NORDIC NICKEL

# NORDIC NICKEL LIMITED

ACN 647 455 105

# PROSPECTUS

**For an offer of 32,000,000 Shares at an issue price of $0.25 per Share to raise $8,000,000 (Offer).**

Oversubscriptions of up to a further 16,000,000 Shares at an issue price of $0.25 per Share to raise up to a further $4,000,000 may be accepted.

The Offer is conditional upon satisfaction of the Conditions, which are detailed further in Section 4.6. No Shares will be issued pursuant to this Prospectus until those Conditions are met.

Joint Lead Managers:

TAYLOR COLLISON

VERT CAPITAL

Australian legal adviser:

STEINEPREIS PAGANIN
Lawyers & Consultants

**IMPORTANT NOTICE**

This document is important and should be read in its entirety. If, after reading this Prospectus you have any questions about the Shares being offered under this Prospectus or any other matter, then you should consult your professional advisers without delay.

**The Shares offered by this Prospectus should be considered as highly speculative.**

# IMPORTANT NOTICE

This Prospectus is dated 8 April 2022 and was lodged with the ASIC on that date. The ASIC, the ASX and their officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that you read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered as highly speculative.

**Exposure Period**

This Prospectus will be circulated during the Exposure Period. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. You should be aware that this examination may result in the identification of deficiencies in this Prospectus and, in those circumstances, any application that has been received may need to be dealt with in accordance with section 724 of the Corporations Act. Applications for Shares under this Prospectus will not be accepted by the Company until after the expiry of the Exposure Period. No preference will be conferred on applications lodged prior to the expiry of the Exposure Period.

**No offering where offering would be illegal**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those set out below. Failure to comply with these restrictions may violate securities laws.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is important that investors read this Prospectus in its entirety and seek professional advice where necessary.

No action has been taken to register or qualify the Shares or the offer, or to otherwise permit a public offering of the Shares in any jurisdiction outside Australia. This Prospectus has been prepared for publication in Australia and may not be distributed outside Australia.

**Electronic Prospectus**

A copy of this Prospectus can be downloaded from the website of the Company at www.nordicnickel.com. If you are accessing the electronic version of this Prospectus for the purpose of making an investment in the Company, you must be an Australian resident and must only access this Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. You may obtain a hard copy of this Prospectus free of charge by contacting the Company by phone on + 61 8 6141 3191 during office hours or by emailing the Company at info@nordicnickel.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

**Company Website**

No document or other information available on the Company's website is incorporated into this Prospectus by reference.

**No cooling-off rights**

Cooling-off rights do not apply to an investment in Shares issued under the Prospectus. This means that, in most circumstances, you cannot withdraw your application once it has been accepted.

**No Investment Advice**

The information contained in this Prospectus is not financial product advice or investment advice and does not take into account your financial or investment objectives, financial situation or particular needs (including financial or taxation issues). You should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding to subscribe for Shares under this Prospectus to determine whether it meets your objectives, financial situation and needs.

**Risks**

You should read this document in its entirety and, if in any doubt, consult your professional advisers before deciding whether to apply for Shares. There are risks associated with an investment in the Company. The Shares offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares. Refer to Section D of the Investment Overview as well as Section 6 for details relating to some of the key risk factors that should be considered by prospective investors. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

**Forward-looking statements**

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 6.

**Financial Forecasts**

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

**Competent Persons statement**

The information in the Investment Overview Section of the Prospectus, included at Section 3, the Company and Projects Overview, included at Section 5, and the Independent Technical Assessment Report, included at Annexure A of the Prospectus, which relate to exploration targets and exploration results, is based on information compiled by CSA Global. CSA Global has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Tony Donaghy is a full-time employee of CSA Global. Tony Donaghy consents to the inclusion of the information in these Sections of the Prospectus in the form and context in which it appears.

**Continuous disclosure obligations**

Following admission of the Company to the Official List, the Company will be a "disclosing entity" (as defined in section 111AC of the Corporations Act) and, as such, will be subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company will be required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Shares.

Price sensitive information will be publicly released through ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants will also be managed through disclosure to the ASX. In addition, the Company will post this information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

**Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship**

The Company will apply to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company.

Electronic sub-registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with statements (similar to a bank account statement) that set out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number.

Electronic sub-registers also mean ownership of securities can be transferred without having to rely upon paper documentation. Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

**Photographs and Diagrams**

Photographs used in this Prospectus which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown endorses the Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams used in this Prospectus are illustrative only and may not be drawn to scale.

**Definitions and Time**

Unless the contrary intention appears or the context otherwise requires, words and phrases contained in this Prospectus have the same meaning and interpretation as given in the Corporations Act and capitalised terms have the meaning given in the Glossary in Section 11.

All references to time in this Prospectus are references to Australian Western Standard Time.

**Privacy statement**

If you complete an Application Form, you will be providing personal information to the Company. The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, including bidders for your Shares in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the share registry.

You can access, correct and update the personal information that we hold about you. If you wish to do so, please contact the share registry at the relevant contact number set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to

accept or process your application.

**Enquiries**

If you are in any doubt as to how to deal with any of the matters raised in this Prospectus, you should consult with your broker or legal, financial or other professional adviser without delay. Should you have any questions about the Offer or how to accept the Offer please call the Company Secretary on + 61 8 6141 3191.

## CORPORATE DIRECTORY

**Directors**

Marcello Cardaci
*Non-Executive Chairman*

Todd Ross*
*Proposed Managing Director and CEO*

Robert Wrixon
*Executive Director*

Juho Haverinen
*Non-Executive Director*

Aaron Bertolatti**
*Retiring Non-Executive Director*

**Company Secretary**

Aaron Bertolatti

**Proposed ASX Code**

NNL

**Registered Office**

Level 12
197 St Georges Tce
PERTH WA 6000

Telephone: + 61 8 6141 3191
Email: info@nordicnickel.com
Website: www.nordicnickel.com

**Share Registry*****

Computershare Investor Services Pty Ltd
Level 11
172 St Georges Terrace
PERTH WA 6000

Telephone: 1300 502 481 (within Australia) or
+ 61 3 9415 4808 (outside Australia)
Monday to Friday, 8:30am to 5:00pm (AEST)

**Investigating Accountant**

BDO Corporate Finance (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6008

**Auditor*****

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
PERTH WA 6008

**Independent Technical Expert**

CSA Global
Level 2
3 Ord Street
WEST PERTH WA 6005

**Joint Lead Managers**

Taylor Collison Limited
Level 16
211 Victoria Square
ADELAIDE SA 5000

Vert Capital Pty Ltd
Unit 11
300 Rokeby Road
SUBIACO WA 6008

**Australian legal adviser**

Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

**Finnish legal adviser**

Attorneys-at-Law Magnusson Ltd
Jaakonkatu 3 A, 6th Floor
00100 Helsinki, Finland

**Note:**

***** Todd Ross will be appointed as a Director of Nordic Nickel, and commence his employment as Managing Director and CEO, prior to the Company's admission to the Official List of the ASX.

** Aaron Bertolatti will resign as a Director of the Company prior to its admission to the Official List of the ASX. He will continue in his roles as Company Secretary and CFO.

*** This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus.

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## 1. CHAIRMAN'S LETTER

Dear Investor

On behalf of the directors of Nordic Nickel Limited (**Nordic Nickel** or **Company**), it gives me great pleasure to invite you to become a shareholder of the Company.

The Company is listing at an unprecedented time as the world's largest economies and greenhouse gas emitters recognise the urgency to decarbonise the planet and reach net-zero emissions within the next 30 years. Critical to achieving a decarbonised world is the energy transition to renewable sources of power and the electrification of the transport sector. The energy transition requires enormous amounts of new supply of critical minerals such as nickel, copper, cobalt and lithium.

Nordic Nickel is focussed on discovering, developing, and supplying sustainably sourced, low carbon intensive critical minerals essential for the energy transition. Importantly, Nordic Nickel's Projects are located in Europe (which is expected to become the second largest EV battery manufacturing hub outside of China) and in a region which is known to host world class nickel, copper and cobalt deposits but remains largely underexplored.

The Company has secured rights over a 425km$^2$ district scale land package of previously explored and highly prospective nickel sulphide tenements in the Central Lapland Greenstone Belt of Finland. Finland is one of the first countries in Europe to develop a National Battery Strategy which recognises the country's unique position across the full value chain in critical minerals and encourages development in the country.

We are also very grateful for the Company's partnerships with leading in-country experts in mineral exploration in Finland. Magnus Minerals is both a significant shareholder of the Company and a technical exploration and geophysics consultant with decades of experience in Finland. Kati Drilling is Finland's largest drilling contractor and Nordic Nickel has secured the exclusive use of a new drill rig for a minimum three year term at a time when drill rigs are in high demand.

The Company's flagship Pulju Project contains widespread nickel sulphide mineralisation in a region known to host world class nickel sulphide deposits. Previous drilling undertaken by Outokumpu (1982-1998) was shallow and focussed on near surface disseminated nickel. Nordic Nickel obtained access to the historic database and core of 51 holes drilled at the Pulju Project in 2021 and has undertaken initial geophysical surveys using Borehole Electromagnetic (EM) surveys and Fixed Loop EM with early indications showing strong conductors typically associated with massive sulphide mineralisation at depth.

In addition to the Pulju Project, Nordic Nickel has negotiated an earn-in agreement to acquire up to 75% of the Maaninkijoki 3 Project (MJ3 Project) over two stages. The MJ3 Project is located 10km east of the world class Sakatti Ni-Cu-Co-PGM deposit and is prospective for similar intrusive hosted or komatiite hosted magmatic nickel sulphides. Magnetic surveys at Maaninkijoki indicate interesting anomalism within the MJ3 tenement area and early-stage base of till sampling contained the highest copper and nickel anomalies across the Maaninkijoki group of tenements.

Having accumulated an impressive land package in a region known to host massive sulphide nickel deposits and other critical minerals, the Company now plans to undertake an extensive exploration program using modern techniques to

optimise the probability of discovering economic quantities of nickel and associated minerals.

This Prospectus is seeking to raise $8,000,000 and may accept oversubscriptions to raise a maximum of $12,000,000 via the issue of Shares at an issue price of $0.25 per Share under the Offer. The purpose of the Offer is to provide funds to implement the Company's business strategies (explained in Section 5).

The Board have significant expertise and experience in metals and mining, exploration, environmental stewardship, corporate finance, legal compliance and management of public companies and will aim to ensure that funds raised through the Offer will be utilised in a cost-effective manner to advance the Company's business.

This Prospectus is issued for the purpose of supporting an application to list the Company on the ASX. This Prospectus contains detailed information about the Company, its business and the Offer, as well as the risks of investing in the Company, and I encourage you to read it carefully. The Shares offered by this Prospectus should be considered highly speculative.

I look forward to you joining us as a Shareholder and sharing in what we believe are exciting and prospective times ahead for the Company. Before you make your investment decision, I urge you to read this Prospectus in its entirety and seek professional advice if required.

Yours sincerely

**Marcello Cardaci**
**Chairman**

## 2. KEY OFFER INFORMATION

### INDICATIVE TIMETABLE[1,2]

| | |
|---|---|
| Lodgement of Prospectus with the ASIC | 8 April 2022 |
| Exposure Period begins | 8 April 2022 |
| Opening Date | 20 April 2022 |
| Closing Date | 11 May 2022 |
| Issue of Shares under the Offer | 18 May 2022 |
| Despatch of holding statements | 20 May 2022 |
| Expected date for quotation on ASX | 25 May 2022 |

1. *The above dates are indicative only and may change without notice. Unless otherwise indicated, all time given are WST. The Exposure Period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act. The Company reserves the right to extend the Closing Date or close the Offer early without prior notice. The Company also reserves the right not to proceed with the Offer at any time before the issue of Shares to applicants.*

2. *If the Offer is cancelled or withdrawn before completion of the Offer, then all application monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their applications as soon as possible after the Offers open.*

### KEY STATISTICS OF THE OFFER

| | Minimum Subscription ($8,000,000)[1] | Maximum Subscription ($12,000,000)[2] |
|---|---|---|
| Offer Price per Share | $0.25 | $0.25 |
| Shares currently on issue | 55,000,001 | 55,000,001 |
| Shares to be issued to the Consultant[3] | 125,000 | 125,000 |
| Shares to be issued upon conversion of the Convertible Note[4] | 12,100,005 | 12,100,005 |
| Shares to be issued under the Offer | 32,000,000 | 48,000,000 |
| Gross Proceeds of the Offer | $8,000,000 | $12,000,000 |
| **Shares on issue Post-Listing (undiluted)[5]** | **99,225,006** | **115,225,006** |
| **Market Capitalisation Post-Listing (undiluted)[6]** | **$24,806,252** | **$28,806,252** |
| Options currently on issue[7] | 2,750,000 | 2,750,000 |
| Options to be issued to the Joint Lead Managers[8] | 4,000,000 | 4,000,000 |
| Options to be issued to the Proposed Managing Director and CEO[9] | 3,500,000 | 3,500,000 |
| Options to be issued to the Directors, Employees and Consultants[10] | 3,500,000 | 3,500,000 |
| **Shares on issue Post-Listing (fully diluted) [5]** | **112,975,006** | **128,975,006** |

| | Minimum Subscription ($8,000,000)[1] | Maximum Subscription ($12,000,000)[2] |
|---|---|---|
| **Market Capitalisation Post-Listing (fully diluted)** [6] | **$28,243,752** | **$32,243,752** |

**Notes:**

1. Assuming the Minimum Subscription of $8,000,000 is achieved under the Offer.
2. Assuming the Maximum Subscription of $12,000,000 is achieved under the Offer.
3. 125,000 Shares to be issued as a referral fee for the introduction of the Proposed Managing Director and CEO.
4. 12,100,005 Shares to be issued to a number of seed investors upon the conversion of the Convertible Note at an issue price of $0.15 per Share.
5. Certain Shares on issue post-listing will be subject to ASX-imposed escrow. Refer to Section 5.9 for a disclaimer with respect to escrow.
6. Assuming a Share price of $0.25, however the Company notes that the Shares may trade above or below this price.
7. Refer to Section 9.3 for the terms of the Options currently on issue (**Existing Options**).
8. Refer to Section 9.3 for the terms of the Options to be issued to the Joint Lead Managers (**Joint Lead Manager Options**). A summary of the mandate pursuant to which these Joint Lead Manager Options are being issued is set out in Section 8.1.1 (Joint Lead Manager Mandate).
9. Refer to Section 9.3 for the terms of the Options to be issued to the Proposed Managing Director and CEO (**Managing Director Options**). A summary of the agreement pursuant to which these Managing Director Options are being issued is set out in Section 8.2.1 (**Ross ESA**).
10. Refer to Section 9.3 for the terms of the Options to be issued to the Directors, Employees and Consultants (**Director, Employee and Consultant Options**).

## 3. INVESTMENT OVERVIEW

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

| Item | Summary | Further information |
|---|---|---|
| **A. Company** | | |
| Who is the issuer of this Prospectus? | Nordic Nickel Limited (ACN 647 455 105) (**Company** or **Nordic Nickel**). | Section 5.1 |
| Who is the Company? | The Company is an Australian unlisted public company, incorporated on 27 January 2021. The Company was incorporated for the purposes of acquiring the rights to the Pulju Nickel Project (**Pulju Project)** as well as to execute and operate an earn-in agreement for the Maaninkijoki 3 Nickel-Copper Project (**MJ3 Project**).<br>Since incorporation, the Company has primarily focused on raising seed capital to fund the Company's activities, acquiring and commencing data compilation and preliminary exploration activities on the Company's Projects located in Finland which are deemed prospective for Nickel and associated minerals such as Cobalt and Copper. | Section 5.1 |
| What is the Company's interest in the Pulju and MJ3 Projects? | The Company holds an interest in or the rights to the following projects:<br>(a) the Pulju Project which comprises one granted exploration licence (**EL**) (**Hotinvaara**), seven EL applications, and one exploration reservation (**Saalama**) together covering a total of 395km$^2$ of prospective ground in Finland (**Pulju Licences**), in the northwest of the Central Lapland Greenstone Belt (**CLGB**). The Pulju Licences are held by Pulju Exploration Oy, a 100%-owned subsidiary of the Company; and<br>(b) the MJ3 Project, whereby the Company has executed an earn-in agreement, pursuant to which the Company has the right to earn up to a 75% interest over one granted EL covering | Section 5.2 and Annexure A and Annexure B. |

| Item | Summary | Further information |
|---|---|---|
| | 30km$^2$ in Finland's CLGB (**MJ3 Licence**),<br>(together, the **Projects**).<br>Further details regarding the Projects are set out in the Independent Technical Assessment Report in Annexure A and the Legal Report on Tenure in Annexure B. | |
| **B. Business Model** | | |
| What is the Company's business model? | The Company is a mineral exploration company.<br>Following completion of the Offer, the Company's proposed business model will be to further explore and develop the Projects as per the Company's intended exploration programs.<br>The Company proposes to fund its exploration activities over the first two years following listing as outlined in the table at Section 5.6.<br>A detailed explanation of the Company's business model is provided at Section 5.4 and a summary of the Company's proposed exploration programs is set out at Section 5.5. | Section 5.4 |
| What are the key business objectives of the Company? | The Company's main objective on completion of the Offer and ASX listing is to create shareholder value via the discovery of a significant economic mineral deposit. This objective will be pursued via the following activities:<br>(a) systematic exploration of the Company's Projects;<br>(b) developing the Company's geophysical and geological databases;<br>(c) focusing on mineral exploration and other resource opportunities that have the potential to deliver growth for Shareholders; and<br>(d) continuing to pursue other acquisitions that have a strategic fit for the Company. | Section 5.4 |
| What are the key dependencies of the Company's business model? | The key dependencies of the Company's business model include:<br>(a) maintaining title to the Projects; | Section 5.4 |

| Item | Summary | Further information |
|---|---|---|
| | (b) retaining and recruiting key personnel skilled in the mining and resources sector;<br>(c) sufficient worldwide demand for Nickel and Cobalt;<br>(d) the market price of Nickel and Cobalt remaining higher than the Company's costs of any future production (assuming successful exploration by the Company); and<br>(e) continued availability of venture capital to provide funding for the Company. | |
| **C. Key Advantages** | | |
| What are the key advantages of an investment in the Company? | The Directors are of the view that an investment in the Company provides the following non-exhaustive list of advantages:<br>(a) subject to raising the Minimum Subscription, the Company will have sufficient funds to implement its strategy;<br>(b) a portfolio of quality assets in Finland considered by the Board to be highly prospective for Nickel, Cobalt and Copper;<br>(c) a highly credible and experienced team to progress exploration and accelerate potential development of the Projects; and<br>(d) an evolving geophysical, geochemical and geological database, along with a prospectivity model, each of which will continue to be developed. | Section 5 |
| **D. Key Risks** | | |
| Conflicts of Interest | Certain Directors of the Company are directors and officers of other companies engaged in mineral exploration and development.<br>These engagements and relationships are summarised in Section 7.5 and the Material Contracts in Section 8.<br>In particular:<br>(a) Robert Wrixon is a director of Starboard Global Ltd (**SGL**) and | Section 6.2, Section 7.5 and Section 8. |

| Item | Summary | Further information |
|---|---|---|
| | Juho Haverinen is a director of Magnus Minerals Oy (**Magnus**), both entities being counter parties to the Pulju Royalty Agreement;<br>(b) Robert Wrixon and Juho Haverinen are both directors of MagStar Mining Oy (**MagStar**), a counterparty to the MJ3 Earn-in and Joint Venture Agreement; and<br>(c) MagStar and Magnus are counterparties to the MJ3 Royalty Agreement.<br>In the future, there may arise circumstances under these agreements which place Messrs Wrixon and Haverinen in a position of conflict. In these circumstances, Messrs Wrixon and Haverinen would need to abstain from deliberations. The Company has in place protocols to manage conflicts of interest.<br>For further information with respect to Messrs Wrixon and Haverinen's direct and indirect interests and involvement in the counterparties to the Pulju Royalty Agreement, MJ3 Earn-in and JV Agreement and MJ3 Royalty Agreement, please refer to Section 7.5 of this Prospectus.<br>Although Messrs Wrixon and Haverinen have been advised of their fiduciary duties in the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in other companies could detract from their efforts on behalf of the Company. Messrs Wrixon and Haverinen intend to manage their responsibilities in accordance with applicable legal requirements and good governance frameworks, including adhering to the decision making process to be followed by the Company as set out in section 7.5. | |
| Limited History | Having been incorporated on 27 January 2021, the Company does not have any operating history, although it should be noted that the Directors have between them significant operational and board experience. | Section 6.2 |

| Item | Summary | Further information |
|---|---|---|
| | Exploration has previously been conducted on the area of land the subject of the Pulju Licences and MJ3 Licence, and the Company has commenced its own exploration activities. Specifically, at the Pulju Project it has completed:<br>(a) a comprehensive compilation and review of all previous exploration data;<br>(b) Re-logging, re-sampling and re-assaying of the historic drilling within the main Hotinvaara licence at Pulju;<br>(c) A survey of existing boreholes for suitability for borehole EM (**BHEM**) data acquisition, from which at least twelve historic drillholes were found to be suitable;<br>(d) BHEM data acquisition was completed at three holes, with a number of conductor plates identified; and<br>(e) 23.4-line km of Fixed Loop EM (**FLEM**) within the Hotinvaara exploration license, identifying further prospective conductors.<br>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its licences. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses. | |
| Exploration and operating | The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.<br>There can be no assurance that future exploration of these licences, or any other licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.<br>The future exploration activities of the Company may be affected by a range | Section 6.2 |

| Item | Summary | Further information |
|---|---|---|
| | of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.<br>The success of the Company will also depend upon the Company being able to maintain title to the licences comprising the Pulju and MJ3 Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of the Company and possible relinquishment of one or more of the licences comprising the Projects. | |
| Tenure, access and grant of applications | **Licence Applications**<br>The Company is unaware of any circumstances that would prevent the various licence applications comprising the Pulju Project from being granted. However, the consequence of being denied the applications for reasons beyond the control of the Company could be significant.<br>Refer to the Legal Report on Tenure in Annexure B for further information on the Company's licence applications at the Projects.<br>**Renewal**<br>Mining and exploration licences in Finland are subject to periodic renewal. The renewal of the term of granted licences is issued subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal | Section 6.2 |

| Item | Summary | Further information |
|---|---|---|
| | conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences.<br>The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.<br>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Finland and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted licence for reasons beyond the control of the Company could be significant.<br>**Access**<br>In Finland, the holder of an exploration licence is required to comply with a range of restrictions to carry out exploration work, including notifying landowners and any local reindeer owners' associations of the intention to perform exploration activities. Landowners and reindeer herders have no ability to restrict access where the holder of the EL complies with all applicable legislation. | |
| Natura 2000 and Nature Conservation Areas | Finland is host to a network of core breeding and resting sites for rare and threatened species, known as the 'Natura 2000'. Areas of land classified as Natura 2000 or Nature Conservation Areas may impose restrictions on mining and exploration activity.<br>The mineral exploration licences comprising the Projects are not located in any Natura 2000 or Nature Conservation Areas.<br>The Company is aware that certain areas of the Pulju Project are located in proximity to a Natura 2000 area. If in the future the Company's exploration activities were to result in a geological discovery that extended onto land the subject of a Natura 2000 or Nature Conservation Area, there is a risk that the Company may be limited in its ability to access, explore or mine these areas, | Section 6.2 |

| Item | Summary | Further information |
|---|---|---|
| | which in any case lie outside its current tenement boundaries. | |
| COVID-19 risk | The Coronavirus disease (**COVID-19**) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company. | Section 6.2 |
| Ukraine conflict | The current conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.<br>The Directors are continuing to closely monitor the potential macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. | Section 6.2 |

| Item | Summary | Further information |
|---|---|---|
| Additional requirements for capital | The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to the amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. | Section 6.4 |
| Other risks | For additional specific risks please refer to Section 6.2. For other risks with respect to the industry in which the Company operates and general investment risks, many of which are largely beyond the control of the Company and its Directors, please refer to Sections 6.3 and 6.4. | Sections 6.2, 6.3 and 6.4 |
| **E. Directors and Key Management Personnel** | | |
| Who are the Directors and Proposed Directors? | The Board currently consists of:<br>(a) Mr Marcello Cardaci – Non-Executive Chairman;<br>(b) Mr Robert Wrixon – Executive Director;<br>(c) Mr Juho Haverinen – Non-Executive Director; and<br>(d) Mr Aaron Bertolatti – Non-Executive Director and Company Secretary.<br>Prior to the Company being admitted the Official List of the ASX, the Company proposes that the following Board changes will take effect:<br>(a) Mr Todd Ross will be appointed as Managing Director and Chief Executive Officer (**Proposed Director**); and<br>(b) Mr Aaron Bertolatti will resign from his position as Non-Executive Director, and will continue with his role as | Section 7.1 |

<table>
<tr><th>Item</th><th>Summary</th><th>Further information</th></tr>
<tr><td></td><td>Company Secretary (and Chief Financial Officer).</td><td></td></tr>
<tr><td>What are the significant interests of the Directors and Proposed Directors in the Company?</td><td><table>
<tr><th>Director</th><th>Shares</th><th>Options</th></tr>
<tr><td>Marcello Cardaci</td><td>-</td><td>750,000</td></tr>
<tr><td>Todd Ross</td><td>2,000,000</td><td>3,500,000</td></tr>
<tr><td>Robert Wrixon</td><td>10,689,168</td><td>1,500,000</td></tr>
<tr><td>Juho Haverinen</td><td>675,000</td><td>500,000</td></tr>
<tr><td>Aaron Bertolatti</td><td>633,333</td><td>750,000</td></tr>
</table></td><td>Section 7.4</td></tr>
<tr><td>What are the significant interests of advisors to the Company?</td><td>As at the date of this Prospectus, the Joint Lead Managers do not hold an interest in the Company. Following conversion of the Convertible Note the Joint Lead Managers will be issued the following number Shares in the Company:<br>(a) 333,333 Shares to Taylor Collison and its associates ; and<br>(b) 133,333 Shares to Vert Capital and its associates.<br>Taylor Collison Limited is receiving a monthly retainer of $15,000 per month (plus GST) for the four-month period commencing 1 January 2022 (TC Retainer). The TC Retainer will be paid out of the funds raised under the Offer.<br>The Joint Lead Managers will receive a Management Fee of 2% and a Capital Raising Fee of 4% of the gross amount raised pursuant to the Prospectus, noting that the Joint Lead Managers will be responsible for paying all capital raising fees that the Joint Lead Managers and the Company agree with any other financial services licences.<br>In addition, subject to the Company's admission to the Official List, the Joint Lead Managers will also receive a total of 4,000,000 Joint Lead Manager Options.</td><td>Section 4.5, 7.2 and 8.1.1</td></tr>
<tr><td>Employee Securities Incentive Plan</td><td>The Company has adopted an Employee Securities Incentive Plan (Plan). The principal terms of the Plan are summarised in Section 9.4 of this Prospectus. The Company does not currently intend to issue any incentive securities (other than as set out in this Prospectus), but the Plan provides the Board with the flexibility to do so in the</td><td>Section 9.4</td></tr>
</table>

| Item | Summary | Further information |
|---|---|---|
| | future to enable the Company to attract and retain suitably qualified personnel. | |
| What related party agreements are the Company party to? | Refer to Section 8 for summaries of all material related party agreements with the Company. | Section 8 |
| **F. Financial Information** | | |
| How has the Company been performing? | As the Company was only recently incorporated on 27 January 2021, it has limited financial performance and has no operating history.<br>Annexure C of the Prospectus sets out:<br>(a) Statement of Cash flows;<br>(b) Statement of Profit or Loss and Other Comprehensive Income; and<br>(c) the pro forma historical Statement of Financial Position.<br>Investors are urged to read the Independent Limited Assurance Report in Annexure C in full. | Annexure C |
| What is the financial outlook for the Company? | Given the current status of the Company's Projects and the speculative nature of mineral exploration, the Directors do not consider it appropriate to forecast future earnings.<br>Any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection on a reasonable basis. | Section 5 and Annexure C |
| **G. Offer** | | |
| What is the Offer? | The Offer is an initial public offering of 32,000,000 Shares to raise $8,000,000. The Company has capacity to accept oversubscriptions of up to a further 16,000,000 Shares to raise a further $4,000,000 (before costs). | Section 4.1 |
| Is there a minimum subscription under the Offer? | The minimum amount to be raised under the Offer is $8,000,000. | Section 4.2 |
| What are the purposes of the Offer? | The purposes of the Offer are to facilitate an application by the Company for admission to the Official List and, to position the Company to seek to achieve the objectives stated at Section B of this Investment Overview Section. | Section 4.7 |

| Item | Summary | Further information |
|---|---|---|
| Is the Offer underwritten? | No, the Offer is not underwritten. | Section 4.4 |
| Who is the lead manager to the Offer? | The Company has appointed Taylor Collison Limited (ACN 008 172 450) (**Taylor Collison**) and Vert Capital Pty Ltd (ACN 635 566 424) (**Vert Capital**) (together, the **Joint Lead Managers**) as joint lead managers to the Offer.<br>In consideration for their services as Joint Lead Managers, they will receive those fees set out in Section 4.5. | Section 4.5 |
| Who is eligible to participate in the Offer? | This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. | Section 4.12 |
| How do I apply for Shares under the Offer? | Applications for Shares under the Offer must be made by completing the Application Form attached to or accompanying this Prospectus in accordance with the instructions set out in the Application Form. | Section 4.8 |
| What is the allocation policy? | The Company retains an absolute discretion to allocate Shares under the Offer, and will be influenced by the factors set out in Section 4.9.<br>There is no assurance that any applicant will be allocated any Shares, or the number of Shares for which it has applied. | Section 4.9 |
| What will the Company's capital structure look like on completion of the Offer? | The Company's capital structure on a post-Offer basis is set out in Section 5.7. | Section 5.7 |
| What are the terms of the Shares offered under the Offer? | A summary of the material rights and liabilities attaching to the Shares offered under the Offer are set out in Section 9.2. | Section 9.2 |
| Will any Shares be subject to escrow? | None of the Shares issued under the Offer will be subject to escrow. | Section 5.9 |

| Item | Summary | Further information |
|---|---|---|
| | However, subject to the Company complying with Chapters 1 and 2 of the ASX Listing Rules and completing the Offers, certain securities on issue may be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation.<br>During the period in which restricted Shares are prohibited from being transferred, trading in Shares may be less liquid, which may impact on the ability of a Shareholder to dispose of their Shares in a timely manner.<br>The Company will announce to ASX full details (quantity and duration) of the Securities required to be held in escrow prior to the Shares commencing trading on ASX.<br>The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of ASX will be not less than 20% in compliance with ASX Listing Rule 1.1 Condition 7. | |
| Who are the current Shareholders of the Company and on what terms were their Shares issued? | At the date of this Prospectus, the Company has 55,000,001 Shares on issue comprising:<br>(a) 1 Share issued upon incorporation of the Company at an issue price of $1.00;<br>(b) 10,000,000 Shares issued to the founders of the Company at an issue price of $0.0001 per Share;<br>(c) 45,000,000 Shares issued to the shareholders of Pulju Exploration Oy in consideration for the Company's acquisition of 100% of the issued shares in Pulju Exploration Oy (refer to the Pulju Share Purchase Agreement at Section 8.1.2 of the Prospectus;<br>Refer to Section 5.7 for a summary of all Shares issued prior to the lodgement of this Prospectus. | Section 5.7 |
| Will the Shares be quoted on ASX? | Application for quotation of all Shares to be issued under the Offer will be made | Section 4.10 |

| Item | Summary | Further information |
|---|---|---|
| | to ASX no later than 7 days after the date of this Prospectus. | |
| What are the key dates of the Offer? | The key dates of the Offer are set out in the indicative timetable in the Key Offer Information Section. | Key Offer Information |
| What is the minimum investment size under the Offer? | Applications under the Offer must be for a minimum of $2,000 worth of Shares (8,000 Shares) and thereafter, in multiples of $500 worth of Shares (2,000 Shares). | Section 4.8 |
| Are there any conditions to the Offer? | No, other than raising the Minimum Subscription and ASX approval for quotation of the Shares, the Offer is unconditional. | Section 4.6 |
| **H. Use of funds** | | |
| How will the proceeds of the Offer be used? | The proceeds from the Offer and the Company's existing cash reserves will be used for:<br>(a) implementing the Company's business objectives and exploration programs as set out in Part B of Investment Overview;<br>(b) expenses of the Offer;<br>(c) administration costs; and<br>(d) working capital,<br>further details of which are set out in Section 5.6. | Section 5.6 |
| Will the Company be adequately funded after completion of the Offer? | The Directors are satisfied that on completion of the Offer, the Company will have sufficient working capital to carry out its objectives as stated in this Prospectus. | Section 5.6 |
| **I. Additional information** | | |
| Is there any brokerage, commission or duty payable by applicants? | No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer. | Section 8.1.1 |
| Can the Offer be withdrawn? | The Company reserves the right not to proceed with the Offer at any time before the issue or transfer of Shares to successful applicants.<br>If the Offer does not proceed, application monies will be refunded (without interest). | Section 4.15 |

| Item | Summary | Further information |
|---|---|---|
| What are the tax implications of investing in Shares? | Holders of Shares may be subject to Australian tax on dividends and possibly capital gains tax on a future disposal of Shares subscribed for under this Prospectus.<br>The tax consequences of any investment in Shares will depend upon an investor's particular circumstances. Applicants should obtain their own tax advice prior to deciding whether to subscribe for Shares offered under this Prospectus. | Section 4.14 |
| What is the Company's Dividend Policy? | The Company anticipates that significant expenditure will be incurred in the evaluation and potential development of its Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.<br>Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company. | Section 5.11 |
| What are the corporate governance principles and policies of the Company? | To the extent applicable, in light of the Company's size and nature, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).<br>The Company's main corporate governance policies and practices and the Company's compliance and departures from the Recommendations as at the date of this Prospectus are outlined in Section 7.6.<br>In addition, the Company's full Corporate Governance Plan is available | Section 7.6 |

| Item | Summary | Further information |
|---|---|---|
| | from the Company's website (www.nordicnickel.com). | |
| Where can I find more information? | (a) By speaking to your sharebroker, solicitor, accountant or other independent professional adviser;<br>(b) By contacting the Company Secretary, on + 61 8 6141 3191; or<br>(c) By contacting the Share Registry on 1300 502 481 (within Australia) or + 61 3 9415 4808 (outside Australia). | |
| Can general meetings of shareholders be held using technology? | The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law. | Section 9.2 |

This Section is a summary only and is not intended to provide full information for investors intending to apply for Shares offered pursuant to this Prospectus. This Prospectus should be read and considered in its entirety.

## 4. DETAILS OF THE OFFER

### 4.1 The Offer

The Offer is an initial public offering of 32,000,000 Shares at an issue price of $0.25 per Share to raise $8,000,000. Oversubscriptions of up to a further 16,000,000 Shares at an issue price of $0.25 per Share to raise a further $4,000,000 may be accepted at the discretion of the Directors.

The Shares issued under the Offer will be fully paid and will rank equally with all other existing Shares currently on issue. A summary of the material rights and liabilities attaching to the Shares is set out in Section 9.2.

### 4.2 Minimum subscription

The minimum subscription for the Offer is $8,000,000 (32,000,000 Shares) (**Minimum Subscription**).

If the Minimum Subscription has not been raised within four (4) months after the date of this Prospectus or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

### 4.3 Oversubscriptions

As noted above, oversubscriptions of up to a further 16,000,000 Shares at an issue price of $0.25 per Share to raise up to a further $4,000,000 may be accepted, for a maximum subscription under the Prospectus of $12,000,000 (**Maximum Subscription**).

### 4.4 Underwriter

The Offer is not underwritten.

### 4.5 Joint Lead Managers

The Company has appointed Taylor Collison Limited (ACN 008 172 450) (AFSL 247083) (**Taylor Collison**) and Vert Capital Pty Ltd (ACN 635 566 424) (corporate authorised representative of Barclay Wells Ltd (AFSL 235070) (**Vert Capital**) (together, the **Joint Lead Managers**) as joint lead managers to the Offer pursuant to a mandate dated 29 November 2021 (**Mandate**).

Under the Mandate, the Joint Lead Managers will receive the following fees as consideration for lead managing the Offer:

(a) a cash fee of 6% of the total proceed raised under the Offer; and

(b) 4,000,000 Joint Lead Manager Options set out as follows:

  (i) 2,000,000 Joint Lead Manager Options exercisable at $0.30, with an exercise period of 3 years from the Company's date of admission to the Official List of the ASX; and

  (ii) 2,000,000 Joint Lead Manager Options exercisable at $0.35, with an exercise period of 3 years from the Company's date of admission to the Official List of the ASX.

The Joint Lead Manager Options have been valued at $572,000 using the Black Scholes option pricing model.

In the event that all Joint Lead Manager Options are exercised, an additional $1.3m will be raised.

As at the date of this Prospectus, the Joint Lead Managers do not hold an interest in the Company. Following conversion of the Convertible Note the Joint Lead Managers will be issued the following number of Shares in the capital of the Company:

(a) Taylor Collison and its associates: 333,333 Shares; and

(b) Vert Capital and its associates: 133,333 Shares.

The fees payable to the Joint Lead Managers were negotiated on an arm's length basis between the Company and the Joint Lead Managers, with the Directors also consulted by the Company during the negotiation process.

### 4.6 Conditions of the Offer

The Offer is conditional upon the following events occurring:

(a) the Minimum Subscription to the Offer being reached; and

(b) ASX granting conditional approval for the Company to be admitted to the Official List.

(together the **Conditions**).

If these Conditions are not satisfied then the Offer will not proceed and the Company will repay all application monies received under the Offer within the time prescribed under the Corporations Act, without interest.

### 4.7 Purpose of the Offer

The primary purposes of the Offer are to:

(a) assist the Company to meet the admission requirements of ASX under Chapters 1 and 2 of the ASX Listing Rules;

(b) provide the Company with additional funding for:

  (i) the proposed exploration programs at the Projects (as further detailed in Section 5.5):

  (ii) considering acquisition opportunities that may be presented to the Board from time to time; and

  (iii) the Company's working capital requirements while it is implementing the above; and

(c) remove the need for an additional disclosure document to be issued upon the sale of any Shares that are to be issued under the Offer.

The Company intends on applying the funds raised under the Offer together with its existing cash reserves in the manner detailed in Section 5.6.

## 4.8 Applications

Applications for Shares under the Offer must be made by using the relevant Application Form as an online Application Form at ***nordicnickelipo.thereachagency.com*** and pay the application monies electronically.

By completing an Application Form, each applicant under the Offer will be taken to have declared that all details and statements made by them are complete and accurate and that they have personally received the Application Form together with a complete and unaltered copy of the Prospectus.

Applications for Shares under the Offer must be for a minimum of $2,000 worth of Shares (8,000 Shares) and thereafter in multiples of 2,000 Shares and payment for the Shares must be made in full at the issue price of $0.25 per Share.

When paying by BPAY®, please follow the instructions on the Application Form. A unique reference number will be quoted upon completion of the online application. Your BPAY reference number will process your payment to your application electronically and you will be deemed to have applied for such Shares for which you have paid. Applicants using BPAY should be aware of their financial institution's cut-off time (the time payment must be made to be processed overnight) and ensure payment is processed by their financial institution on or before the day prior to the Closing Date of the Offer. You do not need to return any documents if you have made payment via BPAY.

If an Application Form is not completed correctly or if the accompanying payment is the wrong amount, the Company may, in its discretion, still treat the Application Form to be valid. The Company's decision to treat an application as valid, or how to construe, amend or complete it, will be final.

The Company reserves the right to close the Offer early.

## 4.9 Allocation policy under the Offer

The Company retains an absolute discretion to allocate Shares under the Offer and reserves the right, in its absolute discretion, to allot to an applicant a lesser number of Shares than the number for which the applicant applies or to reject an Application Form. If the number of Shares allotted is fewer than the number applied for, surplus application money will be refunded without interest as soon as practicable.

No applicant under the Offer has any assurance of being allocated all or any Shares applied for. The allocation of Shares by Directors (in conjunction with the Joint Lead Managers) will be influenced by the following factors:

(a) the number of Shares applied for;

(b) the overall level of demand for the Offer;

(c) the desire for a spread of investors, including institutional investors;

(d) recognising the ongoing support of existing Shareholders;

(e) the likelihood that particular Applicants will be long-term Shareholders;

(f) the desire for an informed and active market for trading Shares following completion of the Offer;

(g) ensuring an appropriate Shareholder base for the Company going forward; and

(h) any other factors that the Company and the Joint Lead Managers consider appropriate.

The Company will not be liable to any person not allocated Shares or not allocated the full amount applied for.

### 4.10 ASX listing

Application for Official Quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. However, applicants should be aware that ASX will not commence Official Quotation of any Shares until the Company has complied with Chapters 1 and 2 of the ASX Listing Rules and has received the approval of ASX to be admitted to the Official List. As such, the Shares may not be able to be traded for some time after the close of the Offer.

If the Shares are not admitted to Official Quotation by ASX before the expiration of three [3] months after the date of this Prospectus, or such period as varied by the ASIC, the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

### 4.11 Issue

Subject to the to the Conditions set out in Section 4.6 being met, the issue of Shares offered by this Prospectus will take place as soon as practicable after the Closing Date.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each applicant waives the right to claim interest.

The Directors (in conjunction with the Joint Lead Managers) will determine the recipients of the issued Shares in their sole discretion in accordance with the allocation policy detailed in Section 4.9). The Directors reserve the right to reject any application or to allocate any applicant fewer Shares than the number applied for. Where the number of Shares issued is less than the number applied for, or where no issue is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Holding statements for Shares issued to the issuer sponsored subregister and confirmation of issue for Clearing House Electronic Subregister System (CHESS) holders will be mailed to applicants being issued Shares pursuant to the Offer as soon as practicable after their issue.

### 4.12 Applicants outside Australia

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should observe any of these restrictions, including those outlined below. In particular, this Prospectus may not be distributed in the United States or elsewhere outside Australia. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that you have complied with these restrictions.

### 4.13 Commissions payable

The Company reserves the right to pay a commission of up to 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

The Joint Lead Managers will be responsible for paying all commissions that they and the Company agree with any other licensed securities dealers or Australian financial services licensees out of the fees paid by the Company to the Joint Lead Managers under the Joint Lead Managers Mandate.

### 4.14 Taxation

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor.

It is not possible to provide a comprehensive summary of the possible taxation positions of all potential applicants. As such, all potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus or the reliance of any applicant on any part of the summary contained in this Section.

No brokerage, commission or duty is payable by applicants on the acquisition of Shares under the Offer.

### 4.15 Withdrawal of Offer

The Offer may be withdrawn at any time. In this event, the Company will return all application monies (without interest) in accordance with applicable laws.

## 5. COMPANY AND PROJECTS OVERVIEW

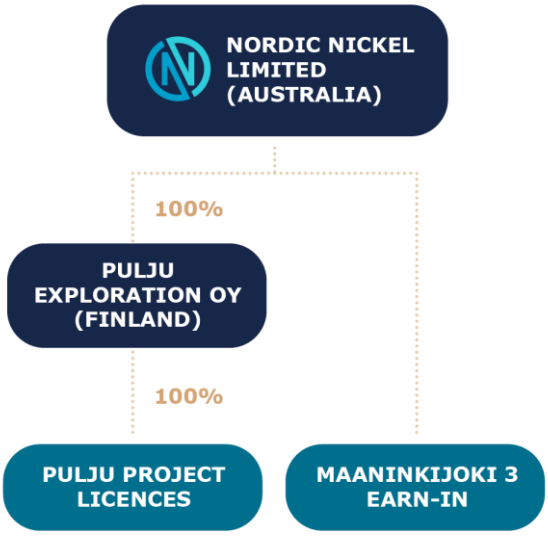
### 5.1 Background

Nordic Nickel is an Australian unlisted public company incorporated on 27 January 2021 for the purpose of acquiring the rights to a granted exploration licence (the Hotinvaara Licence), four exploration licence applications covering the Pulju Nickel Project (**Pulju Project**), as well as to execute and operate an earn-in agreement for the Maaninkijoki 3 Nickel-Copper Project (**MJ3 Project**). Both the Pulju and MJ3 Projects (together, the **Projects**) are located in Finland and cover separate areas of the Central Lapland Greenstone Belt (**CLGB**).

Since incorporation, the Company has focused on data acquisition and drill target determination at the Pulju Project and the Company has, through its wholly owned Finnish subsidiary, lodged three additional exploration licence applications and obtained a granted reservation area at Pulju to enhance the Pulju Project.

### 5.2 Group Structure

**Figure [1] : Group Structure of the Company**




### 5.3 Overview of the Projects

The Company is exploring its Projects for komatiite volcanic-hosted (Pulju) and intrusive-hosted (MJ3) magmatic nickel-copper-cobalt sulphides, with possibility for significant PGE by-product credits. Global mining industry consultant CSA Global has independently reviewed the Projects, their geology, deposit model styles, past exploration results and NNL's planned exploration. CSA Global's ITAR can be viewed at Annexure A of this Prospectus.

**Figure [2] : Location of the Projects, Finland**

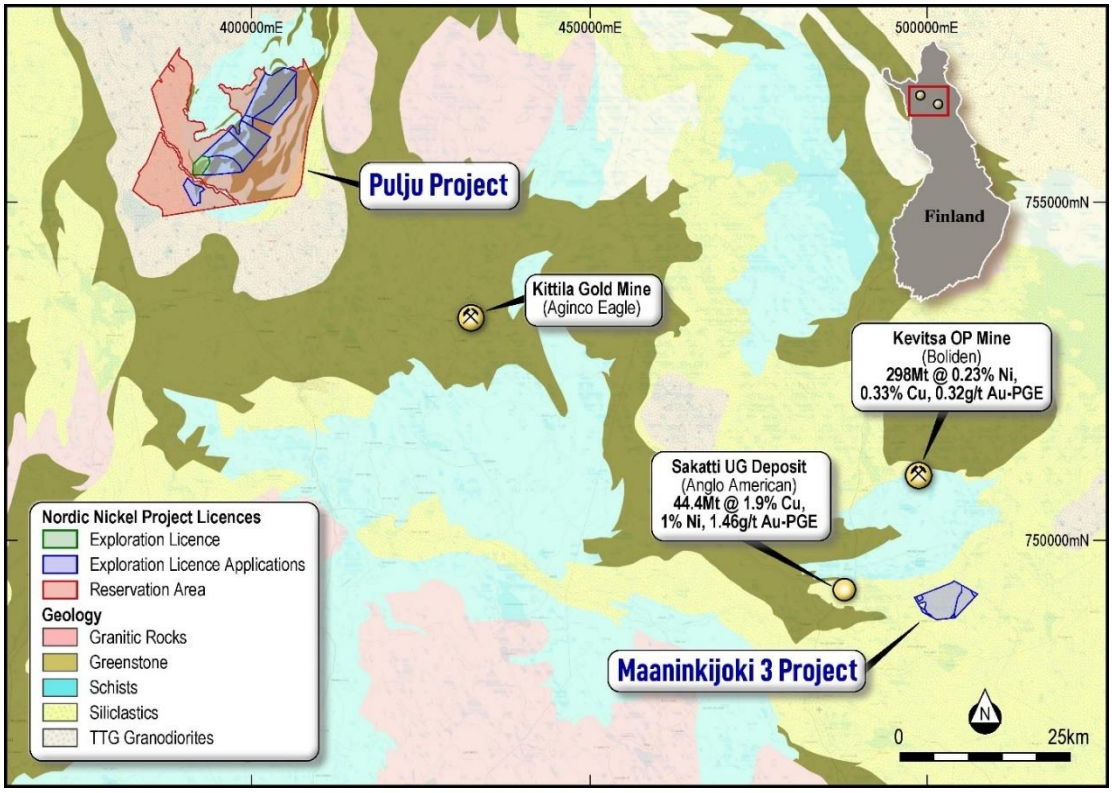



**Table [1]: Tenement Schedule for the Projects**

| | Tenement Name | Tenement ID | Tenement type | Status | Registered Holder | Application Date | Grant Date | Expiry Date | Area (km²) |
|---|---|---|---|---|---|---|---|---|---|
| Pulju Project | Saalama* | VA2020:0071 | Reservation | Granted | Puljun Malminetsintä Oy | 2/11/2020 | 4/02/2021 | 1/11/2022 | 323.59 |
| | | | | | | | | | |
| | Hotinvaara | ML2019:0101 | Exploration | Granted | Puljun Malminetsintä Oy | 11/11/2019 | 24/01/2020 | 24/01/2024 | 4.93 |
| | Holtinvaara | ML2013:0090 | Exploration | Pending | Magnus Minerals Oy | 4/11/2013 | | | 14.99 |
| | Aihkiselka | ML2013:0092 | Exploration | Pending | Magnus Minerals Oy | 4/11/2013 | | | 15.75 |
| | Kiimatievat | ML2019:0102 | Exploration | Pending | Magnus Minerals Oy | 11/11/2019 | | | 24.213 |
| | Mertavaara1 | ML2013:0091 | Exploration | Pending | Magnus Minerals Oy | 4/11/2013 | | | 11.88 |
| | Rooni-Holtti | ML2022:0009 | Exploration | Pending | Puljun Malminetsintä Oy | 09/03/2022 | | | 18.65 |
| | Saalamaselka | ML2022:0010 | Exploration | Pending | Puljun Malminetsintä Oy | 09/03/2022 | | | 6.02 |
| | Kaunismaa | ML2022:0011 | Exploration | Pending | Puljun Malminetsintä Oy | 09/03/2022 | | | 1.68 |
| Total | | | | | | | | | 98.09 |
| MJ3 Project | MJ3 | ML2020:0011 | Exploration | Pending | MagStar Mining Oy | 21/03/2020 | | | 30.44 |

** The Saalama Reservation area overlaps the Rooni-Holtti, Saalamaselka, and Kaunismaa EL applications*

### 5.3.1 Pulju Project

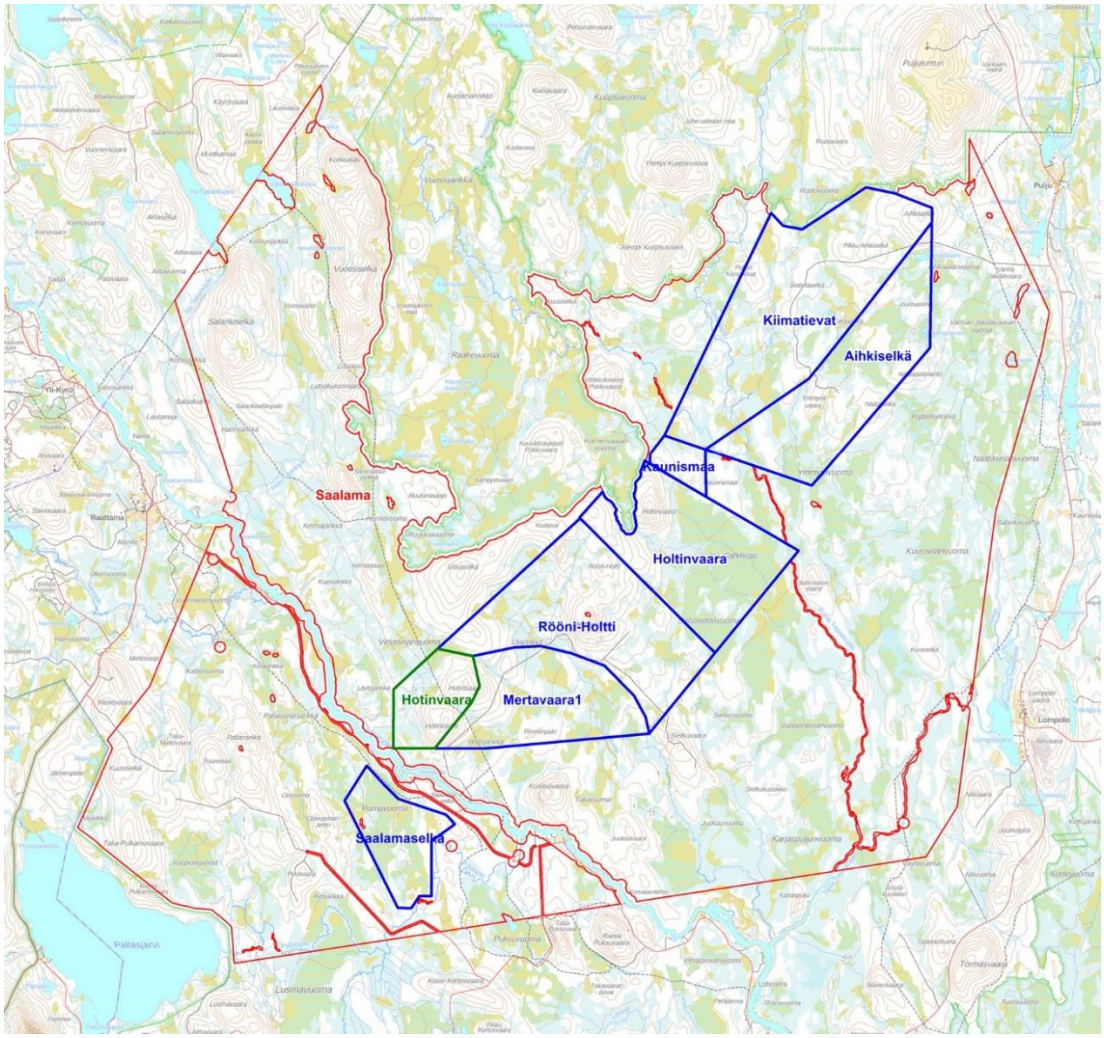
The Pulju Project consists of one granted exploration licence (called Hotinvaara) and seven EL applications together covering a total of 98.1km$^2$, as well as a reservation application covering approximately 323km$^2$ (which overlaps some of

the EL applications) surrounding the exploration licence areas. The reservation application, the granted exploration licence and all EL applications are 100% owned by the Finnish company Pulju Exploration Oy (**PEO**), which in Finnish is Pulju Malminetsintä Oy, a 100% owned subsidiary of NNL.

Previous exploration has demonstrated proof of concept and delineated a large mineralised system at Pulju. This has provided NNL with a strong basis for exploration targeting within that system. CSA Global is of the opinion that the Hotinvaara prospect, and Pulju Project in general, represents an underexplored terrane with a large-scale magmatic nickel sulphide system already demonstrated. The project represents a compelling exploration target for komatiite-hosted nickel-copper-cobalt sulphides. There is a lack of modern exploration post the early 1990's, and what exploration there has been was generally shallow and not what would now be considered best exploration practice for nickel sulphide mineralisation. Much of the drilling terminated in mineralised komatiite ultramafic cumulates and stopped short of what would be typically considered the prime target environment of the footwall contact between ultramafic cumulates and the footwall sediments. The vast majority of the belt is essentially unexplored.

In August 2021, a JORC (2012) compliant Exploration Target was prepared by NNL for the Hotinvaara Exploration Licence based on the drilling completed in the 1980s and 1990s. The Target was estimated from a combination of historical assays and recently resampled sample pulps and core. A total mineralised system grade and tonnage range for the near surface mineralisation was estimated for the known intersections. Based on the Exploration Target estimation methodology outlined in Section 5 of the Independent Technical Assessment Report at Annexure A of this Prospectus, it is estimated the Hotinvaara Exploration Licence area has the potential to contain approximately 150–180Mt @ 0.22-0.27% Ni and 94–114ppm Co for 323–482kt contained Ni and 13.8–20.7kt contained Co. The potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. CSA Global is of the opinion that the Exploration Target methodology and result is compliant with the JORC Code 2012

**Figure [3] : Exploration Licence map of the Pulju Project**




### 5.3.2 Maaninkijoki 3 Project (MJ3)

The Company has entered into an earn-in and joint venture agreement with Finnish company MagStar Mining Oy (**MagStar**), pursuant to which the Company has the right to acquire up to a 75% interest in the MJ3 Project. The exploration licence comprising the MJ3 Project (**MJ3 Licence**) is currently under application and covers a total area of 30.44 km$^2$ . The MJ3 Licence is 100% held by MagStar.

CSA Global is of the opinion that the MJ3 Project represents a good greenfields exploration project for either intrusive hosted or komatiite hosted magmatic nickel sulphide mineralisation. The proximity to the Sakatti deposit, and the potential for buried intrusive systems similar to Sakatti or Kevitsa, make for a compelling exploration play. The project is essentially underexplored. Systematic exploration using the proven techniques and strategies from discovery at Kevitsa and Sakatti offers a template for exploration that will help mitigate exploration risk and maximise potential for discovery.

While an EL is under application, Finnish law permits exploration work considered prospecting work, which includes any work which does not cause any damage or more than minor inconvenience or disturbance. For further information on permitted activities while an EL is under application, see Annexure B.

## 5.4 Business model

The Company's business model is to thoroughly test each of the Projects using highly skilled, experienced, and pragmatic exploration geologists, geoscientists and advisors; and, in doing so, determine as soon as practicable whether the Projects have potential for hosting an economic deposit.

Exploration work will initially be focussed on the Pulju Project, which includes the granted Hotinvaara licence which is considered prospective, while the Company continues to undertake the steps necessary to ensure the successful grant of the EL applications at both the Pulju and MJ3 Projects. While an EL is under application, Finnish law permits exploration work considered prospecting work, which includes any work which does not cause any damage or more than minor inconvenience or disturbance. Following testing of the existing exploration target, the focus will be on establishing a mineral resource reported in accordance with the JORC code. At this point, a decision on how best to extract value for shareholders will be assessed.

If after completion of the exploration programs, the Projects are assessed to be unlikely to host an economic deposit, they will be divested either via a sale, joint venture or relinquishment; and new Projects will be staked or acquired. The Company will also continue to assess and review other opportunities for tenement applications or acquisitions and, where deemed appropriate or in the interests of Shareholders, the Company may expand its portfolio of tenements.

The Company will operate a low-overhead corporate structure, relying on external consultants to implement the activities. The Proposed Director will be responsible for the execution of the Board strategy and management of the day-to-day activities.

## 5.5 Proposed Exploration Program

Following completion of the Offer, the Company's proposed business model will be to further explore and develop the Projects as per the Company's intended exploration programs, with an initial focus on the already identified exploration target at the Pulju Project.

As set out in the Independent Technical Assessment Report in Annexure A, the Company's proposed exploration and development plan in respect of the Projects is as set out below.

**Table [2]: Proposed exploration expenditure summary by activity, for Minimum Subscription**

| | Pulju | | Maaninkijoki3 | | Total |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Data Analysis & Compilation | $ 50,000 | | | | $ 50,000 |
| Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling) | $ 50,000 | | $ 50,000 | | $ 100,000 |
| Geophysics | $ 220,000 | $ 150,000 | $ 200,000 | $ 300,000 | $ 870,000 |
| *Ground Magnetics* | | | *$ 80,000* | | *$ 80,000* |
| *Gravity* | | | *$ 120,000* | | *$ 120,000* |
| *Fixed Loop EM* | | | | *$ 150,000* | *$ 150,000* |
| *Moving Loop EM* | *$ 120,000* | | | *$ 150,000* | *$ 270,000* |
| *Downhole EM* | *$ 100,000* | *$ 150,000* | | | *$ 250,000* |
| Site Access and Infrastructure Upgrades | $ 500,000 | | | | $ 500,000 |
| Drilling | $ 1,650,000 | $ 2,100,000 | | | $ 3,750,000 |
| Modelling & Resource Estimation | $ 50,000 | $ 50,000 | | | $ 100,000 |
| External Consultants | $ 75,000 | $ 75,000 | | | $ 150,000 |
| CSR | $ 50,000 | $ 50,000 | | | $ 100,000 |
| Environmental | $ 50,000 | $ 50,000 | | | $ 100,000 |
| General & Administration | $ 675,000 | $ 675,000 | | | $ 1,350,000 |
| Costs of the Offer | $ 766,749 | | | | $ 766,749 |
| Contingency | $ 100,000 | $ 63,251 | | | $ 163,251 |
| | | | | | |
| **Total** | **$ 4,236,749** | **$ 3,213,251** | **$ 250,000** | **$ 300,000** | **$ 8,000,000** |

**Table [3]: Proposed exploration expenditure summary by activity, for Maximum Subscription**

| | Pulju | | Maaninkijoki3 | | Total |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Data Analysis & Compilation | $ 50,000 | | | | $ 50,000 |
| Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling) | $ 50,000 | | $ 50,000 | | $ 100,000 |
| Geophysics | $ 270,000 | $ 290,000 | $ 200,000 | $ 345,000 | $ 1,105,000 |
| *Ground Magnetics* | | | *$ 80,000* | | *$ 80,000* |
| *Gravity* | | | *$ 120,000* | | *$ 120,000* |
| *Fixed Loop EM* | | | | *$ 150,000* | *$ 150,000* |
| *Moving Loop EM* | *$ 120,000* | | | *$ 150,000* | *$ 270,000* |
| *Downhole EM* | *$ 150,000* | *$ 290,000* | | *$ 45,000* | *$ 485,000* |
| Site Access and Infrastructure Upgrades | $ 500,000 | | | | $ 500,000 |
| Drilling | $ 2,150,000 | $ 3,915,000 | | $ 500,000 | $ 6,565,000 |
| Modelling & Resource Estimation | $ 80,000 | $ 80,000 | | | $ 160,000 |
| External Consultants | $ 100,000 | $ 100,000 | | | $ 200,000 |
| CSR | $ 50,000 | $ 50,000 | | | $ 100,000 |
| Environmental | $ 100,000 | $ 100,000 | | | $ 200,000 |
| General & Administration | $ 900,000 | $ 900,000 | | | $ 1,800,000 |
| Costs of the Offer | $ 1,011,250 | | | | $ 1,011,250 |
| Contingency | $ 108,750 | $ 100,000 | | | $ 208,750 |
| | | | | | |
| **Total** | **$ 5,370,000** | **$ 5,535,000** | **$ 250,000** | **$ 845,000** | **$ 12,000,000** |

## 5.6 Use of funds

The Company intends to apply funds raised from the Offer, together with existing cash reserves post-admission, over the first two years following admission of the Company to the Official List of ASX as follows:

| Funds available | Minimum Subscription ($) ($8,000,000) | Percentage of Funds (%) | Maximum Subscription ($) ($12,000,000) | Percentage of Funds (%) |
|---|---|---|---|---|
| Existing cash reserves[1] | 392,593 | 4.7% | 392,593 | 3.2% |
| Funds raised from the Offer | 8,000,000 | 95.3% | 12,000,000 | 96.8% |
| **Total** | **8,392,593** | **100%** | **12,392,593** | **100%** |
| **Allocation of funds** | | | | |
| Exploration at Pulju Project[2] | 4,820,000 | 57.4% | 7,385,000 | 59.6% |
| Exploration at MJ3 Project[2] | 550,000 | 6.6% | 1,095,000 | 8.8% |
| Other Technical Expenditure[2] | 350,000 | 4.2% | 500,000 | 4.0% |
| Expenses of the Offer[3] | 766,749 | 9.1% | 1,011,250 | 8.2% |
| Administration costs[4] | 1,350,000 | 16.1% | 1,800,000 | 14.5% |
| Working capital[5] | 555,844 | 6.6% | 601,343 | 4.9% |
| **Total** | **8,392,593** | **100%** | **12,392,593** | **100%** |

**Notes:**

1. As at 31/03/2022. Refer to the Financial Information set out in Annexure C for further details. The Company intends to apply these funds towards the purposes set out in this table, including the payment of the expenses of the Offer of which various amounts will be payable prior to completion of the Offer.
2. Refer to Section 5.5 and the Independent Technical Assessment Report in Annexure A for further details with respect to the Company's proposed exploration programs at the Projects.
3. Refer to Section 9.8 for further details.
4. Administration costs include the general costs associated with the management and operation of the Company's business including administration expenses, management salaries, directors' fees, rent and other associated costs.
5. To the extent that:

   (a) the Company's exploration activities warrant further exploration activities; or

   (b) the Company is presented with additional acquisition opportunities,

   the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for the period following the initial 2-year period following the Company's quotation on ASX.

It is anticipated that the funds raised under the Offer will enable 2 years of full operations (if the Minimum Subscription is raised). It should be noted that the Company may not be fully self-funding through its own operational cash flow at the end of this period. Accordingly, the Company may require additional capital beyond this point, which will likely involve the use of additional debt or equity

funding. Future capital needs will also depend on the success or failure of the Company's Projects. The use of further debt or equity funding will be considered by the Board where it is appropriate to fund additional exploration on the Projects or to capitalise on acquisition opportunities in the resources sector.

In the event the Company raises more than the Minimum Subscription of $8,000,000 under the Offer but less than the Maximum Subscription, the additional funds raised will be first applied towards the expenses of the Offer and then proportionally to the other line items in the above table.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The Directors consider that following completion of the Offer, the Company will have sufficient working capital to carry out its stated objectives. It should however be noted that an investment in the Company is speculative and investors are encouraged to read the risk factors outlined in Section 6.

## 5.7 Capital structure

The capital structure of the Company following completion of the Offer (assuming both Minimum Subscription and Maximum Subscription under the Offer) is summarised below:

**Shares[1]**

| | Minimum Subscription | Maximum Subscription |
|---|---|---|
| Shares currently on issue[2] | 55,000,001 | 55,000,001 |
| Shares to be issued to the Consultant[3] | 125,000 | 125,000 |
| Shares to be issued upon conversion of the Convertible Note[4] | 12,100,005 | 12,100,005 |
| Shares to be issued pursuant to the Offer[5] | 32,000,000 | 48,000,000 |
| **Total Shares on completion of the Offer** | **99,225,006** | **115,225,006** |

**Notes:**

1. The rights attaching to the Shares are summarised in Section 9.2.
2. Comprising:
   (a) 1 Share issued on incorporation of the Company at an issue price of $1.00;
   (b) 10,000,000 Shares issued to the following founders of the Company at an issue price of $0.0001 per Share:
      i. Mr Robert Wrixon (3,312,500);
      ii. Bring on Retirement Limited (3,312,500);
      iii. Mr Richard Gazal (2,375,000);
      iv. Mr Lachlan Rutherford (500,000); and
      v. Mr Aaron Bertolatti <Bertolatti Family Trust> (500,000).
   (c) 45,000,000 Shares issued to the shareholders of Pulju Exploration Oy (**PEO**) as consideration for the Company's acquisition of 100% of the shares in PEO which entity was the previous holder of the Pulju Project. Refer to Section 8.1.2 for a summary of

the agreement pursuant to which these Shares were issued (**Pulju Share Purchase Agreement**);

3. 125,000 Shares to be issued as a referral fee for the introduction of the Proposed Managing Director and CEO;
4. 12,100,005 Shares to be issued to a number of seed investors upon the conversion of the Convertible Note at an issue price of $0.15 per Share; and
5. Minimum Subscription: 32,000,000 Shares to be issued at an issue price of $0.25 per share to raise $8,000,000 under the Offer. Maximum Subscription: 48,000,000 Shares to be issued at an issue price of $0.25 per Share to raise up to $12,000,000 under the Offer.

**Options[1]**

| | Minimum Subscription | Maximum Subscription |
|---|---|---|
| Options currently on issue[2] | 2,750,000 | 2,750,000 |
| Options to be issued to the Proposed Managing Director and CEO[3] | 3,500,000 | 3,500,000 |
| Options to be issued to Directors, employees and consultants[4] | 3,500,000 | 3,500,000 |
| Joint Lead Manager Options[5] | 4,000,000 | 4,000,000 |
| **Total Options on completion of the Offer** | 13,750,000 | 13,750,000 |

**Notes:**

1. The rights attaching to the Options currently on issue are summarised in Section 9.3 (**Existing Options**).
2. The Existing Options were issued as consideration for services provided to the Company prior to the IPO;
3. 3,500,000 Options to be issued to the Proposed Director, Mr Todd Ross (**Managing Director Options**). Refer to Section 8.2.1 for a summary of the agreement pursuant to which the Managing Director Options are being issued (**Ross ESA**)
4. Comprising:
   i. 1,750,000 Options to be issued to the following Directors of the Company:
      (i) Mr Robert Wrixon (500,000 Options);
      (ii) Mr Marcello Cardaci (750,000 Options);
      (iii) Mr Juho Haverinen (500,000 Options); and
   ii. 1,750,000 Options to be issued to various employees and consultants of the Company,

   (together, the **Director, Employee and Consultant Options**).
5. To be issued to the Joint Lead Managers under the Joint Lead Manager Mandate. Refer to Section 9.3 for the terms and conditions of the Joint Lead Manager Options and Section 8.1.1 for a summary of the agreement pursuant to which these Joint Lead Manager Options are being issued.

