CORAZON CONFIRMS RESOURCE UPGRADE AT LYNN LAKE NICKEL SULPHIDE PROJECT

20% of Resource in Measured Category

- **Significant Resource upgrade confirmed at Corazon's wholly owned Lynn Lake Project in Manitoba, Canada**
  - **20% of the new Resource is within the high-quality Measured JORC category**
  - **The new Resource Estimate includes (at a 0.5% Ni base cut):**

    Measured 3,282,000t @ 0.67% Ni, 0.32% Cu, 0.030% Co

    Indicated 9,616,000t @ 0.70% Ni, 0.34% Cu, 0.035% Co

    Inferred 3,422,000t @ 0.79% Ni, 0.33% Cu, 0.027% Co

    For total contained metal of 116,800t Ni, 54,300t Cu, 5,300t Co
  - **Upgraded Resource has been confirmed from just three of the six deposits that make up the existing Lynn Lake Resource – potential for significant further Resource expansion within the prolific historical producing mining centre**
  - **Corazon's new mining studies indicate a consistency of mineralisation and good-to-excellent rock mass, providing an excellent foundation for a potential bulk, low cost, mining operation**
    - **Mining studies are on-going and will feed into more detailed work programs to continue advancing the development of the Lynn Lake Project**
  - **Lynn Lake is strategically located close to massive North American markets seeking reliable supply of quality nickel sulphide to support the rapidly growing EV battery sector**
  - **Drilling at Lynn Lake currently underway targeting new DHEM conductors at the Fraser Lake exploration focus**

Corazon Mining Limited (ASX: CZN) (Corazon or Company) is pleased to announce an upgrade of the JORC resource estimate for the Lynn Lake Nickel-Copper-Cobalt Sulphide Project (Lynn Lake or Project) in Manitoba Province, Canada.

The new Resource Estimate for the Lynn Lake Project (tables 1 and 2) has resulted in 20% of the previous resource (ASX announcement 27 November 2019) being upgraded to the highest-quality Measured resource category (in accordance with JORC Code 2012 edition). The total metal content of the resource is; 116,800t Nickel, 54,300t Copper and 5,300t Cobalt, remaining the same as the 2019 resource estimate.

This significant resource upgrade provides further confidence in the potential to develop a long-life, bulk, low cost mining operation at Lynn Lake.

The resource upgrade has been confirmed from just three of the six deposits that make up the Lynn Lake resource estimate. These three deposits, the EL, N and O deposits, were drilled

out and partially mined prior to the mine's closure in 1976. More than 20 deposits are defined within the Lynn Lake Mining Centre.

The resource upgrade has been delivered as a result of the Company's increased level of confidence in the historic drilling databases and initial encouraging results from current and ongoing mining studies currently being undertaken for the Lynn Lake Mining Centre (ASX announcement 26 May 2021).

JORC Category	Base Cut Ni % *	Tonnes	Ni % *	Cu %	Co %	Tonnes		
						Ni	Cu	Co
Measured	0.40	5,067,000	0.59	0.29	0.027	30,100	14,700	1,400
Indicated	0.40	15,320,000	0.61	0.30	0.031	93,200	46,600	4,800
Inferred	0.40	7,331,000	0.61	0.28	0.023	44,600	20,400	1,700
Total	**0.40**	**27,717,000**	**0.50**	**0.24**	**0.023**	**168,000**	**81,700**	**7,900**

JORC Category	Base Cut Ni % *	Tonnes	Ni % *	Cu %	Co %	Tonnes		
						Ni	Cu	Co
Measured	0.50	3,282,000	0.67	0.32	0.030	22,100	10,400	1,000
Indicated	0.50	9,616,000	0.70	0.34	0.035	67,700	32,400	3,400
Inferred	0.50	3,422,000	0.79	0.33	0.027	27,000	11,400	900
Total	**0.50**	**16,321,000**	**0.72**	**0.33**	**0.033**	**116,800**	**54,300**	**5,300**

JORC Category	Base Cut Ni % *	Tonnes	Ni % *	Cu %	Co %	Tonnes		
						Ni	Cu	Co
Measured	0.70	854,000	0.94	0.39	0.041	8,000	3,400	400
Indicated	0.70	3,425,000	0.93	0.40	0.045	31,700	13,800	1,500
Inferred	0.70	1,110,000	1.25	0.45	0.039	13,900	5,000	400
Total	**0.70**	**5,389,000**	**0.85**	**0.35**	**0.036**	**53,600**	**22,200**	**2,300**

Table 1: Lynn Lake Mineral Resource Estimate – October 2021

"*" = Nickel content 100% sulphide material and recoverable. There is no unrecoverable nickel silicate content (common in nickel deposits) within the Lynn Lake mineralisation.

Background to Lynn Lake Mining Centre Resource Upgrade

The Lynn Lake Project was mined continuously for 24 years before its closure in 1976 (due to depressed nickel prices), and remains one of Canada's most prolific nickel sulphide mining centres.

The Resource Estimation covers six deposits, with this latest resource upgrade being delineated from just three of the six deposits. Approximately 20 separate deposits were mined at Lynn Lake, highlighting the potential for further resource expansion. The three deposits upgraded, the EL, N and O deposits, were drilled out and partially developed and mined when the operation closed in 1976.

The new resource estimation is an upgrade of the previous resource defined by Corazon in 2019 (ASX announcement 27 November 2019). The previous resource estimate was in the Indicated and Inferred JORC categories, and reflected the Company's initial conservative approach with respect to the quality of digital information generated from historical paper data, and the lack of any recorded geotechnical information that supported past mining practices.

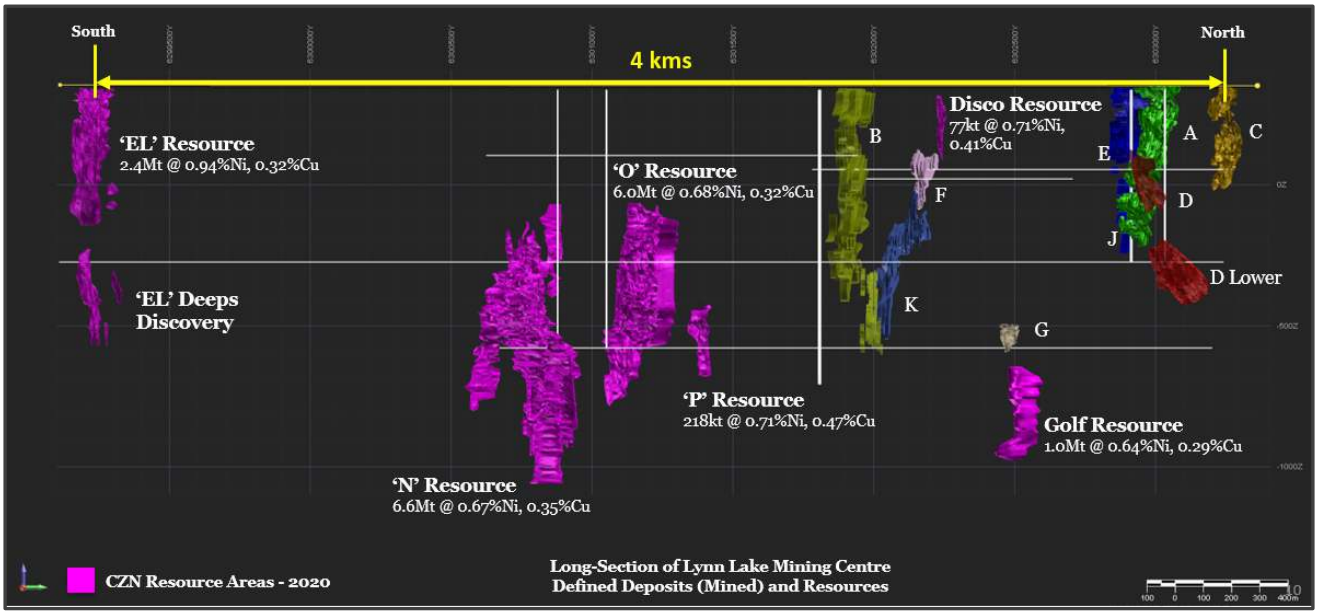

Figure 1: 3D Long-Section of Lynn Lake resource areas, mined deposits and main underground workings (Projection WGS84 Zone 14N).

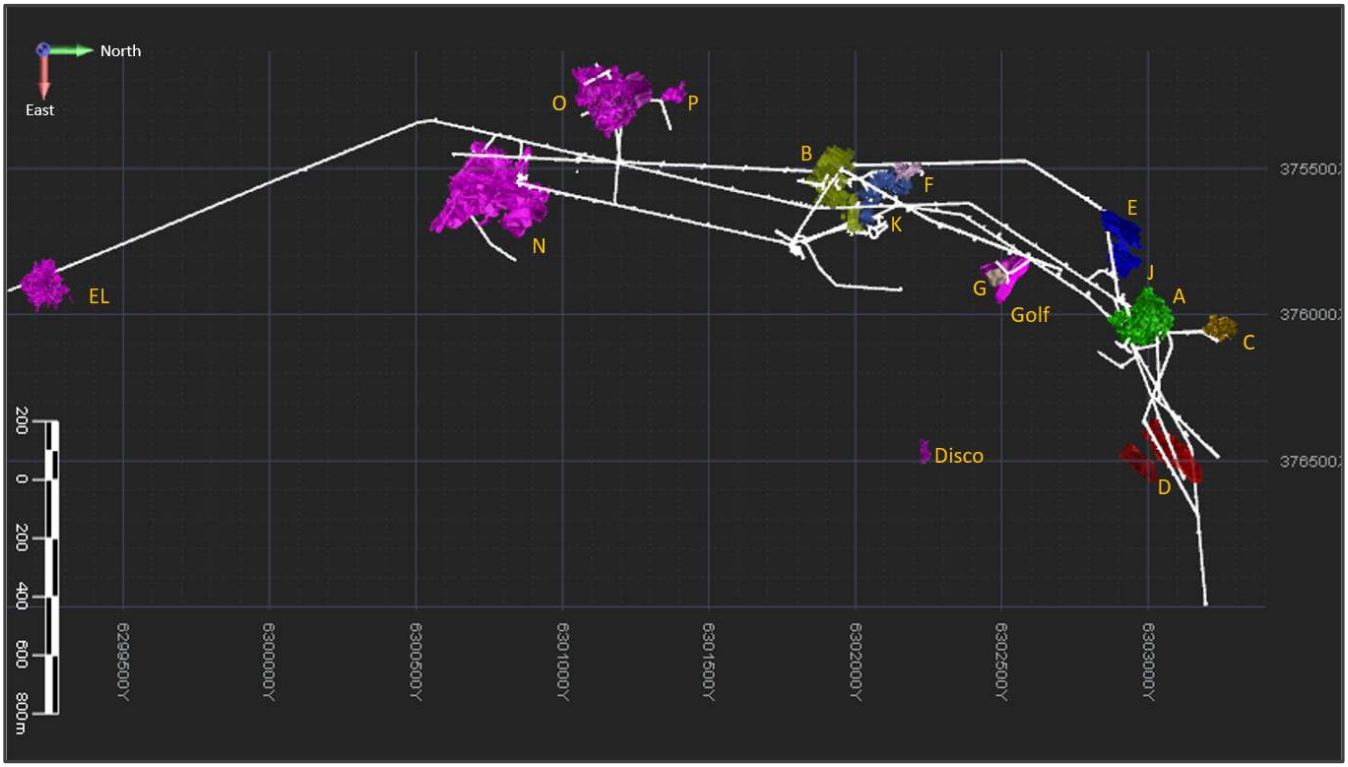

Figure 2: 3D Plan View of Lynn Lake resource areas, mined deposits and main underground workings (Projection WGS84 Zone 14N).

This upgraded resource is the result of an enriched level of confidence in certain areas of the resource, with the drilling density being assessed as adequately defining the mineralisation for the mining methods being considered, in both underground and opencut environments.

Corazon engaged independent resource consultant HGMC to provide this updated Mineral Resource estimation. This estimation is summarised in Table 1 and Table 2, with further details provided in Tables 3 and 4, appended to this announcement.

The Mineral Resource estimate was completed in accordance with the guidelines of the JORC Code (2012 edition). The estimation is of a high quality and is well supported by drilling and historical mining data.

The estimation has focused on the EL, N, O, P, Disco and Golf deposits (figures 1 and 2) within the Lynn Lake Mining Centre. Table 2 presents a breakdown summary of the Resource Estimate on a deposit basis. The nickel sulphide deposits are proximal to each other, with the EL, N and O deposits subjected to historical mining and partial development. The Disco deposit was discovered in 2008, well after mine closure in 1976.

Lynn Lake hosts additional deposits, as well as numerous occurrences of drill-defined mineralisation, that are yet to be considered for resource studies. These areas support the potential for further upgrades to Lynn Lake's Mineral Resource.

