the Kelly Lake deposit within the Copper Cliff offset dyke, and the Totten and Victoria deposits within the Worthington offset dyke.

Mineralization includes massive and semi-massive accumulations of sulphide, including pyrrhotite > chalcopyrite > pentlandite. Sulphide accumulations are associated with and are known to concentrate in structural traps such as vertical or horizontal pinches or terminations in the dyke, bends in the dyke, splays/convergences of dyke branches, along the margins or within "pressure shadows" of large blocks caught up in the dyke, and at intersections of the offset dykes with coarse mafic intrusions in the wall rock. Increased PGEs are typically associated with more fractionated chalcopyrite rich zones within offset dyke deposits, which can extend from the dyke outwards into the surrounding country rock, into adjacent zones of Sudbury breccia, meta-breccia or anatexite.

These structural traps are largely controlled by the geology of the wall rock to the offset dykes (geological units, contacts, and structures). Understanding these wall rocks is crucial to developing and prioritizing drill targets below the depth of penetration of surface geophysics.

Geophysically, offset style deposits are similar to contact style deposits discussed in Section 8.1.

9 EXPLORATION

KGHM has not conducted any significant surface exploration on the Property since their take-over of the Project in 2012. Recent drilling has focused on definition drilling supporting production, and is described in Section 10. As of the effective date of this report, Magna has yet to complete exploration on the Property.

10 DRILLING

The McCreedy West Mine was shuttered by Inco in the late 1990's but was re-opened by the SJV in 2002 upon finalization of the Option Agreement with Inco. The immediate focus for the drill program at McCreedy West Mine was to identify extensions to the Cu-Ni-PGE 700 Vein Complex, develop the PM Zone into a deposit, and to expand the historically mined orebodies (Main, Upper Main, Lower Main, and East Main) as well as identify new Ni resources on the SIC Contact to the east of these ore bodies. Within the first few holes of the program, FNX had intersected significant mineralization on the contact to the east of the historically mined ore bodies. This deposit area became known as the Intermain and was the focus for much of the exploration and Ni mining at McCreedy West Mine for the coming years. The contact nickel environment was mined until 2015.

A second major focus for Exploration and Development was the PM Zone deposit which, although discovered by Inco (Inco completed approximately 25 holes into the zone), was considered to be sub-economic mainly because of a lack of understanding of the complexity of the mineralization and because no other low-sulfide footwall zone that had ever been historically mined in Sudbury. The SJV was determined to make the PM Zone deposit a reality by completing aggressive geological studies of the zone and then initiating lower cost mining techniques with less overhead. The SJV completed significant drilling from various underground and surface platforms and then sank an exploration ramp into the heart of the deposit to better understand the structural complexity. Based on a solid understanding of the deposit, FNX initiated mining in 2005 from the Exploration ramp. This PM Zone Deposit continued to be mined until 2011. In years 2011 to 2015 mining activities were focused on extracting Ni ore from Intermain Deposit. In late 2016, McCreedy West Mine was revived to remove a 17,500 tonnes stope in the 700 Vein Complex (Cu-Ni-PGE) that had been previously drilled for extraction. This project initiated additional mining of other stopes in the 700 Vein Complex, and more recently within the PM Zone deposit. This mine is currently KGHMI's only operating asset in Sudbury.

Reactivation of the property in 2018 was accompanied by a modest annual diamond drill program aimed at improving ore definition, expansion of existing mineralization and a component of "ground truthing" of old mine workings. A single drill was soon accompanied by a second, once it was realized that there was significant expansion potential for 700 Complex and PM Zones, with Intermain deposit drilling beginning in 2022. Year on year increase in drill footage is in part reflective of expanding range of targets, as well as the desire for high confidence in grade estimates to support reserve generation of a large mineral resource inventory.

Table 10-1 summarizes the number of holes drilled and the total footage by year.

Prior to 2002, Inco Ltd completed a total of 2,019 surface and underground drill holes totalling 807,200 ft (246,035 m) (Figure 10-1 and Figure 10-2).

Between 2002 and 2024 FNX/QuadraFNX/KGHM have drilled 6,249 surface and underground drill holes totalling 1,925,157 ft (586,788 m).

The historical Inco drill database has been audited previously by independent consultants (Routledge, 2003). FNX/QuadraFNX/KGHM drilling, surveying, geophysical survey, logging, data QA/QC, data storage and data importing standards, protocols and procedures are captured in a comprehensive document available to all FNX/KGHMI geological staff.

Table 10-1 Summary of Property Diamond Drillholes by Year

Year	# of Holes	Footage	Meters
1929 – 1969	209	204,153	62,226
1970 – 1998	1,810	603,047	183,809
Total: 1929 to 1998	**2,019**	**807,200**	**246,035**
2002	87	108,463	33,060
2003	333	163,129	49,722
2004	378	129,778	39,556
2005	425	119,847	36,529
2006	384	82,086	25,020
2007	539	201,160	61,314
2008	571	174,193	53,094
2009	378	81,613	24,876
2010	575	163,741	49,908
2011	422	142,950	43,571
2012	349	71,104	21,672
2013	335	63,282	19,288
2014	162	27,075	8,252
2015	52	21,346	6,506
2016			
2017			
2018	53	15,467	4,714
2019	129	38,521	11,741
2020	192	49,880	15,203
2021	196	63,354	19,310
2022	211	69,474	21,176
2023	306	91,332	27,838
2024*	172	47,362	14,436
Total: 2002 to 2024*	**6,249**	**1,925,157**	**586,788**

** To June 27, 2024*

Figure 10-1 Plan View: Distribution of Surface and Underground Drill Holes, 1931 to 1998, in the McCreedy West Deposit Area

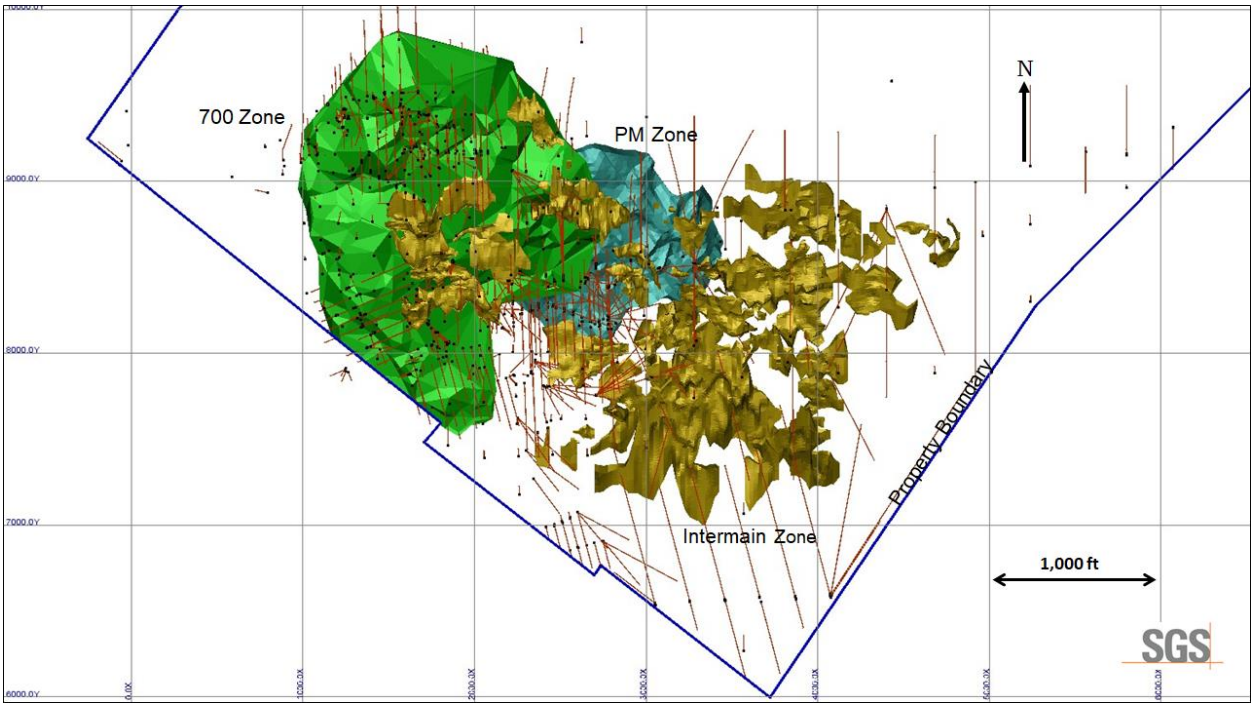


Figure 10-2 Isometric View Looking ESE: Distribution of Surface Drill Holes, 1931 to 1998, in the McCreedy West Deposit Area

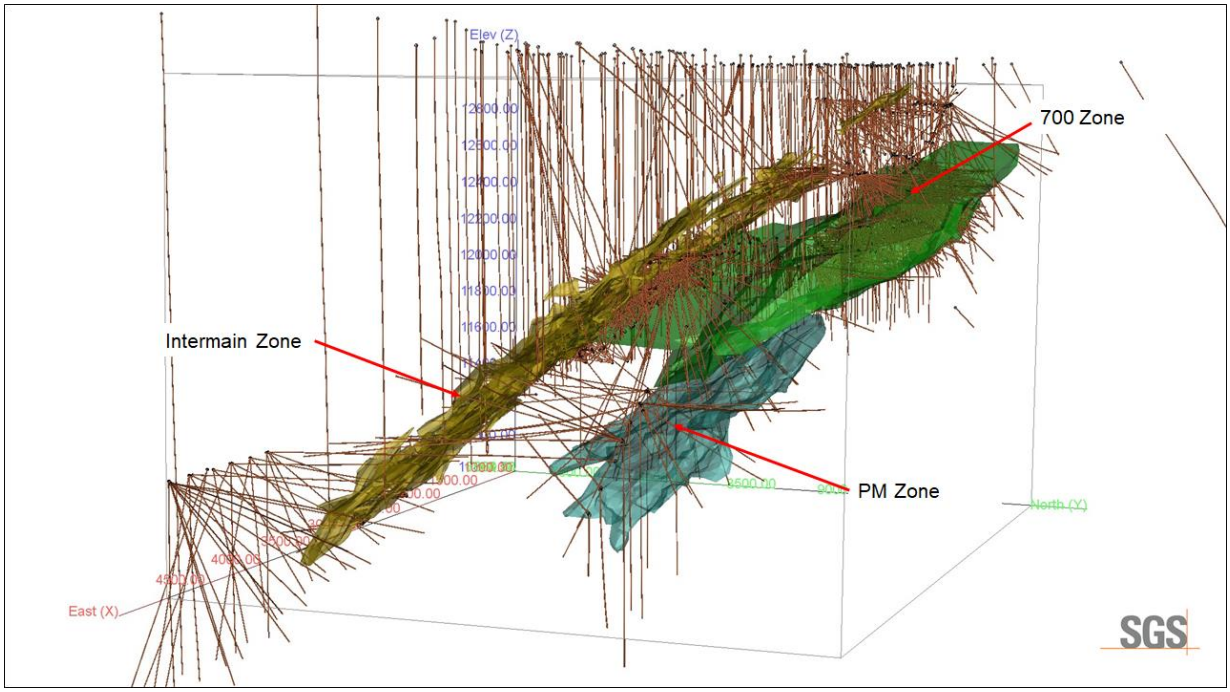


Figure 10-3 Plan View: Distribution of Surface and Underground Drill Holes, 2002 to 2024, in the McCreedy West Deposit Area

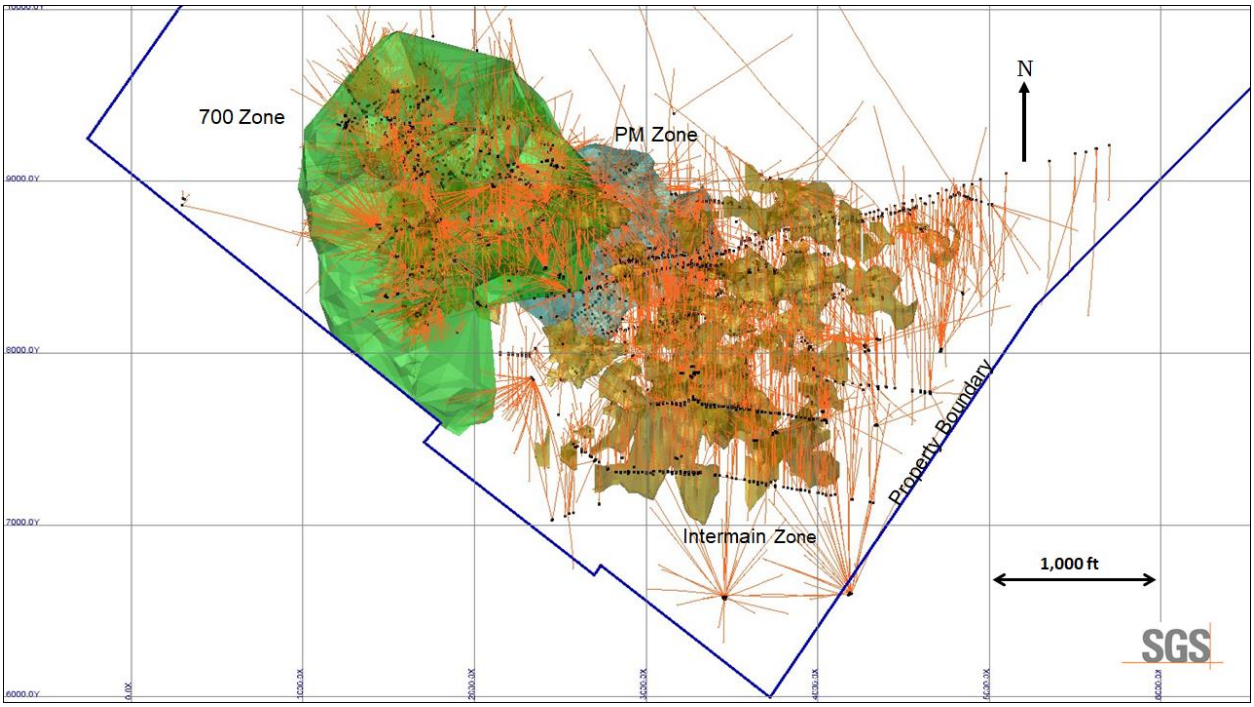
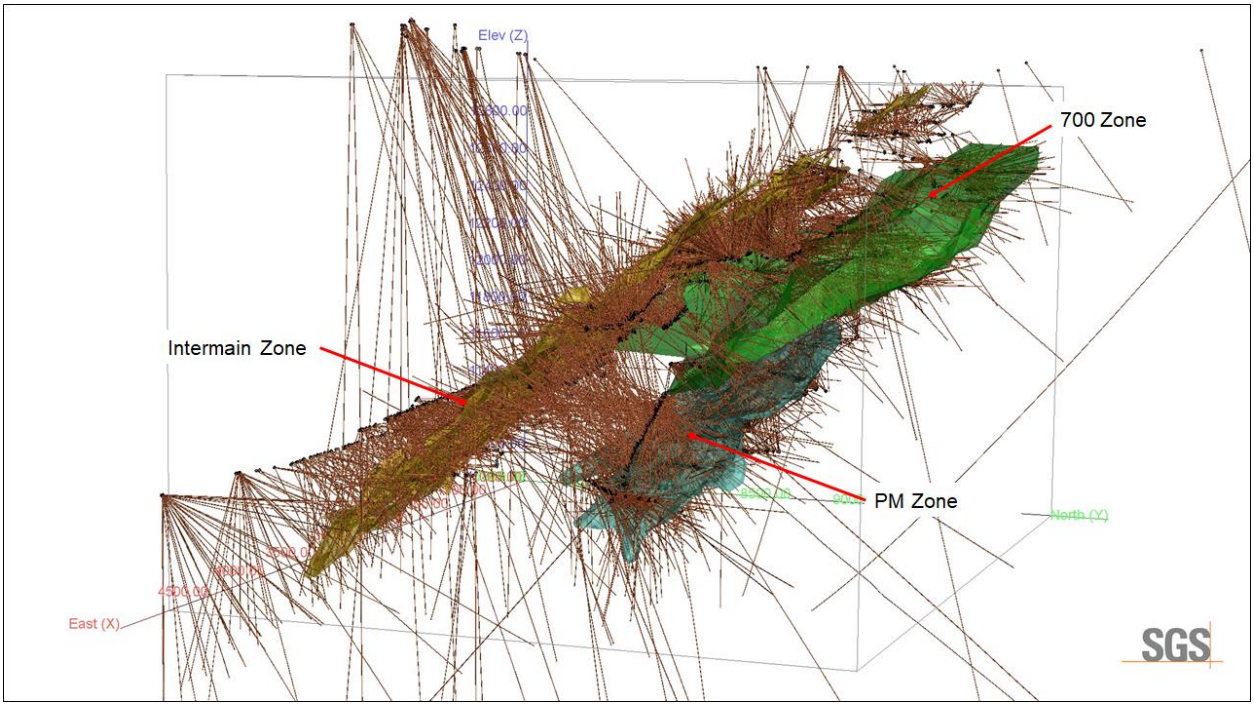


Figure 10-4 Isometric View Looking ESE: Distribution of Surface Drill Holes, 2002 to 2024, in the McCreedy West Deposit Area



11 SAMPLE PREPARATION, ANALYSES, AND SECURITY

As of the effective date of this report, Magna has yet to complete exploration on the Property. The following description of the sample preparation, analyses and security by previous operators for the Property has been sourced from previous internal and published technical reports.

In 2002 FNX inherited a vast digital geospatial dataset for the five original properties from Vale Inco that included diamond drill data and assays (Farr). This was accompanied by volumes of analogue geological and mining break information from historical production. Initial FNX exploration and early development at both McCreedy West and Levack mines were based on the vast amount of data (over 8,000 boreholes) Vale Inco (formerly Inco Ltd.) had accumulated during their exploration and mining of the subject properties. Since 2002 FNX has pursued intensive exploration of the subject properties such that significant amount of diamond drill information, including general exploration, definition and pre-production drilling has been added to this original dataset. As a result, dependence on the historical dataset, which is still an integral part of the entire FNX database, is lessening, especially in areas of mineral reserves and measured mineral resources, and much of the historical database has now been validated by recent drilling and assaying.

The historical FNX geospatial databases have been the subject several audits and validation exercises since 2001. They include the original technical review and valuation of the properties in 2001, technical reviews by independent consultants on individual property mineral resources, re-evaluation of historical mineral resources in 2007 based on five years of continual validation of the inherited geospatial dataset, on-going internal QA/QC and verification exercises, and technical reviews and audits by independent consultants on individual property data collection/management, mineral resources and reserves, and production.

The imperial system of measurement has been retained by FNX due to the large database inherited from Vale Inco. Historic assays for precious metals (Pt, Pd, and Au) were reported in troy ounces/short ton. Precious Metal assays for the current FNX program are reported by the laboratory in grams/tonne and these are maintained as such in the database. Conversion is made to Imperial units for consistency of reporting mineral resource and reserve estimates.

Assay values less than detection limit are entered into the geospatial database at one half the detection limit.

11.1 FNX/Quadra FNX/KGHM

KGHMI geologists log drill core and digitally record the information using Century Systems DH Logger® software on the companies' computers. Geological data that are recorded include (KGHM, 2023):

Lithology:

- Sulfide minerals and percentage of each;
- Alteration minerals and abundance;
- Vein type and orientation;
- Structures; and
- Assay sample intervals.

Assay sample intervals were defined by the geologists under any or all of the following conditions:

- The hole cuts a previously defined mineralized envelope;
- The core contains notable sulfide mineralization; and

- Favorable conditions exist for mineralization based on previous drilling and assaying in similar environments.

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- The core contains notable sulfide mineralization; and
- Favorable conditions exist for mineralization based on previous drilling and assaying in similar environments.

Sample lengths do not exceed 5 feet and the minimum is 0.4 inches, with rare samples below this allowable size. Wherever possible, individual assay samples are defined by geological boundaries, mineralization styles, or both. Individual, unique sample numbers are assigned to sample intervals in sequence with sample numbers independent of drill hole numbers. Certified reference materials and blank samples are inserted in the sample sequence at predefined intervals. Standards are inserted at a frequency of 1 in every 40 samples. The name of the standard is written in the tag book and entered into the Central Database, but remains blind to the laboratory.

Blank samples are composed of barren and unaltered felsic norite collected from previous diamond drilling on McCreedy West property. The blanks are inserted in the sample sequence at a frequency of 1 per 100 samples, typically within or immediately after well mineralized intervals. This is done to monitor carry-over during the sample preparation procedure.

The samples, certified reference materials and blanks are recorded in the sample book and digitally, using the DH Logger® software. The entire length of the drill core is digitally photographed, both wet and dry, with the photographs stored on FNX's secure server and filed by drill hole number.

Core from surface holes (NQ size), which are marked for sampling, are sawn in half using a rotary diamond blade rock saw. After cutting, the core is rinsed to prevent sample contamination. One half of the core is returned to the core box and retained, while the other half is placed in sample bags labelled with the assigned sample number. The retained half of the core is then labelled with the corresponding sample number. The same half of the core is consistently sampled throughout a continuous sample interval. Sample tags are removed from the sample tag book, one is placed with the assay sample in the shipping bag and the other is stapled inside the core box at the beginning of the sample interval. The saw and sampling area were washed down after each drill hole is processed, and thoroughly cleaned daily. The saw blade is sharpened and cleaned periodically (several times a day) with a masonry brick. This reduces the effect of carry-over of metals between samples.

11.1.1 Sample Preparation

The McCreedy West site samples are prepared by SGS Minerals in Sudbury and analyzed at SGS Minerals in Toronto (and then Lakefield). As part of KGHMI Quality Assurance/Quality Control procedures, pulp duplicates were sent to ALS Global in Vancouver, British Columbia, Canada for comparison and verification purposes. SGS Minerals and ALS Global are accredited by the Standards Council of Canada for specific mineral tests listed on the scope of accreditation to the International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) 17025 standard.

On arrival at the SGS Minerals preparation facility in Sudbury, samples are received, checked against the submittal forms and weighed. Samples are entered and progress is monitored with the SGS Laboratory Information Management System. The entire sample is crushed in a rhino jaw crusher to 75% passing 2 mm (-10 mesh) screen size. Sieve tests are completed periodically to monitor grain size variations. Samples are split in a riffle splitter to achieve a 200 gram to 225 g split. The sample splits are pulverized using a ring mill for approximately 2 minutes to achieve 85% passing - 200 mesh. Cleaning sand is used in the ring mill at the beginning of every batch and after massive sulphide intervals had been processed. Crusher and pulverizer sieve tests are completed on every 50th sample to ensure the crush and pulverize sizes are

consistent with specifications. The pulps are sealed in paper envelopes with an affixed digital label and shipped via courier to the SGS Minerals laboratory in Lakefield. A confirmation of shipping, including submittal form number, number of samples and waybill number, is emailed from the sample preparation laboratory to the FNX Quality Assurance/Quality Control geologist. Upon arrival at the SGS Minerals laboratory in Lakefield, the pulps are again checked against the submittal form, and logged in as received into the SGS Laboratory Information Management System. Once the assays were finalized, a digital copy of the certificate is emailed to FNX. The geologist responsible for Quality Assurance/Quality Control load the assays into the Central Database. All final certificates are archived digitally on FNX's secure server and filed by drill hole number.

Armitage is (SGS Geological Services) is independent of SGS Minerals.

11.1.2 Analytical Method

Once in the SGS Minerals analytical facility in Lakefield, the samples are analyzed for copper, nickel, cobalt, lead, zinc, arsenic, iron and magnesium oxide by fusing 0.2 gram of the pulp with 2.6 grams of sodium peroxide at 650 °C. The resulting melt are cooled and dissolved in dilute nitric acid. The solution is analyzed by inductively coupled plasma – atomic emission spectrometry and the results are corrected for spectral interference. Calibration solutions for the inductively coupled plasma – atomic emission spectrometry must be prepared in a similar fashion to achieve matrix matching. Detection limits are 0.005% for nickel and copper, and 0.002% for cobalt.

For platinum, palladium and gold determinations, a 30-gram (1 assay ton) pulp is fused by fire assay to produce a lead button and then cupelled (refined) to yield a precious metal bead. The bead is digested in a 1 to 1 solution of nitric acid and hydrochloric acid and analyzed by inductively coupled plasma – atomic emission spectrometry. The resulting detection limits are 0.03 gram per tonne for platinum, palladium and gold.

For silver determinations, the pulp is treated using aqua regia, which involves the dissolution of a sample with a 3 to 1 mixture of hydrochloric and nitric acids. The dissolved sample is then analyzed by atomic absorption. The detection limit for silver is 0.3 gram per ton.

For arsenic determinations, the pulp is fused by sodium peroxide and then dissolved by hydrochloric acid. The dissolved sample is then analyzed by atomic absorption. This arsenic is additional to the one that is reported within the inductively coupled plasma – atomic emission spectrometry package mentioned above and has a much lower detection limit.

An additional lead determination is completed by fusing 0.2 gram of the pulp with 2.6 grams of sodium peroxide at 650º Celsius. The resulting melt is cooled and dissolved in dilute nitric acid. The solution is analyzed by inductively coupled plasma – mass spectrometry. This lead determination has a much lower detection limit of 5 parts per million.

11.1.3 Quality Assurance and Quality Control Programs

The Assay Quality Assurance program consists of three different types of quality control samples; reference materials, sample blanks and check assays. The analytical laboratory also runs its own set of quality control samples, including reference materials, sample blanks, prep duplicates and laboratory duplicates.

The quality control samples and procedures monitor accuracy, precision and contamination. Accuracy is the degree to which an analysis approaches a true concentration. The precision of laboratory duplicates is calculated as the relative variance. Contamination is the introduction of any substance to a geological sample that is not part of the original in-situ concentration of that sample.

A reference material refers to a sample for which the "expected" value is known. These samples are typically certified by round-robin and monitor laboratory performance and test the accuracy of the analyses. They are inserted, in sequence, at a rate of 1 in 40 samples. KGHMI has developed a suite of reference materials

from local Sudbury ore. These reference materials were prepared by CDN Resource Laboratories, certified by a third-party consultant (Barry Smee) and verified by AMEC.

A sample blank is a sample known to contain very low or non-detectable concentrations of the element being sought. The purpose of these samples is to monitor carry-over during sample preparation and analysis. They are inserted in sequence every 100 samples and can also be inserted at the geologist's discretion within a mineralized zone. Sample blanks typically consist of visibly barren felsic norite from previous diamond drilling in the Sudbury area.

A reference material is said to have failed when one or more of the elements of the analysis is greater than three standard deviations from the expected value. FNX blank sample is said to have failed when the analyses for copper or nickel are greater than 0.1%, platinum, palladium or gold are greater than 0.1 gram per tonne, silver is greater than 1 part per million, or sulphur is greater than 1%. A field failure occurs when all elements fail for a given reference material, but match a different known reference material. Field failures occur when either the logging geologist selects the wrong standard code for insertion into the sample sequence, or the core technician inserts an incorrect standard or incorrectly performs sample splitting and bagging.

When being used, check assays are selected at random at the end of each month, at the rate of 1 in 20 for samples with Ni<0.25 and 1 in 75 for samples with Ni>0.25 to represent 2% of total samples, from the analyzed samples from that month. These selected samples are analyzed at ALS Global in Vancouver to help monitor laboratory performance. This practice was completed consistently from 2007 through 2012 and then occasionally since then.

During drilling of McCreedy West, the FNX Quality Assurance/Quality Control geologist compiled and issued monthly and annual Quality Assurance/Quality Control reports. The annual report is revised by a third-party consultant. Historically, this review has been completed by AMEC, Analytical Solutions Ltd., or SRK Consulting.

11.1.4 Specific Gravity

Specific gravity (SG) measurements are completed on all assay samples taken in areas where mining is anticipated, and no historical SG data is available. Delineation drilling considers the original surface drilling historical and use those SG measurements.

SGS Minerals analyze for specific gravity using a pycnometer. The analyses are performed on the sample pulps. The pycnometer uses the concept of inert gas expansion to determine the true volume of a solid sample, given the known volume of the sample chamber and gas reservoir, and a change in pressure. The method is appropriate for the Sudbury properties because of the lack of porosity within the rock units.

11.1.5 Data Management

FNX's Sudbury Operations uses CAE Mining's Fusion Geological Data Management Solution to collect and manage all of its borehole and related data. This system operates on a Microsoft SQL server platform using a relational database as its central repository.