## 5.8 Substantial Shareholders

Those Shareholders holding 5% or more of the Shares on issue both as at the date of this Prospectus and on completion of the Offer are set out in the respective tables below.

***As at the date of the Prospectus***

| Shareholder | Shares | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|---|---|---|---|---|
| Magnus Minerals Oy[1] | 18,855,000 | 0 | 34.28% | 32.65% |
| Bring On Retirement Limited[2] | 10,022,500 | 0 | 18.22% | 17.35% |
| Mr Robert Christopher Wrixon | 10,022,501 | 1,500,000 | 18.22% | 19.95% |
| Mr Richard Gazal | 7,015,000 | 0 | 12.75% | 12.15% |

**Notes:**

1. Magnus Minerals Oy is an entity which Juho Haverinen is a director.
2. Bring On Retirement Limited is an entity controlled by Ms Kim He Shin.

***On completion of the issue of Shares under the Offer with Minimum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)***

| Shareholder | Shares | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|---|---|---|---|---|
| Magnus Minerals Oy | 18,855,000 | 0 | 19.0% | 16.69% |
| Bring On Retirement Limited | 11,189,167 | 0 | 11.28% | 9.9% |
| Mr Robert Christopher Wrixon | 10,689,168 | 1,500,000 | 10.77% | 10.79% |
| Mr Richard Gazal | 8,615,000 | 0 | 8.69% | 7.63% |

***On completion of the issue of Shares under the Offer with Maximum Subscription (assuming no existing substantial Shareholder subscribes and receives additional Shares pursuant to the Offer)***

| Shareholder | Shares | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|---|---|---|---|---|
| Magnus Minerals Oy | 18,855,000 | 0 | 16.36% | 14.62% |
| Bring On Retirement Limited | 11,189,167 | 0 | 9.71% | 8.68% |

| Shareholder | Shares | Options | Percentage (%) (undiluted) | Percentage (%) (fully diluted) |
|---|---|---|---|---|
| Mr Robert Christopher Wrixon | 10,689,168 | 1,500,000 | 9.28% | 9.45% |
| Mr Richard Gazal | 8,615,000 | 0 | 7.48% | 6.68% |

The Company will announce to the ASX details of its top 20 Shareholders following completion of the Offer prior to the Shares commencing trading on ASX.

### 5.9 Restricted Securities

Subject to the Company being admitted to the Official List and completing the Offer, certain Shares will be classified by ASX as restricted securities and will be required to be held in escrow for up to 24 months from the date of Official Quotation. During the period in which these Shares are prohibited from being transferred, trading in Shares may be less liquid which may impact on the ability of a Shareholder to dispose of his or her Shares in a timely manner.

The Company will announce to the ASX full details (quantity and duration) of the securities required to be held in escrow prior to its admission to the Official List (which admission is subject to ASX's discretion and approval).

The Company confirms its 'free float' (the percentage of the Shares that are not restricted and are held by shareholders who are not related parties (or their associates) of the Company) at the time of admission to the Official List of the ASX will not be less than 20%, in compliance with ASX Listing Rule 1.1 Condition 7.

### 5.10 Additional Information

Prospective investors are referred to and encouraged to read in its entirety both the:

(a) the Independent Technical Assessment Report in Annexure A for further details about the geology, location and mineral potential of the Company's Projects;

(b) the Legal Report on Tenure in Annexure B for further details in respect to the Company's interests in the Tenements; and

(c) the Independent Limited Assurance Report in Annexure C for further details on the Company's financials.

### 5.11 Dividend policy

The Company anticipates that significant expenditure will be incurred in the evaluation and potential development of its Projects. These activities, together with the possible acquisition of interests in other projects, are expected to dominate at least, the first two-year period following the date of this Prospectus. Accordingly, the Company does not expect to declare any dividends during that period.

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and the operating results and financial condition of the Company, future

capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

## 6. RISK FACTORS

### 6.1 Introduction

The Shares offered under this Prospectus should be considered as highly speculative and an investment in the Company is not risk free.

The future performance of the Company and the value of the Shares may be influenced by a range of factors, many of which are largely beyond the control of the Company and the Directors. The key risks that have a direct influence on the Company, its Projects and activities are set out in Section 3. Those key risks as well as other risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are described below.

The risks factors set out in this Section 6, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares. This Section 6 is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

The Directors strongly recommend that prospective investors consider the risk factors set out in this Section 6, together with all other information contained in this Prospectus.

Before determining whether to invest in the Company you should ensure that you have a sufficient understanding of the risks described in this Section 6 and all of the other information set out in this Prospectus and consider whether an investment in the Company is suitable for you, taking into account your objectives, financial situation and needs.

If you do not understand any matters contained in this Prospectus or have any queries about whether to invest in the Company, you should consult your accountant, financial adviser, stockbroker, lawyer or other professional adviser.

### 6.2 Company specific risks

| Risk Category | Risk |
|---|---|
| **Conflicts of Interest** | Certain Directors of the Company are directors and officers of other companies engaged in mineral exploration and development.<br>These engagements and relationships interests are summarised in Section 7.5 and Section 8 of the Prospectus.<br>In particular:<br>(a) Robert Wrixon is a director of Starboard Global Ltd (**SGL**) and Juho Haverinen is a director of Magnus Minerals Oy (**Magnus**), both entities are counterparties to the Pulju Royalty Agreement;<br>(b) Robert Wrixon and Juho Haverinen are both directors of MagStar Mining Oy (**MagStar**), a counterparty to the MJ3 Earn-in and Joint Venture Agreement; and<br>(c) MagStar and Magnus are counterparties to the MJ3 Royalty Agreement.<br>In the future there may arise circumstances under these agreements which place Messrs Wrixon and Haverinen in |

| Risk Category | Risk |
|---|---|
| | a position of conflict. In these circumstances, Messrs Wrixon and Haverinen would need to abstain from deliberations. The Company has in place protocols for the management of conflicts of interest.<br>For further information with respect to Messrs Wrixon and Haverinen's direct and indirect interests and involvement in the counterparties to the Pulju Royalty Agreement, MJ3 Earn-in and JV Agreement and MJ3 Royalty Agreement, please refer to Section 7.5 of this Prospectus.<br>Although Messrs Wrixon and Haverinen have been advised of their fiduciary duties in the Company, there exist actual and potential conflicts of interest among these persons and situations could arise in which their obligations to, or interests in other companies could detract from their efforts on behalf of the Company. Messrs Wrixon and Haverinen intend to manage their responsibilities in accordance with applicable legal requirements and good governance frameworks, including adhering to the decision-making process to be followed by the Company as set out in Section 7.5. |
| **Limited history** | Having been incorporated on 27 January 2021, the Company does not have any operating history, although it should be noted that the Directors have between them significant operational and board experience.<br>Exploration has previously been conducted on the area of land the subject of the Pulu Licences and MJ3 Licence, and the Company has commenced its own exploration activities. Specifically, at the Pulju Project it has completed:<br>(a) a comprehensive compilation and review of all previous exploration data;<br>(b) re-logging, re-sampling and re-assaying of the historic drilling within the main Hotinvaara licence at Pulju<br>(c) a survey of existing boreholes for suitability for borehole EM (**BHEM**) data acquisition, from which ten historic drillholes were found to be suitable;<br>(d) BHEM data acquisition was completed at three holes, with a number of conductors identified; and<br>(e) 23.4-line km of Fixed Loop EM (**FLEM**) within the Hotinvaara exploration license, identifying further conductors.<br>No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its licences. Until the Company is able to realise value from its Projects, it is likely to incur ongoing operating losses. |

| Risk Category | Risk |
|---|---|
| **Contractual risk** | The Company's interest in the Projects are subject to:<br>(a) the Company earning interests in the MJ3 Project under the MJ3 Earn-in and Joint Venture Agreement; and<br>(b) the Company's obligations under the MJ3 Royalty Agreement and Pulju Royalty Agreement.<br>The ability of the Company to achieve its stated objectives will depend on the performance by the parties of their obligations under these agreements, including the Company complying with its obligation of expenditure on the MJ3 Project.<br>If the Company is unable to satisfy its undertakings under these agreements the Company's interest in their subject matter may be jeopardised.<br>If any party defaults in the performance of their obligations, it may be necessary for the Company to approach a court to seek a legal remedy, which can be costly.<br>Refer to Section 8 for summaries of the material terms and conditions of the MJ3 Earn in and JV Agreement, MJ3 Royalty Agreement and Pulju Royalty Agreement. |
| **Exploration and operating** | The mineral exploration licences comprising the Projects are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.<br>There can be no assurance that future exploration of these licences, or any other mineral licences that may be acquired in the future, will result in the discovery of an economic resource. Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited.<br>The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns or adverse weather conditions, unanticipated operational and technical difficulties, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, industrial and environmental accidents, industrial disputes, unexpected shortages and increases in the costs of consumables, spare parts, plant, equipment and staff, native title process, changing government regulations and many other factors beyond the control of the Company.<br>The success of the Company will also depend upon the Company being able to maintain title to the mineral exploration licences comprising the Projects and obtaining all required approvals for their contemplated activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Projects, a reduction in the cash reserves of |

| Risk Category | Risk |
|---|---|
| | the Company and possible relinquishment of one or more of the mineral exploration licences comprising the Projects. |
| **Title, Tenure, access and grant of applications** | **Licence Applications**<br>The Company is unaware of any circumstances that would prevent the various licence applications comprising the Pulju Project from being granted. However, the consequence of being denied the applications for reasons beyond the control of the Company could be significant.<br>Refer to the Legal Report on Tenure in Annexure B for further information on the Company's licence applications at the Projects.<br>**Renewal**<br>Mining and exploration licences in Finland are subject to periodic renewal. The renewal of the term of granted licences is issued subject to compliance with the applicable mining legislation and regulations and the discretion of the relevant mining authority. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the licences.<br>The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.<br>The Company considers the likelihood of tenure forfeiture to be low given the laws and regulations governing exploration in Finland and the ongoing expenditure budgeted for by the Company. However, the consequence of forfeiture or involuntary surrender of a granted licence for reasons beyond the control of the Company could be significant.<br>**Access**<br>In Finland, the holder of an exploration licence is required to comply with a range of restrictions to carry out exploration work, including notifying landowners and any local reindeer owners' associations of the intention to perform exploration activities. Landowners and reindeer herders have no ability to restrict access where the holder of the exploration licence complies with all applicable legislation. |
| **Climate risk** | There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:<br>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation |

| Risk Category | Risk |
|---|---|
| | or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and<br>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates. |
| **Natura 2000 and Nature Conservation Areas** | Finland is host to a network of core breeding and resting sites for rare and threatened species, known as the 'Natura 2000'. Areas of land classified as Natura 2000 or Nature Conservation Areas may impose restrictions on mining and exploration activity.<br>The mineral exploration licences comprising the Projects are not located in any Natura 2000 or Nature Conservation Areas.<br>The Company is aware that some areas within the Pulju Project are located in proximity to a Natura 2000 area. If in the future, the Company's exploration or mining activities were to result in a geological discovery that extended onto land the subject of a Natura 2000 or Nature Conservation Area, there is a risk that the Company may be limited in its ability to access, explore or mine these areas, which in any case lie outside its current tenement boundaries. |
| **COVID-19 risk** | The Coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.<br>The COVID-19 pandemic may also give rise to issues, delays or restrictions in relation to land access and the Company's ability to freely move people and equipment to and from exploration projects and may cause delays or cost increases. The effects of COVID -19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or |

| Risk Category | Risk |
|---|---|
| | require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.<br>The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business and financial performance. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. If any of these impacts appear material prior to close of the Offer, the Company will notify investors under a supplementary prospectus. |
| **Rehabilitation land comprising the licences** | In relation to the Company's proposed operations, issues could arise from time to time with respect to abandonment costs, consequential clean-up costs, environmental concerns and other liabilities. In these instances, the Company could become subject to liability if, for example, there is environmental pollution or damage from the Company's exploration activities and there are consequential clean-up costs at a later point in time. |
| **Ukraine conflict** | The current conflict between Ukraine and Russia (**Ukraine Conflict**) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.<br>The Directors are continuing to closely monitor the potential macroeconomic impacts of the unfolding events, including the changing pricing of commodity and energy markets and the potential of cyber activity impacting governments and businesses. Further, any governmental or industry measures taken in response to the Ukraine Conflict, including limitations on travel and changes to import/export restrictions and arrangements involving Russia, may adversely impact the Company's operations and are likely to be beyond the control of the Company. The Company is monitoring the situation closely and considers the impact of the Ukraine Conflict on the Company's business and financial performance to, at this stage, be limited. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain. |

### 6.3 Industry specific risks

| Risk Category | Risk |
|---|---|
| **Land rights of indigenous peoples** | Although there is currently no specific legislation concerning land rights of indigenous peoples in Finland, such legislation may be introduced in the future.<br>If such legislation is introduced, and the Company's Projects are impacted, the Company's ability to gain access to licences (through obtaining consent of any relevant landowner), or to progress from the exploration |

| Risk Category | Risk |
|---|---|
| | phase to the development and mining phases of operations may be adversely affected.<br>Please refer to the Legal Report on Tenure in Annexure B of this Prospectus for further details. |
| **Exploration costs** | The exploration costs of the Company as summarised in Section 5 are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainty, and accordingly, the actual costs may materially differ from the estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely impact the Company's viability. |
| **Resource and reserves and exploration targets** | The Company has identified a number of exploration targets based on geological interpretations and limited geophysical data, geochemical sampling and historical drilling. Insufficient data however, exists to provide certainty over the extent of the mineralisation. Whilst the Company intends to undertake additional exploratory work with the aim of defining a resource, no assurances can be given that additional exploration will result in the determination of a resource on any of the exploration targets identified. Even if a resource is identified no assurance can be provided that this can be economically extracted.<br>Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when initially calculated may alter significantly when new information or techniques become available. In addition, by their very nature resource and reserve estimates are imprecise and depend to some extent on interpretations which may prove to be inaccurate. |
| **Grant of future authorisations to explore and mine** | If the Company discovers an economically viable mineral deposit that it intends to develop, the Company will require various approvals, licences and permits before it has the ability to mine the deposit. There is no guarantee that the Company will be able to obtain all required approvals, licenses and permits. To the extent that required authorisations are not obtained or are delayed, the Company's operational and financial performance may be materially adversely affected. |
| **Mine development** | Possible future development of mining operations at the Projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production |

| Risk Category | Risk |
|---|---|
| | activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.<br>If the Company commences production on one of the Projects, its operations may be disrupted by a variety of risks and hazards which are beyond the control of the Company. No assurance can be given that the Company will achieve commercial viability through the development of the Projects.<br>The risks associated with the development of a mine will be considered in full should the Projects reach that stage and will be managed with ongoing consideration of stakeholder interests. |
| **Environmental** | The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.<br>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.<br>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive. |
| **Regulatory Compliance** | The Company's operating activities are subject to extensive laws and regulations relating to numerous matters including resource licence consent, environmental compliance and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, protection of the environment, native title and heritage matters, protection of endangered and protected species and other matters. The Company requires permits from regulatory authorities to authorise |

| Risk Category | Risk |
|---|---|
| | the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.<br>While the Company believes that it is in substantial compliance with all material current laws and regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Company or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.<br>Obtaining necessary permits can be a time-consuming process and there is a risk that Company will not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the licences. |

### 6.4 General risks

| Risk Category | Risk |
|---|---|
| **Additional requirements for capital** | The Company's capital requirements depend on numerous factors. The Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company. |
| **Reliance on key personnel** | The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.<br>The Company's future depends, in part, on its ability to attract and retain key personnel. It may not be able to hire and retain such personnel at compensation levels consistent with its existing compensation and salary structure. Its future also depends on the continued |

| Risk Category | Risk |
|---|---|
| | contributions of its executive management team and other key management and technical personnel, the loss of whose services would be difficult to replace. In addition, the inability to continue to attract appropriately qualified personnel could have a material adverse effect on the Company's business. |
| **Economic** | General economic conditions, introduction of tax reform, new legislation, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that the Projects may have to be surrendered or not renewed. General economic conditions may also affect the value of the Company and its valuation regardless of its actual performance. |
| **Competition risk** | The industry in which the Company will be involved is subject to domestic and global competition. Although the Company will undertake all reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business. |
| **Currently no market** | There is currently no public market for the Company's Shares, the price of its Shares is subject to uncertainty and there can be no assurance that an active market for the Company's Shares will develop or continue after the Offer.<br>The price at which the Company's Shares trade on ASX after listing may be higher or lower than the issue price of Shares offered under this Prospectus and could be subject to fluctuations in response to variations in operating performance and general operations and business risk, as well as external operating factors over which the Directors and the Company have no control, such as movements in mineral prices and exchange rates, changes to government policy, legislation or regulation and other events or factors.<br>There can be no guarantee that an active market in the Company's Shares will develop or that the price of the Shares will increase. There may be relatively few or many potential buyers or sellers of the Shares on ASX at any given time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is above or below the price that Shareholders paid. |
| **Market conditions** | Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors such as: |

| Risk Category | Risk |
|---|---|
| | • general economic outlook;<br>• introduction of tax reform or other new legislation;<br>• interest rates and inflation rates;<br>• changes in investor sentiment toward particular market sectors;<br>• the demand for, and supply of, capital; and<br>• terrorism or other hostilities.<br>The market price of Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.<br>Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of exploration companies experience extreme price and volume fluctuations that have often been unrelated to the operating performance of such companies. These factors may materially affect the market price of the shares regardless of the Company's performance.<br>Further, after the end of the relevant escrow periods affecting Shares in the Company, a significant sale of then tradeable Shares (or the market perception that such a sale might occur) could have an adverse effect on the Company's Share price. Please refer to Section 5.9 for further details on the Shares likely to be classified by the ASX as restricted securities. |
| **Commodity price volatility and exchange rate risks** | If the Company achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.<br>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets. |
| **Government policy changes** | Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is possible that the current system of exploration and mine permitting in Finland may change, resulting in impairment of rights and possibly expropriation of the Company's properties without adequate compensation. |

| Risk Category | Risk |
|---|---|
| **Insurance** | The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.<br>Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive. |
| **Force Majeure** | The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions. |
| **Taxation** | The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.<br>To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus. |
| **Litigation Risks** | The Company is exposed to possible litigation risks including native title claims, tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, reputation, financial performance and financial position. The Company is not currently engaged in any litigation. |

### 6.5 Investment speculative

The risk factors described above, and other risks factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of the Shares.

Prospective investors should consider that an investment in the Company is highly speculative.

There is no guarantee that the Shares offered under this Prospectus will provide a return on capital, payment of dividends or increases in the market value of those Shares.

Before deciding whether to subscribe for Shares under this Prospectus you should read this Prospectus in its entirety and consider all factors, taking into account your objectives, financial situation and needs.

## 7. BOARD, MANAGEMENT AND CORPORATE GOVERNANCE

### 7.1 Board of Directors

The Board of the Company currently consists of:

(a) **Marcello Cardaci (BJuris, LLB and BCom)**

*Non-Executive Chairman*

Mr Cardaci was formerly a partner of, and is now a consultant to, Gilbert & Tobin's Corporate Advisory Group. Mr Cardaci has had over 25 years' experience advising on a range of corporate and commercial matters including public and private equity fund raisings and public and private mergers, acquisitions and divestment.

Mr Cardaci also regularly advised on issues relating to the Corporations Act and Australian Securities Exchange Listing Rules. He has cross-border experience, having advised on numerous overseas transactions including capital raisings, takeovers, schemes of arrangements and the structuring of acquisitions and joint ventures in numerous countries.

He has served on the board of a number of ASX listed companies, maintaining current directorships of ASX listed Altamin Limited and Manhattan Corporation Ltd. He holds degrees in Law (BJuris, LLB) and Commerce (BCom).

The Board considers that Mr Cardaci is an independent Director.

(b) **Robert Wrixon (BEng, MEng, PhD)**

*Executive Director*

Dr Robert Wrixon has over 20 years' experience in corporate strategy, commodity marketing, mining M&A and mineral exploration management. He has previously run two ASX-listed junior resources companies, and prior to that spent five years in corporate strategy for Xstrata plc (now Glencore) based in Sydney and London. He began his professional career as a management consultant and project manager for a global strategy consulting firm.

Dr Wrixon is currently a Director of Starboard Global Ltd, specialising in private equity investment and incubation of exploration/development projects in the metals and mining sector. He sits on the board of ASX listed tungsten developer Rafaella Resources Ltd and AIM-listed potash developer Emmerson PLC.

Dr Wrixon is a dual Irish and Australian national and holds a PhD in mineral engineering from the University of California, Berkeley.

The Board considers that Dr Wrixon is not an independent Director.

(c) **Juho Haverinin (BSc (Geol), MSc (Geol))**

Non-Executive Director

Mr Haverinen has over ten years' experience in planning and overseeing mineral exploration in Finland. He is the Head of Exploration for Magnus

Minerals Oy, a private Finnish geological consultancy and prospect generator. Mr Haverinen has significant managerial experience in Finland, in particular number exploration joint ventures with major multinational mining companies. His research into base metal deposition in deeper stratigraphies within the Central Lapland Greenstone Belt has been widely accepted and integrated into the geological models of a number of major exploration companies located in Finland.

Mr Haverinen also has over a decade of experience operating successfully under Finnish mining and environmental law and maintaining key stakeholder relationships. He was a member of the Board of the Finnish Mining Association (FinnMin) from 2016 to 2021 and is a current Board member of Magnus Minerals Oy. Mr Haverinen has both BSc and MSc degrees in Geology from the University of Helsinki.

The Board considers that Mr Haverinen is not an independent Director.

**(d) Aaron Bertolatti (B.Com, CA, ACG)**

Non-Executive Director (to resign prior to listing).

As set out in Section 7.2 below, prior to the Company's admission to the Official List of the ASX, Mr Bertolatti will retire from his position as Non-Executive Director and will continue with his role as Company Secretary.

Mr Bertolatti is a qualified Chartered Accountant and Company Secretary with over 15 years' experience in the mining industry and accounting profession. He has significant experience in the administration of ASX listed companies, corporate governance and corporate finance. He was previously Australian Chief Financial Officer of American Pacific Borates Limited and acts as Company Secretary for listed ASX companies: Fin Resources Limited (ASX:FIN), Many Peaks Gold Limited (ASX: MPG) and Odin Metals Limited (ASX:ODM). Mr Bertolatti is also a Director and Company Secretary of Megado Gold Ltd (ASX:MEG) and Future Metals NL (ASX/AIM: FME).

## 7.2 Board Changes prior to Listing

Prior to the Company being admitted the Official List of the ASX, the Company proposes that the following Board changes will take effect:

**(a) Todd Ross - (BBus (Finance & Marketing), GradDip (Applied Finance & Investment))**

Proposed Managing Director and CEO

Mr Todd Ross will be appointed as Managing Director and Chief Executive Officer of the Company.

Mr Ross has 23 years' experience in finance and corporate advisory within the mineral project development and mining sector. He has led numerous large project financings, acquisition financings and advisory mandates across an extensive range of commodities, throughout multiple jurisdictions including Australia, Europe, and Africa, with a particular focus on nickel and battery metals in recent times.

Mr Ross's deep expertise in originating, structuring, negotiating, and executing a wide variety of funding solutions has enabled many listed

exploration companies to access the capital required to develop their operations and move into production. This experience has also provided Mr Ross with a detailed understanding on what mineral projects need to succeed and how to best manage risk from both a technical, environmental, market and corporate financing standpoint.

In his previous role as Managing Director and Head of Western Australia for BNP Paribas, Mr Ross was responsible for the banks' overall business in the state with a particular focus on supporting the cross-border nexus between Europe and Australia. In recent years Mr Ross has been instrumental in developing a market leading position financing commodities critical for the energy transition including nickel, copper, cobalt, and lithium.

Mr Ross has a Bachelor of Business from Edith Cowan University and a Graduate Diploma in Applied Finance & Investment from FINSIA. Mr Ross has held Senior Executive Positions at BNP Paribas, Westpac, Royal Bank of Canada, CBA and Oakvale Capital.

The Board considers that Mr Ross will not be an independent Director.

**(b) Aaron Bertolatti – Resigning as Non-Executive Director**

Mr Aaron Bertolatti will resign from his position as Non-Executive Director, and will continue with his role as Company Secretary (and Chief Financial Officer).

## 7.3 Key Management

The Company's key management team includes Company Secretary, Aaron Bertolatti, whose profile is set out above in Section 7.1(d).

## 7.4 Disclosure of interests

The Directors' and Proposed Director's relevant interests, together with the proposed remuneration for the first full financial year following the Company being admitted to the Official List is set out in the table below.

| Director | Annual Remuneration | Shares | Options[1] | Percentage – Minimum Subscription (Undiluted) | Percentage – Maximum Subscription (Undiluted) |
|---|---|---|---|---|---|
| Marcello Cardaci | $60,000 | - | 750,000 | 0.0% | 0.0% |
| Todd Ross | $300,000 | 2,000,000[2] | 3,500,000 | 2.0% | 1.7% |
| Robert Wrixon | $120,000 | 10,689,168 | 1,500,000 | 10.8% | 9.3% |
| Juho Haverinen | $36,000 | 675,000 | 500,000 | 0.7% | 0.6% |
| Aaron Bertolatti[3] | $102,000 | 633,333 | 750,000 | 0.6% | 0.5% |

**Notes:**

1. Refer to Section 9.3 for the terms and conditions of the Options.
2. Held by Regenerate Investments Pty Ltd <Regenerate Holdings Trust> an entity controlled by Todd Ross.

3. Held by Aaron Dean Bertolatti <Bertolatti Family Trust>.

## Remuneration and interests

### Post-completion of the Offer – Minimum Subscription

| Director | Remuneration[1] | Shares | Options[2] | Percentage (%) (Undiluted) | Percentage (%) (Fully Diluted) |
|---|---|---|---|---|---|
| Marcello Cardaci | $60,000 | - | 750,000 | 0.0% | 0.7% |
| Todd Ross | $300,000 | 2,000,000[2] | 3,500,000 | 2.0% | 4.9% |
| Robert Wrixon | $120,000 | 10,689,168 | 1,500,000 | 10.8% | 10.8% |
| Juho Haverinen | $36,000 | 675,000 | 500,000 | 0.7% | 1.0% |
| Aaron Bertolatti[3] | $102,000 | 633,333 | 750,000 | 0.6% | 1.1% |

**Notes:**

1. Exclusive of statutory superannuation entitlements (other than Marcello Cardaci and Todd Ross).
2. Refer to Section 9.3 for the terms and conditions of the Options.
3. Held by Regenerate Investments Pty Ltd <Regenerate Holdings Trust> an entity controlled by Todd Ross.
4. Held by Aaron Dean Bertolatti <Bertolatti Family Trust>.

### Post-Completion of the Offer – Maximum Subscription

| Director | Remuneration[1] | Shares | Options[2] | Percentage (%) (Undiluted) | Percentage (%) (Fully Diluted) |
|---|---|---|---|---|---|
| Marcello Cardaci | $60,000 | - | 750,000 | 0.0% | 0.6% |
| Todd Ross | $300,000 | 2,000,000[4] | 3,500,000 | 1.7% | 4.3% |
| Robert Wrixon | $120,000 | 10,689,168 | 1,500,000 | 9.3% | 9.4% |
| Juho Haverinen | $36,000 | 675,000 | 500,000 | 0.6% | 0.9% |
| Aaron Bertolatti[4] | $102,000 | 633,333 | 750,000 | 0.6% | 1.1% |

**Notes:**

1. Exclusive of statutory superannuation entitlements (other than Marcello Cardaci and Todd Ross).
2. Refer to Section 9.3 for the terms and conditions of the Issued Options.
3. Held by Regenerate Investments Pty Ltd <Regenerate Holdings Trust> an entity controlled by Todd Ross.
4. Held by Aaron Dean Bertolatti <Bertolatti Family Trust>.

The Company's constitution provides that the remuneration of non-executive Directors will be not more than the aggregate fixed sum determined by a general meeting. The aggregate remuneration for non-executive Directors is $250,000 per annum although may be varied by ordinary resolution of the Shareholders in general meeting.

The remuneration of any executive director that may be appointed to the Board will be fixed by the Board and may be paid by way of fixed salary or consultancy fee.

### 7.5 Agreements with Directors and related parties

The Company notes that it has entered into the following agreements involving related parties of the Company:

(a) **Pulju Share Purchase Agreement**

Robert Wrixon is a director of Finmetal Ventures Ltd (**Finmetal**), and Juho Haverinen is a director of Magnus Minerals Oy (**Magnus**). Finmetal and Magnus were former shareholders of Pulju Exploration Oy (**PEO**) which is the holder of the Pulju Project. Nordic has acquired 100% of PEO pursuant to the Pulju Share Purchase Agreement.

Please refer to Section 8.1.2 for a summary of the Pulju Share Sale Agreement.

(b) **Pulju Royalty Agreement**

**Background**

The Company has entered into an agreement with Starboard Global Ltd (**SGL**) and Magnus, pursuant to which the Company will pay SGL and Magnus a royalty in respect of the Pulju Project. SGL and Magnus are related parties by virtue of being controlled by Directors Robert Wrixon (SGL) and Juho Haverinen (Magnus) respectively.

**Disclosure of related party interests**

Robert Wrixon is a director of SGL and Juho Haverinen is a director of Magnus.

**Relevant interests**

(i) **SGL**: Robert Wrixon holds a 33.3% direct interest; and

(ii) **Magnus**: Juho Haverinen holds a 3.51% direct interest.

**Company's management of risk**

In the future there may arise circumstances in relation to the Pulju Royalty Agreement, which place Mr Wrixon and Mr Haverinen in a position of conflict. In these circumstances, Mr Wrixon and Mr Haverinen would need to abstain from deliberations. The Company has in place protocols to manage conflicts of interest

Please refer to Section 8.1.3 for a summary of the Pulju Royalty Agreement.

(c) **MJ3 Earn-in and JV Agreement**

**Background**

The Company has entered into an agreement with MagStar Mining Oy (**MagStar**) pursuant to which the Company has the right to acquire up to

a 75% interest in the MJ3 Project. MagStar is a related party by virtue of being an entity controlled by Directors Robert Wrixon and Juho Haverinen.

**Disclosure of related party interests**

Robert Wrixon and Juho Haverinen, are both directors of MagStar.

**Relevant interest in Magstar**

(i) Juho Haverinen holds a direct interest of 1.8%;

(ii) Magnus (of which Juho Haverinen holds a 3.5% interest), holds an indirect interest of 43.23%; and

(iii) Finmetal (of which Robert Wrixon holds a 14.83% interest), holds an indirect interest of 42.36%.

**Company's management of risk**

In the future there may arise circumstances in relation to the MJ3 Earn-in and JV Agreement, which place Mr Wrixon and Mr Haverinen in a position of conflict. In these circumstances, Mr Wrixon and Mr Haverinen would need to abstain from deliberations. The Company has in place protocols to manage conflicts of interest.

Please refer to Section 8.1.4 for a summary of the MJ3 Earn-in and JV Agreement.

(d) **MJ3 Royalty Agreement**

**Background**

The Company has entered into an agreement with MagStar and Magnus, pursuant to which the Company will pay MagStar and Magnus a royalty in respect of the MJ3 Project. MagStar and Magnus are related parties by virtue of being controlled by Directors Robert Wrixon (MagStar) and Juho Haverinen (MagStar and Magnus) respectively.

**Disclosure of related party interests**

Robert Wrixon and Juho Haverinen, are both directors of MagStar, and Juho Haverinen is a director of Magnus. See above for details of Mr Wrixon's and Mr Haverinen's interests in MagStar and Magnus.

**Company's management of risk**

In the future there may arise circumstances in relation to the MJ3 Royalty Agreement, which place Mr Wrixon and Mr Haverinen in a position of conflict. In these circumstances, Mr Wrixon and Mr Haverinen would need to abstain from deliberations. The Company has in place protocols to manage conflicts of interest.

Please refer to Section 8.1.5 for a summary of the MJ3 Royalty Agreement.

(MagStar, Magnus and SGL are each referred to as a **Related Party Entity**, or together as the **Related Party Entities**).

In terms of the decision making process to be followed by the Company in respect of matters involving the Related Party Entities (for example the obligations under or amendments to the MJ3 Earn-In and JV Agreement or Pulju and MJ3 Royalty Agreements), the process will be as follows:

(a) Mr Wrixon and Mr Haverinen will each disclose their material personal interest in the Related Party Entity matter to the Board in accordance with section 191 of the Corporations Act;

(b) details of the interest will be recorded by the Company Secretary (Mr Aaron Bertolatti) in minutes of the meeting, along with a description of the background to the transaction and record as to whether or not there is a sufficient quorum of non-interested Directors;

(c) Mr Wrixon and Mr Haverinen will not be present whilst the matter is being considered at the meeting, or vote on the matter (the Board acknowledges that this prohibition extends to resolutions made without a meeting) and this too will be recorded in the minutes of the meeting;

(d) where the matter involves the giving of a financial benefit to a Related Party Entity (which is a related party by virtue of being an entity controlled by either Mr Wrixon and Mr Haverinen), the independent directors must demonstrate that Chapter 2E of the Corporations Act has been considered by the independent directors (in particular, sections 208 and 210 to 216 of the Act) and that an exception to the requirement to obtain the Shareholder approval applies i.e. the giving of the benefit to the related party is on arm's length terms (and that the availability of the exception has been independently verified) and this will also be recorded in the minutes; and

(e) if there is an insufficient number of independent Directors to form a quorum at the Board meeting, or the Directors are not able to determine that an exception to the requirement to obtain the approval of Shareholders applies under Chapter 2E of the Corporations Act, the matter will be put to Shareholders in accordance with section 195(4) of the Corporations Act (and this too will be disclosed in the minutes of the meeting).

In addition to the Pulju Share Purchase Agreement, Pulju Royalty Agreement, MJ3 Earn-in and JV Agreement and MJ3 Royalty Agreement, the Company has also entered into the following agreements involving Related Parties:

(a) an executive services agreement with Mr Todd Ross, pursuant to which he has been appointed as Proposed Managing Director and CEO of the Company (**Ross ESA**) (refer to Section 8.2.1 of the Prospectus);

(b) an executive services agreement with Mr Robert Wrixon, pursuant to which he has been appointed as Executive Director of the Company (**Wrixon ESA**) (refer to Section 8.2.2 of the Prospectus);

(c) Non-Executive Director appointment letters with each of Mr Marcello Cardaci and Mr Juho Haverinen (refer to Section 8.2.3 of the Prospectus); and

(d) Deeds of Indemnity, Insurance and Access with each of its Directors (refer to Section 8.3 of the Prospectus).

## 7.6 Corporate governance

### (a) ASX Corporate Governance Council Principles and Recommendations

The Company has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Company's needs.

To the extent applicable, the Company has adopted *The Corporate Governance Principles and Recommendations (4th Edition)* as published by ASX Corporate Governance Council (**Recommendations**).

In light of the Company's size and nature, the Board considers that the current board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed.

The Company's main corporate governance policies and practices as at the date of this Prospectus are outlined below and the Company's full Corporate Governance Plan is available in a dedicated corporate governance information section of the Company's website www.nordicnickel.com.

### (b) Board of Directors

The Board is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

(i) maintain and increase Shareholder value;

(ii) ensure a prudential and ethical basis for the Company's conduct and activities consistent with the Company's stated values; and

(iii) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

(i) leading and setting the strategic direction, values and objectives of the Company;

(ii) appointing the Chairman of the Board, Managing Director or Chief Executive Officer and approving the appointment of senior executives and the Company Secretary;

(iii) overseeing the implementation of the Company's strategic objectives, values, code of conduct and performance generally;

(iv) approving operating budgets, major capital expenditure and significant acquisitions and divestitures;

(v) overseeing the integrity of the Company's accounting and corporate reporting systems, including any external audit (satisfying itself financial statements released to the market fairly and accurately reflect the Company's financial position and performance);

(vi) establishing procedures for verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor, to ensure that each periodic report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions;

(vii) overseeing the Company's procedures and processes for making timely and balanced disclosure of all material information that a reasonable person would expect to have a material effect on the price or value of the Company's securities;

(viii) reviewing, ratifying and monitoring the effectiveness of the Company's risk management framework, corporate governance policies and systems designed to ensure legal compliance; and

(ix) approving the Company's remuneration framework.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in the Board discussions on a fully-informed basis.

(c) **Composition of the Board**

Election of Board members is substantially the province of the Shareholders in general meeting, subject to the following:

(i) membership of the Board of Directors will be reviewed regularly to ensure the mix of skills and expertise is appropriate; and

(ii) the composition of the Board has been structured so as to provide the Company with an adequate mix of directors with industry knowledge, technical, commercial and financial skills together with integrity and judgment considered necessary to represent Shareholders and fulfil the business objectives and values of the Company as well as to deal with new and emerging business and governance issues.

Upon admission to the Official List of the ASX the Board will consist of four Directors (two non-executive Directors and two executive Directors) of whom Mr Marcello Cardaci is considered independent. The Board considers the current balance of skills and expertise to be appropriate given the Company for its currently planned level of activity.

To assist in evaluating the appropriateness of the Board's mix of qualifications, experience and expertise, the Board intends to maintain a Board Skills Matrix to ensure that the Board has the skills to discharge its obligations effectively and to add value.

The Board undertakes appropriate checks before appointing a person as a Director or putting forward to Shareholders a candidate for election as a Director or senior executive.

The Board ensures that Shareholders are provided with all material information in the Board's possession relevant to a decision on whether or not to elect or re-elect a Director.

The Company shall develop and implement a formal induction program for Directors, which is tailored to their existing skills, knowledge and experience. The purpose of this program is to allow new directors to participate fully and actively in Board decision-making at the earliest opportunity, and to enable new directors to gain an understanding of the Company's policies and procedures.

The Board maintains oversight and responsibility for the Company's continual monitoring of its diversity practices. The Company's Diversity Policy provides a framework for the Company to achieve enhanced recruitment practices whereby the best person for the job is employed, which requires the consideration of a broad and diverse pool of talent.

(d) **Identification and management of risk**

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

(e) **Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards and to conducting all of the Company's business activities fairly, honestly with integrity, and in compliance with all applicable laws, rules and regulations. In particular, the Company and the Board are committed to preventing any form of bribery or corruption and to upholding all laws relevant to these issues as set out in in the Company's Anti-Bribery and Anti-Corruption Policy. In addition, the Company encourages reporting of actual and suspected violations of the Company's Code of Conduct or other instances of illegal, unethical or improper conduct. The Company and the Board provide effective protection from victimisation or dismissal to those reporting such conduct as set out in its Whistleblower Protection Policy.

(f) **Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

(g) **Remuneration arrangements**

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

In accordance with the Constitution, the total maximum remuneration of non-executive Directors is initially set by the Board and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective

contributions by each non-executive Director. The current amount has been set at an amount not to exceed $250,000 per annum.

In addition, a Director may be paid fees or other amounts for example, and subject to any necessary Shareholder approval, non-cash performance incentives such as Options) as the Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director.

Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in the performance of their duties as Directors.

The Board reviews and approves the remuneration policy to enable the Company to attract and retain executives and Directors who will create value for Shareholders having regard to the amount considered to be commensurate for a company of its size and level of activity as well as the relevant Directors' time, commitment and responsibility. The Board is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

(h) **Trading policy**

The Board has adopted a policy that sets out the guidelines on the sale and purchase of securities in the Company by its key management personnel (i.e. Directors and, if applicable, any employees reporting directly to the managing director). The policy generally provides that, the written acknowledgement of the Chair (or the Board in the case of the Chairman) must be obtained prior to trading.

(i) **External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company. From time to time, the Board will review the scope, performance and fees of those external auditors.

(j) **Audit committee**

The Company will not have a separate audit committee until such time as the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company. In the meantime, the full Board will carry out the duties that would ordinarily be assigned to that committee under the written terms of reference for that committee, including but not limited to:

(i) monitoring and reviewing any matters of significance affecting financial reporting and compliance;

(ii) verifying the integrity of those periodic reports which are not audited or reviewed by an external auditor;

(iii) monitoring and reviewing the Company's internal audit and financial control system, risk management systems; and

(iv) management of the Company's relationships with external auditors.

**(k) Diversity policy**

The Company is committed to workplace diversity. The Company is committed to inclusion at all levels of the organisation, regardless of gender, marital or family status, sexual orientation, gender identity, age, disabilities, ethnicity, religious beliefs, cultural background, socio-economic background, perspective and experience.

The Board has adopted a diversity policy which provides a framework for the Company to achieve, amongst other things, a diverse and skilled workforce, a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff, improved employment and career development opportunities for women and a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives.

(l) **Departures from Recommendations**

Under the ASX Listing Rules the Company will be required to provide a statement in its annual financial report or on its website disclosing the extent to which it has followed the Recommendations during each reporting period. Where the Company has not followed a Recommendation, it must identify the Recommendation that has not been followed and give reasons for not following it.

The Company's compliance and departures from the Recommendations will also be announced prior to admission to the Official List of the ASX.

## 8. MATERIAL CONTRACTS

Set out below is a brief summary of the certain contracts to which the Company is a party and which the Directors have identified as material to the Company or are of such a nature that an investor may wish to have details of particulars of them when making an assessment of whether to apply for Shares.

To fully understand all rights and obligations of a material contract, it would be necessary to review it in full and these summaries should be read in this light.

### 8.1.1 Joint Lead Manager Mandate

On 29 November 2021, the Company entered into a mandate letter to engage Taylor Collison Limited (**Taylor Collison**) and Vert Capital Pty Ltd (**Vert Capital**) (together, the **Joint Lead Managers**) to act as joint lead managers of the Offer (**Joint Lead Manager Mandate**). The material terms and conditions of which are summarised below:

| | |
|---|---|
| **Fees** | As consideration for services provided in connection with the Offer, the Company will pay the Joint Lead Managers the following fees (exclusive of GST):<br>(a) **Management Fee:** a management fee of 2% of total funds raised under the Prospectus;<br>(b) **Capital Raising Fee**: a 4% capital raising fee on funds raised under the Prospectus;<br>(c) **Lead Manager Options:** the following Lead Manager Options, to be split evenly between the Joint Lead Managers:<br>(i) 2,000,000 Lead Manager Options exercisable at $0.30, with an exercise period of 3 years from the Company's date of admission on the ASX; and<br>(ii) 2,000,000 Lead Manager Options exercisable at $0.35, with an exercise period of 3 years from the Company's date of admission on the ASX. |
| **Taylor Collison Retainer Fee** | In consideration for services during the pre-IPO period, the Company will pay Taylor Collison a monthly retainer of $15,000 (plus GST) cash from the IPO Offer proceeds for a period of four months, commencing 1 January 2022. |
| **Termination** | The Company and the Joint Lead Managers may terminate the Joint Lead Manager Mandate by giving 7 days' written notice. |
| **Governing Law** | South Australia |

The Joint Lead Manager Mandate otherwise contains provisions considered standard for an agreement of its nature.

### 8.1.2 Pulju Share Purchase Agreement

On 4 March 2021, the Company entered into a share purchase agreement to acquire 100% of the issued share capital in Pulju Exploration Oy (**PEO**), which held

the contractual rights to the exploration licences comprising the Pulju Project (**Pulju Share Purchase Agreement**).

In consideration for the acquisition of PEO, the Company issued a total of 45,000,000 fully paid ordinary shares in the capital of the Company to the shareholders of PEO.

### 8.1.3 Pulju Royalty Agreement

As part consideration for the acquisition of the Pulju Project, the Company entered into a net smelter return (**NSR**) royalty agreement with Starboard Global Ltd (**SGL**) and Magnus Minerals Oy (**Magnus**) dated 20 January 2022 (**Pulju Royalty Agreement**), the material terms and conditions of which are summarised below:

| | |
|---|---|
| **Royalty** | Pursuant to the terms of the Pulju Royalty Agreement, the Company will pay a 1.5% NSR royalty to SGL and Magnus on all minerals mined, produced or otherwise recovered from the Pulju Project (**Royalty**). The Royalty to SGL and Magnus will be paid in the following proportions:<br>(a) SGL – 0.5%; and<br>(b) Magnus – 1.0%. |
| **Governing Law** | Finland |

The Pulju Royalty Agreement otherwise contains provisions considered standard for an agreement of its nature, including termination rights and assignment.

### 8.1.4 MJ3 Earn-in and Joint Venture Agreement

On 20 January 2022, the Company entered into a binding letter agreement with Finnish company Magstar Mining Oy (**MagStar**), pursuant to which the Company has the right to earn up to a 75% interest in the MJ3 Project, which is 100% owned by MagStar (**MJ3 Earn-in and JV Agreement**). The material terms and conditions of which are summarised below:

| | |
|---|---|
| **Earn-In Requirements** | Pursuant to the terms of the MJ3 Earn-in and JV Agreement, the Company must satisfy the following earn-in requirements in order to obtain its joint venture interest in the MJ3 Project:<br>(a) **First Earn-In**: to earn a 51% interest in the MJ3 Project, the Company must spend the $AUS dollar equivalent of €2,000,000 on or before the date that is four years after the MJ3 licence has been fully granted; and<br>(b) **Second Earn-In**: the Company has the right to earn an additional 24% interest in the MJ3 Project, for a total of a 75% interest, by completing the following additional earn-in requirements:<br>(i) the Company maintaining a minimum annual expenditure on the MJ3 Project being the $AUS dollar equivalent of €250,000;<br>(ii) the Company completing a total expenditure of the $AUS dollar equivalent |

| | |
|---|---|
| | of €5,000,000 within 5 years of commencing the Second Earn-In; and<br>(iii) the Company becoming the project operator. |
| **Joint Venture Structure** | Upon the Company acquiring a 51% interest in the MJ3 Project, the Parties will form a joint-venture structure in order to hold their relevant interests in the MJ3 Project. |
| **Joint Venture Funding** | Upon the Company acquiring a 75% interest in the MJ3 Project, MagStar has the right to fund its share of any MJ3 Project development costs to maintain its 25% interest in the MJ3 Project, or may choose to dilute its interest, and allow the Company to sole fund the ongoing project development work. |
| **Decision to mine** | At any time after the Company has acquired a 75% interest in the MJ3 Project, it may make a public announcement of a decision to mine but has no obligation to provide a bankable level feasibility study.<br>Upon the Company making a decision to mine, MagStar will have 12 months to contribute to the mine financing to arrange suitable finance and commence contributions. |
| **Governing Law** | Finland |

The MJ3 Earn-in and JV Agreement otherwise contains provisions considered standard for an agreement of its nature, including termination rights.

### 8.1.5 MJ3 Royalty Agreement

As part consideration under the MJ3 Earn-in and JV Agreement, the Company has entered into a net smelter return (**NSR**) royalty agreement with MagStar Mining Oy (**MagStar**) and Magnus Minerals Oy (**Magnus**), dated 20 January 2022 (**MJ3 Royalty Agreement**). The material terms and conditions of which are summarised below:

| | |
|---|---|
| **Royalty** | Pursuant to the terms of the MJ3 Royalty Agreement, the Company will pay a 1.25% NSR royalty to MagStar and Magnus on all minerals mined, produced or otherwise recovered from the MJ3 Project (**Royalty**). The Royalty will be paid in the following proportions:<br>(a) MagStar – 0.25%; and<br>(b) Magnus – 1.0%. |
| **Governing Law** | Finland |

The MJ3 Royalty Agreement otherwise contains provisions considered standard for an agreement of its nature, including termination rights and assignment.

## 8.2 Agreements with Directors and Proposed Directors

### 8.2.1 Ross ESA

The Company has entered into an executive services agreement (ESA) (as varied from time to time) with Mr Todd Ross pursuant to which Mr Todd Ross has been appointed as the Proposed Managing Director and Chief Executive Officer of the

Company (**Ross ESA**). A summary of the material terms and conditions of the Ross ESA are set out below:

| | |
|---|---|
| **Term** | The Ross ESA is dated 1 April 2022. Mr Ross' employment under the Ross ESA will commence on 15 April 2022 and will continue until validly terminated. |
| **Remuneration** | The Company will pay Mr Ross a base salary of $300,000 per annum (**Base Salary**). |
| **Incentive Options** | In addition to the Base Salary, Mr Ross will receive, immediately prior to the Company's admission to the Official List of the ASX and subject to compliance with the Listing Rules and the Corporations Act, an aggregate of 3,500,000 Options on the following terms:<br>(a) 1,000,000 Options exercisable at $0.25 each on or before the day that is 5 years from the date of issue, vesting on the date on which the Company lists on the ASX (**Listing Date**);<br>(b) 1,000,000 Options exercisable at $0.375 each on or before the day that is 5 years from the date of issue, vesting on the date that is the one year anniversary of the Listing Date; and<br>(c) 1,500,000 Options exercisable at $0.50 each on or before the day that is 5 years from the date of issue, vesting on the date that is the two year anniversary of the Listing Date, if Mr Ross is still employed by the Company on that date. |
| **Termination** | **Termination by the Company**<br>The Company may terminate Mr Ross's employment by giving:<br>(a) three months' written notice and by paying to Mr Ross an amount equivalent to 3 month's base salary; or<br>(b) without notice for standard events including where Mr Ross engages in substantial misconduct, is found guilty of wilful misconduct or neglect or commits any material or wilful or persistent breach of the Ross ESA.<br>**Termination by Mr Ross**<br>Mr Ross may terminate his employment by giving the Company not less than 3 months' notice in writing of his proposed resignation |

The Ross ESA otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

### 8.2.2 Wrixon ESA

The Company has entered into an executive services agreement (as varied from time to time) with Mr Robert Wrixon pursuant to which Mr Wrixon has been appointed as an Executive Director of the Company (**Wrixon ESA**). A summary of the material terms and conditions of the Wrixon ESA are set out below:

| | |
|---|---|
| **Term** | The Wrixon ESA commenced on 1 March 2022 and will continue until validly terminated. |

| | |
|---|---|
| **Remuneration** | The Company will pay Mr Wrixon a base salary of $120,000 per annum (**Base Salary**). |
| **Incentive Options** | In addition to the Base Salary, Mr Wrixon will receive, upon successful admission to the Official List of the ASX and subject to compliance with the Listing Rules and the Corporations Act, 500,000 Options on the following terms:<br>(a) 250,000 Options exercisable at $0.30 each on or before the day that is 5 years from the date of issue, vesting on the date that is the one year anniversary of the date on which the Company lists on the ASX (**Listing Date**); and<br>(b) 250,000 Options exercisable at $0.35 each on or before the day that is 5 years from the date of issue, vesting on the date that is the two year anniversary of the Listing Date. |
| **Termination** | **Termination by the Company**<br>The Company may terminate Mr Wrixon's employment by giving:<br>(a) three months' written notice and by paying to Mr Wrixon an amount equivalent to 12 months' base salary; or<br>(b) without notice and without any payment for standard events including where Mr Wrixon engages in substantial misconduct, is found guilty of wilful misconduct or neglect or commits any material or wilful or persistent breach of the Wrixon ESA.<br>**Termination by Mr Wrixon**<br>(a) Mr Wrixon may terminate his employment by giving the Company not less than 3 months' notice in writing of his proposed resignation. |

The Wrixon ESA otherwise contains provisions considered standard for an agreement of its nature (including representations and warranties and confidentiality provisions).

### 8.2.3 Non-executive Director appointments

Mr Marcello Cardaci and Mr Juho Haverinen have entered into appointment letters with the Company to act in the capacity of Non-Executive Chairman and Non-Executive Director respectively.

## 8.3 Deeds of indemnity, insurance and access

The Company has entered into a deed of indemnity, insurance and access with its Directors and Proposed Director. Under these deeds, the Company will agree to indemnify each officer to the extent permitted by the Corporations Act against any liability arising as a result of the officer acting as an officer of the Company. The Company will also be required to maintain insurance policies for the benefit of the relevant officer and allow the officers to inspect board papers in certain circumstances.

## 9. ADDITIONAL INFORMATION

### 9.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

### 9.2 Rights and liabilities attaching to Shares

The following is a summary of the more significant rights and liabilities attaching to the Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, Listing Rules and applicable law.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special

arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the

holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

**9.3 Existing Options, Managing Director Options, Director, Employee and Consultant Options and Joint Lead Manager Options**

The terms and conditions applying to the Existing Options, Managing Director Options, Director, Employee and Consultant Options and the Joint Lead Manager Options are as follows:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price and Expiry Date**

Subject to paragraph (i) the amount payable upon exercise of each Option (**Exercise Price**) and the expiry date of each Option (**Expiry Date**) will be as follows:

(i) **Existing Options**

| Number of Options | Exercise Price | Expiry Date | Vesting Date |
|---|---|---|---|
| 2,750,000 | $0.20 | 31/05/2026 | The date on which the Company successfully lists on the ASX. |

(ii) **Managing Director Options**

| Number of Options | Exercise Price | Expiry Date | Vesting Date |
|---|---|---|---|
| 1,000,000 | $0.25 | 5 years from the date of issue. | The date on which the Company successfully lists on the ASX (**Listing Date**) |
| 1,000,000 | $0.375 | 5 years from the date of issue. | The date that is 12 months from the Listing Date. |
| 1,500,000 | $0.50 | 5 years from the date of issue. | The date that is 24 months from the Listing Date. |

(iii) **Director, Employee and Consultant Options**

| Number of Options | Exercise Price | Expiry Date | Vesting Date |
|---|---|---|---|
| 1,750,000 | $0.30 | 5 years from the date of issue. | The date that is 12 months from the Listing Date. |
| 1,750,000 | $0.35 | 5 years from the date of issue. | The date that is 24 months from the Listing Date. |

(iv) **Joint Lead Manager Options**

| Number of Options | Exercise Price | Expiry Date |
|---|---|---|
| 2,000,000 | $0.30 | The date that is 3 years from the Listing Date |
| 2,000,000 | $0.35 | The date that is 3 years from the Listing Date |

An Option not exercised before 5:00pm (WST) on the Expiry Date will automatically lapse on the Expiry Date.

(c) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(d) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(e) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(f) **Timing of issue of Shares on exercise**

Within 5 Business Days after the latter of the following:

(i) Exercise Date; and

(ii) When excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

But in any case, not later than 20 Business Days after the Exercise Date, the Company will:

(iii) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

(iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

(v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (f)(iv) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(g) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(h) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

(i) The Existing Options, Managing Director Options and Joint Lead Manager Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

(ii) The Director, Employee and Consultant Options may not be assigned, transferred, encumbered with a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature in or over them (each a **Security Interest**), or otherwise disposed of, unless:

(A) the prior consent of the Board is obtained, which consent may impose such terms and conditions on such assignment, transfer, encumbrance with a Security Interest or disposal as the Board sees fit; or

(B) such assignment or transfer occurs by force of law upon the death or total and permanent disablement of an Optionholder to the Optionholder's legal personal representative.

**(m) Compliance with ASX Listing Rules**

The Board reserves the right to amend any term of the Existing Options, Managing Director Options, Joint Lead Manager Options and Director, Employee and Consultant Options to ensure compliance with the Listing Rules.

**9.4 Employee Securities Incentive Plan**

The Company has adopted an Employee Securities Incentive Plan (**Plan**) to allow eligible participants to be granted securities in the Company. A summary of the terms of the Plan is set out below:

| | |
|---|---|
| **Eligible Participant** | Eligible Participant means a person who is a full-time or part-time employee, officer, or contractor of the Company, or an Associated Body Corporate (as defined in ASIC Class Order 14/1000), or such other person who has been determined by the Board to be eligible to participate in the Plan from time to time.<br>The Company will seek Shareholder approval for Director and related party participation in accordance with Listing Rule 10.14. |
| **Purpose** | The purpose of the Plan is to:<br>(a) assist in the reward, retention and motivation of Eligible Participants;<br>(b) link the reward of Eligible Participants to Shareholder value creation; and<br>(c) align the interests of Eligible Participants with shareholders of the Group (being the Company and each of its Associated Bodies Corporate), by providing an opportunity to Eligible Participants to receive an equity interest in the Company in the form of Securities. |
| **Plan administration** | The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules in its sole and absolute discretion. The Board may delegate its powers and discretion. |
| **Eligibility, invitation and application** | The Board may from time to time determine that an Eligible Participant may participate in the Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the Board decides.<br>On receipt of an Invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.<br>If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation. |
| **Grant of Securities** | The Company will, to the extent that it has accepted a duly completed application, grant the Participant the relevant number of Securities, subject to the terms and conditions set out in the invitation, the Plan rules and any ancillary documentation required. |
| **Terms of Convertible Securities** | Each 'Convertible Security' represents a right to acquire one or more Shares (for example, under an option or performance right), subject to the terms and conditions of the Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them unless otherwise determined by the Board. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them. |

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| **Vesting of Convertible Securities** | Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the Board, that Convertible Security will lapse. |
| **Exercise of Convertible Securities and cashless exercise** | To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Convertible Security (if subject to vesting conditions) and prior to the expiry date as set out in the invitation or vesting notice.<br>An invitation may specify that at the time of exercise of the Convertible Securities, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the Market Value of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.<br>Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.<br>A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules. |
| **Delivery of Shares on exercise of Convertible Securities** | As soon as practicable after the valid exercise of a Convertible Security by a Participant, the Company will issue or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under the Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant. |
| **Forfeiture of Convertible Securities** | Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. |

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|---|---|
| | Where the Board determines that a Participant has acted fraudulently or dishonestly; committed an act which has brought the Company, the Group or any entity within the Group into disrepute, or wilfully breached his or her duties to the Group or where a Participant is convicted of an offence in connection with the affairs of the Group; or has a judgment entered against him or her in any civil proceedings in respect of the contravention by the Participant of his or her duties at law, in equity or under statute, in his or her capacity as an employee, consultant or officer of the Group, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.<br>Unless the Board otherwise determines, or as otherwise set out in the Plan rules:<br>(a) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and<br>(b) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation or vesting notice. |
| **Change of control** | If a change of control event occurs in relation to the Company, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event provided that, in respect of Convertible Securities, the maximum number of Convertible Securities (that have not yet been exercised) that the Board may determine will vest and be exercisable into Shares under this Rule is that number of Convertible Securities that is equal to 10% of the Shares on issue immediately following vesting under this Rule, which as far as practicable will be allocated between holders on a pro-rata basis on the basis of their holdings of Convertible Securities on the date of determination of vesting. |
| **Rights attaching to Plan Shares** | All Shares issued or transferred under the Plan or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (**Plan Shares**) will rank pari passu in all respects with the Shares of the same class. A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares and may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares. |
| **Disposal restrictions on Plan Shares** | If the invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.<br>For so long as a Plan Share is subject to any disposal restrictions under the Plan, the Participant will not: |

| | |
|---|---|
| | (a) transfer, encumber or otherwise dispose of, or have a security interest granted over that Plan Share; or<br>(b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company. |
| **Adjustment of Convertible Securities** | If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.<br>If Shares are issued by the Company by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an issue of as many additional Shares as would have been issued to the holder if the holder held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.<br>Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights. |
| **Participation in new issues** | There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of Shares of the Company during the currency of the Convertible Securities without exercising the Convertible Securities. |
| **Compliance with applicable law** | No Security may be offered, granted, vested or exercised if to do so would contravene any applicable law. In particular, the Company must have reasonable grounds to believe, when making an invitation, that the total number of Plan Shares that may be issued upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous three year period under:<br>(a) an employee incentive scheme of the Company covered by ASIC Class Order 14/1000; or<br>(b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme,<br>but disregarding any offer made or securities issued in the capital of the Company by way of or as a result of:<br>(c) an offer to a person situated at the time of receipt of the offer outside Australia;<br>(d) an offer that did not need disclosure to investors because of section 708 of the Corporations Act (exempts the requirement for a disclosure document for the issue of securities in certain circumstances to investors who are deemed to have sufficient investment knowledge to make informed decisions, including professional investors, sophisticated investors and senior managers of the Company); or<br>(e) an offer made under a disclosure document, |

| | |
|---|---|
| | would not exceed 5% (or such other maximum permitted under any applicable law) of the total number of Shares on issue at the date of the invitation. |
| **Maximum number of Securities** | The Company will not make an invitation under the Plan if the number of Plan Shares that may be issued, or acquired upon exercise of Convertible Securities offered under an invitation, when aggregated with the number of Shares issued or that may be issued as a result of all invitations under the Plan, will exceed 5% of the total number of issued Shares at the date of the invitation. |
| **Amendment of Plan** | Subject to the following paragraph, the Board may at any time amend any provisions of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.<br>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants. |
| **Plan duration** | The Plan continues in operation until the Board decides to end it. The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely and may end any suspension. If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.<br>If a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant. |
| **Income Tax Assessment Act** | The Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act). |

### 9.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

(d) as an inducement to become, or to qualify as, a Director; or

(e) for services provided in connection with:

(i) the formation or promotion of the Company; or

(ii) the Offer.

### 9.6 Interests of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no:

(a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;

(b) promoter of the Company; or

(c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

(d) the formation or promotion of the Company;

(e) any property acquired or proposed to be acquired by the Company in connection with:

(i) its formation or promotion; or

(ii) the Offer; or

(f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

(g) the formation or promotion of the Company; or

(h) the Offer.

BDO Corporate Finance (WA) Pty Ltd has acted as Investigating Accountant and has prepared the Independent Limited Assurance Report which is included in Annexure C. The Company estimates it will pay BDO Corporate Finance (WA) Pty Ltd a total of $18,000 (excluding GST) for these services.

BDO Audit (WA) Pty Ltd has been appointed to act as auditor to the Company. BDO Audit (WA) Pty Ltd has audited the financial statements of the Company for the year ended 30 June 2021 and reviewed the half-year financial statements for the period ended 31 December 2021. The Company has paid, or

has agreed to pay, an amount of approximately A$23,450 (including disbursements and GST) for these services up until the date of this Prospectus.

CSA Global has acted as Independent Technical Expert and has prepared the Independent Technical Assessment Report which is included in Annexure A. The Company estimates it will pay CSA Global a total of $50,000 (excluding GST) for these services.

Taylor Collison Limited and Vert Capital Pty Ltd will receive those fees set out in Section 4.5 following the successful completion of the Offer for their services as Joint Lead Managers to the Offer. The Joint Lead Managers will be responsible for paying all capital raising fees that the Joint Lead Managers and the Company agree with any other financial service licensees. Further details in respect to the Joint Lead Manager Mandate are summarised in Section 8.1.1.

Steinepreis Paganin has acted as the Australian legal advisers to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin $85,000 (excluding GST) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

Attorneys-at-Law Magnusson Ltd has acted as Finnish legal adviser and prepared the Legal Report on Tenure in relation to the Projects which is included in Annexure B. The Company estimates it will pay Attorneys-at-Law Magnusson Ltd the $12,000 (excluding applicable taxes) for these services. Subsequently, fees will be charged in accordance with normal charge out rates.

## 9.7 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Shares), the Directors, any persons named in the Prospectus with their consent as proposed Directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this Section:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;

(b) in light of the above, only to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section; and

(c) has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

BDO Corporate Finance (WA) Pty Ltd has given its written consent to being named as Investigating Accountant in this Prospectus and to the inclusion of the Independent Limited Assurance Report in Annexure C in the form and context in which the information and report is included.

BDO Audit (WA) Pty Ltd has given its written consent to being named as auditor of the Company in this Prospectus and the inclusion of the audited and reviewed

financial information of the Company contained in the Independent Limited Assurance Report included in Annexure C to this Prospectus in the form and context in which it appears.

CSA Global has given its written consent to being named as Independent Technical Expert in this Prospectus, the inclusion of the Independent Technical Assessment Report in Annexure A in the form and context in which the report is included.

Taylor Collison Limited and Vert Capital Pty Ltd have given their written consent to being named as the Joint Lead Managers to the Company in this Prospectus.

Steinepreis Paganin has given its written consent to being named as the Australian legal advisers to the Company in relation to the Offer in this Prospectus.

Attorneys-at-Law Magnusson Ltd has given its written consent to being named as the Finnish legal adviser to the Company in this Prospectus and the inclusion of the Legal Tenure Report in relation to the Projects in Annexure B in the form and context in which the report is included.

### 9.8 Cash expenses of the Offer

The total cash expenses of the Offer (excluding GST) are estimated to be approximately $766,749 for Minimum Subscription or $1,011,250 for Maximum Subscription and are expected to be applied towards the items set out in the table below:

| Item of Expenditure | Minimum Subscription ($) | Maximum Subscription ($) |
|---|---|---|
| ASIC fees | 3,206 | 3,206 |
| ASX fees | 101,043 | 105,544 |
| Investigating Accountant's Fees | 18,000 | 18,000 |
| Independent Technical Expert Fees | 50,000 | 50,000 |
| Capital Raising and Management Fees | 480,000 | 720,000 |
| Australian Legal Adviser Fees | 85,000 | 85,000 |
| Finnish Legal Adviser Fees | 12,000 | 12,000 |
| Share Registry Costs | 7,500 | 7,500 |
| Miscellaneous | 10,000 | 10,000 |
| **TOTAL** | **766,749** | **1,011,250** |

## 10. AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors and Proposed Director.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

**Marcello Cardaci**
**Chairman**
**For and on behalf of**
**Nordic Nickel Limited**

## 11. GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

**$** means an Australian dollar.

**Application Form** means the application form attached to or accompanying this Prospectus relating to the Offer.

**ASIC** means Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

**ASX Listing Rules** means the official listing rules of ASX.

**Board** means the board of Directors as constituted from time to time.

**Business Days** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**CLGB** means the Central Lapland Greenstone Belt located in Finland.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement.

**Closing Date** means the closing date of the Offer as set out in the indicative timetable in the Key Offer Information Section (subject to the Company reserving the right to extend the Closing Date or close the Offer early).

**Company** or **Nordic Nickel or NNL** means Nordic Nickel Limited (ACN 647 455 105).

**Conditions** has the meaning set out in Section 4.6.

**Constitution** means the constitution of the Company.

**Consultant** means the individual who was granted a referral fee for the introduction of the Proposed Managing Director and CEO.

**Convertible Note** means the convertible note pursuant to which the Company has agreed to issue 12,100,005 Shares to a number of seed investors upon its conversion, at an issue price of $0.15 per Share.

**Corporations Act** means *the Corporations Act 2001* (Cth).

**Directors** means the directors of the Company at the date of this Prospectus.

**Exercise Period** has the meaning given in Section 9.3.

**Exercise Price** has the meaning given in Section 9.3.

**Expiry Date** has the meaning given in Section 9.3.

**Exposure Period** means the period of 7 days after the date of lodgement of this Prospectus, which period may be extended by the ASIC by not more than 7 days pursuant to section 727(3) of the Corporations Act.

**JORC Code** has the meaning given in the Important Notice Section.

**Joint Lead Managers** means collectively, Taylor Collison Limited (ACN 008 172 450) and Vert Capital Pty Ltd (ACN 635 566 424).

**Joint Lead Manager Mandate** means the agreement with the Joint Lead Managers summarised in Section 8.1.1.

**Maximum Subscription** means the maximum amount to be raised under the Offer, being $12,000,000.

**Minimum Subscription** means the minimum amount to be raised under the Offer, being $8,000,000.

**Notice of Exercise** has the meaning given in Section 9.3.

**Offer** means the offer of Shares pursuant to this Prospectus as set out in Section 4.1.

**Official List** means the official list of ASX.

**Official Quotation** means official quotation by ASX in accordance with the ASX Listing Rules.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Prospectus** means this prospectus.

**Recommendations** has the meaning set out in Section 7.6.

**Section** means a Section of this Prospectus.

**Securities** means Shares and Options.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**Tenements** means the mining tenements (including applications) in which the Company has an interest or a right to acquire as set out in Section 5.3 and further described in the Independent Technical Assessment Report at Annexure A and the Legal Report on Tenure at Annexure B or any one of them as the context requires.