The Lynn Lake deposits provide the opportunity for mining using large tonnage, low-cost methods. The historical mined grades at the A Plug were approximately 0.86% Ni and 0.44% Cu; with the higher-grade EL Deposit being mined at 2.50% Ni and 1.15% Cu.

The new Resource Estimate grades are consistent with the tenor of mineralisation previously mined at Lynn Lake.

Lynn Lake Measured Resource Estimation September 2021

Deposit	Base Cut Ni%	Tonnes	Ni(%)	Cu(%)	Co(%)	Tonnes		
						Ni	Cu	Co
EL Plug	0.50	284,000	0.89	0.32	0.026	2,500	900	100
O Deposit	0.50	2,064,000	0.64	0.30	0.025	13,200	6,200	500
N Deposit	0.50	935,000	0.68	0.36	0.044	6,400	3,300	400
P Deposit	0.50							
Golf	0.50							
Disco	0.50							
TOTAL MEASURED		**3,282,000**	**0.67**	**0.32**	**0.030**	**22,100**	**10,400**	**1,000**

Lynn Lake Indicated Resource Estimation September 2021

Deposit	Base Cut Ni%	Tonnes	Ni(%)	Cu(%)	Co(%)	Tonnes		
						Ni	Cu	Co
EL Plug	0.50	1,461,000	0.74	0.27	0.022	10,800	3,900	300
O Deposit	0.50	3,102,000	0.72	0.32	0.028	22,200	10,100	900
N Deposit	0.50	4,858,000	0.69	0.36	0.044	33,300	17,500	2,100
P Deposit	0.50	196,000	0.71	0.47	0.028	1,400	900	50
Golf	0.50							
Disco	0.50							
TOTAL INDICATED		**9,616,000**	**0.70**	**0.34**	**0.035**	**67,700**	**32,400**	**3,390**

Lynn Lake Inferred Resource Estimation September 2021

Deposit	Base Cut Ni%	Tonnes	Ni(%)	Cu(%)	Co(%)	Tonnes		
						Ni	Cu	Co
EL Plug	0.50	692,000	1.38	0.45	0.039	9,600	3,100	300
O Deposit	0.50	837,000	0.68	0.32	0.027	5,700	2,700	200
N Deposit	0.50	775,000	0.59	0.29	0.038	4,600	2,300	300
P Deposit	0.50	22,000	0.69	0.48	0.027	150	100	0
Golf	0.50	1,019,000	0.64	0.29	0.013	6,500	2,900	100
Disco	0.50	77,000	0.71	0.41	0.014	500	300	0
TOTAL INFERRED		**3,422,000**	**0.79**	**0.33**	**0.027**	**27,000**	**11,400**	**900**

Lynn Lake Total Resource Estimation September 2021

Deposit	Base Cut Ni%	Tonnes	Ni(%)	Cu(%)	Co(%)	Tonnes		
						Ni	Cu	Co
EL Plug	0.50	2,437,000	0.94	0.32	0.027	22,900	7,900	700
O Deposit	0.50	6,002,000	0.68	0.32	0.027	41,000	18,900	1,600
N Deposit	0.50	6,568,000	0.67	0.35	0.043	44,300	23,100	2,900
P Deposit	0.50	218,000	0.71	0.47	0.028	1,500	1,000	100
Golf	0.50	1,019,000	0.64	0.29	0.013	6,500	2,900	100
Disco	0.50	77,000	0.71	0.41	0.014	500	300	0
TOTAL ALL CATEGORIES		**16,321,000**	**0.72**	**0.33**	**0.033**	**116,800**	**54,300**	**5,300**

Table 2: Lynn Lake Indicated and Inferred Mineral Resource Estimate defined on the basis of mineral deposit ID.

Mining Studies Currently Underway

The new phase of mining studies being undertaken are designed to assess optionality and determine the most appropriate development pathway to deliver a robust, long-lived, economically viable mining operation, utilising modern mining and processing techniques. The commencement of mining studies (ASX announcement 26 May 2021) represents a significant step forward in the Lynn Lake Project's development pathway.

International mining consultants Palaris have been engaged to undertake the mining studies which are focused on four separate disciplines:

- Geology
- Geotechnical
- Mining strategy, and
- Processing

The study program seeks to assess and maximise the synergies and interactions across all four disciplines to ensure optimal whole-of-project outcomes. The final deliverable of the mining studies will be a revised mining strategy for the entire mineralised area, focused on optimal production rates and low mining costs.

The initial mining studies are designed to identify gaps in the historical data and areas that can be optimised and enhanced, to facilitate the commencement of feasibility work on the Project.

The studies underway are focused on the collation of historical mining information. The lack of historically recorded geotechnical information within the mining operation has been a critical factor that has necessitated conservatism with respect to any assumptions regarding the mining practices and the drilling density required to adequately define the mineralisation for various mining methods.

While there is very limited quality geotechnical data for Lynn Lake, as is the case for many past mining operations of this vintage, a review of past mining practices and geotechnical information available indicates the ground conditions are geotechnically "very good" to "excellent".

Overall, more consistent low-grade mineralisation envelopes and good to excellent rock mass conditions indicate the Lynn Lake Project may support bulk, low cost mining methods.

This finding conceptionally supports the safe utilisation of lower cost bulk-mining options. There are very reasonable expectations that the resources can be mined at the depths at which they are defined.

Despite Lynn Lake previously being a long-lived mining operation, there remains a deficiency in geotechnical data that limits modern reserve definition and mining method analysis. While there are expectations that size and scale of stopes and development infrastructure can be increased from what was historically undertaken in mining or past mining studies, additional geotechnical data will be required before this can be defined.

Lynn Lake Exploration Activities

Exploration drilling is underway testing "off-hole" electromagnetic (EM) conductors defined earlier this year at the Fraser Lake Complex (FLC) approximately 10 kilometres south of the Lynn Lake Mining Centre (ASX announcement 13 October 2021). These conductors have geophysical signatures and sizes very similar to nickel sulphide deposits within the Mining Centre.

The program will consist of approximately 2,000 metres of diamond core drilling. Drilling will initially focus on three priority targets in close proximity to each other, for a total of approximately 1,000 metres.

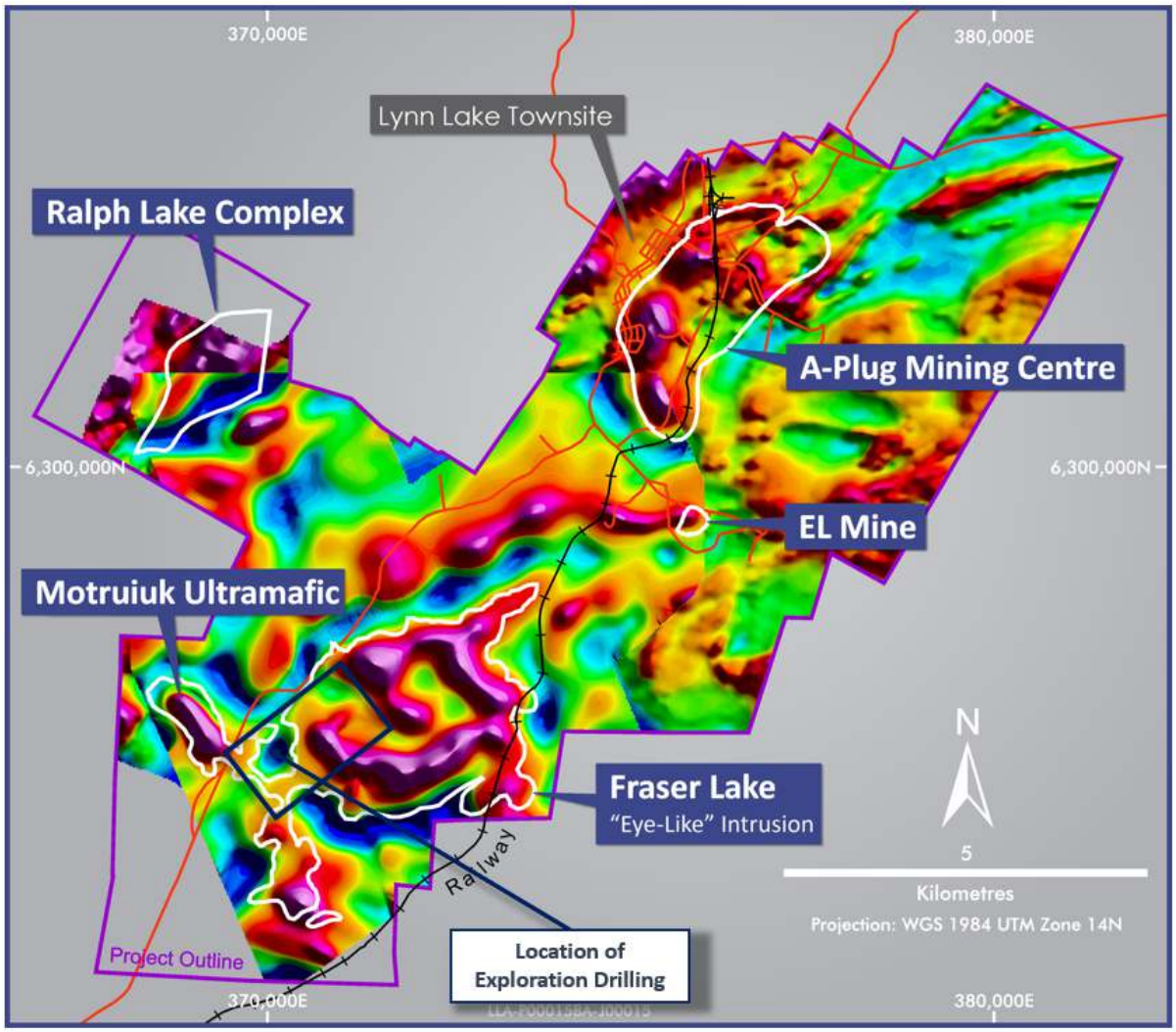

Figure 3 – Lynn Lake Project - MobileMT survey magnetic susceptibility inversion depth slice at 50m below surface - over a GeoTem total-field regional aeromagnetic image, with the area of exploration drilling activity outlined.

Summary of Additional Information Required in Accordance with ASX Listing Rule 5.8.1

Geology and Geological Interpretation

The geological interpretations utilised for the new Resource Estimates were based on well-established geological models of ore genesis, geological history and structural deformation which has been described in general reporting for the Project, including a thorough, detailed report produced by government geologist Pinsent (1980), plus various academic papers. These geological models were developed and continuously improved upon during exploration and mining throughout the 1960s and 1970s. The models and mineralisation interpretation work assisted in the successful mining of some the deposits over a 24-year period. Subsequent research has generally upheld the integrity of the models. HGMC has used this modelling as the underlying basis to develop updated 3D mineralisation models used for current resource estimation and reporting.

The nickel-copper-cobalt deposits of Lynn Lake are concentrations of sulphides occurring within two intrusive plugs of mafic to ultramafic igneous rocks, derived from a large intermediate to ultramafic igneous pluton that has been intruded into metavolcanic strata. Classification of the magmatic origins of the main rock types is of the tholeiitic affinity. The mineralisation in both the A-Plug area containing the N, O and P deposits and the El-Plug typically occur within structurally controlled vertical to subvertical pipe intrusions of peridotite and amphibolite. These pipes typically display four types of mineralisation broadly grouped as massive sulphide, disseminated sulphides, cemented breccia sulphides and stockworks of sulphide stringers.

The bulk of the mineralisation occurs in multiple discrete pipe shaped lodes, characteristically containing disseminated sulphide-bearing anhydrous norite and/or plutonic breccia mineralisation found at the pipe interface with the gabbro host rock. Most of the pipes occur within the larger A Plug complex containing the N, O and P deposits and several other economically significant pipes are identified in the EL Plug area. The pipes can be described as extensive, although the highest-grade mineralisation may be localised. The sulphides, locally segregated into discrete silicate enriched mineralised melts, either within the source magma chamber, or in transit to the plug, forming high-grade sulphide pipes and lenses within mineralisation pipes or within the host rock. A history of the geological events of the Lynn Lake deposits is outlined by Pinsent (1980).

Drilling Techniques

The majority of the data utilised for the new resource estimates is historic underground diamond drill data from the mining and exploration undertaken by Sherritt Gordon Mines (Sherritt) (previous mine operator) between 1945 and 1976. The majority of the data has been manually input from the original paper copies. A total of 390 drill holes from the EL-Plug area, and 3,434 underground drill-holes for the combined N, O and P deposit area had their collar positions, surveys, assays, lithologies and other pertinent information captured. The relatively small Disco area has a total of 106 drill holes available within the newly developed resource model area.

Corazon has undertaken a series of diamond drill programs into the EL Plug since acquiring the Lynn Lake Project in 2009. The diamond drilling has been undertaken from surface using B20 skid mounted diesel/hydraulic diamond rigs contracted from Bodnar and Prospector drilling NQ2 sized wireline core.