The Fusion Geological Data Management Solution uses a check-in and check-out technology to ensure information integrity and allow data entry and editing in a local environment (such as Sybase ASA). The Fusion Geological Data Management Solution SQL server database, called the Central Database, resides at FNX's corporate data centre where it is managed by an information technology outsourcing contractor (Cogeco Data Services). The Central Database is backed up on a daily basis with incremental backups every hour. A full backup of the SQL server is performed monthly and is archived to tape, and stored offsite.

Drill hole data are logged digitally into a local Fusion Geological Data Management Solution database that is then checked into the Central Database. The Fusion Geological Data Management Solution system does not allow overlapping intervals or duplicate sample numbers. Once all the data is entered and the assays

returned, the logging geologist and the Project geologist review the drill hole data before the drill hole is authorized. Once a drill hole has been authorized, no edits can be made by geologists unless they follow the KGHMI Change Management Policy. An edit to an authorized drill hole is initiated by a Change Request Form, which is then reviewed by the database administrator. Once approval has been received by a senior level geologist, the original data are backed up and archived for future reference (the change is performed within a test environment). The change must then be approved by the requestor before it can be promoted to the production Central Database.

12 DATA VERIFICATION

The following section summarise the data verification procedures that were carried out and completed and documented by the Author for this technical report. The Property is a producing mine and currently in operation.

As part of the verification process, the Author reviewed all geological data and databases as well as past published and in-house technical reports.

As of the effective date of this report, Magna has yet to complete exploration on the Property, including drilling. All previous drilling has been completed by other issuers and is described in Section 6: History and Section 10: Drilling. The Author assumes that the sample preparation, analyses, and security for drilling completed by other issuers, including FNX, Quadra FNX and KGHM, prior to the effective date of this report has been reviewed and validated by previous authors of internal resource and reserve estimates. Armitage believes that sample preparation, analysis and security by previous operators, as described in this report, was completed in a manner consistent with industry standard sampling techniques at the time.

Armitage conducted an independent verification of the assay data in the drill sample database. Armitage reviewed the assay database for errors, including overlaps and gapping in intervals and typographical errors in assay values. In general, the database was in good shape and no adjustments were required to be made to the assay values contained in the assay database.

Verifications were also carried out on drill hole locations, down hole surveys, lithology, SG, and topography information. Minor errors were noted and corrected during the validation process but have no material impact on the current MRE presented in the current report. The database is of sufficient quality to be used for the current MRE.

In addition, as described below, the Authors conducted site visits to better evaluate the veracity of the data.

The project has had numerous studies completed, and has had numerous past authors complete site visits, data verification programs, and complete internal mineral resource estimates and mineral resource estimate reviews of various parts of the Deposit. The Project has seen past production (underground). As such, the Author did not deem it necessary to collect check samples.

12.1 Metallurgical Test Work

Armitage reviewed the metallurgical work reports made available (see Section 13), for the Property deposits, and notes that they come from a reputable metallurgical labs, and that their results are plausible within the bounds of this type of deposit and style of mineralization. As the Property is an operating mine, the Author is of the opinion that the metallurgical test work is representative of the deposit and the conclusions and recommendations made are reasonable.

12.2 Site Visit

Armitage conducted two site visits to the McCreedy Property Mine on two occasions, on August 22-23, 2023 (surface tour) and July 24, 2024 (included an underground tour). On both occasions, the Author was accompanied Dave Truscott Manager, Technical & Commercial Services Sudbury Operations for KGHM. Dave was available to answer any questions regarding geology, mineralization, internal mineral resource and reserve estimation procedures and mining operations. Armitage was able to tour the mining operation on surface and underground.

At the time of the visit, underground mining and exploration was active on the Property. However, Magna has completed no exploration or mining on the Property.

As a result of the two site visits, the Author was able to become familiar with conditions on the Property, was able to observe and gain an understanding of the geology and various styles mineralization, was able to verify the work done and, on that basis, is able to review and recommend to Magna an appropriate exploration or development program.

The Author considers the last site visit current, per Section 6.2 of NI 43-101CP. To the Authors knowledge there is no new material scientific or technical information about the Property since that personal inspection. The technical report contains all material information about the Property.

12.3 Conclusion

All geological data has been reviewed and verified by the Author as being accurate to the extent possible and to the extent possible all geologic information was reviewed and confirmed. There were no errors or issues identified with the database. Based on a review of all possible information, the Author is of the opinion that the database is of sufficient quality to be used for the current Indicated and Inferred MRE.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

The majority of ore extracted in McCreedy West is processed by Vale's Clarabelle Mill in Sudbury, approximately 40 km from the site. During Vale's operations at the properties, ore was transported underground to the Levack Mine by railcar and hoisted to surface at that site, all ore from McCreedy West was processed at other Vale facilities. Prior to 1978, McCreedy West ore was milled partly at the nearby Levack Mill and partly at the Clarabelle Mill in Sudbury. Since the closing of the Levack Mill in 1978, all of Vale's McCreedy West ore was milled at the Clarabelle Mill. Subsequent smelting and refining of the mill concentrate was carried out at other Vale facilities in Sudbury.

With respect to FNX's operations, processing at the McCreedy West property is limited to ore crushing, sorting, and sampling. All ore is further processed at offsite facilities. There are no tailings on the McCreedy West site.

An agreement between FNX and Vale, the "Off-Take Agreement" (see: 11.1 Off-Take Agreement), defines the payment terms for Vale purchase of FNX's ore from the properties. KGHM is responsible for the cost of delivery of these ores to Vale Clarabelle Mill. Current terms include payment to FNX by Vale for copper, nickel, cobalt, platinum, palladium, gold and silver. The accountable metals are defined based on the metallurgical response of the ores during a variety of tests. All deposits are tested for amenability to processing at the Vale Clarabelle Mill. Final accountabilities reflect mill, smelting and refining recoveries to which processing costs are applied, in addition to LME metal prices, and the details of the "Off-Take Agreement" terms are considered proprietary. Vale has purchased most of FNX's ore since restart of production in 2003 and continues to process ore from the 700 Cu Zone and the PM Zone.

Recently KGHMI reached an agreement with Glencore's Sudbury Integrated Nickel Operations (Sudbury INO) to process nickel ore mined at McCreedy West. Under this agreement nickel ore is shipped to the nearby Strathcona mill for processing, with the ore sales agreement defining a percent Gross Metal Value (GMV) payable to KGHMI, based on the average monthly grade of material delivered to Strathcona.

13.1 Ore processing

Ore at McCreedy West Mine is hauled to surface and placed on an engineered lined containment pad. The containment pad is designed to accommodate temporary ore storage, crushing by portable primary and secondary crushers housed in crusher buildings, sampling and loadout facilities, and roadways. The pad mitigates noise and metal/dust escape into the community/environment.

The oversized pieces of ore are segregated and transferred to the rock breaking area, where an excavator equipped with an 8,500 foot-lb Rockbreaker breaks them down into smaller pieces.

From the temporary ore stockpile Cu and Ni ore is transported via front-end loader to the feed hopper of a primary jaw crusher and crushed to minus 6 inches in size. The crushed ore is then deposited by conveyor on a pile outside of the crusher building. A front-end loader transfers the primary-crushed ore to the feed-hopper of the enclosed secondary cone crusher circuit, which crushes the ore to minus 1.5 inches in size.

This processed ore then leaves the building on an enclosed conveyor belt and passes through a sample tower. The crushed ore that passed through the sample tower is stockpiled on the ore pad in lots of approximately 2,000-4,000 tons, which are then loaded into trucks, weighed on the surface scale, and transported offsite for further processing at the mill.

Figure 13-1 McCreedy West Crushing Plant and Stockpile Layout (KGHM, 2023)

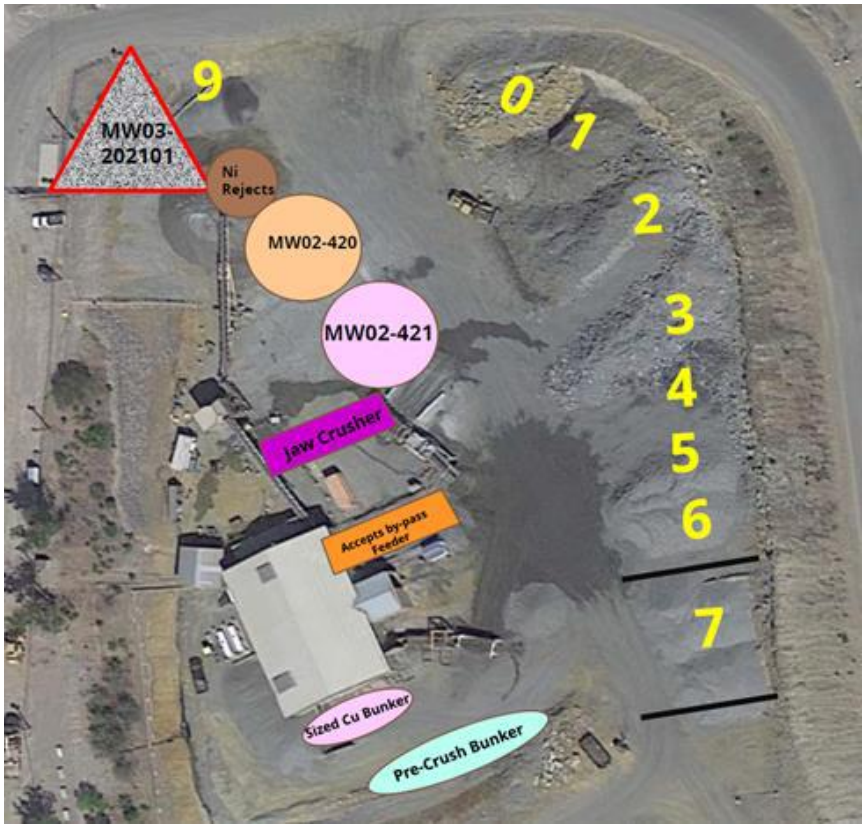
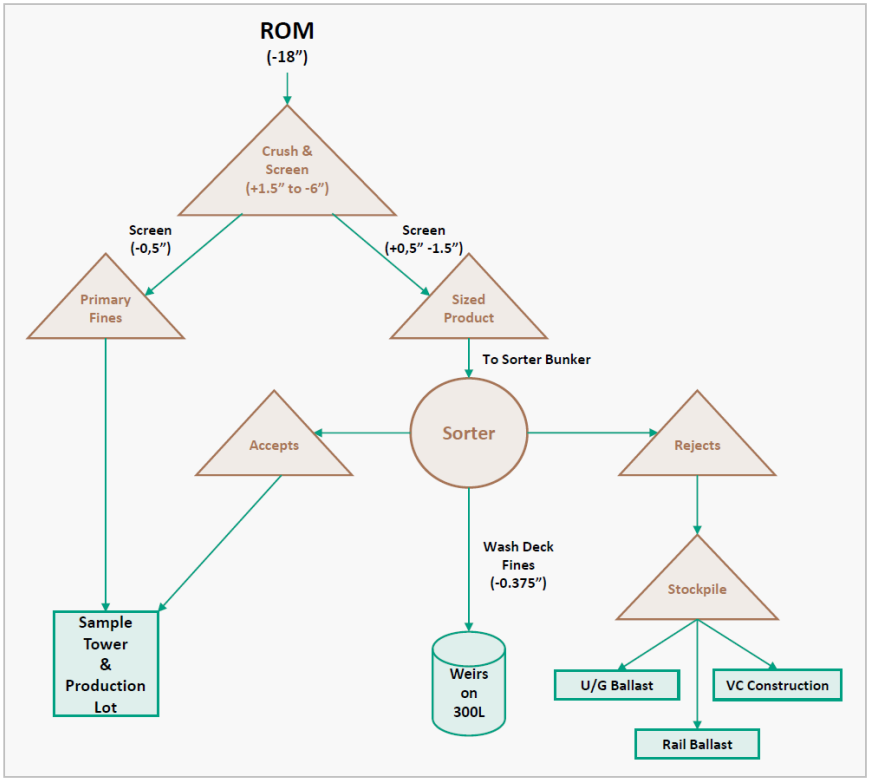


Figure 13-2 McCreedy West Sizing/Sorting Flow Sheet (KGHM, 2023)



FNX Sudbury Operations provides site supervision and operators for the Sample Tower and XRT Sorting plants. Contractors provide feeding, crushing and discharge hardware, loaders and excavators for operation of the crushing and sorting systems, as well as operators for all of their equipment. Contractor supplies site supervision as well as overall control of traffic on the ore pads, in addition to daily activity reports (tons crushed, loaded into highway trucks, etc.). Sudbury Ops provides daily, weekly and monthly instruction in terms of crushing and sorting activities.

From September 2012 to February 2014, the primary crushed Ni ore bypassed the secondary crusher and sample tower; instead, it was transferred by front-end loader to a hopper which feeds a stacker which created stockpiles on the ore pad. This material was then loaded into trucks, weighed on the surface scale, and transported to Sudbury INO's Strathcona Mill for processing.

From September 2015 to 2017, due to a decline in metal prices ore extraction from McCreedy West has decreased significantly, to include small bulk samples for batch testing. These tests have utilized a portable jaw crusher and/or mobile screener operated on the ore pad. All material has been shipped offsite for further processing.

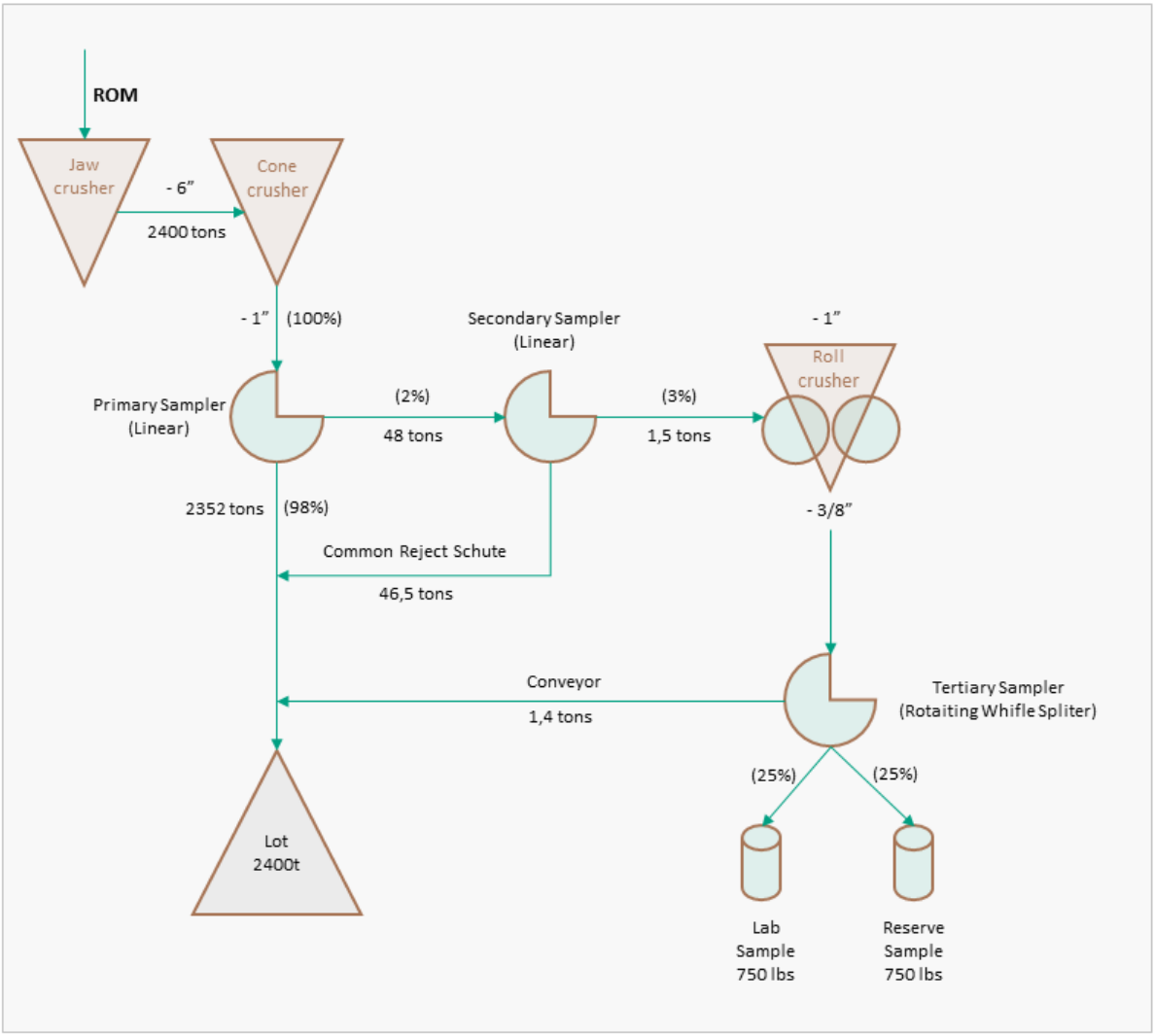
Since 2018 implementation of XRT sorting operation on-site processing of the portion of ore can be simplified to the point of separating run-of-mine mineralization into Primary Fines (-1/2" material screened from jaw crusher product) and Sized Product (+1/2" material screened from jaw crusher product). Primary fines are sampled simultaneous to the Sized Product production. Sized Product is later transferred to the XRT Sorting plant for on-site processing.

The following protocol is followed by FNX to obtain analytical samples of the product:

- Lot size is between 2,000 wmt and 4,000 wmt, as determined by FNX in its sole discretion. FNX may deliver Lots below 2,000 wmt; however, should the typical Lot size of a Zone fall below 2,000 wmt, adequate technical committee reviews and mutually agrees if a revised Lot size range for such Zone should be warranted. FNX stockpile product from each orebody in separate piles on surface until the full tonnage of one Lot of products is accumulated. This stockpile is transported to the "primary crushing circuit", ahead of the applicable "sampling tower", using a front-end loader and reduced according to the attached schematic (Figure 13-3).
- A Lot shall not include more than 7 continuous days of processing through the sampling tower.
- The crushed product is fed to the applicable sampling tower where two representative samples, having the weights set forth in the schematics below, is collected in ~45 gallon (180 liters) drums. Each drum is clearly labelled, one "A" the other "B". An embossed metal identification tag is fixed to the outside of each such drum and a duplicate tag is placed inside each such drum. Both drums are sealed. The "A" sample may be contained in multiple ~45 gallon (180 litre) drums for manageability.
- The "A" sample is dispatched to the sample preparation facility and the "B" sample is sent to storage. Each Lot of product is given a unique lot number (i.e., the same number for the analytical samples and the product delivered to Vale Canada).
- The remaining product is collected and loaded into trucks for prompt delivery to the Mill.
- The entire "A" sample for each Lot is dried for a 24-hour period at an oven with temperature not exceeding 105°F. The sample is weighed before and after the drying stage. The moisture
- content determined by the preparation facility using this procedure is set forth in an official moisture certificate for each Lot and such moisture content is the official moisture content.
- The dried ore is then crushed and pulverized to 90% minus 0.106 mm. Four representative samples are taken from such ore and placed into labelled, sealed, tamper-proof, one-liter plastic bottles.
- The preparation facility sends the samples and the official moisture content certificate.

FNX's assay quality assurance (QA) program consists of three different types of quality control (QC) samples: (1) reference materials, (2) sample blanks, and (3) check assays. The analytical laboratory also runs its own set of QC samples, including reference materials, sample blanks, and laboratory duplicates. The FNX QC samples and procedures help to monitor accuracy, precision, and contamination. Historically, check assays were selected at random at the end of each month from the analyzed samples from that month, at the rate of 2%. These selected samples were analyzed at ALS Global in Vancouver to help monitor laboratory performance. SGS Minerals analyzes duplicate samples at a rate of approximately 7% of all assayed samples.

Figure 13-3 McCreedy West Sample Tower Flow Sheet (KGHM, 2023)



13.2 Metallurgical testing

The majority of FNX's current production is shipped directly to the Vale Clarabelle Mill facility in Sudbury, Ontario. Bench-scale composites (20 to 75 kg) for future mining blocks are constructed typically from ¼ inch assay reject material from drill core that has been retained in freezer storage. The composites are designed to be representative of future mining domains for a given deposit and the target grade established from the mineral resource or reserve grade in those domains. More detailed test work is completed on composites designed from currently mined zones, in which case reserve settlement barrel material from sample tower is utilized.

Vale completes routine test work on KGHM's orebodies that are currently in production, including bench-scale flotation studies, detailed quantitative mineralogy using Mineral Liberation Analyzer (MLA) instrumentation, bulk sample testing and batch recovery testing to the mill. The results of these studies are treated as proprietary to Vale. In order to supplement this work and provide KGHM with an internal metallurgical dataset, metallurgical composites have been sent to either the SGS – Lakefield metallurgical facility in Lakefield, Ontario, G&T Metallurgical Services Ltd. (G&T), of Kamloops, British Columbia, JKTech (with ALS Mineralogy) of Australia, or Xstrata Process Support (XPS) in Falconbridge, Ontario. Flotation test work is designed to mimic the Clarabelle Mill flowsheet with respect to grinding, reagents, etc. Metallurgical samples are collected in duplicate by KGHM, in consultation with Vale representatives.

In the period of 2004-2008 a third-party metallurgical test work has been completed for the East Main Zone, Intermain Zone, PM Zone deposit, 2007 Ni production composite, South West Intermain Zone. The test work includes geochemical analyses for a detailed suite of trace elements to evaluate for deleterious elements in the processing stream, Bond Work Index testing (where possible), liberation analyses, and bench-scale flotation tests. In 2004, detailed quantitative mineralogy was completed using QEM-SCAN instrumentation at SGS for the PM, 2000, and included a study of platinum group mineral speciation and deportment. All test work completed to date demonstrates that each of the above-mentioned orebodies are amenable to processing by the Vale Clarabelle Mill, and all are in pre-production, production or have had their production temporarily suspended.

The following Testing Procedures protocol is followed by Vale to obtain processing parameters:

- Each sample must be >25kg in weight and contiguous drill core (total number of samples varies from 12 to 36).
- Sample preparation – each sample is crushed into 100% passing 6 mesh, homogenized and split into 1.0 kg test charges. These test charges are then stored in a freezer. Samples for grindability are selected and set aside.
- Several charges are used to determine the grind time required for that sample to achieve the target grind size of P80=100um (lab mill with 65% solids).
- One test charge is then ground to target spec to provide sub-samples for MLA and XRD mineralogy and chemical assays.
- One or several charges are used in full circuit flotation testing. This is divided into 2 steps: 1) open circuit testing is carried out to generate bulk concentrate, rock tails and Po tails, 2) Cu/Ni separation circuit is included to generate separate Cu and Ni concentrates. This also allows evaluation of PM deployment and impurity levels in respective Cu and Ni concentrates.
- Recovery models are obtained from the metal testing results through regression analysis. Typically, recovery model is a function of head grade. However, other ore characteristics factors can be included if better model fit can be obtained.
- Throughput models are obtained from ore grindability test work (if it is done).
- For each sample, QAQC is implemented by comparing weights of the test charges (1000±2.5g) and calculated head grades vs. actual head grades.

- Final metallurgical report is issued.

Based on the analysis of Representative Ore Samples provided by FNX to Vale Canada, Vale Canada issues one or more reports in respect of any given orebody (each, a “Mill Metallurgical Report”), containing the following information:

1. official grade-recovery equations for copper, nickel and cobalt reporting to the Theoretical Bulk Concentrate at a given copper and nickel grade in the Theoretical Bulk Concentrate across a range of copper and nickel grades in the product,
2. official grade-recovery equations for Pt, Pd, Au and Ag reporting to the Theoretical Bulk Concentrate,
3. official grade-recovery equations for the ratios of recovered Pt, Pd, Au and Ag reporting to Copper Concentrate; and
4. feed assays for samples received, mineralogical analysis of the feed samples (including liberation), flotation test results for copper and nickel and technical commentary on the samples tested.

When a New Zone is been identified within an Orebody which FNX intends to mine, than Vale Canada is provided with Representative Ore Samples from such New Zone for analysis, prior to mining such New Zone. A total of four (4) Representative Ore Samples for analysis is collected in accordance with the procedures being:

1. a low-grade sample,
2. a mid-grade sample,
3. a high-grade sample and
4. a sample at the deemed minimum grade.

FNX may provide further Representative Ore Samples from such New Zone, with a view to improving the grade-recovery equations in the Mill Metallurgical Report.

Vale Canada analyzes such ore samples using its standard procedures in effect at such time for its own mines and orebodies (including mill recovery models) and issues an official Mill Metallurgical Report with respect to such new Zone.

13.3 XRT Sorter

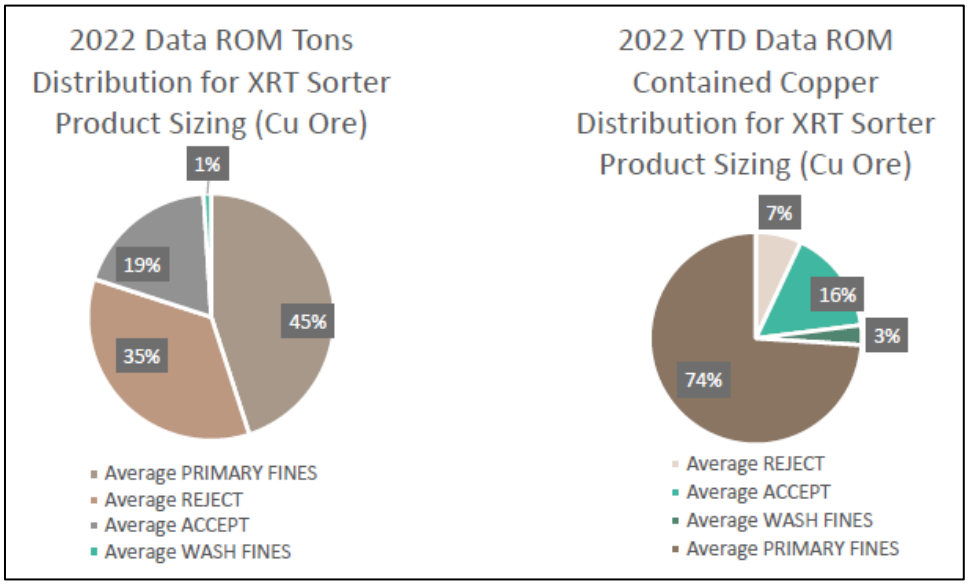
Operation of the Electromagnetic Ore Sorting Pilot Plant (EM Sorter) and associated secondary crusher commenced in 2011 and operated for one year. XRT Sorter Plant (Figure 13-4) replaced the EM Sorter in 2018 and is operated till present days. Sorting is premised on providing a net benefit to the site financials, reducing transportation and milling costs, and improving metal recoveries. Pricing guidance is reviewed regularly with an eye to maintaining a benefit. Sorting is limited to the massive sulfide zones, 700 Zone and Intermain Zones.

The sorter flow sheet can be simplified to the point of separating run-of-mine (ROM) mineralization into Primary Fines (PF) and Sized Product (SZ). Primary fines are sampled simultaneous to the SZ production. Sized Product (SZ) is later transferred to the XRT Sorting plant for processing. The XRT plant generates Washed Fines (WF) from the wash deck and Accept (A) and Reject (R) after passing through the XRT sorting plant. Overall proportions of ROM and Sorter feed in 2022 are illustrated on Figure 13-5.

Sized Product (SZ) is fed into the sorter at a rate of 40 tons per hour (tph), which is the current rate used to maximize productivity and optimize sorter outcomes. The Cu sorting algorithm has seven sensitivity settings, with “Step 4” providing the optimal metal recovery (lowest losses to R) for ROM grade product. Typical separation of SZ into Accept and Reject is 36% (A) and 64% (R) by tons. The XRT sorting plant is only used to remove diluent from the lowest grade fraction of ROM (i.e., from SZ).