**WST** means Western Standard Time as observed in Perth, Western Australia.

## ANNEXURE A – INDEPENDENT TECHNICAL ASESSMENT REPORT

CSA Global
Mining Industry Consultants
an ERM Group company

## NORDIC NICKEL LIMITED

# Independent Technical Assessment Report on the Pulju and Maaninkijoki Projects, Finland

**REPORT № R365.2021**
**8 April 2022**

## Report prepared for

| | |
|---|---|
| Client Name | Nordic Nickel Limited |
| Project Name/Job Code | NNLITA01 |
| Contact Name | Phil Cleggett |
| Contact Title | Client Representative |
| Office Address | Level 12, 197 St Georges Terrace, Perth, WA 6000 |

## Report issued by

| | |
|---|---|
| CSA Global Office | **CSA Global Pty Ltd**<br>Level 2, 3 Ord Street<br>West Perth WA 6005<br>AUSTRALIA<br><br>T +61 8 9355 1677<br>F +61 8 9355 1977<br>E info@csaglobal.com |
| Division | Corporate |

## Report information

| | |
|---|---|
| Filename | R365.2021 Independent Technical Assessment Report on Finnish Projects for Nordic Nickel.docx |
| Last Edited | 08/04/22 15:23:00 |
| Report Status | Final |

## Author and Reviewer Signatures

| | | |
|---|---|---|
| Coordinating Author | Tony Donaghy<br>BSc(Hons), AssocDip(CivEng), P.Geo. | Electronic signature not for duplication. Electronic signature not for duplication. |
| Peer Reviewer | Sam Ulrich<br>BSc (Hons), GDipAppFin<br>MAusIMM, MAIG, FFIN | Electronic signature not for duplication. Electronic signature not for duplication. |
| CSA Global Manager Corporate | Ivy Chen<br>BAppSc(Geol), PostGradDip (NatRes), FAusIMMM, GAICD | Electronic signature not for duplication. Electronic signature not for duplication. |
| CSA Global Authorisation | Graham Jeffress<br>BSc(Hons), FAIG, RPGeo, FAusIMM, FSEG, MGSA | Electronic signature not for duplication. Electronic signature not for duplication. |



REGISTERED PROFESSIONAL GEOSCIENTIST
AUSTRALIAN INSTITUTE OF GEOSCIENTISTS
GRAHAM JEFFRESS
RPGeo No: 10057

# Executive Summary

CSA Global Pty Ltd (CSA Global), an ERM Group company, was requested by Nordic Nickel Limited ("NNL" or "the Company") to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares (minimum of 32 million and a maximum of 40 million fully paid ordinary shares at an issue price of $0.25 per share to raise between A$8 million and A$12 million) for NNL to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the project areas.

NNL has acquired a 100% interest in the Pulju Project, and has the right to acquire up to a 75% interest in the Maaninkijoki 3 ("MJ3") Project, both located in the Central Lapland Greenstone Belt (CLGB) in Finland, (together, referred to as the "Projects").

The Pulju Project consists of one granted exploration licence (EL) (called Hotinvaara) and seven EL applications together covering a total of 98.1 $km^2$, as well as a reservation application covering approximately 323 $km^2$ surrounding the EL areas. Some of the EL applications partially overlap the reservation, and the total area covered is approximately 395 $km^2$. The granted EL, EL applications and reservation application are 100% owned by the Finnish company Pulju Malminetsintä Oy, a 100% owned subsidiary of NNL.

NNL has an earn-in agreement in place with the Finnish company MagStar Mining Oy (MagStar) over the MJ3 tenement that provides NNL with the option to acquire up to 75% of this project in two stages. The MJ3 licence, currently under application, is held 100% by the Finnish company MagStar and covers a total of 30.44 $km^2$.

NNL is exploring the Projects for komatiite volcanic-hosted (Pulju) and intrusive-hosted (MJ3) magmatic nickel-copper-cobalt sulphides, with possibility for significant platinum group element (PGE) by-product credits. CSA Global has reviewed the Projects, their geology, deposit model styles, past exploration results and NNL's planned exploration.

An Exploration Target was prepared for disseminated nickel mineralisation in the Hotinvaara EL, based on the drilling completed in the 1980s and 1990s. Section 5 of this ITAR details the methodology. The Exploration Target was estimated from a combination of historical assays and recently resampled sample pulps and core. A total mineralised system grade and tonnage range was estimated for the known intersections.

Based on the Exploration Target methodology outlined in Section 5, it is estimated the Hotinvaara EL area has the potential to contain approximately **150–180 Mt at 0.22–0.27% Ni and 94–114 ppm Co for 325–480 kt contained nickel and 14–21 kt contained cobalt**.

*The potential quantity and grade are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

Previous exploration has demonstrated proof of concept and delineated a large mineralised system at Pulju. This has provided NNL with a strong basis for exploration targeting within that system. CSA Global is of the opinion that the Hotinvaara deposit, and Pulju Project in general, represents an underexplored terrane with a large-scale magmatic nickel sulphide system already demonstrated. The project represents a compelling exploration target for komatiite-hosted nickel sulphides. There is a lack of modern exploration post the early 1990s, and what exploration there has been, is generally shallow and not what would now be considered best exploration practice for nickel sulphide mineralisation. Much of the drilling terminated in mineralised komatiite ultramafic cumulates and stopped short of what would be typically considered the prime target environment of the footwall contact between ultramafic cumulates and the footwall sediments. The vast majority of the belt is essentially unexplored.

CSA Global is of the opinion that the MJ3 Project represents a good greenfields exploration project for either intrusive-hosted or komatiite-hosted magmatic nickel sulphide mineralisation. The proximity to the Sakatti deposit, and the potential for buried intrusive systems similar to Sakatti or Kevitsa, make for a compelling exploration play. The project is essentially underexplored. Systematic exploration using the proven

techniques and strategies from discovery at Kevitsa and Sakatti offers a template for exploration that will help mitigate exploration risk and maximise potential for discovery.

The primary focus of exploration will be:

- To detect and delineate potential high-grade sulphide mineralisation and complete a Mineral Resource estimation at the Pulju Project through:
  - Targeted surface and borehole electromagnetic (EM) surveys to detect massive sulphide mineralisation
  - Infill and exploration drilling (approximately 12,000 m of drilling) within and around the Hotinvaara Exploration Target area (Figure 21).
- To generate drill targets at the MJ3 Project through surface geophysics to detect potential mineralised intrusive complexes.

It is CSA Global's opinion that the exploration plans represent a sound workflow that delivers the optimal potential for discovery on the Projects. As is the nature of exploration, exploration results derived from the currently proposed programs of work will shape plans for further exploration in a fluid and dynamic situation as the Projects progress.

### Risks

The Pulju and MJ3 Projects comprise a range of stages of advancement from early exploration through to advanced exploration. Exploration is an intrinsically risky process, particularly at an early stage. Risk is identified and strategies tested to mitigate that risk at each potential stage of project advancement from early exploration through to (should exploration demonstrate the presence of economic mineralisation) eventual decision to mine.

A key risk, common to all exploration companies, is that expected mineralisation may not be present or that it may be too low-grade or too small to warrant commercial exploitation. The interpretations and conclusions reached in this report are based on current scientific and exploration understanding and the best evidence available at the time of writing. CSA Global makes no guarantee of certainty as to the potential for economic viability of the Projects. NNL plans to conduct the exploration, economic and engineering studies required to determine economic potential of the Projects.

### Use of Funds

NNL provided CSA Global with a copy of its planned expenditure for the Pulju and MJ3 Projects for an initial two-year period following listing on the ASX, for each of the Minimum and Maximum Subscriptions (Table 1 and Table 2). All costs included are in Australian dollars (A$).

NNL has prepared staged exploration and evaluation programs, specific to the potential of the Pulju and MJ3 Projects, which are consistent with the budget allocations, and warranted by the exploration and technical potential of the Pulju and MJ3 Projects. CSA Global considers that the relevant areas have sufficient technical merit to justify the proposed programs and associated expenditure. The budgeted expenditure is also considered sufficient to meet the minimum statutory expenditure on the tenements.

*Table 1: Proposed exploration expenditure summary by activity, for Minimum Subscription*

| | Pulju | | Maaninkijoki3 | | Total |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Data Analysis & Compilation | $ 50,000 | | | | $ 50,000 |
| Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling) | $ 50,000 | | $ 50,000 | | $ 100,000 |
| Geophysics | $ 220,000 | $ 150,000 | $ 200,000 | $ 300,000 | $ 870,000 |
| *Ground Magnetics* | | | *$ 80,000* | | *$ 80,000* |
| *Gravity* | | | *$ 120,000* | | *$ 120,000* |
| *Fixed Loop EM* | | | | *$ 150,000* | *$ 150,000* |
| *Moving Loop EM* | *$ 120,000* | | | *$ 150,000* | *$ 270,000* |
| *Downhole EM* | *$ 100,000* | *$ 150,000* | | | *$ 250,000* |
| Site Access and Infrastructure Upgrades | $ 500,000 | | | | $ 500,000 |
| Drilling | $ 1,650,000 | $ 2,100,000 | | | $ 3,750,000 |
| Modelling & Resource Estimation | $ 50,000 | $ 50,000 | | | $ 100,000 |
| External Consultants | $ 75,000 | $ 75,000 | | | $ 150,000 |
| CSR | $ 50,000 | $ 50,000 | | | $ 100,000 |
| Environmental | $ 50,000 | $ 50,000 | | | $ 100,000 |
| General & Administration | $ 675,000 | $ 675,000 | | | $ 1,350,000 |
| Costs of the Offer | $ 766,749 | | | | $ 766,749 |
| Contingency | $ 100,000 | $ 63,251 | | | $ 163,251 |
| | | | | | |
| **Total** | **$ 4,236,749** | **$ 3,213,251** | **$ 250,000** | **$ 300,000** | **$ 8,000,000** |

*Table 2: Proposed exploration expenditure summary by activity, for Maximum Subscription*

| | Pulju | | Maaninkijoki3 | | Total |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Data Analysis & Compilation | $ 50,000 | | | | $ 50,000 |
| Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling) | $ 50,000 | | $ 50,000 | | $ 100,000 |
| Geophysics | $ 270,000 | $ 290,000 | $ 200,000 | $ 345,000 | $ 1,105,000 |
| *Ground Magnetics* | | | *$ 80,000* | | *$ 80,000* |
| *Gravity* | | | *$ 120,000* | | *$ 120,000* |
| *Fixed Loop EM* | | | | *$ 150,000* | *$ 150,000* |
| *Moving Loop EM* | *$ 120,000* | | | *$ 150,000* | *$ 270,000* |
| *Downhole EM* | *$ 150,000* | *$ 290,000* | | *$ 45,000* | *$ 485,000* |
| Site Access and Infrastructure Upgrades | $ 500,000 | | | | $ 500,000 |
| Drilling | $ 2,150,000 | $ 3,915,000 | | $ 500,000 | $ 6,565,000 |
| Modelling & Resource Estimation | $ 80,000 | $ 80,000 | | | $ 160,000 |
| External Consultants | $ 100,000 | $ 100,000 | | | $ 200,000 |
| CSR | $ 50,000 | $ 50,000 | | | $ 100,000 |
| Environmental | $ 100,000 | $ 100,000 | | | $ 200,000 |
| General & Administration | $ 900,000 | $ 900,000 | | | $ 1,800,000 |
| Costs of the Offer | $ 1,011,250 | | | | $ 1,011,250 |
| Contingency | $ 108,750 | $ 100,000 | | | $ 208,750 |
| | | | | | |
| **Total** | **$ 5,370,000** | **$ 5,535,000** | **$ 250,000** | **$ 845,000** | **$ 12,000,000** |

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# 1 Introduction

## 1.1 Context, Scope and Terms of Reference

CSA Global Pty Ltd (CSA Global), an ERM Group company, was requested by Nordic Nickel Limited ("NNL" or "the Company") to prepare an Independent Technical Assessment Report (ITAR) for use in a prospectus to support an initial public offering (IPO) of shares (minimum of 40 million and a maximum of 60 million fully paid ordinary shares at an issue price of $0.20 per share to raise between A$8 million and A$12 million) for NNL to enable a listing on the Australian Securities Exchange (ASX). The funds raised will be used for the purpose of exploration and evaluation of the project areas.

NNL has acquired a 100% interest in the Pulju Project and has the right to acquire up to a 75% interest in the Maaninkijoki 3 ("MJ3") Project, both located in the Central Lapland Greenstone Belt (CLGB) in Finland, (together, referred to as the "Projects") (Figure 1).

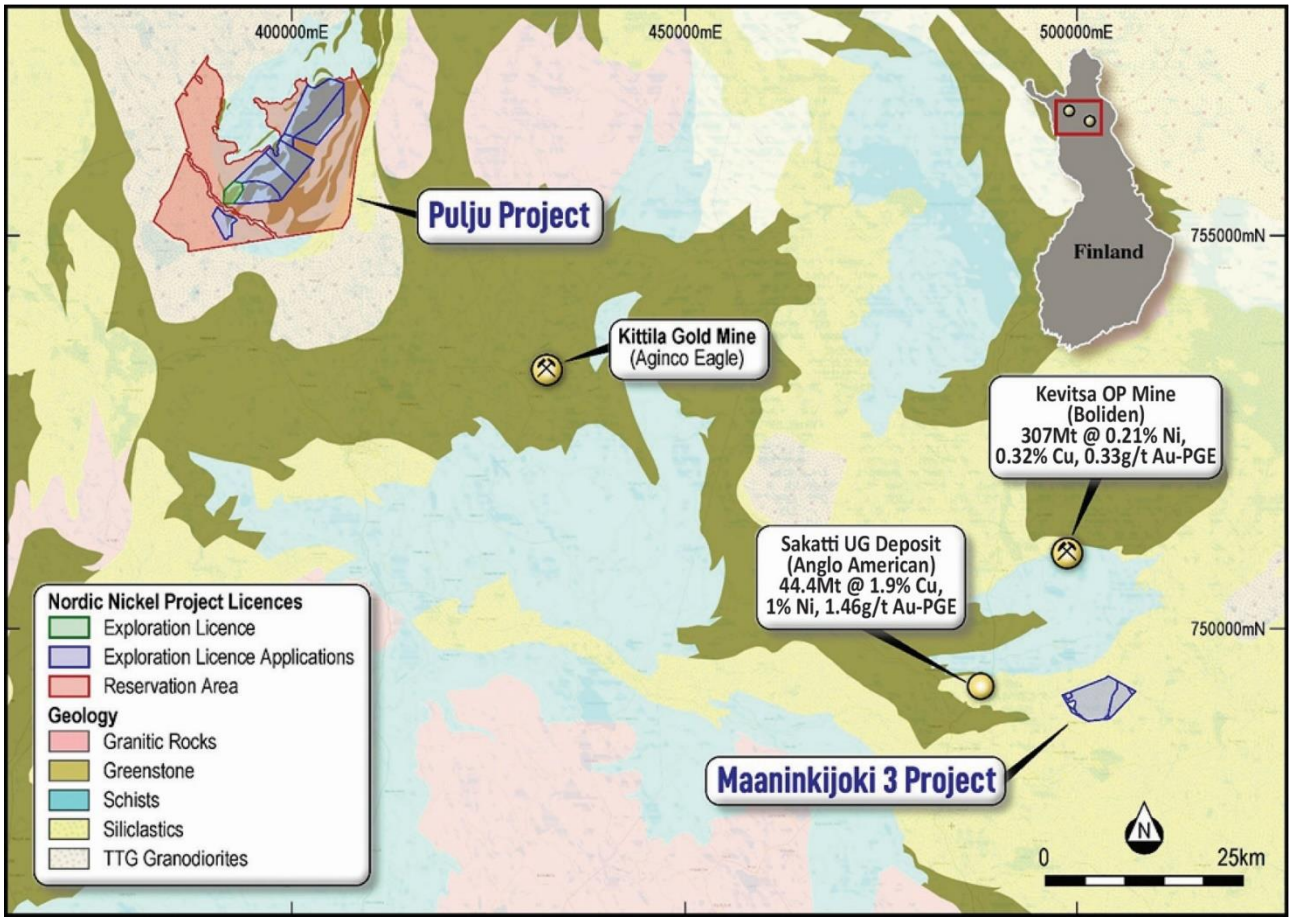



*Figure 1: Location of the Pulju and MJ3 Projects, Finland*

*Source: NNL, Boliden Summary Report Resources and Reserves 2020 Kevitsa Mine. Anglo American Ore Reserves and Mineral Resources Report, 2019.*

The Pulju Project consists of one granted exploration licence (EL) (called Hotinvaara) and seven EL applications together covering a total of 98.09 km$^2$, as well as a reservation application covering approximately 323 km$^2$ surrounding the EL areas. Some of the EL applications partially overlap the reservation, and the total area covered is approximately 395 km$^2$. The granted EL, EL applications and reservation application are 100% owned by the Finnish company Pulju Malminetsintä Oy, a 100% owned subsidiary of NNL.

NNL has an earn-in agreement in place with the Finnish company MagStar Mining Oy (MagStar) over the MJ3 tenement that provides NNL with the option to acquire up to 75% of this project in two stages. The MJ3 licence, currently under application, is held 100% by the Finnish company MagStar and covers a total of 30.44 km$^2$.

This Report is an Independent Technical Assessment Report subject to the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets 2015 ("VALMIN[1] Code").

In preparing this Report, CSA Global:

- Adhered to the VALMIN Code.
- Relied on the accuracy and completeness of the data provided to it by NNL, and that NNL made CSA Global aware of all material information in relation to the Pulju and MJ3 Projects.
- Relied on NNL's representation that it will hold adequate security of tenure for exploration and assessment of the Pulju and MJ3 Projects to proceed.
- Has independently verified the data used to prepare this Report and concludes that the data provide reasonable grounds for CSA Global's conclusions reached in this Report.
- Required that NNL provide an indemnity to the effect that NNL would compensate CSA Global in respect of preparing the Report against any and all losses, claims, damages and liabilities to which CSA Global or its Associates may become subject under any applicable law or otherwise arising from the preparation of the Report to the extent that such loss, claim, damage or liability is a direct result of NNL or any of its directors or officers knowingly providing CSA Global with any false or misleading information, or NNL, or its directors or officers knowingly withholding material information.
- Required an indemnity that NNL would compensate CSA Global for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the Report.

## 1.2 Compliance with the VALMIN and JORC Codes

The Report has been prepared in accordance with the VALMIN Code, which is binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), the JORC[2] Code, and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and ASX that pertain to Independent Expert Reports.

## 1.3 Principal Sources of Information and Reliance on Other Experts

CSA Global has based its review of the Project on information made available to the principal author by NNL, along with technical reports prepared by consultants, government agencies and previous tenements holders, and other relevant published and unpublished data. CSA Global has also relied upon discussions with NNL's management for information contained within this assessment. This Report has been based upon information available up to and including 31 March 2022.

CSA Global has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this Report is based. Unless otherwise stated, information and data contained in this technical report or used in its preparation has been provided by NNL in the form of documentation.

NNL was provided with a final draft of this Report and requested to identify any material errors or omissions prior to its lodgement.

[1] Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code), 2015 Edition, prepared by the VALMIN Committee of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. <http://www.valmin.org>

[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code, 2012 Edition. Prepared by: The Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). <http://www.jorc.org>

Descriptions of the mineral tenure (tenure agreements, encumbrances, and environmental liabilities) were provided to CSA Global by NNL or its technical consultants. NNL has warranted to CSA Global that the information provided for preparation of this Report correctly represents all material information relevant to the Pulju and MJ3 Projects. CSA Global has not reviewed the status of NNL's tenure agreements pertaining to the Project and has relied on information provided by NNL in relation to the legal title to the tenement.

Neither CSA Global, nor the authors of this Report, are qualified to provide comment on any legal issues associated with the Pulju and MJ3 Projects. The property descriptions presented in this Report are not intended to represent a legal opinion, or any other opinion as to title.

This Report contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from either government departments or the ASX. The authors of these previous reports have not consented to the statements' use in this report, and these statements are included in accordance with ASIC Corporations (Consents to Statements) Instrument 2016/72.

CSA Global's statements and opinions contained in this Report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 31 March 2022 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

## 1.4 Prior Association and Independence

Neither CSA Global, nor the authors of this Report, have or have had previously, any material interest in the Pulju and MJ3 Projects, the mineral properties in which NNL has an interest. CSA Global's relationship with NNL is solely one of professional association between client and independent consultant.

CSA Global is an independent geological and mining consultancy. This Report is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is not contingent on the results of this Report.

No associate or employee of CSA Global is, or is intended to be, a director, officer, or other direct employee of NNL. There is no agreement between CSA Global and NNL as to either company providing further work for CSA Global.

The work completed by CSA Global was not influenced by NNL and reflects its objective critical analysis and professional judgement.

## 1.5 Authors of the Report

CSA Global, an ERM Group company, is a privately owned, mining industry consulting company headquartered in Perth, Western Australia. CSA Global provides geological, resource, mining, management and corporate consulting services to the international resources sector and has done so for more than 30 years.

This Report has been prepared by a team of consultants sourced principally from CSA Global's Perth, Western Australia office. The individuals who have provided input to this Report have extensive experience in the mining industry and are members in good standing of appropriate professional institutions:

- Coordinating Author – Mr Tony Donaghy (Principal Geologist and Nickel Technical Director with CSA Global in Perth, Western Australia) is responsible for the entire Report
- Contributing Author – Ms Ivy Chen (Manager Corporate and Principal Consultant with CSA Global in Perth, Western Australia) is responsible for the entire Report
- Peer Reviewer – Mr Sam Ulrich (Principal Consultant with CSA Global in Perth, Western Australia) is responsible for the entire Report
- Partner in Charge – Mr Graham Jeffress (Partner in Charge APAC and Principal Geologist with CSA Global in Perth, Western Australia) is responsible for the entire Report.

Mr Tony Donaghy is a Principal Consultant and Technical Director Nickel with CSA Global in Perth, Western Australia. Tony is an internationally recognised expert in the global search for nickel, copper, cobalt and platinum group elements (PGEs), and a skilled exploration geologist who is familiar with most geological environments and a broad variety of mineral commodities. He has more than 25 years' experience covering all continents and all aspects of the industry – from leading continental-scale grassroots targeting exercises, through greenfields and brownfields exploration project design and execution, mining, property evaluation and due diligence, to board level strategy development and guidance. Tony is a Registered Professional Geoscientist with the association of Professional Geoscientists of Ontario, a Recognised Professional Organisation (RPO), and has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

Ms Ivy Chen is a corporate governance specialist, with over 30 years' experience in mining and resource estimation. Ivy served as the national geology and mining adviser for the ASIC from 2009 to 2015. Ivy's experience in the mining industry in Australia and China as an operations and consulting resource geologist includes open pit and underground mines for gold, manganese and chromite, and as a consulting geologist she has conducted mineral project evaluation, strategy development and implementation, through to senior corporate management roles. Recent projects completed include listings and other commercial transactions on the Australian, Singapore, Hong Kong, and UK stock exchanges. Ivy is a company director and a member of the VALMIN Committee. Ivy manages CSA Global's Corporate Team and coordinates and participates in CSA Global's activities providing expert technical reviews, valuations, and independent reporting services to groups desiring improved understanding of the value, risks and opportunities associated with mineral investment opportunities.

Mr Sam Ulrich is a geologist with over 25 years' experience in mineral exploration and corporate services. His exploration experience ranges from grassroots to near-mine resource development in Australia and Asia. Mr Ulrich is part of CSA Global's corporate team primarily working on transactions. He provides geological due diligence, independent technical reporting for mergers and acquisitions, and company listings, as well as acting as Competent Person under the JORC Code for a range of exploration results in gold, base metals, and uranium. Mr Ulrich is a valuation expert, a VALMIN specialist, delivering technical appraisals and valuations for independent expert reports, target statements, schemes of arrangement, stamp duty assessments, asset impairments, and due diligence exercises on projects worldwide. Mr Ulrich has extensive experience in the exploration and development of Archaean orogenic gold deposits, which combined with his mineral economics research into Australian gold mines, provides Mr Ulrich with specialist skills in applying economic/valuation criteria to exploration targeting and ranking, and the valuation of mineral assets.

Mr Graham Jeffress is a geologist with over 30 years' experience in exploration geology and management in Australia, Papua New Guinea, and Indonesia. Graham is Partner APAC and Principal Geologist with CSA Global in Perth and manages the APAC region for CSA Global. Graham has worked in exploration (ranging from grassroots reconnaissance through to brownfields, near-mine, and resource definition), project evaluation and mining in a variety of geological terrains, commodities, and mineralisation styles within Australia and internationally. He is competent in multidisciplinary exploration, and proficient at undertaking prospect evaluation and all phases of exploration. Graham has completed numerous independent technical reports (IGR, CPR, QPR) and valuations of mineral assets. Graham was a Federal Councillor of the AIG for 11 years and joined the Joint Ore Reserves Committee in 2014.

## 1.6 Declarations

This Report has been prepared by CSA Global at the request of, and for the sole benefit of NNL. Its purpose is to provide an independent Technical Assessment Report of NNL's Pulju and MJ3 Projects.

The Report is to be included in its entirety or in summary form within a prospectus to be prepared by NNL in connection with an IPO. It is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The statements and opinions contained in this Report are given in good faith, and in the belief, that they are not false or misleading. The conclusions are based on the reference date of 31 March 2022 and could alter over time depending on exploration results, mineral prices, and other relevant market factors.

### *1.6.1 Competent Person's Statement*

The information in this report that relates to Technical Assessment of the Mineral Assets, Exploration Targets, or Exploration Results is based on information compiled and conclusions derived by Mr Tony Donaghy, a Principal Consultant and an employee of CSA Global.

Mr Donaghy is a Registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario, a RPO, and has sufficient experience that is relevant to the Technical Assessment of the Mineral Assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 Edition of the "Australasian Code for the public reporting of technical assessments and Valuations of Mineral Assets", and as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Donaghy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### *1.6.2 Site Inspection*

The Pulju and MJ3 Projects are at an early exploration stage, with limited site infrastructure and little outcropping geology pertinent to the project assessment process. No site visit was made to the Pulju and MJ3 Projects in connection with this Report, as the authors have sufficient prior knowledge of the area having worked extensively in nickel exploration in Finnish Lapland, many years of experience in magmatic nickel sulphide mineralisation types, and the experience to assess the Projects. In CSA Global's professional judgement, given the stage of the Pulju and MJ3 Projects, an additional site visit is unlikely to materially improve its understanding of the Projects.

# 2 Project Tenure and Location

The Pulju Project consists of one granted EL (called Hotinvaara) and seven EL applications together covering a total of 98.09 km$^2$, as well as a reservation application covering approximately 323 km$^2$ surrounding the EL areas (Figure 2; Table 3). As some of the EL applications overlap with the reservation application, the total area covered is approximately 395 km$^2$. All licences are 100% owned by the Finnish company, Pulju Malminetsintä Oy, a 100% owned subsidiary of NNL.

NNL has an earn-in agreement in place with the Finnish company, MagStar, over the MJ3 tenement that provides NNL with the option to acquire up to 75% of this project in two stages. The MJ3 licence, currently under application, is held 100% by the Finnish company MagStar and covers a total of 30.44 km$^2$ (Figure 3, Table 3).

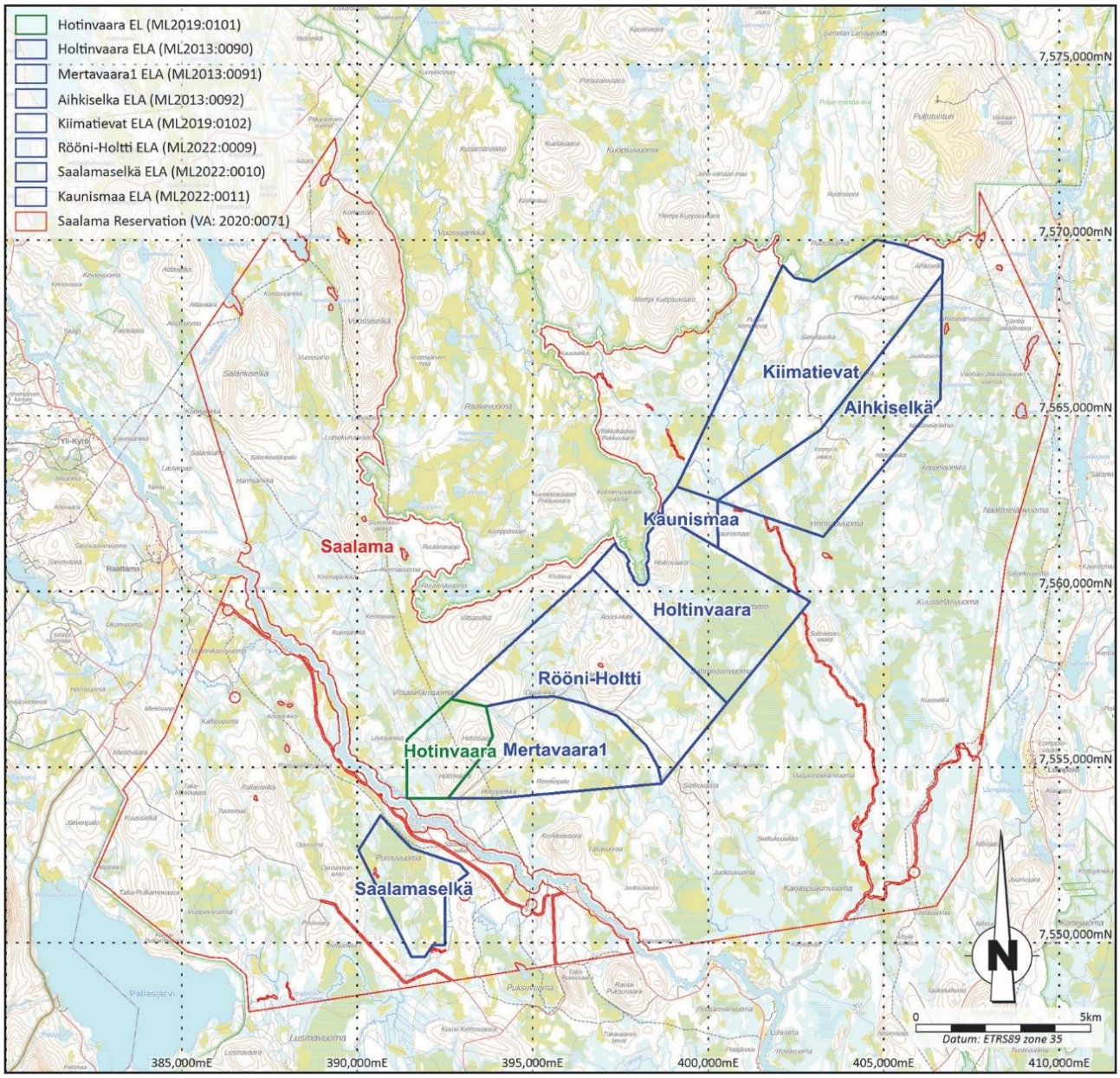



*Figure 2: Tenement location of the Pulju Project, Finland*
*Source: NNL*

*Table 3: Tenement schedule for the Pulju and MJ3 Projects*

| | Tenement name | Area code | Tenement type | Status | Registered holder | Application date | Grant date | Expiry date | Area (km²) |
|---|---|---|---|---|---|---|---|---|---|
| Pulju Project | Saalama | VA2020:0071 | Reservation | Valid | Puljun Malminetsintä Oy | 2 Nov 2020 | 4 Feb 2021 | 1 Nov 2022 | 323.59 |
| | Hotinvaara | ML2019:0101 | Ore Exploration Permit | Valid | Puljun Malminetsintä Oy | 11 Nov 2019 | 24 Jan 2020 | 24 Jan 2024 | 4.92 |
| | Holtinvaara | ML2013:0090 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 4 Nov 2013 | | | 14.99 |
| | Aihkiselka | ML2013:0092 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 4 Nov 2013 | | | 15.75 |
| | Kiimatievat | ML2019:0102 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 11 Nov 2019 | | | 24.21 |
| | Mertavaara1 | ML2013:0091 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 4 Nov 2013 | | | 11.9 |
| | Rööni-Holtti | ML2022:0009 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 9 Mar 2022 | | | 18.65 |
| | Saalamaselkä | ML2022:0010 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 9 Mar 2022 | | | 6.02 |
| | Kaunismaa | ML2022:0011 | Ore Exploration Permit | Application | Puljun Malminetsintä Oy | 9 Mar 2022 | | | 1.68 |
| | **Total** | | | | | | | | **98.09** |
| Maaninkijoki 3 Project | MJ3 | ML2020:0011 | Ore Exploration Permit | Application | MagStar Mining Oy | 21 Mar2020 | | | 30.44 |

CSA Global is not qualified to give opinions on legal matters pertaining to tenement status or liabilities. CSA Global relies on the legal opinion of Magnusson Law of Helsinki, Finland. NNL has advised CSA Global that the due diligence on matters in respect of the Projects' tenure is covered by an Independent Solicitor's Report prepared by Magnusson Law that appears in the Prospectus.

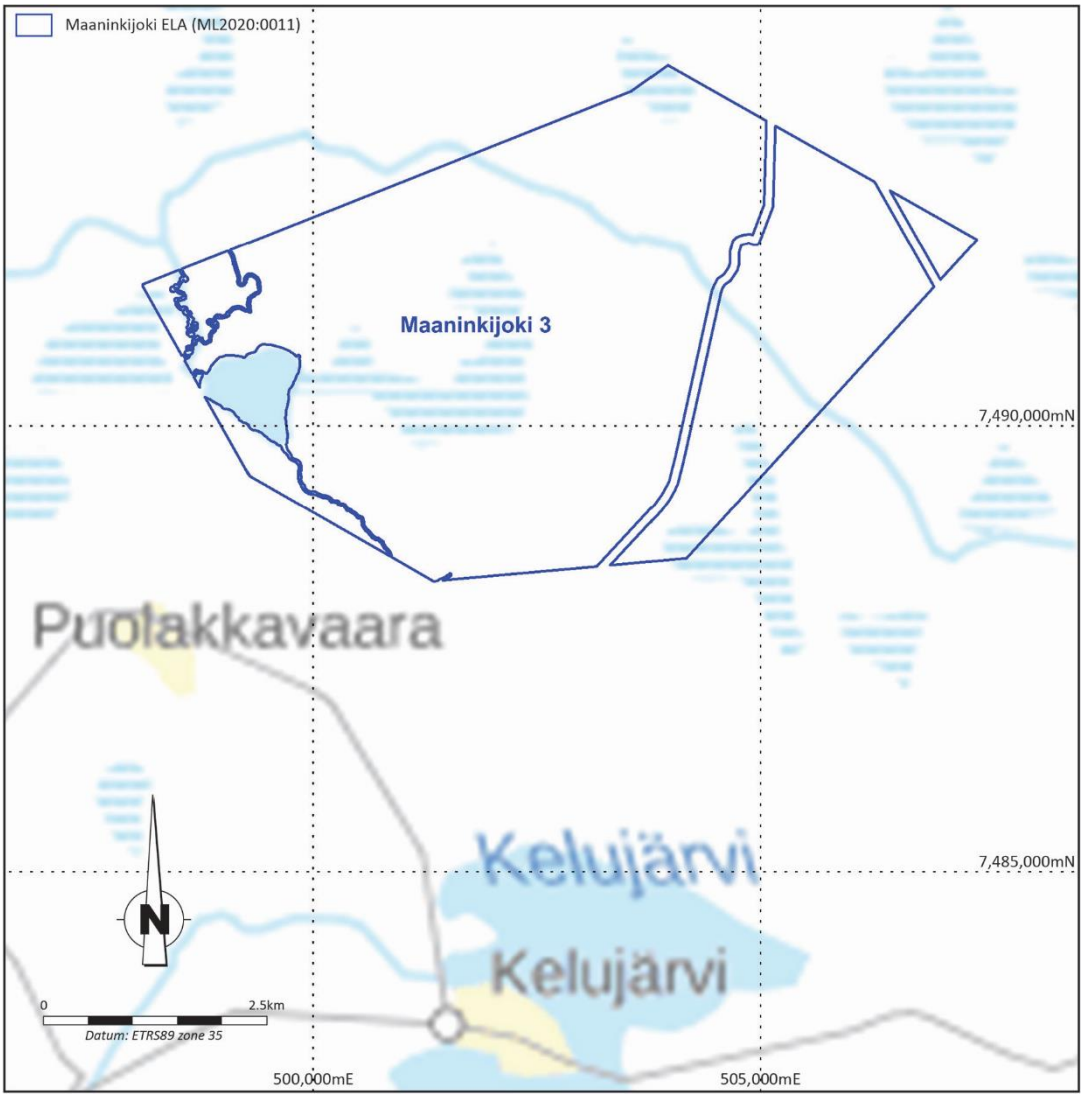



*Figure 3: Tenement location of the MJ3 Project, Finland.*
*Source: NNL*

The Pulju Project is located in the Finnish Lapland region, 50 km north of the closest municipality centre of Kittilä (population 6,400) and approximately 200 km north of the regional capital, Rovaniemi (population 99,000). The area of the project has no inhabitants and most of the land is owned by the Finnish government Forestry office Metsähallitus. Despite the low population density, infrastructure is excellent and access to the project areas is straightforward, particularly in winter when traversing the countryside by machinery is made easier by frozen conditions, including the freezing of a local river to allow repeated traversing. The most important regional industries are reindeer herding and forestry. There is no nature protected area within the Pulju tenure area and the Natura 2000 protected area to the north of the Company's larger reservation area is buffered by a 100 m offset along the tenure boundary. Pulju's topography is defined by alternating forested hills and peat lands. Several small streams transect the areas and flow into the Ounas River.

The MJ3 Project is also located in Finnish Lapland approximately 25 km northeast of the town of Sodankylä (population 8,250) and approximately 130 km north of Rovaniemi. There is good access to the area throughout the year from the main road that runs from southwest to the north of the claim area, which in

turn connects to the 967 road from Sodankylä. Most of the land is also owned by Metsähallitus, however there are several private landowners in the southern regions of the claim area. Project topography is comprised of forested areas and peat lands. The most important regional industries are again reindeer herding and forestry.

Finnish Lapland has a subarctic climate, with short, mild summers and long, freezing, extremely snowy winters. Due to its location north of the Arctic Circle the region experiences polar night between the 20th of December and 23rd of January and polar day between 31st of May and 14th of July. The annual temperature range is usually between −19.6°C (average winter minimum temperature) and 19.4°C (average summer maximum temperature), but the all-time temperature range is between −49.5°C (recorded on 28 January 1999) and 32.1°C (recorded on 18 July 2018).

# 3 Mineralisation and Geology

## 3.1 Mineralisation Model

NNL is exploring the Projects for komatiite volcanic-hosted and intrusive-hosted magmatic nickel-copper-cobalt sulphides, with possibility for significant PGE by-product credits.

The geology of magmatic nickel sulphide deposits has been reviewed extensively by Naldrett (2004, 2010), Barnes and Lightfoot (2005), Begg et al. (2010), Li and Ripley (2011), Barnes and Fiorentini (2012), Mole et al. (2014) and Barnes et al. (2016). The following is a synthesis of their work.

In terms of magma composition, nickel sulphide deposits are found in a range of mafic-ultramafic magma types. Any sufficiently mafic to ultramafic parental magma (except for, for reasons beyond the scope of this discussion, Island Arc Tholeiites and Ocean Island Basalts) can be considered fertile under the right conditions as discussed below to form magmatic nickel sulphide deposits.

Komatiite volcanic hosted magmatic sulphide systems are a subset of nickel-copper(-PGE) magmatic sulphide ore systems and share many common genetic features with other styles of magmatic sulphide deposits. However, there are important differences in the genesis of komatiite associated deposits from other magmatic sulphide systems, that have significant ramifications on differing exploration strategies for the two deposit styles. Understanding these differences in deposit models is fundamental to exploration success.

### *3.1.1 Intrusive Hosted Magmatic Nickel-Copper(-PGE) Sulphides.*

In simplest terms, intrusive-hosted magmatic nickel sulphide deposits are formed by a process of (Figure 4):

- Forming a significant volume of mafic to ultramafic melt within the Earth's mantle, from melting of the olivine content of the mantle. Such melting processes are thought to be initiated by hot mantle plumes that rise through the mantle to the base of the crust.
- The ascendance of that melt from the mantle through/into the Earth's crust.
- The contamination of that magma by incorporating crustal rocks into the melt during the passage of the melt through the Earth's crust.
- The saturation of the magma with sulphur because of contamination by incorporation of crustal rocks, and the subsequent formation of a sulphide liquid phase within the magma.
    - The simplest means of saturating the magma with sulphur is the incorporation of sulphide-bearing wall rocks into the magma as it passes through the crust.
    - However, this is by no means critical as several significant nickel sulphide deposits globally may have sulphur saturated by other means associated with crustal contamination without addition of external sulphur into the system.
    - Sulphur saturation may occur at any depth in the system as the magma transits the crust, and the resultant sulphide phase may be entrained within the moving magma some distance (tens of kilometres) from the site of sulphur saturation to the eventual site of sulphide deposition.
- This sulphide phase scavenges and concentrates those metals within the magma that preferentially bond with sulphur such as nickel, copper, cobalt, and PGEs.
- The precipitation, and accumulation of nickel-copper-cobalt(-PGE) sulphides via various processes as the magma cools and crystallises to eventually form mineralised mafic-ultramafic intrusive rocks.

The formation of magmatic nickel sulphide deposits requires the efficient extraction of the target metals. This involves taking concentrations of nickel and copper from the tens to hundreds of parts per million in the original magma and concentrating them by several orders of magnitude into accumulations typically within the 1–10% range in the deposit. This process is dependent on a variety of factors.

The extraction and significant upgrading concentration of the metals in question requires generation and throughput of voluminous magma through the system. All significant magmatic sulphide deposits have accumulated more metal in sulphide than could possibly have been sourced from the volume of the host

intrusive system as seen today. Simple mass balance necessitates additional magma to have passed through the system as a conduit and be stripped of its metal content as it passes through to account for the metal contents observed in the sulphide deposit(s) within the intrusive.

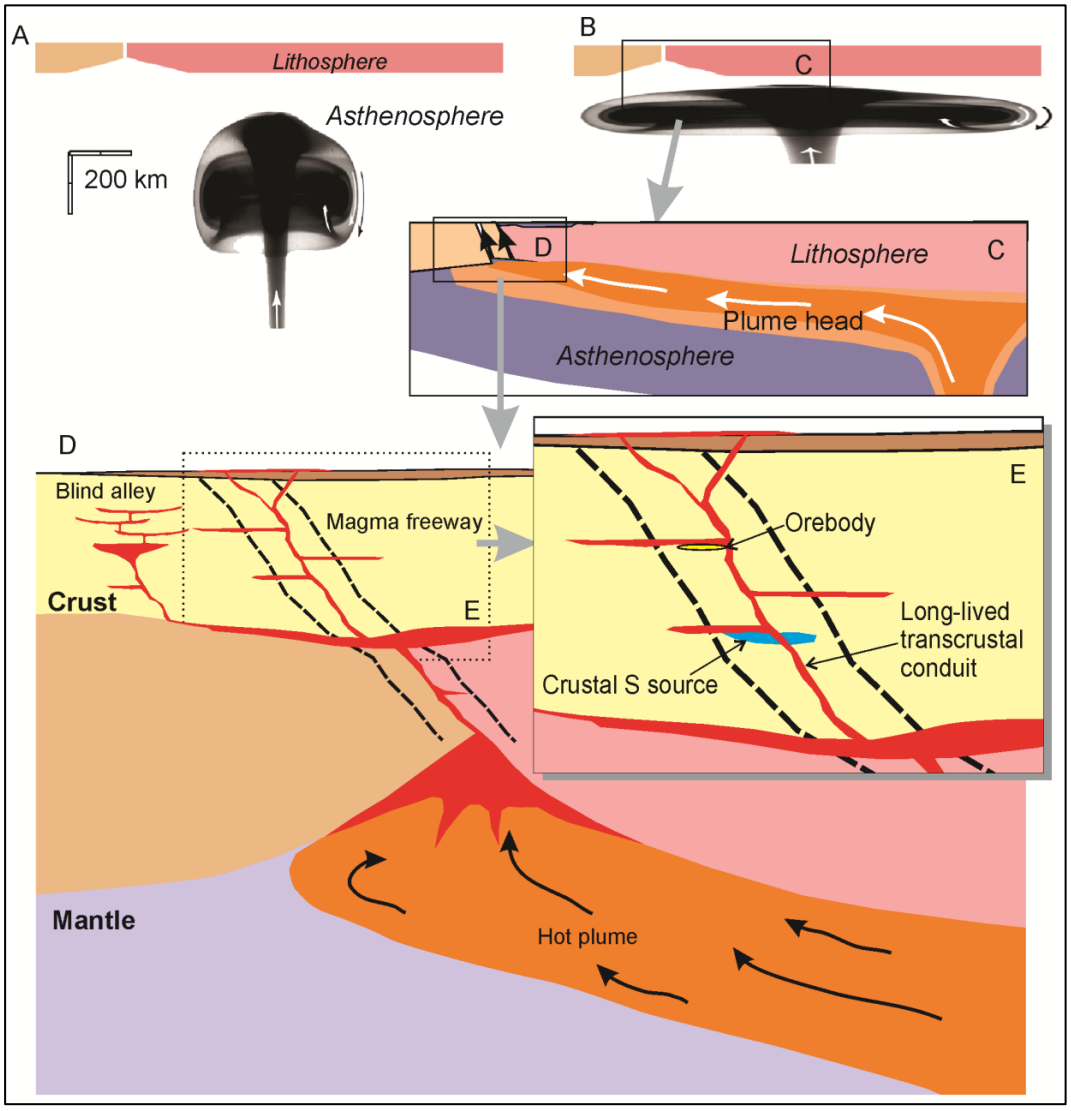



*Figure 4:* *Stylised model for formation of magmatic nickel sulphide deposits*

*(A) Starting plume ascending beneath an old cratonic crustal block, within a few hundred kilometres of an original craton boundary. (B) Impingement and flattening of plume head beneath the crust. (C) Channelling of melt to thinnest crust at craton margin, generation of continental rifting centred on original suture. (D) Development of favourable environments for mineralisation above the melting zone, showing the combination of long-lived mantle-tapping structure and high magma production giving rise to high flux "magma freeways" with potential for assimilation of crustal material, transport and deposition of magmatic sulphide ores.*

*Source: After Barnes et al. (2016)*

The probability of finding such significant magmatic nickel sulphide deposits is observed to be greater in terranes that allows and focuses rapid and voluminous ascent of melted mantle rocks through the crust. Mafic-Ultramafic Large Igneous Provinces located on the (at the time of formation) rifted margins of old, stable cratonic masses are the most favourable tectonic environments. Such structures are long-lived and have a history of multiple re-activation over time, implying they represent fundamental breaks in whole-crustal architecture. Nearly all the worlds significant magmatic nickel sulphide deposits are located in such tectonic regimes on cratonic margins.

Within the intrusive system, sulphide is typically accumulated in geometries of constricted and dynamic magma flow such as tube-like chonoliths, laterally penetrating blade dykes, and linked dyke and sill complexes (Figure 5). Such systems typically have cross-sectional dimensions in the range of tens of metres

to 1–2 km at most. Rarely is any appreciable sulphide content found to be associated with large, relatively passive and layered intrusive complexes with scales in the tens to hundreds of kilometres. However, sulphide deposits are found in smaller satellite intrusive bodies associated with such large complexes and may potentially feed as conduits into the larger bodies.

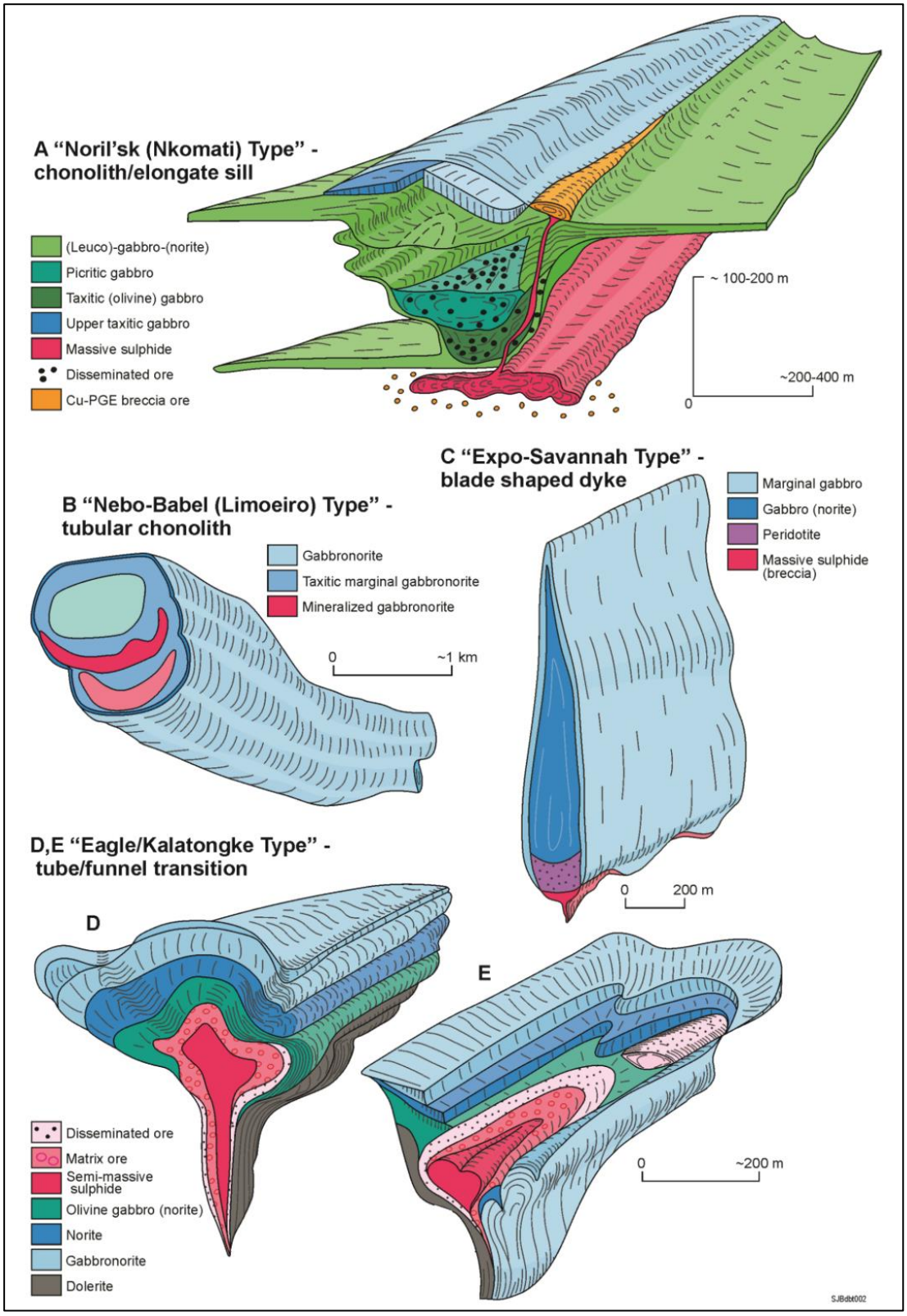



*Figure 5: Schematic illustration of intrusions known to host magmatic nickel-copper-PGE sulphide mineralisation*
*Depicting the spectrum of characteristic geometries of composite mafic and mafic-ultramafic intrusions.*
*Source: After Barnes et al. (2016)*

### *3.1.2 Komatiite Volcanic Hosted Nickel-Copper(-PGE) Sulphides*

The komatiite lavas represent high-temperature ultramafic magmas sourced from the Earth's mantle and erupted onto the Earth's surface. They are restricted in the geological record to the Archaean and Palaeoproterozoic. This is due primarily to the cooling of the Earth's mantle over time prohibiting the formation of such high-temperature melts of the mantle post the Palaeoproterozoic period.

Nickel-copper-cobalt sulphides are interpreted to have formed in-situ within the lava flow by contamination of the ultramafic magma by incorporating external sulphur. As the komatiite lava moved across the Earth's surface, the high temperature lava melted and incorporated substrate lithologies into the lava. This melting of substrate was achieved in long-lived lava channels where prolonged high-heat input into the substrate from the channelised lava flow led to thermomechanical erosion and incorporation of substrate fragments into the lava (Figure 6). If this substrate comprised sulphide-bearing material, the injection of external sulphur into the komatiite drove the magmatic system to sulphur saturation. The nickel, copper and cobalt within the magmatic system combined with the sulphur and precipitated as sulphide droplets within the magma (Figure 6).

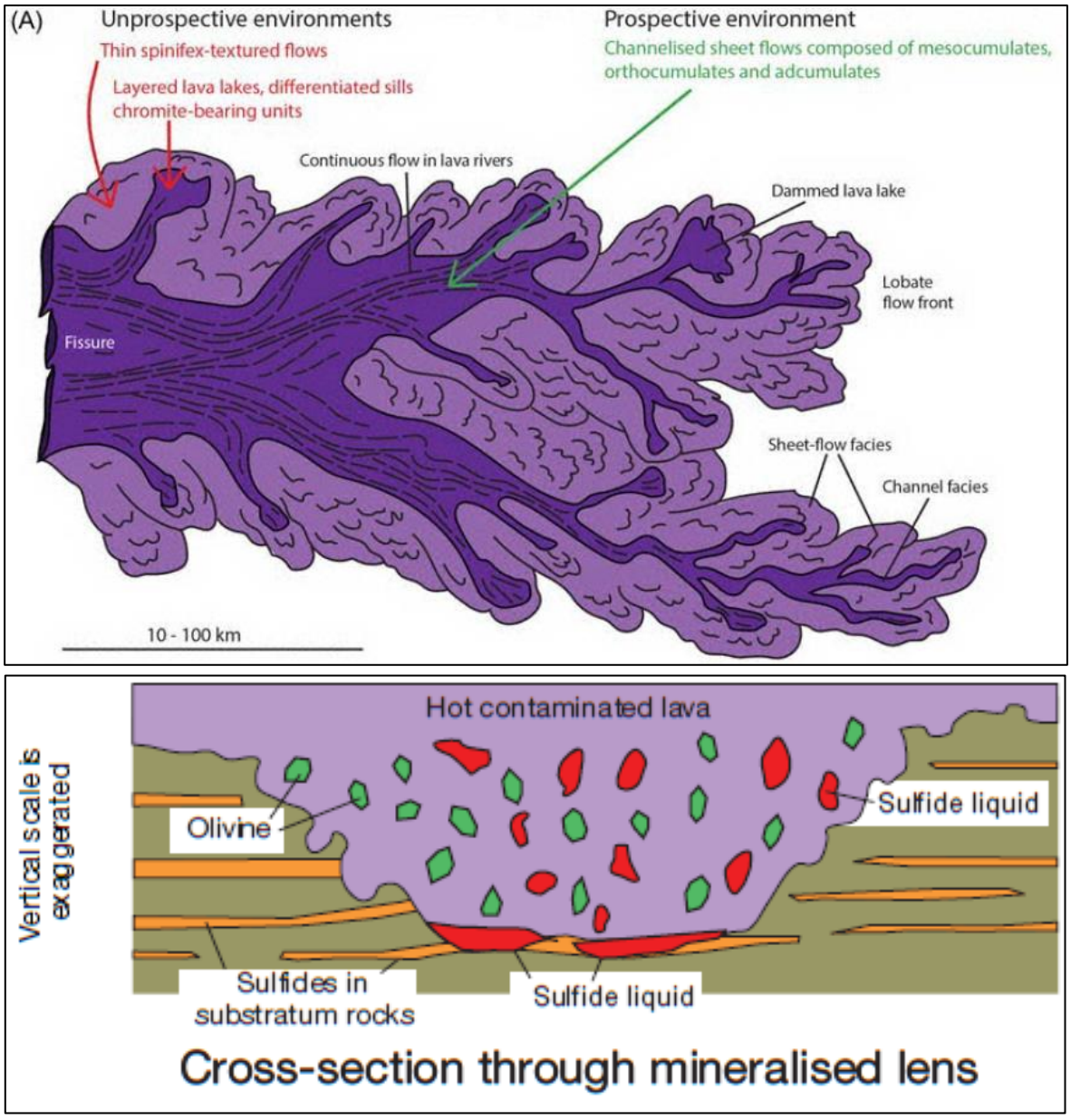



*Figure 6: Komatiite flow facies and prospective environments for nickel-copper-cobalt sulphide formation*
*Source: Naldrett (2010)*

Once formed, the dense sulphide phase settled within the lava channel to the channel floor, where it accumulated as nickel-copper-cobalt sulphide. At the same time, the ultramafic magma began to crystallise olivine, which as it is also denser than the surrounding magma began to settle to the floor of the lava channel. The process of settling sulphide and olivine crystals within the lava channel is directly analogous to stream sediment dynamics. The dense sulphide and olivine crystal phases accumulated in parts of the channel floor where the flow dynamic changed and reduced the lava streams capability to carry and transport the dense phases, such as changes in flow direction, areas where the flow ponded, depressions and embayments in the lava channel floor etc.

Komatiite lava-channels favourable for sulphide accumulation also accumulated olivine-crystals from the melt under the same gravitational settling model. High MgO content in soil or rock geochemistry is a good proxy for high-olivine content and is used as an exploration vector for channelised lava environments rich in olivine that are favourable for nickel sulphide accumulation. These ultramafic lava channels have often experienced serpentinisation of the olivine in the presence of metamorphic, hydrothermal or meteoric water, that breaks down the olivine crystal structure to the hydrous mineral serpentine. Iron present in the olivine mineral lattice is not readily incorporated into the serpentine mineral lattice and the excess iron that results from serpentinisation is precipitated as magnetite. Thus, originally olivine-rich channelised environments favourable for nickel sulphide accumulation contain significant secondary magnetite after the serpentinisation of the olivine. This secondary magnetite results in a high magnetic susceptibility of the rock and a prominent magnetic anomaly response to magnetic survey techniques.

### *3.1.3 Key Factors to Consider in Exploration*

Soil and other surficial geochemistry such as base-of-till (BOT) sampling is effective for detection of magmatic nickel-copper sulphide mineralisation if it is outcropping to subcropping, and the soil/weathering profile does not contain a substantial proportion of exotic transported material. If the host magmatic channel is buried below surface and is not intersected by the Earth's surface, then nickel-copper magmatic sulphide systems are often geochemically blind to surface. They are closed systems bound within the confines of the magmatic channel, with little to no alteration halo or geochemical exchange with the surrounding wall rock, except for minor possible structural leakage of metal-bearing fluids along faults or penetrative deformation cleavage planes that intersect the pre-deformation sulphide.

Targeted use of electromagnetic (EM) surveys remains the preferred tool for direct detection of nickel sulphide mineralisation of sufficient quantity and quality for economic extraction, as typical magmatic sulphide assemblages become electrically connected and conductive at 18–20% sulphide content by volume.

Komatiite lavas and other ultramafic lithologies (dunites and peridotites) may become highly magnetic with serpentinisation and growth of substantial secondary magnetite from iron released by the breakdown of olivine and recrystallisation as serpentine. This magnetic data may be a useful tool for tracing serpentinised ultramafic rocks beneath surface. In komatiite environments, there is a direct correlation between high-magnesian ultramafic channel facies lithologies and mineralisation host environments. So magnetic mapping offers a vector towards serpentinised channel facies environments capable of hosting mineralisation.

However, given that intrusive related nickel deposits may be hosted in a variety of mafic to ultramafic rock types, there is no direct one-to-one causative relationship between magnetic rocks and nickel deposits hosted in intrusive systems. Many world-class nickel deposits globally are hosted in intrusive bodies with little to no magnetic expression in geophysical data relative to the surrounding strata. Concentrating on tracing magnetic anomalies for nickel exploration in intrusive systems can and will generate many false positive targets and runs the risk of ignoring other empirical evidence for potential to host nickel deposits in non-magnetic lithologies.

## 3.2 Geology

### *3.2.1 Regional Geology*

The geology of the CLGB, with emphasis on nickel exploration, has been extensively reviewed by Papunen (1998), Heggie (2010), Heggie et al. (2013), Hanski (2015), Maier (2015) Konnunaho et al. (2015), Santaguida

et al. (2015), Brownscombe et al. (2015), Brownscombe (2016), Konnunaho (2016), Törmänen et al. (2016), Makkonen et al. (2017), and Peltonen (2021). The following is a synopsis of their work.

The bedrock of Finland is composed almost entirely of Precambrian rocks that are part of the Fennoscandian Shield. Exposed portions of the shield are found in Finland, Sweden, Norway, and northwest Russia, which, together with the Ukrainian Shield, represent the oldest exposed rocks in Europe. In the west, the Precambrian bedrock is overthrust by the Caledonian orogenic belt, and in the south and east it is overlain by Phanerozoic and Neoproterozoic platform sediments. The crustal architecture of the Precambrian bedrock in the central and eastern part of the shield is defined by three large-scale crustal units:

- The 3500–2500 Ma Archaean basement
- Its Palaeoproterozoic (2500–1900 Ma) sedimentary-volcanic cover
- The Svecofennian orogenic belt, 1930–1800 Ma in age.

The Archaean basement has usually been divided into two main crustal segments, the Karelian and Kola cratons (also called blocks, provinces, or domains), which are separated by the Belomorian mobile belt and Lapland Granulite Belt (Figure 7a). The Karelian craton basic granite-greenstone terrane structure was produced by Neoarchaean accretion of exotic terranes at around 2830–2750 Ma and subsequent major collisional orogeny at around 2730–2670 Ma. These collisional events were linked to the assembly of Kenorland, one of the earliest inferred supercontinents, consisting of the Hearne Domain and Superior Province (now seen in Canada), and the Fennoscandian Shield.

After stabilisation by around 2600 Ma, the Archaean craton of the Fennoscandian Shield started to experience a series of rifting events leading to long-lasting intracratonic to continental margin sedimentation and volcanism. These supracrustal cover sequence deposition events are recognised across the Fennoscandian Shield and collectively assigned to the Karelian formations. They are shown in Figure 7b as two groups of supracrustal rocks ranging in age between 2.50–2.10 and 2.10–1.95 Ga. The time periods of formation of these sequences are as follows:

- Sumian (2505–2430 Ma)
- Sariolian (2430–2300 Ma)
- Jatulian (2300–2060 Ma)
- Ludicovian (2060–1960 Ma)
- Kalevian (1960–1900 Ma).

The CLGB records Palaeoproterozoic depositional evolution for almost 600 million years in local variants of the Karelian Formation, divided into seven litho-stratigraphical units or groups correlated across the sub-belts of the CLGB: the Vuojärvi, Salla, Kuusamo, Sodankylä, Savukoski, Kittilä and Kumpu (Figure 8). The lowermost Vuojärvi Group is poorly defined and only known from the southern margin of the CLGB. The Salla group is the oldest well-defined unit being exposed in the eastern and south-eastern parts of the CLGB consisting of 2.44 Ga old felsic volcanic rocks deposited onto the Archaean basement. These represent the oldest volcanic formations and were erupted due to the incipient rifting of the Archaean Karelian craton.

The Salla and Vuojärvi groups are overlain by the extensive suite of mafic metavolcanic rocks of the 2.2–2.44 Ga Kuusamo Group. This volcanic activity was followed by a more tranquil phase resulting in deposition of thick and extensive epiclastic sequences of the Sodankylä Group, dominated by quartzites and meta-arkoses with only minor mafic metavolcanic rock intercalations. The 2.05–2.2 Ga Savukoski Group overlying the earlier units consists of fine-grained metasedimentary rocks including phyllites, mica schists, graphite- and sulphide-bearing schists, metatuffites and komatiitic and tholeiitic metavolcanic rock intercalations suggest deepening of the depositional basin.

Sodankylä and Savukoski groups are overlain by the Kittilä Group tholeiitic metavolcanic rocks with passive margin and oceanic affinity and minor metasedimentary intercalations of argillites, graphite- and sulphide-bearing schists, and banded iron formations. The Nuttio serpentinite bodies located near the eastern margin of the Kittilä Group have been interpreted as ophiolite fragments, suggesting that the Kittilä Group rocks represent an allochthonous unit that is at least partly oceanic in origin.

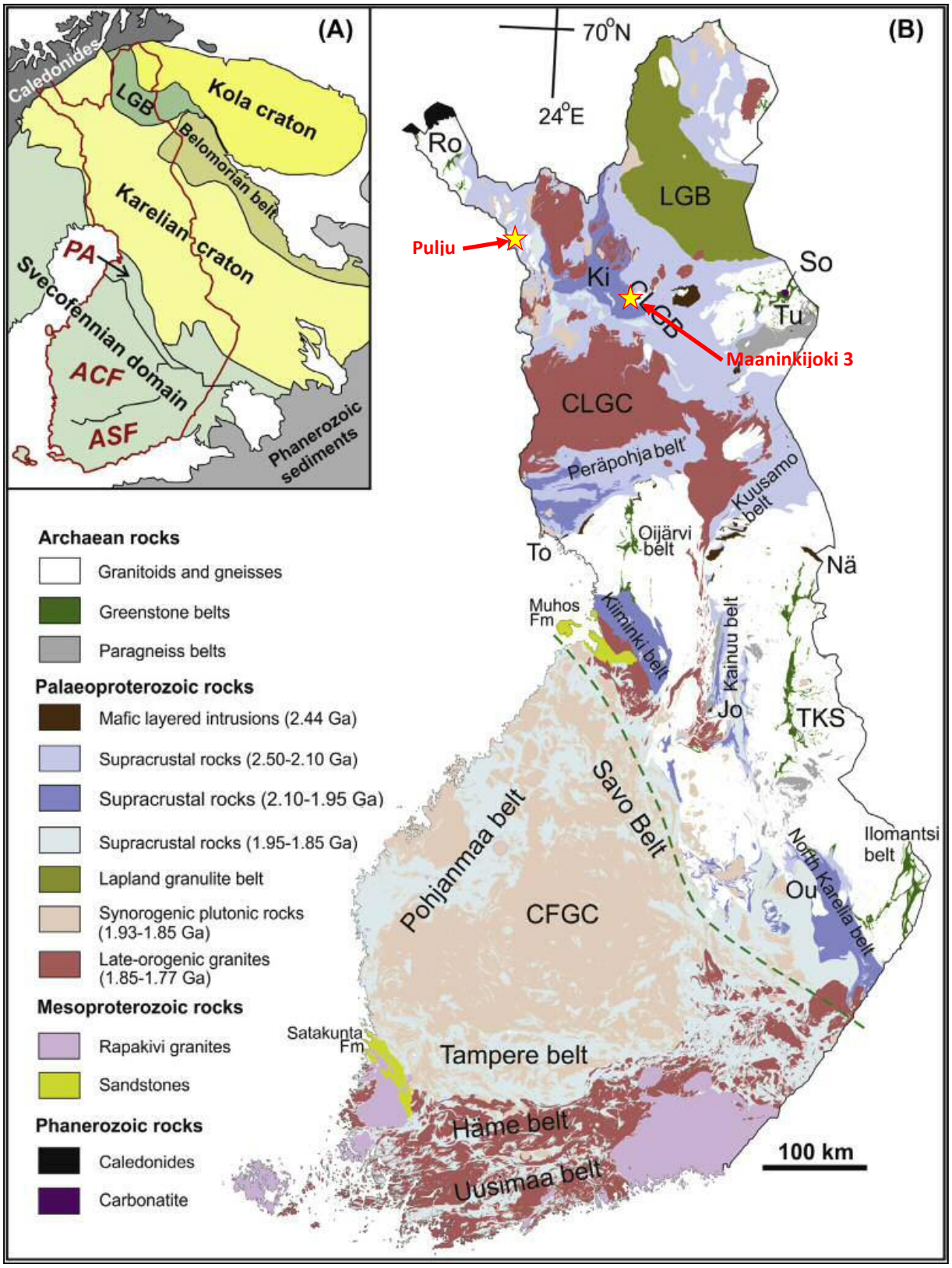



*Figure 7:* *Geology of Finland and regional context of the CLGB*

*(A) Abbreviations: PA = Primitive arc complex of central Finland, ACF = Accretionary arc complex of central and western Finland, ASF =Accretionary arc complex of southern Finland, LGB = Lapland Gneiss Belt.*

*(B) Abbreviations: CFGC = Central Finland Granitoid Complex, CLGC = Central Lapland Granitoid Complex, CLGB = Central Lapland Greenstone Belt, Jo = Jormua ophiolite, Ki = Kittilä greenstone complex, Nä = Näränkävaara, Ou = Outokumpu ophiolite, Ro = Rommaeno complex, So = Sokli carbonatite, TKS = Tipasjärvi-Kuhmo-Suomussalmi belt, To = Tornio, Tu = Tulppio.*

*Source: Hanski (2015)*

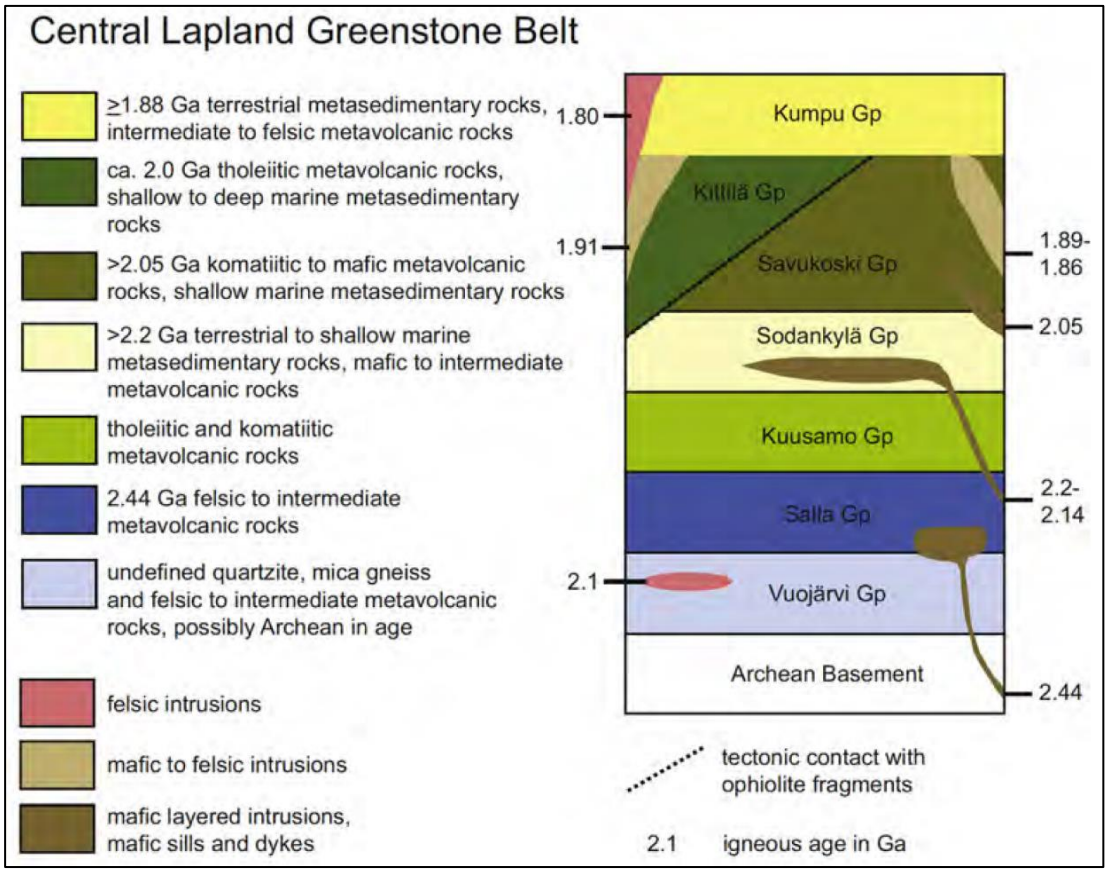



*Figure 8: Stratigraphy and main igneous events of the CLGB*
*Source: Peltonen (2021)*

The youngest stratigraphical unit of the CLGB, the Kumpu Group, consists of quartzites, conglomerates, and minor felsic metavolcanic rocks.