Sampling and Sub-Sampling

Sampling is understood to have been predominantly whole core or partial (half) core and is considered representative of the material drilled. Inspection of the remaining historic ore indicates that it was all cut in half to provide assay samples, with the method used for the majority of samples being manual cleaving of core with a hammer and chisel (a standard practice at the time). Due to the very large number of samples taken, the method appears to have been adequate and representative. Justification of the approach follows the observation that the sulfidic igneous rocks comprising the mineralisation are generally solid and competent (not too brittle or friable), providing a relatively clean break under sharp impact. The modern core from the Corazon drill-programs has been cut and sampled using an electric rotary diamond saw blade disc.

Details of much of the sample preparation technique of the historic diamond drill samples are not available and downstream drill sample preparation details are not well recorded.

Details of quality control (QA/QC) procedures of the historic data are not available. It is likely that only limited quality control procedures were adopted. Corazon has used modern standards and blanks to monitor sample quality.

The sample size taken from the diamond core diameter in use at Lynn Lake is considered appropriate for the mineralisation type and style.

Sample Analysis Method

Much of the details of the nature and quality of the assaying and laboratory procedures used for the historic data are not available. During the period of mine operation, it is understood that the drill sample preparation and analysis was predominantly completed on site at the Sherritt mill complex.

The small amount of recent verification drilling work by Corazon centred on the EL-Plug deposit complies with current industry best practice standards.

Details of the quality control procedures of the historic data are not available, therefore determination of the acceptable level of accuracy and precision is subject to the judgement of the Competent Person. Contingent in this assessment is the fact that a very large amount of drilling and a very large number of samples have been collected form the majority of the Project areas, particularly the N, O and P deposits and also the smaller EL-Plug area.

Excellent verification of significant intersections has been obtained through the successful mining of the EL-Plug and N, O and P deposit areas, leaving little doubt that diamond drill intersections are genuine and reliable. Significant geological reports and scientific papers have been written about the deposits by Sherritt, and both academic and government geologists. Reviews of data by a number of different companies including information derived from personal communication with geological consultants familiar with the Project, along with additional recently drilled confirmation drill hole data, have confirmed the reliability of sampling and assaying as it pertains to the existing established geological interpretations.

No use of twinned holes has been made in the resource estimation; however, a large amount of high-density development drilling has given a high level of confidence to mineralisation geometry and grade distribution interpretations.

For the historic data, documentation of the procedures used to compile the primary logging, and sampling information followed by the entry of the analytical data are not available. Previous data verification exercises have been undertaken by previous Qualified Persons and documented in detailed NI-43-101 standard technical reports. This work included: an internal validation from the original drill hole logs and the drill hole database on 186 (5%) of the 3,709 drill holes in the total database with reference to collar co-ordinates, end of hole depth, down-the-hole survey measurements, 'from' and 'to' depth measurements of geology and assay sampling intervals. In addition, lithological unit and nickel and copper percentages compiled from hand written drill logs were also reviewed. A core review was undertaken on 23 historic drill holes to confirm the historical logging and identify any discrepancies from the logging.

A 10-sample check assay program was completed on historical half-split core during the 2015 site visit. The sampling from two mineralised drill holes from the N orebody was sent to ALS Chemex laboratory in Toronto. Overall results from this sampling showed a decrease of 13% nickel and 22% copper, comparing assay results over the same intervals from historical drill hole data.

HGMC consider that this very small sample set is not large enough to draw any firm useful conclusions. Furthermore, the core was oxidised which is known to have some impact on the grade of similar mineralisation tested at other deposits.

No adjustments to assay data has been made in any of the current resource estimations.

Estimation Methodology

Resource estimation was carried out based on the main analytical elements Nickel (Ni%) and Copper (Cu%) and included parallel regression calculation estimation for a Cobalt (Co%) item where necessary. The new resource estimation was based on a new series of block models constructed by HGMC for the EL-Plug, Disco, N, O, P and Golf Deposit areas.

The new modelling work for the N, O and P areas was based on earlier resource estimation work carried out by independent consultants (Wardrop) who undertook a comprehensive block modelling and mineral resource estimation study of the N, O and P Zones of the Lynn Lake Project in 2005. This was documented in an NI 43-101 report (Carter 2005). This mineral resource formed the basis of the 2009 estimate by Wardrop (McCracken 2010), which re-reported the majority of the Carter report. No additional drilling was added for this estimate, which probably used exactly the same modelling methodology, software and input data.

No previous modelling or resource estimation work has been carried out on the Disco area or the Golf Deposit area. The EL-Plug area was most recently modelled in 2015 by Ravensgate and was subsequently revisited by HGMC in 2018. This was considered necessary as Corazon completed a major survey grid update program in late 2017, which consolidated drilling data-sets available for the EL-Plug deposit and the Lynn Lake Project generally.

For statistical analysis, HGMC composited the drill hole assay data for each deposit area into uniform two (2) metre composite lengths for consistency. [This compares to the 3.04 metre (10 feet) down hole lengths (for example) used by Wardrop previously for the N and O deposits]. Summary tables of the composite statistics for each of the five (5) areas were interrogated to review overall population distributions. Assays and resulting composites below the detection limit, identified as "SNR" or "Not Sampled" in the drill hole database were recorded as 'null' grades values of "-1" in the composited dataset in each deposit database. A few assays recorded as trace were assigned, where necessary, a grade of 0.0% for Ni and Cu.

Histograms and probability plots were also generated to provide a comparison of composite grades within the various area sub-domains within the interpreted mineralisation wire-frame solids for each deposit area. Some obvious 'inflections' are evident in many of the probability plots, indicating the data probably contains a number of geologically different grade populations. These plots also indicate that, due to some minor wire-frame construction precision difficulties, a small proportion of very low-grade composites (and mineralisation) have been captured within the wireframes. All of these histogram and probability plots were viewed by HGMC and were found to support the geological interpretation. The general lack of extreme outliers grades for Ni and Co meant that heavy grade cutting or limiting was not warranted.

Further semi-variogram based spatial distribution analysis of nickel and copper were used to determine parameters for geostatistical grade interpolation parameters incorporated into the various block models. Resource modelling and variography was completed for the main Ni and Cu reporting grade items in the EL-Plug, Disco and the N, O, P and Golf Zone areas. Downhole variograms were used to determine the short-range local nugget and sill values for each zone and longer-range 'between-hole' variograms were preliminarily modelled to assess appropriate distances that may be applied to interpolation search ellipsoids.

Grade interpolation was completed using the ordinary kriging estimation method. Ordinary kriging was considered geostatistically appropriate for carrying out grade estimation given the overall spatial distribution characteristics and the low coefficient of variation observations. Ordinary kriging is a commonly used interpolation technique for base metal deposits such as the ones under consideration at the Project.

The interpolation process was carried out using a primary search and a secondary search ellipsoid in one calculation pass for each defined sub-area of the mineralisation domains and were adjusted for mineralisation zone orientation. Typical search ellipsoid dimensions used for each of the deposit areas was as follows: 100 metres (X) x 50 metres (Y) x 50 metres (Z). Anisotropic weighting using the designated local search ellipsoids was applied to all interpolation.

Resource Classification

The Resource model uses a classification scheme at EL-Plug, Disco and the N, O, P and Golf Deposit areas used the same standard approach and was based upon additional block model estimation parameters. These included Kriging Variance, number of composites in search ellipsoid, and the composite distance to block centroid.

These inputs were used to derive relative confidence levels or 'quality of estimate index' (QLTY item) within the block model) which has a range of 1 to 3, where QLTY = 1, 2 or 3 represents high, medium or low confidence respectively.

QLTY=1

- Drill spacing of 15 metres x 20 metres or less
- Composites – Ni item parameters only used as basis for classification
- Search ellipsoid distances 0-20 metres
- Composite numbers 15 or greater
- Kriging Variance 0 - 0.4. (EL-Plug), 0 - 0.01 (Disco) and 0 - 0.025 (N, O, & P Zones)

QLTY=2

- Drill spacing of nominally 20 metres x 40 metres to 40 metres x 40 metres (depending on deposit and variography results)
- Composites – Ni item parameters only used as basis for classification
- Search ellipsoid distances 20 metres -50 metres
- Composite numbers 10-15
- Kriging Variance 0.4-0.6 (EL-Plug), 0.01 - 0.015 (Disco) and 0.025-0.05 (N, O, & P Zones)

QLTY=3

- Drill spacing out to or greater than 80 metres x 80 metres (depending on deposit and variography results)
- Composites – Ni item parameters only used as basis for classification
- Search ellipsoid distances 50 metres -100 metres or greater distances
- Composite numbers 0 to 10
- Kriging Variance 0.6 or greater (EL-Plug), 0.015 or greater (Disco) and 0.05 or greater (N, O, & P Zones)

The QLTY item parameter values have been further 'condensed' into an RCAT assignment item describing the confidence of the localised resource base in the block model. Preliminary Resource Classification Item coding was carried out as – (RCAT) Values 1-3 – (Nominally 'Measured', 'Indicated' and 'Inferred' [1, 2 or 3]. For EL-Plug the QLTY=1 and QLTY=2 material is designated as Indicated Resources (RCAT=2) with the remaining QLTY = 3 material reporting as Inferred Resources. (RCAT=3).

A small quantity of Measured resources has been reported for the EL-Plug. This is martially initially classified as Indicated Resources that is contained within a preliminary pit optimization shell. Pit optimization assumptions and parameters have been provide in Table 3 attached.

At the N, O and P areas all QLTY=1 and QLTY=2 material was designated Indicated Resources (RCAT=2) with the remaining QLTY = 3 material being designated as Inferred Resources. (RCAT=3).

In the uppermost parts of the N and O deposit areas where drilling and sampling density was highest a small proportion of previously designated Indicated resources has been re-classified as Measured resources. This is considered justifiable due to the high drilling and sampling density within these zones lending support to a high resource estimation confidence level for these zones in the block model. The threshold used to guide the development of an

annealed Measured resource zone designation was based on a conservative 15m or less distance range from composite to block centroid.

At the Disco Zone all material has been designated as an Inferred Resource owing to the relatively low drilling and sampling density present.

At the Golf Zone all material has been designated as either an Inferred Resource or 'un-classified' (in outer zones) owing to the relatively low drilling and sampling density present.

Cut-off Grade

For the EL-Plug, Disco, N, O, P and Golf deposits the three-dimensional wireframe models of mineralisation were based on a nominal nickel lower cut-off of 0.2-0.3% Ni. HGMC has used a default 0.5% Ni lower cut-off for reporting Mineral Resources from the final block models. Additional resource tables are also presented using a 0.4% and 0.7% lower cut-off level to reflect likely future appropriate economic cut-off levels. The estimated contained cobalt has not influenced any mineralisation delineation decisions or the final resource reporting lower cut-offs at this stage of the Project's development being that more drilling and sampling work is required to accurately characterize the cobalt distributions within each deposit area.

Mining and Metallurgical Methods and Parameters and Other Modifying Factors

Future mining or mineral extraction at the EL-Plug deposit area deposit is anticipated to be initially open pit mining (as remnant mineralisation is still present close to topographic surface) followed by underground mining.

Similarly at the Disco area, mining of the deposit due to its proximity to topographic surface (~30m) is anticipated to be initially open pit.

For the N, O, P and Golf deposit areas, all future mining or mineral extraction from these deposits due to their depth and access will be mined using underground mining methods only. Underground mining methods will probably be very similar to the methods employed during the previous historic mining phases. No other assumptions on mining methodology have been made.

At the EL-Plug, Disco, N, O and P areas it is noted that historic mining, milling and processing of ore from the various deposit areas has been well recorded and therefore it is not expected that any major metallurgical recovery concerns will be encountered at such a mature project.

HGMC understands Corazon is planning more detailed test work with the aim of identifying and optimising the best processing route for the production of nickel concentrate, as well as recovering ancillary elements such as copper and cobalt.

Any operational impacts on the environment in the vicinity of the EL-Plug, Disco, N, O, P and Golf areas is likely to be small owing to these areas already having been cleared for mining, as well as underground operations having little surface impact. HGMC has not made any assessment regarding waste rock or tailings disposal. It is expected the uses of standardised rock waste dumps and tailings dams of modern design could be utilised without any significant impact on the local environment.

This announcement has been authorised on behalf of Corazon Mining Limited by Managing Director, Mr. Brett Smith.

For further information visit www.corazon.com.au or contact:

Brett Smith
Managing Director
Corazon Mining Limited
P: +61 (08) 6166 6361
E: info@corazonmining.com.au

James Moses
Media & Investor Relations
Mandate Corporate
M: +61 (0) 420 991 574
E: james@mandatecorporate.com.au

About Corazon

Corazon Mining Limited (ASX: CZN) is an Australian resource company with projects in Australia and Canada.

In Canada, Corazon has consolidated the entire historical Lynn Lake Nickel Copper Cobalt Mining Centre (Lynn Lake) in the province of Manitoba. It is the first time Lynn Lake has been under the control of one company since mine closure in 1976. Lynn Lake presents Corazon with a major development opportunity that is becoming increasingly prospective due to recent increases in the value of both nickel and cobalt metals.

