THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant, or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000, as amended ("FSMA").

This Document comprises a prospectus relating to Kendrick Resources plc (the "Company") prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (the "FCA") made under section 73A of FSMA and approved by the FCA under section 87A of FSMA.

This Document has been approved by the FCA, as competent authority under the Prospectus Regulation ((EU) 2017/1129), as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended) and the regulations made under that Act ("**UK Prospectus Regulation**"). The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES AS SET OUT IN THE SECTION ENTITLED 'RISK FACTORS' SET OUT IN THIS DOCUMENT.

The Company, each of the Directors, whose names appear on page 24 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company, each Director, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

KENDRICK
RESOURCES
PLC

KENDRICK RESOURCES PLC

(Incorporated and registered in England & Wales under the Companies Act 1985 with registered number 02401127)

Acquisition of Northern X Finland Oy

Acquisition of Northern X Scandinavia AB

Issue of 208,321,253 New Ordinary Shares comprising the issue of 92,857,143 Fundraising Shares at 3.5 pence

77,857,142 Consideration Shares

27,885,714 Convertible Note Shares

9,721,254 Fee Shares

And the issue of the Option Shares

Admission of the Ordinary Share Capital to the Official List

(by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities

Financial Adviser and Joint Broker

NOVUM

Novum Securities Limited

Joint Broker

Shard Capital

Shard Capital Partners LLP

This Document does not constitute an offer to sell, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication, or approval requirements on the Company.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada, Japan, or the Republic of South Africa. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, Australia, the Republic of South Africa, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication, or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States. The Company has not been and will not be registered under the US Investment Company Act of 1940 ("US Investment Company Act") pursuant to the exemption provided by Section 3(c)(7) thereof, and investors will not be entitled to the benefits of the US Investment Company Act. None of the Ordinary Shares have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the Ordinary Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

The distribution of this Document in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Novum Securities is authorised and regulated in the United Kingdom by the FCA and is acting as broker for the Company and for no-one else in connection with the Proposals and it will not be responsible to anyone other than the Company for providing the protections afforded to customers of Novum (as applicable) or for affording advice in relation to the contents of this document or any matters referred to herein. Novum is not responsible for the contents of this Document. This does not exclude any responsibilities which Novum may have under FSMA or the regulatory regime established thereunder.

Shard Capital Partners LLP ("**Shard**") is authorised and regulated in the United Kingdom by the FCA and is acting as joint broker for the Company and for no-one else in connection with the Proposals and it will not be responsible to anyone other than the Company for providing the protections afforded to customers of Shard (as applicable) or for affording advice in relation to the contents of this document or any matters referred to herein. Shard is not responsible for the contents of this Document. This does not exclude any responsibilities which Shard may have under FSMA or the regulatory regime established thereunder.

Application will be made for the Ordinary Shares (both issued and to be issued pursuant to the Proposals) to be admitted by way of a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules. It should be noted that the FCA will not have authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company to so comply. It is expected that Admission will become effective and that unconditional dealings in the Ordinary Shares will commence on 6 May 2022.

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7SUMMARY

INTRODUCTION AND WARNINGS

This summary should be read as an introduction to this Document.

This summary has been prepared in accordance with Article 2 of the Prospectus Regulations and should be read as an introduction to this Document.

Any decision to invest in the Ordinary Shares should be based on a consideration of this Document as a whole by the investor.

Any investor in the Company's Ordinary Shares should be aware that they could lose all or part of their invested capital.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate, or inconsistent when read together with the other parts of this Document or where it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

The name of the issuer is Kendrick Resources plc, and its LEI is 213800U66STYS4VQZH68. The issuer's registered office is at 7/8 Kendrick Mews, South Kensington, London, SW7 3HG. The head office and principal place of business of the issuer, and the business address of each of the Directors, is 7/8 Kendrick Mews, South Kensington, London, SW7 3HG. The telephone number of the issuer's head office and principal place of business is (0) 2039 616 086.

The ticker for the Ordinary Shares will be KEN with ISIN number GB00BNBQZW49.

This Document has been approved as a prospectus by the Financial Conduct Authority, whose principal place of business is 12 Endeavour Square, London E20 1JN and whose contact number is +44 020 7066 1000.

This Document was approved on 29 April 2022.

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?

Domicile, country of incorporation, applicable law, and legal form

The Company was incorporated and registered in England & Wales as a public company limited by shares on 5 July 1989 under the Companies Act 1985, as amended, with the name Ashchurch Exploration plc, under registered number 02401127. The Company is domiciled in England & Wales.

LEI

The Company's LEI is 213800U66STYS4VQZH68.

Company's Operations / Principal Activities

As at the date of this Document, The Company has no subsidiaries, and its principal business is to build a long term energy metals business in Scandinavia by exploring opportunities within the natural resources sector in Scandinavia with a focus on battery, base, and precious metals including but not limited to nickel and vanadium.

Conditional on admission of the Company's enlarged issued ordinary share capital to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange ("**Admission**") the Company is acquiring the following two companies:

1) Northern X Finland Oy ("**Northern X Finland**"), which owns in Finland the Koitelainen vanadium projects which hosts a defined Mineral Resource as defined by the JORC Code (2012) and the Karhujupukka vanadium-magnetite exploration project ("Finnish Projects");
2) Northern X Scandinavia AB ("**Northern X Scandinavia**") which owns in Sweden the Airijoki and vanadium project (the "**Airijoki Project**") which hosts a defined Mineral Resource as defined by the JORC Code (2012) and the Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively known as the "**Central Sweden Projects**").

The Company will pursuant to an exploration and option agreement which has been assigned to the Company have an option to acquire from Eurasian Minerals Sweden AB the Espedalen, Hosanger, and Sigdal exploration nickel-copper-cobalt projects in Norway (the "**Norwegian Projects**") (the "**EMX Option Agreement**")

The Company's' main focus at Admission will be on evaluating and advancing the Finnish, Airijoki, Central Sweden and Norwegian Projects.

Controlling shareholder, if any

The Company is aware of the following persons who will hold, directly or indirectly, voting rights representing 3%. or more its share capital as at 28 April 2022 (being the last practical date prior to the date of this Document) and as they are expected to be immediately following Admission.

	On 28 April 2022		Following Admission		Following Admission on a fully diluted basis	
	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital
Jubilee Metals Group Plc[1]	3,245,709	29.00%	3,245,709	1.48%	3,245,709	0.86%
Pursuit Minerals	—	—	42,142,857	19.20%	42,142,857	11.10%
Colin Bird[2]	16,875	0.15%	45,069,227	20.53%	45,069,226	11.88%
Interactive Investor Services Nominees Limited (SMKTN)	1,345,959	12.03%	1,345,959	0.61%	1,345,959	0.12%
HSDL Nominees Limited	1,314,030	11.74%	1,314,030	0.60%	1,314,030	0.35%
Barclays Direct Investing Nominees Limited	837,635	7.49%	837,635	0.38%	837,635	0.22%
Hargreaves Lansdown (Nominees) Limited	634,302	5.67%	634,302	0.29%	634,302	0.17%
Interactive Investor Services Nominees Limited (SMKTIS)	444,552	3.97%	444,552	0.20%	444,552	0.12%
Vidacos Nominees Limited	340,834	3.05%	340,834	0.16%	340,834	0.09%
Eurasian Minerals Sweden AB	—	—	—	—	40,226,757	10.60%

1 held via JIM Nominees

2 of these shares 33,428,571 are held by Camden Park Trading FZE-LLC, a company controlled by Camden Park which is controlled by Colin Bird, and 3,695,238 are held by Lion Mining Finance Ltd, a company controlled by Colin Bird

Directors & Auditors

The Company's directors are Colin Bird, Kjeld Thygesen, Evan Kirby and Alex Borrelli.

The Company's statutory auditors are Crowe U.K. LLP

What is the key financial information regarding the issuer?

Group

The tables below set out a summary of the key financial information of the Group for the period ended 30 December 2018, the period ended 29 December 2019, the year ended 29 December 2020 and the six-month period ended 30 June 2021, as extracted from the audited historical financial information of the Group and the unaudited interim financial information of the Group.

Summary Statement of Financial Position:

	Audited **As at 30 December 2018 £**	***Audited*** **As at 29 December 2019 £**	***Audited*** **As at 29 December 2020 £**	***Unaudited*** **As at 30 June 2021 £**
Total assets	10,147,303	284,350	254,434	*466,638*
Equity	9,440,459	122,056	88,623	*129,261*

Summary Statement of Comprehensive Income:

	Audited **Period ended 30 December 2018 £**	***Audited*** **Period ended 29 December 2019 £**	***Audited*** **Year ended 29 December 2020 £**	***Unaudited*** **Six months ended 30 June 2020 £**	***Unaudited*** **Six months ended 30 June 2021 £**
Revenue	—	—	—	—	—
Operating loss	(3,943,077)	(9,317,951)	(33,182)	(57,780)	(168,868)
Net loss after tax	(3,952,363)	(9,318,403)	(33,433)	(57,941)	(169,362)
Comprehensive loss	(3,952,363)	(9,318,403)	(33,433)	(57,941)	(169,362)

Summary Statement of Cash Flows:

	Audited **Period ended 30 December 2018 £**	***Audited*** **Period ended 29 December 2019 £**	***Audited*** **Year ended 29 December 2020 £**	***Unaudited*** **Six months ended 30 June 2020 £**	***Unaudited*** **Six months ended 30 June 2021 £**
Net cash from/ (used in):					
Operating activities	(958,730)	(378,949)	(86,309)	*659*	*(208,811)*
Investing activities	(244,265)	364,035	58,409	—	*210,000*
Financing activities	1,244,100	—	—	—	—
Net cash flows	41,105	(14,914)	(27,900)	*659*	*1,189*
Cash c/fwd	52,310	37,396	9,496	*38,055*	*10,685*

Audit report qualifications

The Group's auditors included a material uncertainty relating to going concern in their audit report for the year ended 29 December 2020. The opinion is summarised as follows:

"Material uncertainty relating to going concern

We draw attention to the adequacy of the disclosure made in note 3 to the financial statements indicate the existence of a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

The Group's auditors included an adverse opinion and a material uncertainty relating to going concern in their audit report for the period ended 29 December 2019. The opinion is summarised as follows:

"Adverse opinion on financial statements

We have audited the financial statements of BMR Group plc (the "Company") for the period ended 29 December 2019, which comprise:

- *the statement of comprehensive income for the period ended 29 December 2019;*
- *the statements of financial position as at 29 December 2019;*
- *the statements of cash flows for the period then ended;*
- *the statements of changes in equity for the period then ended; and*
- *the notes to the financial statements, including a summary of significant accounting policies.*

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

As set out below the financial statements are incomplete as consolidated accounts have not been presented, therefore our opinion, the financial statements:

- *do not give a true and fair view of the group's affairs as at 29 December 2019 and of the profit or loss for the period then ended;*
- *do not comply with the relevant provisions of the Companies Act 2006; and*
- *have not been properly prepared in accordance with IFRSs as adopted by the European Union.*

In our opinion, the Company's financial statements do give a true and fair view of the Company's affairs as at 29 December 2019 and of the loss for the period then ended.

Basis for adverse opinion on financial statements

As explained in Note 3 to the financial statements, the Company has not prepared consolidated financial statements for the period up to the loss of control as the director considers that this would lead to undue delay to the Company. This is not in accordance with International Financial Reporting Standard 10 Consolidated Financial Statements which requires consolidated financial statements to be prepared for a group of this size and nature.

Material uncertainty related to going concern

We draw attention to the adequacy of the disclosure made in note 3 to the financial statements concerning the ability of the Company to continue as a going concern. The financial statements have been prepared on the going concern basis, which rely on the financial support from a director. These conditions, along with the other matters explained in note 3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

The Group's auditors included an emphasis of matter in their audit report for the 18-month period ended 30 December 2018. The opinion is summarised as follows:

"Emphasis of matter

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made I notes 4 and 12 to the financial statements concerning carrying value of the development assets.

As described in note 12, the carrying value of the development assets comprise of the Kabwe tailings project with a carrying value of approximately £9.7 million (2017: £10.8 million). The recoverable value of the Kabwe tailings project is based on the net present value of estimated future income streams, derived from a royalty interest in projected net profit from the project after application of an appropriate discount rate. If the profitability of the Kabwe tailings project is less than anticipated, appropriate adjustments would be necessary to further impair the carrying value of the development assets.

The matters explained in notes 4 and 12 indicate the existence of a material uncertainty in relation to the carrying value of the Kabwe tailing project. Our opinion is not modified in respect of this matter."

Northern X Group

The tables below set out a summary of the key financial information of the Northern X Group for the three years ended 30 June 2019, 30 June 2020, and 30 June 2021, as extracted from the audited historical financial information of the Northern X Group.

Summary Statement of Financial Position:

	Audited **As at 30 June 2019 £**	***Audited*** **As at 30 June 2020 £**	***Audited*** **As at 30 June 2021 £**
Total assets	1,759,885	1,814,560	1,753,103
Equity	(169,312)	(177,093)	(207,626)

Summary Statement of Comprehensive Income:

	Audited **Year ended 30 June 2019 £**	***Audited*** **Year ended 30 June 2020 £**	***Audited*** **Year ended 30 June 2021 £**
Revenue	—	—	—
Operating loss	(165,829)	(4,249)	(38,562)
Net loss after tax	(165,829)	(4,249)	(38,562)
Comprehensive loss	(167,398)	(7,781)	(30,533)

Summary Statement of Cash Flows:

	Audited **Year ended 30 June 2019 £'000**	***Audited*** **Year ended 30 June 2020 £'000**	***Audited*** **Year ended 30 June 2021 £'000**
Net cash from/ (used in):			
Operating activities	(188,403)	(38,210)	(26,215)
Investing activities	(1,579,828)	(44,945)	(13,002)
Financing activities	1,792,107	63,442	40,691
Net cash flows	23,876	(19,713)	1,474
Cash c/fwd	23,876	3,879	5,571

Pro forma financial information

The unaudited *pro forma* financial information of the Enlarged Group has been prepared to illustrate the effects of: (i) the Acquisitions, (ii) the issue by the Company of convertible loan notes subsequent to 30 June 2021, (iii) the issue of the Convertible Note Shares, (iv) the issue of the Fee Shares (v) the Fundraising and (vi) the settlement of the Transaction Costs and the Admission Costs, had the Acquisitions, the issue of the convertible loan notes, the issue of the Convertible Note Shares, the issue of the Fee Shares, the Fundraising and settlement of the Transaction Costs and the Admission Costs occurred on 30 June 2021, and on its earnings for the year ended 29 December 2020 had the Acquisitions, the issue of the convertible loan notes, the issue of the Convertible Note Shares, the issue of the Fee Shares, the Fundraising and settlement of the Transaction Costs and the Admission Costs occurred on 30 December 2019.

Unaudited pro forma Statement of Financial Position

	Company as at 30 June 2021 (Note 1) £	*Adjustment* Northern X Group as at 30 June 2021 (Note 2) £	*Adjustment* Issue of convertible notes, Convertible Note Shares, Consideration Shares and Fee Shares (Note 3) £	*Adjustment* Fundraise and settlement of costs (Note 4) £	*Pro forma* balances as at 30 June 2021 £
Total assets	466,638	1,753,103	2,902,126	2,784,296	7,906,163
Equity	129,261	(207,626)	3,089,212	2,784,296	5,795,143

Unaudited pro forma Statement of Comprehensive Income

	Group Year ended 29 December 2020 (Note 1) £	*Adjustment* Northern X Group Year ended 30 June 2021 (Note 2) £	*Adjustment* Issue of convertible notes, Convertible Note Shares, Consideration Shares and Fee Shares (Note 3) £	*Adjustment* Fundraising and settlement of costs (Note 4) £	*Pro forma* results for the year £
Revenue	—	—	—	—	—
Operating loss	(33,182)	(38,562)	—	18,294	90,038
Loss after tax	(33,433)	(38,562)	—	18,294	90,289
Comprehensive loss	(33,433)	(30,533)	—	18,294	82,260

Notes:

1. Represents the unaudited interim assets and equity of the Company as at 30 June 2021 and the audited results of the Group for the year ended 29 December 2020.
2. Represents the audited financial information of the Northern X Group as at 30 June 2021 and for the year then ended.
3. Represents the issue by the Company of £350,000 of convertible loan notes in July 2021 and a further £119,500 of convertible loan notes in November 2021, the issue of the Convertible Note Shares to settle all outstanding convertible loan notes, the issue of the Fee Shares to settle £17,086 of liabilities and the acquisition by the Company of the Northern X Group.
4. Represents the receipt of the Gross Fundraise Proceeds and settlement of the associated Transaction Costs and of the Admission Costs.

What are the key risks that are specific to the issuer?

- The assets of the Enlarged Group will initially be exploration projects which to date have not generated any income and are not expected to do so until mining operations commence. However, there is no guarantee that mining operations will commence on any of the Licences.
- Whilst nickel and vanadium are used extensively in the automobile and technology sectors and, in the growing electric vehicle and electric battery markets, should the global economy experience an extended period of slow or negative economic growth is likely to result in lower levels of demand for the Enlarged Group's anticipated production from Licences.
- The Enlarged Group's business of exploration for minerals involves a high degree of risk that its activities will not result in economically viable mines.
- Whilst the Enlarged Group has sufficient working capital for at least 16 months post Admission, the Directors anticipate additional working capital will be required after this period and may not be available on attractive terms or at all.
- Whilst the Enlarged Group has investigated the title to, and rights and interest in, the Licenses and, to the best of its knowledge, such title, rights, and interests are in good standing, this should not be construed as a guarantee of the same or that all these Licences will be renewed when they expire and if they are renewed that some of the areas under the Licences will not have to be relinquished.
- The Enlarged Group's business and future management is substantially dependent on the expertise and continued services of its directors, employees, and consultants. The loss of the services of any such person could have a material adverse effect on the Enlarged Group's business.
- The value of the Company's assets and interests as well as potential earnings may be affected by fluctuations in commodity prices and exchange rates
- Legislation and increased regulation of the mining industry regarding climate change could impose significant costs on the operators of the Enlarged Group's mineral properties.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Type, class and ISIN

The securities that will be subject to Admission comprise Ordinary Shares which will be registered with ISIN number GB00BNBQZW49.

Currency, denomination, par value, and the term of the securities

The Ordinary Shares are denominated in pounds sterling and have a nominal value of £0.0003 each. The total expenses incurred (or to be incurred) by the Company in connection with Admission are approximately £618,862 plus VAT.

11,190,363 Ordinary Shares have been issued at the date of this Document, all of which have been fully paid up. On Admission, there will be 219,511,616 Ordinary Shares in issue, all of which are fully paid. Application will be made for Admission of all of the issued and to be issued 208,321,253 Ordinary Shares.

1,883,523,372 Deferred Shares have been issued at the date of this Document, all of which have been fully paid. On Admission there will be 1,883,523,372 Deferred Shares in issue which will not be included in the Admission.

Rights attached to the securities

The rights attaching to the Ordinary Shares will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made, or paid on the ordinary share capital of the Company. Each Ordinary Share grants a Shareholder who attends a general meeting (in person or by proxy) the right to one vote for Shareholder resolutions proposed by way of a show of hands and one vote per Ordinary Share for Shareholder resolutions proposed by way of a poll vote. Shareholders will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings.

Relative seniority of the securities in the issuer's capital structure in the event of insolvency

Other than the Deferred Shares which have no rights, the Company does not have any other securities in issue or liens over its assets and so the Ordinary Shares are not subordinated in the Company's capital structure as at the date of this prospectus and will not be immediately following Admission.

Restrictions on the free transferability of the securities

All Ordinary Shares are freely transferable and are not subject to any encumbrances.

Dividend or pay-out policy

The Company intends to pay dividends on the Ordinary Shares (if any) and in such amounts (if any) as the Board determines appropriate. The Company will only pay dividends to the extent that to do so is in accordance with the Companies Act and all other applicable laws.

Where will the securities be traded?

Application for Admission

Applications will be made to the FCA for the Company's Enlarged Share Capital to be admitted to the Official List of the FCA (by way of a standard listing ("**Standard Listing**") under Chapter 14 of the Listing Rules) and to the London Stock Exchange plc (the "**London Stock Exchange**") for such Ordinary Shares to be admitted to trading, and for dealings to commence, on the London Stock Exchange's Main Market for listed securities.

Identity of other markets where the securities are or are to be traded

There is currently no market for the Ordinary Shares and the Company does not intend to seek admission to trading of the Ordinary Shares on any market other than the Main Market.

What are the key risks that are specific to the securities?

- The market price for the Ordinary Shares may be affected by fluctuations and volatility in the price of Ordinary Shares
- The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing
- Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable
- The Company may fail to pay dividends

KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

Under what conditions and timetable can I invest in this security?

General terms and conditions

Expected timetable of the Fundraise

Publication of this Document	29 April 2022
Admission and commencement of dealings in Ordinary Shares	8:00 a.m. on 6 May 2022
CREST members' accounts credited in respect of Placing Shares and Subscription Shares	6 May 2022
Share certificates despatched in respect of Placing Shares and Subscription Shares	within 10 business days of Admission

Details of admission to trading on a regulated market

Application will be made for the Enlarged Share Capital to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that dealings in Ordinary Shares will commence at 8:00 a.m. on 6 May 2022.

Plan for distribution

The Placing Shares and Subscription Shares which are the subject of this Document will be offered exclusively to qualified investors within the meaning of Article 2(e) of the UK Prospectus Regulation and/or Relevant Persons. There will be no offer to the public of the Ordinary Shares and no intermediaries offer

Amount and percentage of immediate dilution resulting from the offer

Shareholdings immediately prior to Admission will be diluted by approximately 94.90% as a result of the Acquisitions and Fundraise.

Why is this prospectus being produced?

Reasons for the offer or for the admission to trading on a regulated market

The Board believes that a listing on the standard segment of the Official List and Admission to trading on the Main Market will help to build its profile, create value for Shareholders and build a market for trading of the Company's Ordinary Shares. The Board also believes that the Standard Listing will improve the Company's ability to raise further capital over the coming years to support the Company's growth strategy and achieve the objectives of long-term value creation for Shareholders. In addition, it will provide increased visibility of the Company's activities and the business as a whole. The Board believes that the reputation of the Main Market will help the Company achieve its goals and objectives, including increased visibility to the international market, sound reporting and compliance structure, better liquidity which is more attractive to investors and a significant increase in access to capital which will help the business grow.

Use and estimated net amount of the proceeds

The Gross Fundraising Proceeds of £3,250,000 have been conditionally raised resulting in Net Fundraising Proceeds of £2,856,210. The Company is undertaking the Fundraise, so it has the funds to finance the Company's principal business to explore opportunities within the natural resources sector in Scandinavia with a focus on battery, base, and precious metals including but not limited to nickel and vanadium. No expenses will be charged to investors. The Gross Fundraising Proceeds will be used to:

- settle the outstanding costs of the Fundraise and Admission of £393,790;
- settle the outstanding Transactions costs of £77,393;
- cover the Company's operating overheads for the 16-month period post-Admission of £599,252;
- cover the Northern X Group's administrative and operational costs in Finland and Sweden to the value of £178,362 over the 16-month period post-Admission; and
- undertake exploration and development expenditure of the Projects to the value of £1,670,733 over the 16-month period post-Admission.

Indication of whether the offer is subject to an underwriting agreement

No element of the Fundraise is being underwritten.

Indication of the most material conflicts of interests relating to the offer or admission to trading

There are no material conflicts of interest pertaining to the Fundraise or admission to trading.

RISK FACTORS

The investment detailed in this document may not be suitable for all its recipients and involves a higher-than-normal degree of risk. Before making an investment decision, prospective investors are advised to consult an investment adviser authorised under the Financial Services and Markets Act 2000 who specialises in investments of the kind described in this document. Prospective investors should consider carefully whether an investment in the Enlarged Group is suitable for them in the light of their personal circumstances and the financial resources available to them.

Before deciding whether to invest in Ordinary Shares, prospective investors should carefully consider the risks described below together with all other information contained in this document.

The risks referred to below are those risks the Enlarged Group, and the Directors consider to be the material risks relating to the Enlarged Group. The risk factors described below may not be exhaustive. Additional risks and uncertainties relating to the Enlarged Group that are not currently known to the Directors, or that are currently deemed immaterial, may also have an adverse effect on the Enlarged Group's business. If this occurs, the price of the Ordinary Shares may decline, and investors could lose all or part of their investment.

Prospective investors should note that the risks relating to the Enlarged Group, its industry and the Ordinary Shares summarised in the section of this document headed "Summary" are the risks that the Enlarged Group believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Enlarged Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this document headed "Summary" but also, among other things, the risks and uncertainties described below.

RISKS RELATED TO THE ENLARGED GROUP'S BUSINESS

The Enlarged Group's assets and interests may not produce anticipated revenues or returns

The assets of the Enlarged Group will initially be exploration projects which to date have not generated any income and are not expected to do so until mining operations commence. However, there is no guarantee that mining operations will commence on any of the Licences.

Until resources are actually produced, the amount and quality of resources must be considered as estimates only and therefore any value formulated by management is an estimate of market value. Any material change in the amount or quality of reserves may affect the economic viability of the Enlarged Group's assets or interests. Fluctuation in commodity prices, results of drilling and production and the evaluation of development plans subsequent to the date of any estimate may require revisions of such estimates. The quality and volume of resources and production rates may not be the same as anticipated at the time of investment by the Enlarged Group. Additionally, production estimates are subject to change, and actual production may vary materially from such estimates. No assurance can be given that any estimates of future production and future production costs with respect to any of the fields or assets underpinning the Enlarged Group's assets or interests will be achieved.

Unfavourable general economic conditions may have a negative impact on the results of operations, financial condition, and prospects of the Enlarged Group

Whilst nickel and vanadium are used extensively in the automobile and technology sectors and, in the growing electric vehicle and electric battery markets, should the global economy experience an extended period of slow or negative economic growth is likely to result in lower levels of demand for the Enlarged Group's anticipated production from Licences. Accordingly, the Enlarged Group's expectation of the results of operations, financial condition, and prospects of its projects, and of any future acquisition targets, will be uncertain and may be adversely impacted by unfavourable general global, regional, and national macroeconomic conditions and any future changes to technology which may adversely affect demand for nickel and vanadium.

The global financial markets are experiencing continued volatility and geopolitical issues and tensions continue to arise. Many of the Organisation for Economic Co-operation and Development ("**OECD**") countries have continued to experience recession or negligible growth rates, which have had, and may continue to have, an adverse effect on consumer and business confidence. The

resulting low consumer and business confidence has led to low levels of demand for many products across a wide variety of industries. The Enlarged Group cannot predict the severity or extent of these recessions and/or periods of slow growth. Accordingly, the Enlarged Group's estimate of the results of operations, financial condition and prospects of the Enlarged Group will be uncertain and may be adversely impacted by unfavourable general global, regional, and national macroeconomic conditions.

Licences and Exploration Activities

Whilst the Enlarged Group has investigated the title to, and rights and interest in, the Licenses and, to the best of its knowledge, such title, rights, and interests are in good standing, this should not be construed as a guarantee of the same or that i) all these Licences will be renewed when they expire and ii) if they are renewed that the mining authorities will not require that some of the areas under the Licences will not have to be relinquished for example if a mining licence is being granted it will typically be restricted to the area of the mineable resources to be mined and an area for mine infrastructure rather than the whole area of the Licence and on renewal Licence areas can be reduced if exploration activity has not been undertaken.. Additionally, the Directors may determine it is not economically viable to renew one or more of the Licences, or some of the areas under the Licences, in which case certain licences, or parts thereof, may be relinquished.

The Enlarged Group may lack sufficient working capital required to deliver its complete strategy

Whilst the Enlarged Group has sufficient working capital for at least 16 months post Admission, the Directors anticipate additional working capital will be required after this period Such funding may not be available on attractive terms, or at all, depending on exploration results from the Licences and the market for exploration and mining finance.

High risk of mining exploration projects

The Enlarged Group's business of exploration for minerals involves a high degree of risk that its activities will not result in economically viable mines. Few properties that are explored are ultimately developed into producing mines and the Enlarged Group will only have a limited number of projects at Admission. Whilst the CPR sets out information in relation to the Projects being acquired and concludes the Projects have sufficient geological merit to justify the proposed work programmes and associated expenditure, these may not be found to contain economically recoverable volumes of minerals. Should the mineral deposits contain economically recoverable resources then delays in the construction and commissioning of mining projects or other technical difficulties may result in plans for production being delayed or further capital expenditure being required.

Insurance Risks

The business of the Enlarged Group is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, changes in the regulatory environment and natural phenomena such as earthquakes, inclement weather conditions and floods. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to properties of the Enlarged Group or others, delays in mining, monetary losses, and possible legal liability.

It is not always possible to fully insure against such risks as a result of high premiums or other reasons (including those in respect of past mining activities for which the Enlarged Group was not responsible). Should such liabilities arise, they could reduce or eliminate any future profitability, result in increasing costs or the loss of its assets and a decline in the value of the Ordinary Shares.

At this stage of the business model the Enlarged Group is limited as to what insurance policies it is able to take out. In the future if it becomes fully operational, it may not be able to fully insure against all such risks.

Competition

The mining industry is competitive in all of its phases. It is expected that the Enlarged Group will face strong competition from other companies as the market for nickel and vanadium is forecast to grow. Accordingly, other mining companies are likely to explore opportunities to produce such minerals within Scandinavia, leading to competition for the recruitment and retention of qualified

employees. Larger companies, in particular, may have access to greater financial resources, operational experience, and technical capabilities than the Enlarged Group which may give them a competitive advantage.

Reliance on key personnel and management

The Enlarged Group's business and future management is substantially dependent on the expertise and continued services of its directors, employees, and consultants. The loss of the services of any such person could have a material adverse effect on the Enlarged Group's business. The Enlarged Group cannot guarantee the retention of its directors, employees, and consultants nor that it will be able to continue to attract and retain such employees, and failure to do so could have a material adverse effect on the financial condition. results or operations of the Enlarged Group.

Furthermore, the activities in-country including the exploration programmes established over the Projects require the assistance of third-party contractors and experts and for them to be able to visit and work at the Projects. Whilst the Directors believe from their experience that such parties are readily available, this may not always be the case, in which case, such activities could be significantly curtailed or delayed. The effects of the COVID-19 pandemic including the associated national and international travel restrictions remain uncertain and may have an impact on the ability of such third-party contractors and experts to visit and work on the Projects. This could restrict the ability of the Directors and UK-based advisors to visit the Projects.

RISKS RELATED TO THE ENLARGED GROUP'S INDUSTRY

Commodity Prices

The value of the Enlarged Group's assets and interests as well as potential earnings may be affected by fluctuations in commodity prices and exchange rates, such as the US$ and GBP denominated zinc, lead, gold, silver, copper and barite prices, and the GBP / US$ exchange rate. These prices can significantly fluctuate and are exposed to numerous factors beyond the control of the Enlarged Group such as world demand for precious and other metals, forward selling by producers, and production cost levels in major metal producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, global economic trends, and domestic and international fiscal, monetary, and regulatory policy settings. The Enlarged Group's financial performance will be highly dependent on commodity prices and exchange rates.

Estimates of mineral reserves and mineral resources

Estimates of mineral reserves and mineral resources for exploration and development projects are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of costs based upon anticipated tonnage and mineralization grades to be mined, extracted and processed, the configuration of the areas of mineralization, expected recovery rates, estimated operating costs, anticipated climatic conditions and other factors. Mineral resource estimates are estimates only and no assurance can be given that any particular grade, stripping ratio or grade of minerals will in fact be realised or that an identified reserve or resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. As a result of these uncertainties, there can be no assurance that any potential mineral resources programmes will result in profitable commercial mining operations.

Environmental regulation

Environmental and safety legislation (e.g., in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and/or employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from past or future exploration or mining activities, which may be costly to remedy. If the Enlarged Group is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Enlarged Group. The Enlarged Group has not purchased insurance for environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from

exploration and production) as it is not generally available at a price which the Enlarged Group regards as reasonably proportionate to the risk to the Enlarged Group's activities.

Environmental approvals and permits

Environmental approvals and permits are currently, and may also in future be, required in connection with the Enlarged Group's operations. In order to obtain such permits and approvals the Enlarged Group may need to produce risk assessments and impact assessments which account for the local wildlife, natural habitat, and archaeological issues. These assessments take time and cost to produce and if they are more expensive or extensive than the Board expected they could impact the Enlarged Group's work programme and the speed at which it develops its projects. Failure to comply with applicable approvals and permits may result in enforcement actions, including orders issued by regulatory or judicial authorities against the Enlarged Group, causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

Operations

The Enlarged Group's projects involve a number of risks and hazards, including industrial accidents, labour disputes, unusual or unexpected geological conditions, equipment failure, changes in the regulatory environment, environmental hazards and weather and other natural phenomena such as earthquakes and floods. The Enlarged Group's activities may be delayed or reduced as a result of any of the above factors. Such occurrences could result in human exposure to pollution, personal injury or death, environmental and natural resource damage, monetary losses, and possible legal liability, any of which could materially adversely affect the Enlarged Group's results of operations

The Enlarged Group's mineral properties from time to time may be subject to evolving regulations related to climate change

A number of governments or governmental bodies have introduced, or are contemplating, regulatory changes in response to the potential impacts of climate change. Legislation and increased regulation regarding climate change could impose significant costs on the operators of the Enlarged Group's mineral properties from time to time, including increased energy, capital equipment, environmental monitoring and reporting and other costs required in order to comply with such regulations. If an operator of a royalty and stream property is forced to incur significant costs to comply with climate change regulation or becomes subject to environmental restrictions that limit its ability to continue or expand operations, the Enlarged Group's revenues from that property could be reduced, delayed, or eliminated.

Reliance on third parties

The Enlarged Group will be reliant on third party service providers and suppliers to provide equipment, infrastructure and raw materials required for the Enlarged Group's business and operations and there can be no assurance that such parties will be able to provide such services in the time scale and at the cost anticipated by the Enlarged Group.

Global supply and demand changes due to a potential economic downturn may adversely affect the business, cash flows, results of operations and financial condition of the Enlarged Group

Global supply and demand affect commodity prices. Widespread trading activities by market participants, seeking either to secure access to commodities or to hedge against commercial risks, affects commodity prices as well. Consequently, commodity prices are subject to substantial fluctuations and cannot be accurately predicted.

The current global economic environment and the volatility of international markets have caused governments and central banks to undertake unprecedented interventions designed to stabilise global and domestic financial systems, stimulate new lending and support structurally important industries and institutions, such as banks, which are at risk of failing. Many developed economies have experienced recessions over the past several years and growth has slowed in many emerging economies with serious adverse consequences for asset values, employment levels, consumer confidence and levels of economic activity. Numerous governments and central banks have responded to these economic conditions by proposing programmes to make substantial funds and guarantees available to boost liquidity and confidence in their financial systems. It is not known

whether these responses will be effective in addressing the economic and market conditions that exist at present. The impact of the reversal or withdrawal of such programmes is also uncertain.

Any further deterioration of the global economic environment could have a material adverse effect on the Enlarged Group's business, results of operations and financial condition, particularly to the extent it impacts upon the price of the Enlarged Group's commodities.

RISKS RELATING TO TAXATION

Changes in tax law and practice may reduce any net returns for Investors

The tax treatment of shareholders of the Enlarged Group, any special purpose vehicle that the Enlarged Group may establish and any Enlarged Group which the Enlarged Group may acquire are all subject to changes in tax laws or practices in England and Wales, Norway, and Finland or any other relevant jurisdiction. Any change may reduce any net return derived by Investors from a shareholding in the Enlarged Group.

There can be no assurance that the Enlarged Group will be able to make returns for Shareholders in a tax-efficient manner

The Enlarged Group has made certain assumptions, in conjunction with advice from paid consultants, regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Enlarged Group's assets, or the Enlarged Group may be subject to tax on its income, profits, gains, or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Enlarged Group does not envisage the payment of, at least in the short to medium term). In addition, the Enlarged Group may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

RISKS RELATED TO THE ENLARGED GROUP'S LISTING AND ORDINARY SHARES

Exercise of the convertible instruments in issue will dilute Shareholders' interests

The Company has issued the following convertible instruments; Convertible Note Warrants, Placing Warrants, Subscription Warrants, warrants granted to Novum and Shard and Option Shares. In the event that all of these convertible instruments are exercised, 159,988,413 new Ordinary Shares will be and issued and the combined dilutive effect will result in an overall dilution of 42.16% of the Ordinary Share Capital at Admission.

The market price for the Ordinary Shares may be affected by fluctuations and volatility in the price of Ordinary Shares

Stock markets have from time-to-time experienced severe price and volume fluctuations, a recurrence of which could adversely affect the market price for the Ordinary Shares. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, some specific to the Enlarged Group and some which affect listed companies generally, including variations in the operating results of the Enlarged Group, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic, political or regulatory conditions, overall market or sector sentiment, legislative changes in the Enlarged Group's sector and other events and factors outside of the Enlarged Group's control.

The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing

Standard Listing will afford investors in the Enlarged Group a lower level of regulatory protection than that afforded to investors in an Enlarged Group with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Enlarged Group to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the issue price.

Ordinary Shares available for future sale

The Enlarged Group is unable to predict whether substantial amounts of Ordinary Shares will be sold in the open market following Admission. Any sales of substantial amounts of Ordinary Shares in the public markets or the perception that such sales might occur could materially adversely affect the market price of the Ordinary Shares and the market capitalisation of the Enlarged Group.

The Enlarged Group may fail to pay dividends

The Enlarged Group does not intend to pay a dividend for the foreseeable future until the Enlarged Group has achieved sufficient profitability and its working capital position permits. The declaration, payment, and amount of any future dividends of the Enlarged Group are subject to the discretion of the Board, and will depend upon, amongst other things, the Enlarged Group's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time. As such, there can be no assurance as to the level of future dividends.

CONSEQUENCES OF A STANDARD LISTING

Application will be made for the Enlarged Share Capital to be admitted to a listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings, and for such Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. As a consequence, a significant number of the Listing Rules will not apply to the Company. Shareholders will therefore not receive the full protection of the Listing Rules associated with a Premium Listing.

The Company will comply with Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules, as required by the FCA and (not withstanding that they only apply to companies with a Premium Listing) the Premium Listing Principles set out in Chapter 7 of the Listing Rules.

An applicant that is applying for a Standard Listing of equity securities must comply with all the requirements listed in Chapters 2 and 14 of the Listing Rules, which specify the requirements for listing for all securities. Where an application is made for the admission to the Official List of a class of shares, at least 10 per cent. of the shares of the class must be distributed to the public. Listing Rule 14.3 sets out the continuing obligations applicable to companies with a Standard Listing and requires that such companies' listed equity shares be admitted to trading on a regulated market at all times. Such companies must have at least 10 per cent. of the shares of any listed class in public hands at all times and the FCA must be notified as soon as possible if these holdings fall below that level.

The continuing obligations under Chapter 14 also include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through to the National Storage Mechanism, and related notification to a regulatory information service authorised by the FCA ("RIS");
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- notifying an RIS in relation to changes to equity and debt capital; and
- compliance with, in particular, Chapters 4, 5 and 6 of the Disclosure and Transparency Rules ("DTR") as to which, see below.

As a company with a Standard Listing, the Company, following Admission, will not be required to comply with, among other things, the provisions of Chapters 6 and 8 to 13 of the Listing Rules, which set out more onerous requirements for issuers with a Premium Listing of equity securities. These include provisions relating to certain listing principles, the requirement to appoint a sponsor, various continuing obligations, significant transactions, related party transactions, dealings in own securities and treasury shares and contents of circulars.

The Company notes that in the case of an acquisition, the reverse takeover provisions set out in Listing Rule 5.6 may be triggered. Other than the in relation to the Acquisitions and the EMX Option Agreement, the Company does not currently anticipate making any acquisitions.

The Company will comply with Chapter 5 of the Listing Rules (suspending, cancelling, and restoring listing and Reverse Takeovers). If the Company undertakes a Reverse Takeover, the Company's existing Standard Listing will be cancelled, and the Company would intend to apply for a new Standard Listing or a listing on another appropriate securities market or stock exchange. The granting of a new Standard Listing or a listing on another appropriate securities market or stock exchange following a Reverse Takeover cannot be certain. The Company may have its listing suspended in the event of a Reverse Takeover.

On 2 December 2021, the FCA published the Policy Statement PS21/22, which, amongst other changes, increased the required minimum aggregate market value of an issuer's shares at admission from £700,000 to £30,000,000. Considering that the Company completed a submission for a listing eligibility review before 4pm on 2 December 2021, the transitional provisions provided

for in Policy Statement PS21/22 will apply to the Company. As a result, the Company will be able apply for listing based on the minimum market capitalisation of £700,000.

As mentioned above, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 6 of the Listing Rules containing additional requirements for the listing of equity securities, which are only applicable for companies with a Premium Listing;
- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing, which includes, *inter alia*, requirements relating to further issues of shares, the ability to issue shares at a discount in excess of 10 per cent. of market value, notifications, and contents of financial information;
- Chapter 10 of the Listing Rules relating to significant transactions meaning any subsequent additional acquisitions by the Company, will not require Shareholder approval under this Chapter (although such approval may be required for the purposes of facilitating the financing arrangements or for other legal or regulatory reasons);
- Chapter 11 of the Listing Rules regarding related party transactions. However, the Company is obliged to comply with DTR7.3 relating to related party transactions. DTR7.3 requires the Company to establish and maintain adequate procedures, systems, and controls to enable it to assess whether a transaction or arrangement with a related party is in the ordinary course of business and has been concluded on normal market terms, and: to (i) make an announcement; (ii) gain Board approval; and (iii) ensure the related party or their associates do not vote on any resolution, relating to material related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

IT SHOULD BE NOTED THAT THE FCA WILL NOT HAVE THE AUTHORITY TO AND WILL NOT MONITOR THE COMPANY'S COMPLIANCE WITH ANY OF THE PREMIUM LISTING PRINCIPLES WHICH THE COMPANY HAS INDICATED IN THIS DOCUMENT THAT IT INTENDS TO COMPLY WITH ON A VOLUNTARY BASIS, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY TO SO COMPLY. HOWEVER, THE FCA WOULD BE ABLE TO IMPOSE SANCTIONS FOR NON-COMPLIANCE WHERE THE STATEMENTS REGARDING COMPLIANCE IN THIS DOCUMENT ARE THEMSELVES MISLEADING, FALSE OR DECEPTIVE.

DTR

As a company whose securities are admitted to trading on a regulated market, the Company will be required to comply with the DTR.

Under Rule 5 of the DTR (Vote Holder and Issuer Notification Rules), a person must notify the Company and the FCA of the percentage of the Company's voting rights he or she holds as a Shareholder (or holds or is deemed to hold through his or her direct or indirect holding of financial instruments) if, as a result or an acquisition or disposal of Ordinary Shares or financial instruments, or as a result of any event changing the breakdown of voting rights of the Company (for example, a buy-back of Ordinary Shares by the Company), the percentage of those voting rights in which he is interested reaches, exceeds or falls below 5 per cent., 10 per cent., 20 per cent., 25 per cent., 30 per cent., 50 per cent., and 75 per cent.

The form in which such notification must be made is provided by the FCA on its website at: https://www.fca.org.uk/markets/ukla/regulatory-dosclosures/submit-investor-notffication.

Such notification must be made no later than four trading days after the date upon which the person making the notification (1) learns of the acquisition or disposal or of the possibility of exercising voting rights, or on which, having regards to the circumstances, should have learned of it, regardless of the date on which the acquisition, disposal or possibility of exercising voting rights

takes effect, or (2) is informed about the event changing the breakdown of voting rights of the Company.

Any person who is in breach of their obligations under DTR Rule 5 is liable to a fine and/or public censure by the FCA and the FCA may apply to court to have such person's voting rights suspended.

IMPORTANT INFORMATION

NOTICE TO INVESTORS

In deciding whether or not to invest in Ordinary Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under FSMA, the UK Prospectus Regulation Rules, the Listing Rules, UK MAR and the Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date of publication.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees, or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

This Document is being furnished by the Company in connection with an offering exempt from registration under the Securities Act solely to enable prospective investors to consider the purchase of Ordinary Shares. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares hereby is prohibited.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document in certain jurisdictions may be restricted. Accordingly, persons outside the UK who obtain possession of this Document are required by the Company and the Directors to inform themselves about, and to observe any restrictions as to the distribution of this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any person.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, the Republic of South Africa, Canada, or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, reoffered, pledged, transferred, distributed, or delivered, directly or indirectly, within, into or in the United States, the Republic of South Africa, Australia, Canada, or Japan or to any national, resident or citizen of the United States, Australia, the Republic of South Africa, Canada, or Japan.

The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for US federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to US holders of Ordinary Shares the information that would be necessary in order for such persons to make a qualified electing fund

election with respect to the Ordinary Shares for any year in which the Company is a passive foreign investment company.

Available information

The Company is not subject to the reporting requirements of section 13 or 15(d) of the Exchange Act. For so long as any Ordinary Shares are "restricted securities" within the meaning of Rule 144(a)(3) of the Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide, upon written request, to Shareholders and any owner of a beneficial interest in Ordinary Shares or any prospective purchaser designated by such holder or owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Company and the administering of interests in the Company;
- meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and/or
- disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and/or
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the UK.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent, or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent, or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Investment considerations

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company, this Document, and the terms of the Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and

- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective will be achieved over any given time period.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which investors should review.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should", "could" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Company's objective and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to an investment. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performances. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the availability and cost of equity or debt capital for future transactions;
- currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such fluctuations (if such strategies are in fact used);
- changes in the economic climate; and
- legislative and/or regulatory changes, including changes in taxation regimes.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 8 of Part VIII of this Document.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules and UK MAR, the Company undertakes no obligation publicly to update or review any forward-looking statements, whether as a result of new information, future developments or otherwise.

Third party data

Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they

are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Currency presentation

Unless otherwise indicated, all references in this Document to "pounds sterling", "British pound sterling", "sterling", "£", or "pounds" are to the lawful currency of the UK.

No incorporation of website

The contents of any website of the Company or any other person do not form part of this Document.

Definitions

A list of defined terms used in this Document is set out in "Definitions" in Part IX of this Document.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	29 April 2022
Admission and commencement of dealings in Ordinary Shares	8.00 a.m. on 6 May 2022

All references to time in this Document are to London time unless otherwise stated.

Each of the above dates is subject to change at the absolute discretion of the Company.

FUNDRAISE AND ADMISSION STATISTICS

Aggregate number of New Ordinary Shares to be issued pursuant to the Acquisitions and the Fundraise	208,321,253
Issue price of Placing Shares and Subscription Shares	3.5p
Number of Consideration Shares to be issued pursuant to the Acquisitions	77,857,142
Number of Option Shares to be issued pursuant to the EMX Option Agreement (subject to exercise and other adjustments referred to below[1])	40,226,757
Number of Placing Shares and Subscription Shares to be issued pursuant to the Fundraise	92,857,143
New Ordinary Shares as a percentage of the Enlarged Share Capital	94.90%
Number of Ordinary Shares in issue on Admission	219,511,616
Number of Warrants in issue on Admission[3]	119,761,656
Gross proceeds of Fundraise	£3.25 million
Estimated expenses of Fundraise and Admission (exclusive of VAT)[2]	£618,862
Market capitalisation of the Company on Admission[4, 5]	£7.68 million

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(1) The number of Options Shares stated is based on the Placing Price, however the number of Option Shares issued will be determined in accordance with the EMX Option Agreement, further details of which are set out in paragraph 13.5 (a) of Part VII of this Document.

(2) These relate to estimated commissions, fees, and expenses payable by the Company in respect of the Fundraise and Admission.

(3) Further details are set out in paragraph 16 of Part I of this Document.

(4) The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time. There can be no assurance that the market price of an Ordinary Share will at any given time equal or exceed the Issue Price.

(5) On 2 December 2021, the FCA published the Policy Statement PS21/22, which, amongst other changes, increased the required minimum aggregate market value of an issuer's shares at admission from £700,000 to £30,000,000. Considering that the Company completed a submission for a listing eligibility review before 4pm on 2 December 2021, the transitional provisions provided for in Policy Statement PS21/22 will apply to the Company. As a result, the Company will be able apply for listing based on the minimum market capitalisation of £700,000.

DEALING CODES

ISIN	GB00BNBQZW49
SEDOL	BNBQZW4
TIDM	KEN

DIRECTORS, SECRETARY AND ADVISERS

Directors	Colin Bird (Executive Chairman) Kjeld Thygesen (Non-Executive Director) Evan Kirby (Non-Executive Director) Alex Borrelli (Non-Executive Director)
Registered office	7/8 Kendrick Mews London SW7 3HG
Head office and business address	7/8 Kendrick Mews London SW7 3HG
Company Secretary	Norman Lott
Financial Adviser and Joint Broker	Novum Securities Limited 57 Berkeley Square London W1J 6ER
Legal advisers to the Company	Edwin Coe LLP 2 Stone Buildings Lincoln's Inn London WC2A 3TH
Joint Broker	Shard Capital LLP 23rd Floor 20 Fenchurch Street London EC3M 3BY
Legal Advisers to the Financial Adviser	Marriott Harrison 11 Staple Inn London WC1V 7QH
Auditors and Reporting accountants	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Competent Person	SRK Consulting (Australasia) Pty Ltd Level 3, 18-32 Parliament Place West Perth WA 6005 Australia
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen West Midlands B63 3DA

PART I

INFORMATION ON THE COMPANY

1. Introduction and Background

The Company was incorporated in England & Wales on 5 July 1989 with the name Ashchurch Exploration plc. Since that date the Company has been subject a number of strategic and name changes as well as admission to the Official List of the London Stock Exchange and a subsequent move to AIM from which its listing was cancelled in August 2018.

Current Business and at Admission

The Company's principal activity is mineral exploration and development . On 18 January 2021, the Company entered into an agreement to acquire from Pursuit Minerals the entire issued share capital of both Northern X Finland and Northern X Scandinavia and the assignment of the EMX Option Agreement to the Company to acquire certain nickel tenements in Norway that are currently owned by Eurasian Minerals. Details concerning the Acquisitions and the assignment of the EMX Option Agreement to the Company are set out in paragraph 13.5 of Part VII of this Document.

Historic Business from incorporation:

The Company was incorporated in England & Wales on 5 July 1989 as Ashchurch Exploration plc as a mineral exploration company focussed on early stage exploration projects in Spain and Portugal in the Iberian Peninsula with a small project in Scotland. The licence in relation to the Scottish project was surrendered in 1989 at the end of the first year due to a policy decision to allocate the majority of available funds to the Company's more attractive Portuguese project. In 1991 due to the ongoing recession and difficulty in raising funds for exploration companies the Company decided to re-focus from grass roots exploration towards the development of prospects with proven economically exploitable reserves and accordingly on 25 November 1991 the Company changed its name to Ashchurch Resources PLC to reflect this change of focus. During 1991 and 1992 the Company was unable to raise funds to develop its projects and the Company relinquished all its mineral licences and joint venture holdings in the Iberian peninsula and wrote off its investments in its subsidiaries. On 23 November 1993, due to a lack of finance the Company sold its interests in its investments and subsidiaries in Spain and Portugal to one of its directors for a nominal consideration with the transfer of associated debts and refocussed its activities on a proposal to acquire a producing US oil and gas interest, refinance and obtain a listing on the London Stock Exchange.

The Company's shareholders at an Extraordinary General Meeting on 28 March 1994 approved the acquisition by the Company of US oil & gas interests by acquiring a US subsidiary, Dominion Oil USA Corp from Dominion Oil & Gas Inc. a company wholly owned by T J Messman and J B LaPorte. This acquisition on 28 March 1994 was completed in conjunction with a capital restructuring and the issued share capital being admitted to the Official List. Also on 28 March 1994 the Company was renamed Dominion Energy PLC to reflect the change of business to oil & gas development and production and the name of its newly acquired wholly owned subsidiary, T J Messman (46.4% shareholder) and JB LaPorte (20.7% shareholder) joined the Board and H.M. Boyd became Chairman of the Company.

From 1994 through to 2000 the Company's oil and gas business operated at a loss due to a combination of factors including output being less than expected and a significant fall in the oil price. The Company therefore decided to minimise investment in its oil & gas business and instead seek shareholder approval at an Extraordinary General Meeting on 25 April 2000 to acquire the Startup Station business from Startup Holdings, change its name to Startup Station Plc and authorise the Company to issue shares at the time of the Company being admitted to trading on AIM. Accordingly on 28 April 2000 the Company changed its name to Startup Station Plc.

The Startup Station e-business consultancy was established by Ziv Navoth in 1999 as an advisory business aimed at providing strategic, operational and logistic support to start up internet-based businesses and assisting them in finding suitable investors and strategic alliances. Mr. Navoth joined the Board of the Company on 28 April 2000 as joint managing director with Henk Jelsma who had joined the Board of the Company on 30 December 1998.

The Company applied to cancel its listing on the Official List of London Stock Exchange so that its shares could be traded on AIM in April 2000. The then directors of the Company believed that there were certain advantages to admission to AIM namely, companies quoted on AIM are deemed to be unlisted for the purposes of certain areas of taxation lawful; certain shareholders of such companies are able to enjoy various reliefs associated with an investment in certain qualifying unlisted companies, of which the directors anticipate the Company would be one. Furthermore, AIM provides greater flexibility in issuing shares to fund future development.

During the year ended 30 June 2001 the Company ceased its e-business activity due to the continued downturn in this area and the limited income earned from the e-business activity and decided to refocus to develop hardware independent echo cancellation software for the telecommunications market and on 14 September 2001 changed its name to Tecteon Plc to reflect this change of business. During the year ended 30 June 2002 the Company continued the development of hardware independent echo cancellation software for the telecommunications.

On 30 July 2002 the Company divested its US oil & gas business by Dominion Energy PLC its UKs Subsidiary which owned the US oil & gas business being admitted onto the OFEX market in London with effect from 30 July 2002. Dominion Energy PLC remained a subsidiary until 28 February 2006 when it became an associate after the Company sold shares in Dominion Energy PLC with the Company's remaining investment sold by 29 June 2006. A gain of £895K was recognised in the accounts for the year ended 30 June 2006 in relation to the sale of Dominion Energy PLC.

After several years of not being able to generate a profit from its telecommunications business the Company in 2007 decided to cease the business and monitor the outcome of the marketing and sales of the technology and announced a joint venture to trade in base metals, copper, zinc and lead in Zambia. In the accounts to 30 June 2007 the intangible fixed asset development expenditure in relation to the telecommunications business was written down by GBP610K to reduce its carrying value to GBP1.8M and in subsequent years was written down so that by the year ended 30 June 2010 the carrying value was Nil.

In 2008 the Company acquired mining rights to process zinc and lead from certain tailings dumps at the historic Kabwe Mine in Zambia and on 3 March 2008 changed its name to Berkeley Mineral Resources Plc to reflect this change in business. The Company during the year ended 30 June 2010 and 30 June 2011 acquired additional tailings at the former Kabwe mine.

During the period 2008 to 2013 the Company sought to process metals by acquiring and processing stockpiles of mining tailings already on the surface following the closure of former mines with the main focus being the Kabwe mine in Zambia. Upon the resignation of M.A. Alikani, the then Chairman on 23 October 2014 through ill health Alex Borrelli joined the Board as Chairman who commenced an investigation into the classification and valuation of material prepayments. The Company sought and obtained permission of AIM for its securities to be suspended from trading on 4 November 2014. On 1 May 2015 the trading suspension was lifted the Company having made an announcement and published its annual accounts for the year ended 30 June 2014 and a half yearly report for the six months ended 31 December 2014.

On 28 May 2015 the Company changed its name to BMR Mining Plc to reflect change in management team and lifting of the AIM trading suspension after publication of accounts for the year ended 30 June 2014. The Company's focus of activities continued on the opportunities with the tailings dumps at Kabwe in Zambia and an application to the Zambia Environmental Management Agency for establishing a pilot plant.

On 10 February 2016 the Company changed its name to BMR Group Plc to reflect its main focus on recycling and processing of metal tailings rather than on new mining and exploration in Zambia.

As reported in the accounts for the year ended 30 June 2017, the Company concluded that the construction of the Kabwe plant would be best secured for the benefit of the Company by finding an appropriate partner which would in effect underwrite both the cost and contribute to the construction of the plant and complement its processing methodology and operating capability. Accordingly, the Company reached an agreement in October 2017 with Jubilee Metals Group plc, for the completion, commissioning and subsequent operation of the plant.

On 7 February 2018, the Company sought and obtained permission of AIM for its securities to be suspended from trading on 7 February 2018, pending clarification of the Company's financial

position. On the same day the Company announced that it had on 06 February 2018 received a letter from the Mining Cadastre Department of Zambia dated 19 December 2017 terminating with immediate effect mining right No. 7081-HQ-SML in respect of BMR's Kabwe operation. This follows a default notice dated 24 August 2017 and received on 26 September 2017, to which the Company had officially responded and the Company noted that all mining companies in Zambia had received the default notice. The letter dated 19 December 2017 and received on 6 February 2018 stated that BMR had 30 days to exercise its right of appeal and that BMR intended to exercise this right as soon as practicable and that in the meantime, trading in the Company's shares were suspended.

On 5 April 2018 the Company announced the re-instatement of the Kabwe Mining Licence 7081-HQ-SML with conditions.

On 2 July 2018 the Company announced the resignation of W H Ireland as its Nominated Adviser and joint Broker to the Company and that if (i) a replacement Nominated Adviser was not appointed within one month or (ii) the Companies securities are not re-admitted to AIM by 7 August 2018, the admission of the Company's securities to trading on AIM would be cancelled.

The Company had secured the agreement to act of a replacement nomad for the Company, subject to shareholder approval of the Company's disposal of its interest in the Kabwe Project to Jubilee in return for a 12.5% royalty (the "**Disposal**"). The Disposal was a condition precedent due to continued uncertainty regarding the renewal of the Kabwe mining licence and the uncertainty as to whether the Company could fund its share of the increased costs required to maintain the plant and on-going project expenditure. The proposed new Nomad had visited Kabwe and had wholly completed its due diligence. The related circular for the Disposal was finalised and on the point of being despatched, subject to agreements being entered into. While the proposed new Nomad had been in contact with AIM on the proposals with a view to being appointed by 3 August 2018, it became apparent that delisting would nonetheless occur on 8 August 2018 because the Disposal would not have been approved by shareholders before that date (being the date six-months from the date of suspension) due to the time-scale for convening the General Meeting. As a result, the Company's admission to AIM was cancelled on 3 August 2018.

The Directors' objective in relation to the Disposal was to maintain an ongoing financial interest in the Kabwe Project without further financial obligations, to increase the level of certainty that the Company would be able to deliver a successful conclusion for its shareholders. The terms of the Disposal, retaining for the Company a 12.5% interest in the significantly enlarged project, achieved that objective on the best terms at that time available to the Company and the Disposal was completed subsequent to the delisting from AIM. The 12.5% royalty diluted to 11% if Jubilee invested more than US$15M.

Jubilee is the sole operator of the Kabwe Project and has full control of the operation and implementation of the project. Jubilee is currently actively engaged in copper refining through the Sable refinery near Kabwe which it acquired from Glencore in 2019. Jubilee has focus on copper production since the Kabwe refinery is copper purpose ready in a strong copper market. The zinc tailings at Kabwe are metallurgically more complex than originally thought and zinc prices have been historically volatile. The contribution from vanadium is challenged by the vanadium pentoxide price and the ability to recover the metal from feed. Consequently, the Company currently has no expectation of any royalty income from the Kabwe Project in the foreseeable future and its value was written down to nil in the financial statements for the year ended 29 December 2019.

In July 2019, the Company entered into a letter of intent with Revelo Resources Corp, a TSX-V listed company, to acquire an 80% interest in the Montezuma copper project in northern Chile. The terms of this agreement were amended in October 2019, before being allowed to lapse in April 2020. The Company commenced due diligence on this project but had to withdraw from completing the acquisition as a result of the lack of support from Jubilee the Company's 29% shareholder.

On 20 January 2021, the Company entered into an agreement to acquire from Pursuit Minerals the entire issued share capital of both Northern X Finland and Northern X Scandinavia and the assignment of the EMX Option Agreement to the Company to acquire certain nickel tenements in Norway that are currently owned by Eurasian Minerals. Details concerning the Acquisitions and the assignment of the EMX Option Agreement to the Company are set out in paragraph 13.5 of Part VII of this Document. On 27 February 2021 the Company changed its name to Kendrick Resources Plc to reflect a change in focus on mineral interests in Scandinavia. At an Annual General Meeting on

25 October 2021 the Company's shareholders approved its agreement with Pursuit Minerals and its proposed Admission.

As at the date of this Document, the Company has no subsidiaries.

2. Business Overview

On Admission, the Enlarged Group will have the following activities and interests and it is looking to building a long term energy metals business in Scandinavia.

- Royalty interest in Kabwe
- Northern X Finland
- Northern X Scandinavia
- EMX Option Agreement

Kabwe

The Company has a 11% royalty interest in the Kabwe surface secondary zinc, lead, and vanadium from previous mining at Kabwe in Zambia (the "Kabwe Project") with no obligation or requirement to contribute to the costs of the Kabwe Project. Jubilee is the sole operator of the Kabwe Project and has full control of the operation and implementation of the project.

Jubilee is currently actively engaged in copper refining through the Sable refinery near Kabwe which it acquired from Glencore in 2019. Jubilee has focus on copper production since the Kabwe refinery is copper purpose ready in a strong copper market. The zinc tailings at Kabwe are metallurgically more complex than originally thought and zinc prices have been historically volatile. The contribution from vanadium is challenged by the vanadium pentoxide price and the ability to recover the metal from feed. Consequently, the Company currently has no expectation of any royalty income from the Kabwe Project in the foreseeable future and its value was written down to nil in the financial statements for the year ended 29 December 2019.

Northern X Finland

Northern X Finland owns two projects in Finland:

- The Koitelainen Project comprising a single granted exploration licence covering 13.72 km2.
- The Karhujupukka Project comprising two disparate exploration licences covering a combined area of 6.5 km2

Northern X Scandinavia

Northern X Scandinavia owns two projects in Sweden:

- The Airijoki Project comprising five contiguous exploration permits covering 39.4139.41 km2.
- The Central Sweden Project comprising four early-stage exploration projects at Kullberget, Kramsta, Simesvallen and Sumåssjön covering a combined area of 197.2 km2.

EMX Option Agreement

The EMX Option Agreement is in respect of the following projects in Norway:

- The Espedalen Project comprising 16 contiguous exploration permits covering a combined area of 139.89 km2.
- The Sigdal Project consisting of three exploration licences totalling 30 km2.
- The Hosanger Project consisting of a coherent tenure package of four exploration licences covering 40 km2.



3. Business Strategy

The Company's short to medium term strategic objectives are to enhance the value of its mineral resource projects through exploration and technical studies conducted by the Company or in conjunction with other parties with a view to establishing these projects can be economically mined for profit. With a positive global outlook for both base and precious metals, the Directors believe that these projects provide a base from which the Company will seek to add significant value through the application of structured and disciplined exploration. The Company is looking to build a long term energy metals business in Scandinavia which delivers energy metals to Europe to help enable its renewable energy transformation by building a top tier energy metals production business focussed on quality vanadium and nickel mineral resources in Scandinavia.

The Company may in the future, if such opportunity arises, acquire other mineral resource projects whose value can similarly be enhanced. Further projects may be considered where assets in strategic commodities are either: (i) geologically prospective but undervalued; (ii) where technical knowledge and experience could be applied to add or unlock upside potential; (iii) where the assets may be synergistic to the current portfolio; or (iv) where project diversification will add strategic growth opportunities within an appropriate time frame.

The funds raised on Admission will provide the Enlarged Group with sufficient funds to undertake exploration and development expenditure of the Projects to the value of £1,670,733 over the 16-month period post-Admission.

The Directors believe that the Projects have sufficient geological merit to justify the proposed work programmes and associated expenditure as supported by the Competent Person. It is logical and prudent, however, that those less prospective areas are progressively relinquished dependent on the results of the planned exploration activities.

4. Projects

At Admission, Kendrick intends to acquire from Pursuit ownership of options over a portfolio of early to advanced stage exploration projects covering a combined area of 466.72 km^2 in Scandinavia. Specifically, at Admission, Kendrick will acquire the projects in Finland and Sweden, as well as an option over the projects in Norway.

The most advanced of these Projects are the Airijoki and Koitelainen vanadium projects in Sweden and Finland respectively.

However, the projects to be acquired include several exploration projects in the Nordic region, namely:

- Finland – the Karhujupukka vanadium-magnetite exploration project
- Sweden – the Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively known as the Central Sweden Project)
- Norway – an option over the Espedalen, Hosanger, and Sigdal exploration nickel-copper-cobalt projects in Norway.

Both the Karhujupukka and Espedalen projects also support defined mineral resources prepared in accordance with the JORC Code (2012.) However, these remain subject to further techno-economic assessment. The remaining projects represent brownfield to greenfields exploration opportunities based on the results of historical activities, some with historical mineral estimates that remain to be updated to the requirements of the JORC Code (2012).

Finnish Projects

Koitelainen Project

The Koitelainen Project is situated within the Sodankylä municipality of the Lapland region in north Finland. It is approximately 30km northeast of Petkula, 170km north of Rovaniemi, the provincial capital of Lapland, and 875km north-northeast of Helsinki, the national Finnish capital. Rovaniemi is serviced by daily flights from Helsinki.

The area is accessible by car through a network of roads and the Rovaniementie E4 highway is approximately 10km west of the Project. The Project is accessed via Lokka from the east, the service town for the Lokka reservoir and hydroelectric dam. Locally the towns of Rovaniemi, Sodankylä and Salla, provide all the infrastructure required for exploration and mining activity. ALS Global's sample preparation laboratory is located to the south of Sodankylä.

The project is located on the Koitelainen igneous intrusion, a large, layered mafic-ultramafic body, which intruded into Archean tonalitic gneisses and greenstone-schists of late Archean to early Proterozoic age and rocks of the Salla Group, a thin basal succession of andesitic to dacitic lava flows and rhyolitic pyroclastic rocks.

The intrusion is divided into three distinct zones; an ultramafic Lower Zone (LZ), a gabbroic Main Zone (MZ) and a gabbroic Upper Zone (UZ, with anorthosites and magnetite gabbro).

The lower part of the LZ consists of peridotites, with two pyroxenite-gabbro layers in the upper part. Chromite layers ranging from 0.2 to 3 m in thickness are sandwiched between the orthopyroxenites and form the Lower Chromite (LC) layers, which extend for approximately 20 km along strike.

The MZ consists largely of gabbroic cumulates (plagioclase + orthopyroxene + clinopyroxene). In the lowest section, there are interlayers of feldspathic pyroxene cumulates. The gabbros are very monotonous, laminated plagioclase + orthopyroxene + clinopyroxene cumulates. This zone contains a 5 cm thick chromite layer and above the gabbroic units of the MZ is the Upper Chromite (UC) layer, which is 0.8-2.2 m thick and extends along strike for approximately 60 km.

The UZ comprises anorthosites, gabbros and PGE-bearing vanadium-iron-titanium oxide (magnetite) gabbros. The intrusion is topped by a 400 m thick granophyre, which is geochemically similar to the felsic volcanics of the Salla Group (Hanski and Huhma, 2005). Xenoliths of gabbro (intrusive), komatiite (extrusive) and rare basalt occur at Koitelainen and chill autoliths (pieces of older rock genetically related to the intrusion itself) occur near the base of the intrusion. Mafic dykes cut the intrusion.

Mineralisation at Koitelainen is stratiform in nature, dipping shallowly to the east. There are two major, sulphide-free, PGE enriched chromite reefs, the UC and LC, which probably extend across the entire intrusion, as well as a vanadium enriched gabbro. Both of the chromite reefs are enriched in vanadium, with the UC reef representing the most significant source of vanadium mineralisation within the intrusion. The main vanadiferous mineral in the reefs is chromite, while in the gabbro it is magnetite.

Several occurrences of PGE-gold are recorded within the Koitelainen intrusion; however, the grades are typically too low to be of economic interest.

The intrusion was initially mapped in the 1920s and 1930s, but due to the poorly exposed nature of the area, detailed study did not start until later the 1970s by the Finland Geological Survey (GTK.) Key activities conducted by GTK are shown in the table below:

Years	Activity type	Comment
1973	Regional geophysics	Low altitude airborne magnetic, electromagnetic, and radiometric survey.
1973-1999	Core drilling	131 drill holes (16,440 m) completed across the whole intrusion area, 21 DDH (3,211 m) targeted the UC layer.
1973-1999	Detailed geophysics	Electromagnetics (slingram, VLF) magnetic and gravity surveys cover large parts of the intrusion down hole surveys on drill holes.
1974-1978	Regional geochemistry	Chromite mineralisation discovered in 1977.
1980-1985	Detailed geochemistry	4,855 bottom of till samples from the whole intrusion area.

Source: GTK Koitelainen UC Mineral Deposit report dated 22.1.2020 (accessible from <639_Koitelainen UC.pdf (gtk.fi)>)

In December 2014, Tasman Metals Ltd entered into a letter of agreement with Kipu Metals Corp, a private company to acquire a 100% interest in stratiform chromites projects in north-eastern Finland, of which the Koitelainen project consisted of 67 claim applications. However, in November 2015, Tasman Metals Ltd. chose to abandon the Project due to a sustained downtown in the minerals exploration industry.

In 2018, Pursuit was granted two mineral reservations for a term of two years covering approximately 130km^2, permitting non-distributing groundwork. Pursuit compiled the geochemical data from 25 historical drill holes and completed a reconnaissance field investigation, confirming the location of several drill holes. From this, they were able to accrue a consistent set of vanadium in magnetite concentrate data. In October of 2018, Pursuit submitted an application for a two-year Exploration Licence to cover the Koitelainen area and permit further drilling activities to be permitted.

In 2019, Pursuit announced the final geochemical results from its resampling of historical drill holes at Koitelainen, confirming that high-grade vanadium magnetite concentrates were able to be produced. Pursuit also announced an Inferred Mineral Resource at the Koitelainen Vosa prospect and reported results for the initial phase of metallurgical testwork (based on three holes) at Koitelainen, with average mass recoveries increased from 5.3% to 8.8%, through use of a coarser crush. Further work was planned to investigate the use of Wet High Intensity Magnetic Separation to improve recoveries and grade of the vanadium magnetite concentrate. Pursuit also finished and submitted an environmental study regarding impacts on Natura2000 values of project area to the relevant Finnish government authorities (TUKES) in support of the granting the Exploration Licence. An OoM study was completed to assess the economics of producing vanadium magnetite concentrates from the Koitelainen project and then to sell these concentrates to global markets, as the first phase of project development.

In 2020, an Exploration Licence (a 13.73 km^2 area) was granted within the northern area and replaced the initial Mineral Reservation. In combination with the granted research permit from the landowners ("Metsahallitus") of the project, the Exploration Licence permitted Pursuit to begin Phase 1 exploration and ground disturbing activities. A Phase 1 drilling program was also approved by TUKES and Metsahallitus. However, all exploration programs had been indefinitely delayed pending lifting of the travel restrictions caused by COVID-19. Discussions advanced with several potential partners to assist with the continuance of the vanadium projects in Finland and Sweden.

In 2021, Pursuit announced that it had executed a conditional sale agreement to sell its nickel and vanadium projects in Norway, Sweden, and Finland to BMR Group PLC (now known as Kendrick Resources plc) for a consideration of approximately A$3 M in cash and shares.

Koitelainen Inferred Mineral Resource

	Tonnage (Mt)	V (%)	V_2O_5 (%)	Mass recovery (%)	Contained metal (t V_2O_5)
Zone A	7.13	0.9	1.61	5	5,726.1
Zone B	35.36	1.13	2.01	5	35,542.2
Zone C	15.07	1.24	2.21	5	16,676.6
Zone D	58.79	1.39	2.48	5	72,931.7
Total	**116.35**	**1.26**	**2.25**	**5**	**130,876.6**

Source: Pursuit Minerals Ltd, ASX announcement, 6 February 2019

There is no historical production reported from the Koitelainen Project area.

Karhujupukka Project

The Karhujupukka project is located within the municipality of Kolari in Lapland close to the Swedish border. The project is approximately 120 km southwest of the Koitelainen project and is about 20 km southeast of Kolari and 150 km northwest of Rovaniemi. A railroad runs along the Finland-Swedish border, 10 km west of the project with connections to the port and industrial centre at Kemi on the Gulf of Bothnia. The project is 200 km east of the Swedish Kiruna iron ore district which has associated infrastructure and rail connection to the port of Luleå. The site is easily accessed from roads in the area.

The project has two granted exploration permits that cover a combined area of 6.5$km^2$and currently expire on 4thJanuary 2023. The permits are registered to Pursuit's subsidiary company, NorthernX Finland Oy, and allows exploration of gold, nickel, iron, copper, palladium, platinum, cobalt, chrome, titanium, and vanadium.

The Karhujupukka area is part of the CLGB, granitised metasedimentary zone, which is upper Archean or lower Proterzoic in age according to recent studies. It is believed to represent a mafic layered intrusion where mineralised magnetite-gabbro layers intruded into migmatitic gneisses of the Rovaniemi Supersuite, part of the CLGB. The host rock to the Karhujupukka deposits is amphibolite, the hanging wall rocks are metamorphosed anorthosite gabbros and footwall rocks metasedimentary units.

The mineralised zone and the country rocks are intruded by several dykes of granitic or pegmatitic composition and variable width. High-grade metamorphic conditions are recorded.

The deposit consists of three reasonably small, high-grade lenses of coarse magnetite-ilmenite mineralisation hosted by gabbro. The magnetite-ilmenite-vanadium mineralisation occurs as plate like bodies hosted by magnetite gabbro units of the mafic layered intrusions, situated between leuco gabbro-anorthosites in the hanging wall and pyroxenites to peridotites in the footwall. The iron-titanium-vanadium mineralisation occurs in the more leucocratic gabbro layers.

The mineralised zones delineated to date are divided into three main zones at Karhujupukka Central, Korthonletho to the east and Karhuvuoma to the west, over a combined 5 km strike length. These areas coincide with a magnetically anomalous zone clearly evident in low altitude airborne magnetic data. The main minerals are magnetite and ilmenite, which occur as granoblastic grains resulting from recrystallisation. The ilmenite crystals contain minute inclusions of hematite and the magnetite crystals contain lamellae of ilmenite and spinel. The overall grain size of the ore is rather coarse in the range of 0.5-2 mm.

Copper and nickel sulphides are present in some places as separate grains or inclusions in the oxides. They consist of pyrrhotite, chalcopyrite, pentlandite, violarite-polydymite, pyrite and marcasite. The gangue minerals are hornblende, plagioclase, quartz, phlogopite, scapolite and sericite, with accessory garnet, apatite, and monazite.

To date, no formal resource estimates have been made for the Karhujupukka mineralisation.

GTK explored the Karhujupukka area between 1986 to 1995, and carried out the activities outlined in the table below:

Years	Activity type	Comment
1986-1988	Detailed geophysics	1.5 km^2 systematic magnetic, slingram and gravity survey
1987-1995	Core drilling	Altogether 36 drill holes for a total of 3,453 m in the Karhuvuoma-Karhujupukka-Knoronlehto area
1989-1990	Detailed geophysics	22.6 km^2 systematic ground magnetic and slingram survey and 4.1 km^2 gravimetric survey in the area surrounding the Karhujupukka proper
1986-1988	Detailed geophysics	1.5 km^2 systematic magnetic, slingram and gravity survey

Between 1988 and 1996, GTK completed three successive drilling campaigns outlining three independent bodies of magnetite-ilmenite-vanadium mineralisation at Karhujupukka, Korthonletho and Karhuvuoma over a combined strike length of 5 km. In total, 36 holes for 3,453 m were completed to test the magnetite-gabbro layers. Mineral Resources were reported by the GTK in 1989, however they withdrew from the area in the late 1990s.

During 2007, a local Finnish company was granted a mineral reservation over the Karhujupukka area, expiring in mid-2008, when Akkerman Exploration B.V filed an application for a series of 6 exploration claims, with a total surface extent of approximately 600 ha.

From 2012-2014, the project was explored by Akkerman under a joint venture with Nortec Minerals Corp. It comprised seven exploration licences. During 2012, key activities carried out included heliborne versatile time domain electromagnetic ("VTEM") and a horizonal magnetic gradiometer survey covering 391-line km at 100 m spacing. No groundbased field work or drilling was carried out and the project was foregone in April 2014.

In April 2018, Pursuit secured a mineral reservation covering 398.76 km^2 of open ground over the Karhujupukka Project area. This allowed Pursuit to conduct non-ground disturbing activities. In July 2018, Pursuit submitted an application for the mineral tenements known as Karhujupukka North and Karhujupukka South, which were granted in December 2018, covering an area of 6.5 km^2 at Karhujupukka. A two-hole drill program was completed at Karhujupukka South to test a +350m long electromagnetic (VTEM) conductor. The electromagnetic conductor was interpreted to be potentially due to nickel-copper sulphide mineralisation. Anomalous geochemistry was not returned and a source for the electromagnetic conductor was not intersected. As such, the nickel-copper target remains unexplained.

Swedish Projects

Airijoki Project

The Airijoki Project in the Kiruna Municipality, Norbotten County in northern Sweden, around 55 km east of the mining town of Kiruna and 10 km northwest of the village of Vittangi. Stockholm lies 885 km south-southwest.

The project is accessed from Vittangi, via a 2 km drive on an established dirt road. Vittangi is on the main road connecting the Finnish border to the large mining centre of Kiruna, 74 km to the west. Kiruna is a major mining services hub. It is serviced by daily national flight connections and some international connections. There is grid power within 4 km of the tenure boundaries, and it is 40 km by road to a railhead in Svappavaara. The railway runs from Svappavaara through Kiruna and to the port of Narvik on the Norwegian coast.