Starting at c. 2060 Ma in the Savukoski Group of the Ludicovian system, highly magnesian volcanic rocks (komatiites-picrites) reappear in the geological record after a break of around 350 million years. The upper part of the Savukoski Group is dominated by MgO-rich volcanic rocks, komatiites and picrites, and coeval basaltic rocks. The lower sedimentary part of the group, the Matarakoski Formation, is composed mainly of fine-grained pelitic rocks, including sulphide- and graphite-bearing black schists, phyllites and mafic tuffites. The upper Savukoski Group sequence contains komatiite nickel-copper-cobalt occurrences at Hotinvaara and Lomalampi (Figure 9). Additionally, the c. 2050 Ma intrusive mafic magmatism has produced several prominent nickel-copper-cobalt deposits in the CLGB at the Kevitsa and Sakatti deposits (Figure 9). The komatiite sequences have yielded a Sm-Nd isochron age of 2056 ± 25 Ma, which is indistinguishable from the age of the Kevitsa (2058 ± 4 Ma) and Sakatti host intrusive lithologies.

The CLGB is comprised of three sub-terrains: the Kuusamo-Salla belt, the Kolari-Kittilä-Sodankylä belt and the Pulju belt (Figure 10), each with their own magmatic sulphide associations. The Pulju Project is located in the Pulju belt, while the MJ3 Project is located in the Kolari-Kittilä-Sodankylä belt.

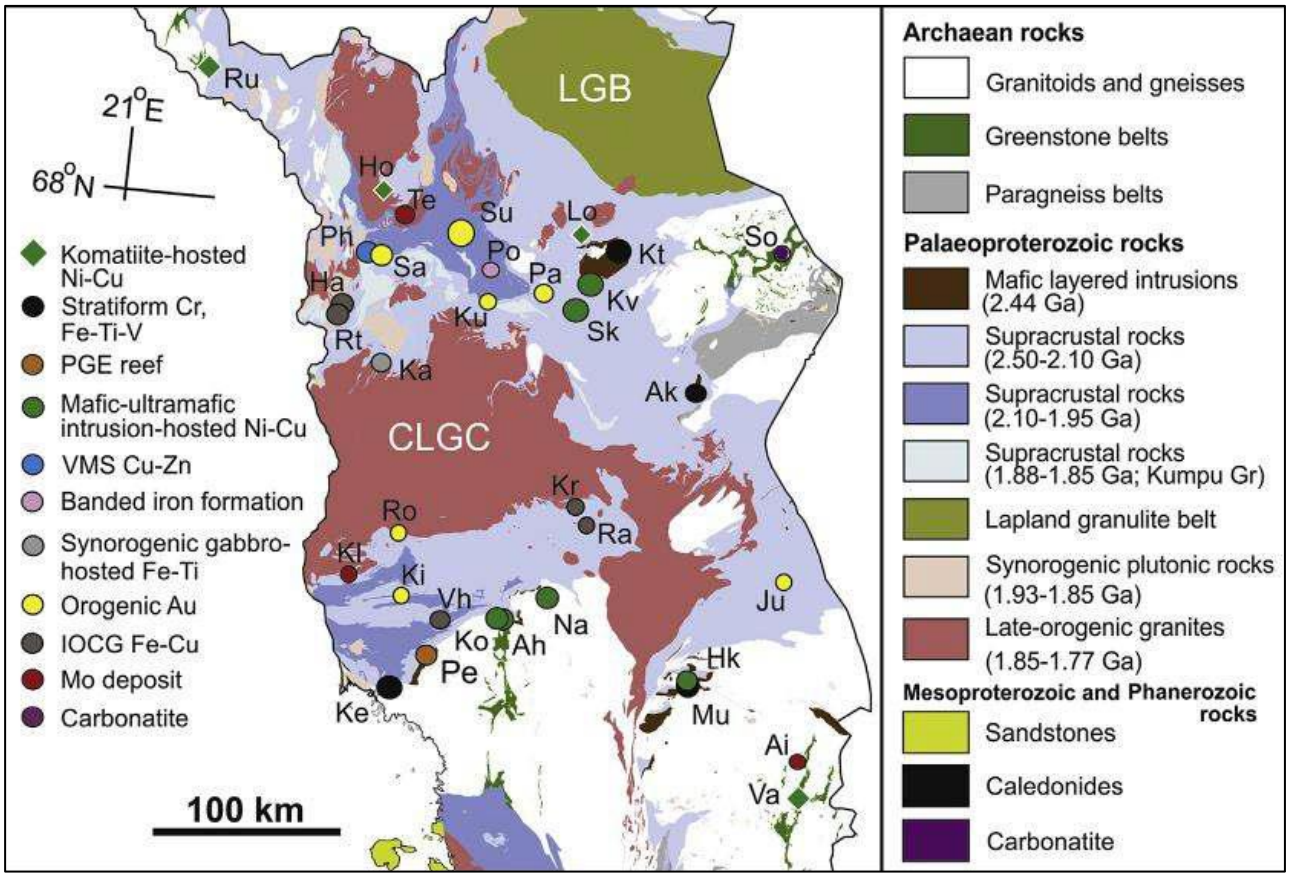



*Figure 9: Significant mineral deposits in the northern part of Finland*

*Deposit names: Ah = Ahmavaara, Ai = Aittojärvi, Ak = Akanvaara, Ha = Hannukainen, Hk = Haukiaho,* ***Ho = Hotinvaara,*** *Ju = Juomasuo, Ka = Karhujupukka, Ke = Kemi, Ki = Kivimaa, Kl = Kallijärvi, Ko = Konttijärvi, Kr = Kärväsvaara, Ku = Kutuvuoma, Kt = Koitelainen,* ***Kv = Kevitsa****,* ***Lo = Lomalampi****, Mu = Mustavaara, Na = Narkaus, Pa = Pahtavaara, Pe = Penikat, Ph = Pahtavuoma, Po = Porkonen, Ra = Raajärvi, Ro = Rompas, Rt = Rautuvaara, Ru = Ruossakero, Sa = Saattopora,* ***Sk = Sakatti,*** *So = Sokli, Su = Suurikuusikko, Te = Tepasto, Va = Vaara, Vh = Vähäjoki.*

*Source: Hanski (2015)*

### *3.2.2 Local Geology – Pulju Belt*

The Palaeoproterozoic supracrustal rocks of the Pulju belt cover an area of approximately 200 km$^2$ in the north-western part of the CLGB and can be traced into Norway. In its lower part, the Pulju belt consists of a metasedimentary unit quartzites and biotite-hornblende gneisses) and minor mafic metavolcanic rocks of the Sietkuoja Formation in the Sodankylä Group (Figure 11). The metavolcanic and metasedimentary units in the middle part (Mertavaara Formation) of the sequence are associated with komatiitic rocks of the Savukoski Group. The Mertavaara Formation includes sulphur-rich metasedimentary rocks (metacherts and calc-silicate rocks) and felsic metavolcanic rocks with which the komatiites are interbedded. The metasedimentary paraschists with graphite-bearing interlayers of the Vittaselkä Formation (Savukoski Group) forms the uppermost part of the stratigraphical succession in the Pulju belt.

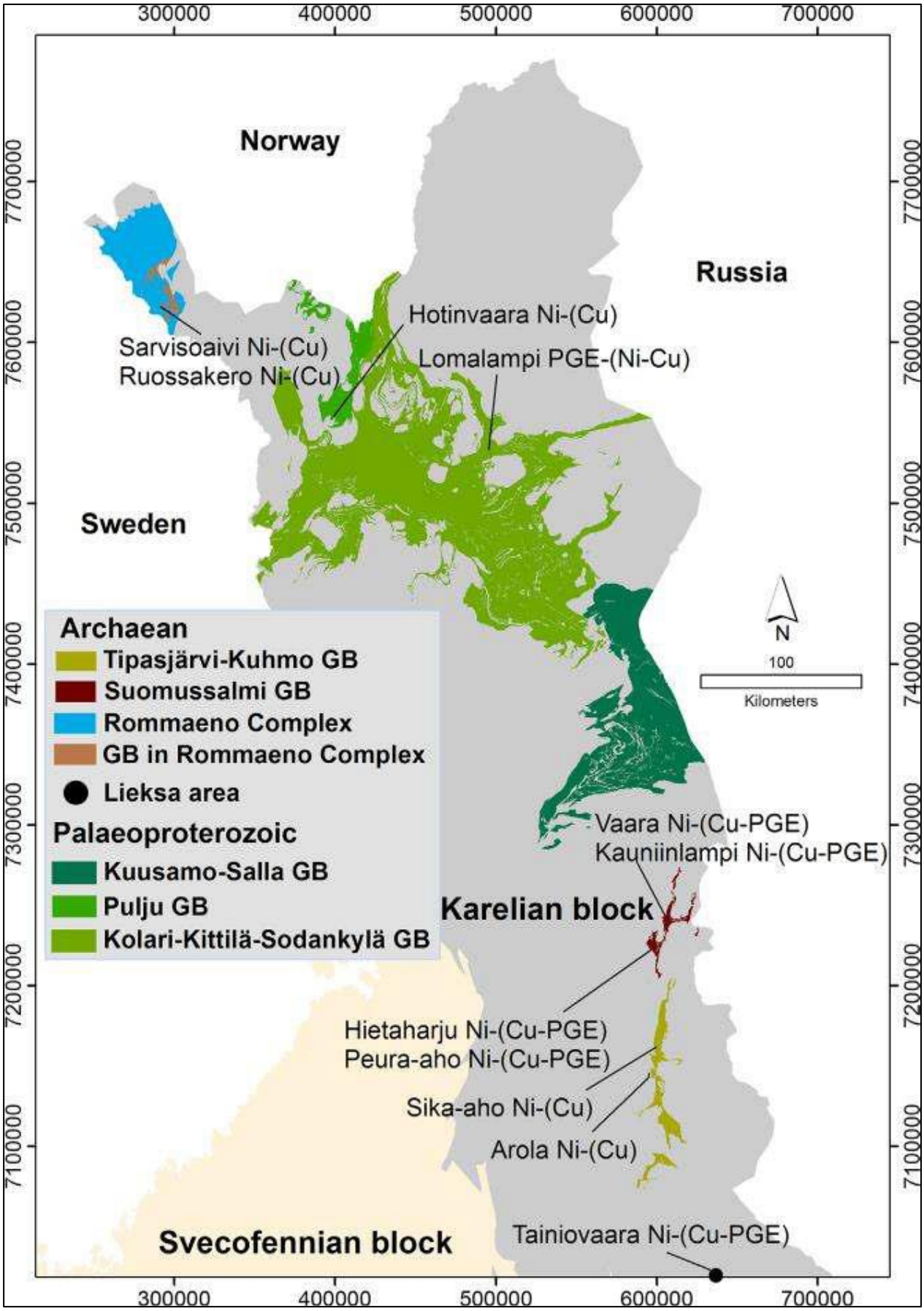



*Figure 10: Simplified regional geological setting of komatiite associated nickel-copper deposits of Finland*
*Source: Konnunaho et al. (2015)*

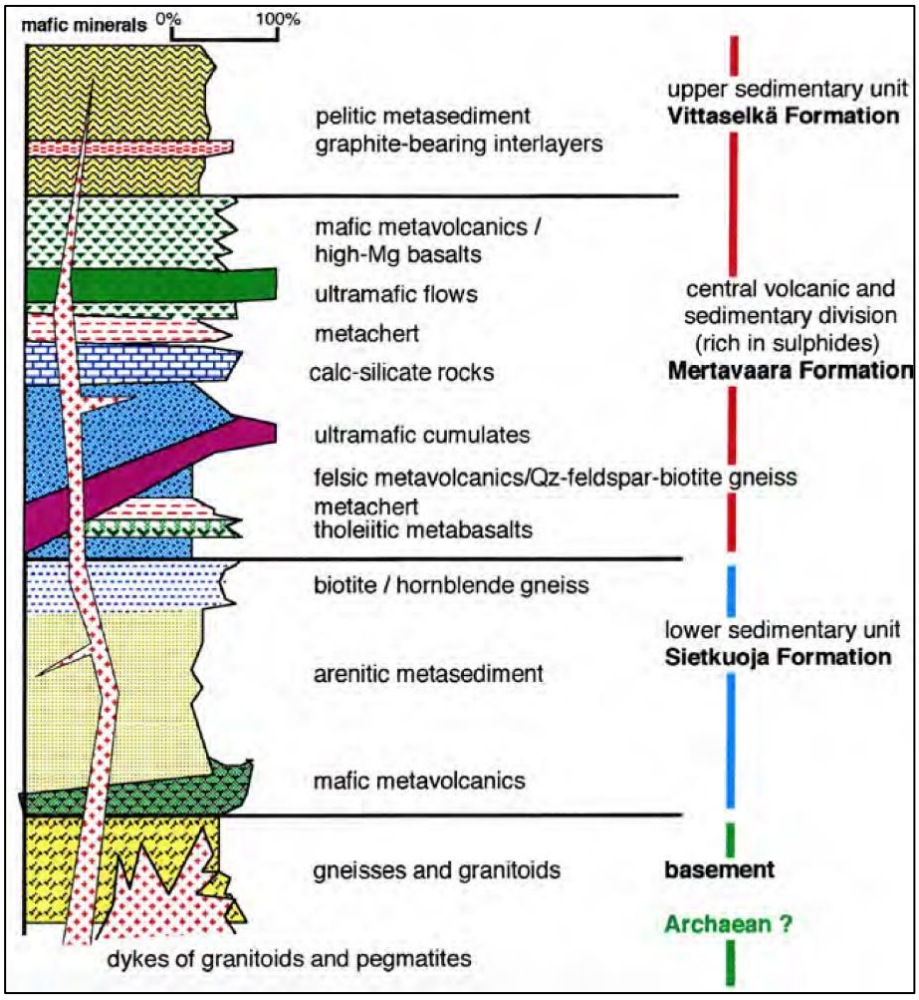



*Figure 11: Stratigraphy of the Pulju belt*
*Source: Peltonen (2021)*

The komatiitic rocks of the Pulju belt have been subdivided into two groups:

- Non-differentiated komatiitic lava flows (i.e. tremolite-chlorite rocks) without significant cumulate portions. These occur as individual layers together with mafic metavolcanic rocks of the Mertavaara Formation. These rocks are characterised by well-preserved primary structures including volcanic breccias, pillows, and tuff layers.
- Differentiated komatiitic lava flows with extensive cumulate bodies (i.e. tremolite-chlorite-serpentine rocks to serpentinites and olivine rocks). These occur in association with sulphur-bearing metasediments and calc-silicate rocks occurring in the lower parts of the Mertavaara Formation. Differentiated lava flows are typically coarse-grained and less foliated than non-differentiated lava flows. Primary magmatic textures have not been recognised in differentiated lava flows. The gradual change from tremolite-chlorite-serpentine rocks to pure serpentinites indicates internal differentiation of flow units into typical komatiite channel-facies A (spinifex flow upper flows) and B (olivine cumulate) zones. These cumulate bodies host the Hotinvaara nickel-copper deposit and some other minor nickel-copper showings. In some places, tremolite-chlorite rocks occur as interbeds within sulphide-bearing metasediments and irregular masses within cumulates.

Komatiites and associated supracrustal rocks in the Pulju belt were folded and sheared in at least four deformation phases and affected by hydrothermal alteration in several stages.

The first deformation phase, D1, imparted a strong high-strain foliation S1 subparallel to bedding with shear zones and 1–20 cm wide mylonites and small-scale isoclinal folding (F1). The dunitic cumulates (metaperidotites-serpentinites) have behaved in a competent manner during deformation, but their weak foliation, when visible, is parallel with S1 of the adjacent amphibole-chlorite rocks.

The main folding phase was F2, a flat lying to recumbent tight folding that deforms both bedding and S1. The fold axial planes of F2 trend northeast-southwest and fold axes plunge southwest at a shallow angle. The axial plane dips shallowly to the west, and an intense crenulation cleavage, S2, parallels the F2 fold axis. The gentle dip of F2 folding is interpreted as indicating over-thrusting from the northwest.

D2 was followed by two younger deformation phases, D3 and D4. Both comprise open folds deforming D1 and D2 structures. The interference figure of magnetic anomaly map patterns has been interpreted to imply that D4 was more prominent and resulted in shallow dipping F4 folding with subvertical axial planes. D4 was responsible for the transformation of the general strike of the rock units and magnetic strata towards a north-south orientation.

### *3.2.3 Mineralisation – Hotinvaara*

The Hotinvaara deposit is composed primarily of disseminated sulphide mineralisation hosted by highly metamorphosed olivine cumulates within differentiated komatiitic lava flows. The olivine cumulate body that hosts the mineralisation is approximately 1.6 km by 1 km in size (Figure 12). Nickel-copper mineralisation is roughly northeast trending and has been followed by drilling in a zone 200 m long along strike, 200 m wide, and 200 m deep below the surface (Figure 13). The disseminated mineralisation occurs in several sub-zones without any sharp contacts. Massive to semi-massive sulphides occur in some drill intersections at the basal contact of the cumulate pile or close to the contact between the cumulates and intervening sediments. In places, some iron-nickel sulphides penetrate into footwall schist lithologies along structural zones.

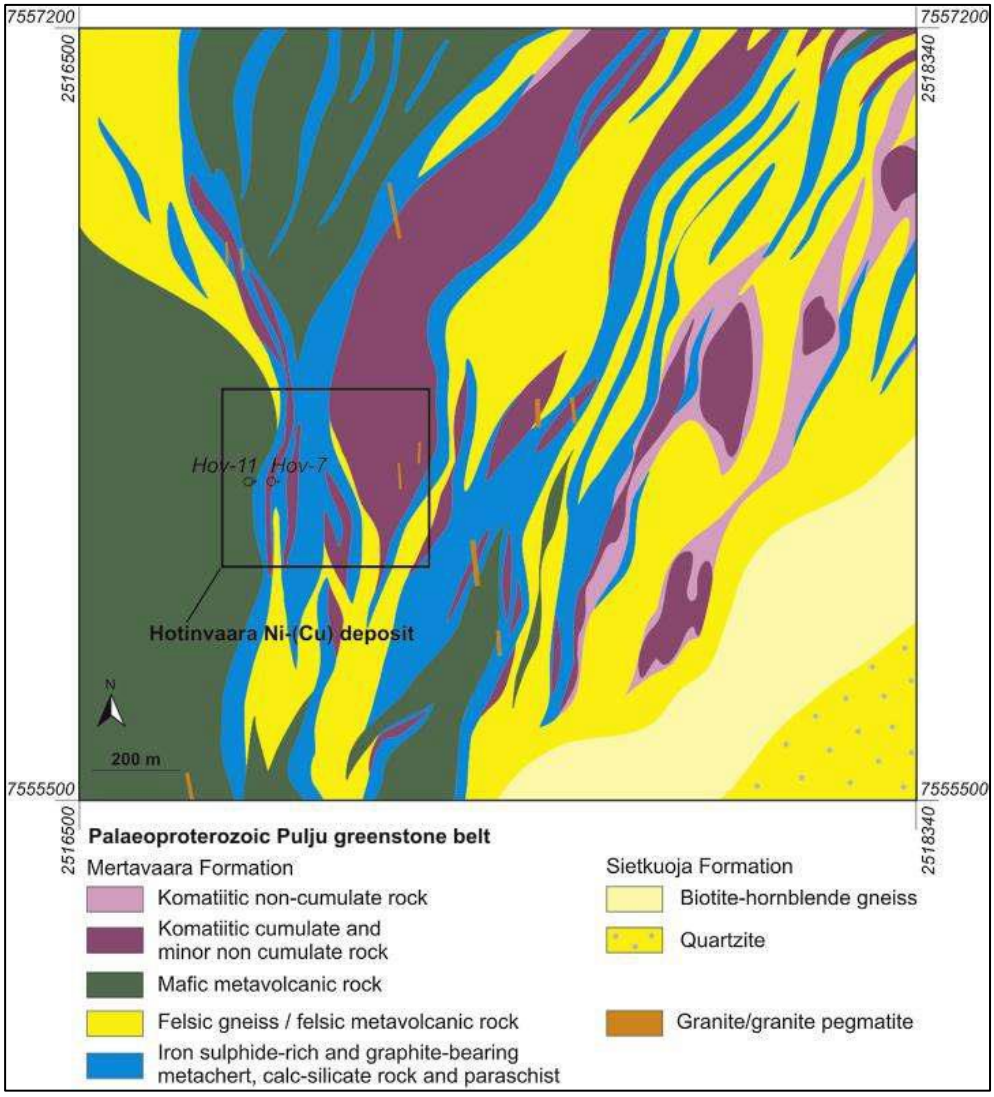



*Figure 12: Geology map of the Hotinvaara deposit locality*
*Source: Konnunaho et al. (2015)*

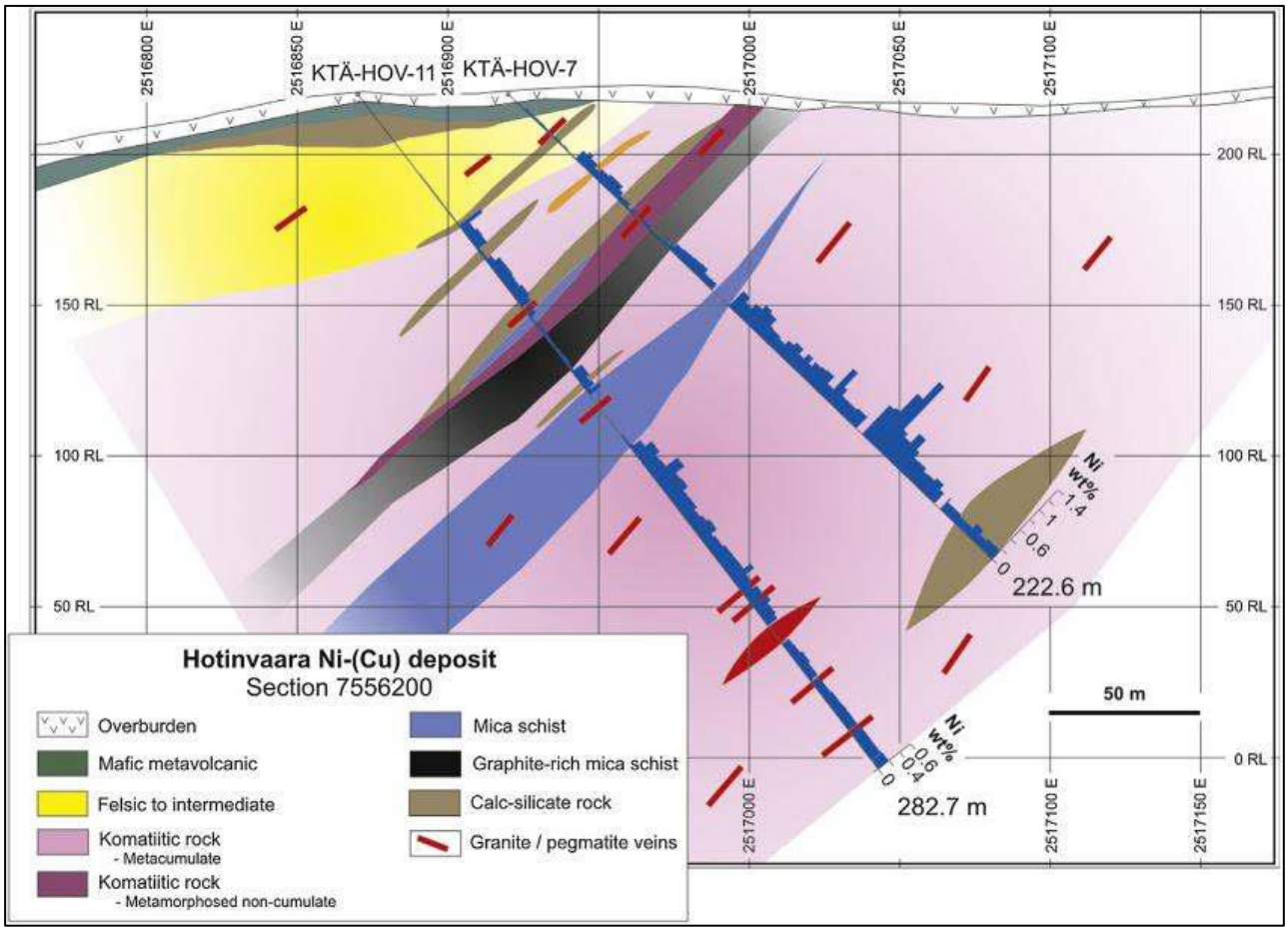



*Figure 13: Typical geological cross-section of the Hotinvaara deposit*
*Source: Konnunaho et al. (2015)*

Pyrrhotite and pentlandite are the most abundant sulphide minerals at Hotinvaara. Pyrrhotite occurs as coarse and roundish grains or as a fine-grained dissemination. Pentlandite is associated with pyrrhotite and often occurs as individual coarse grains or as fine-grained dissemination and flames within pyrrhotite. Chalcopyrite, mackinawite, gersdorffite, troilite, and vallerite are accessory sulphides. Molybdenite and sphalerite have also been identified in mineralised samples as well as minor sulphide replacement by magnetite.

Mineralisation has seen extensive hydrothermal alteration and recrystallisation to the point that primary magmatic assemblages and textures are obscured by alteration.

Section 5 (Exploration Target) details a JORC (2012) compliant Exploration Target estimate for the Hotinvaara deposit, giving an overview of the extent and volume of the Hotinvaara mineralised system.

### *3.2.4 Local Geology – Kolari-Kittilä-Sodankylä Belt, MJ3 Project Area*

Because of the lack of exposed rock in this area of Finland covered by glacial till, the geological maps rely heavily on geophysical data (Figure 14) and so cannot be treated as wholly reliable. For example, the current geological map (Figure 15) shows the location of the Sakatti deposit as being a mafic sill surrounded by pelitic metasediments of the Matarakoski Formation and quartzites of the Sodankylä Group (Figure 16), which were deposited between 2.3 Ga and 2.06 Ga. However, neither of these rock formations has been identified in drill core at Sakatti and true regional affinities of the host stratigraphy around the intrusion are yet to be resolved. The Kevitsa intrusion, which is located approximately 15–20 km northeast of Sakatti, was emplaced in mica schists and black schists of the Matarakoski Formation.

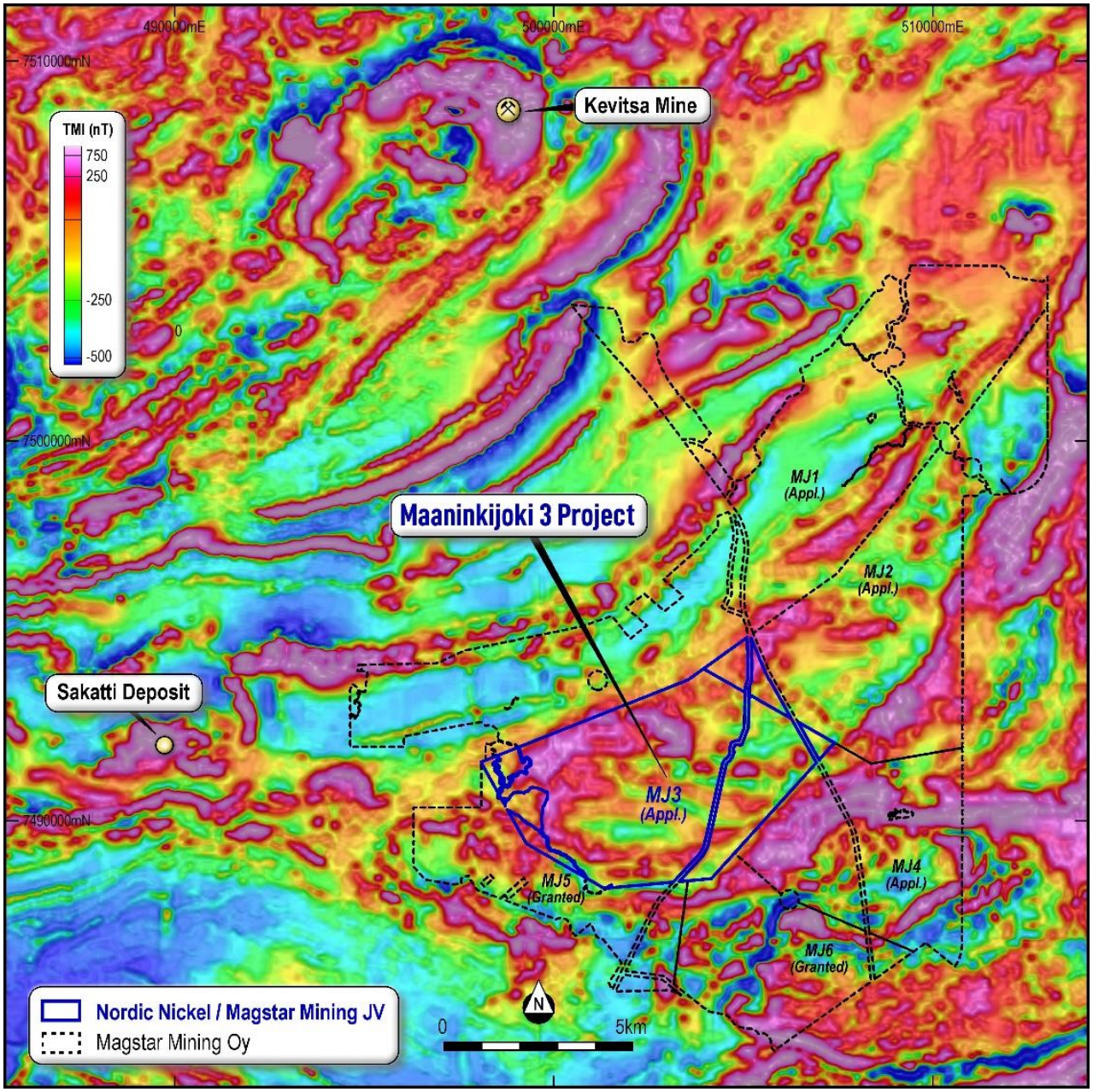



*Figure 14: MJ3 licence area shown over regional magnetic survey map.*
*Source: GTK and NNL*

Majority of the stratigraphy of the Sodankylä area is the Lapponi Supergroup which sits upon Archaean basement, exposed in small inliers. There is also a large layered mafic intrusion, the Koitelainen intrusion, a suite of intruded mafic-ultramafic dykes and sills and the Kevitsa ultramafic-mafic intrusion.

The Lapponi Supergroup has been subdivided into five groups: the Salla Group, the Onkamo Group, the Sodankylä Group, the Savukoski Group, and the Kittilä Group. The first four of these groups are the most important and are all present in the Sodankylä area, while the Kittilä Group is only found further to the west. The Salla Group is at the base of the supergroup, found directly on Archaean basement, followed by the komatiitic Onkamo volcanics. These are overlain by the shallow marine quartzites of the Sodankylä Group, then the sulphide-bearing phyllites of the lower Savukoski Group (the Matarakoski Formation). The stratigraphically highest part of the Lapponi Supergroup in the Sodankylä area is the extensive komatiitic volcanics of the upper part of the Savukoski Group (the Sattasvaara Formation). Both the Onkamo and Savukoski groups have extensive komatiitic volcanism.

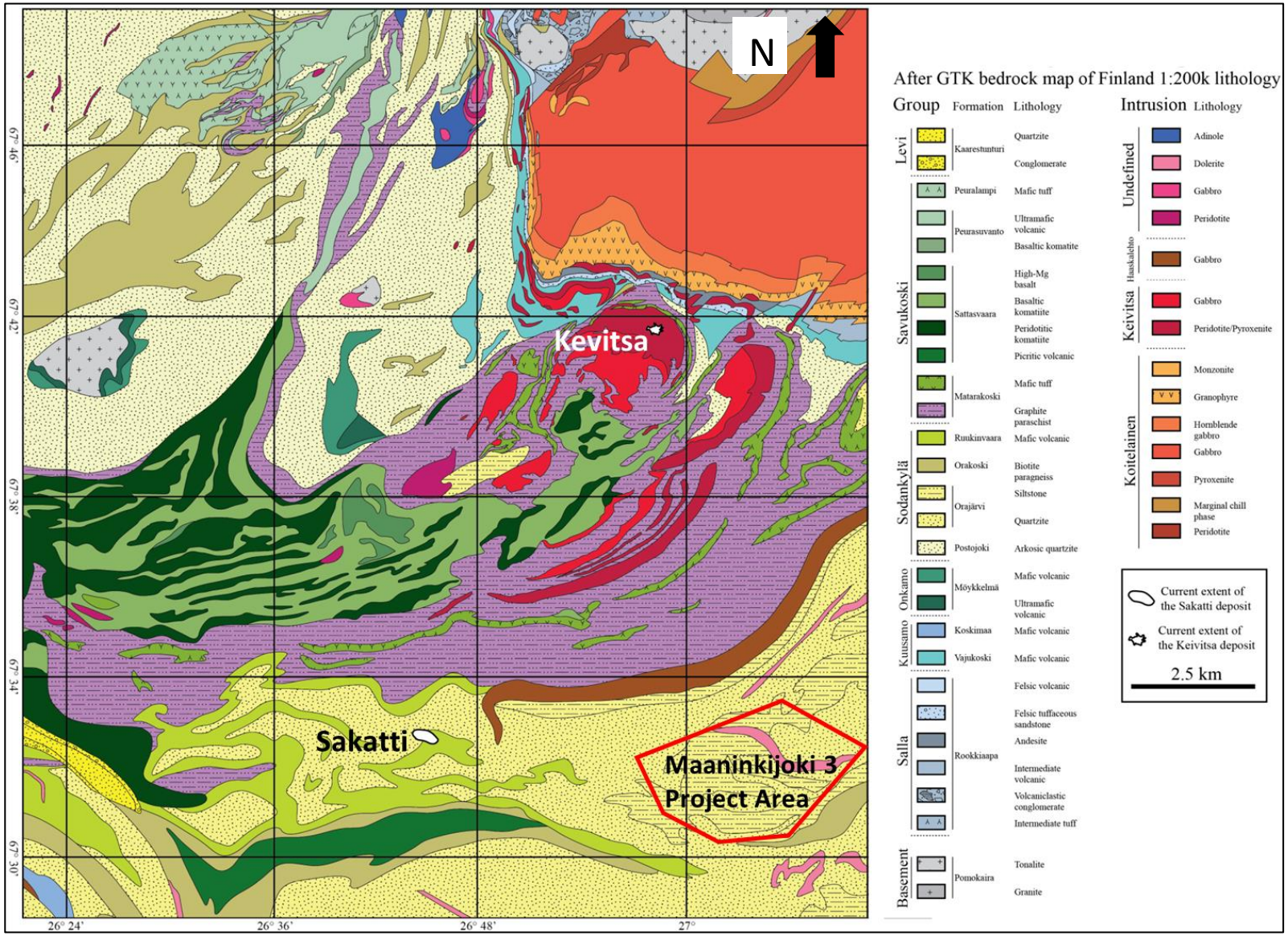



*Figure 15: Geology of the Kolari-Kittilä-Sodankylä belt in the MJ3 Project area*
*Source: After Brownscombe (2016)*

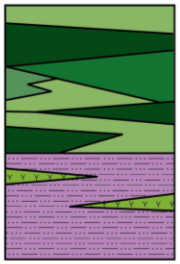
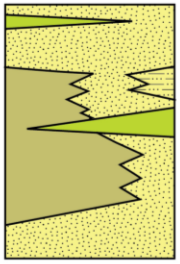
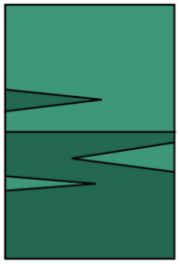
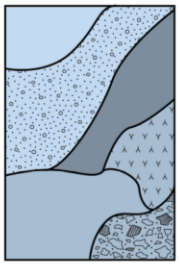
| Group | Lithology | Setting | Age | Location |
|---|---|---|---|---|
| Savukoski  | *Sattasvaara formation* - Extensive ultramafic volcanics shown to be a komatiite-picrite association (Hanski et al., 2001a). In the vicinity of Sodankylä (the Sattasvaara area) komatiites are dominant. Spinifex textures have only identified very rarely (Räsänen, 1996, cited in Hanski et al., 2001).<br>Interlayed with the komatiites are komatiitic basalts and high Mg basalts.<br><br>*Matarakoski formation* - Meta-phyllites and black schists interspersed with mafic volcanics and tuffs, chemically Fe-tholeiites (Lehtonen et al., 1998). The black schists are sulphide bearing, typically with abundant pyrite. | The Sattasvaara formation is a resumption of volcanism.<br>The Matarakoski formation is a deepening of marine facies, possibly a further widening rift. | Indirect 2056 ± 25 Ma at Jeesiörova (Hanski et al., 2001a)<br><br>Minimum, Keivitsa, 2058 ± 4 Ma (Mutanen and Huhma, 2001) | Both formations follow a broad E-W trend north of Sodankylä and immediately north of Sakatti. |
| Sodankylä  | Sedimentary group, mainly quartzite and mica schist.<br>Orthoquartzites, sericite quartzites and mica schist with minor carbonate and mafic metavolcanic lenses.<br>Fuchsite, Cr-bearing mica, is abundant often staining the unit characteristically green. Sedimentary structures are abundant such as graded and cross bedding, herringbone structures and mud cracks (Lehtonen et al., 1998).<br>Stromatolitic structures have been identified in the carbonate (Hanski and Huhma, 2005).<br>Felsic layers within the unit have been identified as lahars and ignimbrites (Lehtonen et al., 1998), however subsequent zircon dating has shown them to be Archaean age with unknown origin (Räsänen and Huhma, 2001). | A hiatus of volcanic activity. Shallow marine facies could be associated with a widening rift setting. | Minimum ultramafic sills ~2200 Ma (Hanski and Huhma, 2005) | The Sodankylä group is the most common lithology in the Sodankylä area. |
| Onkamo  | Alternating mafic and ultramafic units, ultramafic dominated at the base and mafic dominated at the top.<br><br>Top unit is basalt dominated, mainly intercalated tuffs and lavas, with occasional amygdaloidal andesite flows and ultramafic tuffs and lavas.<br><br>Lower unit is ultramafic. It is best classified as a komatiitic basalt as the MgO contents ranges from 11.7-21.4%, averaging 15.5% (Räsänen et al., 1989). At the Möykkelmä dome the unit is dominantly volcaniclastic meaning it contains the only komatiite with convincing pyroclastic features that has been reported (Barnes and Lesher, 2008).<br>The basal volcanic breccia contains clasts of the Archaean gneiss basement (Hanski and Huhma, 2005). | Erupted directly onto Archaean crust and on the Salla group. Possibly continued rifting of the proposed supercontinent. | Possible max, Koitelainen, 2439 ± 3 Ma<br><br>Coeval Vetreny suite 2449 ± 35 Ma or 2410 ± 34 Ma (Puchtel et al., 1997) | The Onkamo group is present as inliers in the Sodankylä group, particularly the Möykkelmä dome. It is also found atop the Salla group around Koitelainen. |
| Salla  | A series of extensively metamorphosed andesite, dacite and rhyolite lavas and volcaniclastics. Generally contain abundant amygdalae. Microstructures in tuffs and the absence of a sedimentary component suggests that, in the Sodankylä area, this group was mostly erupted sub-aerially.<br>Geochemical stuies have shown the andesites and dacites most likely derive from the same tholeiitic parent subject to crustal contamination. However the rhyolites probably derive from a different source (Lehtonen et al., 1998). | Erupted directly onto Archaean crust. Possibly early rifting of the proposed supercontinent. | 2438 ± 14 Ma (Manninen and Huhma, 2001)<br><br>2438 ± 11 Ma (Räsänen and Huhma, 2001)<br><br>At least some older than Koitelainen 2439 ± 3 Ma | In the Sodankylä area, the Salla group is only present around the Koitelainen intrusion. |

*Figure 16: Lithological characteristics of the Kolari-Kittilä-Sodankylä belt in the MJ3 Project area*
*Source: Brownscombe (2016)*

### *3.2.5 Mineralisation – Kevitsa and Sakatti*

The Kevitsa mine is a nickel-copper-PGE magmatic-type deposit hosted within a composite ultramafic intrusion. The Kevitsa deposit was discovered in 1987 by the Geological Survey of Finland by drilling a glacial till geochemical anomaly following previous findings of disseminated pyrrhotite in outcropping peridotite. Mine production began in 2012 with an expected life of over 20 years.

The ultramafic intrusion hosting the Kevitsa deposit is a composite olivine pyroxenite to gabbro complex dated at 2058 ± 4 Ma. At the surface, the intrusion has an arcuate shape. Drilling has established a thickness of more than 1.5 km, with an increasingly complex geometry at depth that in part reflects regional deformation effects as well as the original magmatic emplacement relationships.

The Kevitsa intrusion consists of an ultramafic lower part (approximately 1 km thick) overlain by gabbroic rocks (Figure 17). Compositional variations within the lower ultramafic portion are minor, but discrete lithological units can nevertheless be mapped. Layering is locally developed, particularly within the deposit, but in general, the contacts between rock types are diffuse.

The marginal rocks of the intrusion are composed of pyroxenite (± minor olivine) and gabbro. Most commonly the marginal rocks are vari-textured. The marginal rocks vary in thickness from a few metres to more than 50 m. The immediate country rocks to the intrusion consist of mafic volcanic flows and epiclastic rocks, as well as micaceous phyllites and carbonaceous schists. In many places, the contact is sharp and intact, although faulting is prevalent at the southern margin of the intrusion.

Xenoliths of hornfelsed pelitic sediments and mafic volcanics are common throughout the intrusion but are particularly concentrated within the deposit area where they are spatially associated with lherzolite clasts. Fragments of country rock are also common within the marginal sequence.

Olivine websterite is the dominant rock type and host rock for the sulphide mineralisation. The intrusion contains a number of distinct olivine-rich bodies and lenses that contain >50% olivine. They are of lherzolitic to wehrlitic composition but have been collectively termed dunite in Kevitsa mine terminology. Lherzolite clasts may occur as discrete, rounded fragments, or, in places, lherzolite is intermingled with olivine websterite.

Gabbroic rocks occur on top of the ultramafic cumulates. They are particularly prominent in the southwestern portion of the intrusion. Drilling has shown that the gabbroic rocks form a relatively thin unit (<500 m) overlying the thick ultramafic portion of the intrusion.

Numerous felsic and mafic dykes crosscut the intrusion and the mineralisation. Most are olivine gabbroic in composition. Felsic dykes consist of feldspar, quartz, and minor amounts of mafic minerals. Dykes are rarely traceable beyond a single drillhole; thus, their orientations are not established.

Mineralisation is concentrated in the centre of the intrusion and not along the basal contact. Pentlandite and chalcopyrite are the dominant ore minerals occurring together with pyrrhotite and magnetite. Magmatic textures are commonly preserved, with sulphides and magnetite occurring between cumulate olivine and pyroxene grains. In places, the sulphide mineralisation is net-textured, but such zones cannot be defined beyond one or two diamond drillholes. In the net-textured zones, pyrrhotite is relatively abundant. Ore types are defined based largely on nickel tenor (the nickel content of the sulphide phase): regular ore, transitional ore, nickel-PGE ore.

Nickel-PGE ore is distinguished by high nickel tenor and the presence of millerite and heazlewoodite as additional nickel mineral phases. Pyrite is also present and appears contemporaneous with millerite. The host rocks to the nickel-PGE ore are similar to regular ore, but generally contain more clinopyroxene than orthopyroxene. The nickel-PGE ore zones are discordant to the regular ore; thus, they are generally considered to have formed separately, but their origin remains debated.

The variability between nickel, copper, cobalt, platinum, palladium and gold within the regular ore is relatively low, with copper contents generally twice as high as nickel. Elevated platinum-palladium-gold occurs with both copper-rich regular and nickel-rich nickel-PGE mineralisation, but the highest grades occur

in nickel-PGE ore. Both nickel-rich and copper-rich types of mineralisation occur as discrete zones. Nickel-rich mineralisation is particularly prominent at depth and in the southern portion of the orebody. Copper-rich zones typically occur in the central part of the orebody.

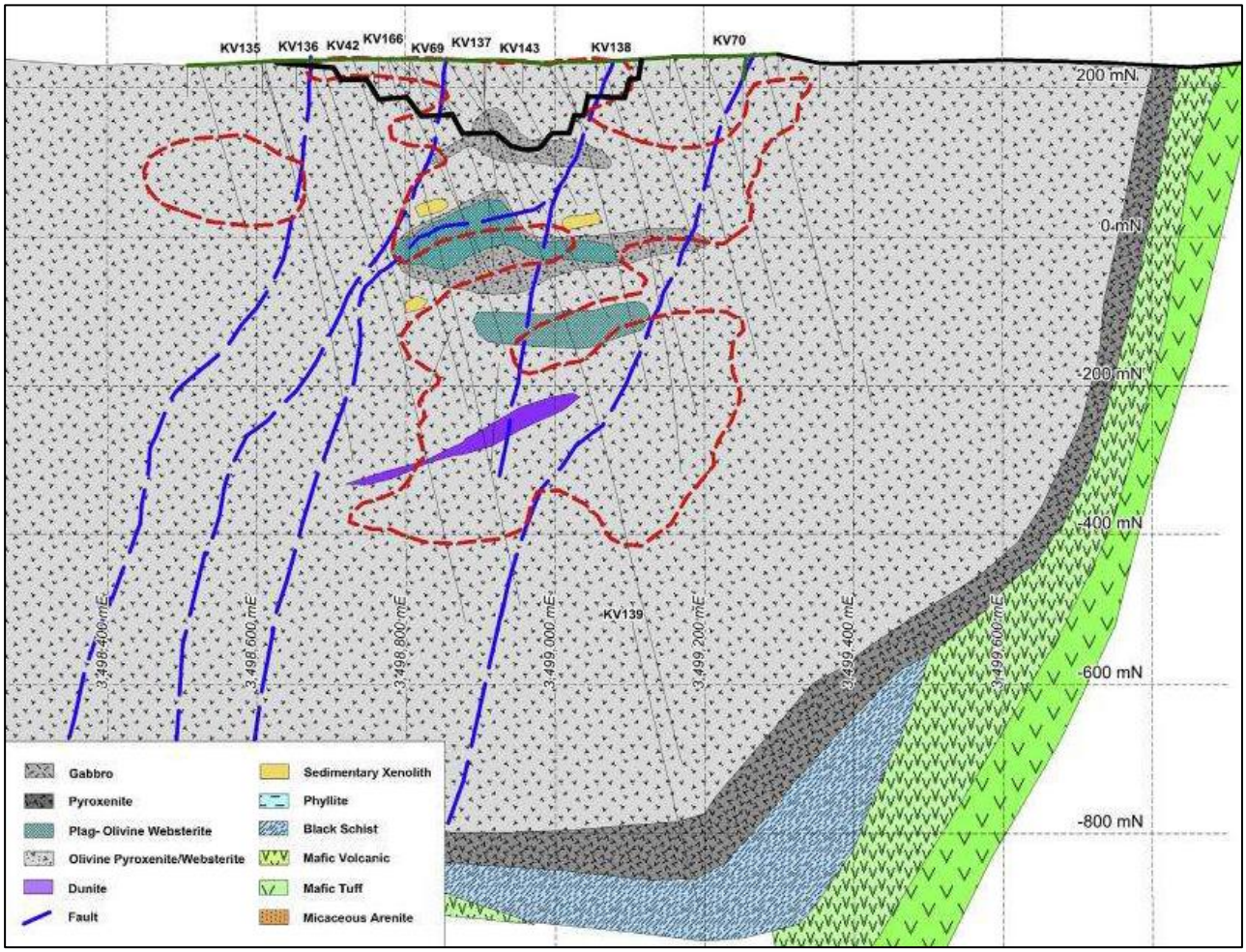



*Figure 17: Typical geological cross-section of the Kevitsa deposit*

*Deep diamond drillholes are labelled (KV series). The thick black line indicates the Stage 1 pit outline. The shape of the nickel-copper-PGE mineralisation is shown by the red dashed line and in part reflects the lateral variation of pyroxene-rich to olivine-rich layering within the immediate host rocks. This layering is not continuous outside of the mineralised zone.*

*Source: Santaguida et al. (2015)*

Small pods of nickel-copper-PGE disseminated mineralisation also occur outside of the Kevitsa deposit, but within the intrusion. These have not yet been fully defined or well understood, but their existence suggests that there is potential for economic mineralisation beyond the presently identified deposit.

The Sakatti deposit was discovered in 2009 by Anglo American following up detailed BOT grid sampling. This detailed BOT geochemistry program returned significant coherent and coincident nickel, copper and PGE anomalies. While airborne EM did not delineate the main intrusive hosted mineralisation, follow-up ground and borehole EM did vector towards massive sulphide mineralisation.

Based on current understanding, the Sakatti deposit consists of three spatially distinct mineralised bodies of olivine cumulate, named “main body,” “northeast body,” and “southwest body”. Mineralisation in each of the three is hosted within or at a basal contact of an olivine cumulate. In hand specimens, there are no discernible petrological differences between these three bodies.

The Sakatti copper-nickel-PGE deposit is both disseminated and massive sulphide hosted by an olivine cumulate body termed the Olivine Cumulate Unit. This host unit is comprised primarily of nickel-undepleted olivine, which has not formed from the same parent melt as the sulphide. The cumulate body sits within a

plagioclase-rich picrite which forms both the footwall and part of the hangingwall, termed the Aphanitic Unit, and is likely a high-magnesium volcanic succession.

The cumulate body crosscuts hangingwall units and is interpreted as a shallow level conduit-like intrusion in the Aphanitic Unit. This tubular shaped intrusion has a change in angle where the locus of the deposit occurs, potentially due to the intrusion transgressing into higher lithologies. Sulphide has collected in this kink in the conduit body and also intruded into the footwall Aphanitic Unit.

Mineralisation at Sakatti consists of disseminated, vein, semi-massive, and massive sulphides. Vein, semi-massive, and massive mineralisation is found mostly within the olivine cumulate bodies but can extend into the aphanitic footwall and hangingwall. In contrast, the disseminated mineralisation is only found within the olivine cumulate bodies. Not all the main cumulate body is mineralised, within the relatively thick central and eastern portions of the body, typically only the bottom half hosts mineralisation. In the far west and north where the cumulate body is relatively thin, mineralisation occurs throughout the entire cumulate package.

The massive sulphides are characterised by a mixture of chalcopyrite and pyrrhotite-pentlandite. Pyrrhotite frequently carries up to 1 wt% Ni and contains small pentlandite “flames” orientated perpendicular to crystal boundaries. Pentlandite is often partly altered to violarite or less commonly millerite, particularly in samples where pyrite is present. Euhedral magnetite (typically 2–5 mm) is present throughout the massive sulphides and is interpreted to have crystallised from the sulphide liquid.

Sulphide veins are generally narrower than massive sulphide lenses and have variable orientations. The veins consist predominantly of chalcopyrite with minor pentlandite and pyrrhotite. Euhedral magnetite tends to be absent in this style of mineralisation, distinguishing it from the massive sulphides. Platinum and palladium tenors are high and formed in telluride mineral phases.

Disseminated sulphide mineralisation occurs almost exclusively in the cumulate bodies but can also be present in insignificant quantities in peridotite fingers within the aphanitic unit. Although the disseminated sulphides generally occur in the same portion of the cumulate body as the massive sulphides, they are not directly spatially related to the latter and are frequently more abundant distal from the massive sulphides. They are usually present as isolated, rounded blebs located interstitial to the olivines.

Chalcopyrite is invariably the dominant sulphide mineral in the disseminated mineralisation. Magnetite lamellae are commonly present within chalcopyrite. The disseminated mineralisation shares the same PGE mineralogy as the massive sulphides, with all PGE minerals being tellurides.

The intrusion as a whole shows a crustally contaminated signature. The whole-rock geochemistry and mineral chemistry within the cumulate body indicate several different phases of magmatic activity. A gabbroic sub-unit is present and associated with mineralisation that likely represents final evolved silicate melt from the intercumulus, remobilised through the intrusion in the form of dykes.

The copper-rich nature of the deposit relative to nickel is caused by fractional crystallisation of sulphide melt and loss of early iron-nickel cumulates. PGE mineralisation at the Sakatti deposit is hosted by telluride phases within sulphide. These are magmatically derived and the unusual dominance of telluride suggests a telluride-rich, arsenic-poor potential contaminant and also potentially a shared genetic history with the Kevitsa deposit.

The model put forward is that intrusion is not the parental melt from which the sulphide mineralisation derived, instead that the sulphide mineralisation formed from earlier, related magmatism in the same conduit and has been magmatically remobilised by the current silicate host. This earlier stage of sulphide accumulation resulted in at least partial crystallisation of MSS cumulates resulting the remobilised fraction being more evolved and rich.

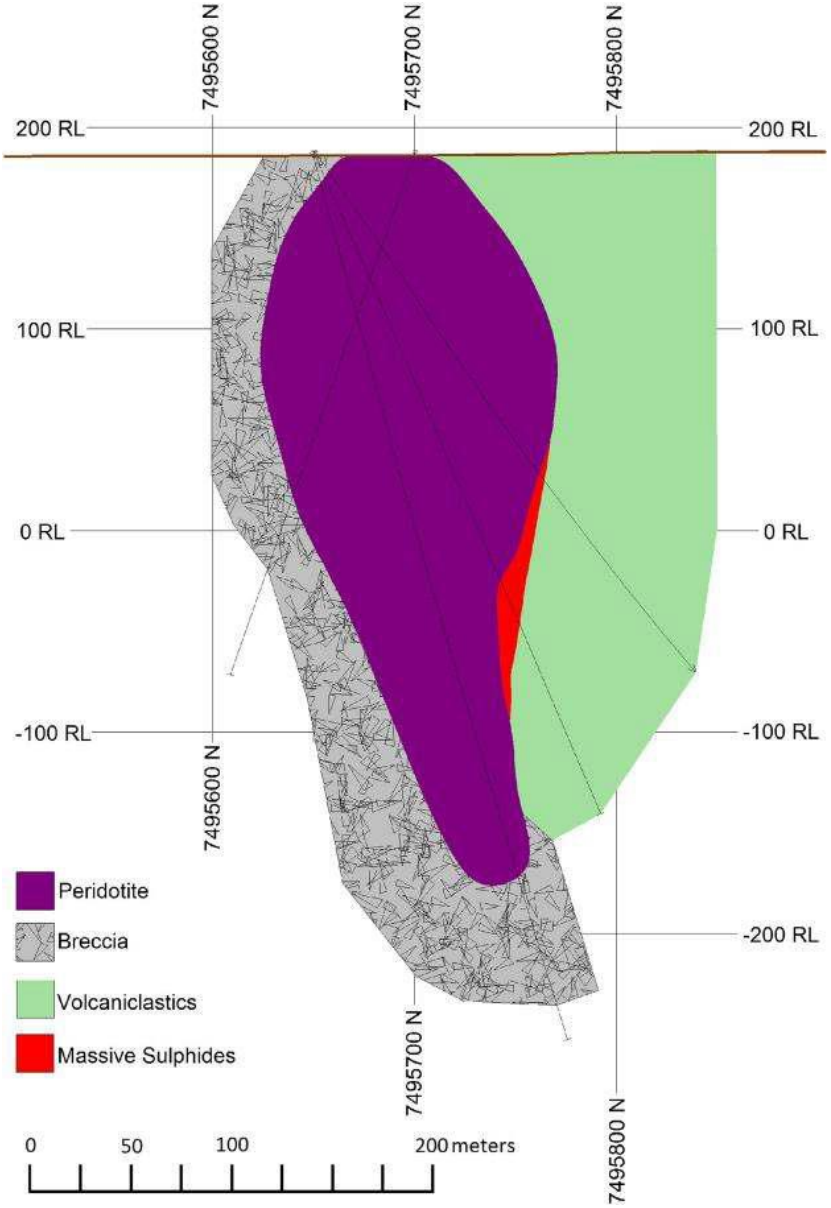



*Figure 18: Typical geological crosssection of the Sakatti deposit.*
*Source: Brownscombe et al. (2015)*

# 4 Previous Exploration

Previous exploration in the Pulju and MJ3 Project areas has been reviewed extensively by Konnunaho et al. (2015), Brownscombe et al. (2015), Santaguida et al. (2015), Peltonen (2021) and Starboard Global (2021). The following is a synopsis of those reports.

## 4.1 Pulju Project Area

Exploration in Finland was carried out by state-owned companies (i.e. Outokumpu Oy, Rautaruukki Oy/Otanmäki Oy, Lapin Malmi Oy, and the Geological Survey) until 1995, when Finland became a member of the European Union, and exploration was opened also to private owned and international companies. In 1982, Outokumpu Oy and another state-owned company, Rautaruukki Oy, established a joint venture called Lapin Malmi Oy in order to do exploration in Lapland. Both Outokumpu Oy and Lapin Malmi Oy carried out exploration within the Pulju Greenstone Belt, with Outokumpu Oy being the most active.

On the basis of positive results from high-altitude airborne geophysical surveys, geological mapping, stream sediments and regional till survey programs, Outokumpu Oy and Lapin Malmi Oy launched a more rigorous exploration program in the Hotinvaara area in 1980. Extensive geological mapping, BOT sampling using percussion drilling, geophysical surveys and drilling programs were completed between 1980 and 1984.

The Pulju Greenstone Belt, and particularly the ultramafic cumulate-bearing units of Hotinvaara-Mertavaara area, were mapped in detail in 1983–1984.

First geochemical indications of the nickel mineralisation associated with Pulju Greenstone Belt ultramafic rocks was obtained from the large regional stream sediment survey that Outokumpu Mineral Exploration team conducted between 1973 and 1975. These early results led to detailed till sampling programs at Hotinvaara by Outokumpu Oy. Between 1980 and 1982, a total of 620 till samples were collected using light percussion drills. Following the identification of nickel-cobalt-chromium anomalies at Hotinvaara, 1,510 additional samples were collected between 1983 and 1984. The till survey yielded large number of nickel-chromium(-cobalt) anomalies spatially associated with magnetic anomalies linked to secondary magnetite in serpentinised komatiites. Some of the anomalies are also located outside the magnetic bodies, and the reason for this has yet to be adequately explained.

Geophysically, Suomen Malmi Oy conducted a low-altitude magnetic and EM airborne survey in the southern Pulju area in 1976 covering an area of 950 $km^2$. The results mapped the komatiites and surrounding sulphidic and graphitic sediments. Follow-up work included ground Slingram EM and magnetic surveys over an area of 10.25 $km^2$. Slingram was conducted using a line spacing of 60 m, with a MaxMin-slingram system and applying 3555 Hz and 222 Hz frequencies. A systematic gravimetric survey covered an area of 2.25 $km^2$ at Hotinvaara (Figure 19).

Fifty-one historical holes have been drilled in total within the Hotinvaara-Hotinsaajo area, totalling 9,616.25 m. The majority of these drillholes were shallow (<300 m) because Outokumpu Oy was focused on open pit nickel opportunities at that time and many holes ended in ultramafic cumulates with disseminated nickel sulphides.

The first 27 drillholes were drilled at Hotinvaara by Outokumpu Mining Oy between 1982 and 1984 (1982 – 1,301.0 m; 1983 – 1,835.4 m; 1984 – 1,863.0 m). This first drilling phase at Hotinvaara mainly targeted geochemical nickel-chromium-cobalt till anomalies which led to the discovery of thick mineralised ultramafic cumulate bodies (Figure 20). For drillhole details and significant intersections refer to Appendix C. Importantly, drilling of the Hotinvaara cumulates yielded two types of nickel mineralisation: (1) thick, up to 120 m, intersections of disseminated nickel sulphides (pyrrhotite+pendlandite); and (2) semi-massive to massive nickel-rich sulphide veins yielding c. 1 wt% Ni. Discovery Hole “HOV007” yielded 2.6 m at 1.05% Ni (from 169.5 m to 171.7 m – Figure 19). This lode was also intersected in HOV010, HOV026, HOV011, HOV009, HOV012, HOV024, HOV018 and HOV025, giving rise to what is known as “7-mineralisation”.

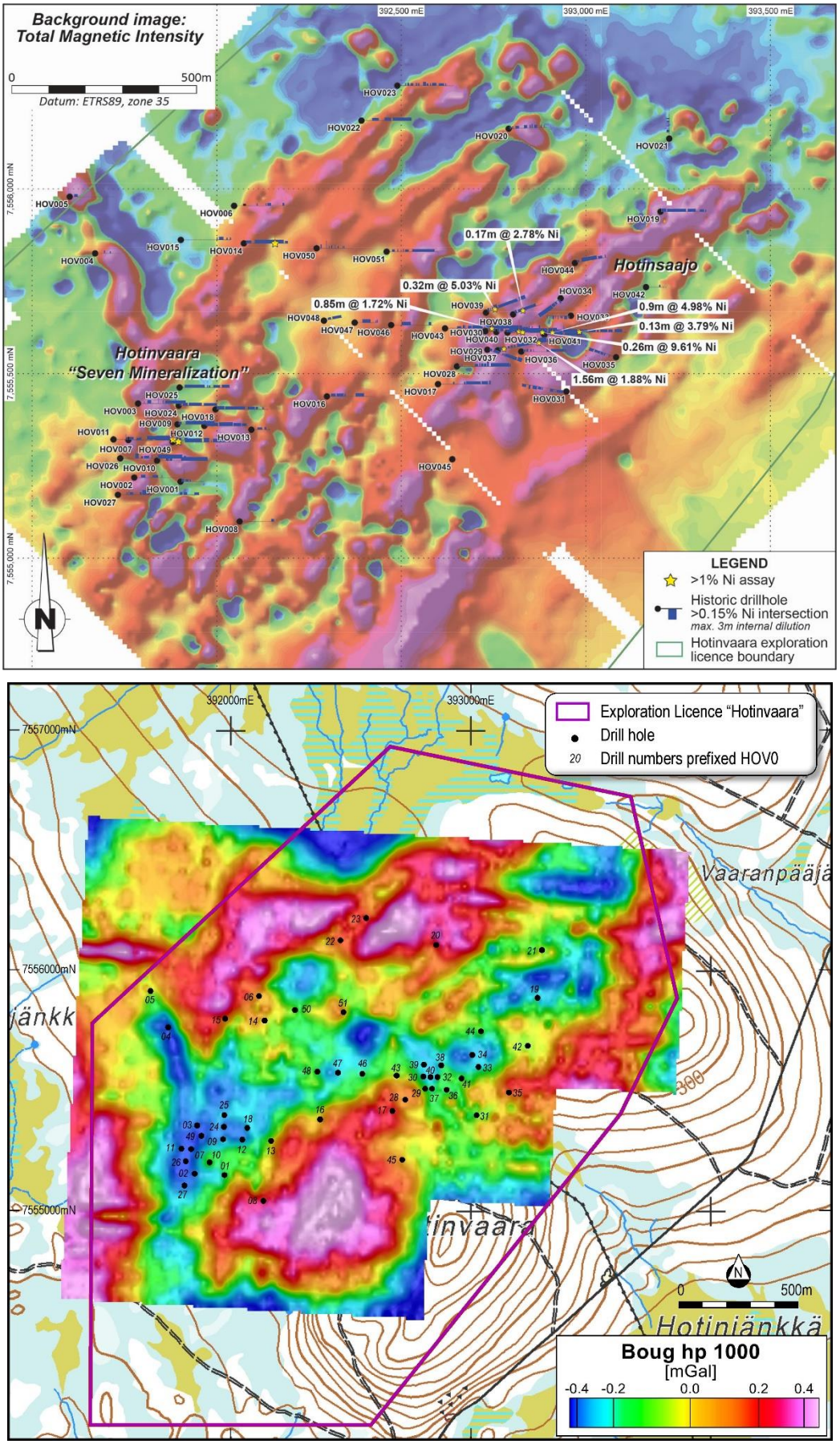



*Figure 19: Geophysical mapping of the Hotinvaara deposit.*
*(Top): Historic drill collars with drill traces and Ni grade histograms over Ground Magnetics survey map.*
*(Bottom): Historic drill collar locations over Bouguer Gravity (Highpass 100 filter) map. Source: NNL*

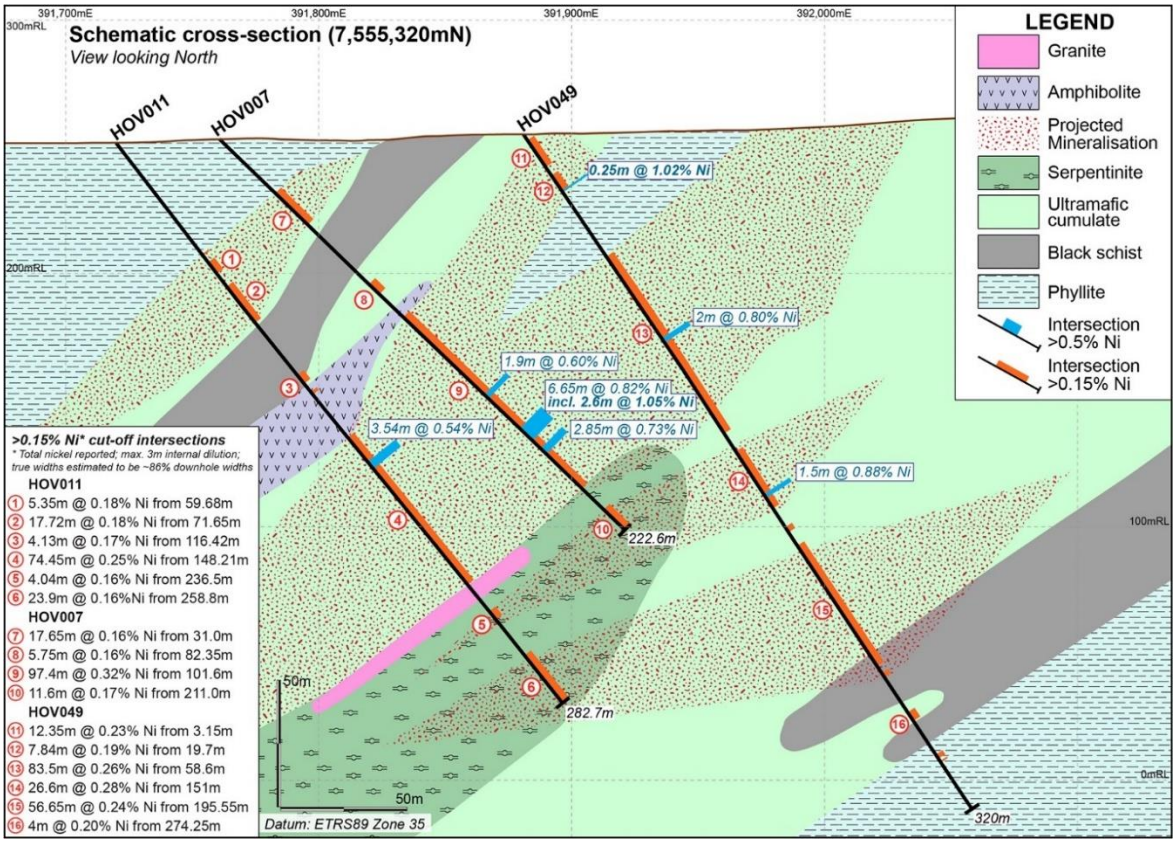



*Figure 20: Schematic geological cross sections of typical Hotinvaara deposit drilling results.*
*Notes: For more detail on drill intersections see Appendix C. Source: NNL*

Eight follow-up holes were drilled in 1987 at the Hotinsaajo target, c. 1,000 m north-northeast from Hotinvaara and the "7-mineralisation", leading to discovery of very thick, MgO-rich and chromium-rich, mineralised komatiitic cumulate bodies. As in Hotinvaara, thick disseminated mineralisation was intersected, as well as sporadic thin bands of massive sulphides with occasional high-grade nickel results locally to 9% Ni.