Corazon has recently acquired 100% of the Miriam Nickel-Sulphide Project in Western Australia's Goldfields region - a highly prospective nickel exploration project, representing a strategic addition to the Company's portfolio of nickel sulphide assets.

Also in Australia, Corazon owns 80% of the Mt Gilmore Cobalt Copper Gold Sulphide Project (Mt Gilmore) located in New South Wales, which hosts the Cobalt Ridge Deposit - a unique high-grade cobalt-dominant sulphide deposit. Mt Gilmore is a regionally substantive hydrothermal system with extensive cobalt, copper and gold anomalism. The Company has completed definition drilling at the Cobalt Ridge Deposit and is currently identifying new areas prospective for additional Cobalt Ridge lookalike deposits.

The Lynn Lake, Miriam and Mt Gilmore projects place Corazon in a strong position to take advantage of a global market with a rapidly increasing appetite for Class-1 nickel, driven by rising demand from the rechargeable battery sector.

***Competent Persons Statement*:**

The information in this report that relates to Mineral Resources for the EL, Disco, 'N', 'O. 'P' and Golf deposits contained within the Lynn Lake Nickel Project is based on information compiled by Mr Stephen Hyland who is a Fellow of the Australasian Institute of Mining and Metallurgy and who has provided expert guidance on resource modelling and resource estimation. Mr Hyland is a Principal Consultant Geologist at HGMC consultants and has sufficient experience 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. Mr Hyland consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Targets is based on information compiled by Mr. Brett Smith, B.Sc Hons (Geol), Member AusIMM, Member AIG and an employee of Corazon Mining Limited. Mr. Smith has sufficient experience that 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". Mr. Smith consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Forward Looking Statements

This announcement contains certain statements that may constitute "forward looking statement". Such statements are only predictions and are subject to inherent risks and uncertainties, which could cause actual values, results, performance achievements to differ materially from those expressed, implied or projected in any forward looking statements.

Forward-looking statements are statements that are not historical facts. Words such as "expect(s)", "feel(s)", "believe(s)", "will", "may", "anticipate(s)" and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company's prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

The Company believes that it has a reasonable basis for making the forward-looking Statements in the announcement based on the information contained in this and previous ASX announcements.

The Company is not aware of any new information or data that materially affects the information included in this ASX release, and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the exploration results in this release continue to apply and have not materially changed.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 1 - Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
Sampling techniques	*Nature and quality of sampling.*	The Lynn Lake Project's (**Lynn Lake** or **Project**) mineral resources reported have been defined entirely from diamond drilling. Surface exploration drilling by Corazon Mining Limited (**Corazon** or **Company**) into the EL Plug deposit has confirmed historic diamond drilling. The N, O and P deposits have been defined entirely from historic diamond drilling mainly undertaken from underground during mining operations, which extended from 1946 to 1976 (year of mine shutdown). The Disco zone has undergone limited drilling from surface. HGMC understands all drilling information as has been made available has been used to define the remaining resources for the EL-Plug, Disco and the N, O, P and Golf Zone Area deposits. Significant knowledge of the deposits has been gained through studying mine geology records and maps.
	Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Details of the sample preparation, analyses and security of the historic (pre-1976) data were not all discoverable by independent consultants Wardrop during their investigations (2005 – 2010) and some aspects are not known. Either the procedures were never documented, or the relevant documentation has been lost. During the period of mine operation it is understood that the drill samples preparation and analysis was completed on site at the Sherritt mill complex. The large volume of drilling data available lends considerable support towards the reliability of the Project data presented.
	Aspects of the determination of mineralisation that are Material to the Public Report.	The historic nature of the majority of the data used to estimate the mineral resources is the most important aspect having material impact to the public report. The various specific issues stemming from the historic nature of the data are described specifically in the appropriate sections of this Table 2 Commentary, and more expansively in HGMC's technical report on the mineral resource estimates.
Drilling techniques	*Drill type and details.*	The majority of the data used has been historic underground diamond drill data derived from Sherritt Gordon (Sherritt) (previous operator of the mine) and exploration undertaken between 1945 and 1976. The majority of the data has been subject to manual input from the original paper copies. A total of 390 drill holes from the EL-Plug area, 3,434 underground drill-holes for the combined N, O and P deposit area had their collar positions, surveys, assays, lithologies and other pertinent information has been comprehensively captured. The relatively small Disco area has a total of 106 drill holes available within the newly developed resource model area. At the Golf Zone area, a total of 82 drill holes were available and collared within the block model area a further 7 holes collared from approximately the 180m - 240m RL directed towards and intersecting the Golf Zone block model area were also used. More recently, Corazon has undertaken a series of diamond drill programs into the EL Plug since acquiring the Project in 2009. The diamond drilling was undertaken from surface using B20 skid mounted diesel/hydraulic diamond rigs contracted from Bodnar and Prospector drilling NQ2 sized wireline core.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Details of all the recording and assessing core and chip sample recoveries of the historic data are not available.

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Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 1 - Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Details of all the measures taken to maximise sample recovery and ensure representative nature of historic samples are not available.
	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.	Details and procedures relating to the sample recovery of all the historic drilling are not available.
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.*	Core logging records for the historic data are generally available as hand written records which have been subsequently scanned and input into a digital database used to guide the geological interpretation. Geotechnical logs are not available and therefore not used to support structural impacts on the mineral distribution or the resource estimate. A long history of mining within various deposits with the Lynn Lake Project area has provided sufficient information towards the integrity of the interpretation of mineralisation.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Core logging records for the historic data are generally quantitative in nature. Limited core photography is available.
	The total length and percentage of the relevant intersections logged.	Details of the total length and percentage of logging of the historic data are not available. Recent drilling by Corazon includes this information and was used for some validation of drilling records from historic drilling and sampling.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Inspection of the remaining historic ore indicates that it was all cut in half to provide assay samples, with the method used for the majority of samples being manual cleaving of core with a hammer and chisel, which was a standard practice at the time of Sherritt's mine operations. Due to the very large number of samples taken, the method appears to have been adequate. Justification of the approach follows the observation that the sulfidic igneous rocks comprising the mineralisation are generally solid and tough but not brittle, providing a relatively clean break under sharp impact. The modern core from the Corazon drill-programs has been cut and sampled using an electric rotary diamond saw blade disc.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable as only diamond core sampling has been used in the resource.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Details of the sample preparation technique of the historic diamond drill samples are not available. Modern drill sample preparation details are variable and have been provided by the Companies operating the Project and commercial laboratories.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Details of the quality control procedures of the historic data are not available. It is likely that only limited quality control procedures were adopted. Corazon have used modern standards and blanks to monitor sample quality.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 1 - Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
	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.	Comprehensive details of the quality control procedures of the historic data are not available. Sampling has been predominantly whole core or partial core and is considered representative of the material drilled.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample size is considered appropriate for the mineralisation type and style.
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.*	Details of the nature and quality of the assaying and laboratory procedures used for the historic data are not available. During the period of mine operation it is understood that the drill samples' preparation and analysis was completed on site at the Sherritt mill complex. Recent work by Corazon complies with current industry best practice standards.
	For geophysical tools, the parameters used in determining the analysis.	Geophysical surveys have been undertaken during exploration on the Lynn Lake Project, but the results are are not immediately relevant to the mineral resource estimates at the local scale.
	Nature of quality control procedures adopted and whether acceptable levels of accuracy and precision have been established.	Details of the quality control procedures of the historic data are not available, therefore determination of the acceptable level of accuracy and precision is subject to the judgement of the Competent Person. Contingent in this assessment is the fact that a very large amount of drilling and a large number of samples were collected from the majority of the Project areas, particularly the N, O and P deposits and the EL-Plug.
Verification of sampling and assaying	*The verification of significant intersections by independent or alternative company personnel.*	Excellent verification of significant intersections has been obtained through the successful mining of the EL-Plug and N, O and P deposit areas, leaving little doubt that diamond drill intersections are genuine and reliable. Significant geological reports and scientific papers about the deposits have been written by Sherritt, and both academic and government geologists. Reviews of data by a number of different companies including information derived personal communication with geological consultants familiar with the Lynn Lake Project along with additional recently drilled confirmation drill holes have verified the existing and current geological interpretations.
	The use of twinned holes.	No use of twinned holes has been made in the resource estimation but a large amount of high density development drilling has given a high level of confidence to mineralisation geometry and grade distribution interpretations.

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Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 1 - Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	For the historic data, documentation of primary data and data entry procedures are not available. Previous data verification exercises have been undertaken by previous Qualified Persons and documented in detailed NI-43-101 standard technical reports. This work included: an internal validation from the original drill hole logs and the drill hole database on 186 (5%) of the 3,709 drill holes in the total database on collar coordinates, end of hole depth, down-the-hole survey measurements, 'from' and 'to' depth measurements of geology and assay sampling intervals, lithological unit logging and nickel and copper percentages that were compiled from hand written drill logs. A core review was undertaken on 23 historic drill holes to confirm the historical logging and identify any discrepancies from the logging to a visual review. A ten-sample check assay program was completed on historical half split core during the 2015 site visit. The sampling was from two mineralised drill holes from the N orebody and was sent to ALS Chemex laboratory in Toronto. Comparing assay results over the same intervals from historical drill hole data from the new sampling showed an overall decrease of 13% nickel and 22% copper. HGMC consider that the sample set is not large enough to draw any firm useful conclusions. The core was oxidised which is known to have some impact on the grade of similar mineralisation when tested at other deposits after an extended elapsed time.
	Discuss any adjustment to assay data.	No adjustment to assay data has been made in the resource estimation.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Details of the original collar and downhole survey methods for the historic data are not available. It is assumed they were made by qualified mine surveyors. The majority of drilling data from the database plots in the right proximity with respect to the known positions and extents of the mine development infrastructure (predominantly underground). The recent Corazon surface diamond holes were routinely surveyed upon completion by a Reflex Maxibore II tool from collar to end of hole.
	Specification of the grid system used.	All the historic holes were surveyed in the local mine grid. For the EL Plug, Disco, and the N, O, P and Golf Zone areas, the historic hole surveys were converted from the local grid to modern DGPS NAD83 and UTM co-ordinates by Corazon. Checks on the local grid transformation were made by picking up the main shaft collar (surveyed originally in the SGML imperial local grid) and comparing with Mines Department engineering plans of the EL Mine infrastructure. Previous interrogation of the differences between modern DGPS NAD83 coordinates as available from the historic imperial SGML coordinates used for infrastructure design were found to be +/-0.50 metres, which demonstrates sufficient confidence in the historic survey data for use in ongoing resource development studies.