Airijoki comprises a semi-coherent tenement package of five granted exploration licences covering an area of approximately 39.41 km^2. All licences are held in the name of Pursuit's 100% owned Swedish subsidiary company, Northern X Scandinavia AB, enabling exploration for vanadium, titanium, and iron.

The Airijoki area is dominated by greenstones (basalts to andesites), metasediments (quartzite, schist, marble) and metadolerites, which form part of the Vittangi Greenstone Belt (VGB). The VGB

has been subdivided into five formations (after Eriksson and Hallgren, 1975). From oldest to youngest they are:

- Tjärro Quartzite Formation (clastic, sericitic quartzites)
- Lower Greenstone Formation (feldspar-bearing basalts, locally amygdaloidal, scapolite-altered)
- Lower Sedimentary Formation (biotite- and graphite-schist, argillite, chert, volcaniclastic rocks)
- Upper Greenstone Formation (pillowed lavas, intercalated tuffs, and limestone)
- Upper Sedimentary Formation (graphitic schist, mafic tuffites, skarn, sulphide, and Fe mineralisation).

The vanadium enriched magnetite mineralisation in the project is in a laterally continuous, northeast trending gabbroic (locally termed diabase) intrusion. Based on the regional magnetic signature, two zones are defined, the Northeast Magnetic Zone and the Southwest Magnetic Zone.

The gabbro hosting the vanadium mineralisation in the Northeast Magnetic Zone is more deformed and contains a higher proportion of base metals, mainly copper, than the gabbro in the Southwest Magnetic Zone, which shows very little evidence of deformation.

In 1918, the Swedish Geological Survey (SGU) and the state-owned mining company Luossavaara-Kiirunavaara AB (LKAB) defined a 700 m long graphite deposit up to 50 m width in the area, which has been the focal point of studies by Talga Group Limited (an ASX listed graphite exploration company). Iron ore was first discovered in the Vittangi area in the 1920s.

In the mid-1950s, the SGU carried out reconnaissance till geochemical sampling and mapping in the area, which was followed by comprehensive geophysical surveying in the 1960s searching for iron ore. From 1964 to 1967, SGU completed various geophysical surveys around the project area followed by drilling, trenching and seismic geophysical surveys in the 1970s. Between 1975 and 1979, the area was investigated with different types of exploration efforts. In the 1980s vanadium mineralisation was discovered within a magnetite gabbro unit that intruded part of the Vittangi Greenstone Belt.

In 2018, Pursuit was granted an Exploration Licence for three years, covering around 9.6 km^2. Three extra licences were granted in December 2018 covering a further 22.4 km^2 and bringing the total area under tenement to 32 km^2. Pursuit completed a low-level helimagnetic geophysical survey over the Airijoki area. Following this, Pursuit sampled rock chip geochemical, indicating surface vanadium mineralisation and detailed ground magnetic surveys to define drill targets. Pursuit also completed its first drill program at Airijoki, drilling 18 holes for 2,876 m to test outcropping vanadium mineralisation and to support estimation of an Inferred Mineral Resource. The estimate was announced in March 2019, and results of a mass recovery investigation in April 2019 followed.

In May 2019, Pursuit gained results from an OoM study conducted at Airijoki to assess the economics of producing vanadium magnetite concentrates from both the Airijoki and Koitelainen projects and to then sell those concentrates to global markets, as the first phase of project development. The average grade of vanadium magnetite concentrate was targeted at 1.6% V_2O_5, with the magnetite concentrate mass recovery rate at 21%.

In early 2019, Measured Group estimated an Inferred Mineral Resource for the Airijoki Project, reporting an Inferred Mineral Resource of 44.3 Mt, containing 5.9 Mt of magnetite averaging 1.7% V_2O_5 (in magnetite concentrate), for 100,800 t of V_2O_5 based on 13.3% mass recovery of magnetite concentrate and a cut-off of 0.7% V compiled in accordance with JORC Code (2012).

Following the start of the COVID-19 pandemic in 2020, all exploration activities at Airijoki were decreased and on 20 January 2021, Pursuit announced that it had conditionally agreed to sell its nickel and vanadium projects in Norway, Sweden, and Finland to BMR Group PLC (later renamed Kendrick Resources Plc).

Airijoki Inferred Mineral Resource, as at 7 March 2019

	Tonnage (Mt)	V (%)	V_2O_5 (%)	Mass recovery (%)	Contained metal (t V_2O_5)
Zone 1	13.3	1.1	1.9	14.3	36,200
Zone 2	7.2	1.0	1.8	16.7	21,300
Zone 3	1.8	1.1	2.0	12.7	4,600
Zone 4	22.0	0.9	1.5	11.6	38,700
Total	**44.3**	**1.1**	**1.7**	**13.3**	**100,800**

Source: Pursuit Minerals Ltd, ASX announcement, 7 March 2019

The Inferred Mineral Resource was estimated in accordance with JORC (2012), utilising data from 3,226 m of drilling for 18 diamond core drill holes (AIR18-001 to AIR18-018) as completed by Pursuit in November and December 2018, and two historical drill holes (K-AIR1, K-AIR5).

Central Sweden Projects

The Sumåssjön, Kramsta, Simesvallen-Svedåsen and Kullberget-Storåsen projects are all situated in Gävleborgs län county, Ljusdal, Bollnäs and Hudiksvall municipalities, about 300 km north-northwest of Stockholm.

The Sumåssjön Project is the most north-eastern tenement and is approximately 5 km north of the town of Friggesund. The Kramsta project is the central tenement and is situated approximately 3 km west of the town of Jarvso. The Simesvallen Project is the most southern tenement lying10 km west of the settlement of Simea. The Kullberget Project represents the most north-western tenement and is situated 15 km northwest of the town of Ljusdal.

The Ljusdal area is bisected by north-south national road #83 and east-west trending national road #84. The project areas are easily accessible from these main roads with the Sumåssjön licence being ~15 km from the main road and the remaining licences being adjacent to or within 5 km of main roads.

The Central Sweden projects consist of four granted exploration concessions that cover a combined area of 197.2 km^2. Northern X Scandinavia AB (a wholly owned subsidiary of Pursuit) is the registered holder of all tenements, enabling the company to explore for vanadium, titanium, and iron. Within the Sumåssjön Project are two exclusion zones for Svenska Vanadin AB's Brickagruvan vanadiferous ilmenomagnetite deposit and Bläckmyran Project. The Kullberget Project partly overlies two granted concessions (Stormyran and Norvallen) for peat held by Neova AB.

The requirements for processing and surface infrastructure to support the projects will need to be determined, as well as the demands for water and power along with project layout options. All of the project licences have, or are next to, rivers or lakes. The availability of groundwater as an alternative water source will also need to be assessed. The area is close to national rail infrastructure, providing access to major ports and cities to the north and south.

Ljusdal Batholith (LJB) is the dominant rock type in the Central Sweden Project area. LJB is a composite batholith formed from a series of granitoid plutons dated at between 1,840 and 1,860 Ma. These plutons are mainly alkali-calcic and meta-aluminous, with compositions varying from gabbroic to granite. It predominantly comprises K-feldspar megacryst-bearing granitoids to even grained varieties. LJB also consists of emplaced mafic intrusions, which are iron-titanium-vanadium mineralised. These intrusions were intruded as sills, lopoliths or laccoliths, and could be potentially sourced from a large mafic body at depth, whose presence is inferred from a significant, deep-seated, mass increase indicated by regional gravity data in the centre of the area.

Historical trial mining and drilling has revealed extensive iron-titanium-vanadium mineralisation across the four project tenements. In the intensely deformed metasedimentary units of the eastern part of the LJB, fold interference patterns resembling type 2 (arrowhead shaped) are defined by F1-

and F2-folds. The F2-folds have resulted in narrow synforms and local thrusts that are refolded by the upright east-west oriented F3 regional folds.

The Sumåssjön Project area contains two major mafic units, represented by:

- an eastern magnetic unit, 7.5 km long, containing vanadium mineral occurrences and areas of historical mining activity
- a western magmatic unit, forming a 3.5 km long magnetic geophysical anomaly. Associated with this anomaly are recorded vanadium occurrences and historical mining sites.

The known vanadium mineralisation is largely bound to disseminated magnetite in a medium- to fine-grained norite. The footwall consists of granite and the hanging wall is a coarse-grained norite.

The Kramsta Project area hosts a 5 km by 3 km ellipsoid coincident gravity – magnetic geophysical feature, with strong magnetic anomalies believed to represent four gabbro intrusions with potential to host vanadium mineralisation.

The Simesvallen structure is 15 km long magnetic unit, folded into elliptical form, potentially indicating sills or lopolithic gabbro intrusions. The known mineralisation is hosted within a mafic intrusion with a 1.5 km x 0.75 km surface exposure (Wik et al., 2009). The intrusion is dominated by gabbro, but in some parts has a more noritic composition, with occurrences of vanadium- and titanium-bearing magnetite with ilmenite lamellae.

The Kullberget – Storåsen structure has a magnetic anomaly, approximately 6 km long and divided into western (Kullberget) and eastern (Storåsen) sections. At Kullberget, vanadium-titanium-magnetite mineralisation outcrops in a norite-gabbro, where previous rock chip geochemical sampling returned 20% Fe, 7.6% TiO2 and 0.53% V. At Storåsen, limited historical trial mining has occurred with geochemical sampling demonstrating the outcropping vanadium mineralisation grades between 12-20% Fe, 0.94-6.0% TiO2 and from 0.06-0.1% V.

In 2018, Pursuit was granted Mineral Exploration Licence applications covering the four largest mineralised intrusions at Sumåssjön, Kramsta, Simesvallen and Kullberget. In May 2018, a petrophysical survey of borehole cores from the Ljusdal area was carried out by GeoVista AB on behalf of Pursuit (Geo Vista, 2018). The study was to determine if there was any relationship between vanadium and iron grade and the petrophysical parameters of magnetic susceptibility, chargeability, and resistivity. The results showed that magnetic methods were appropriate for targeting, delineating and modelling vanadium-titanium-magnetite deposits in the Ljusdal area, with IP able to be used as an alternative.

Before conditionally agreeing to sell these projects to Kendrick, Pursuit proposed further exploration activities including geophysical surveys, geological/structural and alteration mapping, geochemical sampling, and limited drilling to determine the extent of vanadium mineralisation and identify sites for more focussed drill testing.

Norwegian Projects subject of the EMX Option Agreement

Espedalen Project

The Espedalen Project is approximately 50 km north of Lillehammer and 170 km north of Oslo in southern central Norway and is in the municipalities of Gausdal and Sør-Fron in Innlandet county.

The Project is accessed from Oslo in around 3 hours along sealed roads before turning along highway #255 approximately 50 km north of Lillehammer. Access within the project area is generally good via a well-developed system of secondary gravel roads, as well as hiking and skiing trails. The Project is close to rail links with connections to ports in southern Norway as well as to Glencore's Nikkelverk nickel refinery 350 km to the south.

The following tenures were granted by the Directorate for Mineral Management (Direktoratet for mineralforvaltning or DMF) to Eurasian Minerals Sweden AB and EMX Norwegian Services AS, both wholly owned subsidiaries of EMX Royalty Corporation. An option over the tenures forming the Espedalen Project, the Sigdal project and the Hosanger Project (the "Norwegian Projects") were acquired by Pursuit under a 12-month option agreement in February 2020 which was assigned to Kendrick on 20 April 2021 and it has been agreed by the parties that the option period has been extended until 7 calendar days after Admission, provided Admission has occurred by 31 May 2022. All tenements are approved for the exploration of nickel, copper, cobalt, gold, platinum, and palladium, except Espe 16 which does not include palladium. Under the terms of the EMX Option

Agreement between Pursuit and EMX, a 3% net smelter royalty is payable to EMX on commercial production from any of three Norwegian Projects. A 1% interest in this royalty may be bought back in stages for a total cash consideration of US$1 M on or before the fifth anniversary of the Company exercising its option to acquire a 100% ownership in the Norwegian Projects under the EMX Option Agreement. Further information is set out in paragraph 13.5 of Part VII of this Prospectus.

The nickel mineralisation at the Espedalen Project is hosted in differentiated mafic and ultramafic bodies which have intruded anorthositic country rocks. The mafic and ultramafic rocks are collectively referred to as the 'Espedalen Complex' and forms the basement of the Gråho subnappe within the larger Caledonian Jotun Nappe.

Mineralisation comprising mainly pyrrhotite, pentlandite and chalcopyrite, with or without pyrite, is found as massive to network textured and disseminated sulphide zones. Nickel sulphide mineralisation within the Project area is typically exposed in outcrop, trenches, pits, and old mine workings.

The most recent Mineral Resource estimate for the Espedalen Project was prepared by Drake in late-2013. The estimate is summarised in the table below:

Espedalen Mineral Resources

		Grade			Contained metal		
Classification	**Mt**	**% Ni**	**% Cu**	**% Co**	**Ni (kt)**	**Cu (kt)**	**Co (kt)**
			Stormyra				
Inferred	1.16	1.00	0.42	0.04	11.6	4.9	0.4
			Dalen				
Inferred	7.80	0.28	0.12	0.02	21.9	9.4	1.8
			Combined				
Inferred	8.96	0.37	0.16	0.03	33.5	14.3	2.2

Note: Stormyra is estimated using a US$100/t gross metal value (GMV) cut-off. Dalen is estimated at a US$40/t GMV cut-off.
Source: Refer to Drake's ASX announcement dated 10 October 2013 (also represented in Pursuit's ASX announcement dated 17 February 2020) for JORC Code Table 1.

At this time, it is expected that any future mining operation at Stormyra is likely to involve underground access due to the mostly narrow true widths and moderate dip of the known mineralisation. The extensive true widths and lateral extents evident at Dalen may support future open pit or bulk underground mining scenarios.

Sigdal Project

The Sigdal Project is two separate land holdings covering a combined area of 30 km^2. The Project lies approximately 65 km west-northwest of Oslo, and 37 km west-southwest of Hønefoss in Sigdal Commune, Viken County, in southern Norway. Access to the Project is from Highway Fv287, which connects Prestfoss to the town of Amot with onward connections to Oslo. Access to the Project area is very good via a system of secondary gravel roads, as well as hiking and skiing trails. There infrastructure across the area is good, including domestic power lines, railroads, rural communities, and small towns.

The Sigdal Project has three granted exploration concessions covering a combined area of 30 km^2. The Sigdal Project tenures were initially applied for and ultimately granted by the DMF to Eurasian Minerals Sweden AB (an EMX subsidiary). All tenements are approved for the exploration of nickel, copper, cobalt, gold, platinum, and palladium. The Sigdal Project covers the historical nickel occurrences of Grågalten and Ramstad, as well as a number of other known nickel prospects.

In February 2020, the Norwegian Projects including the Sigdal tenures were included in the EMX Option Agreement between EMX and Pursuit. The EMX Option Agreement provided EMX with an equity interest in Pursuit, a 3% Net smelter return (NSR) royalty on the Norwegian Project, and other considerations including annual advance royalty and milestone payments. Pursuit on 20 April 2021 assigned the EMX Option Agreement to the Company which if it exercises the option will

upon exercise issue up to 9.9% of its issued and outstanding share capital to EMX to acquire the Norwegian Projects. Further information is set out in paragraph 13.5 of Part VII of this Prospectus.

The local geology consists of a northwest trending amphibolite gneiss complex with discordant and concordant hyperite lenses and plugs, containing gabbro, norite, massive amphibolite, metabasalt and local peridotite. The Project straddles a regionally extensive shear zone which cuts northeast-southwest across the project tenures.

The nickel mineralisation at Ramstad is hosted within a metagabbro intrusion, which is believed to comprise of several lenses within a granitic gneiss. The metagabbro lenses are several metres thick and extend over tens of metres in length. The granitic gneiss is cut by a major fracture zone.

Grågalten is located near the northern boundary of a large gabbro complex that extends southwest to Numedal. Mineralisation is associated with mafic to ultra-mafic rocks intruded by granites and then complexly folded. Coarse-grained sulphide recrystallization occurred following a high-grade metamorphic overprint during the Svecogegnian Orogeny (1,600-1,450 Ma).

The nickel mineralisation includes accumulations of nickel and copper sulphides, with the mineralisation remobilised into pods and elongate bodies of semi-massive and massive sulphides. The nickel sulphides are structurally controlled along shear zones and within tight centimetre to metre scale folds.

The processing and infrastructure requirements including power and water demands, will need to be studied. There are a number of surface water bodies which represent potential sources within the licence area subject to environmental studies and approvals. The potential for groundwater use will need to be studied.

The historical mining operations were centred on the Grågalten and Ramstad deposits located to the north and south of Prestfoss respectively and operated between 1874-1877.

Further exploration of the Sigdal area was initially carried out in the early 1960s when the Geological Survey of Norway (NGU) completed a regional scale 500 m spaced helicopter borne magnetic geophysical survey over the area. This survey was not effective due to the highly variable topography.

Between 1971 and 1980, Sulidmalm AS conducted reconnaissance prospecting and limited geophysical surveying and percussion drilling. In the early 2000s, subsequent limited regional scale investigation was carried out by Falconbridge Limited.

In 2006, Blackstone Ventures completed a ground-based electromagnetic (EM) survey over the current project tenements, locating a prospective conductor associated with the known sites of historical nickel production at Grågalten and Ramstad. As a result of the curtailing of exploration activities due to the COVID-19 pandemic, Pursuit was unable to achieve its proposed exploration strategy following its acquisition in February 2020. Pursuit had planned to undertake the following:

- hand-auger soil, stream sediment and rock-chip geochemical sampling programs, with channel sampling in areas of interest
- ground based magnetic surveying
- complete further investigation of the Ramstad.

In January 2021, Pursuit announced it had conditionally agreed to divest all of its Scandinavian mineral interests to Kendrick.

Hosanger Project

The Hosanger Project is on the western side of Osterøy island in Hordaland district, southwestern Norway, about 22 km north of the city of Bergen. The village of Lonevåg lies immediately outside the southwestern portion of the Project area. The Project contains several historical nickel-copper deposits, with the most significant production derived from the Nonås, Litland, Lien I, and Lien II Smith Meyers mines.

The area can be accessed all year by road or waterway, with good-quality roads linking the Project to the mainland via the Fv 566 and Fv 567 roads and a ferry from Breistein to Valestrand. The ferry sails every half hour from early morning to late in the evening. Two bridges connect the island to the rest of the Norwegian road network. Osterøy Bridge lies on the southwestern tip of the island

and is the only road connection to the mainland for most residents of Osterøy. The Kallestadsundet Bridge connects the north-eastern tip of the island to the mainland. Within the Project area, the Fv368 and Fv 567 roads are sealed and of good quality.

Bergen Port is the largest seaport in Norway and the ninth-busiest cargo port in Europe.

Kendrick's Hosanger Project comprises four granted exploration concessions that cover a combined area of 40 km^2. These tenures are currently registered to Eurasian Minerals Sweden AB. In January 2021 Kendrick entered into a conditional agreement to acquire the tenures under a 12-month option agreement, which had previously been acquired by Pursuit in February 2020.

The Hosanger deposits are hosted by the lower parts of a pervasively deformed body of norite, known as the Hosanger intrusion. The surface extent of the main intrusion measures 2.5 km north-south by 1 km east-west, with several smaller satellite bodies. This body is interpreted to have intruded the Anorthosite Complex, forming a phacolith or large sill. The precise relationship between the Hosanger norite and the Anorthosite Complex is unclear. The norite body has slightly sheared contacts against the country rock which is a heterogeneous quartzofeldspathic gneiss. The peripheral and northerly parts of the norite are locally ultramafic. The norite contains xenoliths of the gneiss near its outer contact and there are sills of norite in the country rock. The peripheral and northerly parts of the norite are enriched in orthopyroxene and hornblende and are locally ultramafic.

Local mapping has distinguished two rock types within the Project area, namely the intrusive gabbroic to noritic rocks (gabbro-norite), and the surrounding migmatic gneisses. The gneisses are of very different composition including granite gneisses with mineral composition: microperthite, quatrtz, oliggoclase, biotite, chlorite, garnet and epidote and albite- zoisite-gneisses with quartz, albite zoisite and biotite.

The Hosanger mineralisation occurs in a number of pencil-like deposits hosted within a norite. Almost all production to date has been derived from primary magmatic styles and formed through the enrichment of sulphide mineralisation at the base of a gabbroic intrusive, near the contact with underlying gneiss. Mineralisation is characterised by typically sharp boundaries within the surrounding gabbroic host rocks, but gradually becoming poorer in sulphides.

The mineralisation is divided into two types:

- Disseminated and matrix sulphide occurring irregularly and with diffuse margins in zones up to 30 m thick near the base of the host norite intrusion (Lien and Litland mines).
- Veins of massive nickel-rich sulphide cutting both norite and country rock xenoliths (Nonås mine).

Disseminated and 'net' textured mineralised zones are cut by, and juxtaposed with, tectonically remobilised higher grade sulphide lenses. These zones include masses of sulphide mineralisation that appear to have been injected into surrounding country rocks during deformational episodes. Sulfide mineralogy comprises pyrite, magnetite, pyrrhotite, pentlandite and chalcopyrite, with secondary violarite.

The processing and infrastructure requirements and footprint, including power and water demands, will need to be studied. There are a number of surface water bodies, as well as the fjord system, which could be potential water sources within the area subject to the completion of environmental studies and gaining the relevant approvals.

The Hosanger deposits consist of two different fields – Nonås and Litland. Historically, the most significant nickel-copper production was derived from the Nonås (Bratlein, Claudets and Storbotten), Litland (Barratts and Barrys), Lien I, and Lien II Smith Meyers mines. These mines operated over three periods: 1882 to 1901, 1915 to 1920 and 1933 to 1945.

Following the compulsory sale of a nickel refinery and several small mines (including those at Hosanger), a Norwegian-German consortium revived the Hosanger mines again in 1933. However, they had neither the capital nor sufficient ore to exploit the refinery to the full. The venture was unsuccessful and all production from Hosanger ceased in 1945.

In 1970, ELKEM AS entered into an agreement with the state for the mineral exploration rights at Hosanger, as it was interested in the potential for further disseminated mineralisation. ELKEM completed six traverses of IP, self-potential and magnetic geophysical surveying over the Hosanger

area, and in 1971 combined potential geophysical surveying, as well as field geological investigations. During the geological mapping, only insignificant disseminated mineralisation was recorded, and while a number of geophysical anomalies were detected, they were not drill tested as ELKEM withdrew from the agreement in 1973.

In 2005, a reconnaissance site inspection was completed, and a number of samples were collected from the historical waste dumps at Litland and Nonås (Blackstone 2005). The NGU carried out a limited reconnaissance and analytical program in the area in 2007 (Boyd and Korneliussen, 2012). The results did not show any anomalous enrichment of metal content in disseminated sulphides and confirmed previous data on low levels of PGE and gold in the nickel-copper ores.

In 2013, Drake Resources Limited applied for tenure over the Hosanger mines and conducted geological mapping and sampling. Rock chip geochemical sampling of the waste rock and mine dumps within the Hosanger Project confirmed the presence of higher-grade mineralisation at the historical mining centre.

In February 2020, the Norwegian Projects including the Hosanger tenures were included in the EMX Option Agreement between EMX and Pursuit. The agreement provided EMX with an equity interest in Pursuit, a 3% Net smelter return (NSR) royalty on the Norwegian Projects, and other considerations including annual advance royalty and milestone payments. Pursuit on 20 April 2021 assigned the EMX Option Agreement to the Company which if it exercises the option will upon exercise issue up to 9.9% of its issued and outstanding share capital to EMX to acquire the Norwegian Projects. Further information is set out in paragraph 13.5 of Part VII of this Prospectus including the issue of the Option Shares.

5. Schedule of Licences

Finnish Projects

On Admission, the Enlarged Group will hold the following licences in Finland:

Koitelainen

Tenement	Area (km^2)	Expiry date	Ownership	Tenement costs*
Koitelainen ML2018:0097-01	13.72	13/07/2022	100%	€25,000

*All tenement rental costs are paid up front on grant, there are no minimum commitments required

Karhujupukka

Concession number	Area (km^2)	Expiry date	Ownership	Tenement costs*
Karhujupukka North ML2018:0068	1	4/1/2023	100%	€1972
Karhujupukka South ML2018:0069	5.5	4/1/2023	100%	€10,965

*All tenement rental costs were paid up front on grant, there are no minimum commitments required

Swedish Projects

On Admission, the Enlarged Group will hold the following licences in Sweden:

Airijoki

Concession number	Area (km^2)	Expiry date	Ownership	Annual tenement costs*
Airijoki nr 100	9.6	27/6/2022	100%	—
Airijoki nr 101	4.8	25/11/2022	100%	—
Airijoki nr 102	13.5	25/11/2022	100%	—
Airijoki nr 103	4.1	26/11/2022	100%	—
Airijoki nr 200	7.41	09/03/2024	100%	—

*All tenement rental costs were paid up front on grant, there are no minimum commitments required

Central Swedish Projects

Tenement	Area (km^2)	Expiry date	Ownership	Annual tenement costs*
Simesvallen nr 100 (2018:79)	63.0	20/6/2022	100%	—
Kullberget nr 100 (2018:78)	81.4	20/6/2022	100%	—
Kramsta nr 100 (2018:77)	15.5	20/6/2022	100%	—
Sumåsjön nr 1 (2018:80)	37.3	21/6/2022	100%	—

Source: SGU

*All tenement rental costs were paid up front on grant, there are no minimum commitments required

Option over Norwegian Projects

On Admission, the Enlarged Group will hold the option to acquire the following licences under the EMX Option Agreement:

Espedalen

Tenement	Area (km^2)	Expiry date	Ownership	Annual tenement costs (NOK)
Espe 1 0001-1/2018	8.314	1/1/2025	100%	24,942
Espe 2 0002-1/2018	8.788	1/1/2025	100%	26,364
Espe 3 0003-1/2018	8.787	1/1/2025	100%	26,361
Espe 4 0004-1/2018	8.788	1/1/2025	100%	26,364
Espe 5 0005-1/2018	8.787	1/1/2025	100%	26,361
Espe 6 0006-1/2018	9.215	1/1/2025	100%	27,645
Espe 7 0007-1/2018	6.623	1/1/2025	100%	19,869
Espe 8 0008-1/2018	9.559	1/1/2025	100%	28,677
Espe 9 0009-1/2018	8.415	1/1/2025	100%	25,245
Espe 10 0010-1/2018	8.415	1/1/2025	100%	25,245
Espe 11 0011-1/2018	8.415	1/1/2025	100%	25,245
Espe 12 0012-1/2018	8.191	1/1/2025	100%	24,573
Espe 13 0141-1/2018	9.450	1/1/2025	100%	28,350
Espe 14 0142-1/2018	9.045	1/1/2025	100%	27,135
Espe 15 0141-1/2018	9.450	1/1/2025	100%	28,350
Espe 16 0153-1/2020	9.625	1/1/2027	100%	9,644

Source: Direktoratet for mineralforvaltning (DMF), Kart (online mapping system), 2021

Sigdal

Tenement	Area (km^2)	Expiry date	Ownership	Annual tenement costs (NOK)
Sigdal 1 – 0126-1/2018	10	1/1/2025	100%	30,000
Sigdal 2 – 0127-1/2018	10	1/1/2025	100%	30,000
Sigdal 3 – 0128-1/2018	10	1/1/2025	100%	30,000

Source: Direktoratet for mineralforvaltning (DMF), Kart (online mapping system), 2021

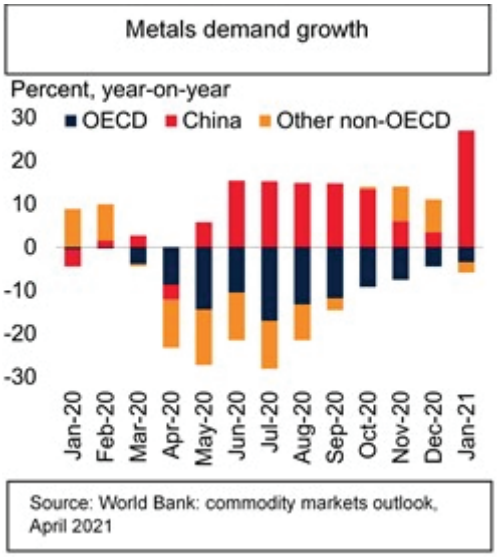
Hosanger

Tenement	Area (km^2)	Expiry date	Ownership	Annual tenement costs (NOK)
Hosanger 1 – 0119-1/2018	10	1/1/2025	100%	30,000
Hosanger 2 – 0120-1/2018	10	1/1/2025	100%	30,000
Hosanger 3 – 0121-1/2018	10	1/1/2025	100%	30,000
Hosanger 4 – 0152-1/2018	10	1/1/2025	100%	30,000

Source: Direktoratet for mineralforvaltning (DMF), Kart (online mapping system), 2021

6. Market overview

The World Bank's Metals and Minerals Price Index saw continued growth in the first quarter of 2021, rising by 16% percent. Compared to April 2020, metal prices were around 70 percent higher. Prices are believed to have increased due to the continued global economic recovery, the strong demand for metals in China, a weaker US dollar and supply disruptions. It is estimated that metal prices are likely to average 30 percent higher in 2021 compared to last year, before abating in 2022.



Nickel prices rose by more than 10 percent in Q1 of 2021, largely galvanised by the increased demand for stainless steel in China and the swift recovery of nickel use in batteries for electric vehicles. Supply disruptions in both the Philippines, caused by the rainy season, and in Russia, caused by production outages, have also raised the nickel prices. The world's largest nickel producer, Tsingshan, announced in March 2021 that it would convert some of its nickel pig iron to nickel matte, using this to produce battery-grade nickel sulphate for electric vehicles. This is

predicted to cause the nickel price to remain high, until production begins. It is forecasted that nickel prices will average around 20 percent higher in 2021, before levelling off in 2022.[1]

The price of Vanadium reached an all-time high in November 2018 but since its peak is has returned to a similar value in 2021 as seen prior in 2010.[2]

The global vanadium ore market is expected to grow from $1.49 billion in 2020 to $1.6 billion in 2021 at a compound annual growth rate of 7.4%. Demand for the Metal is likely to surge due to its newfound uses in Vanadium Redox Flow Batteries and in the automobile industry because of its light-weight properties as an alloy. However, the USA and China are now implementing environmental protection regulations against the Vanadium ore mining market due to its links to global rise in discharges to the environment of vanadium rich industrial byproducts.[3] More than half of vanadium is mined in China, while China, Russia, and South Africa together account for 85% of world mine production.[4] Despite this, the market is expected to grow and reach $2.36 billion in 2025.[3]

Nickel and vanadium along with lithium and cobalt are referred to as "Energy Metals" as they are metals in demand in relation to the electrification & de-carbonisation of the world economy with a view to limiting global warming which has been the focus of climate change initiatives including COP 26 in Glasgow in November 2021

7. Mining Law

Finland

Overview

Finland is located in northern Europe, bordered by Norway, Russia, the Gulfs of Finland and Bothnia and Sweden. About one third of Finland lies north of the Artic Circle and as such it is one of the world's most northern countries. It is one of Europe's most densely forested county with nearly two thirds of the country covered by woodlands.[5]

Finnish Mining Law

The Finnish Government regulates the country's mineral industry through two main laws:

- the Land Extraction Act (555/1981, effective on 24 July 1981), regulating the extraction of sand and gravel and the quarrying of natural stone
- the Mining Act (621/2011, effective on 1 July 2011, and amended with an effective date of 1 January 2016), which regulates the mining of metallic and industrial minerals other than stone, sand, and gravel.

In relation to exploration, Finland allows everyone to make geological measurements, observations, and minor samples, even on land owned by others, provided that no damage is inflicted. There are some limitations, and a notification has to be sent to the landowner, including a plan if sampling is to be made. For more extensive works, the Mining Act defines two key forms of tenure, an 'Exploration Permit' (*Malmietsintälupa*) and 'Mining Permit' (*Kaivoslupa*).

Before acquiring an Exploration Permit, a company can apply for a 'Reservation Notification' (*Varausilmoitus*) and if successful a Reservation Decision (*Varauspäätös*) is granted. A Reservation is generally valid for one to two years as determined by TUKES (*Turvallisuus- ja Kemikaalivirasto*, the Finnish Safety and Chemicals Agency). The Reservation Decision gives a priority right to the company to apply for an Exploration Permit. Reservation Decisions also allow the company to conduct diamond drilling and other light exploration field work with the landowner's prior consent. Light exploration operations including drilling can be done with the landowner's prior consent, and without any information being made available to the mining authority.

The Exploration Permit gives the company the full rights to undertake more comprehensive exploration activities for example test mining and construction of temporary roads and buildings (if

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1 World Bank: commodity markets outlook, April 2021. https://thedocs.worldbank.org/en/doc/c5de1ea3b3276cf54e7a1dff4e95362b-0350012021/original/CMO-April-2021.pdf

2 https://www.vanadiumprice.com/

3 https://www.prnewswire.com/news-releases/global-vanadium-ore-market-report-2021-market-is-expected-to-reach-2-36-billion-in-2025-at-a-cagr-of-10-2—forecasts-to-2030–301366390.html

4 https://mcgroup.co.uk/researches/vanadium

5 https://www.britannica.com/place/Finland

applied for and approved in the Exploration Permit). An Exploration Permit can be valid for a maximum of 15 years. The first period is generally four years and typical extensions are 3+3+3+2 years. Each extension is assessed based on the activity and the results the exploration company demonstrates.

The fees for the Exploration Permit include € 20/ha/year (for the first four years) of compensation to the landowner, and collateral to the State, the amount of which will be decided by the Registry Authority, TUKES.

Exploration companies also have to pay an annual exploration compensation fee to the landowner, €20/ha/year for the first four years, rising to €30, €40, and €50 for the subsequent 3+3+5 years, respectively.

Current area dependent fees of various Reservations and Exploration Permits.

Fees, Exploration Permit:	Fees, Reservation
≤ 1,000 ha, €3,000	< 1,000 ha, €1,200
1,001-2,000 ha, €6,000	⩾ 1,000 ha, €2,200
2,001-4,000 ha, €8,000	
> 4,000 ha, €10,000	
Extension of Exploration Permit €3,000	
Relinquishment costs of Exploration Permit €1,500	

Note: as well as the Exploration Permit fee – additional costs may be incurred for public hearings arranged by TUKES.

If exploration is successful, a Mining Permit is required to establish a mine. The licence is also provided by TUKES, except if the mineral is uranium or thorium (in which case the government decides). This permit should include similar information to the exploration permit, however a more extensive assessment of the feasibility of the mineral deposit is required, including measures to protect health, safety, and the environment. It should include an environmental impact assessment.

Other legislation

Other relevant legislation related to mining in Finland is the Environmental Protection Act, which regulates emissions and environmental permits. The Water Act regulates water resource management permits, which must be applied for from the Regional State Administrative Agency. Building permits also need to be applied for from the municipality. In this regard, the Land Use and Building Act is of relevance. Other laws of relevance are the Nature Conservation Act, the Act of Protection of Wilderness Reserves and the Occupational Safety and Health Act.

Taxes and royalties

Exploration and mining companies attract the same taxing regime as for any other industry.

For the landowner, in proportion to their share of ownership of the Permit area, a mining company must pay 0.15% of the average value of minerals mined from the Permit area each year.

Sweden

Overview

Sweden is located in northern Europe on the Scandinavian peninsula, which it shares with Norway. Sweden has a large coastline forming its eastern border, which extends along the Gulf of Bothnia and the Baltic Sea. Sweden lies southwest of Finland and a narrow strait separates it from Denmark to the south. The country is divided traditionally into three regions, Norrland, in the north, is mountainous and densely forested, Svealand is the central area, which in the east is lowland and highland in the west. Götaland lies in the south of Sweden, including the Småland highlands and the plains of Skåne.[6]

[6] https://www.britannica.com/place/Sweden

Swedish Mining Law

Swedish legislation relevant for access to mineral resources is divided in two main pieces of legislation, the Minerals Act, and the Environmental Code:

- The Minerals Act (1991:45) covers the permitting and concessions necessary for exploration and exploitation of mineral resources. It was modernised in 1992 and has been amended as recently as 2014.
- The Environmental Code (*Miljöbalken*) links mineral resources to land use planning and where environmental concern is taken on a national level.

The Mining Inspectorate of Sweden (*Bergsstaten*) is the agency responsible for decisions concerning permits for exploration (exploration permits) and mining (exploitation concessions). The Mining Inspectorate carries out inspections of mines and provides information on mineral legislation and prospecting in Sweden.

There are four types of permits needed for developing a deposit from the exploration stage to the development stage in Sweden – exploration permits, exploitation concessions, environmental permits and building permits.

Exploration permits are initially granted for three years, with possible extensions of up to 15 years. The exploration permit gives an exclusive right to explore an area and its potential mineral deposit, and this is applied for from the Mining Inspectorate of Sweden, there is an application fee of SEK500, or approximately US$70 per 2,000 ha area. Annual fees are approximately SEK20/ha for years 1 to 3, SEK21/ha for years 4 to 6, SEK50/ha for years 7 to 10 and SEK100/ha for years 10 to 15. If an exploration permit is granted, the operator is required to prepare a detailed work plan for the exploration work and agree with landowners and other stakeholders (for example the County Administrative Board (CAB), the municipality and affected Sámi villages), about the work plan. Before conducting any investigations, the operator must ensure that it can compensate land and property owners for any damage or encroachment. Compensation for damage and encroachment is payable to landowners upon completion of the operation.

Exploitation concession: If the operator has found a promising mineral deposit, they can go ahead and apply for an exploitation concession (*Bearbetnings koncession*) with Bergsstaten. An exploitation concession gives the operator the right to exploit a proven, extractable mineral deposit for a period of 25 years, which may be extended for 10 years at a time without special application, if regular exploitation operations are in progress when the period of validity expires. Under the Minerals Act, the holder of an exploitation concession must pay an annual minerals fee (royalty) amounting to 0.2% of the value of the minerals extracted during the year. Three-quarters of the fee will accrue to landowners within the exploitation concession area and one-quarter will accrue to the State to be used for research and development in the field of sustainable development of mineral resources. An additional fee is sometimes paid to some landowners for a safety zone for blasting. This is an agreement between the mine and landowners and is not due to any legal obligations.

There is no requirement to legally survey the boundaries of exploitation concessions in Sweden; instead, boundaries are assigned coordinates by the Bergsstaten on granting.

Exploration and exploitation cannot be carried out in national parks. In addition, such activities are seldom permitted in certain areas, for example within 200 m of any inhabited building, and within certain areas in the Swedish mountains.

Applying for an exploitation concession

The formal prerequisites for applying for an exploitation concession are documented in the guidelines for consideration of mining activities published by the Geological Survey of Sweden (*Vägledning för prövning av gruvverksamhet*). Once lodged to the Bergsstaten, and considered complete, the application will be forwarded to the CAB for consultation.

The following items are highlighted in the guidelines and describe the contents of an application and the required appendices:

- an environmental impact assessment (EIA) according to Chapter 6 of the Environmental Code
- a map and a description of the area covered by the application

- a 'proof of ore' (Mineral Resource estimate), including evidence that there are reasonable prospects for economic extraction
- a technical description of the planned activities.
- Guidance indicates that the following elements are also now required:
- A formal application to be written in Swedish by a lawyer.
- An ore evaluation (high level demonstration of reasonable prospects of economic viability; this may be a scoping or pre-feasibility study, also to be written in Swedish).
- A technical description – generally detailed Canadian National Instrument 43-101 or JORC Code compliant technical report with at least some Indicated Resource outlined, mining area defined, waste characterisation, and conceptual closure plan.
- An EIA with significant data and baseline support; for instance, geohydrological, water balance, waste rock characterisation, nature inventory, flora, fauna, reindeer herding analysis, water chemistry, stakeholder engagement for up to 2 years of baseline data.

Other legislation

The following acts also have provisions affecting the activities referred to in the Minerals Act:

- Planning and Building Act (*Plan och Bygglagen*)
- Cultural Heritage Management Act (*Kulturminneslagen*).

Taxes and royalties

The holder of an exploitation concession must pay an annual minerals fee to the landowners of the concession area and to the State. The fee is 0.20% of the average value of the minerals mined from the concession each year, 0.15% of which is paid to the landowners in proportion to their share of ownership of the concession area. The remaining 0.05% is paid to the State to be used for research and development in the field of sustainable development of mineral resources. The fee is estimated in consideration of the amount of mined ore, the amount of minerals in the ore, and the average price of the mineral during the year – or an equivalent value.

8. Current trading and historical financial information

Company

The financial information of the Group presented in this Document consists of:

- the audited consolidated financial information of the Group for each of the financial periods ended 30 December 2018, 29 December 2019 and 29 December 2020; and
- the unaudited consolidated interim information of the Group for the six-month period ended 30 June 2021.

Unless otherwise stated, no other financial information presented in this Document has been audited.

The financial information of the Group incorporated by reference in Section A *"Historical Financial Information of the Group"* of Part IV *"Financial Information"* has been prepared in accordance with IFRS and included in compliance with item 18.1.1 of Annex 1 to the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018.

Northern X Group

The financial information of the Northern X Group presented in this Document consists of the audited combined financial information for each of the financial years ended 30 June 2019, 30 June 2020 and 30 June 2021. Unless otherwise stated, no other financial information presented in this Document has been audited.

The financial information set out in Section C *"Historical Financial Information of the Northern X Group"* of Part IV *"Financial Information"* has been prepared in accordance with IFRS and included in compliance with item 18.1.1 of Annex 1 to the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Commission, which is

part of UK law by virtue of the European Union (Withdrawal) Act 2018. The basis of preparation and the significant accounting policies applied are further explained in Note 2 *"Basis of preparation"* and Note 3 *"Significant accounting policies"* to the Northern X Group Financial Information.

9. Use of the Fundraise proceeds

The Fundraise proceeds will be used to:

- settle the outstanding costs of the Fundraise and Admission of £393,790;
- settle the outstanding Transactions costs of £77,393;
- cover the Company's operating overheads for the 16-month period post-Admission £599,252;
- cover the Northern X Group's administrative and operational costs in Finland and Sweden to the value of £178,362 over the 16-month period post-Admission; and
- undertake exploration and development expenditure of the Projects to the value of £1,670,733 over the 16-month period post-Admission.

The exploration and evaluation budget for the 16-month period post-Admission, together with the administrative and operational costs in Finland and Sweden in the same period, are as follows:

Allocation	Month 1 to Month 12 £	Month 13 to Month 16 £	Budget total £
Koitelainen Project	68,587	12,963	81,549
Karhujupukka Project	27,795	88,251	116,046
Airijoki Project	601,140	19,866	621,006
Espedalen Project	367,462	7,946	375,409
Sigdal Project	151,796	3,276	155,072
Hosanger Project	27,678	3,276	30,954
Central Sweden Projects	282,871	7,826	290,697
Project costs all countries	**1,527,329**	**143,404**	**1,670,733**
Administration and corporate	141,906	36,456	178,362
Total	**1,669,235**	**179,860**	**1,849,095**

10. Liquidity and capital resources

The Enlarged Group at Admission will have no debt and its capital resources comprise its cash and cash equivalents which, as at the date of this Document, are £5,074.

11. Environmental, Social and Corporate Governance (ESG) Policy

The ESG policy will allow the Board to be able to measure and improve the Enlarged Group's impact on the environment, generating social value through its work, positively impacting the lives of its employees and stakeholders, and operating ethically and with goodwill.

12. Lock-In

On Admission, the Directors will, in aggregate, hold 47,294,860 Ordinary Shares, representing 21.62% of the Enlarged Share Capital. The Directors have agreed with the Company, Shard and Novum, except for certain standard exceptions, not to dispose of any interest in the Ordinary Shares held by them for a period of 12 months following Admission (Lock-In Period) and then for the following 12 months not to dispose of their Ordinary Shares without first consulting the Company and Novum in order to maintain an orderly market for the Shares.

13. Share incentivisation and option plan

Overview: The Incentive Schemes are intended to put in place new short-term, annual and transaction incentive awards payable in cash and/or Company shares to align the interest of directors, officers, employees, and consultants with those of shareholders. These awards are not

intended to replace the Company's share option scheme and shall continue until the Board has put an alternative incentive scheme to the Company's shareholders which the Company's shareholders have approved.

Eligibility: Directors, officers, employees, and consultants of the Enlarged Group ("Eligible Participants"). Eligible Participants, who are good leavers, may continue to be eligible for awards for up to 12 months from their resignation or retirement.

Operation and purpose: The Remuneration Committee will make awards to Eligible Participants to reward, retain and recruit them and reward performances against performance measures determined by the Remuneration Committee. A member of the Remuneration Committee will not participate in the determination of their own award. The Remuneration Committee will in determining awards relative to annual salary have regard to median salaries of public company executives in the annual KPMG or comparable surveys of the remuneration of public company executives of companies with comparable projects at a similar stage of development to Kendrick ("Comparable Median Annual Salary"). The Remuneration Committee will, in making awards, determine appropriate key performance indicators for Eligible Participants to meet.

Short Term Incentive Awards: Eligible Participants with direct involvement in meeting short term operational targets, for example, production or exploration targets will be eligible for incentive awards determined by the Remuneration Committee. The maximum award will be capped at two (2) times the Eligible Participants' Comparable Median Annual Salary. Awards and may be paid in cash and /or Company shares. If paid in Company shares, the price will be based on the 30-day VWAP following announcement of the Company's interim and final results. Awards of Company shares to Directors and PDMRs may be subject to a minimum holding period of up to 3 months to be determined.

Annual Incentive Awards: These will be awarded to Eligible Participants with approximately 25% of their awards being related to Company performance and approximately 75% related to individual key performance indicators determined by the Remuneration Committee. The maximum award will be capped at three (3) times the Eligible Participants' Comparable Median Annual Salary. Awards may be paid in cash and / or Company shares and if in Company shares based on the 30-day VWAP following announcement of Company's interim and final results. Awards of Company shares to Directors and PDMRs may be subject to a minimum holding period of up to 3 months to be determined. An Eligible Participant who has been awarded a Short-Term Incentive Award is eligible for an Annual Incentive Award, but their Annual Incentive Award will be reduced by the amount due to them under their Short-Term Incentive Award.

Transaction Incentive Awards: These will be awarded to Eligible Participants and the Award Triggers will be based on the Company completing a successful acquisition or disposal transaction (the "Transaction") based on criteria determined by the Remuneration Committee. The maximum award payable in relation to a Transaction will be up to 5% of the Transaction value and be allocated amongst the Eligible Participants by the Remuneration Committee. Awards may be paid in cash and / or Company shares and if in Company shares based on the 30-day VWAP following the date the Company announces the Transaction.

Corporate Event: In the event of a takeover or merger, general offer being made to shareholders, scheme of arrangement, member's voluntary winding up, change of control or other similar corporate event, the Eligible Participant will be deemed to have met their Annual Incentive Award and / or Award Trigger unless determined otherwise by the Remuneration committee taking into account the Eligible Participants Annual Trigger and / or Award Trigger.

Share Options

The Directors consider that in addition to the Incentive Schemes, an important part of the Company's remuneration policy should include equity incentives through the grant of Share Options to directors, senior management, consultants, and employees (each an "**Eligible Person**"), ("**Scheme**"). A new Scheme was approved at the Company's annual general meeting held on 4 February 2021.

The key terms of the Scheme are:

1. The number of options to be issued under the Scheme must not exceed 10% of the issued ordinary share capital of the Company from time to time.

2. The exercise price of the options will be determined by the Remuneration Committee in consideration of the following:

   a. the last fundraising by the Company whilst its shares are not traded on a stock exchange; and

   b. once the Company's shares are traded on a stock exchange, the volume weighted average share price of the Ordinary Shares in the 30 days preceding the issue of the options save that in the 30 days after Admission, any options may be issued at the Placing Price;

3. The allocation of the options will be determined by the Remuneration Committee.

4. The options will vest in accordance with the terms of the Scheme.

5. The options must be exercised within ten years of the date the Scheme was passed by resolution, that being 3 February 2031.

6. A person granted an option under the Scheme is not permitted to exercise it at any time they are subject to disciplinary proceedings, have breached their employment or consultancy obligations, they owe a fiduciary duty to the Company or, after ceasing to be an Eligible Person, it is discovered that a breach occurred whilst an Eligible Person. Options may not be exercised at a time when its exercise is prohibited by law, regulation, or applicable guidelines.

7. The Directors may direct an option holder to exercise his or her options prior to a change of control of the Company.

14. Dividend policy

The Company will complete the Acquisitions upon Admission and has not traded profitably since 30 June 2006. Accordingly, the Directors do not intend to pay a dividend for the foreseeable future until the Company has achieved sufficient profitability and requirements for working capital are such that it is prudent to do so. Even then, the Directors may not determine to pay any dividend or make any other form of distribution. It follows that no assurance is or can be given that the Company will every pay any dividend or make any other form of distribution.

15. The City Code

The City Code, which is issued and administered by the Panel on Takeovers and Mergers (**Panel**), applies to all takeover and merger transactions, however effected, where the offeree company is, *inter alia*, a company resident in the UK, the Channel Islands or the Isle of Man, the securities of which are admitted to trading on a regulated market or a multilateral trading facility (such as the Access segment of the AQSE Growth Market) in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man.

Ordinarily, under Rule 9 of the City Code (Rule 9), where (i) any person acquires an interest in shares which, when taken together with shares in which persons acting in concert with them are interested, carry 30% or more of the voting rights of a company subject to the City Code or (ii) any person who, together with persons acting in concert with them, is interested in shares which in aggregate carry not less than 30% but not more than 50% of the voting rights of a company and such person, or persons acting in concert with them, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which they are interested, that person is normally obliged to make a general offer to all shareholders to purchase, in cash, that company's shares at the highest price paid by them, or any person acting in concert with them, within the preceding 12 months.

Under the City Code, a concert party arises when persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate control of that company. Under the City Code, control means a holding, or aggregate holding, of shares carrying 30% or more of the voting rights of a company, irrespective of whether the holding or holdings gives *de facto* control.

On and following Admission, the City Code will apply to the Company.

16. Warrants

In accordance with the terms of their appointment as Financial Adviser to the Company for the purposes of the Listing Rules Rulebook Novum have been granted the right to subscribe for 1,785,714 new Ordinary Shares at the Issue Price, exercisable at any time between the date of Admission and the third anniversary of the date of Admission. Exercise of such right is not subject to the satisfaction of any performance or other conditions. Further details of the warrants issued to Novum are set out in paragraph 13.3 of Part VII of this Document.

In accordance with the terms of their appointment as Joint Broker to the Company for the purposes of the Listing Rules Rulebook, Shard have been granted the right to subscribe for 2,857,142 new Ordinary Shares at the Issue Price, exercisable at any time between the date of Admission and the third anniversary of the date of Admission. Exercise of such right is not subject to the satisfaction of any performance or other conditions. Further details of the warrants issued to Shard are set out in paragraph 13.4 of Part VII of this Document.

In accordance with the terms of the July 2021 Convertible Loan Note, the subscribers have been granted the right to subscribe for 13,333,333 Convertible Note Warrants. Exercise of such right is not subject to the satisfaction of any performance or other conditions. 1,828,571 of these Convertible Note Warrants have been granted to Colin Bird ,a director of the Company and 1,142,857 of these Convertible Note Warrants have been granted to Kjeld Thygesen, a director of the Company arising from their participation in the July 2021 Convertible Loan Note, Further details of these warrants and Colin Bird and Kjeld Thygesen's participation in the July 2021 Convertible Loan Note are set out in paragraph 13.9 of Part VII.

In accordance with the terms of the November 2021 Convertible Loan Note, the subscribers have been granted the right to subscribe for 4,552,381 Convertible Note Warrants. Exercise of such right is not subject to the satisfaction of any performance or other conditions. 1,409,524 of these Convertible Note Warrants have been granted to Lion Mining Finance Limited (a company controlled by Colin Bird a director of the Company). Further details of these warrants and Lion Mining Finance Limited in the November 2021 Convertible Loan Note are set out in paragraph 13.10 of Part VII.

In accordance with an agreement dated 15 October 2021 between the Company and Quantum Capital and Consulting Ltd ("**Quantum**"), Quantum have been granted the right to subscribe for 4,375,943 new Ordinary Shares at the Issue Price, exercisable at any time between the date of Admission and the third anniversary of the date of Admission. Exercise of such right is not subject to the satisfaction of any performance or other conditions. Further details of the warrants issued to Quantum are set out in paragraph 13.12 of Part VII of this Document.

In accordance with the terms of the Subscription 1,857,000 Subscription Warrants have been granted. Exercise of such rights are not subject to the satisfaction of any performance or other conditions. Kjeld Thygesen a director of the Company has been granted 1,000,000 of the Subscription Warrants pursuant to his participation in the Subscription. Further details of the Subscription are set out in paragraph 13.13 of Part VII of this Document.

In connection with the Placing a total of 91,000,143 Placing Warrants will be issued at Admission of which 1,571,400 Placing Warrants will be issued to Colin Bird a director of the Company and in accordance with his participation in the Placing. Further details of the Placing are set out in paragraph 13.1 of Part VII of this Document.

Warrants at Admission	Note	No.	Period	Exercise price
Quantum Capital and Consulting Ltd		4,375,943	3 years	3.50 pence
July 2021 Convertible Notes	1	13,333,333	18 months	3.50 pence
November 2021 Convertible Notes	1	4,552,381	18 months	3.50 pence
Placee / Fundraising warrants	2	92,857,143	3 years	6.00 pence
Novum Broker warrants -5% of funds raised		1,785,714	3 years	3.50 pence
Shard Broker warrants -5% of funds raised		2,857,142	3 years	3.50 pence

Note 1 part of 17,885,714 Convertible Note Warrants
Note 2 91,000,143 Placing Warrants and 1,857,000 Subscription warrants

17. Shares in Public Hands

In accordance with Listing Rule 14.2.2, the Board has ensured that at Admission at least 10 per cent. of the Ordinary Shares (as the listed class) will be in public hands (as defined in the Listing Rules) and that a minimum of 10 per cent. of the Enlarged Share Capital has been allocated to Shareholders whose individual and unconnected shareholdings will each equate to less than 5 per cent. of the Enlarged Share Capital, and who do not fall within any of the other excluded categories of investors in Listing Rule 14.2.2 (4).

18. CREST

The Articles of Association are consistent with the transfer of Ordinary Shares in dematerialised form in CREST under the CREST Regulations. Application has been made for the Ordinary Shares to be admitted to CREST on Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if relevant Shareholders so wish.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates in respect of their Ordinary Shares will be able to do so.

19. Taxation

The Ordinary Shares do not rank as a “qualifying investment” for the purposes of the Enterprise Investment Scheme nor as a “qualifying holding” for the purposes of investment by Venture Capital Trusts.

Information regarding UK taxation in relation to the Ordinary Shares is set out in Part VII of this Document. These details are, however intended only as a general guide to the current tax position under UK taxation law, which may be subject to change in the future.

If you are in any doubt as to your tax position, you should consult your own independent financial adviser immediately.

20. Further information and risk factors

You should read the whole of this Document which provides additional information on the Company and not rely on summaries or individual parts only. Your attention is drawn to the further information in this Document and particularly to the risk factors set out in the section titled “Risk Factors” in this Document. Potential investors should carefully consider the risks described in pages 13 to 17 of this Document before making a decision to invest in the Company.

PART II

DIRECTORS, SENIOR MANGAGEMENT AND CORPORATE GOVERNANCE

1. Directors

Colin Bird, Aged 78, Executive *Chairman*

Colin Bird is a chartered engineer and a Fellow of the Institute of Materials, Minerals and Mining with more than 40 years' experience in resource operations management, corporate management, and finance.

The formative part of his career was spent with the National Coal Board in England where he was assistant underground manager. He moved to the Zambian Copper Belt in 1970 as an assistant underground manager before joining Anglo America Coal Division in 1974 as section manager. He then moved to Botswana in 1979 to be mine manager of the BCL Nickel Copper Mine, a joint venture between Anglo American Corporation, Amax, and the Botswana Government. On his return to the UK, he worked with Hampton Gold Mine areas as a director of their coal mines in Scotland before joining Costain Mining Ltd as technical director in 1987 and thereafter Plateau Mining Plc as managing director in 1989.

In 1993 he was appointed operations and technical manager for Petromin, Saudi Arabia, of their gold mining activities with responsibility for an underground mine producing 175,000oz of gold and three gold mines in various stages of feasibility study and development. In October 1995 he joined Lion Mining Finance Ltd in London as technical manager and is now managing director and majority shareholder of that company.

Colin founded and floated Jubilee Metals Group Plc. He is Chairman and CEO of Galileo Resources Plc and Chairman of Xtract Resources Plc. Colin serves as Chairman of Tiger Royalties and Investments Plc, an AIM listed investment company and largest shareholder in the Company. He is also a member of the board of the TSX listed exploration company, Revelo Resources Corp, formerly known as Polar Star Mining Corp, where he served as CEO for a period as well. Colin serves as executive Chairman of Bezant Resources Plc. He joined the board of the Company as non- executive Director in April 2018. He founded and floated Kiwara Plc which discovered copper in northwest Zambia. The company was sold for US$260million to First Quantum within 30 months of formation.

Colin is also executive chairman of African Pioneer plc which was admitted to trading on the LSE as a Standard Listing on 1 June 2021.

Kjeld Thygesen, Aged 74*, Non-Executive Director*

Kjeld Thygesen is a mining investment veteran of more than 45 years. After being a mining analyst at James Capel in the latter half of the 1970's he was manager of the commodities department at Rothschild Asset Management between 1980-89. In 1990 he formed Lion Resource Advisors as a specialist adviser in the mining and natural resource sectors. LRA was the advisor to the Midas Fund in the US between 1992 -2000, which was one of the top performing funds during that period. From 2002-2008 he was Investment director of Resources Investment Trust, a London listed investment trust which returned a threefold investment during that period. He has served on several mining company boards over the past twenty years.

Alex Borrelli, Aged 66, Non-Executive Director

Alex Borrelli, FCA, initially studied medicine and then qualified as a chartered accountant with Deloitte, Haskins & Sells, London in 1982. He then worked in corporate finance at Guinness Mahon, Samuel Montagu and as a corporate finance and main board director at Charterhouse. His subsequent investment banking business included nine years as Head of Corporate Finance and AIM Nomad qualified executive at Shore Capital. He has acted on a wide variety of corporate transactions in a senior role for over 20 years, including flotations, takeovers, mergers, and acquisitions for private and quoted companies. For the last 15 years, he has been acting as chairman and director of various listed companies, including AIM-listed Greatland Gold PLC, Xpediator PLC, Tiger Royalties and Investments PLC, Bradda Head Lithium Limited and Red Rock Resources PLC.

Evan Kirby, Aged 70, Non-Executive Director

Evan Kirby is a metallurgist with over 40 years' experience in the mining sector. He worked for 16 years in South Africa with Impala Platinum, Rand Mines and Rustenburg Platinum Mines. He then worked in Australia for Minproc Engineers and latterly Bechtel Corporation. Evan's experience base includes gold, platinum group metals, base metals, battery metals, diamonds, coloured gemstones, and mineral sands

2. Corporate governance

As a Company with a Standard Listing, the Company is not required to comply with the provisions of the UK Corporate Governance Code.

The QCA Corporate Governance Code as published by the Quoted Companies Alliance, is tailored for small

and mid-size quoted companies in the United Kingdom. The Company will, to the extent practicable for a company of its size and nature, follow the QCA Corporate Governance Code.

The Company will hold timely board meetings as issues arise which require the attention of the Board. The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the Directors' responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal control and the Company's approach to risk management and has formally adopted an anti-corruption and bribery policy.

The Directors have established an audit committee and a remuneration committee with formally delegated duties and responsibilities.

Evan Kirby and Kjeld Thygesen are considered by the Board to be an independent Non-Executive Directors.

Audit committee

The audit committee, which currently comprises Alex Borrelli (Chairman of the Audit Committee), Evan Kirby and Kjeld Thygesen and has the primary responsibility for monitoring the quality of internal control and ensuring that the financial performance of the Company is properly measured and reported on and for reviewing reports from the Company's auditors relating to the Company's accounting and internal controls. The committee is also responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring the financial performance of the Company is properly monitored and reported. The audit committee will meet not less than three times a year.

Remuneration committee

The remuneration committee, which currently comprises Evan Kirby (Chairman of the Remuneration Committee), Kjeld Thygesen and Alex Borrelli and is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Company.

Share Dealing Code

The Company has adopted, with effect from Admission, a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the Official List (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

PART III

SECTION A: OPERATING AND FINANCIAL REVIEW OF THE GROUP

Statement of Comprehensive Income

Continuing operations	*Audited* 18 months ended 30 December 2018 £	*Audited* Period ended 29 December 2019 £	*Audited* Year ended 29 December 2020 £	*Unaudited* Six months ended 30 June 2021 £
Administrative expenses	(1,281,807)	(515,371)	(190,623)	*(152,914)*
Impairment charge	(2,700,000)	(8,802,580)	—	—
Reversal of share-based payment charge	38,730	—	—	—
Gain on disposal of investment	—	—	14,663	—
Gain/(loss) in fair value of investment	—	—	142,778	*(15,954)*
Operating loss	**(3,943,077)**	**(9,317,951)**	**(33,182)**	***(168,868)***
Finance expense	(9,298)	(452)	(251)	*(494)*
Finance income	12	—	—	—
Loss before tax	**(3,952,363)**	**(9,318,403)**	**(33,433)**	*(169,362)*
Taxation	—	—	—	—
Loss for the period	**(3,952,363)**	**(9,318,430)**	**(33,433)**	***(169,362)***

Statement of Financial Position

	Audited As at 30 December 2018 £	*Audited* As at 29 December 2019 £	*Audited* As at 29 December 2020 £	*Unaudited* *As at 30 June 2021* £
Investment in subsidiaries	9,294,934	—	—	—
Property, plant, and equipment	25,019	20,726	10,670	*6,325*
Non-current assets	**9,319,953**	**20,726**	**10,670**	***6,325***
Current asset investments	379,199	124,308	223,340	*207,386*
Investment in the Projects and transaction costs	—	—	—	*231,435*
Other receivables	395,841	101,920	10,928	*10,807*
Cash and cash equivalents	52,310	37,396	9,496	*10,685*
Current assets	**827,350**	**263,624**	**243,764**	***460,313***
TOTAL ASSETS	**10,147,303**	**284,350**	**254,434**	***466,638***
Share capital	22,929,743	22,929,743	22,929,743	22,929,743
Share premium	25,027,278	25,027,278	25,027,278	25,027,278
Share based payment reserve	45,770	—	—	210,000
Merger reserve	1,824,000	1,824,000	1,824,000	1,824,000
Retained deficit	(40,386,332)	(49,658,965)	(49,692,398)	(49,861,760)
Equity	**9,440,459**	**122,056**	**88,623**	**129,261**
Trade and other payables	706,844	162,294	165,811	*337,377*
Current liabilities	**706,844**	**162,294**	**165,811**	***337,377***
Total liabilities	3,015,316	162,294	165,811	***337,377***
TOTAL EQUITY AND LIABILITIES	**10,147,303**	**284,350**	**254,434**	***466,638***

Statement of Cash Flows

	Audited 18 months ended 30 December 2018 £	*Audited* Period ended 29 December 2019 £	*Audited* Year ended 29 December 2020 £	*Unaudited* Six months ended 30 June 2021 £
Los before tax for the period	(3,952,363)	(9,318,403)	(33,433)	*(169,362)*
Adjustments:				
Foreign exchange (gains)/losses	(325,918)	471,231	—	—
Depreciation of property, plant, and equipment	14,017	12,492	10,056	*4,345*
Impairment loss	2,700,000	8,802,581	—	—
Loss/(gain) on disposal of investments	664,053	(96,221)	(14,663)	—
Loss/(gain) in fair value of investment at balance sheet date	218,044	—	(142,778)	*15,954*
Finance income	(10)	—	—	—
Share based payments	(38,730)	—	—	—
Working capital movements:				
Investment in the Projects and transaction costs	—	—	—	*(231,435)*
Movement in other receivables	(14,460)	293,921	90,992	*121*
Movement in other payables	(223,363)	(544,550)	3,517	*171,566*
Net cash – operating activities	**(958,730)**	**(378,949)**	**(86,309)**	***(208,811)***
Interest received	10	—	—	—
Loans to subsidiaries	(1,272,302)	21,122	—	—
Proceeds from convertible loans	—	—	—	*210,000*
Proceeds of sale of investment shares	1,054,586	475,420	58,409	—
Purchases of property, plant, and equipment	(26,559)	(8,199)	—	—
Acquisition of investments	—	(124,308)	—	—
Net cash – investing activities	**(244,265)**	**364,035**	**58,409**	***210,000***
Proceeds from issue of shares and warrants	1,300,000	—	—	—
Share issue costs	(55,900)	—	—	—
Net cash – financing activities	**1,244,100**	**—**	**—**	**—**
Net cash flow for the year	**41,105**	**(14,914)**	**(27,900)**	***1,189***
Cash and cash equivalents b/fwd	11,205	52.310	37,396	*9,496*
Cash and cash equivalents c/fwd	**52,310**	**37,396**	**9,496**	***10,685***

Audited 18 months to 30 December 2018

Statement of Comprehensive Income commentary

The Group reported a total loss for the period of £3,952,363. There was an operating loss of £3,943,077 which was stated after £1,281,807 of administrative expenses, an impairment charge of £2,700,000 and income of £38,730 in relation to a reversal of a share-based payment charge. The loss before tax of £3,952,363 was stated after £9,298 of finance expenses and £12 of finance income. There was no taxation or other comprehensive income in the year.

Statement of Financial Position commentary

Current and total assets

As at 30 December 2018, the Group held total assets of £10,147,303. Total assets comprised £9,319,953 of non-current assets and £827,350 of current assets.

Non-current assets as at 30 December 2018 comprised £25,019 of property, plant, and equipment and £9,294,934 of investment in subsidiaries. Property, plant, and equipment is stated after additions of £26,559 in the period and a depreciation charge of £14,017. The investment in subsidiaries includes a cost of investment of £3,676,701 and long-term loans with a net carrying value of £5,618,233 at the end of the period.

Current assets comprised £379,199 of current asset investments, £395,841 of trade and other receivables and £52,310 of cash and cash equivalents. The current asset investments for the period are stated after additions of £2,315,882, disposals of £1,718,629 and a charge to the fair value through profit and loss of £218,044. Trade and other receivables include £11,050 of prepayments, £382,638 of amounts due from a related party and £2,153 of other receivables.

Current and total liabilities

Total liabilities as at 30 December 2018 were £706,844, which comprised current liabilities of £706,844 classified to trade and other payables. Within this balance were trade payables of £283,485, other taxes and social security of £3,759, VAT payable of £374,350 and accruals of £45,250.

Cash Flows

Cash and cash equivalents at the end of the period were £52,310. This is stated after accounting for £958,730 of cash outflows from operating activities, £244,265 outflows from investing activities and £1,244,100 inflows from financing activities. Overall, there was a net increase in cash and cash equivalents as the end of the period of £41,105.

Cash outflows from operating activities comprised outflows before movements in working capital of £720,907, increases in trade receivables of £14,460 and decreases in trade and other payables of £223,363. Outflows before movements in working capital included the loss before tax of £3,952,363 and the following adjustments to reconcile net losses to cash utilised: £325,918 of foreign exchange gains, £14,017 of depreciation, £2,700,000 of impairment losses, £664,053 of losses on disposal of investment shares, £218,044 of losses in fair value of investment at balance sheet date, finance income of £10 and £38,730 of share-based payments.

The net cash outflow from investing activities comprised £10 of interest received, £1,272,302 of loans to subsidiaries, £1,054,586 of proceeds from the sale of investment shares and £26,559 of purchases of property, plant, and equipment.

The company received proceeds of £1,300,000 and paid £55,900 of share issue costs which amounted to the £1,244,100 of cash inflows from financing activities.

Capital Resources

Total equity as at 30 December 2018 was £9,440,459. This balance comprised share capital of £22,929,743, share premium of £25,027,278, a share-based payment reserve of £45,770, a merger reserve of £1,824,000 and accumulated losses of £40,386,332. In the period there was 137,371,298 ordinary shares issued which increased share capital by £1,373,713 and share premium by £2,186,269.

Audited period ended 29 December 2019

Statement of Comprehensive Income commentary

The Group reported a total loss for the period of £9,318,403 (2018: £3,952,363). There was an operating loss of £9,317,951 (2018: £3,943,077) which was stated after £515,371 (2018: £1,281,807) of administrative expenses and an impairment charge of £8,802,580 (2018: £2,700,000). The loss before tax of £9,318,403 (2018: £3,952,363) was stated after £452 (2018: £9,298) of finance expenses. There was no taxation or other comprehensive income in the year.

Statement of Financial Position commentary

Current and total assets

As at 29 December 2019, the Group held total assets of £284,350 (2018: £10,147,303). Total assets comprised £20,726 (2018: £9,319,953) of non-current assets and £263,624 (2018: £827,350) of current assets.

Non-current assets as at 29 December 2019 comprised £20,726 (2018: £25,019) of property, plant, and equipment and £nil (2018: £9,294,934) of investment in subsidiaries, due to the disposal and write off of all subsidiary undertakings. Property, plant, and equipment is stated after additions of £8,199 (2018: £26,559) in the period and a depreciation charge of £12,492 (2018: £14,017).

Current assets comprised £124,308 (2018: £379,199) of current asset investments, £101,920 (2018: £395,841) of trade and other receivables and £37,396 (2018: £52,310) of cash and cash equivalents. The current asset investments for the period are stated after additions of £124,308 (2018: £2,315,882) and disposals of £379,199 (2018: £1,718,629). Trade and other receivables include £9,950 (2018: £11,050) of prepayments, £890 (2018: £2,153) of other receivables and a VAT receivable of £91,080 (£nil).

Current and total liabilities

Total liabilities as at 29 December 2019 were £162,294 (2018: £706,844), which comprised current liabilities of £162,294 (2018: £706,844) classified to trade and other payables. Within this balance were trade payables of £91,044 (2018: £283,485) and accruals of £71,250 (2018: £45,250).

Cash Flows

Cash and cash equivalents at the end of the period were £37,396 (2018: £52,310). This is stated after accounting for £378,949 (2018: £958,730) of cash inflows from operating activities and £364,035 (2018: outflows of £244,265) inflows from investing activities. Overall, there was a net decrease in cash and cash equivalents as the end of the period of £14,914 (2018: increase of £41,105).

Cash outflows from operating activities comprised outflows before movements in working capital of £128,320 (2018: £720,907), decreases in trade receivables of £293,921 (2018: increase £14,460) and decreases in trade and other payables of £544,550 (2018: £223,363). Outflows before movements in working capital included the loss before tax of £9,318,403 (2018: £3,952,363) and the following adjustments to reconcile net losses to cash utilised: £471,231 of foreign exchange losses (2018: £325,918 of gains), £12,492 (2018: £14,017) of depreciation, £8,802,581 (2018: £2,700,000) of impairment losses and gains of £96,221 (2018: loss of £664,053) on disposal of investment shares.

The net cash inflow from investing activities comprised £21,122 of cash from subsidiaries in relation to loans (£1,272,302 of loans issued to subsidiaries), £475,420 (2018: £1,054,586) of proceeds from the sale of investment shares, £8,199 (2018: £26,559) of purchases of property, plant, and equipment and £124,308 spent on the acquisition of investments.

Capital Resources

Total equity as at 29 December 2019 was £122,056 (2018: £9,440,459). This balance comprised share capital of £22,929,743 (2018: £22,929,743), share premium of £25,027,278 (2018: £25,027,278), a merger reserve of £1,824,000 (2018: £1,824,000) and accumulated losses of £49,658,965 (2018: £40,386,332). In the period there was nil (2018: 137,371,298) ordinary shares issued.

Audited year ended 29 December 2020

Statement of Comprehensive Income commentary

The Group reported a total loss for the year of £33,433 (2019: £9,318,403). There was an operating loss of £33,182 (2019: £9,317,951) which was stated after £190,623 (2019: £515,371) of administrative expenses, a gain on disposal of investment of £14,663 (2019: £nil) and a gain in fair value of investment of £142,778 (2019: £nil). The loss before tax of £33,433 (2019: £9,318,403) was stated after £251 (2019: £452) of finance expenses. There was no taxation or other comprehensive income in the year.

Statement of Financial Position commentary

Current and total assets

As at 29 December 2020, the Group held total assets of £254,434 (2019: £284,350). Total assets comprised £10,670 (2019: £20,726) of non-current assets and £243,764 (2019: £263,624) of current assets.

Non-current assets as at 29 December 2020 comprised £10,670 (2019: £20,726) of property, plant, and equipment. Property, plant, and equipment is stated after additions of £nil (2019: £8,199) in the year and a depreciation charge of £10,056 (2019: £12,492).

Current assets comprised £223,340 (2019: £124,308) of current asset investments, £10,928 (2019: £101,920) of trade and other receivables and £9,496 (2019: £37,396) of cash and cash equivalents. The current asset investments for the year are stated after additions of £nil (2019: £124,308), disposals of £43,746 (2019: £379,199) and gains in fair value through profit and loss of £142,778 (2019: £nil). Trade and other receivables include £9,950 (2019: £11,050) of prepayments, £890 (2019: £890) of other receivables and a VAT receivable of £10,038 (£91,080).

Current and total liabilities

Total liabilities as at 29 December 2020 were £165,811 (2019: £162,294), which comprised current liabilities of £165,811 (2019: £162,294) classified to trade and other payables. Within this balance were trade payables of £68,311 (2019: £91,044), amounts owed to director of £83,500 (2020: £51,250) and accruals of £14,000 (2019: £20,000).

Cash Flows

Cash and cash equivalents at the end of the year were £9,496 (2019: £37,296). This is stated after accounting for £86,309 (2019: £378,949) of cash outflows from operating activities and £58,409 (2019: £364,035) inflows from investing activities. Overall, there was a net decrease in cash and cash equivalents as the end of the year of £27,900 (2019: decrease of £14,914).

Cash outflows from operating activities comprised outflows before movements in working capital of £180,818 (2019: £128,320), decreases in trade receivables of £90,992 (2019: increase £293,921) and increases in trade and other payables of £3,517 (2019: decreases of £544,550). Outflows before movements in working capital included the loss before tax of £33,433 (2019: £9,318,302) and the following adjustments to reconcile net losses to cash utilised: £10,056 (2019: £12,492) of depreciation, gains of £14,663 (2019: £96,221) on disposal of investment shares and a gain in fair value of investments of £142,778 (2019: £nil).

The net cash inflow from investing activities comprised proceeds from the sale of investment shares of £58,409 (2019: 475,420).

Capital Resources

Total equity as at 29 December 2020 was £88,623 (2019: £122,056). This balance comprised share capital of £22,929,743 (2019: £22,929,743), share premium of £25,027,278 (2019: £25,027,278), a merger reserve of £1,824,000 (2019: £1,824,000) and accumulated losses of £49,692,398 (2019: £49,658,965). In the year there was nil (2019: £nil) ordinary shares issued.

Unaudited six-month period ended 30 June 2021

Key event during the period

On 20 January 2021, the Company was assigned by Lion Mining Finance Ltd and Camden Park Trading Limited a conditional agreement with Pursuit to the Projects (the "Principal Agreement – Binding Sales Agreement dated 18 January 2021 further information is set out in paragraph 13.5(d) of Part VII of this Prospectus") (the "Deed of Assignment and Assumption" further information is set out in paragraph 13.5(b) of Part VII of this Prospectus). The Deed of Assignment and Assumption is conditional on the Company acquiring the Projects and the consideration under the Assignment Agreement of £802,000 is to be settled £52,000 in cash and £750,000 to be settled by the issue of Ordinary Shares at the Loan Note Conversion Price.

The Principal Agreement – Binding Sales Agreement dated 18 January 2021 is conditional upon the Company:

- Admission;
- raising a minimum of £1,500,000 from the Placing (the "Minimum Placing on Admission"); and
- completing legal due diligence on the entities owning the Projects and on the mining titles underling the Projects by the long-stop date, which was 31 March 2021 and has been extended to 31 December 2021 by the payment in aggregate of A$235,000 (approx. £126,000).

An extension up to 28 February 2022 was agreed by increasing the amount of the consideration payable in respect of the Consideration Shares from £1,250,000 to £1,350,000, satisfied through the issue by the Company of fully paid Ordinary Shares at the Placing Price at the time of Admission.

A further extension up to 31 March 2022 was agreed by increasing the amount of the consideration payable in respect of the Consideration Shares from £1,350,000 to £1,400,000, satisfied through the issue by the Company of fully paid Ordinary Shares at the Placing Price at the time of Admission.

A further extension up to 30 April 2022 has been agreed by increasing the consideration payable in respect of the Consideration Shares from £1,400,000 to £1,450,000, satisfied through the issue by the Company of fully paid Ordinary Shares at the Placing Price at the time of Admission.

A further extension up to 15 May 2022 has been agreed by increasing the consideration payable in respect of the Consideration Shares from £1,450,000 to £1,475,000, satisfied through the issue by the Company of fully paid Ordinary Shares at the Placing Price at the time of Admission.

The consideration upon completion of the Principal Agreement – Binding Sales Agreement dated 18 January 2021 is:

- A$50,000 (approx. £27,000) which has been paid;
- £1,475,000 to be settled by the Company issuing Ordinary Shares in the Company at the same price as the Minimum Placing on Admission; and
- deferred consideration based on two accretive value milestones being achieved;
    - Milestone One, which triggers a A$250,000 (approx. £136,000) payment in cash, is the completion by the Company (or any successor or assignee) of a Feasibility Study, as defined by the JORC Code (2012), on any individual project area in the Projects, demonstrating an internal rate of return of not less than 25%; and
    - Milestone Two, which triggers a A$500,000 (approx. £272,000) payment in cash is a decision to mine being made by the Company (or any successor or assignee) in respect of any project area in the Projects.