The final 16-drillhole program was completed in 1998 (HOV036 to HOV051) targeting mainly the Hotinsaajo area. This drilling phase has not been reported by Outokumpu Oy but NNL has been able to locate the historical assay data. The historically reported assays were supplemented by recent additional core sampling and assaying from the core held at the archives in Loppi and demonstrate that also these later drillholes yielded similar results to the 1987 campaign (Figure 19). For drillhole details and significant intersections refer to Appendix C.

Mise-á-la-masse (charged-body potential method) was applied to trace out the subsurface continuations of the Hotinvaara sulphide mineralisation by Outokumpu Oy. In the measurement, current was fed into the mineralisation body through a drillhole, and the resulting potential field was mapped by ground measurements. The Mise-á-la-mass method was applied to the following Hotinvaara drillholes by earthing the second electrode to the indicated depths: HOV007 (171 m), HOV009 (131 m), HOV012 (120 m, 130 m), HOV017 (120 m, 195 m, 206 m), and HOV021 (70 m). The instrument used was a Terrameter. Outokumpu Oy reports the following key Mise-á-la-masse observations of measured mineralisation:

- HOV007 (171 m): Point source, dips to SW, HOV-3 and HOV 10 have passed very close.
- HOV009 (131 m): Small, almost vertical source.
- HOV012 (120 m, 130 m): Upper intersection of nickel mineralisation is small point source, plunge to east.
- HOV017 (120 m, 195 m): Intersected mineralisation are small lenses that dip to the southwest and are not connected to each other. However, mineralisation seems to continue in the north-south direction for another 300 m.
- HOV020: Mineralisation dips steeply to south and is likely small. Schistosity (and lithological contacts?) almost vertical.

### *4.1.1 Nordic Nickel Exploration Activity*

NNL has completed a comprehensive compilation and review of all previous exploration data. The data required detailed validation and quality assurance/quality control review to compile a complete database from often disparate and incomplete sources of information. This compiled database formed the basis of the Exploration Target estimated and detailed in Section 5 of this Report.

NNL undertook a survey of existing boreholes for suitability for borehole EM data (BHEM) acquisition. Ten historical drillholes in total were found open to end-of-hole within the Hotinvaara EL. From these, drillholes HOV040, HOV041 and HOV043 were successfully measured with time domain BHEM using EMIT's DigiAtlantis survey equipment. Measurements and data processing were done by GRM-Services in August 2021. Base frequency was selected at 0.25 Hz for all drillholes, and transmitter current varied between 24 Amperes and 28 Amperes.

A high conductance (5000 Siemens) off-hole conductor was located in front of HOV040 at 155 m depth (Target 1 in Figure 21). Modelled size of this conductor plate is 35 m by 35 m. The modelled easterly dip leads to a tie-point from drillhole HOV032, in front of HOV040, where 90 cm at 4.98% Ni was intersected at 190.4–191.3 m depth on a direct projection from the modelled conductor plate. Continuation of this projected conductivity-mineralisation trend extends below the current extent of drilling to the east.

A high conductance (1,000 Siemens) off-hole conductor on the northern side of the measured drillholes is modelled at the depth of around 200 m (Target 2 in Figure 21). This conductor is observed in all the measured drillholes, and modelling indicates the conductor dips towards the west. No existing drillhole goes deep enough in the vicinity of this to explain the conductor.

Surveying of hole HOV040 stopped at 430 m depth. A general build up in conductivity response towards the end of the survey is modelled as a large plate model conductivity response at depth (blue plate in Figure 21).

Modelling such anomalies is inaccurate, but the observation highlights the potential for deeper conductors in the area.

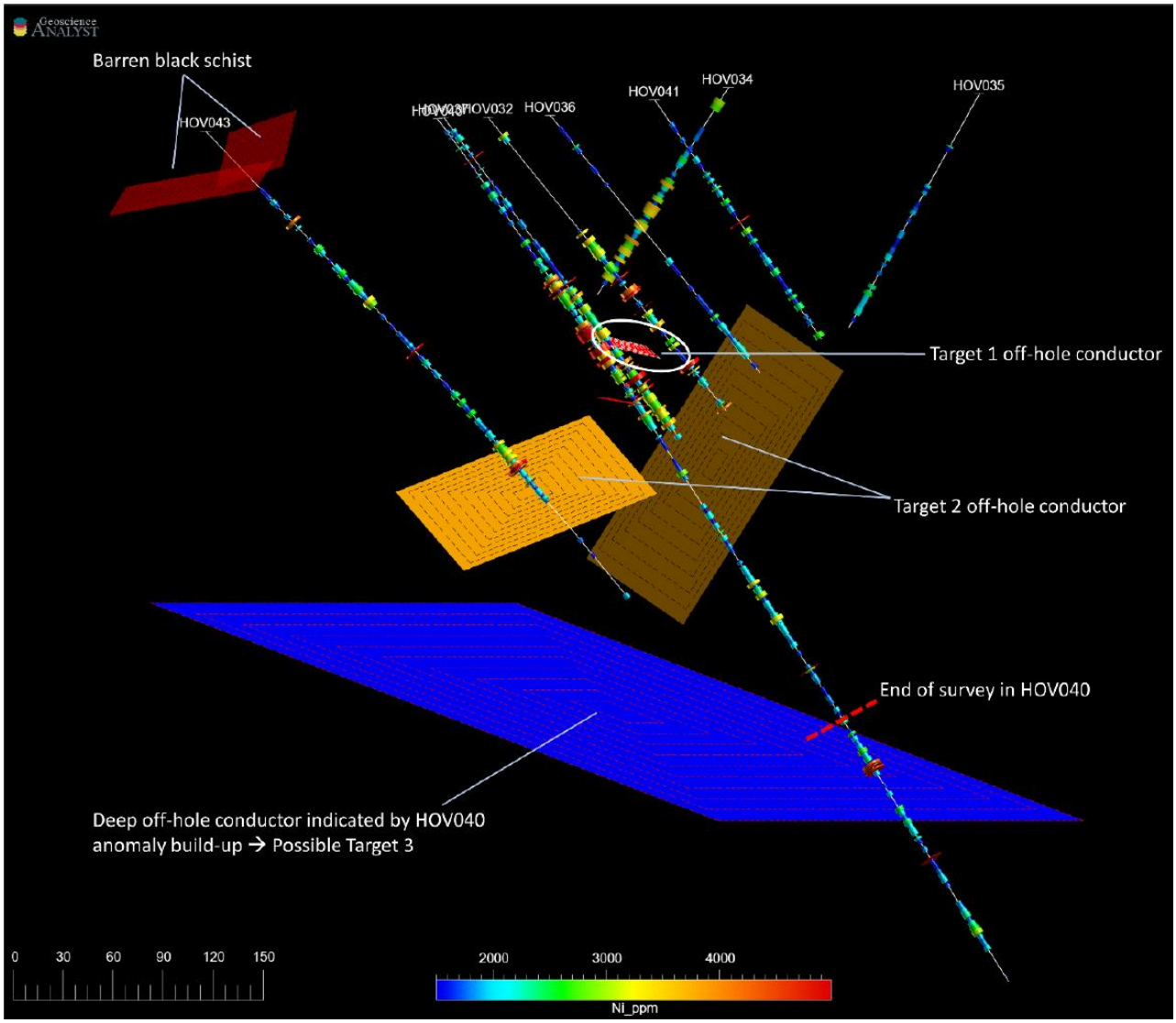



*Figure 21: BHEM results holes HOV040, HOV041 and HOV043*

*Plate colour coding: red – high conductance; orange – moderately high conductance; blue – low conductance. Colour coding downhole for nickel content in ppm as per colour legend. View looking north.*

*Source: NNL*

NNL conducted 23.4 line-km of fixed loop EM (FLEM) within the Hotinvaara EL between November and December 2021. The survey was done with two separate, large sized transmitter loops (Figure 22) which covered most of the EL. Survey was done with time domain EM equipment (EMIT's SMART Fluxgate) at 0.25 Hz transmitter frequency. Large sized transmitter loops were deliberately chosen to ensure deep penetration of the transmitter field.

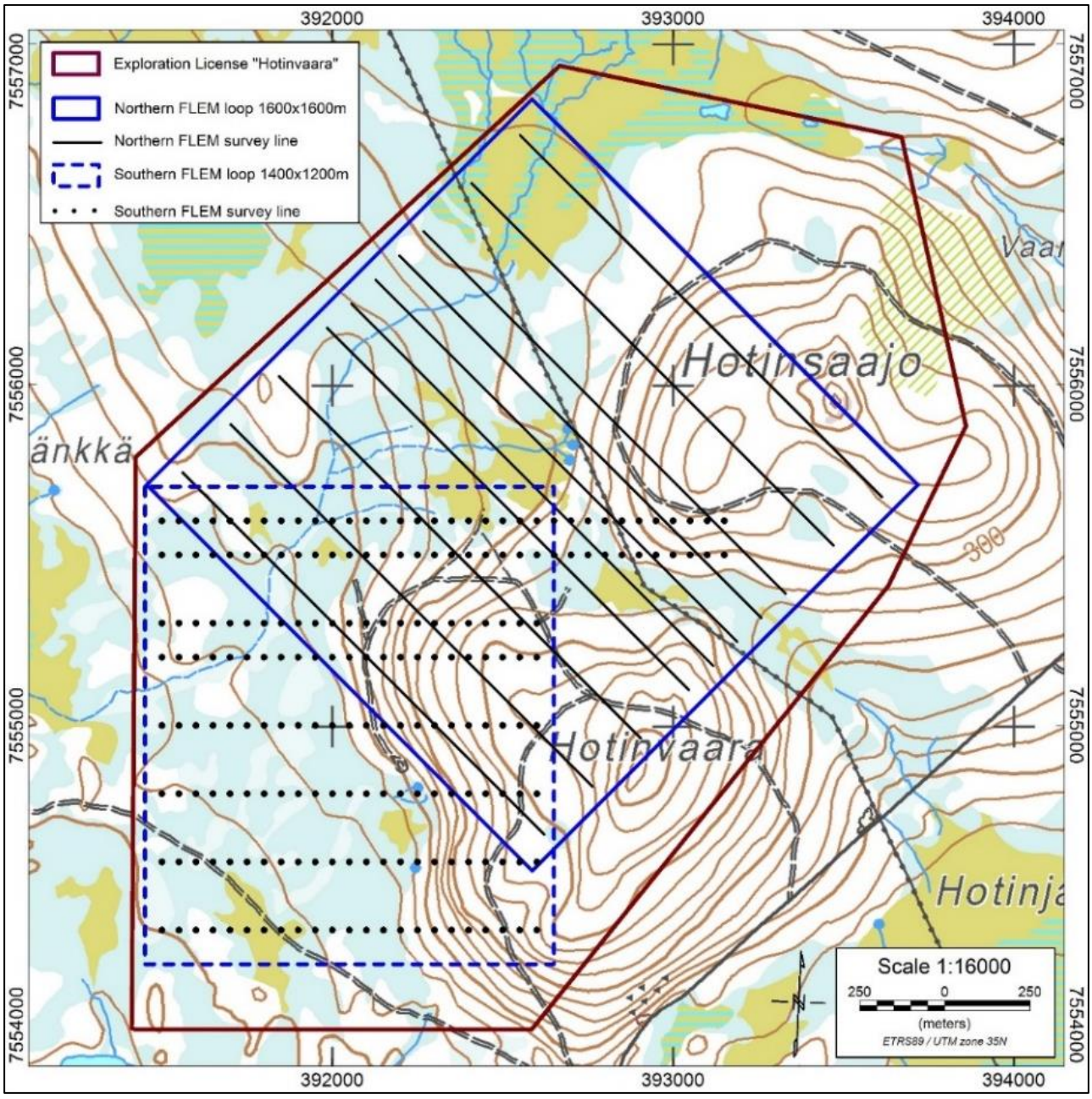



*Figure 22: FLEM transmitter loops and receiver stations, Hotinvaara*
*Source: NNL*

Deep-seated conductors are observed at about 400 m, 800 m and 1,500 m depth (Figure 23). The deepest historical drillhole (HOV040) reaches 550 m vertical depth and was terminated still within the mineralised ultramafic cumulate. The conductor at 400 m depth correlates well with the deeper plate identified from BHEM results from HOV040 (Figure 21).

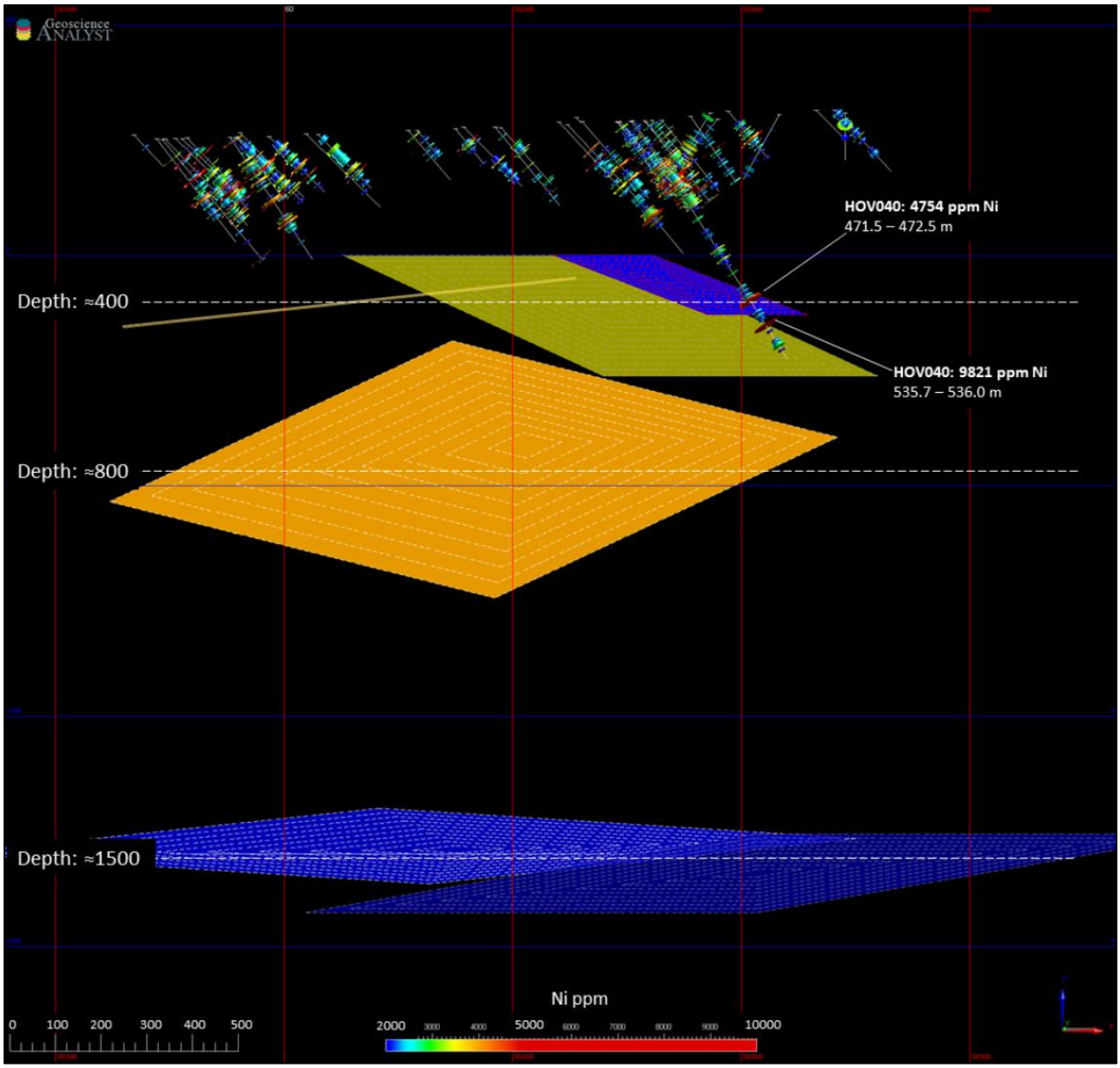



*Figure 23: Deep seated FLEM conductive plates, Hotinvaara*
*Showing nickel intersections in historical drillholes. View is towards north.*
*Source: NNL*

In the immediate vicinity of historical drillholes, there are three target locations where discrete clusters of conductors are observed coincident with known nickel sulphide intersections in drilling. This highlights the potential of finding more abundant sulphides at shallow levels (to 300 m depth below surface) at Hotinvaara, as well as potential for deeper mineralisation below the current depth extent of drilling.

In the first target location, a group of moderate conductance (400–1,300 Siemens) conductors are observed directly in front of a nickel intersection in drillhole HOV032 (Figure 24). This group of conductors correlates very well with the Target 1 off-hole conductor defined previously in the BHEM survey. The group includes one discrete and very high conductance (22,000 Siemens) conductor commensurate with a massive sulphide source. Modelled conductor plates in this group show an easterly to south-easterly dip, in agreement with the previous BHEM model. This geometry is roughly opposite to the historical structural interpretations and could explain why historical drilling was unable to replicate the original HOV032 nickel intersection. This group of conductors shows roughly 600 m strike length and 100 m width.

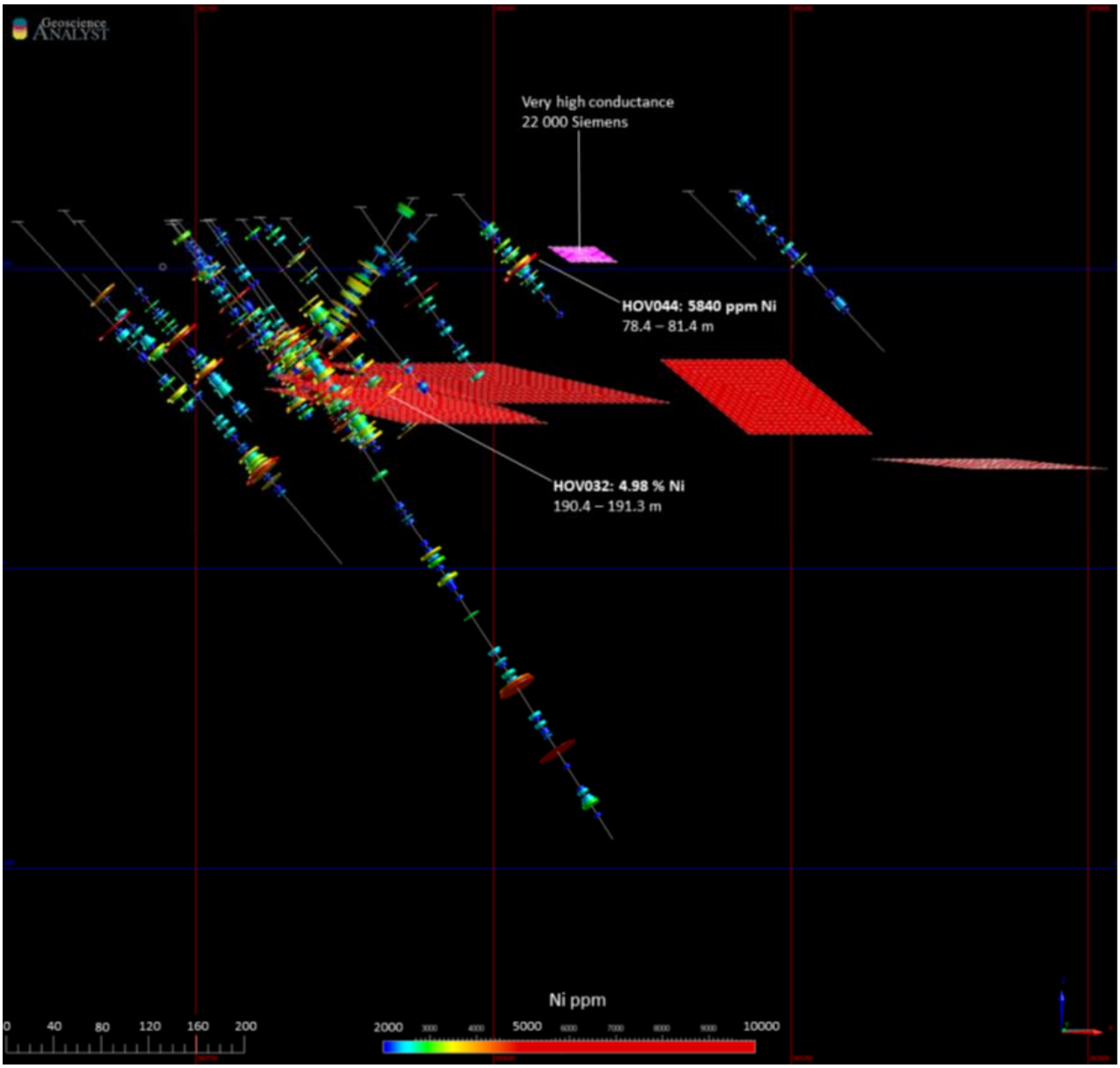



*Figure 24: Target 1 FLEM conductive plates, Hotinvaara*
*Showing nickel intersections in the closest drillholes. View is towards north.*
*Source: NNL.*

The second target group of high conductance (4,000–15,000 Siemens) conductors are observed roughly 250 m east of the "7-mineralisation" (Figure 25). The bulk of historical drillholes at "7-mineralisation" do not intersect this group of conductors but multiple higher-grade nickel intersections in drilling could be interpreted as down-dip extensions for the modelled conductors. The group of conductors agrees well with the historical structural interpretations and shows correlation with BOT geochemical anomalies on the eastern flank of "7-mineralisation".

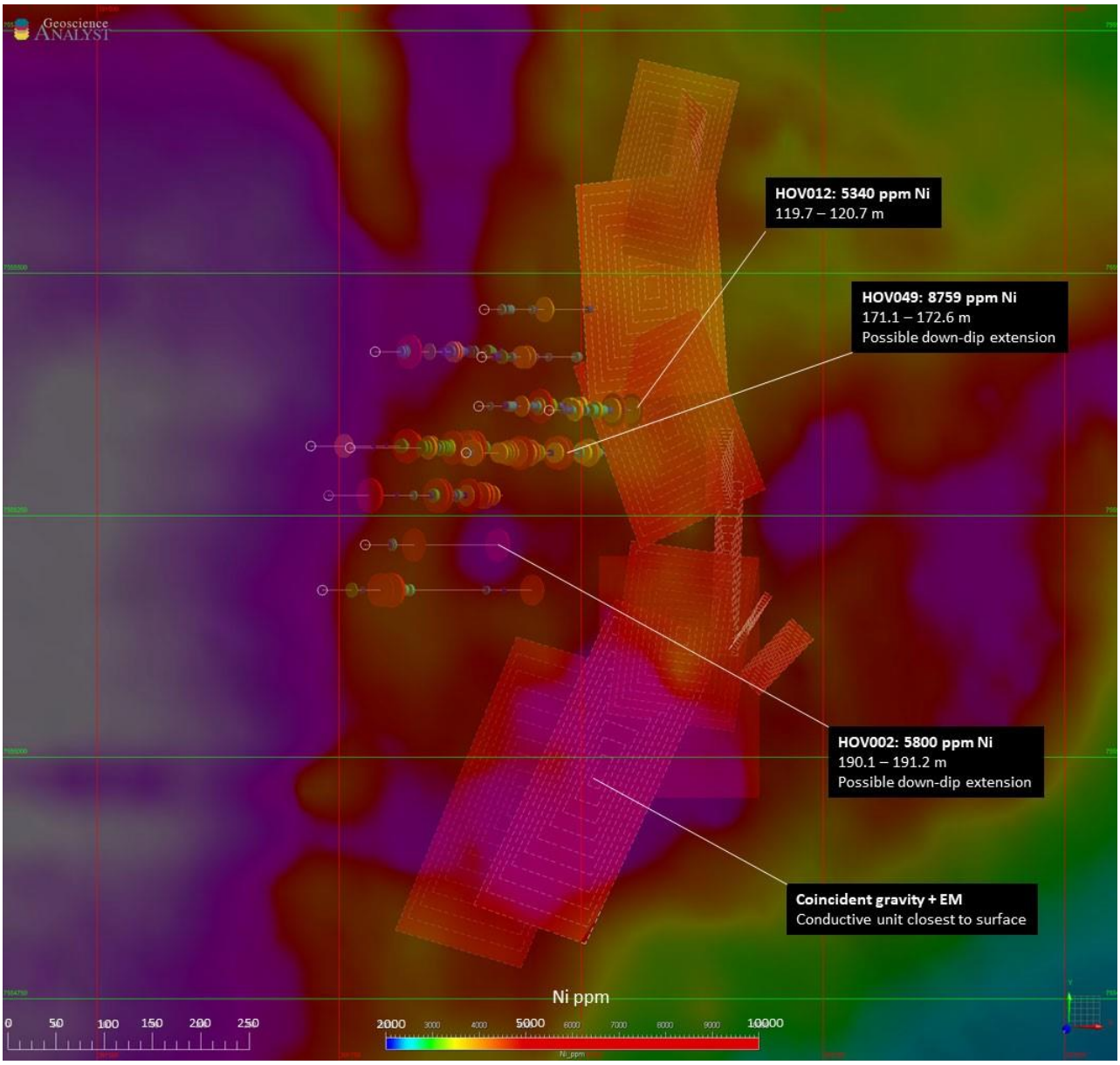



*Figure 25: Target 2 conductors on the eastern flank of "7-mineralisation"*

*Showing nickel intersections in closest drillholes, and residual gravity field is shown on top with transparent colours. Plan view.*

*Source: NNL*

The third target area comprises a high conductance (2,000 Siemens) conductor observed below and towards the south of the "7-mineralisation" at roughly 270 m depth (Figure 26). The bulk of historical drillholes at "7-mineralisation" do not extend to this depth, but HOV027 has a higher-grade nickel intersection in the vicinity of the modelled conductor.

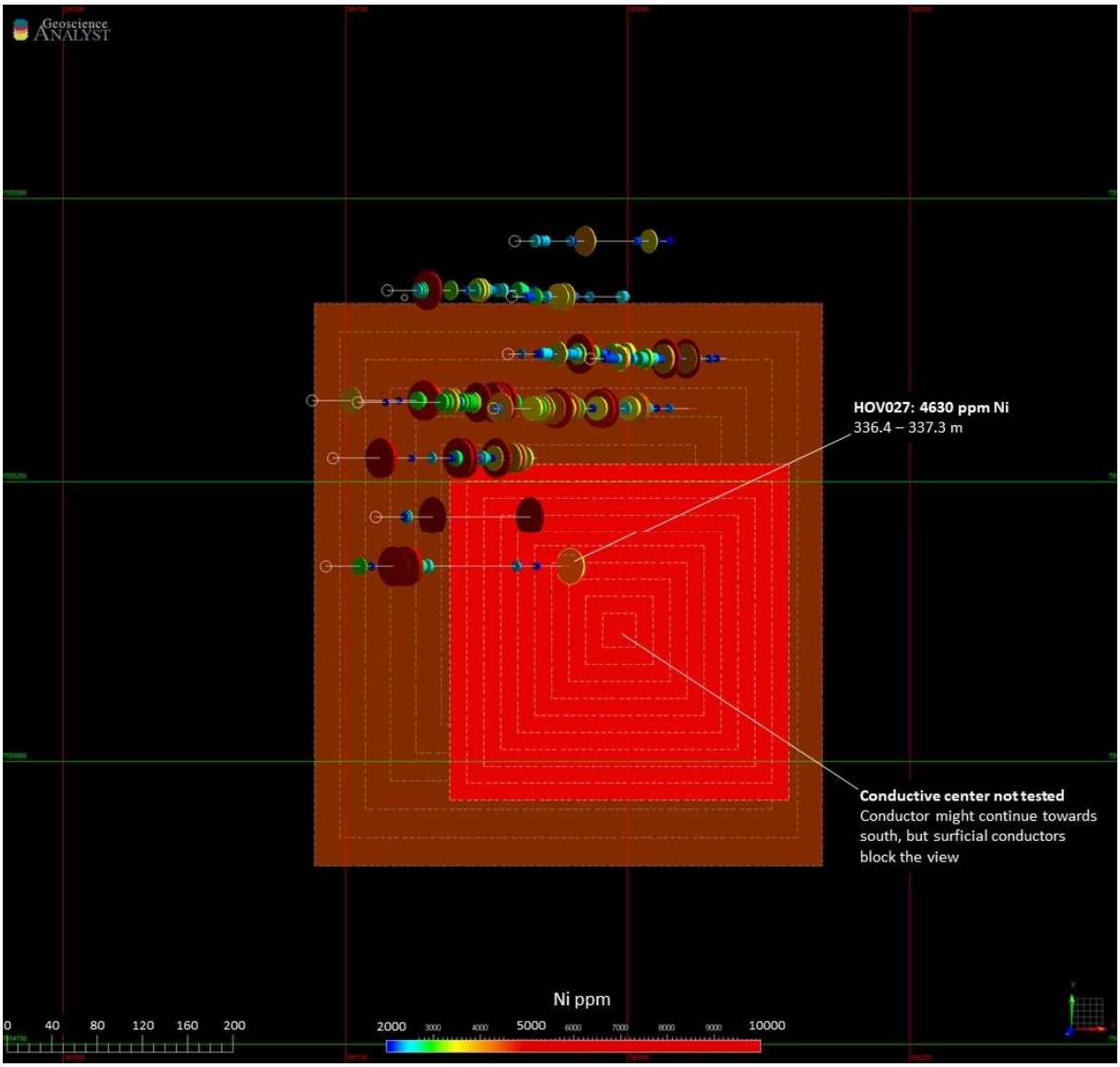



*Figure 26: Target 3 conductors below "7-mineralisation"*
*Showing nickel intersections in the closest drillholes. Plan view.*
*Source: NNL.*

## 4.2 MJ3 Project Area

Anglo American Exploration BV Suomen Sivuliike first applied for a number of claims in this region with the intent to explore for copper, nickel, PGMs and gold in 2004. Later, the area of interest was expanded and on 29 March 2012 all claims were transferred to Anglo American Sakatti Mining Oy. The claims were relinquished by Anglo American on 22 January 2016.

Only reconnaissance-style exploration activities have been undertaken at Maaninkijoki in recent times. This is because the project was previously under the ownership of Anglo American who were primarily focused on its Sakatti discovery. GTK and Anglo American both completed regional-scale aeromagnetic, gravity and airborne EM. A regional-scale BOT geochemical sampling program was also completed by Anglo American (Figure 27), although its effectiveness was limited in the MJ3 area, due to lack of penetration by the survey to the basal till horizon in many samples. From these surveys, one location was chosen for drill testing based on BOT copper-nickel anomalism. Anglo American completed only two drillholes for a total of 609 m in that area. While lithologies prospective for copper-nickel mineralisation were intersected, no sulphide mineralisation was present. BHEM of the two drillholes did not return any conductive anomalies. No further systematic exploration activities have been conducted in the area.

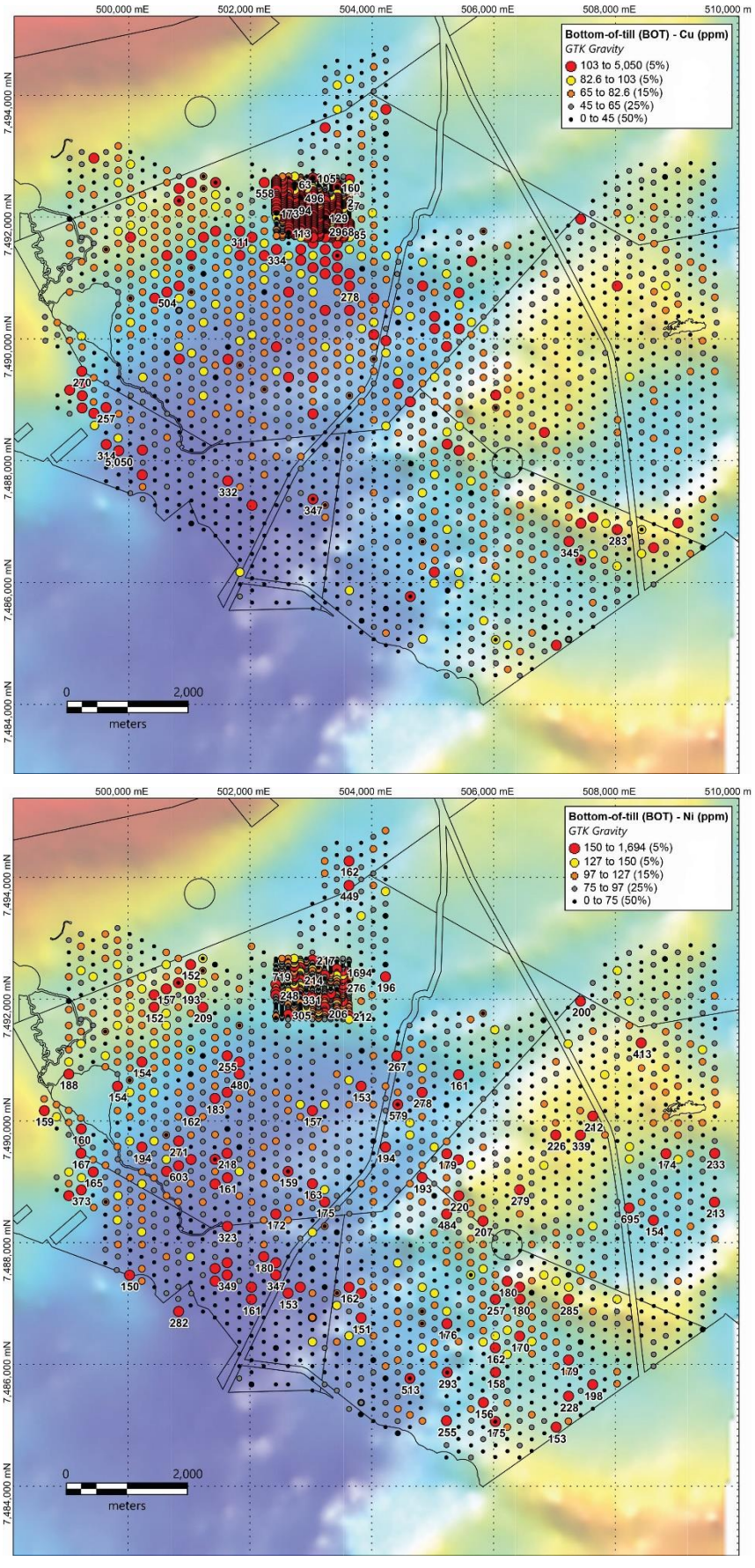



*Figure 27: BOT geochemical sampling on the MJ3 Project.*

*Maaninkijoki 3 licence area showing bottom-of-till (BOT) rock chip sampling Cu (Top) and Ni (Bottom) highlights on regional gravity.*
*Source: GTK and NNL*

# 5 Exploration Target

An Exploration Target for the Hotinvaara EL based on the drilling completed in the 1980s and 1990s (Wheeler and Rutherford, 2021). The Exploration Target was derived from a combination of historical assays and recently resampled sample pulps and core.

The historical drilling was completed on nominally 50 m line spacing with individual holes spaced nominally 100 m apart (Figure 28 and Appendix A).

A total mineralised system grade and tonnage range for a disseminated nickel sulphide style mineralisation.

In the information supporting the estimation, it was noted that the mineral system is open to the south and northeast. The boundaries to the mineral system are currently defined on the basis of the historical drilling and not the underlying prospective geology. The prospective Mertavaara Formation host rocks (ultramafic cumulates, serpentinites and komatiites) have been mapped to continue to the south, northeast and northwest. The continuation of the prospective geology is supported in part by geophysical (magnetic and gravity) datasets and limited geochemical sampling.

Approximately 35 $km^2$ of the prospective Mertavaara Formation has been mapped over the full extent of the Pulju Project EL ("Hotinvaara EL"), EL applications, and exploration reservation (Figure 28). The untested extent of the Mertavaara Formation highlights the considerable potential for expansion of the mineralised system across the full project area, should drilling be successful.

Only about 2.5 $km^2$ (7%) of the 35 $km^2$ has been currently assessed within the Hotinvaara EL area. This represents only a small fraction of the prospective geology from which the Exploration Target has been estimated.

To determine an Exploration Target solely for the Hotinvaara EL area, the following methodology was applied:

- A computerised block modelling approach has been applied for estimation of the drilled area. A model consistent with the overall geological characteristics of Ni-sulphides within NE–SW trending mineralised cumulate lenses was constructed.
- A series of wireframe models (using a 1,500 ppm Ni cut-off) were interpreted for mineralised zones based on west-east section lines. The overall extent of the mineralised zones covers a strike length of approximately 1,700 m, an overall width of 1,900m and maximum depth of 500 m (see Appendix A).
- Samples were retrieved within the interpreted zones, and these were used to generate 5 m grade composites.
- A volumetric block model was set up using the topography and zone wireframe envelopes as controls, based on a parent block size of 20m by 20m by 10m.
- Following geostatistical analysis, grades of Ni, Co and Cu, were estimated into the block model using ordinary kriging (OK). More than 90% of the estimate occurs between 0–350 m below the surface. When projected to surface (the green areas in Figure 28), the modelled volume has a surficial area of 0.70 $km^2$.
- Simple extrapolation suggest that there is the potential for ≈80–100 Mt of disseminated mineralistion for every square kilometre of prospective Mertavaara Formation.
- Approximately 2.50 $km^2$ of Mertavaara Formation has been mapped within the Hotinvaara EL. Applying the 80–100 $Mt/km^2$ tonnage potential to the entire 2.5 $km^2$ supports a target of approximately 225 Mt of potential disseminated mineralisation.
- To determine the likely tonnes, a maximum and minimum increase of approximately 10% was made to the aforementioned estimate to allow for uncertainty in the exact proportion of mineralised rock.
- To determine the likely grade, the grade of the block model estimate from the drilled-out area was taken as representative of the average grade of the exploration target and then varied by a maximum and minimum increase of 10% to allow for uncertainty.

Based on the methodology outlined above, it is estimated the Hotinvaara EL area has the potential to host approximately **150–180 Mt at 0.22–0.27% Ni and 94–114 ppm Co, giving the potential for approximately 320–480 kt contained nickel, and 14–21 kt contained cobalt.**

The potential quantity and grade are conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

It highlights that there is a substantial disseminated mineralised system in terms of geographic size. Moreover, this area contains many significant internal intersections with grades and thicknesses well above the Exploration Target global grade, and supporting the potential for accumulations of more channel hosted accumulations of massive sulphide.

The focus of exploration will be to establish whether such higher-grade intersections have the continuity to support a future Mineral Resource estimate with sufficient tonnage and grade to enable potential economic extraction.

A key issue in estimation of any Mineral Resource for the Hotinvaara deposit will be determining the partitioning of nickel between the silicate and sulphide phases at low nickel grades. Olivine, and serpentine after olivine, can accommodate appreciable nickel in their mineral lattice – up to 0.4–0.5 wt%. Any nickel partitioned into the silicate phase will be metallurgically unrecoverable and affect recoveries when reported against total whole-rock nickel grades. Preliminary scans and petrology indicate that Hotinvaara silicates are relatively depleted in nickel, containing approximately 0.1 wt% Ni. However, at low nickel whole-rock assay grades c. 0.2–0.3% Ni, this 0.1% in silicate still potentially represents a substantial percentage of total nickel reported. NNL is planning further work to quantify the partitioning of nickel between sulphide and silicate phases and map its distribution within the deposit.

In order to test the Exploration Target described above the company will undertake a drilling programme to better define the geology and distribution of mineralisation. The actual number of holes requirted will be determined during drill planning psot listing.  A hole spacing on a nominal 200m by 200m grid, which is considered sufficient given an extrapolation distance of 100m from any drill hole intersection is the starting point for planning. Closer spaced drilling will be required for improved resource classification. Figure 28 and Figure 29 show the approximate locations of the planned drill holes.

Drilling of the proposed holes is planned for the 2022 and 2023 field seasons

It is also suggested that a scoping study level metallurgical testing programme be undertaken to determine the proportion of floatable nickel sulphide minerals versus non-economic nickel silicate minerals. Bench-scale float tests and QEMSCAN studies will provide insights into nickel mineral species and nominal processing recovery rates.

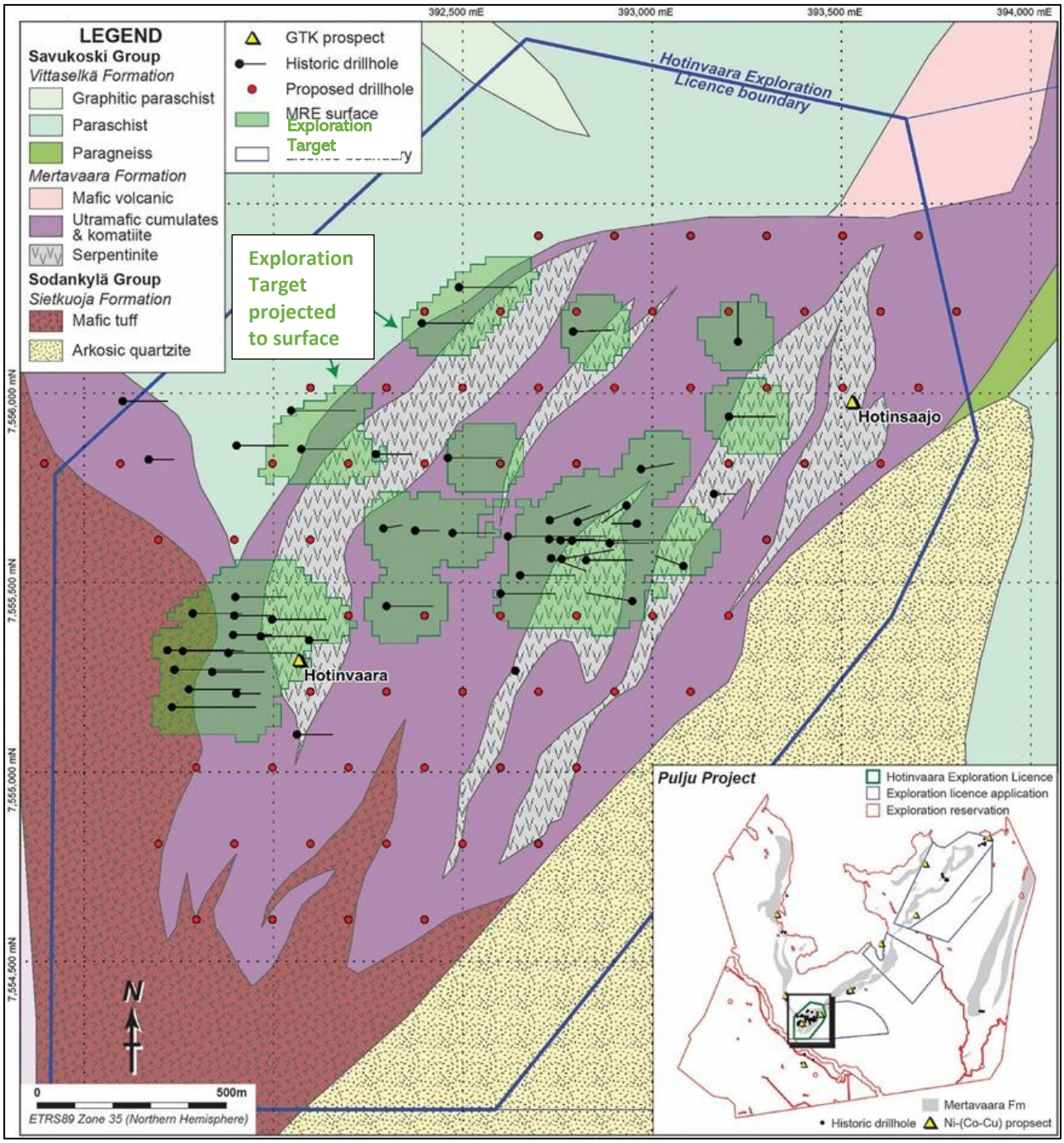



*Figure 28: Plan view of the Hotinvaara deposit Exploration Target*

*Hotinvaara EL area highlighting prospective geology (Mertavaara Formation) and surficial expression of 2021 Exploration Target. Proposed drillholes to test exploration target highlighted by red dots. Inset: Pulju Project ELs and reservation area highlighting full extent of Mertavaara Formation.*

*Source: NNL.*

Appendix A (Hotinvaara Exploration Target Block Model Cross Sections) provides further detail on the Exploration Target estimation results.

# 6 Exploration Potential and Proposed Work

Previous exploration has demonstrated proof of concept and delineated a large mineralised system at Pulju. This has provided NNL with a strong basis for exploration targeting within that system. CSA Global is of the opinion that the Hotinvaara deposit, and Pulju Project in general, represents an underexplored terrane with a large-scale magmatic nickel sulphide system already demonstrated. The project represents a compelling exploration target for komatiite-hosted nickel sulphides. There is a lack of modern exploration post the early 1990s, and what exploration there has been generally shallow and not what would now be considered best exploration practice for nickel sulphide mineralisation. Much of the drilling terminated in mineralised komatiite ultramafic cumulates and stopped short of what would be typically considered the prime target environment of the footwall contact between ultramafic cumulates and the footwall sediments. The vast majority of the belt is essentially unexplored.

CSA Global is of the opinion that the MJ3 Project represents a good greenfields exploration project for either intrusive hosted or komatiite hosted magmatic nickel sulphide mineralisation. The proximity to the Sakatti deposit, and the potential for buried intrusive systems similar to Sakatti or Kevitsa, make for a compelling exploration play. The project is essentially underexplored. Systematic exploration using the proven techniques and strategies from discovery at Kevitsa and Sakatti offers a template for exploration that will help mitigate exploration risk and maximise potential for discovery.

Section 8 details NNL's exploration budgets for the first two years of operation. The primary focus of exploration will be:

- To detect and delineate potential high-grade sulphide mineralisation and complete a Mineral Resource Estimation at the Pulju Project through:
  - Targeted surface and BHEM surveys to detect massive sulphide mineralisation
  - Infill and exploration drilling (12,000 m drilling) within and around the Hotinvaara Exploration Target area (Figure 29).
- To generate drill targets at the MJ3 Project through surface geophysics to detect potential mineralised intrusive complexes.

It is CSA Global's opinion that the exploration plans represent a sound workflow that delivers the optimal potential for discovery on the Projects. As is the nature of exploration, exploration results derived from the currently proposed programs of work will shape plans for further exploration in a fluid and dynamic situation as the Projects progress.

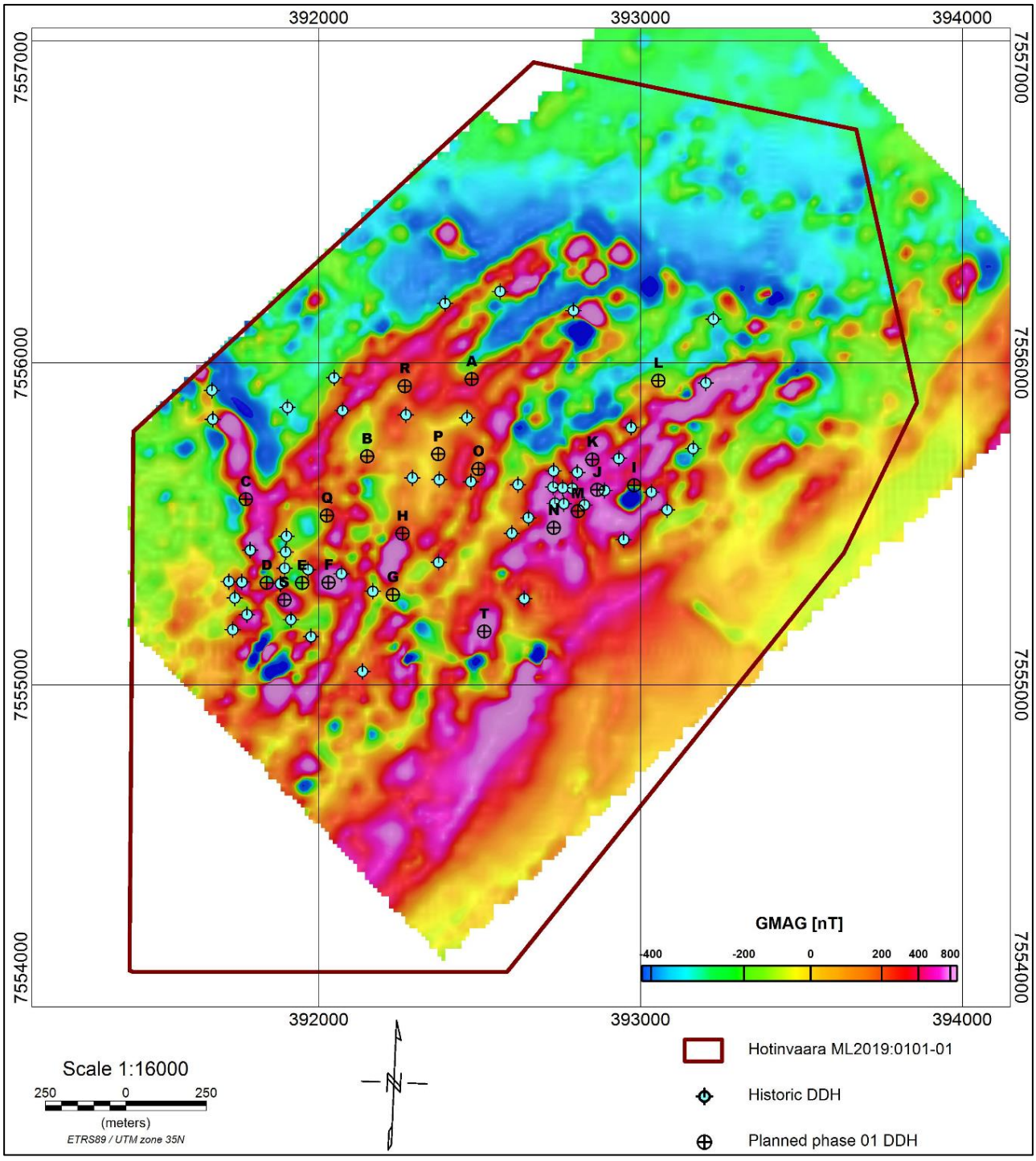



*Figure 29: Plan view of planned diamond drilling at Hotinvaara*
*Historical drilling and planned drill collars on RTP total field magnetic data.*
*Source: NNL*

# 7 Risks

The Pulju and MJ3 Projects comprise a range of stages of advancement from early exploration through to advanced exploration. Exploration is an intrinsically risky process, particularly at an early stage. Risk is identified and strategies tested to mitigate that risk at each potential stage of project advancement from early exploration through to (should exploration demonstrate the presence of economic mineralisation) eventual decision to mine.

A key risk, common to all exploration companies, is that expected mineralisation may not be present or that it may be too low-grade or too small to warrant commercial exploitation. The interpretations and conclusions reached in this Report are based on current scientific and exploration understanding and the best evidence available at the time of writing. CSA Global makes no guarantee of certainty as to the potential for economic viability of the project. NNL plans to conduct the exploration, economic and engineering studies required to determine economic potential of the Projects.

# 8 Use of Funds

NNL provided CSA Global with a copy of its planned expenditure for the Pulju and MJ3 Projects for an initial two-year period following listing on the ASX, planned for both Minimum and Maximum Subscription (Table 4 and Table 5). All costs included are in Australian dollars (A$).

*Table 4: Proposed exploration expenditure summary by activity, for Minimum Subscription*

| | Pulju | | Maaninkijoki3 | | Total |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Data Analysis & Compilation | $ 50,000 | | | | $ 50,000 |
| Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling) | $ 50,000 | | $ 50,000 | | $ 100,000 |
| Geophysics | $ 220,000 | $ 150,000 | $ 200,000 | $ 300,000 | $ 870,000 |
| *Ground Magnetics* | | | *$ 80,000* | | *$ 80,000* |
| *Gravity* | | | *$ 120,000* | | *$ 120,000* |
| *Fixed Loop EM* | | | | *$ 150,000* | *$ 150,000* |
| *Moving Loop EM* | *$ 120,000* | | | *$ 150,000* | *$ 270,000* |
| *Downhole EM* | *$ 100,000* | *$ 150,000* | | | *$ 250,000* |
| Site Access and Infrastructure Upgrades | $ 500,000 | | | | $ 500,000 |
| Drilling | $ 1,650,000 | $ 2,100,000 | | | $ 3,750,000 |
| Modelling & Resource Estimation | $ 50,000 | $ 50,000 | | | $ 100,000 |
| External Consultants | $ 75,000 | $ 75,000 | | | $ 150,000 |
| CSR | $ 50,000 | $ 50,000 | | | $ 100,000 |
| Environmental | $ 50,000 | $ 50,000 | | | $ 100,000 |
| General & Administration | $ 675,000 | $ 675,000 | | | $ 1,350,000 |
| Costs of the Offer | $ 766,749 | | | | $ 766,749 |
| Contingency | $ 100,000 | $ 63,251 | | | $ 163,251 |
| | | | | | |
| **Total** | **$ 4,236,749** | **$ 3,213,251** | **$ 250,000** | **$ 300,000** | **$ 8,000,000** |

*Table 5: Proposed exploration expenditure summary by activity, for Maximum Subscription*

| | Pulju | | Maaninkijoki3 | | Total |
|---|---|---|---|---|---|
| | Year 1 | Year 2 | Year 1 | Year 2 | |
| Data Analysis & Compilation | $ 50,000 | | | | $ 50,000 |
| Lab & Field Programs (Core archive, mapping, geochemical sampling, other non-drilling) | $ 50,000 | | $ 50,000 | | $ 100,000 |
| Geophysics | $ 270,000 | $ 290,000 | $ 200,000 | $ 345,000 | $ 1,105,000 |
| *Ground Magnetics* | | | *$ 80,000* | | *$ 80,000* |
| *Gravity* | | | *$ 120,000* | | *$ 120,000* |
| *Fixed Loop EM* | | | | *$ 150,000* | *$ 150,000* |
| *Moving Loop EM* | *$ 120,000* | | | *$ 150,000* | *$ 270,000* |
| *Downhole EM* | *$ 150,000* | *$ 290,000* | | *$ 45,000* | *$ 485,000* |
| Site Access and Infrastructure Upgrades | $ 500,000 | | | | $ 500,000 |
| Drilling | $ 2,150,000 | $ 3,915,000 | | $ 500,000 | $ 6,565,000 |
| Modelling & Resource Estimation | $ 80,000 | $ 80,000 | | | $ 160,000 |
| External Consultants | $ 100,000 | $ 100,000 | | | $ 200,000 |
| CSR | $ 50,000 | $ 50,000 | | | $ 100,000 |
| Environmental | $ 100,000 | $ 100,000 | | | $ 200,000 |
| General & Administration | $ 900,000 | $ 900,000 | | | $ 1,800,000 |
| Costs of the Offer | $ 1,011,250 | | | | $ 1,011,250 |
| Contingency | $ 108,750 | $ 100,000 | | | $ 208,750 |
| | | | | | |
| **Total** | **$ 5,370,000** | **$ 5,535,000** | **$ 250,000** | **$ 845,000** | **$ 12,000,000** |

The proposed budget is considered consistent with the exploration potential of NNL's Projects and plans for further development studies and is considered adequate to cover the costs of the proposed program. The

budgeted expenditure is also considered sufficient to meet the minimum statutory expenditure on the tenements.

The Pulju and MJ3 Projects are at the “exploration” stage. CSA Global considers that the Projects have sound technical merit and to be sufficiently prospective, subject to varying degrees of exploration and development risk, to warrant further exploration and assessment of its economic potential, consistent with the proposed programs.

At least half of the liquid assets held, or funds proposed to be raised by NNL, are understood to be committed to the exploration, development, and administration of the mineral properties, satisfying the requirements of ASX Listing Rules 1.3.2(b) and 1.3.3(b). CSA Global also understands that NNL has sufficient working capital to carry out its stated objectives, satisfying the requirements of ASX Listing Rule 1.3.3(a).

NNL has prepared staged exploration and evaluation programs, specific to the potential of the Pulju and MJ3 Projects, which are consistent with the budget allocations, and warranted by the exploration and development potential of the Projects. CSA Global considers that the relevant areas have sufficient technical merit to justify the proposed programs and associated expenditure, satisfying the requirements of ASX Listing Rule 1.3.3(a).

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# 10 Glossary

For further information or for terms that are not described here, please refer to internet sources such as Wikipedia (www.wikipedia.org).

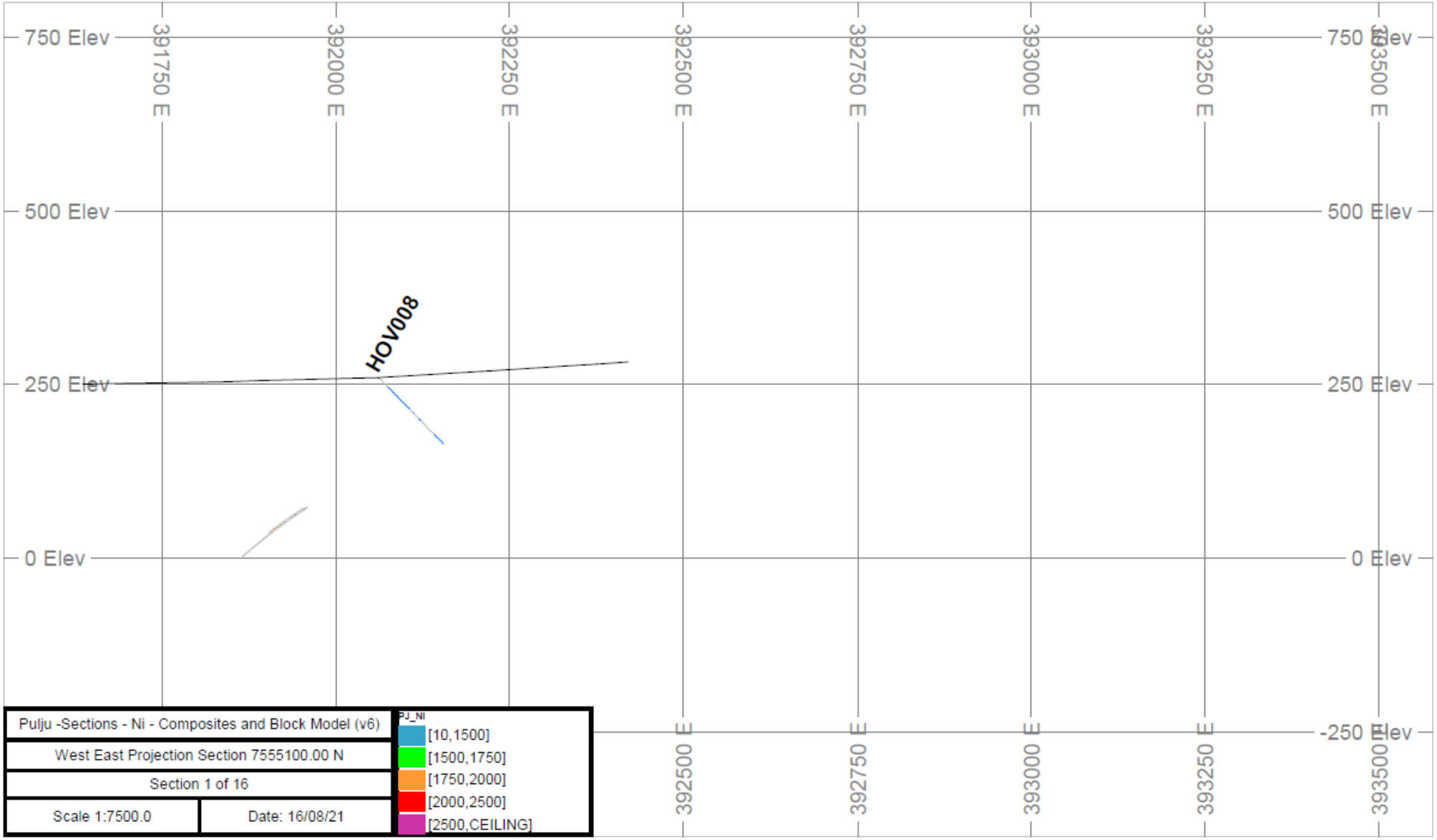
# 11 Abbreviations and Units of Measurement

| | |
|---|---|
| °C | degrees Celsius |
| A$ | Australian dollar(s) |
| AIG | Australian Institute of Geoscientists |
| ASIC | Australian Securities and Investments Commission |
| ASX | Australian Securities Exchange |
| AusIMM | Australasian Institute of Mining and Metallurgy |
| BHEM | borehole electromagnetics |
| BOT | base-of-till |
| CLGB | Central Lapland Greenstone Belt |
| cm | centimetres |
| Co | cobalt |
| CSA Global | CSA Global Pty Ltd |
| EL | exploration licence |
| EM | electromagnetic(s) |
| FLEM | fixed loop electromagnetics |
| Hz | hertz |
| IPO | initial public offering |
| ITAR | Independent Technical Assessment Report |
| kg | kilogram(s) |
| km | kilometres |
| $km^2$ | square kilometres |
| kt | thousand tonnes |
| m | metres |
| $m^2$ | square metre(s) |
| MagStar | MagStar Mining Oy |
| MgO | magnesium oxide |
| MJ3 | Maaninkijoki 3 |
| mm | millimetre(s) |
| Mt | million tonnes |
| Ni | nickel |
| NNL | Nordic Nickel Limited |
| PGE | platinum group element(s) |
| ppm | parts per million |
| RPO | Recognised Professional Organisation |
| wt% | weight percent |

# Appendix A Hotinvaara Exploration Target Block Model Cross Sections

East-west cross sections looking north stepping from south to north through the block modelling used to estimate the Exploration Target at Hotinvaara. Colour coding is for nickel values in parts per million (ppm) as per the legend on each section. Cross reference to Figure 28 for coordinate locations corresponding to the section coordinates given.