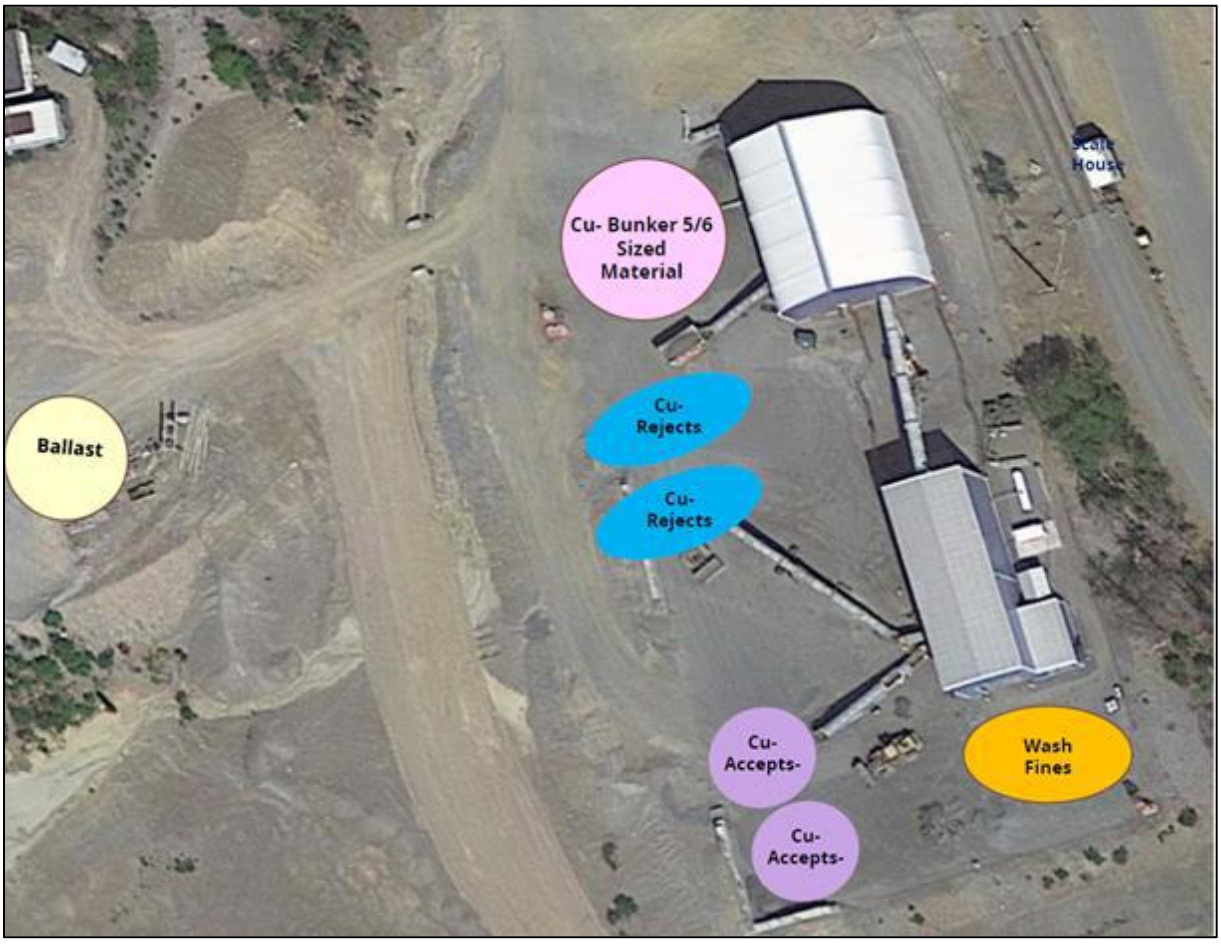
Figure 13-4 McCreedy Ore Sorter (KGHM, 2023)

Figure 13-5 Sorter Feed Mass Distribution (KGHM, 2023)



The Ore Sorting Plant (Figure 13-6) is surrounded by an asphalt pad, with a concrete pad located in the southwest corner of the area. Primary crushed ore is screened on 3-product screen deck. Undersize (- ½") Primary Fines product is sampled and stockpiled, while middling material (½"- 1 ½") as Sorter Feed or Sized Product is transferred by front-end loader to the ore sorter asphalt pad and stockpiled. This material is fed directly into a hopper outside the Ore Sorter Tent, which scalp -3/8" fines prior to conveying by covered belt to the 30-ton hopper in the ore sorter building. This material is washed on a Wash Deck prior to sorting to eliminate mineral dust biasing the scan. Washed ore is analyzed in the ore sorter and separated onto two streams: Accept (ore) and Reject (waste).

Figure 13-6 Secondary Crushing and Sorter Sight (KGHM, 2023)



Two conveyors which exit the building stack two piles: one for waste and the other for ore. The waste rock is then transferred back underground and used as roadbed or backfill material. The ore and fines are transferred back to the ore pad and loaded into trucks for transport offsite. Wash deck Fines are dropped via boreholes to two Weirs located at 300 Level for decantation and after dewatering transported offsite for further processing.

Sorter feed in 2021/22 confidently demonstrates the performance of the plant (Table 13-1), and it is sampling from this material, and examination of feed performance at even low grades, that allows for the generation of fixed factors, considered improvements to the parameters resulting from initial 2018 plant commissioning.

Figure 13-7 Accept and Reject Stackers (KGHM, 2023)

Table 13-1 2021 Sorter Plant Performance

	% Total Tons	Contained Cu %	Contained TPM %	Cu grade (%)	PM grade (OPT)	TPM Grade (GPT)
Average ROM	100	100	100	1.23	0.12	4.11
Average REJECT	39	5	11	0.23	0.045	1.55
Average ACCEPT	18	20	27	0.97	0.131	4.49
Average WASH FINES	2	6	4	3.92	0.258	8.85
Average PRIMARY FINES	41	69	58	1.91	0.155	5.32

14 MINERAL RESOURCE ESTIMATES

14.1 Introduction

The following section discusses the MRE for Mcreedy West. Completion of the MRE involved the assessment of a validated drill hole database, which included all data for surface and underground drilling completed between 1970 and December 31, 2024. The MRE is based on 3 three-dimensional ("3D") resource models representing the 700 Footwall Cu Zone, the PM Footwall PGE-Cu Zone, and the Intermain Contact Ni Zone. 3D models of mined out areas ("as-builts") were used to exclude mined out material from the current MRE. The 3D models and as-builts are based on drill data and mining to December 31, 2023. The 2024 drilling and 2024 production are not considered in the current MRE.

Inverse Distance Squared ("ID2") calculation method restricted to mineralized domains was used to interpolate grades for Ni (%), Cu (%), Co (%), Pt (g/t), Pd (g/t) and Au (g/t) into block models for all zones.

Indicated and Inferred mineral resources are reported in the summary tables in Section 14.11. The MREs presented below takes into consideration that McCreedy West will be mined by underground mining methods.

The reporting of the MRE for McCreedy West complies with all disclosure requirements for Mineral Resources set out in the NI 43-101 Standards of Disclosure for Mineral Projects (2016). The classification of the MREs is consistent with the 2014 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards (2014 CIM Definitions).

14.2 Drill Hole Database

In order to complete the MRE for the Property, a database comprising a series of comma delimited spreadsheets containing surface and underground drill hole information was provided by Magna. The database included hole location information (local grid coordinates, in feet), survey data (final depth in feet), assay data (from and to in feet), lithology data and specific gravity data. The data in the assay table included assays for Ni (%), Cu (%), Co (%), Pt (g/t), Pd (g/t) and Au (g/t) as well as Ag (g/t) and S (%). After review of the database, the data was then imported into GEOVIA GEMS version 6.8.3 software ("GEMS") for statistical analysis, block modeling and resource estimation.

The database provided by Magna and used for the MREs included data for 7,587 surface and underground diamond drill holes completed between 1970 and March 2024 (Figure 14-1 to Figure 14-3). The drilling totals 2,381,333 ft (725,830 m) (Table 14-1). The resource database totals 264,268 assay intervals representing 1,103 460 ft (336,335 m) of data, with an average sample length of 4.18 ft (1.27 m).

Table 14-1 Total Drill Hole and Channel Sample Database for the McCreedy West MRE

McCreedy West Resource Database	
Total Number of drill holes (Surface and Underground)	7,587
Total feet of drilling (m)	2,381,333 ft (725,830 m)
Total number of drill assay samples	264,268
Total drill assay sample length	1,103,460 ft (336,335 m)
Average drill assay sample length	4.18 ft (1.27 m)
Total number of SG Samples	45,525

Figure 14-1 Plan View: Distribution of Surface and Underground Drill Holes in the McCreedy West Area

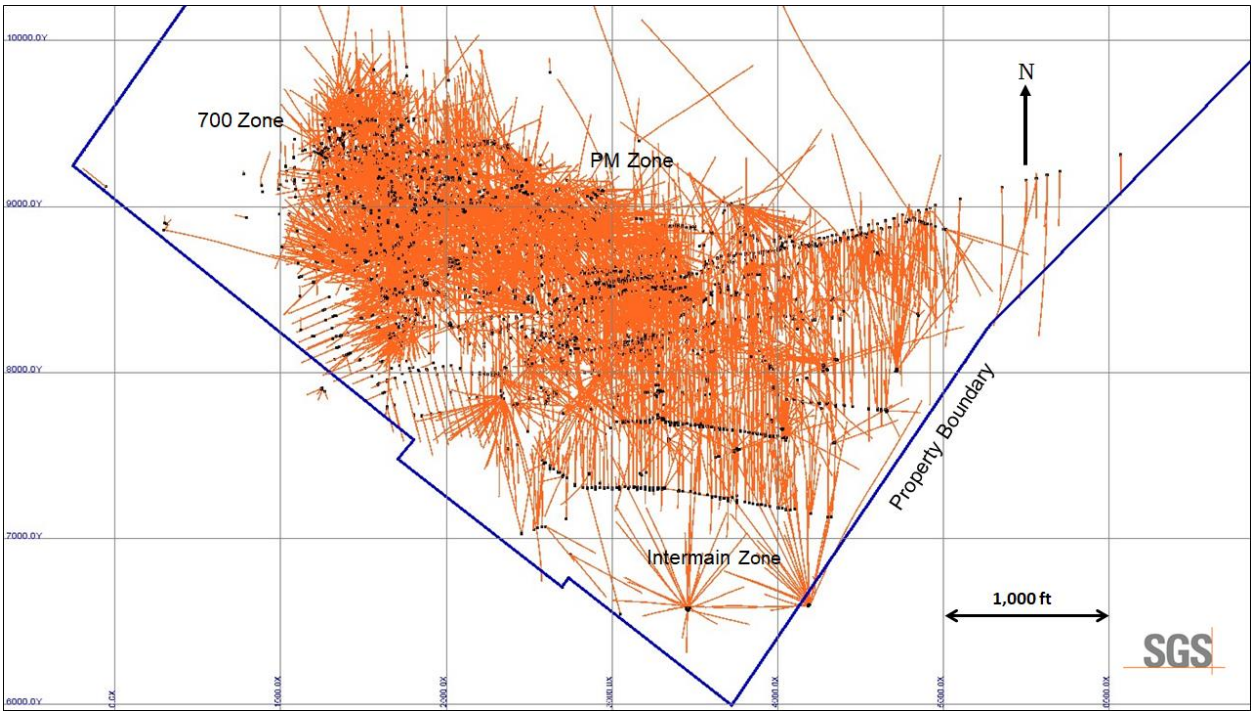


Figure 14-2 Isometric View Looking NNE: Distribution of Surface Drill Holes in the McCreedy West Area

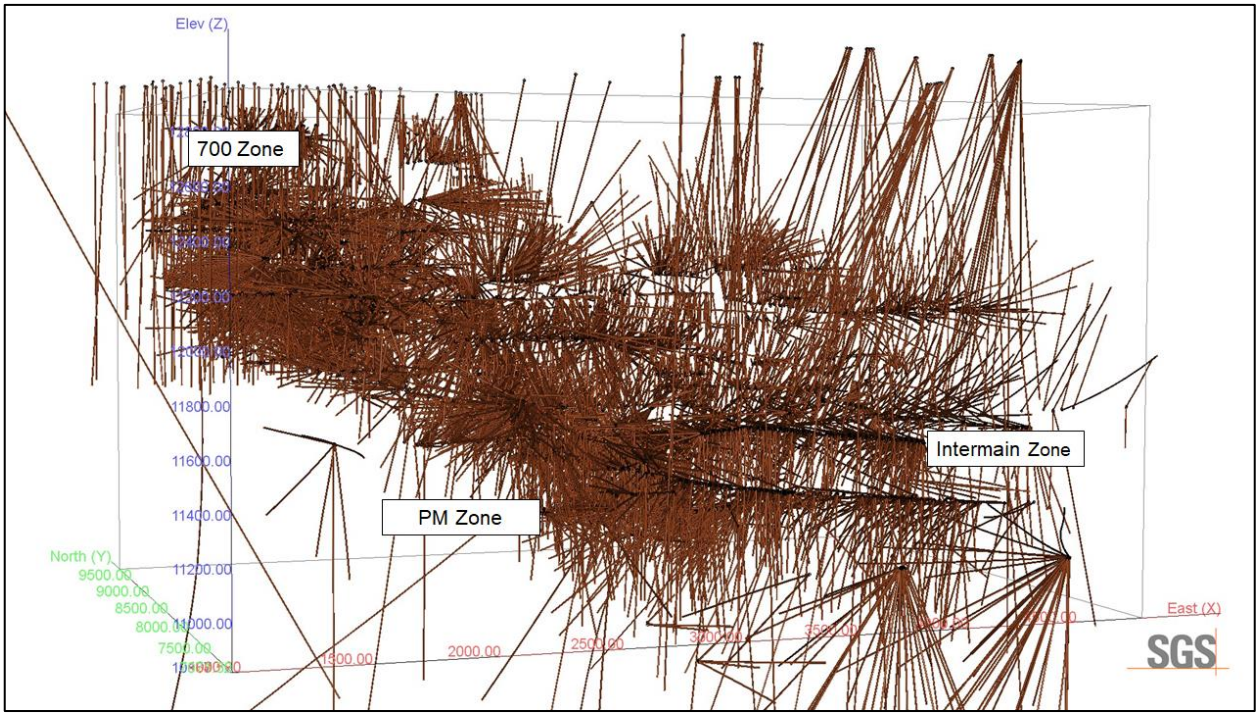
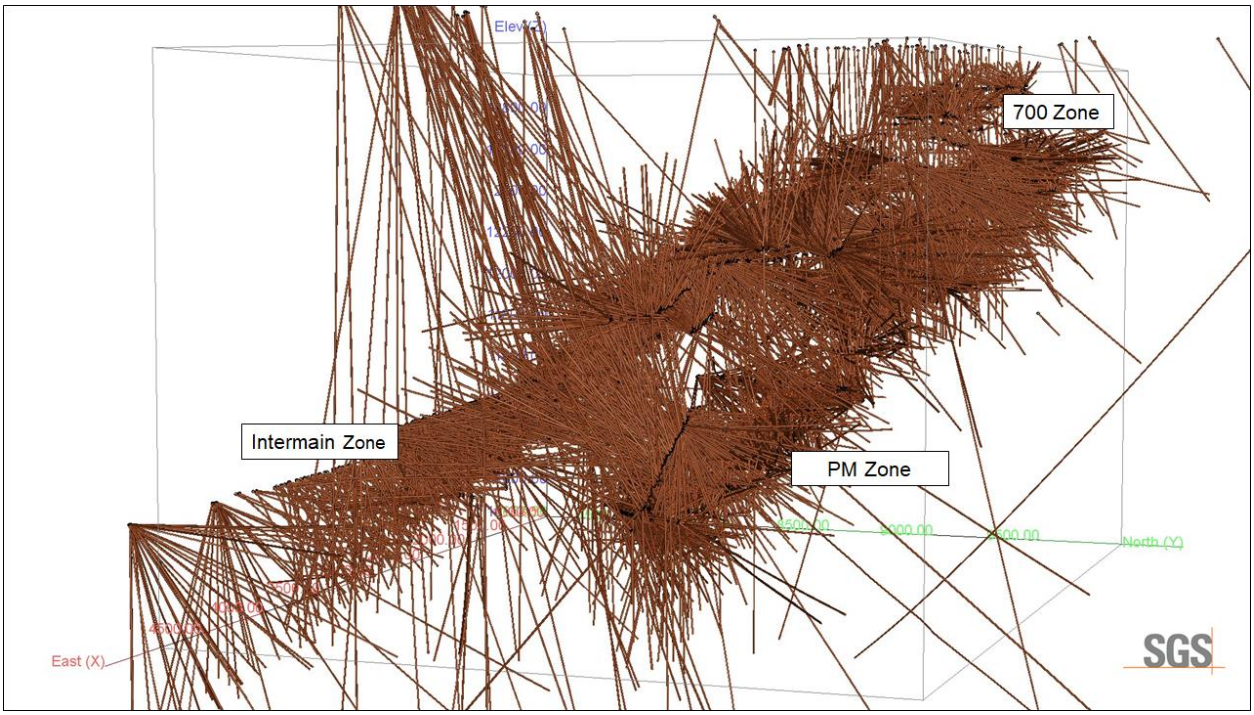


Figure 14-3 Isometric View Looking ESE: Distribution of Surface Drill Holes in the McCreedy West Area



14.3 Mineral Resource Modelling and Wireframing

The Author was provided with three 3D resource models representing the 700 Footwall Cu Zone, the PM Footwall PGE-Cu Zone, and the Intermain Contact Ni Zone. 3D models of mined out areas (as-builts) were used to exclude mined out material from the current MRE. The 3D resource models and as-builts are based on drill data and mining to December 31, 2023. The 2024 drilling and 2024 production are not considered in the current MRE 3D resource models or as-builts. The 3D models were constructed using a combination of Datamine and Deswik Software. All mineral domains are clipped to the current Property boundary. The Author was also provided with a 3D topo surface (Figure 14-4 to Figure 14-9).

The Author has reviewed the mineral domains on section and in the Author's opinion the models provided are very well constructed and fairly accurately represents the distribution of the higher-grade mineralization within McCreedy West. Limited sporadic mineralization exists outside of these wireframes, as well as along strike and at depth. With additional drilling, some areas of scattered mineralization may get incorporated into the mineral domains.

The 700 Zone generally strikes 55° and dips moderately (-37°) southeast; it extends for ~ 1,800 ft (549 m) along strike and up to 2,400 ft (732 m) down dip. The Intermain Zone is comprised of multiple mineralized envelopes which generally strike 80° and dip moderately (-40°) south; mineralization of the Intermain Zone extends for up to ~ 3,400 ft (1,036 m) along strike and up to 3,200 ft down dip (975 m). Like the 700 Zone, the PM Zone generally strikes 55° and dips moderately (-37°) southeast; the PM Zone extends for ~ 1,350 ft (411 m) along strike and up to 1,500 ft (457 m) down dip.

Table 14-2 Property Domain Descriptions

Zone	# of Domains	ROCK CODE (GEMS)	BLOCK ROCK CODE (GEMS)	SG
700 Footwall Cu Zone	1	700ZONE	1	3.02
PM Footwall PGE-Cu Zone	1	PMZONE	2	2.85
Intermain Contact Ni Zone	1	INTMAIN	3	3.25

Figure 14-4 Plan View: McCreedy West Mineral Resource Models

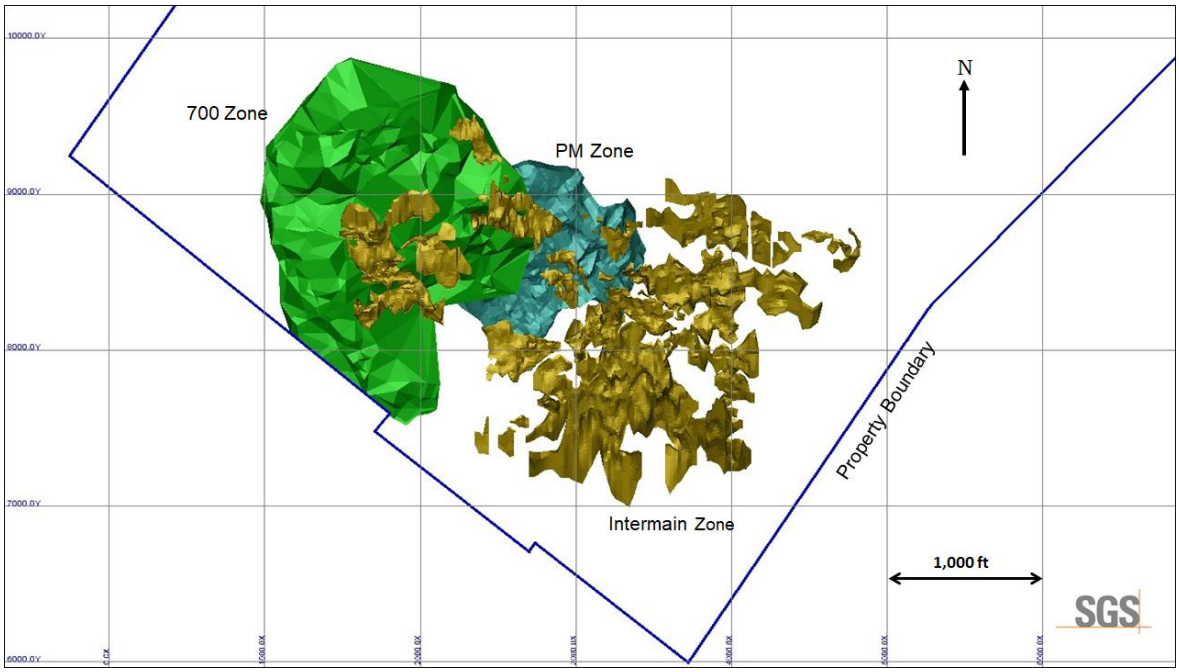


Figure 14-5 Plan View: McCreedy West As-builts

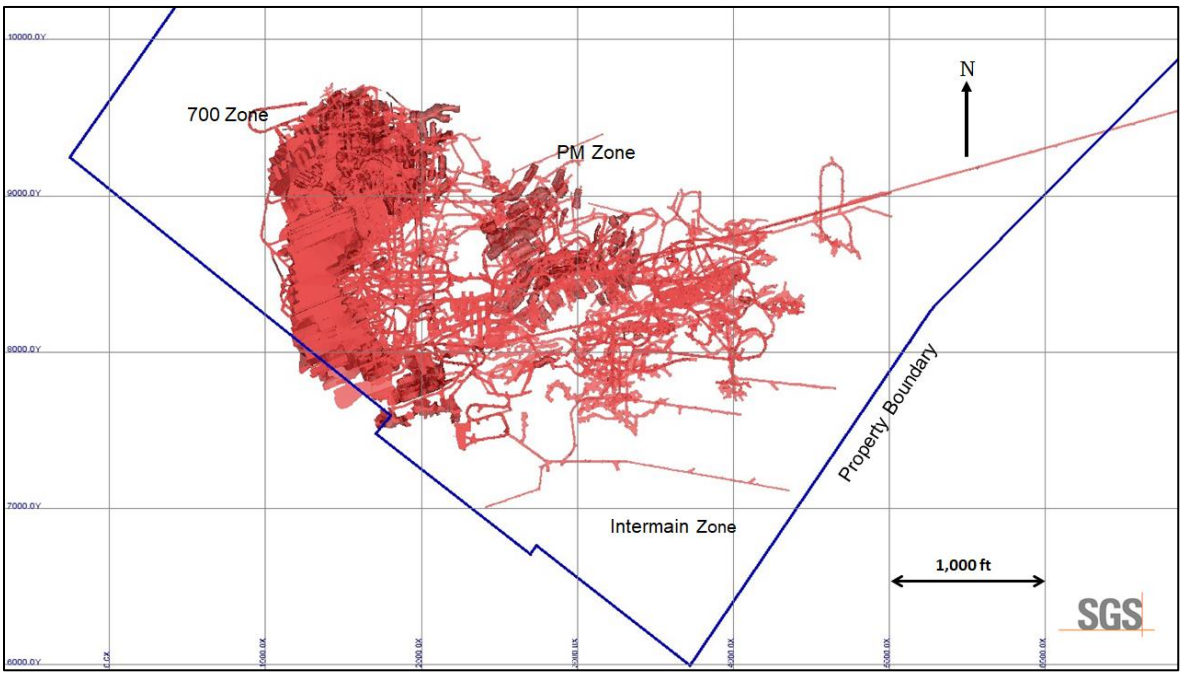


Figure 14-6 Isometric View Looking ENE: Topography, Distribution of Surface Drill Holes and Resource Models in the McCreedy West Area

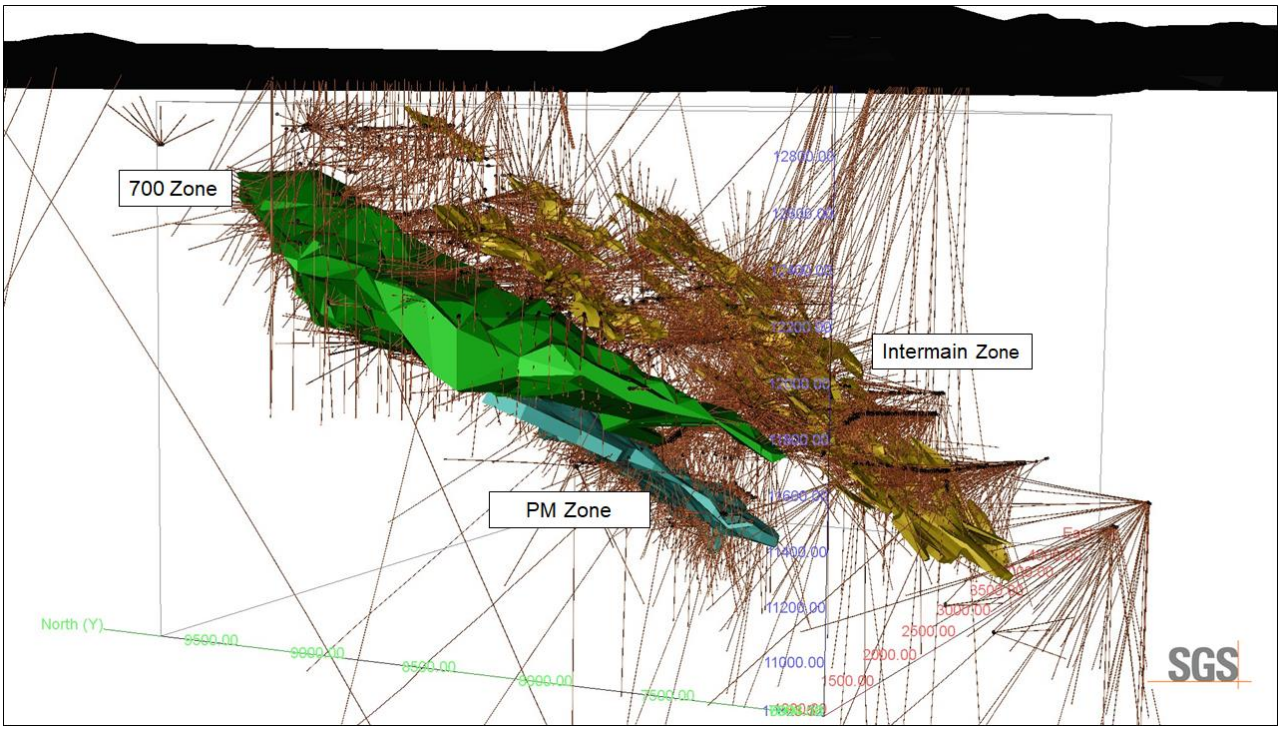


Figure 14-7 Isometric View Looking ENE: Topography and As-builts in the McCreedy West Area

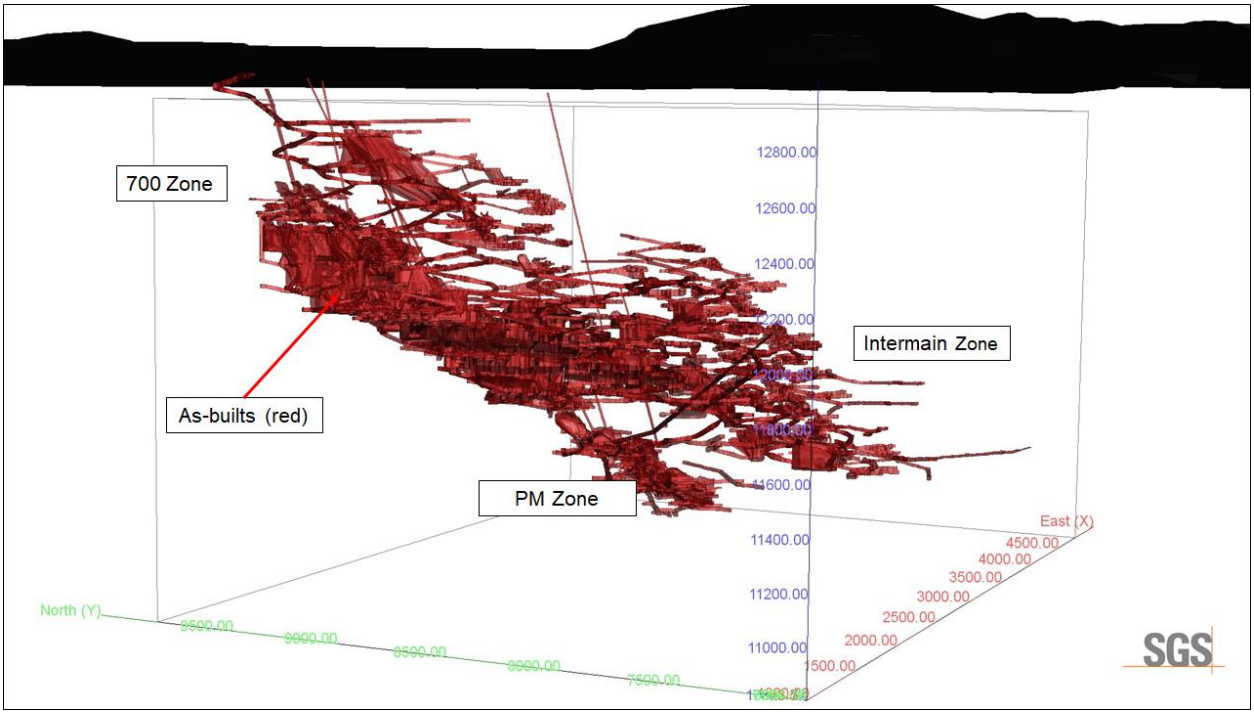


Figure 14-8 Isometric View Looking WSW: Topography, Distribution of Surface Drill Holes and Resource Models in the McCreedy West Area