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Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 1 - Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
	Quality and adequacy of topographic control.	The topography at the Project area is relatively flat and featureless, with the exception of the collapsed stopes and or 'open pits' remnant from historic mining at EL-Plug. The topography DTM surface utilised has incorporated surface drill collar elevation data and was combined with pit survey DTM surfaced data sourced from historic survey information. It is considered to be of high quality and accuracy.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The Project's nickel-copper deposits were drilled systematically from the main underground levels of 800, 950 (12th level of A mine), 14th Diesel Haulage, 2000 and 3000 feet levels with horizontal drill holes spaced laterally every 121.9 metres (400 feet) out to or near the contact between the intrusive plug and the metavolcanics or metasediments. Unless large amounts of consistent mineralisation were intersected in these horizontal drill holes no additional drilling was conducted by Sherritt. When considerable lengths of mineralisation and grade were intersected, drilling was generally conducted systematically on 15.2 metres (50 feet) and then 7.6 metres (25 feet) intervals and designated an 'alpha' orebody for zone identification. Historic information indicates that the majority of drilling was carried out from underground using either EX or BM diameter core drilling equipment. Corazon diamond drilling into the EL Plug was undertaken from surface and fanned out from available drill sites around the current open pit (which is now a lake) to target the resource area on a nominal 50 metre x 25 metres grid. Drilling was undertaken from four (4) different orientations to best define the intrusive pipes limits.
	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.	The Competent Persons have determined that 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). Formal reporting classification weighted with respect to relative levels of drilling density has now been applied to the EL Plug, Disco and N, O, P and Golf Zone deposits. The same classification approach has been consistently applied to each of the deposit areas.
	Whether sample compositing has been applied.	For the EL Plug, Disco, and the N, O, P and Golf Zone area deposits, all available assay data has been composited into uniform length 2.0 metre downhole composites. This length was chosen following a series or spatial distribution reviews of domain coded composites to observe effects on overall reported Ni and Cu average grades and associated coefficients of variation (CV).
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.*	Because underground access was available for drilling, drill hole 'fans' were designed to adequately test the deposits largely without bias from drill hole orientation. It is noted that the deeper deposit areas tended to have higher angle drill intersections into the generally vertically orientated mineralised zones, however, the mineralisation modelling and estimation methods utilised has helped mitigate any 'true width' or any unwanted stationarity biases in the estimates.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 1 - Sampling Techniques and Data		
Criteria	**Explanation**	**Comment**
	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.	At EL Plug, drilling was undertaken from four (4) different orientations to best define the intrusive pipes limits. Drill core was not orientated, as historic development and stoping is considered to have already confirmed the attitude of the pipe and the main contacts are easily identifiable and universally sub-vertical. The intersections are at a fairly low angle but the range of orientations has reduced the potential bias of this effect. At Disco, the drilling angle is also at a relatively high angle with respect to the interpreted steeply dipping plug style mineralisation also. The lower drilling density in this area consequently has necessarily lowered the classification of reported resources to the Inferred category only. For the N, O and P areas there had been comprehensive underground development access which has allowed for the establishment of a large number of drilling locations for drill hole 'fans' to be drilled throughout most of the known deposit area in order to firmly establish the interpreted mineralisation geometry. At the Golf Zone Area, due to its relatively deep location, the majority of drilling is at angles that are relatively high with respect to the interpreted steeply dipping plug style mineralisation. The lower drilling density in this area consequently has necessarily lowered the classification of reported resources to the Inferred or 'un-classified' category.
Sample security	*The measures taken to ensure sample security.*	Details of the sample security measures of the historic data are not available, however, being a company owned mining operation this is unlikely to have been an issue. Sample security measures undertaken by Corazon were subject to rigorous storage and transport procedures both to and from the assay laboratory with no loss of samples or data. HGMC's review of the Corazon processes found them to be in line with industry best practice procedures and acceptable for the acquisition of data to be used for the purposes of resource estimation.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	For the historic data, no record of any historic audits or reviews of sampling techniques and data is available. Subsequent workers have validated the majority of this data as far as it is known. Detailed descriptions of data sources have been previously documented and were also reviewed and updated at the end of 2017.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 2 - Reporting of Exploration Results		
Criteria	**Explanation**	**Comment**
Mineral tenement and land tenure status	*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.*	The areas covered by this Mineral Resource Estimation pertain to two agreements in which Corazon has 100% beneficial equity in the ground. These agreements are titled the Dunlop Agreement (which includes the EL Deposit) and the Victory Agreement (which cover the N, O, P, Disco and Golf Zone deposits). The tenure includes multiple Mineral Claims, Mineral Leases and Mining Claims, as defined by the Provincial Government of Manitoba. All claims are currently in good standing. Much of the exploration ground at Lynn Lake and the satellite EL Mine (EL Deposit) is covered by the Dunlop agreement. In this agreement, Corazon has the option to acquire 100% of the Project by meeting certain conditions. This agreement was originally announced within a Company ASX announcement dated 18 May 2010, with the most recent amendments to this agreement presented in a Company ASX announcement dated 29 July 2015. The main mining centre (including the N, O, P, Disco and Golf Zone deposits) are cover by an agreement between Victory Nickel Inc and Corazon, which was announced within a Company ASX announcement dated 1 April 2015. This agreement saw Corazon acquire 100% equity in the tenure, with expenditure commitments of $3.5M to be complete by 19 December 2020. Corazon works closely with First Nation groups and several government organisations responsible for mining and the environment. Work Permits are currently in place for the Fraser Lake Complex within the Project area and covers activities such as ground geophysics and land-based drilling.
	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.	The Project tenements are understood by HGMC to be in good standing and with no impediment to obtaining a licence to operate in the area. Mining and processing has previously been undertaken. A number of agreements have been signed between Corazon and previous/current owners of the property which require certain payments and royalties to be paid to other companies, which would need to be satisfied to undertake mining operations.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 2 - Reporting of Exploration Results			
Criteria	**Explanation**	**Comment**	
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	1941	Austin McVeigh located the discovery outcrop.
		1945-1946	Sherritt Gordon (Sherritt) staked 353 claims and conducted exploration
		1948-1950	Sherritt began sinking the A shaft. This, along with geophysical exploration and drilling increased the resource to 14 million tons averaging 1.22% nickel and 0.62% copper (1)
		1953-1976	Sherritt operated the Lynn Lake Nickel Mine from 1953-1976. During this time they discovered/developed additional zones and commissioned the Farley Shaft in 1961. The mine produced over 22 million tons of ore at a grade of 1.023% Ni and 0.535% copper (1)
		1988-1989	Lynn Gold Resources Inc., owned by Hayes Resources Inc., conducted an assessment of Sherritt's stated historic reserve of 19.3 million tons grading 0.61% nickel and 0.32% copper (1).
		1993-2005	Black Hawk Mining Inc. used the Property mill from 1993-2000 to process ore from the Farley Lake open pit gold mine, approximately 36 km east of Lynn Lake. The gold tailings were pumped into the B pit and then into open stopes of the abandoned underground workings.
		2005-2008	Independent Nickel conducted the following exploration activities on the A Plug area: re-established the historic mine grid at 1000 foot intervals, line-cutting of 41.75 total line kilometres, an electromagnetic ground survey, a ground magnetometer survey, borehole EM surveys, an induced polarisation survey, drilled 87 boreholes totalling >28,000m.
		2007	Independent Nickel filed a Preliminary Economic Assessment and a Pre-Feasibility Study on the A Plug area. Both studies are available on SEDAR.
		2009-2014	Prophecy Resources Inc. entered into an agreement with Victory Nickel Inc. to acquire the A Plug area. Prophecy subsequently withdrew from this agreement.
		2009-2015	Corazon Mining Limited acquired an option over the EL Plug area from Dunlop and carried out an updated resource estimate for the EL-Plug deposit during 2015.
		2014-2015	Corazon Mining Limited acquired the A Plug area from Victory Nickel Inc.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 2 - Reporting of Exploration Results		
Criteria	**Explanation**	**Comment**
Geology	*Deposit type, geological setting and style of mineralisation.*	The nickel, copper and cobalt deposits of Lynn Lake are concentrations of sulphides occurring within intrusive plugs mafic to ultramafic igneous rocks. These host rocks are derived from a large intermediate to ultramafic igneous pluton that has been intruded into Wasekwan Group metavolcanic strata. Classification of the magmatic origin is of the tholeiitic affinity. The mineralisation in both plugs typically occurs within structurally controlled vertical to subvertical pipe intrusions of remobilised peridotite and amphibolite, displaying four types of mineralisation: massive sulphide, disseminated sulphides, cemented breccia sulphides and stockworks of sulphide stringers. The nickel and copper mineralisation of the Lynn Lake plugs consists primarily of pyrrhotite, pentlandite and chalcopyrite with minor amounts of pyrite and trace of sphalerite, magnetite and ilmenite. Cobalt distribution appears coincident to nickel. Disseminated sulphides consist of interstitial and fine-grained sulphides that are distributed in a homogenous structureless nature. Plutonic breccia material occurs at the contact of the mineralised intrusive pipe and the barren gabbro country rock displaying sub-rounded xenoliths of either diorite or gabbro. There has been a significant amount of structural deformation to the deposits. Although the strongest spatial association of mineralisation is occurring in ultramafic to mafic intrusive rocks, there is also a strong spatial association of mineralisation with areas of faulting or intense fracturing. Higher grade mineralisation occurs in areas of intensely fractured or brecciated mafic intrusive rock and ore minerals are found in all types of material within the fracture zone, including late acid dykes. Faulting within the basic plugs is believed to be related to the regional north-south faults, which resulted from a thrust from the west.
Drill hole Information		The drill hole data relating to the resource estimates reviewed in this study are all previously reported results (no new drilling has taken place in the relevant deposits since 2015). Ongoing studies for these prospect areas are focused on the metallurgical characteristics of the mineralisation and development of updated process technologies. Drill hole collar, geology and assay data for each prospect area investigated in this study are provided in the main current Corazon Drill Hole database.
Data aggregation methods		Most drill hole samples have been collected over one (1) metre or two (2) metre down-hole intervals. Assay compositing completed for each deposit in preparation for statistical analysis and grade estimation was conducted using length weighted averaging of the input assay data by corresponding sample lengths. No metal equivalent calculations have been used in this assessment.
Relationship between mineralisation widths and intercept lengths		The mineralisation at the various Lynn lake Project nickel deposit areas have a strong global sub-vertical orientation. Where possible, previous Lynn Lake developers have used multiple drilling orientations for all exploration drill holes in order to focus on the predominantly vertically oriented nickel – copper mineralisation. All vertical drill holes drilled from surface tend to intersect the mineralisation at relatively high angles in consideration of the vertical orientation of mineralisation. Allowance has been made to ensure down-hole widths and true widths for vertical and steeply dipping holes are accurately represented.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 2 - Reporting of Exploration Results		
Criteria	**Explanation**	**Comment**
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 drill hole collar locations and appropriate sectional views.*	Diagrams used in this report were either supplied by Corazon or generated by HGMC and in some cases reproduced from diagrams used in previous reports on the deposits.
Balanced reporting		Not applicable to this report. All data, assumptions and resource estimated have previously been reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported.*	Not applicable for reports on Mineral Resources. Refer to commentary in Section 3 of this table.
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).*	Not applicable to this report.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Infill additional verification drilling of all areas including EL-Plug and particularly the Disco and Golf Zone areas is warranted before decisions are made with respect to future mine planning. Additional drilling in all areas including the N, O and P deposit areas will add value towards to allowing higher confidence resource classification levels to be reported.

TABLE 3 Checklist of Assessment and Reporting Criteria - JORC Code, 2012 Edition

Lynn Lake Nickel Copper Cobalt Sulphide Project Resource Estimate Update – Canada

25th October 2021

Section 3 - Estimation and Reporting of Mineral Resources		
Criteria	**Explanation**	**Comment**
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	The majority of the data used has been historic underground diamond drill data from the mining and exploration undertaken by Sherritt between 1945 and 1976. The majority of the database consists of this historic data which has been manually input from the original paper copies of drill logs, survey sheets and assay sheets and digitised from hand drafted cross sections and mine plans by the independent consultancy Wardrop in 2005 and by Corazon. A total of 3,709 drill holes had their collar positions, surveys, assays, lithologies and other pertinent information manually entered into an Access database. Approximately 3,900 historic drill holes remain to be digitised; however, these drill holes are from deposits which are not included in this mineral resource estimate. In addition, a total of 395 drawings of sections and plans were scanned from historic data and subsequently digitised. More recent drilling data (2005-2009) has been added to the Access database by previous owners (Independent Nickel and Victory), although the details of this have been poorly described in their reports. Corazon have added 16 diamond drill holes to the database, all from drilling into the EL Plug deposit. These holes were used to help validate previous historically derived data. Corazon also retrieved 19 historic AX/BN diamond holes which were added to the drilling database for inclusion in resource modelling and estimation.
	Data validation procedures used.	**N, O and P Deposit Areas:** A validation study on the historical logging which comprised re-logging the remaining half core from 23 historic diamond drill holes was conducted during a site visit by Cater (2005). The review found that the geology of the inspected core was consistent with the original geological logging, except for in hole U5622 drilled on the P orebody, where within the gabbro, amphibolite and quartz-hornblende-diorite units were inconsistent with the drill log. Sampling intervals matched the assay sampling intervals from the drill log in all cases. A very limited sample check assay program was completed on historical half split core. The sampling was from two (2) mineralised drill holes from the N orebody and was sent to ALS Chemex laboratory in Toronto. Overall results from this sampling showed a decrease of 13% nickel and 22% copper, comparing assay results over the same intervals from historical drill hole data.
		Disco Area: The resource estimate carried out for the Disco zone by HGMC used the 106 available drill holes, which helped confirm some of the preliminary historical mineralisation zone interpretations.

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Criteria	**Explanation**	**Comment**
		EL Plug: The resource estimate carried out for EL-Plug by HGMC followed previous validation of the historic drill holes where the 16 holes drilled by Corazon were used to help validate previous historically derived data. Corazon also retrieved 19 historic AX/BN diamond holes, which were also added to the drilling database for inclusion in resource modelling and estimation.
		Golf Zone Area: The resource estimate carried out for the Golf Zone area by HGMC used the 89 available drill holes within the Golf Zone Block model area. These holes and the associated Ni and Cu intersections have been used to develop a new Ni basis mineralization wire-frame envelope used for resource estimation.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	The Independent Qualified Person, Mr Stephen Hyland of HGMC (formerly of Ravensgate), visited the Lynn Lake township and Project in March 5th 2015. The visit included: • Visit to historic Mine Site Areas including A-Plug, N, O and P areas as well as the EL Plug area. • Visits to the exploration drill sites and the old EL Plug Pit and associated outcrop exposures. • Visit to the rehabilitated old A-Plug Tails Dam areas. Review of geological setting of the deposit and some surrounding areas. • Inspection of available drill-core and some of the laboratory equipment used for sample preparation and bulk density measurements of samples. From the site visit, no significant concerns relating to previous historic reporting against current status of the Project were identified.