The Company has paid currently due 2021 licence fees and all projects are in governmental good standing.

Statement of Comprehensive Income commentary

The Group reported a total loss for the six-month period of £169,362 (six-months ended 30 June 2019: loss of £57,941). There was an operating loss of £168,868 (six-months ended 30 June 2019: loss of £57,780) which was stated after £152,914 (six-months ended 30 June 2019: £115,626) of administrative expenses and a loss in fair value of investment of £15,954 (six-months ended 30 June 2019: gain of £57,846). The loss before tax of £169,362 (six-months ended 30 June 2019: loss of £57,941) was stated after finance expenses of £494 (six-months ended 30 June 2019: £161). There was no taxation or other comprehensive income in the period.

Statement of Financial Position commentary

Total assets, non-current assets, and current assets

As at 30 June 2021, the Group held total assets of £466,638 (29 December 2020: £254,434). Total assets comprised £6,325 (29 December 2020: £10,670) of non-current assets and £460,313 (29 December 2020: £243,764) of current assets.

Non-current assets as at 30 June 2021 comprised £6,325 (29 December 2020: £10,670) of property, plant, and equipment. No additions to property, plant and equipment were made during the period (six-month period ended 30 June 2020: £nil). A depreciation charge of £4,345 was applied during the period (six-month period ended 30 June 2020: £5,711).

Current assets as at 30 June 2021 comprised £207,386 (29 December 2020: £223,340) of current asset investments, £231,435 (29 December 2020: £nil) of investments in the Projects and transaction costs, £10,807 (29 December 2020: £10,928) of other receivables and £10,685 (29 December 2020: £9,496) of cash and cash equivalents. The current asset investments for the period are stated after a loss in fair value through profit and loss of £15,954 (six-month period ended 30 June 2020: gain of £57,846).

The £231,435 (29 December 2020: £nil) investment and transaction costs comprised £158,526 (29 December 2020: £nil) of operating and exploration expenditure incurred in Finland and Sweden in advance of completion of the Acquisitions and £72,909 (29 December 2020: £9,950) of prepaid Admission costs.

Other receivables of £10,807 (29 December 2020: £10,928) comprised a VAT receivable of £9,917 (29 December 2020: £10,038) and £890 (29 December 2020: £890) of other receivables.

Current and total liabilities

Total liabilities as at 30 June 2021 were £337,377 (29 December 2020: £165,811), which comprised current liabilities classified to trade and other payables. Within this balance were trade payables of £151,377 (29 December 2020: £68,311), accruals of £72,500 (29 December 2020: £14,000), and amounts owed to director of £113,500 (29 December 2020: £83,500).

Cash Flows

Cash and cash equivalents at the end of the period end were £10,685 (29 December 2020: £9,496). This is stated after accounting for £208,811 of cash outflows from operating activities (six-month period ended 30 June 2020: inflow of £659) and £210,000 of cash inflows from investing activities (six-month period ended 30 June 2020: £nil). Overall, there was a net increase in cash and cash equivalents during the period of £1,189 (six-month period ended 30 June 2020: increase of £659).

Cash outflows from operating activities comprised outflows before movements in working capital of £149,063 (six-month period ended 30 June 2020: outflow of £110,076), comprising an increase in the investment in the Projects and transaction costs of £231,435 (six-month period ended 30 June 2020: £nil), a decrease in other receivables of £121 (six-month period ended 30 June 2020: decrease of £88,898) and an increase in trade and other payables of £171,566 (six-month period ended 30 June 2020: increase of £21,837). Outflows before movements in working capital included the loss before tax of £169,362 (six-month period ended 30 June 2020: loss of £57,941) and the following adjustments to reconcile net losses to cash utilised: £4,345 (six-month period ended 30 June 2020: £5,711) of depreciation and a loss in the fair value of investments of £15,954 (six-month period ended 30 June 2020: gain of £57,846).

The net cash inflow from investing activities of £210,000 (six-month period ended 30 June 2020: £nil) comprised proceeds from the issue of convertible loan notes.

Capital Resources

Total equity as at 30 June 2021 was £129,261 (29 December 2020: £88,623). This balance comprised share capital of £22,929,743 (29 December 2020: £22,929,743), share premium of £25,027,278 (29 December 2020: £25,027,278), the carrying value of the convertible loans of £210,000 (29 December 2020: £nil), a merger reserve of £1,824,000 (29 December 2020: £1,824,000) and accumulated losses of £49,861,760 (29 December 2020: £49,692,398). During the period, there were no ordinary shares issued (six-month period ended 30 June 2020: none).

In January 2021, the Company raised £210,000 by way of Zero Coupon One Year Convertible Loan Notes of £1 each, repayable on 30 December 2021 (the "Repayment Date") the instrument being approved by resolution of the Board of Directors on 30 December 2020. The Loan Notes automatically convert into Ordinary Shares in the event of a Qualifying Equity Financing which is defined to means the Company, prior to the Repayment Date, completing an IPO or reverse

takeover transaction which leads to the Company's shares being traded on a market of the London Stock Exchange ("Automatic Conversion"). In the event of Automatic Conversion, the conversion price is at a 40% discount to the price at which the Company issues Ordinary Shares in any Qualifying Equity Financing in the period commencing on the date of this Instrument and ending on the Repayment Date (the "Loan Note Conversion Price").

Events subsequent to 30 June 2021

Further unsecured convertible loan note instruments dated 2 July 2021 constituting up to £350,000 and 15 November 2021 constituting up to £150,000 were approved by way of Zero-Coupon Convertible Loan Notes of £1 each, repayable on 31 July 2022 (the "Repayment Date"). The Loan Notes automatically convert into Ordinary Shares in the event of a Qualifying Equity Financing which is defined to mean the Company, prior to the Repayment Date, completing an IPO or reverse takeover transaction which leads to the Company's shares being traded on a market of the London Stock Exchange ("Automatic Conversion"). In the event of Automatic Conversion the conversion price is at a 25% discount to the price at which the Company issues Ordinary Shares in any Qualifying Equity Financing in the period commencing on the date of this Instrument and ending on the Repayment Date (the "Loan Note Conversion Price") and the issue of one warrant for each Ordinary Share to be issued to the Noteholders with the warrant exercisable within 18 months from the Qualifying Equity Financing at the price at which the Company issues Ordinary Shares in the Qualifying Equity Financing. As at the date of this Document, the Company had raised a further £469,560 from these loan instruments.

At the Annual General Meeting held on 25 October 2021, Shareholders approved an ordinary resolution to ratify, in support of the Strategy, the acquisition by the Company of the Spin Out Projects defined below from Pursuit Minerals, pursuant to assignment agreements entered into on 20 January 2021 (the "Assignment Agreements") and authorising the Directors to approve the signature of any document and / or taking of any action they deem necessary or appropriate in relation to effecting or facilitating the transactions contemplated by the Assignment Agreements and /or the Strategy:

- the Koitelainen, Karhujupukka North and Karhujupukka South projects in Finland;
- the Airijoki, Kullberget, Sumassjon, Kramsta and Simesvallen projects in Sweden; and
- the Hosanger, Espedalen and Sigdal projects in Norway, (together, the "Spin Out Projects").

The option period to acquire the Spin Out Projects has been extended to 15 May 2022.

At the Annual General Meeting held on 25 October 2021, Shareholders approved an ordinary resolution that for every thirty (30) issued and unissued Ordinary Share of £0.00001 each in the share capital of the Company ("Existing Shares") be consolidated into one (1) Ordinary Share of £0.0003 each ("New Shares") such New Shares having the same rights and being subject to the same restrictions, save as to nominal value, as the Existing Shares.

SECTION B: OPERATING AND FINANCIAL REVIEW OF THE NORTHERN X GROUP

Statements of Combined Comprehensive Income

	Audited Year ended 30 June 2019 £	*Audited* Year ended 30 June 2020 £	*Audited* Year ended 30 June 2021 £
Continuing operations			
Northern X Group Directors' remuneration	**(46,821)**	**—**	**—**
Exploration costs written off	**(425)**	**(273)**	**—**
Professional costs	(60,307)	(18,972)	(21,528)
FX (loss)/gain	(58,139)	16,242	(15,706)
Other expenses	(137)	(1,246)	(1,328)
Loss before income taxes	**(165,829)**	**(4,249)**	**(38,562)**
Income tax	—	—	—
Loss for the year	**(165,829)**	**(4,249)**	**(38,562)**
Other comprehensive income:			
Foreign exchange differences	(1,569)	(3,532)	8,029
Total comprehensive loss for the year	**(167,398)**	**(7,781)**	**(30,533)**

Statements of Combined Financial Position

	Audited As at 30 June 2019 £	Audited As at 30 June 2020 £	Audited As at 30 June 2021 £
ASSETS			
Exploration and evaluation assets	**1,709,159**	**1,789,144**	**1,738,641**
Non-current assets	**1,709,159**	**1,789,144**	**1,738,641**
Other receivables	26,850	21,537	8,891
Cash and cash equivalents	23,876	3,879	5,571
Current assets	**50,726**	**25,416**	**14,462**
TOTAL ASSETS	**1,759,885**	**1,814,560**	**1,753,103**
EQUITY AND LIABILITIES			
Share capital	6,480	6,480	6,480
Foreign currency translation reserve	(1,548)	(5,080)	2,949
Retained deficit	(174,244)	(178,493)	(217,055)
Equity	**(169,312)**	**(177,093)**	**(207,626)**
Borrowings	1,879,644	1,981,406	1,951,245
Other payables	49,553	10,247	9,484
Current liabilities	**1,929,197**	**1,991,653**	**1,960,729**
TOTAL EQUITY AND LIABILITIES	**1,759,885**	**1,814,560**	**1,753,103**

Statements of Combined Cash Flows

	Audited Year ended 30 June 2019 £	*Audited* Year ended 30 June 2020 £	*Audited* Year ended 30 June 2021 £
Loss before tax for the year	**(165,829)**	**(4,249)**	**(38,562)**
Foreign exchange movements	**(1,602)**	**552**	**1,353**
Working capital movements:			
Decrease in other receivables	25,410	5,794	11,385
Decrease in other payables	(46,382)	(40,307)	(391)
Net cash used in operating activities	**(188,403)**	**(38,210)**	**(26,215)**
Expenditure on exploration and evaluation assets	(1,579,828)	(44,945)	(13,002)
Net cash used in investing activities	**(1,579,828)**	**(44,945)**	**(13,002)**
Proceeds from borrowings	1,792,107	63,442	40,691
Net cash from financing activities	**1,792,107**	**63,442**	**40,691**
Net cash inflow/(outflow) for the year	**23,876**	**(19,713)**	**1,474**
Cash and cash equivalents b/fwd	—	23,876	3,879
Effects of foreign exchange differences	—	(284)	218
Cash and cash equivalents c/fwd	**23,876**	**3,879**	**5,571**

Audited year ended 30 June 2019

Statements of Combined Comprehensive Income

The Northern X Group reported a total comprehensive loss of £167,398 for the year ended 30 June 2019 due to Northern X Group Directors' remuneration of £46,821, exploration costs written off of £425, professional costs of £60,307, an FX loss of £58,139, other expenses of £137 and a charge of £1,569 to other comprehensive income in relation to foreign exchange differences.

Northern X Group Directors' remuneration consisted wages and salaries of £40,237 and payroll taxes of £6,584.

Professional costs included audit and accountancy fees of £32,113 and legal fees of £28,194.

Other expenses comprised travel expenses of £332 which is netted off with a bank credit of £195.

Statements of Combined Financial Position

Current and total assets

Total assets of the Northern X Group as at 30 June 2019 were £1,759,885 as at 30 June 2019, which included £1,709,159 of non-current assets and £50,726 of current assets.

Non-current assets included £1,790,159 of exploration and evaluation assets.

Current assets comprised £26,850 of other receivables and £23,876 of cash and cash equivalents. Within other receivables were £23,260 of prepayments, £3,581 of other receivables and related party receivables of £9.

Current and total liabilities

Current and total liabilities of the Northern X Group were £1,929,197 as at 30 June 2019, comprising related party borrowings from Pursuit of £1,879,644 and other payables of £49,553, which included £5,406 of accruals and £44,147 of other payables.

Statement of Combined Cash flows

The Northern X Group held cash and cash equivalents of £23,876 as at 30 June 2019, which amounted to a net cash inflow of the same amount. The net cash used in operating activities was £188,403, which comprised the operating loss of £165,829, a foreign exchange gain of £1,602, a decrease in other receivables of £25,410 and a decrease in other payables of £46,382. The net cash used in investing activities of £1,579,828, relating to expenditure on exploration and evaluation assets. The net cash from financing activities was £1,792,107, comprising borrowings from Pursuit.

Capital resources

There was total negative equity as at 30 June 2019 of £169,312, comprising £6,480 of share capital, a negative foreign currency translation reserve of £1,548 and a retained deficit of £174,244.

Audited year ended 30 June 2020

Statements of Combined Comprehensive Income

The Northern X Group reported a total comprehensive loss of £7,781 (2019: £167,398) for the year ended 30 June 2020 due to exploration costs written off of £273 (2019: £425), professional costs of £18,972 (2019: £60,307), an FX gain of £16,242 (2019: loss of £58,139), other expenses of £1,246 (2019: £137) and a charge of £3,532 (2019: £1,569) to other comprehensive income in relation to foreign exchange differences.

Professional costs included audit and accountancy fees of £16,397 (2019: £32,113) and legal fees of £2,575 (2019: £28,194).

Other expenses comprised bank charges of £1,246 (2019: £137).

Statements of Combined Financial Position

Current and total assets

Total assets of the Northern X Group as at 30 June 2020 were £1,814,560 (2019: £1,759,885), which included £1,789,144 (2019: £1,709,159) of non-current assets and £25,416 (2019: £50,726) of current assets.

Non-current assets comprised £1,789,144 (2019: £1,709,159) of exploration and evaluation assets.

Current assets comprised £21,537 (2019: £26,850) of other receivables and £3,879 (2019: £23,876) of cash and cash equivalents. Within other receivables were £11,891 (2019: £23,260) of prepayments, £3,641 (2019: £3,581) of other receivables and related party receivables of £6,005 (2019: £9).

Current and total liabilities

Current and total liabilities of the Northern X Group were £1,991,653 as at 30 June 2020 (2019: £1,929,197), comprising related party borrowings from Pursuit of £1,981,406 (2019: £1,879,644) and other payables of £10,247 (2019: £49,553).

Statement of Combined Cash flows

The Northern X Group held cash and cash equivalents of £3,879 (2019: £23,876) as at 30 June 2020, which amounted to a net cash outflow for the year of £19,713 (2019: inflow of £23,876). The net cash used in operating activities was £38,210 (2019: £188,403), which comprised the operating loss of £4,249 (2019: loss of £165,829), a foreign exchange loss of £552 (2019: gain of £1,602), a decrease in other receivables of £5,794 (2019: decrease of £25,410) and a decrease in other payables of £40,307 (2019: decrease of £46,382). The net cash used in investing activities of £44,945 (2019: £1,579,828) related to expenditure on exploration and evaluation assets. The net cash from financing activities was £63,442 (2019: £1,792,107) which comprised borrowings from Pursuit.

Capital resources

There was total negative equity as at 30 June 2020 of £177,093 (2019: £169,312), comprising £6,480 (2019: £6,480) of share capital, a negative foreign currency translation reserve of £5,080 (2019: negative £1,548) and a retained deficit of £178,493 (2020: £174,244).

Audited year ended 30 June 2021

Statements of Combined Comprehensive Income

The Northern X Group reported a total comprehensive loss of £30,533 (2020: loss of £7,781) for the year ended 30 June 2021 due to professional costs of £21,528 (2020: £18,972), an FX loss of £15,706 (2020: gain of £16,242), other expenses of £1,328 (2020: £1,246) and other comprehensive income of £8,029 (2020: charge of £3,532) in relation to foreign exchange differences.

Professional costs included audit and accountancy fees of £4,906 (2020: £16,397) and legal fees of £16,622 (2020: £2,575).

Other expenses comprised bank charges of £1,328 (2020: £1,246).

Statements of Combined Financial Position

Current and total assets

Total assets of the Northern X Group as at 30 June 2021 were £1,753,103 (2020: £1,814,560), comprising £1,738,641 (2020: £1,789,144) of non-current assets and £14,462 (2020: £25,416) of current assets.

Non-current assets included £1,738,641 (2020: £1,789,144) of exploration and evaluation assets.

Current assets comprised £8,891 (2020: £21,537) of other receivables and £5,571 (2020: £3,879) of cash and cash equivalents.

Current and total liabilities

Current and total liabilities of the Northern X Group were £1,960,729 as at 30 June 2020 (2020: £1,991,653), comprising related party borrowings from Pursuit of £1,951,245 (2020: £1,981,406) and other payables of £9,484 (2020: £10,247).

Statement of Combined Cash flows

The Northern X Group held cash and cash equivalents of £5,571 (2020: £3,879) as at 30 June 2021, which amounted to a net cash inflow for the year of £1,474 (2020: outflow of £19,713). The net cash used in operating activities was £26,215 (2020: £38,210), which comprised the loss before tax of £38,562 (2020: £4,249), a loss on foreign exchange of £1,353 (2020: loss of £552), a decrease in other receivables of £11,385 (2020: decrease of £5,794) and a decrease in other payables of £391 (2020: decrease of £40,307). The net cash used in investing activities of £13,002 (2020: used £44,945) related to expenditure on exploration and evaluation assets. The net cash from financing activities was £40,691 (2020: received £63,442), which comprised a borrowings from Pursuit.

Capital resources

There was total negative equity as at 30 June 2021 of £207,626 (2020: £177,093), comprising £6,480 (2020: £6,480) of share capital, a foreign currency translation reserve of £2,949 (2020: negative £5,080) and a retained deficit of £217,055 (2021: £178,493).

PART IV

FINANCIAL INFORMATION

SECTION A: HISTORICAL FINANCIAL INFORMATION OF THE GROUP

The following unaudited interim financial information and audited historical financial information of the Group has been incorporated by reference:

Unaudited interim financial information for the six-month period ended 30 June 2021

The Company's unaudited interim financial information for the six-month period ended 30 June 2021 can be viewed on the Company's website at:

http://www.kendrickresources.com/publications.php

The unaudited interim financial information available includes the following:

- Chairman's Statement (page 1)
- Unaudited Statement of Comprehensive Income (page 3);
- Unaudited Statement of Financial Position (page 4);
- Unaudited Statement of Cash Flows (page 5);
- Unaudited Statement of Changes in Equity (page 6);
- Notes to the Interim Financial Information (pages 7 to 11).

Audited historical financial information for the year ended 29 December 2020

The Group's audited historical financial information for the year ended 29 December 2020 can be viewed on the Company's website at:

http://www.kendrickresources.com/documents/2021 06 25 Kendrick Accounts 29 Dec 2020 signed.pdf

The audited historical financial information available includes the following:

- Directors and advisers (page 3);
- Chairman's statement (page 4);
- Strategic report (page 6);
- Directors' report (page 11);
- Statement of Directors' responsibilities (page 15);
- Report of the independent auditor (page 16);
- Company Statement of Comprehensive Income (page 19);
- Company Statement of Financial Position (page 20);
- Company Statement of Cash Flow (page 21);
- Company Statement of Changes in Equity (page 22); and
- Notes to the Financial Statements (pages 23 to 38).

Audit report

The Group's independent auditors concluded that the financial statements have been properly prepared in accordance with IFRS and give a true and fair view of the state of the Group's affairs as at 29 December 2020.

Audit report qualification

The Group's auditors included a material uncertainty relating to going concern in their audit report for the year ended 29 December 2020. The opinion is summarised as follows:

"Material uncertainty relating to going concern

We draw attention to the adequacy of the disclosure made in note 3 to the financial statements indicate the existence of a material uncertainty, which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

Audited historical financial information for the period ended 29 December 2019

The Group's audited historical financial information for the period ended 31 December 2019 can be viewed on the Company's website at:

http://www.kendrickresources.com/documents/BMR Final Accounts for the Company 2019 Clean 23 Dec 2020.pdf

The audited historical financial information available includes the following:

- Directors and advisers (page 3);
- Chairman's statement (page 4);
- Strategic report (page 7);
- Directors' report (page 11);
- Statement of Directors' responsibilities (page 14);
- Report of the independent auditor (page 15);
- Company Statement of Comprehensive Income (page 18);
- Company Statement of Financial Position (page 19);
- Company Statement of Cash Flow (page 20);
- Company Statement of Changes in Equity (page 21); and
- Notes to the Financial Statements (pages 22 to 35).

Audit report

The Group's independent auditors concluded that the financial statements have been properly prepared in accordance with IFRS and give a true and fair view of the state of the Company's affairs as at 29 December 2019.

Audit report qualification

The Group's auditors included an adverse opinion and a material uncertainty relating to going concern in their audit report for the period ended 29 December 2019. The opinion is summarised as follows:

"Adverse opinion on financial statements

We have audited the financial statements of BMR Group plc (the "Company") for the period ended 29 December 2019, which comprise:

- the statement of comprehensive income for the period ended 29 December 2019;
- the statements of financial position as at 29 December 2019;
- the statements of cash flows for the period then ended;
- the statements of changes in equity for the period then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by

the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

As set out below the financial statements are incomplete as consolidated accounts have not been presented, therefore our opinion, the financial statements:

- do not give a true and fair view of the group's affairs as at 29 December 2019 and of the profit or loss for the period then ended;
- do not comply with the relevant provisions of the Companies Act 2006; and
- have not been properly prepared in accordance with IFRSs as adopted by the European Union.

In our opinion, the Company's financial statements do give a true and fair view of the Company's affairs as at 29 December 2019 and of the loss for the period then ended.

Basis for adverse opinion on financial statements

As explained in Note 3 to the financial statements, the Company has not prepared consolidated financial statements for the period up to the loss of control as the director considers that this would lead to undue delay to the Company. This is not in accordance with International Financial Reporting Standard 10 Consolidated Financial Statements which requires consolidated financial statements to be prepared for a group of this size and nature.

Material uncertainty related to going concern

We draw attention to the adequacy of the disclosure made in note 3 to the financial statements concerning the ability of the Company to continue as a going concern. The financial statements have been prepared on the going concern basis, which rely on the financial support from a director. These conditions, along with the other matters explained in note 3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

Audited historical financial information for the 18-month period ended 30 December 2018

The Group's audited historical financial information for the 18-month period ended 31 December 2018 can be viewed on the Company's website at:

http://www.kendrickresources.com/documents/BMR 2018 signed accounts.pdf

The audited historical financial information available includes the following:

- Directors and advisers (page 3);
- Chairman's statement (page 4);
- Strategic report (page 12);
- Directors' report (page 17);
- Corporate governance (page 20);
- Statement of Directors' responsibilities (page 23);
- Report of the independent auditor (page 24);
- Consolidated Statement of Comprehensive Income (page 27);
- Consolidated Statement of Financial Position (page 28);
- Consolidated Statement of Cash Flow (page 29);
- Consolidated Statement of Changes in Equity (page 30);
- Company Statement of Financial Position (page 31);
- Company Statement of Cash Flow (page 32);
- Company Statement of Changes in Equity (page 33); and
- Notes to the Financial Statements (pages 34 to 61).

Audit report

The Group's independent auditors concluded that the financial statements have been properly prepared in accordance with IFRS and give a true and fair view of the state of the Group's affairs as at 30 December 2018.

Audit report qualification

The Group's auditors included an emphasis of matter in their audit report for the 18-month period ended 30 December 2018. The opinion is summarised as follows:

"Emphasis of matter

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made I notes 4 and 12 to the financial statements concerning carrying value of the development assets.

As described in note 12, the carrying value of the development assets comprise of the Kabwe tailings project with a carrying value of approximately £9.7 million (2017: £10.8 million). The recoverable value of the Kabwe tailings project is based on the net present value of estimated future income streams, derived from a royalty interest in projected net profit from the project after application of an appropriate discount rate. If the profitability of the Kabwe tailings project is less than anticipated, appropriate adjustments would be necessary to further impair the carrying value of the development assets.

The matters explained in notes 4 and 12 indicate the existence of a material uncertainty in relation to the carrying value of the Kabwe tailing project. Our opinion is not modified in respect of this matter."

SECTION B: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE NORTHERN X GROUP

Crowe U.K. LLP
Chartered Accountants
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London EC4M 7JW, UK
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29 April 2022

The Directors
Kendrick Resources Plc
7/8 Kendrick Mews
South Kensington
London
SW7 3HG

Dear Sirs and Madams,

Introduction

We report on the audited, combined historical financial information of Northern X Finland Oy and Northern X Scandinavia AB (together, the "Northern X Group") a set out in Section C: *"Historical Financial Information of the Northern X Group"* of Part IV *"Financial Information"* of Kendrick Resources Plc's (the "Company") prospectus dated 29 April 2022 (the "Document") for the three years ended 30 June 2019, 30 June 2020 and 30 June 2021 (together, the "Northern X Group Financial Information").

Opinion on financial information

In our opinion, the Northern X Group Financial Information gives, for the purposes of the Document, a true and fair view of the state of affairs of the Northern X Group as at the date stated and of the results, financial position, cash flows and changes in equity for the periods then ended in accordance with UK-adopted international accounting standards ("IFRS").

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the Northern X Group Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the Northern X Group Financial Information and to report our opinion to you.

Basis of Preparation

This Northern X Group Financial Information has been prepared for inclusion in the Document on the basis of the accounting policies set out in note 3 to the Northern X Group Financial Information. This report is required by item 18.3.1 of Annex 1 to the UK version of Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the "Prospectus Regulation") and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and the

Northern X Group in accordance with relevant ethical requirements. In the United Kingdom this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Northern X Group Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the financial statements underlying the Northern X Group Financial Information and whether the accounting policies are appropriate to the Northern X Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Northern X Group Financial Information is free from material misstatement, whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of the Northern X Group to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the Northern X Group Financial Information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Document in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION C – HISTORICAL FINANCIAL INFORMATION OF THE NORTHERN X GROUP

COMBINED STATEMENT OF COMPREHENSIVE INCOME

The audited, combined Statements of Comprehensive Income of the Northern X Group for each of the years ended 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	Notes	*Audited* Year ended 30 June 2019 £	*Audited* Year ended 30 June 2020 £	*Audited* Year ended 30 June 2021 £
Continuing operations				
Northern X Group Directors' remuneration	6	(46,821)	—	—
Exploration costs written off	6	(425)	(273)	—
Professional costs	6	(60,307)	(18,972)	(21,528)
FX gain/loss		(58,139)	16,242	(15,706)
Other expenses	6	(137)	(1,246)	(1,328)
Loss before income taxes		**(165,829)**	**(4,249)**	**(38,562)**
Income tax	8	—	—	—
Loss for the year		**(165,829)**	**(4,249)**	**(38,562)**
Other comprehensive income:				
Foreign exchange differences		(1,569)	(3,532)	8,029
Total comprehensive loss for the year		**(167,398)**	**(7,781)**	**(30,533)**

COMBINED STATEMENT OF FINANCIAL POSITION

The audited, combined Statements of Financial Position of the Northern X Group as at 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	Notes	*Audited* As at 30 June 2019 £	*Audited* As at 30 June 2020 £	*Audited* As at 30 June 2021 £
ASSETS				
Exploration and evaluation assets	9	1,709,159	1,789,144	1,738,641
Non-current assets		**1,709,159**	**1,789,144**	**1,738,641**
Other receivables	10	26,850	21,537	8,891
Cash and cash equivalents		23,876	3,879	5,571
Current assets		**50,726**	**25,416**	**14,462**
TOTAL ASSETS		**1,759,885**	**1,814,560**	**1,753,103**
EQUITY AND LIABILITIES				
Share capital	11	6,480	6,480	6,480
Foreign currency translation reserve	12	(1,548)	(5,080)	2,949
Retained deficit	12	(174,244)	(178,493)	(217,055)
Equity		**(169,312)**	**(177,093)**	**(207,626)**
Borrowings	13	1,879,644	1,981,406	1,951,245
Other payables	14	49,553	10,247	9,484
Current liabilities		**1,929,197**	**1,991,653**	**1,960,729**
Total liabilities		**1,929,197**	**1,991,653**	**1,960,729**
TOTAL EQUITY AND LIABILITIES		**1,759,885**	**1,814,560**	**1,753,103**

STATEMENTS OF COMBINED CHANGES IN EQUITY

The audited, combined Statements of Changes in Equity of the Northern X Group for each of the years ended 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	Share capital £	Foreign currency translation reserve £	Retained deficit £	Total £
As at 1 July 2018	6,480	21	(8,415)	(1,914)
Loss after taxation	—	—	(165,829)	(165,829)
Other comprehensive loss	—	(1,569)	—	(1,569)
Total comprehensive loss for the year	—	(1,569)	(165,829)	(167,398)
As at 30 June 2019	**6,480**	**(1,548)**	**(174,244)**	**(169,312)**
Loss for the year	—	—	(4,249)	(4,249)
Other comprehensive loss	—	(3,532)	—	(3,532)
Total comprehensive loss for the year	—	(3,532)	(4,249)	(7,781)
As at 30 June 2020	**6,480**	**(5,080)**	**(178,493)**	**(177,093)**
Loss for the year	—	—	(38,562)	(38,562)
Other comprehensive income	—	8,029	—	8,029
Total comprehensive profit/(loss) for the year	—	8,029	(38,561)	(30,533)
As at 30 June 2021	**6,480**	**2,949**	**(217,055)**	**(207,626)**

STATEMENTS OF COMBINED CASH FLOWS

The audited, combined Statements of Cash Flows of the Northern X Group for each of the years ended 30 June 2019, 30 June 2020 and 30 June 2021 are set out below:

	Audited **Year ended 30 June 2019 £**	***Audited*** **Year ended 30 June 2020 £**	***Audited*** **Year ended 30 June 2021 £**
Loss before tax for the year	(165,829)	(4,249)	(38,562)
Foreign exchange movements	(1,602)	552	1,353
Working capital movements:			
Decrease in other receivables	25,410	5,794	11,385
Decrease in other payables	(46,382)	(40,307)	(391)
Net cash used in operating activities	**(188,403)**	**(38,210)**	**(26,215)**
Expenditure on exploration and evaluation assets	(1,579,828)	(44,945)	(13,002)
Net cash used in investing activities	**(1,579,828)**	**(44,945)**	**(13,002)**
Proceeds from borrowings	1,792,107	63,442	40,691
Net cash from financing activities	**1,792,107**	**63,442**	**40,691**
Net cash inflow/(outflow) for the year	**23,876**	**(19,713)**	**1,474**
Cash and cash equivalents b/fwd	—	23,876	3,879
Effects of foreign exchange differences	—	(284)	218
Cash and cash equivalents c/fwd	**23,876**	**3,879**	**5,571**

NOTES TO THE NORTHERN X GROUP FINANCIAL INFORMATION

1. GENERAL INFORMATION

The presented Historical Financial Information combines the following entities collectively the "Northern X Group":

- Northern X Finland, a company incorporated under the laws of Finland on 5 March 2018 with the Finnish business identity code 2892740-6. Its registered office is located at C/o Millar Ab, Storgatan 51, 972 31 Luleå Sweden. Northern X Finland is a mineral exploration and development company with exploration and evaluation assets in Finland; and
- Northern X Scandinavia, a company incorporated under the laws of Sweden on 12 April 2018 with the number 559148-9850. Its registered office is located at C/o Hellstrom Advokatbyra KB, Box7305, Stockholm, Sweden. Northern X Scandinavia is a mineral exploration and development company with development assets in Sweden.

The Northern X Group's principal business activity is the acquisition and exploration of mineral assets in Scandinavia. To date, the Northern X Group has not generated any revenues from its operations and is considered to be in the exploration stage.

The Northern X Group is in the process of exploring its exploration and evaluation assets and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Northern X Group to obtain the financing necessary to complete the development of its exploration and evaluation assets and upon future profitable production.

2. BASIS OF PREPARATION

The principal accounting policies adopted by the Northern X Group in the preparation of the Northern X Group Financial Information are set out below.

The Northern X Group Financial Information has been prepared in accordance with UK-adopted international accounting standards ("IFRS"), including interpretations made by the International Financial Reporting Interpretations Committee issued by the International Accounting Standards Board. The standards have been applied consistently. The historical cost basis of preparation has been used, except for certain financial assets measured at fair value.

All amounts are presented are in pounds sterling ("£") and rounded to the nearest £, unless otherwise specified.

Basis of combination

The Northern X Group Financial Information includes the combined financial information of:

- 100% of Northern X Finland; and
- 100% of Northern X Scandinavia.

The entities which comprise the Northern X Group do not include an overall holding company and did not form a legal group in the periods presented in the Northern X Group Financial Information. However, they have been under common management and control in those years. The combined financial information has been prepared in this document as it is the intention that the combined entities are to be acquired by Kendrick Resources Plc.

IFRS does not provide guidance for the preparation of combined financial information and accordingly, in preparing the Northern X Group Financial Information, certain accounting conventions commonly used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR 2000 *"Investment Reporting Standard Applicable to Public Reporting Engagements on Historical Financial Information"*, issued by the Financial Reporting Council, have been applied. As the Northern X Group Financial Information has been prepared on a combined basis, it is not possible to measure earnings per share on a meaningful basis. Accordingly, the requirement of IAS 33 *"Earnings per Share"* to disclose earnings per share has not been complied with.

The Northern X Group Financial Information has been prepared by aggregating the assets, liabilities, results share capital, share premium and reserves of Northern X Finland and Northern X

Scandinavia, after eliminating intercompany transactions, balances and unrealised gains on transactions between the combined entities. *"Share capital"* and *"share premium"* represent the aggregated share capital and share premiums of both Northern X Finland and Northern X Scandinavia.

Standards and interpretations issued but not yet applied

At the date of the Northern X Group Financial Information, the Northern X Group Directors have reviewed the standards in issue by the issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of the Northern X Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of the Northern X Group Financial Information in compliance with IFRS requires the Directors to exercise judgement in applying the following accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Northern X Group Financial Information are disclosed in Note 4 *"Significant Judgements, Estimates and Assumptions"* to the Northern X Group Financial Information.

Foreign currencies

Presentational and functional currency

The Northern X Group Financial Information is presented in £.

Items included in the accounts of each of the Northern X Group's entities are measured using the currency of the primary economic environment in which an entity operates (the "functional currency"). The functional currency of Northern X Finland is the Euro ("€"). The functional currency of Northern X Scandinavia is Swedish Krona ("SEK"). The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21 *"The Effects of Changes in Foreign Exchange Rates"*.

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Translation of Northern X results from € into £, the presentation currency

The results and financial position of Northern X Finland and Northern X Scandinavia from € and SEK (which are not hyperinflationary economies) are translated into £, the presentation currency, as follows:

- assets and liabilities on the Statement of Financial Position are translated at the closing rate at each reporting date;
- income and expenses in the Statement of Comprehensive Income are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and

all resulting exchange differences are recognised in *"other comprehensive income"* and are accumulated in the foreign currency translation reserve.

Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognised in profit or loss.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the period end, and adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities on the Statement of Financial Position and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realised or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognised in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Northern X Group intends to settle its current tax assets and liabilities on a net basis.

Exploration and evaluation assets

Exploration and evaluation assets are capitalised as intangible assets on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. No costs are capitalised until the legal right to explore the property has been obtained. When it is determined that such costs will be recouped through development and exploitation, the capitalised expenditure is first tested for impairment, then transferred to tangible assets and depreciated over the expected productive life of the asset.

Costs for a producing prospect are amortised on a unit-of-production method, based on the estimated life of the ore reserves, while costs for the prospects abandoned are written-off.

Impairment reviews for deferred exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one or more of the following circumstances apply:

- unexpected geological occurrences are identified that render the resource uneconomic;
- title to the asset is compromised;
- fluctuations in metal prices render the project uneconomic; or
- lack of available financing to progress the project.

Where the Northern X Group enters into exploration option agreements with third parties, the Northern X Group may acquire or dispose of mineral rights and certain benefits attached to those mineral rights. Due to the fact that these options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation assets when payments are made, or as recoveries when payments are received, either against exploration and evaluation assets or as income within profit or loss depending on the nature of the option agreement.

The recoverability of the amounts capitalised for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Northern X Group's interest in the underlying mineral claims, the ability to develop its exploration and evaluation assets, the ability to obtain the necessary financing to complete their development and future profitable production.

Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbances are caused by the exploration or development of exploration and evaluation assets due to statutory, contractual, constructive or legal obligations.

As at the reporting date, the Northern X Group has no environmental rehabilitation obligations in either Finland or Sweden. As such, no provision has been recognised in the Northern X Group Financial Information.

The Northern X Group Directors' review annually for changes in regulatory requirements with respect to environmental rehabilitation obligations.

Impairment

At the end of each reporting period, the carrying amounts of the Northern X Group's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in profit or loss.

For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective asset.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short-term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Northern X Group during the period.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Even though exploration and evaluation assets can be qualifying assets, they generally do not meet the *"probable economic benefits"* test and are also rarely debt funded. Any related borrowing costs incurred during this phase are therefore generally recognised in profit or loss in the period they are incurred.

Financial instruments

The Northern X Group Directors classify the Northern X Group's financial assets in the following categories:

- financial assets at *"fair value through profit or loss"*; or
- loans and receivables; or
- other financial liabilities.

The classification depends on the purpose for which the financial assets were acquired. The classification of the Northern X Group's financial assets is determined at initial recognition and depends on the nature and purpose of the financial instrument.

Financial assets at "fair value through profit or loss"

Financial instruments are classified as *"fair value through profit or loss"* when the financial instrument is held for trading or it is designated as *"fair value through profit or loss"*.

A financial instrument is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future;
- it is a part of an identified portfolio of financial instruments that the Northern X Group manages and has an actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial asset held at *"fair value through profit or loss"* are included in profit or loss in the period in which they arise.

The Northern X Group Directors classified the Northern X Group's marketable securities as *"fair value through profit or loss"*.

Loans and receivables

Other receivables and borrowings that have fixed or determinable payments that are not quoted in an active market are classified as *"loans and receivables". "Loans and receivables"* are initially recognised at the transaction value and subsequently carried at amortised cost less impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at year end.

The Northern X Group Directors have classified the Northern X Group's other receivables and borrowings as *"loans and receivables"*.

Other financial liabilities

"Other financial liabilities" are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period.

The Northern X Group Directors have classified the Northern X Group's other payables as *"other financial liabilities"*.

Impairment of financial assets at amortised cost

The Northern X Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortised cost decreases, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Northern X Group Financial Information requires management to make judgments, and estimates relating to the carrying amounts of certain assets and liabilities. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the estimates made. Estimates and assumptions are reviewed on an ongoing basis.

The estimates and underlying assumptions are reviewed by the Northern X Group Directors on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

The Northern X Group Directors have made the following judgements which may have a significant effect on the amounts recognised in the Northern X Group Financial Information:

Carrying value of the Northern X Group's exploration and evaluation assets

All costs of exploration and evaluation (E&E) are initially capitalised as E&E assets. Payments to acquire the legal right to explore, costs of technical services and studies, exploratory drilling and testing are capitalised as intangible E&E assets.

The Northern X Group applies the full cost method of accounting for E&E costs, where costs of exploring for and evaluating mineral resources are accumulated by reference to appropriate cost centres being the appropriate licence area, but are tested for impairment on a cost pool basis.

Functional currency

Items included in the accounts of each of the Northern X Group entities are measured using the currency of the primary economic environment in which an entity operates. For Northern X Finland, the Northern X Group Directors have determined the functional currency to be the €. For Northern X Scandinavia, the Northern X Group Directors have determined the functional currency to be SEK) For Northern X Group reporting purposes, the Northern X Group Directors have determined it most appropriate to utilise £ as the presentation currency. Judgement is required to be exercised in determining the functional currency, including assessing the underlying transactions, events and conditions which are relevant to an entity. The Northern X Group Directors have considered the currency of funds raised from financing activities and in which most expenditure is denominated as being most relevant in reaching its determination for those entities resident in Finland and Sweden.

5. SEGMENTAL INFORMATION

The Northern X Group operates in one business segment, being the exploration and evaluation of mineral properties. These activities are undertaken in both Finland and Sweden.

30 June 2021 *(audited)*

	Finland £	Sweden £	Total £
Net assets			
Exploration and evaluation assets	577,143	1,161,498	1,738,641
Non-current assets	577,143	1,161,498	1,738,641
Other receivables	6,014	2,877	8,891
Cash and cash equivalents	5,102	469	5,571
Current assets	11,116	3,346	14,462
Borrowings	(693,074)	(1,258,171)	(1,951,245)
Other payables	(3,703)	(5,781)	(9,484)
Current liabilities	(696,777)	(1,263,952)	(1,960,729)
NET ASSETS	(108,518)	(99,108)	(207,626)
Comprehensive loss			
Loss before income taxes	(34,191)	(4,371)	(38,562)
Income taxes	—	—	—
Loss for the year	(34,191)	(4,371)	(38,562)

30 June 2020 *(audited)*

	Finland £	Sweden £	Total £
Net assets			
Exploration and evaluation assets	610,727	1,178,417	1,789,144
Non-current assets	610,727	1,178,417	1,789,144
Other receivables	23,127	(1,590)	21,537
Cash and cash equivalents	3,879	—	3,879
Current assets	27,006	(1,590)	25,416
Borrowings	(713,779)	(1,267,627)	(1,981,406)
Other payables	(3,796)	(6,451)	(10,247)
Current liabilities	(717,575)	(1,274,078)	(1,991,653)
NET ASSETS	(79,842)	(97,251)	(177,093)
Comprehensive loss			
Profit before income taxes	(2,630)	(1,619)	(4,249)
Income taxes	—	—	—
Loss for the year	(2,630)	(1,619)	(4,249)

30 June 2019 *(audited)*

	Finland £	Sweden £	Total £
Net assets			
Exploration and evaluation assets	567,488	1,141,671	1,709,159
Non-current assets	567,488	1,141,671	1,709,159
Other receivables	21,439	5,411	26,850
Cash and cash equivalents	16,974	6,902	23,876
Current assets	38,413	12,313	50,726
Borrowings	(662,451)	(1,217,193)	(1,879,644)
Other payables	(19,307)	(30,246)	(49,553)
Current liabilities	(681,758)	(1,247,439)	(1,929,197)
NET ASSETS	(75,857)	(93,455)	(169,312)
Comprehensive loss			
Loss before income taxes	(75,323)	(90,506)	(165,829)
Income taxes	—	—	—
Loss for the year	(75,323)	(90,506)	(165,829)

6. EXPENSES BY NATURE

	Audited Year ended 30 June 2019 £	*Audited* Year ended 30 June 2020 £	*Audited* Year ended 30 June 2021 £
Northern X Group Directors' remuneration	40,237	—	—
Payroll tax	6,584	—	—
Employee costs *(including directors)*	46,821	—	—
Audit and accountancy fees	32,113	16,397	4,906
Legal fees	28,194	2,575	16,622
Professional costs	60,307	18,972	21,528
Exploration costs	425	273	—
Exploration costs	425	273	—
Bank charges	(195)	1,246	1,328
Travel	332	—	—
Exchange rate variance	58,139	(16,242)	15,706
Other expenses	58,276	(14,996)	17,033
Total operating expenses	165,829	4,249	38,562

7. STAFF COSTS

	Audited Year ended 30 June 2019 £	*Audited* Year ended 30 June 2020 £	*Audited* Year ended 30 June 2021 £
Aggregate staff costs *(including directors)*			
Wages and salaries	40,237	—	—
Social security and other payroll taxes	6,584	—	—
Total staff costs	46,821	—	—
Recognised within:			
Employee costs within operating expenditure	46,821	—	—
	46,821	—	—

	Audited Year ended 30 June 2019	*Audited* Year ended 30 June 2020	*Audited* Year ended 30 June 2021
Average monthly number of employees			
Northern X Group Directors	2	2	2
Total	2	2	2

During the period under review, there were no employees involved in exploration and evaluation activities other than the Northern X Group Directors.

Remuneration of key management personnel

Key management personnel of the Northern X Group comprise the directors of each of Northern X Finland and Northern X Scandinavia. The emoluments and benefits of key management personal were as follows:

	Audited Year ended 30 June 2019 £	*Audited* Year ended 30 June 2020 £	*Audited* Year ended 30 June 2021 £
Aggregate staff costs *(including directors)*			
Wages and salaries	40,237	—	—
Social security and other payroll taxes	6,584	—	—
Total staff costs	46,821	—	—

8. INCOME TAX

Income taxes are provided for the tax effects of transactions reported in the Northern X Group Financial Information and consist of taxes currently due, plus deferred taxes related to differences between the basis of assets and liabilities for financial and income tax reporting.

During the year ended 31 December 2020, no current or deferred tax liabilities were incurred or recognised due to the historical, and expected near-term, loss-making activities of the Northern X Group (2020: £nil, 2019: £nil).

	Audited **Year ended 30 June 2019** **£**	***Audited*** **Year ended 30 June 2020** **£**	***Audited*** **Year ended 30 June 2021** **£**
Losses attributable to shareholders	140,151	4,249	38,561
Expected tax at average tax rate of 20.5% (2020: 21.2%, 2019: 21.35%)	29,922	901	7,905
Tax losses lost on acquisition	(29,922)	(901)	(7,905)
Tax charge for the year	**—**	**—**	**—**

Finnish tax legislation prohibits the carrying forward of tax losses when there is a change of control of the company which has incurred the tax loses. Swedish tax legislation significantly restricts the carrying forward of tax losses when there is a change of control of the company which has incurred the tax loses. Accordingly, as the Northern X Group Financial Information is being prepared on the basis that the Northern X Group will, on Admission, be acquired by the Company, no tax losses are available for carry forward.

9. EXPLORATION AND EVALUATION ASSETS

	£
Cost	
As at 1 July 2018	129,805
Additions	1,579,828
Foreign exchange difference	(474)
As at 30 June 2019	1,709,159
Additions	35,040
Foreign exchange difference	44,945
As at 30 June 2020	1,789,144
Additions	13,002
Foreign exchange difference	(63,505)
As at 30 June 2021	1,738,641

Impairment assessments

The ability of the Northern X Group to explore and develop its exploration and evaluation assets and the future profitability of the Northern X Group are directly related to the market price of commodities. The Northern X Group Directors monitor commodity prices in forecasting their assessment of the carrying values of the Northern X Group's exploration and evaluation assets at each reporting period and whether there is any evidence of impairment.

10. OTHER RECEIVABLES

	Audited As at 30 June 2019 £	*Audited* As at 30 June 2020 £	*Audited* As at 30 June 2021 £
Prepayments	23,260	11,891	—
Other receivables	3,590	9,646	8,891
Other receivables	26,850	21,537	8,891

There are no expected credit losses on the Northern X Group's other receivables at each reporting date.

11. SHARE CAPITAL

Share capital

The Northern X Group Financial Information has been presented on a combined basis. As such, the carrying value of *"share capital"* within *"equity"* represents the aggregation of the carrying values of the issued share capital of each of Northern X Finland and Northern Scandinavia.

12. OTHER RESERVES

Foreign currency translation reserve

The foreign currency translation reserve represents the differences arising on the translation of Northern Finland Oy from its functional currency, the € and Northern Scandinavia AB from its functional currency, the SEK, into the presentation currency, the £, at each reporting date.

Retained deficit

The retained deficit represents the combined losses of each of Northern X Finland and Northern X Scandinavia since their respective incorporation dates. Movements during the year represent the combined comprehensive loss for that year.

13. BORROWINGS

	Audited As at 30 June 2019 £	*Audited* As at 30 June 2020 £	*Audited* As at 30 June 2021 £
Payable within one year			
Loan from Pursuit Minerals Limited	1,879,644	1,981,406	1,951,245
Borrowings	1,879,644	1,981,406	1,951,245

The movements in the borrowings during the periods under review were as follows:

Related party loans	*Audited* As at 30 June 2019 £	*Audited* As at 30 June 2020 £	*Audited* As at 30 June 2021 £
Borrowings b/fwd	87,875	1,879,644	1,981,406
Loans advanced from Pursuit Minerals Limited	1,792,168	63,442	40,691
Foreign exchange differences	(399)	38,320	(70,852)
Borrowings c/fwd	1,879,644	1,981,406	1,951,245

To fund the Northern X Group's exploration and evaluation activities in Scandinavia. Pursuit provided a non-interest-bearing unsecured loan. The loan will be assigned to the Company on Admission.

The carrying value of borrowings approximates their fair value.

14. OTHER PAYABLES

	Audited As at 30 June 2019 £	*Audited* As at 30 June 2020 £	*Audited* As at 30 June 2021 £
Accruals	5,406	—	—
Other payables	44,147	10,247	845
Related party payables:			
Pursuit Minerals Limited	—	—	8,639
Trade and other payables	49,553	10,247	9,484

15. NET DEBT RECONCILIATION

30 June 2021	*Audited* Opening balances £	*Audited* Transfer from Pursuit £	*Audited* Foreign currency differences £	*Audited* Net cash movement £	*Audited* Closing balances £
Cash and cash equivalents	3,879	26,498	(230)	(24,576)	5,571
Borrowings	(1,981,406)	(26,498)	70,852	(14,193)	(1,951,245)
Related party loans	—	—	—	(8,639)	(8,639)
Totals	(1,977,527)	—	70,622	(47,408)	(1,954,313)

30 June 2020	*Audited* Opening balances £	*Audited* Transfer from Pursuit £	*Audited* Foreign currency differences £	*Audited* Net cash movement £	*Audited* Closing balances £
Cash and cash equivalents	23,876	54,599	285	(74,881)	3,879
Borrowings	(1,879,644)	(54,599)	(38,320)	(8,843)	(1,981,406)
Totals	(1,855,768)	—	(38,035)	(83,724)	(1,977,527)

30 June 2019	*Audited* Opening balances £	*Audited* Transfer from Pursuit £	*Audited* Foreign currency differences £	*Audited* Net cash movement £	*Audited* Closing balances £
Cash and cash equivalents	—	163,597	—	(139,721)	23,876
Borrowings	(87,875)	(163,597)	339	(1,628,511)	(1,879,644)
Totals	(87,875)	—	339	(1,768,232)	(1,855,768)

16. RELATED PARTY TRANSACTIONS

Pursuit

Pursuit is a related party as it owns the Northern X Group as a 100% shareholder of both Northern X Finland and Northern X Scandinavia throughout the period under review. During the period under review, Pursuit has provided loan financing to the Northern X Group to fund exploration and evaluation expenditure in Scandinavia. The amounts provided are set out in Note 13 *"Borrowings"* to the Northern X Group Financial Information.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Northern X Group's financial instruments consist of cash, other receivables, accounts payable and accrued liabilities and debt. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity and have been classified at amortised cost.

Cash has been classified at fair value through profit or loss and is recorded at fair value consistent with level 1 of the fair value hierarchy.

The Northern X Group is exposed to a variety of financial risks by virtue of its activities, including liquidity risk, credit risk, foreign currency risk, interest rate risk and commodity price risk. the foreign exchange risk is minimal as it only arises from financial instruments held in Finland which are not in euros, and Sweden which are not in SEK.

The Northern X Group Directors' objective with respect to risk management is to minimise potential adverse effects on the Northern X Group's financial performance and position. The Northern X Group Directors are responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Liquidity risk

Liquidity risk is the risk that the Northern X Group will not be able to meet its obligations as they become due. The Northern X Group's ability to continue as a going concern is dependent on the Northern X Group Directors' ability to raise the funds required through future equity financings and asset sales, or a combination thereof. The Northern X Group has no regular cash flow from its operating activities.

The Northern X Group Directors manage the Northern X Group's liquidity risk by:

- maintaining adequate cash reserves through the use of the Northern X Group's cash received from equity placings and borrowings;
- continuously monitoring actual cash flows to ensure the Northern X Group maintains an appropriate amount of liquidity;
- forecasting cash flow requirements for the Northern X Group's planned exploration and development work programmes and its associated corporate activities. Based on this analysis, the Northern X Group Directors secure sufficient additional equity investment and borrowings to ensure an appropriate level of liquidity is maintained.

Failure to realise additional funding, as required, could result in the delay or indefinite postponement of further exploration of the Northern X Group's mineral properties and could result in the Northern X Group being unable to meet the continued listing requirements of the London Stock Exchange.

The maturity profile of the Northern X Group's financial obligations are as follows:

	Less than 1 year £	2 to 5 years £	Total £
Other payables	845	—	845
Related party payables	8,639	—	8,639
Borrowings	1,951,245	—	1,951,245
As at 30 June 2021	1,960,729	—	1,960,729

	Less than 1 year £	2 to 5 years £	Total £
Other payables	10,247	—	10,247
Related party payables	—	—	—
Borrowings	1,981,406	—	1,981,406
As at 30 June 2020	1,991,653	—	1,991,653

	Less than 1 year £	2 to 5 years £	Total £
Other payables	44,147	—	44,147
Borrowings	1,879,644	—	1,879,644
As at 30 June 2019	1,923,791	—	1,923,791

To fund the Northern X Group's exploration and evaluation activities in Finland and Sweden, Pursuit provided a non-interest-bearing unsecured loan. The borrowings are repayable on Admission from a combination of cash and equity.

Credit risk

Credit risk is the risk of financial loss to the Northern X Group if a counter-party to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk at the reporting date is the carrying value of the Northern X Group's receivables and cash. The Northern X Group Directors limit the Northern X Group's exposure to credit risk on liquid financial assets through maintaining the Northern X Group's cash with high credit-rated financial institutions.

Foreign currency risk

The Northern X Group has its only significant exposure to foreign currency risk through expenditures incurred on Northern X Finland and Northern X Scandinavia's exploration and evaluation assets in € and SEK, denominated in £.

A 10% movement in the Euro and Swedish Krona would increase/(decrease) net assets of the Northern X Group by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

As at 30 June 2021

Effect on net assets of the Northern X Group:	£
Strengthened by 10%	(19,297)
Weakened by 10%	17,543

As at 30 June 2020

Effect on net assets of the Northern X Group:	£
Strengthened by 10%	(16,361
Weakened by 10%	14,874

As at 30 June 2019

Effect on net assets of the Northern X Group:	£
Strengthened by 10%	(15,157)
Weakened by 10%	13,759

Interest rate risk

The Northern X Group is exposed to interest rate risk to the extent that the future cash flows of a financial instrument fluctuate due to changes in market interest rates. The Northern X Group's exposure to interest rate risk is minimal as cash is placed in deposits held with financial institutions that generate modest investment returns and furthermore, the Northern X Group has no financial liabilities subject to variable interest rates.

18. CAPITAL MANAGEMENT

The capital of the Northern X Group consists of the items included within *"equity"* on the Statement of Financial Position. The Northern X Group Directors manage the Northern X Group's capital structure based on the nature and availability of funding and the timing of expected or committed expenditures. The Northern X Group Directors' capital management policy is to maintain sufficient capital to support the acquisition, exploration and future development of the Northern X Group's exploration and evaluation assets and to provide sufficient funds for the Northern X Group's corporate activities.

The Northern X Group's exploration and evaluation assets are in the exploration stage. As an exploration stage group, the Northern X Group is currently unable to self-finance its operations. The Northern X Group has historically relied on equity financings and asset sales, or a combination thereof, to finance its activities. The Northern X Group Directors project the Northern X Group's future capital requirements by planning the exploration and future development activities to be undertaken on its exploration and evaluation assets, and assessing the level of corporate activities that are necessary to support the growth and development of the Northern X Group. The Northern X Group is not subject to any externally imposed capital requirements.

19. COVID-19

In March 2020, the World Health Organisation declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Northern X Group Directors to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Northern X Group's business or its ability to raise funds.

During the year ended 30 June 2021, the Northern X Group did not receive any government support, rather it preserved cash by deferring exploration and evaluation work streams in both Finland and Sweden.

20. NATURE OF THE NORTHERN X GROUP FINANCIAL INFORMATION

The Northern X Group Financial Information presented above does not constitute statutory financial statements for the periods under review.

SECTION D: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP



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29 April 2022

The Directors
Kendrick Resources Plc
7/8 Kendrick Mews
South Kensington
London
SW7 3HG

Dear Sirs and Madams,

Introduction

We report on the unaudited *pro forma* Statement of Financial Position of the Enlarged Group as at 30 June 2021 and on the unaudited *pro forma* Statement of Comprehensive Income for the year ended 29 December 2020 (together, the "*Pro Forma* Financial Information") set out in Section E: *"Unaudited Pro Forma* Financial Information of the Group" of Part IV *"Financial information"* of the Company's prospectus dated 29 April 2022 (the "Document").

Opinion

In our opinion:

- the *Pro Forma* Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the *Pro Forma* Financial Information in accordance with Section 1 and Section 2 of Annex 20 of the UK version of the Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "Prospectus Regulation").

It is our responsibility to form an opinion, in accordance with Section 3 of Annex 20 of the Prospectus Regulation, as to the proper compilation of the *Pro Forma* Financial Information and to report that opinion to you in accordance with Section 3 of Annex 20 of the Prospectus Regulation.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the *Pro Forma* Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports, or opinions were addressed by us at the dates of their issue.

Basis of preparation

The *Pro Forma* Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how:

- the acquisitions of Northern X Finland Oy and Northern X Scandinavia AB;
- the issue by the Company of convertible loan notes subsequent to 30 June 2021;
- the issue of the convertible loan note shares;
- the issue of shares to settle certain trade and other payables;
- the issue of the placing shares and the subscription shares at the placing price; and
- the payment of costs associated with the acquisitions, placing and admission

might have affected the assets, liabilities, equity, and earnings presented on the basis of the accounting policies adopted by the Company in preparing the unaudited interim financial information for the six-month period ended 30 June 2021. This report is required by Section 3 of Annex 20 of the Prospectus Regulation and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company, Northern X Finland Oy and Northern X Scandinavia AB in accordance with the Financial Reporting Council's Ethical Standard, as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the *Pro Forma* Financial Information with the Directors.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with reasonable assurance that the *Pro Forma* Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Declaration

For the purpose of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 of the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION E: UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

Set out below is the unaudited *pro forma* Statement of Financial Position of the Enlarged Group as at 30 June 2021 and the unaudited *pro forma* Statement of Comprehensive Income for the year ended 29 December 2020 (together, the "*Pro Forma* Financial Information"). The *Pro Forma* Financial Information has been prepared on the basis of the accounting policies adopted by the Company in preparing the unaudited consolidated interim financial information of the Company for the six-month period ended 30 June 2021, incorporated by reference in Section A: *"Historical Financial Information on the Group"* of Part IV *"Financial Information"* of this Document and on the basis set out in the notes below, to illustrate the effects of:

- the Acquisitions;
- the issue by the Company of convertible loan notes to the value of £350,000 in July 2021 and £119,500 in November 2021;
- the issue of the Convertible Note Shares;
- the issue of the Fee Shares;
- the Fundraising; and
- the payment of the Transaction Costs and the Admission Costs,

on the assets, liabilities and equity of the Company had the Acquisitions, the issues of the convertible loan notes, the issue of the Convertible Note Shares, the issue of the Fee Shares, the Fundraising and settlement of the Transaction Costs and the Admission Costs occurred on 30 June 2021, and on the earnings of the Group for the year ended 29 December 2020 had the Acquisitions, the issues of the convertible loan notes, the issue of the Convertible Note Shares, the issue of the Fee Shares, the Fundraising and settlement of the Transaction Costs and the Admission Costs occurred on 30 December 2019.

The *Pro Forma* Financial Information has been prepared for illustrative purposes only. Due to its nature, the *Pro Forma* Financial Information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position as at 30 June 2021, or of its earnings for the year ended 29 December 2020. It is based on:

- the unaudited consolidated interim financial information of the Company for the six-month period ended 30 June 2021 and the audited consolidated financial information of the Group for the year ended 29 December 2020, incorporated by reference in Section A: *"Historical Financial Information on the Group"* of Part IV *"Financial Information"* of this Document; and
- the Northern X Group Financial Information included in Section C: *"Historical Financial Information of the Northern X Group"* included in Part IV *"Financial Information"* of this Document.

Users should read the whole of this Document and not rely solely on the *Pro Forma* Financial Information.

The accountant's report on the *Pro Forma* Financial Information is set out in Section D *"Accountant's Report on the Unaudited Pro Forma Financial Information of the Enlarged Group"* of Part III *"Financial Information"* of this Document.

Unaudited pro forma Statement of Financial Position

	(Unaudited) Company As at 31 June 2021 (Note 1) £	*Adjustment* Northern X Group As at 30 June 2021 (Note 2) £	*Adjustment* Issue of the convertible loan notes, the Convertible Note Shares, the Consideration Shares (Note 3) £	*Adjustment* Consolidation adjustments (Note 4) £	*Adjustment* Fundraise and settlement of costs (Note 5) £	*Pro forma* balances as at 30 June 2021 £
Intangible assets	—	1,738,641	—	2,432,626	600,243	4,771,510
Property, plant & equipment	6,325	—	—	—	—	6,325
Non-current assets	**6,325**	**1,738,641**	**—**	**2,432,626**	**600,243**	**4,777,835**
Investments	207,386	—	—	—	—	207,386
Investment in Acquisitions	231,435	—	2,225,000	(2,225,00)	—	231,435
Trade and other receivables	10,807	8,891	—	—	—	19,698
Cash and cash equivalents	10,685	5,571	469,500	—	2,184,053	2,669,809
Current assets	**460,313**	**14,462**	**2,694,500**	**(2,225,000)**	**2,184,053**	**3,128,328**
Total assets	**466,638**	**1,753,103**	**2,694,500**	**207,626**	**2,784,296**	**7,906,163**
Share capital	22,929,743	6,480	3,334	(6,480)	2,917	22,935,994
Share premium	25,027,278	—	3,063,273	—	2,799,767	30,915,203
Convertible loan notes	210,000	—	(210,000)	—	—	—
Merger reserve	1,824,000	—	—	—	—	1,824,000
Foreign currency translation reserve	—	2,949	—	(2,949)	—	—
Accumulated losses	(49,861,760)	(217,055)	—	217,055	(18,294)	(49,880,054)
Equity	**129,261**	**(207,626)**	**2,881,586**	**207,626**	**2,784,296**	**5,795,143**
Borrowings	—	1,951,245	—	—	—	1,951,245
Trade and other payables	337,377	9,484	(187,086)	—	—	159,775
Current liabilities	**337,377**	**1,960,729**	**(187,086)**	**—**	**—**	**2,111,020**
Equity and liabilities	**466,638**	**1,753,103**	**2,694,500**	**207,626**	**2,784,296**	**7,906,163**

Unaudited pro forma Statement of Comprehensive Income

	(Audited) Group Year ended 31 December 2020 (Note 1) £	*Adjustment* Northern X Group Year ended 30 June 2021 (Note 2) £	*Adjustment* Issue of the convertible loan notes, the Convertible Note Shares, the Consideration Shares and the Fee Shares (Note 3) £	*Adjustment* Consolidation adjustments (Note 4) £	*Adjustment* Fundraising and settlementof costs (Note 5) £	*Pro forma* results for the year £
Administrative expenses	(190,623)	(21,528)	—	—	(18,294)	(230,445)
Loss on foreign exchange	—	(15,706)	—	—	—	(15,706)
Other expenses	—	(1,328)	—	—	—	(1,328)
Gain on disposal of investment	14,663	—	—	—	—	14,663
Gain in fair value of investment	142,778	—	—	—	—	142,778
Operating loss	**(33,182)**	**(38,562)**	**—**	**—**	**(18,294)**	**(90,038)**
Finance expense	(251)	—	—	—	—	(251)
Loss before taxation	**(33,433)**	**(38,562)**	—	—	**(18,294)**	**(90,289)**
Taxation	—	—	—	—	—	—
Loss after tax for the year	**(33,433)**	**(38,562)**	—	—	**(18,294)**	**(107,289)**
Other comprehensive income:						
Foreign exchange differences	—	8,029	—	—	—	8,029
Total comprehensive loss for the year	**(33,433)**	**(30,533)**	**—**	**—**	**(18,294)**	**(82,260)**

Notes

1. The unaudited Statement of Financial Position of the Company as at 30 June 2021 has been extracted, without adjustment, from the unaudited interim financial information of the Company for six-month period ended 30 June 2021 incorporated by reference in Section A: *"Historical Financial Information of the Group"* of Part IV *"Financial Information"* of this Document.

   The audited Statement of Comprehensive Income of the Group for the year ended 31 December 2020 has been extracted, without adjustment, from the audited financial information of the Group for the year ended 31 December 2020 incorporated by reference in Section A: *"Historical Financial Information of the Group"* of Part IV *"Financial Information"* of this Document.

2. The financial information of the Northern X Group as at 30 June 2021 and for the year then ended has been extracted, without adjustment, from the audited Northern X Group Financial Information included in Section C: *"Historical Financial Information of the Northern X Group*" included in Part IV "*Financial Information*" of this Document.

3. The adjustment represents the issue by the Company:

   - £350,000 of convertible loan notes in July 2021. The convertible loan note issue results in an increase to "cash and cash equivalents" of £350,000 and a corresponding increase to the carrying value of "convertible loan notes" within "equity";
   - £119,500 of convertible loan notes in November 2021. The convertible loan note issue results in an increase to "cash and cash equivalents" of £119,500 and a corresponding increase to the carrying value of "convertible loan notes" within "equity";
   - the Convertible Note Shares to affect the conversion of the Company's convertible loan notes. The issue of the Convertible Note Shares results in an increase of £837 to "share capital", an increase of £678,663 to "share premium" and a decrease to convertible loan notes of £679,500. Following the issue of the Convertible Note Shares, the carrying value of the Company's convertible loan notes was £nil;
   - the Consideration Shares to affect the Acquisitions. The issue of the Consideration Shares results in an increase of £2,225,000 to the carrying value of "investment in Acquisitions" within "non-current assets" and increases of £2,336 and £2,222,664 to the carrying values of "share capital" and "share premium", respectively, both within "equity".
   - the Fee Shares to settle certain liabilities on Admission. The issue of the Fee Shares results in an decrease of £187,086 to the carrying value of "*trade and other payables*" within "*current liabilities*" and increases of £161 and £186,925 to the carrying values of "*share capital*" and "*share premium*", respectively, both within "*equity*".

   This adjustment has no effect on the *pro forma* Statement of Comprehensive Income.

4. The adjustment represents the consolidation adjustments required to reflect the Company's acquisition of the Northern X Group.

   This adjustment has no effect on the *pro forma* Statement of Comprehensive Income.

5. The adjustment represents the issue of the Placing Shares and the Subscription Shares at the Placing Price, giving rise to an increase in *"cash and cash equivalents"* of £3,250,000 within *"current assets"* and increases of £2,786 and £3,247,214 to the carrying values of *"share capital"* and *"share premium"*, respectively, both within *"equity".*

   The adjustment also reflects the payment in cash and equity of the £618,862 Placing and Admission costs, giving rise to a decrease in *"cash and cash equivalents"* of £52,283 within *"current assets"* and increases of £66 and £76,514 to the carrying values of *"share capital"* and *"share premium"*, respectively. Of the £618,862 Placing and Admission costs, £600,568 has been allocated against *"share premium"* within *"equity"* and £18,294 expensed to *"finance costs"* in the Statement of Comprehensive Income, in compliance with IFRS.

The adjustment also reflects the payment in cash and equity of the £600,243 Transaction Costs, giving rise to a decrease in *"cash and cash equivalents"* of £523,664 within *"current assets"* and increases of £66 and £76,514 to the carrying values of *"share capital"* and *"share premium"*, respectively. The £600,243 Transaction Costs have been added to the carrying value of *"intangible assets"*, in compliance with IFRS.

6. The Pro Forma Financial Information excludes the effects of the issue of the Option Shares.

7. With respect to adjustments 2 to 5 in the *pro forma* Statement of Comprehensive Income, none will have an ongoing effect on the results of the Enlarged Group.

PART V

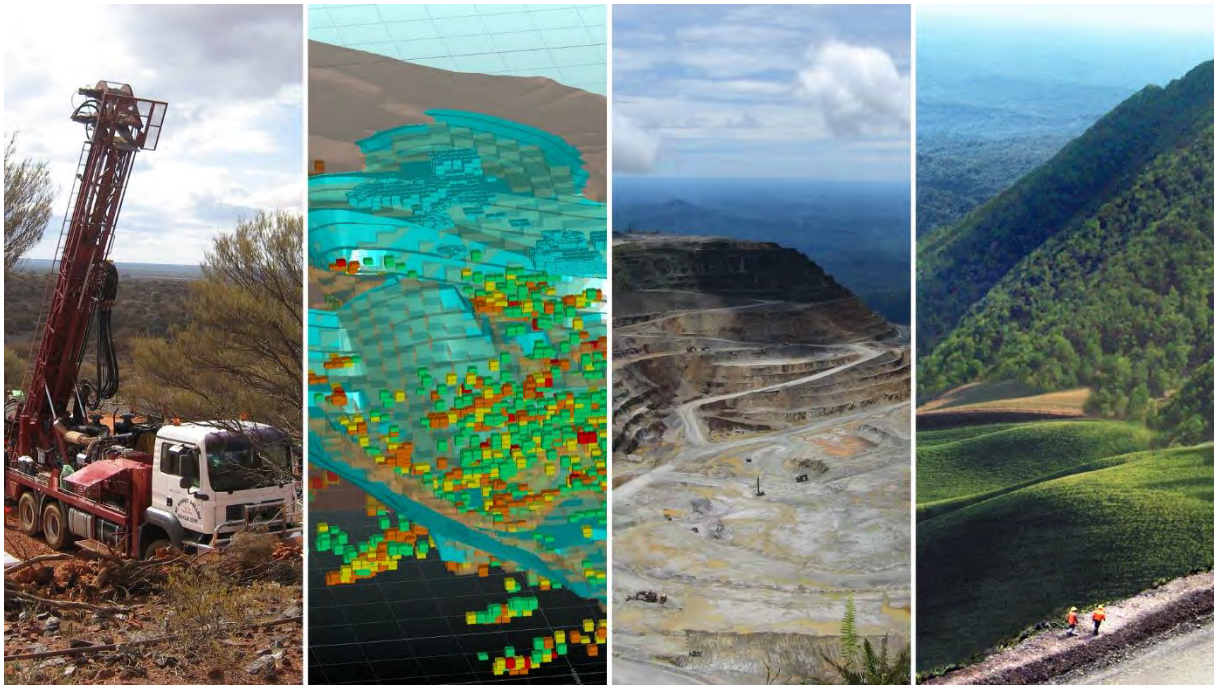
COMPETENT PERSON'S REPORT

Final

Competent Persons Report on the mineral assets to be acquired by Kendrick Resources PLC

Finland, Norway and Sweden

Kendrick Resources PLC



SRK Consulting (Australasia) Pty Ltd ▪ KDR001 ▪ December 2021

srk consulting

Final

Competent Persons Report on the mineral assets to be acquired by Kendrick Resources PLC

Finland, Norway and Sweden

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File Name:
KDR001_Kendrick CPR_Rev2

Suggested Citation:
SRK Consulting (Australasia) Pty Ltd. 2021 Competent Persons Report on the mineral assets of Kendrick Resources PLC. Prepared for Kendrick Resources PLC: LONDON. Project number: KDR001. Issued December 2021

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Acknowledgments

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Appendices

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Appendix B Site Visit Report

Useful Definitions

This list contains definitions of symbols, units, abbreviations, and terminology that may be unfamiliar to the reader.

€	Euros
µm	micron
2WD	two-wheel drive
3D	three dimensional
A$	Australian dollar/s
Ag	silver
AIG	Australian Institute of Geoscientists
ATV	all-terrain vehicles
Au	gold
AusIMM	Australasian Institute of Mining and Metallurgy
AVI	The Regional State Administrative Agency
BAS	Bergen Arch System
Bergsstaten	The Mining Inspectorate of Sweden
BIF	banded iron formation
CAB	County Administrative Board
CARC	compound annual rate of change
Cd	cadmium
Central Sweden Project	The Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden
CESR	Committee of European Securities Regulators
CEO	Chief Executive Officer
CLGB	Central Lapland greenstone belt
cm	centimetre/s
Co	cobalt
Company	Kendrick Resources PLC (Company Number: 2401127)
CPR	Competent Person's Report
Cr	chromium
Cu	copper
dB	decibels
DD	diamond drilling
DGPS	differential global positioning system
DMF	The Norwegian *Direktoratet for Mineralforvaltning*
DTM	digital terrain model
DTR	Davis Tube Recovery
EEA	European Economic Area
EFTA	European Free Trade Association
EIA	environmental impact assessment

ELY Centres	The Centres for Economic Development, Transport, and the Environment
EM	electromagnetic
ESG	Environmental, Social and Governance
ESIA	environmental-social impact assessment
ESMA	European Securities and Markets Authority
EU	European Union
Exploration Result	Data and information generated by mineral exploration programs that might be of use to investors but which do not form part of a declaration of Mineral Resources or Ore Reserves.
Exploration Target	A statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource
Fe	iron
FEL	front end loader
FS	A Feasibility Study is a comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable Modifying Factors together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate at the time of reporting that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project. The confidence level of the study will be higher than that of a Pre-Feasibility Study.
g/t	grams per tonne
Ga	Billion years
GDP	gross domestic product
GMV	gross metal value
GTK	Finland Geological Survey
GVM	Gross Vehicle Mass
ha	hectare/s
Hg	mercury
HV	heavy vehicle/s OR high-voltage
IBA	Internationally important bird area
Indicated Resource	that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.
Inferred Resource	that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
IOCG	iron oxide-copper-gold
JORC Code	2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves
JV	joint venture
Kendrick or the Company	Kendrick Resources PLC
kg	kilogram/s

km	kilometre/s
km^2	square kilometre/s
koz	thousand ounces
kWh	kilowatt hour
L	Low capacity
l	litre/s
LC	Lower Chromite
LIMS	low-intensity magnetic separation
LJB	Ljusdal Batholith
LKAB	Luossavaara-Kiirunavaara AB
LOI	Letter of Intent
LOM	life-of-mine
LSE	London Stock Exchange
LV	light vehicle/s
LZ	Lower Zone
M	Medium, moderate capacity
M	Million
m	metre/s
m/s	metres per second
Ma	Million years
mAsl	metres above sea level
Mbcm	Million bulk cubic metres
Measured Resource	that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.
mg/l	milligrams per litre
Mineral Resource	a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.
Ml	Million litres
Mo	molybdenum
MPE	The Ministry of Petroleum and Energy
Mt	Million tonnes
Mtpa	Million tonnes per annum
MW	megawatts
MZ	Main Zone
Narvik	Port of Narvik, Norway
NFD	The *Nærings- og fiskeridepartementet* or Ministry of Trade and Industry
NGO	non-governmental organisations

NGU	Geological Survey of Norway
Ni	nickel
NOK	Norwegian krone
NPD	The Norwegian Petroleum Directorate
NPV	Net Present Values
NSR	Net smelter return
OK	Ordinary Kriging
OoM	Order of Magnitude
Ore Reserve	the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.
PAF	Potentially acid forming
Pb	lead
PFS	A Preliminary Feasibility Study (Pre-Feasibility Study) is a comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. It includes a financial analysis based on reasonable assumptions on the Modifying Factors and the evaluation of any other relevant factors which are sufficient for a Competent Person, acting reasonably, to determine if all or part of the Mineral Resources may be converted to an Ore Reserve at the time of reporting. A Pre-Feasibility Study is at a lower confidence level than a Feasibility Study.
PGE	platinum group element
ppm	parts per million
Probable Reserve	the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve.
Proved Reserve	the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.
Pursuit	Pursuit Minerals Limited
QAQC	quality assurance and control
RICS	Royal Institution of Chartered Surveyors
RL	reduced level
ROM	run-of-mine
SAG	semi-autogenous grind
SEK	Swedish krona
SGU	Swedish Geological Survey
SRK	SRK Consulting (Australasia) Pty Ltd
t	tonne/s
t/m^3	tonnes per cubic metre
Ti	titanium
TiV	titanium vanadium
TMI	total magnetic intensity
tph	tonnes per hour

TSF	tailings storage facility/ies
TSX-V	Toronto Venture Exchange
TUKES	The Finnish Safety and Chemicals Agency
U	uranium
UC	Upper Chromite
US$	United States Dollar
UTM	Universal Transverse Mercator
UZ	Upper Zone
V	vanadium
V_2O_5	vanadium oxide
Valmin Code	2015 edition of the Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets
VGG	Vittangi Greenstone Group
VMS	Volcanogenic massive sulfide
WDPA	World Database on Protected Areas
WHIMS	wet high intensity magnetic separation
XRF	x-ray fluorescence
Zn	zinc

Executive Summary

Preamble

Kendrick Resources PLC (Kendrick or the Company) has engaged SRK Consulting (Australasia) Pty Ltd (SRK) to prepare a Competent Persons Report (CPR or Report) relating to certain mineral projects located in Finland, Norway and Sweden. SRK understands that this report will form part of a Prospectus for Kendrick's planned listing on the Standard Segment of the Official List of the Financial Conduct Authority (FCA) and on the Main Market for Listed Securities of the London Stock Exchange (the "**Prospectus**") (the "**Listing**").

At Listing, Kendrick intends to acquire from Pursuit Minerals Limited (Pursuit) ownership of options over a portfolio of early to advanced stage exploration projects covering a combined area of 466.72 km^2 in Scandinavia (Figure ES-1). Specifically, at Listing, Kendrick will acquire the projects in Finland and Sweden, as well as an option over the projects in Norway.

The most advanced of these projects are the Airijoki and Koitelainen vanadium projects in Sweden and Finland respectively, which both hosts defined Mineral Resources as defined by the JORC Code (2012) and which have been collectively assessed by conceptual techno-economic studies in 2019.