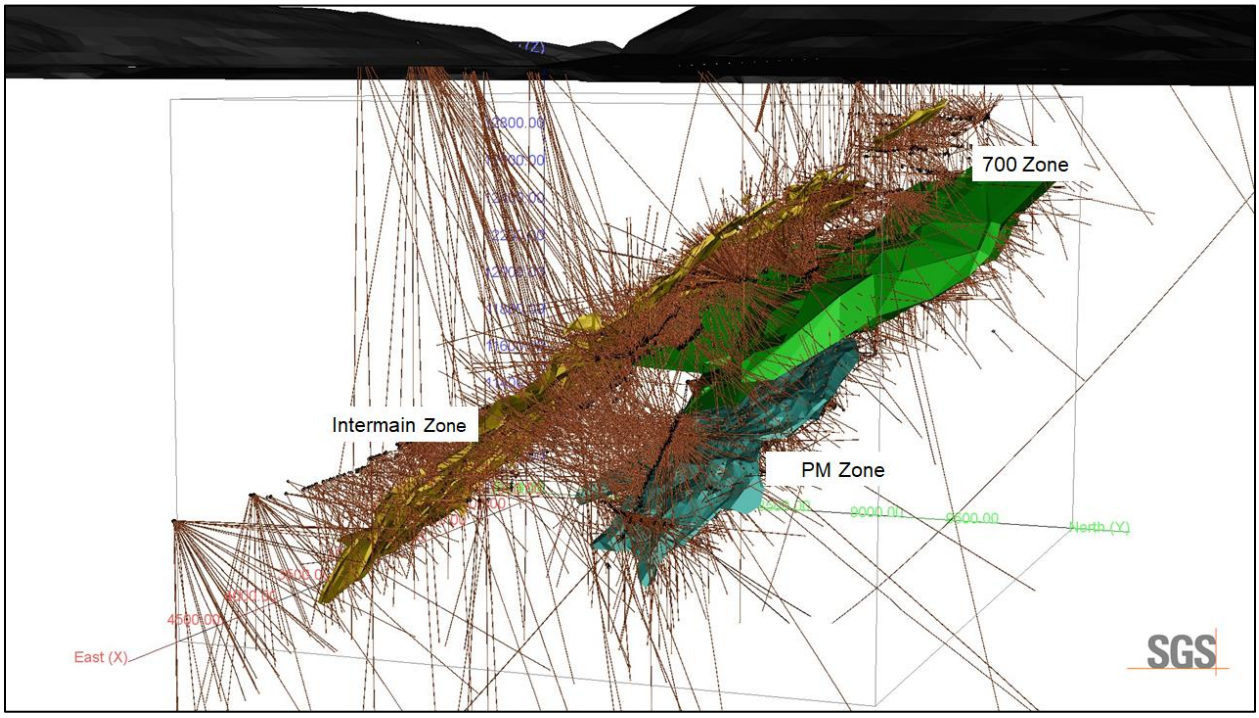
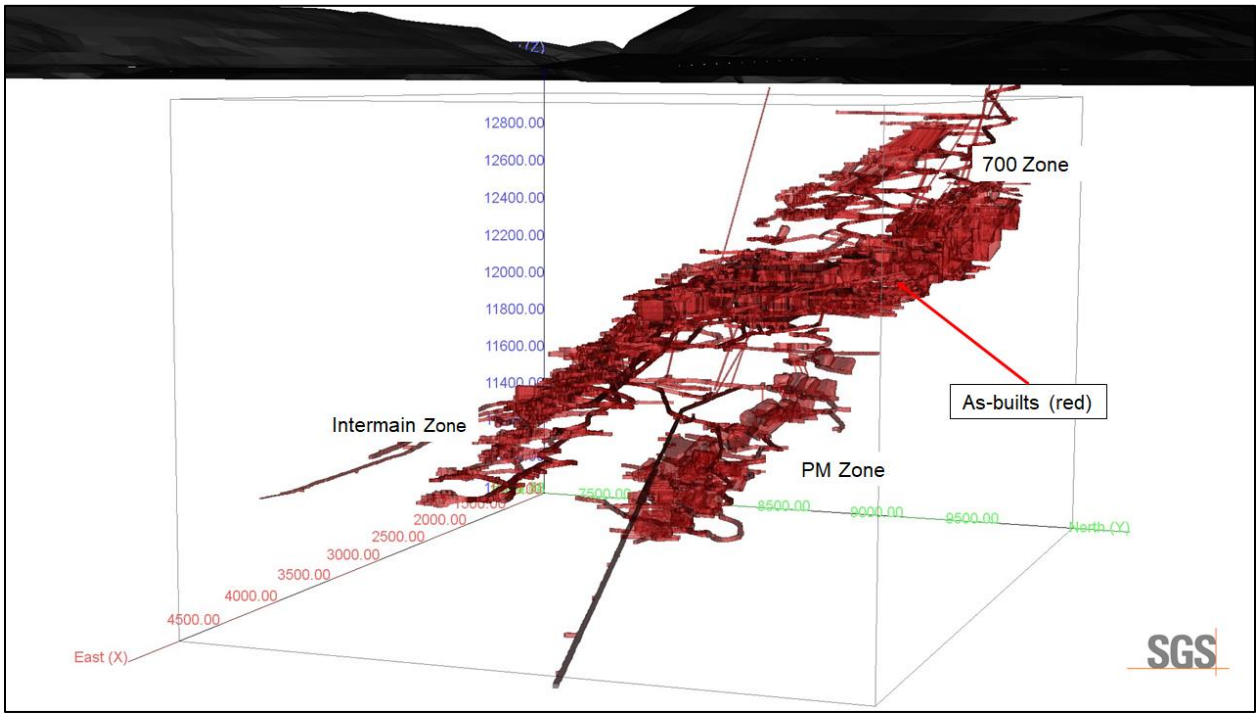


Figure 14-9 Isometric View Looking WSW: Topography and As-builts in the McCreedy West Area



14.4 Specific Gravity

The author was provided with a database of 45,525 SG measurements of drill core assay samples of waste and mineralization. The database included 17,870 samples from the 700 Zone (2.50 to 5.42), 3,475 samples from the Intermain Zone (range of 2.55 to 5.20), 5,295 from the PM Zone (range of 2.26 to 4.59) and 18,886 samples from material considered waste (range of 2.28 to 4.95).

A fixed SG value is used for the resource models. The average SG values used by domain for the current MREs are presented in Table 14-2 above. Waste rock averages 2.95.

14.5 Compositing

The database provided by Magna and used for the MREs included data for 7,587 surface and underground diamond drill holes totalling 2,381,333 ft (725,830 m) (Table 14-1). Of the total assay database, there are 130,033 assays within the resource domains, with an average sample length of 3.97 ft (1.21 m). A statistical analysis of the assay data from within the resource domains is presented in Table 14-3, by deposit.

Of the assay sample database, approximately 91% are 5.0 ft (1.524 m) or shorter in length: 86% in the 700 Zone, 95% in the Intermain Zone, and 97% in the PM Zone. To minimize the dilution and over smoothing due to compositing, a composite length of 5.0 ft was chosen as an appropriate composite length for all Zones, for the current MRE.

For the current MRE, composites for all Zones were generated within each domain to a nominal length of 5 ft. Composites were normalized in each drill interval to create equal length composites. Tolerances of 1.5 ft composite lengths were allowed. Un-assayed intervals were given a value of 0.0001 for Ni, Cu, Co, Pt, Pt, Au and Ag. The composites were extracted to point files for statistical analysis and capping studies. The constrained composites were grouped based on the mineral domain (rock code) of the constraining wireframe model.

A total of 135,368 ~5.0 ft composite sample points occur within the resource models. The composite files include composites for unsampled drill hole intercepts within the resource models. A statistical analysis of the composite data from within the resource domains is presented in Table 14-4.

Table 14-3 Statistical Analysis of the Drill Assay Data from Within McCreedy West

Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
	700 Zone						
Total # Assay Samples	73,672						
Average Sample Length	4.21 ft (1.28 m)						
Minimum Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum Grade	48.4	34.0	1.83	423	97.1	135	4,950
Mean	0.37	1.70	0.005	0.94	1.06	0.46	10.5
Standard Deviation	1.30	4.58	0.017	3.35	3.24	2.53	35.1
Coefficient of variation	3.55	2.70	3.86	3.55	3.06	5.46	3.35
97.5 Percentile	3.63	19.2	0.04	8.20	10.1	3.38	91.7

Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
	Intermain Zone						
Total # Assay Samples	20,494						
Average Sample Length	3.69 ft (1.10 m)						
Minimum Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum Grade	10.6	14.0	0.63	3.42	3.43	5.48	31.9
Mean	1.25	0.25	0.04	0.01	0.01	0.004	0.17
Standard Deviation	1.27	0.35	0.04	0.04	0.06	0.05	0.58
Coefficient of variation	1.01	1.43	0.90	4.21	4.30	11.5	3.46
97.5 Percentile	4.57	1.11	0.14	0.09	0.13	0.20	1.40

Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
	Intermain Zone						
Total # Assay Samples	35,867						
Average Sample Length	3.62 ft (1.12 m)						
Minimum Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum Grade	41.3	34.3	0.24	321	340	312	7,820
Mean	0.20	0.80	0.002	1.64	2.17	0.57	9.15
Standard Deviation	0.95	2.72	0.01	5.43	7.62	3.61	50.10
Coefficient of variation	4.73	3.39	3.32	3.31	3.51	6.34	5.48
97.5 Percentile	1.61	7.26	0.01	13.2	18.10	3.68	67.3

Table 14-4 Statistical Analysis of the 5.0 ft (1.524 m) Composite Data from Within the McCreedy West Resource Domains

Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
	700 Zone						
Total # Assay Samples	91,333						
Minimum Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum Grade	18.6	32.3	1.28	66.6	40.0	76.1	1,980
Mean	0.18	0.69	0.003	0.41	0.42	0.20	3.84
Standard Deviation	0.61	2.04	0.016	1.27	1.31	0.97	13.9
Coefficient of variation	3.28	2.94	4.69	3.09	3.08	4.84	3.60
97.5 Percentile	1.95	5.71	0.03	3.40	3.61	1.51	31.7

Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
	Intermain Zone						
Total # Assay Samples	16,064						
Minimum Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum Grade	5.74	7.71	0.24	1.49	1.24	5.00	14.2
Mean	1.01	0.20	0.04	0.01	0.01	0.004	0.13
Standard Deviation	1.02	0.24	0.03	0.03	0.04	0.05	0.42
Coefficient of variation	1.02	1.20	0.88	3.85	3.90	11.8	3.21
97.5 Percentile	3.86	0.82	0.12	0.07	0.10	0.02	1.14

Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
	PM Zone						
Total # Assay Samples	27,971						
Minimum Grade	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Maximum Grade	21.5	20.6	0.07	92.7	104	97.3	5,960
Mean	0.12	0.43	0.001	1.01	1.25	0.36	5.73
Standard Deviation	0.37	1.01	0.003	2.42	3.14	1.38	39.3
Coefficient of variation	3.23	2.36	2.52	2.40	2.51	3.86	6.85
97.5 Percentile	0.82	2.75	0.01	6.69	8.23	2.35	31.4

14.6 Grade Capping

A statistical analysis of the cumulative composite database within the McCreedy West resource models (the "resource" population) was conducted to investigate the presence of high-grade outliers which can have a disproportionately large influence on the average grade of a mineral deposit. High grade outliers in the composite data were investigated using statistical data, histogram plots, and cumulative probability plots of the composite data. The statistical analysis was completed using GEMS.

After a review of the composites globally and by domain, it is the Author's opinion that capping of high-grade composites to limit their influence during the grade estimation is necessary for all metals. Appropriate capping levels were chosen by metal, based on statistical analysis. A summary of grade capping values within the mineralized domains is presented in Table 14-5. The capped composites are used for grade interpolation into the McCreedy W block model.

Table 14-5 Composite Capping Summary – by Domain

Domain	Total # of Composites	Attribute	Capping Value	# Capped	Mean of Raw Composites	Mean of Capped Composites	CoV of Raw Composites	CoV of Capped Composites
700 Zone	91,333	Ni %	7.50	20	0.18	0.18	3.28	3.22
		Cu %	30.0	3	0.69	0.69	2.94	2.94
		Co %	0.40	6	0.003	0.003	4.69	4.53
		Pt g/t	25.0	17	0.41	0.41	3.09	2.97
		Pd g/t	25.0	19	0.42	0.42	3.08	3.01
		Au g/t	22.0	25	0.20	0.20	4.84	4.45
		Ag g/t	210	19	3.84	3.80	3.60	3.06
Intermain Zone Zone	16,064	Ni %	--	0	1.01	1.01	1.02	1.02
		Cu %	2.30	8	0.20	0.20	1.20	1.16
		Co %	0.19	7	0.04	0.04	1.88	0.88
		Pt g/t	0.60	5	0.01	0.01	3.85	3.48
		Pd g/t	0.60	12	0.01	0.01	3.90	3.52
		Au g/t	0.40	6	0.004	0.003	11.8	3.87
		Ag g/t	3.40	20	0.13	0.13	3.21	2.96
PM Zone	27,971	Ni %	7.00	10	0.12	0.11	3.23	2.88
		Cu %	12.5	27	0.43	0.43	2.36	2.27
		Co %	0.04	7	0.001	0.001	2.52	2.49
		Pt g/t	38.0	8	1.01	1.00	2.40	2.31
		Pd g/t	38.0	25	1.25	1.23	2.51	2.33
		Au g/t	15.0	31	0.36	0.34	3.86	2.9
		Ag g/t	160	9	5.73	5.41	6.85	1.90

14.7 Block Model Parameters

The McCreedy West resource domains are used to constrain composite values chosen for interpolation, and the mineral blocks reported in the estimate of the mineral resources. A block model within A block model within local mine grid coordinate space (no rotation), was created for McCreedy West (Table 14-6, and Figure 14-10 and Figure 14-11). Block model dimension, in the x (east m), y (north m) and z (level m) directions were placed over the domains with only that portion of each block inside the shell recorded (as a percentage of the block) as part of the MREs (% Block Model). The block size was selected based on drillhole spacing, composite length, the geometry, shape and orientation of the resource domains, and the selected mining methods (underground). At the scale of the deposit models, the selected block size provides a reasonable block size for discerning grade distribution, while still being large enough not to mislead when looking at higher cut-off grade distribution within the model. The models were intersected with surface topography to exclude blocks, or portions of blocks, that extend above the bedrock surface.

Table 14-6 McCreedy West Block Model Geometry

Block Model	*McCreedy West*		
	X (East)	Y (North)	Z (Level)
Origin (Local Mine Grid)	800	6800	13000
Extent (block count)	420	315	220
Block Size	10 ft (3.05 m)	10 ft (3.05 m)	10 ft (3.05 m)
Rotation (counterclockwise)	0°		

Figure 14-10 Isometric View looking SW: McCreedy West Block Model and Resource Domains

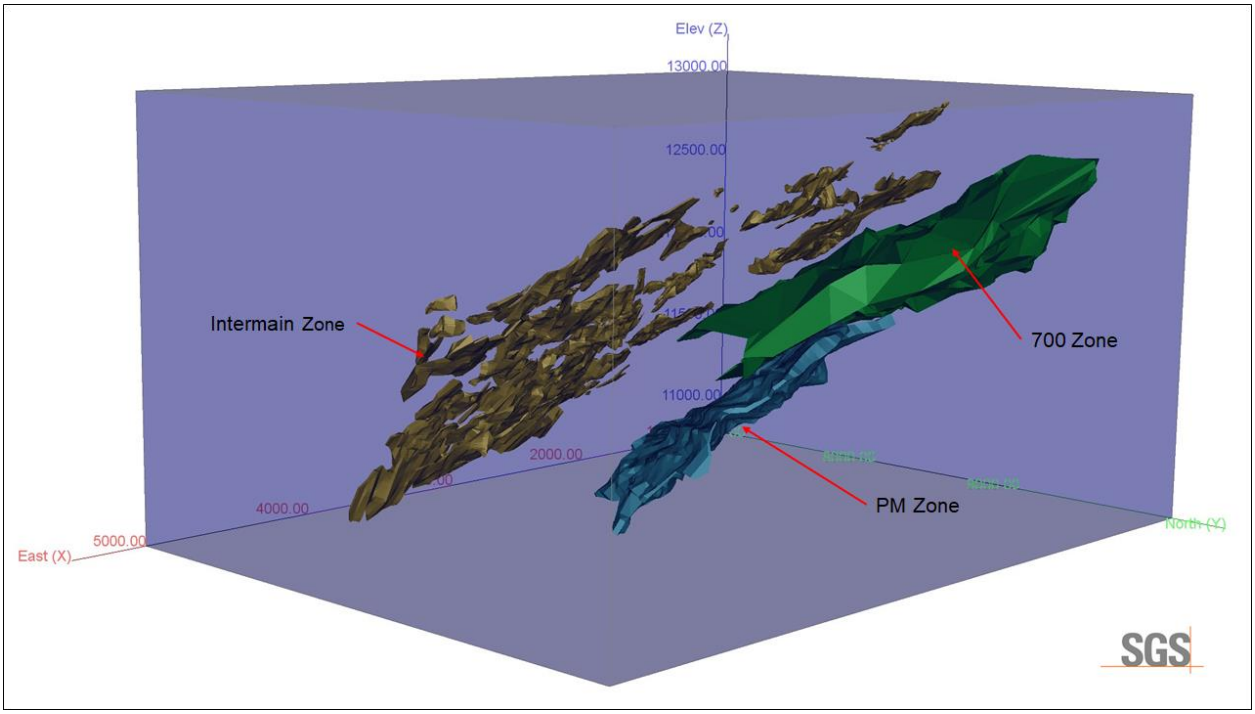
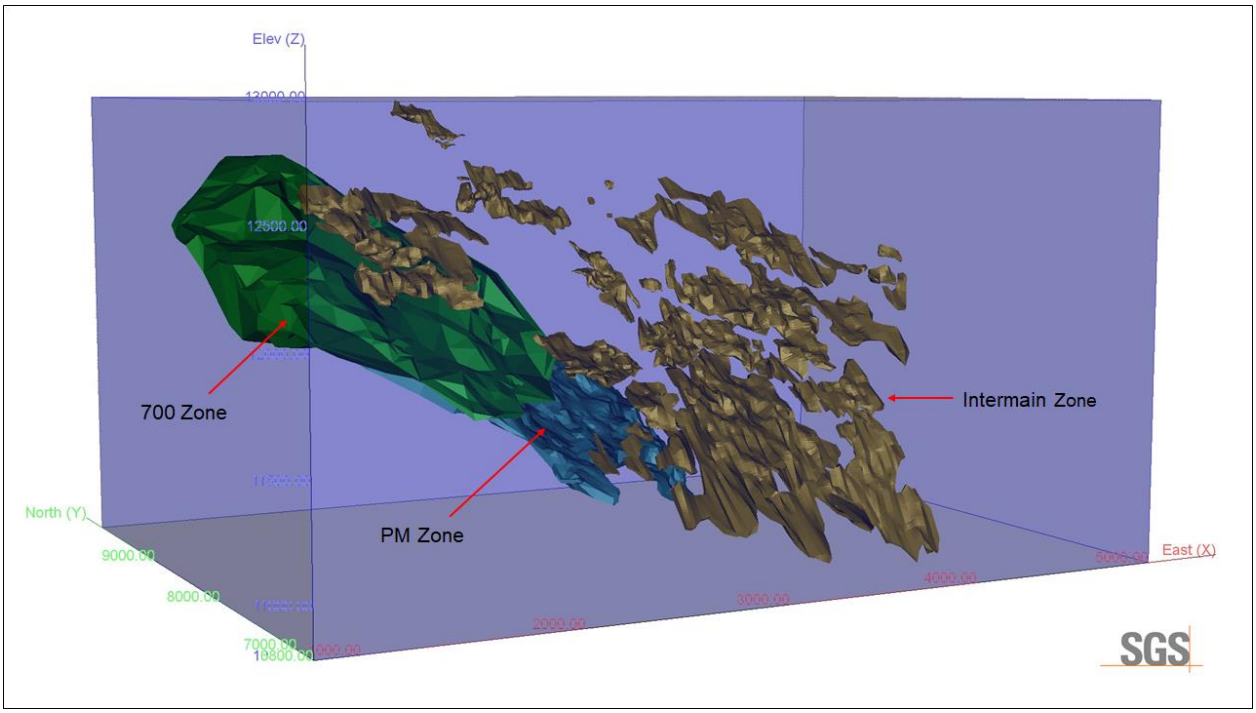


Figure 14-11 Isometric View looking NE: McCreedy West Block Model and Resource Domains



14.8 Grade Interpolation

Nickel, copper, cobalt, platinum, palladium, gold and Silver were estimated for each domain in McCreedy West. Blocks within each mineralized domain were interpolated using composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID^2) interpolation method was used for all domains.

For all domains, the search ellipse used to interpolate grade into the resource blocks was interpreted based on orientation and size the mineralized domains. The search ellipse axes are generally oriented to reflect the observed preferential long axis (geological trend) of the domains and the observed trend of the mineralization down dip/down plunge (Table 14-7).

Three passes were used to interpolate grade into all of the blocks in the grade shells (Table 14-7). For Pass 1 the search ellipse size (in feet) for all mineralized domains was set at 57.5 x 57.5 x 10 in the X, Y, Z direction; for Pass 2 the search ellipse size for each domain was set at 115 x 115 x 20; for Pass 3 the search ellipse size was set at 254 x 254 x 40. Blocks were classified as Indicated if they were populated with grade during Pass 1 and during Pass 2 of the interpolation procedure. The Pass 3 search ellipse size was set to assure all remaining blocks within the wireframe (within the extents of the search ellipse) were assigned a grade. These blocks were classified as Inferred.

Grades were interpolated into blocks using a minimum of 7 and maximum of 12 composites to generate block grades during Pass 1 (maximum of 3 sample composites per drill hole), 5 and 12 for Pass 2 (maximum of 3 sample composites per drill hole), and a minimum of 5 and maximum of 12 composites to generate block grades during pass 3 (Table 14-7).

Table 14-7 McCreedy West Grade Interpolation Parameters by Domain

Parameter	700 Zone			PM Zone			Interm Zones		
	Pass 1	Pass 2	Pass 3	Pass 1	Pass 2	Pass 3	Pass 1	Pass 2	Pass 3
	Indicated	Indicated	Inferred	Indicated	Indicated	Inferred	Indicated	Indicated	Inferred
Calculation Method	Inverse Distance squared			Inverse Distance squared			Inverse Distance squared		
Search Type	Ellipsoid			Ellipsoid			Ellipsoid		
Principle Azimuth	145°			145°			170°		
Principle Dip	-37°			-37°			-40°		
Intermediate Azimuth	55°			55°			80°		
Anisotropy X – ft (m)	57.5 (17.5)	115 (35.1)	245 (74.7)	57.5 (17.5)	115 (35.1)	245 (74.7)	57.5 (17.5)	115 (35.1)	245 (74.7)
Anisotropy Y– ft (m)	57.5 (17.5)	115 (35.1)	245 (74.7)	57.5 (17.5)	115 (35.1)	245 (74.7)	57.5 (17.5)	115 (35.1)	245 (74.7)
Anisotropy Z– ft (m)	10 (3.05)	20 (6.1)	40 (12.2)	10 (3.05)	20 (6.1)	40 (12.2)	10 (3.05)	20 (6.1)	40 (12.2)
Min. Samples	7	5	5	7	5	5	7	5	5
Max. Samples	12	12	12	12	12	12	12	12	12
Min. Drill Holes	3	2	2	3	2	2	3	2	2

14.9 Mineral Resource Classification Parameters

The Indicated and Inferred MRE presented in this Technical Report was prepared and disclosed in compliance with all current disclosure requirements for mineral resources set out in the NI 43-101 Standards of Disclosure for Mineral Projects (2016). 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, including the critical requirement that all mineral resources “have reasonable prospects for eventual economic extraction”.

The current Mineral Resource is sub-divided, in order of increasing geological confidence, into Inferred and Indicated categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource. There are no Measured Mineral Resources reported.

A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction.

Interpretation of the word ‘eventual’ in this context may vary depending on the commodity or mineral involved. For example, for some coal, iron, potash deposits and other bulk minerals or commodities, it may be reasonable to envisage ‘eventual economic extraction’ as covering time periods in excess of 50 years. However, for many gold or base metal deposits, application of the concept would normally be restricted to perhaps 10 to 15 years, and frequently to much shorter periods of time.

The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

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 can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, 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.

Mineralization may be classified as an Indicated Mineral Resource by the Qualified Person when the nature, quality, quantity, and distribution of data are such as to allow confident interpretation of the geological framework and to reasonably assume the continuity of mineralization. The Qualified Person must recognize the importance of the Indicated Mineral Resource category to the advancement of the feasibility of the project. An Indicated Mineral Resource Estimate is of sufficient quality to support a Preliminary Feasibility Study which can serve as the basis for major development decisions.

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 the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

An Inferred Mineral Resource is based on limited information and sampling gathered through appropriate sampling techniques from locations such as outcrops, trenches, pits, workings and drill holes. Inferred Mineral Resources must not be included in the economic analysis, production schedules, or estimated mine life in publicly disclosed Pre-Feasibility or Feasibility Studies, or in the Life of Mine plans and cash flow models of developed mines. Inferred Mineral Resources can only be used in economic studies as provided under NI 43-101.

There may be circumstances, where appropriate sampling, testing, and other measurements are sufficient to demonstrate data integrity, geological and grade/quality continuity of a Measured or Indicated Mineral Resource, however, quality assurance and quality control, or other information may not meet all industry norms for the disclosure of an Indicated or Measured Mineral Resource. Under these circumstances, it may be reasonable for the Qualified Person to report an Inferred Mineral Resource if the Qualified Person has taken steps to verify the information meets the requirements of an Inferred Mineral Resource.

14.10 Reasonable Prospects of Eventual Economic Extraction

The general requirement that all Mineral Resources have "reasonable prospects for eventual economic extraction" implies that the quantity and grade estimates meet certain economic thresholds and that the Mineral Resources are reported at an appropriate cut-off grade, considering extraction scenarios and processing recoveries. To meet this requirement, the Author considers that the McCreedy West Property mineralization is amenable for underground extraction.

To determine the quantities of material offering "reasonable prospects for economic extraction" by underground mining methods, reasonable mining assumptions to evaluate the proportions of the block model (Indicated and Inferred blocks) that could be "reasonably expected" to be mined from underground are used. Based on the size, shape, and orientation of the deposits, it is envisioned that the deposits may

be mined using both bulk and selective mining methods including Longhole Stoping and Mechanized Cut and Fill (MCAF) (mining methods that have long been utilized in the Sudbury region). The underground parameters used, based on these mining methods, are summarized in Table 1-1. Based on these parameters, a selected base-case cut-off grade of 1.1% NiEq is used to determine the underground MRE for the McCreedy West Property mineralization.

The reader is cautioned that the reporting of the underground MRE is presented undiluted and in situ, constrained by continuous 3D wireframe models (considered mineable shapes), and are considered to have reasonable prospects for eventual economic extraction. There are no underground mineral reserves reported at this time.