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Criteria	**Explanation**	**Comment**
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The geological interpretations utilised for this resource estimate were based on well-established geological models of ore genesis, geological history and structural deformation which has been described in general Project reporting, including a thorough detailed report produced by government geologist Pinsent (1980), plus various academic papers. These geological models were developed and continuously improved upon during exploration and mining throughout the 1960s and 1970s. The models and mineralisation interpretation work assisted in the successful mining of some the deposits over a 24-year period. Subsequent research has generally upheld the integrity of the models. HGMC has used this modelling basis to develop updated 3D mineralisation models used for current resource estimation and reporting. The nickel-copper-cobalt deposits of Lynn Lake are concentrations of sulphides occurring within two (2) intrusive plugs of mafic to ultramafic igneous rocks, derived from a large intermediate to ultramafic igneous pluton that has been intruded into metavolcanic strata. Classification of the magmatic origins of the main rock types is of the tholeiitic affinity. The mineralisation in both the A-Plug and the El-Plug areas typically occurs within structurally controlled vertical to subvertical pipe intrusions of remobilised peridotite and amphibolite, displaying four (4) types of mineralisation. These are broadly grouped as massive sulphide, disseminated sulphides, cemented breccia sulphides and stockworks of sulphide stringers. The bulk of the mineralisation occurs in discrete pipe shaped lodes, characteristically containing disseminated sulphide-bearing anhydrous norite and/or plutonic breccia ore found at the pipe interface with the gabbro host rock. Many ore pipes occur within the larger A Plug complex and several economically significant pipes are identified in the EL Plug. The pipes are extensive, though the highest-grade mineralisation may be localised. The sulphides, locally segregated into a discrete silicate enriched ore fluids, either within the source magma chamber, or in transit to the plug, forming “high-grade” sulphide pipes and lenses within ore pipes or within the host rock. A history of the geological events of the Lynn Lake deposits is outlined by Pinsent (1980).
	Nature of the data used and of any assumptions made.	The majority of the data used for modelling the EL-Plug and N, O and P areas has been from the available comprehensive historic underground diamond drill data acquired from the mining and exploration undertaken by Sherritt between 1945 and 1976. Some assumptions have been made about the veracity of all this data because little record of the methods of drilling, logging, sampling, assaying and QAQC were written down or preserved. Independent consultancy Wardrop compiled and reviewed this data and determined it suitable for resource estimation purposes. HGMC concurs with this opinion and also noted that the sheer volume of drilling data available, particularly for the N, O and P areas lends support to the continuity and integrity of the data sets. HGMC have made some allowances for modifying factors as it relates to data quality and has reduced classification confidences where necessary of some resources from previously reported Measured resources to JORC Indicated or inferred. The main uncertainties considered relate to possible inaccuracies of sample locations (due to factors such as no down-hole surveys) and possible analytical grade inaccuracies caused by unquantified sampling problems such as sample loss or contamination.

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Criteria	**Explanation**	**Comment**
	The effect, if any, of alternative estimation interpretations on Mineral Resource estimation	The likelihood of alternative interpretations for the bulk on mineralisation within the various identified deposit areas is considered by HGMC as low risk. The mineralisation in both the A-Plug area including the well drilled N, O and P areas as well as the EL-plug, Disco and Golf Zone areas, typically occur within structurally controlled vertical to subvertical pipe intrusions. The deposit models used and interpreted and remobilised peridotite and amphibolite, displaying four (4) types of mineralisation: massive sulphide, disseminated sulphides, cemented breccia sulphides and stockworks of sulphide stringers further confine the interpretation of mineralisation zone geometry and grade distributions. Sherritt's successful mining operation which ran for +30 years were based on the underlying understanding and interpretation of geology provided further confirmation that other interpretations are not likely to be valid. The early interpretation models differ little from those independently derived mineralisation zone modelling developed independently by HGMC. The continuity in geometry and grade of the mineralisation between drill holes has been absolutely confirmed through successful underground drifting and stoping of the majority of the deposits discovered at Lynn Lake.
	The use of geology in guiding and controlling Mineral Resource estimation.	There are significant geological controls on the geometry and grade continuity of the mineralisation and geological interpretation involves taking these controls into account. Sulphide mineralisation only occurs in certain well-established rock types in patterns predictable through ore genesis models and confirmation through geological logging and mapping. Structural offset of deposits by late faulting has been clearly established and documented through underground mapping and diamond drilling interpretation.
	The factors affecting continuity both of grade and geology.	The main mineralised zones occur in the western half of the A Plug associated with more mafic to ultramafic rock types of gabbro, amphibolite and peridotite in the main centres within the pluton as follows: • A, C, Upper D, Lower D, E and J zones at the north end of A Plug situated around the A shaft area; • B, F, K and B-K zones that lie west of the Farley shaft in the middle of the A Plug; • The near surface Disco Area and deep Golf Zone Area; • O, N and P zones at the south end of the A Plug; • The EL deposit lies in the centre of EL Plug. Significant structural controls on the geology of the mineralisation have been defined. All the ore zones appear to be affected by some faulting. The Lynn Lake fault or Griffith shear defines the southern contact of the A Plug and the O fault disrupts and offsets the O and N zones. These two major reverse faults strike northwest and dip moderately to the northeast. The reverse movement on the O fault has caused sections of the O and N zones to be thrusted southwest over the Wasekwan Group country rock below the 3,500-foot level. The Lynn Lake fault with a similar sense of movement has moved the weakly mineralised portions of the O and N to the southwest over the Wasekwan. The mineralised portions of the N and O zone lie between the two faults from the 1,600 and 3,500-foot levels. If the known weakly mineralised M zone, which lies at surface, is the thrusted hangingwall equivalent of the N zone the offset of the faulting is on the order of 500 to 600 metres. The O zone pipe thrusted hanging wall extension has not been located or the footwall truncated portion of the Lower O zone.

Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	**EL-Plug:** The main upper EL-Plug zone is vertically orientated and extends from topographic surface down to a depth of approximately 480 metres. The deepest EL-Plug mineralisation zone extends for approximately 340 metres starting at approximately 560 metres below the topographic surface. The upper EL-Plug zone is approximately 120 metres in diameter. Similarly the lower EL-Plug zone is approximately 50 metres in diameter **Disco Zone:** The Disco zone is also sub-vertically oriented extending from approximately 30 metres from topographic surface and extends down for approximately 220 metres. The approximate diameter of the Disco zone is 30-35 metres. **N Zone:** The N zone is interpreted to be the faulted disrupted counterpart of the M zone once being a single mineralised pipe. This pipe extends from the O fault at 4,500 feet below surface to the subsurface outcrop of the M zone. The mineralisation therefore lies above and below the Lynn Lake fault (300°/50°NE). The N zone mineralisation is located adjacent to the A Plug contact and the country rock Wasekwan volcanics at about 1,100 metres south of the Farley Shaft. Mineralisation extends from the Lynn Lake Fault on the 1,600-foot level to the O fault at approximately 1,400 metres from surface. The majority of the mineralisation is disseminated sulphides. It consists of several lenses within a pipe of mineralised amphibolite to gabbro that has been cut by a large peridotite body and numerous thrust faults (030°/30°NW). The faulting has displaced these blocks successively higher to the southeast. The Lynn Lake fault overlies, and the O fault underlies, the N zone mineralisation. The upper and lower 1,730 shear separate the upper and lower N zones. The uppermost part of the N mineralised pipe is located approximately 420 metres from topographic surface. It is crudely sub-circular in shape on the order of 250 metres to 300 metres in diameter and extends for approximately 720 metres to maximum interpreted depth. **O Zone:** The O zone is located 750 metres from the Farley Shaft, hosted in mineralised amphibolite that intruded the A Plug gabbro. The O zone extends from the O fault on the 3,550-foot level to the Lynn Lake fault on the 1,600-foot level. Extensive faulting on the Dyke shear has displaced the O zone into upper and lower portions. The complex Dyke shear that trends north-south and dips 40° to the west has separated the Upper and Lower by approximately 90 to 100 metres. The upper O zone pipe has been structurally juxtaposed by a number of reverse faults from 1,900 to 2,400 foot level. These reverse faults are probably curved splays from the underlying Dyke shear that trends north-south and dips off to the west. The mineralised lenses of the upper O zone consists of disseminated, sulphide breccia and veins of massive sulphides in a sub-circular nature. The lower O zone that lies below the complicated Dyke shear consists mainly of disseminated sulphide material hosted in amphibolite. The uppermost part of the O mineralised pipe is located approximately 430 metres from topographic surface. The lower O zone is sub-circular to irregular in shape and plunges steeply to the southeast and has an approximate length of 200 metres and approximately 150 metres across. The pipe is cut out by the O fault on the 3,550-foot level and the total depth extent is roughly 900 metres with the base at approximately 1400 metres from topographic surface.

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		P Zone: The P Zone is located approximately 50 metres north of the O Zone and is also sub-vertically oriented with the uppermost part located approximately 760 metres from topographic surface. The total depth extent of the P Zone is approximately 240 metres and has an approximate diameter of 60 metres. **Golf Zone :** The Golf Zone is also sub-vertically oriented and located approximately 995 metres vertically from topographic surface with a length extent of approximately 320 metres (down to -980m RL). The approximate lateral length of the Golf zone is 100-150 metres with a corresponding width of approximately 30-50 metres.

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Criteria	**Explanation**	**Comment**
Estimation and modelling techniques:- ***A Plug deposits*** ***N zone*** ***O zone*** ***P zone*** ***+*** ***Disco Area*** ***+*** ***+ EL-Plug Area*** ***+*** ***Golf Zone***	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Independent consultants Wardrop undertook a comprehensive block modelling and mineral resource estimation study of the N, O and G Zones of the Lynn Lake Nickel Project in 2005, which was documented in an NI 43-101 report on the Project (Carter 2005). This mineral resource formed the basis of the 2009 estimate by Waldrop (McCracken 2010), which re-reported the majority of the Carter report. No additional drilling was added for this estimate, which probably used exactly the same modelling methodology, software and input data. HGMC has remodelled the N, O and P zones based upon the earlier Wardrop modelling work. The Disco Zone and Golf Zone areas have not had any previous modelling or resource estimation work carried out. The EL-Plug area was previously modelled in 2015 by Ravensgate and has now been revisited by HGMC in 2018 due to a major survey grid consolidation and drilling data-set revision carried out in late 2017 using all available data for the Lynn Lake Project. For statistical analysis HGMC composited the drill hole assay data into uniform two (2) metre composite lengths for, El-Plug, Disco, Golf and the N, O and P areas for consistency. [This compares to the 3.04 metre (10 feet) down hole lengths used by Wardrop previously]. Summary tables of the composite statistics for each of the five (5) areas were investigated. Assays below the detection limit, identified as “SNR” or “Not Sampled” in the drill hole database were recorded as ‘nul’ grades values of “-1” in the composited dataset in the database. Assays recorded as trace were assigned a grade of 0.0% for Ni and Cu. Histograms and probability plots were created to provide a comparison of composite grades within the various interpreted solids for each zone. Typically observed were several inflections clearly evident in many of the probability plots indicating data probably contains a number of grade populations related to changes in mineralisation geology. Some of the population variation also probably indicates a proportion of very low-grade material being captured within the wireframes in edge or peripheral areas. All of the histogram and probability plots that were viewed by HGMC were found to support the geological interpretation. The lack of extreme outliers meant that grade cutting or trimming was not necessary. Spatial analysis of the grade distribution of nickel and copper were used to determine parameters for geostatistical grade interpolation into the block model. A standardised approach was implemented for all variography and resource modelling for all the main Ni and Cu grade items in the EL-Plug, Disco, Golf and the N, O and P areas. Downhole variograms were used to determine the short-range local nugget and sill values for each zone. Grade interpolation was completed using the ordinary kriging estimation method. Ordinary kriging was considered geostatistically appropriate for carrying out grade estimation given the overall the spatial distribution characteristics and coefficient of variation observations for the base metal deposit areas under consideration at Lynn Lake. The interpolation process was carried out using a primary search and a secondary search ellipsoid in one pass for each defined sub-Area domains of each of the mineralised zones. Typical search ellipsoid dimensions used for each of the deposit areas was as follows: 100 metres (X) x 50 metres (Y) x 50 metres (Z).