As of the date of this Report, no Ore Reserves have been defined within any of Kendrick's projects.

Additionally, the projects to be acquired include several exploration projects in the Nordic region, namely:

- Finland - the Karhujupukka vanadium-magnetite exploration project
- Sweden - the Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively known as the Central Sweden Project)
- Norway - the Espedalen, Hosanger, and Sigdal exploration nickel-copper-cobalt projects in Norway.

Both the Karhujupukka (Finland) and Espedalen (Norway) projects also support defined Mineral Resources prepared in accordance with the JORC Code (2012), however these remain to be subject to further techno-economic assessment. The remaining projects represent brownfield to greenfields exploration opportunities based on the results of historical activities, some with historical mineral estimates that remain to be updated to the requirements of the JORC Code (2012).

Figure ES-1: Location of Kendrick's Scandinavian projects



Source: Pursuit presentation (2020)

Purpose

The purpose of this Report is to provide an independent overview and assessment of the technical merits that might reasonably be expected to be applied by the market when considering an investment in the Scandinavian mineral assets which Kendrick will acquire from Pursuit at Listing.

This Report is intended to inform readers about the status and exploration/development potential of the Scandinavian mineral assets, and provide an overview of the assets and liabilities associated with them (including the physical, operating, regulatory and fiscal environment in which the projects are located), to provide an outline of the current status of any defined Mineral Resources and Exploration Results, and to provide commentary on the Company's proposed future exploration and development programs.

This CPR has been prepared in accordance with The European Securities and Market Authority (ESMA) update of the Committee of European Securities Regulators (CESR) recommendations, the consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive (the CESR Guidance) published on 20 March 2013: specifically paragraphs 131 to 133 section 1b - mineral companies, Appendix I - Acceptable Internationally Recognised Mining Standards and Appendix II - Mining Competent Persons' Report - recommended content, as well as the JORC Code (2012) and VALMIN Code (2015) as defined herewithin.

Exploration/development concept

The Scandinavian mineral assets comprise prospective landholdings in proximity to several known nickel-copper-vanadium-iron deposits and mines in the historical mineral districts of Finland, Norway and Sweden. Post Listing, Kendrick proposes to rapidly evaluate the projects and expand the currently defined Mineral Resources, particularly those at the advanced Airijoki and Koitelainen projects, which were the subject of previous conceptual techno-economic studies.

The overall concept at both Airijoki and Koitelainen is to potentially mine magnetite enriched in vanadium and then utilise a simple crush, mill and magnetic separation process to produce a vanadium-magnetite concentrate for sale to vanadium smelters or steel producers in Finland, Germany or Asia. A lower capital expenditure intensity is expected to arise from a dig and deliver operation, which does not require the equipment for a salt roasting process, as required to produce V_2O_5 flake. Other processing options for the vanadium-magnetite concentrate will be investigated including the possibility of producing a vanadium-enriched electrolyte suitable to use in vanadium redox flow batteries.

In addition, there are a number of refined targets able to be drill tested in the near term, as well as an integrated exploration program able to support the Company's medium to longer term focus. It is envisaged that these properties will form a 'pipeline' of projects at different levels of maturity able to deliver the Company a sustainable supply of resources for eventual development and production. As a result, the Company is now seeking admission to the LSE to fund these future exploration and development programs.

Finnish projects to be acquired at Listing

Kendrick's Koitelainen and Karhujupukka projects occur within the Central Lapland greenstone belt (CLGB) of northern Finland, which is dominated by structurally deformed meta-volcanic and meta-sedimentary rocks which have been intruded by multiple layered mafic to ultramafic bodies and other intrusives. Intermittent exploration has been conducted over these bodies at both Koitelainen and Karhujupukka, but primarily focussed on the potential for base metal, chromite and/or platinum group element (PGE) mineralisation. More recent exploration by Pursuit, the project vendor, has focused on the vanadium-bearing magnetite layers within the layer intrusions at Koitelainen and the gabbros at Kahujupukka.

Based on historical drilling, the Koitelainen Project is estimated to host an Inferred Mineral Resource of 116.4 Mt at an in-situ grade of 0.3% V_2O_5, containing 5.8 Mt of magnetite averaging 2.3% V_2O_5 (in magnetite concentrate), for 131,000 t of contained V_2O_5 based on 5.0% mass recovery of magnetite concentrate and a 0.5% V cut-off grade, on a 100% equity basis (and net attributable basis).

Following preliminary test work regarding the production of a vanadium-magnetite concentrate, conceptual techno-economic studies were completed for the Koitelainen Project in 2019. These studies demonstrated that it was possible to upgrade the mass recoveries and vanadium recoveries through grinding, and that based on a conceptual production of a vanadium magnetite concentrate of 2.5% V_2O_5, the project was capable of returning a positive return on investment.

Further metallurgical test work, as well as mining and processing optimisation is required prior to further, more advanced techno-economic modelling and stress testing to improve and test project economic viability and robustness at a commercial scale.

This provides the impetus for Kendrick's near-term forward work program upon acquiring the Finnish projects. While historical mineral estimates are reported for the Karhujupukka Project, there has been insufficient recent exploration to define a Mineral Resource in accordance with the JORC Code (2012). The upgrade of these historical estimates is a secondary focus for Kendrick within its Finnish tenures.

Swedish projects to be acquired at Listing

The Airijoki Project lies within the Vittangi Greenstone Group (VGG) of northern Sweden, in relative proximity to established infrastructure as well as several significant mines (i.e. Kiruna, Svapparvaara, Leveäniemi and Mertainen) and other new energy mineral projects (i.e. Talga Group's Vittangi graphite project). Geologically the Project is centred on a laterally continuous, northeast trending gabbroic (locally termed diabase) intrusion which hosts vanadium-magnetite mineralisation along with lesser base metal (predominantly copper mineralisation).

Airijoki is currently supported by an Inferred Mineral Resource comprising 44.3 Mt at an in situ grade of 0.4% V_2O_5, containing 5.9 Mt of magnetite averaging 1.7% V_2O_5 (in magnetite concentrate) for 100,800 t of contained V_2O_5 based on a 13.3% mass recovery of magnetite concentrate and a 0.7% V_2O_5 cut-off grade, on a 100% equity basis (and net attributable basis).

Subsequent Davis Tube Recovery (DTR) and low-intensity magnetic separation (LIMS) test work indicated that vanadium magnetite concentrates grading over 2% V_2O_5 and more than 65% Fe are possible at mass recoveries over 20% from the vanadium mineralisation at Airijoki. Overall, vanadium recoveries in excess of 70% can be achieved using a relatively coarse grind size of 355 µm and using LIMS without the need for further treatment.

Conceptual studies completed in 2019 envisage that Airijoki will be developed by bulk open pit mining techniques from four open pits using standard drill and blast, load/haul and crusher feed/magnetic separation to produce a vanadium magnetite concentrate. The conceptual techno-economic studies demonstrated the Project has the potential to be financially robust. Further metallurgical test work, extensional and infill drilling and optimisation studies are warranted at Airijoki prior to more advanced techno-economic analysis. This will be the focus for Kendrick's near-term activities in Sweden.

The Central Sweden projects cover various mafic sills and intrusive bodies associated with the Ljusdal Batholith (LJB), a composite granitoid body extending over an area of approximately 130 km x 100 km and which has been intruded by iron-titanium-vanadium mineralised mafic intrusions. Previous exploration has outlined a number of prospective targets which were the subject of historical mineral estimates at Sumåssjön and Simesvallen, while historical trial mining occurred at Kullberget-Storåsen and a well-defined magnetic geophysical anomaly is defined at Kramsta. SRK has reviewed the supporting technical information to these targets and considers that additional exploration is justified as part of a regional targeting exercise.

Norwegian projects which will be under option at Listing

The most advanced of the Norwegian nickel-copper-cobalt projects is the Espedalen Project in southern central Norway, which has previously been the subject of historical mining up to the late 1910s followed by modern exploration from the 1960s onwards. Disseminated to massive nickel, mineralisation is exposed in a series of old mine workings and showings which are mainly concentrated on the northeast side of the Espedalen Lake. The known mineralisation is interpreted to lie within differentiated mafic and ultramafic bodies of the Espedalen Complex which have intruded anorthositic country rocks. More recent exploration has defined Inferred Mineral Resources at the Stormyra and Dalen prospects totalling 8.96 Mt averaging 0.37% Ni, 0.16% Cu and 0.03% Co (on a 100% equity and net attributable basis) in accordance with the JORC Code (2012). Previous explorers also defined the Megrund Prospect, as well as 10 other targets which remain to be adequately drill tested despite previous explorers reporting intersections >5 m% Ni.

The Hosanger Project on Osterøy island in southwestern Norway, was the focus of considerable mining activity up to the mid-1940s, followed by intermittent exploration from the 1960s onwards. The Hosanger nickel sulfide mineralisation occurs as a number of pencil-like deposits at the base of a Hosanger gabbro-norite intrusion, near the contact with underlying gneiss within the Lindås Nappe of the Bergen Arch System (BAS). Known mineralisation at Hosanger comprises disseminated and ‘net’ textured mineralised zones cut by, and juxtaposed with, tectonically remobilised higher grade sulfide lenses. The project remains as an advanced, although mature exploration project, which through further exploration offers the potential to define extensions to the known mineralised zones as well as additional zones of sulfide mineralisation at depth.

The Sigdal Project covers the historical nickel occurrences of Grågalten and Ramstad in southern Norway, which were operated between 1874-1877. Recent exploration has identified a number of significant, narrow (<2 m) zones of anomalous to low-grade (<1%) Ni-Cu mineralisation (with gold and silver credits) at shallow depths within a large gabbro complex. The nickel sulfides are structurally controlled along shear zones.

Proposed work program

Kendrick has proposed a staged exploration strategy based on initially evaluating its more advanced targets at the Airijoki and Koitelainen projects prior to the future assessment of other regional opportunities, such as those at the Karhujupukka and Espedalen projects. While the production of vanadium-bearing magnetite concentrates is Kendrick’s nearer term focus, the potential for other new energy metals such as nickel-copper-cobalt as evident in its Norwegian landholdings is also of importance and provides for a diversified commodity focus of low inherent risk.

SRK has concluded from its review of the Scandinavian project areas that they are of merit and worthy of further exploration at the budgetary levels proposed by Kendrick. Kendrick has proposed a 16-month exploration program to evaluate numerous targets within its project areas, with a budgeted expenditure of approximately £1.8M. A summary of the proposed expenditure is presented in Table ES-1.

Table ES-1: Summary of Kendrick's proposed 16-month exploration budget

Country	Project	Year 1 (£)	4 Months of Year 2 (£)	Total (£)
Finland	Koitelainen	68,587	12,963	81,549
	Karhujupukka	27,795	88,251	116,046
Subtotal		**96,382**	**101,214**	**197,595**
Sweden	Airijoki	96,382	101,214	197,595
	Central Sweden	601,140	19,866	621,006
Subtotal		**884,011**	**27,692**	**911,703**
Norway	Espedalen	282,871	7,826	290,697
	Sigdal	884,011	27,692	911,703
	Hosanger	367,462	7,946	375,409
Subtotal		**546,937**	**14,498**	**561,435**
Project Costs all countries			1,527,329	143,404
Administration and corporate			141,906	36,456
Total		**1,669,235**	**179,860**	**1,849,095**

Source: Kendrick, 2021

Note: Table may not total exactly due to rounding.

Kendrick's ultimate success in discovering and developing vanadium-magnetite deposits within the project areas will depend largely upon the skills of its exploration team. In SRK's opinion, Kendrick has the key elements in place to achieve its objectives. Furthermore, SRK considers Kendrick's exploration strategy to be justified and is satisfied that the proposed exploration programs have been well defined and are appropriate.

1 Introduction

SRK has been engaged by Kendrick to prepare a CPR relating to the Scandinavian mineral assets located in Finland, Sweden and Norway. At Listing, Kendrick will acquire the Finland and Swedish projects and have an option over the Norwegian projects.

SRK understands that this CPR is to be published by Kendrick on its website and as part of the Prospectus in connection with Kendrick's Listing.

For the purpose of the Prospectus Regulation Rules published by the Financial Conduct Authority, SRK will accept responsibility for this Report as part of the Prospectus and declares that it has taken all reasonable care to ensure that the information contained in this CPR is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The Mineral Assets considered in this Report comprise 36 exploration concessions covering a combined area of 466.72 km^2 as set out below.

In Finland (to be acquired at Listing):

- The Koitelainen Project comprising a single granted exploration licence covering 13.72 km^2.
- The Karhujupukka Project comprising two disparate exploration licences covering a combined area of 6.5 km^2.

In Sweden (to be acquired at Listing):

- The Airijoki Project comprising five contiguous exploration permits covering 39.41 km^2.
- The Central Sweden Project comprising four early-stage exploration projects at Kullberget, Kramsta, Simesvallen and Sumåssjön covering a combined area of 197.2 km^2.

In Norway (to be under option at Listing):

- The Espedalen Project comprising 16 contiguous exploration permits covering a combined area of 139.89 km^2.
- The Sigdal Project consisting of three exploration licences totalling 30 km^2.
- The Hosanger Project consisting of a coherent tenure package of four exploration licences covering 40 km^2.

The Koitelainin (Finland) and Airijoki (Sweden) projects are the most advanced projects to be acquired by Kendrick, with conceptual studies completed on the defined Inferred Mineral Resources in 2019. Both the Karhujupukka (Finland) and Espedalen (Norway) projects also support defined Mineral Resources as prepared in accordance with the JORC Code (2012), but these remain to be subject to further techno-economic assessment. The remaining projects represent brownfield to greenfields exploration opportunities based on the results of historical activities, some with historical mineral estimates that remain to be updated to the requirements of the JORC Code (2012).

The purpose of this Report is to provide an independent overview and assessment of the technical merits that might reasonably be expected to be applied by the market when considering Kendrick's investment in the Scandinavian mineral assets.

This Report is intended to inform readers about the status and exploration or development potential of Kendrick's main assets, provide an overview of the assets and liabilities associated with them (including the physical, operating, regulatory and fiscal environment in which the projects are located), to provide an outline of the current status of the defined Mineral Resources and Exploration Results, and to provide commentary on the Company's proposed future exploration and development programs.

1.1 Reporting standard

This CPR has been prepared in accordance with the ESMA update of the CESR recommendations, the consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive (the CESR Guidance) published on 20 March 2013: specifically paragraphs 131 to 133 section 1b - mineral companies, Appendix I - Acceptable Internationally Recognised Mining Standards and Appendix II - Mining Competent Persons' Report - recommended content.

The authors of this Report are Members or Fellows of either the Australasian Institute of Mining and Metallurgy (AusIMM) and/or the Australian Institute of Geoscientists (AIG) and therefore are bound by both the VALMIN and JORC codes. For the avoidance of doubt, this report has been prepared according to:

- the 2015 edition of the *Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets* (VALMIN Code)
- the 2012 edition of the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves* (JORC Code).

In accordance to the stated reporting guidelines, all geological and other relevant factors defining the Company's Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves have been considered in sufficient detail to serve as a guide for future exploration. Table 1 of the JORC Code has been used as a checklist during the preparation of this Report and any comments are provided on an 'if not, why not' basis to ensure clarity to an investor on whether aspects of the future development program have been considered as they apply to the JORC Code (2012) Table 1.

The criteria of the JORC Code Table 1 reflects the normal systematic approach to exploration and target evaluation. 'Relevance' and 'materiality' are overriding principles which determine the information that needs to be publicly reported. This Report has attempted to provide sufficient comment on all matters that might materially affect a reader's understanding or interpretation of the results being reported. The criteria under which each project is being evaluated is consistent with the current understanding of the geological controls on the known mineralisation, but, as more knowledge is gained these criteria could change and be improved upon over time.

As per the VALMIN Code (2015), a draft of the Report was supplied to Kendrick to check for material error, factual accuracy and omissions before the final version of the Report was issued.

1.2 Scope of work

SRK notes that in 2019, it prepared an Order of Magnitude (OoM) study in relation to the Koitelainen and Airijoki projects, for Pursuit Minerals Limited (**Pursuit**) who are selling the

Scandinavian Projects to Kendrick at listing. As such, SRK has a good understanding of the technical aspects underpinning the two most advanced projects to be acquired by Kendrick.

In order to comply with the JORC Code (2012) and VALMIN Code (2015) requirements, it is intended that SRK's CPR will include discussion of the following (where relevant):

- mineral tenure
- project location, access and supporting infrastructure
- exploration and/or production history
- geological setting
- an outline of the defined Mineral Resources and Ore Reserves
- project constraints
- exploration/development strategy
- economic standing
- summary of Project risks and opportunities
- proposed forward works program and budgets
- recommendations and conclusions.

This CPR is dependent upon technical, financial, and legal input. In respect of the technical information as provided by the Company and taken in good faith by SRK, and other than where expressly stated, any figures presented have not been independently verified by means of re-calculation.

SRK has however, conducted a detailed review and assessment of all material technical issues likely to influence the technical information included in this CPR, which included the following:

- an assessment of the historical data made available by the Company in relation to the Scandinavian assets SRK has also assessed the rationality of the commodity price assumptions as currently assumed in the projections for inclusion in the technical information reported herein.

As part of our investigations, SRK has made enquires, but not carried out any independent due diligence, on the status of the associated mineral titles and issues relating to land access and environmental regulations. SRK is not qualified to make legal representations in this regard and therefore specifically disclaims responsibility for these aspects for the purpose of this review.

1.3 Work program

This assignment commenced in April 2021, following receipt of data provided by Mr Jeremy Read, the Exploration Manager for Kendrick. This assignment relies on data and information supplied by Kendrick, as well as other publicly available data and other information as sourced by SRK from literature, as well as subscription databases such as S&P Global Market Intelligence database services.

In order to meet the requirements set out in Section 11.1 of the VALMIN Code (2015), a site inspection to the material Projects is required. Given the current global travel restrictions in place at

the time of reporting due to the COVID-19 pandemic, SRK engaged Mr Jyri Merilainen of Taiga Geoservices Oy to conduct site inspections to the material properties (namely the Koitelainin, Airijoki and Karhujupukka projects), as well as to conduct inspections of recent drill core at the relevant governmental facilities (Loppi and Malå core archives) on SRK's behalf. Mr Merilainen completed site inspections on 17-18 May 2021, and 31 May to 4 June 2021, which collectively inform this Report. Site inspections were unable to be completed to the Norwegian projects given travel restrictions in place at the time.

In SRK's opinion, this is a reasonable and acceptable approach given the circumstances; however, this approach is not as comprehensive as an actual site inspection and therefore some residual risks may remain. This Report may therefore not be fully compliant with Section 11.1 of the VALMIN Code (2015).

SRK has satisfied itself and Kendrick has warranted that all material information in its possession has been fully disclosed to SRK.

1.4 Legal matters

SRK has not been engaged to comment on any legal matters. SRK notes that it is not qualified to make legal representations as to the ownership and legal standing of the mineral tenements that are the subject of this Report. SRK has not attempted to confirm the legal status of the tenements with respect to joint venture (JV) agreements, local heritage or potential environmental or land access restrictions.

SRK has sighted three draft individual legal opinion reports (Legal Opinion), confirming the current validity and good standing of the Scandinavian assets to be acquired by Kendrick; as prepared by:

- HPP Attorneys, an independent certified legal advisor based in in Helsinki, Finland, relating to the to the assets in Finland.
- Fröberg & Lundholm Advokatbyrå AB, an independent certified legal advisor based in Stockholm and Göteborg, Sweden, relating to the assets in Sweden.
- Simonsen Vogtwiig, an independent certified legal advisor based in Oslo, Norway relating to the assets in Norway.

1.5 Effective Date

The Effective Date of this Report is 23 December 2021.

1.6 Project team

This Report has been prepared by a team of SRK's consultants and associates in Australasia, the United Kingdom and Scandinavia. Details of the qualifications and experience of the consultants who have carried out the work in this Report, who have extensive experience in the mining industry and are members in good standing of appropriate professional institutions, are set out in Table 1-1.

Table 1-1: Details of the qualifications and experience of the project team

Specialist	Position/ Company	Responsibility	Length and type of experience	Site inspection	Professional designation
Jyri Meriläinen	CEO, Taiga Geoservices Oy	Site visit	18 years including operation mining roles in Finland and Sweden, and as a Competent Person for Mineral Resource estimation purposes	Yes	MSc, EurGeol (No. 1414)
James Carpenter	Senior Consultant/ SRK	Geology and Mineral Resource	20 years - 10 years in Mineral Resource estimation, 4 years in consulting and 6 years in mining and exploration roles	None	MGeostats, BAppSc (Hons), MAusIMM (CP)
Colin Chapman	Principal Consultant/ SRK	Infrastructure	21 years in international mining, construction and civil engineering industry, including the last 9 years in consultancy.	None	MSc, BSc(Hons), MIMMM, CEng
Emily Harris	Principal Consultant/ SRK	ESG	15 years - specialising in ESG risk management and ESIA processes for mining developments.	None	MSc, BSc(Hons), CEnv, MIEMA
Shaun Barry	Principal Consultant/ SRK	Report compilation (including all sections not previously listed)	28 years - 10 years in consulting specialising in valuation, financial modelling, sensitivity analyses, due diligence studies, independent expert reports, optimisation studies, risk analysis, business and marketing strategy development; 9 years marketing; 7 years analyst; 2 years in operations.	None	BSc(Hons), MSc Eng, MRICS
Mathew Davies	Senior Consultant/ SRK	Report compilation	13 years - 10 years in consulting specialising in exploration management, geological modelling and valuation, 3 years in Exploration and project management roles.	None	BSc(Hons), MAusIMM
Jeames McKibben	Principal Consultant/ SRK	Peer review	+26 years - 17 years in consulting specialising in valuation and corporate advisory; 2 years as an analyst; 8 years in exploration and project management roles.	None	MBA, BSc (Hons) FAusIMM (CP), MAIG, MRICS

1.7 Limitations, reliance on information, declaration and consent

This report was prepared as a CPR for Kendrick by SRK in connection with Kendrick's planned listing on the Standard Segment of the Official List of the Financial Conduct Authority (FCA) and on the Main Market for Listed Securities of the London Stock Exchange (LSE). The quality of information, conclusions, and estimates contained herein is dependent upon: i) information available at the time of preparation, ii) data supplied by outside sources, and iii) the assumptions, conditions, and qualifications set forth in this report. This report is intended for use by Kendrick subject to the terms and conditions of its contract with SRK and relevant securities legislation. The contract permits Kendrick to include this report in the Prospectus to be prepared by Kendrick in connection with its Listing. Without prejudice to our responsibility for this CPR and except for the purposes legislated under provincial securities law, any other uses of this report by any third-party is at that party's sole risk. The responsibility for this disclosure remains with Kendrick. The user of this document should ensure that this is the most recent Technical Report for the subject Mineral Assets as it is not valid if a new Technical Report has been issued.

SRK's opinion contained herein is based on information (including technical, accounting, legal and financial information) provided to SRK by Kendrick throughout the course of SRK's investigations as described in this Report, which in turn reflects various technical and economic conditions at the time of writing. Such technical information as provided by Kendrick was taken in good faith by SRK. Where aspects of legal issues, marketing, commercial and financing matters, insurance, land titles and usage agreements, and any other agreements and/or contracts Kendrick may have entered into are covered in this CPR, SRK has relied on information provided by the Company.

The technical information provided by Kendrick relies on assumptions regarding certain forward-looking statements. These forward-looking statements are estimates and involve a number of risks and uncertainties that could cause actual results to differ materially. The projections as presented and discussed herein have been proposed by Kendrick's management and cannot be assured; they are necessarily based on economic assumptions, many of which are beyond the control of the Company. Future cashflows and profits derived from such forecasts are inherently uncertain and actual results may be significantly more or less favourable. Unless otherwise expressly stated, all the opinions and conclusions expressed in this CPR are those of SRK.

This Report includes technical information, which requires subsequent calculations to derive subtotals, totals, averages and weighted averages. Such calculations may involve a degree of rounding. Where such rounding occurs, SRK does not consider them to be material.

As far as SRK has been able to ascertain, the information provided by Kendrick was complete and not incorrect, misleading or irrelevant in any material aspect. Kendrick has confirmed in writing to SRK that full disclosure has been made of all material information and that to the best of its knowledge and understanding, the information provided by Kendrick was complete, accurate and true and not incorrect, misleading or irrelevant in any material aspect. SRK has no reason to believe that any material facts have been withheld.

1.7.1 Technical reliance

SRK is satisfied that, as far as reasonably practical, sufficient checks have been conducted to demonstrate that all technical information provided to SRK as at the Effective Date (defined in Section 1.5) is both valid and accurate for the purposes of compiling the CPR.

1.7.2 Financial reliance

Kendrick has provided SRK with its estimates for exploration or other project development expenditure for the next 16 months. These cover technical and infrastructure expenditures only, and some are based on assumptions or plans that are still under review. SRK has not carried out a detailed review of the estimates or quotations from third-parties that make up the total figures provided by Kendrick.

1.7.3 Legal reliance

In consideration of the legal aspects relating to the Scandinavian Mineral Assets, SRK has placed reliance on the representations of the Company that the following are correct as of the Effective Date (defined in Section 1.5) and remain correct until the Publication Date:

- The Board of Directors of the Company are not aware of any legal proceedings that may have any influence on the rights to explore, develop, and mine the minerals present within and associated with the Scandinavian Mineral Assets.
- Northern X Finland OY incorporated in Helsinki, Finland with company No. 2892740-6 is the legal owner of all mineral and surface rights of the Finnish assets mentioned in this CPR.
- Northern X Scandinavia AB incorporated in Stockholm, Sweden with company No. 559148-9850 is the legal owner of all mineral and surface rights of the Swedish assets mentioned in this CPR.
- Eurasian Minerals Sweden AB incorporated in Sweden is the legal owner of all mineral and surface rights of the Norwegian assets mentioned in this CPR.
- No significant legal issue exists which would affect the likely viability of the exploration and production licences as reported herein.

Kendrick Resources PLC is incorporated in England and Wales, with company number 02401127 and its registered office is at 7/8 Kendrick Mews, South Kensington, London, United Kingdom, SW7 3HG.

1.7.4 Statement of SRK independence

Neither SRK, nor any of the authors of this Report, has any material present or contingent interest in the outcome of this Report, nor any pecuniary or other interest that could be reasonably regarded as capable of affecting their independence or that of SRK in relation to the Mineral Assets considered by SRK and reported herein.

At the date of this CPR, neither SRK nor the authors (as identified under Section 2.6) who are responsible for authoring this CPR, nor any Directors of SRK have had, within the previous two years, any shareholding in the Company or any other economic or beneficial interest (present or contingent) in the Project. SRK is not a group, holding, or associated company either of the Company. None of SRK's partners or officers are officers or proposed officers of any group, holding, or associated company of the Company.

Further, no Competent Person involved in the preparation of this CPR is an officer, employee, or proposed officer of the Company or any group, holding, or associated company of the Company. Consequently, SRK, the Competent Persons, and the Directors of SRK consider themselves to be independent of the Company, its directors and senior management.

In this CPR, SRK provides assurances to the Board of Directors of the Company in compliance with best practice, that the Mineral Resources and exploration potential of the Mineral Assets as provided to SRK by Kendrick and reviewed and, where appropriate, modified by SRK, are reasonable, given the information currently available.

1.7.5 Indemnities

As recommended by the VALMIN Code (2015), Kendrick has provided SRK with an indemnity under which SRK is to be compensated for any liability and/or any additional work or expenditure resulting from any additional work required:

- which results from SRK's reliance on information provided by Kendrick or Kendrick not providing material information
- which relates to any consequential extension workload through queries, questions or public hearings arising from this Report.

1.7.6 Consent

SRK consents to this Report being included, in full, in Kendrick's proposed Prospectus in the form and context in which it is provided, and not for any other purpose. SRK provides this consent on the basis that the findings expressed in the Executive Summary and in the individual sections of this Report is considered with, and not independently of, the information set out in the complete Report.

1.7.7 Practitioner consent

Statements contained in this report relating to historical exploration results and historical estimates of mineralisation are based on and fairly represents information and supporting documentation prepared by Mr Jeremy Read, who is a member of the AusIMM (Member Number 224610). Mr Read was formerly employed by Pursuit and now is the Exploration Manager for Kendrick. Mr Read has sufficient experience that is relevant to the mineralisation styles being reported on to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Read consents to the inclusion in the Report of the matters based on their information in the form and context in which it appears.

The Koitelainen Vosa Prospect Exploration Target and Inferred Mineral Resource estimate, as well as the Airijoki Inferred Mineral Resource estimate were all based on and fairly represent information and supporting documentation prepared by Mr Chris Grove, who is a member of the AusIMM (Member Number 310106). Mr Grove is a full-time employee of the mineral resource consulting company Measured Group Pty Ltd (Measured Group), who were contracted by Pursuit Minerals Limited to prepare an estimate of the Exploration Target and Inferred Mineral Resource at Koitelainen. Mr Grove has sufficient experience that is relevant to the mineralisation styles being reported on to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Grove consents to the inclusion in the Report of the matters based on their information in the form and context in which it appears.

The Stormyra and Dalen Mineral Resource estimates (as outlined for the Espedalen Project) were based on and fairly represent information and supporting documentation prepared by Mr Bruce Armstrong, who is a member of the AIG (Member Number 3271). Mr Armstrong is an independent consultant and has sufficient experience that is relevant to the mineralisation styles being reported on to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Armstrong consents to the inclusion in the Report of the matters based on their information in the form and context in which it appears.

The information in this report that relates to the technical assessment and evaluation of the mineral assets as outlined in this Report is based on and fairly reflects information compiled and conclusions derived by SRK's team operating under the supervision of Mr Jeames McKibben, who is a Competent Person and Fellow of the AusIMM (Member Number 301794) and a Member of the AIG (Member Number 3087). Mr McKibben is a full-time employee of SRK, an independent mining

consultancy, based in SRK's Brisbane office. Mr McKibben has sufficient experience that is relevant to the mineral asset under consideration, the style of mineralisation and the type of deposit under consideration and to the activity being undertaken to qualify as a Practitioner as defined in the 2015 edition of the VALMIN Code, and as a Competent Person as defined in the 2012 edition of the JORC Code. Mr McKibben consents to the inclusion in the Report of the matters based on their information in the form and context in which it appears.

1.7.8 Consulting fees

SRK's estimated fee for completing this Report is based on its normal professional daily rates plus reimbursement of incidental expenses. The fees are agreed based on the complexity of the assignment, the development status of the assets, the site visit requirement (during COVID-19 pandemic), SRK's knowledge of the assets and availability of data. The fee payable to SRK for this engagement is estimated at approximately A$80,000. The payment of this professional fee is not contingent upon the outcome of this Report nor the success of the Prospectus and SRK will receive no other benefit for the preparation of this CPR.

1.7.9 Units of measure and currency

All units of measurements, abbreviations, and technical terms are defined in the glossary of this CPR. Unless otherwise explicitly stated, all quantitative data as reported in this CPR are reported on a 100% basis. Grades of gold and silver are reported as either grams per tonne or parts per million, 1 g/t =1 ppm, while most other metals are discussed in percentage terms (%).

Unless indicated otherwise, all the coordinates stated in this report are in Universal Transverse Mercator (UTM) projection and the 1984 World Geodetic System datum (WGS84 UTM).

Throughout this report, measurements are in metric units and currency in Great British pounds (£), Euros (€), Norwegian krone (NOK), Swedish krona (SEK) or Australian dollars (A$) unless otherwise stated.

2 Company overview

2.1 Company description

Kendrick is a private company with its headquarters and registered address at 7/8 Kendrick Mews, South Kensington, London, United Kingdom, SW7 3HG. The Company was incorporated in 1989 and has been running for 31 years. It has been previously known under various company names as follows: Ashchurch Exploration PLC (July 1989 - November 1991), Ashchurch Resources PLC (November 1991 - March 1994), Dominion Energy (March 1994 - April 2000), Startup Station PLC (April 2000 - September 2001), Tecteon PLC (September 2001 - March 2008), Berkeley Mineral Resources PLC (March 2008 - May 2015), BMR Mining PLC (May 2015 - February 2016) and BMR Group PLC (February 2016 - February 2021). It changed its name to Kendrick Resources PLC in February 2021.

The Company's principal activity is mineral exploration and development. It currently has a royalty arrangement over future net earnings from its former tailings project at the Kabwe base metal project in Zambia with Jubilee Metals Group PLC (Jubilee).

Jubilee holds a 29.0% interest in Kendrick.

In July 2019, the Company (at the time still known as BMR Group PLC) entered into a letter of intent (LOI) with Revelo Resources Corp, a Toronto Venture Exchange (TSX-V) listed company, to acquire an 80% interest in the Montezuma copper project in northern Chile. The terms of this agreement were amended in October 2019, before being allowed to lapse by Kendrick in April 2020.

In January 2021, the Company (at the time still known as BMR Group PLC) entered into an agreement with Pursuit Minerals Limited (an ASX listed company) to acquire that company's Scandinavian nickel and vanadium projects subject to its payment of the approximately A$3 M consideration (comprising cash and the issue of shares in the Company) and Listing on the LSE, raising A$2.65 M to fund project development and Pursuit gaining shareholder approval. This report has been prepared to assist Kendrick in meeting its corporate obligations under the terms of its agreement with Pursuit.

2.2 Management structure

The following persons currently comprise the Board of Directors of Kendrick:

- Colin Bird: Chairman and Director (and Non-executive Chairman of Jubilee)
- Kjeld Randolph Thygesen: Director (appointed 23 October 2020).

2.3 Company strategy

The Company's primary objective is to deliver shareholder value through the exploration for, and development of, high-quality new energy mineral deposits within several strategically located projects areas in Fennoscandia.

To this end, the Company at Listing will i) acquire a prospective landholding in proximity to several known nickel-copper-vanadium-iron deposits and mines in the historical mineral districts of Finland and Sweden ; and ii) acquire options over landholdings in Norway in proximity to several known nickel-copper-vanadium-iron deposits and mines in historical mineral districts Despite proximity to these recognised centres, much of the portfolio has, to date, received limited modern, systematic exploration, and little deeper drilling.

Kendrick at Listing proposes to rapidly evaluate its projects and expand the currently defined Mineral Resources, while simultaneously exploring for other known emerging energy metal deposits such as vanadium, nickel, copper, and cobalt in Scandinavia. Kendrick proposes to build on the strategy initially developed by Pursuit, who conducted extensive works at Airijoki in northern Sweden and Koitelainen in northern Finland, highlighting these as the most prospective development opportunities in the near term.

The overall concept at Airijoki and Koitelainen is to potentially mine the vanadium enriched magnetite and then use a simple crush, mill and magnetic separation process to produce a vanadium enriched magnetite concentrate for sale to vanadium smelters or steel producers in Finland, Germany or Asia. This simple processing plan, rather than the more complex production of V_2O_5 flake, would enable feasibility studies to be conducted more quickly, potentially allowing faster government permitting and subsequent earlier generation of cashflows. A lower capital expenditure intensity is expected to arise from a dig and deliver operation, which does not require the equipment for a salt roasting process, as required to produce V_2O_5 flake.

Thus, a two-stage approach to development is envisaged. The first step is to progress the Airjoki and Koitelainen projects towards production of a vanadium enriched magnetite concentrate, thus providing the financial capacity to invest in a later stage development of a central salt roasting processing plant capable of producing V_2O_5 flake from multiple projects, and that enables strong returns for shareholders.

To this end, Kendrick has a number of refined targets able to be drill tested in the near-term, as well as an integrated exploration program able to support the Company's medium to longer term focus. It is envisaged that these properties will form a 'pipeline' of projects at different levels of maturity able to deliver the Company a sustainable supply of resources for eventual development and production. As a result, the Company is now seeking admission to the LSE to fund these future exploration and development programs.

In doing so, Kendrick is well positioned to take advantage of Scandinavia's established infrastructure, cost effective power and stable legislative frameworks and leverage the current burgeoning market for new energy metals. Given its portfolio approach, Kendrick also seeks to diversify risk and maximise discovery potential through the strategic evaluation of numerous exploration plays with historical datasets and/or new conceptual targets, completing early stage and low-cost exploration for maximum value adding, and partnering with fast-moving companies with reputations for the development of producing mines.

3 Overview of the Fennoscandia region

3.1 Introduction

The Fennoscandia region is primarily centred on the landmass in northwestern Europe comprising the Scandinavian Peninsula (covering Norway and Sweden), Finland and Russia's Karelian and Kola provinces. Of particular importance to the Scandinavian project's landholdings are Finland, Norway and Sweden and hence the focus of this section is on these countries.

The Fennoscandia region experiences a temperate climate along the coast, modified by the North Atlantic Current but a colder interior, characterised by increased precipitation and colder summers. Rain is evident year-round on the west coast. Temperatures vary considerably between the southern coastal regions and the extreme north, showing characteristics of both a maritime and a continental climate.

The Fennoscandia region shares many cultural traits and most of the languages are related. They have a shared history and are economically interconnected. Finland and Sweden are European Union (EU) members, while Norway rejected EU membership but belongs to the European Free Trade Association (EFTA, which has free trade with EU) and the Schengen area. (The Nordic passport union was formed in the 1950s and provides further rights.)

After World War II, the Fennoscandian countries became high-income countries. Norway in particular profited from an abundance of natural resources. Sweden and Finland are similarly well endowed with natural resources, however in the international marketplace they are mostly famous for strong brands like Ikea, Volvo, Saab, Ericsson and Nokia. High minimum wages and taxes translate into high prices for visitors.

The Fennoscandian countries are known for significant natural resources such as fish, hydroelectricity and oil (Norway). The region is now focusing on sustainable technology solutions and working to transition from fossil fuels to more environmentally friendly alternatives. Striking a balance between economic growth and the conservation of natural resources remains high on the political agenda.

The Nordic model involves a public sector that provides citizens with welfare services and a social safety net. The labour market is highly regulated by collective bargaining agreements between employers and unions. Underpinned by robust national finances, this model has provided the ideal conditions for a high standard of living, high levels of employment and gender equality, as well as heavy investment in education and research.

Elaborate welfare states are a common characteristic of the Fennoscandian countries. Most things are highly organised. The Fennoscandian countries are amongst the least corrupt in the world and enjoy relatively low crime rates. In addition, they are the world's most highly rated in terms of gender equality, with the highest proportions of women in senior leadership positions, as well as generous paternity and maternity leave and a strong culture of equal responsibility in child rearing. Although the neoliberalist wave has also affected the political climate, the support for the welfare state among people is strong.

3.1.1 Overview of Finland

Finland covers some 338,500 km^2, extending for approximately 1,100 km at about 230-550 km in width from latitude 60˚ N to 70˚ N. It borders Sweden (to the northwest), Norway (to the north) and Russia (to the east). The Baltic Sea, the Gulf of Bothnia and Gulf of Finland border Finland to the southwest and south.

The landscape is covered mostly by coniferous taiga forests and fens, with little cultivated land. Of the country's total area, 10% is occupied by lakes, rivers and ponds, and 78% by forest.

Finland's population is estimated at 5.5 million (July 2021 estimate) with the majority of the population concentrated in the southern region, where the nation's capital Helsinki, is located along the shoreline of the Gulf of Finland. The population is highly educated and skilled. Infrastructure throughout the country is very good, with favourably developed transportation and communication networks. The official languages are Finnish and Swedish, and the currency is the euro (€).

Finland has a highly industrialised, largely free-market economy. Trade is important, with exports accounting for over one-third of gross domestic product (GDP) in recent years. Finland is strongly competitive in manufacturing, principally the forestry, metals, engineering, telecommunications, and electronics industries. Except for timber and several minerals, Finland depends on imports of raw materials, energy, and some components for manufactured goods. Forestry, an important export earner, provides a secondary occupation for the rural population.

3.1.2 Overview of Norway

Norway has an elongated shape occupying the western part of the Scandinavian Peninsula, with almost one-third of the country above the Arctic Circle and covers some 323,802 km^2, extending for 1,752 km at up to 430 km in width from latitude 57˚ N to 80˚ N. It borders the North Sea and North Atlantic Ocean with one of the most rugged and longest coastlines in the world at some 25,148 km and lies to the west of Sweden.

The landscape is heavily glaciated with two-thirds of the country comprising mostly high plateaus and rugged mountains broken by fertile valleys and small scattered plains. The coastline is deeply indented by fjords with some 50,000 islands, while the arctic tundra is evident in the north. Of the country's total area, 2.7% represents agricultural land, 6% is occupied by lakes, rivers and ponds, and 37% by forest and other wooded land cover (of this almost 23% is productive forest). Norwegian forests have been exploited intensively for export of roundwood, sawn timber and wood tar for hundreds of years. In addition, there is a long tradition of using the forests for domestic animal grazing and game hunting.

Norway's population is estimated at 5.5 million (July 2021 estimate) with most Norwegians living in the south due to a milder climate and better connectivity to Europe. The nation's capital, Oslo, represents both a county and municipality, located at the northern-most end of the Oslo fjord, an inlet connecting to the Skarerrak strait and the North Sea. Norwegian is the official language, and the Norwegian krone (NOK) is the currency.

The level of education and productivity in the workforce is high in Norway. Nearly half of those with a tertiary-level education in Norway live in the Oslo region, placing it among Europe's top three regions in relation to education.

The quality of the Norwegian transportation infrastructure is reasonable, although its high mountains and deeply cut valleys and fjords combined with a severe northern climate make inland transportation difficult during the winter months. Railroads are located mostly in the south while most of the northern regions are accessible only by ship, car, or aircraft. Hydropower accounts for almost all electricity generation. Telecommunications infrastructure is one of the most developed in the world, with a complete digitisation of the telephone network.

Norway is richly endowed with natural resources, such as petroleum, hydropower, fish, forests, and minerals, and is highly dependent on the oil and gas sector, which accounts for approximately half of the total value of Norway's exports of goods. Norway is the world's third largest exporter of natural gas and one of the world's largest oil exporters.

3.1.3 Overview of Sweden

Sweden coves some 450,000 km^2, extending for approximately 1,750 km at about 500 km in width from latitude 55° N to 69° N on the Scandinavian Peninsula in northern Europe. It borders Norway to the west and Finland to the southeast. The Baltic Sea and the Gulf of Bothnia lie to the east, and the Kattegat, Skagerak and Öresund straits lie to the southwest.

More than half of the country is covered by forests, with lakes and rivers accounting for 9% of the land area and mountains 10% (mainly along the border with Norway).

Stockholm is the nation's capital and the country's population of more than 10 million (July 2021 estimate) largely reside in the urban areas of southern Sweden. Swedish is the official language, and Sweden's currency is the Swedish krona (SEK).

Aided by peace and neutrality for the entire 20th Century, Sweden has achieved an enviable standard of living under a mixed system of high-tech capitalism and extensive welfare benefits. It has a modern distribution system, excellent internal and external communications, and a skilled labour force.

Timber, hydropower, and iron ore constitute the resource base of an economy heavily oriented toward foreign trade. Privately owned firms account for about 90% of industrial output, of which the engineering sector accounts for 50% of output and exports. Agriculture accounts for little more than 1% of GDP and of employment.

3.2 Geology and mineral resources

3.2.1 Overview

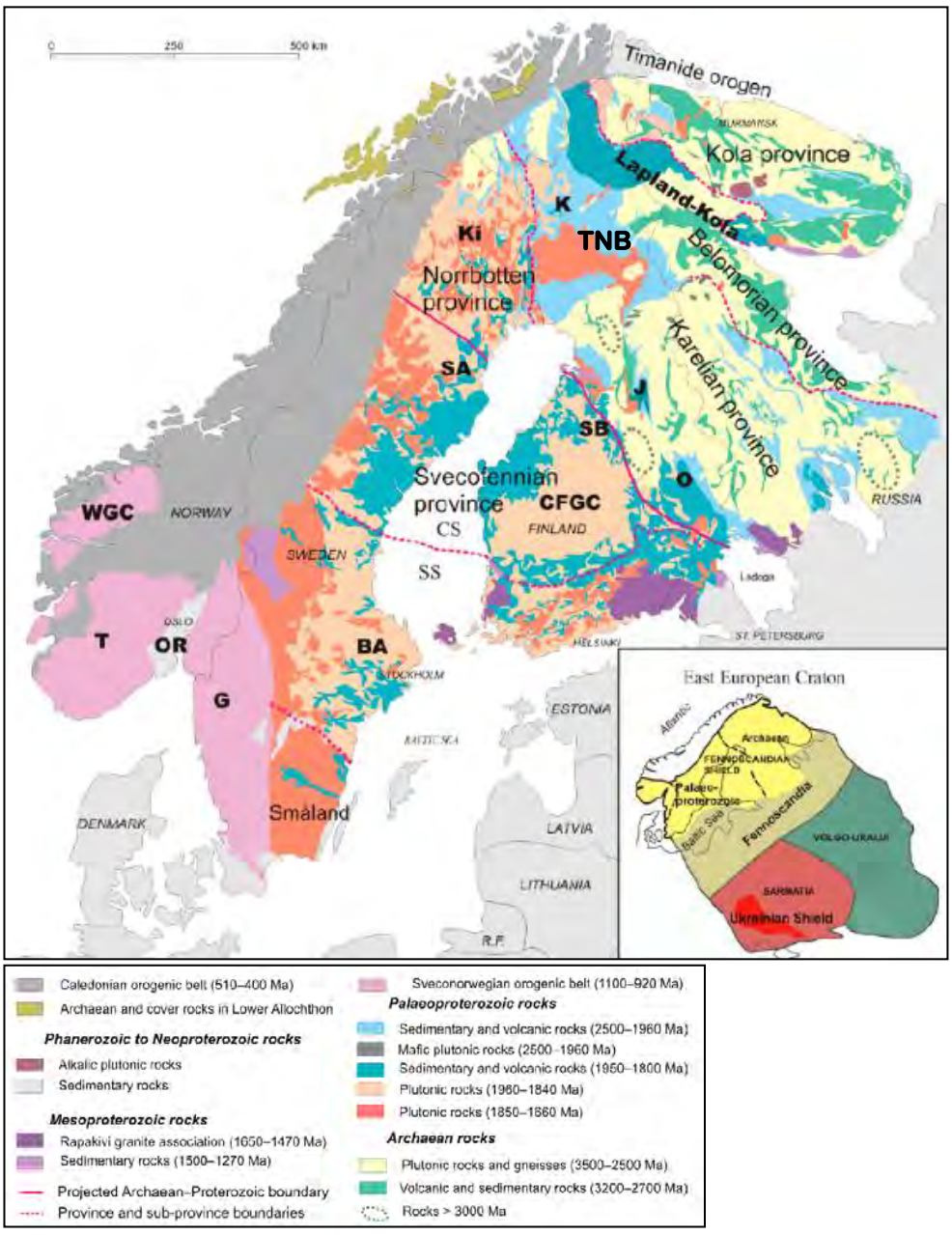
In geological terms, Sweden and Finland form part of the Fennoscandian Shield (also known as the Baltic Shield), which also includes Norway and the northwestern part of Russia. The Fennoscandian Shield consists of mostly crystalline and metamorphic rocks which have consolidated in pulses over the past 2,800 Ma. The Fennoscandian Shield comprises three distinct Precambrian provinces:

- Archaean Karelian-Belomorian-Kola Province or Craton
- Paleoproterozoic Svecofennian Province
- Mesoproterozoic Sveconorwegian Province.

In contrast, Norway is dominated by gneissic rocks of the southwestern gneiss province (900-1,700 Ma) and the Caledonian mobile belt, a deeply eroded orogenic belt of late Precambrian to early Palaeozoic rocks, emplaced during the Silurian-Devonian (400-700 Ma) as a series of nappes onto the Fennoscandian basement.

Figure 3-1 shows the various components of Fennoscandia and its location within the East European Craton.

Figure 3-1: Simplified geology of the Scandinavian Peninsula



Source: Lahtinen (2012)

Subareas: CS = Central Svecofennia; SS = Southern Svecofennia.

Areas and Localities: BA = Bergslagen area; G = Gothian terrances; J = Jormua; K = Kittila; Ki = Kiruna; O = Outokumpu; OR = Oslo Rift; Sa = Skellefteå Area; SB = Savo Belt; T = Telemarkian terranes; TNB = Tornio-Näränkävaara Layered Intrusion Belt; WGC = Western Gniess Complex.

According to Weihed, et al. (2008), important mineralisation styles include:

- volcanogenic massive sulfide deposits (VMS) for copper, zinc, iron, gold and silver
- orogenic gold deposits
- layered intrusions for nickel, PGE and titanium and vanadium (TiV)
- intrusion hosted copper-gold
- apatite iron deposits
- anorthosite hosted titanium deposits
- iron oxide copper-gold
- shale hosted nickel-copper and zinc
- various styles of uranium mineralisation.

3.2.2 Finland

Regional geology

Finland lies within the Fennoscandian Shield, which is exposed over an area of more than 1,000,000 km^2. The Fennoscandian Shield is subdivided into three broad domains, which consist of three crustal units, a Neoarchaean cratonic nucleus (Karelian Province, Figure 3-1), flanked, on either side by Paleoproterozoic mobile belts (SB and K in Figure 3-1). To the northeast of the Karelian Craton, several distinct crustal units of both Proterozoic and Archean age (Kola-Lapland domain) record the amalgamation of Lapland granulite belt (Lapland-Kola in Figure 3-1) and greenstone belts to the Karelian Craton at around 1.9 Ga as a collisional tectonic regime. In contrast, the Svecofennian domain (CFGC in Figure 3-1), to the southwest of the Karelian Craton, is entirely Paleoproterozoic in age, and indicates relatively rapid formation and accretion of new crust between about 1.97 to 1.80 Ga.

The Karelian Craton is characterised by extensive granitoids and higher-grade gneiss domains surrounding narrow northerly-trending greenstone belts. A major magmatic and metamorphic event had taken place around 2.84 Ga, although rocks up to 3.5 Ga are present in the Craton. Greenstone sequences of lower metamorphic grade were formed after this event. These greenstone sequences were subsequently deformed and intruded by tonalitic to granitic magmas between 2.75 to 2.69 Ga. The Kuhmo and Suomussalmi greenstone belts (J in Figure 3-1) are the most extensive and well preserved supracrustal units in the Archean of Finland, outcropping over a strike length of nearly 200 km, though seldom exceeding 10 km in width. Both greenstone belts contain abundant tholeiitic and komatiitic volcanic rocks, together with related intrusive and subvolcanic cumulates, and lesser felsic volcanic and volcanoclastic units.

The northern part of the Karelian Craton, records a prolonged and episodic history of sedimentation, rifting and magmatism throughout the Early Paleoproterozoic. The CLGB is the largest mafic-dominated province preserved in the entire shield. A sequence of bimodal mafic and felsic volcanic units dated at around 2.5 Ga unconformably overlie the Archean basement and represent the onset of rifting. Continued rifting of the Archean crust resulted in the widespread emplacement of mafic and ultramafic layered intrusions between 2.5 to 2.4 Ga clustered to form the Tornio-Näränkävaara Layered Intrusion Belt (TNB in Figure 3-1) in Finland. These TNB

intrusions host the important Kemi chromite mine, and also contain widespread PGE-nickel-copper enrichment. Clastic sediments discordantly overlie these layered intrusions, with further episodes of mafic magmatism recorded as sporadic lavas and sills dated at around 2.2 Ga, 2.10 Ga, and 2.05 Ga. The latest stage includes the Kevitsa nickel-copper-PGE deposit and coincided with rifting and subsidence of the Karelian Craton margin.

Mineralisation

Each of the main Fennoscandian Shield accretion events (Archaean, older Proterozoic, and Svecofennian) displays its own metallogenic characteristics.

In the Archaean, orogenic gold and epithermal silver-gold, komatiite-related nickel-copper, and porphyry molybdenum mineralisation styles are well represented along with a single carbonatite body (apatite).

The Proterozoic is characterised by mafic-ultramafic intrusions (age 2,440 Ma) hosting stratiform chromium and iron-titanium-vanadium deposits (such as Soidinvaara), PGE-enriched reefs, and nickel-copper-PGE contact and offset mineralisation. Subsequent nickel-copper deposits (2,050 Ma) and sedimentary black shale hosted nickel-zinc-copper deposits are also evident along with Outokumpu-type VMS copper-cobalt-nickel deposits.

The Svecofennian includes prominent VMS lead-zinc, ultramafic-hosted nickel-copper, and orogenic gold deposits. In addition, porphyry copper and molybdenum, epithermal gold-silver, iron oxide-copper-gold (IOCG) and pegmatite-hosted lithium mineralisation. Diamondiferous kimberlite pipes, approximately 600 Ma and 1,200 Ma in age, have been found in eastern Finland.

3.2.3 Norway

Regional geology

In Norway, the Caledonide orogenic and metallogenic belt occupies the majority of the country stretching for 2,000 km in length and up to 200 km in width from North Cape in the north to Stavanger in the south. The belt comprises a number of thrust sheets which were emplaced during continent-continental collision.

A tectonostratigraphic division with five units containing several nappes is generally used to describe the thrust sheets: the Uppermost Allochthon, the Upper Allochthon, the Middle Allochthon, the Lower Allochthon and the Parautochthon/Autochthon. The Uppermost and Upper allochthons are considered exotic terranes, derived from the continent of Laurentia and the Iapetus Ocean, respectively, while the other three units are derived from the continent of Baltica (Thelander, 2009).

- The Uppermost Allochthon contains medium-high grade metamorphosed schists, carbonate rocks, volcanics and granites derived from Laurentia.
- The Upper Allochthon comprises the Køli nappes which are derived from the Iapetus Ocean and are composed of low-high grade metamorphic island-arc related rocks (e.g. metavolcanics, metasediments and ophiolites).
- The Middle Allochthon is composed of the Seve and Særv nappes derived from the outer margin of the Baltic Shield. The major rock types in the Særv Nappes are medium-high grade

metamorphosed sandstones and abundant dolerite dyke swarms. The Seve Nappes are composed of three general units, amphibolite-eclogite facies sandstones, granulite facies migmatites and paragneisses and the uppermost unit composed of amphibolites and minor metasedimentary rocks.

- The Lower Allochthon is derived from the margin and the platform of the Baltic Shield and comprises low-grade metamorphosed sandstones, quartzites, greywackes, alum shales and limestones.
- The Parautochthon/Autochthon consists of metasediments unconformably overlying the Precambrian basement (Gee et al., 2010; Thelander, 2009; Korja et al., 2008).

Mineralisation

The Caledonian ores number several hundred individual deposits and represent more than 10 different mineralisation styles, including:

- Stratabound and stratiform lead/zinc/copper/silver VMS deposits: (Stekenjokk-Levi, Løkken, Sulitjelma, Tverrfjellet, Røros, Meråker, Joma, Bleikvassli).
- Stratabound magnetite-hematite deposits: (Dunderlandsdal/Mo i Rana, Bogen, Håfjell).
- Sandstone lead deposits: (Laisvall).
- Black shale (Alum Shale) hosted uranium-vanadium deposits: (Myrviken, Hotagen, Tåsjö, Ranstad).
- Orthomagmatic nickel/copper/chromium/PGE deposits: (Leka, Feøy, Råna/Bruvann, Feragen, Vakkerlien).

3.2.4 Sweden

Regional geology

Sweden's bedrock geology consists of three main components - Precambrian crystalline rocks, Phanerozoic sedimentary rocks, and the Caledonides. Formation of the Fennoscandian Shield commenced approximately at 2,800 Ma when volcanic activity and sedimentation created some of the northern parts of the shield (Martinsson, 2004). These rocks were subsequently intruded by arc-related granitic magmas which solidified and formed the core of the Archaean shield. At around 2,500 Ma, this core underwent rifting and associated mafic volcanism (The Geological Survey of Sweden Website, 2014). Subsequently, around 1,900 Ma, the craton collided with more juvenile terranes to the northeast and created the Lapland Granulite Belt (Daly et al., 2006).

From 1,900 to 1,750 Ma, the Svecofennian Orogeny led to the formation of the Svecofennian province, comprising both metasedimentary and metavolcanic rocks and several generations of granitoids (The Geological Survey of Sweden Website, 2014). Many of Sweden's ore deposits in the Bergslagen (iron and sulfide ores), Skellefteå (sulfide ores) and Norrbotten (iron and sulfide ores) districts were formed during this time (Johansson, 2014).

The southwestern gneiss (Sveconorwegian) province has a long and complicated history dating from 1,140 to 960 Ma, with a number of distinct orogenic events (The Geological Survey of Sweden Website, 2014). The majority of rocks in the region were formed during the 1,700 to 1,550 Ma

Gothian Orogeny and were subsequently intruded by multiple generations of granitoids (Johansson, 2014). The area underwent metamorphism and deformation during the Sveconorwegian Orogeny between 1,100 and 900 Ma (SGU, 2014).

The Caledonides located to the west are composed of Phanerozoic metavolcanic and sedimentary rocks, including Neoproterozoic to Silurian metasedimentary rocks deposited in the Iapetus Ocean between 700 and 400 Ma (Johansson, 2014). These rocks were thrust eastwards several hundred kilometres over the edge of the Fennoscandian Shield as nappes during the Caledonian Orogeny at approximately 400 Ma, when North America and Greenland collided with Scandinavia (Johansson, 2014).

Mineralisation

The Fennoscandian Shield of Sweden has four classic ore districts:

- Bergslagen region - Fe, Zn-Pb-Cu-Ag-(W-Mo-REE) in south-central Sweden is one of the most important metallogenic provinces with more than 7,000 iron, 1,500 base metal and 150 special metal (mainly tungsten) deposits but only relatively few precious metal deposits. Key mineralisation styles include skarn, porphyry, banded iron formation (BIF), stratiform and breccia hosted.
- Northern Norrbotten region - apatite - iron ore in northern Sweden hosts a large number of apatite iron ore deposits of the Kiruna type and iron oxide copper gold deposits.
- Skellefteå district - Zn-Cu-Pb-Ag-Au-Te in northern Sweden is a prominent gold and base metal district with some 150 known precious and base metal deposits primarily of the volcanic hosted massive sulfide and orogenic gold mineralisation styles, with minor porphyry.
- Caledonides of western Sweden host a number of sandstone hosted lead-zinc, shale hosted U-V-Mo-Ni-P and massive sulfide copper-zinc mineralisation styles.

3.3 Mining industry profile

3.3.1 Finland

The Finnish Safety and Chemicals Agency (TUKES) is the major governing body for the mining industry and acts as the mining authority. TUKES grants and supervises permits and enforces compliance with the Mining Act; responsibilities of the Ministry of Employment and the Economy include providing guidance for monitoring and development activities related to the Mining Act.

The Regional State Administrative Agency (AVI) grants the environmental permits required for mining.

The Centres for Economic Development, Transport, and the Environment (ELY Centres) supervise and protect the public interest concerning environmental and water issues.

The principal products of Finland’s industrial sector are chemicals, electronics and optical products, machinery, metals and metal products, and paper products. Metals and mineral production include nickel, ferrochromium, feldspar, pig iron, chromite, mica, palladium, cobalt, copper and sulfur.

Finland's metallic mineral mines are mostly privately owned by foreign enterprises, although the government holds an equity share in some of the major mineral producers. The majority of the mining companies are subsidiaries of international mining companies from Australia, Canada, Sweden, or the United Kingdom.

Finland opened to foreign exploration and mining companies in 1993, following its entry into the European Union. Until that time, foreign mining companies were only permitted to enter the country and operate with the government's authority. Since 1993, numerous exploration companies have become involved in the exploration of Finland and today most of the Finnish metal mining is carried out by foreign companies.

In 2019, Finland produced approximately 1.18 Mt of chromium concentrates, 1,454 t of cobalt (raw), 12,526 t of refined cobalt, 32,592 t of copper (mined metal content), 120,369 t of copper (smelter metal content), 13,009 t of copper (refined copper), 17,997 t of feldspar, 7,927 kg of gold, 2.3 Mt of pig iron, 3.5 Mt of crude steel, 0.5 Mt of ferro-chrome, 937 t of lead, 37,002 t of magnesite, 9,440 t of mica, 38,530 t of nickel (mined metal content), 90,151 t of nickel (refined/smelter metal content), 994,572 t of phosphate, 953 t of platinum, 699 t of palladium, 115 t of refined selenium, 40,461 kg of silver, 233,000 t of pyrite, 329,891 t of talc, 11,000 t of wollastonite, 68,153 t of zinc (mined metal content) and 290,844 t of slab zinc (BGS, 2019).

Compared to Sweden and Norway, the Finnish mining industry is more dominated by foreign-owned companies, and it is ranked significantly higher on the Fraser Institutes' list regarding attractive mining investment countries compared to Sweden and Norway. In 2020 it was ranked as 10 out of 77 jurisdictions regarding investment attractiveness, and as the third-best jurisdiction related to mining policy.

3.3.2 Norway

The mining industry (for metals and industrial minerals) in Norway is notably smaller than its Swedish and Finnish counterparts, but it is an industry that has been growing more-recently.

The Directorate of Mining, which is under the Ministry of Trade and Industry, is Norway's technical department responsible for administering the extraction of mineral resources. The Norwegian Petroleum Directorate (NPD), which is under the Ministry of Petroleum and Energy (MPE), regulates the use of petroleum resources. Norway's mineral industry is composed of government-owned and privately owned operations.

Norway has vast reserves of petroleum, titanium, nickel, natural gas, iron ore and coal. Globally, it ranked fifth in the production of natural gas and second in the export of natural gas. The country's titanium production accounts for 6% of the total world production of titanium. It is a globally leading producer of ferroalloys and aluminium. The country also produces zinc, steel, copper, cobalt, cadmium and aluminium. Some of the country's economically important industrial minerals include sand and gravel, nepheline syenite, limestone and aggregates.

In the early 1980s, iron ore was the most important mineral produced in Norway (with the exception of the North Sea oil fields), however iron ore production has subsequently declined.

Until the early 1990s, the Norwegian State was a major player in the minerals industry, particularly through its ownership of Norsk Jernverk, Rana Gruber and AS Sydvaranger, and their subsidiaries. Over the following 20 years, these interests were divested such that the State now does not hold

any commercial interests in the mining and quarrying industry. Foreign multinational companies own many of the larger, export-oriented companies in the sector.

More than half of the country's mineral production is exported, while domestic demand has enabled significant processing and refining industry development.

In 2019, Norway produced approximately 1.3 Mt of primary aluminium, 340 t of cadmium, 108,000 t of bituminous coal, 4,354 t of refined cobalt, 21,962 t of copper (smelter metal content), 21,962 t of copper (refined copper), 88,000 t of feldspar, 9,600 t of graphite, 102,100 t of gypsum, 1.7 Mt of iron ore, 74,200 t of pig iron, 620,800 t of crude steel, 400,00 t of ferro-manganese, 288,000 t of ferro-silicon-manganese and 150,000 t of silicon metal, 2 t of molybdenum, 200 t of nickel (mined metal content), 92,132 t of nickel (refined/smelter metal content), 85.4 Mt of crude petroleum, 115,130 Mm^3 of natural gas, 630,000 t of ilmenite and 195,374 t of slab zinc (BGS, 2019).

Approximately 2.2 Mt of metallic ore were sold in both 2018 and 2019. In 2019, the Norwegian metals and mining industry consisted of aluminium, iron and steel, gold, coal and base metal concentrates (nickel, copper and cobalt). Key products included iron and ilmenite, some nickel and a small amount of molybdenum is produced.

The mining industry earned revenues of US$2.9 B in 2019, representing a compound annual rate of change (CARC) of 3.6% between 2015 and 2019, despite falling volumes. Metallic ores sold for NOK1,851 M (US$220 M) in 2019, with the majority of this from exports. The turnover of metallic ores accounts for 13% of the total turnover in the mineral industry.

Key projects pending final financial investment decisions include Nussir ASA's development of the Nussir Copper project in Kvalsund, northern Norway and Nordic Mining's Engebø rutile-garnet Project in Vestland county on the west coast of Norway.

Regarding the Fraser Institute ranking for investment attractiveness, Norway receives a considerably less favourable ranking for investment attractiveness compared to Finland and Sweden. In 2020 it ranked 54 out of 77 jurisdictions, down from 37 out of 104 jurisdictions in 2016. Regarding the index related to mining policies, Norway is rated slightly higher, considering its rank of 27 of the 77 jurisdictions that were included in the survey in 2020.

3.3.3 Sweden

Sweden is a significant mining centre with a relatively large mining sector from a European perspective. It was the largest producer of iron ore, lead and zinc, and the second largest producer of silver, the third largest producer of gold, and the fourth largest producer of copper in 2019. With a strong mining and metals trading tradition dating back at least 1,000 years, the sector has been a mainstay of the Swedish economy for several hundred years.

Until 1992, only the Swedish State was permitted to explore for minerals. Since then, more than 100 companies have commenced exploration in Sweden. Despite this, the sector remains dominated by LKAB and Boliden AB (Boliden), who collectively account for more than 75% of exploration in Sweden. National exploration is backed by high-quality mining data, highly trained personnel and cutting-edge mining technology to support mining companies.

In 2019, Sweden produced approximately 120,000 t of primary aluminium, 99,332 t of copper (mined metal content), 135,900 t of copper (smelter metal content), 201,345 t of copper (refined

copper), 28,000 t of feldspar, 7,972 kg of gold, 38.9 Mt of iron ore, 3.2 Mt of pig iron, 4.7 Mt of crude steel, 120,00 t of ferro-chrome, 68,635 t of lead (mined metal content), 72,327 t of lead (refined metal content), 50 t of selenium, 419,926 kg of silver, 41 t of refined tellurium, and 247,657 t of zinc (mined metal content) (BGS, 2019).

Mining, although a small part of the country's GDP, is expected to remain important to Sweden's economy. Sweden has substantial base metals, gold and iron ore deposits, which are expected to continue to attract investors in the near future. Iron ore production is expected to increase to 50 Mtpa within 10 years. Foreign companies are likely to continue to explore actively in Sweden for base metals, iron and, particularly, gold. The Swedish Government is a major supporter of the production and use of renewable energy in electricity, heating and cooling, and transportation.

Recently, Sweden has fallen considerably in the Fraser Institutes ranking regarding attractive mining investment nations. Regarding investment attractiveness, Sweden has fallen from position 8 in 2016 to 36 in 2020, and regarding policy perception index Sweden's position has moved from 3 to 20 in the same period.

3.4 History of mining

The earliest indications of mining in Fennoscandia are from Sweden and Norway where exploitation of bog and bedrock iron deposits commenced more than 2,000 years ago. Signs of prehistoric mining have also been detected in Finland.

Archaeological evidence shows that copper was produced from the Falun mine in the Berslagen Province, Sweden early in the 8th century.

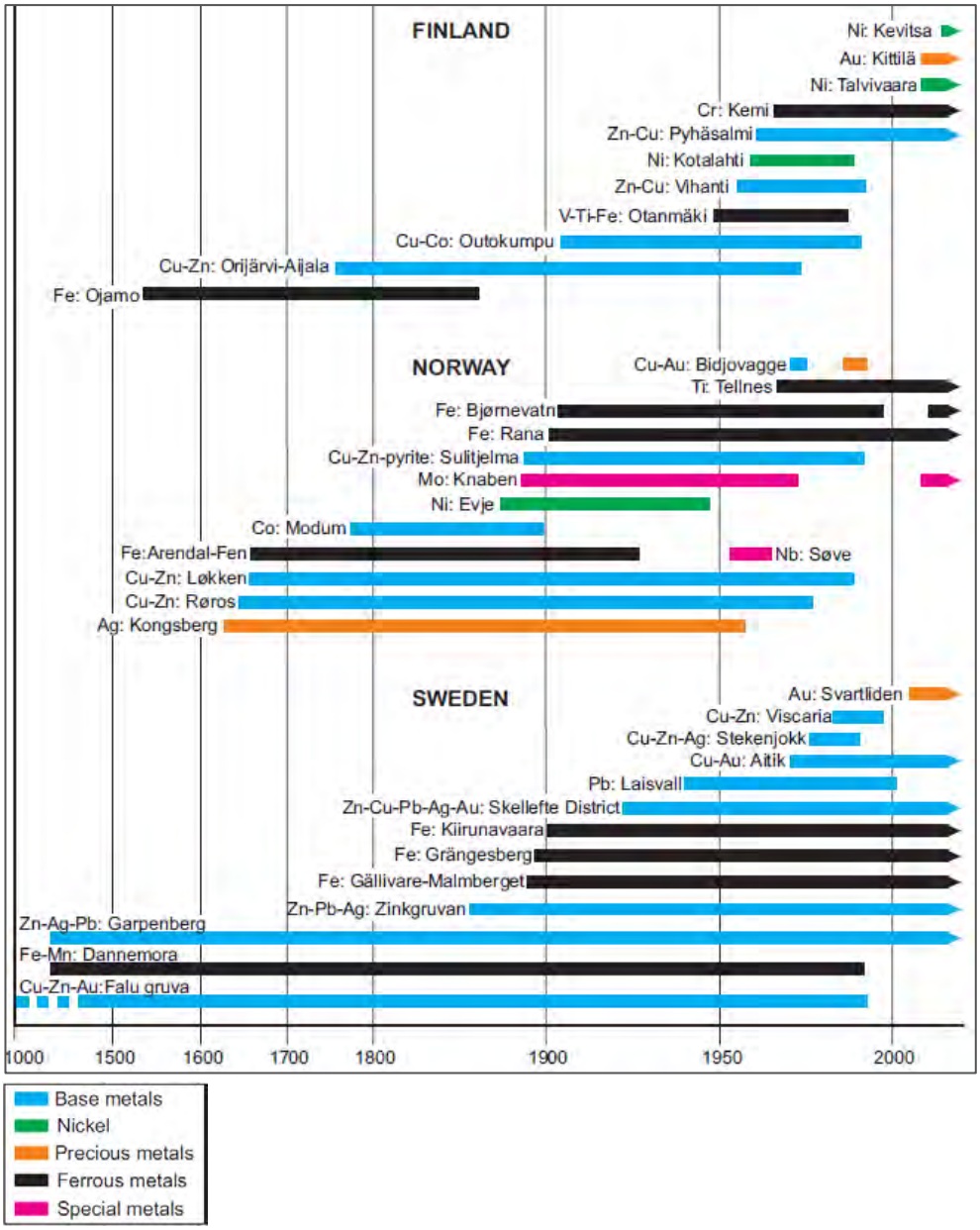
Sweden and Norway also record the first underground mining in the region, at about the 11th and 12th centuries. Mining grew extensively in the 16th and 17th centuries in Sweden and Norway, both in the number of operations and in the metals mined. In addition to iron, copper and silver, later also nickel, zinc and cobalt become significant products. Underground mining probably started in the 17th century in Finland.

Since the industrial revolution in the 19th century, numerous iron ore mines were exploited in Bergslagen. During the 20th century, mining of both base metals and iron ore commenced in several new mining districts such as the Skellefte and northern Norrbotten districts in Sweden, the Vihanti - Pyhäsalmi and Outokumpu districts in Finland and the Tellnes and Sulitjelma regions in Norway.

Mining in modern industrial scales started in the region about 100 years ago with the extension of old mines and opening of new mines. This also resulted in globally substantial development in mining and ore processing technology in the whole region. A large number of mines were closed during the 20th century.

Today, the Fennoscandia region is among the most important metallic mining districts in the European Union, with metals produced from active mines in all countries and supporting related refining and smelting industries.

Figure 3-2: Milestone of the mining history of Fennoscandia: life of the most significant mines and mining camps



Source: Eilu et al. (2012)

3.4.1 Finland

Metal mining in Finland can be regarded to have started in 1530, when the iron mine Ojamo was first opened.

Finland's modern mining industry commenced with production at the Outokumpu mine. The deposit was discovered in 1910 and gradually developed into the first major sulfide mine in the country. Small-scale production started in 1910, production gradually increased in the 1930s, with a total ore output of almost 6 Mt between 1930 and 1945. During its lifetime from 1910 to1989, some 28 Mt of ore was mined, and 1 Mt of copper produced.

Since its establishment, the government owned body, Outokumpu Oy ran several base metal mines, while iron-vanadium metal mining was completed by another state-owned mining company, Rautaruukki Oy. In addition to these major companies, some private base metal mines have been in operation.

Historically, one of the most significant discoveries is the Petsamo (Pechenga) nickel deposit, which was found in 1921, in the then northeastern-most corner of Finland. Following the cessation of the second world war, the border between Finland and Russia was moved westwards and the Pechenga nickel mine became a Russian mine. The Pechenga mine fields are still in production.

Production from Finnish mines over the last 500 years is presented in Table 3-1.

Table 3-1: Significant deposits in Finnish mining history. Ore and metal production to the end of 2010

Mine	Discovery	Company	Production period	Ore mined (Mt)	Produced minerals (kt)
Ojamo	<1530	Not known	1542-1863	0.0118	5.3 Fe
Orijärvi	1757	Layman	1758-1954	0.925	12 Cu, 12 Zn, 9.5 Pb
Outokumpu	1910	GTK	1910-1989	28.5	957 Cu, 54 Co, 227 Zn, 34 Ni, 23 Au
Petsamo	1921	GTK	1936-1944	0.462*	16.7 Ni, 8.9 Cu*
Aijala	1945	Suomen Malmi	1948-1960	0.839	13 Cu, 5.5 Zn
Otanmäki	1938	GTK	1949-1985	25.4	8616 Fe, 1923 Ti, 66 V
Vihanti	1946	GTK	1954-1992	27.9	1445 Zn, 129 Cu, 98 Pb
Kotalahti	1954	Outokumpu	1959-1987	12.36	82 Ni, 32 Cu, 3.7 Co
Pyhäsalmi	1958	Layman	1962 onwards	44.9	988 Zn, 359 Cu, 0.013 Au, 0.63 Ag
Kemi	1959	Layman	1966 onwards	35.8	6802 Cr
Tavivaara	1977	GTK	2008 onwards	27	11 Ni, 29 Zn, 0.1 Co
Kittilä	1986	GTK	2008 onwards	2.2	0.006 Au
Kevitsa	1987	GTK	2012 onwards	-	-

Source: Eilu et al. (2012)
Note: *Production when the area was part of Finland

3.4.2 Norway

The Akersberg silver deposit in Oslo is the oldest underground mine in Norway dating back to the late 12th century.

Small-scale copper mining in the Kongsberg district commenced before 1490. Copper ores were discovered at Ytterøy in Trondheimsfjord at least as early as 1516 (Falck-Muus, 1924). In 1524, mining commenced at the Guldnes copper and silver deposits at Seljord in Telemark, with these deposits mined until 1537.

The first of the silver mines at Kongsberg was opened in 1623 with mining and smelting activities continuing, with short periods of closure, until 1958.

Long-term copper mining developed in the following thirty years, first at Kvikne (1630) and then at Røros (1644) and Løkken (1654). Mining at Røros and Løkken continued until 1977 and 1987,

respectively. The established copper mines were joined by another long-term operation at Folldal in 1748.

Numerous iron mines were also opened in the 16th century, primarily in southern-most Norway, but few of these survived to recent times.

Cobalt was discovered at Modum in 1772, leading to the production of the dye 'cobalt blue'. Mining continued after 1820 in private ownership but closed in 1898 due to competition from alternative types of dye.

Nickel was discovered in Espedalen in 1837 and mining operations commenced there in 1846 and at Ertelien in 1849, the nickel being used in alloys with copper and zinc (Nordsteien, 2000). There followed a period of almost 100 years of semicontinuous nickel mining in Norway, including a period in the early 1870s, during which Norway was the world's major supplier of nickel.

Mining of pyrite for sulphuric acid production began in the mid-19th century (at Vigsnes and Stord) and later, in 1888 at Sulitjelma (also a major copper producer).

Molybdenum deposits were discovered in the late 1800s, including the Knaben deposits, which were mined from 1885 (until 1973).

In the early 1900s, Norway became a major producer of titanium pigments from titanium dioxide. Within the first decade of the new century, mining also commenced at the Sydvaranger (1906), Fosdalen (1906) and Rødsand (1910) iron ore deposits. Operations also began at Dunderland but were sporadic until 1937.

The occupation of Norway during World War II had an important impact on mining in the country due to the strategic importance of certain types of ore that were not readily obtainable in Germany. Several types of deposits were intensively exploited and the nickel deposits at Hosanger and Flåt were mined out.

Post-World War II reconstruction led to the development of the Bleikvassli (zinc-lead-copper), Skorovas (zinc-copper-pyrite), Tverrfjell (copper-zinc-pyrite), Joma (copper-zinc), Bidjovagge (copper-gold), Ulveryggen (copper), Bruvann (nickel-copper) and new deposits in the Røros province (copper-zinc). More exotic ores were exploited at Søve, in the Fen carbonatite, where niobium was mined from 1953-1965, and iron had previously been produced (1657-1929).

Outokumpu, the Finnish mining giant, developed an important role in mining in Norway over the period from 1983-2003 with ownership or part ownership in operations at Løkken, Tverrfjell, Joma, Bruvann and Bidjovagge. Exhaustion of a number of deposits, erratic metal prices and competition from large, easily mined deposits in other parts of the world led to the closure of most of the remaining sulfide deposits in the last quarter of the 20th century. The only sulfide mine to survive past-2000 was Bruvann, which closed in 2003.

Norway had by then, become an important producer of many industrial minerals.

3.4.3 Sweden

The mining industry in Sweden has a long history, with the carbon dating of charcoal from the Fälun copper mine, central Bergslagen, suggesting that mining started at least as far back as early Viking times, AD 400 to 800 (Eriksson and Qvarfort, 1996). The mine was then worked

continuously from the 10th century until its closure in 1992, at times producing up to two-thirds of Europe's copper requirements (Mitchell and Lando, 2015). In southern Sweden, the Zinkgruvan mine was discovered in 1857 and has been mined intermittently since the 1860s.