Table 14-8 Parameters Considered for Underground Base-case Cut-off Grade

Parameter SGS 2024	Value	Unit
Nickel Price	$8.50	US$ per pound
Copper Price	$3.75	US$ per pound
Cobalt Price	$17.00	US$ per pound
Platinum Price	$950.00	US$ per ounce
Palladium Price	$1,100.00	US$ per ounce
Gold Price	$1,950.00	US$ per ounce
Underground Mining Cost	$80.00	US$ per tonne mined
Transportation	$5.00	US$ per tonne milled
Processing Cost (incl. crushing)	$15.50	US$ per tonne milled
Treatment and Refining	$15.00	US$ per tonne milled
Underground General and Administrative	$7.00	US$ tonne of feed
Nickel Recovery	78	Percent (%)
Copper Recovery	95.5	Percent (%)
Cobalt Recovery	56	Percent (%)
Platinum Recovery	69.2	Percent (%)
Palladium Recovery	68	Percent (%)
Gold Recovery	67.7	Percent (%)
Mining loss/Dilution (underground)	10/10	Percent (%) / Percent (%)

14.11 Mineral Resource Statement

The MRE for McCreedy West is presented in Table 14-9 and includes MREs for the 700 Zone, the PM Zone and the Intermain Zone (Table 14-10). (Figure 14-12 to Figure 14-14).

Highlights of the McCreedy West Property MRE are as follows (exclusive of mined material):

- The underground MRE includes, at a base-case cut-off grade of 1.1% NiEq, 9,345,000 tonnes grading 0.89% Ni, 1.30% Cu, 0.024% Co, 0.96 g/t Pt, 1.10 g/t Pd, 0.45 g/t Au and 5.28 g/t Ag in the Indicated category, and 123,000 tonnes grading 1.60% Ni, 0.75% Cu, 0.047% Co, 0.21 g/t Pt, 0.23 g/t Pd, 0.05 g/t Au and 0.55 g/t Ag in the Inferred category.

Table 14-9 McCreedy West Project Underground Mineral Resource Estimate, December 31, 2023

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	9,345,000	0.89	1.30	0.024	0.96	1.10	0.45	5.28	2.02
Inferred									
1.10	123,000	1.60	0.75	0.047	0.21	0.23	0.05	0.55	2.12

The underground base case cut-off grade of 1.10% NiEq considers metal prices of $8.50/lb Ni, $3.75/lb Cu, $17.00/lb Co, $950/oz Pt, $1100/oz Pd and $1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), 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.

Table 14-10 McCreedy West Project Underground Mineral Resource Estimate by Zone, December 31, 2023

700 Footwall Cu Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	5,230,000	0.70	1.92	0.014	1.08	1.17	0.57	6.48	2.16
Inferred									
1.10	63,000	1.63	1.23	0.040	0.40	0.43	0.10	0.82	2.43

PM Footwall PGE-Cu Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	1,438,000	0.27	0.95	0.002	2.27	2.84	0.82	10.43	1.87

Intermain Contact Ni Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	2,677,000	1.59	0.27	0.055	0.01	0.02	0.00	0.15	1.83
Inferred									
1.10	61,000	1.58	0.24	0.054	0.01	0.02	0.01	0.27	1.80

McCreedy West Mineral Resource Estimate Notes:

(1) The effective date of the McCreedy West Property Mineral Resource Estimate (MRE) is December 31, 2023. This is the close out date for the final mineral resource models and mine out models (as-builts)

(2) The mineral resource was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services and is an independent Qualified Person as defined by NI 43-101. Armitage conducted two site visits to the McCreedy

Property Mine on two occasions, on August 22-23, 2023 (surface tour) and July 24, 2024 (included an underground tour).

(3) The classification of the current MRE into Indicated and Inferred mineral resources is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.

(4) All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.

(5) The mineral resource is presented undiluted and in situ, constrained by 3D grade control resource models, and are considered to have reasonable prospects for eventual economic extraction. The mineral resource is exclusive of mined out material.

(6) 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 most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

(7) The McCreedy West mineral resource estimate is based on a validated drill hole database which includes data from 7,587 surface and underground diamond drill holes completed between 1970 and March 2024. The drilling totals 2,381,333 ft (725,830 m). The resource database totals 264,268 assay intervals representing 1,103 460 ft (336,335 m) of data.

(8) The mineral resource estimate is based on 3 three-dimensional ("3D") resource models representing the 700 Footwall Cu Zone, the PM Footwall PGE-Cu Zone, and the Intermain Contact Ni Zone. 3D models of mined out areas were used to exclude mined out material from the current MRE. The 3D models and as-builts are based on drill data and mining to December 31, 2023. The 2024 drilling and 2024 production are not considered in the current MRE.

(9) Grades for Ni, Cu, Co, Pt, Pd, Ag and Au are estimated for each mineralization domain using ~5.0 ft (1.52 m) capped composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID^2) interpolation method was used for all domains.

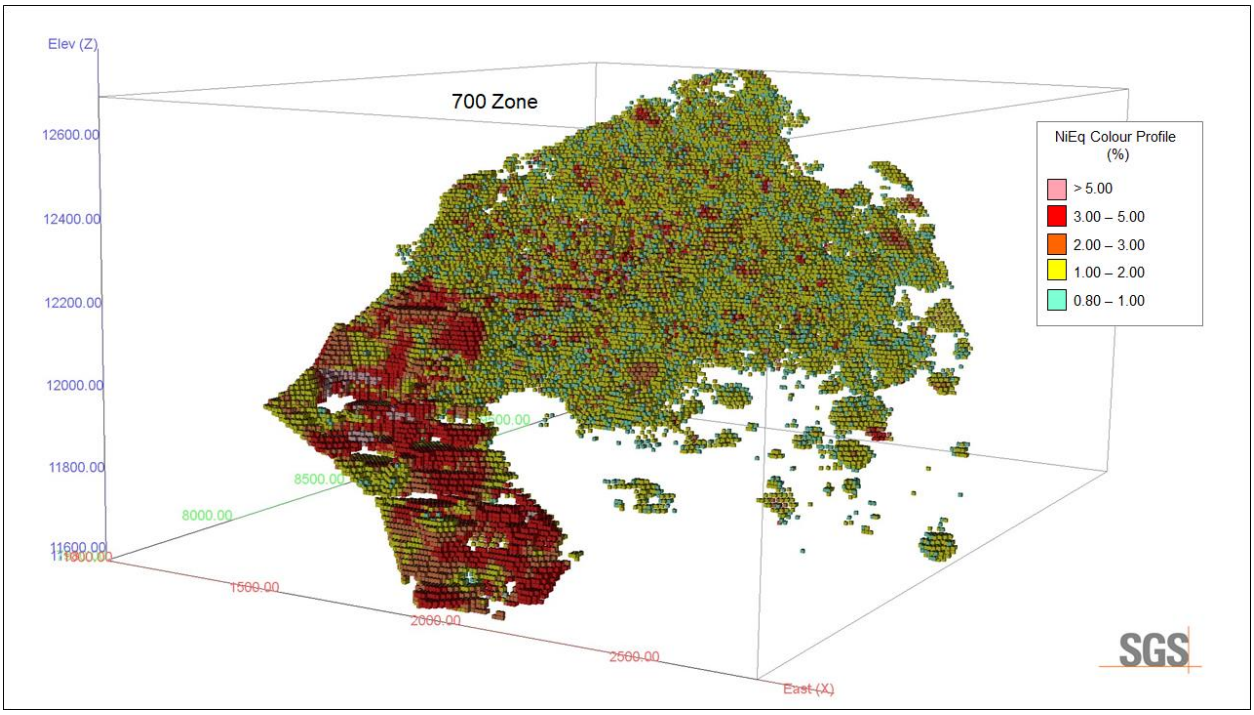
(10) Average density values were assigned to each domain based on a database of 45,525 samples.

(11) Based on the size, shape, and orientation of the deposits, it is envisioned that the deposits may be mined using both bulk and selective mining methods including Longhole Stoping and Mechanized Cut and Fill (MCAF) (mining methods that have long been utilized in the Sudbury region). The MRE is reported at a base case cut-off grade of 1.10% NiEq. The mineral resource grade blocks are quantified above the base case cut-off grade and within the constraining mineralized wireframes (considered mineable shapes).

(12) The underground base case cut-off grade of 1.10% NiEq considers metal prices of $8.50/lb Ni, $3.75/lb Cu, $17.00/lb Co, $950/oz Pt, $1100/oz Pd and $1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), 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.

Figure 14-12 Isometric View Looking NW: 700 Zone Resource Blocks by Grade (upper) and by Class (lower)



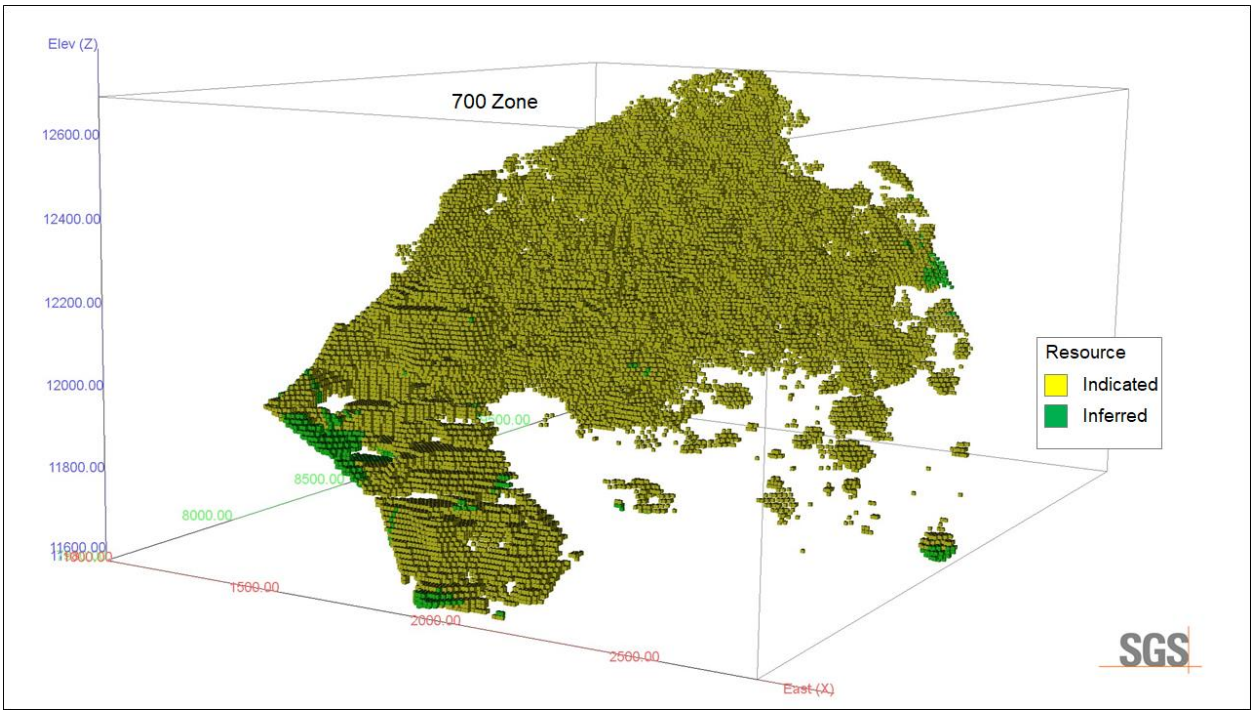
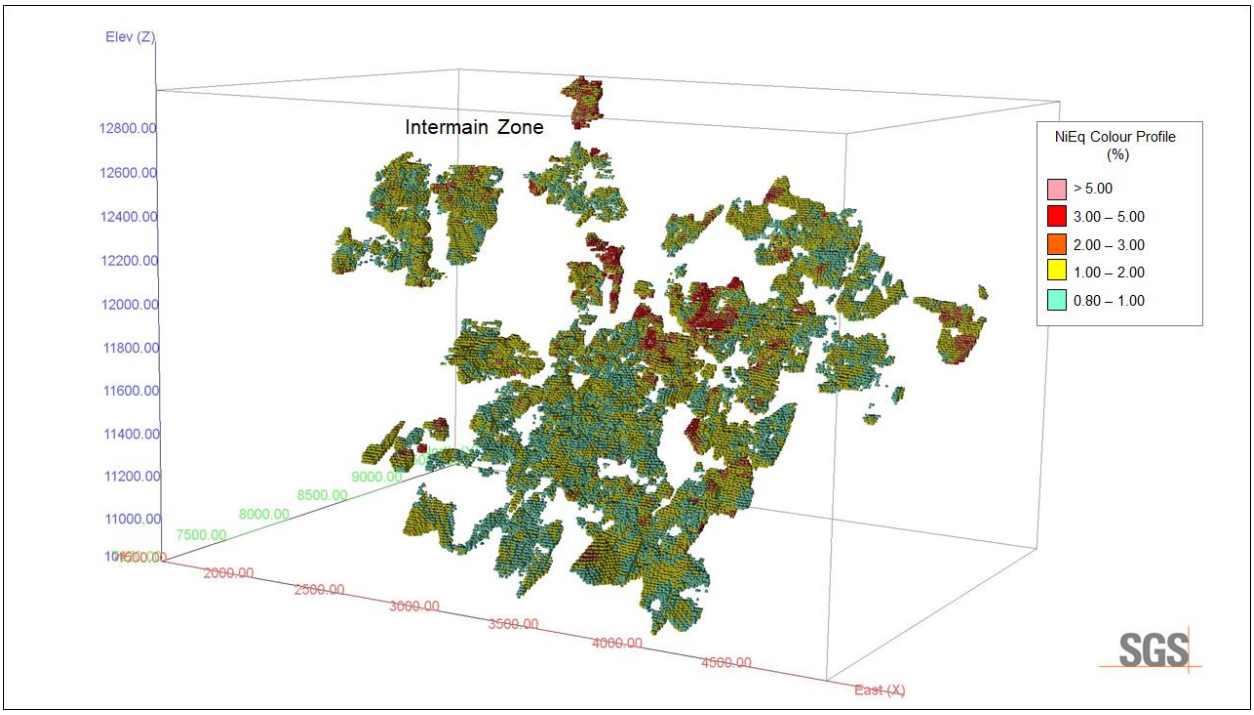


Figure 14-13 Isometric View Looking NW: Intermain Zone Resource Blocks by Grade (upper) and by Class (lower)



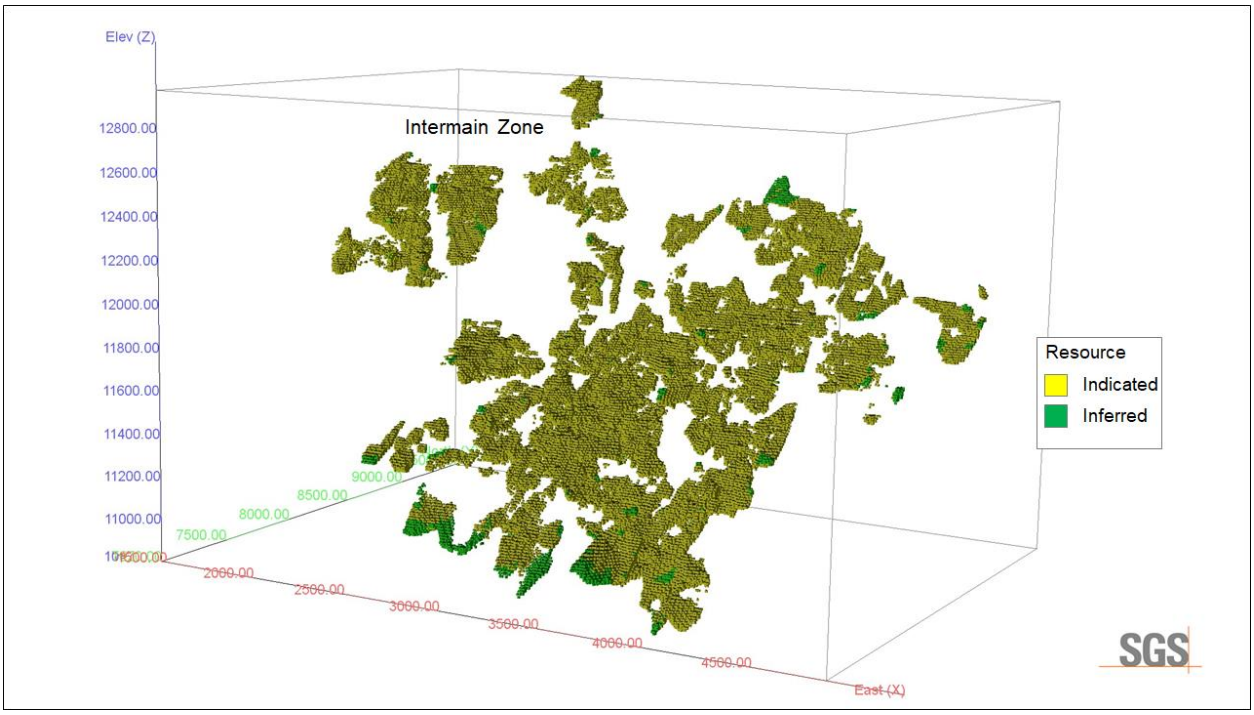
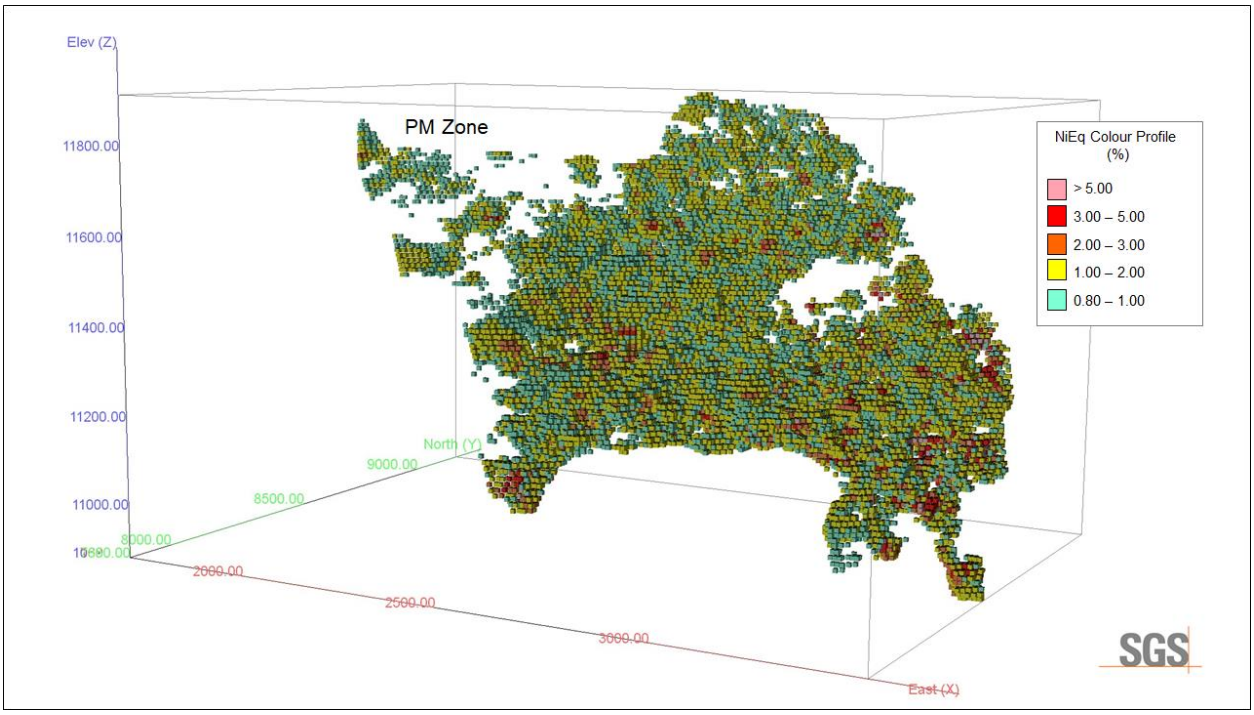
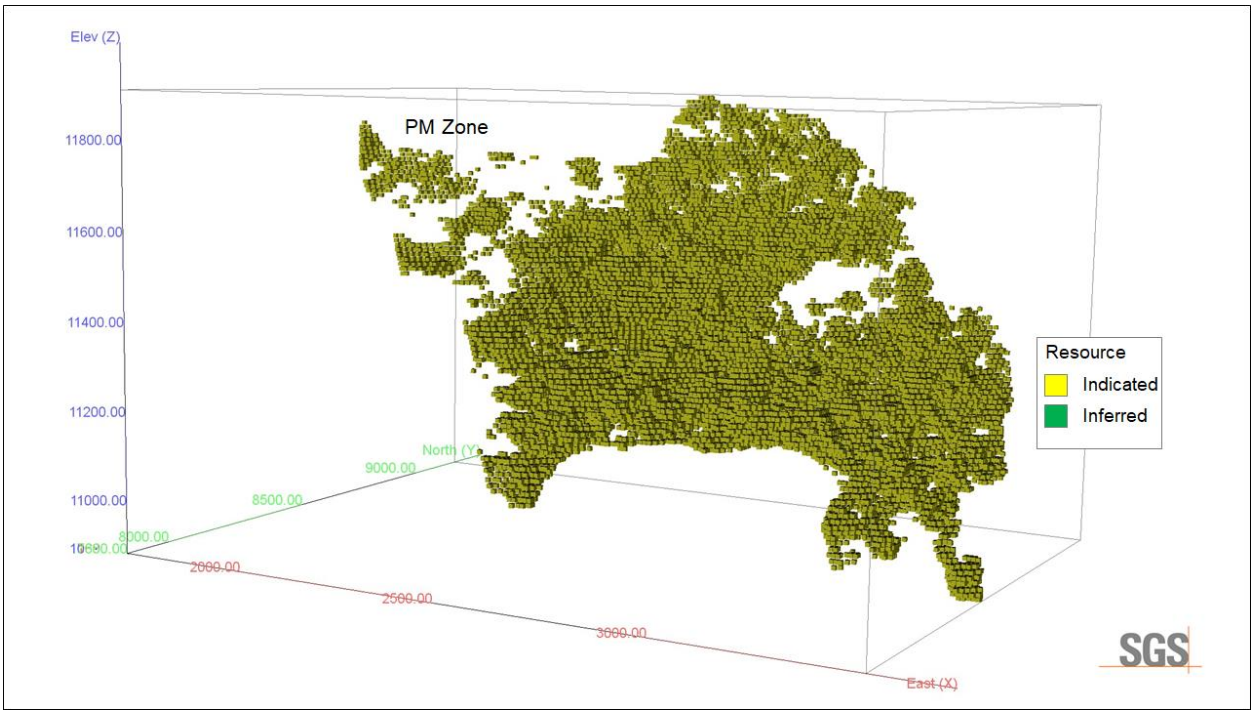


Figure 14-14 Isometric View Looking NW: PM Zone Resource Blocks by Grade (upper) and by Class (lower)





14.12 Model Validation and Sensitivity Analysis

Visual checks of block grades against the composite data and assay data on vertical section showed good correlation between block grades and drill intersections.

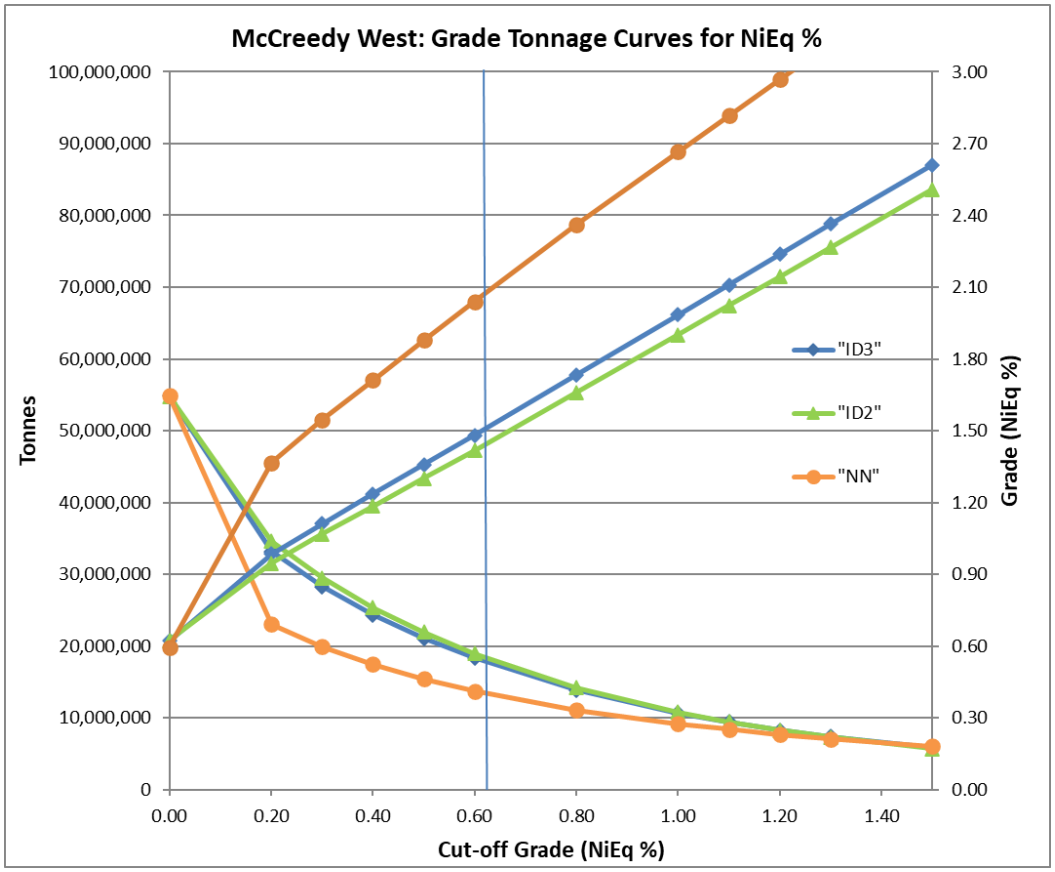
A comparison of the average capped composite grades and average assay grades by domain with the average grades of all the blocks in the block model was completed and is presented in Table 14-11.

For comparison purposes, additional grade models for McCreedy West were generated using a varied inverse distance weighting (ID^3) and nearest neighbour (NN) interpolation methods. The results of these models are compared to the chosen models (ID^2) at various cut-off grades in a grade/tonnage graph shown in Figure 14-15. In general, the ID^2 and ID^3 models show similar results, and both are much more conservative and smoother than the NN model. For models well-constrained by wireframes and well-sampled (close spacing of data), ID^2 should yield very similar results to other interpolation methods such as ID^3 or Ordinary Kriging.

Table 14-11 Comparison of Average Composite Grades with Global Block Model Grades

Domain	Variable	Ni %	Cu %	Co %	Pt g/t	Pd g/t	Au g/t	Ag g/t
700 Zone	Assays	0.37	1.70	0.005	0.94	1.06	0.46	10.5
	Composites Capped	0.18	0.69	0.003	0.41	0.42	0.20	3.84
	Blocks	0.15	0.51	0.003	0.30	0.31	0.14	2.68
Intermain Zone	Assays	1.25	0.25	0.04	0.01	0.01	0.004	0.17
	Composites Capped	1.01	0.20	0.04	0.01	0.01	0.004	0.13
	Blocks	0.93	0.17	0.04	0.01	0.01	0.003	0.12
PM Zone	Assays	0.20	0.80	0.002	1.64	2.17	0.57	9.15
	Composites Capped	0.12	0.43	0.001	1.01	1.25	0.36	5.73
	Blocks	0.09	0.34	0.001	0.78	0.94	0.27	4.53

Figure 14-15 Comparison of ID^3, ID^2 & NN Models for McCreedy West



14.12.1 Sensitivity to Cut-off Grade

The McCreedy West MRE has been estimated at a range of cut-off grades to demonstrate the sensitivity of the resource to cut-off grades (Table 14-12). The current MRE is reported at a base-case cut-off grade of 1.10 % NiEq (highlighted).

Values in this table reported above and below the base case 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 estimate to the base case cut-off grade.