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Criteria	**Explanation**	**Comment**
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	From 1953 to 1976 a significant mining and mineral processing operation was undertaken by Sherritt. Over this 24 year period, approximately 22.2 million tons (20.1Mt) of sulphide ores were mined and processed at an average grade of 1.023% Ni and 0.535% Cu. The production was primarily from underground operations in the A Plug area with a smaller proportion of high-grade production extracted from the EL Plug area. The mines closed in 1976 with a substantial nickel-copper resource remaining in-situ and partially developed. However, production records are not sufficiently detailed that the resources for individual zones of mineralisation now modelled or updated can be reconciled directly against production records as they exist.
	The assumptions made regarding recovery of by-products.	It is assumed that copper will be recovered along with the nickel. Cobalt occurs in the ore in an approximate 30 to 1 ratio to nickel grade. Cobalt was recovered into the nickel concentrate during historic mining and processing. Low grade cobalt (due to its high current market price) was estimated into the various block models where possible. Due to limited assay data specifically for cobalt in most areas the cobalt grade has been estimated based on the reliable Ni-Co correlations as observed, particularly from the EL-Plug area where the correlation coefficient of Ni vs Co was determined to be 0.91 which is interpreted as very reliable.
	Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).	The majority of the samples have only been assayed for nickel and copper, with a small number of samples from more recent drilling analysed for a full suite of elements including cobalt. It is noted that whilst a full analytical suite for all deposits is not available, the Lynn Lake deposits have nevertheless been successfully processed through a mills which commenced operation some 50 years ago. There can be little doubt that a modern mill would successfully handle the majority of deleterious elements in the mineralisation. The mineralisation is very sulphide rich, so acid drainage issues will necessarily need to be dealt with in any mine environmental planning.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	As is typical with underground drilling patterns, drill hole spacing is quite variable across the deposits especially in the vertical direction. The majority of the drilling in the underground, developed areas is tightly spaced at either 7.62 metre or 15.24 metre lateral intervals. Only the Lower N area below elevation 3,000 feet has used wider spaced at 30.48 metre intervals. Mineralisation targets that have been drilled from surface tend to be least well drilled, although still more than adequate in most places for deposit modelling and resource estimation purposes. In conjunction with the down-hole composite length of two (2) metres being used, HGMC has chosen a standard block size for a all areas of five (5) metres (E) x five (5) metres (N) x five (5) metres (RL) in order to accommodate the locally complex mineralisation geometries particularly as defined by the closely spaced drilling. This block size is relatively small, however, it is an acceptable compromise between volume variance effect minimisation and better local scale mineralisation zone definition. Models with smaller block sizes are inherently more useful for use in detailed mine planning studies.
	Any assumptions behind modelling of selective mining units.	No detailed assumptions have been made with regard to modelling of selective mining units, except for future mining, which is expected to use similar underground mining methods to those used historically. The block sizes utilised are expected to be in line with the general mining method assumptions including the use of standardised stope extraction.

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Criteria	**Explanation**	**Comment**
	Any assumptions about correlation between variables.	There is a good correlation between nickel grades and cobalt grades observed at EL-Plug with a correlation coefficient of 0.99 observed for the main mineralised zones using 842 sample pairs. It is assumed from a global perspective that a similar correlation level is present in most of the deposit areas. The correlation of Ni vs Co for Disco Area is similarly strongly correlated with a correlation coefficient of just 0.98 observed from 122 sample pairs reflecting similar and simultaneous deposition environments for nickel and cobalt.
	Description of how the geological interpretation was used to control the resource estimates.	Three-dimensional wireframe models of mineralisation were developed for each of the EL-Plug, Disco, N, O, P and Golf zones based on a Nickel nominal lower cut-off grade of greater than 0.2-0.3% Ni. The zones of mineralisation interpreted for each area were generally contiguous, except where affected by interpreted block faulting. A minimum thickness criterion for sulphide mineralisation of approximately four (4) metres was used in the development of the mineralisation solid wire-frames. Both sectional and plan interpretations were digitised 'on-screen' and these interpretations were linked and triangulated to build three-dimensional solid wireframes (solid) models. The wireframe solids were validated and then used to constrain the limits of block model cells. Historic mining has been undertaken in the EL-Plug and the N, O and P zones. For the El-Plug HGMC utilised the historic stope and open pit survey information to construct depletion zone solids used to eliminate this previously mines material from the remaining resource estimations. Similarly, for the N and O zones, the volumes of rock material mined out through historic stoping and drift development were previously defined by Wardop, which HGMC has adopted for depletion of the resource base in the mined out area. HGMC assume that this stope volume information was derived from the scanned historic mine plans and cross sections and available underground volume survey records. For the P area specifically, HGMC has had to roughly estimate an indicative stope location and volume based on the understood production records for this area. It is assumed the stoping was carried out in the area of best mineralisation and therefore depletion of some of the central better (higher grade) resources was incorporated. HGMC has taken this conservative stance as a consequence of no actual underground survey volume information being available for the P Area, and recognise this is an area requiring additional future verification and validation work. Given the long life and professional nature of the historic mining operation at Lynn Lake, a fair degree of confidence can be attached to the accuracy of the drafting of most of the underground working and volume estimation plans and the raw survey measurement work which determined the locations of the workings. No direct follow-up verification of the accuracy of the historic surveying work and mine plans has been possible in the closed workings and this is an aspect that is yet to be attempted at some time in the foreseeable future.
	Discussion of basis for using or not using grade cutting or capping.	Some non-assayed intervals are present in the database. These have been interpreted as non-mineralised intervals and assigned zero grade for the purposes of block grade estimation. In situations where non-mineralised intervals are included within broader mineralised intervals these non-mineralised intervals were incorporated into the block model interpolation process and treated in accordance with other validated data if appropriate.

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Criteria	**Explanation**	**Comment**
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	Validation for all five (5) of the deposit block models constructed by HGMC in the following order of completion: EL-Plug, Disco and the N, O, P and then the Golf Zone areas. Validation was carried out graphically and statistically to ensure that the block model grades accurately represent the input drill hole data. A number of methods were employed to validate the block model including: global mean comparison; visual comparison; trend plot comparison. The global mean comparison between drill composite grades and model grades within each of the mineralised zone wireframes shows that, globally, the estimates validate well within all well-informed domains for all deposits and deposit areas. Cross sections were also viewed on-screen and showed a good comparison between the drill hole data and the block model grades. A volume comparison between the volume of the block model cells within each mineralised zone and the volume of the corresponding wireframe was also conducted. The results of volume checking were accurately defined within tightly constrained acceptable limits. For the El-Plug area, the wireframe volumes for each area domain were compared to those developed for the 2015 modelling program where it was observed that some drill-hole survey changes necessitated a small update of mineralisation zone interpretation with a coincident small reduction in defined resource volume. From interrogation and comparisons of block model grades with composite grades for each of the modelled deposit areas it was observed that there is a reasonable correlation between the values. No significant discrepancies were apparent from the sections and plans reviewed. In some outlying parts of some of the block models, larger discrepancies are reflected as a result of lower drill density. There is a degree of smoothing apparent from the ordinary kriging, which reflects the data density to a great extent.
Estimation and modelling techniques:- ***EL Plug*** ***EL deposit***	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	The well established interpretation of the Lynn Lake deposits clearly describes them as concentrations of sulphides occurring within two (2) intrusive plugs of mafic to ultramafic igneous rocks (refer "Geological Interpretation" commentary above). The interpreted nickel-copper mineralisation distribution is based on a nominal minimum of 0.2-0.3% Ni cut-off which has been used to interpret and construct wireframes of mineralisation within the EL-Plug, Disco, N, O, P Areas and the Golf Zone area. Interpolation estimates were carried out using single pass interpolation runs. Block sizes for the EL-Plug, Disco, N, O, P and Golf Zone area models was standardised based on drill spacing and deposit geometry and are as follows: • Five (5) metres x Five (5) metres x Five (5) metres (all deposits). • Uniform Block Size – (No Sub-Blocks). • Zone codes with block proportion – (associated Zone% item) used to ensure correct volume assignment. All mineralisation zones have been allocated ZONE code numbers for modelling use and have been designated at EL-Plug as ZON1=1 (low grade) and ZON2=1 (high grade) zones. For all other deposits (Disco, N, O, P and Golf Zone) a single zone code designation has been used (ZONE1=1) for all zones coded into the block models. All models used zone codes with an associated block percentage sub-division (0.01% precision) to maintain accurate volume reporting. 'Low grade' nickel domains were coded using items ZON1 and a corresponding

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Criteria	**Explanation**	**Comment**
		ZON1%. Similarly, the high-grade nickel domains within the EL-Plug deposit were coded using a ZON2 item with a corresponding ZON2% block proportion coding item. Grade estimation using ordinary kriging was completed for main reportable element items; NIKR1 for Ni% and CUKR1 for Cu%. Cobalt grades were calculated from regression calculations based on the interpolated nickel grades and written to the COKR1 block item where appropriate. The option to generate and report a Nickel Equivalent item NIEQ1 based on the NIKR1, CUKR1 and COKR1 items was not pursued at this time due to the rapidly changing metal price market which could lead to some reporting complications. A grade / cut-off distance restriction regime utilised during interpolation to limit the influence of very high composite grades, usually set at approximately the 99th percentile level or slightly higher depending on ZONE and AREA domain designation was also employed. The associated distance of outlier restriction for the various deposit zones was also variable and was usually set at approximately two down-hole variogram ranges or approximately two (2) block lengths for composites in all mineralisation zones. The aimed effect of the grade / distance restriction regime as applied to composite grade outliers is to limit how far very high grades can be interpolated into model blocks, particularly in those parts of the resource model with relatively low levels of drilling density. Grade continuity for each ZONE was measured using geostatistical techniques. Directional variograms were modelled using traditional/'normal' transformation variograms. Nugget values for all elements were observed to range from moderate through to high depending on zone designation. Estimation search ellipsoids were also defined according to the local geometry orientation as defined by an additional AREA domain code.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	Previous economic mining activity has taken place within the EL-Plug, N, O and P Areas. A comparison review of the resource estimate for EL-Plug was carried out to compare the 2015 estimate with the 2018 estimates. A small reduction in the overall resource has resulted from a more accurate interpretation of some of the mineralisation zones. No detailed review or direct comparison of any previous resource estimates from pre 1976 have been carried out due to data acquisition difficulties and given the time elapsed or due to differences in reporting detail available, including differing reporting lower cut-offs grades which make it difficult to compare previous historic estimates. Corazon has previously reported an "interim" Inferred Mineral Resource for EL-Plug according to the the JORC 2004 Code using a 0.6% Nickel (Ni%) lower cut-off which was 1.8Mt at 0.8%Ni, 0.4%Cu and 0.02%Co (ASX Announcement dated 13 October, 2010). In 2015, the resources for the EL deposit was re-estimated for JORC 2012 and the previously reported Canadian NI43-101 resources were converted to JORC 2012 (ASX Announcement dated 16 April 2015). The global Indicated and Inferred Resource Estimate was stated as 9.4Mt at 0.88% Ni and 0.4% Cu. Cobalt was not reported. Deposits included in this estimation were the EL, as well as the previously reported N, O and G deposits.

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	The assumptions made regarding recovery of by-products.	Mining and mineral processing of mineralised material from the EL-Plug, Disco and the N, O, P and Golf Zone area deposits is expected to primarily produce nickel concentrate with associated ancillary elements copper and cobalt which has been historically recovered and sold as excess or saleable by-products.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	No significant deleterious toxic metal elements have been identified or reported to date. Historically some problems have been observed with high sulphur materials resulting in unwanted acid mine drainage. Corazon is aware of these particular concerns.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	**EL Plug:** Drilling of the deeper zones of the EL Plug from surface has resulted in high angle intersections of the deposit and broader drill spacing. **Disco Area:** Drilling of the deeper zones of the Disco Zone from surface has also resulted in high angle intersections of the deposit and broader drill spacing. The relatively low number of drill-holes available for this area has informed HGMC's decision to report Inferred resources from this area only. **N, O and P Areas:** Drilling into each of these zones, particularly N, and O from numerous locations along underground development drives has resulted in a large number of both low and high angle intersections of the deposit with quite close drill spacing. **Golf Zone Area:** Drilling of the deeper zones of the Golf Zone from surface has also resulted in high angle intersections of the deposit and broader drill spacing. The relatively low number of drill-holes available for this area has informed HGMC's decision to report Inferred resources from this area only.
	Any assumptions behind modelling of selective mining units.	**EL Plug:** Given the scale of the EL-Plug Deposit, the block size used by HGMC for block model construction five (5) metre x five (5) metre x five (5) metre (X,Y,Z) is a reasonable selective mining unit (**SMU**) allowing for good modelling resolution. The relatively high drilling density present in much of the shallower and near surface mineralisation (10 metre x 10 metre) also allows for a smaller higher resolution block size to be considered. **Disco Area:** The block size used by HGMC for block model construction at Disco of five (5) metre x five (5) metre x five (5) metre (X,Y,Z) is an appropriate SMU given the scale of the Disco deposit and its closer proximity to topographic surface. **N, O and P Areas:** The block size used for the N, O and P zones was also five (5) metre x five (5) metre x five (5) metre (X,Y,Z). Again, this is considered by HGMC to be a reasonable SMU given the scale of the deposits concerned allowing for good modelling resolution. The relatively high drilling density present in much of the shallower and near surface mineralisation also allows for a smaller higher resolution block size to be considered. **Golf Zone Area:** The block size used by HGMC for block model construction at Disco of five (5) metre x five (5) metre x five (5) metre (X,Y,Z) is an appropriate SMU given the scale of the Disco deposit and it's closer proximity to topographic surface.