The iron ores in Norrbotten County in northern Sweden were discovered in the 17th century, but it was not until a railway was built in the late 1880s that these deposits became economically viable. In 1903, the production of iron ores from Malmberget and Kiruna comprised more than 50% of all iron ore produced in Sweden, a leading position which these deposits have held ever since. The Kiruna iron ore mine in northern Sweden is the world's largest and most modern underground iron ore mine, with annual production of over 26 Mtpa, and 950 Mt since the mine commenced operations in 1889 (Kable, 2015). In 1973, a copper mineralised area was outlined to the west of the Kiruna iron ore deposit, which led to the opening of the Viscaria mine (in production from 1982 to 1997).

Some of the oldest mining operations are the Nasafjäll silver deposit near the Norwegian border which was mined intermittently from the 17th century, and the Froa copper deposit which was discovered in the mid-18th century and mined intermittently until 1919.

In 1918, the Kristineberg deposit was discovered in Västerbotten County.

Improved infrastructure in northern Sweden opened the region for exploration in other commodities, with mining commencing in the 1940s. In 1924, the Boliden gold-copper-silver deposit was discovered, and production commenced within a short period of time. During the following years, several new massive sulfide deposits were found west of Boliden and today comprise the Skellefteå District, one of the most important ore districts in Sweden. In 1930, boulders from what was to become the large Aitik copper deposit were found and, following concerted exploration by Boliden AB, the mine was opened in 1968. Recent discoveries in this district include the Björkdal gold deposit in 1985, the Åkerberg gold deposit in 1988, the Svartliden deposit in 1994, the Storliden copper-zinc deposit in 1997, and the Kankberg gold-tellurium deposit in 2012.

3.5 Mineral legislation and tenure

The regulations related to mining are relatively similar in Sweden, Norway and Finland.

The permitting process in Sweden, Norway and Finland is well regulated, i.e., there are relatively clear instructions for different participants and both consultations and environmental assessments enter the process in several ways.

However, despite this, there are still unsolved issues related to mineral deposit safeguarding and land uses in these countries. Of note, the unpredictable permitting process and timelines in Sweden are considered by some to hinder investments in the Swedish mining industry, complaints that the permitting process fails to take all relevant interests into account, and perceived regulatory gaps between Sámi rights and the permitting process. These issues highlight the inherent difficulties balancing the needs of conflicting land-use interests related to mineral deposit safeguarding.

3.5.1 Finland

The Finnish Government regulates the country's mineral industry through two main laws:

- the Land Extraction Act (555/1981, effective on 24 July 1981), which regulates the extraction of sand and gravel and the quarrying of natural stone
- the Mining Act (621/2011, effective on 1 July 2011, and amended with an effective date of 1 January 2016), which regulates the mining of metallic and industrial minerals other than stone, sand, and gravel.

Regarding exploration, Finland allows everyone to make geological measurements, observations and minor samples, even on land owned by others, provided that no damage is inflicted. There are certain limitations to this, and a notification that includes a plan if sampling is to be made has to be sent to the landowner. For more extensive works, the Mining Act defines two key forms of tenure, namely an 'Exploration Permit' (*Malmietsintälupa*) and 'Mining Permit' (*Kaivoslupa*).

Prior to acquiring an Exploration Permit, a company can apply for a 'Reservation Notification' (*Varausilmoitus*) and if successful is consequently granted a Reservation Decision (*Varauspäätös*). A Reservation is generally valid one to two years as determined by TUKES (*Turvallisuus- ja Kemikaalivirasto*, the Finnish Safety and Chemicals Agency). The Reservation Decision gives a priority right to the company to apply for an Exploration Permit. Reservation Decisions also allow the company to conduct diamond drilling and other light exploration field work with the landowner's prior consent. In fact, these light exploration operations including drilling can be done with the landowner's prior consent, and without any information made available to the mining authority.

The Exploration Permit gives the company the full rights to undertake more comprehensive exploration activities such as test mining and construction of temporary roads and buildings (if applied for and approved in the Exploration Permit). An Exploration Permit may remain valid for a maximum of 15 years. The first period is generally four years and typical extensions are 3+3+3+2 years. Each extension is assessed on the basis of the activity and the results the exploration company demonstrates.

The fees for the Exploration Permit include € 20/ha/year (for the first four years) of compensation to landowner, and collateral to State, the amount of which will be decided by the Registry Authority, TUKES.

The current fee schedule for various permits is presented in Table 3-2. Exploration companies also have to pay an annual exploration compensation fee to the landowner, €20/ha/year for the first four years, rising to €30, €40, and €50 for the subsequent 3+3+5 years, respectively.

Table 3-2: Current area dependent fees of various Reservations and Exploration Permits.

Fees, Exploration Permit:	Fees, Reservation
≤ 1,000 ha, €3,000	<1,000 ha, €1,200
1,001-2,000 ha, €6,000	≥1,000 ha, €2,200
2,001-4,000 ha, €8,000	
> 4,000 ha, €10,000	
Extension of Exploration Permit €3,000	
Relinquishment costs of Exploration Permit €1,500	

Note: as well as the Exploration Permit fee - additional costs may be incurred for public hearings arranged by TUKES.

If exploration is successful, a Mining Permit is required to establish a mine. The licence is also provided by TUKES, except if the mineral is uranium or thorium (in which case the government decides). This permit should include similar information to the exploration permit, however a more extensive assessment of the feasibility of the mineral deposit is required, including measures to protect health, safety and the environment. Furthermore, a Mining Permit should include an environmental impact assessment.

Other legislation

Other relevant legislation related to mining in Finland is the Environmental Protection Act, which regulates emissions and environmental permits. The Water Act regulates water resource management permits, which have to be applied for from the Regional State Administrative Agency. Building permits also need to be applied for from the municipality. In this regard, the Land Use and Building Act is of relevance. Other laws of relevance are the Nature Conservation Act, the Act of Protection of Wilderness Reserves and the Occupational Safety and Health Act.

Taxes and royalties

Exploration and mining companies attract the same taxing regime as for any other industry.

For the landowner, in proportion to their share of ownership of the Permit area, a mining company has to pay 0.15% of the average value of minerals mined from the Permit area each year.

3.5.2 Norway

The Norwegian *Direktoratet for Mineralforvaltning* (DMF) is a state administrative body under the *Nærings- og fiskeridepartementet* (NFD) or Ministry of Trade and Industry. DMF administers the Norwegian Act on the Acquisition and Extraction of Mineral Resources (Minerals Act) and the Mining Scheme for Svalbard. Among other things, DMF is also responsible for securing and reducing environmental consequences from old mines that have returned to the State, where the Ministry of Trade and Industry has ownership or managerial responsibility.

The Norwegian government has developed a national strategy for the minerals industry, in which the document states that the government's objective is that *"growth in the industry shall be strengthened by means of a continued commitment to mapping of mineral deposits, access to information about mineral resources in Norway, better resource planning, a continued development of the mineral agencies and access to knowledge and a competent workforce*" (NFD, 2013). The strategy includes over fifty measures, focused around the following strategic areas: mapping mineral resources, investment and access to capital, education and expertise, research and development, safeguarding environmental concerns, reputation, social responsibility and the local community, a predictable framework for mineral operations in Norway, subsea mineral resources, and mineral activities in areas where there are Sámi interests.

The Minerals Act was adopted in 2009, replacing five earlier laws. The current Minerals Act was evaluated in 2018 which showed that there is a need to assess changes in several areas of the Act. Work on these changes has begun following a two-stage process:

i. The preparation of a consultation note to put in place simplifications and improvements in more limited areas of the Act; the consultation deadline was 23 September 2020.

ii. The establishment of a committee that will study some of the larger, complex and more fundamental issues with the Act; the committee will submit its recommendation on 1 December 2021.

Norway is not a member of the European Union (EU), but is closely associated through membership of the EFTA and thereby the European Economic Area (EEA). Norwegian environmental legislation is however, very much influenced by the EU.

Exploration permits

An exploration permit is defined by the Norwegian government as a right to explore for state-owned minerals within a defined area for the validity of the permit. State-owned minerals are defined as:

i. metals with a specific gravity of 5 g/cm^3 or greater, including chromium, manganese, molybdenum, niobium, vanadium, iron, nickel, copper, zinc, silver, gold, cobalt, lead, platinum, tin, zinc, zirconium, tungsten, uranium, cadmium and thorium, and ores of such metals. Alluvial gold does not fall within the definition

ii. the metals titanium and arsenic, and ores of these

iii. pyrrhotite and pyrite.

An exploration permit is subject to an annual renewal fee of NOK10/ha for the second and third calendar years of ownership, NOK30/ha/year for the fourth and fifth years and NOK50/ha/year for the sixth and seventh years of ownership. The permit expires at the end of the seventh year of ownership unless a specific exemption is granted by the Norwegian government. An exploration permit also gives priority to an extraction permit.

Non-disturbing exploration (basic prospecting, fossicking, chip sampling etc.) does not require a specific work permit; exceptions to this rule explicitly mentioned in the Act are the protected nature areas around Oslo, cultivated lands, industrial or military areas, areas close to temporary or permanent residences or to public facilities, and abandoned mining areas.

Exploration in these areas may be allowed upon agreement with the landowner, land user or relevant authority.

Disturbing exploration requires consent from the landowner and land user and a specific work permit to be obtained. The work permit application needs to include details of the applicant, details of the geographic area to be sampled, and reason and methodology of sampling; additional details of the work permit requirements can be found on the DMF website at: https://dirmin.no/soknad-om-tillatelse-til-proveuttak.

Notification to the DMF of specific work plans are required no later than three weeks before work commences. In addition to the work permit notifications, exploration companies are required to obtain an ‘off-road’ permit if the proposed exploration work requires equipment, machinery or vehicles to travel ‘off-road’.

The ‘off-road’ permits are applied for through the local municipality who subsequently notifies and obtains approval from the affected landowners: this permit process normally take 6-8 weeks. If objections to the ‘off-road’ permit are made by landowners, the exploration company can seek to have the DMF settle the matter to obtain access to the area to be explored.

Extraction permits

In order to be granted an extraction permit for State-owned minerals, the applicant needs to demonstrate that there is a reasonable probability that extraction can be completed in an economically feasible manner. An extraction permit costs NOK10,000, cannot be larger than 1 km² and can be extended in 10-year intervals. The annual permit fee is NOK100/ha/year.

Taxes and royalties

Mining companies (limited companies) pay corporation tax under the same rules as every other company. Accordingly, there are no special taxation rules for such companies. In 2020, corporate tax rates were 22%.

Companies conducting mining activities are required to pay an annual fee of 0.5% of the sales value of that which is extracted to the landowner. The fee for each year falls due for payment on 31 March of the following year.

If there are several landowners in the extraction area, the fee shall be divided among them in proportion to the land owned by each of them in the extraction area.

One notable tax in Norway is the municipal property tax. It is voluntary for municipalities to adopt the tax, and they enjoy a certain degree of freedom in design. It may cover all real estate in the municipality, or be limited to business premises.

Annual tax levels may vary between 0.2 and 0.7% of the taxable fiscal value of the property.

3.5.3 Sweden

Swedish legislation relevant for access to mineral resources is divided in two main pieces of legislation, the Minerals Act and the Environmental Code:

- The Minerals Act (1991:45) covers the permitting and concessions necessary for exploration and exploitation of mineral resources. It was modernised in 1992 and has been amended as recently as 2014.
- The Environmental Code (*Miljöbalken*) links mineral resources to land use planning and where environmental concern is taken on a national level.

The Mining Inspectorate of Sweden (*Bergsstaten*) is the agency responsible for decisions concerning permits for exploration (exploration permits) and mining (exploitation concessions). The Mining Inspectorate carries out inspections of mines and provides information on mineral legislation and prospecting in Sweden.

There are four types of permits necessary for developing a deposit from the exploration stage to the development stage in Sweden - exploration permits, exploitation concessions, environmental permits and building permits.

Exploration permits are granted initially for three years, with possible extensions of up to 15 years. The exploration permit gives an exclusive right to explore an area and its potential mineral deposit, and this is applied for from the Mining Inspectorate of Sweden. An application fee of SEK500, or approximately US$70 per 2,000 ha area. Annual fees total approximately SEK20/ha

for years 1 to 3, SEK21/ha for years 4 to 6, SEK50/ha for years 7 to 10 and SEK100/ha for years 10 to 15. If an exploration permit is granted, the operator needs to prepare a detailed work plan for the exploration work, and agree with landowners and other stakeholders (for example the County Administrative Board (CAB), the municipality and affected Sámi villages, about the work plan. Before conducting any investigations, the operator must ensure that it can compensate land and property owners for any damage or encroachment. Compensation for damage and encroachment is payable to landowners upon completion of the operation.

If the operator has found a promising mineral deposit, they can go ahead and apply for an **exploitation concession** (*Bearbetnings koncession*) with Bergsstaten. An exploitation concession gives the operator the right to exploit a proven, extractable mineral deposit for a period of 25 years, which may be extended for 10 years at a time without special application, if regular exploitation operations are in progress when the period of validity expires. Under the Minerals Act, the holder of an exploitation concession must pay an annual minerals fee (royalty) amounting to 0.2% of the value of the minerals extracted during the year. Three-quarters of the fee will accrue to landowners within the exploitation concession area and one-quarter will accrue to the State to be used for research and development in the field of sustainable development of mineral resources. An additional fee is sometimes paid to some landowners for a safety zone for blasting. This is an agreement between the mine and landowners and is not due to any legal obligations.

There is no requirement to legally survey the boundaries of exploitation concessions in Sweden; instead, boundaries are assigned coordinates by the Bergsstaten on granting.

Exploration and exploitation cannot be carried out in national parks. In addition, such activities are seldom permitted in certain areas, for example within 200 m of any inhabited building, and within certain areas in the Swedish mountains.

Other legislation

The following acts also have provisions affecting the activities referred to in the Minerals Act:

- Planning and Building Act (*Plan och Bygglagen*)
- Cultural Heritage Management Act (*Kulturminneslagen*).

Applying for an exploitation concession

The formal prerequisites for applying for an exploitation concession are documented in the guidelines for consideration of mining activities published by the Geological Survey of Sweden (*Vägledning för prövning av gruvverksamhet*). Once lodged to the Bergsstaten, and considered complete, the application will be forwarded to the CAB for consultation.

The following items are highlighted in the guidelines and describe the contents of an application and the required appendices:

- an environmental impact assessment (EIA) according to Chapter 6 of the Environmental Code
- a map and a description of the area covered by the application
- a ‘proof of ore’ (Mineral Resource estimate), including evidence that there are reasonable prospects for economic extraction
- a technical description of the planned activities.

Anecdotal evidence suggests that the process has become more rigorous in recent years, following the outcome of several court cases and increasing EU legislation, with an exploitation concession now effectively representing an environmental permit. Guidance indicates that the following elements are now required:

- A formal application to be written in Swedish by a lawyer.
- An ore evaluation (high level demonstration of reasonable prospects of economic viability; this may be a scoping or pre-feasibility study, also to be written in Swedish).
- A technical description - generally detailed Canadian National Instrument 43-101 or JORC Code compliant technical report with at least some Indicated Resource outlined, mining area defined, waste characterisation, and conceptual closure plan.
- An EIA with significant data and baseline support; for instance, geohydrological, water balance, waste rock characterisation, nature inventory, flora, fauna, reindeer herding analysis, water chemistry, stakeholder engagement for up to 2 years of baseline data.

Taxes and royalties

The holder of an exploitation concession must pay an annual minerals fee to the landowners of the concession area and to the State. The fee is 0.20% of the average value of the minerals mined from the concession each year, 0.15% of which is paid to the landowners in proportion to their share of ownership of the concession area. The remaining 0.05% is paid to the State to be used for research and development in the field of sustainable development of mineral resources. The fee is estimated in consideration of the amount of mined ore, the amount of minerals in the ore, and the average price of the mineral during the year - or an equivalent value.

3.6 Environmental, Social and Governance

3.6.1 Environmental and social considerations

This section presents general salient or material issues relevant to projects across the Fennoscandian region that may require consideration in the project design or overall project planning process. Project-specific environmental and social considerations are also included in JORC Table 1 - Appendix A.

Permitting and approval processes

Permitting new mineral projects poses certain risks including:

- socio-political agendas of key decision makers delaying or opposing the project that is unrelated to the quality of the submission documents
- changes in government or the regulatory authority that result in new personnel who are not familiar with the project or environmental-social impact assessment (ESIA) process
- opposition by non-governmental organisations (NGO) or local community groups influencing regulatory decision making
- regulators requiring additional studies to be completed to address areas they consider to be uncertain or lacking clarity

- regulators including unrealistic conditions on the approval of a permit resulting in either significant cost implications for the project and/or the need to renegotiate permit conditions within a timeframe over which the proponent has limited influence.

These risks can be managed by maintaining an interactive dialogue with regulatory authorities and relevant community groups throughout the decision-making process so that potential issues can be identified promptly and, if needed, actions initiated to minimise delays or obstructions to approvals. However, it is important to recognise that although there are areas in the wider region where mining is broadly accepted, there are others with strong local opposition (sometimes associated with conflicting land uses such as animal husbandry or reindeer herding).

Extractive waste management

The management of extractive wastes, water and mine closure are closely linked and require an integrated approach during project design. Regulators in many European jurisdictions, including the Nordic regions, expect innovative waste management options to be considered that apply the concepts of the waste mitigation hierarchy, including avoidance and re-use, and circular economy concepts. A thorough consideration of alternative waste facility locations is also required to demonstrate that impacts from waste facilities have been avoided or minimised to the extent practical.

Characterisation of mine wastes, design and classification of waste facilities and an assessment of the potential impact on the environment and human health during operation and closure needs to be captured in an extractive waste management plan and a closure and rehabilitation plan. These documents are commonly required to be submitted as part of the environment permitting process in Nordic countries and should be subject to public consultation. In addition to regulatory requirements, there is also increased scrutiny of mine waste management by other stakeholders, such as project financiers and insurance companies, and increased industry expectations due to initiatives such as the Global Industry Standard on Tailings Management (2020).

Water management

Water management strategies for mining projects in the EU must be developed in the context of relevant river basin management plans. These plans take a holistic approach to managing water, looking at the wider ecosystem, and provide objectives for the protection and improvement of the status of water bodies that should be met by developments within the catchment.

Recent test cases at the Finnish supreme court may indicate a move towards stricter interpretation of Finnish and EU water law. This may influence the timing of the approval of environmental permits and the associated conditions of approval imposed through the permit process that in turn influence the design and cost of the facilities.

Climate change

The European Green Deal is one of the EU's 2020 programs for the next decade[1]. It provides a

[1] https://ec.europa.eu/info/sites/info/files/cwp-2020_en.pdf

framework to achieve climate neutrality by 2050 while focusing on adaptation. It aims to help protect and preserve the biodiversity, the natural heritage and the oceans. It seeks to achieve this by making its economy and industry more innovative, resource efficient, circular and competitive. Project design processes will need to consider opportunities to reduce energy use and reduce carbon emissions to the extent practical to contribute to national climate targets.

Impacts on biodiversity and habitats

Natura 2000 is a network of core breeding and resting sites for rare and threatened species, and some rare natural habitat types to ensure their long-term survival. Countries are required to ensure the sites are managed in a sustainable manner, both ecologically and economically. As required by the EU Habitats Directive, projects that may have significant effects on Natura 2000 sites will require a specific assessment as part of the planning process, requiring robust baseline data collection and impact assessment processes. It can take time to obtain suitable seasonally variable datasets, and therefore long lead-time biodiversity studies need to be scheduled into the overall EIA and permitting program. In addition to formally protected areas, the biodiversity value of a project area will need to be considered from the perspective of species or habitats of conservation importance or supporting ecosystem services (such as reindeer herding or water protection) to meet regulatory and investor expectations.

Impacts on land use

Across the Nordic region there is an incredibly strong bond between the people and the land. This is to some extent captured in the Swedish/Norwegian concept of a*llemansrätten*, the Finnish concept of *jokamiehenoikeus* or in English, *everyman's right* or right to roam. It builds on the concept of trust and responsibility to take care of an environment that is available to all. Stakeholder engagement is essential to building a comprehensive picture of land ownership and use across a project affected area, and clearly planning and documenting this process will be a critical component of any future EIA. For the Kendrick projects in northern Finland and Sweden, commercial reindeer herding is an important land use consideration, as is the traditional use of the land by Sámi cultural groups. Understanding land ownership and land use is important in assessing the potential need for physical or economic resettlement as a result of project activities.

Responsible sourcing and responsible investment initiatives

The European Non-Financial Reporting Directive (2014/95/EU) and amending future Corporate Sustainability Reporting Directive and EU sustainability reporting standards are indicative of the growing interest of business stakeholders in understanding the material and salient risks associated with industry. By clearly showing a responsible approach to mining, it is possible that in future, premiums could be applied to mining products. Kendrick will need to clearly identify which initiatives it seeks to align to, how it will achieve this and what information it intends to disclose going forward. The Towards Sustainability in Mining (TSM) initiative has been formally adopted in Finland and Norway.

4 Koitelainen Project - Finland

4.1 Introduction

The Koitelainen Project lies within a wilderness area in Lapland, the largest and northernmost region of Finland. It is situated approximately 30 km northeast of the village of Petkula, 40 km northeast of Sodankylä, 170 km north of Rovaniemi, the provincial capital of Lapland, and 875 km north-northeast of Helsinki, the national capital (Figure 4-1). The project is within the Sodankylä municipality of Lapland County. This project also lies within the Sápmi cultural region.

Sodankylä is the major regional town near the Project. It has well developed geochemical and engineering services, and is easily reached via the E75 highway. The largest regional centre is the city of Rovaniemi (population 60,900) which is serviced by several daily flights from Helsinki.

The Project lies northeast of the mining town of Petkula, which is also a station on the proposed Arctic Railway connecting Rovaniemi to Kirkenes in Norway. Petkula is a service town to Boliden's Kevitsa Mine which is one of the largest open pit mines (based on conventional truck and shovel operations) in Finland centred on the Kevitsa layered mafic-ultramafic intrusion (similar to that at Koitelainen). In 2020, a 9.5 Mtpa expansion project was commissioned at Kevitsa with a design capacity of 9.9 Mtpa. The main products produced at Kevitsa are nickel and copper concentrate with platinum, palladium, gold and cobalt.

The area is accessible by car through a network of gravel logging and drill roads. The Rovaniementie E4 highway lies approximately 10 km to the west of the Project. Access to the Project is from the east however via Lokka, the service town for the Lokka reservoir (upstream of the Luiro River) and hydroelectric dam approximately 32 km to the east. Lokka is connected along a tarmac road, 85 km east and north from the regional centre of Sodankylä. From Lokka, the Koitelainen project area is reached along public formed gravel roads.

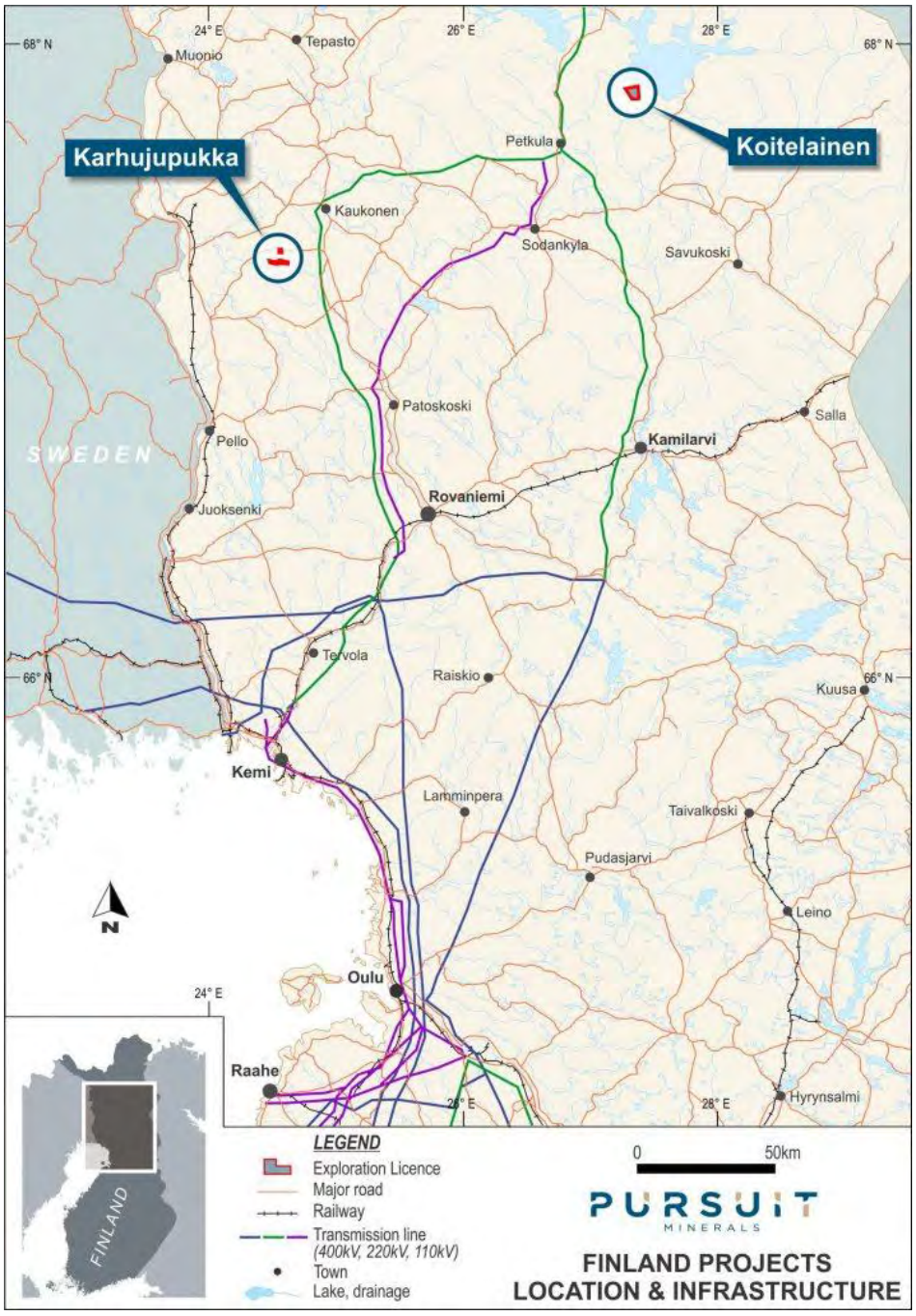
The terrain comprises low-gradient watershed systems and aapa mire complex, consisting of interconnected bogs on an ancient peneplain with a general southern slope. The mean height of the peneplain in the northern part of the Koitelainen area is 260 m above sea level (mAsl). The highest point is the summit of the Kotelainen tunturi (fell) being 408 mAsl. Lake Lokka lies directly north of the project area, between the Kitenen and Luiro rivers.

Dry moraines are covered with spruce forests, pines grow on craggy ground and in reforested areas. Bedrock exposure is poor with most of the project covered by swampy areas or glacial till. Moose and domesticated reindeer are common. Bears, wolverines and one type of poisonous snake are occasionally present in this part of Lapland.

Local towns (Rovaniemi, Sodankylä, and Salla) provide all needed infrastructure for exploration and mining activity including accommodation, car rental, and hiring of local workers. ALS Global has a sample preparation laboratory located to the south of Sodankylä.

The principal industry in the surrounding area is forestry and reindeer husbandry, followed by mining, and farming. Electricity transmission lines are present in the region with the majority of Finland's national grid fed by fossil fuel, hydro power or nuclear energy.

Figure 4-1: Location of the Koitelainen and Karhujupukka projects in northern Finland



Source: Pursuit Minerals Ltd

4.2 Project tenure

NorthernX Finland Oy owns two 'Moratorium for reservation notification' ('reservation', Finnish: *malminetsintavaraus*) covering prospects in the Koitelainen Project area in order to refine an area for advanced exploration. These reservations, named Koitelainen 1 (44 km^2) and Koitelainen 2 (86 km^2), were approved on 29 May 2018 and expired on 29 May 2020 and an exploration permit

(Finnish: *malminetsintalupa*) named Koitelainen ML2018:0097 (14 km^2), was applied for on 26 October 2018.

The Koitelainen Project now comprises a single granted exploration permit ML2018:0097 that covers an area of 13.72 km^2 and is due to expire on 13 July 2022. Approved minerals include palladium, platinum, chrome, rhodium and vanadium. No environmental permits have yet been applied for or granted.

The Kevitsa Mine, owned and operated by Boliden, is located 3 km to the southwest of the Koitelainen nr 1 reservation area (Figure 4-2) and there are several other advanced exploration and mining projects in the Lapland area.

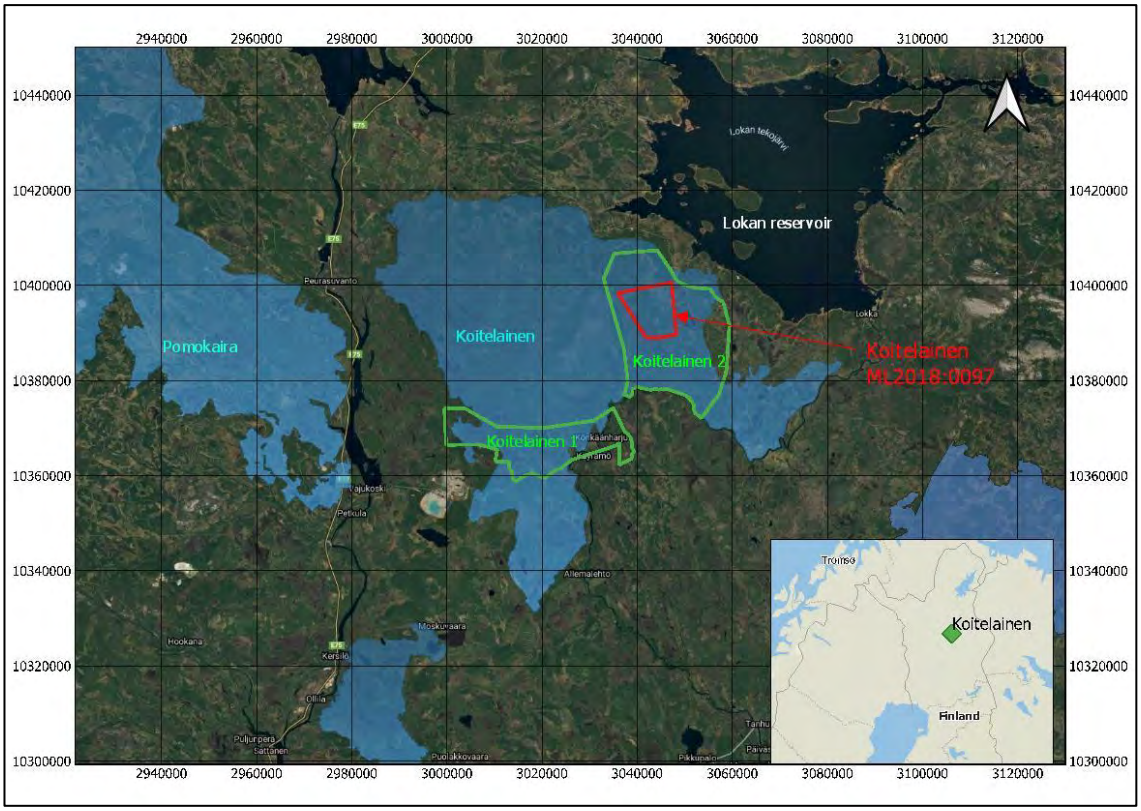
Table 4-1: Status of tenure at Koitelainen

Tenement	Area (km^2)	Expiry date	Ownership	Tenement costs *
Koitelainen ML2018:0097-01	13.72	13/07/2022	100%	€25,000

*All tenement rental costs are paid up front on grant, there are no minimum commitments required

Further details in relation to the Koitelainen tenure is presented elsewhere in the Prospectus.

Figure 4-2: Reservation Notifications covering Koitelainen project



Source: SRK using GTK Mineral Deposits and Exploration data

Note: (green outlines - Koitelainen 1 and 2), exploration permit (red outline - Koitelainen ML2018:0097) and protected areas (blue polygons)

4.3 Project geology

The Fennoscandian Shield of northern Finland comprises mainly of Archean granite gneiss-greenstone terrain (known as the CLGB) and Paleaeoproterozoic schist belt, which were mostly deposited on Archean basement.

The CLGB rocks are mainly layered volcanic and sedimentary rocks of Palaeoproterozoic age which are divided into the Sodankylä and Savukoski groups:

- Sodankylä metasediments deposited mostly on Salla or Onkamo groups. These sediments are represented by quartzite and mica-schist.
- Savukoski metasediments include phyllites, black schist and mafic tuffites. The Savukoski group is the first graphite and sulfide-bearing group in the Paleoproterozoic stratigraphy of CLGB and has been suggested to provide an important sulfur source for the known magmatic nickel-copper-PGE deposits (Lehtinen, 2005) of the district.

These volcano-sedimentary rocks and the Koitelainen intrusion were metamorphosed and hydrothermally altered during a regional greenschist facies metamorphic event (Mutanen, 1997).

The Koitelainen layered sill is the largest of several mafic to ultramafic layered intrusions (with ages ranging from 2,490 to 2,000 Ma) that runs in a general southeasterly direction through Finnish Lapland and into Russia and corresponds to the unconformity contact between the late Archaean metasediments and Proterozoic formations (Lehtinen, 2005).

Kendrick's Koitelainen Project is centred on the Koitelainen igneous intrusion, a large, layered mafic-ultramafic body, which intruded into Archean tonalitic gneisses and greenstone-schists of late Archean to early Proterozoic age (the Tojottamanselkä and Kiviaapa domes), and rocks of the Salla Group, a thin basal succession of andesitic to dacitic lava flows and rhyolitic pyroclastic rocks (Figure 4-3).

The Koitelainen intrusion is interpreted to be a sheet-like, antiform-shaped body, measuring approximately 26 km by 29 km with a maximum stratigraphic thickness of approximately 3.2 km. The intrusion is sub-horizontal, with a 0-10° dip away from the central dome of the footwall Archean gneisses. The layered intrusion is bounded by NNE-SSW striking thrust faults on the northern and southern margins (Niiranen et al., 2020), which were later reactivated as strike-slip shear zones.

The general division and cumulate stratigraphy of the intrusion is presented in Figure 4-4. The intrusion is divided into an ultramafic Lower Zone (LZ), a gabbroic Main Zone (MZ) and a gabbroic Upper Zone (UZ, with anorthosites and magnetite gabbro).

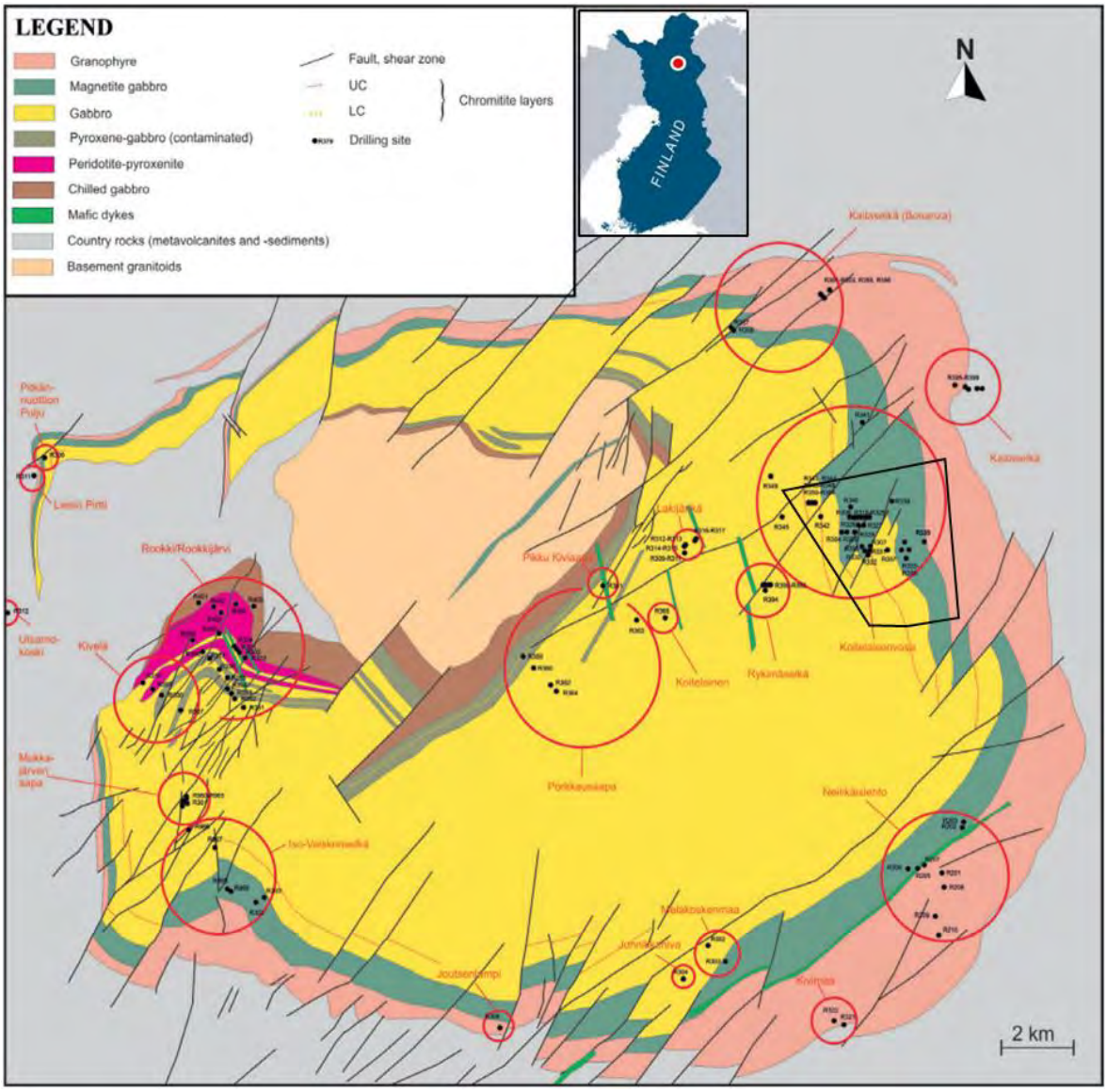
The lower part of the LZ consists of peridotites, with two pyroxenite-gabbro layers in the upper part. Chromite layers ranging from 0.2 to 3 m in thickness are sandwiched between the orthopyroxenites and form the Lower Chromite (LC) layers, which extend for about 20 km along strike.

The MZ consists chiefly of gabbroic cumulates (plagioclase + orthopyroxene + clinopyroxene). In the lowermost part, there are interlayers of feldspathic pyroxene cumulates. The gabbros are very monotonous, laminated plagioclase + orthopyroxene + clinopyroxene cumulates. This zone contains a 5 cm thick chromite layer and above the gabbroic units of the MZ is the Upper Chromite (UC) layer, which is 0.8-2.2 m thick and extends along strike for 60 km.

The uppermost part of the intrusion (the UZ) comprises anorthosites, gabbros and PGE-bearing vanadium-iron-titanium oxide (magnetite) gabbros. The intrusion is capped by a 400 m thick granophyre, which is geochemically similar to the felsic volcanics of the Salla Group (Hanski and Huhma, 2005). Xenoliths of gabbro (intrusive), komatiite (extrusive) and rare basalt occur at Koitelainen and chill autoliths (pieces of older rock genetically related to the intrusion itself) occur near the base of the intrusion. Mafic dykes cut the intrusion.

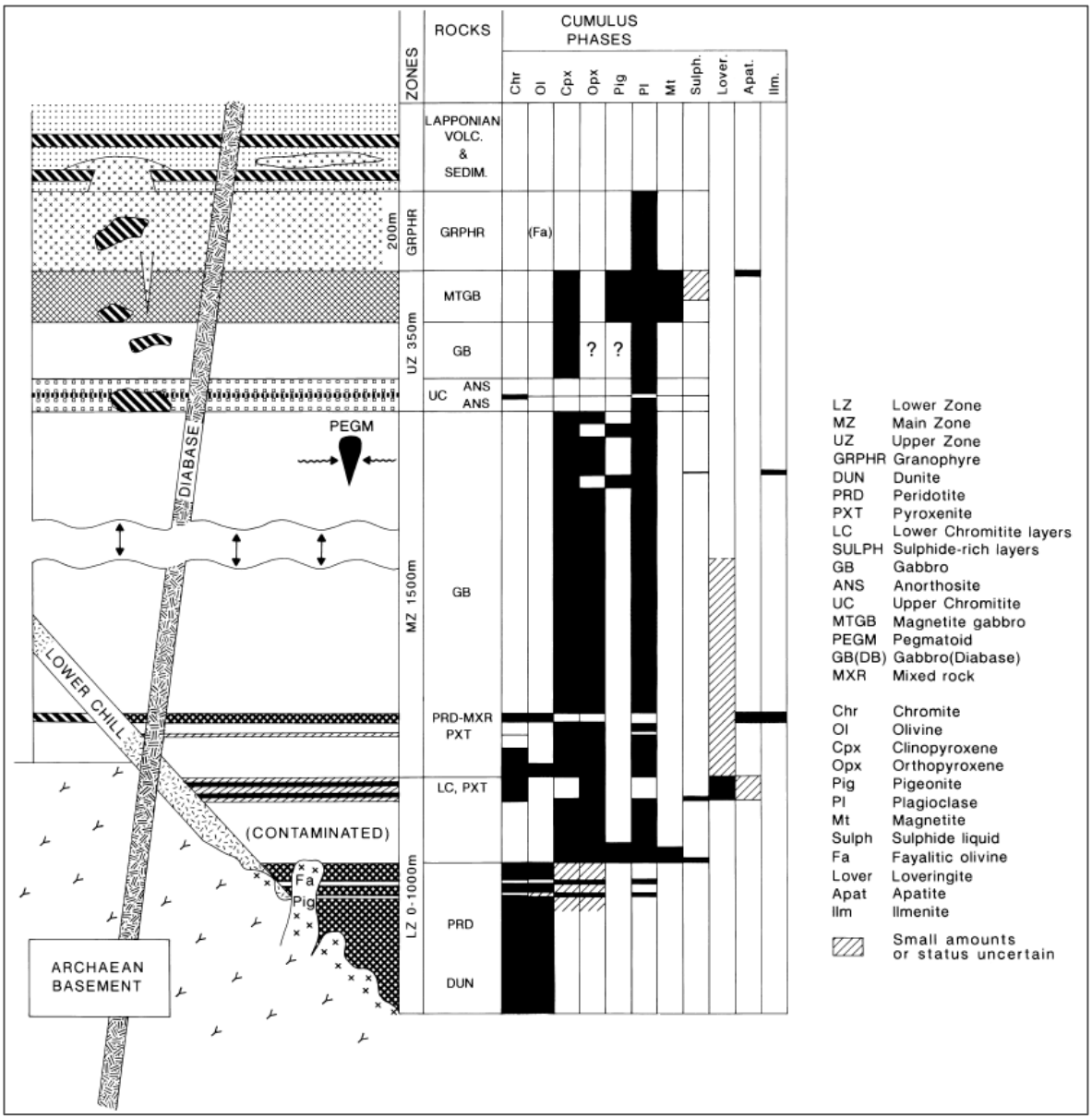
Figure 4-3 shows the Exploration Reservation covering the original 130 km^2 as held by Pursuit. The project has since been converted to an Exploration Licence (ML2018:0097) that covers 13.72 km^2 in the northern section of the Exploration Reservation area, which is now known as the Koitelainen Vosa Prospect.

Figure 4-3: Koitelainen Project geology



Source: modified from Geological Survey of Norway, 2016

Figure 4-4: Rock units and cumulate stratigraphy of the Koitelainen intrusion



Source: Mutanen, 1997

The intrusion is overlain by a thick succession of metavolcanic and sedimentary rocks of the Salla Group, including schist, and komatiitic volcanic rocks and less basaltic effusives and tuffs, subarkosic quartzites.

Magnetic data suggests that the blocks of vanadium mineralisation also plunge gently to the northeast. The vanadium mineralisation extends from the surface and has been drilled to a maximum depth of 210 m. The mineralisation is open down dip at depth.

4.3.1 Mineralisation

The mafic layered intrusions of northern Finland and Russian Karelia host a variety of ore deposits. By way of example, Kemi has been mined for chromite since 1966. Mustavaara was mined for

vanadium and titanium for a short period from 1970 to 1985. Numerous subeconomic PGE, titanium, vanadium, chromite and nickel-copper sulfide deposits have been discovered in these provinces (Mutanen, 1997).

Mineralisation at Koitelainen is stratiform in nature, dipping shallowly to the east. There are two major, sulfide-free, PGE enriched chromite reefs, the UC and LC, which may extend across the entire intrusion, as well as a vanadium enriched gabbro. Both of the chromite reefs are enriched in vanadium, with the UC reef representing the most significant source of vanadium mineralisation within the intrusion. The main vanadiferous mineral in the reefs is chromite, while in the gabbro it is magnetite.

Several occurrences of PGE-gold are recorded within the Koitelainen intrusion, however the grades are typically too low to be of economic interest.

The Koitelainen Vosa prospect is centred on a magnetite gabbro, which is up to 40 m thick and located in the middle part of the upper third of the intrusion. Although known to be of significant extent, the vanadium mineralisation within the Koitelainen intrusion is not well understood due to limited drill testing of the mineralisation.

4.4 Project history

The Koitelainen intrusion has been known since the general geological mapping of the 1920s and 1930s (Mikkola, 1937, 1941). However, due to the poorly exposed nature of the area, it was not until the 1970s that the intrusion was studied in detail.

Following initial reports of nickel mineralisation in 1969, the Finland Geological Survey (GTK) subsequently completed extensive studies over the Koitelainen intrusion with its results outlined in numerous memoranda, reports, theses and publications. Geological mapping, geophysical surveying (mainly low altitude airborne magnetic, electromagnetic and radiometric, with limited Induced polarisation and gravity) and extensive exploration drilling in the eastern part of the intrusion (mostly between 1976 and 1977) resulted in the delineation of a vanadium-rich magnetite gabbro unit and chromite layers at the top of the intrusion in 1977.

Key activities conducted by the GTK are shown in Table 4-2.

Table 4-2: Key activities conducted by the GTK

Years	Activity type	Comment
1973	Regional geophysics	Low altitude airborne magnetic, electromagnetic and radiometric survey.
1973-1999	Core drilling	131 drill holes (16,440 m) completed across the whole intrusion area, 21 DDH (3,211 m) targeted the UC layer.
1973-1999	Detailed geophysics	Electromagnetics (slingram, VLF) magnetic and gravity surveys cover large parts of the intrusion down hole surveys on drill holes.
1974-1978	Regional geochemistry	
1980-1985	Detailed geochemistry	4,855 bottom of till samples from the whole intrusion area.

Source: GTK Koitelainen UC Mineral Deposit report dated 22.1.2020 (accessible from <639_Koitelainen UC.pdf (gtk.fi)>)

From 1973 to 1999, 131 holes for a total of 16,440 m were drilled across the entire Koitelainen intrusion area but principally focused on a range of chromite, PGE and vanadium targets (Tasman, 2014). In total, 42 diamond drill holes were completed at the Koitelainen Vosa area. All drilling was completed on behalf of GTK, and the core remains in storage in Finland at the GTK core library in Loppi.

Chromite mineralisation at Koitelainen was first discovered in 1977. Using 42 drill holes, GTK undertook a resource estimate for a vanadium enriched ilmenomagnetite unit, discovered within the upper parts of the Koitelainen layered intrusion. Using 17 drill holes and 4 drill holes, GTK completed historical resource estimates for the UC and LC horizons respectively.

In 1976, it is reported that drill core was used as feed materials for weak magnetic separation testwork. Recovery of the magnetic material was approximately 90%, with a concentrate grade of 35-50% Fe and 0.8-1.2% V (Tasman, 2014). In 1979, further metallurgical testwork was completed at Outokumpu Oy's metallurgical research institute in Pori but the results are not known.

In December 2014, Tasman Metals Ltd entered into a letter of agreement with Kipu Metals Corp, a private company to acquire a 100% interest in a portfolio of stratiform chromite projects in northeastern Finland (the Akanvaara and Koitelainen chromite projects). The Koitelainen project consisted of 67 claim applications for 6,650 ha and covered the historical resource area as defined by the GTK in the late 1970s. Upon acquisition, Tasman reported historical resource estimates for the Magnetite Gabbro and Koitelainen UC and LC reefs based upon a report entitled *Koitelaisen malmitutkimukset vuosina 1979-1989* by Mutatanen, T. 1989 on behalf of the Geological Survey of Finland.

Due to the prolonged downturn in the minerals industry, Tasman chose to relinquish the Koitelainen Project during November 2015.

In 2018, Pursuit was granted two Mineral Reservations for a term of 2 years (expiring 29 March 2020) covering approximately 130 km^2, which permitted non-disturbing ground work. Pursuit subsequently compiled the geochemical data from 25 historical drill holes for a total of 3,742 m at the Koitelainen Vosa Prospect and completed a reconnaissance field investigation to confirm the location of several drill holes (as announced to the ASX on 30 July 2018). Based on this work, Pursuit was able to compile a consistent set of vanadium in magnetite concentrate data.

In 2018, Pursuit commissioned Measured Group, an independent geological consultancy based in Brisbane, to estimate an Exploration Target for the Koitelainen Vosa prospect. Measured Group defined an Exploration Target[2] of 80-105 Mt, containing 4.0-10.5 Mt of magnetite at an average grade between 2.0-2.3% V_2O_5 (in magnetite concentrate) for between 80,000-241,000 t of contained V_2O_5, at the Koitelainen Vosa Prospect (Pursuit ASX announcement 12 September 2018).

In September 2018, Pursuit also commenced resampling of historical drill core to enable definition of an updated Mineral Resource estimate to be completed, to be followed shortly thereafter by a scoping study.

[2] As required by the JORC Code (2012), Exploration Targets must be accompanied by a cautionary statement to the effect that the potential quantity and grade is conceptual in nature, that at the time of estimation there had been insufficient exploration conducted to estimate a Mineral Resource and there it remained uncertain if further exploration would result in the estimation of a Mineral Resource.

In October 2018, Pursuit submitted an application for a three-year Exploration Licence to cover the Koitalainen Vosa prospect area and permit further drilling activities to be conducted.

In January 2019, Pursuit announced the final geochemical results from this resampling of historical drill holes at Koitelainen, which confirmed that high-grade (>2.0% V_2O_5) vanadium magnetite concentrates were able to be produced (Pursuit ASX Announcement dated 29 January 2019).

In February 2019, Pursuit announced an Inferred Mineral Resource at the Koitelainen Vosa prospect (as discussed further in Section 4.5) and in April 2019, Pursuit reported results for the initial phase of metallurgical testwork (based on three holes) at Koitelainen, with average mass recoveries increased from 5.3% to 8.8%, through crushing (Pursuit, ASX announcement dated 9 April 2019). Further work was planned to investigate the use of Wet High Intensity Magnetic Separation to further improve recoveries and grade of the vanadium magnetite concentrate.

In April 2019, Pursuit completed and submitted an environmental study regarding impacts on Natura2000 values of project area to the relevant Finnish government authorities (TUKES) in support of the granting the Exploration Licence.

In May 2019, an OoM study was completed on the basis of assessing the economics of producing vanadium magnetite concentrates from both the Koitelainen and Airjoki projects and then selling those concentrates to global markets, as the first phase of project development. Average grade of vanadium magnetite concentrate was targeted at 2.5% V_2O_5, magnetite concentrate mass recovery rate at 8%. Further infill and extension drilling was planned to provide additional samples for metallurgical testwork and to support an upgrade to the Mineral Resource status. Pursuit also announced its intention to seek a strategic partner with the technical and financial resources to assist in progressing the Koitelainen and Airijoki projects to the next stage of development.

In July 2020, an Exploration Licence (with an area of 13.73 km^2) was granted within the northern area and replacing the initial Mineral Reservation. In combination with the granted research permit from Metsahallitus (the landowners for the project) the Exploration Licence allowed Pursuit to conduct Phase 1 exploration and ground disturbing activities such as trenching and drilling. A Phase 1 drilling program was also approved by TUKES and Metsahallitus.

In July 2020, Pursuit announced that all exploration programs had been indefinitely deferred pending lifting of the travel restrictions induced by the COVID-19 pandemic. Discussions continued with several potential partners to assist with the further advancement of the vanadium projects in Finland and Sweden.

In January 2021, Pursuit announced that it had executed a sale agreement to sell its nickel and vanadium projects in Norway, Sweden and Finland to BMR Group PLC, now called Kendrick Resources Plc, for a consideration of approximately A$3 M in cash and shares (Pursuit ASX announcement dated 20 January 2021).

4.5 Exploration Targets and Mineral Resources

There is no historical production reported from the Koitelainen Project area.

As reported by Tasman (2014), Mutatanen (1989) estimated a historical mineral estimate as outlined in Table 4-3.

Table 4-3: Historical Resource Estimate for the Koitelainen Chromite Project, Finland

Name	Historical Resource (Mt)	Cr (%)	PGE (ppm)	V (%)	Comments
Magnetite Gabbro*	10.8	0.0	0.00	0.2	42 drill holes used in resource calculation. 4 strike extensive mineralised units, up to 40 m thick.
Koitelainen UC*	70.0	15.7	1.10	0.0	The distinct UC layer averages 1.3 m thick. Resource to 500 m vertical depth. 17 drill holes used in resource calculation.
Koitelainen LC*	2.0	14.4	1.38	0.4	The three to six LC layers extends for at least 20 km along strike.

Mutanen (1997) estimated a historical mineral estimate of 70 Mt averaging 0.4% V (0.7% V_2O_5), 14.4% Cr and 1.1 g/t PGE for the Koitelainen UC reef and 15 Mt averaging 0.2% V (0.4% V_2O_5) for the Koitelainin V prospect (refer GTK Mineral Deposit reports). This estimate has been quoted extensively within the geological literature relating to the Koitelainen intrusion.

Neither of the aforementioned estimates were reported in accordance with the JORC Code and have both been superseded by work completed by Pursuit in 2019.

On 6 February 2019, Pursuit announced a Mineral Resource estimate for the vanadium mineralisation at the Koitelainen Vos prospect on the Koitelainen Project, which was prepared in accordance with the JORC Code (2012). This estimate was prepared by Mr Chris Grove of Measured Group, an independent mineral resource consultancy based in Brisbane, and considered vanadium mineralisation at four zones (A to D) and extending from surface to a maximum drilled depth of 210 m (see Table 4-4). The outlined Mineral Resources are based on 5.0% mass recovery of magnetite concentrate and cut-off grade of 0.5% V.

Table 4-4: Koitelainen Inferred Mineral Resource

	Tonnage (Mt)	V (%)	V_2O_5 (%)	Mass recovery (%)	Contained metal (t V_2O_5)
Zone A	7.13	0.9	1.61	5	5,726.1
Zone B	35.36	1.13	2.01	5	35,542.2
Zone C	15.07	1.24	2.21	5	16,676.6
Zone D	58.79	1.39	2.48	5	72,931.7
Total	**116.35**	**1.26**	**2.25**	**5**	**130,876.6**

Source: Pursuit Minerals Ltd, ASX announcement, 6 February 2019

The Mineral Resource was based on data from 27 historical diamond drill holes for 3,784 m completed by the GTK at the Koitelainen Vosa Prospect in the 1970s. Historical reports were found that state most relevant details, such as collar location, azimuth, dip and historical assay results (some incomplete).

Pursuit constructed a database (AcQuire) that contains all drill hole survey, drilling details, lithological data and assay results. Where possible, all original geological logs, hole collar survey files, digital laboratory data and reports and other similar source data are maintained. The AcQuire database is the primary source for all such information and was used by the Competent Person to estimate resources.

Geological interpretation of the vanadium mineralised domains is based on the historical drilling information variably spaced throughout the deposit. The interpretation was completed on cross-sections and were based on lithological logging into 5 separate domains; Magnetite Gabbro, Gabbro, Anorthosite, Komatiite Xenolith and Diabase. Vanadium (V_2O_5) content was based on sampled intervals.

Four separate geological zones were identified within the faulted areas, with 11 separate wireframes created based on the geological interpretation. Most assays were taken over lengths of around 2.0 m with the mode occurring between 1.7 m to 1.9 m. A compositing length of 2.0 m was used for this resource estimate. Grade estimates for vanadium were made by ordinary kriging.

A cut-off grade of 0.5% V has been used to define the resources. At a V_2O_5 price of US$41,500/t, this implies that material can be treated at a profit above that cut-off grade from an open pit operation with relatively modest recoveries. The results for the Koitelainen resampling, determine the mass recovery to be approximately 5%.

The dry bulk density for the Koitelainen Inferred Mineral Resource has been set at 3.0 t/m^3, which is conservative relative to the reported test results. The estimate is based on assays from 25 diamond drill holes (46 mm diameter) totalling 3,742 m. The continuity of layered ultramafic deposits is widely known to be highly continuous over several hundreds of kilometres, based on observations from the Bushveld complex in South Africa (Misra, 1999). This known continuity is supportive of the Inferred Mineral Resource reported by Kendrick. While the mineralised zone is known to be continuous, SRK also considers that there is a risk of extrapolation into areas that have not been adequately drill tested.

The risk of extrapolation stems from the extent of the outer boundaries which limit the four zones reported by previous explorers. The host rocks for the Mineral Resource are magnetic and as such should be distinct in the aeromagnetic geophysical data. Examination of the aeromagnetic data shows patchy highly magnetic areas within the zones, which raises questions of how continuous the magnetite gabbro actually is. The Mineral Resource report does not clearly explain how the outer limits of the estimates have been derived. It is not clear if field mapping has been used to assist the interpretation.

A second risk is the wide spacing of the drill holes, up to 1,000 m. The Mineral Resource report notes that, based on variography, the maximum drill hole spacing that supports Inferred is ‘above’ 400 m. The estimate search radius is 200 m, with a minimum of four composites and a maximum of 32 composites required and with a maximum of four composites per octant. The 200 m search radius is doubled and trebled for the second and third estimate passes. The third estimate pass appears to be too far extrapolated, based on the reported approximate 400 m spacing being required for Inferred. It is also likely that parts of the Mineral Resource are informed by a single drill hole, which poses a risk in terms of high-grade zones becoming smeared to areas outside the drilling limits. SRK notes that Zone D in Table 4-4 and Figure 4-5 represents approximately half of the reported Mineral Resource at about 58 Mt, but that this zone is only informed by 5 drill holes.

For reference, the geologically similar Airijoki Mineral Resource is informed by drill holes that are at a maximum of 400 m separation.

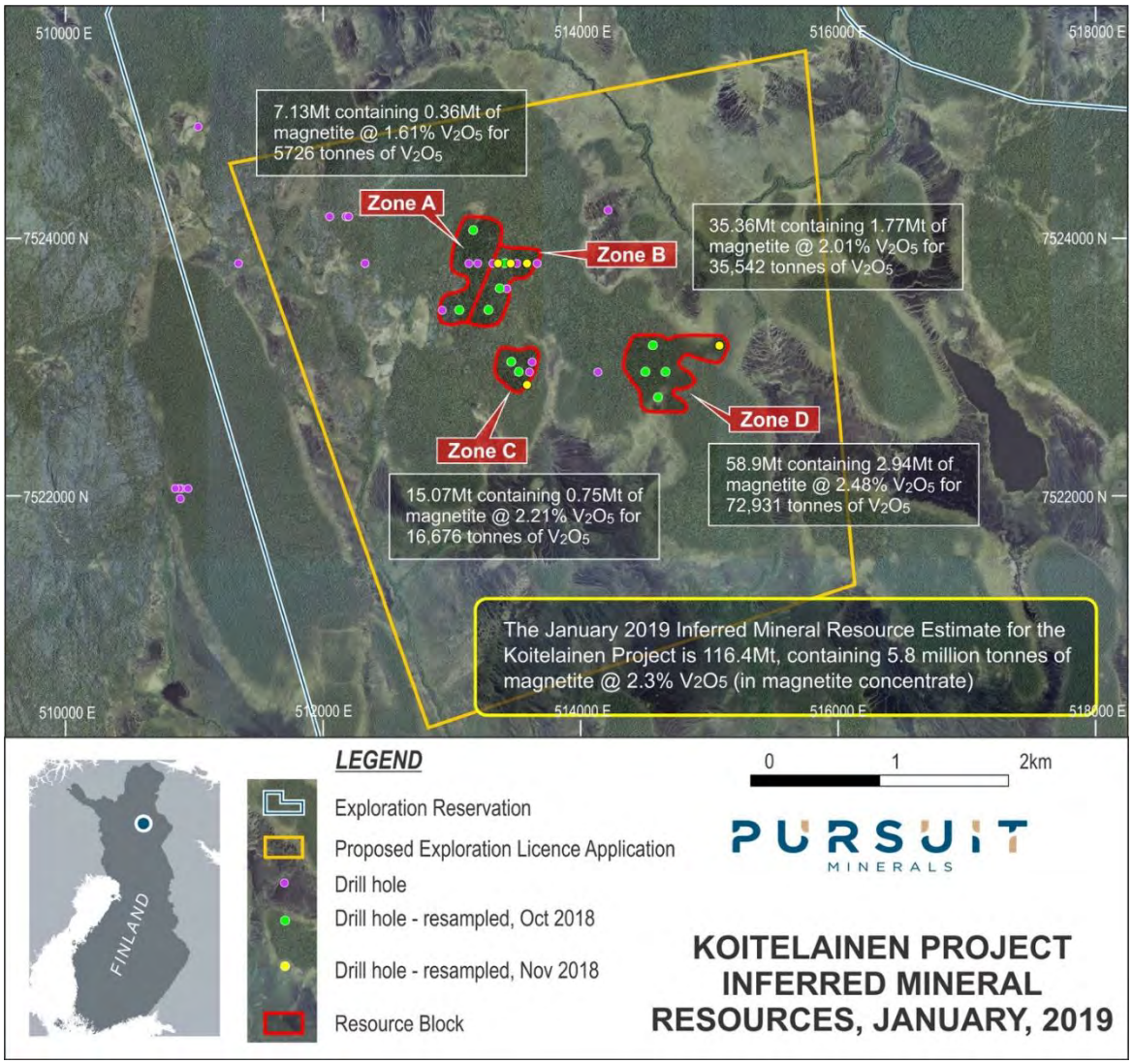
A potential opportunity is the chrome in the form of chromite and the PGE's reported in underlying ultramafic formation (Table 4-3). The majority of PGE occurs as minute particles in silicates, making them potentially difficult to recover (Gervillia and Kojonen, 2002). While historical reports indicate grades above typical cut-off grades of 0.3-0.5 g/t for PGEs in an open cut, the PGEs are not included in the Mineral Resource. Similarly, the chromium appears to be above typical cut-off grades however the form and recovery of the chromium is unknown and therefore it is not possible to estimate a cut-off grade. To date, no PGE or chromium data have been included in the geological models with the focus on vanadium.

Furthermore, from 1973 to 1999, 131 drill holes for a total of 16,440 m were drilled across the Koitelainen Project by the Government of Finland. SRK recommends including all available drilling in any Mineral Resource estimate to confirm geological continuity, even if analytical data is not present or in an uncertain state. It is unclear where these additional drill holes are located in relation to the reported Mineral Resource.

The Koitelainen area was visited by SRK's representative, Mr Jyri Meriläinen on 4 June 2021. Mr Meriläinen noted that all the located collar points were less than 16 m from the reported positions. While this difference is close to the accuracy of a hand-held GPS, Mr Meriläinen recommends further investigation into the collar locations of historical drill holes be performed. Mr Meriläinen also visited the Loppi National Core Archive on 17 and 18 May 2021 and inspected three drill holes from the Koitelainen project area. The conclusion was that there were no quality or security related issues with the core and that the historical drill core information is concordant with the examined cores.

Kendrick has assigned a low confidence classification of Inferred, however SRK considers there is a risk of under sampling (too few drill holes) with large areas that have the grade extrapolated, based on justification from detailed ground magnetic geophysical data. The possible existence of additional drilling is another risk factor and SRK recommends all available drilling is included in any Mineral Resource estimate.

Figure 4-5: Koitelainen Project Inferred Resource



Source: Pursuit Minerals Ltd

4.6 Metallurgical testwork

While limited metallurgical testwork has been reported in the historical literature, this was mainly directed towards chromite and PGE mineralisation as early studies showed that the bulk of the vanadium-rich gabbro unit had been altered during regional metamorphism into hornblende and biotite, making the bulk of the rock's vanadium unextractable.

Initial microscopic studies of ultramafic cumulates demonstrated the potential for chromite ores.

More recent metallurgical testwork completed by Pursuit in April 2019 was based on three representative diamond drill holes (R326, R330 and R336) from the Koitelainen Vosa prospect. The objective of the program was to investigate methods to increase the mass recovery (the percentage of magnetite extracted from the whole rock) and overall vanadium recovery, with initial testwork focussed on the effect of crushing to different grainsizes. This program found that the

average mass recovery was able to be increased from 5.3% to 8.8% by simply increasing the crushing size of the ore to 355 microns from 106 microns (Table 4-5).

Table 4-5: Initial metallurgical testwork results at Koitelainen

Drillhole	Crush size 355 µm (vanadium magnetite concentrate)			Crush size 106 µm (vanadium magnetite concentrate)			Mass recovery increase (%)
	Mass recovery (%)	Iron (%)	V_2O_5 (%)	Mass recovery (%)	Iron (%)	V_2O_5 (%)	
R326	8.8	46.8	1.87	5.4	58.6	2.38	61
R330	11.5	46.5	1.95	6.7	56.3	2.41	70
R336	6.3	46.9	1.92	3.6	57.4	2.17	75
Average	*8.8*	*46.7*	*1.90*	*5.3*	*57.4*	*2.30*	*69*

Source: Pursuit ASX announcement dated 9 April 2019

Further metallurgical testwork was proposed for the Koitelainen Vosa Inferred Mineral Resource, with near term focus on the use of Wet High Intensity Magnetic Separation to further increase the mass recovery and the grade of the vanadium magnetite concentrate.

Further drilling is required to provide sufficient sample material for ongoing testwork.

4.7 Other considerations

4.7.1 Mining considerations

In 2019, Pursuit engaged SRK to complete an OoM study on the Koitelainen and Airijoki projects. This study was based on the Koitelainen Inferred Mineral Resource as announced in February 2019 and considered a conceptual mine plan producing 5 Mtpa with a 10-year project life as generated with Whittle™ software. Open pit optimisation was undertaken to identify the optimum economic pit shape based on the highest project cashflow.

The OoM study was based on a target average grade of vanadium magnetite concentrate of 2.5% V_2O_5, magnetite concentrate mass recovery rate at 8%, and a royalty 0.15% of revenue payable to the landowner.

The study focussed on mining vanadium mineralisation hosted in a magnetite gabbro unit from Zones C and D of the Koitelainen Inferred Mineral Resource (Figure 4-5). Mining would be based on bulk mining techniques using standard drill and blast, load, haul and crusher feed, followed by magnetic separation to produce a vanadium magnetite concentrate. Lower grade material would be stockpiled. Waste material would be stockpiled adjacent to the planned open pits and tailings would be contained within a tailings management facility.

Pre-production capital costs were estimated by benchmarking the Koitelainen Project against similar projects globally from SRK's database of recent project work.

Benchmark open pit mining contractor units operating costs for the Nordic region were also applied following adjustments for the scale of the operation.

Further technical (including mine optimisation) and techno-economic studies are required to further refine the likely capital and operating cost inputs relating to any future development of the Koitelainen Project.

Investigation regarding the potential occurrence of permafrost as well as suitable sequencing and pre-stripping to allow thawing of permafrost during the summer months is required.

Investigation of environmentally sound mining practices such as backfilling of waste in mined-out areas and the construction of safety walls to reduce noise pollution for neighbouring areas is also required.

There are no Ore Reserves defined in accordance to the JORC Code (2012) at Koitelainen and as such, no valuation of the Project has been prepared.

Hydrogeology and hydrology

The regulatory framework within which water studies must be undertaken varies significantly across the Nordic region and it is critical to understand these constraints when undertaking hydrogeological and hydrological studies.

The environmental approvals timeline in the region can be lengthy. This can be de-risked to some extent by front-end loading baseline groundwater and surface water monitoring and characterisation studies. This also brings opportunities to 'piggyback' groundwater studies onto other types of drilling, e.g. resource, geotechnical, often resulting in reduced program costs and improved data quality. There is a general expectation that technical studies will be undertaken to a very high standard and will be supported by comprehensive monitoring and characterisation work, followed by sophisticated technical analysis and modelling.

There is a high abundance of hydrologically important and sensitive wetland sites across the Nordic region (e.g. Natura 2000) and regulators often expect zero or extremely minimal impact to be demonstrated.

4.7.2 Processing considerations

The SRK OoM study envisaged a conceptual process plant comprising of run of mine (ROM) pad, three stage crushing, vibrating screen, ball mill, wet magnetic separation and filtering to produce a vanadium magnetite concentrate.

A benchmarking assessment was completed to provide indicative capital and operating costs for the production of a ferrovanadium concentrate and a V_2O_5 flake product. Benchmarked costs were developed as there was insufficient testwork and processing data available at the time to enable project-specific costs to be defined.

A similar benchmarking exercise was completed to estimate the capital and operating costs for the tailings storage facility (TSF).

Significant further metallurgical testwork is required on the vanadium ores at Koitelainen in order to better understand the likely mass recoveries and vanadium grades able to be achieved at a commercially viable rate. In addition, further processing optimisation and techno-economic studies

are required to further refine the likely capital and operating cost inputs for any future development of the Koitelainen Project. In particular, SRK notes future studies should focus on the following:

- Metallurgical testwork, specifically mass recovery, remains at a preliminary stage of assessment and requires further investigation as part of on-going studies.
- Marketing of the product and associated processing requirements requires further investigation.
- Pricing assumptions remain to be verified through on-going market studies.

Tailings

The TSF approvals timeline in the region can be lengthy. The approvals will require the design, location and size to be determined, which will require geotechnical studies to determine where appropriate foundations are present and where appropriate borrow materials to construct the facilities can be sourced. The management of water within the tailings facilities in Arctic climates requires specialist experience.

4.7.3 Infrastructure considerations

Access

The infrastructure in the general area is good, however, the area containing the reported Mineral Resource (within the exploration permit) is reasonably remote. The general area has well-maintained roads including the E75 highway, some 75 km to the west of the exploration permit boundary and an unnamed road 1.5 km to the northeast running between Lokka in the east and the E75 highway in the west.

Kendrick's Koitelainen project is located near Boliden's Kevitsa open pit mine. There is good road access to the area, which is near the main E45 national road which leads southward to Sodankylä and Rovaniemi.

Power supply

Power in Finland is derived from mixed sources comprising predominantly renewables (50%) and nuclear (30%) with the remainder generated from fossil fuels. There is a hydroelectricity power plant adjacent to the Kevitsa mine. Fingrid Oyj is the national electricity transmission grid operator.

The power demand of any future operations at Koitelainen will be related to the size and scale of such operations, which in turn will inform the suitability of existing local power lines to the licence area for the supply of power. If required, new transmission infrastructure would need to be built to connect to the existing high-voltage (HV) grid at the nearby hydroelectricity power plant. Finland is part of the Nordic electricity market and it is likely that any future development of the Koitelainen Project would be as an industrial user falling under the Finland bidding area. Power cost is anticipated to be very competitive in relation to the wider Eurozone.

Water

Requisite studies would need to be undertaken to define water supply options and an appropriate water balance. Water will be required for processing, equipment washing and potable needs. Water supply options might include groundwater and surface water abstraction. Water management and treatment around any future mining and surface infrastructure areas needs to be considered as part of any techno-economic evaluation going forward.

Surface infrastructure

Surface infrastructure requirements for a future operation will need to be studied and a project layout developed to understand and optimise the overall footprint options and constraints. In addition to a dedicated mining area and processing plant, there will be waste management areas (e.g. waste rock, tailings), stockpiles, site roads, various buildings and utilities networks developed at the surface.

Logistics

The envisaged export route for vanadium concentrate from Koitelainen (via Lokki) is either for export from the Port of Kemi on the Baltic Sea or to a proposed smelter to be built in Saahe, Finland (as described by Pursuit). The production rate at Koitelainen is forecast at 300 ktpa.Kemi is the closest port city from which export of concentrate could take place. Kemi is situated on the Gulf of Bothnia, at the mouth of the Kemijoki river, and has a population of more than 20,000 people. The main economic activity in Kemi is based on two large paper and wood pulp mills as well as being the only chromium mine in Europe which supplies the Outokumpu ferrochrome plant in Tornio. Tornio is situated 20 km northeast on the Swedish border. These towns are at the southern end of the Lapland region.

As such, a road haulage operation is required, and road infrastructure upgrades are necessary. The road distance between Koitelainen and Kemi is approximately 340 km. The onward road distance to Raahe is some 180 km.

The nearest point of access to rail from the Project is at Rovaniemi or Kemijarvi, which are 200 km and 175 km from Lokka, respectively. The rail infrastructure distance to Kemi is 200 km and 260 km, respectively.

At a high-level, the capital cost of constructing a long rail spur will likely prove prohibitive. Given the relatively small annual production rate, a smaller rail head could be used. The use of rail infrastructure would reduce the overall transport cost per tonne and a rail head could be established at Rovaniemi or Kemijarvi. Dedicated rail wagons would need to be purchased for use on the railway (if shipped in bulk form). Concentrate could then be railed to Kemi, Oulu or Raahe. If a smelter is eventually established at Raahe, an alternative might be to ship concentrate from Kemi to Raahe.

There may be some merit in exploring the potential for shipping from Kemi to Raahe, however, the costs for another intermodal transfer for only 120 km is unlikely to be more cost effective than continuing the rail journey from Kemi to Raahe.

Discussions would need to be held with the Kemi port to establish whether a dedicated stockpile and materials handling equipment would be needed and if capacity exists or not.

4.7.4 ESG considerations

Finland is situated in the sub-Arctic/Boreal climate (Koppen classification) with average annual temperatures of nearby Sodankylä averaging -0.4°C (1981-2010), with average monthly temperatures ranging from +14.5°C (July) and -13.5°C (January). Annual precipitation averages 1,486 mm/year with relatively consistently monthly averages between 29 mm/month and 74 mm/month.

The Project experiences short summers and long cold winters with temperatures that can drop below -30˚C. Winter provides improved conditions for exploration and development activities due to the freezing of many swamps, lakes, and wetlands of the region, thus enabling easy access for drilling and other geological or geophysical campaigns.

The topography of the area comprises flat, forested terrain with the deposit areas located between elevations of 200 mAsl and 400 mAsl. The reservation areas covering the Koitelainen project are dissected by the Luiro River, a tributary to the major Kemijoki River flowing through the city of Rovaniemi and then Kemi to the Gulf of Bothnia (northern arm of the Baltic Sea). The Luiro River is fed by the Lokan reservoir, a constructed lake 3 km northeast of the Koitelainen 2 reservation. A minor river, the Viuvalo-oja, flows through the exploration permit and drains into the Lokan reservoir.

The Project is located in the 'Scandinavian and Russian Taiga' ecoregion. The majority of the Koitelainen 1 and 2 reservation areas and the entirety of the exploration permit area are situated within the Natura 2000 protected area 'Koitelainen' as shown in Table 4-3. The site is designated as a 'Site of Community Importance' through the EU Habitats Directive[3] along with being a Ramsar (convention of wetlands) site[4], internationally important bird area[5] (IBA) and a reindeer herding area. There is currently a lack of knowledge on the biodiversity and ecology of the area due to a lack of detailed study; however, there is environmental, flora and fauna information on the Natura 2000, Ramsar and IBA sites.

There are no hamlets or villages situated in the application for exploration permit and only scattered settlements throughout the reservation areas, mainly situated along the Luiro riverbanks. The closest villages are Lokka situated 15 km east and Petkula 27 km west of the exploration permit area. Currently, forestry and reindeer husbandry are the major land uses in the area in addition to the Kevitsa Mine. There are many exploration projects within the area, as the project lies within a highly prospective region for commodities such as gold, platinum, nickel and base metals.

The permitting processes in Finland typically take a significant amount of time. Key areas requiring attention as part of the environmental impact assessment process are likely to be water management, presence of conservation areas (Natura 2000 sites), presence of Sámi indigenous population and/or reindeer herding areas, and existing and potential use of the land by local communities and landowners.

[3]Natura 2000 Standard Data form for Koitelainen:
(https://natura2000.eea.europa.eu/Natura2000/SDF.aspx?site=FI1301716&release=10: last accessed 05/05/2021).

[4]Ramsar Wetland profile for Koitelainen (https://rsis.ramsar.org/ris/12: last accessed 05/05/2021)

[5]Bird Life International profile for Pomokaira-Koitelainen (http://datazone.birdlife.org/index.php/site/factsheet/pomokaira-koitelaiskaira-iba-finland: last accessed 05/05/2021)/

In terms of the Extractive Industries Waste Directive, any mine or process residues will need to be appropriately characterised and managed (from construction through to closure), with a plan generated as part of the approval processes.

Early and regular communication with local communities, conservation bodies and Sámi /reindeer herding representatives is strongly recommended. The approval processes can be significantly delayed if there is serious opposition to the Project.

In the northern parts of Finland, there is a trend of young people moving away for the better job opportunities in the south. Job opportunities for young people in the north of the country are likely to be seen in a positive light and there is generally a good availability of skills in Finland.

4.8 SRK's opinion

The Koitelainen area has been the focus of considerable study dating back to the 1970s, with much of the previous work completed to better understand the geometry, layered nature and nickel, PGM and chromite potential of the intrusive body, with the vanadium and magnetite potential evaluated in a somewhat cursory fashion.