Table 14-12 McCreedy West Project Mineral Resource Estimate, at Various NiEq Cut-off Grades, December 31, 2023

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
0.80	14,039,000	0.72	1.07	0.020	0.81	0.92	0.37	4.81	1.66
1.00	10,690,000	0.83	1.22	0.023	0.91	1.04	0.42	5.12	1.90
1.10	9,345,000	0.89	1.30	0.024	0.96	1.10	0.45	5.28	2.02
1.20	8,209,000	0.94	1.38	0.025	1.00	1.16	0.47	5.43	2.14
1.30	7,223,000	1.00	1.46	0.026	1.05	1.21	0.50	5.59	2.27
Inferred									
0.80	192,000	1.28	0.56	0.041	0.18	0.20	0.05	0.59	1.69
1.00	137,000	1.52	0.70	0.045	0.20	0.22	0.05	0.54	2.01
1.10	123,000	1.60	0.75	0.047	0.21	0.23	0.05	0.55	2.12
1.20	109,000	1.70	0.80	0.049	0.22	0.23	0.05	0.55	2.25
1.30	96,000	1.80	0.85	0.051	0.23	0.22	0.05	0.51	2.38

(1) All values are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.

14.13 Disclosure

All relevant data and information regarding McCreedy West are included in other sections of this Technical Report. There is no other relevant data or information available that is necessary to make the technical report understandable and not misleading.

The Author is not aware of any known mining, processing, metallurgical, environmental, infrastructure, economic, permitting, legal, title, taxation, socio-political, or marketing issues, or any other relevant factors not reported in this technical report, that could materially affect the updated MRE.

15 MINERAL RESERVE ESTIMATE

There are no Mineral Reserve Estimates for the Property with respect to Magna Mining.

16 MINING METHODS

16.1 Mining operations

16.1.1 Mining Methods

The McCreedy West Mine produces ore from several zones that include contact Ni ore from the Upper Main, Intermain and East Main Zones and Cu-Ni-PGE ore ("footwall") from the 700 and PM deposits. The mining methods are dictated mainly by the specific ore zone geometry and the attempt to minimize waste rock dilution (KGHM, 2023).

References to FNR and KGHM for current mining practices in this section can be taken to mean Magna Mining to reflect current ownership.

Originally mechanized cut-and-fill method was used at the mine by Vale Canada Ltd. ("Vale" or "Vale Canada"), however most of McCreedy West's production was conducted by bulk mining methods including vertical retreat and uppers retreat mining. Most of the stopes in the Main orebody, between 600 and 950 levels, utilized the mechanized cut-and-fill mining method to selectively extract chalcopyrite – rich stringers. Post-pillar cut-and-fill stopes were used to extract the pentlandite-rich ore between 1450 and 1150 levels. Other areas in production included the Footwall Copper orebody and Lower Main Extension (respectively high-grade copper and nickel zones), were mined selectively using cut-and-fill techniques. The Main Extension was mined using uppers retreat.

Currently the mining methods at McCreedy West are dictated mainly by the specific ore zone geometries and are almost exclusively longhole "blind" uppers with lesser cut-and-fill. Shrinkage stoping is not a current method but was used extensively in the past.

The 700 Footwall Complex Zone is a structural zone composed of higher-grade Cu-Ni-PGE-Au-Ag veins located in the footwall of the previously mined contact style nickel deposit. The veins range from ¼" to 13 ft wide, dipping around 50 degrees. Within the Complex, narrow vein shrinkage style mining was utilized in the steeper veins, while conventional up-dip panel mining was used in the flatter veins. Conventional handheld jackleg drills and slusher-scraper mucking equipment were used successfully to mine this zone.

In the cut-and-fill mining areas workplaces are developed and mined from a footwall access ramp using mechanized drill jumbos and 8 yd LHD mucking equipment. Primary ground support is installed from scissor-lift trucks using handheld drills, or a mechanized McLean bolter unit. Stoping lifts are typically mined in 13 ft high intervals and then tight filled with development waste.

In longhole, stopes are developed using the same mining equipment and methods as cut-and-fill areas. A long-hole drilling contractor is employed to drill production holes using hydraulic or pneumatic drill rigs. Production holes are typically drilled 2.5" or 3" in diameter and on nominal 5' x 6' spacing. Hole lengths will vary depending on sill thickness but are typically 50-70 feet in length. Depending on specific design, both up-hole and down-hole drilling may be used. Slot raises typically 8' wide x 8' long (closely spaced long-hole drilling) are used to establish production blasting fronts.

The PM Zone deposit has been developed in a series of longitudinal open stopes accessed from multiple draw-points and mined in general retreat fashion from east to west. The primary stope horizons or main sublevels are developed at regular 100 ft intervals down-dip and are separated by intermediate sill pillars. Intermediate sublevel drilling drifts and mucking drifts (sills) are developed at regular 50 ft intervals from the footwall access. The sill drifts are 15 ft high x 15 ft wide along both the hanging wall and footwall depending on ore thickness at the sublevel horizon.

The PM Zone deposit has been developed and mined in a top down sequence. Secondary stope pillars 30 ft wide are planned between each mucking horizon. On 1900 Level, stope pillars were designed in areas where the footwall-hanging wall span was greater than 60 feet.

Ore is moved from the stopes and drawpoints with an LHD and then loaded in trucks for haulage to surface. Development waste is dumped directly into previously mined out areas. To date, the McCreedy West Mine has been self-sufficient in the supply of waste rock required for backfill. The ore hauled to surface is placed on a containment pad prior to crushing and sampling. The surface crushing system at McCreedy crushes 100% of the ore to 1.5 inch which is then passed through a four-stage sample tower. Crushed and sampled ore is stacked into lots of approximately 2,000-4,000 tons and loaded into trucks for shipping to Vale Canada's Clarabelle Mill for processing, or more recently nickel ore is shipped to Glencore's Strathcona Mill.

16.1.2 Materials Handling

Ore at McCreedy West Mine is hauled via 36-, 42- and 50-ton haul trucks to surface, and placed on an engineered lined containment pad. The containment pad is designed to accommodate temporary ore storage, crushing by portable primary and secondary crushers housed in crusher buildings, sampling and loadout facilities, and roadways. The oversized pieces of ore are segregated and transferred to the rock breaking area, where an excavator equipped with an 8,500 foot-lb Rock breaker breaks them down into smaller pieces.

Most pre-FNX historical production from McCreedy West Mine was rail hauled across the 1600 level and hoisted at the Levack Mine. In order to address the ramp capacity impediment to increased production, internal studies were undertaken to consider the viability of re-establishing track haulage to Levack Mine, and it was decided to re-establish the track haulage on 1600 level.

In 1996 testing of waste rock at Levack mines was conducted. Four samples from the McCreedy West and Levack mines were analyzed. The samples were described as sulphide bearing or surface oxidized. Based on this information and experience elsewhere in the Levack area, it is assumed that the McCreedy West waste rock has the potential to generate AMD. Management plans for the waste rock have been developed based on this assumption. Approximately 21,550 tonnes of waste rock remains on-site in the yard areas as general fill. This is INCO's historical waste, for which FNX is not responsible in terms of land reclamation.

16.1.3 Backfill

For backfill practices under Vale Operation, both hydraulically delivered cemented sand fill and high density cemented sand fill (HDCSF) were used, depending on which stope was to be filled. Backfill used in stopes with adjacent pillars had a cement to sand ratio 1:20, while fill for secondary stopes had a cement to sand ratio of 1:30.

For blocks located in the Footwall Copper orebody, and those above 1000 level, a high-density ARAN sand fill plant (now removed) was used since the mid-1980s. The high-density fill was placed directly via the portable plant, which poured down one of five 30 cm diameter drill holes.

FNX's mine backfill consists of unconsolidated waste from mine development activities and was used primarily within the contact deposits. By design, mine backfill is not required to sustain production from the footwall deposits. Under FNX's operation, McCreedy West Mine has not used sandfill.

When mining activities at McCreedy West resumed in 2003, waste rock was either used as backfill by directly placing it into previously mined out areas or hauled to surface for temporary storage, prior to returning underground as mine backfill. From 2003 to mid-2007 all waste rock brought to surface was tested and classified as non-acid generating. All the non-acid generating waste rock on surface was completely removed and hauled back underground as backfill.

All waste rock currently generated at McCreedy West remains underground and is used as backfill.

16.2 Mine design

The underground mining operations at the McCreedy West Mine are accessed via a main access decline that was developed at 17% grade and 16 feet wide by 14 feet high, extending from surface to the 2010 level and providing access for mining the lower part of the PM Zone deposit. The mine is also accessible from the Levack Mine on the 1600 level through a track haulage drift.

Level accesses are established at approximately 50-foot intervals along the main ramp and are used to access stoping areas. Not all existing levels or accesses off the ramp system are maintained or accessible for travel. Inaccessible areas are duly barricaded.

Emergency secondary egress is via a series of ladder-equipped raises in the lower PM zone from 1950 level to the 1600 level and a drift on the 1600 level to the Levack Mine.

KGHMI reopened the McCreedy West mine portal on June 17, 2002, to bring the mine back into production. Mine services including electrical, ventilation, mine water, compressed air, potable water and septic system were reactivated to support underground exploration activities and to ensure workers safety. The first ore from McCreedy West was shipped via truck in October 2003.

The mine was reopened in June 2002 and at its peak it produced nickel-copper – precious metal ores at a rate of up to 2000 tons per day. The McCreedy West ores come from several zones. Broadly they included nickel-copper (“contact”) ore from the Intermain and East Main Zones and copper nickel-TPM ore (“footwall”) from the 700 and PM Zone deposits.

McCreedy West is connected to the Levack Mine via a drift on the 1600 level. Sudbury INCO’s Boundary Mine is connected to filled stopes at McCreedy West on the 1125 and 1250 levels, and there are also areas on the 1400 level where filled stopes at both mines are connected.

Production rates vary from each zone. As of March 2022, the Copper zone produces approximately 817 tons per day while the Precious Metal zone produces approximately 253 tons per day. The Intermain zone has produced approximately 253 tons per day over January through March in 2022. Ore is moved from the stopes and draw points with mechanized LHD units and then loaded into ore trucks for haulage to the surface. The ore at McCreedy West Mine is hauled to surface and placed on a lined containment pad. Waste rock is dumped directly into previously mined out areas as mine backfill.

Figure 16-1 Illustrates McCreedy West Mine production, 2003-2022” amount of ore sold (dry, short tons), preconcentrated due to XRT sorting. Figure 16-2 to Figure 16-5 identify areas of 2023 production.

Figure 16-1 McCreedy West Mine Production, 2003-2022 (KGHM, 2023)

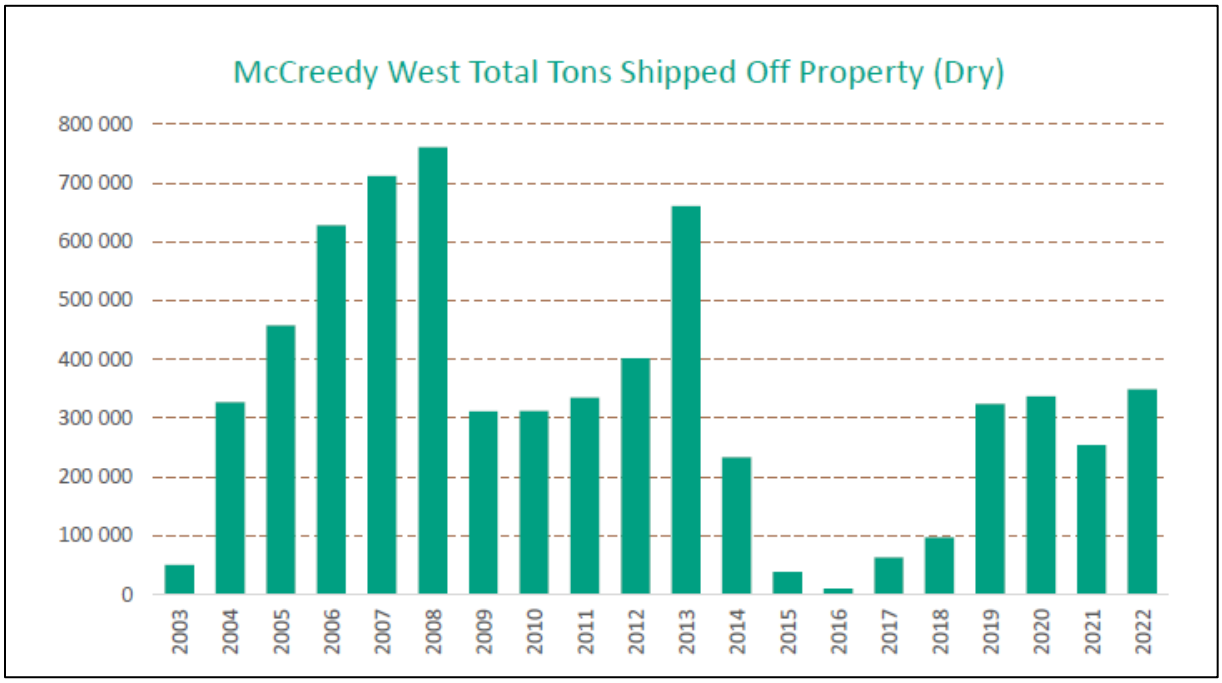


Figure 16-2 2023 Q1 Production (KGHM, 2023)

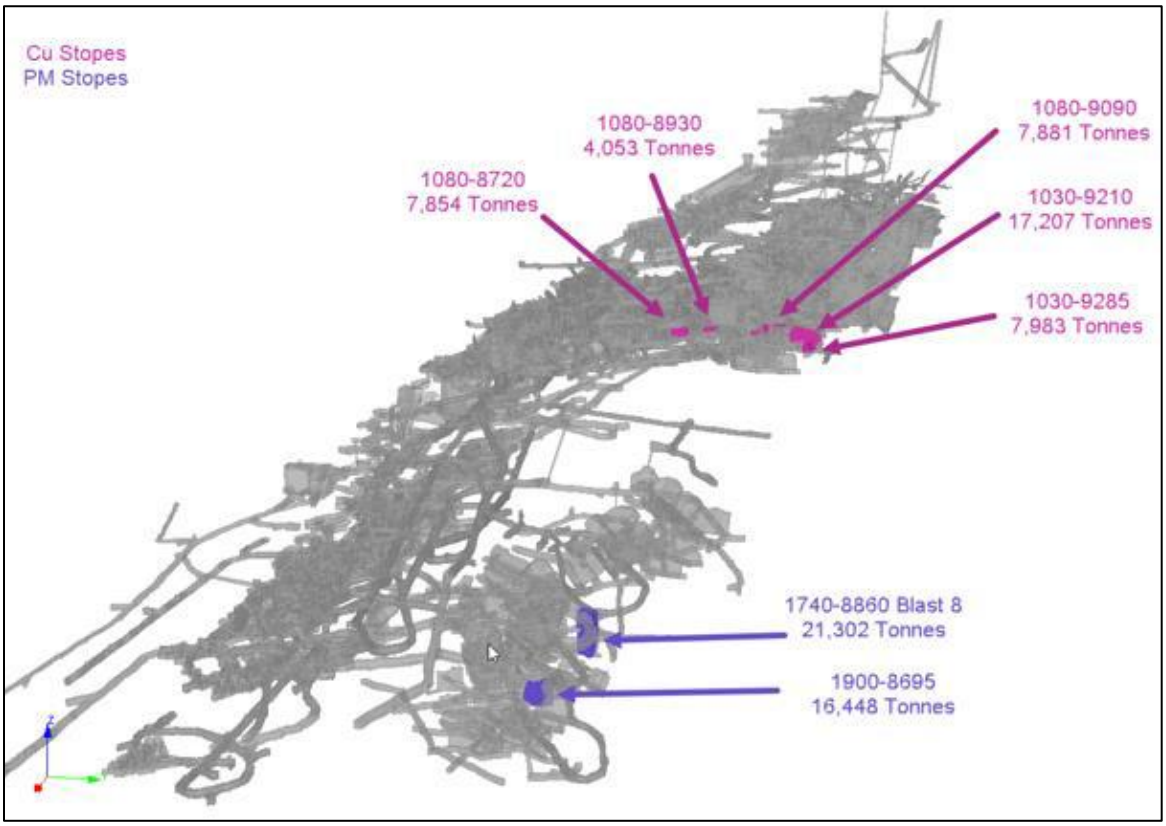


Figure 16-3 2023 Q2 Production (KGHM, 2023)

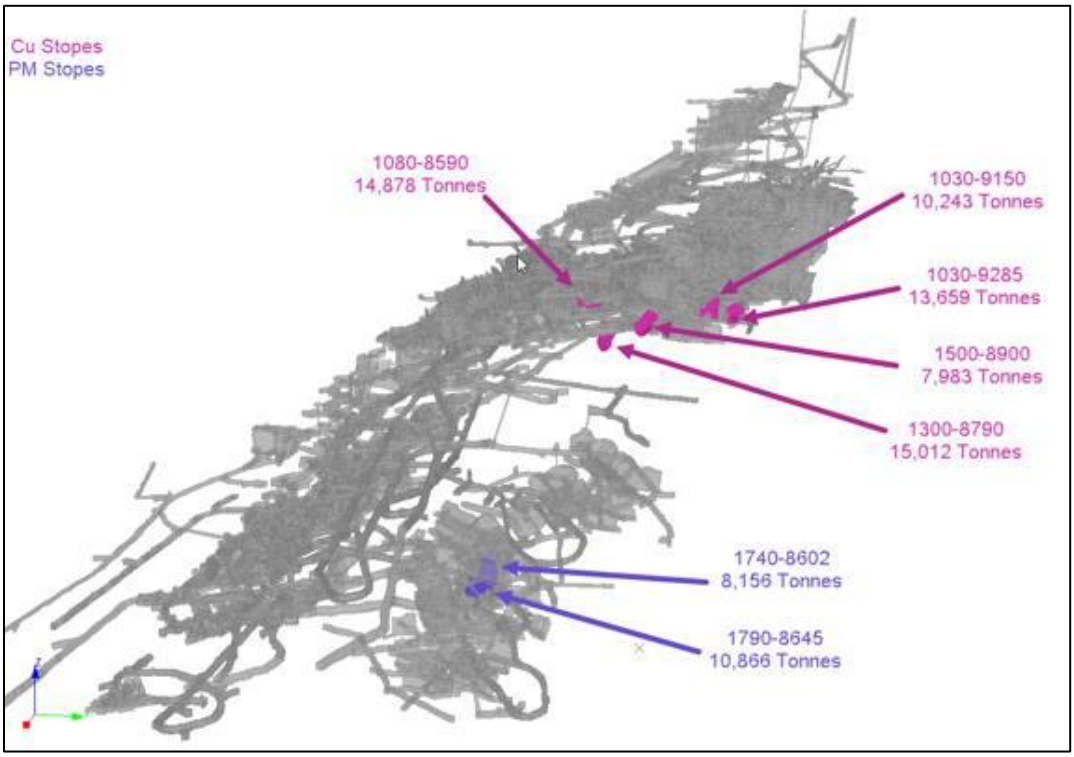


Figure 16-4 2023 Q3 Production (KGHM, 2023)

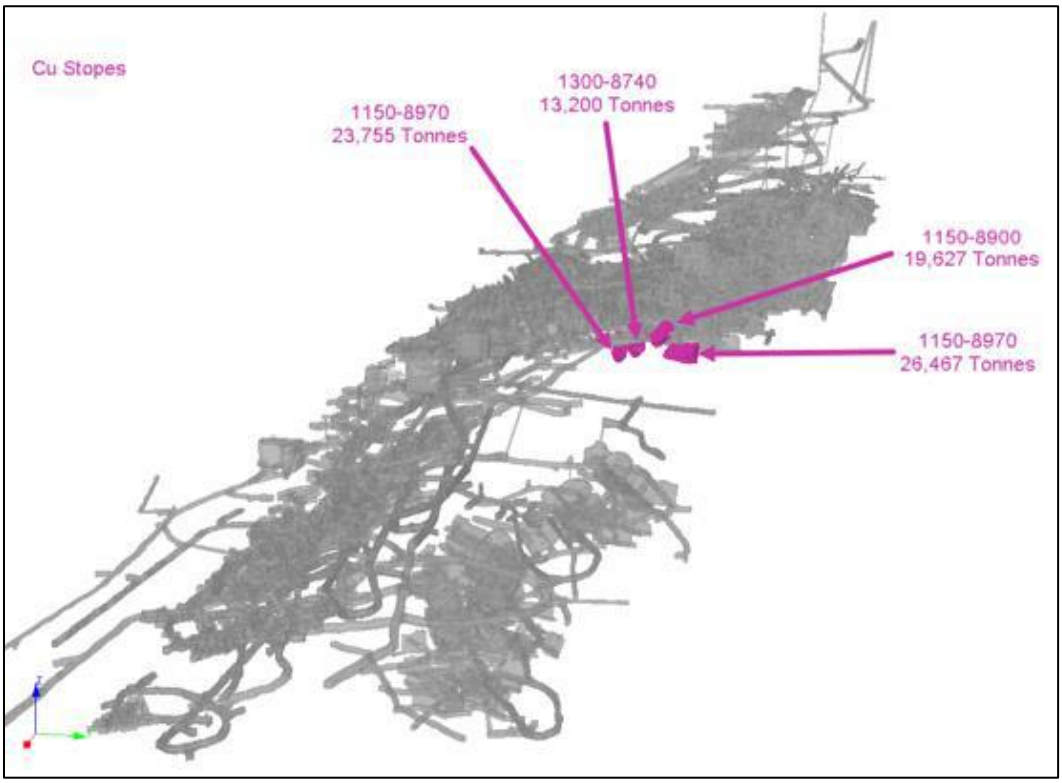
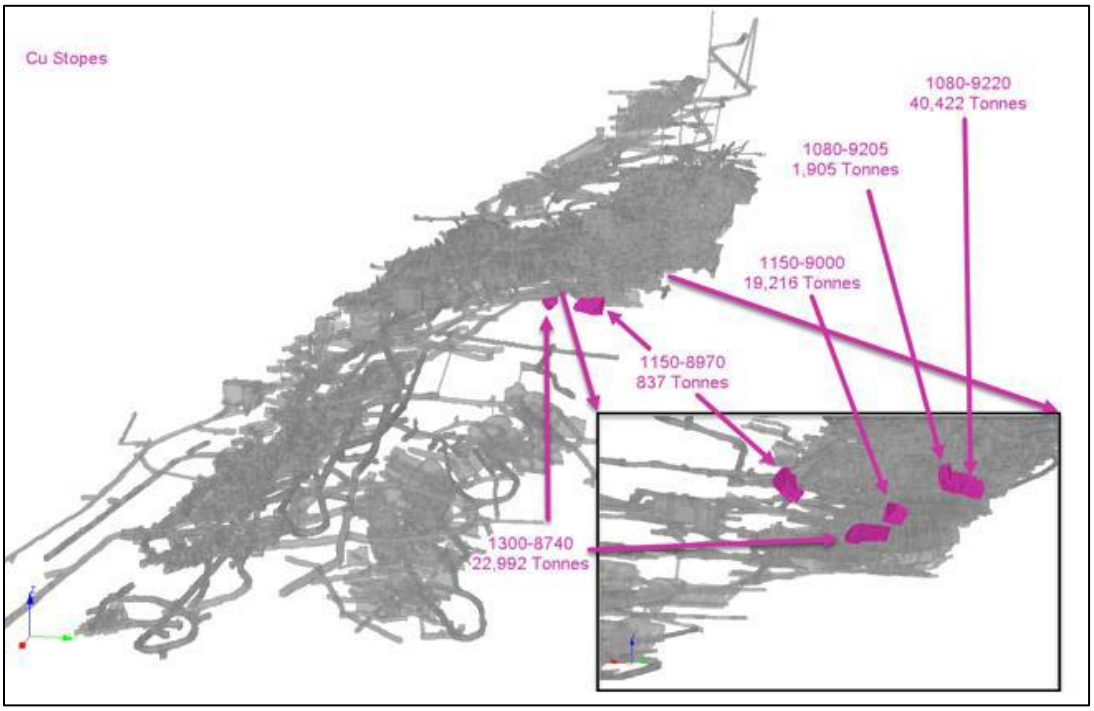


Figure 16-5 2023 Q4 Production (KGHM, 2023)



16.3 Maintenance

Underground mining equipment is utilized to access and produce ore from McCreedy West Mine. Mining equipment located underground includes mobile underground vehicles consisting of scoop trams, scissor-lift trucks, 36-, 42-, and 50-ton haul trucks, boom trucks, Maclean rockbolter, jumbo drills, grader, lube truck, explosives loaders and various other equipment. Stationary underground equipment includes electrical cables and equipment, ventilation fans and tubing, etc.

McCreedy West Mining equipment is presented in the Table 16-1.

Additionally, currently there is equipment at the mine site (both underground and on the surface) that is not in service, as presented in Table 16-2.

Table 16-1 McCreedy West Mining Equipment (KGHM, 2023)

Unit Number	Type	Description	Location
SC-149	Scooptram	SCOOPTRAM ATL ST710	Underground
8040	Scooptram	SCOOPTRAM ATL ST7.5Z	Underground
8051	Scooptram	SCOOPTRAM ATL ST1520	Underground
8054	Scooptram	SCOOPTRAM ATL ST1520	Underground
SC-137	Scooptram	SCOOPTRAM ATL ST10300	Underground
8070	Scooptram	SCOOPTRAM ATL ST7.5Z	Underground
8071	Scooptram	SCOOPTRAM ATL ST7.5Z	Underground
SC-143	Scooptram	SCOOPTRAM ATL ST1030	Underground
8116	Drill	DRILL ATL RB282	Underground
8125	Drill	DRILL ATL RB104	Underground
8227	Haul Truck	HAUL TRUCK ATL MT5020	Underground
8236	Haul Truck	HAUL TRUCK ATL MT436B	Underground
8237	Haul Truck	HAUL TRUCK ATL MT436B	Underground
8240	Haul Truck	HAUL TRUCK Atlas Copco MT42	Underground
8241	Haul Truck	HAUL TRUCK Atlas Copco MT42	Underground
8302	Scissor Lift	SCISSOR LIFT MNE SL3	Underground
8303	Scissor Lift	SCISSOR LIFT MNE SL3	Underground
8401	Boom Truck	BOOM TRUCK MNE BT3	Underground
8451	Grader	GRADER CAT 135H	Underground
8476	Utility Vehicle	Fuel/Lube Truck	Underground
8630	Utility Vehicle	UTILITY VEHICLE IND MINECAT	Underground
8631	Personnel Carrier	PERSONNEL CARRIER IND MINECAT	Underground
8641	Utility Vehicle	UTILITY VEHICLE TOYOTA	Craig Mine
8648	Cassette Carrier	CASSETTE CARRIER MNE CS3-004	Underground
8653	Pickup Truck	PICKUP TRUCK 1500	Craig Mine
8660	Personnel Carrier	PERSONNEL CARRIER IND UT99	Underground
8661	Personnel Carrier	PERSONNEL CARRIER IND UT99	Underground
8665	Personnel Carrier	PERSONNEL CARRIER IND UT99	Underground
8666	Personnel Carrier	PERSONNEL CARRIER IND UT99	Underground

Table 16-2 McCreedy West out of use mining equipment (KGHM, 2023)

Unit Number	Type	Description	Location
8045	Scooptram	SCOOPTRAM ATL ST710	Underground
8065	Scooptram	SCOOPTRAM ALT ST8B	Underground
8115	Drill	DRILL ATL RB282	Underground
8124	Drill	DRILL ATL RB104	Underground
8196	Drill	DRILL ATL RB322	Underground
8226	Haul Truck	HAUL TRUCK ATL MT5010	Surface
8230	Haul Truck	HAUL TRUCK ATL MT5010	Surface
8232	Haul Truck	HAUL TRUCK ATL MT5010	Surface
8234	Haul Truck	HAUL TRUCK ATL MT5010	Surface
8235	Haul Truck	HAUL TRUCK ATL MT436B	Surface
8239	Haul Truck	HAUL TRUCK ATL MT436B	Surface
8304	Scissor Lift	SCISSOR LIFT GETMAN A-64	Underground
8325	Scissor Lift	SCISSOR LIFT M40	Underground
8340	Scissor Lift	SCISSOR LIFT M60	Underground
8621	Utility Vehicle	PERSONNEL CARRIER MNE MACLEANS	Underground
8632	Utility Vehicle	UTILITY VEHICLE IND MINECAT	Surface
8644	Tractor	JOHN DEERE 210 LOADER	Underground
8652	Pickup Truck	PICKUP TRUCK F150 (2007)	Surface
8731	Crane	CRANE	Underground
8770	Mucking Machine	MUCKING MACHINE LM56	Underground
8846	Long Tom	LONG TOM	Underground
8856	Skid Steer Loader	SKID STEER LOADER KOM SK74-5	Surface

16.4 Geotechnical aspects

Ground support for all development is determined based on the specific ground conditions encountered in that area as well as size of the opening, existing geological structure, direction of development in relation to the principal ground stress and proximity of other nearby openings.