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Criteria	**Explanation**	**Comment**
	Any assumptions about correlation between variables.	**EL Plug:** The primary element nickel is strongly correlated with ancillary elements cobalt and, to a lesser extent, copper. Mining production will be aimed at maximising nickel recovery and therefore recovering most of the cobalt and copper. There are a few minor locations identified where relatively high copper and cobalt grades occur in conjunction with very low inherent nickel grades. **Disco Area:** The primary element nickel is correlated with ancillary elements copper. As was observed for EL-Plug, there are a few minor locations identified where relatively high copper and cobalt grades occur in conjunction with very low inherent nickel grades. For the purposes of cobalt grade assignment in the block model, cobalt was estimated using the regression calculation as was derived from the EL-Plug Ni vs Co correlation analysis. **N, O and P Areas:** The primary element nickel is correlated with ancillary elements copper. There are numerous locations observed where high copper grades occur in conjunction with very low inherent nickel grades. For the purposes of cobalt grade assignment in the block model, and given that no cobalt analyses were available from these areas, the block model cobalt item was estimated using the regression calculation as was derived from the EL-Plug Ni vs Co correlation analysis. **Golf Zone Area:** The primary element nickel is correlated with ancillary elements copper. As was observed for the Disco area, there are a few minor locations identified where relatively high copper and cobalt grades occur in conjunction with very low inherent nickel grades. Due to the lack of available cobalt grade assays the assignment of cobalt grades in the block model has not been carried out at this time.
	Description of how the geological interpretation was used to control the resource estimates.	**EL Plug, Disco, N, O, P and Golf Zone Areas:** The major lithology types interpreted and modelled to date have been used to guide the mineralisation wire-frames used to code the block model. In addition, at least one known interpreted fault zone has been shown to cut or off-set mineralisation at EL-Plug, and this has been incorporated in the block modelling where possible.
	Discussion of basis for using or not using grade cutting or capping.	**EL Plug, Disco, N, O, P and Golf Zone Areas:** Statistical analysis showed the populations in the main mineralisation domains in each deposit to generally have low to moderate coefficients of variation levels. Therefore, a moderated grade/cut off and associated distance restriction regime was applied during kriging interpolation individually on a zone-by-zone basis. The distance restriction threshold was applied at approximately the 99th percentile level. It should be noted that composite grades were not cut prior to use in kriging interpolation, but their area of influence was significantly restricted.
	The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	Model validation was carried out graphically and statistically for all block model areas to ensure that the block model grades accurately represent the input drill hole data. A number of methods were employed to validate the block model including: • Global mean comparison; • Visual comparison, and

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		• Bench trend plot comparison. The global mean comparison between drill composite grades and model grades within each of the mineralised zone wireframes for the Ni item shows that globally the estimates compare favourably within all the well drilled parts of the main mineralised domains. Some localised bench variations are observed with the bench trend plots. These areas of variation are due to the locally inherent bench variability and non-stationarity of the Ni composite data. Cross sections were viewed on-screen and showed a good comparison between the drill hole data and the block model grades. A volume comparison between the volume of the block model cells within each mineralised zone and the volume of the corresponding wireframe was carried out to ensure coding methods were within acceptable limits.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnages are estimated and reported based on and assuming a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	**EL-Plug, Disco, N, O, P and Golf Zone Areas:** Three-dimensional wireframe models of mineralisation were developed for EL-Plug, Disco and the N, O, P and Golf Zones based on a nominal Nickel lower cut-off of 0.2-0.3% Ni. HGMC has used a default 0.5% Ni lower cut-off for reporting Mineral Resources as well as at the 0.7% lower cut-off level to reflect likely future appropriate underground economic cur-off levels.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution.*	**EL Plug:** Future mining or mineral extraction at the EL-Plug deposit area deposit is anticipated to be initially open pit mining followed by further underground mining. **Disco Area:** Due to its close proximity to topographic surface (~30m), future mining or mineral extraction at the Disco deposit area is anticipated to be initially mined from open pit. **N, O and P Areas:** Due to their depth and access, future mining or mineral extraction at the N, O and P area deposit will be mined using underground mining methods only. Underground mining methods will probably be very similar to the methods employed during the previous historic mining phases. No other assumptions on mining methodology have been made. **Golf Zone Area:** Due to its deep location, approximately 995m below topographic surface, future mining or mineral extraction at the Golf deposit area deposit are to be mined via underground mining methods only.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability.*	**EL-Plug, Disco, N, O, P and Golf Zone Areas:** Historic mining, milling and processing of ore from the various deposit areas has been well recorded and it is not expected that any major metallurgical recovery concerns will be encountered at such a mature Project.

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		HGMC understands Corazon is planning more detailed test work in the future with the aim of identifying and optimising the best processing route for the production of nickel concentrate, as well as recovering ancillary elements such as copper and cobalt.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options.*	**EL-Plug, Disco, N, O, P and Golf Zone Areas:** HGMC has not made any assessment regarding waste rock or tailings disposal. It is expected the uses of standardised rock waste dumps and tailing dams of modern design could be utilised without any significant impact on the local environment.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	**Disco, N, O, P and Golf Zone Areas:** The available database for these deposits does not include any bulk density core measurement data, nor does it contain any tonnage factor statistics from historic production. Neither historic mine nor recent explorers have acquired or formally recorded Archimedes data, despite the very significant amount of drill core available. Tonnage factors were derived from Ni and Cu grades using trendline formulas, graphing iron (Fe) and insolubles (Insol) against Ni grades on assayed intervals for each zone and orebody. Strong relationships were identified between assayed Ni values and percentages of Fe and Insol. These correlations were then used to estimate tonnage factors for each individual zone based on trendline formulas, sample assay data and chemical formulas of chalcopyrite, pentlandite and pyrrhotite. Certain assumptions were used in order to determine the tonnage factor: • Amount of total Fe is derived from pyrrhotite, pentlandite and chalcoyprite. • Cu is derived entirely from chalcopyrite • Ni is derived entirely from pentlandite • Insolubles specific gravity assumed as 2.85
		EL Plug: The bulk density information utilised by HGMC was derived from data contained within the Corazon drilling database. Approximately 240 bulk density measurements were carried out using the Archimedes Method on 120 linear metres of diamond core acquired as part of the Corazon drilling programs. HGMC's opinion is that this is a reasonable number of physically measured bulk density measurements, in conjunction with associated assay analytical data for nickel and sulphur, to reliably describe mineralisation bulk density characteristics. HGMC elected to use the available nickel versus bulk density correlation analysis with an observed correlation coefficient confirmation derived at 0.907, which was slightly better than that observed when including nickel vs sulphur data. The bulk average densities assigned at EL-Plug were 3.15 tonnes per cubic metre within the 'low grade' mineralisation zones and 3.50 tonnes per cubic metre within the 'high grade' zones. At the Disco zone the average bulk density assigned was 3.10 tonnes per cubic metre for the total mineralisation zone.

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		The average bulk densities for N, O Zones were 3.10 tonnes per cubic metre and for the P zone the average bulk density assigned was 3.11, tonnes per cubic metre. At The Golf Zone Area the average bulk density assigned was 3.03 tonnes per cubic metre.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit.*	**EL Plug, Disco, N, O, P and Golf Zone Areas:** Estimation parameters including kriging variance, number of composites informing the interpolated block and distance of block centroid from nearest drill hole were considered during the classification process. These parameters were condensed into a quality of estimate (QLTY) item which was used as a starting basis for decisions relating to resource classification and further re-condensing of the QLTY parameter into a RCAT (Resource Category) item summary. The Resource model uses a classification scheme at EL-Plug, Disco, N, O, P and Golf Zone Areas used the same standard approach and was based upon additional block model estimation parameters. These included Kriging Variance, number of composites in search ellipsoid, and the composite distance to block centroid. These inputs were used to derive relative confidence levels or 'quality of estimate index' (QLTY item) within the block model) which has a range of 1 to 3, where QLTY = 1, 2 or 3 represents high, medium or low confidence respectively. QLTY=1 • Drill spacing of 15 metres x 20 metres or less. • Composites – Ni item parameters only used as basis for classification. • Search ellipsoid distances 0-20m. • Composite numbers 15 or greater. • Kriging Variance 0 - 0.4. (EL-Plug), 0 - 0.01 (Disco) and 0 - 0.025 (N, O, & P Zones). QLTY=2 • Drill spacing of nominally 20 metres x 40 metres to 40 metres x 40 metres (depending on deposit and variography results). • Composites – Ni item parameters only used as basis for classification. • Search ellipsoid distances 20 metres -50 metres . • Composite numbers 10-15. • Kriging Variance 0.4-0.6 (EL-Plug), 0.01 - 0.015 (Disco) and 0.025-0.05 (N, O, & P Zones). QLTY=3 • Drill spacing out to or greater than 80 metres x 80 metres (depending on deposit and variography results). • Composites – Ni item parameters only used as basis for classification.

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Criteria	**Explanation**	**Comment**
		• Search ellipsoid distances 50 metres -100 metres or greater distances. • Composite numbers 0 to 10. • Kriging Variance 0.6 or greater (EL-Plug), 0.015 or greater (Disco) and 0.05 or greater (N, O, & P Zones). The QLTY item parameter values have been further 'condensed' into an RCAT assignment item describing the confidence of the localised resource base in the block model. Preliminary Resource Classification Item coding was carried out as – (RCAT) Values 1-3 – (Nominally 'Measured', 'Indicated' and 'Inferred' [1, 2 or 3]. For EL-Plug the QLTY=1 and QLTY=2 material is designated as Indicated Resources (RCAT=2) with the remaining QLTY = 3 material reporting as Inferred Resources. (RCAT=3). A small quantity of Measured resources is also reported for the EL-Plug. This is martially initially classified as Indicated Resources that is contained within a preliminary pit optimization shell. A Summary Pit optimization assumptions and parameters are as follows : **Slope Angle** — **50 degrees** **Mining Cost** — $3.25/tonne + $0.01/tonne per 5m bench to target $3.40/tonne over LOM **Processing Cost** — $26.52/tonne **Process Recovery, Nickel** — 81.5% Flat **Process Recovery, Copper** — 92.0% Flat (70% to Cu con, 22% to Ni con) **Ni Price** — $9.80/lb ($21,605/tonne Ni) **Cu Price** — $3.58/lb ($7,888/tonne Cu) **Ni Sellcost** — $9,137.65/tonne Ni **Cu Sellcost** — $1,825.75/tonne Cu Geotechnical work has not been completed for the EL open pit at this time, so it has been assumed that a uniform slope angle of 50 degrees is appropriate. The optimal pit generated is approximately 200m deep. While this is a reasonably large pit, it is not excessively so, and the slope angle selected is believed to be reasonable on the expectation that there are no material geotechnical issues present. Specific geotechnical advice should be obtained for the next level of project assessment. At the N, O and P areas all QLTY=1 and QLTY=2 material was designated Indicated Resources (RCAT=2) with the remaining QLTY = 3 material being designated as Inferred Resources. (RCAT=3). In the uppermost parts of the N and O deposit areas where drilling and sampling density was highest a small proportion of material initially designated Indicated resources has been re-classified as Measured resources. This is considered justifiable due

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		to the high drilling and sampling density within these zones lending support to a high resource estimation confidence level for these zones in the block model. The threshold used to guide the development of an annealed Measured resource zone designation was based on a conservative 15m or less distance range of interpolated composite to block centroid. At the Disco Zone all material has been designated as an Inferred Resource owing to the relatively low drilling and sampling density present. Similar to the Disco Zone all material within the Golf Zone deposit area has been designated as Inferred Resources or unclassified (RCAT=4) owing to the relatively low drilling and sampling density present.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	**EL Plug, Disco, N, O, P and Golf Zone Areas:** HGMC have undertaken a review of the previous mineral resource estimates for the N, O and P deposits areas. The review has not been to the depth of a full audit of the previous estimates nor of the database which supports the estimates. HGMC notes that the capture of the historic data and the previous resource estimates of the N, and O deposits were made by consultant geologists employed by a fully independent geological consultancy. HGMC utilised this previous block modelling and resource estimation work as the basis for generating new mineralisation wireframes including the associated cut-off and block model interpolation parameters which have resulted in new updated reported mineral resource estimates for theses deposits.
		EL Plug: HGMC has re-estimated the mineral resources for the EL deposit, Disco, the N, O, P, and the Golf Zone areas using an updated drilling data and general project data set as at December 2017.

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Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	HGMC has considered most of the important factors relating to the relative accuracy and confidence level in defining and reporting the Mineral Resource estimates. Many of the most important aspect as being: • Adequate levels of drilling and sample density; • Precise drilling and sampling technique; • Regular checking of assay data quality; • Adequate survey control for drill holes and sample points; • Reliable estimation and allowance for variability of specific gravity; • Consistent and accurate logging of drill hole data; • Precise definition and modelling of mineralisation zones with reference to geology; • Thorough reviews of deposit statistics; • Realistic application of grade cut-offs and area of influence restrictions; • Correct application of interpolation techniques; • Thorough analysis of all modelling parameters and the results derived; and • The minimisation of all assumptions where possible. These factors have helped ensure resources as reported from the EL-Plug, Disco, N, O, P and Golf Zone deposit area block models are robust estimates of the nickel, copper and cobalt resources.