Note, the scale referenced is for the original section in its original document form. Representations here, while proportional, are not to the same scale.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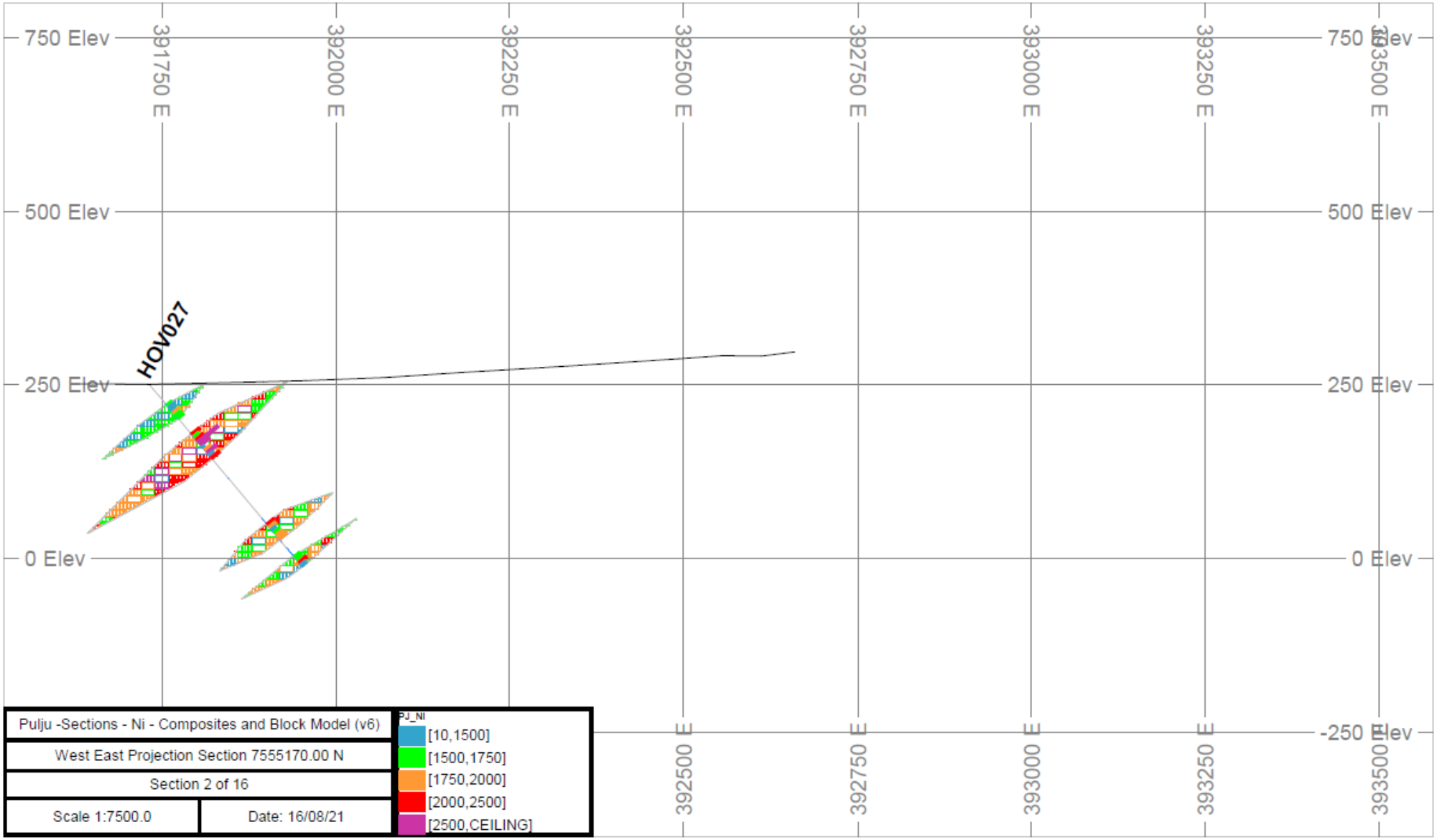
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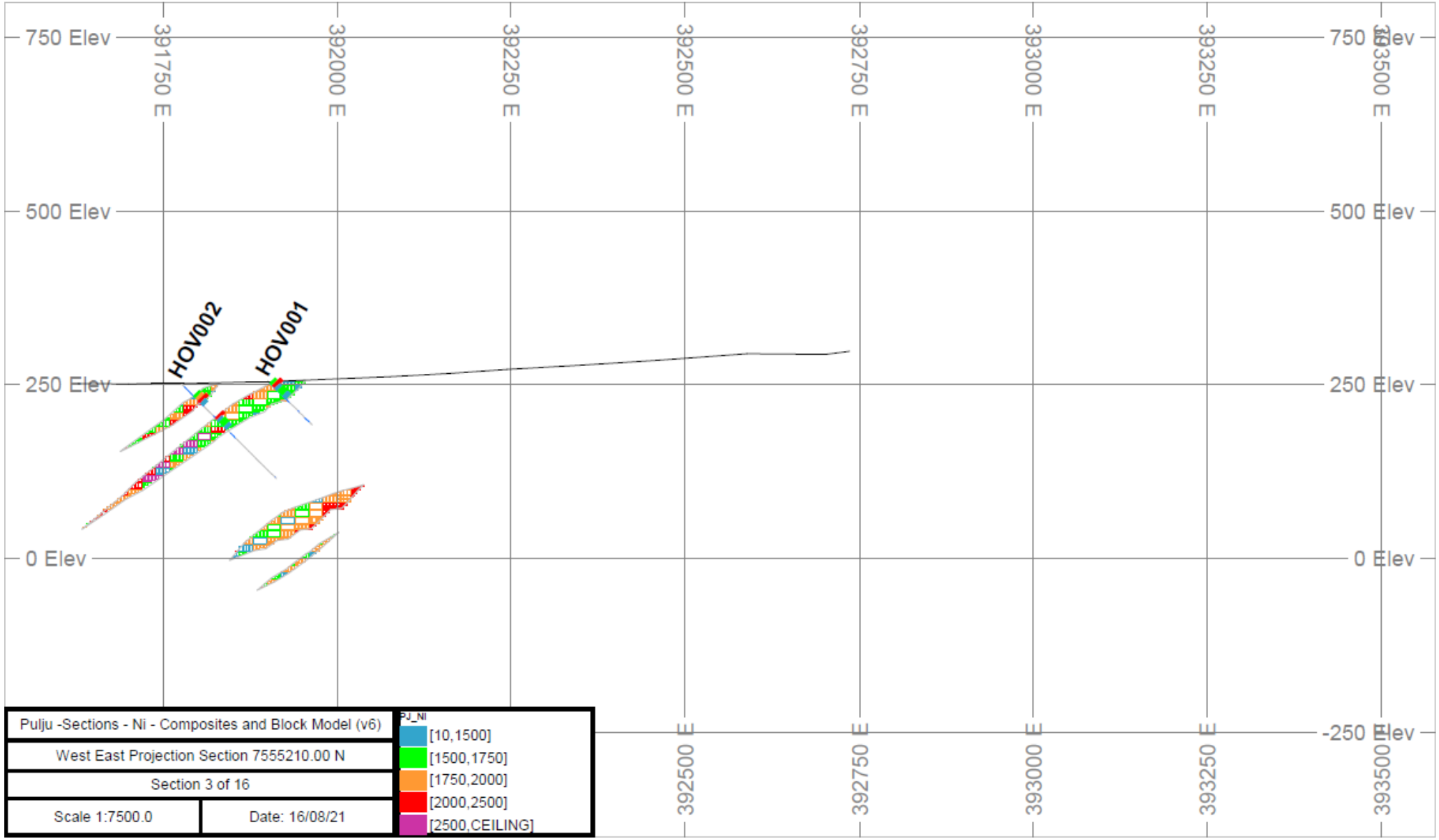
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HOV001
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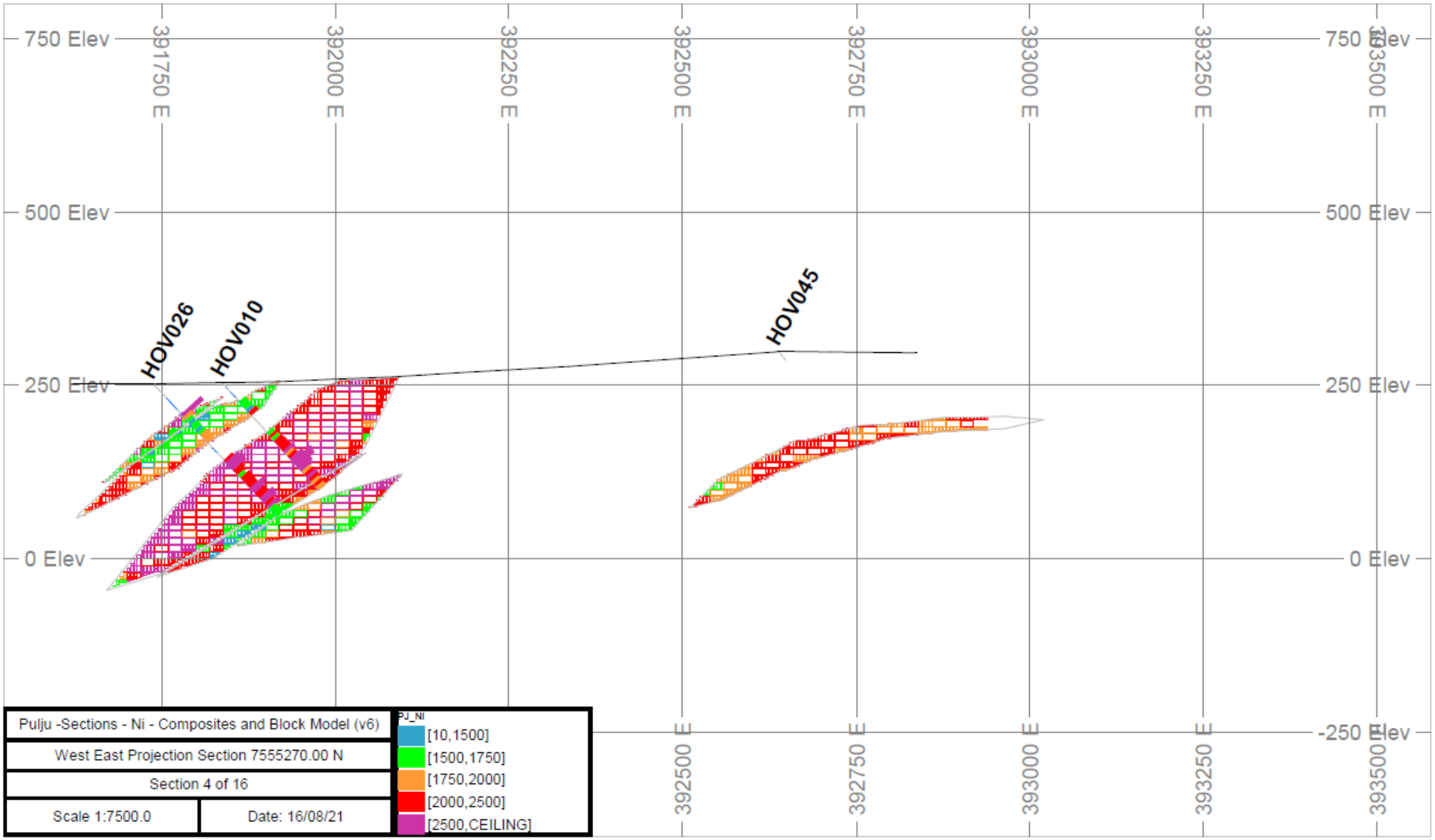
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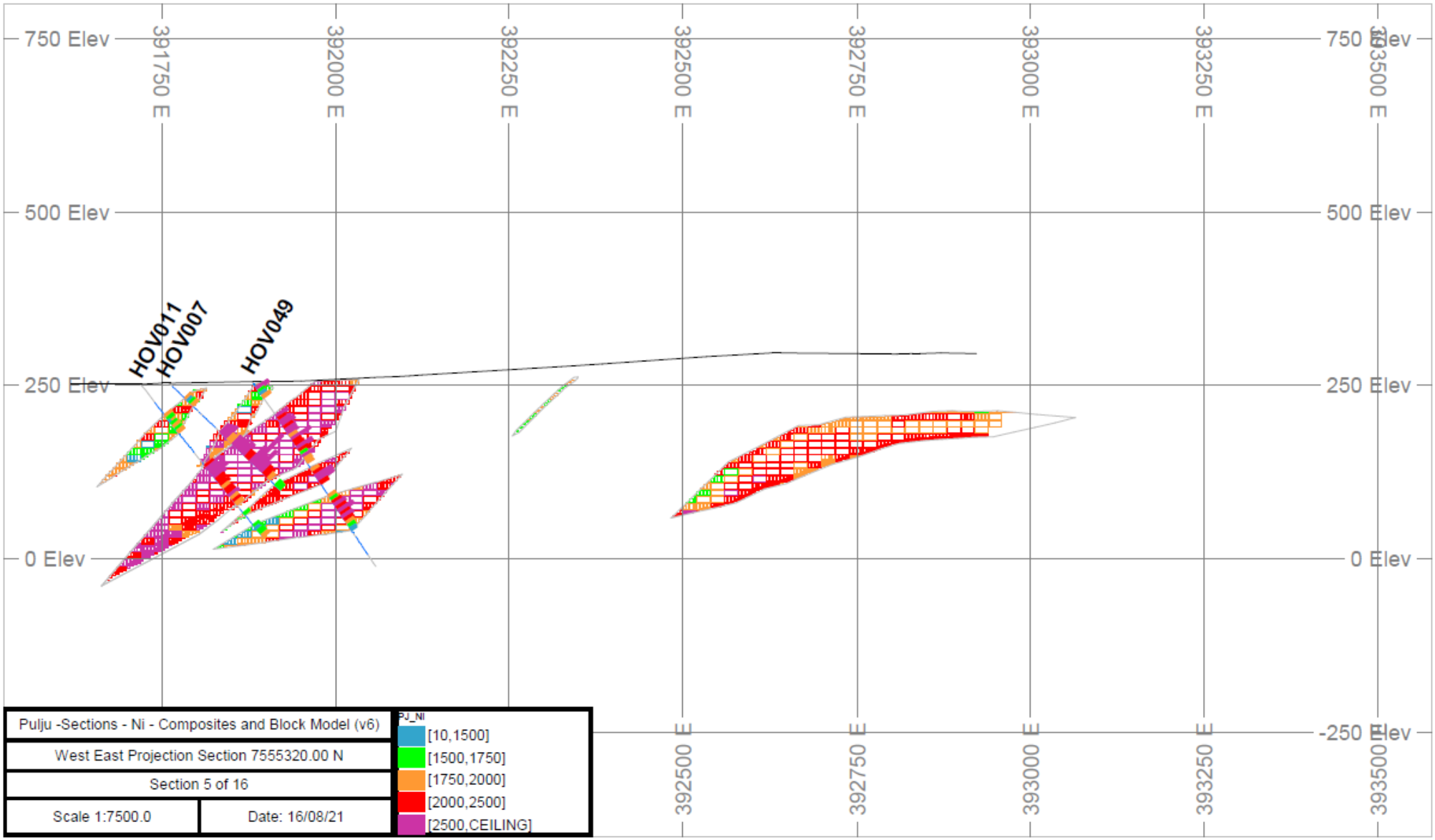
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HOV011
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Section 5 of 16
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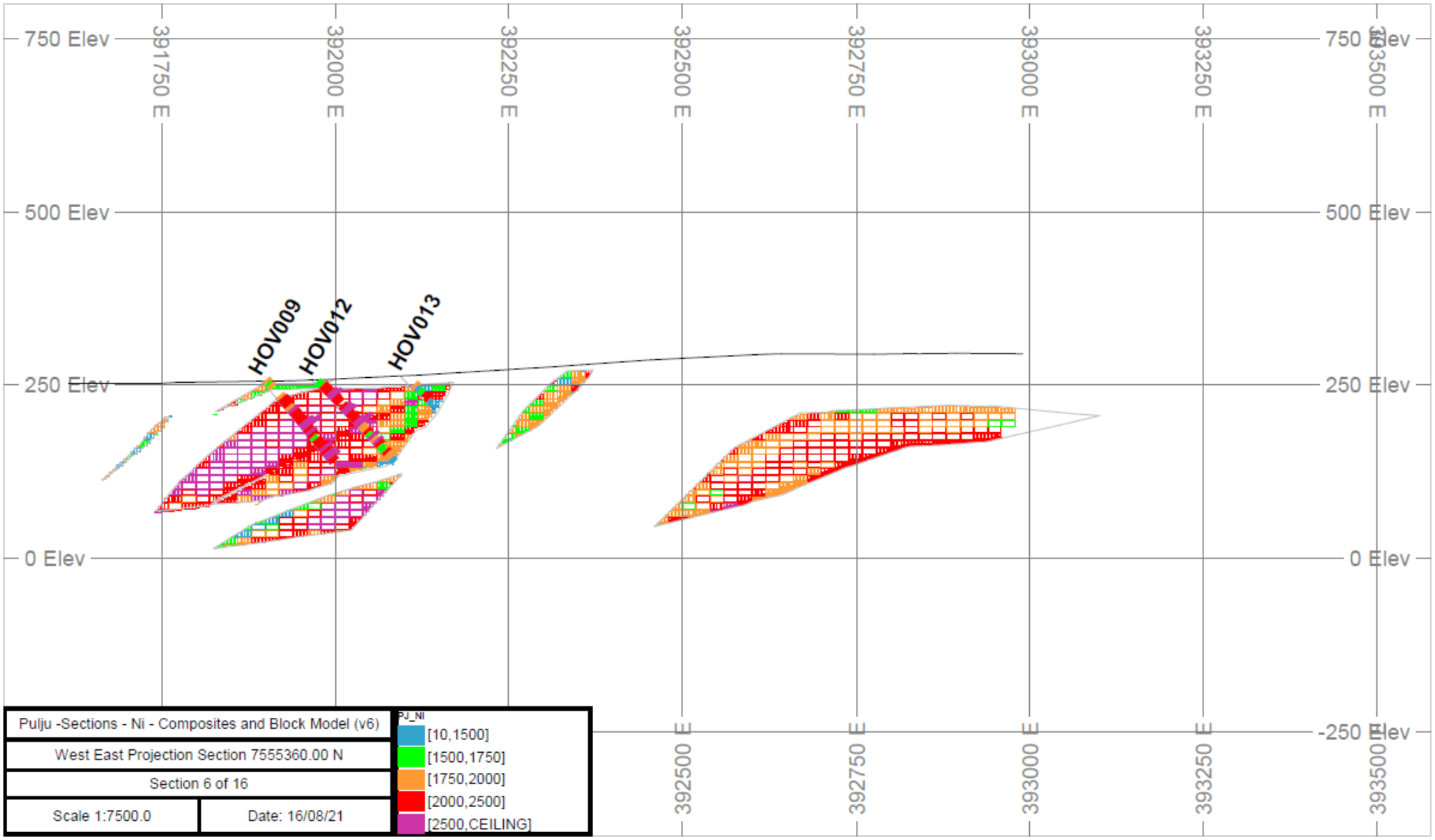
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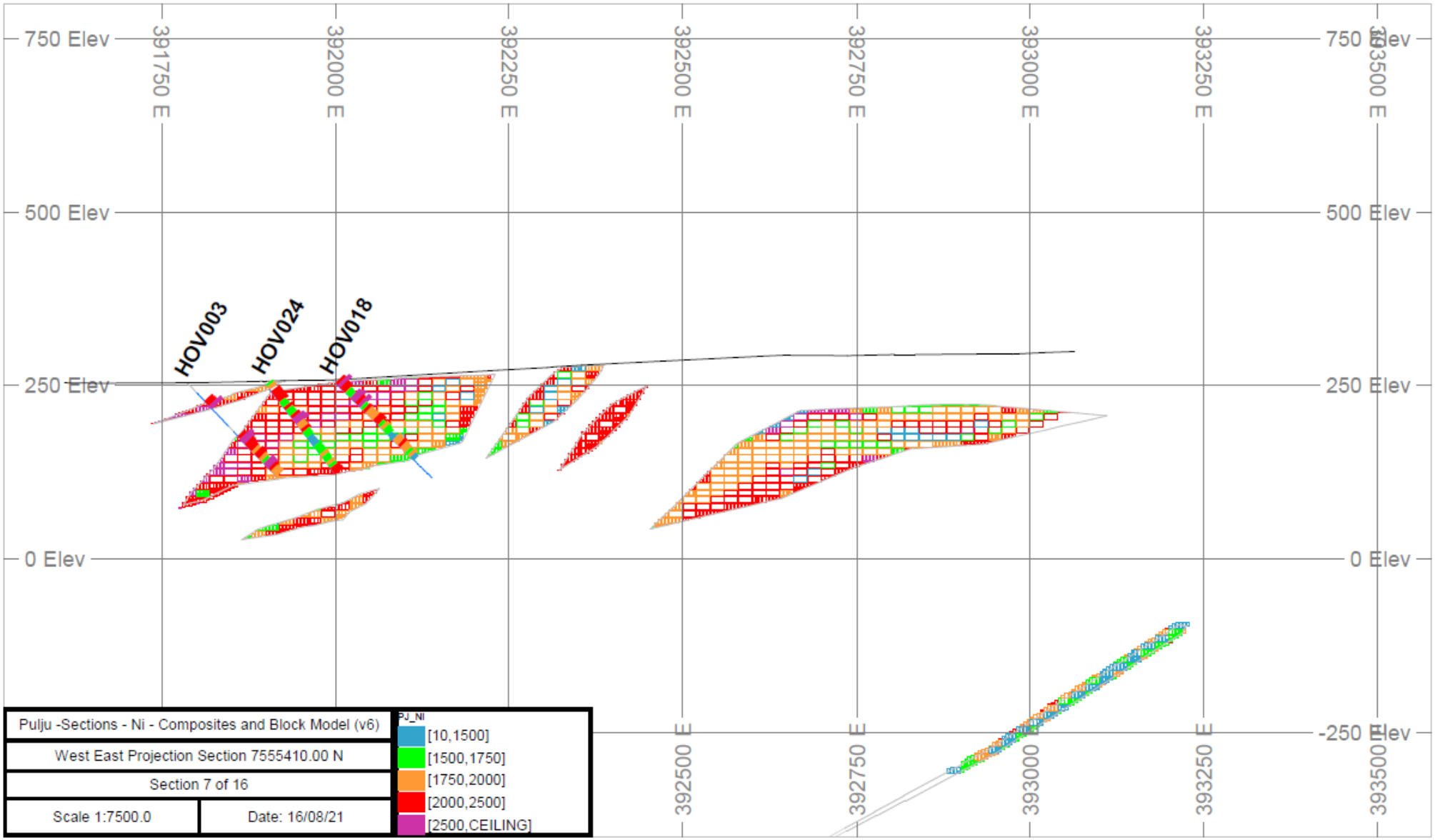
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HOV024
HOV018
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Section 7 of 16
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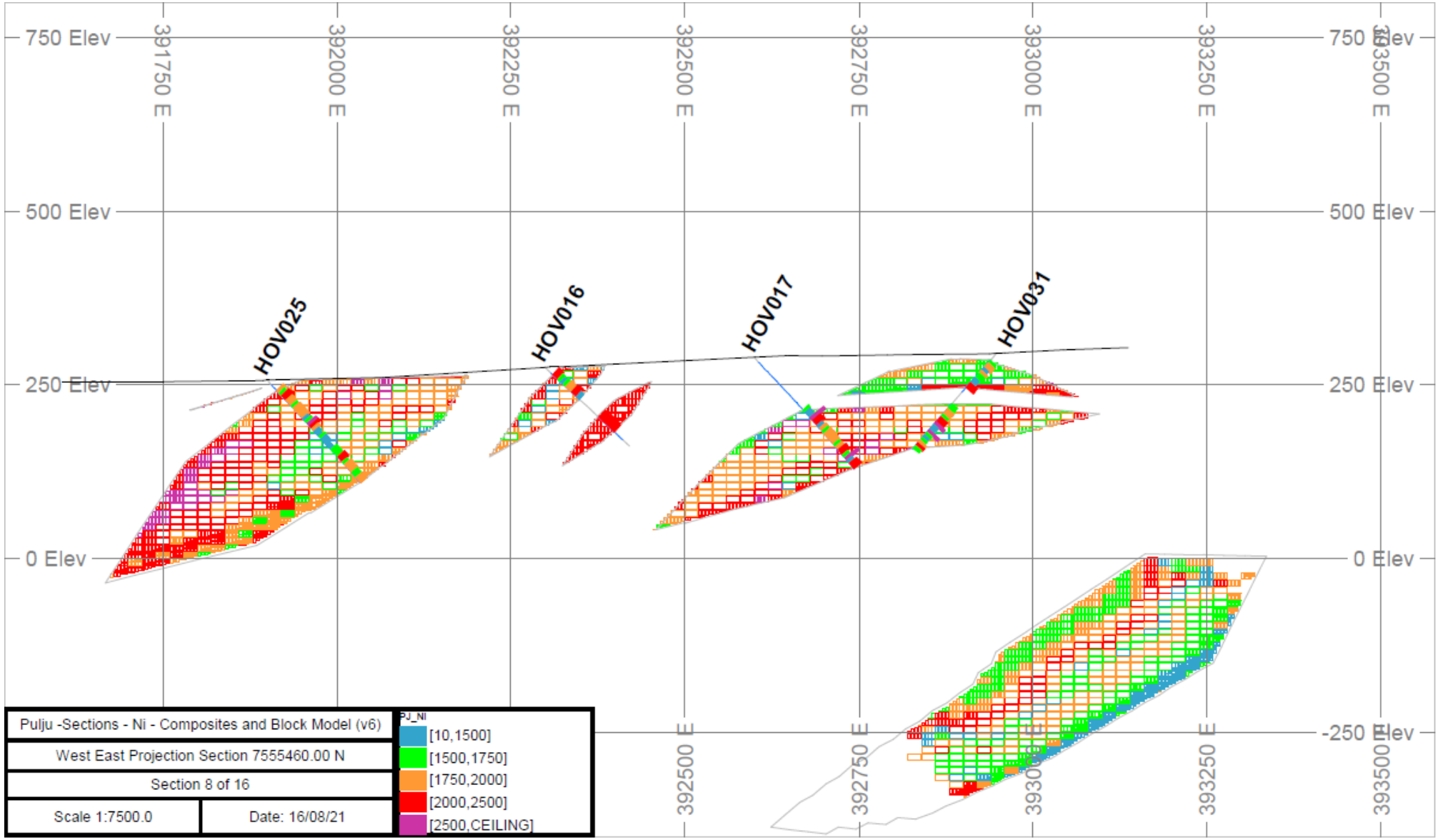
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HOV017
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Section 8 of 16
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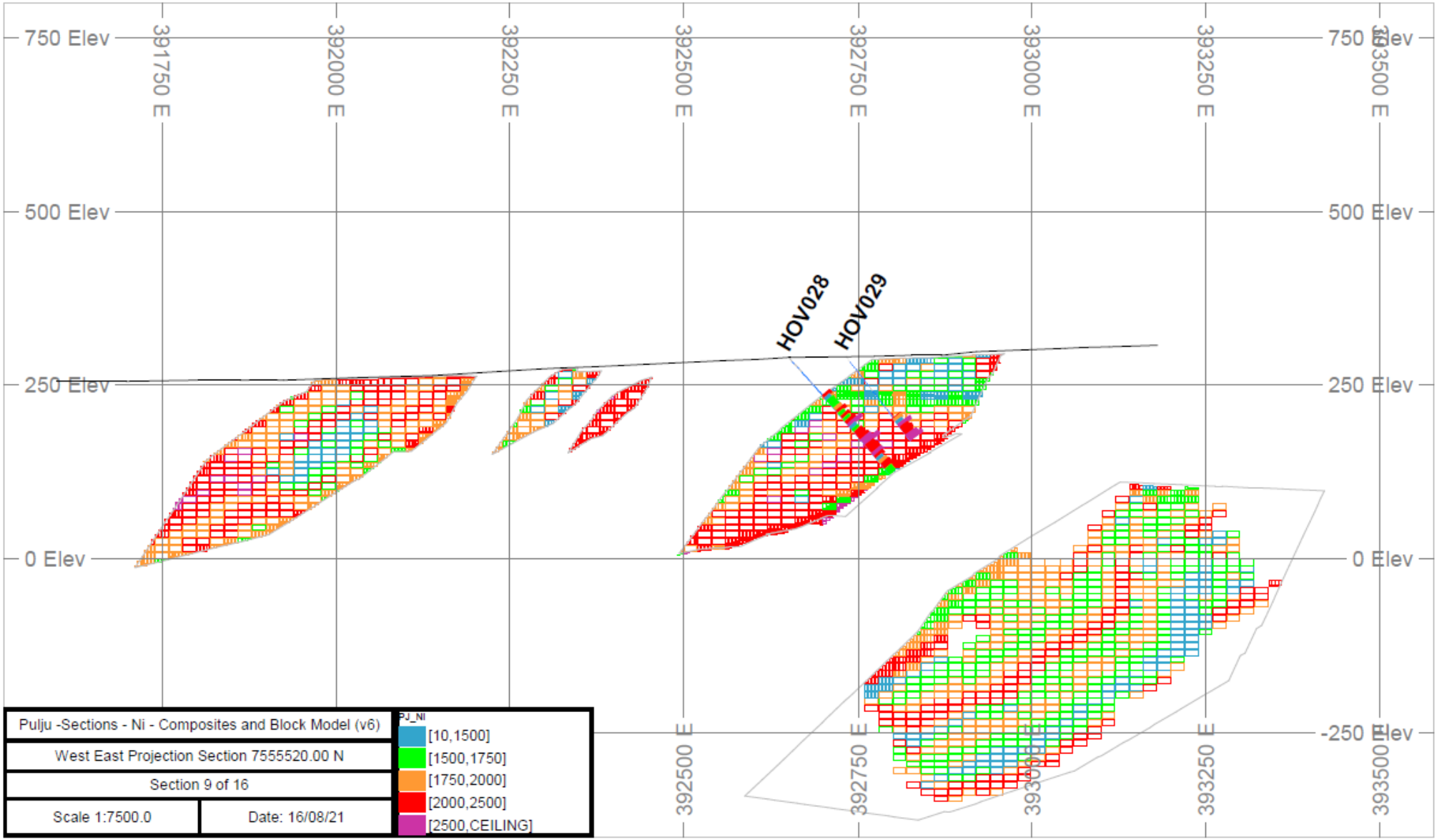
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HOV029
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Section 9 of 16
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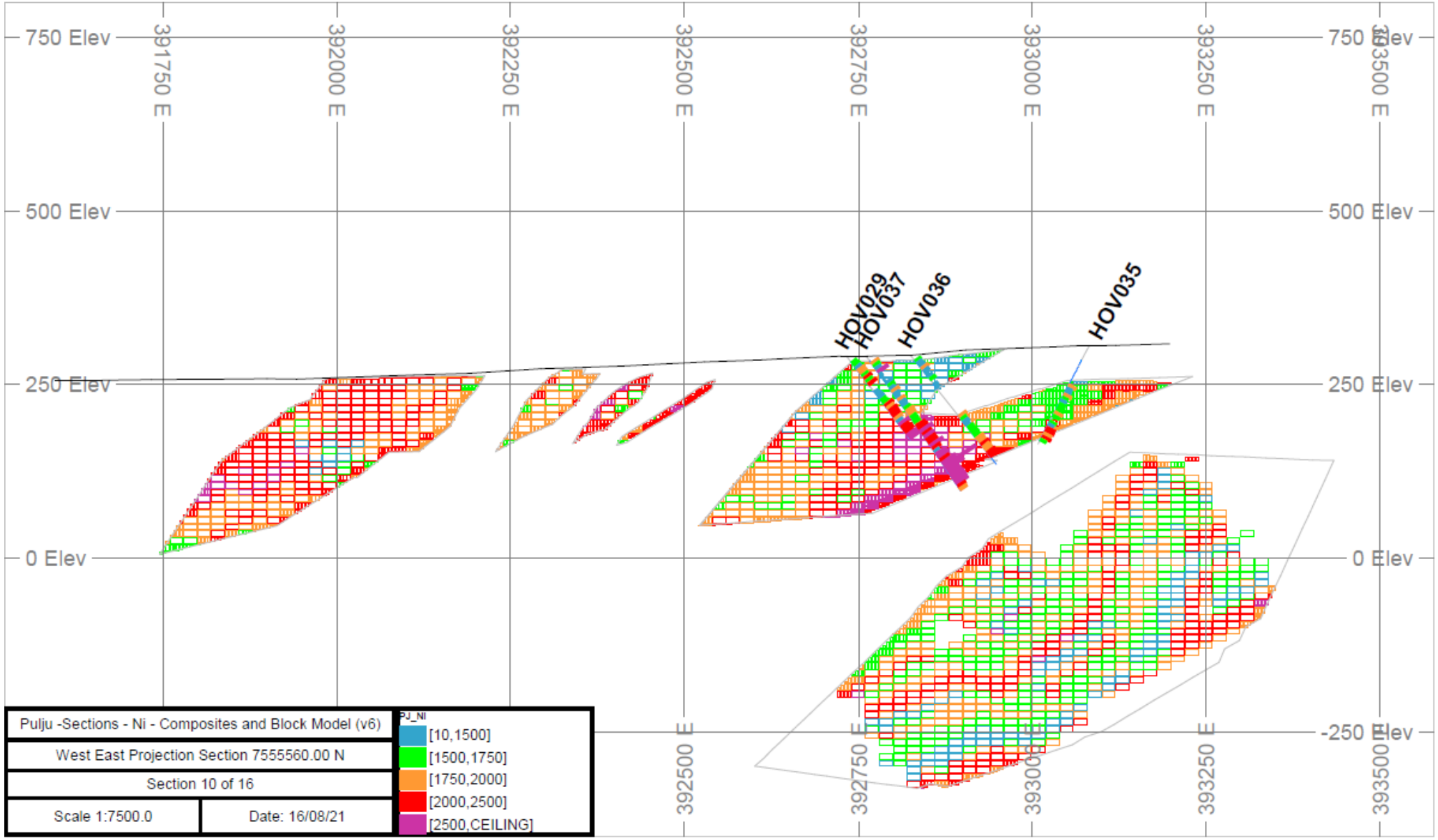
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HOV029
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HOV036
HOV035
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West East Projection Section 7555560.00 N
Section 10 of 16
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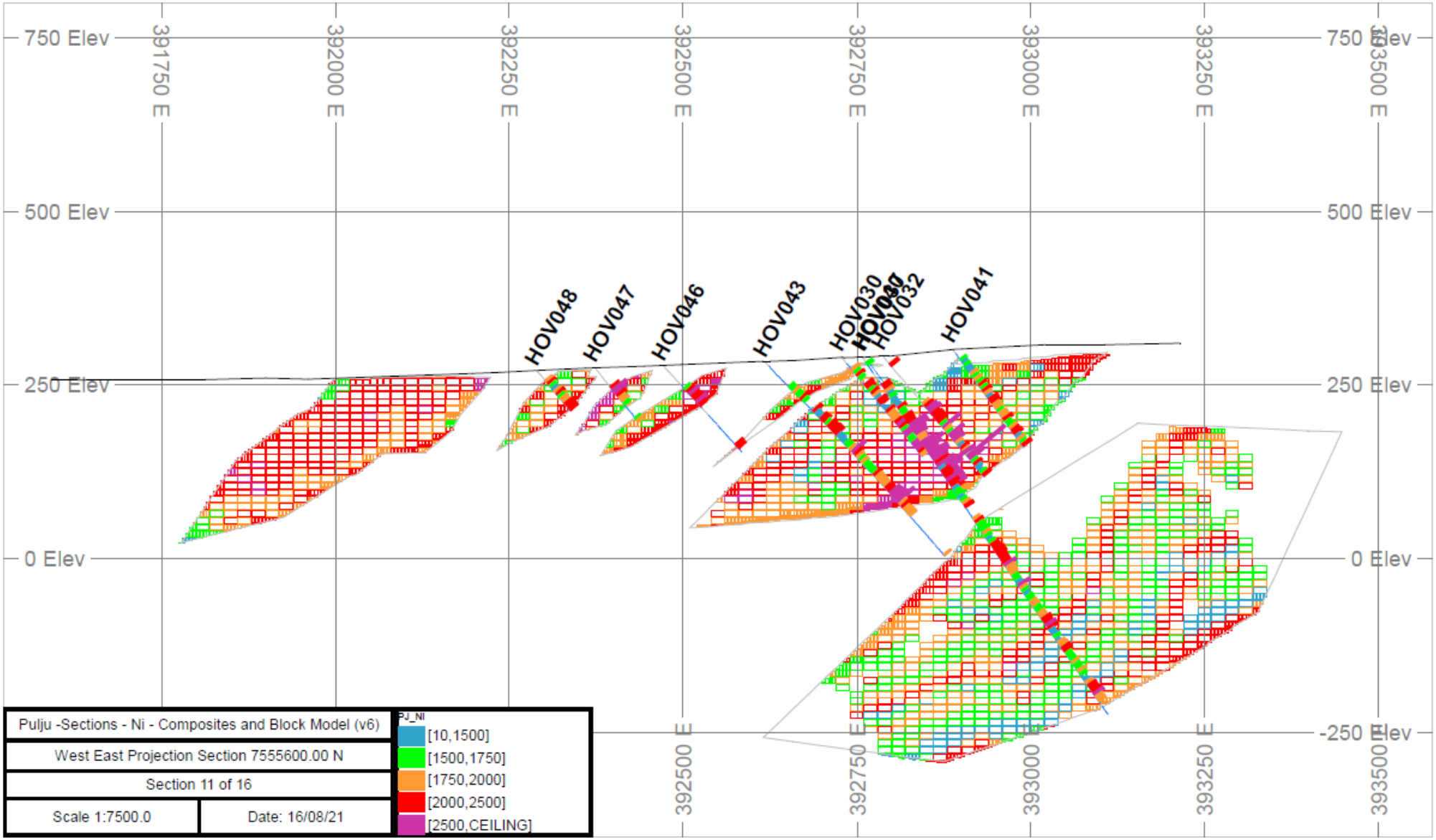
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HOV048
HOV047
HOV046
HOV043
HOV030
HOV032
HOV041
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Section 11 of 16
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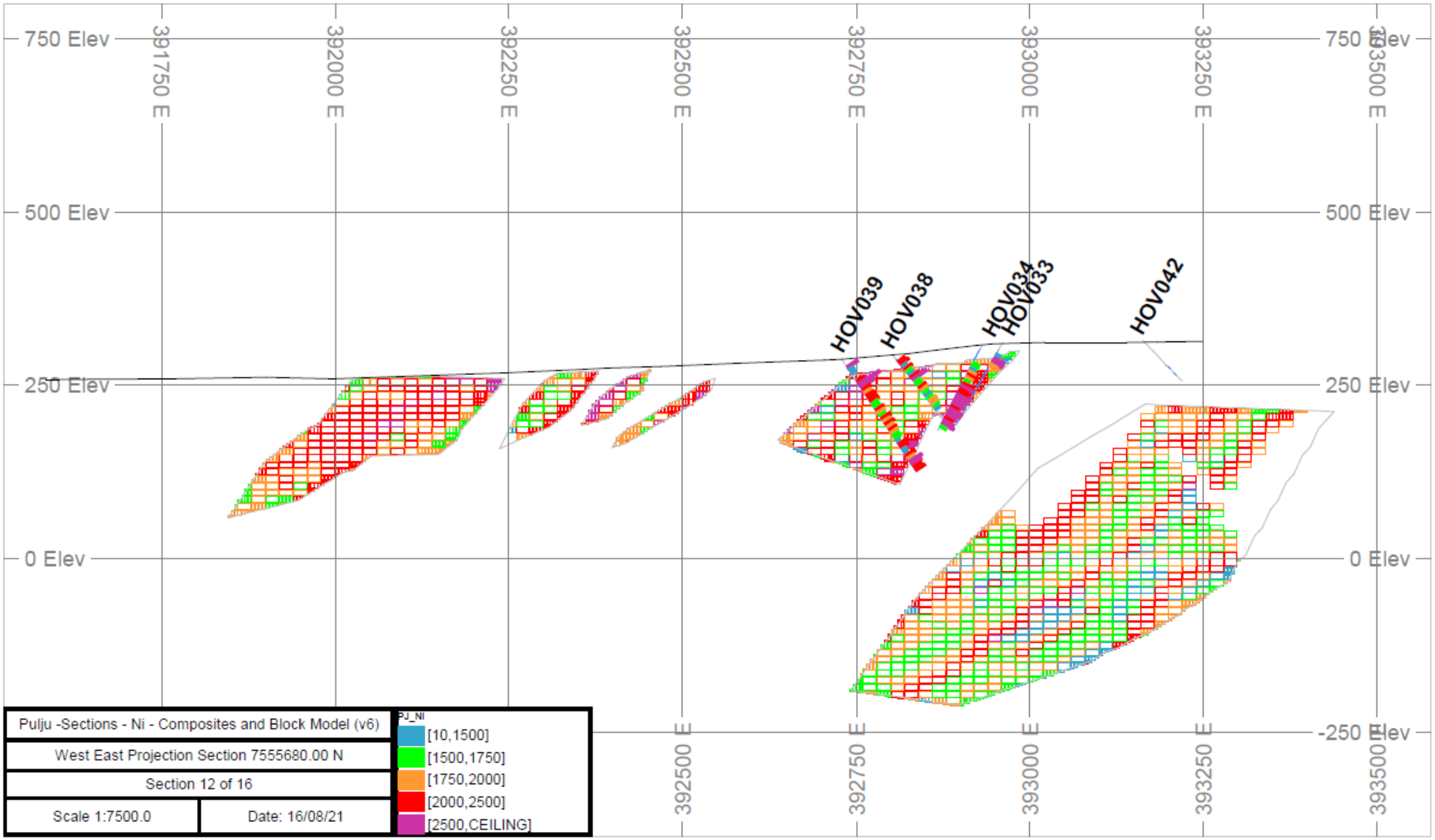
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HOV039
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HOV034
HOV033
HOV042
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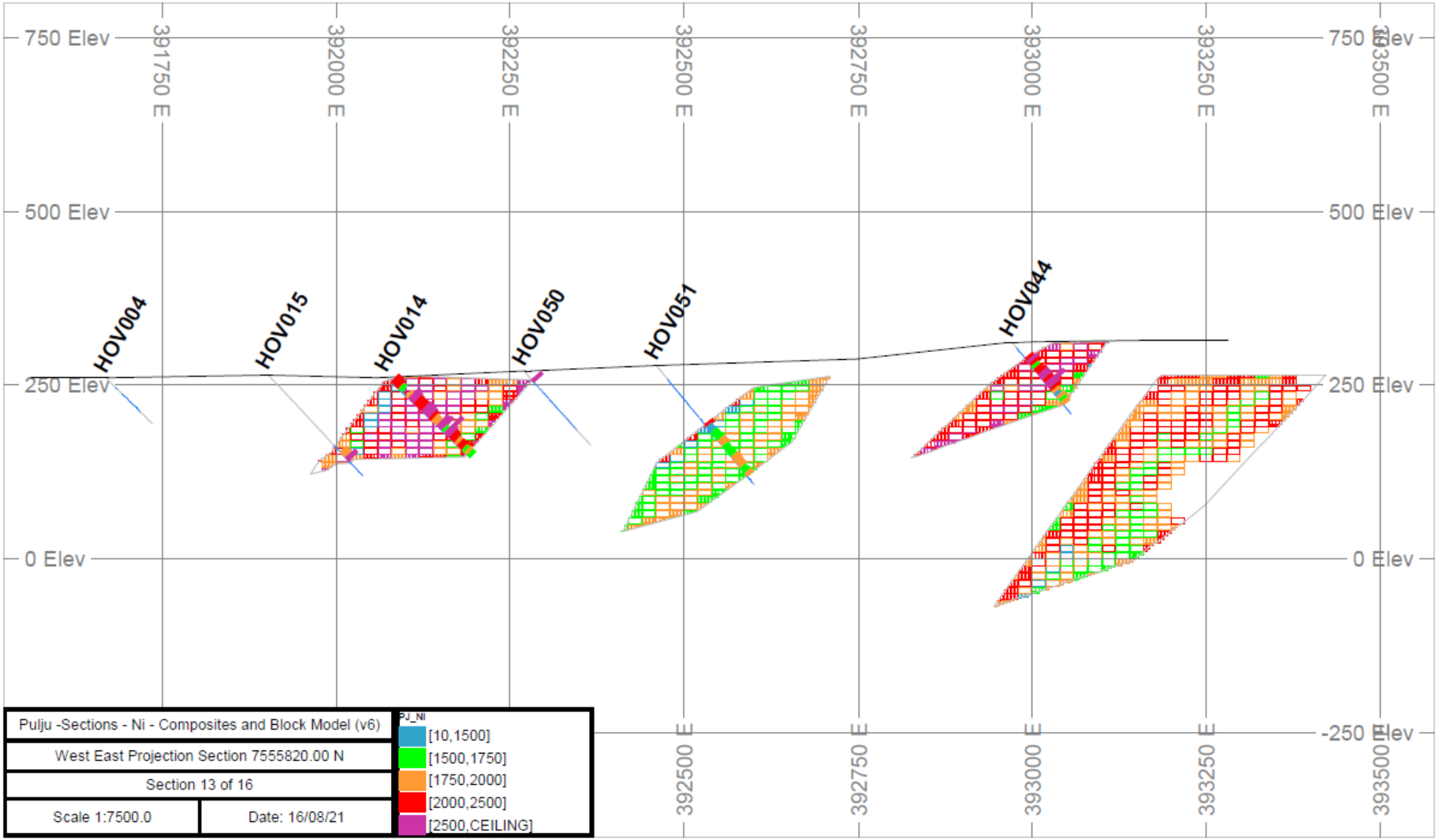
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HOV004
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HOV014
HOV050
HOV051
HOV044
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Section 13 of 16
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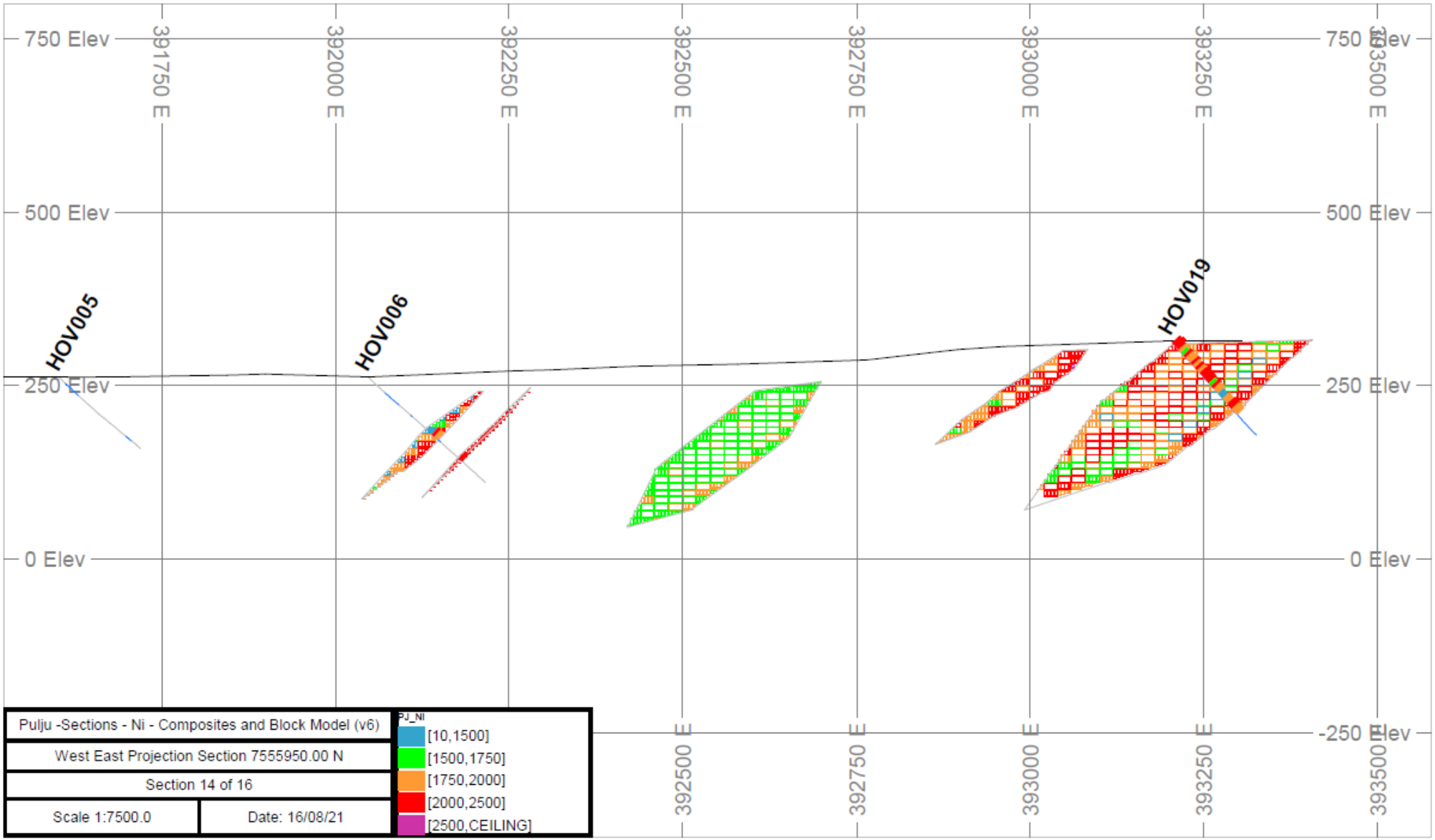
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HOV005
HOV006
HOV019
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Section 14 of 16
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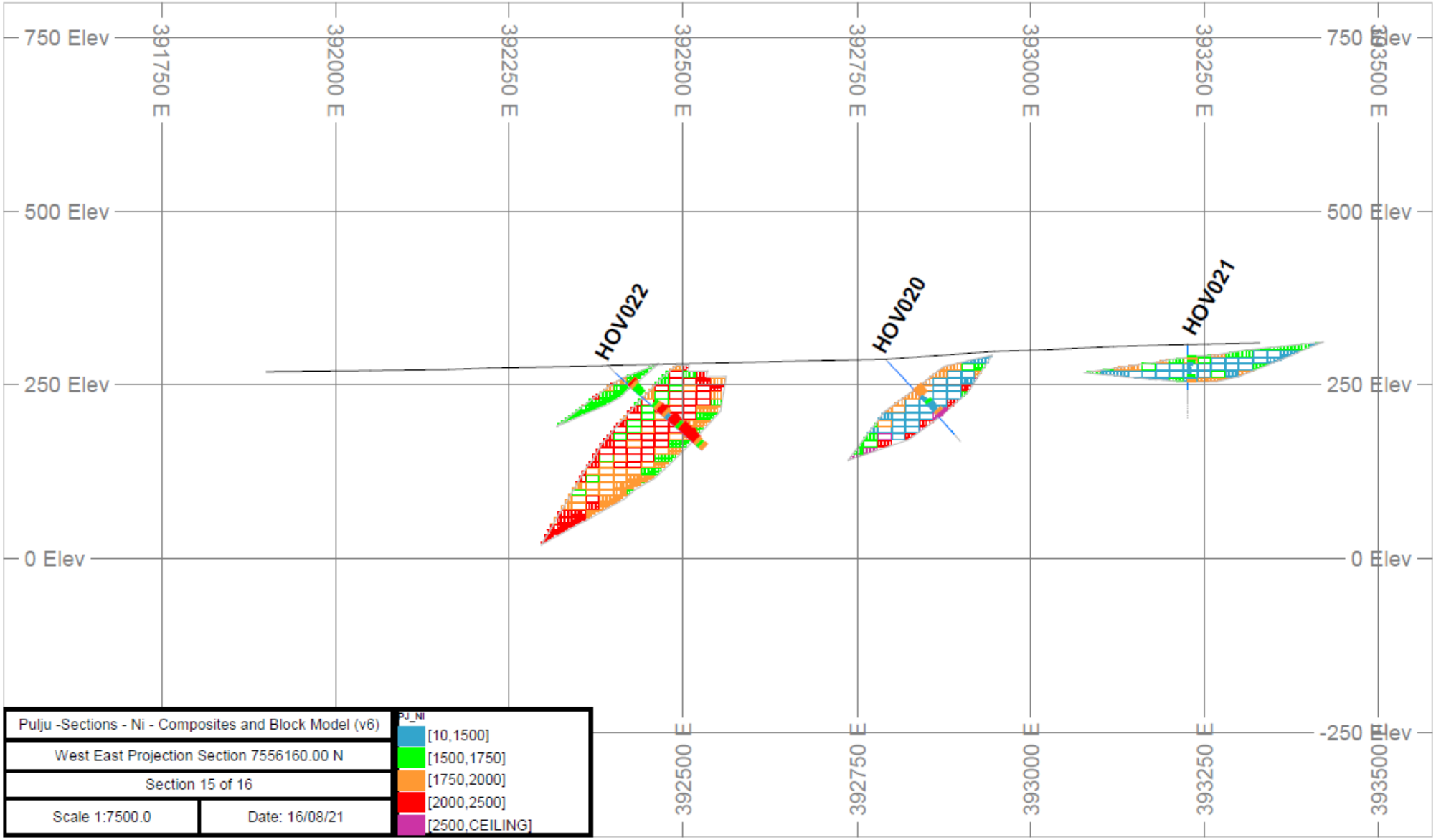
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HOV022
HOV020
HOV021
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Section 15 of 16
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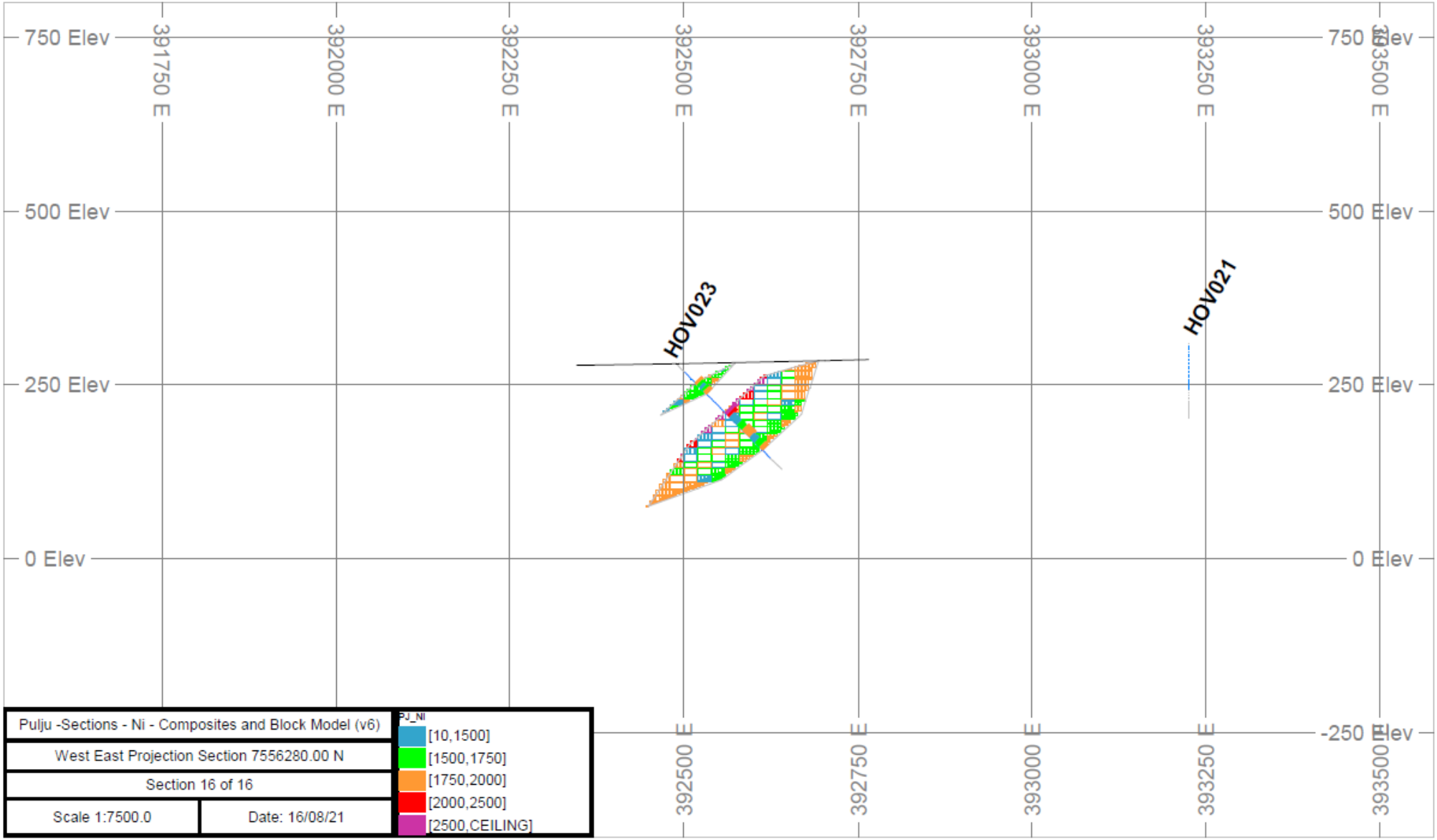
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HOV023
HOV021
Pulju -Sections - Ni - Composites and Block Model (v6)
West East Projection Section 7556280.00 N
Section 16 of 16
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# Appendix B JORC Code – Table 1

## Section 1: Sampling Techniques and Data

*(Criteria in this section apply to all succeeding sections)*

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sampling techniques** | *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*<br>*Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>*Aspects of the determination of mineralisation that are Material to the Public Report.*<br>*In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.* | The main sampling method has been diamond drill core. In the Hotinvaara area, 51 drillholes (HOV001–HOV051) were drilled by Outokumpu Mining Oy during three stages: 1982 to 1984 (HOV001–HOV027), 1986 to 1987 (HOV028–HOV035), and 1997 to 1998 (HOV036–HOV051). Altogether 9,621.45 m was drilled. Most drillholes have been drilled with an azimuth of 90° and dip of ~45°.<br>Drill collar locations have been provided by Outokumpu Oy, located in 1997 and 1998. Collar locations were re-checked by Nordic Nickel Ltd (NNL) in June 2021 and surveyed using a SatLab SLC6 RTK-Receiver differential global positioning system (GPS). It was noted that there was a consistent 95 m northwest shift in true collar locations relative to the Outokumpu collar table. Corrections were made to account for this shift.<br>Mineralisation was determined using lithological changes. All core (51 drillholes) has been logged in detail and assayed by Outokumpu Oy. The 41 drillholes that exists in the Finnish National drill core archive in Loppi have been relogged by NNL. Measurements were also made with a portable x-ray fluorescence (XRF), susceptibility and density measurements taken for each lithology. |
| **Drilling techniques** | *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).* | Diamond drilling contractors: Maa ja Vesi Oy (HOV001-HOV008); Rautaruukki Oy (HOV009–HOV027); contractor unknown for remaining holes (HOV028–HOV051). The diamond drill core is mostly 32 mm in diameter. The core is not oriented. All drilling in Hotinvaara was commissioned and managed by Outokumpu Oy. |
| **Drill sample recovery** | *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>*Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>*Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | Core loss has been marked on core boxes for holes HOV005, HOV007, HOV009–HOV014, HOV016–HOV021, HOV023–HOV027, HOV029–HOV035. Core loss was recorded in both the logs and on the core boxes for HOV036–HOV051. The recovery calculated for these 41 holes was ~98%.<br>There was no evidence of sample bias or any relationship between sample recovery and grade. |
| **Logging** | *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>*Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* | The core was logged to a level of detail to support a Mineral Resource estimate.<br>The core has been logged in detail by Outokumpu Oy for all 51 drillholes in Finnish. The Logging was completed recording lithology, mineralogy, veining, textures and alteration features. The logs include most assays and susceptibility measurements. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *The total length and percentage of the relevant intersections logged.* | NNL has relogged and photographed 41 out of 51 drillholes which exist at the national Finnish drill core archive in Loppi (Geological Survey of Finland). The 41 drillholes, totalling 7,552.81 m, include: HOV005, HOV007, HOV009–HOV014, HOV016–HOV021, HOV023–HOV027, HOV029–HOV051. NNL has relogged the drillholes in English, recording lithology, mineralogy, veining, textures, alteration features and estimation of sulphide content.<br>In the current drillhole database, 82% of the core from the drilling has been logged by NNL.<br>A petrography study from selected thin sections was done by Aurora Exploration (Petri Peltonen) in 2021. It includes 15 thin sections from holes HOV007, HOV030 and HOV032 focusing on structure and texture of minerals, mineralogy, grain size, as well as assessing the potential for sulphide liberation and other mineralogical observations that may affect mineral processing. |
| **Subsampling techniques and sample preparation** | *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>*If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>*For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>*Quality control procedures adopted for all subsampling stages to maximise representivity of samples.*<br>*Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*<br>*Whether sample sizes are appropriate to the grain size of the material being sampled.* | The sampling can be divided into: 1) historical sampling done by Outokumpu; and 2) New sampling done by NNL (2020 to 2021).<br>**1) Historical sampling**<br>• The main sampling of core was done by Outokumpu Oy during the drilling campaigns in the 1980s and 1990s. The selected core samples were sawn longitudinally such that half core was sent to the laboratory. Sample size varied from 0.09 m to 12.07 m (maximum number includes core loss); average sample size is 1–4 m.<br>• Holes HOV001–HOV051 have been analysed by inductively coupled plasma (ICP), XRF and/or ASS-analysis methods.<br>• For the holes HOV001–HOV027 analysis numbers (9282-0001 to 9282-0275, 9283-1500 to 9283-1971 and 9284-0001 to 9284-0435), the core was analysed in Rautaruukki Oy Raahen Rautatehdas laboratory in Raahe, Finland.<br>• In a separate nickel program, 63 ultramafic samples from HOV001 to HOV027 were analysed in OKME/Outokumpu laboratory for the nickel and iron content of the olivine and/or pyroxenes and amphiboles. These were analysed with XRF and ASS-analysis methods (sample numbers 83-32902 to 83-34934, 84-29595 to 84-29600).<br>• The laboratory used for assaying of holes HOV028 to HOV051 is unknown.<br>• No quality control procedures were reported.<br>**2) Resampling by NNL, 2020 to 2021**<br>• All sampling done by NNL was analysed by Eurofins Labtium. The sample preparation was done in the Sodankylä Laboratory. The analysis 240P (sulphide selective leach; ICP-optical emission spectroscopy (OES) finish) and 703P (fire assay fusion; ICP-OES finish) was done in Sodankylä, 304P/M (four acid digestion; ICP-OES/ICP-mass spectrometry (MS) finish) in Kuopio and 175Xa (pressed pellet; XRF finish) in Oulu University material centre. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • For the resampling done by NNL, the same sample length was used as the historical one. Part of the sampling was done using historical pulps, from the Outokumpu drillings, and partly from core samples sawn longitudinally such that one quarter core was sent to the laboratory.<br>• NNL also sampled prospective lithologies which were not previously assayed in holes HOV036 to HOV051. For these gaps, half core was sawn longitudinally and sent for analysis to Eurofins Labtium. Maximum sample length was 3 m and shorter for lithological changes or marked core loss. Majority of the gap samples were 3 m in length.<br>• Samples were sent from Loppi (Geological Survey of Finland) to Eurofins Labtium Oy Sodankylä for sample preparation. For historical pulps, the sample preparation was done by subsampling matt rolling technique (code 36). For the core samples, the sample preparation was drying sample at 70°C (code 10), fine crushing by jaw crusher to >70% at <2mm (code 31), pulverising in a hardened steel bowl (maximum 1.5 kg) (code 51).<br>• Control samples were submitted 1/20 (5% each; 15% total) in the form of standard samples (OREAS 13b, OREAS 14P), blanks (OREAS 22f, OREAS 22e) and coarse rejects and pulp duplicates. Eurofins labtium also submitted their own internal control samples, in the form of standards and blanks for assay.<br>• It is considered that the sample sizes used are appropriate for the mineralisation at Hotinvaara. |
| **Quality of assay data and laboratory tests** | *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*<br>*For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*<br>*Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.* | The primary historical assaying was done by Outokumpu by multielement ICP, XRF and ASS methods from longitudinally sawed half core. With these assay methods total nickel was analysed.<br>The resampling and gap sampling done by NNL in 2020–2021 was divided in two programs:<br>1) The first program included re-assaying of 623 historical pulps and resampling half core of 70 samples of old Outokumpu intervals:<br>• The main assay method for historical pulps assayed by NNL was partial leach (nickel-in-sulphide; Eurofins code 240P), which was done for all available pulps in holes HOV033–HOV051. A part of the pulps, randomly selected, were analysed with four-acid digestion to determine total nickel (Eurofins code ICP-MS, 304M or ICP-OES, 304P), gold, palladium, platinum (Eurofins code 703P).<br>• 70 core samples from HOV005–HOV032 were assayed using partial leaching for nickel-in-sulphide (Eurofins code 240P) and some with four-acid digestion for total nickel (Eurofins code ICP-MS, 304M or ICP-OES, 304P), gold, palladium, platinum (Eurofins code 703P) and XRF (175-Xa).<br>2) The second program included assaying 757 samples of core which included resampling of selected intervals from the Outokumpu sampling (half-core) and gap sampling (quarter-core). |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • The resampling was analysed mostly with ICP. However, where Ni >1500 ppm in historical assays, it was analysed for nickel-in-sulphide (Eurofins code 240P).<br>• The gap sampling was analysed with multi-element ICP (four-acid digest, 31 elements, Eurofins code 304P).<br>Instruments and techniques used:<br>• Handheld XRF measurements were done with Thermo Scientific Niton Xlt3 XRF analyser, Mining copper/zinc mode, in 38 holes; a total of 378 measurements were taken. Measurements were done separately for rock matrix (duration 60s) and sulphides (duration 10-20s).<br>• Susceptibility measurements were made with GF instruments SM20 from 41 holes with 1 m or 2 m intervals.<br>• Density measurements were made for 16 holes targeting different lithologies. The density measurements were done using Archimedes' principle, which meant measuring dry and wet weight (g) of selected piece of drill core and the water temperature (°C), and then entering it into the formula. Density measurements were done with both ½ core and whole core with intervals and depths recorded.<br>• Historical gravity data measured by Outokumpu was purchased from GTK in 2020.<br>• Ground magnetics was done by Magnus Minerals in 2019 with GEM's GSM-19 (Overhauser) magnetometer and data was processed by GRM-Services Oy.<br>• Borehole electromagnetics (BHEM) was completed by GRM-Services in 2021 with EMIT's DigiAtlantis survey equipment (SMARTx4 transmitter, 24-28 A transmitter current, SMARTem24 receiver, 0.25 Hz base frequency, DigiAtlantis probe). Data was processed by GRM-Services and modelled by NNL. Surveyed drillholes are: HOV040, HOV041 and HOV043.<br>• Fixed loop electromagnetics (FLEM) was completed by Geovisor in December 2021 and January 2022 with time domain electromagnetic (EM) equipment (EMIT's SMART Fluxgate, base frequency 0.25 Hz, transmitter current 21–28 Amperes). A total of 23.4 line-km was measured over two separate, large sized transmitter loops. Data was processed by Geovisor and modelled by NNL.<br>For the standards, no two standards in any batch varied by more than 2σ from the analysed mean implying a good level of analytical precision. Certified blanks were used and analysis at acceptable levels. Course and pulp duplicates show a good correlation between original and duplicate samples<br>Comparisons were made between the historical and new sample where sample intervals were the same. There was an acceptable correlation between the historical and new assays ($R^2$ >90%). It is therefore considered that the historical assay values can be used for reporting.<br>Results of the control sample analysis are considered acceptable and lack of bias. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Verification of sampling and assaying** | *The verification of significant intersections by either independent or alternative company personnel.*<br>*The use of twinned holes.*<br>*Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>*Discuss any adjustment to assay data.* | No external verification done.<br>No specific twin holes were drilled.<br>Historical data for Outokumpu drilling campaigns was purchased from the Geological Survey of Finland in Microsoft Excel form. Assay results from 2020–2021 were entered and maintained in a Microsoft Excel database. Any problems encountered during the hole data import, combination and de-surveying process were resolved with NNL geologists. |
| **Location of data points** | *Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*<br>*Specification of the grid system used.*<br>*Quality and adequacy of topographic control.* | Drillhole collar locations for 44 holes were determined by differential GPS (SatLab SLC6 RTK-Receiver accurate to ±2 cm (using correction service Leica Geosystems HxGN SmartNet).<br>Elevations were determined from GTK's light detection and ranging (LiDAR) digital terrain model.<br>All collar locations are in ETRS89 Zone 35, Northern Hemisphere.<br>No downhole surveys were made during historical drilling. |
| **Data spacing and distribution** | *Data spacing for reporting of Exploration Results.*<br>*Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*<br>*Whether sample compositing has been applied.* | Drill traverses were completed on nominally 50 m spacing. Individual drillholes spaced nominally 100 m apart within each traverse.<br>It is considered that the spacing of samples used is sufficient for the evaluation in this study. Following completion of high-level mineral processing testwork to determine recovery of nickel-in-sulphide, a JORC (2012) Mineral Resource estimate could be completed.<br>The mineralised volume was defined on a 1500 ppm Ni wireframe and then computerised models generated at varying cut-offs. A computerised block modelling approach has been applied for volumetric estimation, for grades of nickel, cobalt, and copper. Consistent with the overall geological characteristics of nickel sulphides within northeast-southwest trending mineralised cumulate lenses, a series of wireframe models were interpreted for nickel-mineralised zones, based on west-east section lines.<br>The overall extent of the mineralised zones covers a strike length of approximately 1,700 m, an overall width of 1,900 m and maximum depth of 500 m.<br>Samples were retrieved within the interpreted zones, and these were used to generate 5 m composites. A volumetric block model was set up using the topography and zone wireframe envelopes as control, based on a parent block size of 20 m by 20 m by 10 m. Following geostatistical analysis, grades of nickel, cobalt and copper were estimated into the block model using ordinary kriging (OK).<br>All downhole intersections >0.15% Ni from the 5 m composites are reported in Appendix C |
| **Orientation of data in relation to geological structure** | *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*<br>*If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.* | Drillholes were predominantly oriented 90° (E) with dips of -45° to -60° to get as near perpendicular to the lode orientation as possible and collect meaningful structural data.<br>The mineralisation is generally dipping at 30–40° to the northwest.<br>True thicknesses are an average 86% that of the downhole thickness.<br>Drilling orientations have not introduced any sampling bias. |