More recent work was been directed towards addressing this. Work completed since 2019 has been directed towards the evaluation of the Koitelainen Vosa prospect along the eastern margin of the intrusive body. This work has advanced the understanding of the potential economic viability of known vanadium Mineral Resources defined within this area. However, given the tenure status of the project, much of the recent activities has had to rely on historical data and re-sampling of historical drill holes, with no new data available to inform recent studies.

The grant of the Exploration Permit in mid-2020 and the near-term relaxation of any constraints imposed by COVID-19 pandemic, now present Kendrick with an opportunity to rapidly advance its Koitelainen Project through additional drilling and metallurgical studies, as well as other mining, processing, infrastructure and environmental activities designed to further optimise and de-risk the project. To this end, SRK considers the Koitelainen Project offers an excellent near-term opportunity to establish a significant footprint in the emerging new energy metals industry within a stable geopolitical environment supported by processing and transportation infrastructure.

5 Karhujupukka Project - Finland

5.1 Introduction

The Karhujupukka Project is located within the Kolari municipality in Lapland, Finland close to the Swedish border (see Figure 5-1). The Project is situated approximately 120 km southwest of the Koitelaninen Project and lies approximately 20 km southeast of the city of Kolari and 150 km northwest of Rovaniemi. Immediately to the east lies Arctic Minerals AB's Passivaara chromite-PGE project.

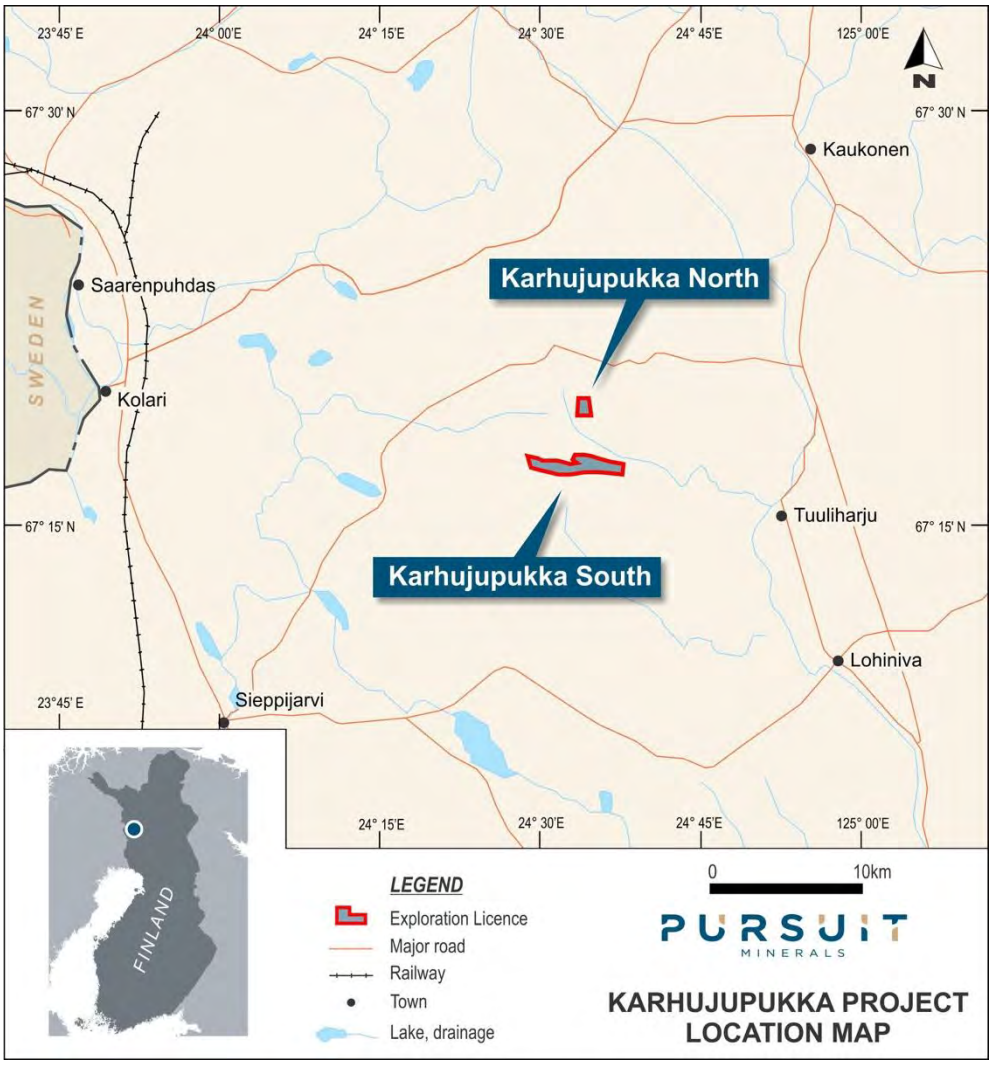
A railroad runs along the Finland-Swedish border, 10 km west of the Project with connections to the port and industrial centre at Kemi on the Gulf of Bothnia.

The Project is situated 200 km west of the Swedish Kiruna iron ore district (Malmgerget mine) with its associated infrastructure and rail connection to the port of Luleå.

The site is easily accessed from sealed and unsealed roads in the area. There are several rural settlements, and the topography is characterised by forested hills and lakes, typical to the Lapland region.

Topographically, the Project exhibits a shallow relief with an elevation ranging from 190-330 mAsl. There are several rivers and streams through the area which connect various lakes and wetlands. The project lies along the eastern margin of the Karhuvuoma Natura 2000 area (but does not occur within it), and the nearby Tornionjoki and Muonionjoki river system.

Figure 5-1: Location of the Karhujupukka Project



5.2 Project tenure

The Karhujupukka Project comprises two granted exploration permits (ML2018:0068 and ML2018:0069) that cover a combined area of 6.5 km^2 and are due to expire on 4 January 2023 (Table 5-1). Both permits are registered to Pursuit's subsidiary company, NorthernX Finland Oy. The permits provide for the exploration of gold, nickel, iron, copper, palladium, platinum, cobalt, chrome, titanium and vanadium.

Table 5-1: Status of tenure at Karhaujupukka

Concession number	Holder	Area (km^2)	Application date	Registration date	Expiry date	Equity interest	Tenement costs *
Karhujupukka North ML2018:0068	NorthernX Finland Oy	1	9/7/2018	5/12/2018	4/1/2023	100%	€1972
Karhujupukka South ML2018:0069	NorthernX Finland Oy	5.5	9/7/2018	5/12/2018	4/1/2023	100%	€10,965

*All tenement rental costs were paid up front on grant, there are no minimum commitments required

Further details in relation to the Karhujupukka tenure is presented in theProspectus.

5.3 Project history

According to Karvinen et al. (1988), an early indication of the potential of the Karhuupukka area was given by a local inhabitant in 1986, who claimed that a strong magnetic anomaly existed in the area. The bedrock in the area is completely blanketed by till and weathered bedrock requiring drill testing to assess any magnetic anomaly. The first drill hole intersected a compact magnetite-ilmenite zone and a total of 10 diamond holes for 1,296 m were initially completed during autumn 1987 and spring 1988.

Subsequently, the GTK explored the Karhujupukka between 1986-1995 carrying out the following key activities (see Table 5-2).

Table 5-2: Key activities at Karhaujupukka

Years	Activity type	Comment
1986-1988	Detailed geophysics	1.5 km^2 systematic magnetic, slingram and gravity survey
1987-1995	Core drilling	Altogether 36 drill holes for a total of 3,453 m in the Karhuvuoma-Karhujupukka-Knoronlehto area
1989-1990	Detailed geophysics	22.6 km^2 systematic ground magnetic and slingram survey and 4.1 km^2 gravimetric survey in the area surrounding the Karhujupukka proper
1986-1988	Detailed geophysics	1.5 km^2 systematic magnetic, slingram and gravity survey

Magnetite-ilmenite-vanadium mineralisation was discovered at Karhujupukka by the GTK in 1988, while scout drill testing of several prominent high amplitude magnetic geophysical anomalies in areas of glacial till overburden.

Between 1988 and 1996, the GTK completed three successive drilling campaigns outlining three independent bodies of magnetite-ilmenite-vanadium mineralisation at Karhujupukka (central), Korthonletho (east) and Karhuvuoma (west) over a combined strike length of 5 km. In total, 36 holes for 3,453 m were completed to test the magnetite-gabbro layers. Complementary geophysical studies included ground gravity surveying and downhole geophysical logging were conducted during this period. Mineral Resources were reported by the GTK in 1989 (however these are not compliant with the JORC Code, 2012).

Drill core from the initial drilling at Karhujupukka (holes 301, 307 and 308) was used for mineralogical and petrographic analyses, as well as beneficiation studies at the Rautaruukki

research laboratory to produce magnetite, ilmentite and sulfide concentrates. GTK also conducted x-ray fluorescence (XRF) analyses on the various size fractions of magnetic and non-magnetic concentrates, as well as electron microprobe analyses. None of the previous studies targeted possible magmatic sulfide mineralisation.

The GTK withdrew from the area in the late 1990s.

During 2007, a local Finnish company (Finland Prospecting Oy) was granted a claim reservation over the Karhujupukka area. This claim reservation expired in mid-2008, at which point Akkerman Exploration B.V. (Akkerman) filed an application for a series of 6 exploration claims, with a total surface extent of some 600 ha.

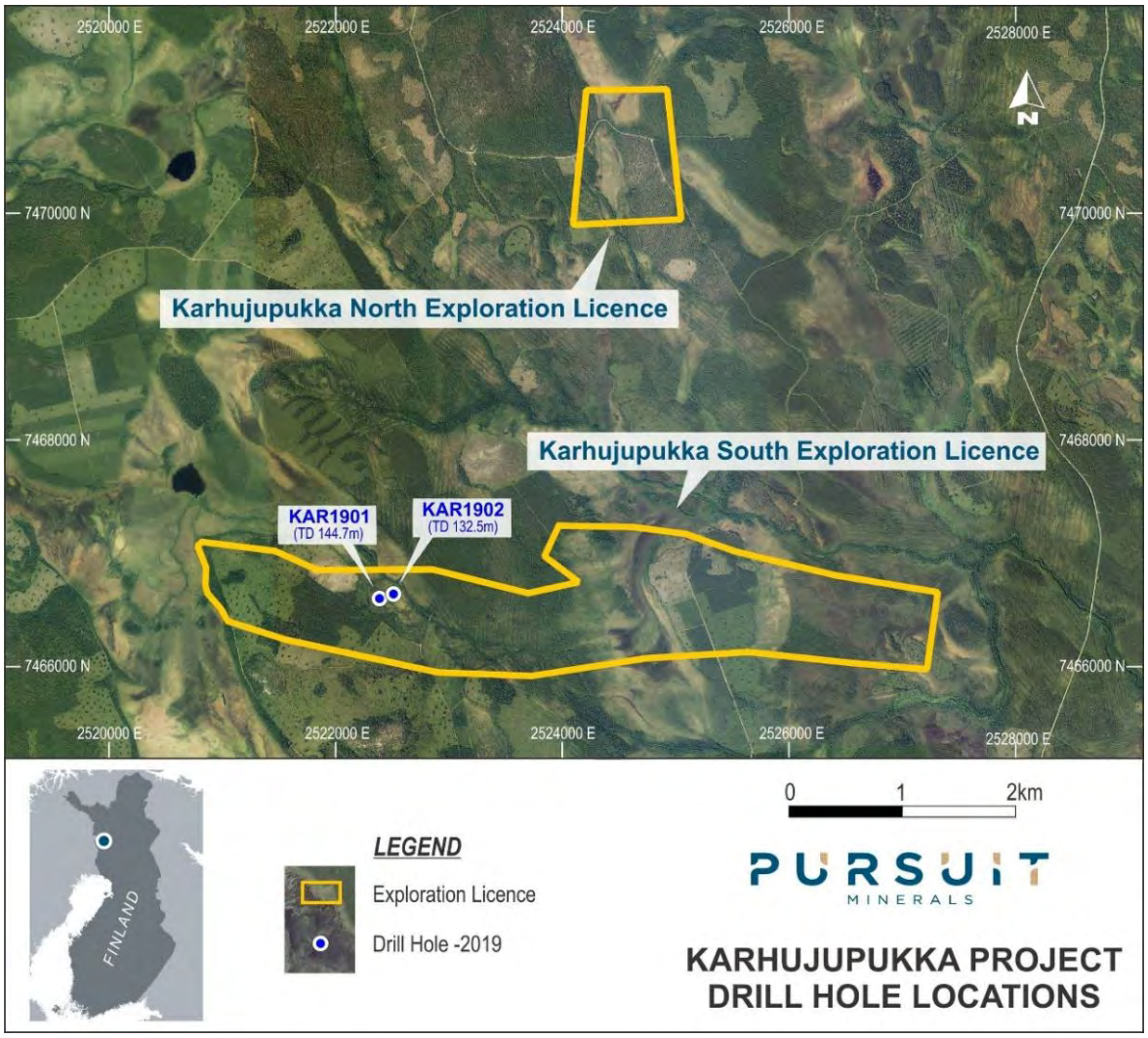
From 2012-2014, the project was explored by Akkerman under a joint venture with Nortec Minerals Corp (TSX-V: NVT). The Project at this time comprised seven exploration licences with a combined area of approximately 600 ha. Key activities carried out during 2012 included heliborne versatile time domain electromagnetic and horizonal magnetic gradiometer survey covering 391 line km at 100 m spacing. The survey did not reveal any new geophysical anomalies, so no ground-based field work or drilling was carried out and the project was relinquished in April 2014.

In April 2018, Pursuit announced that it had secured a Mineral Reservation covering 398.76 km^2 of open ground over the Karhujupukka Project area in northern Finland. The reservation enabled Pursuit to conduct non-ground disturbing activities such as geological mapping and airborne surveys. In January 2019, Pursuit announced that two exploration licences had been granted over a 6.5 km^2 area at Karhujupukka.

In July 2018, Pursuit submitted an application for the mineral tenements known as Karhujupukka North and Karhujupukka South, which were subsequently granted in December 2018.

In February 2019, Pursuit completed a two-hole drill program (for 277.2 m) at Karhujupukka South to test a +350 m long electromagnetic (VTEM) conductor, as illustrated in Figure 5-2. Drill hole KAR-19001 tested the airborne geophysical target 2-L1340 and was completed at a depth of 144.7 m. Drill hole KAR-19002 tested the target 2-L1330 and was drilled to a depth of 132.5 m. The electromagnetic conductor was interpreted to be potentially due to nickel-copper sulfide mineralisation.

Figure 5-2: Drill hole locations for the Karhujupukka Project



Source: Pursuit

Anomalous geochemistry was not returned and a source for the electromagnetic conductor was not intersected by either drill hole. Therefore, the nickel-copper target remains unexplained.

5.4 Geology

The Karhujupukka area forms part of the CLGB, in one of the lesser explored greenstone belts of Finland. It comprises mafic-ultramafic volcanics (mostly komatiites), pelitic and quartzitic metasediments, gabbroic intrusions and granitoids (Silvennoinen et al., 1980; Lehtonen et al., 1985). Tholeiitic and komatiitic volcanics occur in the area.

The Karhujupukka area belongs to a granitised metasedimentary zone, which is upper Archean or lower Proterozoic (Lapponi) in age according to most recent studies (Silvennoinen et al., 1980).

Karhujupukka is interpreted to represent a mafic layered intrusion whereby mineralised magnetite-gabbro layers have intruded into migmatitic gneisses of the Rovaniemi Supersuite, part of the

CLGB. The host rock to the Karhujupukka deposit is amphibolite, the hanging wall rocks being metamorphosed anorthosite gabbros and footwall rocks metasedimentary units.

The mineralised zone and the country rocks are intruded by several dykes of granitic or pegmatitic composition and variable width. High-grade metamorphic conditions are recorded.

The Karhujupukka titanium-vanadium-iron deposit is interpreted to be a homogenous sheet dipping 50-60˚ to the south, with a thickness of 50 m in the central part, 10 m in the western part and 3 m in the eastern part; the total mineralised length is 550 m. The current known strike length of the mineralisation is over 5 km and the mineralisation is not closed off.

The magnetically anomalous zone continues east and northeast from the Karhujupukka deposit for about 15 km and according to the low altitude magnetic geophysical data, three other deposits of the Karhujupukka type and size may exist either within or near the zone.

5.4.1 Mineralisation

The deposit comprises three relatively small, high-grade lenses of coarse magnetite-ilmenite mineralisation hosted by gabbro. The magnetite-ilmenite-vanadium mineralisation occurs as plate like bodies hosted by magnetite gabbro units of the mafic layered intrusions, situated between leuco gabbro-anorthosites in the hanging wall and pyroxenites to peridotites in the footwall. The iron-titanium-vanadium mineralisation occurs in the more leucocratic gabbro layers.

The mineralised zones delineated to date are divided into three main zones at Karhujupukka Central, Korthonletho to the east and Karhuvuoma to the west, over a combined 5 km strike length. These three areas coincide with a magnetically anomalous zone visible in low altitude airborne magnetic data.

The central Karhujupukka prospect dips at an angle of 50-60˚ to the south with a thickness of 50 m in the centre, 10 m in the west and progressively thinning to the 3 m in the east (Nortec, 2012).

According to published data (Karvinen, GTK Special Paper 10, 1988), the mineralisation contains on average:

- 40% Fe, 5.5% Ti, 0.3% V, 0.4% Cr, 0.04% Ni and 0.03% Cu and 0.02% Co, 100 ppb Pt, 100 ppb Pd and 20 ppb Au.

The main minerals are magnetite and ilmenite, which occur as granoblastic grains as a result of recrystallisation. The ilmenite crystals contain minute inclusions of hematite and the magnetite crystals contain lamellae of ilmenite and spinel. The overall grain size of the ore is rather coarse in the range of 0.5-2 mm.

Copper and nickel sulfides are present in places (to about 1.5%) as separate grains or inclusions in the oxides. They consist of pyrrhotite, chalcopyrite, pentlandite, violarite-polydymite, pyrite and marcasite. The gangue minerals are hornblende, plagioclase, quartz, phlogopite, scapolite and sericite, with accessory garnet, apatite and monazite.

In addition, the magnetite is accompanied by green spinel (hercynite) with relatively high contents of gallium (60-80 g/t).

5.5 Historical estimate

To date, no formal resource estimates have been made for the Karhujupukka mineralisation.

Karvinen (1988) reported preliminary numbers using a simple cross-section method for the Karhujupukka Central area. This estimate included results from boreholes 301 to 308 over a strike length of 550 m, using a 35% Fe cut-off and a density of 4 g/cm^3. The tonnage of potential open-pit ore obtained down to a vertical depth of 80 m was approximately 2.4 Mt for Karhujupuka Central (not including the Karhujupukka East and West deposits).

According to Kojonen and Johanson (1989), based on 38.5 m from drill hole 308, the deposit has the following grades: 41.2% Fe, 5.41% Ti, 0.305% V, 0.038% Ni, 0.028% Cu, 0.017% Co, 0.02 ppm Au, 0.10 ppm Ag, 0.10 ppm Pt, 0.10 ppm Pd. However, no tonnages are stated for the deposit. Most of the titanium is contained in ilmenite, while the magnetite contains 1.3% V_2O_5, and most of the nickel is in pentlandite.

Kojonen & Johanson (1989) reported a historical mineral estimate of 5.2 Mt averaging 0.24% V (0.43% V_2O_5), 32% Fe, 6.2% Ti and 0.02% Co for the combined Karhujupukka, Karhunjapukka East and Kortonlehto areas extending over a strike length of 550 m and an average width of 30 m. A total of 30 diamond drill holes for 3,453 m formed the basis for the historical mineral estimate. Importantly, a Competent Person has not completed sufficient work to classify the historical estimate as a Mineral Resource in accordance with the JORC Code (2012). It is uncertain whether further evaluation work of the historical estimate will enable it to be reported as a Mineral Resource in accordance with the JORC Code (2012).

Using a lower cut-off grade, Akkerman yielded an estimate of nearly 5 Mt with an average content of 30% magnetite and 12% ilmenite in the first 80 m below surface in 2009. Importantly, further work is required to report a Mineral Resource in accordance to the JORC Code (2012) or similar international Mineral Resource reporting code.

The Kharhujupukka South area was inspected by Mr Jyri Meriläinen on 3 June 2021 (details included in Appendix B). Mr Meriläinen noted that there was an issue with the cartographic projection. After correcting, the drill hole collars selected for checking could not be located. The lack of confirmation for the locations of the historical drill holes presents a risk, however the terrain is difficult to search and the site visit was conducted in a 2WD vehicle, making access to the approximate positions difficult. According to Kendrick these holes were fully rehabilitated with collars cut off below ground level making identifying these collars difficult. SRK considers the lack of confirmation of position information and the lack of clarity over the projection used to be a mild risk and further investigation should be completed. Mr Meriläinen also visited the Loppi National Core Archive on 17 and 18 May 2021 and inspected one drill hole from the Karhujupukka project area (details included in Appendix B). The conclusion was that there were no quality or security related issues with the core and that the historical drill core information is concordant with the examined cores.

5.6 Other considerations

5.6.1 Mining considerations

No mining studies have been conducted at the Kahujupukka Project to date.

There is no Ore Reserves defined in accordance with the JORC Code (2012) at Kahujupukka and as such, no valuation of the project has been prepared.

5.6.2 Processing considerations

Preliminary beneficiation tests were conducted by the GTK at the Rautaruukki Oyj Research Center based on a composite drill core sample from a single GTK drill hole GTK 308 (Nortec, 2012). The recoveries and chemical compositions of the concentrates are shown below and in Table 5-3 and Table 5-4:

- magnetite concentrate 47.2% mass recovery
- ilmenite concentrate 12.5%
- sulfide concentrate 1.1%.

Table 5-3: Chemical composition of the concentrates

	Fe (%)	Ti (%)	V (%)	Cr (%)
Magnetite concentrate	66.5	1.18	0.568	0.76
Ilmenite concentrate	18.7	10	0.16	0.103

Table 5-4: Chemical composition of the sulfide concentrate

	S (%)	Cu (%)	Ni (%)	Co (%)	Pt (g/t)	Pd (g/t)	Ag (g/t)	Au (g/t)
Sulfide concentrate	8.6	1.58	1.44	0.32	0.12	0.09	0.60	0.20

5.6.3 Infrastructure considerations

The Karhujupukka project area is located within 15-20 km of the primary national road infrastructure with the national road #79 (Kittilä to Rovaniemi road) to the east, and the national road #E8 to the west, which leads south to Tornio on the Baltic Sea. To the west of the project area lies the town of Kolari, situated on the border with Sweden. Kolari is serviced by a railway link used for passenger and freight (mainly logging) and which, historically, linked to the disused Rautuvaara Mine.

Karhujupukka is an exploration project and as such the requirements for processing and surface infrastructure, and the demands for water and power, are yet to be determined. There are a number of surface water bodies which represent potential sources within the licence area subject to environmental studies and approvals.

Connection to the Finnish national electricity grid will be the best option for future power supply. The national power grid is described for the Koitelainen Project and will also apply here. A connection point at or from Kolari should be possible.

From a logistics perspective, particularly for export of concentrates, the nearby national railway provides access to major ports at Tornio and Kemi, which lie around 170 km south on the Baltic Sea. A dedicated warehouse and loading spur would need to be constructed, with concentrates hauled by truck on a dedicated project road, or national roads, from the plant site to the Project's railway loading spur.

5.6.4 ESG considerations

According to information on the GTK website (Active Map Explorer), the westernmost end of the Karhujupukka belt is adjacent to a 'Mire Conservation' area. This protected area coincides with low-lying wetlands extending over 957 ha. The implications of the presence of this protected area on any future mining operation will need to be investigated.

5.7 SRK's opinion

The Karhujupukka Project lies within a lightly explored part of the CLGB and has previously been the focus of targeted exploration activities, which have demonstrated the presence of high-grade vanadium+ilmneite-bearing magnetite layers within a layered gabbro. Much of the work conducted to date has focused on the copper-nickel sulfide potential of these intrusive bodies and there has been insufficient exploration completed to define a Mineral Resource in accordance to the JORC Code (2012). However, historical estimates suggest there may be potential for small, high-grade (>0.2% V) tonnages which, based on limited metallurgical testwork, may be able to produce a magnetite concentrate.

The Project is well located in regard to infrastructure with good access to road and rail infrastructure for construction and operations and export of concentrates. However, a significant amount of survey and study work is required to adequately define the project, its layout and infrastructure requirements, and constraints. To this end, SRK concurs with Kendrick, that the project is worthy of further exploration and assessment.

6 Airijoki Project - Sweden

6.1 Introduction

The Airijoki Project is situated in the Kiruna Municipality, Norbotten County in northern Sweden, approximately 55 km east of the mining town of Kiruna and 10 km northwest of the village of Vittangi. Stockholm lies 885 km south-southwest of the Project area (see Figure 6-1).

The project may be accessed from the village of Vittangi, via a 2 km drive along an established dirt road. Vittangi is situated on the main road connecting the Finnish border to the large mining centre of Kiruna, a 74 km drive along the E45 and E10 highways to the west. Kiruna is a major mining services hub due to the presence of a large underground iron ore mine, which has been in production for approximately 120 years. Kiruna is serviced by daily national flight connections and irregular international connections.

In addition to its relative proximity to the Kiruna mine, one of the world's largest and most modern underground iron ore mines, the project is also located near the Svapparvaara mine area, only 15 km from the Leveäniemi iron ore mine (a historical open pit operating from 1964 to 1983) and 20 km from Mertainen (another open pit deposit), which are all owned by LKAB.

Talga Group's Vittangi Graphite Project (comprising the Vittangi nr 2 and Nunasvaara nr 2 tenures) separates the Airijoki Project into three tenure groups.

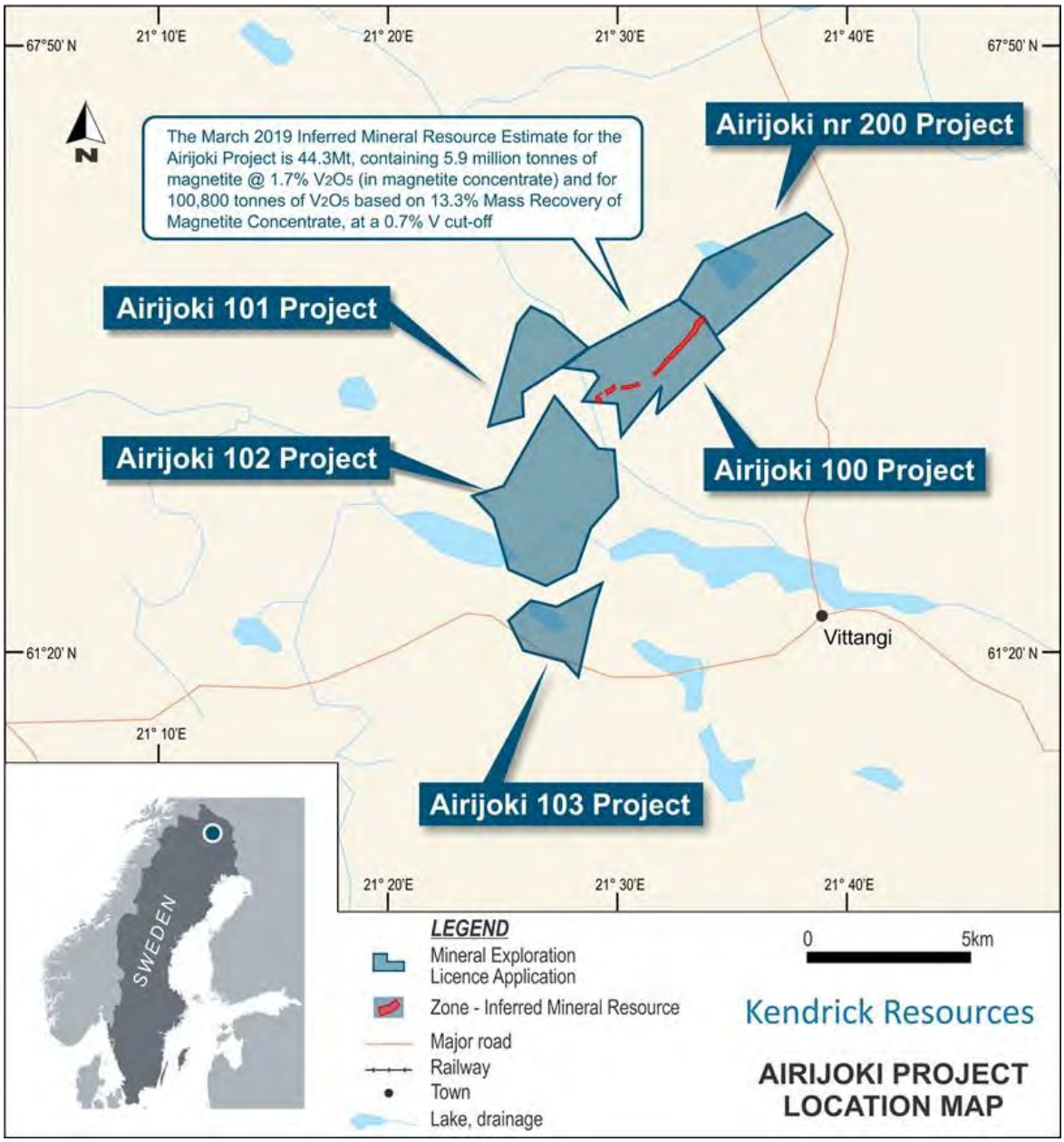
The project is well located relative to established infrastructure, with a grid power within 4 km of the tenure boundaries and 40 km by tarmac road from a railhead in Sapavaara. The railway runs from Svappavaara through Kiruna and to the port of Narvik on the Norwegian coast - a distance of approximately 220 km.

The Project lies within the sub-Arctic/Boreal climate (Koppen classification) with annual temperatures of nearby Vittangi averaging -0.7°C (1991-2020), with average monthly temperatures ranging from +14.3°C (July) and -14.5°C (January). Annual precipitation averages 527 mm/year with relatively consistent monthly averages between 22 mm/month and 89 mm/month.

The topography of the area comprises flat, forested terrain with the deposit areas lying between elevations of 250 mAsl and 300 mAsl. The permit areas straddle the Vittangi and Torne (Tornio) rivers that drain past the city of Tornio-Happaranda on the Sweden-Finland border and finally the Gulf of Bothnia (northern arm of the Baltic Sea). The iron ore mining towns of Kiruna and Svapavaara are located upstream of the Airijoki Project within the Tornio watershed area. In addition, there are several lakes within the permit areas, including the Kallokajärvi Lake in the Airijoki nr 103 permit, Airijärvi Lake in the newly approved nr 200 permit, Hosiojärvi Lake in nr 102 permit and Jakajärvi Lake in nr 101 permit.

Outcrops are primarily located in the northeast, west and southwest of the Project area, with some areas of relatively good exposure. Thin soil cover also exists in the areas with the best exposure. The central part of the permit area appears to be the least exposed.

Figure 6-1: Location of the Airijoki Project tenures



Source: Pursuit Minerals Ltd

6.2 Project tenure

The Airijoki Project comprises a semi-coherent tenement package of five granted exploration licences (Airijoki 100, 101, 102, 103 and 200) covering a combined area of approximately 39.41 km^2 (Figure 6-1).

All licences are held in the name of Pursuit's 100% owned Swedish subsidiary company, Northern X Scandinavia AB. The permits enable exploration for vanadium, titanium and iron (see Table 6-1).

Table 6-1: Status of tenure at Airijoki

Concession number	Holder	Area (km^2)	Expiry date	Equity interest	Annual tenement costs*
Airijoki nr 100	Northern X Scandinavia AB	9.6	27/6/2022	100%	-
Airijoki nr 101	Northern X Scandinavia AB	4.8	25/11/2022	100%	-
Airijoki nr 102	Northern X Scandinavia AB	13.5	25/11/2022	100%	-
Airijoki nr 103	Northern X Scandinavia AB	4.1	26/11/2022	100%	-
Airijoki nr 200	Northern X Scandinavia AB	7.41	09/03/2024	100%	-

*All tenement rental costs were paid up front on grant, there are no minimum commitments required

Further details in relation to the Airijoki tenure are presented in Prospectus.

6.3 Project history

The surrounding area to the project has been explored since the early part of the 20th century resulting in a number of graphite, iron and base metal targets being identified.

In 1918, the Swedish Geological Survey (SGU) and the state-owned mining company Luossavaara-Kiirunavaara AB (LKAB) defined a 700 m long graphite deposit up to 50 m width in the area, which more recently has been the focus of ongoing studies by Talga Group Limited (an ASX listed graphite exploration company).

Iron ore was first discovered in the Vittangi area in the 1920s.

In the mid-1950s, the SGU carried out reconnaissance till geochemical sampling and mapping in the area, which was followed by extensive geophysical surveying in the 1960s in the search for iron ore. Between 1964 and 1967, SGU completed various geophysical surveys (including gravimetric, magnetic and electromagnetic) around the project area followed by drilling, trenching and seismic geophysical surveys in the 1970s.

Between 1975-79, the area was investigated with different types of exploration efforts: geochemical sampling of bog edges (1975), limited IP measurements (1979), block search (1975-79), detailed mapping (1976 and 1979) and diamond drilling (1978-79). The reported drilling comprised 10 bore holes for 1,521.4 m, with holes reportedly encountering limestone, intermediate tuff, graphitic shales and other undefined sediments in the north and fine-grained granite intrusive bodies in the southwest. Diabase and tuffs reportedly occurred in the west. Anomalous levels of zinc, lead, copper and magnetite were noted in association with the diabase intrusives (Gerdin et al, 1980).

Historical exploration work from the 1980s identified vanadium mineralisation within a magnetite gabbro unit that intruded part of the Vittangi Greenstone Belt. Initial rockchip geochemical sampling program by LKAB along two northeast trending profiles 2 km apart outlined a 10 m wide magnetite gabbro intrusive (locally termed a diabase) with elevated vanadium levels. According to Lehto (1981), the average values returned at Airijoki are shown in Table 6-2.

Table 6-2: Average values from two rockchip sampling profiles at Airijoki

Profile	Rock	Fe (%)	TiO_2 (%)	V (%)
#1	Metadiabase	24.0	4.30	0.30
	Magnetite	55.8	1.50	0.79
#2 (2 km SW of #1)	Metadiabase	35.1	7.8	0.66
	Magnetite	58.8	2.80	0.91

Maximum values from Profile #1 magnetite were 2 m averaging 0.92% V, 1.64% TiO_2 and 58.4% Fe. The copper content of the metadiabase was relatively stable between 100 ppm and 900 ppm Cu.

In 1982 5 holes were drilled to test an 800 m long magnetic geophysical anomaly. Two of these holes (K-AIR1 and K-AIR5) were re assayed in 2018 by Pursuit (see below). Notable results from the first hole (K-AIR1) included 6 m averaging 30.9% Fe 6.6% TiO_2 and 0.64% V_2O_5 from 181.3m. The second hole (K-AIR5) intersected 10 m averaging 24.93% Fe, and 0.41% V_2O_5 from 112m. Previous surface sampling above the second drill hole had returned 7 m at 0.34% V . In both drill holes, only the strongest visually mineralised sections were analysed.

After 1992, Anglo American, Rio Tinto, Phelps Dodge and Teck Cominco carried out exploration in the surrounding area with a focus on base metal mineralisation.

In April 2018, Pursuit was granted an Exploration Licence (Airijoki 100) for a period of three years, covering an area of 9.6 km^2. Three additional licences (Airijoki 101, 102, 103) were granted in December 2018 covering a further 22.4 km^2, and bringing the total area under tenement to 32 km^2.

Re-sampling and geochemical assaying of historical drill holes (K-AIR1 and K-AIR5) was completed in August 2018 (Figure 6-2). Analysis of drill hole K-AIR1 returned 178.9 m averaging 1.33% V_2O_5 from 9.0 m downhole depth, including 16 m averaging 2.03% V_2O_5 from 171.3 m (in magnetite concentrate) and hole K-AIR5 intersected 10.0 m at 2.01% V_2O_5 from 77.15 m down hole depth (in magnetite concentrate) (Pursuit ASX Announcement 31 October 2018).

In September 2018, Pursuit completed a low-level helimagnetic geophysical survey over the Airijoki area. This was followed by rock chip geochemical sampling which indicated surface vanadium mineralisation and detailed ground magnetic surveys to define drill targets.

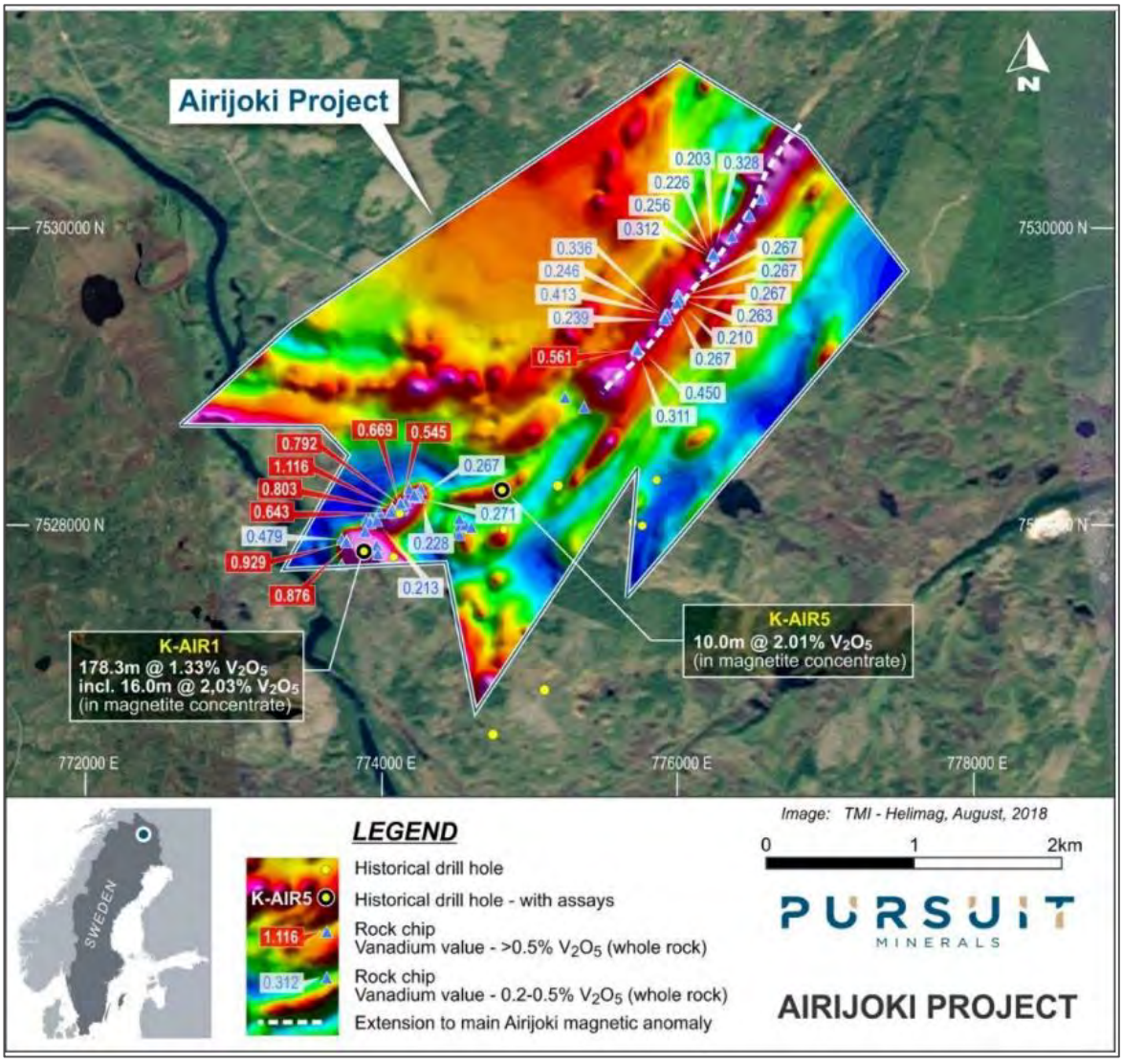
In November and early December 2018, Pursuit completed its first drill program at Airijoki, drilling 18 holes for 2,876 m to test outcropping vanadium mineralisation and to support estimation of a Mineral Resource (Figure 6-3).

Whole rock geochemical results were received in January (for Southwest Magnetic Zone and holes AIR18-001 through AIR18-009) and February 2019 (for Northeast Magnetic Zone and holes AIR18-010 through AIR18-017); a magnetite concentrate was produced using Davis Tube Recovery methods from intervals recording a vanadium value greater than 0.1% V which were then analysed by XRF.

The Airijoki Mineral Resource estimate was announced in March 2019, (as discussed further in Section 6.5) and followed by the results of the mass recovery investigation in April 2019.

In May 2019, Pursuit received results from conceptual studies conducted at Airijoki on the basis of assessing the economics of producing vanadium magnetite concentrates from both the Airijoki and Koitelainen projects and then selling those concentrates to global markets, as the first phase of project development. The average grade of vanadium magnetite concentrate was targeted at 1.6% V_2O_5, with the magnetite concentrate mass recovery rate at 21% (Pursuit ASX Announcement Dated 8 May 2019).

Figure 6-2: Location of the historical geochemical sampling lines and diamond drill holes

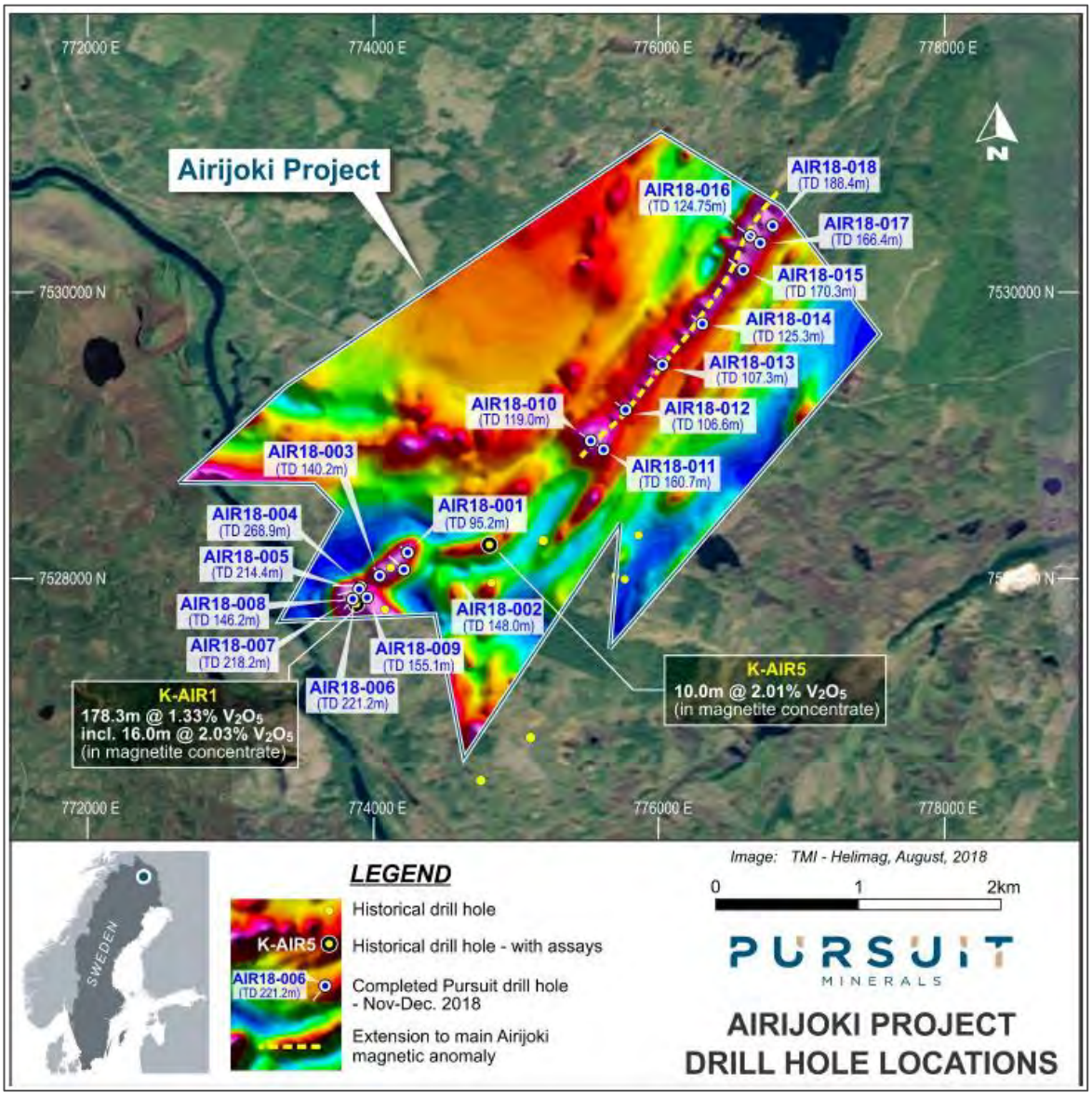


Source: Pursuit ASX Announcement dated 31 October 2018

In May 2019, Pursuit announced the results of additional metallurgical testwork on three representative samples (AIR018-003, AIR018-005 and AIR018-015) from Airijoki investigating the effect of grind size and magnetic field strength on the mass recovery and overall recovery of vanadium into a vanadium concentrate. The results of this work are discussed in Section 7.6.

Following the onset of the COVID-19 pandemic in early 2020, all exploration activities at Airjoki were curtailed and on 20 January 2021, Pursuit announced that it had sold its nickel and vanadium projects in Norway, Sweden and Finland to BMR Group PLC (later renamed Kendrick Resources Plc).

Figure 6-3: Location of Pursuit's diamond drill holes



Source: Pursuit ASX Announcement dated 22/01/2019

6.4 Project geology

The geology of the Airijoki area is dominated by greenstones (basalts to andesites), metasediments (quartzite, schist, marble) and metadolerites, which form part of the Vittangi Greenstone Belt (VGB). These units represent part of the Palaeoproterozoic volcanosedimentary domain of northern Sweden (c. 2.40-1.96 Ga) which unconformably rest on an Archean basement (Witschard, 1984).

The VGB has been subdivided into five informal formations (after Eriksson and Hallgren, 1975). From oldest to youngest they are:

i. Tjärro Quartzite Formation (clastic, sericitic quartzites)
ii. Lower Greenstone Formation (feldspar-bearing basalts, locally amygdaloidal, scapolite-altered)
iii. Lower Sedimentary Formation (biotite- and graphite-schist, argillite, chert, volcaniclastic rocks)
iv. Upper Greenstone Formation (pillowed lavas, intercalated tuffs and limestone)
v. Upper Sedimentary Formation (graphitic schist, mafic tuffites, skarn, sulfide and Fe mineralisation).

This greenstone succession is bordered and truncated by extensive syn- to late-orogenic intrusions consisting of (i) generally deformed c. 1.89 Ga gabbros, dioritoids and granitoids; (ii) less abundant c. 1.87 Ga syenitoids and granitoids; and (iii) weakly deformed to massive c. 1.80 Ga granitic plutons, stocks and dykes (Ahl et al., 2001).

The vanadium enriched magnetite mineralisation in the Airijoki Project is hosted in a laterally continuous, northeast trending gabbroic (locally termed diabase) intrusion. Based on the regional magnetic signature, two zones are defined namely the Northeast Magnetic Zone and the Southwest Magnetic Zone.

The gabbro hosting the vanadium mineralisation in the Northeast Magnetic Zone is more deformed and contains a higher proportion of base metals, predominantly copper, than the gabbro in the Southwest Magnetic Zone, which shows very little evidence of deformation.

6.5 Mineral Resource estimate

In early 2019, Pursuit retained Measured Group to estimate an Inferred Mineral Resource for the Airijoki Project (see Table 6-3). Measured Group reported an Inferred Mineral Resource for the Project of 44.3 Mt, containing 5.9 Mt of magnetite averaging 1.7% V_2O_5 (in magnetite concentrate), for 100,800 t of V_2O_5 based on 13.3% mass recovery of magnetite concentrate and a cut-off of 0.7% V compiled in accordance with JORC Code (2012).

Table 6-3: Airijoki Inferred Mineral Resource, as at 7 March 2019

	Tonnage (Mt)	V (%)	V_2O_5 (%)	Mass recovery (%)	Contained metal (t V_2O_5)
Zone 1	13.3	1.1	1.9	14.3	36,200
Zone 2	7.2	1.0	1.8	16.7	21,300
Zone 3	1.8	1.1	2.0	12.7	4,600
Zone 4	22.0	0.9	1.5	11.6	38,700
Total	**44.3**	**1.1**	**1.7**	**13.3**	**100,800**

Source: Pursuit Minerals Ltd, ASX announcement, 7 March 2019

The Inferred Mineral Resource was estimated in accordance with JORC (2012), utilising data from 3,226 m of drilling for 18 diamond core drill holes (AIR18-001 to AIR18-018) as completed by Pursuit in November and December 2018, and two historical drill holes (K-AIR1, K-AIR5). The two historical holes were re-analysed over 350 m (see Figure 6-4).

The sampling of drill core was completed using mainly 1-2 m sample intervals. The intervals of core selected for sampling were cut in half and sampled. Some sample intervals were slightly more or less than 1 m, where a geological boundary was encountered. Some intervals were also selected for duplicate analysis and these intervals were then quarter-cored and each quarter sampled separately.

The drill core was sent to the ALS laboratory in Pitea, Sweden where they were cut, sampled, crushed, pulverised and analysed. The analysis method used was ME-XRF21. Any samples that recorded a higher than 0.1% vanadium assay were then subjected to a DTR test (a magnetic method that separates the magnetic material from the non-magnetic material). The results for the DTR sampling, determined the mass recovery to be approximately 12.6%.

Creating a magnetite concentrate is the standard mineral processing method for vanadium-enriched, titano-magnetite deposits. Therefore, magnetite concentrate grade and mass recovery are key factors in establishing if a vanadium-enriched, titano-magnetite deposit will be economically viable. Simply, if magnetic separation is used to concentrate the ore and the vanadium is not associated with the magnetite minerals, then vanadium is not recovered, and it will go to waste in the mineral processing plant. This means that the only accurate method to estimate the amount of vanadium that can be recovered from this type of deposit, is the magnetite concentrate grade and the mass recovery, not the whole rock (or in situ) grade of vanadium. Whole rock or in situ vanadium grades can be misleading as, if a substantial portion of the vanadium is associated with non-magnetic minerals, which can often be the case with this type of mineralisation, the vanadium will not be recovered and effectively the in-situ grade will not be an accurate measure of the viability of the deposit.

The assay results of all the QA/QC samples performed within acceptable levels of accuracy and precision. All drill logs, geotechnical data and sampling lists were captured in Microsoft Excel, then transferred into an AcQuire database and validated, which is appropriate for this stage of exploration/mineral resource definition.

Geological interpretation of the vanadium mineralised domains is based on aeromagnetic anomalies and drilling information variably spaced throughout the deposit. The domains include Magnetite Gabbro, Gabbro, Anorthosite, Komatiite Xenolith and Diabase.

Four separate geological zones were identified within the area, with separate wireframes created based on the geological interpretation. Aeromagnetic results and drilling results indicate that the lenses extended northeast-southwest along strike between 200-2,000 m and continues over 200 m down dip/plunge, and possibly further according to aeromagnetic anomalies. The distinct magnetic highs observed in the aeromagnetic data supports the lateral continuity of the domains.

A cut-off grade of 0.7% V_2O_5 in magnetic concentrate has been used to define the resources. At a V_2O_5 price of US$41,500/t, this implies that material can be treated at a profit above that cut-off grade from an open pit operation with relatively modest recoveries.

Grade estimates for vanadium were made by ordinary kriging. Mineralisation was modelled as three-dimensional blocks of parent size 10 m x 10 m x 10 m with sub-celling allowed to 0.5 m x 0.5 m x 0.5 m, using Vulcan 3D software. The resource estimate has been completed with the assumption that it will be mined using open cut mining methods.

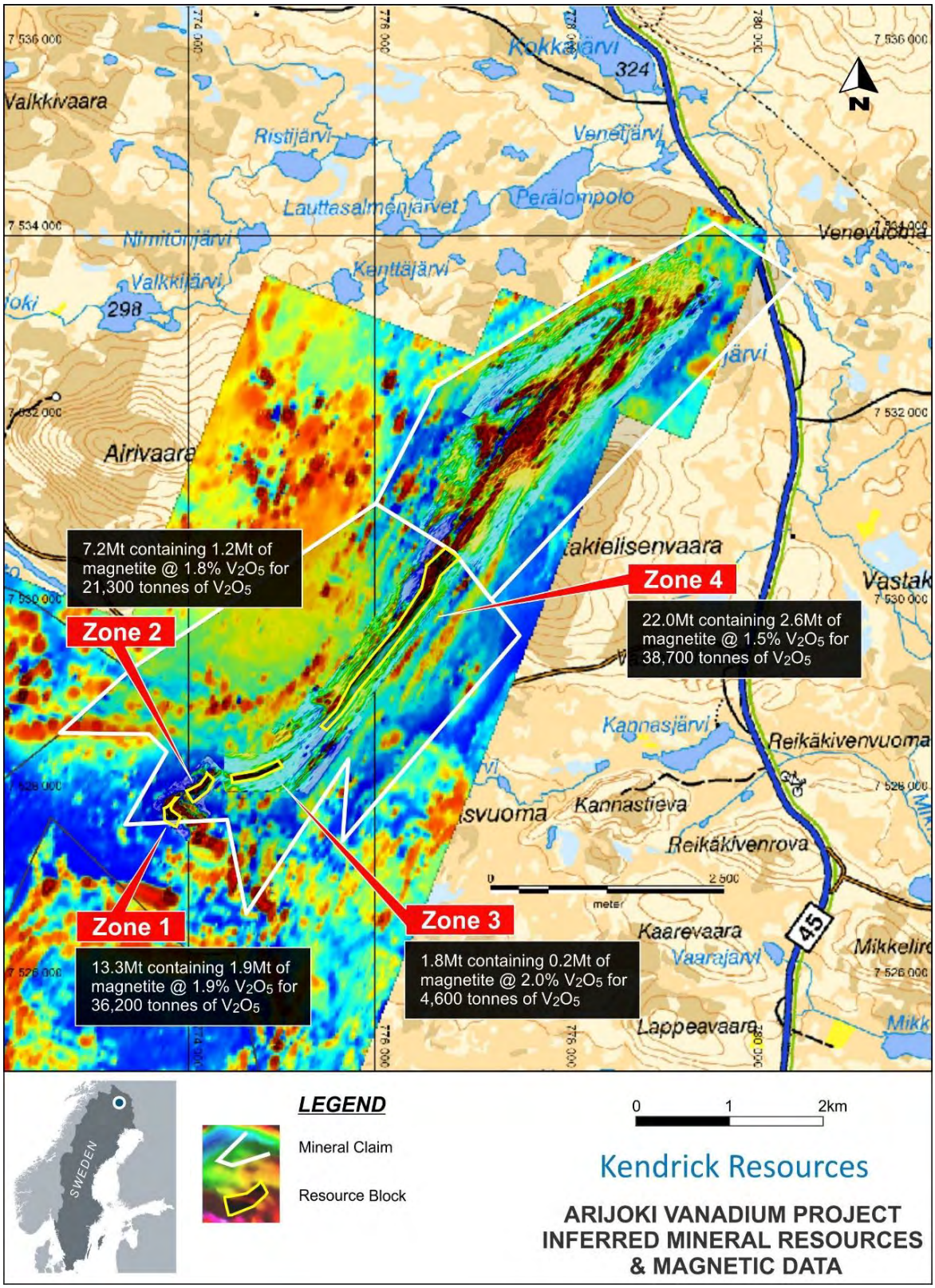
The drill hole spacing for the Arijoki Mineral Resource is reported as between 40-500 m apart. Observation of the distribution and orientation of drill holes appear to be appropriate. A site visit was conducted by Mr Jyri Meriläinen on 1 and 2 June 2021 (details included in Appendix B). Mr Meriläinen confirmed that the location of the historical drill hole collars and bedrock sampling sites are accurate. Also noted was the difficulty accessing some areas as river crossings were cut off by rising water levels caused by melting snow. Mr Meriläinen also visited the Mala National Core Archive on 31 May 2021 and inspected two drill holes from the Airijoki project area (details included in Appendix B). The conclusion was that there were no quality or security related issues with the core and that the historical drill core information is concordant with the examined cores.

Density measurements were performed on representative holes from each deposit and the results are averaged and assigned within the model as:

- 3.2 g/cm^3 for the North Eastern deposit, and
- 3.5 g/cm^3 for the South Eastern deposits.

The dry bulk density is reasonable given the amount of magnetite in the deposit. Given the supporting evidence from aeromagnetic data, the drill hole spacing, orientation of the drill holes relative to the structure and the analytical techniques, SRK considers the Inferred Mineral Resource for Airijoki is reasonable.

Figure 6-4: Airijoki Project Inferred Mineral Resources



Source: Kendrick, 2021

6.6 Metallurgical testwork

Whole rock geochemical results from Pursuit's first drill program at Airijoki were received for January and February 2019, with a magnetite concentrate then produced using Davis Tube Recovery methods from intervals recording a vanadium value greater than 0.1% V and then analysed by XRF.

As reported by Pursuit (ASX announcement dated 22 January 2019), the maximum grade of the vanadium concentrate from the Southwest Magnetic Zone was 2.5% V_2O_5 in hole AIR18-005, while the average vanadium concentrate was 1.9% V_2O_5. The mass recovery varied from 7.5% to 25.9% and averaged 16.9%. The magnetite concentrate intervals grading 2% V_2O_5 and above, had average mass recoveries of 20%. The downhole widths of the vanadium mineralisation varied from 4.0 m to 213.2 m and averaged 50 m.

As reported by Pursuit (ASX announcement dated 5 February 2019), the maximum grade of the vanadium concentrate from the Northeast Magnetic Zone was 1.8% V_2O_5 in hole AIR18-012 and AIR18-015, while the average vanadium concentrate was 1.6% V_2O_5. The mass recovery (the percentage of magnetite extracted from the whole rock) varied from 9.0% to 17.3% and averaged 12.3%. The magnetite concentrate intervals grading 1.7% V_2O_5 and above, had average mass recoveries varying from 9-14%. The downhole widths of the vanadium mineralisation varied from 6.0 m to 56.0 m and averaged 32.7 m.

More recent metallurgical testwork completed by Pursuit in April 2019 was based on three representative diamond drill holes (AIR18-003, AIR18-005 and AIR18-015) from the Airijoki Project. The objective of the program was to investigate methods to increase the mass recoveries and overall vanadium recovery, with initial testwork focussed on the effect of crushing to different grain sizes. This program found that the average mass recovery at Airijoki was able to be increased from 13.3% to 18.3% by simply increasing the crushing size of the ore to 355 µm from 106 µm (Table 6-4).

Table 6-4: Initial metallurgical testwork results at Airjoki

Drill hole	Crush size 355 µm (vanadium magnetite concentrate)			Crush size 106 µm (vanadium magnetite concentrate)			Mass recovery increase (%)
	Mass recovery (%)	Iron (%)	V_2O_5 (%)	Mass recovery (%)	Iron (%)	V_2O_5 (%)	
AIR18-003	21.8	66.4	2.16	15.7	68.3	2.24	39
AIR18-005	19.1	67.4	2.01	14.0	69.1	2.08	37
AIR18-015	13.9	62.9	1.52	10.3	67.5	1.72	35
Average	*18.3*		*1.90*	*13.0*		*2.00*	*37*

Source: Pursuit ASX announcement dated 9 April 2019

Further metallurgical (grind size and LIMS) testwork results on three representative samples (AIR018-003, AIR018-005 and AIR018-015) from Airijoki were announced by Pursuit in May 2019. The metallurgical testwork was able to increase the average mass recovery from an initial 13.3% to 22% (an increase of 65%) through the use of LIMS and using a coarser 355 µm grind size (instead of the previous 106 µm grind) and without the need for additional wet high intensity magnetic separation (WHIMS) processing.

Table 6-5 shows the effect of grind size on mass and overall vanadium recovery during DTR tests.

Table 6-5: Effect of grind size on mass and overall vanadium recovery during DTR tests

	Mass recovery (%)	V_2O_5 (%)	V_2O_5 recovery (%)	Iron (%)	Iron recovery (%)	TiO_2 (%)	TiO_2 recovery (%)	SiO_2 (%)
Grind size P100 335 µm								
AIR18-003 Concentrate	21.9	2.2	72.6	66.4	54.1	2.50	9.5	2.3
AIR18-005 Concentrate	19.1	2.0	71.0	67.4	50.0	1.90	6.2	1.4
AIR18-015 Concentrate	13.9	1.5	61.3	62.9	52.6	2.38	11.6	4.4
Grind size P100 250 µm								
AIR18-003 Concentrate	18.5	2.2	68.2	67.4	47.2	2.61	8.0	1.5
AIR18-005 Concentrate	17.3	2.1	65.9	68.2	45.8	1.68	4.9	1.1
AIR18-015 Concentrate	11.7	1.6	55.9	65.3	46.0	1.47	6.0	2.4
Grind size P100 106 µm								
AIR18-003 Concentrate	15.7	2.2	63.9	68.3	41.1	1.74	4.3	1.0
AIR18-005 Concentrate	14.0	2.1	60.1	69.1	37.4	1.24	3.0	0.8
AIR18-015 Concentrate	10.3	1.7	53.2	67.5	42.3	1.24	4.4	1.9

Source: Pursuit ASX Announcement dated 21 May 2019

The results demonstrate that as grind size increases, the mass recovery and vanadium recovery also increase.

On the basis of the DTR test results, LIMS testwork was conducted at a grind size of 80% passing 250 µm, using a magnetic field strength of 1,200 Gauss. In addition, the non-magnetic tailings for the LIMS tests were subject to high magnetic field strengths in WHIMS without re-grinding.

Table 6-6 summarises the LIMS and WHIMS results.

Table 6-6: LIMS and WHIMS results - Airijoki

	Mass recovery (%)	V_2O_5 (%)	V_2O_5 recovery (%)	Iron (%)	Iron recovery (%)	TiO_2 (%)	TiO_2 recovery (%)	SiO_2 (%)
LIMS 1,200 Gauss								
AIR18-003 Concentrate	27.3	1.7	74.7	54.0	55.1	5.0	28.3	10.6
AIR18-005 Concentrate	22.3	1.7	68.4	58.6	49.2	4.6	17.8	6.92
AIR18-015 Concentrate	16.4	1.3	60.4	52.0	50.4	4.2	25.9	12.5
WHIMS 4,000 Gauss								
AIR18-003 Concentrate	24.2	0.25	26.2	22.3	31.6	14.25	67.4	18.4
AIR18-005 Concentrate	22.2	0.24	24.0	23.5	29.9	17.45	66.8	28.4
AIR18-015 Concentrate	15.0	0.21	18.8	12.3	18.8	5.39	33.1	44.1
WHIMS 7,000 Gauss								
AIR18-003 Concentrate	44.3	0.25	48.9	20.4	52.9	9.48	81.5	36.5
AIR18-005 Concentrate	42.8	0.24	47.0	21.5	52.0	11.8	83.8	34.1
AIR18-015 Concentrate	28.9	0.21	37.1	11.7	35.3	3.83	44.2	44.3
WHIMS 10,000 Gauss								
AIR18-003 Concentrate	55.7	0.18	61.7	19.7	64.7	7.87	86.5	37.9
AIR18-005 Concentrate	52.6	0.24	56.6	20.5	60.8	9.95	85.5	35.7
AIR18-015 Concentrate	36.2	0.22	46.5	11.6	44.4	3.37	49.4	44.6

Source: Pursuit ASX Announcement dated 21 May 2019

The LIMS results demonstrated that higher mass recoveries could be achieved. In addition, approximately half of the residual vanadium in the LIMS tailings could be recovered using 10,000 Gauss WHIMS. However, the high magnetic field strength results in large amounts of weakly magnetic titanium oxides reporting to the magnetic concentrate. The recovery of vanadium from the LIMs tailings is approximately related to the mass recovery figures suggesting that minimal preferential upgrading of the vanadium into the magnetic concentrated had occurred through the use of the WHIMS. Consequently, it was concluded that the WHIMS process did not assist in producing higher quality vanadium concentrates than what can be achieved using DTR and LIMS processes.

The overall conclusion was that the DTR and LIMS testwork indicated that vanadium magnetite concentrates grading over 2% V_2O_5 and more than 65% Fe are possible at mass recoveries over 20% from the vanadium mineralisation at Airijoki. Overall, vanadium recoveries in excess of 70% can be achieved using a relatively coarse grind size of 355 µmand using LIMS without the need for further treatment.

6.7 Other considerations

6.7.1 Mining considerations

In 2019, SRK completed a study of the Airijoki project which focussed on mining the vanadium mineralisation hosted in a meta-dolerite unit from four open pits on Zones 1-4 of the Airijoki Inferred Mineral Resource. The concept envisaged that Airijoki would be developed by bulk open pit mining techniques from four open pits using standard drill and blast, load/haul and crusher feed/magnetic separation to produce a vanadium magnetite concentrate. Lower grade material would be stockpiled. Waste material would be stockpiled adjacent to the planned open pits and tailings would be contained within a tailings management facility.

A conceptual mine plan producing 3.5 Mtpa with a 10-year project life was generated with Whittle™ software. Open pit optimisation was undertaken to identify the optimum economic pit shape based on the highest project cashflow.

Pre-production capital costs were estimated by benchmarking the Airijoki Project against similar projects globally from SRK's database of recent project work.

There are no Ore Reserves defined in accordance with the JORC Code (2012) at Airijoki and as such, no valuation of the project has been prepared.

6.7.2 Processing considerations

The SRK 2019 study envisaged a conceptual process plant comprising of ROM pad, three stage crushing, vibrating screen, ball mill, wet magnetic separation and filtering to produce a vanadium magnetite concentrate.

SRK's 2019 study was based on a target average grade of vanadium magnetite concentrate of 1.6% V_2O_5, magnetite concentrate mass recovery rate at 21%, and a royalty of 0.15% of revenue payable to the landowner and 0.05% to the government.

A benchmarking assessment was completed to determine possible capital and operating costs for the production of a ferrovanadium concentrate. Benchmarked costs were developed as there was insufficient testwork and data at the time to enable project-specific costs to be defined.

A similar benchmarking exercise was completed to estimate the capital and operating costs for the TSF.

6.7.3 Infrastructure considerations

The Airijoki Project is located in an area of northern Sweden that is well serviced by infrastructure, due to the mining industry being active for over 100 years in this region. Power lines run just 4 km east of the Airijoki Mineral Resource area.

Rail services can be accessed at Svappavaara, which is reached via a 40 km drive along sealed roads from Airijoki. The railway runs from Svappavaara through Kiruna and down to the port of Narvik on the Norwegian coast - a distance of approximately 220 km.

SRK's conceptual development study in 2019 considered several logistic solutions for ore from both Airijoki and Koitelainen. The preferred solution was based on using 90 t GVW (gross vehicle weight) trucks (60 t payload) to haul 50 km, before transferring to rail at Pitkäjärvi for a 220 km rail haul to the Port of Narvik (Narvik) in Norway. The bulk terminal at Narvik is operated by the harbour authority and the document indicates potential spare capacity, as Northland only uses ~50% of the port's nameplate capacity.

Other options include exporting via road or rail to the Baltic Sea (e.g. Lulea) or possibly road and rail haul to a proposed smelter in Raahe, Finland.

Airijoki is 50 km by road from Pitkäjärvi. The Company would need to seek special dispensation from the road authority to run 90 t GVW trucks along this road, and SRK envisages some upgrade to culverts and bridges may be required.

The rail component of the logistics system will require a dedicated truck unloading, stockpiling and wagon loading terminal at, or near to, Pitkäjärvi. This will have an associated capital cost implication.

At Narvik, dedicated storage sheds and load-out equipment may be needed. There will be a handling and operating fee from the port. Handysize or Handymax vessels could be loaded regularly or a larger stockpile built to service larger vessels unless part-shipments are possible; therefore, available draft is unlikely to be an issue for Airijoki shipments.

SRK's 2019 concept study estimated operating costs for the preferred logistic route.

Power supply

Power generation in Sweden is primarily hydropower and nuclear power which account for approximately 90% of the generation mix. 'Svenska kraftnät' is the national electricity transmission grid operator.

Power demand will be ultimately determined by the size and scale of a future project and in turn will determine the suitability of local existing power lines to supply power. New transmission infrastructure may have to be built to connect to the existing HV grid which feeds LKAB's mining operations and the nearby settlement of Vittangi.

In terms of pricing, a future operation at Airijoki would have low power costs. Sweden is part of the Nordic electricity market and any future development of the Airijoki Project would fall under the Swedish electricity bidding area, for which the lowest costs are typically associated. Although costs vary through the year, the average pricing per kWh is seen to be very competitive compared to other countries in Europe.

Water

Requisite studies will need to be undertaken to define water supply options. Water will be required for processing, equipment washing and potable needs. Water management and treatment around the mining and surface infrastructure areas needs to be considered.

Surface infrastructure

Surface infrastructure requirements for a future operation will need to be studied and a project layout developed to understand the overall footprint options and constraints. In addition to a dedicated mining area and processing plant, there will be waste management areas (e.g. waste rock, tailings), stockpiles, site roads, various buildings and utilities networks to be developed at the surface.

6.7.4 ESG considerations

The Airijoki project lies within the Sápmi cultural region - an area of northern Norway, Sweden, Finland and Russian where the indigenous Sámi people traditionally inhabit.

No environmental permits have been applied for or granted on the project to date.

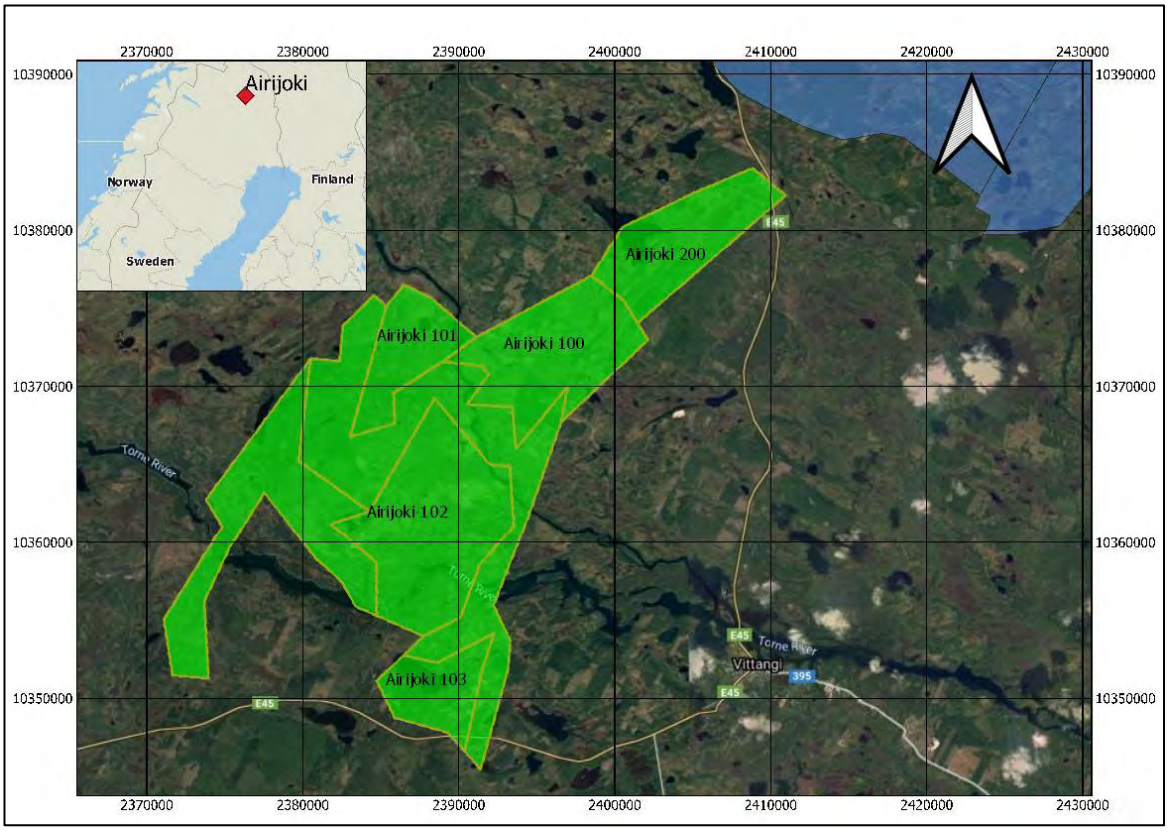
The permit areas are in the 'Scandinavian and Russian Taiga' ecoregion. The northern-most permit area (nr 200) is adjacent (downstream) of the Natura 2000 protected area Torneträsk-Soppero nature reserve (Swedish: Fjällurskog), as shown in Figure 6-5, and is designated as IUCN management category 'Ib: Wilderness Area'[6]. There is currently a lack of knowledge on the biodiversity and ecology of the area due to a lack of detailed study; however, there is detailed environmental, flora and fauna information regarding the Natura 2000 area[7].

There are no hamlets or villages situated in the permit areas, with the nearest settlement, Vittangi, located 7 km downstream to the southeast of the nr 100 permit. There are a minor number of buildings along the Tornio River banks some 4 km to the south of permit nr 100 and one farmstead in the centre of the nr 102 permit (2 km southwest of the nr 100 permit). These buildings are located on the opposite side of the Vittangi River valley to the main deposit areas. Currently, forestry and reindeer husbandry are the major land uses in the area in addition to existing mines located in Svappavaara (23 km southwest of permit nr 100), Kiruna (50 km west of permit nr 100), Gallivare (75 km south of permit nr 100) and Kaunisvaara (85 km east of permit nr 100). There are several advanced exploration projects also within the area, including the adjacent Talga Group Limited's Graphite Vittangi (Nunasvaara-Niska) project.

[6]IUCN Category Ib: Large unmodified or slightly modified areas that retain their natural character without permanent or significant human habitation, which are protected and managed so as to preserve their natural condition.

[7]Natura2000 Standard Data form for Torneträsk-Soppero Fjällurskog (https://eunis.eea.europa.eu/sites/SE0820282: last accessed 05/05/2021).

Figure 6-5: Kendrick's exploration permits covering Airijoki project (green polygons - Airijoki 100-103, 200) and Torneträsk-Soppero Fjällurskog protected area (blue polygon)



The permitting process in Sweden is expected to take a significant amount of time. Key areas requiring attention as part of any future environmental impact assessment are likely to be water management, presence of conservation areas (Natura 2000 sites), presence of Sámi indigenous population and/or reindeer herding areas, and existing and potential usage of the land by local communities and landowners.

In order to rapidly progress the Airijoki Project, Pursuit previously engaged with the local reindeer herding co-operative for the region. The late 2018 drilling program was undertaken such that it would not inhibit the reindeer migration from summer to winter grazing lands which occurs at the start of December. Prior to each work program being undertaken at Airijoki, approval is required from the CAB. Affected parties, including the reindeer herding co-operative, have the ability to provide feedback on each proposed work program.

In addition, former holders, Pursuit, maintained a regular dialogue with the key members of the reindeer herding co-operative to keep the community up to date with plans and activities. Regular update meetings were also held with the Bergsstaten (Swedish Mines Department), to brief it on recent results and the overall development concept.

In terms of the Extractive Industries Waste Directive, any future mine or process residues will need to be appropriately characterised and managed (from construction through to closure), with a plan generated as part of the approval process.

In the northern parts of Sweden, there is a trend of young people moving away for the better job opportunities in the south. Job opportunities for young people in the north of the country are likely to be seen in a positive light and there is generally a good availability of skills in Sweden.

6.8 SRK's opinion

SRK's 2019 conceptual development study shows that the Project is potentially economically viable under the base assumptions adopted, but that the current modelling is at an OoM level of study only. The study is reliant on a number of high-level assumptions in particular regarding a range of possible mining, processing and transport options.

At this stage, further exploration work is required to improve confidence in the current defined Inferred Mineral Resource and optimise the testwork outcomes. On this basis, SRK considers Airijoki is best presented as an advanced exploration project. Surveys and studies need to be undertaken to begin to define the project layout and infrastructure requirements at the site.

7 Espedalen Project - Norway

7.1 Introduction

The Espedalen Project lies approximately 50 km north of Lillehammer and 170 km north of Olso in southern central Norway. The project is situated within the kommunes (municipalities) of Gausdal and Sør-Fron in Innlandet county.

There are several historical mine workings and other nickel prospects within the Project area, however the mineralised zones of interest as detailed in this report are the Stormyra and Dalen nickel deposits. The Stormyra deposit is located at latitude 61°20'32" North and longitude 9°39'49" East. The Dalen deposit is located at about 61°22'42" North and 9°37'57" East.

The Project can be accessed from Oslo in around 3 hours along sealed roads before turning along highway #255 approximately 50 km north of Lillehammer. Access within the project area is generally good via a well-developed system of secondary gravel roads, as well as hiking and skiing trails.

The Project is well served with transport infrastructure, being accessible by sealed roads and close to rail links with connections to ports in southern Norway as well as to Glencore's Nikkelverk nickel refinery 350 km to the south. The refinery was originally built in 1910 to refine nickel matte from Norwegian nickel mines.

The topography is rugged, ranging from approximately 600 m to 1,400 m in elevation with local relief of up to 800 mAsl. The two main deposit areas of Dalen and Stormyra lie in elevated regions between 1,000 mAsl and 1,200 mAsl. The physiographic features are dominated by a long valley occupied by a lake (Espedalen Lake) which trends northwest-southeast across the centre of the Project area and is flanked on both sides by mountain peaks which reach elevations of up to 1,445 m. Espedalen Lake at approximately 715 m elevation is immediately west of the Dalen resource area.