Ground support is installed from scissor-lift trucks or muck-pad using handheld equipment. A mechanized bolting unit is used in larger areas where possible. Stope lifts are mined between 13 ft and 15 ft high depending on overall ore geometry. Rebar and split sets and/or super swellex bolts, as well as wire mesh screen are used for primary ground support in stopes and accesses. To limit ore losses and increase overall ore recovery in wider stopes, spin cables, super swellex, cable bolts or shotcrete post pillars may be used to provide additional ground support.

In general, the minimum ground support standard at the mine includes:

- Wall ground support: bolt on 3-2-3 pattern (Figure 16-6). Wall bolts installed 6 ft from the floor, screen 8 ft from the floor. Screen walls to 3 ft from face with one row of safety bolts at 1.5 ft from the edge of screen (Figure 16-7). 5 ft split sets may be replaced by 6 ft rebar at all times. In addition, 6 ft rebar can be replaced with 5 ft split sets (or longer) in case rebar installation proves impractical due to ground conditions, etc. Rebar bolts are used in permanent openings.
- Background support: bolt on 3-2-3 pattern (Figure 16-6). Bolt and screen tight to the face. Length of ground support must follow outlines presented in Table 16-3.

- General screening notes: use of standard screen size 6 ft x 11 ft #6 gauge galvanized 4” x 4” springs welded mesh.
- Face bolting and screening: minimum 5 ft split sets and #6-gauge screen. Bolt and screen to within 8 ft from the floor on 3-0-3 pattern (Figure 16-8).
- Longer supplementary support will be required for spans in excess of 32 ft.
- Previously developed areas are assessed on a case-by-case basis.
- Engineering determines wall and face support for faces higher than 24 ft.

Table 16-3 Ground support Requirement (KGHM, 2023)

Spans	Back	Walls	Face
6” to 10”	4’ rebar	For opening heights less than 12’ 4” rebar on 5” split sets are installed. For opening heights greater than 12’ 6” rebar or 5” split sets are installed	min 5’ split sets and #6 gauge screen on 3-0-3 pattern are installed, maximum 8 ft from the ground
10” to 21”	6” rebar		
21” to 28”	8” rebar		

Figure 16-6 3-2-3 bolting Pattern (KGHM, 2023)

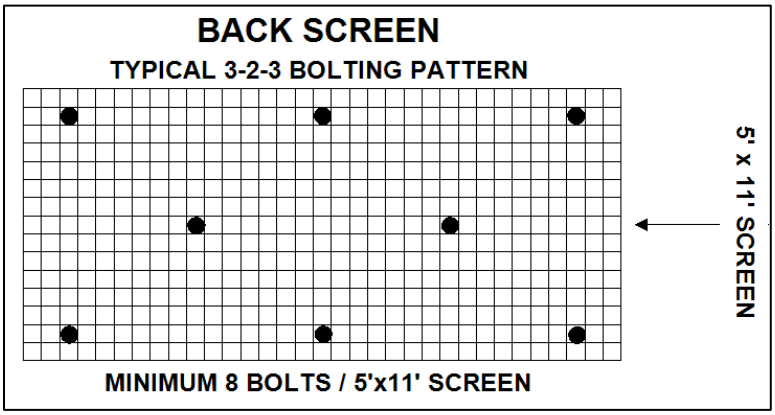


Figure 16-7 Wall Screening and Bolting Standard Requirements, Minimum Requirement (KGHM, 2023)

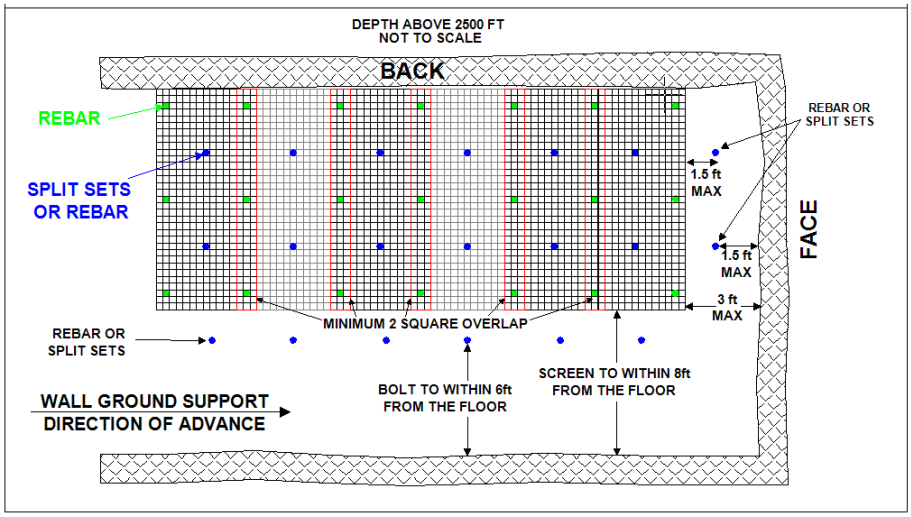
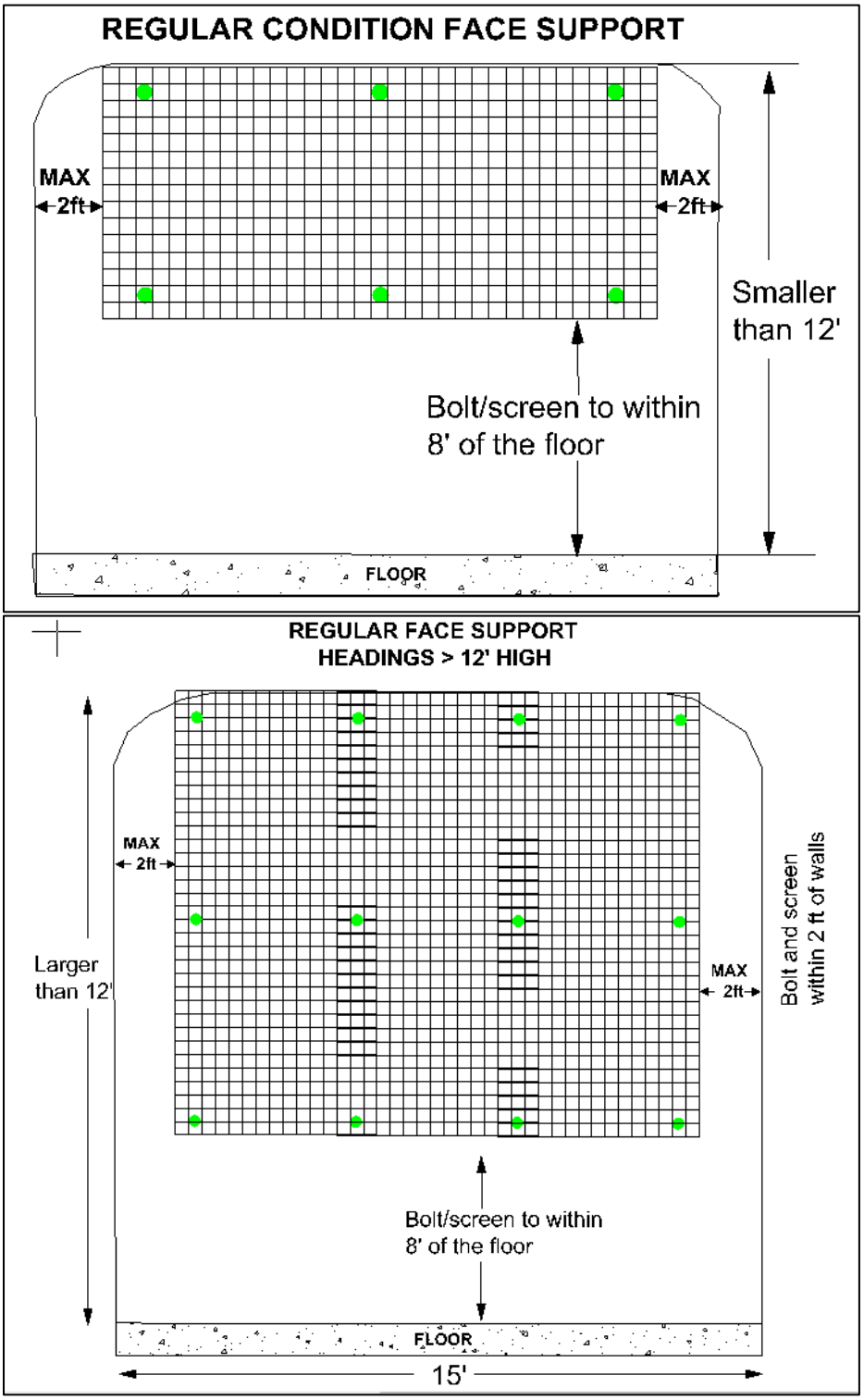


Figure 16-8 Face Bolting and Screening Standard, Gravity Conditions, All Headings Above and Below 12 Ft High (KGHM, 2023)



17 RECOVERY METHODS

This section does not apply to the Technical Report.

18 PROJECT INFRASTRUCTURE

18.1 Site Characteristics

Prior to FNX reopening the site, the majority of Vale's equipment and buildings at the site had been removed. Since operating on the site, FNX has commissioned buildings and infrastructure to support mining operations. An inventory of the buildings and infrastructure as of 2022 is presented in Table 18-1.

The access road to McCreedy West is gravel based and was paved from the site entrance gate to the new Security Building in 2007. The parking lots and the roads in the east yard are all gravel based and gravel surfaced.

McCreedy West infrastructure description is provided in Table 18-2.

McCreedy West surface infrastructure site plan (from Closure Plan) is presented in the Figure 18-1.

Table 18-1 McCreedy West Building and Infrastructure Inventory (KGHM, 2023)

Building/Infrastructure	Size	Area (sq. ft.)	Type	Use	Additional Notes
McCreedy West Substation	36' x 70'	891	Electrical	Power supply	Area around substation is fenced.
No. 1 Fresh Air Raise/Control Room	14' x 26' 16' x 36'	360 576	-	Ventilation	-
Return Air Raise	N/A	N/A	-	Ventilation	Area is fenced.
Escapeway/Service Raise	12' x 12'	144	-	Mine Services	In a building with a steel, lockable door.
Pumphouse	17' x 16'	267	-	Conveyance of water	-
No. 2 Fresh Air Raise/Control Room	18' x 40'	720	-	Ventilation	-
Office Trailers/Complex	65' x 60'	2880	Three Trailers	Administration	-
Men's Drys (1-3,5,6,8,9)	95' x 65'	780	7 Trailers	Change facilities	-
Admin Office Trailer (#7)	15' x 65'	975	Trailer	Boardroom and Offices	-
Safety and Training Trailer	25' x 60'	1488	Trailer	Administration	-
Women's Dry Trailer (#4)	15' x 40'	504	Trailer	Change facilities	-
Secondary Crusher Enclosure	60' x 90'	5562	Steel	Material handling	-
Sample Tower	14' x 17'	252	Metal Clad	Material handling	-
Scale/Scale House	10' x 18'	180	-	Holds Scale	-
Warehouse	60' x 40'	1904	Multiple Seacans	Equipment and parts storage	Portable
Storage Trailers	10' x 40'	400	Trailer	Equipment and parts storage	-
Surface Fueling Station	30' x 60'	1891	Metal Clad	Fuel Supply	-
New Fluids Storage Facility	10' x 30'	320	Steel	Industrial Liquid and Industrial Waste Storage	Sits atop a concrete containment tank with steel grate floor.
New Compressor Building	30' x 60'	1800	Metal Clad	Air Supply	-
Electrical Shop	40' x 45'	1150	-	Maintenance	-

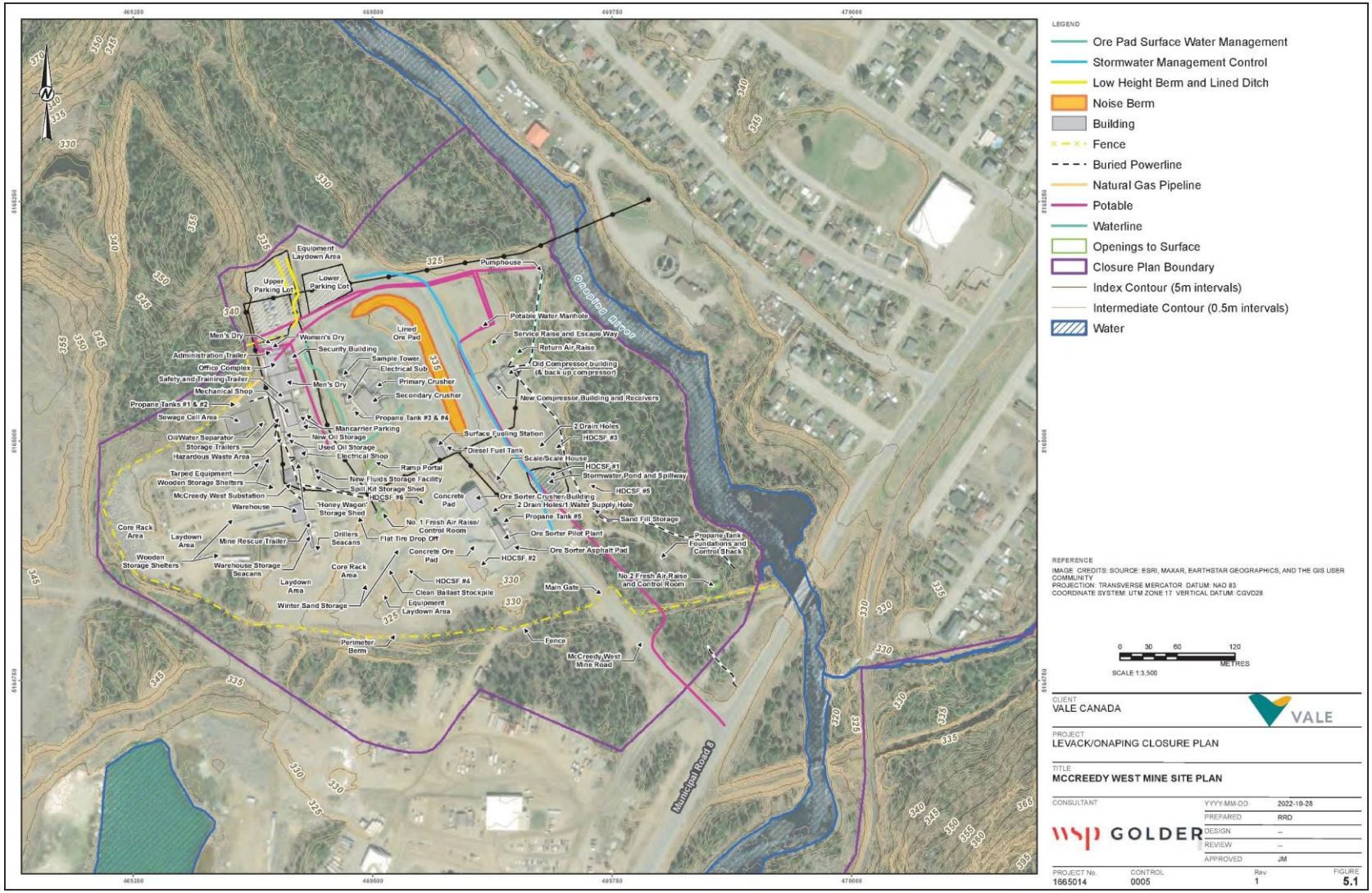
Building/Infrastructure	Size	Area (sq. ft.)	Type	Use	Additional Notes
Ore Sorter Crusher Building	58’ x 71’	4500	Fabric Sided, Steel Frame	Material handling	-
Ore Sorter Pilot Plant	30’ x 81’	5000	-	Material handling	-
Ore Sorter Asphalt Pad	N/A	23500	-	-	Surrounds Ore Sorter Pilot
Spill Kit Storage Shed	10’ x 10’	100	Metal Shed	Storage of Spill Kit and empty used containers.	Sits atop of concrete pad.
'Honey Wagon' Storage Shed	12’ x 12’	150	-	Equipment storage	-
Administration Trailer	15’ x 65’	975	Metal Shed	Administration	-
Security Building	20’ x 30’	600	-	Security	Known historically as the “Security Guard Shack”.
Millwright Shop	30’ x 40’	1200	Metal Clad	Millwright shop, process water tank	Includes back up compressor. Historically called Cold Storage.
Wooden Storage Shelters	10’ x 68’ 10’ x 68’	680 680	Wood	Equipment and parts storage	-
Mechanical Shop	40’ x 80’	3200	Metal Clad	Surface Maintenance Shop, supervisor wickets, offices	Historically called “Shifter’s Office”.
Drillers Seacans	10' x 40'	400	Seacan	Equipment and parts storage	Historically labelled “Contractor's Trailers”.
Warehouse Storage Seacans	10’ x 80’	800	Two Seacans	Equipment and parts storage	Historically labelled “Contractor's Trailers”.
New Oil Storage	12’ x 20’	240	Storage Container	Industrial Liquid Storage	Storage of new oil, lubricants or other industrial liquids. Heated, sits on concrete pad.
Used Oil Storage	16’ x 20’	320	Storage Container	Hazardous Waste Storage	Storage of waste oil tote Heated and sits atop a concrete pad.
Diesel Fuel Tank	35,000 L	N/A	Tank	Fuel	-
Propane Tank Foundations and Control Shack	10’ x 10’	100	Foundations	Fuel	-
Mancarrier Parking	18’ x 95’ 18’ x 60’	1710 1080	Fabric Sided, Steel Frame Garage and Trailer	Parking for Mancarriers	-
Electrical Sub	20’ x 25’	500	Electrical	Power Supply	Contains electrical switch room.
Oil/Water Separator	10’ x 20’	200	Seacan	Hazardous Waste Storage	-
Mine Rescue Trailer	10’ x 30’	300	Trailer	Administration	-

Building/Infrastructure	Size	Area (sq. ft.)	Type	Use	Additional Notes
Electrical Sub	20’ x 25’	500	Electrical	Power Supply	Contains electrical switch room.
Oil/Water Separator	10’ x 20’	200	Seacan	Hazardous Waste Storage	-
Mine Rescue Trailer	10’ x 30’	300	Trailer	Mine Rescue sub station	-
Main Gate	26’	N/A	Gate	Security	-
Equipment Laydown Area (N)	N/A	4200	-	Storage of equipment.	-
Equipment Laydown Area (S)	N/A	15800	-	Storage of equipment.	-
Upper Parking Lot	N/A	28500	-	Parking	-
Lower Parking Lot	N/A	13000	-	Overflow parking	-
Sewage Cell Area	60’ x 38’	2300	-	Sewage	-
Tarped Equipment	38’ x 20’	760	Equipment	Storage	-
Laydown Area (x2)	N/A	N/A	-	Storage	-
Concrete Ore Pad	N/A	7200	Concrete	Storage	-
Flat Tire Drop Off	N/A	N/A	Wood Bunk	Storage of tires.	-
Concrete Pad	N/A	500	Concrete	-	Consists of two small pads.
Sand Fill Storage	N/A	N/A	Stockpile	Storage	Temporary storage location.
Potable Water Manhole	7.5’ x 7.5’	N/A	Manhole	-	-
Lined Ore Pad	N/A	32000	-	Storage of “Active Stockpile”	“Active Ore Stockpile” is transient in nature as the ore is moved daily.
Clean Ballast Stockpile	N/A	2300	Stockpile	Stockpile for underground road material.	Located near core storage.
Core Racks Areas	N/A	N/A	Core Racks	Core Rack Storage	

Table 18-2 Underground Infrastructure Description (ventilation, dewatering, electricity, maintenance/truck shop, etc.) (KGHM, 2023)

Ventilation	Dewatering	Electrical	Shops
FAR #1 FAR #2	Cascading sumps to 1500 settling sumps, discharge via HDPE pipe on 1600L to Levack Mine	-3 x 4160V Circuits -~22 x 4160/600 Mine power center transformers UG	Surface - mobile equipment shop UG – 1050L mobile equipment Shop

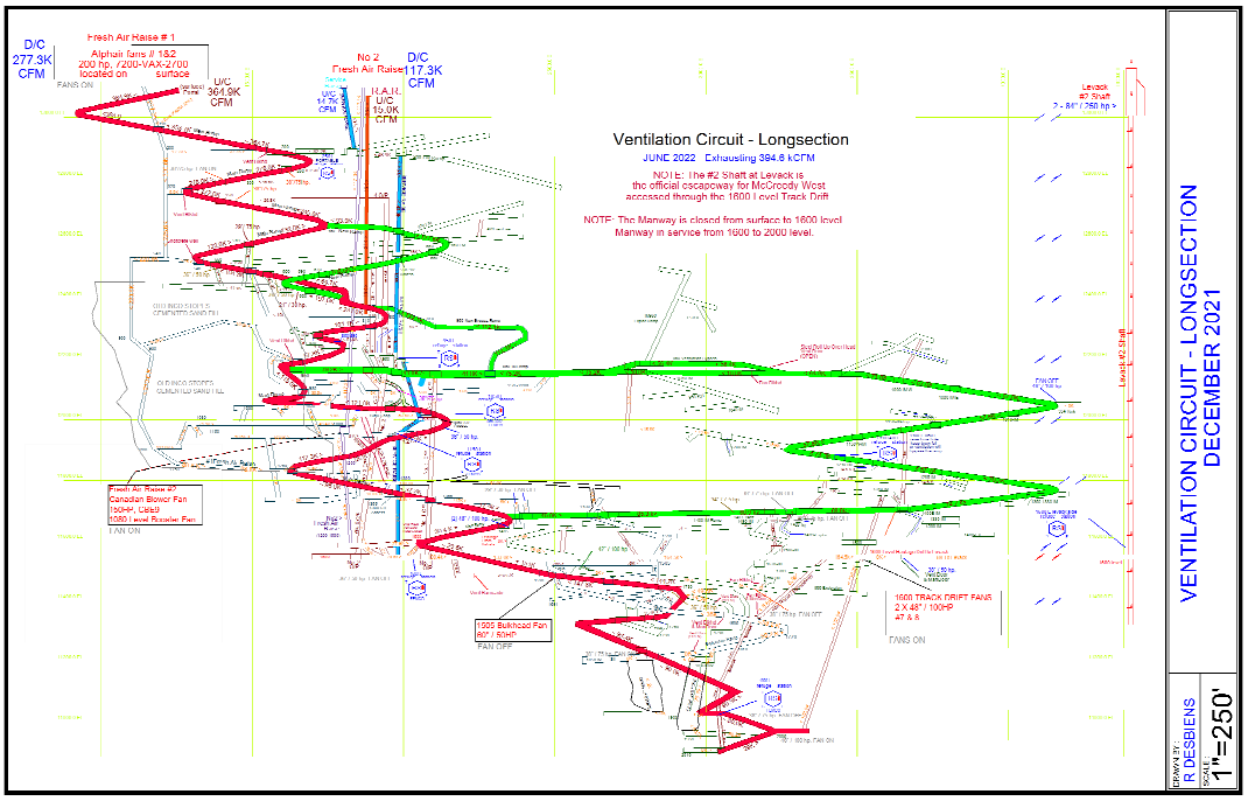
Figure 18-1 McCreedy West Mine Site Plan (KGHM, 2023)



Ventilation

A schematic of the ventilation circuit is presented in Figure 18-2. The main ventilation system is a positive pressure system capable of supplying 480,000 CFM of fresh air through two fresh air raises (FAR#1 280,000 CFM; FAR#2 140,000 CFM). The main exhaust routes include the main access ramp to surface (380,000 CFM), a regulated (open) return air raise (85,000 CFM) and a service raise to surface (15,000 CFM).

Figure 18-2 McCreedy West Mine Ventilation (KGHM,2023)



18.2 Surface Equipment

Limited mobile equipment is present on surface and consists of equipment required to maintain roadways, provide maintenance to the site (shop equipment), and transfer waste rock and ore for storage, processing, and/or haulage offsite.

Surface equipment consists of front-end loaders, an excavator with rock breaker, forklifts and air compressors. Facilities supporting surface activities include:

- Surface Fueling station, with 35,000 liter double walled diesel tank and 800 gallons spill containment/holding tank beneath Quonset style building,
- Water pump and pumphouse.

Surface portable primary and secondary crushers (housed in crusher buildings) and Sample Tower:

- Ventilation fans (2 x 150 hp in the No. 1 Fresh Air Raise), mine air heaters,
- Propane tanks (3 x 1000 gallon tanks and 2 x 2000 gallon tanks),

- Portable storage containers,
- Weigh Scale.
- Contractor's equipment, including diamond drill rods, spare parts and storage trailers; and,
- Ore Sorter Pilot Plant and Ore Sorter Crusher housed in buildings.

A current inventory of all mobile mining equipment located on-site is provided in Table 16-1.

18.3 Power and Water

18.3.1 Power

A 69-kV power line extends approximately 1.6 km from the main Vale Crean Hill transmission line to the McCreedy West substation. The substation is located at the southwest corner of the electrical shop trailer. Power to the line can be controlled by a switch at the Crean Hill Line, by the Vale Power #1 Substation.

The main power distribution for McCreedy West Mine is 4160 V, which is the secondary voltage from the main line (69 000 V). In addition, a 4160 V line from the Electrical Substation at McCreedy West supplies power to the groundwater recharge pumps for the Levack potable water supply wells, which are located 0.75 km north of the Electrical Substation on the east bank of the Onaping River. In 2007, a 4160 V power line was installed, running from the Electrical Substation down to the New Compressor Building. In 2011, the ampacity of this line was increased to 950 amps. In the New Compressor Building, there is a 1500 kVa transformer which transforms down to 600 V secondary voltage, which feeds three compressors. A feeder line then leaves the New Compressor Building and feeds a sub-panel in the Old Compressor Building which then feeds the No. 2 Fresh Air Raise and the Pumphouse on the west side of the Onaping River. This pump is used to supply mine water.

On-site lines and cables include:

- Existing Vale cables, which feed the No. 1 Fresh Air Raise switch room, two 3/C #4/0 1000 volt tech cables,
- High voltage Circuit #1, Circuit #2, and Circuit #3 which feed to underground are steel wire armored cables,
- One 600 volt, and one 50 pair telephone line,
- Buried 600V powerline, 3/C #2 tech cable, which used to feed the No. 2 Fresh Air Raise,
- One surface, contained (box) 3/C #4/0 (4160 volt) line which feeds the underground 200 level switch room (#3 Circuit) down the Escapeway Raise from the Old Compressor Building; #4 Circuit is proposed for installation at a future date following the same path,
- Buried, 3/C 4/0 (4160 volt) tech cable, leaving the surface Electrical Substation to feed the electrical switchroom (Electrical Sub) at the Secondary Crusher Building,
- Buried fiber optic and buried phone cable, which runs from behind the existing Office Trailers/Complex (conduit location) along the new pole line, (adjacent to the pad/parking area) down to the Scale/Scale House and Security Building,
- Installation in 2011 of a 950-ampacity overhead line to a pole by the Ore Sorter Pilot Plant then down the pole via a 4/0 high-voltage deck (5KV) to feed the Ore Sorter Pilot Plant.

Power to the parking lots on-site is fed from the electrical switch room at the Secondary Crusher Building.

Power and water (and gas and fresh water supply) information, source, equipment, infrastructure is included in Table 18-3.

Table 18-3 Power, Water (including fresh water) and Gas Supply Summary (KGHM, 2023)

Power Source	Service Water (Drys, Offices)	UG Process Water	Mine Ventilation Air Heaters	Building Heaters
Vale Grid	Greater City of Sudbury	Onaping River, recycled storm water	Enbridge Natural Gas	Propane

18.3.2 Water

The main potable water line for McCreedy West consists of a 6” diameter pipe which runs north along the access road to the McCreedy West parking lot. The source for this water is the City of Greater Sudbury pump house located on Regional Road 8. The potable water pipeline runs to a manhole, approximately 60 ft north of the Service Raise and Escapeway Raise. The potable water supplies water to the site Dry and Office Complex. The potable water supply was disconnected in the period from 1997 to June 2002. The potable water supply was re-activated in June 2002 to provide water for dry facilities on-site, as required with the re-start of underground operations.

Process water drawn from the Onaping River is pumped to the Old Compressor Building where a water-holding tank receives water from the pumphouse and holds water prior to being piped underground for use as service water for underground equipment. A flow meter installed on the line coming into the Old Compressor Building monitors the volume of water. The water line is sent underground via the Service Raise. Compressed air is also provided underground via this Service Raise. In March 2003, a New Compressor Building was erected near the Service Raise which houses compressor equipment and a mine water storage tank as required for mining operations. This building is serviced by the #3 Circuit cable, which also runs down the Escapeway to service the 200-level switch room.