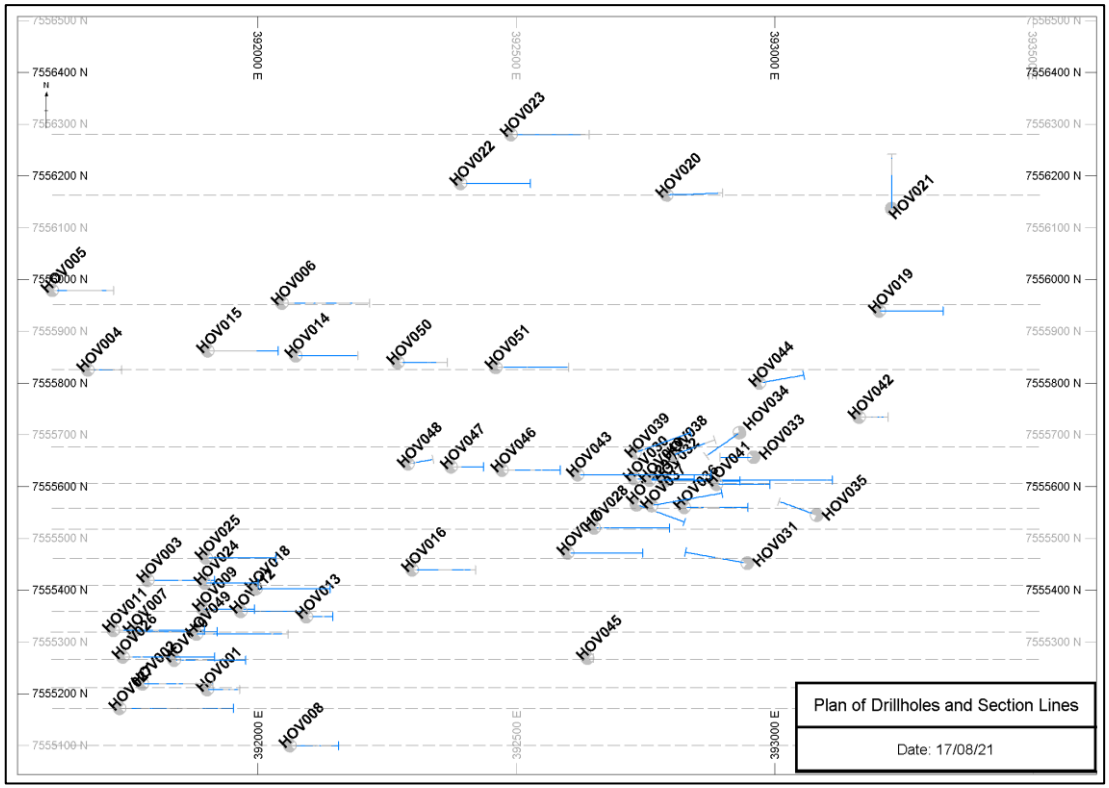
| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sample security** | *The measures taken to ensure sample security.* | The historical pulps were sent in their original containers from the Finnish National drill core archive (GTK) in Loppi directly to the laboratory for sample preparation and analysis in Sodankylä and then on to Kuopio by courier. The pulp containers had lids and were secured in individual container spacings inside a Styrofoam box with a lid.<br>The sawed samples in 2020 (70 samples) were sawn at Loppi (GTK) and sent to Sodankylä for sample preparation and analysis, and onwards by courier to Kuopio and Oulu for more analysis.<br>The sawing for samples (757 samples) in 2021 was done by Palsatech in Kemi, the samples were bagged with hard plastic bags and then tied off with zip ties and then shipped to the lab in containers by courier.<br>Sample security of blanks and standards was managed by the Company, by bagging them in zip lock bags and taking them directly to the laboratory in Sodankylä. |
| **Audits or reviews** | *The results of any audits or reviews of sampling techniques and data.* | None. |

## Section 2: Reporting of Exploration Results

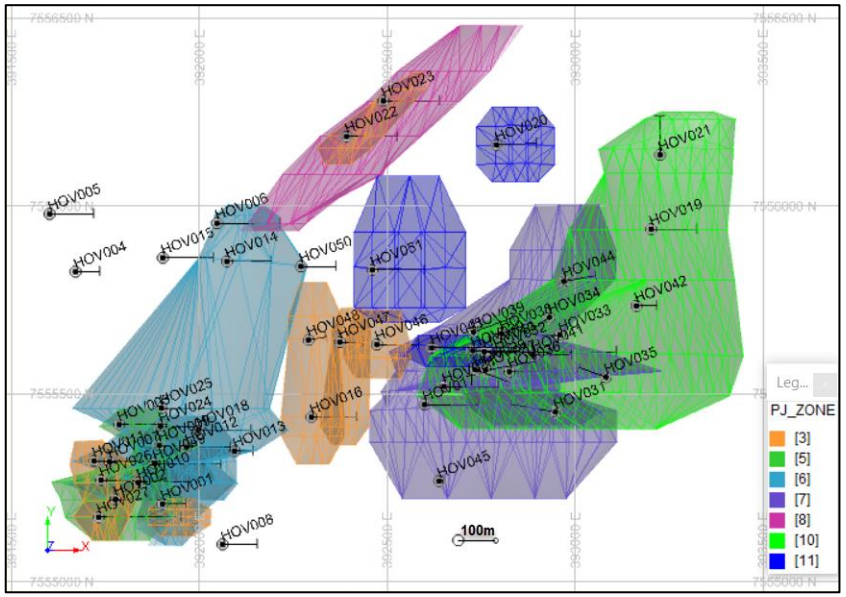
*(Criteria listed in the preceding section also apply to this section)*

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Mineral tenement and land tenure status</td><td>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.<br>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</td><td>
<table>
<tr><th>Name</th><th>Area code</th><th>Tenement type</th><th>Status</th><th>Applicant</th><th>Application date</th><th>Grant date</th><th>Expiry date</th><th>Area km²</th></tr>
<tr><td>Saalama</td><td>VA2020: 0071</td><td>Reservation</td><td>Valid</td><td>Puljun Malminetsintä Oy</td><td>2 Nov 2020</td><td>4 Feb 2021</td><td>1 Nov 2022</td><td>323.59</td></tr>
<tr><td>Holtinvaara</td><td>ML2013: 0090</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>4 Nov 2013</td><td></td><td></td><td>14.99</td></tr>
<tr><td>Mertavaara1</td><td>ML2013: 0091</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>4 Nov 2013</td><td></td><td></td><td>11.88</td></tr>
<tr><td>Aihkiselki</td><td>ML2013: 0092</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>4 Nov 2013</td><td></td><td></td><td>15.75</td></tr>
<tr><td>Kiimatievat</td><td>ML2019: 0102</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>11 Nov 2019</td><td></td><td></td><td>24.21</td></tr>
<tr><td>Hotinvaara</td><td>ML2019: 0101</td><td>Exploration</td><td>Valid</td><td>Puljun Malminetsintä Oy</td><td>11 Nov 2019</td><td>24 Jan 2020</td><td>24 Jan 2024</td><td>4.92</td></tr>
<tr><td>Rööni-Holtti</td><td>ML2022: 0009</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>9 Mar 2022</td><td></td><td></td><td>18.65</td></tr>
<tr><td>Saalamaselkä</td><td>ML2022: 0010</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>9 Mar 2022</td><td></td><td></td><td>6.02</td></tr>
<tr><td>Kaunismaa</td><td>ML2022: 0011</td><td>Exploration</td><td>Application</td><td>Puljun Malminetsintä Oy</td><td>9 Mar 2022</td><td></td><td></td><td>1.68</td></tr>
<tr><td>MJ3</td><td>ML2020: 0011</td><td>Exploration</td><td>Application</td><td>MagStar Mining Oy</td><td>21 Mar 2020</td><td></td><td></td><td>30.44</td></tr>
</table>
NB: Exploration licence applications Rooni-Holtti, Saalamaselka, and Kaunismaa overlap with the Saalama Reservation. The total area covered by the permits is approximately 395 km².
</td></tr>
<tr><td>Exploration done by other parties</td><td>Acknowledgment and appraisal of exploration by other parties.</td><td>Outokumpu Oy did regional exploration in the area which was followed by drilling in the 1980s and 1990s (51 drillholes completed).<br>The Hotinvaara area was later held by Anglo American (2003–2007) but no exploration results have been reported. To the knowledge of NNL, no drilling was completed by Anglo American at Hotinvaara.</td></tr>
<tr><td>Geology</td><td>Deposit type, geological setting and style of mineralisation.</td><td>The main commodity of economic interest at Hotinvaara is nickel. Minor copper and cobalt have also been intersected. The main economic minerals are pentlandite and chalcopyrite. The bulk of the mineralisation occurs as disseminated sulphides but there is also semi-massive to massive sulphide veins with high nickel grades.<br>The main mineralised rock types are komatiites, dunites, serpentinites and metaperidotites (ultramafic cumulates). Also, some mineralisation is hosted by ultramafic skarn.</td></tr>
</table>

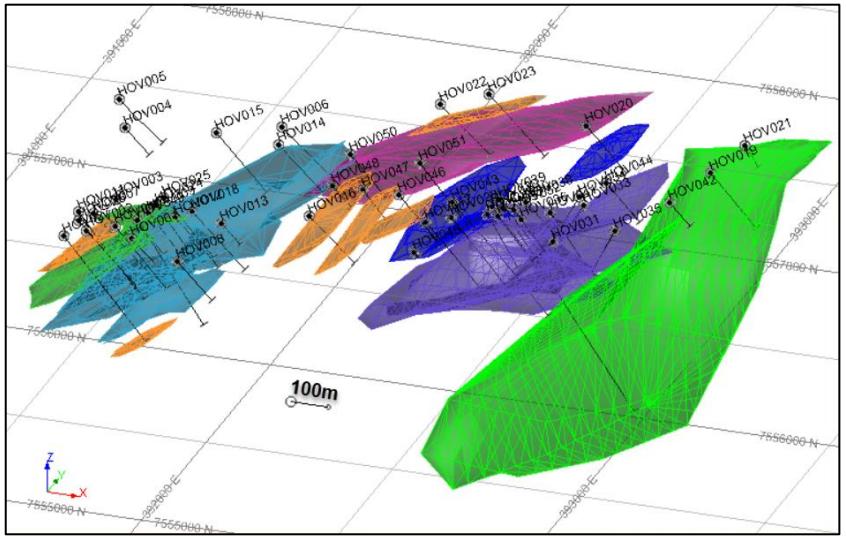
<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>The Pulju greenstone Belt is located in the western part of the Central Lapland greenstone Belt. The Pulju Belt covers an area of ~10km by 20km.</td></tr>
<tr><td>Drillhole information</td><td>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:<ul><li>easting and northing of the drillhole collar</li><li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar</li><li>dip and azimuth of the hole</li><li>downhole length and interception depth</li><li>hole length.</li></ul>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td><td>Refer to Appendix C of this report.</td></tr>
<tr><td>Data aggregation methods</td><td>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.<br>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.<br>The assumptions used for any reporting of metal equivalent values should be clearly stated.</td><td>Weighted average grade intersections are reported at a primary cut-off of 1500 ppm Ni (See Appendix C) with a maximum 3 m internal dilution. Secondary cut-off: 5000 ppm Ni, maximum 0.75 m internal dilution. Tertiary cut-off: 10000 ppm Ni, maximum 0.5 m internal dilution.<br>No top cuts have been applied to the reported grades.<br>Intersection example:
<table>
<tr><th>Hole ID</th><th></th><th>From (m)</th><th>To (m)</th><th>Int. (m)</th><th>Ni (ppm)</th><th>Co (ppm)</th><th>Cu (ppm)</th><th>Cut-off level</th></tr>
<tr><td>HOV007</td><td></td><td>101.60</td><td>199.00</td><td>97.4</td><td>3187</td><td>55</td><td>112</td><td>Primary</td></tr>
<tr><td></td><td>incl.</td><td>165.05</td><td>171.70</td><td>6.65</td><td>8166</td><td>170</td><td>242</td><td>Secondary</td></tr>
<tr><td></td><td>incl.</td><td>166.90</td><td>169.50</td><td>2.60</td><td>10500</td><td>208</td><td>308</td><td>Tertiary</td></tr>
</table>
No metallurgical or recovery factors have been used. No equivalent grades have been calculated.</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>These relationships are particularly important in the reporting of Exploration Results.<br>If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported.<br>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘downhole length, true width not known’).</td><td>Holes inclined to get as near to perpendicular intersections as possible.<br>The mineralised drillhole intersections were modelled in 3D in Datamine to interpret the spatial nature and distribution of the mineralisation.<br>True thicknesses are an average 86% that of the downhole thickness.</td></tr>
</table>

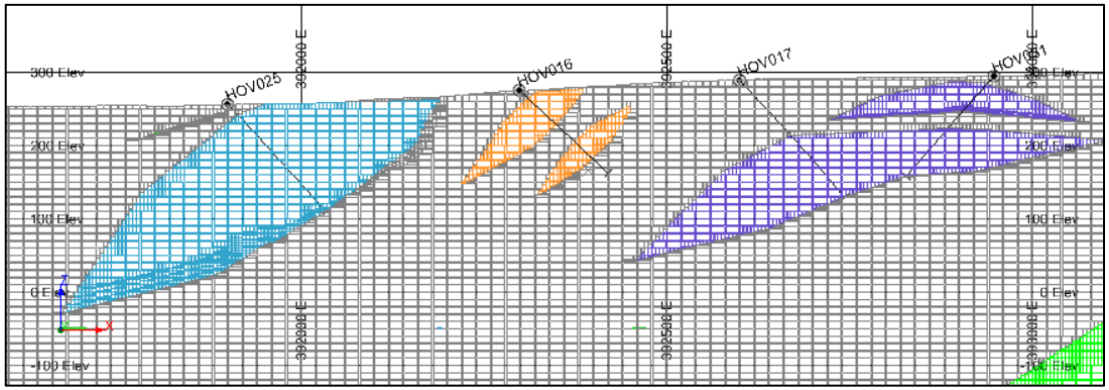
| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Diagrams** | *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views.* | Tabulation of intersections summarised in Appendix C.<br>Overall plan of drillholes:<br>  |

Overall plan of mineralised zones' interpretation:




Overall 3D view of mineralised zones' interpretation:



| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | Example section through volumetric block model – 7555,460mN<br>  |
| **Balanced reporting** | *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.* | All available relevant information is reported. |
| **Other substantive exploration data** | *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.* | Historical gravity data measured by Outokumpu was purchased from GTK in 2020.<br>Ground magnetics was done by Magnus Minerals in 2019 with GEM's GSM-19 (Overhauser) magnetometer and data was processed by GRM-Services Oy.<br>BHEM was completed by GRM-Services in 2021 with EMIT's DigiAtlantis survey equipment and data was modelled by NNL. Modelling indicates two target conductors in the vicinity of HOV040.<br>FLEM was completed by Geovisor in December 2021 and January 2022 with EMIT's SMART Fluxgate survey equipment and data was modelled by NNL. Modelling indicates deep-seated conductors at about 400 m, 800 m and 1,500 m depths. The conductor at 400 m correlates with the deeper plate identified from BHEM. |
| **Further work** | *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>*Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | A 12,000 m (minimum subscription) or 21,000 m (maximum subscription) infill and extensional drill program has been planned over the upcoming 18 months (two drill seasons) as part of proposed Initial Public Offering (IPO).<br>See figures in Wheeler and Rutherford (2021) and Figure 28 and Figure 29 in this document. The mineralisation appears to be open along strike and at depth. |

# Appendix C Pulju Drill Collars and Assays

## Pulju Drill Collar Table

*(Datum: ETRS89/ TM35FIN Zone 35). All drillholes are diamond cored. No information has been excluded.*

| Hole ID | Easting | Northing | Elevation (m) | Azimuth (°) | Dip (°) | Length (m) |
|---|---|---|---|---|---|---|
| HOV001 | 391,902 | 7,555,207 | 254.0 | 90 | -44.9 | 88.05 |
| HOV002 | 391,776 | 7,555,218 | 251.2 | 90 | -45.0 | 192.85 |
| HOV003 | 391,787 | 7,555,419 | 253.7 | 90 | -45.4 | 186.15 |
| HOV004 | 391,670 | 7,555,825 | 260.1 | 90 | -45.0 | 93.40 |
| HOV005 | 391,602 | 7,555,979 | 262.6 | 90 | -44.1 | 157.20 |
| HOV006 | 392,047 | 7,555,954 | 262.6 | 90 | -44.4 | 227.40 |
| HOV007 | 391,761 | 7,555,320 | 253.2 | 90 | -43.8 | 222.60 |
| HOV008 | 392,062 | 7,555,099 | 259.9 | 90 | -45.7 | 133.55 |
| HOV009 | 391,894 | 7,555,362 | 255.5 | 90 | -47.0 | 155.90 |
| HOV010 | 391,838 | 7,555,264 | 253.4 | 90 | -49.9 | 207.00 |
| HOV011 | 391,720 | 7,555,321 | 251.6 | 90 | -52.3 | 282.70 |
| HOV012 | 391,966 | 7,555,358 | 256.5 | 90 | -44.8 | 169.80 |
| HOV013 | 392,094 | 7,555,348 | 262.8 | 90 | -45.0 | 71.20 |
| HOV014 | 392,073 | 7,555,852 | 260.9 | 90 | -45.1 | 165.90 |
| HOV015 | 391,903 | 7,555,862 | 264.9 | 90 | -47.0 | 199.40 |
| HOV016 | 392,299 | 7,555,438 | 275.4 | 90 | -44.2 | 167.00 |
| HOV017 | 392,600 | 7,555,471 | 289.1 | 90 | -46.9 | 216.00 |
| HOV018 | 391,997 | 7,555,403 | 257.8 | 90 | -45.0 | 200.40 |
| HOV019 | 393,203 | 7,555,938 | 314.3 | 90 | -46.8 | 183.50 |
| HOV020 | 392,791 | 7,556,163 | 286.8 | 88 | -46.8 | 160.00 |
| HOV021 | 393,226 | 7,556,136 | 308.5 | 0 | -43.3 | 150.40 |
| HOV022 | 392,392 | 7,556,185 | 277.7 | 90 | -45.3 | 182.30 |
| HOV023 | 392,490 | 7,556,280 | 279.7 | 90 | -45.0 | 213.90 |
| HOV024 | 391,897 | 7,555,413 | 256.0 | 90 | -53.3 | 169.00 |
| HOV025 | 391,899 | 7,555,462 | 256.3 | 90 | -45.5 | 200.20 |
| HOV026 | 391,738 | 7,555,270 | 251.7 | 90 | -46.6 | 261.00 |
| HOV027 | 391,732 | 7,555,172 | 250.7 | 90 | -52.0 | 342.70 |
| HOV028 | 392,651 | 7,555,519 | 289.4 | 90 | -49.0 | 222.00 |
| HOV029 | 392,733 | 7,555,564 | 290.1 | 110 | -50.2 | 154.80 |
| HOV030 | 392,728 | 7,555,615 | 289.7 | 90 | -50.1 | 183.90 |
| HOV031 | 392,948 | 7,555,451 | 294.7 | 280 | -48.6 | 183.85 |
| HOV032 | 392,788 | 7,555,611 | 290.9 | 90 | -51.0 | 226.00 |
| HOV033 | 392,960 | 7,555,656 | 309.8 | 270 | -62.6 | 135.40 |
| HOV034 | 392,932 | 7,555,704 | 308.7 | 235 | -57.7 | 146.70 |
| HOV035 | 393,082 | 7,555,544 | 304.9 | 290 | -58.0 | 161.10 |
| HOV036 | 392,825 | 7,555,559 | 291.9 | 90 | -51.0 | 199.10 |
| HOV037 | 392,761 | 7,555,563 | 290.6 | 80 | -53.7 | 238.25 |
| HOV038 | 392,803 | 7,555,660 | 292.7 | 70 | -49.3 | 135.60 |
| HOV039 | 392,729 | 7,555,665 | 287.1 | 70 | -54.5 | 198.40 |
| HOV040 | 392,758 | 7,555,612 | 289.7 | 90 | -55.3 | 624.00 |
| HOV041 | 392,888 | 7,555,604 | 301.2 | 90 | -53.3 | 174.85 |
| HOV042 | 393,163 | 7,555,734 | 314.2 | 90 | -45.0 | 80.70 |
| HOV043 | 392,619 | 7,555,622 | 282.5 | 90 | -48.4 | 380.00 |
| HOV044 | 392,970 | 7,555,800 | 311.7 | 80 | -49.5 | 135.10 |
| HOV045 | 392,638 | 7,555,268 | 298.5 | 90 | -50.0 | 16.40 |

| Hole ID | Easting | Northing | Elevation (m) | Azimuth (°) | Dip (°) | Length (m) |
|---|---|---|---|---|---|---|
| HOV046 | 392,473 | 7,555,631 | 276.8 | 90 | -47.8 | 166.85 |
| HOV047 | 392,374 | 7,555,638 | 273.5 | 90 | -50.9 | 99.25 |
| HOV048 | 392,290 | 7,555,643 | 269.7 | 80 | -49.9 | 75.40 |
| HOV049 | 391,881 | 7,555,314 | 254.9 | 90 | -55.7 | 320.00 |
| HOV050 | 392,271 | 7,555,839 | 269.8 | 90 | -49.3 | 142.60 |
| HOV051 | 392,460 | 7,555,830 | 277.6 | 90 | -50.3 | 221.70 |

## Pulju Drillhole Assay Data (>1500 ppm Ni cut-off)

*Downhole intersections highlighted; true widths estimated to be ~86% of downhole widths. Nickel reported as total nickel. Primary cut-off: 1500 ppm Ni (maximum 3 m internal dilution). Secondary cut-off: 5000 ppm Ni (maximum 0.75 m internal dilution). Tertiary cut-off: 10000 ppm Ni (maximum 0.5 m internal dilution). EOH = End of Hole*

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| HOV001 | | 4.80 | 14.28 | 9.48 | 2105 | 633 | 250 |
| | | 18.20 | 30.35 | 12.15 | 1723 | 421 | 99 |
| | | 34.30 | 38.60 | 4.30 | 1627 | 148 | 152 |
| HOV002 | | 25.45 | 42.50 | 17.05 | 1958 | 136 | 100 |
| | | 69.60 | 91.30 | 21.70 | 1667 | 145 | 106 |
| | *incl.* | *69.90* | *70.22* | *0.32* | *8480* | *280* | *450* |
| | | 105.95 | 106.95 | 1.00 | 1900 | 520 | 100 |
| | | 190.15 | 191.20 | 1.05 | 5800 | 600 | 320 |
| HOV003 | | 23.30 | 25.25 | 1.95 | 1750 | 570 | 180 |
| | | 37.15 | 51.55 | 14.40 | 2560 | 358 | 153 |
| | *incl.* | *49.20* | *51.55* | *2.35* | *5060* | *1080* | *320* |
| | | 79.10 | 80.65 | 1.55 | 3140 | 260 | 250 |
| | | 98.70 | 100.90 | 2.20 | 2240 | 40 | 90 |
| | | 107.10 | 186.15 (EOH) | 79.05 | 2151 | 26 | 77 |
| HOV004 | | 34.80 | 38.15 | 3.35 | 2180 | 70 | 80 |
| | | 56.80 | 60.45 | 3.65 | 1540 | 270 | 110 |
| HOV005 | | 16.80 | 29.30 | 12.50 | 1795 | 55 | 81 |
| HOV006 | | 33.65 | 43.55 | 9.90 | 1496 | 130 | 75 |
| | | 82.75 | 85.10 | 2.35 | 1774 | 141 | 91 |
| | | 114.80 | 116.80 | 2.00 | 1860 | 10 | 60 |
| | | 121.20 | 134.40 | 13.20 | 1955 | 10 | 61 |
| | | 176.65 | 182.30 | 5.65 | 2059 | 20 | 67 |
| HOV007 | | 31.00 | 48.65 | 17.65 | 1617 | 105 | 101 |
| | | 82.35 | 88.10 | 5.75 | 1618 | 106 | 110 |
| | | 101.60 | 199.00 | 97.40 | 3187 | 55 | 112 |
| | *incl.* | *145.80* | *147.70* | *1.90* | *5990* | *50* | *200* |
| | *and* | *165.05* | *171.70* | *6.65* | *8166* | *170* | *242* |
| | ***incl.*** | ***166.90*** | ***169.50*** | ***2.60*** | ***10500*** | *208* | *308* |
| | *and* | *176.55* | *179.40* | *2.85* | *7260* | *145* | *218* |
| | | 211.00 | 222.60 (EOH) | 11.60 | 1678 | 17 | 80 |
| HOV008 | | 19.00 | 20.65 | 1.65 | 1710 | 340 | 310 |
| | | 123.30 | 133.55 (EOH) | 10.25 | 1781 | 130 | 131 |
| HOV009 | | 4.50 | 17.20 | 12.70 | 1827 | 89 | 106 |
| | | 33.50 | 155.90 (EOH) | 122.40 | 2521 | 35 | 86 |
| | *incl.* | *88.50* | *91.78* | *3.28* | *5890* | *110* | *170* |
| HOV010 | | 36.90 | 48.12 | 11.22 | 1718 | 148 | 112 |
| | | 51.28 | 61.90 | 10.62 | 1694 | 327 | 106 |
| | | 97.84 | 205.38 | 107.54 | 2553 | 37 | 84 |

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| | *incl.* | *152.80* | *157.57* | *4.77* | *5380* | *100* | *160* |
| HOV011 | | 55.14 | 56.30 | 1.16 | 3860 | 210 | 230 |
| | | 59.68 | 65.03 | 5.35 | 1752 | 65 | 80 |
| | | 71.65 | 89.37 | 17.72 | 1759 | 93 | 103 |
| | | 116.42 | 120.55 | 4.13 | 1730 | 80 | 80 |
| | | 124.85 | 126.05 | 1.20 | 2090 | 450 | 140 |
| | | 148.21 | 222.66 | 74.45 | 2494 | 33 | 91 |
| | *incl.* | *160.34* | *163.88* | *3.54* | *5350* | *68* | *151* |
| | | 236.50 | 240.54 | 4.04 | 1610 | 10 | 80 |
| | | 258.80 | 282.70 (EOH) | 23.90 | 1584 | 11 | 66 |
| HOV012 | | 6.50 | 53.55 | 47.05 | 2254 | 32 | 80 |
| | | 56.80 | 110.58 | 53.78 | 2504 | 52 | 95 |
| | *incl.* | *92.90* | *94.96* | *2.06* | *5300* | *160* | *180* |
| | | 113.77 | 143.45 | 29.68 | 2095 | 124 | 133 |
| | *incl.* | *119.70* | *120.65* | *0.95* | *5340* | *200* | *210* |
| | | 147.10 | 165.10 | 18.00 | 1855 | 151 | 139 |
| HOV013 | | 23.20 | 41.48 | 18.28 | 1655 | 80 | 85 |
| | | 50.05 | 57.00 | 6.95 | 1896 | 185 | 160 |
| HOV014 | | 8.80 | 29.05 | 20.25 | 2115 | 8 | 70 |
| | | 41.43 | 150.20 | 108.77 | 2585 | 15 | 80 |
| | ***incl.*** | ***117.55*** | ***118.75*** | ***1.20*** | ***10300*** | ***73*** | ***253*** |
| | | 154.60 | 165.68 | 11.08 | 1789 | 12 | 68 |
| HOV015 | | 142.58 | 145.63 | 3.05 | 1780 | 40 | 70 |
| | | 152.10 | 169.25 | 17.15 | 2135 | 189 | 136 |
| | | 181.70 | 186.10 | 4.40 | 1570 | 30 | 60 |
| | | 195.00 | 199.40 (EOH) | 4.40 | 1610 | 30 | 60 |
| HOV016 | | 16.07 | 32.38 | 16.31 | 1924 | 30 | 66 |
| | | 36.08 | 61.05 | 24.97 | 2023 | 37 | 77 |
| | | 65.33 | 68.26 | 2.93 | 1814 | 80 | 77 |
| | | 106.00 | 137.18 | 31.18 | 2203 | 33 | 87 |
| HOV017 | | 59.27 | 64.10 | 4.83 | 1650 | 30 | 90 |
| | | 103.12 | 108.60 | 5.48 | 1650 | 30 | 90 |
| | | 112.14 | 171.50 | 59.36 | 2021 | 42 | 94 |
| | *incl.* | *118.26* | *120.12* | *1.86* | *8000* | *145* | *343* |
| | | 175.15 | 201.35 | 26.20 | 2190 | 38 | 87 |
| | | 207.58 | 213.96 | 6.38 | 2444 | 39 | 93 |
| HOV018 | | 6.40 | 33.78 | 27.38 | 2325 | 40 | 82 |
| | | 37.20 | 112.98 | 75.78 | 2116 | 80 | 109 |
| | | 123.86 | 150.00 | 26.14 | 1923 | 144 | 123 |
| | | 153.30 | 161.78 | 8.48 | 1822 | 159 | 117 |
| | | 178.62 | 181.16 | 2.54 | 1560 | 130 | 90 |
| | | 182.75 | 185.12 | 2.37 | 1580 | 180 | 110 |
| HOV019 | | 3.50 | 22.51 | 19.01 | 2179 | 39 | 100 |
| | | 26.30 | 102.98 | 76.68 | 1998 | 33 | 86 |
| | | 109.27 | 142.32 | 33.05 | 1989 | 60 | 97 |
| | | 159.17 | 175.93 | 16.76 | 1677 | 20 | 80 |
| | | 181.37 | 183.50 (EOH) | 2.13 | 1560 | 20 | 70 |
| HOV020 | | 5.00 | 10.00 | 5.00 | 1680 | 20 | 60 |
| | | 14.38 | 17.60 | 3.22 | 1860 | 20 | 80 |
| | | 26.90 | 40.60 | 13.70 | 1829 | 27 | 77 |

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| | | 60.95 | 73.73 | 12.78 | 2145 | 112 | 122 |
| | | 84.00 | 87.30 | 3.30 | 2140 | 51 | 177 |
| | | 92.17 | 95.80 | 3.63 | 2710 | 90 | 140 |
| | | 102.83 | 113.95 | 11.12 | 2129 | 84 | 112 |
| | | 128.68 | 132.19 | 3.51 | 1890 | 142 | 125 |
| | | 142.05 | 144.22 | 2.17 | 1750 | 70 | 80 |
| HOV021 | | 23.64 | 33.93 | 10.29 | 1839 | 143 | 99 |
| | | 37.33 | 38.40 | 1.07 | 3220 | 490 | 160 |
| | | 48.60 | 50.27 | 1.67 | 1540 | 210 | 100 |
| | | 62.10 | 68.60 | 6.50 | 1607 | 160 | 90 |
| | | 75.00 | 78.40 | 3.40 | 2030 | 140 | 130 |
| HOV022 | | 40.50 | 64.00 | 23.50 | 1770 | 8 | 62 |
| | | 85.70 | 107.88 | 22.18 | 2151 | 21 | 80 |
| | | 115.22 | 182.30 (EOH) | 67.08 | 2071 | 185 | 83 |
| HOV023 | | 30.24 | 33.64 | 3.40 | 1700 | 70 | 80 |
| | | 38.30 | 45.34 | 7.04 | 1930 | 30 | 80 |
| | | 50.55 | 61.00 | 10.45 | 1658 | 17 | 67 |
| | | 71.07 | 75.76 | 4.69 | 1850 | 0 | 60 |
| | | 79.33 | 84.38 | 5.05 | 1610 | 10 | 50 |
| | | 98.54 | 109.25 | 10.71 | 2669 | 113 | 128 |
| | | 112.43 | 118.21 | 5.78 | 1510 | 20 | 60 |
| | | 125.20 | 128.42 | 3.22 | 1660 | 20 | 50 |
| | | 133.00 | 149.70 | 16.70 | 1909 | 13 | 77 |
| | | 158.55 | 178.76 | 20.21 | 1535 | 124 | 74 |
| | | 183.90 | 186.18 | 2.28 | 1530 | 90 | 60 |
| HOV024 | | 6.60 | 14.52 | 7.92 | 1721 | 105 | 99 |
| | | 18.80 | 40.60 | 21.80 | 2115 | 24 | 79 |
| | | 44.90 | 102.40 | 57.50 | 2089 | 19 | 79 |
| | | 110.94 | 169.00 (EOH) | 58.06 | 1747 | 37 | 88 |
| HOV025 | | 20.50 | 98.93 | 78.43 | 1961 | 19 | 76 |
| | | 109.21 | 112.88 | 3.67 | 1830 | 20 | 80 |
| | | 116.88 | 121.80 | 4.92 | 1510 | 80 | 100 |
| | | 134.70 | 161.40 | 26.70 | 1836 | 62 | 100 |
| | | 168.90 | 200.20 (EOH) | 31.30 | 1873 | 31 | 86 |
| HOV026 | | 59.65 | 73.12 | 13.47 | 3322 | 253 | 214 |
| | *incl.* | *59.65* | *63.56* | *3.91* | *6580* | *450* | *440* |
| | | 82.07 | 91.13 | 9.06 | 1600 | 122 | 103 |
| | | 95.28 | 115.30 | 20.02 | 1824 | 143 | 127 |
| | | 125.75 | 127.77 | 2.02 | 2400 | 800 | 190 |
| | | 150.00 | 246.30 | 96.30 | 2674 | 25 | 93 |
| | *incl.* | *159.10* | *161.92* | *2.82* | *5490* | *45* | *142* |
| | *and* | *208.00* | *210.08* | *2.08* | *5580* | *80* | *160* |
| | | 253.12 | 261.00 (EOH) | 7.88 | 1682 | 0 | 67 |
| HOV027 | | 37.35 | 40.91 | 3.56 | 1660 | 10 | 50 |
| | | 46.10 | 47.58 | 1.48 | 2970 | 650 | 150 |
| | | 50.77 | 64.00 | 13.23 | 1808 | 191 | 97 |
| | | 92.60 | 100.22 | 7.62 | 1962 | 162 | 111 |
| | *incl.* | *92.60* | *93.30* | *0.70* | *7130* | *370* | *370* |
| | | 103.50 | 119.03 | 15.53 | 3348 | 1401 | 302 |
| | *incl.* | *107.88* | *110.34* | *2.46* | *6830* | *2710* | *609* |

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| | | 122.46 | 132.84 | 10.38 | 2447 | 441 | 153 |
| | | 137.33 | 141.50 | 4.17 | 2640 | 470 | 170 |
| | | 261.30 | 270.98 | 9.68 | 2030 | 186 | 158 |
| | | 278.28 | 291.73 | 13.45 | 1841 | 67 | 99 |
| | | 322.66 | 341.95 | 19.29 | 1707 | 137 | 95 |
| HOV028 | | 8.23 | 10.37 | 2.14 | 1540 | 30 | 90 |
| | | 19.00 | 22.00 | 3.00 | 1560 | 70 | 90 |
| | | 72.66 | 86.57 | 13.91 | 1737 | 52 | 92 |
| | | 91.19 | 94.36 | 3.17 | 2294 | 54 | 108 |
| | | 97.98 | 107.56 | 9.58 | 2137 | 87 | 114 |
| | | 110.58 | 120.14 | 9.56 | 2075 | 77 | 106 |
| | | 123.31 | 130.67 | 7.36 | 3385 | 66 | 141 |
| | *incl.* | *128.10* | *130.67* | *2.57* | *5000* | *100* | *200* |
| | | 139.09 | 222.00 (EOH) | 82.91 | 2232 | 13 | 90 |
| HOV029 | | 10.00 | 20.20 | 10.20 | 1603 | 56 | 87 |
| | | 26.20 | 53.08 | 26.88 | 1880 | 50 | 96 |
| | | 66.94 | 69.71 | 2.77 | 1510 | 40 | 70 |
| | | 72.72 | 76.78 | 4.06 | 1500 | 30 | 80 |
| | | 79.95 | 131.50 | 51.55 | 2076 | 30 | 90 |
| | | 135.45 | 154.80 (EOH) | 19.35 | 2710 | 32 | 107 |
| | *incl.* | *151.80* | *152.87* | *1.07* | *6200* | *76* | *216* |
| HOV030 | | 21.30 | 42.00 | 20.70 | 1733 | 60 | 93 |
| | | 50.64 | 59.16 | 8.52 | 2386 | 78 | 108 |
| | | 62.39 | 75.92 | 13.53 | 1886 | 44 | 92 |
| | | 84.45 | 86.20 | 1.75 | 8040 | 1180 | 853 |
| | | 101.38 | 151.86 | 50.48 | 2781 | 78 | 138 |
| | ***incl.*** | ***142.46*** | ***144.43*** | ***1.97*** | ***11900*** | ***583*** | ***691*** |
| | *and* | *146.50* | *148.02* | *1.52* | *7170* | *284* | *428* |
| | | 156.13 | 183.90 (EOH) | 27.77 | 2817 | 52 | 110 |
| HOV031 | | 13.00 | 39.55 | 26.55 | 1725 | 114 | 120 |
| | | 42.62 | 44.30 | 1.68 | 2110 | 100 | 180 |
| | | 48.65 | 50.18 | 1.53 | 2330 | 110 | 130 |
| | | 53.22 | 65.77 | 12.55 | 2040 | 86 | 115 |
| | | 96.32 | 99.74 | 3.42 | 1810 | 60 | 100 |
| | | 102.80 | 116.88 | 14.08 | 1875 | 40 | 94 |
| | | 120.78 | 138.00 | 17.22 | 2286 | 52 | 108 |
| | *incl.* | *132.00* | *133.17* | *1.17* | *5170* | *130* | *210* |
| | | 147.75 | 154.65 | 6.90 | 2742 | 32 | 102 |
| | *incl.* | *147.75* | *149.43* | *1.68* | *6120* | *70* | *190* |
| | | 165.95 | 182.30 | 16.35 | 1877 | 10 | 74 |
| HOV032 | | 13.70 | 19.53 | 5.83 | 2408 | 44 | 406 |
| | | 87.10 | 90.55 | 3.45 | 2253 | 55 | 315 |
| | | 94.25 | 129.18 | 34.93 | 2533 | 54 | 209 |
| | *incl.* | *124.32* | *125.25* | *0.93* | *5720* | *170* | *310* |
| | | 132.42 | 137.86 | 5.44 | 5257 | 128 | 200 |
| | *incl.* | *135.60* | *136.73* | *1.13* | *8900* | *269* | *275* |
| | | 142.14 | 168.00 | 25.86 | 2979 | 72 | 140 |
| | ***incl.*** | ***147.37*** | ***147.63*** | ***0.26*** | ***96100*** | ***1660*** | ***3570*** |
| | | 171.66 | 207.97 | 36.31 | 3332 | 45 | 135 |
| | *incl.* | *190.40* | *192.81* | *2.41* | *23002* | *273* | *724* |

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| | ***incl.*** | ***190.40*** | ***191.30*** | ***0.90*** | ***49800*** | ***311*** | ***1470*** |
| | | 218.17 | 225.15 | 6.98 | 2120 | 45 | 103 |
| HOV033 | | 10.00 | 11.50 | 1.50 | 2107 | 72 | 123 |
| | | 15.28 | 17.08 | 1.80 | 1797 | 597 | 324 |
| | | 20.55 | 37.50 | 16.95 | 2369 | 75 | 146 |
| | | 47.00 | 50.90 | 3.90 | 1940 | 36 | 101 |
| | | 54.43 | 58.43 | 4.00 | 1610 | 19 | 75 |
| | | 69.20 | 72.87 | 3.67 | 2450 | 43 | 117 |
| | | 82.42 | 86.00 | 3.58 | 1900 | 31 | 82 |
| | | 89.77 | 91.08 | 1.31 | 1620 | 72 | 104 |
| | | 94.50 | 101.70 | 7.20 | 2261 | 199 | 176 |
| | | 105.67 | 107.20 | 1.53 | 1981 | 76 | 135 |
| | | 113.13 | 115.90 | 2.77 | 1720 | 488 | 219 |
| | | 129.86 | 133.10 | 3.24 | 1780 | 26 | 82 |
| HOV034 | | 8.60 | 16.20 | 7.60 | 2871 | 118 | 162 |
| | | 28.48 | 37.90 | 9.42 | 1767 | 42 | 101 |
| | | 41.40 | 56.84 | 15.44 | 2035 | 49 | 113 |
| | | 59.90 | 139.70 | 79.80 | 2618 | 71 | 112 |
| HOV035 | | 35.68 | 39.90 | 4.22 | 1726 | 46 | 149 |
| | | 62.40 | 69.00 | 6.60 | 1853 | 35 | 70 |
| | | 74.10 | 88.20 | 14.10 | 1666 | 22 | 71 |
| | | 94.06 | 124.24 | 30.18 | 1580 | 26 | 73 |
| | | 130.85 | 156.10 | 25.25 | 1996 | 39 | 88 |
| HOV036 | | 9.00 | 15.60 | 6.60 | 1535 | 36 | 79 |
| | | 16.90 | 19.63 | 2.73 | 1540 | 29 | 78 |
| | | 23.66 | 29.10 | 5.44 | 1912 | 37 | 87 |
| | | 39.03 | 45.30 | 6.27 | 1624 | 31 | 77 |
| | | 52.50 | 54.21 | 1.71 | 1660 | 29 | 80 |
| | | 131.00 | 187.00 | 56.00 | 1832 | 24 | 78 |
| | | 191.00 | 195.05 | 4.05 | 1631 | 29 | 76 |
| HOV037 | | 9.00 | 30.50 | 21.50 | 2001 | 53 | 106 |
| | ***incl.*** | ***29.85*** | ***30.50*** | ***0.65*** | ***11909*** | ***263*** | ***477*** |
| | | 37.73 | 38.38 | 0.65 | 1990 | 65 | 96 |
| | | 47.23 | 57.00 | 9.77 | 1627 | 32 | 79 |
| | | 60.60 | 69.60 | 9.00 | 1807 | 34 | 85 |
| | | 76.20 | 82.20 | 6.00 | 1820 | 27 | 74 |
| | | 91.20 | 168.98 | 77.78 | 2178 | 32 | 93 |
| | *incl.* | *123.32* | *124.05* | *0.73* | *5341* | *121* | *183* |
| | | 172.03 | 231.79 | 59.76 | 3436 | 51 | 133 |
| | *incl.* | *187.80* | *188.46* | *0.66* | *7132* | *82* | *248* |
| | *and* | *192.35* | *194.86* | *2.51* | *13726* | *214* | *446* |
| | ***incl.*** | ***193.30*** | ***194.86*** | ***1.56*** | ***18771*** | ***290*** | ***596*** |
| | *and* | *198.69* | *199.64* | *0.95* | *9356* | *340* | *309* |
| | *and* | *202.15* | *203.31* | *1.16* | *6338* | *131* | *211* |
| | | 235.44 | 238.25 (EOH) | 2.81 | 2147 | 27 | 94 |
| HOV038 | | 10.00 | 19.00 | 9.00 | 2320 | 35 | 104 |
| | | 24.00 | 103.90 | 79.90 | 1887 | 54 | 95 |
| | *incl.* | *44.80* | *45.80* | *1.00* | *8925* | *104* | *309* |
| | ***incl.*** | ***44.80*** | ***44.97*** | ***0.17*** | ***27820*** | ***210*** | ***808*** |
| HOV039 | | 12.00 | 20.00 | 8.00 | 2471 | 34 | 128 |

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| | | 24.95 | 27.26 | 2.31 | 2006 | 37 | 108 |
| | | 35.55 | 59.75 | 24.20 | 3146 | 74 | 169 |
| | ***incl.*** | ***45.73*** | ***46.05*** | ***0.32*** | ***50273*** | ***649*** | ***2398*** |
| | | 64.50 | 158.80 | 94.30 | 1981 | 45 | 121 |
| | *incl.* | *103.31* | *104.31* | *1.00* | *5020* | *86* | *223* |
| | | 168.60 | 198.40 (EOH) | 29.80 | 2427 | 170 | 235 |
| HOV040 | | 8.50 | 14.22 | 5.72 | 1567 | 84 | 87 |
| | | 21.59 | 22.55 | 0.96 | 2434 | 87 | 118 |
| | | 35.98 | 37.05 | 1.07 | 1601 | 112 | 81 |
| | | 41.54 | 42.53 | 0.99 | 1969 | 66 | 83 |
| | | 47.50 | 71.64 | 24.14 | 1835 | 73 | 84 |
| | | 75.30 | 78.15 | 2.85 | 1780 | 46 | 110 |
| | | 86.40 | 227.12 | 140.72 | 2700 | 196 | 137 |
| | *incl.* | *119.20* | *120.38* | *1.18* | *6669* | *281* | *216* |
| | *and* | *124.20* | *125.90* | *1.70* | *6808* | *171* | *254* |
| | ***incl.*** | ***124.20*** | ***124.35*** | ***0.15*** | ***23979*** | ***601*** | ***848*** |
| | *and* | *154.58* | *159.73* | *5.15* | *5248* | *1410* | *343* |
| | *and* | *175.00* | *177.55* | *2.55* | *5449* | *108* | *218* |
| | | 231.69 | 242.00 | 10.31 | 1665 | 41 | 90 |
| | | 248.00 | 263.00 | 15.00 | 1904 | 36 | 85 |
| | | 280.37 | 315.32 | 34.95 | 1767 | 51 | 86 |
| | | 320.42 | 389.00 | 68.58 | 2050 | 48 | 102 |
| | | 396.10 | 438.04 | 41.94 | 1873 | 32 | 92 |
| | ***incl.*** | ***398.95*** | ***399.08*** | ***0.13*** | ***37876*** | ***693*** | ***1074*** |
| | | 442.30 | 475.52 | 33.22 | 2165 | 116 | 120 |
| | | 481.52 | 490.52 | 9.00 | 1525 | 24 | 91 |
| | | 498.53 | 531.78 | 33.25 | 1868 | 81 | 111 |
| | | 535.72 | 555.90 | 20.18 | 1847 | 106 | 127 |
| | *incl.* | *535.72* | *535.99* | *0.27* | *9821* | *925* | *848* |
| | | 566.27 | 601.30 | 35.03 | 2122 | 66 | 115 |
| | | 619.63 | 620.00 | 0.37 | 1520 | 362 | 139 |
| HOV041 | | 16.70 | 24.05 | 7.35 | 1670 | 15 | 103 |
| | | 28.00 | 31.00 | 3.00 | 1741 | 16 | 105 |
| | | 34.75 | 38.60 | 3.85 | 1614 | 12 | 97 |
| | | 41.75 | 85.10 | 43.35 | 1833 | 17 | 100 |
| | | 88.73 | 89.67 | 0.94 | 6882 | 172 | 268 |
| | | 94.50 | 153.00 | 58.50 | 1928 | 14 | 98 |
| | | 157.00 | 173.50 | 16.50 | 1784 | 32 | 91 |
| HOV042 | | 52.10 | 57.10 | 5.00 | 1583 | 46 | 66 |
| HOV043 | | 47.90 | 63.66 | 15.76 | 1634 | 37 | 78 |
| | | 69.66 | 76.90 | 7.24 | 2277 | 52 | 106 |
| | | 80.06 | 81.20 | 1.14 | 2160 | 15 | 83 |
| | | 89.20 | 103.00 | 13.80 | 1897 | 36 | 86 |
| | | 106.73 | 146.20 | 39.47 | 2160 | 39 | 88 |
| | | 152.95 | 155.95 | 3.00 | 1710 | 13 | 80 |
| | | 161.08 | 304.10 | 143.02 | 2132 | 27 | 95 |
| | ***incl.*** | ***182.25*** | ***183.10*** | ***0.85*** | ***17200*** | ***204*** | ***516*** |
| | *and* | *275.65* | *277.65* | *2.00* | *6335* | *80* | *210* |
| | | 333.00 | 336.00 | 3.00 | 1750 | 11 | 85 |
| | | 345.00 | 348.00 | 3.00 | 1580 | 9 | 72 |

| Hole ID | | From (m) | To (m) | Interval (m) | Ni (ppm) | Cu (ppm) | Co (ppm) |
|---|---|---|---|---|---|---|---|
| | | 376.61 | 380.00 (EOH) | 3.39 | 1890 | 31 | 87 |
| HOV044 | | 11.15 | 19.65 | 8.50 | 1646 | 178 | 108 |
| | | 30.67 | 94.98 | 64.31 | 2549 | 117 | 92 |
| | *incl.* | *78.45* | *81.45* | *3.00* | *5840* | *209* | *0* |
| | | 100.73 | 117.95 | 17.22 | 1798 | 33 | 85 |
| | | 129.67 | 132.67 | 3.00 | 2054 | 342 | 193 |
| HOV045 | ***NSA*** | | | | | | |
| HOV046 | | 42.29 | 78.72 | 36.43 | 2294 | 93 | 104 |
| | | 151.11 | 161.25 | 10.14 | 2178 | 108 | 131 |
| HOV047 | | 33.42 | 68.22 | 34.80 | 2399 | 11 | 82 |
| | *incl.* | *49.45* | *50.08* | *0.63* | *5748* | *64* | *140* |
| | | 90.30 | 99.25 (EOH) | 8.95 | 1716 | 8 | 85 |
| HOV048 | | 17.50 | 30.90 | 13.40 | 1544 | 11 | 57 |
| | | 36.90 | 74.40 | 37.50 | 1739 | 7 | 52 |
| HOV049 | | 3.15 | 15.50 | 12.35 | 2271 | 324 | 198 |
| | | 19.70 | 27.54 | 7.84 | 1895 | 140 | 114 |
| | ***incl.*** | ***27.29*** | ***27.54*** | ***0.25*** | ***10236*** | ***880*** | ***751*** |
| | | 58.60 | 142.10 | 83.50 | 2552 | 38 | 97 |
| | *incl.* | *97.40* | *99.40* | *2.00* | *7909* | *178* | *211* |
| | | 151.00 | 177.60 | 26.60 | 2817 | 23 | 95 |
| | *incl.* | *171.10* | *172.60* | *1.50* | *8759* | *110* | *200* |
| | | 186.65 | 189.00 | 2.35 | 1577 | 121 | 132 |
| | | 195.55 | 252.20 | 56.65 | 2353 | 119 | 147 |
| | | 255.60 | 257.50 | 1.90 | 2037 | 180 | 190 |
| | | 274.25 | 278.25 | 4.00 | 2021 | 97 | 114 |
| | | 294.15 | 296.10 | 1.95 | 1570 | 25 | 64 |
| | | 297.30 | 297.95 | 0.65 | 1700 | 64 | 83 |
| HOV050 | | 16.40 | 20.90 | 4.50 | 2727 | 19 | 76 |
| | | 40.00 | 40.60 | 0.60 | 5460 | 57 | 105 |
| | | 51.00 | 52.90 | 1.90 | 1500 | 5 | 52 |
| | | 53.50 | 53.80 | 0.30 | 1690 | 6 | 49 |
| | | 60.70 | 63.40 | 2.70 | 2300 | 13 | 62 |
| | | 74.90 | 76.80 | 1.90 | 2630 | 16 | 73 |
| | | 85.30 | 89.50 | 4.20 | 1544 | 11 | 51 |
| | | 106.10 | 108.10 | 2.00 | 1610 | 4 | 62 |
| | | 109.60 | 110.40 | 0.80 | 1580 | 7 | 68 |
| | | 111.20 | 113.00 | 1.80 | 1640 | 7 | 67 |
| HOV051 | | 23.60 | 34.60 | 11.00 | 1616 | 23 | 54 |
| | | 46.60 | 49.00 | 2.40 | 1810 | 14 | 77 |
| | | 61.42 | 62.23 | 0.81 | 1650 | 12 | 65 |
| | | 70.65 | 73.19 | 2.54 | 1956 | 32 | 78 |
| | | 79.19 | 94.35 | 15.16 | 1594 | 44 | 43 |
| | | 109.44 | 204.75 | 95.31 | 1720 | 34 | 71 |
| | | 208.77 | 208.98 | 0.21 | 2242 | 137 | 171 |

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# ANNEXURE B – LEGAL REPORT ON TENURE

MAGNUSSON

**For:** **The Directors**

**Nordic Nickel Limited**

Level 12, 197 St Georges Tce

Perth

WA 6000

From: Attorneys-at-Law Magnusson Ltd

Attorney-at-Law, Partner Ville Salonen and Associate Emilia Alakurtti

**TITLE REPORT – EXPLORATION RIGHTS HELD BY NORDIC NICKEL PTY LTD IN FINLAND**

## 1 ASSIGNMENT

Nordic Nickel Limited (the "**Client**") intends to seek admission to the Australian Securities Exchange by way of an initial public offering ("**IPO**"). For this purpose, the Client has requested Attorneys-at-law Magnusson Ltd ("**Magnusson**") to provide a title report ("**Report**") that describes and confirms the mineral rights held by the Client through its 100 % owned Finnish subsidiary Pulju Exploration Ltd, business ID 3163858-4 ("**Pulju**"). Magnusson have also been asked to present a summary on relevant Finnish mining legislation.

Magnusson have been requested to provide the Report with respect to:

- one granted exploration licence Hotinvaara (ML:2019:0101),
- seven exploration licence applications;
    - Holtinvaara (ML2013:0090),
    - Mertavaara1 (ML2013:0091),
    - Aihkiselkä (ML2013:0092),
    - Kiimatievat (ML2019:0102),

    - Rööni-Holtti (ML2022:0009),
    - Saalamaselkä (ML2022:0010), and
    - Kaunismaa (ML2022:0011), and
- reservation area Saalama (VA2020:0071).

The granted exploration licence, the exploration licence applications and the reservation area listed above are collectively referred to as "**Tenements**" and each separately as "**Tenement**" or its own licence name. The Tenements are all located in the Central Lapland Greenstone Belt of Finland.

All the above listed Tenements are held by Pulju.

Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat were previously held by a Finnish company called Magnus Minerals Oy (business ID 2033832-4) ("**Magnus Minerals**") and have been transferred from Magnus Minerals to Pulju as described in Section 3.1.

On 20 January 2022, the Client, Magnus Minerals, and Starboard Global Ltd. ("**Starboard**") executed a royalty agreement, pursuant to which the Client has agreed to grant Magnus Minerals and Starboard a 1.5% royalty on all products mined, produced or otherwise recovered from the projects Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä, Kiimatievat and Saalama (which covers the areas of Rööni-Holtti, Saalamaselkä, and Kaunismaa) of which 1.0% shall be paid to Magnus Minerals and 0.5% shall be paid to Starboard. Further details of the royalty agreement are set out in document (3) of the Documentation list below.

In addition, MagStar Mining Oy ("**Magstar**") holds one granted licence "Maaninkijoki 3" with licence number ML2020:011 ("**MJ3**"), for which the Client and Magstar have agreed on legal and beneficial interest and net smelter returns. On 20 January 2022, the Client and Magstar executed a binding letter agreement, pursuant to which Magstar has provided the Client the option to earn up to a 75% interest in MJ3. As partial consideration for the sale of the interest in MJ3, the Client has agreed to grant Magstar and Magnus a 1.25% royalty on all minerals mined, produced or otherwise recovered from MJ3. The terms of the royalty are set out in a royalty agreement executed by the Client, Magstar and Magnus dated 20 January 2022. Further details of these agreements are set out in documents (4) and (5) of the Documentation list below. Section 3.11 of this Report discusses MJ3.

The Client has in particular requested Magnusson to:

(1) confirm the Client's interest in each Tenement;

(2) describe the status of each Tenement (i.e., applied for, granted, expired), including expiry dates and rights with respect to extensions of the Tenements);

(3) describe the terms of each Tenements (i.e., what rights are granted by the Tenements);

(4) confirm the results of filings in relation to each Tenement in accordance with Finnish law (i.e. whether expenditure reports have been lodged in accordance with applicable laws and all other required Tenement filings were lodged within the required time);

(5) describe the details of any encumbrances over each Tenement (including any agreements governing the Tenements or any third-party interests, caveats, royalties, legislation etc);

(6) describe the provisions of relevant Finnish laws affecting the Tenements;

(7) describe whether there are any applications for forfeiture, surrender or otherwise affecting each Tenement; and

(8) describe whether there are any records/notices of non-compliance with the terms and conditions of each Tenement.

In this Report, Magnusson provides a legal opinion on the above-mentioned matters.

Magnusson agrees that the Report is intended to be included in a prospectus published by the Client in connection with the IPO. This Report is addressed to the Client and is prepared solely for the purpose of the prospectus.

## 2 DOCUMENTATION

The views and opinions presented in this Report are based on the following documentation ("**Documentation**").

(1) Share Purchase Agreements concerning acquisition of Pulju, dated 4th March 2021

(2) Tenement Maintenance and Transfer Agreement, dated 15th November 2021

(3) Royalty agreement regarding the Pulju Project, dated 20th January 2022

(4) Earn-In and Joint Venture Agreement between the Client and MagStar Mining for the MJ3 Project, dated 20th January 2022

(5) Royalty Agreement between the Client, Magnus Minerals and MagStar Mining regarding the MJ3 Project, dated 20th January 2022

(6) Final decision of the Administrative Court of Northern Finland regarding the Hotinvaara licence, 21st September 2021

(7) Application for transfer of granted exploration permit Hotinvaara, 17th November 2021

(8) Hotinvaara transfer registration by Tukes, dated 19th January 2022

(9) Ore exploration permit Hotinvaara, 24th January 2020

(10) Ore exploration application Holtinvaara, 11th November 2019

(11) Ore exploration application Mertavaara1, 11th November 2019

(12) Ore exploration application Aihkiselkä, 11th November 2019

(13) Ore exploration application Kiimatievat, 11th November 2019

(14) Ore exploration application Rööni-Holtti, 9th March 2022

(15) Ore exploration application Saalamaselkä, 9th March 2022

(16) Ore exploration application Kaunismaa, 9th March 2022

(17)Application for transfer of ore exploration application Holtinvaara, 22 March 2022

(18)Application for transfer of ore exploration application Mertavaara1, 22 March 2022

(19)Application for transfer of ore exploration application Aihkiselkä, 22 March 2022

(20)Application for transfer of ore exploration application Kiimatievat, 22 March 2022

(21)Holtinvaara transfer registration by Tukes, 22 March 2022

(22)Mertavaara1 transfer registration by Tukes, 22 March 2022

(23)Aihkiselkä transfer registration by Tukes, 22 March 2022

(24)Kiimatievat transfer registration by Tukes, 22 March 2022

(25)Tukes confirmation on 29th March 2022 that the applications Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat are pending in the name of Pulju and in good standing

(26)Mineral Registry Extract of the Tenements held by Pulju (excluding Saalama reservation), 29th March 2022

(27) Reservation decision Saalama, 4th February 2021

(28)Tukes confirmation on 14th February 2022 that the Saalama reservation is in good standing

# 3 TENEMENTS

## 3.1 Transfer of Tenements

The following table lists the Tenements held by Pulju:

| ID | Name | Type | Status | Date applied | Date granted | Expiration date |
|---|---|---|---|---|---|---|
| ML2019:0101 | Hotinvaara | Ore exploration licence | Granted | 11 Nov 2019 | 24 Jan 2020 | 24 Jan 2024* |
| ML2013:0090 | Holtinvaara | Ore exploration licence | Applied | 11 Nov 2019 | N/A | N/A |
| ML2013:0091 | Mertavaara1 | Ore exploration licence | Applied | 11 Nov 2019 | N/A | N/A |
| ML2013:0092 | Aihkiselkä | Ore exploration licence | Applied | 11 Nov 2019 | N/A | N/A |
| ML2019:0102 | Kiimatievat | Ore exploration licence | Applied | 11 Nov 2019 | N/A | N/A |
| ML2022:0009 | Rööni-Holtti | Ore exploration licence | Applied | 09 Mar 2022 | N/A | N/A |
| ML2022:0010 | Saalamaselkä | Ore exploration licence | Applied | 09 Mar 2022 | N/A | N/A |
| ML2022:0011 | Kaunismaa | Ore exploration licence | Applied | 09 Mar 2022 | N/A | N/A |
| VA2020:0071 | Saalama | Reservation for ore exploration licence | Reservation | 2 Nov 2020 | 4 Feb 2021 | 1 Nov 2022 |

* May be extended for a maximum of three years at a time, for a maximum total of 15 years.

The Client, Pulju and Magnus Minerals had agreed to transfer the Tenements (excluding the Saalama reservation area which was already held by Pulju and the exploration licence applications Rööni-Holtti, Saalamaselkä and Kaunismaa which were applied for directly to Pulju on 9 March 2022), when requested by the Client, to Pulju as per the Tenement Maintenance and Transfer Agreement dated 15th November 2021.

Magnus Minerals applied for the transfer of Hotinvaara licence to Pulju on 17th November 2021. In accordance with the Finnish Safety and Chemicals Agency's ("**Tukes**") instructions, Tukes has been notified of the transfer of Hotinvaara on 17th November 2021, and on 19 January 2022 Tukes entered the transfer of Hotinvaara to the Finnish Mineral Register. The appeal period for the transfer decision of Tukes has expired and no one has appealed against the decision. Consequently, Tukes' decision of 19 January 2022 is final and binding. Tukes is the authority responsible for mining in Finland.

Magnus Minerals applied for the transfer of Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat to Pulju on 22 March 2022. In accordance with Tukes' instructions, Tukes has been notified of these transfers on 22nd March 2022, and on 22 March 2022 Tukes entered the transfer of Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat to the Finnish Mineral Register. Tukes has confirmed on 29th March 2022 that the applications Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat are currently (as of March 22, 2022) pending in the name of Pulju and in good standing.

In the Tenement Maintenance and Transfer Agreement, the Client agreed to encumber the Tenements with a net smelter royalty of 1.5 % with detailed terms to be documented under a royalty agreement to be executed subsequent to the Tenement Maintenance and Transfer Agreement. This Royalty Agreement was subsequently agreed, and is discussed in detail elsewhere in this Report.

## 3.2 Hotinvaara ML:2019:0101

Tukes granted an ore exploration permit over Hotinvaara to Magnus Minerals on 24th January 2020.

Two parties appealed to the Administrative Court against the Tukes' decision on the ore exploration permit: the Lapland district of the Finnish Association for Nature Conservation ("**FANC**") and a private person.

The parties' appeals were unsuccessful. The appeal of the private person was dismissed because she/he was not a party to the case as required in the Finnish Mining Act 621/2011 ("**Mining Act**"). On 21 September 2021, the Administrative Court of Northern Finland dismissed FANC's appeal in its entirety. The appeal was dismissed on the following grounds in summary (unofficial translation by Magnusson):

> "The decision subject to appeal is not unlawful on the grounds relating to the public notice documents, the public notice, the investigation of the case or the inadequacy of the permit decision. In so far as the appellant has appealed to the Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention, SopS 122/2004), the Convention's system of legal protection has generally been considered to have been implemented in Finland, both by the provisions of the Constitution and by the provisions on administrative procedure, which, in the light of the above, have been complied with when processing the application in question.
>
> There is no reason to annul the decision subject to appeal on the grounds set out in the appeal."

No appeal has been filed against the decision of the Administrative Court of Northern Finland within the appeal period, so the decision is final.

Therefore, there were no changes to the Hotinvaara ore exploration permit granted by Tukes on 24th January 2020.

As stated in Section 3.1 above, the Hotinvaara permit has been legally transferred from Magnus Minerals to Pulju on 19 January 2022.

Pursuant to the ore exploration permit, the permit holder has the right to study the structures and composition of geological formations and to conduct other preparatory studies for mining and other ore exploration to locate the deposit and to determine its quality, extent and usability, as described in more detail below. The ore exploration permit does not entitle the exploitation of the deposit.

The permit covers the following area:

| Property ID | Area (hectare) | Parcel | Owner |
|---|---|---|---|
| 26189300100001 | 492.486 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The permit is valid for 4 years from moment the decision receives legal force (Mining Act 60 §). The validity period is the maximum period allowed by law. The permit may be extended for a maximum of three years at a time, for a maximum total of 15 years (including the first 4 years).

The permit area does not cover the street plan or master plan areas of the municipality of Kittilä. There are no nature conservation or conservation program areas, Sami areas, Natura 2000 sites or areas of national significance in the area. There are no classified groundwater areas in the area. There are a few springs in the area. The area is located in the reindeer husbandry area of the reindeer owner's association of Kyrö.

Based on existing geological data from the area, the area contains nickel (Ni), copper (Cu), gold (Au), zinc (Zn), silver (Ag), cobalt (Co) and platinum group elements (PGE).

The permit allows the holder to perform:

1. Geophysical and geochemical or comparable research methods.
2. Mechanical soil and bedrock sampling (moraine, groove and point samples, drilling).
3. Exploration trenches and exploration ditches.

The holder of the permit shall submit an annual report to Tukes on the research work carried out and the results thereof.

When the permit is partially or completely expired or revoked, the permit holder must rehabilitate the expiring or revoked area to an acceptable condition and notify Tukes, the landowner, the reindeer owner's association and other rightholders of the measures and their completion. In six months, a report on the research work must be sent to Tukes. The acceptable condition of rehabilitation requires that the permit holder must immediately restore the exploration area to the required level of public safety, remove temporary structures and equipment, rehabilitate and clean up the area, and restore the area to the most natural condition possible.

The permit holder is obliged to take care of the prevention of the generation of earth and aggregate waste, the reduction of its harmfulness and the recovery and treatment of waste. However, the methods permitted in the permit do not generate extractive waste.

The permit holder is obliged to notify authorities, the landowner, the reindeer owner's association, property owners and other rightholders of the area of any terrain work in the area that may cause damage or inconvenience, as well as temporary structures. No approval is required from these groups following notification under the conditions of the exploration permit.

The permit provides for the lodging of a security of EUR 2,000. According to the Hotinvaara permit application and information received, a general security deposit of EUR 20,000 has been lodged for the permit applications of Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat.

The permit decision contains more detailed provisions on matters relating to ore exploration and the use of the ore exploration area to ensure that the activity does not have a consequence prohibited by the Mining Act. The provisions are as follows:

- The permit holder must plug the boreholes if groundwater rises to the surface from the borehole. The boreholes must be cut as close to the ground as possible (less than 20 cm), and the ends of the boreholes must be plugged.

- Waste disposal and clean-up of the excavated areas must be carried out immediately after the end of the works on site. If the volume of water used for boring exceeds 100 m3/day, the exploration permit holder must act in accordance with Section 15 of the Water Act (587/2011).

- The prohibition of groundwater pollution in accordance with Section 17 of the Environmental Protection Act (527/2014) must be taken into account when carrying out the research, and the activities must not pose a risk to the quantity or quality of groundwater.

- The map review shows that there are springs as well as streams or waterholes emanating from them on the western side of Hotinsaajo and Hotinvaara. According to Chapter 2, Section 11 of the Water Act, it is prohibited to endanger the natural state of a natural spring. No diamond drilling or exploratory ditching is allowed in the immediate vicinity above the springs. A sufficient protection zone must also be left around the springs when moving with off-road vehicles.

- The area covered by the application is home to the protected Lapland Buttercup. The site is located at the beginning of the Vaarapäänjänkänoja, in the marsh north of Hotinsaajo.

- The Finnish Forest and Park Service highlights in its statement (annex 6 of the permit decision) the valuable natural features such as springs, lush marshes, and forest islands, as well as the proximity of small bodies of water. No exploratory excavations should be carried out in these areas and other exploration activities should be carried out in such a way that the characteristics of the habitats are preserved.

- The reindeer owner's association of Kyrö brings up in its statement (annex 7 of the permit decision) an important reindeer husbandry grazing system in which the exploration area is located. The issues mentioned in the opinion must be taken into account in order to avoid additional effort and costs for the reindeer herders.

- Exploration and other use of the exploration area must not cause significant changes in the natural environment or significant damage to the landscape.

In addition, the decision contains more detailed provisions on the elements necessary for the public and private interest and related to the fulfillment of the permit conditions. The provisions are as follows:

- The license application does not fall to the town plan or the master plan area of the municipality of Kittilä. The exploration shall not, however, cause any harm to the local population or reindeer husbandry.

- There are valuable nature subjects in the application area as springs, lush swamps, and forest islands of swamps. These areas are habitats of high biodiversity value. Activities in these areas should be avoided in order to preserve them in as natural a state as possible.

- The exploration permit holder must provide an exact exploration plan including measures and location information to Tukes in advance before starting the exploration work. In addition, the exploration plan shall be provided to the competent Centre for Economic Development of Lapland and the Finnish Forest and Park Service.

- Although the exploration methods permitted in this permit do not affect the environment to a large extent, the exploration permit holder must be adequately aware of the project's environmental impacts to the extent reasonably required.

- Access to the permit area and movement within the permit area during thaw should be planned to make maximum use of existing ruts and natural gaps. Movement in wetland areas during thaw should be avoided and movement in areas of sensitive natural value should be made during the snow cover in winter.

- The exploration permit holder shall limit exploration and other use of the exploration area to measures necessary for the purposes of exploration activity. The measures shall be planned so as not to cause an infringement of public or private interests that is avoidable by reasonable means. Exploration pursuant to an exploration permit, and other use of the exploration area, shall not cause:

    1. harm to people's health or a danger to public safety;

    2. essential damage to other industrial and commercial activity;

    3. significant changes in natural conditions;

    4. essential damage to rare or valuable natural occurrences;

    5. significant damage to the landscape.

The holder of a permit shall pay an annual compensation of EUR 20 per hectare for the period of validity of the permit to the owners of the properties belonging to the ore exploration area.

The permit holder shall compensate for the damage and inconvenience caused by the Mining Act activities in the area, unless otherwise provided for in respect of any measure. The parties concerned can agree on the payment and amount of compensation. The agreement shall be made in writing. If an agreement is not made on compensation, the claim must be submitted at the mining delivery at the request of the person requesting the compensation or the person responsible for the exploration work or the permit holder concerned. Compensation is in principle based on real and determinable direct damages and there is no punitive element as such.