Vegetation typically comprises mixed northern to boreal forest (birch, pine and spruce) with some Alpine meadows (grass, moss and shrubs) in the higher altitudes. There is localised farming activity throughout the surrounding area. In the Project area, the valley floor and lower portions of the mountain slopes are covered by mixed coniferous and deciduous forest, which has locally been logged. Tree cover is replaced by grass, moss and shrubs above elevations of approximately 1,100 m.

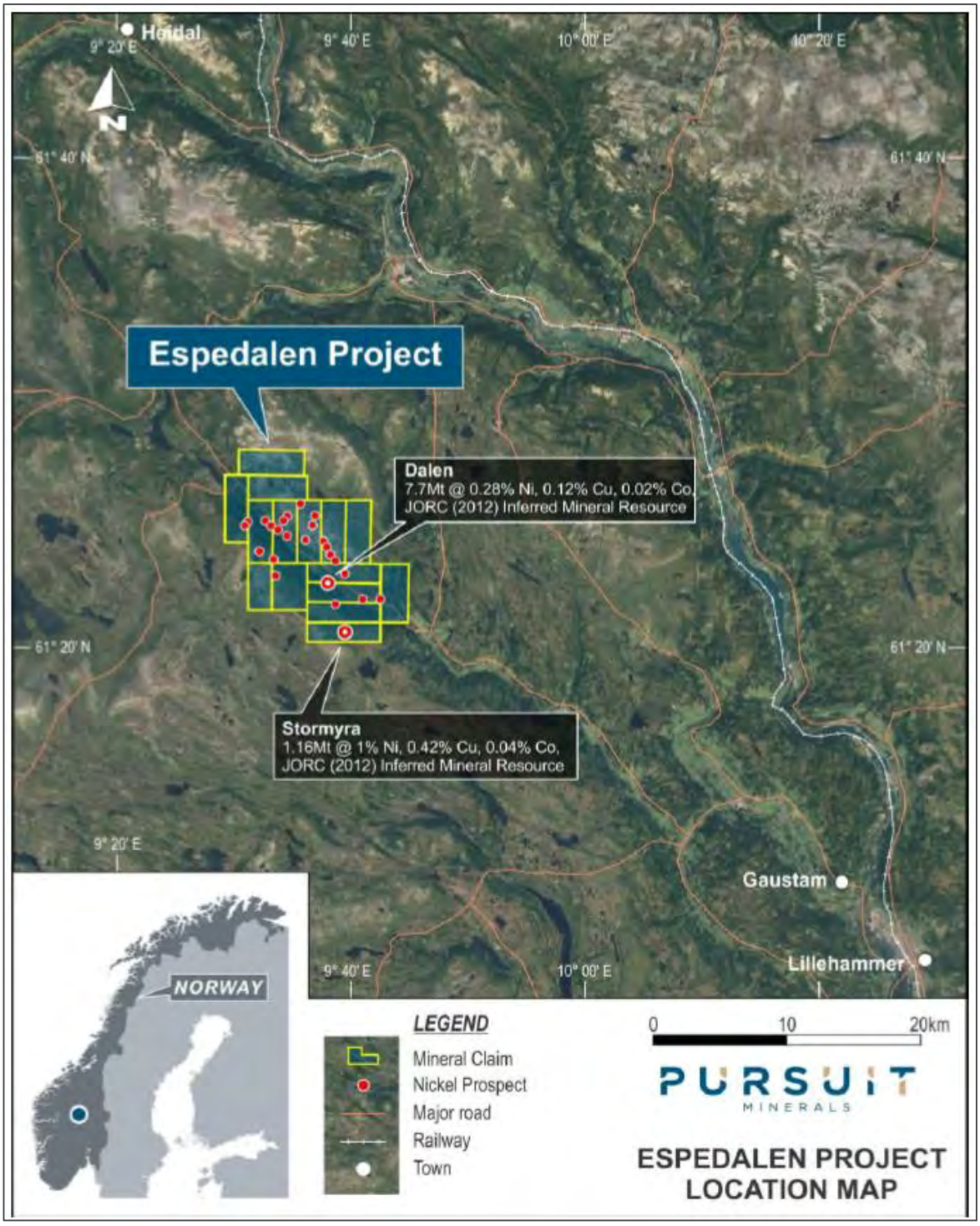
The majority of the Espedalen valley is held by private landowners with isolated blocks held under a 'communal' designation. Blocks of state-held ground occur along the tops of the mountains. Permission to access the field areas with snowmobile, all-terrain vehicles (ATV) and drill-related equipment is required from both the local kommunes and the landowners.

7.2 Project tenure

The following tenures were applied for and ultimately granted by the Directorate for Mineral Management (*Direktoratet for mineralforvaltning* or DMF) to Eurasian Minerals Sweden AB and EMX Norwegian Services AS, both wholly owned subsidiary companies of EMX Royalty Corporation (TSX-V: EMX; NYSE: EMX, Frankfurt: 6E9.F). These tenures were subsequently acquired under a 12-month option agreement between Eurasian Minerals Sweden AB and by Pursuit entered into in February 2020 (refer Pursuit's ASX announcement dated 17 February 2020) which Pursuit has assigned to prior to Kendrick's acquisition in January 2021 (refer Pursuit's ASX announcement dated 20 January 2021) and which expires 20 March 2022.All tenements are approved for the exploration of nickel, copper, cobalt, gold, platinum and palladium, except Espedalen 16 which does not include palladium (Figure 7-1).

The Espedalen Project comprises 16 granted exploration concessions that cover a combined area of 139.886 km^2 (Table 7-1).

Figure 7-1: Location of the Espedalen mineral tenures, Mineral Resources and key prospects (red dots)



Source: Pursuit ASX Announcement dated 17 February 2020

Table 7-1: Status of Espedalen Project tenure - May 2021

Tenement	Area (km^2)	Issue date	Expiry date	Registered holder	Annual tenement costs (NOK)
Espe 1 0001-1/2018	8.314	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	24,942
Espe 2 0002-1/2018	8.788	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	26,364
Espe 3 0003-1/2018	8.787	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	26,361
Espe 4 0004-1/2018	8.788	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	26,364
Espe 5 0005-1/2018	8.787	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	26,361
Espe 6 0006-1/2018	9.215	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	27,645
Espe 7 0007-1/2018	6.623	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	19,869
Espe 8 0008-1/2018	9.559	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	28,677
Espe 9 0009-1/2018	8.415	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	25,245
Espe 10 0010-1/2018	8.415	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	25,245
Espe 11 0011-1/2018	8.415	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	25,245
Espe 12 0012-1/2018	8.191	23/02/2018	1/1/2025	Eurasian Minerals Sweden AB	24,573
Espe 13 0141-1/2018	9.450	10/04/2018	1/1/2025	Eurasian Minerals Sweden AB	28,350
Espe 14 0142-1/2018	9.045	10/04/2018	1/1/2025	Eurasian Minerals Sweden AB	27,135
Espe 15 0141-1/2018	9.450	10/04/2018	1/1/2025	Eurasian Minerals Sweden AB	28,350
Espe 16 0153-1/2020	9.625	18/05/2020	1/1/2027	EMX Norwegian Services AS	9,644

Source: Direktoratet for mineralforvaltning (DMF), Kart (online mapping system), 2021

Annual fees are based on the maturity of the claims, as outlined below:

- Year 1: NOK0/ha
- Years 2-3: NOK10/ha
- Years 4-5: NOK30/ha
- Years 6-7: NOK50/ha.

Under the terms of the agreement between Pursuit and EMX, a 3% net smelter royalty is payable on commercial production from any of the mineral tenures. A 1% interest in this royalty may be bought back in stages for a total cash consideration of US$1 M on or before the fifth anniversary of Pursuit exercising its option to acquire a 100% ownership in the Project.

7.3 Project history

Mining in the area dates from 1666, when copper was discovered in the Espedalen valley, with mining continuing intermittently until 1750. Following a short hiatus, further nickel mining occurred between 1848 and 1918 from several small mines, including the Veslegruva mine in the southwest of the Espedalen Project area. Total production from the Espedalen region is estimated at 100,000 tonnes at an average grade of 1.0% Ni, 0.4% Cu and 0.6% Co (Boyd and Nixon, 1985).

More modern exploration commenced at Espedalen in 1960 and continued until 1980, with Sulfidmalm and Norsk Hydro completing 44 diamond holes totalling approximately 3,500 to 4,000 m following up on targets generated from a helicopter magnetic/electromagnetic geophysical surveying and geological mapping (namely the Megrundstjern, Jørstad and Megrund targets). This work encountered broad zones (+10 m) of low grade (<0.2%) copper and (<1.1%) nickel, but failed to locate a large continuous zone of mineralisation. Limited metallurgical testwork (2 samples) from the Megrund prospect indicated that the Project was capable of producing high quality concentrates (i.e., 15% Ni, 5.3% Cu with recoveries between 75-79%).

In 2003, Falconbridge Limited was granted tenements in the Espedalen valley and initiated several campaigns of ground and heli/airborne electromagnetic geophysical surveys generating numerous drill targets along favourable nickel-bearing stratigraphy.

In 2004, Falconbridge concluded a joint venture agreement with Blackstone Ventures Limited. Between 2004 and 2008, Blackstone and Falconbridge completed 167 diamond drill holes (diameters 35.2-42 mm) totalling 23,362.9 m (average hole depth of 139.9 m) across the Espedalen Project area, defining significant accumulations of nickel sulfide mineralisation at the Stormyra (54 drill holes for approximately 8,609 m) and Dalen prospects (33 drill holes for approximately 4,924 m) and generating numerous other nickel prospects. All targets were shallow drilling offering potential for open pit mining.

In 2009, Blackstone published a Canadian National Instrument NI 43-101 report detailing Mineral Resources at the Stormyra and Dalen prospects. Exploration ceased during the Global Financial Crisis (GFC) and ultimately unable to raise further funding, Blackstone relinquished the Espedalen Project in 2011.

In 2012, Drake Resources Limited (now renamed Ragnar Metals Limited, ASX: RAG) acquired the Espedalen Project by pegging open ground and commenced a data compilation exercise. In 2014, Drake undertook a detailed assessment of all previous work including re-estimation of the Mineral Resources at Stormyra and Dalen prospects in accordance with JORC (2012). No drill holes were completed in support of this Mineral Resource estimate.

In addition, Drake identified 10 prospects where previous drilling by Blackstone had intersected at least 5 m averaging in excess of 1% Ni, (i.e., >5 m%, refer Drake ASX announcement dated 24 January 2013) but the prospects have not been followed up with further drilling. Prior to undertaking further drill testing of the potential extensions of the Stormyra and Dalen Mineral

Resources, or the 10 prospects (>5 m% Ni), Drake relinquished the Espedalen Project tenements in 2015, to focus on other projects in West Africa.

In February 2018, EMX were granted tenements covering the Espedalen Project and undertook a detailed compilation of all previous exploration activities and drilling data. Like Drake before it, EMX did not complete any substantive work on the ground. EMX did however recognise that the Stormyra Mineral Resource was not closed off and that a number of historical drill intersections warranted follow up drill testing to determine if the Mineral Resource could be expanded, including:

- 21.1 m averaging 1.75% Ni, 0.66% Cu & 0.06% Co from 64 m in hole ES2005-20
- 7.1 m averaging 2.68% Ni, 1.26% Cu & 0.08% Co from 29.3 m in hole ES2005-22
- 14.6 m averaging 1.74% Ni, 0.79% Cu & 0.06% Co from 80.4 m in hole ES2004-09.

The Stormyra Mineral Resource contains a high-grade core, with drill intersections of up to 2.9% Ni. The high-grade core is not fully defined by drilling. Additional investigation of this high-grade core is warranted along with drill testing a ground geophysical electromagnetic conductor, directly associated with the nickel mineralisation, which extends 500 m to the southeast of the currently defined limits of the Stormyra Mineral Resource.

At the Megrund prospect, 38 holes were completed for 3,143.30 m between 1975 and 1977. This drilling indicated the nickel-bearing mineralisation occurs within peridotites, pyroxenites and norites, with the main sulfides being magnetite, chalcopyrite and pentlandite. More recently, Sulfidmalm A/S completed nine diamond holes between 2005 and 2007, a number of which justify follow-up drilling including:

- 117 m averaging 0.31% Ni and 0.12% Cu from downhole depth of 35.5 m in Hole ES 07-101 (which ended in mineralisation)
- 56 m averaging 0.72% Ni and 0.22% Cu (Hole 17)
- 54 m averaging 0.36% Ni and 0.14% Cu (Hole 25)
- 36 m averaging 0.57% Ni and 0.24% Cu (Hole 6).

Following the signing of an option agreement with Eurasian Minerals Sweden AB in February 2020, Pursuit was unable to implement its proposed exploration strategy as a result of the onset of the COVID-19 pandemic and the indefinite suspension of exploration activities. Pursuit had planned the following:

- To assess the potential to expand the high-grade core within the Stormyra Inferred Mineral Resource.
- Drill test a number of the 10 defined targets where historical drilling had returned intercepts >5 m% Ni.
- To assess the potential to define a maiden Inferred Mineral Resource at the Megrund prospect based on previous drill holes.

Ultimately, Pursuit elected to divest all of its Scandinavian mineral interests to Kendrick in January 2021.

7.4 Geology and mineralisation

The nickel mineralisation at the Espedalen Project is hosted within differentiated mafic and ultramafic bodies which have intruded anorthositic country rocks. The mafic and ultramafic rocks are collectively referred to as the 'Espedalen Complex' and forms the basement of the Gråho subnappe within the larger Caledonian Jotun Nappe, which ranges in age from 1,698-1,250 Ma.

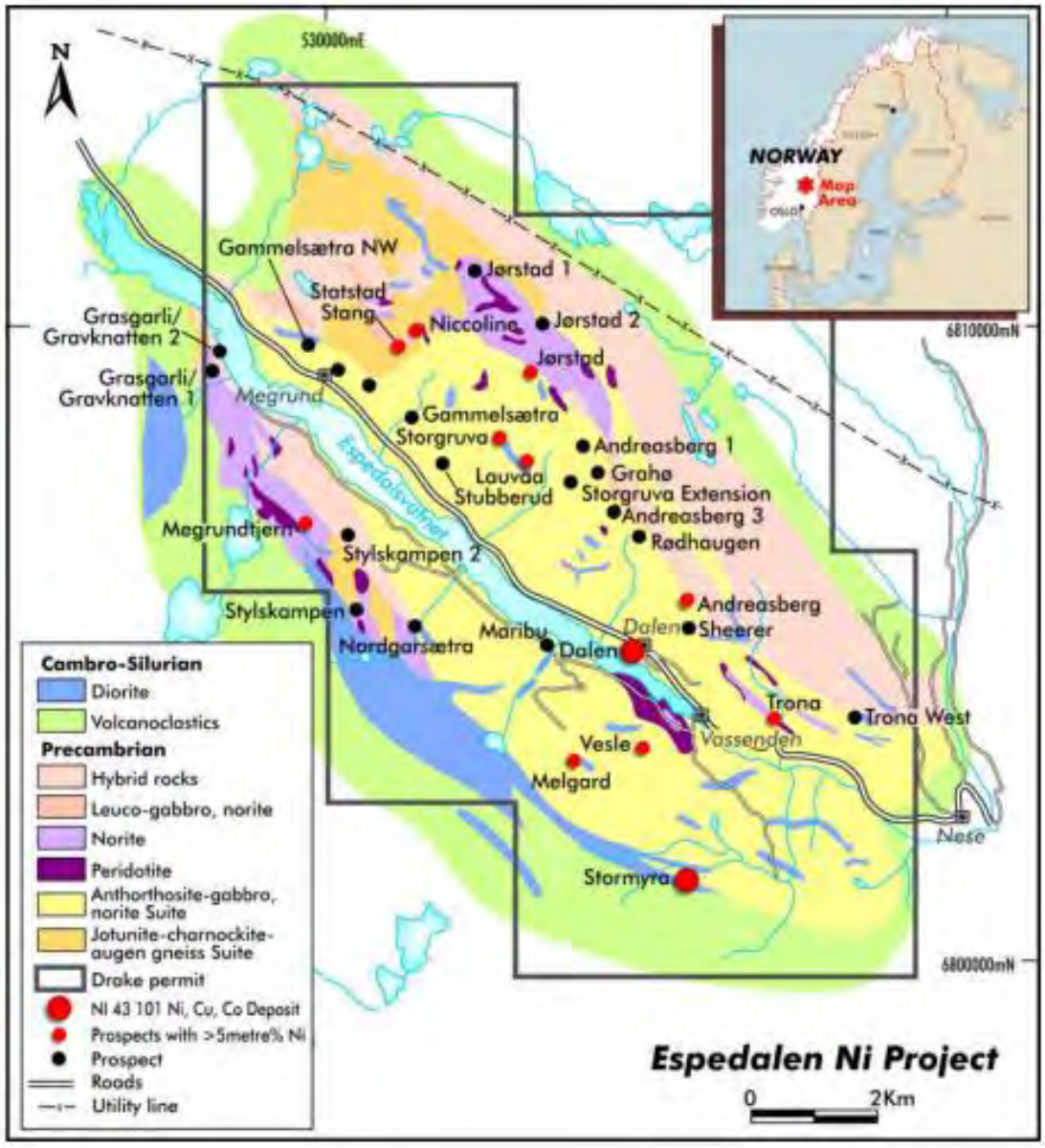
This age range is similar to the age of the rocks hosting the giant Voisey's Bay nickel deposit in Labrador, Canada. Further evidence supporting the analogy between Espedalen and Voisey's Bay are tectonic plate reconstructions which place southern Norway and Labrador in relatively close proximity during the time of formation of Voisey's Bay and with the two regions undergoing similar tectonic developments.

The nickel-copper mineralised zones at Espedalen are found in a wide variety of differentiated ultramafic and mafic intrusive host rocks including gabbro, norite, pyroxenite and peridotite. Disseminated to massive nickel mineralisation is exposed in a series of old mining workings and showings mainly concentrated on the northeast side of Espedalen Lake.

Mineralisation comprising mainly pyrrhotite, pentlandite and chalcopyrite with or without pyrite is found as massive to network textured and disseminated sulfide zones. Nickel sulfide mineralisation within the Project area is typically exposed in outcrop, trenches, pits and old mine workings extending over distances ranging from a few tens of metres to in excess to 300 m.

The main resource areas at Stormyra and Dalen are largely covered by shallow glacial deposits, with the known mineralisation interpreted to be magmatic or remobilised magmatic sulfide accumulations with structural, geological and tectonic similarities to documented nickel sulfide deposits located elsewhere.

Figure 7-2: Prospective targets within the Espedalen Project area



Source: Drake Annual Report, 2014

Note: This figure is historical and hence tenement boundaries may be different to those currently held by Kendrick.

7.4.1 Mineral Resources and Exploration Targets

The most recent Mineral Resource estimate for the Espedalen Project was prepared by Drake in late-2013 (refer Drake ASX Announcement dated 10 October 2013). The estimate was prepared in accordance with the JORC Code (2012) and pertains to the Dalen and Stormyra deposits. The estimate is summarised in Table 7-2.

Table 7-2: Espedalen Mineral Resources

Classification	Mt	Grade			Contained metal		
		% Ni	% Cu	% Co	Ni (kt)	Cu (kt)	Co (kt)
Stormyra							
Inferred	1.16	1.00	0.42	0.04	11.6	4.9	0.4
Dalen							
Inferred	7.80	0.28	0.12	0.02	21.9	9.4	1.8
Combined							
Inferred	8.96	0.37	0.16	0.03	33.5	14.3	2.2

Note: Stormyra is estimated using a US$100/t gross metal value (GMV) cut-off. Dalen is estimated at a US$40/t GMV cut-off.

Refer to Drake's ASX announcement dated 10 October 2013 (also represented in Pursuit's ASX announcement dated 17 February 2020) for JORC Code Table 1.

The Stormyra Mineral Resource was estimated from drilling and assay data generated solely from diamond drill holes. A total of 54 drill holes for 8,609 m were included in the Stormyra prospect database and 47 of these drill holes were used in the Mineral Resource estimate. The estimate was performed using ordinary kriging on a rotated block model with -60° azimuth, -45° dip with block sizes of 20 mY x 20 mZ x 2.5 mZ with no sub-blocking. The orientation and size of the blocks are suitable given the orientation and dimensions of the mineralised zone and the proposed underground mining method. The drill hole spacing ranges from 25 m x 50 m to 100 m x 150 m. The reported cut-off grade of US$100/t GMV does not include metal recoveries in the calculation.

The Dalen Mineral Resource was estimated from drilling and assay data generated solely from diamond drill holes. A total of 33 drill holes for 5,018 m were included in the Dalen prospect database and 27 of these drill holes were used in the Mineral Resource estimate. The estimate was performed using ordinary kriging in a block size of 20 mY x 20 mX x 10 mZ with sub-blocking down to 20 mY x 20 mX x 2.5 mZ. Drill hole spacing ranges from 50 m x 50 m to 200 m x 400 m. The estimation domains are based on the logged lithologies of ultramafics, pyroxenite and peridotite with minor amounts of anorthite. The estimation domains are supported by surface geological mapping. The reported cut-off grade of US$40/t GMV does not include metal recoveries in the calculation.

The Mineral Resource estimates were based on the assumption that any future mining of the Stormyra Mineral Resource would be via a selective underground mining scenario due to the mostly narrow true widths and moderate dip of the mineralisation. Similarly, it was assumed that the Dalen Mineral Resource would likely be a bulk mining scenario as the extensive true widths and lateral extents are amenable to such operations.

No metallurgical work was undertaken on the Stormyra and Dalen Mineral Resources and no assumptions were made regarding potential processing methodologies. However, limited metallurgical testwork has been completed on two samples from the nearby Megrund prospect. This testwork was carried out by Lakefield in Canada in the 1970s. The best results obtained from this work produced a concentrate assaying 15% Ni and 5.3% Cu, with recoveries in the range 75-79%. Metallurgical results can be expected to improve with further testwork.

The Stormyra and Dalen Mineral Resources were classified as Inferred in accordance with JORC Code (2012), due to the wide-spaced drilling, uncertainty in bulk density determinations, and the incomplete sampling of available drill core. The gross metal value calculation for the cut-offs, used to estimate the Stormyra and Dalen Mineral Resources used metal prices of US$7.71/lb for nickel, US$2.2/lb for copper and US$7.71 for cobalt.

SRK considers the nature and quality of the drill hole data and the estimation methods used for Stormyra and Dalen to be robust. The classification and reporting approach is suitable for reporting an Inferred Mineral Resource at the Espedalen Project, with potential upside from increased metal prices. While the reported Inferred Mineral Resource is fit for purpose, SRK recommends future reporting includes the metal recoveries in the gross metal value calculations for Indicated and Measured Mineral Resources.

7.5 Other considerations

7.5.1 Mining considerations

Mining methods would be determined after a preliminary assessment (i.e. scoping level studies) and remain dependent on future exploration and development activities. At this stage, it is expected that any future mining operation at Stormyra would likely involve underground access due to the mostly narrow true widths and moderate dip of the known mineralisation.

The extensive true widths and lateral extents evident at Dalen may support future open pit or bulk underground mining scenarios.

There are no Ore Reserves defined in accordance with the JORC Code (2012) at Espedalen and as such, no valuation of the project has been prepared.

7.5.2 Processing considerations

No comprehensive metallurgical testwork program has been completed to date at the Project. At this stage, it is expected that any future processing operation would likely be based on a conventional processing route.

7.5.3 Infrastructure considerations

The Espedalen licences are located approximately 240 km from Oslo and approximately 60 km northwest of the town of Lillehammer. Lillehammer is situated on the main national road #213 and along the main railway line connecting Oslo to the west coast of Norway. A large amount of industry is located in Lillehammer.

The infrastructure in the area is good, with a well-maintained road on the valley floor and the E6 highway some 40 km to the southeast. Electricity transmission lines run through the valley with almost all Norway's national grid fed by renewable energy dominated by hydroelectric power.

The study work undertaken to date was based on the potential for open pit and underground mining feeding to a processing plant with a capacity of 75,000 tpa ROM. The scope of the study was tightly defined to mining and processing only. Layout and surface infrastructure development

such as access roads, requirements for support infrastructure, tailings and waste management, and power and water demands are yet to be defined.

There are a number of surface water bodies which represent potential sources within the area subject to further environmental studies and gaining the relevant approvals. The potential for groundwater use would need to be studied.

Norway is part of the Nordic electricity market and as an industrial consumer, the cost of power is anticipated to be competitive. Local-scale power transmission is present in the valley which bisects the overall licence areas. Should more capacity be required, there is a high voltage transmission line passing the northern edge of the licence areas.

Should a nickel-copper concentrate be produced, an option may be to utilise national roads to access the existing rail infrastructure at either Lillehammer, Tretten, or the Vinstra-Harpefoss area. A dedicated rail load-out would need to be developed at the chosen point of access. Concentrates would then be railed to the selected port facility or off-taker.

7.5.4 ESG considerations

The Project experiences a sub-Arctic/Boreal climate (Koppen classification) with annual temperature of nearby Lillehammer varying between +1.1 and +8.7°C, with average monthly temperatures ranging from +16.6°C (July) and -5.6°C (January). Annual precipitation averages 750 mm/year with relatively consistent monthly averages between 35 mm/month and 95 mm/month.

The permit areas cover part of the Espedalen valley that contains Espedalsvatnet Lake and several small rivers including the Gausa and Dritua rivers. These waterbodies drain into the Vorma River then on to the major Glåma River that flows past Oslo into the Oslofjord and finally the North Sea. The lower regions of the licence area are located in the 'Scandinavian and Russian Taiga' ecoregion and the higher elevation areas in the 'Scandinavian Montane Birch Forest and Grasslands', according to Ecoregions 2017[8].

There are two Natura 2000 protected areas within the permit boundaries: Espedalen landscape conservation area (Norwegian: l*andskapsvernområde*) and the smaller Helvete nature reserve (Norwegian: *naturreservat*), as shown in Figure 7-3. SRK notes the two main deposits of Dalen and Stormyra are outside the protected areas but are close: Stormyra less than 1 km northeast of the conservation area and Dalen less than 2 km southwest of the nature reserve. The landscape conservation area is designated as IUCN management category 'V: Protected Landscape', according to the World Database on Protected Areas (WDPA)[9]. The nature reserve is designated as IUCN category 'Ia: Strict Nature Reserve'[10]. The Langsua National Park (IUCN Category II)[11] is also

[8]Ecoregions 2017 (http://ecoregions2017.appspot.com/: last accessed 26/03/2021)

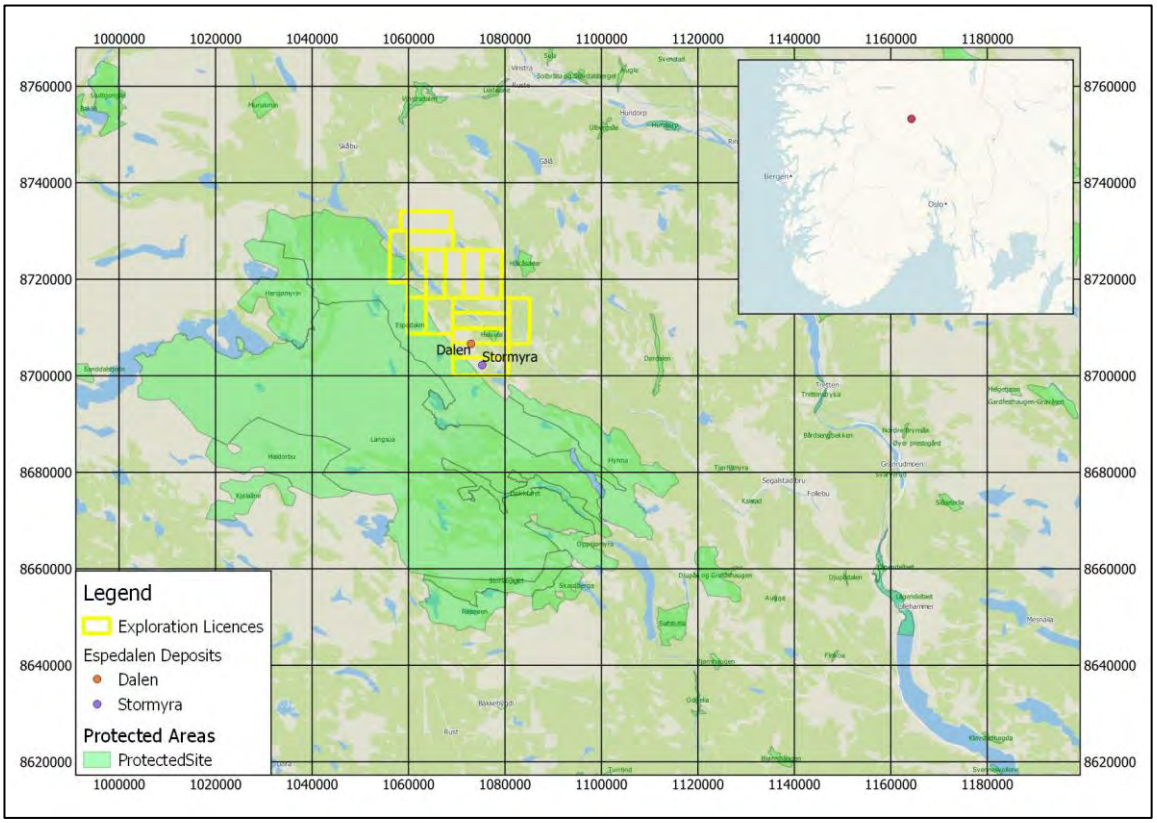
[9]IUCN Category V: a protected area where the interaction of people and nature over time has produced an area of distinct character with significant ecological, biological, cultural and scenic value.

[10]IUCN Category Ia: Strictly protected areas set aside to protect biodiversity and also possibly geological/geomorphological features, where human visitation, use and impacts are strictly controlled and limited to ensure protection of the conservation values.

[11]IUCN Category II: Large natural or near natural areas set aside to protect large-scale ecological processes, along with the complement of species and ecosystems characteristic of the area, which also provide a

situated immediately to the southwest, bordering the landscape conservation area. There is currently a lack of knowledge on the biodiversity and ecology of the area due to a lack of detailed study; however, there is abundant publicly available information on the national park[12].

Figure 7-3: Pursuit exploration permits covering Espedalen Project



Note: (yellow polygons), mineral deposits and protected areas (green outlines)

There are several small settlements situated along the valley floor mainly on the northern side of the Espedalen valley including the hamlets of Vassenden (approximately 1.5 km northeast of Dalen), Dalen (2.5 km north of Dalen deposit), Fjellstue (2.5 km northwest of Dalen) and Øvre Satsum (6 km east of Stomyra). There are very few buildings close to the main deposit areas and on the southern side of the valley. Currently, tourism, including skiing, hiking and outdoor activities, is the major land use in the area with the Langsua National Park (4.5 km southwest of both the Dalen and Stormyra deposits) and Lillehammer skiing district (in all upland areas surrounding the project and to the southeast towards Lillehammer). In addition, the valley floor contains the 'Helvete Potholes' tourist attraction (directly to the east hamlet of Vassenden), Lake Espedalsvatnet (water sports, fishing) and the culturally significant Espedalen Fjellkirke church (12 km upstream in the valley from Dalen).

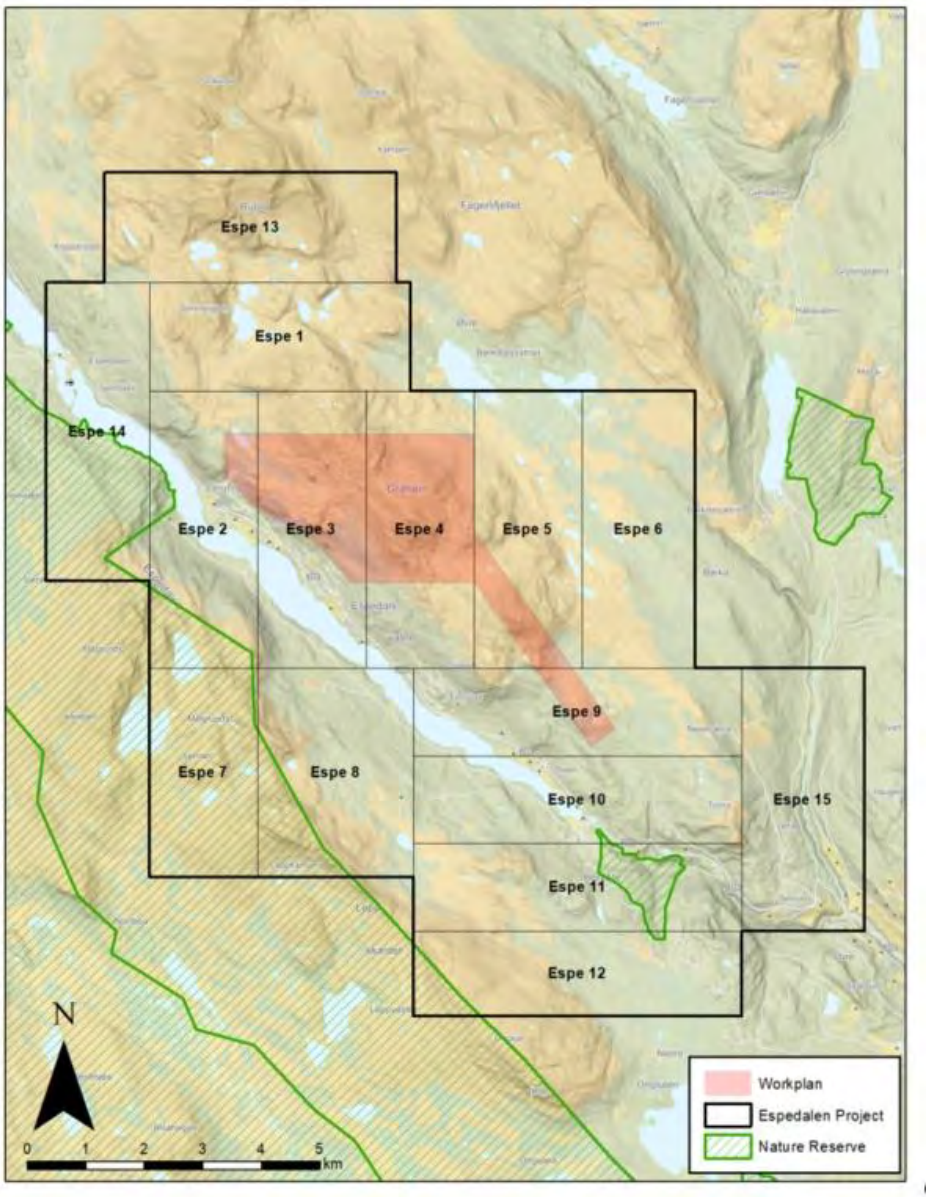
Portions of the Espe 2, 7, 8, 10, 11, 12 and 14 tenures fall within a designated Nature Reserve (Figure 7-4).

foundation for environmentally and culturally compatible spiritual, scientific, educational, recreational and visitor opportunities

[12]Langsua National Park (https://www.langsua.no/en/: last accessed 05/05/2021).

To SRK's knowledge there are currently no other known environmental, permitting, legal, taxation, socio-economic or political issues that adversely impact the Espedalan Project.

Figure 7-4: Location of claim area and Nature Reserve area (green hatching)



Source: Eurasian Minerals Sweden AB, 2018

7.6 SRK's opinion

In SRK's opinion, the Espedalen Project is an advanced staged exploration project which has received cursory modern exploration. Exploration conducted since 2009 has outlined two Inferred Mineral Resources at Stormyra and Dalen and defined the Megrund Prospect, as well as 10 other targets which remain to be adequately drill tested despite previous explorers reporting intersections >5 m% Ni.

In SRK's view, the Stormyra deposit is small but of reasonable grade and remains open at depth. Furthermore, there are sections of core which remain to be assayed within the mineralised zone (thus reducing the overall grade). The Dalen deposit is larger but of lower overall grade, with the deposit remaining to be adequately closed off. The Megrund deposit offers potential for rapid upgrading to Mineral Resource status with further drilling.

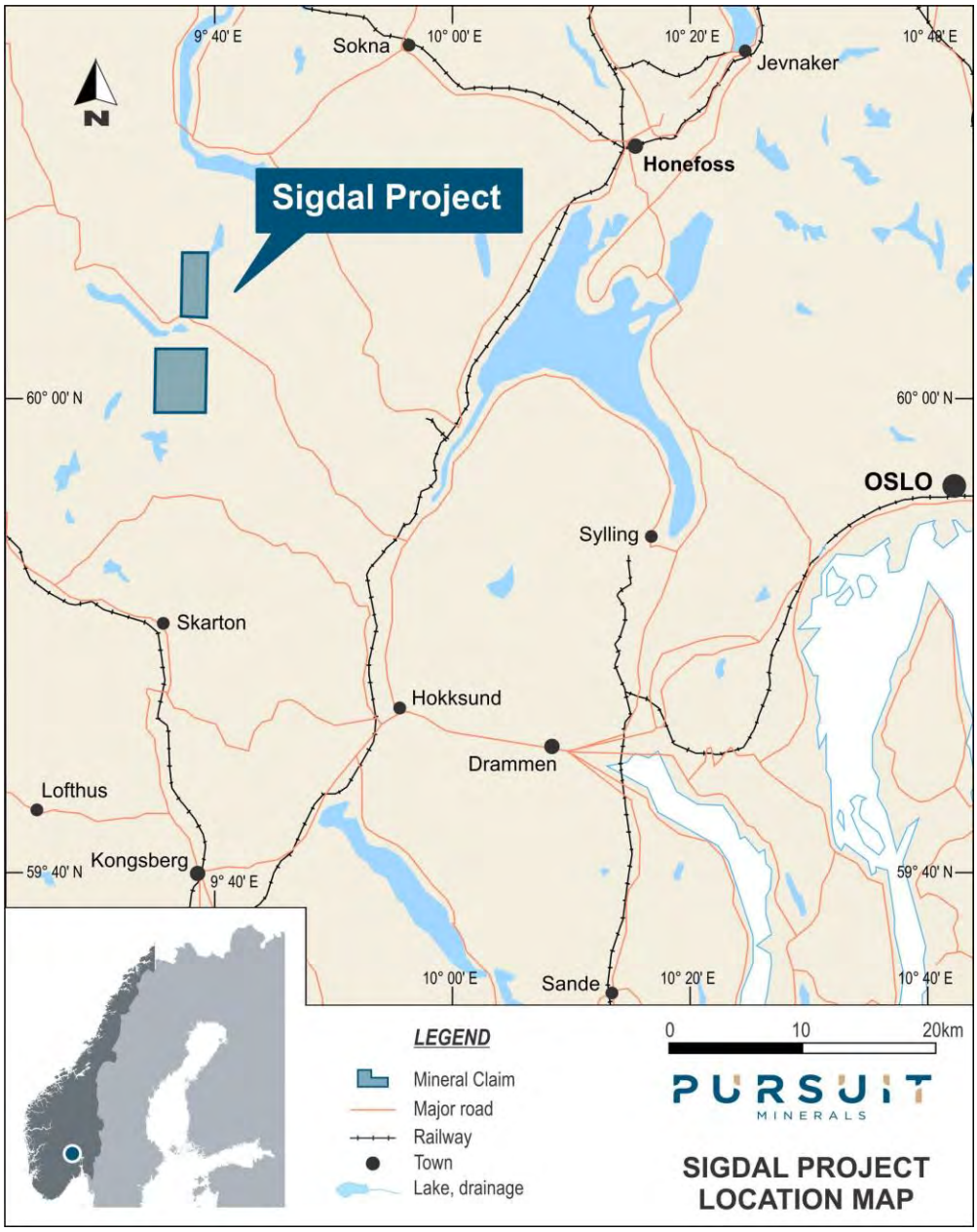
Additional drill testing of the 10 targets where previous drilling by Blackstone encountered >5 m% Ni is warranted.

8 Sigdal Project - Norway

8.1 Introduction

The Sigdal Project comprises two separate land holdings covering a combined area of 30 km^2 and centred at latitude 60° 2' 0" North and longitude 9° 38' 0" East. The Project lies immediately north and south of the administrative centre of Prestfoss, approximately 65 km west-northwest of Oslo, and 37 km west-southwest of Hønefoss in Sigdal Commune, Viken County, Buskerud fylke in southern Norway (Figure 8-1).

Figure 8-1: Location of the Sigdal Project



Source: Pursuit, 2020

Access to the Project is from Highway Fv287, which connects Prestfoss to the town of Amot with onward connections to Oslo. Driving time from Oslo is approximately 1.5 hours (100 km by road). Both Highways FV132 and Fv133 commence in Prestfoss. Access to the Project area is very good via a system of secondary gravel roads, as well as hiking and skiing trails.

Topography in the Project area is moderately rugged with local relief of up to 500 m and the highest point within the Project at Grønnknuten (680 mAsl). The Project area is covered by mixed coniferous and deciduous forest, which has been locally logged. The eastern extent of the Soneren Lake and associated valley separates the two tenement groups.

There is abundant infrastructure across the area including high tension to domestic power lines, railroads, rural communities and small towns.

The majority of the Project area is held by private landowners with isolated blocks held under a 'kommunal' designation as well as a state-held designation. Permission to access the Project areas with snowmobile is required from both the local communes and the landowners.

8.2 Project tenure

The Sigdal Project comprises 3 granted exploration concessions that cover a combined area of 30 km^2. The Sigdal Project tenures were initially applied for and ultimately granted by the DMF to Eurasian Minerals Sweden AB (an EMX subsidiary).

These tenures are the subject of an option agreement between Eurasian Minerals Sweden AB and Pursuit entered into in February 2020 (refer Pursuit's ASX announcement dated 17 February 2020) which Pursuit has assigned to Kendrick in January 2021 (refer Pursuit's ASX announcement dated 20 January 2021) and which (via an extension) expires on 20 March 2022.

All tenements are approved for the exploration of nickel, copper, cobalt, gold, platinum and palladium.

Table 8-1: Status of the Sigdal mineral tenure - May 2021

Tenement	Area (km^2)	Issued date	Expiry date	Registered holder	Annual tenement costs (NOK)
Sigdal 1 - 0126-1/2018	10	06/04/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000
Sigdal 2 - 0127-1/2018	10	06/04/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000
Sigdal 3 - 0128-1/2018	10	06/04/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000

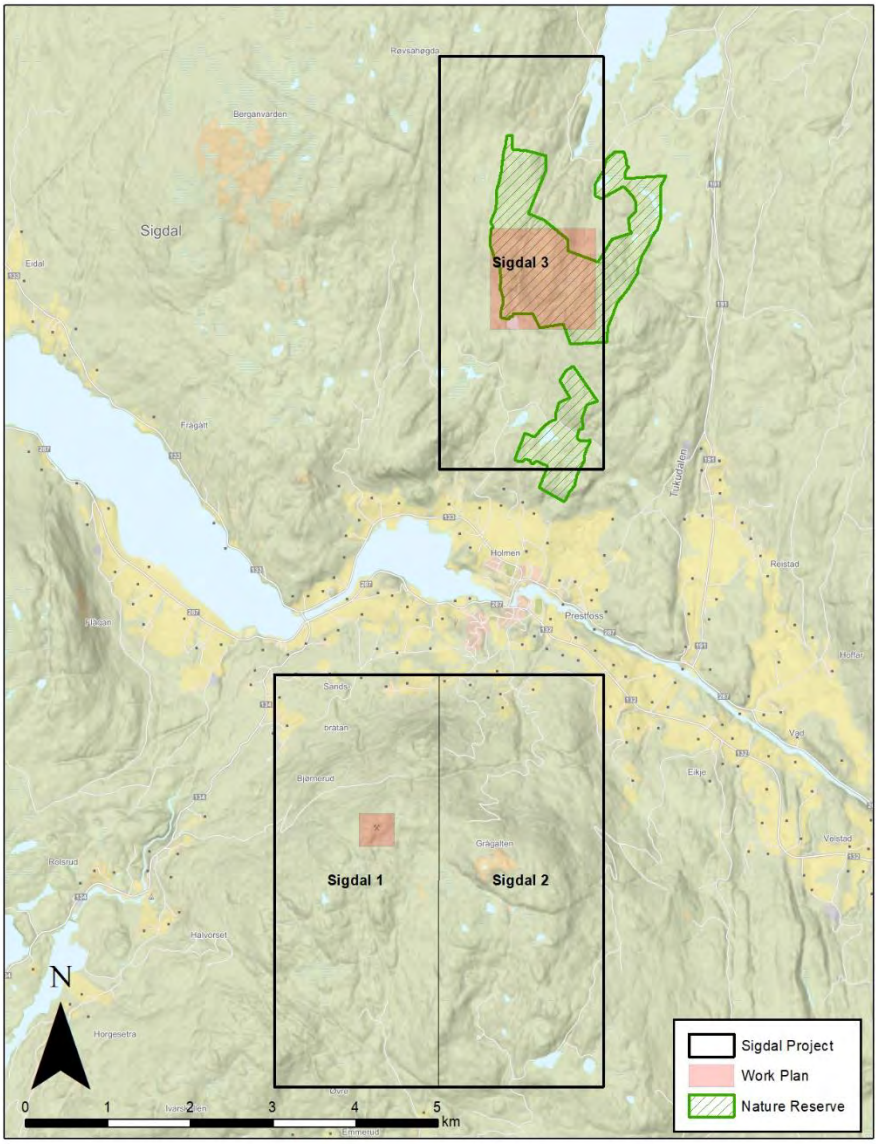
Source: Direktoratet for mineralforvaltning (DMF), Kart (online mapping system), 2021

Portions of the Sigdal Project tenements cover designated nature reserves (Figure 8-2).

8.3 Project history

The Sigdal Project covers the historical nickel occurrences of Grågalten and Ramstad, as well as a number of other known nickel prospects.

Figure 8-2: Topographic setting, nature reserves and proposed work plan areas at the Sigdal project



Source: Eurasian Minerals Sweden AB, 2018

The historical mining operations were centred on the Grågalten and Ramstad deposits located to the north and south of Prestfoss respectively. The mine was operated between 1874-1877, producing approximately 1,200-1,300 t of nickel ore equating to approximately 7 t of nickel. While several other historical mineral occurrences are reported in the area, no production is recorded.

Modern exploration of the Sigdal area was first carried out in the early 1960s when the Geological Survey of Norway (*Norges geologiske undersøkelse* or NGU) completed a regional scale 500 m spaced helicopter borne magnetic geophysical survey over the area with an east-west orientation. This survey was not effective in light of the highly variable topography evident across the broader area.

Between 1971 and 1980, Sulidmalm AS conducted reconnaissance prospecting and limited geophysical surveying and percussion drilling mainly in the area to the east of the current tenure around the Erteline Mine. Subsequent limited regional scale investigation was also carried out by Falconbridge Limited in the early 2000s.

In 2006, Blackstone completed a ground-based electromagnetic (EM) survey over the current project tenements, which located a prospective conductor associated with the known sites of historical nickel production at Grågalten and Ramstad.

Blackstone tested the ground EM conductor with two relatively shallow inclined drill holes (ER2006-13 and 14, both less than 80 m in length) completed in 2006, which intersected 'mineralised gabbro' at depths of less than 50 m and confirmed the presence of nickel mineralisation at the two historical prospects.

Blackstone described sulfide mineralisation with 'net' textured veins and disseminations concentrated in fold-hinge structures and in breccias within the metagrabboic intrusions, including pyrrhotite-rich sulfide mineralisation with subordinate chalcopyrite. Outcrop is sparse, but observations indicate significant folding and sulfide remobilisation as evidenced by thickened intervals of sulfide within fold hinges up to eight metres wide.

Drill hole ER2006-13 drilled on the north side of the historical prospects returned anomalous assay values for nickel, copper and gold at drill depths of 22 m and 36 m, respectively, namely:

- 1.48 m averaging 0.36% Ni, 0.43% Cu, 10.1g/t Au, and 2.9g/t Ag from a downhole depth of 22.62 m
- 0.45 m averaging 0.94% Ni, 0.88% Cu, 0.05g/t Au and 4.0g/t Ag from a downhole depth of 35.55 m.

As a result of the indefinite suspension of exploration activities in light of the COVID-19 pandemic, Pursuit was unable to implement its proposed exploration strategy following its acquisition in February 2020. Pursuit had planned to undertake the following:

- hand-auger soil, stream sediment and rock-chip geochemical sampling programs, with channel sampling in areas of interest
- ground based magnetic surveying
- complete further investigation of the Ramstad.

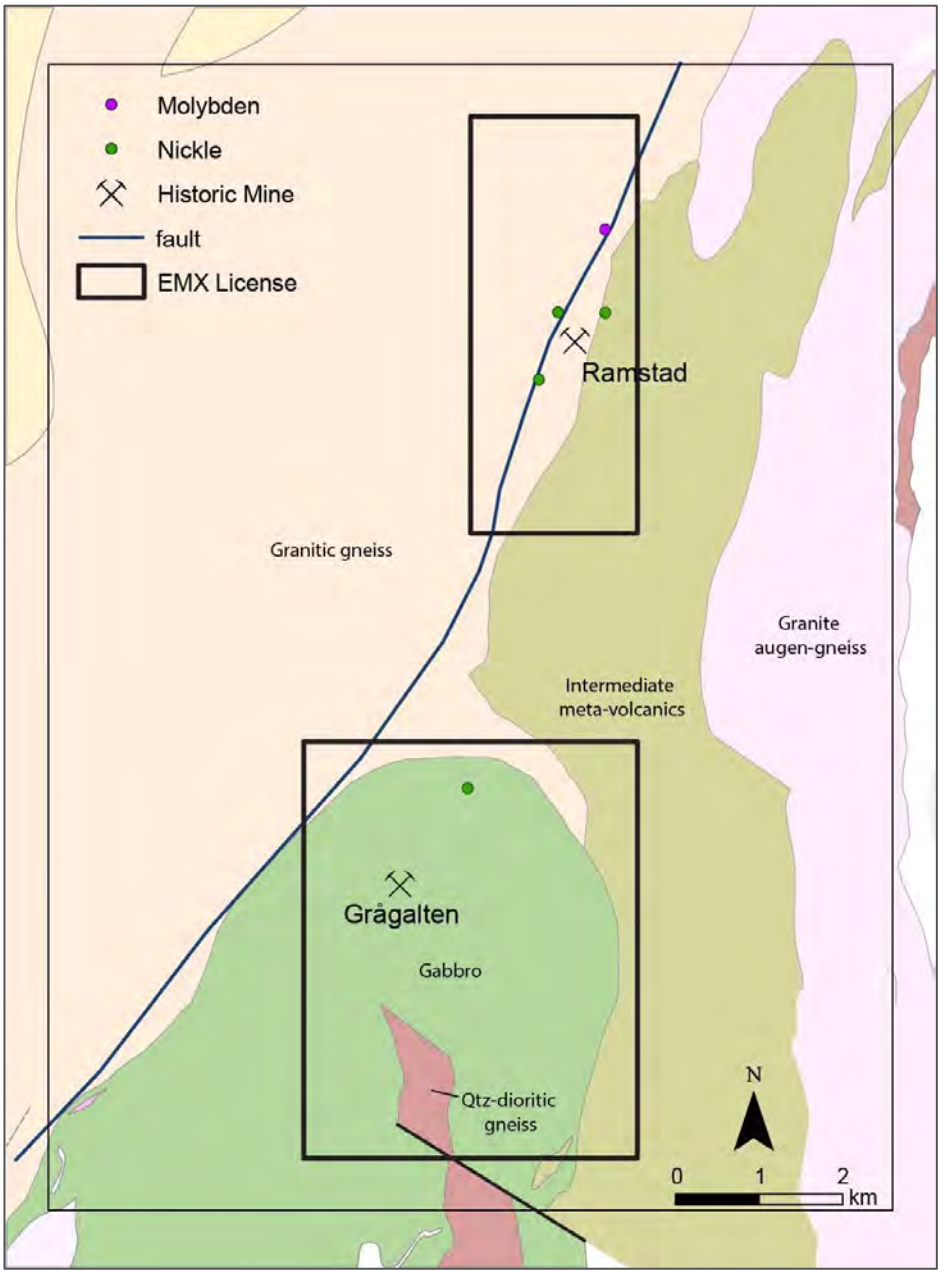
Ultimately, Pursuit elected to divest all of its Scandinavian mineral interests to Kendrick in January 2021.

8.4 Geology and mineralisation

The Project area is covered by the Hamar 1:250,000 scale and Krøderen (1715-2) 1:50,000 scale geological maps and is interpreted to lie within the Kronsberg/Ertelien belt, a zone of complexly folded sedimentary and granitic gneisses that were deposited between 1,700 and 1,500 Ma and subsequently metamorphosed and deformed during the later stages of the Svecofennian Orogeny (1,600-1,450 Ma).

The local geology comprises a northwest trending amphibolite gneiss complex with discordant and concordant hyperite lenses and plugs, consisting of gabbro, norite, massive amphibolite, metabasalt and local peridotite (Figure 8-3). The Project straddles a regionally extensive shear zone which cuts northeast-southwest across the project tenures.

Figure 8-3: Interpreted geology of the Sigdal Project



Source: EMX Royalty website

The Ramstad nickel-copper deposit consists of historical mine workings extending over a strike length of around 1 km along a north-south direction, approximately 4 km north of the town of Prestfoss. The main workings comprise a 25 m long by 5-10 m wide, north-south orientated open pit developed within a metagabbro containing disseminated pyrrhotite and chalcopyrite mineralisation.

The nickel mineralisation at Ramstad is hosted within a metagabbro intrusion, which is interpreted to comprise several lenses within a granitic gneiss. The metagabbro lenses are several metres thick and extend over tens of metres in length. The granitic gneiss is cut by a major fracture zone.

Grågalten is located near the northern boundary of a large gabbro complex that extends southwest to Numedal. Mineralisation is associated with mafic to ultra-mafic rocks intruded by granites and then complexly folded. Coarse-grained sulfide recrystallization occurred due to a high-grade metamorphic overprint during the Svecogegnian Orogeny (1,600-1,450 Ma).

The nickel mineralisation includes accumulations of nickel and copper sulfides, with the mineralisation remobilised into pods and elongate bodies of semi-massive and massive sulfides. The nickel sulfides are structurally controlled along shear zones and within tight centimetre to metre scale folds.

8.5 Other considerations

The Sigdal licences occur on higher ground either side of a northwest-southeast trending topographic valley within which Prestfoss village is located and the national road #287. Prestfoss is only a 1.5-hour drive from the capital, Oslo, located 66 km to the east.

Similar to the other exploration licences, the processing and infrastructure requirements including power and water demands, will need to be studied and a project layout developed as part of future technical studies. There are a number of surface water bodies which represent potential sources within the licence area subject to environmental studies and approvals. The potential for groundwater use will need to be studied.

Norway is part of the Nordic electricity market and a future project would be an industrial user falling under the relevant Norway electricity price bidding area. The cost of power is anticipated to be competitive in relation to other European countries. A main transmission line bisects the southern-most licence which would need to be considered during future project development studies and may constitute a constraint or an opportunity, or both.

Should a nickel-copper concentrate be produced at either licence area, an option may be to use national roads to reach and then utilise existing rail infrastructure or to transport direct to a port facility on the south coast of Norway. Potentially usable rail infrastructure is located within 25 km of the southern licence and 10 km of the northern-most licence. The closest port infrastructure is considered to be the Port of Drammen, which is an inland deep-water port with a draft limit of 10 m. Depending on the production rate, a dedicated truck haulage operation could be an option.

8.6 SRK's opinion

Previous exploration has demonstrated the known EM geophysical conductor is coincident with the old mine workings and the mineralised horizon hosting shallow, anomalous nickel-copper-gold drill intersections. Based on encouraging results from limited drilling (2 holes) by Blackstone in 2006 to test this EM conductor, but with no concerted follow-up investigation completed since that time, SRK considers that further drill testing of the conductor is justified to determine the thickness and extent of the mineralised horizon down-dip and along strike. Further investigation of other nearby nickel occurrence is also warranted.

9 Hosanger Project - Norway

9.1 Introduction

The Hosanger Project is located on the western side of Osterøy island in Hordaland district, Vestland county, southwestern Norway, about 22 km north of the city of Bergen. The small village of Lonevåg lies immediately outside the southwestern portion of the Project area and is the administrative centre for Osterøy kommune (municipality). The island of Osterøy is separated into two kommunes, Vaksdal municipality in the east and Osterøy commune in the west.

The Project area is centred at latitude 60˚32" 50" N and longitude 5˚ 30'59" E. It contains several historical nickel-copper deposits, with the most significant production derived from the Nonås, Litland, Lien I, and Lien II Smith Meyers mines.

The project area can be accessed all year by road or waterway, with good-quality roads linking the Project to the mainland via the Fv 566 and Fv 567 roads and a ferry from Breistein to Valestrand. Driving time to Lonevåg from Bergen is approximately 30 minutes by car, and 30-60 minutes by boat. The Breisten-Valstrand ferry sails every half hour from early morning to late in the evening.

There are two bridges that connect the island to the rest of the Norwegian road network. Osterøy Bridge lies on the southwestern tip of the island and is the only road connection to the mainland for most residents of Osterøy. The Kallestadsundet Bridge connects the northeastern tip of the island to the mainland. The northeastern part of Osterøy only has one road, and it is not connected to other roads on the island. So to travel by car from the northeastern part of the island to the rest of the island, one would have to cross the Kallestadsundet Bridge to leave the island, drive 40 km along the mainland to the southern end of the island, then cross the Osterøy Bridge.

Within the Project area, the Fv368 and Fv 567 roads are sealed and of good quality, passing through the central and western portions of the project area, respectively.

Bergen Port is the largest seaport in Norway and the ninth-busiest cargo port in Europe. There are cruise ferry services to Hirtshals and Hanstholm in Denmark, Newcastle in England, Lerwick in Scotland, Tórshavn on the Faraoe Islands and Seyðisfjörður in Iceland. Bergen is the southern terminus of the Coastal Express, which operates daily services along the coast to Kirkenes. Passenger catamarans run from Bergen south to Haugesund and Stavanger and north to Sognefjorden and Nordfjord.

Bergen Airport, Flesland, is about a 1-hour drive from Lonevåg and has regular flights to Oslo.

The region has good infrastructure, with six urban settlements on the island, the largest being Valestrandfossen (1,218 inhabitants) followed by Lonevåg (875 inhabitants). There is good availability of electricity (high tension lines feeding Bergen cross to the south of the island with extensive network of small and large power lines on the island) and fresh water in the area.

Osterøy itself is generally lowly populated. The island is known as a local vacation destination, a designation that generally makes local landowners less receptive to industrial development initiatives. The entire project area lies within a moderately developed rural to suburban (high end estates) landscape.

Osterøy supports a versatile and viable small local community centred on the mechanical, furniture, textile, and food industries. Fish farming/processing, forestry and agriculture are important industries, while furniture and textile manufacturing are important contributors to the local economy.

Osterøy island is surrounded by fjords with mainland Norway on all sides of those fjords. The Osterfjorden-Romarheimsfjorden flows along the north side, the Sørfjorden flows along the southern and western sides, and the Veafjorden flows along the eastern side. The highest mountain on Osterøy is the 868 m (2,848 ft) tall Høgafjellet.

This surrounding region is dissected by up to 645 m-deep fjords and surrounded by mountains 500-800 m high.

The project area is characterised by rugged, steep sided to undulating terrain with abundant exposure of rock. It is cut by numerous small, steep valleys and ravines, many of which feature lakes and ponds and trend north-northwest-south-southeast. There are some forested areas (main deciduous trees), especially at lower elevations, but steeper terrain is sparsely vegetated by low bushes and shrubs.

9.2 Project tenure

The Hosanger Project comprises four granted exploration concessions that cover a combined area of 40 km^2. These tenures are currently registered to Eurasian Minerals Sweden AB (Figure 9-1). The tenures are the subject of an option agreement between Eurasian Minerals Sweden AB and Pursuit entered into in February 2020 (refer Pursuit's ASX announcement dated 17 February 2020) which Pursuit has assigned to Kendrick in January 2021 (refer Pursuit's ASX announcement dated 20 January 2021) and which (via an extension) expires on 20 March 2022.

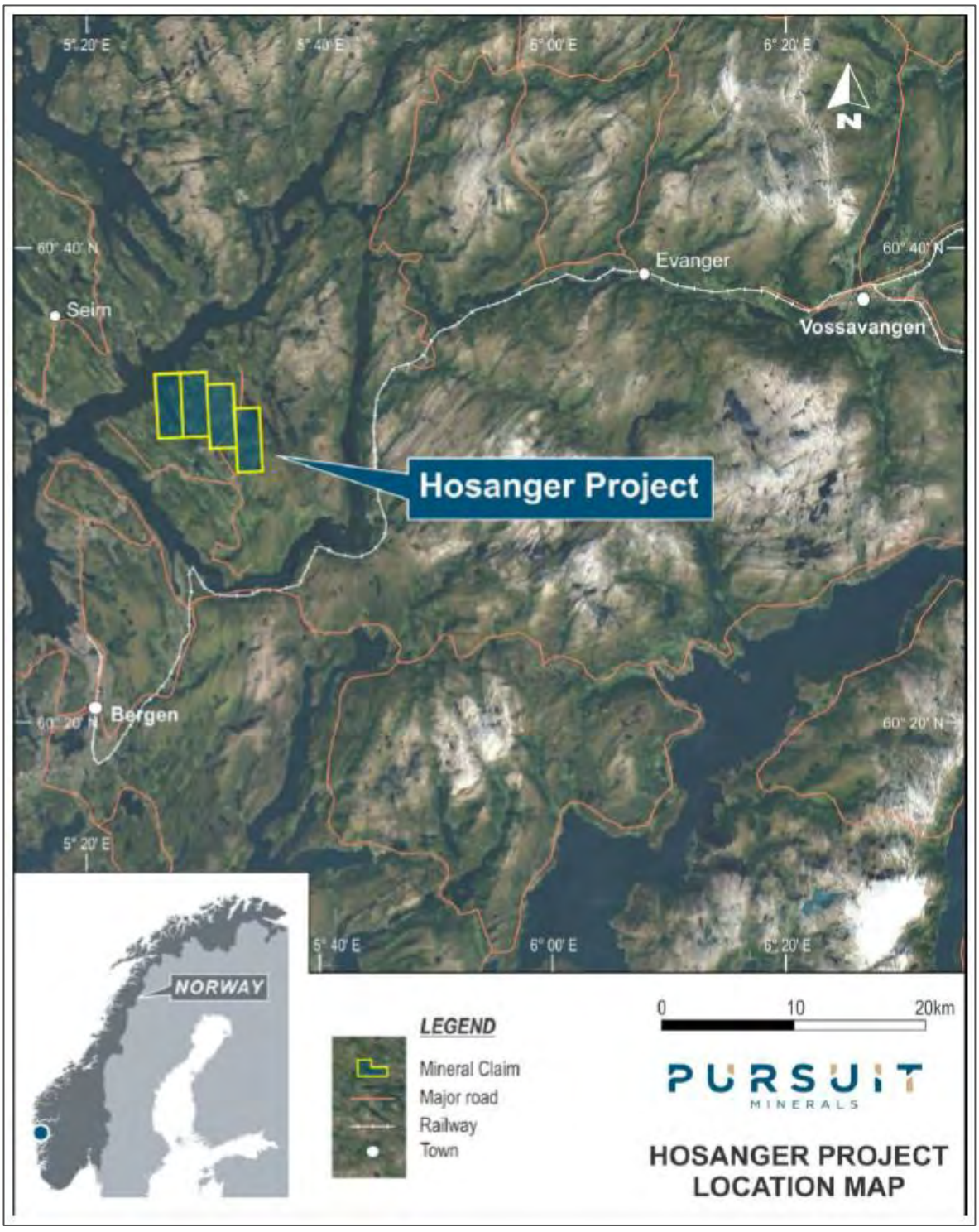
All tenements are approved for the exploration of nickel, cobalt, platinum and palladium.

Table 9-1: Status of the Hosanger mineral tenure - May 2021

Tenement	Area (km^2)	Issued date	Expiry date	Registered holder	Annual tenement costs (NOK)
Hosanger 1 - 0119-1/2018	10	10/04/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000
Hosanger 2 - 0120-1/2018	10	10/04/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000
Hosanger 3 - 0121-1/2018	10	10/04/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000
Hosanger 4 - 0152-1/2018	10	14/05/2018	1/1/2025	Eurasian Minerals Sweden AB	30,000

Source: Direktoratet for mineralforvaltning (DMF), Kart (online mapping system), 2021

Figure 9-1: Location of the Hosanger Project



9.3 Project history

The Hosanger deposits (also called Hosanger gruve) consisted of two different fields - Nonås and Litland. Initial production was from the Nonås field with production after 1915 predominantly from the Litland field. Historically, the most significant nickel-copper production was derived from the Nonås (Bratlein, Claudets and Storbotten), Litland (Barratts and Barrys), Lien I, and Lien II Smith Meyers mines. These mines operated over three periods: 1882 to 1901, 1915 to 1920 and 1933 to 1945.

Nickeliferous iron was first discovered by Mr Riis from Bergen at Nonås and Litland in 1875. It was not until 1882, however that an English company, Varaldsø Mining Co. brought the mines of the Nonås field into production. In 1891, a Swedish company A/B Os-Hommelvik Kopparverk, took over the operations and built Norway's first cable car from Nonås to Gjetreim (the export harbour). In 1899, the Litland nickel deposit was discovered and an American company (Thomson?) took over the operations for a short period with production ceasing in 1901.

In 1915, Kristiansand Bikkelraffineringsverk recommenced mining which continued to 1920, when the operations were closed due to a bankruptcy. Further to the north, the Lien I and II deposits were discovered in 1915, but were not mined until 1938.

Following the compulsory sale of a nickel refinery and several small mines (including those at Hosanger), a Norwegian-German consortium revived the Hosanger mines again in 1933. However, this consortium had neither the capital nor sufficient ore to exploit the refinery to the full. It completed an electromagnetic geophysical survey over parts of the current Project area in 1939 and drilled a number of holes in 1940s in the search for additional material to extend the mine life. These ventures were unsuccessful and ultimately all production from Hosanger ceased in 1945.

Between 1934-1945, more than 245 diamond holes totalling 8,640.81 m were completed within the Hosanger Project as summarised in Table 9-2.

Table 9-2: Recorded diamond drilling within the Hosanger Project area 1934-1945

Period	Hole numbers	Holes	Metreage (m)	Target	Comments
1934-1935	1-12	12	392.58	Litland 1	Levels 2 and 3
1935-1936	13-38	26	633.51	Litland 1	Levels 2 and 4
1936-1938	-	-	-	-	No surviving records
1938-1939	70-99, 101-107, 200-256	94	2,162.57	Litland 1, Lien I	Levels 1, 3, 4, 5
1939-1941	-	-	-	-	No surviving records
1941	377-392, 67-77	27	1,471.29	Litland, Lien I, Dragen	
1942	393-399, 78-87	17	1,176.45	Litland, Lien I, Dragen	
1943	400-424, 87-88	27	1,178.06	Lien II, Dragen	
1944	425-444, 4, 89-91	24	815.22	Smith Myers, Dragen	
1945	445-457, 91--95	18	811.71	Smith Myers, Dragen	
TOTAL		**245**	**8,640.81**		

Source: NGU reports, various

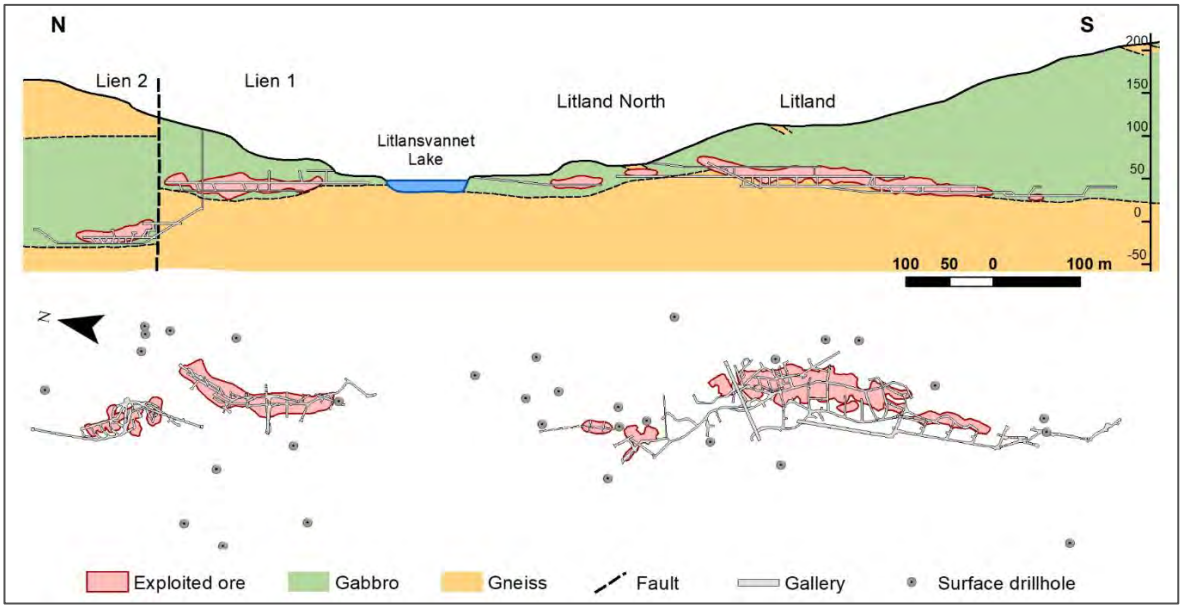
Early operations, until 1898, focused on massive mineralisation in the southern part of the Hosanger norite intrusion. In total 462,000 t of ore was extracted at average head grades of 1.05% Ni, 0.35% Cu and 0.045% Co, ultimately producing 4,170 t of contained nickel. Production figures show Ni grades varying from 0.67 to 1.215% and Cu from 0.28% to 0.44% across the Hosanger deposits as a whole (Bjørykke, 1949; Boyd and Korneliussen, 2012).

Bjørykke (1949) reports the production statistics as follows:

- Nonås 11,000 t grading 2.5% Ni for 280 t of contained nickel
- Litland 331,000 t grading 1.02% Ni, 0.38% Cu for 3,260 t of contained nickel
- Lien I 100,000 t grading 0.55% Ni for 550 t of contained nickel
- Lien II 20,000 t grading 0.39% Ni, 0.18% Cu for 80 t contained nickel.

According to Bjørykke (1949), production grades from the first-quarter in 1942 (the last reported results prior to closure) were: 1.12% Ni, 0.39% Cu, 7.49% S from which a concentrate grade of 6.10% Ni, 2.29% Cu, 32.61% S was produced. Concentrate was shipped to Evje for smelting and then to Kristiansand for refining.

Figure 9-2: Long-section view (looking east) of the Lien - Litland mine area



At some point in the late 1960s - early 1970s, the NGU flew a joint Terratest helicopter-borne magnetic - EM geophysical survey over the Hosanger area. However, this survey proved unsuccessful as the EM survey reportedly only detected overhead electrical cables, despite several magnetic anomalies being detected over the host norite intrusion to the known mineralisation at Hosanger.

In 1970, ELKEM AS entered into an agreement with the state for the mineral exploration rights at Hosanger, as it was interested in the potential for further disseminated mineralisation. In 1970, ELKEM completed six traverses of IP, self-potential and magnetic geophysical surveying over the Hosanger area, and in 1971 combined potential geophysical surveying, as well as field geological investigations. During the geological mapping, only insignificant disseminated mineralisation was recorded, and while a number of geophysical anomalies were detected, they were not drill tested as ELKEM withdrew from the agreement in 1973.

On behalf of the Director of Mineral Management (*Undersøkeelse av statens bergrettigheter*), the NGU completed a site inspection of the Hosanger mines in July 1978. Stockpile samples collected at that time and reported by Mathiesen (1982) returned the elevated nickel and copper values as outlined in Table 9-3.

Table 9-3: Assays from stockpile samples collected by the NGU at Nonas and Litland in 1978

Sample ID	Ni (%)	Fe (%)	Cu (%)	S (%)	Co (ppm)	Cr (ppm)	Description*
5071	1.48	31	0.17	28.34	3300	60	Nonås (Lat - 60°32'22.11"N, Long - 5°29'17.33"E)
5072	0.43	7	0.97	2.86	140	250	
5073	0.68	9	1.38	3.89	228	190	
5074	0.86	11	0.55	5.59	340	175	
5075	0.92	10	0.25	6.00	350	80	
5076	0.33	7	1.05	3.16	230	280	
5077	1.05	12	0.70	8.16	350	120	Litland (Lat - 60°33'7.03"N, Long - 5°28'46.88"E)
5078	3.35	29	0.40	18.80	1000	50	
5079	0.26	7	0.25	3.18	215	180	
5080	1.28	22	0.41	12.63	1400	90	

Note: *Co-ordinates are approximate as only presented in map format in Mathison, (1982). No description of the samples at the time of collection was provided.

Jensen (1972) and Mathieson (1978) concluded that the intrusion did not contain near surface disseminated mineralisation of interest. However, data from the 10 samples presented by Mathieson suggested that the concentration of metals in the sulfide phase was significantly higher in disseminated mineralisation than in massive ore and that certain samples of disseminated ore from Nonås had particularly high copper grades in total sulfides (Boyd and Korneliussen, 2012).

In the early 2000s, Blackstone Ventures Inc and A/S Sulfidmalm (a subsidiary company of Falconbridge Limited) entered into an agreement to explore five nickel-copper-cobalt areas in Norway (including 22 pre-claim areas for 6.6 km^2 that covered the Hosanger mines and the current Hosanger Project area). In 2005, a reconnaissance site inspection was completed, and a number of samples were collected from the historical waste piles at Litland and Nonås (Table 9-4) (Blackstone 2005).

Table 9-4: Assays from stockpile samples collected by Blackstone in 2005

Sample ID	East	North	Ni (%)	Cu (%)	Co (%)	Description
SA67853	307013.2	6718002	0.55	0.22	0.03	Litland: 10% blebby sulfide in gabbro/norite
SA67854	307045.9	6717984	2.25	1.31	0.11	Litland: 30% net textured sulfide in gabbro/norite
SA67855	307363	6716630	0.83	1.02	0.04	Nonås: 20% sulfide in gabbro/norite
SA67856	307253.6	6716626	0.67	0.64	0.02	Nonås: blebby and disseminated sulfide in gabbro/norite
SA67857	307265.2	6716675	1.61	0.19	0.19	Nonås: net textured sulfide in gabbro/norite

The NGU carried out a limited reconnaissance and analytical program in the area in 2007 (Boyd and Korneliussen, 2012). The results did not reveal anomalous enrichment of metal content in disseminated sulfides and confirmed previous data on low levels of PGE and gold in the nickel-copper ores.

In 2013, Drake Resources Limited applied for tenure over the Hosanger mines and upon grant conducted geological mapping and sampling to prioritise targets for potential follow-up assessment. Rock chip geochemical sampling of the waste rock and mine dumps within the Hosanger Project returned the results shown in Table 9-5 (Drake, ASX Announcement dated 15 July 2013) and confirmed the presence of higher-grade mineralisation at the historical mining centre.

Table 9-5: Assays from stockpile samples collected by Drake in 2013

Sample ID	East	North	Ni (%)	Cu (%)	Co (%)	Description
S117601	306982	6718021	2.33	0.54	0.08	Mine dump sample
S117607	307025	6717930	0.04	0.01	0.01	Gabbro
S117602	306961	6718073	0.04	0.01	0.01	Mafic rock

In February 2020, Pursuit entered into an option agreement with EMX Royalties Corp (EMX) in relation to the Hosanger Project. However, as a result of the onset of the COVID-19 pandemic and the indefinite suspension of exploration activities, Pursuit was unable to implement its proposed exploration strategy. Ultimately, Pursuit elected to divest all of its Scandinavian mineral interests to Kendrick in January 2021.