Natural gas is supplied to The Mine by the main gas line which runs alongside Regional Road Number 8. The main line runs to No. 1 Fresh Air Raise, while an offshoot of this main line provides gas to the heater house at No. 2 Fresh Air Raise, near the Onaping River.

18.4 Tailings Storage Facilities

Currently there are no impoundment structures or waste management facilities located at McCreedy West Mine site.

19 MARKET STUDIES AND CONTRACTS

This section does not apply to the Technical Report.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

McCreedy West Mine (Mine) is located in the City of Greater Sudbury, which has hosted exploration, mining and mineral processing for over 100 years. Production from the Mine commenced in the early 1970s and it is part of the Levack-Onaping Mine Complex.

20.1 Environmental Setting and Studies

The climate in the region is characterized by moderately long, cold winters and shorter, warm summers. The area experiences a wide variation in temperature throughout the year. In winter months, the temperature may drop below -20°C for extended periods. In the summer, the maximum daily temperature may reach over 25°C for extended periods. Canadian Climate Normals (1981 to 2010) for the Sudbury airport estimate average annual total precipitation at 903 mm, with 676 mm falling as rain and 228 mm (water equivalent) falling as snow. The Sudbury airport is located approximately 45 km northeast of the Mine.

The topography in the region is rugged, with rock knobs representing the dominant bedrock landform. These knobs are often bare or covered with a meter or less of boulder-strewn sandy till, thickening between the highs to between 2 m and 10 m. Slopes are generally steep and complex, and relief ranges between 15 m and 80 m. The exposed rock knobs themselves are well drained. Organic deposits that are often found confined between outcrops are generally observed to be low-lying and wet.

The Mine is within the Onaping River watershed, which eventually discharges to the Spanish River and drains to Lake Huron. The Onaping River receives water discharge from the Levack-Onaping Mine Complex and is subject to a robust monitoring program pursuant to provincial requirements and the federal *Metal and Diamond Mining Effluent Regulations* that are promulgated under the *Fisheries Act*.

Wildlife species such as moose, bear, deer, partridge, foxes, ducks, otter, and beaver are known to be present in the area. Presently, no species at risk or habitat features at the Mine have been identified that warrant consideration under Ontario's *Endangered Species Act.*

Culturally sensitive areas and areas with a high potential to host an archaeological or cultural heritage value have not been identified to date.

20.2 Permitting

The environmental assessment (EA) and permitting framework for metal mining in Canada is well established. The EA processes provide a mechanism for reviewing projects to assess potential impacts to the environment. A comprehensive permitting process is completed to allow operations to proceed. The project is then regulated through all phases (construction, operation, closure, and post-closure) by both federal and provincial agencies. This section summarizes permitting requirements for the Project.

20.2.1 Federal Impact Assessment Requirements

The Mine is an existing operation and there is no requirement for a federal impact assessment pursuant to the *Impact Assessment Act*. Additionally, production rate, expansion potential and physical activities associated for the Mine are below the thresholds in the *Physical Activities Regulations* that is promulgated under the *Impact Assessment Act*.

20.2.2 Provincial EA Requirements

The Mine is an existing operation and there is no requirement for a provincial EA pursuant to the *Environmental Assessment Act*.

20.2.3 Permits

The permits from environmental government agencies that are in place for the Mine are listed in Table 20-1. Permit renewals or amendments for modifications to the Mine are obtained in due course.

Table 20-1 Issued Permits

Permit (as may be amended)	Legislation	Government Agency	Comment
Permit to Take Water 7524-AS4HDR	Ontario Water Resources Act	Ministry of Environment, Conservation and Parks (MECP)	Authorizes water taking from Onaping River
Environmental Compliance Approval – Air 4467-8UZHR9	Environmental Protection Act		Authorizes emissions to air
Environmental Compliance Approval – Sewage 5940-7YCQYS	Environmental Protection Act		Authorizes operation of domestic sewage disposal system
Environmental Compliance Approval – Sewage 7198-9CQP73	Environmental Protection Act		Authorizes storm water management system
Levack-Onaping Closure Plan	Mining Act	Ministry of Mines (Mines)	Vale is the proponent for this closure plan, which authorizes the development, operation and closure of its Levack-Onaping Mines, including McCreedy West Mine. Vale amends the Closure Plan as needed to authorize material changes to McCreedy West Mine.

20.3 Environmental Aspects and Sensitivities

The Mine is adjacent to the Onaping River and the town of Levack. Accordingly, emphasis is being placed on mitigating potential impacts to water quality in the Onaping River and potential impacts from noise and dust at the neighbouring residential land use.

20.3.1 Water Management

Ore handling is limited to the low-permeability containment pad and mine rock that is brought to surface is temporarily stored here to contain storm water until the mine rock can be returned to the underground workings for use as backfill. Storm water from the containment pad is directed to the underground workings, where it is consolidated with mine water that reports to the interconnected Levack Mine and eventually to the Strathcona water treatment facility. Storm water from other areas at the Mine do not contact mine rock or ore and are managed according to the Environmental Compliance Approval before eventually flowing to the Onaping River. Additionally, operational strategies are employed to reduce freshwater use at the Mine.

20.3.2 Noise

The conditions in the Environmental Compliance Approval are followed to mitigate the risk of noise disturbance to surrounding residential land uses.

20.3.3 Fugitive Dust

A Best Management Practices Plan for Fugitive Dust Control is followed, along with conditions in the Air Environmental Compliance Approval are followed to mitigate the risk of dust being generated at the Mine.

20.4 Social and Community

The region that hosts the Mine is within the Greater City of Sudbury and lands that are used by Indigenous communities to exercise their Aboriginal and treaty rights.

20.4.1 Indigenous Consultation

Aboriginal and treaty rights of Indigenous communities are protected under Section 35 of Canada's *Constitution Act.* The federal and provincial governments share the duty to consult Indigenous communities regarding developments and any required permitting process. Government agencies will provide coordinated guidance regarding the consultation that is required for permit amendments and the aspects of the consultation process that will be delegated to the proponent.

20.4.2 Public Consultation

Consultation with the local community is undertaken periodically for the life of a mine. This typically includes meeting with the municipal, provincial and federal levels of government, self-identified groups as well as other interested parties. Consultation typically includes meetings, public information sessions and other communications to ensure stakeholders are aware of the activities at the Mine and are able to contact key staff at the Mine at any time so that concerns can be resolved in an efficient manner.

20.5 Closure

Closure plans must meet requirements of Ontario Regulation 240/00 (as amended). A closure plan outlines how a mine will be rehabilitated to a productive land use post closure that is physically and chemically stable. The closure plan must meet the requirements of the *Mine Rehabilitation Code of Ontario* (Code) and describe the costs associated with doing so, as well as implementing a monitoring program. Closure plans must be amended periodically during the life of a mine when material changes are made, to reflect as-built condition updates and update or adjust financial assurance to ensure it is always adequate to implement the rehabilitation and monitoring in the closure plan. To ensure that the rehabilitation work outlined in a closure plan is successfully performed, financial assurance equal to the estimated cost of the rehabilitation and monitoring work must be provided by the proponent to be held in trust by the Ministry of Mines. Financial assurance must be provided as part of a closure plan.

General elements of the rehabilitation work at the Mine are summarized below.

- Buildings, infrastructure and equipment will be removed and salvaged, recycled or disposed of. Contractor owned items and leased items will be removed by their owners.
- Contaminated soil will be managed in accordance with MECP requirements.
- The containment pad and any overlying materials will be excavated and backfilled to the underground workings.
- The development footprint will be scarified and available soil-sized fill will be placed over the prepared area. The area will be re-vegetated using a suitable seed mix prior to planting seedlings consistent with the surrounding plant community. The proportion of rock exposure and vegetation cover will conform to the local landscape.
- Storm water management system will be decommissioned when runoff meets water quality criteria.

Financial assurance is provided to Vale for the additional costs associated with the incremental liabilities after the Mine was acquired by FNX Mining Company Inc. in 2002. Vale remains responsible for pre-existing liabilities and asset retirement obligations for the Mine.

21 CAPITAL AND OPERATING COSTS

This section does not apply to the Technical Report.

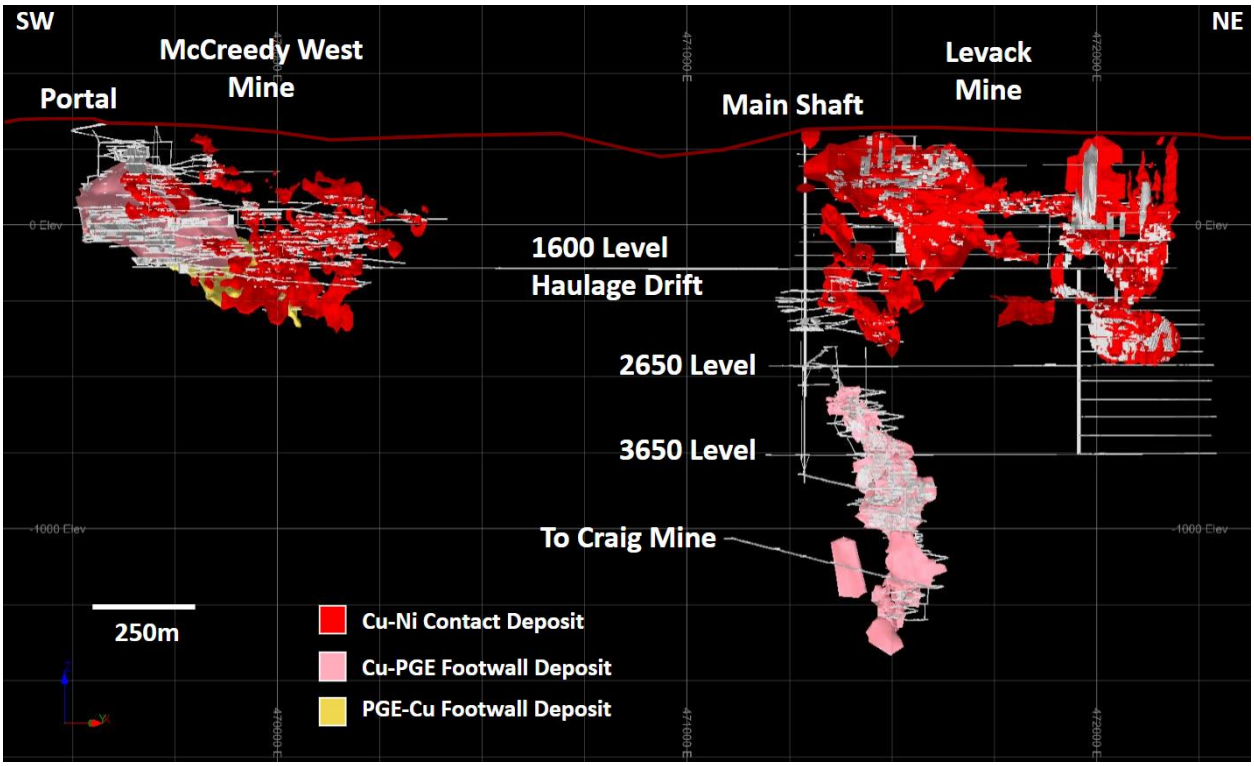
22 ECONOMIC ANALYSIS

This section does not apply to the Technical Report.

23 ADJACENT PROPERTIES

As part of the transaction, Magna Mining Inc. is also acquiring the adjacent past producing Levack Mine. McCreedy West is accessed via ramp from surface and the Levack Mine is accessed via the Main Shaft. The two mines are connected on the 1600 ft level haulage drift.

Figure 23-1 Longitudinal Section showing the McCreedy West Mine and Adjacent Levack Mine Underground Infrastructure



24 OTHER RELEVANT DATA AND INFORMATION

There is no other relevant data or information available that is necessary to make the technical report understandable and not misleading. To the Authors' knowledge, there are no significant risks and uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information or MRE.

25 INTERPRETATION AND CONCLUSIONS

SGS Geological Services Inc. was contracted by Magna Mining Inc. to complete a Mineral Resource Estimate for the McCreedy West copper mine, located near Sudbury, Ontario, Canada, and to prepare a National Instrument 43-101 Technical Report written in support of the MRE. McCreedy West is currently an operating mine.

On September 12, 2024, Magna announced it had entered into a definitive share purchase agreement, dated September 11, 2024, with a subsidiary of KGHM International Ltd. ("KGHM") to acquire a portfolio of base metals assets located in the Sudbury Basin. Magna will acquire the producing McCreedy West copper mine, the past-producing Levack mine ("Levack"), Podolsky mine ("Podolsky") and Kirkwood mine ("Kirkwood") as well as the Falconbridge Footwall (81.41%), Northwest Foy (81.41%), North Range and Rand exploration assets.

The current report is authored by Allan Armitage, Ph.D., P. Geo., and William van Breugel, P.Eng. of SGS. The Authors are independent Qualified Persons as defined by NI 43-101 and are responsible for all sections of this report. The updated MRE presented in this report was estimated by Armitage.

The reporting of the updated MRE complies with all disclosure requirements for Mineral Resources set out in the NI 43-101 Standards of Disclosure for Mineral Projects. The classification of the updated MRE is consistent with the 2014 Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards (2014 CIM Definitions).

The current Technical Report will be used by Magna in fulfillment of their continuing disclosure requirements under Canadian securities laws, including National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). This Technical Report is written in support of an MRE completed for Magna.

25.1 Diamond Drilling

Prior to 2002, Inco Ltd completed a total of 2,019 surface and underground drill holes totalling 807,200 ft (246,035 m). Between 2002 and 2024 FNX/QuadraFNX/KGHM have drilled 6,249 surface and underground drill holes totalling 1,925,157 ft (586,788 m).

25.2 McCreedy West Mineral Resource Estimate

The general requirement that all Mineral Resources have "reasonable prospects for eventual economic extraction" implies that the quantity and grade estimates meet certain economic thresholds and that the Mineral Resources are reported at an appropriate cut-off grade, considering extraction scenarios and processing recoveries. To meet this requirement, the Author considers that the McCreedy West Property mineralization is amenable for underground extraction.

To determine the quantities of material offering "reasonable prospects for economic extraction" by underground mining methods, reasonable mining assumptions to evaluate the proportions of the block model (Indicated and Inferred blocks) that could be "reasonably expected" to be mined from underground are used. Based on the size, shape, and orientation of the deposits, it is envisioned that the deposits may be mined using both bulk and selective mining methods including Longhole Stoping and Mechanized Cut and Fill (MCAF) (mining methods that have long been utilized in the Sudbury region). A selected base-case cut-off grade of 1.1% NiEq is used to determine the underground MRE for the McCreedy West Property mineralization.

The reader is cautioned that the reporting of the underground MRE is presented undiluted and in situ, constrained by continuous 3D wireframe models (considered mineable shapes), and are considered to have reasonable prospects for eventual economic extraction. There are no underground mineral reserves reported at this time.

25.2.1 Mineral Resource Statement

The MRE for McCreedy West is presented in Table 25-1 and includes MREs for the 700 Zone, the PM Zone and the Intermain Zone (Table 25-2).

Highlights of the McCreedy West Property MRE are as follows (exclusive of mined material):

- The underground MRE includes, at a base-case cut-off grade of 1.1% NiEq, 9,345,000 tonnes grading 0.89% Ni, 1.30% Cu, 0.024% Co, 0.96 g/t Pt, 1.10 g/t Pd, 0.45 g/t Au and 5.28 g/t Ag in the Indicated category, and 123,000 tonnes grading 1.60% Ni, 0.75% Cu, 0.047% Co, 0.21 g/t Pt, 0.23 g/t Pd, 0.05 g/t Au and 0.55 g/t Ag in the Inferred category.

Table 25-1 McCreedy West Project Underground Mineral Resource Estimate, December 31, 2023

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	9,345,000	0.89	1.30	0.024	0.96	1.10	0.45	5.28	2.02
Inferred									
1.10	123,000	1.60	0.75	0.047	0.21	0.23	0.05	0.55	2.12

The underground base case cut-off grade of 1.10% NiEq considers metal prices of $8.50/lb Ni, $3.75/lb Cu, $17.00/lb Co, $950/oz Pt, $1100/oz Pd and $1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), 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.

Table 25-2 McCreedy West Project Underground Mineral Resource Estimate by Zone, December 31, 2023

700 Footwall Cu Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	5,230,000	0.70	1.92	0.014	1.08	1.17	0.57	6.48	2.16
Inferred									
1.10	63,000	1.63	1.23	0.040	0.40	0.43	0.10	0.82	2.43

PM Footwall PGE-Cu Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	1,438,000	0.27	0.95	0.002	2.27	2.84	0.82	10.43	1.87

Intermain Contact Ni Zone

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
1.10	2,677,000	1.59	0.27	0.055	0.01	0.02	0.00	0.15	1.83
Inferred									
1.10	61,000	1.58	0.24	0.054	0.01	0.02	0.01	0.27	1.80

McCreedy West Mineral Resource Estimate Notes:

(1) The effective date of the McCreedy West Property Mineral Resource Estimate (MRE) is December 31, 2023. This is the close out date for the final mineral resource models and mine out models (as-builts)

(2) The mineral resource was estimated by Allan Armitage, Ph.D., P. Geo. of SGS Geological Services and is an independent Qualified Person as defined by NI 43-101. Armitage conducted two site visits to the McCreedy Property Mine on two occasions, on August 22-23, 2023 (surface tour) and July 24, 2024 (included an underground tour).

(3) The classification of the current MRE into Indicated and Inferred mineral resources is consistent with current 2014 CIM Definition Standards - For Mineral Resources and Mineral Reserves.

(4) All figures are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.

(5) The mineral resource is presented undiluted and in situ, constrained by 3D grade control resource models, and are considered to have reasonable prospects for eventual economic extraction. The mineral resource is exclusive of mined out material.

(6) 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 most Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

(7) The McCreedy West mineral resource estimate is based on a validated drill hole database which includes data from 7,587 surface and underground diamond drill holes completed between 1970 and March 2024. The drilling totals 2,381,333 ft (725,830 m). The resource database totals 264,268 assay intervals representing 1,103 460 ft (336,335 m) of data.

(8) The mineral resource estimate is based on 3 three-dimensional ("3D") resource models representing the 700 Footwall Cu Zone, the PM Footwall PGE-Cu Zone, and the Intermain Contact Ni Zone. 3D models of mined out areas were used to exclude mined out material from the current MRE. The 3D models and as-builts are based on drill data and mining to December 31, 2023. The 2024 drilling and 2024 production are not considered in the current MRE.

(9) Grades for Ni, Cu, Co, Pt, Pd, Ag and Au are estimated for each mineralization domain using ~5.0 ft (1.52 m) capped composites assigned to that domain. To generate grade within the blocks, the inverse distance squared (ID^2) interpolation method was used for all domains.

(10) Average density values were assigned to each domain based on a database of 45,525 samples.

(11) Based on the size, shape, and orientation of the deposits, it is envisioned that the deposits may be mined using both bulk and selective mining methods including Longhole Stoping and Mechanized Cut and Fill (MCAF) (mining methods that have long been utilized in the Sudbury region). The MRE is reported at a base case cut-off grade of 1.10% NiEq. The mineral resource grade blocks are quantified above the base case cut-off grade and within the constraining mineralized wireframes (considered mineable shapes).

(12) The underground base case cut-off grade of 1.10% NiEq considers metal prices of $8.50/lb Ni, $3.75/lb Cu, $17.00/lb Co, $950/oz Pt, $1100/oz Pd and $1,950/oz Au, metal recoveries of 78% for Ni, 95.5% for Cu, 56% for Co, 69.2% for Pt, 68% for Pd and 67.7% for Au (Ag is not considered), 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.

The McCreedy West MRE has been estimated at a range of cut-off grades to demonstrate the sensitivity of the resource to cut-off grades (Table 25-3). The current MRE is reported at a base-case cut-off grade of 1.10 % NiEq (highlighted).

Values in this table reported above and below the base case 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 estimate to the base case cut-off grade.

Table 25-3 McCreedy West Project Mineral Resource Estimate, at Various NiEq Cut-off Grades, December 31, 2023

Cut-off Grade NiEq (%)	Tonnes	Ni %	CU %	CO %	PT g/t	PD g/t	AU g/t	Ag g/t	NiEq %
Indicated									
0.80	14,039,000	0.72	1.07	0.020	0.81	0.92	0.37	4.81	1.66
1.00	10,690,000	0.83	1.22	0.023	0.91	1.04	0.42	5.12	1.90
1.10	9,345,000	0.89	1.30	0.024	0.96	1.10	0.45	5.28	2.02
1.20	8,209,000	0.94	1.38	0.025	1.00	1.16	0.47	5.43	2.14
1.30	7,223,000	1.00	1.46	0.026	1.05	1.21	0.50	5.59	2.27
Inferred									
0.80	192,000	1.28	0.56	0.041	0.18	0.20	0.05	0.59	1.69
1.00	137,000	1.52	0.70	0.045	0.20	0.22	0.05	0.54	2.01
1.10	123,000	1.60	0.75	0.047	0.21	0.23	0.05	0.55	2.12
1.20	109,000	1.70	0.80	0.049	0.22	0.23	0.05	0.55	2.25
1.30	96,000	1.80	0.85	0.051	0.23	0.22	0.05	0.51	2.38

(1) *All values are rounded to reflect the relative accuracy of the estimate and numbers may not add due to rounding.*

25.3 MRE Risk and Opportunities

The following risks and opportunities were identified that could affect the future economic outcome of the project. The following does not include external risks that apply to all exploration and development projects (e.g., changes in metal prices, exchange rates, availability of investment capital, change in government regulations, etc.).

There is no other relevant data or information available that is necessary to make the technical report understandable and not misleading. To the Authors knowledge, there are no additional risks or uncertainties that could reasonably be expected to affect the reliability or confidence in the exploration information or MRE.

25.3.1 Risks

25.3.1.1 Mineral Resource Estimate

A minor portion of the contained metal of the McCreedy West deposit, at the reported cut-off grade for the MRE, is in the Inferred Mineral Resource classification. It is reasonably expected that the majority of Inferred Mineral resources could be upgraded to Indicated Minerals Resources with continued exploration.

The mineralized structures (mineralized domains) in all zones are relatively well understood. However, all mineralization zones might be of slightly variable shapes from what has been modeled. A different interpretation from the current mineralization models may adversely affect the current MRE. Continued drilling may help define with more precision the shapes of the zones and confirm the geological and grade continuities of the mineralized zones along strike or down dip/plunge.

25.3.2 Opportunities

25.3.2.1 Mineral Resource Estimate

Based on recent exploration work, there is an opportunity in all deposit areas to extend known mineralization at depth and on strike.

26 RECOMMENDATIONS

The McCreedy West Mine property contains significant underground Indicated and Inferred Mineral Resources that are associated with well-defined mineralized trends and geological models. The mine is currently in production, and has been continuously since 1974, with exception of two periods of no production from 1998-2003, and 2015-2018.

The Author is recommending Magna continue definition diamond drilling and re-interpretation, geological and resource modeling as new data becomes available, to facilitate life of mine planning and conversion of resource to reserve. The total cost of the recommended work program by Magna is estimated at C$2.8 million to C$3.4 million based on approximately 20,000 metres of diamond drilling and ongoing geological compilation and interpretation.

Table 26-1 McCreedy West 2025 Drilling Budget

McCreedy West Mine Geology 2025 Diamond Drilling		
Item	**Unit**	**Cost**
Diamond Drilling	18,000 - 22,000	$2,250,000 - $2,750,000
Assays	6,000 - 7,330	$260,000 - $317,633
Geological Compilation and Resource Estimation		$250,000 - $300,000
Total:		**$2,760,000 - $3,367,633**

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28 DATE AND SIGNATURE PAGE

This report titled “Mineral Resource Estimate for the McCreedy West Copper Nickel Mine, Sudbury, Ontario, Canada” dated October 28, 2024 (the “Technical Report”) for Magna Mining Inc. was prepared and signed by the following authors:

The effective date of the report is December 31, 2023.
The date of the report is October 28, 2024.

Signed by:

Qualified Persons	Company
Allan Armitage, Ph. D., P. Geo.,	SGS Geological Services (“SGS”)
William van Breugel, P.Eng.	SGS Geological Services (“SGS”)

October 28, 2024

29 CERTIFICATES OF QUALIFIED PERSONS

QP CERTIFICATE – ALLAN ARMITAGE

To accompany the technical report titled **Mineral Resource Estimate for the McCreedy West Copper-Nickel Mine, Sudbury, Ontario, Canada"** with an effective date of December 31, 2023 (the "Technical Report") prepared for Magna Mining Inc. (the "Company").

I, Allan E. Armitage, Ph. D., P. Geol. of 62 River Front Way, Fredericton, New Brunswick, hereby certify that:

1. I am a Senior Resource Geologist with SGS Canada Inc., 10 de la Seigneurie E blvd., Unit 203 Blainville, QC, Canada, J7C 3V5.

2. I am a graduate of: Acadia University having obtained the degree of Bachelor of Science - Honours in Geology in 1989; Laurentian University having obtained the degree of Master of Science in Geology in 1992; and, the University of Western Ontario having obtained a Doctor of Philosophy in Geology in 1998.

3. I have been employed as a geologist for every field season (May - October) from 1987 to 1996. I have been continuously employed as a geologist since March of 1997.

4. I have been involved in mineral exploration and resource modeling at the grass roots to advanced exploration stage, since 1991, and mineral resource estimation and mineral resource and mineral reserve auditing since 2006, in Canada and internationally. I have extensive experience in load gold deposits, base metal massive sulphide deposits, porphyry deposits, low and intermediate sulphidation epithermal gold and silver deposits, and magmatic Ni-Cu-PGE deposits.

5. I am a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta (P.Geol.) (License No. 64456; 1999), the Association of Professional Engineers and Geoscientists of British Columbia (P.Geo.) (Licence No. 38144; 2012), and the Professional Geoscientists Ontario (P.Geo.) (Licence No. 2829; 2017).

6. 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.

7. I am an author of the Technical Report and responsible for sections 1.1 to 1.5, 1.9, 2 to 14, 15, 23 to 27. I have reviewed all sections and accept professional responsibility for these sections of the Technical Report.

8. I have conducted site visits to the Property on several occasions, including August 22-23, 2023, and July 24, 2024.

9. I have had no prior involvement with the Property.

10. I am independent of the Company as described in Section 1.5 of NI 43-101.

11. As of the effective date of the Technical Report, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

12. I have read NI 43-101 and Form 43-101F1 (the "Form"), and the Technical Report has been prepared in compliance with NI 43-101 and the Form.

Signed and dated October 28, 2024, at Fredericton, New Brunswick.

"Original Signed and Sealed"

Allan Armitage, Ph. D., P. Geo., SGS Canada Inc.

QP CERTIFICATE – WILLIAM VAN BREUGEL, P.Eng.

To accompany the report entitled titled " Mineral Resource Estimate for the McCreedy West Nickel-Copper Mine, Sudbury, Ontario Canada" prepared for Magna Mining Inc. dated October 28, 2024 and with an effective date of December 31, 2023.

I, William van Breugel, P. Eng. of Saskatoon, hereby certify that:

1. I am an Associate Mining Engineer for SGS Canada Inc, with an office located at 235 Ajawan Street, Christopher Lake, Saskatchewan, Canada,

2. I graduated from the University of Waterloo in 1990 (BaSc (Hons). Geological Engineering). I am a member of good standing of the Association of Professional Engineers and Geoscientists of Saskatchewan (License #22452). I have worked as a mining engineer for over 33 years since my graduation from University. I have worked on precious metals, base metals, industrial commodities, and diamond projects including mine operations and property evaluations. I am a "Qualified Person" for purposes of National Instrument 43-101 (the "Instrument").

3. I have not conducted a site visit of the property.

4. I am an author of this report and responsible for sections 1.6, 1.7, 1.8, Sections 16, 18 and 20. I have reviewed these sections, and I am the Qualified Person for matters related to the information contained in those report sections.

5. I am independent of Magna Mining Inc. as defined in Section 1.5 of National Instrument 43-101.

6. I have had no prior involvement with the subject property.

7. I have read the definition of qualified person set out in National Instrument 43-101 and certify that by virtue of my education, affiliation to a professional association, and past relevant work experience, I fulfill the requirements to be a qualified person for the purposes of National Instrument 43-101.

8. As at the effective date of the technical report, to the best of my knowledge, information and belief, this technical report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

9. I have read National Instrument 43-101, Form 43-101F1 and confirm that this technical report has been prepared in accordance therewith.

Signed and dated this October 28, 2024 at Christopher Lake, Saskatchewan.

"Original Signed and Sealed"

William van Breugel, P.Eng.