The activities shall not cause undue inconvenience to reindeer husbandry. The permit holder must inform the reindeer owner's association of the research work and its time schedule, as well as of any other use of the areas in good time before the start of the research work. The holder of the permit must take into account the structures important for reindeer husbandry.

According to the information received from Pulju, the work on terrain geophysics has begun in December 2021. Reports of these work will be available in late spring 2022. The actual and heavier exploration work, i.e. diamond drilling, will begin in early 2023. The above-mentioned works have been presented to Tukes, the Finnish Forest and Park Service, the reindeer owner's association of Kyrö, and the Centre for Economic Development, Transport and the Environment in accordance with the Mining Act.

As the notification obligation has been fulfilled in connection with future work, and Pulju has not yet other obligations related to the permit, it has complied with the terms and condition of the permit as of the date of this report.

### 3.3 Holtinvaara ML2013:0090

Magnus Minerals has applied for ore exploration permit from Tukes on 11 November 2019.

The ore exploration permit is pending at the time of preparing this Report.

As stated in Section 3.1 above, Holtinvaara has been legally transferred from Magnus Minerals to Pulju on 22 March 2022.

The application concerns the following area:

| Property ID | Area (hectare) | Parcel | Owner |
|---|---|---|---|
| 26189300100001 | 1498.56 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size and location: it concerns similar activities / measures, the same elements / the same landowner / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Holtinvaara area. According to the application, Holtinvaara is located in the vicinity of the following protected areas:

- Bog conservation area of Raakevuoma-Vuossijänkä, SSA120139
- Wilderness of Pulju, NATURA2000 (SAC/SPA), FI300601

- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054
- Other groundwater area, Kivitieva, 12261148V
- Wilderness area, wilderness of Pulju, EMA120010

A general security deposit of EUR 20,000 has been paid by Magnus Minerals for the applications of Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat. According to the information received, Tukes will require own security deposit for Holtinvaara, the amount of which will be determined by Tukes.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

### 3.4 Mertavaara1 ML2013:0091

Magnus Minerals has applied for ore exploration permit from Tukes on 11 November 2019.

The ore exploration permit is pending at the time of preparing this Report.

As stated in Section 3.1 above, Mertavaara1 has been legally transferred from Magnus Minerals to Pulju on 22 March 2022.

The application concerns the following area:

| Property ID | Area (hectare) | Parcel | Owner |
|---|---|---|---|
| 26189300100001 | 1188.019 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size and location: it concerns similar activities / measures, the same elements / the same landowner / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Mertavaara1 area. According to the application, Mertavaara1 is located in the vicinity of the following protected NATURA 2000-SAC areas:

- River Ounasjoki FI1301318
- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054
- Other groundwater area, Mertavaara, 12261139BV

A general security deposit of EUR 20,000 has been paid by Magnus Minerals for the applications of Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat. According to the information received, Tukes will require own security deposit for Mertavaara1, the amount of which will be determined by Tukes.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

### 3.5 Aihkiselkä ML2013:0092

Magnus Minerals has applied for ore exploration permit from Tukes on 11 November 2019.

The ore exploration permit is pending at the time of preparing this Report.

As stated in Section 3.1 above, Aihkiselkä has been legally transferred from Magnus Minerals to Pulju on 22 March 2022.

The application concerns the following area:

| Property ID | Area (hectare) | Parcel | Owner |
|---|---|---|---|
| 26189300100001 | 1574.687 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size and location: it concerns similar activities / measures, the same elements / the same landowner / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Aihkiselkä area. According to the application, Aihkiselkä is located in the vicinity of the following protected area:

- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054

A general security deposit of EUR 20,000 has been paid by Magnus Minerals for the applications of Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat. According to the information received, Tukes will require own security deposit for Aihkiselkä, the amount of which will be determined by Tukes.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

### 3.6 Kiimatievat ML2019:0102

Magnus Minerals has applied for ore exploration permit from Tukes on 11 November 2019.

The ore exploration permit is pending at the time of preparing this Report.

As stated in Section 3.1 above, Kiimatievat has been legally transferred from Magnus Minerals to Pulju on 22 March 2022.

The application concerns the following area:

| Property ID | Area (hecture) | Parcel | Owner |
|---|---|---|---|
| 26189300100001 | 2421.282 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size and location: it concerns similar activities / measures, the same elements / the same landowner / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content and terms as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Kiimatievat area. According to the application, Kiimatievat is located in the vicinity of the following protected areas:

- Bog conservation area of Raakevuoma-Vuossijänkä, SSA120139
- Wilderness of Pulju, NATURA2000 (SAC/SPA), FI300601
- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054
- Wilderness area, wilderness of Pulju, EMA120010

A general security deposit of EUR 20,000 has been paid by Magnus Minerals for the applications of Hotinvaara, Holtinvaara, Mertavaara1, Aihkiselkä and Kiimatievat. According to the information received, Tukes will require own security deposit for Kiimatievat, the amount of which will be determined by Tukes.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

### 3.7 Rööni-Holtti ML2022:0009

Pulju has applied for ore exploration permit from Tukes on 09 March 2022.

The ore exploration permit is pending at the time of preparing this Report.

The application concerns the following area:

| Property ID | Area (hecture) | Parcel | Owner |
|---|---|---|---|
| 59175058 | 1864.524 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size and location: it concerns similar activities / measures, the same elements / the same landowner / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content and terms as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Rööni-Holtti area. According to the application, Rööni-Holtti is located in the vicinity of the following protected areas:

- Bog conservation area of Raakevuoma-Vuossijänkä, SSA120139
- Wilderness of Pulju, NATURA2000 (SAC/SPA), FI300601

- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054
- Other groundwater area, Mertavaara, 12261139B, 1221139A, 12261139AV, 12261139BV
- Other groundwater area, Kivitieva, 12261138, 12261138V

A security deposit will be determined by Tukes, and the amount of the security can be changed if necessary according to Tukes' instructions.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

### 3.8 Saalamaselkä ML2022:0010

Pulju has applied for ore exploration permit from Tukes on 09 March 2022.

The ore exploration permit is pending at the time of preparing this Report.

The application concerns the following areas:

| Property ID | Area (hecture) | Parcel | Owner |
|---|---|---|---|
| 135202786 | 176.513 | Purnusaajo | Pätiälä, Ilkka Risto, Riihiniementie 153, 79100 Leppävirta |
| 268732582 | 15.697 | Saalama | Autto, Joonas Matti Kalervo, Ounasjoentie 5479, 99340 Raattama |
| 60065569 | 326.276 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size, location and owner: it concerns similar activities / measures, the same elements / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content and terms as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Saalamaselkä area. According to the application, Saalamaselkä is located in the vicinity of the following protected areas:

- Bog conservation area of Raakevuoma-Vuossijänkä, SSA120139
- Wilderness of Pulju, NATURA2000 (SAC/SPA), FI300601
- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054

A security deposit will be determined by Tukes, and the amount of the security can be changed if necessary according to Tukes' instructions.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

## 3.9 Kaunismaa ML2022:0011

Pulju has applied for ore exploration permit from Tukes on 09 March 2022.

The ore exploration permit is pending at the time of preparing this Report.

The application concerns the following area:

| Property ID | Area (hecture) | Parcel | Owner |
|---|---|---|---|
| 59175058 | 168.036 | KITTILÄN VALTIONMAA I | Finland, the Finnish Forest and Park Service, 0116726-7 |

The ore exploration permit application is identical to the one submitted to Hotinvaara other than size and location: it concerns similar activities / measures, the same elements / the same landowner / land entity and the same parties. Therefore, if the permit is obtained, the permit can be assumed to have the same content and terms as the Hotinvaara permit (please see Section 3.2).

As in the Hotinvaara area, there are no nature reserves in the Kaunismaa area. According to the application, Kaunismaa is located in the vicinity of the following protected areas:

- Bog conservation area of Raakevuoma-Vuossijänkä, SSA120139
- Wilderness of Pulju, NATURA2000 (SAC/SPA), FI300601
- Protection of rapids area, River Ounasjoki with its tributaries, rivers flowing into lake Ounasjärvi, MUU120054

A security deposit will be determined by Tukes, and the amount of the security can be changed if necessary according to Tukes' instructions.

According to the information we have received, there would be no forfeiture, surrender or other effects to the permit application. As in Hotinvaara, it is possible that a related mineral exploration permit may be appealed to an administrative court.

## 3.10 Saalama VA2020:0071

Tukes accepted Pulju's reservation notice by its decision on 4 February 2021 (see Section 4.3). The Saalama reserve area is located in Kittilä, as are the areas mentioned above, and is 323.59 km2 in size.

Reservation means the area is reserved for the holder during the preparation of its ore exploration permit. In this case, however, it is not yet an ore exploration permit but a privilege under the Mining Act to apply an ore exploration permit so that others cannot apply for an ore exploration permit before the reserve holder. Thus, the reservation itself does not yet entitle to ore exploration, excavation or extraction but is applied for with an ore exploration permit application.

The reserve holder, like everyone else, has the right to make geological measurements and observations and to take small samples in order to find mining minerals in the area, provided that the measures do not cause damage or minor inconvenience or disturbance. According

to the Tukes' decision, the reserve holder must take into account the provisions of Section 7 of the Mining Act when carrying out this kind of exploration work.

The reservation does not limit the rights of the landowner or other land use needs and plans.

According to the reservation decision by Tukes, the reserve holder (Magnus Minerals and after the transfer of the application, Pulju) plans to apply for an ore exploration permit in the area no later than the end of autumn 2022 if the results of the research support it.

The expiry date of the Saalama reservation is 1st of November 2022. The reservation is not extendable.

Tukes has confirmed on 14th February 2022 that the Saalama reservation is currently in good standing.

### 3.11 Maaninkijoki 3

The ore exploration licence application over the MJ3 (ML2020:0011) area is held by Magstar. The MJ3 area is located in the Central Lapland Greenstone Belt of Northern Finland.

Regarding the MJ3 area, Magstar and the Client have executed the Earn-in and Joint Venture Agreement dated 20 January 2022, according to which the Client may earn a 51 % legal and beneficial interest on the first earn-in and an additional 24 % legal and beneficial interest for a total of 75 % interest on the second earn in.

As a partial consideration for the above-mentioned sale regarding the MJ3, the Client has agreed, on the Royalty Agreement with Magstar and Magnus Minerals dated 20 January 2022, to grant to Magstar and Magnus Minerals a 1.25 % net smelter return of which 1.0 shall go to Magnus Minerals and 0.25 % shall remain of the benefit of Magstar, on all minerals mined, produced or otherwise recovered from the MJ3.

## 4 RELEVANT MINING LEGISLATION

### 4.1 Applicability of the Finnish Legislation

The relevant Mining Act lays down provisions for the exploration and exploitation of a deposit containing mining minerals, gold panning in an area owned by the State, the termination of related operations, and the proceedings for establishment of a mining area.

There are three types of mineral licences in Finland: 1) exploration permit, 2) mining permit and 3) gold leaching permit. In addition, the construction and production activities of a mine must be licensed by the mining authority (mining safety permit).

An operator may also make a reservation notice to Tukes in order to obtain the privilege of exclusivity when applying for any of these three permits in a particular area. In Finland, you can apply directly for a mineral licence without such a reservation. It is therefore not necessary to make the reservation notice before filing the application for a permit.

The relevant Mining Act applies to the following mining minerals:

1. as concerns chemical elements: actinium, aluminium, antimony, arsenic, barium, beryllium, boron, caesium, mercury, fluorine, phosphorus, gallium, germanium, hafnium, silver, indium, iridium, cadmium, potassium, calcium, cobalt, chromium, gold, copper, lanthanoids, lithium, lead, magnesium, manganese, molybdenum, sodium, nickel, niobium, osmium, palladium, platinum, radium, iron, rhenium, sulphur, rhodium, rubidium, ruthenium, selenium, zinc, scandium, strontium, thallium, tantalum, tellurium, tin, titanium, thorium, uranium, vanadium, bismuth, tungsten, yttrium, and zirconium, as well as minerals containing these chemical elements;

2. as concerns minerals: andalusite, apatite, asbestos minerals, barite, bauxite, bentonite, beryllium, dolomite, phlogopite, fluorite, graphite, garnet, ilmenite, calcite, kaolin, corundum, quartz, kyanite, leucite, feldspar, magnesite, muscovite, nepheline, olivine, pyrophyllite, rutile, sillimanite, scapolite, talc, diamond, vermiculite, wollastonite, and other precious stones;

3. as concerns rock types: marble and soapstone.

Furthermore, the Mining Act is applicable to the exploitation of materials in the bedrock and earth in the mining area.

Pulju plans to carry out ore exploration operations in the Finnish territory, which are actions falling within the scope of Finnish Mining Legislation as follows.

In addition to the Finnish Mining Act, the Finnish Environmental Protection Act (527/2014) also applies to mining activities. The Finnish Water Act (587/2011) may apply in certain situations. The last paragraph of this Section 4 also lists other regulations that may be applicable to the mining activities.

Magnusson will describe the main rules relating to exploration activities, however this is intended as a summary only and should not be considered exhaustive.

The Finnish Ministry has proposed amendments to the Mining Act in the autumn of 2021. According to the Ministry's latest publications, the amendments to the Mining Act will be presented to the Finnish Parliament at the beginning of year 2022. If the amendments are approved by Parliament, the new law will enter into force. At the time of preparing this Report, it is not possible to confirm how long the parliamentary proceedings will take and when the new law will possibly enter into force. The starting point for the reform of the Mining Act is to improve the level of environmental protection, to ensure the operating conditions of mines and to improve local acceptability and influence.

## 4.2 Transfer of permit and permit application

As the Tenements (excluding the exploration licence applications Rööni-Holtti, Saalamaselkä, and Kaunismaa and the Saalama reservation) managed by the Client have been transferred from Magnus Minerals to Pulju, it is necessary to highlight the regulations concerning the assignment of a permit. According to Section 73 of the Mining Act, an ore exploration permit may be assigned to another party. The assignee must meet the same requirements as are required of the permit holder by the Mining Act. The permit holder may apply for the transfer of the permit by submitting an application to the Tukes. The application shall contain a

necessary and reliable statement of the assignee and other relevant information for the processing of the transfer. The application shall be accompanied by the necessary official certificates, extracts from the register and equivalent documents certifying the information contained in the application and the consent of the assignee.

Once the mining authority makes a decision regarding the assignment of an exploration permit, the assignee of an exploration permit is obliged to report the matter in writing without delay to the owners of properties included in the exploration area, and the assignee of a mining permit to report to the owners of properties included in the mining area (Section 74 of the Mining Act).

You may also transfer an ore exploration permit application respectively. The same "transfer" regulation applies to the ore exploration permit applications although Section 73 only mentions exploration permit.

### 4.3 Reservation

According to the Section 32 of the Mining Act, a natural or legal person may reserve an area for him/herself by submitting a notification to the mining authority i.e. reservation notification. The mining authority may revoke the reservation decision once lodged if the reservation notice or its annexes contain incorrect or incomplete information that has materially affected the judgement related to the reservation decision (Section 76 of the Mining Act).

> *Section 32 Order of priority*
>
> *(1) The party first applying for a permit in accordance with the provisions laid down in section 34 herein shall have priority for an exploration permit, mining permit, or gold panning permit.*
>
> *(2) Subsection 1 above notwithstanding, if a mining permit is applied for with respect to a deposit located within an exploration area, the exploration permit holder shall have priority to the mining permit if the permit holder submits an application for a mining permit in accordance with the provisions laid down in section 34 prior to the expiry or cancellation of the exploration permit.*
>
> *(3) For the purpose of preparing an application for an exploration permit, an applicant may reserve an area for himself by submitting notification to the mining authority about the matter (reservation notification). A privilege based on reservation notification is valid once the reservation notification has been submitted in accordance with the provisions laid down in section 44 and no impediment exists, as specified in this Act, to approval of the reservation. The validity of the privilege shall expire when the decision made by the mining authority on the basis of the reservation notification (reservation decision) expires or is cancelled.*

In regard to the validity of privilege in subsection 3, this does not outline the length of tenure (reservation) but rather outlines the conditions under which the tenure (reservation) ceases to be in effect (please see below).

The reservation notification reserves a privilege in relation to competing companies to apply an exploration permit and later also for applying a mining permit, mining safety permit and expropriation permit.

Before having the exploration permission, one may carry out only *prospecting work*, such as conduct geological measurements, make observations and take minor samples, provided that this does not cause any damage or more than minor inconvenience or disturbance. Prospecting work must not be carried out on the ground:

1. in a cemetery referred to in the funerary services act (hautaustoimilaki 457/2003), nor in an area belonging to a private grave, or within 50 metres of these;

2. in an area used by the defence forces, or any area controlled by the Border Guard where movement is restricted or prohibited, or within 100 metres of such an area;

3. in an area where movement is restricted or access denied to outsiders;

4. on a traffic route or passage in public use;

5. within 150 metres of a building intended for residential or work use, or comparable space, and any adjoining private yard, or the site for such a building, if a permit required for building referred to in the Land Use and Building Act has been granted for it and construction has begun;

6. in an area in horticultural use;

7. within 50 metres of a public building or utility, or either a power line with a voltage of over 35,000 volts or a transformer station;

8. in any other area, corresponding to those in items 1–7, designated for special use.

   However, prospecting work may be carried out in an area referred to in items 2–8 with the consent of the authority or institution competent in the matter, or that of the relevant holder of rights.

One shall, prior to commencement of sampling referred above submit notification to the owner and holder of real estate in the area where prospecting work is to take place prospecting area, whose right or advantage the matter may involve.

According to Section 44 of the Mining Act, the reservation notification must include the contact information, information on the prospecting area, and a plan regarding the sampling. The plan must include information on the equipment and methods to be used, the sampling schedule, and the targeted mining mineral.

According to Section 55 of the Mining Act, the mining authority shall approve a reservation if the reservation notification complies with the preconditions laid down in section 44 and there is no obstacle provided in the Act to approval of the notification. However, the mining authority shall reject the reservation if, because of the extent of the reservation area or for other reasons, there is good cause to doubt that the party making the decision meets the prerequisites for or has any apparent intention to apply for an exploration permit.

No permission from the real estate owner or holder for the prospecting work is needed, subject to general restrictions regarding protection of privacy.

A reservation decision shall remain valid for a maximum of 24 months after issuing the reservation notification. This is not the default length of a reservation. The mining authority takes a case by case approach in deciding the validity period based on the time required for drawing up the exploration plan and other preparatory measures related to the exploration permit application. A reservation decision shall expire at the end of the designated fixed term. Furthermore, a reservation decision shall expire completely or partly when an exploration permit has been applied for on the basis of the privilege entailed by the decision. The reservation decision expires at the moment when the exploration permit has been applied from the authority in accordance with Section 34 of the Mining Act. This expiry applies only to the portion of the reservation area where any exploration permit is granted (the other areas covered by the reservation decision will remain in force)[1].

## 4.4 Exploration permit

According to Section 9 of the Mining Act, if the ore exploration is made with more heavy measures than prospecting work described earlier in Section 4.3 (such as geological measurements, observations and minor samples) and the owner or holder of the real estate has not granted permission for such heavier measures, one must apply for exploration permit from Tukes.

An exploration permit is always needed if:

(1) Exploration could cause any harm to people's health or general safety, damage to other industrial and commercial activity, or any deterioration in value related to the landscape or nature protection values;

(2) the exploration is targeted at locating and exploring a deposit containing uranium or thorium;

(3) the permit is necessary for gaining a privilege, as described in this Act, for exploiting the deposit.

The exploration permit gives the right in the area referred to in the permit i.e. exploration area to explore the structures and composition of geological formations and to conduct other exploration to prepare for mining activity and other exploration to locate a deposit and to investigate its quality, extent, and degree of exploitation, as provided for in more detail in the exploration permit itself. The exploration permit shall specify provisions for the location and borders of the exploration area and it also includes the necessary provisions for securing public and private interests. An exploration permit may be assigned to another party and pledged. Also, the application may be transferred to another party but may not be pledged.

[1] In accordance with the practice applicable in Tukes.

Thus, the permit holder is entitled to conduct exploration work (e.g. excavation and drilling) in the exploration site once the exploration permit is granted and legally valid or enforceable. However, Section 12 of the Mining Act sets a notification obligation to the permit holder:

> *Section 12 – Notification of field work and construction in the exploration area*
>
> *In writing, the holder of the exploration permit must notify owners of real estate included in the exploration area, and other holders of rights, in advance of all field work that could cause any damage or harm, and of any temporary constructions to be erected.*
>
> *Moreover, a notification must be submitted to the Sami Parliament in the Sami Homeland, the appropriate local reindeer owners' associations within an area specifically intended for reindeer herding as stipulated in the Reindeer Husbandry Act (a special reindeer herding area), and to a village meeting of the Skolt people in the Skolt area referred to in the Skolt act (kolttalaki 253/1995).*
>
> *The holder of the exploration permit is obliged to inform authorities overseeing public interests about the fieldwork, as provided in more detail in said permit. Further provisions on the notification procedure may be given by government decree.*

Abovementioned Section 12 of the Mining Act sets only a notification obligation, the permit holder does not need to get landowner's approval of the field work (in a defined mineral exploration area). However, the permit holder shall restrict mineral exploration and other use of the mineral exploration area to measures necessary for the exploration work. The measures shall be designed in such a way that they do not cause a reasonably avoidable prejudice to the public or private interest.

Additionally, the exploration permit holder is obliged to attend to prevention of the generation of soil and rock material waste and prepare a waste management plan (Section 13). According to Section 34 of the Mining Act, an application for a mineral exploration permit must be accompanied by the waste management plan if the applicant is not required to do so under the Environmental Protection Act. Otherwise, this document does not have to be submitted to or approved by any authorities, but the mining authority has the right to obtain the information necessary to monitor compliance with the provisions of the Mining Act. Furthermore, the exploration permit holder shall submit a report to the mining authority on an annual basis of the exploration activities carried out and the results thereof (Section 14).

An exploration permit shall remain valid for a maximum of four years after the decision has become legally valid. The validity of an exploration permit may be extended for a maximum of three years at a time. In total, the permit may remain valid for a maximum of 15 years if the prerequisites for extension of the validity of an exploration permit exist. For the extension to be granted, the exploration must have been effective and systematic, further research must be necessary in order to establish the possibilities for exploiting the deposit, the permit holder must have complied with the obligations laid down in the Act as well as the permit regulations and extension to the validity must not cause an undue burden to public or private interests. The extension is not automatic. In order for an extension to be granted, an extension time application must be submitted.

## 4.5 Mining permit

According to the Finnish Mining Act, one must apply for a *mining permit* for establishing a mine and undertaking mining activities from Tukes.

Mining permit entitles the holder to exploit:

(1) the mining minerals found in the mining area;

(2) the organic and inorganic surface materials, excess rock, and tailings generated as a by-product of mining activities by product of mining activity;

(3) other materials belonging to the bedrock and soil of the mining area, insofar as the use thereof is necessary for the purposes of mining operations in the mining area.

The permission is valid until further notice or for a fixed period. The applicant may decide which type of permit to apply for. Decisions on fixed term mining permits are based on the quality and extent of the deposit, the applicant's ability to meet the conditions for ensuring the commencement of mining activities, and other factors that have emerged during processing of the application.

There is a review period of 10 years for the regulation regarding fixed-term mining permits. The permit authority must include the interval for review in the permit. The revision of permit regulations shall not in any significant way decrease the benefit gained from the mining project.

## 4.6 Mining safety permit

After receiving the mining permit, one must still apply for mining safety permit from Tukes according to Section 121 of the Mining Act: "*The construction of a mine, and its productive operations are subject to a permit by the mining authority (mining safety permit)*."

According to Section 124 of the Mining Act, a mining safety permit will not be granted before the mining permit has become legally valid. Therefore, it is redundant to apply for a mining safety permit prior to approval of the mining permit.

The application must include general safety plan, risk assessment, principles for avoiding accidents and internal rescue plans.

## 4.7 Environmental permit and water permit

Besides the permits demanded in the Mining Act, one needs also a general environmental permit, in accordance with the Finnish Environmental Protection Act (527/2014) for mining activities. The legislation does not directly say which of the permits must be applied first. Activities under the exploration permit application cannot be started until both permits have been obtained. However, according to Section 34 of the Mining Act, an application for a permit must be accompanied by certificates from the authority, extracts from the register and corresponding documents certifying that the information presented in the application and the prescribed requirements have been taken into account. Therefore, it is recommended to attach an environmental permit to the permit application, i.e., it is worth

applying for it before submitting the exploration permit application. The competent authority regarding environmental permits is the Finnish Regional State Administrative Agency (AVI).

The Regional State Administrative Agency will give orders in the permit on:

(1) Emissions and their thresholds, prevention, restrictions and location for storing the emissions;

(2) Prevention of polluting the soil and groundwater;

(3) Waste and reducing its amount and hazards;

(4) Actions to be taken in exceptional situations;

(5) Actions to be taken after ending the mining activities;

(6) Other measures for preventing and reducing the pollution of the environment.

The environmental permit is valid until further notice or for a fixed period. According to Section 87 of the Environmental Protection Act, it may be imposed for a limited period at the request of the operator or if there is a compelling reason relating to the specific characteristics of the activity, the novelty of the technology or methods used or the difficulty of assessing the adverse effects of the activity. A fixed term environmental permit expires at the end of the term, unless otherwise specified in the permit decision.

The water permit must be obtained simultaneously with the general environmental permit, if the mining has impacts on the waters defined in the Water Act.

## 4.8 Compensations and collaterals of exploration permits and mining permits

Exploration permit

According to Section 99 of the Mining Act, during the exploration permit, the holder of the exploration permit must pay annual compensations to the landowners in the exploration area (*exploration fee*). The annual amount of the exploration fee per property shall be:

(1) 20 euros per hectare (for the first 0-4 years of validity of the exploration permit);

(2) 30 euros per hectare (for 5-7 years of validity of the exploration permit);

(3) 40 euros per hectare (for 7-10 years of validity of the exploration permit);

(4) 50 euros per hectare (for over 11 years of validity of the exploration permit).

The exploration fee for the first year shall be paid no later than on the 30th day after the exploration permit becomes legally effective. The fee for the following years shall be paid at the corresponding time.

Additionally, the holder of the exploration permit must compensate the landowner for the damage and inconvenience that are caused by the operations on the exploration area. The parties concerned can agree on the payment and amount of compensation. The agreement shall be made in writing. If an agreement is not made on compensation, the claim for

compensation shall be presented in the proceedings for establishing a mining area, conducted upon application, by the party claiming compensation, the party concerned responsible for prospecting work, or the permit holder. Such proceedings shall be applied for within three years of the expiry or cancellation of the permit in question, or of the appearance of the damage or inconvenience caused by prospecting work.

According to Section 107 of the Mining Act, the exploration permit holder and gold panner shall deposit collateral for the purpose of offsetting potential damage and inconvenience and performing after-care measures, unless this can be deemed unnecessary in view of the quality and extent of operations, the special characteristics of the operating area, permit regulations issued for the operations, and the applicant's solvency.

Mining permit

According to Section 100 of the Mining Act, during the mining permit, the holder of the mining permit must pay annual compensations to the landowners in the mining area (*the excavation fee*). The annual compensations to be paid to the landowners are:

(1) 50 euros per hectare; and

(2) 0,15% of the value of the metallic mineral mined during the year calculated from the average price of such metallic mineral and divided between the tenement owners;

(3) Reasonable compensation for other mineral than metallic mineral agreed with the landowners or decided by Tukes.

Additionally, according to Section 101 of the Mining Act, the mining permit holder shall pay annual property-specific compensation (*by-product fee*) to each landowner in the mining area for the benefit gained from by-products of mining activities that are used for purposes other than mining activity. The by-product fee shall be moderate, taking into account the factors influencing the financial value of the by-product. If the mining permit holder and landowner do not agree on the compensation, it shall be 10 per cent at maximum of the sales proceeds gained from the by-product.

According to Section 108 of the Mining Act, the mining permit holder shall deposit collateral, for the purpose of termination and after-care measures of mining operations, that is sufficient in view of the nature and extent of mining activity, the permit regulations issued for the activity, and collateral demanded by virtue of other legislation.

## 4.9 Enforcement of a decision regardless of appeal

According to Section 169 of the Mining Act (Enforcement of a decision regardless of appeal):

> *(1) For a justified reason, the mining authority may, upon the request of the applicant, issue an order in the decision on extending the validity of an exploration permit or a mining permit or mining safety permit that measures individualised in the permit can be undertaken regardless of an appeal, in compliance with the permit decision. The above shall not apply to a mining permit concerning the production of uranium or thorium.*

*(2) A precondition for the order is that the enforcement does not render appeal useless and that the applicant provide the collateral prescribed by the mining authority in order to compensate for the losses of benefits and costs that nullification of the decision or revision of permit regulations could cause. Correspondingly, the provisions laid down in Chapter 10 shall apply to collateral. As concerns the mining permit and mining safety permit, a further precondition for the order is that possession of the mining area and auxiliary area to the mine have been claimed by the permit holder in accordance with section 82, unless the areas belong to the permit holder.*

*(3) The mining authority may, by its decision, issue an order referred to in subsection 1, with the same preconditions, within the appeal period or within 14 days of the end of the appeal period, upon a separately submitted application. The provisions laid down in sections 37–40 and 42 on handling of a permit application shall apply to handling of such an application. The provisions made in section 56(1) on the content of permit decision, in section 57 on issuing a permit decision, and in section 58 on informing of a permit decision shall apply to the decision. Moreover, the mining authority shall, without delay, submit a copy of the decision to the administrative court concerned and appellants. An appellant having lodged an appeal against the permit decision in question can seek nullification of the order or amendment thereto with an administrative court without having to appeal against it separately.*

*(4) The court of appeal can, on account of an appeal, nullify the order referred to in subsections 1 and 3, or amend it, or otherwise prohibit the execution of the decision referred to in subsections 1 and 3. The administrative court decision on a matter concerning enforcement may be appealed against by petitioning the Supreme Administrative Court only in connection with the principal claim.*

*(5) The exploration permit holder shall pay the exploration fee no later than the 30th day after the mining authority has issued the order referred to in subsection 1 or 3. In other respects, the provisions laid down in section 99 shall apply to the exploration fee. The obligation to pay an excavation fee commences when the mining authority has issued an order referred to in subsection 1 or 3. In other respects, the provisions in section 100 shall apply to the excavation fee.*

Regardless of the pending appeal process against Tukes' decision in administrative court, the permit holder is entitled to conduct prospecting work in accordance with sections 7 and 9 of the Mining Act. Such prospecting work can consist of conducting geological measurements and taking minor samples. The prospecting work shouldn't cause any damage or more than minor inconvenience or disturbance. In case the permit holder wishes to conduct more substantial measures during the appeal process, the permit holder must request the mining authority Tukes to issue an order that measures individualised in the permit can be undertaken regardless of an appeal.

Abovementioned is applicable when appealing against Tukes' decision to administrative court. Appeal against administrative court's decision to Supreme Administrative Court (SAC)

does not affect the enforceability of the administrative court's decision: according to section 122 of the Administrative Judicial Procedure Act (808/2019):

> *Section 122 – Enforceability of a decision*
>
> *A decision may not be enforced before it has become final.*
>
> *Appeal to the Supreme Administrative Court shall nevertheless not prevent enforcement of a decision in a matter in which leave to appeal is required. Enforcement may nevertheless not be undertaken if it renders the appeal useless.*
>
> *A decision that is not final may also be enforced if:*
>
> *1) the law so provides;*
>
> *2) the nature of the decision is such that it must be enforced immediately;*
>
> *3) enforcement of the decision cannot be postponed due to a public interest.*
>
> *When separately appealing against an interim decision made by an administrative court, the appeal shall not prevent enforcement of the said decision unless otherwise ordered by the administrative court that issued the decision or by the administrative court considering the said appeal.*

Therefore, in case administrative court dismisses an appeal against an exploration permit granted by Tukes and the appellant makes a re-appeal to the SAC, the exploration permit is enforceable. Therefore, the permit holder is entitled to conduct exploration measures in the exploration site in accordance with the permit, unless the enforcement renders the appeal useless. In this case, the measures that the permit holder is entitled to undertake are not limited to prospecting work. The enforceability begins on the date of the administrative court's decision.

### 4.10 Other regulations

Depending on the location, the following laws may apply to mining activities:

(1) Nature Conservation Act (1096/1996) applies to the protection and management of nature and the landscape. For example, when the mining area is located in Natura 2000 sites, an application for an ore exploration permit must be accompanied by an assessment of projects and plans related to Natura 2000 sites.

(2) Act on the Protection of Wilderness Reserves (62/1991) applies to wilderness areas. The provisions of the Act shall be observed in the conservation and use of wilderness areas.

(3) Land Use and Building Act (132/1999) applies to the design, construction and use of land and buildings.

The consent of the authority or institution competent in the matter, or that of the holder of the rights, is required for exploration whenever the area in question is a street area or market place referred to in the Land Use and Building Act.

Prospecting work must not be carried out on the ground within 150 metres of a building intended for residential or work use, or comparable space, and any adjoining private yard, or the site for such a building, if a permit required for building referred to in the Land Use and Building Act has been granted for it and construction has begun.

When applying for a mining permit, the relationship of the mining area and any auxiliary area to other usage of land shall be explained. Mining activity shall be based on a legally binding plan in accordance with the Land Use and Building Act, or, in view of the impacts of mining activity, the matter shall be otherwise sufficiently explored in co-operation with the local authority, Regional Council, and Centre for Economic Development, Transport and the Environment. Provisions concerning the legal impact of a land use plan are laid down in the Land Use and Building Act.

(4) Reindeer Husbandry Act (848/1990). All the Tenements are located in the reindeer husbandry area. The permit holder must comply with section 2 of the Reindeer Husbandry Act, according to which land in a reindeer husbandry area may not be used in such a way as to cause significant harm to reindeer husbandry.

(5) Radiation Act (592/1991) applies to radiation practices, existing exposure situations and emergency exposure situations.

(6) Nuclear Energy Act (990/1987) applies to mining and milling operations aimed at producing uranium or thorium and to export and import of uranium-containing or thorium-containing ores, to be specified under a government decree. The Act also applies to nuclear facilities, nuclear material, nuclear waste, nuclear energy obtaining, related equipment and devices and nuclear information.

(7) Antiquities Act (295/1963). According to the Act, solid ancient remains are preserved as memories of Finland's earlier settlement and history. Excavation, concealment, alteration, damage, removal and other tampering with an immovable antiquity shall be prohibited without permission under the Act.

(8) Off-Road Traffic Act (1710/1995) applies to the use of a motor vehicle on the terrain and on a snowmobile trail. According to the Act, movement in a mineral exploration area and at a distance of 30 meters from its border by a motor vehicle does not require the permission of the landowner or holder in the case of movement necessary for the activities covered by the relevant exploration permit or mining permit. If the exploration area is limited to an area where movement is restricted (eg a nature reserve), the consent of the authority responsible for managing the area is required outside the boundary of the exploration area.

(9) Dam Safety Act (494/2009) applies to dams and the structures and equipment which belong to these independent of the material of which the dam is constructed or how the dam has been constructed or the substance impounded by the dam.

(10) It is noted that there is no specific legislation covering indigenous land rights in Finland as of the date of this Report. Excluding the obligation to consult between the authorities and the Sámi Parliament on large-scale and significant measures that may directly and specifically affect the status of the Sámi as an indigenous people in the

Sámi Domicile Area and that concern, amongst other things, the exploration and exploitation of a deposit containing mining minerals and gold panning on state land and water areas. The Sámi Domicile Area consists of the territory of the municipalities of Enontekiö, Inari and Utsjoki and the territory of the Lapland municipality of Sodankylä. The provision does not therefore apply to the Tenements covered in this Report.

## 5 ASSUMPTIONS AND RESERVATIONS

We have assumed the following:

(1) The Documentation, including the information provided to us, were and remain true and complete. The Documentation is complete and accurate copies of the originals of such documents and that the originals are complete and each signature and seal is genuine.

(2) The contractual documents have been duly authorised, executed and delivered by the parties thereto and constitute legally enforceable obligations of the parties under the governing jurisdiction set forth in the contract. Each party to a contractual document which we have reviewed had the requisite power to enter into such contractual arrangement and to perform its obligations thereunder. Parties to any reviewed contractual document have not breached or threatened to breach any terms of such contract.

(3) The Documentation contain accurate and complete information and the Client/Pulju has been at all times acting in good faith in relation thereto and has not omitted to inform us of any material matter in relation to the inquiries raised by us.

This Report is made subject to the following reservations:

(1) This Report has been prepared by us only for the benefit of the Client and potential investors in the Client in relation to the IPO. It is understood that this Report will be published in the Prospectus associated with the Client's IPO. The report may not be used for any other purpose without our consent.

(2) The contents of this Report are confidential to the Client and shall not be disclosed to any third party before the publication of the IPO Prospectus other than to the Client's advisors in relation to the IPO, without our consent.

(3) We have made no examination of the ground or maps.

(4) We express no opinion regarding the right of any person to challenge title to the Tenements in accordance with the procedures set out in the Tukes.

(5) We express no opinion with respect to compliance with any environmental laws.

(6) The reviewed contractual documents may not in fact have been or be carried into effect. Any term of any contractual document may have been amended, either orally by the parties thereto or by conduct or by the course of dealing, without us being aware of such amendments. In addition, there may exist agreements made exclusively in oral form and of which we are unaware. Furthermore, there may exist

undisclosed breaches of obligations of any of the parties to the contractual documents.

(7) This Report has been prepared on the basis of the laws of Finland as they exist and are interpreted on the date of this Report and we express no opinion as to any other laws. Where the Documentation is subject to other than Finnish law, it should be reviewed for legal effect by lawyers from those jurisdictions, and our notes included in this Report are solely for general information.

(8) Other than as covered in condition (1) above, nothing that has been stated in this Report should be interpreted in a way which may cause our liability for any decision, act or ruling issued by a court or relevant administrative body, in particular presenting other views than included in this Report.

## 6 PLACE AND DATE

In Helsinki, 06 April 2022

**Attorneys-at-Law Magnusson Ltd**

| | |
|---|---|
| Ville Salonen | Emilia Alakurtti |
| Partner, Attorney-at-Law | Associate |

# ANNEXURE C – INDEPENDENT LIMITED ASSURANCE REPORT

IDEAS | PEOPLE | TRUST

# NORDIC NICKEL LIMITED

## Independent Limited Assurance Report

7 April 2022

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Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000
PO Box 700 West Perth WA 6872
Australia

7 April 2022

The Directors
Nordic Nickel Limited
Level 12, 197 St Georges Tce
PERTH WA 6000

Dear Directors

# INDEPENDENT LIMITED ASSURANCE REPORT

## 1. INTRODUCTION

BDO Corporate Finance (WA) Pty Ltd (**'BDO'**) has been engaged by Nordic Nickel Limited (**'Nordic Nickel'** or **'the Company'**) to prepare this Independent Limited Assurance Report (**'Report'**) for inclusion in the Prospectus for the Initial Public Offering ('**IPO**') of shares in Nordic Nickel. Broadly, the Prospectus will offer up to 48,000,000 shares at an issue price of $0.25 each to raise up to $12 million before costs ('**the Offer**'). The Offer is subject to a minimum subscription level of 32,000,000 shares to raise $8 million.

Expressions defined in the Prospectus have the same meaning in this Report. BDO holds an Australian Financial Services Licence (AFS Licence Number 316158) and our Financial Services Guide ('**FSG**') has been included in this report in the event you are a retail investor. Our FSG provides you with information on how to contact us, our services, remuneration, associations, and relationships.

This Report has been prepared for inclusion in the Prospectus. We disclaim any assumption of responsibility for any reliance on this Report or on the Financial Information to which it relates for any purpose other than that for which it was prepared.

## 2. SCOPE

You have requested BDO to perform a limited assurance engagement in relation to the historical and pro forma historical financial information described below and disclosed in the Prospectus.

The historical and pro forma historical financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

You have requested BDO to review the following historical financial information (together the **'Historical Financial Information'**) of Nordic Nickel included in the Prospectus:

- Nordic Nickel's reviewed Statement of Financial Position as at 31 December 2021;
- Nordic Nickel's reviewed Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash flows for the half year ended 31 December 2021; and
- Nordic Nickel's audited Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash flows for the period from the date of incorporation, being 27 January 2021, to 30 June 2021.

The Historical Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Historical Financial Information has been extracted from the financial reports of Nordic Nickel for the period from incorporation to 30 June 2021 and the half-year ended 31 December 2021, which were audited and reviewed (respectively) by BDO Audit (WA) Pty Ltd ('**BDO Audit**'), in accordance with the Australian Auditing Standards. BDO Audit issued an unmodified opinion on the financial reports.

In each of the audit and review conclusions, BDO Audit included an emphasis of matter relating to the material uncertainty around the ability of the Company to continue as a going concern. However, the audit opinion and review opinion were not modified in respect of this matter.

*Pro Forma Historical Financial Information*

You have requested BDO to review the following pro forma historical financial information (the **'Pro Forma Historical Financial Information'**) of Nordic Nickel included in the Prospectus:

- the pro forma historical Statement of Financial Position as at 31 December 2021.

The Pro Forma Historical Financial Information has been derived from the historical financial information of Nordic Nickel, after adjusting for the effects of the subsequent events described in Section 6 of this Report and the pro forma adjustments described in Section 7 of this Report. The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the events or transactions to which the pro forma adjustments relate, as described in Section 7 of this Report, as if those events or transactions had occurred as at the date of the historical financial information. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position or financial performance.

The Pro Forma Historical Financial Information has been compiled by Nordic Nickel to illustrate the impact of the events or transactions described in Section 6 and Section 7 of the Report on Nordic Nickel's financial position as at 31 December 2021. As part of this process, information about Nordic Nickel's financial position has been extracted by Nordic Nickel from the Company's financial statements for the half year ended 31 December 2021.

# 3. DIRECTORS' RESPONSIBILITY

The directors of Nordic Nickel are responsible for the preparation and presentation of the Historical Financial Information and Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Historical Financial Information and included in the Pro Forma Historical Financial Information. This includes

responsibility for such internal controls as the directors determine are necessary to enable the preparation of Historical Financial Information and Pro Forma Historical Financial Information are free from material misstatement, whether due to fraud or error.

# 4. OUR RESPONSIBILITY

Our responsibility is to express limited assurance conclusions on the Historical Financial Information and the Pro Forma Historical Financial Information. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited assurance engagement is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or limited assurance reports on any financial information used as a source of the financial information.

# 5. CONCLUSION

*Historical Financial Information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Financial Information, as described in the Appendices to this Report, and comprising:

- the reviewed Statement of Financial Position as at 31 December 2021;
- the reviewed Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash flows for the half year ended 31 December 2021; and
- the audited Statement of Profit or Loss and Other Comprehensive Income and Statement of Cash flows for the period from incorporation to 30 June 2021.

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

*Pro Forma Historical Financial information*

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information as described in the Appendices to this Report, and comprising:

- the pro forma historical Statement of Financial Position of Nordic Nickel as at 31 December 2021,

is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in Section 2 of this Report.

# 6. SUBSEQUENT EVENTS

The pro-forma statement of financial position reflects the following events that have occurred subsequent to the period ended 31 December 2021:

- On 20 January 2022, Nickel Nordic entered into a binding letter agreement with Magstar Mining Oy to earn an interest in the Maaninkijoki 3 (**'MJ3'**) Copper-Nickel-PGM Project (**'the Project'**). To earn a 51% interest in the Project (**'First Earn-in'**) the Company is required to undertake exploration expenditure of €2,000,000 (**'First Earn-in Expenditure'**) on or before, the date that is exactly four years after the MJ3 License is fully granted. Following completion of the First Earn-in, the Company has the right to earn an additional 24% interest in the Project (**'Second Earn-in'**), by maintaining minimum annual expenditure on the Project of €250,000, undertaking exploration expenditure totaling €5,000,000 within five years of commencing the Second Earn-in (**'Second Earn-in Expenditure'**) and becoming the project operator. The First Earn-in and the Second Earn-in have been disclosed as commitments, with no financial adjustment being made; and
- The Company was converted from a private company to a public company in March 2022.

No matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Apart from the matters dealt with in this Report, and having regard to the scope of this Report and the information provided by the Directors, to the best of our knowledge and belief no other material transaction or event outside of the ordinary business of Nordic Nickel not described above, has come to our attention that would require comment on, or adjustment to, the information referred to in our Report or that would cause such information to be misleading or deceptive.

# 7. ASSUMPTIONS ADOPTED IN COMPILING THE PRO-FORMA STATEMENT OF FINANCIAL POSITION

The pro forma historical Statement of Financial Position is shown in Appendix 2. This has been prepared based on the financial statements as at 31 December 2021, the subsequent events set out in Section 6, and the following transactions and events relating to the issue of shares under this Prospectus:

- The issue of 32,000,000 shares at an offer price of $0.25 each to raise $8 million before costs pursuant to the Prospectus, based on the minimum subscription;
- The issue of 48,000,000 shares at an offer price of $0.25 each to raise $12 million before costs pursuant to the Prospectus, based on the maximum subscription;
- Costs of the Offer are estimated to be approximately $766,749 and $1,011,250 for the minimum and maximum raises respectively. Of the costs of the Offer under the minimum and maximum raise, $539,890 and $797,361 respectively are offset directly against issued capital, with the remaining costs of the Offer expensed through accumulated losses;
- The issue of 4,000,000 options to the joint lead managers, being Taylor Collison Limited and Vert Capital Pty Ltd, in two equal tranches. The first tranche has an exercise price

of $0.30 per option and a three year term and the second tranche has an exercise price of $0.35 per option and a three year term (‘**Joint Lead Manager Options**’). The issue of the Joint Lead Manager Options are deemed to be a cost of the capital raising and have therefore been offset against issued capital. The Joint Lead Manager Options have been valued at $572,000 using the Black Scholes option pricing model;

- The issue of 3,500,000 incentive options to Directors, employees and consultants, in two equal tranches. The first tranche has an exercise price of $0.30 per option and a five year term and the second tranche has an exercise price of $0.35 per option and a five year term (‘**Director, Employee and Consultant Options**’). The first tranche will vest on the date that is 12 months after the date the Company lists on the Australian Securities Exchange (‘**ASX**’) and the second tranche will vest on the date that is 24 months after the date the Company lists on ASX. The Director, Employee and Consultant Options have been valued at $626,500 using the Black Scholes option pricing model. In accordance with AASB 2: Share based payment, the value of the Director, Employee and Consultant Options are expensed over the vesting period, and therefore the expense incurred at the pro-forma date is not material. As such, no adjustment has been made to the pro forma Statement of Financial Position to reflect the issue of the Director, Employee and Consultant Options;
- The issue of 3,500,000 incentive options to the Managing Director, in three tranches. The first tranche (1,000,000 options) has an exercise price of $0.250 and a five year term, the second tranche (1,000,000 options) has an exercise price of $0.375 and a five year terms and the third tranche (1,500,000 options) has an exercise price of $0.500 and a five year term (‘**Managing Director Options**’). The first tranche will vest on the date the Company lists on the ASX, the second tranche will vest on the date that is 12 months after the date the Company lists on the ASX and the third tranche will vest on the date that is 24 months after the date the Company lists on the ASX. The Managing Director Options have been valued at $606,500 using the Black Scholes option pricing model. The value of the first tranche of Managing Director Options have been expensed through accumulated losses. In accordance with AASB 2: Share based payment, the value of the second and third tranche of Managing Director Options are expensed over the vesting period, and therefore the expense incurred at the pro-forma date is not material. As such, no adjustment has been made to the pro forma Statement of Financial Position to reflect the issue of the second tranche and third tranche of Managing Director Options;
- The issue of 12,100,005 Nordic Nickel shares on automatic conversion of the convertible notes, which occurs upon the Company conducting an initial public offering of its shares with a view to its shares being quoted on the official list of the ASX. The conversion of the convertible notes is reflected in the pro forma statement of financial position as an increase in issued capital of $3,025,001, equivalent to the number of conversion shares multiplied by the offer price of $0.25 per share. Based on the reviewed statement of financial position as at 31 December 2021, the convertible notes were reflected in reserves. Therefore, on conversion of the convertible notes, the balance of reserves is reduced by the book value of the convertible note, with the residual between the value of the shares issued on conversion and the book value of the convertible note at 31 December 2021 being recorded as a financing expense. Therefore, the financing expense of $1,210,001 is reflected in accumulated losses; and
- The issue of 125,000 Nordic Nickel shares to Mark Connelly (‘**Consultant**’) in accordance with the terms of the referral fee agreement (‘**Referrer Shares**’). Under the referral fee

agreement the Consultant is entitled to receive the Referrer Shares if one of his referrals is chosen as the inaugural Managing Director of the Company prior to the IPO. The value of the Referrer Shares has been expensed through accumulated losses.

# 8. INDEPENDENCE

BDO is a member of BDO International Ltd. BDO does not have any interest in the outcome of the Offer other than in connection with the preparation of this Report and participation in due diligence procedures, for which professional fees will be received. BDO is the auditor of Nordic Nickel and from time to time, BDO also provides Nordic Nickel with certain other professional services for which normal professional fees are received.

# 9. DISCLOSURES

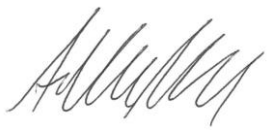
This Report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to be a substitute for professional advice and potential investors should not make specific investment decisions in reliance on the information contained in this Report. Before acting or relying on any information, potential investors should consider whether it is appropriate for their objectives, financial situation or needs.

Without modifying our conclusions, we draw attention to Section 2 of this Report, which describes the purpose of the financial information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose.

BDO has consented to the inclusion of this Report in the Prospectus in the form and context in which it is included. At the date of this Report this consent has not been withdrawn. However, BDO has not authorised the issue of the Prospectus. Accordingly, BDO makes no representation regarding, and takes no responsibility for, any other statements or material in or omissions from the Prospectus.

Yours faithfully

**BDO Corporate Finance (WA) Pty Ltd**



**Adam Myers**
Director

**APPENDIX 1**

**NORDIC NICKEL LIMITED**

**HISTORICAL STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

| | Reviewed for the half-year ended 31-Dec-21 $ | Audited for the period ended 30-Jun-21 $ |
|---|---|---|
| **Continuing Operations** | | |
| **Expenses** | | |
| Professional and consulting fees | (100,573) | (80,951) |
| Director and employee costs | (83,122) | (21,912) |
| Other expenses | (1,428) | (3,566) |
| Share-based payments expense | (97,111) | (15,833) |
| **Loss before income tax** | **(282,234)** | **(122,262)** |
| Income tax expense | - | - |
| **Net loss for the period** | **(282,234)** | **(122,262)** |
| **Other comprehensive income** | | |
| **Items that may be reclassified to profit and loss** | | |
| Exchange differences on translation of foreign operations | (164) | (422) |
| **Other comprehensive income for the period, net of tax** | **(164)** | **(422)** |
| **Total comprehensive loss for the period** | **(282,398)** | **(122,684)** |

This above Statements of Profit or Loss and Other Comprehensive Income shows the historical financial performance of the Company and is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4. Past performance is not a guide to future performance.

**APPENDIX 2**

**NORDIC NICKEL LIMITED**

**PRO FORMA STATEMENT OF FINANCIAL POSITION**

| | Note | Reviewed as at 31-Dec-21 $ | Pro-forma adjustment Min $ | Pro-forma adjustment Max $ | Pro-forma after Offer Min $ | Pro-forma after Offer Max $ |
|---|---|---|---|---|---|---|
| **CURRENT ASSETS** | | | | | | |
| Cash and cash equivalents | 4 | 638,593 | 7,233,251 | 10,988,750 | 7,871,844 | 11,627,343 |
| Other assets | | 835 | - | - | 835 | 835 |
| Receivables | | 37,116 | - | - | 37,116 | 37,116 |
| **TOTAL CURRENT ASSETS** | | 676,544 | 7,233,251 | 10,988,750 | 7,909,795 | 11,665,294 |
| **NON CURRENT ASSETS** | | | | | | |
| Deferred exploration and evaluation expenditure | | 950,113 | - | - | 950,113 | 950,113 |
| **TOTAL NON CURRENT ASSETS** | | 950,113 | - | - | 950,113 | 950,113 |
| **TOTAL ASSETS** | | 1,626,657 | 7,233,251 | 10,988,750 | 8,859,908 | 12,615,407 |
| **CURRENT LIABILITIES** | | | | | | |
| Trade and other payables | | 98,294 | - | - | 98,294 | 98,294 |
| **TOTAL CURRENT LIABILITIES** | | 98,294 | - | - | 98,294 | 98,294 |
| **TOTAL LIABILITIES** | | 98,294 | - | - | 98,294 | 98,294 |
| **NET ASSETS** | | **1,528,363** | **7,233,251** | **10,988,750** | **8,761,614** | **12,517,113** |
| **EQUITY** | | | | | | |
| Issued capital | 5 | 5,501 | 9,944,361 | 13,686,890 | 9,949,862 | 13,692,391 |
| Reserves | 6 | 1,927,358 | (1,055,000) | (1,055,000) | 872,358 | 872,358 |
| Accumulated losses | 7 | (404,496) | (1,656,110) | (1,643,140) | (2,060,606) | (2,047,636) |
| **TOTAL EQUITY** | | **1,528,363** | **7,233,251** | **10,988,750** | **8,761,614** | **12,517,113** |

*The cash and cash equivalents balance above does not account for working capital movements over the period from 31 December 2021 until completion. We have been advised that the operating costs of Nordic Nickel for the period subsequent to 31 December 2021 to the date of our Report, were approximately $246,000.*

The pro-forma Statement of Financial Position after the Offer is as per the statement of financial position before the Offer adjusted for any subsequent events and the transactions relating to the issue of shares pursuant to this Prospectus. The statement of financial position is to be read in conjunction with the notes to and forming part of the historical financial information set out in Appendix 4.

**APPENDIX 3**

**NORDIC NICKEL LIMITED**

**HISTORICAL STATEMENTS OF CASH FLOWS**

| | Reviewed for the half-year ended 31-Dec-21 $ | Audited for the period ended 30-Jun-21 $ |
|---|---|---|
| **Cash flows from operating activities** | | |
| Payments to suppliers and employees | (212,864) | (26,322) |
| **Net cash used in operating activities** | **(212,864)** | **(26,322)** |
| | | |
| **Cash flows from investing activities** | | |
| Payment for exploration expenditure | (207,108) | (721,106) |
| Proceeds from acquisition of Pulju Exploration Oy | - | 9,992 |
| **Net cash used in investing activities** | **(207,108)** | **(711,114)** |
| | | |
| **Cash flows from financing activities** | | |
| Proceeds from issue of shares | - | 1,001 |
| Proceeds from issue of convertible note | 240,000 | 1,555,000 |
| (Repayment)/proceeds of short term borrowings | (31,650) | 31,650 |
| **Net cash provided by financing activities** | **208,350** | **1,587,651** |
| | | |
| Net (decrease)/increase in cash and cash equivalents | (211,622) | 850,215 |
| Cash and cash equivalents at the beginning of the period | 850,215 | - |
| **Cash and cash equivalents at the end of the period** | **638,593** | **850,215** |

The above historical Statements of Cash Flows show the historical cash flows of Nordic Nickel and are to be read in conjunction with the notes to and forming part of the Historical Financial Information set out in Appendix 4.

**APPENDIX 4**

**NORDIC NICKEL LIMITED**

**NOTES TO AND FORMING PART OF THE HISTORICAL FINANCIAL INFORMATION**

## NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the historical financial information included in this Report have been set out below.

### a) Basis of preparation of historical financial information

The Historical Financial Information had been prepared in accordance with the presentation requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The Historical Financial Information has been prepared on a historical cost basis. The presentation currency is Australian dollars.

The Historical Financial Information complies with measurement and recognition requirements of Australian Accounting Standards but not all of the disclosure requirements, which include Australian equivalents to International Financial Reporting Standards ('**AIFRS**'). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards ('**IFRS**').

*New and amended standards adopted by the Company*

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

### b) Going Concern

The Historical Financial Information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is dependent on the success of the fundraising under the Prospectus. The Directors believe that the Company will continue as a going concern. As a result the financial information has been prepared on a going concern basis. However should the fundraising under the Prospectus be unsuccessful, the entity may not be able to continue as a going concern. No adjustments have been made relating to the recoverability and classification of liabilities that might be necessary should the Company not continue as a going concern.

### c) Income Tax

The income tax expense or benefit is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when:

- the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except when:

- the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be recognised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be recognised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is recognised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

**d) Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Government. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the Government is included as part of receivables or payables in the statement of financial position. Cash flows are presented in the statement of cash flows

on a gross basis, except for the GST component of investing and financing activities, which is receivable from or payable to the Government, are disclosed as operating cash flows.

**e) Cash and Cash Equivalents**

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**f) Exploration and evaluation expenditure**

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not at the balance date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development. Where an area of interest is abandoned, any expenditure carried forward in respect of that area is written off.

**g) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is

virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

**h) Share-based payment transactions**

*(i) Equity settled transactions:*

The Company provides benefits to individuals acting as, and providing services similar to employees (including Directors) of the Company in the form of share-based payment transactions, whereby individuals render services in exchange for shares or rights over shares (**'equity settled transactions'**).

The cost of these equity settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by using the Black Scholes formula. The cost of the equity settled transactions is recognised, together with a corresponding increase in equity, over the year in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (**'vesting date'**).

The cumulative expense recognised for equity settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting year has expired and (ii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance date.

No adjustment is made for the likelihood of the market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a year represents the movement in cumulative expense recognised at the beginning and end of the year. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition. Where the terms of an equity settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity settled award is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the award is recognised immediately. However if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The cost of equity-settled transactions with non-employees is measured by reference to the fair value of goods and services received unless this cannot be measured reliably, in which case the cost is measured by reference to the fair value of the equity instruments granted. The dilutive effect, if any, of outstanding options is reflected in the computation of loss per share.

**i) Financial Instruments**

*Recognition, initial measurement and derecognition*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument. Financial instruments (except for trade receivables) are measured initially at fair value adjusted by transactions costs, except for those carried "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss. Where available,

quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

***Financial assets***

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments, are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- the contractual cash flow characteristics of the financial assets; and
- the entities business model for managing the financial asset.

*Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

***Financial liabilities***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

All interest-related charges and, if applicable, gains and losses arising on changes in fair value that are recognised in profit or loss.

*Impairment*

The Company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**j) Impairment of non-financial assets other than goodwill**

The Company assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**k) Issued Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

**l) Critical accounting estimates and judgements**

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the year in which the estimate is revised if it affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

*Valuation of share based payment transactions*

The valuation of share-based payment transactions is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using option pricing models (as appropriate) taking into account the terms and conditions upon which the instruments were granted.

*Deferred Exploration and Evaluation Expenditure*

Exploration and evaluation expenditure includes prepaid project acquisition costs that have been capitalised on the basis that the Company will complete the acquisition of mineral licenses / leases where it has entered into a binding share purchase agreement. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered through satisfaction of all conditions precedent to proceed with the acquisition. To the extent that capitalised costs are determined not to be recoverable in the future should the acquisition not proceed, they will be written off in the period in which this determination is made.

**NOTE 2: RELATED PARTY DISCLOSURES**

Transactions with Related Parties and Directors Interests are disclosed in the Prospectus.

**NOTE 3: COMMITMENTS AND CONTINGENCIES**

At the date of the report no material commitments or contingent liabilities exist that we are aware of, other than those disclosed in the Prospectus.

On 20 January 2022, the Company entered into a binding letter agreement with Magstar Mining Oy to earn an interest in the MJ3 Project. To earn a 51% interest in the Project the Company is required to undertake exploration expenditure of €2,000,000 on or before, the date that is exactly four years after the MJ3 License is fully granted. Following completion of the First Earn-in, the Company has the right to earn an additional 24% interest in the Project by maintaining minimum annual expenditure on the Project of €250,000, undertaking exploration expenditure totalling €5,000,000 within five years of commencing the Second Earn-in and becoming the project operator. The First Earn-in and the Second Earn-in are considered commitments and no financial adjustment has been made.

| NOTE 4. CASH AND CASH EQUIVALENTS | Reviewed as at 31-Dec-21 $ | Pro-forma after Offer Min $ | Pro-forma after Offer Max $ |
|---|---|---|---|
| Cash and cash equivalents | 638,593 | 7,871,844 | 11,627,343 |
| *Adjustments to arise at the pro-forma balance:* | | | |
| Reviewed balance of Nordic Nickel at 31 December 2021 | | 638,593 | 638,593 |
| | | 638,593 | 638,593 |
| *Pro-forma adjustments:* | | | |
| Proceeds from shares issued under this Prospectus | | 8,000,000 | 12,000,000 |
| Capital raising costs | | (766,749) | (1,011,250) |
| | | 7,233,251 | 10,988,750 |
| Pro-forma Balance | | 7,871,844 | 11,627,343 |

| NOTE 5. ISSUED CAPITAL | | Reviewed as at 31-Dec-21 $ | Pro-forma after Offer Min $ | Pro-forma after Offer Max $ |
|---|---|---|---|---|
| Issued capital | | 5,501 | 9,949,862 | 13,692,391 |
| | **Number of shares (min)** | **Number of shares (max)** | **$** | **$** |
| Reviewed balance of Nordic Nickel at 31 December 2021 | 55,000,001 | 55,000,001 | 5,501 | 5,501 |
| | 55,000,001 | 55,000,001 | 5,501 | 5,501 |
| *Pro-forma adjustments* | | | | |
| Proceeds from shares issued under the Offer | 32,000,000 | 48,000,000 | 8,000,000 | 12,000,000 |
| Costs of the Offer directly attributable to the capital raising | - | - | (539,890) | (797,361) |
| Issue of shares on conversion of convertible notes | 12,100,005 | 12,100,005 | 3,025,001 | 3,025,001 |
| Issue of the Joint Lead Manager Options | - | - | (572,000) | (572,000) |
| Issue of Referrer Shares | 125,000 | 125,000 | 31,250 | 31,250 |
| | 44,225,005 | 60,225,005 | 9,944,361 | 13,686,890 |
| Pro-forma Balance | 99,225,006 | 115,225,006 | 9,949,862 | 13,692,391 |

| NOTE 6. RESERVES | Reviewed as at 31-Dec-21 $ | Pro-forma after Offer $ |
|---|---|---|
| Reserves | 1,927,358 | 872,358 |
| | | |
| Reviewed balance of Nordic Nickel at 31 December 2021 | | 1,927,358 |
| | | 1,927,358 |
| *Pro-forma adjustments:* | | |
| Issue of Managing Director Options | | 188,000 |
| Issue of Joint Lead Manager Options | | 572,000 |
| Conversion of convertible note to shares in Nordic Nickel | | (1,815,000) |
| | | (1,055,000) |
| | | |
| Pro-forma Balance | | 872,358 |

The Joint Lead Manager Options, Managing Director Options and Director, Employee and Consultant Options have been valued using the Black Scholes option pricing model, with the key inputs and the value set out in the tables below:

| | Joint Lead Manager Options | | Managing Director Options | | |
|---|---|---|---|---|---|
| | Tranche 1 | Tranche 2 | Tranche 1 | Tranche 2 | Tranche 3 |
| Number of Instruments | 2,000,000 | 2,000,000 | 1,000,000 | 1,000,000 | 1,500,000 |
| Underlying share price ($) | 0.250 | 0.250 | 0.250 | 0.250 | 0.250 |
| Exercise price ($) | 0.300 | 0.350 | 0.250 | 0.375 | 0.500 |
| Expected volatility | 100% | 100% | 100% | 100% | 100% |
| Life of the options (years) | 3.00 | 3.00 | 5.00 | 5.00 | 5.00 |
| Expected dividends | Nil | Nil | Nil | Nil | Nil |
| Risk free rate | 1.770% | 1.770% | 2.135% | 2.135% | 2.135% |
| Value per instrument ($) | 0.147 | 0.139 | 0.188 | 0.174 | 0.163 |
| Value per tranche ($) | 294,000 | 278,000 | 188,000 | 174,000 | 244,500 |

| | Director, Employee and Consultant Options | |
|---|---|---|
| | Tranche 1 | Tranche 2 |
| Number of Instruments | 1,750,000 | 1,750,000 |
| Underlying share price ($) | 0.25 | 0.25 |
| Exercise price ($) | 0.300 | 0.350 |
| Expected volatility | 100% | 100% |
| Life of the options (years) | 5.00 | 5.00 |
| Expected dividends | Nil | Nil |
| Risk free rate | 2.135% | 2.135% |
| Value per instrument ($) | 0.182 | 0.176 |
| Value per tranche ($) | 318,500 | 308,000 |

In accordance with AASB 2, the value of the Tranche 2 and Tranche 3 Managing Director Options and the Director, Employee and Consultant Options will be expensed over their respective vesting periods. Therefore, given that the expense incurred at the pro-forma date is not material, no adjustment has been made to the pro forma Historical Statement of Financial Position for the issue of these options. The Joint

Lead Manager Options and the Tranche 1 Managing Director Options are reflected in reserves given that they vest upon listing of the Company's shares on the ASX.

There are also 2,750,000 existing options on issue ('**Existing Options**'). The Existing Options have an exercise price of $0.20 and an expiry date of 31 May 2026.

| NOTE 7. ACCUMULATED LOSSES | Reviewed as at 31-Dec-21 $ | Pro-forma after Offer Minimum $ | Pro-forma after Offer Maximum $ |
|---|---|---|---|
| Accumulated losses | (404,496) | (2,060,606) | (2,047,636) |
| Reviewed balance at 31 December 2021 | | (404,496) | (404,496) |
| | | (404,496) | (404,496) |
| *Pro-forma adjustments:* | | | |
| Costs of the Offer not directly attributable to the capital raising | | (226,859) | (213,889) |
| Issue of Managing Director Options | | (188,000) | (188,000) |
| Financing cost on conversion of the convertible notes | | (1,210,001) | (1,210,001) |
| Issue of Referrer Shares | | (31,250) | (31,250) |
| | | (1,656,110) | (1,643,140) |
| Pro-forma Balance | | (2,060,606) | (2,047,636) |

## APPENDIX 5

### FINANCIAL SERVICES GUIDE

7 April 2022

**BDO Corporate Finance (WA) Pty Ltd** ABN 27 124 031 045 (**'we'** or **'us'** or **'ours'** as appropriate) has been engaged by Nordic Nickel Limited (**'the Company'**) to provide an Independent Limited Assurance Report (**'ILAR' 'our Report'**) for inclusion in this Prospectus.

**Financial Services Guide**
In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (**'FSG'**). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our internal and external complaints handling procedures and how you may access them.

**Information about us**
BDO Corporate Finance (WA) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our Report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

**Financial services we are licensed to provide**
We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide an ILAR in connection with the financial product of another entity. Our Report indicates who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

**General Financial Product Advice**
We only provide general financial product advice, not personal financial product advice. Our Report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.

**Fees, commissions and other benefits that we may receive**
We charge fees for providing reports, including this Report. These fees are negotiated and agreed with the client who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately $18,000 (exclusive of GST).

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the Report.

**Remuneration or other benefits received by our employees**
All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Nordic Nickel for our professional services in providing this Report. That fee is not linked in any way with our opinion as expressed in this Report.

**Referrals**
We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

**Complaints resolution**
*Internal complaints resolution process*
As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. Complaints can be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, Level 9 Mia Yellagonga Tower 2, 5 Spring Street Perth WA 6000, or by telephone or email using the contact details within our report.

When we receive a complaint we will record the complaint, acknowledge receipt of the complaint in writing within one business day or, if the timeline cannot be met, then as soon as practicable and investigate the issues raised. As soon as practical, and not more than 30 days after receiving the complaint, we will advise the complainant in writing of our determination.

**Referral to External Dispute Resolution Scheme**
If a complaint is made and the complainant is dissatisfied with the outcome of the above process, or our determination, the complainant has the right to refer the matter to the Australian Financial Complaints Authority Limited ('**AFCA**').

AFCA is an independent company that has been established to impartially resolve disputes between consumers and participating financial services providers.

Our AFCA Membership Number is 12561. Further details about AFCA are available on its website www.afca.org.au or by contacting it directly via the details set out below:

Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne VIC 3001
Toll free: 1300 931 678
Website: www.afca.org.au

**Contact details**
You may contact us using the details set out on page 1 of our Report.

1300 138 991
www.bdo.com.au

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