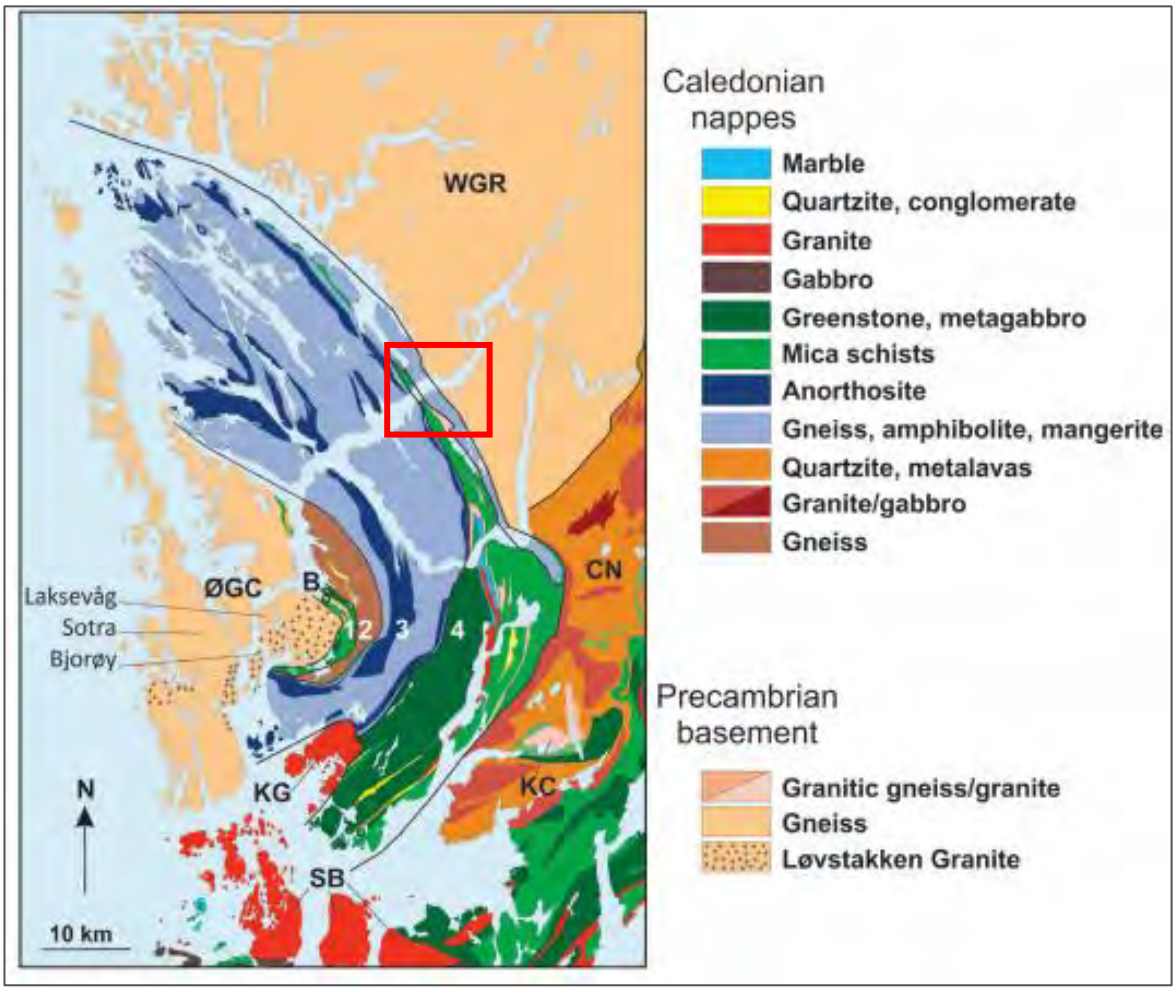
9.4 Geology and mineralisation

Geologically, the Hosanger mining district belongs to the BAS as described by Kolderup and Kolderup, (1940). The BAS involves a series of Caledonian nappes, organised in an arcuate pattern, surrounding the city of Bergen (Kolderup and Kolderup, 1940). The system was emplaced during the final stages of the Caledonian Orogeny and rests in a synformal depression of the autochthonous basement (Kvale, 1960; Sturt and Thon, 1978; Ragnhildstveit and Helliksen, 1997).

The BAS is divided into four main units from west to east: the Minor Bergen Arc, the Blåmannen Nappe, the Lindås Nappe and the Major Bergen Arc (Fossen and Dunlap, 2006).

- Both the Minor and Major Bergen arcs involve mainly Lower Palaeozoic metasedimentary and meta-igneous rocks and subordinate slices of Precambrian basement (Fossen, 1986, 1989).
- The Blåmannen Nappe involves mainly granitic gneisses and subordinate quartzites (Fossen, 1988),
- The Lindås Nappe contains abundant mangerites, amphibolitic gneisses and anorthosites, in addition to gneisses with variable compositions (Austrheim and Griffin, 1985).

Figure 9-3: Simplified geological map of the BAS and adjacent rock units



Source: Pascal and Rudlang, 2016

Abbreviations: B - Bergen, CN - Caledonian nappes (BAS excluded), KC - Kikedalen Complex, KG - Krossness Granite, SB - Sunnhordland Batholith, WGR - Western Gneiss region, OGC - Oygarden Gneiss Complex. The four main nappes of the BAS are (1) the Minor Bergen Arc, (2) the Blåmannen Nappe, (3) the Lindås Nappe and (4) the Major Bergen Arc.

The Project area lies within the Lindås Nappe, which was previously known as the Anorthosite Complex and forms a 70 km x 20 km belt. The Anorthosite Complex was subject to granulite facies metamorphism at 1,064 Ma. The Complex is interpreted to be related to the large (100 km x 200 km) Jotun Nappe (Kvale, 1960; Bingen et al., 2001) that occurs immediately to the east and has similar rock types (e.g. metamorphosed anorthosite, syenite, gabbro, norite, pyroxenite, peridotite etc.). Limited dating of rocks in the Jotun Nappe indicates ages ranging from 1,698 Ma for the

oldest syenites to 1,250 Ma for the youngest gabbros. Kirkland's Espedalen project is interpreted to lie within a detached portion of the Jotun Nappe.

The Hosanger deposits are hosted by the lower parts of a pervasively deformed body of norite, known as the Hosanger intrusion. The surface extent of the main intrusion measures 2.5 km north-south by 1 km east-west, with several smaller satellite bodies. This body is interpreted to have intruded the Anorthosite Complex, forming a phacolith or large sill. The precise relationship between the Hosanger norite and the Anorthosite Complex is unclear. The norite body has slightly sheared contacts against the country rock which is a heterogeneous quartzofeldspathic gneiss. The peripheral and northerly parts of the norite are locally ultramafic. The norite contains xenoliths of the gneiss near its outer contact and there are sills of norite in the country rock. The peripheral and northerly parts of the norite are enriched in orthopyroxene and hornblende and are locally ultramafic.

Local mapping has distinguished two rock types within the Project area, namely the intrusive gabbroic to noritic rocks (gabbro-norite), and the surrounding migmatic gneisses. The gneisses are of very different composition including granite gneisses with mineral composition: microperthite, quatrtz, oliggoclase, biotite, chlorite, garnet and epidote and albite- zoisite-gneisses with quartz, albite zoisite and biotite.

The intrusive has the shape of a flat lying sill chiefly composed of noritic rocks comprising: labradorite, hypersthene, amphibole and biotite.

9.4.1 Mineralisation

The Hosanger mineralisation occurs in a number of pencil-like deposits hosted within a norite. Known mineralisation at Hosanger comprises either primary magmatic or secondary remobilised mineralisation. Almost all production to date has been derived from primary magmatic styles and formed through the enrichment of sulfide mineralisation at the base of a gabbroic intrusive, near the contact with underlying gneiss. Mineralisation is characterised by typically sharp boundaries within the surrounding gabbroic host rocks, but gradually becoming poorer in sulfides.

Mineralisation consists of two types:

1. Disseminated and matrix sulfide occurring irregularly and with diffuse margins in zones up to 30 m thick near the base of the host norite intrusion (Lien and Litland mines).
2. Veins of massive nickel-rich sulfide cutting both norite and country rock xenoliths (Nonås mine).

Disseminated and 'net' textured mineralised zones are cut by, and juxtaposed with, tectonically remobilised higher grade sulfide lenses. These zones include masses of sulfide mineralisation that appear to have been injected into surrounding country rocks during deformational episodes.

Sulfide mineralogy comprises pyrite, magnetite, pyrrhotite, pentlandite and chalcopyrite, with secondary violarite.

9.5 Other considerations

9.5.1 Mining considerations

The former mines within the Hosanger area were predominantly developed from underground positions over a maximum of five levels. The topography and lack of structural complexity, along with the relatively flat geometry of the norite intrusive sill and the location of the known nickel-copper mineralisation along the norite-gneiss contact suggest that a similar configuration would likely be adopted for any future mining operations.

9.5.2 Processing considerations

Historical processing operations involved the production of a concentrate prior to export to a local refinery.

9.5.3 Infrastructure considerations

The Hosanger licences occur on Osterøy island within Norway's fjord system on the west coast. The island covers approximately 300 km^2 and the surrounding fjord system ranges in width from 500 m to 2,000 m. There are a number of local roads and villages in the area which are connected to the mainland via a 600 m long road bridge in the southwest and a ferry crossing in the west between the villages of Breistein and Valestrand. The nearest major population centre is Bergen, which lies around 22 km to the southwest, and is a 50 km drive from the village of Hosanger in the north of the Project area.

Similar to the other exploration licences, the processing and infrastructure requirements and footprint, including power and water demands, will need to be studied and a project layout developed as part of future technical studies. In addition to the fjord system, there are a number of surface water bodies which represent potential sources within the area subject to the completion of environmental studies and gaining the relevant approvals. There appears to be scope to consider a number of project layout options once the project is further defined.

As noted for the other Norwegian licences, the cost of power is anticipated to be competitive relative to the European market. A number of power transmission and distribution lines bisect the Project, which could potentially provide power depending on the existing line capacity and project demands. SRK notes the publicly available information reports that the national grid in the Bergen area has recently been reinforced with the introduction of new high voltage transmission lines.

A possible solution for import and export would be to use the natural inland waterways of the fjord system through the construction of a small dedicated jetty port. Concentrates could be exported via small coaster vessels and consumables imported via the nearby Port of Bergen, which is a busy European port. Depending on the production rate, a dedicated truck haulage operation may be an option and would require using the bridge to the mainland.

9.5.4 ESG considerations

Much of the area covering the Hosanger intrusion is either cultivated or used for vacation homes, possibly restricting future mining activities (including underground operations) and the location of key infrastructure.

9.6 SRK's opinion

The Hosanger Project is one in a cluster of nickel deposits and mafic intrusive complexes (including Kendrick's Espadalen Project) in southern Norway interpreted to be analogous with the eastern extension of the Voisey's Bay nickel deposits in Labrador, Canada. Based on modern day palaeo-reconstruction, Fennoscandia and Canada were joined during the mid-Proterozoic period).

The historical mining area of Hosanger comprises several nickel-copper deposits hosted within the Hosanger Intrusion (a metamorphosed norite) that were exploited by underground mining operations from 1883 through to the mid-1940s. Historical production is reported to have totalled 462,000 t averaging 1.05% Ni, 0.35% Cu, and 0.05% Co, with grades up to 3% Ni reported during production.

Mineralisation at Hosanger consists of zones of disseminated and 'net' textured sulfides that are cut by, and juxtaposed with, tectonically remobilised higher grade sulfide lenses. Multiple historical drill defined zones of sulfide mineralisation do not appear to have been adequately tested using modern exploration techniques, and offer the potential for new nickel-copper mineralisation to be discovered in proximity to Norway's second largest city and its associated infrastructure.

There remains a significant amount of study to be undertaken to define the Project, as well as any future layout and infrastructure requirements and constraints. Relative to the other licences held in Norway, the Hosanger licence is more constrained with regards to road and rail access but benefits from navigable inland waterways surrounding the island and proximity to the major port at Bergen. Nordic countries have a well-developed power supply industry and there are potentially connection options within the licence.

10 Central Sweden Projects

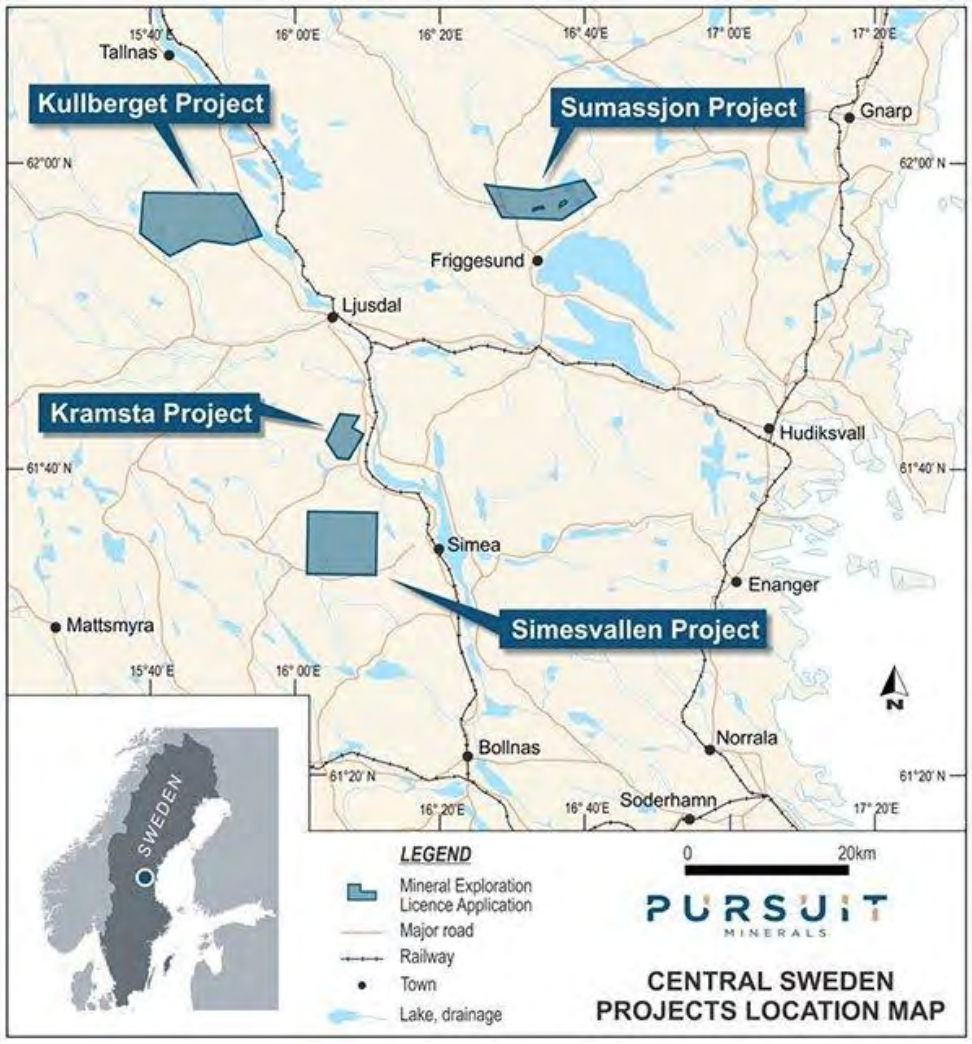
10.1 Introduction

The Sumåssjön, Kramsta, Simesvallen-Svedåsen and Kullberget-Storåsen projects are situated in Gävleborgs län county, Ljusdal, Bollnäs and Hudiksvall municipalities, approximately 300 km north-northwest of Stockholm and surround the town of Ljusdal in central Sweden.

The Ljusdal area is bisected by the north-south national road #83 and east-west trending national road #84. The project areas are easily accessible from these national main roads with the centre point of the Sumåssjön licence being ~15 km from the main road and the remaining licences being adjacent to or within 5 km of main roads (Figure 10-1).

The area is characterised by undulating topography ranging in elevation from 200 m to 500 m, with a number of lakes and rivers either transecting or near the projects, the most significant being the Ljusnan, Svågan-Nordellen, Opplisjön-Oppliån, Letssjön-Leån and Valassjön.

Figure 10-1: Location of the Central Sweden projects



Source: Pursuit Minerals Ltd

10.2 Project tenure

The Central Sweden projects comprises 4 granted exploration concessions that cover a combined area of 197.2 km^2. Northern X Scandinavia AB (a wholly owned subsidiary of Pursuit) is the registered holder of all tenements.

All tenements enable the company to explore for vanadium, titanium and iron.

Table 10-1: Status of the Central Sweden Tenements

Project	Tenement	Registered holder	Area (km^2)	Expiry date	Ownership
Simesvallen	Simesvallen nr 100 (2018:79)	Northern X Scandinavia AB	63.0	20/6/2022	100%
Kullberget	Kullberget nr 100 (2018:78)	Northern X Scandinavia AB	81.4	20/6/2022	100%
Kramsta	Kramsta nr 100 (2018:77)	Northern X Scandinavia AB	15.5	20/6/2022	100%
Sumåsjön	Sumåsjön nr 1 (2018:80)	Northern X Scandinavia AB	37.3	21/6/2022	100%

Source: SGU

*All tenement rental costs were paid up front on grant, there are no minimum commitments required

Within the Sumåssjön Project are two exclusion zones for Svenska Vanadin AB's Brickagruvan vanadiferous ilmenomagnetite deposit (covering an area of 39.14 Ha) and Bläckmyran Project (covering an area of 31.2 Ha).

The Kullberget Project in part overlies two granted concessions (Stormyran and Norvallen) for peat as held by Neova AB.

10.3 Regional infrastructure

The requirements for processing and surface infrastructure to support the projects will need to be determined, as will the demands for water and power along with project layout options. All of the project licences encompass, or are adjacent to, rivers or lakes. The availability of groundwater as an alternative source will also need to be assessed.

For the projects, connection to the Swedish national grid will be the best option for future power supply. Several licences have main transmission as well as distribution power lines running through them and it is likely a suitable connection point will be found within the vicinity of each licence or the nearest town.

The Simesvallen-Svedåsen licence specifically appears to encompass a windfarm development which would need to be considered during project development studies both as a constraint and an opportunity.

From a logistics perspective, the area is very close to national rail infrastructure, which provides access to major ports and cities to the north and south and are ~35-70 km from the coast and the small port town of Hudiksvall. The port city of Galve is the closest port from which concentrate could be exported and is situated around 130 km directly south.

Galve is an important industrial centre with a population of approximately 102,000 people. The port has a history of copper and iron export as well as trade and shipyards. The Falun copper mine is

situated some 85 km directly west of Galve. While Falun Mine has a long history of producing copper it closed in 1992 and is no longer operational.

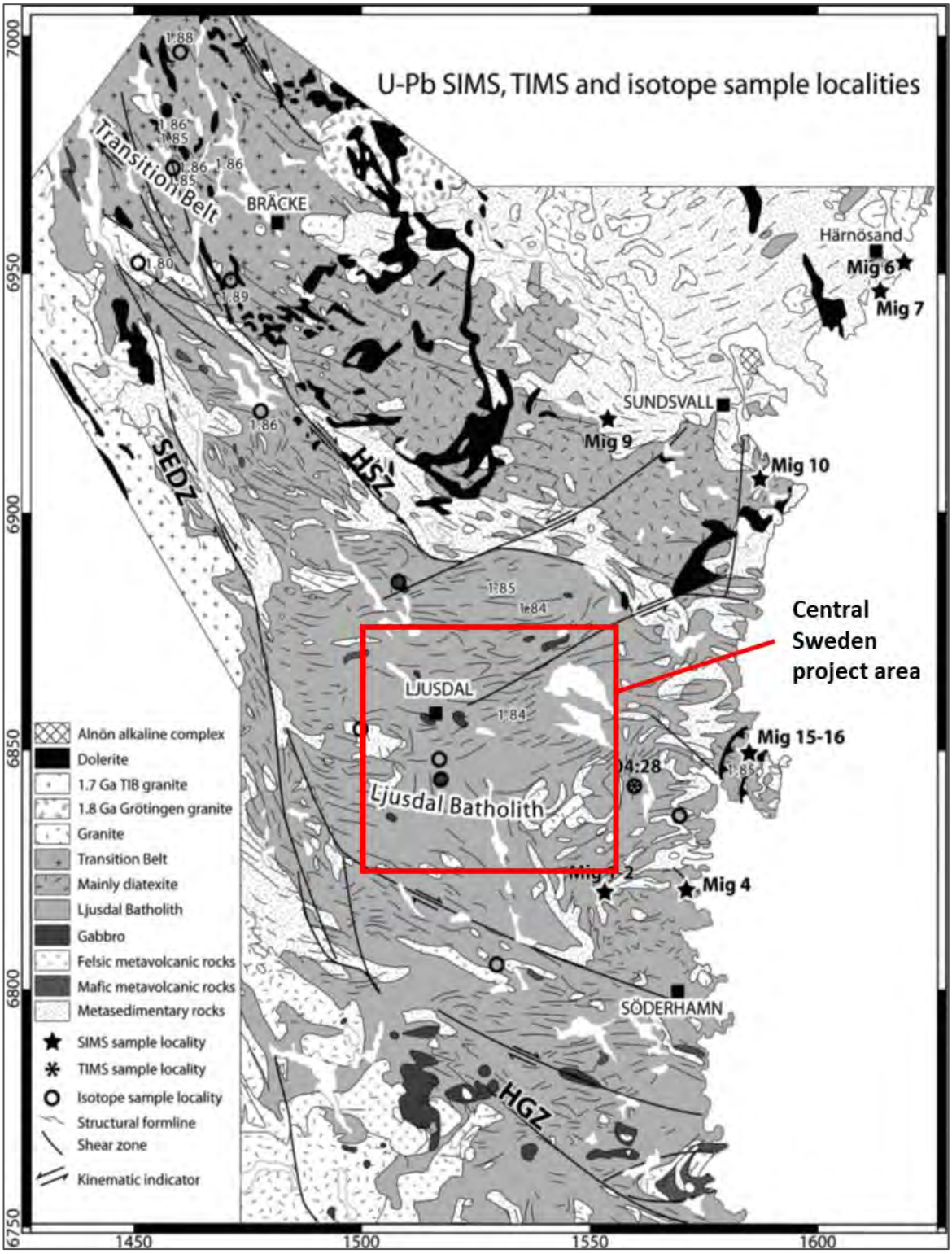
10.4 Geological setting

The Ljusdal Batholith (LJB) is the dominant rock type in the Central Sweden Project area (Figure 10-2). The LJB extends over an area of approximately 130 km x 100 km and is a composite batholith formed from a series of granitoid plutons dated at between 1,840 and 1,860 Ma. These plutons are mainly alkali-calcic and meta-aluminous, with compositions varying from gabbroic to granite. It predominantly comprises K-feldspar megacryst-bearing granitoids to even grained varieties.

Locally, the LJB also comprises emplaced mafic intrusions, which are iron-titanium-vanadium mineralised. These mafic intrusions were intruded as sills, lopoliths or laccoliths, and are interpreted to be potentially sourced from a large mafic body at depth, whose presence is inferred from a significant, deep-seated, mass increase indicated by regional gravity data in the centre of the area.

Historical trial mining and drilling within these projects has revealed extensive iron-titanium-vanadium mineralisation across the four sites now held by Kendrick.

Figure 10-2: Geological map of the west-central part of the Fennoscandian Shield in Sweden



Source: Modified from Hogdahl et al. (2007)

In contrast to the Bothnian Basin and northern Bergslagen, relatively higher-grade metamorphic conditions (upper amphibolite and locally granulite facies) prevail within the LJB, particularly in the northeastern and central parts of the batholith. The metamorphism and deformation has resulted in the transformation of many of these rocks to augen gneisses. Migmatism is also common with up to three episodes suggested and two major events of partial melting resulting in voluminous S-type granites and pegmatites truncating older migmatites and their structures.

In the intensely deformed metasedimentary units of the eastern part of the LJB, fold interference patterns resembling type 2 (arrow head shaped) are defined by F1- and F2-folds. The F2-folds have resulted in narrow synforms and local thrusts that are refolded by the upright east-west oriented F3 regional folds.

10.5 Recent history

In 2018, Pursuit was granted Mineral Exploration Licence applications covering the four largest mineralised intrusions at Sumåssjön, Kramsta, Simesvallen and Kullberget.

In May 2018, a petrophysical survey of borehole cores from the Ljusdal area (including the Sumåssjön [Gruvberget, Maasgnsberget and Bläckmyran], Kramsta and Simesvallen areas) was carried out by GeoVista AB on behalf of Pursuit (Geo Vista, 2018). The purpose of this study was to determine any relationship between vanadium and iron grade and the petrophysical parameters of magnetic susceptibility, chargeability and resistivity. The results indicated that magnetic methods were appropriate for targeting, delineating and modelling vanadium-titanium-magnetite deposits in the Ljusdal area, with IP able to be used as an alternative.

Prior to the sale of these projects to Kendrick, Pursuit had proposed further exploration activities including geophysical surveys, geological/structural and alteration mapping, geochemical sampling and limited drilling to determine the extent of mineralisation and identify sites for more focussed drill testing.

JORC Code (2012) Table 1 for the Central Sweden Projects is outlined in Pursuit's ASX announcement dated 12 April 2018.

10.6 Sumåssjön Vanadium Project

10.6.1 Project overview

Kendrick's Sumåssjön Project is the northeastern-most tenement in the Central Sweden tenure package and is situated approximately 5 km directly north of the town of Friggesund. Friggesund is situated on lake Norra Dellen and is connected to other regional centres with a good sealed road. Friggesund is a regional forestry centre and has a population of around 500 people.

10.6.2 Project history

The Sumåssjön vanadium(-iron-titanium) deposit was test mined for iron between 1730 and 1790, and a further mining attempt was made at the end of 1870s. The high vanadium content of the ore led to exploration activities in the 1980s which are detailed in a report by Andersson (1982).

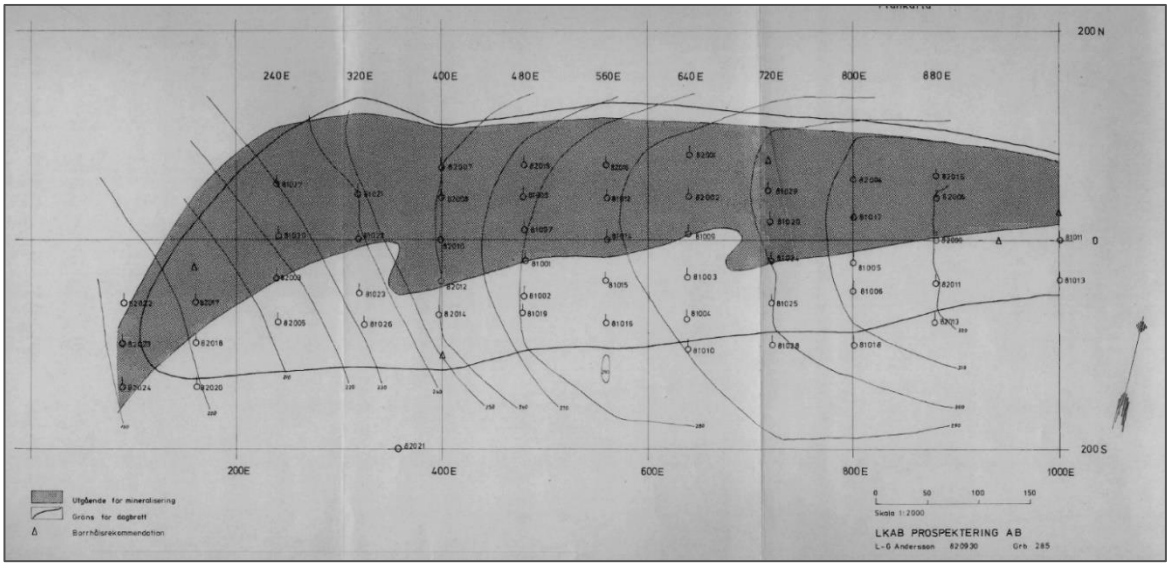
The SGU records two named prospects comprising the Gruberget Prospect with mineralisation striking east-west and dipping to the south; and the Blackyran Prospect which strikes northeast-southwest.

The area was extensively drilled with up to 53 holes completed at the Gruvberget Prospect plus three trenches. Seven drill holes were previously completed at the Masugnsberget prospect intersecting vanadium mineralisation over a strike length of 200 m. A further eight holes were drilled at the Blackmyran Prospect. No details are recorded for specific drilling and trenching information; however, a plan of the drill hole locations and sectional interpretation showing the hole locations was provided to SRK for review.

Andersson (1982) reports a combined total historical Resource of 21 Mt averaging 20.0% Fe, 3.7% Ti and 0.22% V, which is re-reported by the Geological Survey of Finland (2012). Importantly, the potential quantity and grade associated with this historical estimate is conceptual in nature, and there has been insufficient recent exploration to estimate a Mineral Resource in accordance with the JORC Code (2012), and it remains uncertain if further exploration will result in the estimation of a Mineral Resource.

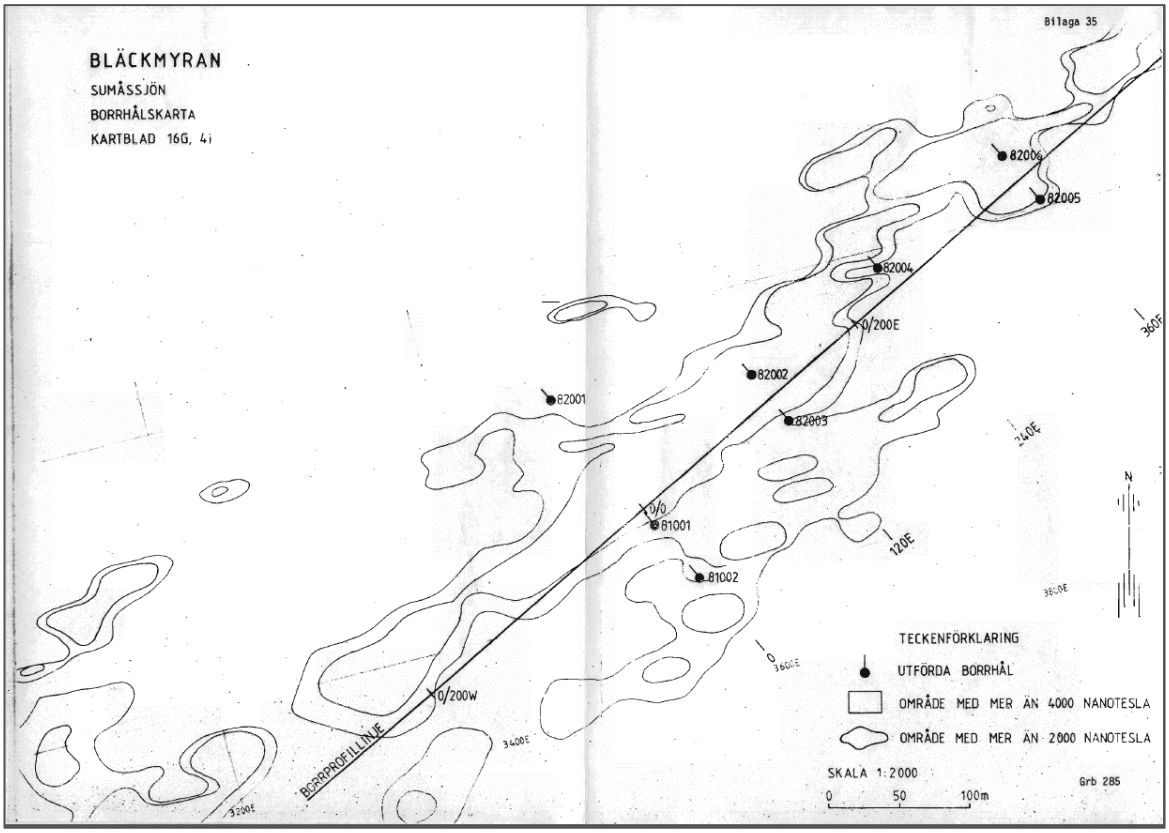
Drill hole logs note that vanadium mineralisation of unknown grade and thickness was intersected over 200 m of strike length.

Figure 10-3: Plan of the Gruvberget Prospect area and the location of the historical drill holes



Source: Andersson (1982)

Figure 10-4: Plan of the Blackmryan Prospect area and the location of the historical drill holes



Source: Andersson (1982)

Apart from the petrophysical survey previously mentioned and a desktop survey, Pursuit did not conduct any field exploration activity. In 2018, Geo Vista AB compiled various internal reports from various data source and historical reports available for download from the Swedish Mines Inspectorate (Bergsstaten) to conduct the desktop survey.

10.6.3 Geology and mineralisation

The Sumåssjön Project area contains two major mafic units, represented by:

- an eastern magnetic unit, which is 7.5 km long, containing vanadium mineral occurrences and areas of historical mining activity
- a western magmatic unit, forming an arcuate 3.5 km long magnetic geophysical anomaly. Associated with the western magnetic anomaly are recorded vanadium occurrences and historical mining sites.

The known vanadium mineralisation is mainly bound (70-80%) to disseminated magnetite in a medium- to fine-grained norite. The footwall consists of granite and the hanging wall is a coarse-grained norite. Results from previous drill testing suggested the western mineralised area had lower vanadium contents and also lower yields, while the coarser grained (hanging wall) norite appears to consistently have lower grade vanadium with yields of around 40%. The yields are based on DTR testwork.

10.6.4 SRK's opinion

The Sumassjon Project is centred on historical occurrences of vanadium-magnetite within a norite intrusive, which has been the subject of previous exploration. The known deposits appear to require further modern testing for extensions of the known vanadium mineralisation given that only 200 m strike length of the 3.5 km long magnetic anomaly has been drill tested. At this stage, insufficient exploration work has been completed to estimate a Mineral Resource. On this basis, SRK considers this project is best represented as an early-stage exploration opportunity.

10.7 Kramsta Vanadium Project

10.7.1 Project overview

The Kramsta project is the central most tenement in the Central Sweden project area and is situated approximately 3 km west of the town of Jarvso. Jarvso has a railway siding that connects the project to the coast. The port at Galve on the Gulf of Bothnia is approximately 140 km south by rail.

10.7.2 Project history

Over a prolonged period spanning the 1940s, 1970s and 1980, some 40 exploration holes have been drilled at the Kramsta Project. No details with respect to the associated geochemical sampling regime were provided to SRK for review. Drill holes were variably spaced over a strike length of 1,200 m.

Based on the drilling completed, a historical Exploration Target of 10-12 Mt averaging 0.1-0.25% V, 3-5% Ti and 15-25% Fe has been estimated based on a vanadium mineralised gabbro intrusion measuring 1,200 m by 600 m in area and to a depth of 75 m (Wik et al, 2009). This historical estimate is conceptual in nature and there has been insufficient recent exploration work completed to report a Mineral Resource in accordance with the JORC Code (2012). It remains uncertain whether further exploration will result in the estimation of a Mineral Resource.

Apart from the petrophysical study (as previously mentioned) and a desktop survey by Pursuit, no recent field exploration activity is recorded at Kramsta. In 2018, Geo Vista AB compiled various internal reports from various data source and historical reports available for download from the Swedish Mines Inspectorate (Bergsstaten) in support of the desktop survey.

10.7.3 Geology and mineralisation

The Kramsta Project area is interpreted to host a 5 km by 3 km ellipsoid coincident gravity - magnetic geophysical structure, with strong magnetic anomalies interpreted to represent four gabbro intrusions with potential to host vanadium mineralisation.

10.7.4 SRK's opinion

The Kramsta Project requires extensive further testing of the known gabbro intrusives as the host to vanadium-ilmenite-magnetite mineralisation. To this end, Pursuit had proposed to undertake work such that the Exploration Target could be upgraded to a Mineral Resource in accordance with

the JORC Code (2012) and to ascertain the potential of the mineralised zone. SRK concurs with Pursuit's approach but considers this to be a secondary importance to be evaluated as part of a regional targeting exercise.

10.8 Simesvallen-Svedåsen Vanadium Project

10.8.1 Project overview

The Simesvallen Project is the southern-most tenement within the Central Sweden Project area. It lies 10 km west of the settlement of Simea. A rail line connects Simea to the port at Galve 125 km to the south.

The Simesvallen Project is centred on an approximately 15 km long magnetite unit which has been folded into an elliptical form, known as the Simesvallen Structure.

10.8.2 Project history

The Project forms part of the Kramstafältet ore field, which comprises at least 20 individual deposits and mineral occurrences which were subject to historical small-scale mining.

In the early 1980s, the northern portion of the current Simesvallen tenure was investigated by reconnaissance drilling (10 drill holes), which tested a structure along 560 m of strike and to a depth of 50 m.

Lindblom and Persson (1983) documented this historical drilling which intersected vanadium mineralisation. The mineralisation is interpreted to remain open to both the east and west, and includes the following historical intersections as reported by Pursuit from the Simesvallen East Prospect (ASX Announcement dated 20 January 2020):

- 8.75 m averaging 0.41% V_2O_5 (whole rock), in hole SIM82001 from 40.00 m downhole depth
- 13.9 m averaging 0.44% V_2O_5 (whole rock), in hole SIM82003 from 28.15 m downhole depth.

The remaining eight holes all reported anomalous vanadium with all holes returning results of >1 m averaging >0.1% V. Accompanying sectional interpretation of the geology and drilling is also available in Lindblom and Persson (1983).

A historical mineral estimate of 2.5 Mt grading 2.2% Ti and 0.19% V was reported by Lindblom and Persson (1983) in Swedish and re-reported by the Geological Survey of Finland (2012). This estimate appears to have been based on all 10 boreholes comprising 990.6 m summarised in the following exploration report:

- Exploration report PRAP 83524 Vanadium titanium deposit Simesvallen. Results of drilling and mineralogical investigation.

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

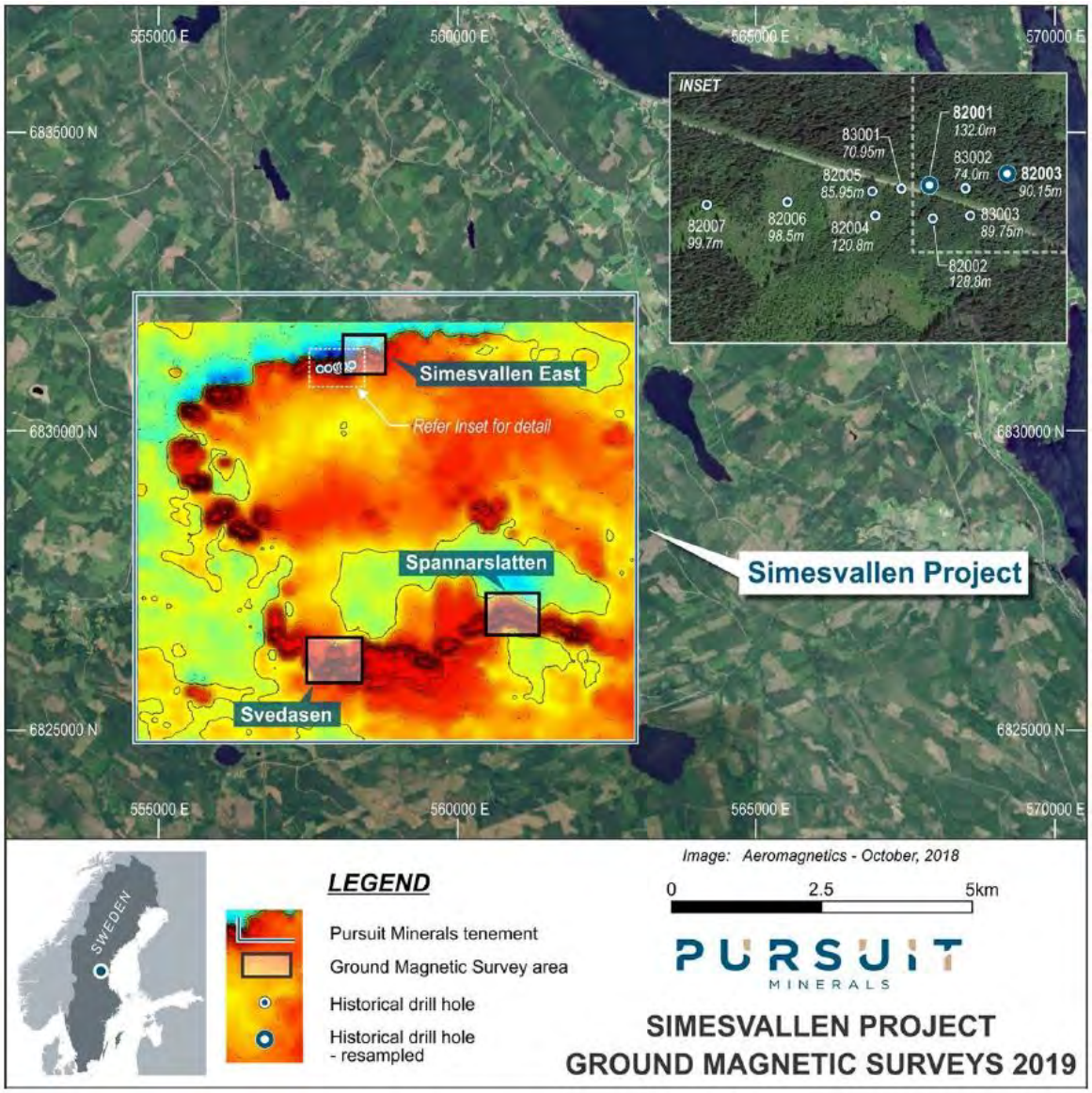
In 2018, Pursuit was able to access two of the historical drill holes, SIM82001 and SIM82003, at the Swedish National Core Library. Half-core samples were cut from historical drill holes, SIM82001 and SIM82003 and submitted for modern geochemical analysis. According to Pursuit (ASX Announcement dated 29 January 2018) re-assaying returned encouraging results as outlined in Table 10-2 and Figure 10-5). Full geochemical results from the historical drill holes and the associated JORC Code Table 1 are presented in Pursuit's ASX Announcement dated 29 January 2018.

Table 10-2: High grade vanadium intersections at the Simesvallen Project

Hole	Northing	Easting	Depth (m)		Width	V_2O_5 (%) (whole rock)	V_2O_5 (%) (in mag conc)
			From	To			
SIM82001	6831076	558107	23.0	30.0	7.0	0.24	1.55
			35.05	38.0	2.95	0.33	1.51
			39.0	49.9	10.9	0.38	1.63
SIM82003	6831100	558245	22.0	46.0	24.0	0.36	1.63
		including	22.0	27.0	5.0	0.30	1.66
		including	28.15	36.0	7.85	0.42	1.76
		including	37.0	46.0	9.0	0.43	1.90
		and	37.0	40.0	3.0	0.43	2.00
			49.6	50.9	1.3	0.33	1.83

Source: Pursuit ASX Announcement dated 29 January 2018

Figure 10-5: Historical drill hole locations at the Simesvallen Project



Source: Pursuit ASX Announcement dated 20 January 2020

In December 2019, detailed ground magnetic geophysical surveys were completed at the Simesvallen East, Spannarslatten and Svedasen prospects within the Project area. The ground magnetic data was collected at a nominal 40 m line spacing in order to determine the size, thickness and orientation of the main magnetite units, which are known to host vanadium mineralisation.

To date, three prospect areas are defined, namely Simesvallen East, Spannarslatten and Svedasen (Pursuit ASX Announcement dated 20 January 2020).

- Simesvallen East is centred on the area drilled historically, where modelling of the ground magnetic data has shown that the magnetic body is at least 24 m thick at SIM82003 and increases to approximately 50 m think some 340 m to the east.

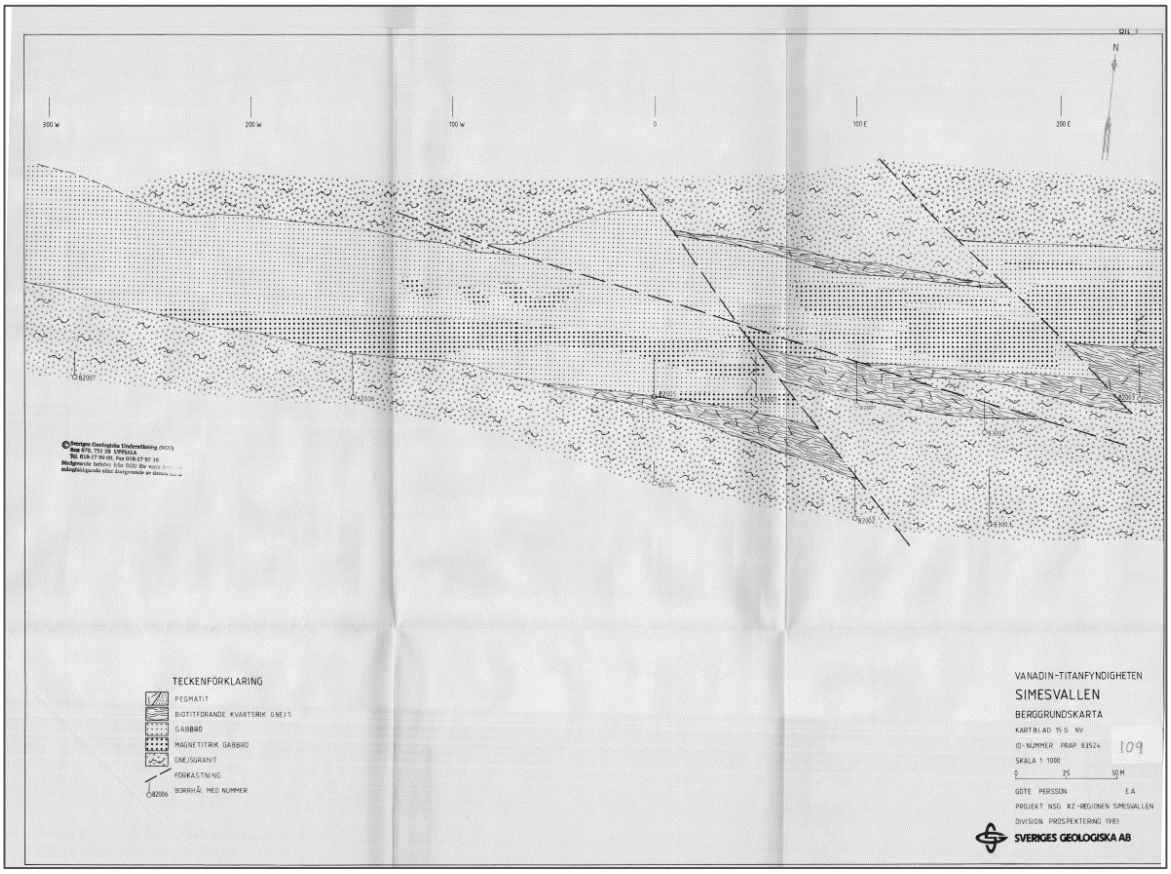
- At Spannarslatten, an intense (to 745 nT), elongated ground magnetic anomaly extends east-west for at least 1,000 m in length and is modelled as two shallow magnetic bodies dipping 35˚ to the north with a thickness of 40 m and 30 m, respectively.
- At Svedasen, the ground magnetic data is modelled as a circular, flat-lying intrusion comprising two magnetic southeast-dipping bodies about an east-west axis and varying in thickness from 18 m to 96 m.

10.8.3 Geology and mineralisation

The Simesvallen structure is an approximately 15 km long magnetic unit, folded into elliptical form, potentially indicating sills or lopolithic gabbro intrusions (Figure 10-5).

The known mineralisation is hosted within a mafic intrusion with a 1.5 km x 0.75 km surface exposure (Wik et al., 2009). The intrusion is dominated by gabbro (Figure 10-6), but in parts it has a more noritic composition, with occurrences of vanadium- and titanium-bearing magnetite with ilmenite lamellae.

Figure 10-6: Geological map of the Simesvallen Project area and the location of the historical drill holes



Source: Lindblom and Persson (1983)

The vanadium mineralisation occurs at shallow depth and geochemical results from the historical trial mining confirms that the mineralisation crops out at the surface. The historical drilling occurred only along 560 m of strike length and the vanadium mineralisation is open to the east and west.

The magnetic anomaly associated with the vanadium mineralisation extends for 1.5 km in length, suggesting that the vanadium mineralisation may be more extensive than currently drill tested.

Re-sampling of historical drill holes SIM82001 and SIM82003 has confirmed that the vanadium mineralisation hosted in a magnetite gabbro at the Simesvallen Project, and is capable of producing a high-grade magnetite concentrate.

At Simesvallen East, interpretation of Pursuit's 2019 ground magnetic data suggests that the vanadium mineralisation extends a further 340 m to the east and the mafic intrusion hosting the vanadium mineralisation increases in thickness from approximately 24 m to 50 m thick.

The Simesvallen deposits are hosted in a, locally hornblende-altered, orthopyroxene-bearing gabbro (Wik et al., 2009). The main ore minerals are vanadium-bearing magnetite and ilmenite.

10.8.4 SRK's opinion

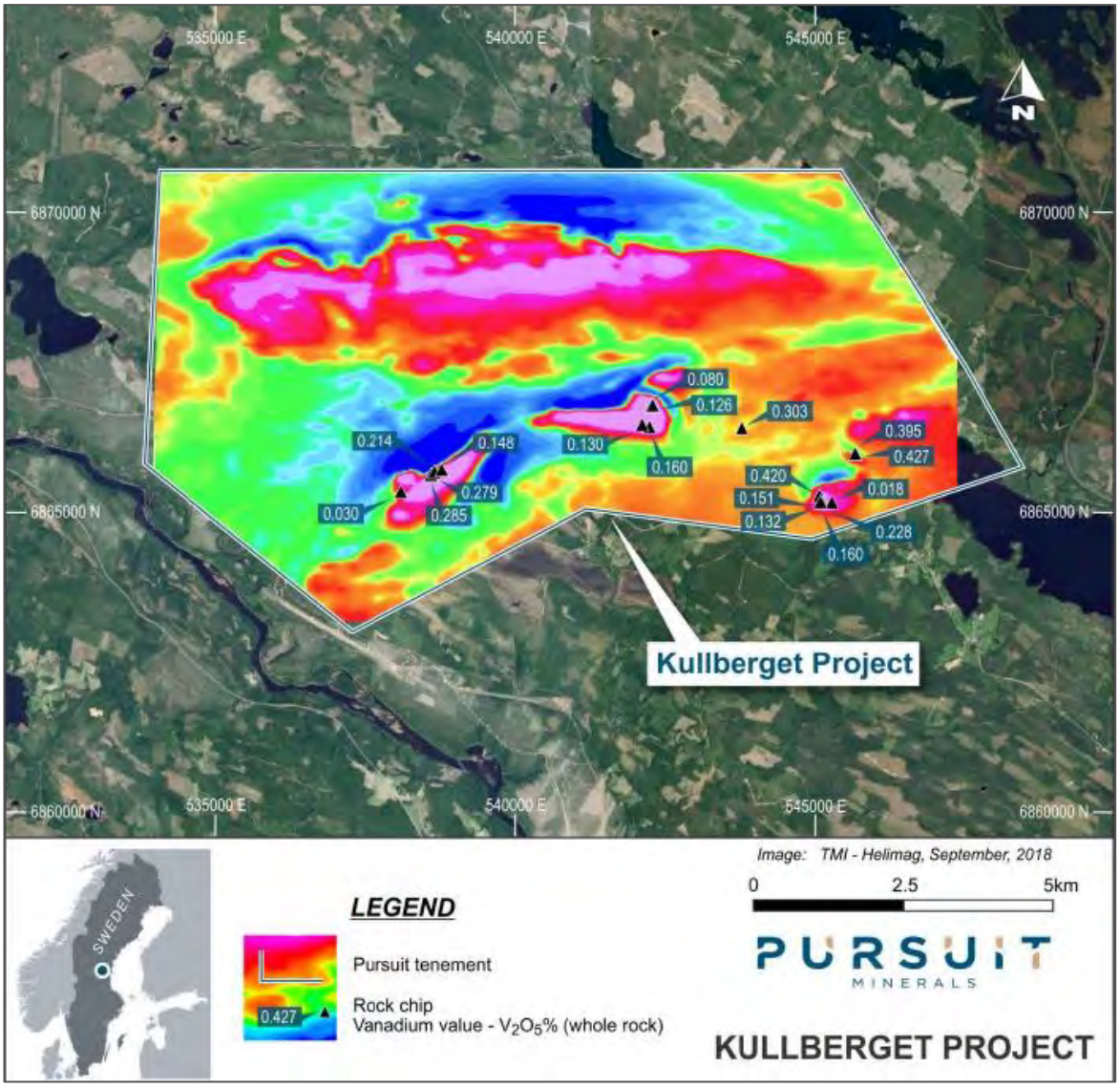
Recent exploration completed at Simesvallen has outlined three target areas, of which only the Simesvallen East area has received any significant follow-up testing to date. Ground based geophysical surveying in 2019 has shown the vanadium bearing magnetite may be more laterally extensive than previously estimated. At this stage, insufficient exploration work has been completed to date to estimate a Mineral Resource in compliance with the JORC Code (2012). As such, SRK concurs with the Company that further investigation and testing of the defined targets in the Simesvallen Project using modern exploration techniques is required but is of secondary importance to be evaluated as part of a regional targeting exercise.

10.9 Kullberget-Storåsen Vanadium Project

10.9.1 Project overview

The Kulberget Project represents the northwestern-most tenement in the Central Sweden project area and is situated 15 km directly northwest of the town of Ljusdale. A rail line connects Ljusdale to the port at Galve 150 km to the south.

Figure 10-7: Location of the Kullberget Project showing historical rockchip sample locations on Total Magnetic Intensity (TMI) overlay



10.9.2 Project history

Historical exploration work in the 1980s identified vanadium mineralisation within magnetic gabbro intrusions and a number of small trial mining pits were excavated at that time. In 1982, a drill program was planned for Kullberget, to determine the grade and extent of the vanadium mineralisation, but ultimately, was never carried out. At Storåsen, trenching was proposed but again not completed.

In April 2018, Pursuit was granted an Exploration Licence for a three-year period and covering an area of 81.4 km^2.

In 2018, Geo Vista AB compiled various internal reports from various data source and historical reports available for download from the Bergsstaten to conduct the desktop survey.

In October 2018, Pursuit announced that it had flown the entire Kullberget project area with 50 m line spaced, low level helicopter-borne magnetic geophysical data to accurately map the magnetic gabbro unit known to host the vanadium mineralisation as identified in the 1980s. The purpose of the helicopter-borne magnetic survey was to map the magnetic anomalies to ascertain the potential size and extent of the gabbro rocks, which are known to host vanadium-magnetite mineralisation.

This was followed by a rock chip geochemical sampling and reconnaissance geological mapping program of the outcropping gabbros in areas directly related to the high amplitude magnetic anomalies, as well as the historical trial mining pits situated in the east of the project area.

The program identified an east-west trending magnetic anomaly extending over 2 km in strike length with associated vanadium mineralisation in rock chip samples ranging from 0.12-0.30% V_2O_5. A second large northeast-southwest trending magnetic anomaly measuring 2.2 km in strike length was also identified with associated rock chip geochemical samples grading 0.14-0.28% V_2O_5 (Pursuit ASX Announcement dated 2 October 2018) (Figure 10-7).

10.9.3 Geology and mineralisation

The Kullberget - Storåsen structure comprises a magnetic anomaly, approximately 6 km long and divided into western (Kullberget) and eastern (Storåsen) sections. At Kullberget, vanadium-titanium-magnetite mineralisation outcrops in a norite-gabbro, where previous rock chip geochemical sampling returned 20% Fe, 7.6% TiO_2 and 0.53% V. At Storåsen, limited historical trial mining of this intrusive has occurred with historical geochemical sampling demonstrating the outcropping vanadium mineralisation grades between 12-20% Fe, 0.94-6.0% TiO_2 and from 0.06-0.1% V (Pursuit ASX Announcement dated 12 April 2018).

10.9.4 SRK's opinion

Further follow-up testing of the defined geophysical targets is warranted. At this stage, insufficient exploration work has been completed to estimate a Mineral Resource. SRK considers the project should be evaluated as part of a regional targeting exercise and worthy of the evaluation to the extent being proposed by the Company.

11 Proposed work program and expenditure

Based on the exploration results and prospectivity work undertaken to date, Kendrick has developed a staged budget for ongoing technical assessment activities that rely on funds raised via the Proposed Listing as detailed in the Prospectus.

The proposed exploration program developed by Kendrick and reviewed by SRK has been designed to realise the exploration potential of the projects in a prudent and efficient manner.

The exploration programs currently planned by Kendrick total approximately £1.7 M in Year 1 and £0.18 M in the first 4 months of Year 2 following the equity raising (Table 11-1). SRK notes that these amounts are sufficient to meet the minimum expenditure obligations for each tenement, where applicable, as specified by relevant government authorities.

The proposed budget focuses on the technical assessment of the Koitelainen and Airijoki Projects. The budget allocation by project is presented in Table 11-2 and the use of funds summary are presented in Table 11-3.

Table 11-1: Project budgets

Allocation	Year 1 budget (£)	4 moths of Year 2 budget (£)	16-month Total (£)
Koitelainen Project	68,587	12,963	81,549
Karhujupukka Project	27,795	88,251	116,046
Airijoki Project	601,140	19,866	621,006
Espedalen Project	367,462	7,946	375,409
Sigdal Project	151,796	3,276	155,072
Hosanger Project	27,678	3,276	30,954
Central Sweden Projects	282,871	7,826	290,697
Project Costs all countries	1,527,329	143,404	1,670,733
Administration and corporate	141,906	36,456	178,362
Total	**1,669,235**	**179,860**	**1,849,095**

Table 11-2: Technical Budget

Allocation	Year 1 budget (£)
Project management	39,359
Drilling programs & preparation	1,149,915
Metallurgy & Processing	174,825
Geophysics	57,930
Geochemistry	22,489
Technical studies	102,886
Licence and other costs	123,329
Total (£)	**1,670,733**

Table 11-3: Use of funds summary

Allocation	Use of funds		
	Year 1 budget (£)	4 moths of Year 2 budget (£)	Total (£)
Project related costs	1,527,329	143,404	1,670,733
Costs	141,906	36,456	178,362
Total	**1,669,235**	**179,860**	**1,849,095**

SRK has reviewed the planned work programs and the amounts allocated to those programs. Based on its review, SRK is of the opinion that the programs are reasonable for the purpose of advancing the status of the Projects. The funds allocated by Kendrick should be sufficient to sustain the planned exploration activities over a 16-month period.

Progressive expenditure will naturally depend on the success of the proposed drilling and technical studies. Kendrick may require additional funds should the outcome of the drilling necessitate modifications to the work program.

In SRK's opinion, Kendrick's understanding of the local geology and the targets generated through the extensive geophysical work and exploration drilling is reasonable and further assessment works are warranted. SRK's opinion of the Project's prospectivity is moderate for vanadium with lesser potential for PGE's, base metals and chromium.

The facts, opinions and assessments presented in this Report are current at the Effective Date of 23 December 2021.

12 Risks

Kendrick's portfolio is best represented as a series of early to advanced stage exploration projects that are strategically located within recognised historical mineral fields of Finland, Norway and Sweden. While offering well mineralised locations, the exploration of these projects remains a speculative activity. Importantly, potential investors need to understand that the previous exploration data are limited in both areal extent and ability to provide a meaningful assessment of the subsurface conditions given the shallow nature of much of the historical drilling completed. As such, the likelihood of any discovery of a potentially economic deposit (for vanadium, nickel, copper or ilmenite) occurring within any of Kendrick's projects remains highly uncertain. To this end, SRK notes that several risks remain in relation to the technical review of Kendrick's projects, namely:

- The data and the basis of the interpretations relied upon and used in the compilation of this report were derived from various sources including annual technical reports sourced from the respective government systems. Potential uncertainties associated with this are:
  - that significant material information may not have been identified during data compilation
  - that the exploration reports may not be released in a timely manner
  - that not all reports are digitally available
  - that there may be duplication and compilation errors associated with publicly available data.

Other problems with historical data may include the following:

- Historical exploration reports often do not include or discuss quality assurance and quality control (QAQC) procedures, thereby making it difficult to determine the validity of the historical samples, even where original assays are reported.
- Different grid systems may also be reported, including local grids. The inability to effectively validate the exploration data in their entirety impacts the proposed exploration outcomes and hence increases the exploration risk.
- There may be potential legacy environmental, safety and regulatory issues associated with previous exploration activities that are unknown as at the time of writing.

Outside the Airijoki, Koitelainen and Espedalen Mineral Resource estimates, only exploration results and historical mineral estimates have been outlined within Kendrick's exploration portfolio. To date, no Mineral Resources reported in accordance with the JORC Code (2012) have been estimated within these other projects. Mineral exploration by its very nature has significant risks, especially for early-stage projects. Based on industry-wide exploration success rates, there is a reasonable expectation that future exploration may be unsuccessful and that no significant economic mineralisation will be located within the projects.

If significant mineralisation is demonstrated within Kendrick's projects, factors both in and outside Kendrick's control may constrain project development. These may include, but are not limited to, variations in commodity prices, saleability of commodities, community and social factors, as well as metallurgical, mining and environmental considerations, availability and suitability of processing facilities, funding or capital to build appropriate facilities, regulatory guidelines and restrictions, ability to develop infrastructure appropriately, and mine closure processes.

There may be registered heritage sites within or in proximity to Kendrick's projects.

At the time of preparation of this Report, COVID-19 was affecting typical business operating conditions, particularly by restricting the widespread movement of people within Scandinavia and internationally. The mining industry and resources sector adapted rapidly in the face of changing conditions and largely continued to operate, however, the potential risks for future exploration remain unclear. Changes to commodity prices and access to sources of capital for exploration present both risks and opportunities for mineral exploration.

13 Conclusions

Kendrick has assembled a highly prospective tenure portfolio in proximity to the historically significant mining centres of Finland, Norway and Sweden. These projects host a myriad of early to advanced stage exploration targets (with and without Mineral Resources as prepared in accordance with the JORC Code, 2012) for potential vanadium-magnetite and/or nickel-copper-cobalt mineralisation lying close to existing third-party held processing facilities and other infrastructure, thereby permitting the rapid development of any resources defined. The challenge confronting Kendrick is to meet its stated objectives and discover economically viable deposits within the constraints of its budget. In SRK's opinion, the best short-term opportunity for success in this regard lies within the Airijoki and Koitelainen projects, where there is the potential to further advance the known Mineral Resources through ongoing drilling, metallurgical testwork and optimisation studies. Additional undeveloped targets have been established at the remaining projects.

Based on previous exploration, the presence of mines and known historical workings in the project areas, the results of exploration activities conducted previously and knowledge of the geological setting and targeted mineralisation systems, SRK considers all of Kendrick's Scandinavian projects to be prospective for intrusive related vanadium-magnetite mineralisation, while its projects in Norway are permissive for nickel-copper-cobalt mineralisation.

In addition to an effective exploration strategy, Kendrick's ultimate success will depend to a large extent on the skill of its exploration team. In SRK's opinion, Kendrick has the technical resources and expertise to achieve its objective of developing vanadium-magnetite deposits in the Koitelainen and Airijoki areas.

In the context of the funds held and the company's stated objectives over the course of the next 16 months, SRK expects that Kendrick will at least advance the joint development of the Airjoki and Koitelainen Projects and define and test several high-quality drill targets within its remaining project areas. SRK anticipates that Kendrick will continue to acquire exploration properties and carefully manage its expenditure through the divestment of its non-core interests.

In SRK's opinion, the exploration strategy outlined by Kendrick for its project tenements has merit and SRK is satisfied that the proposed exploration programs designed by Kendrick to evaluate the currently defined targets are appropriate. SRK is confident that Kendrick will effectively adopt a prudent approach to the management of its exploration expenditure as it endeavours to meet its stated corporate objectives.

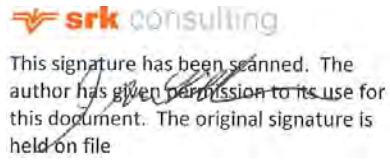
Closure

This report, Competent Persons Report on the mineral assets to be acquired by Kendrick Resources PLC, was prepared by



Shaun Barry
Principal Consultant

and reviewed by



Jeames McKibben
Principal Consultant

All data used as source material plus the text, tables, figures, and attachments of this document have been reviewed and prepared in accordance with generally accepted professional engineering and environmental practices.

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Appendix A JORC Code 2012 - Table 1

JORC Code, 2012 Edition

Table 1 report – Airijoki

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference lo measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Drilling - 18 NQ2-sized (50.6 mm core size - 75.7 mm hole size) diamond core holes were drilled within the Airijoki Project (tenement NR100) area by Pursuit Minerals Limited between 3 November and 2 December 2018. In total, 2,876.15 m were drilled. Two historical holes (K-AIR, K-AIR5) for 350 m were re-analysed. • Sampling - The sampling of drill core was completed using mainly 1-2 m sample intervals. The intervals of core selected for sampling were cut in half and sampled. Some sample intervals were slightly more or less than a 1 m where a geological boundary was encountered. Some intervals were also selected for duplicate analysis and these intervals were then quarter cored and each quarter sampled separately. This methodology of sampling drill core is industry standard and deemed appropriate. To ensure sample representivity the same side of the core was always sampled. • Analysis - The drill core was sent to ALS laboratory in Pitea, Sweden where they were cut, sampled, crushed, pulverised and analysed. The analysis method used was ME-XRF21 (iron-ore analysis by lithium metaborate fusion and then XRF for 24 elements including V, Fe, TiO2, SiO2, S, P, etc). Then any samples that recorded a higher than 0.1% vanadium assay were then subjected to a Davis Tube Recovery (DTR) test (a magnetic method that separates the magnetic material from the non-magnetic material). The DTR used a 20 g portion of the pulverised sample. After the DTR, the magnetic material was then analysed again using ME-XRF21 to measure the amount of vanadium within the magnetic concentrate.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Drill holes were diamond core at NQ2 size and oriented using the DeviCore core orientation system.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • 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.	The core recovery was measured against the drill hole depth and was found to be excellent (>95% recovery on average). There does not appear to be any relationship between sample recovery and grade.

Criteria	JORC Code explanation	Commentary
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. • Whether logging is qualitative or quantitative in nature. Core (or costean channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Quantitative geological and geotechnical information was recorded by Pursuit Minerals staff and contractors during the logging of the drill core. The geological and geotechnical information was recorded to a sufficient level to support Mineral Resource estimation, mining studies and metallurgical studies. The core was also photographed. • The entirety of each drill hole was logged.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• The sampling of drill core was completed using mainly 1-2 m sample intervals. The intervals of core selected for sampling were cut in half and sampled. Some sample intervals were slightly more or less than a 1 m where a geological boundary was encountered. Some intervals were also selected for duplicate analysis and these intervals were then quarter cored and each quarter sampled separately. This methodology of sampling drill core is industry standard and deemed appropriate. • To ensure sample representivity the same side of the core was always sampled. • The sample sizes are considered to be more than appropriate for the grain size.
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. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg. Standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	• Drill core samples were set to ALS laboratory in Pitea, Sweden were the were crushed, pulverised and analysed. The analysis method used was ME-XRF21 (iron-ore analysis by lithium metaborate fusion and then XRF for 24 elements including V, Fe, TiO2, SiO2, S, P, etc). Then any samples that recorded a higher than 0.1% vanadium assay were then subjected to a Davis Tube Recovery (DTR) test (a magnetic method that separates the magnetic material from the non-magnetic material). After the DTR, the magnetic material was then analysed again using ME-XRF21 to measure the amount of vanadium within the magnetic concentrate. The analysis procedure is industry standard for vanadium, titanium enriched magnetite mineralisation and is deemed appropriate. ME-XRF21 is considered a total digestion. • Standards and Blanks were inserted randomly within the routine samples at a rate of at least one of each, every 25 samples. Duplicates of the routine samples were also completed randomly at a rate of at least one every 25 samples. The assay results of all the QA/QC samples preformed within acceptable levels of accuracy and precision.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections have been verified by independent contractors and alterative company personnel. • Pursuit Minerals has not twinned any of the historical or recent drill holes. • All drill logs, geotechnical data and sampling lists were captured in Microsoft Excel, then transferred into AcQuire and validated, which is appropriate for this stage of exploration/mineral resource definition. Data is then stored in an AcQuire database which has multiple backup procedures in place. • The analytical result for V % was converted to V2O5 % by multiplying the V % assay result by 1.785.

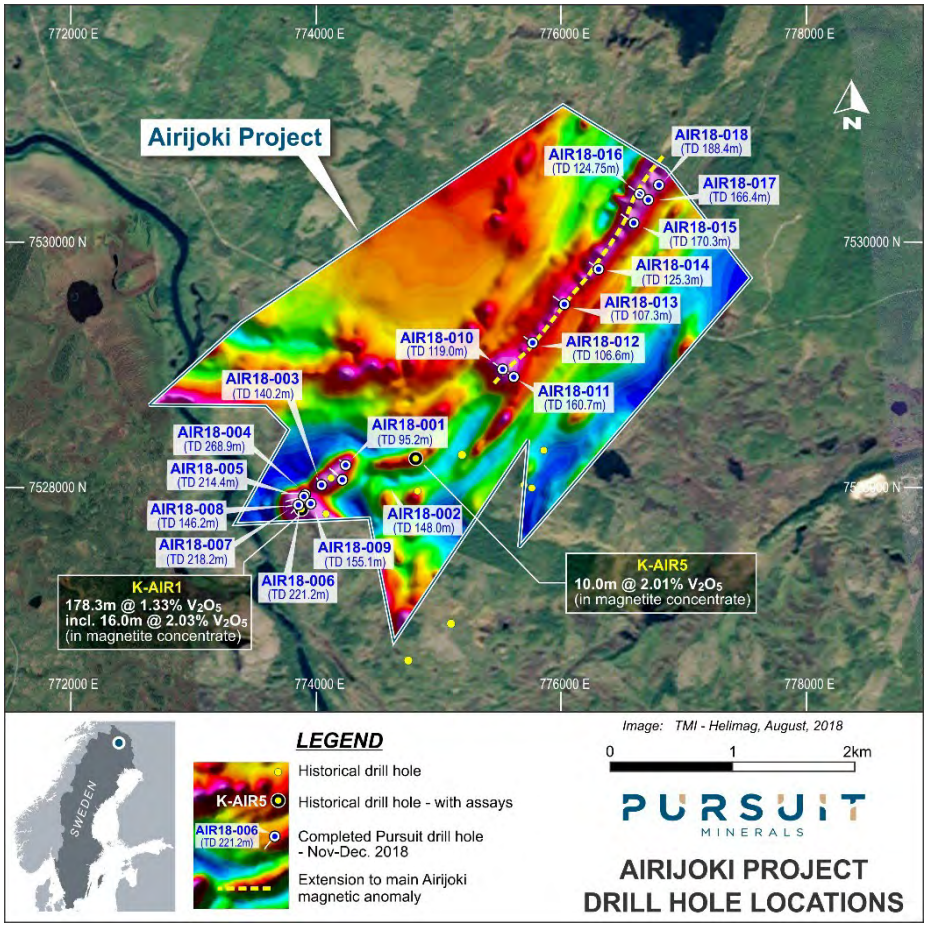
Criteria	JORC Code explanation	Commentary
Location of data points	• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control.	• The drill holes were positioned, and their coordinates verified post-drilling using a RTK- GPS (Real-time kinematic). RTK-GPS uses measurements of the phase of the signal's carrier wave in addition to the information content of the signal and relies on a single reference station or interpolated virtual station to provide real-time corrections, providing up to centimetre-level accuracy. The accuracy and quality of this survey is deemed to be sufficient for the purposes of Mineral Resource estimation. • Datum: SWEREF 99TM (Swedish Reference Frame 1999, Transverse Mercator) is a projected coordinate system for specifying geographical positions in Sweden. The coordinate system is based on the geodesic date (or reference system) SWEREF 99 and uses the same map project as UTM Zone 33N, but extended to the entire width of Sweden. • The altitude and location of the diamond drill holes was determined by a RTK-GPS (Real- time kinematic). RTK-GPS uses measurements of the phase of the signal's carrier wave in addition to the information content of the signal and relies on a single reference station or interpolated virtual station to provide real-time corrections, providing up to centimetre-level accuracy. The accuracy and quality of this survey is deemed to be sufficient for the purposes of Mineral Resource estimation.
Data spacing and distribution	• Data spacing for reporting of Exploration results. • 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. • Whether sample compositing has been applied.	• The drill hole spacing between 40-500 m apart. • The data spacing is interpreted to be sufficient to allow for Mineral Resource estimation. • The samples were not composited.
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. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The drill core samples were always taken from the same side of the core and at a relatively high angle to the lithological layering, which is interpreted to be the major control on mineralisation. Therefore, it is interpreted that no sampling bias occurred. • The logging of the drill core suggests that the lithological layering was at a high angle to the core axis, indicating that the orientation of the drill hole did not introduce a sampling bias.
Sample security	The measures taken to ensure sample security.	The drill core was transported directly to the laboratory and securely stored and sampled at the laboratory by very experienced laboratory staff.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques and data have been completed yet.

Section 2 Reporting of Exploration Results

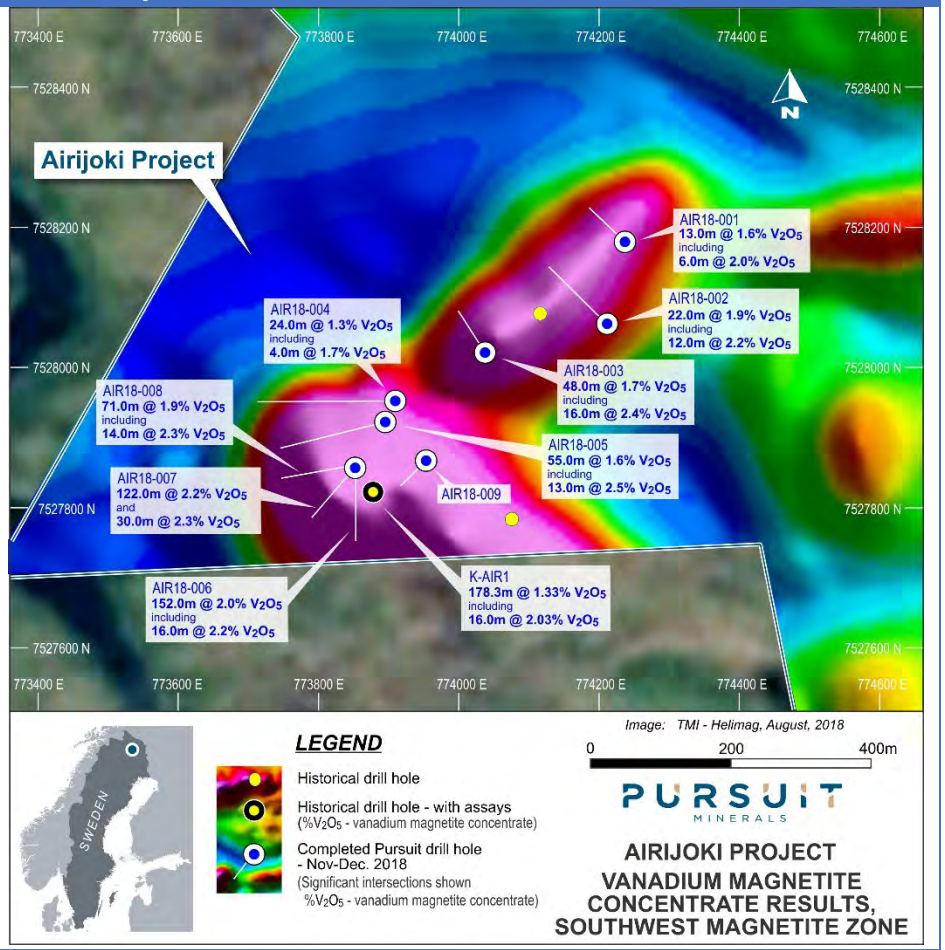
Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The 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 tenure for the Airijoki Project is an exploration licence named Airijoki Nr 100 and is 100% owned by Pursuit Minerals Limited via its 100% owned Swedish subsidiary company Northern X Scandinavia AB. • The exploration licence covering the Airijoki Project is valid until 20/6/2021. • Conditions: - The exploration is only to be carried out in accordance with a work plan that is created by the holder of the permit. This workplan shall be sent to property owners and holders of certain rights. Further regulations can be found in the Mineral Act. - When exploring in areas with special protection, consent is needed. Example of such areas are: o Areas with 200 m from a house, church, hotel, industrial plant or military compound o Areas with 30 m from a public road, railway or airport o Areas with zoning or area specific regulations o Areas mentioned in the Environment Act (so called unbroken mountains) - If consent is not received, explorations cannot be made. - To drive on terrain with motor vehicles is prohibited on dryland and if there is a risk of damage, on snow covered farming land and forest land. Exceptions are possible - It is prohibited to change, damage or disturb an ancient monument without permission of the county administration. - Nobody is allowed to litter outdoors in a place that the public has access to or can observe. • **Environmental and Social Setting:** Airijoki project is located in Norbotten county of northern Sweden approximately 55 km east of the northernmost town of Kiruna. The area is part of the cultural region of Sápmi, home to the indigenous Sámi people. The project site comprises a flat, forested terrain within the Scandinavian and Russian Taiga ecoregion and with a sub-Arctic climate. There are no hamlets or villages situated in the permit areas with the nearest settlement, Vittangi, located 7 km downstream to the southeast of the Airijoki nr 100 permit. The topography varies from 200 to 300 masl, with the project area dissected by the Vittangi River and Torne (Tornio) River that is a major river flowing past the city of Tornio-Happaranda on the Sweden-Finland border and finally the Gulf of Bothnia. • **Exploration and Mining Permitting:** the exploration permits covering the Airijoki project (Airijoki nr 100, 101, 102, 103 and 200) are 100% owned by Pursuit Minerals Limited via its 100% owned Swedish subsidiary company Northern X Scandinavia AB at the time of reporting the Mineral Resource statement in March 2019.

Criteria	JORC Code explanation	Commentary
		The main exploration permit containing the reported Mineral Resource (nr 100) expires on 27 June 2021, permits nr 101-103 expire in November 2021 and nr 200 on March 2024. No mining permits/concessions have been applied for or are active in the project area. • **Environmental Permitting:** an initial EIA (called MKB) to inform land planning decisions must be submitted as part of a mining/exploitation permit application to the mining inspectorate. A second more detailed EIA/MKB is required under environmental law to gain an environmental permit from the environmental court. The permitting process in Sweden can be lengthy with some projects requiring over several years from submission of EIA report to decision on approvals and with several recent high-profile projects failing to be approved on environmental grounds. Pursuit has not yet started the EIA process and no baselines studies have been initiated to date. • **Environmental Legislation:** Sweden is part of the EU and as such projects must adhere to EU, in addition to local (Swedish), laws and regulations. This includes the Environmental Protection Act (2014) and decree (2000), Environmental Impact Assessment Act (2017) and decree (2017), water framework directive (2000) and Water Act (2011), mine waste directive (2006) and waste framework directive (2008). • P**rotected Areas and Biodiversity:** The exploration permits are situated close to a Natura 2000 protected area (Torneträsk-Soppero nature reserve) with permit Airijoki nr 100 located 6 km to the south. The nature reserve is upstream and on the opposite side of the Vittangi River valley to the project permits. No studies on the biodiversity of the permit areas have yet been conducted to SRK's knowledge. • **Stakeholder Engagement and Social Licence to Operate:** SRK has not seen any documentation regarding engagement with local communities. Local Sámi communities may be negatively impacted by the project, particularly through land access, which may present an impediment to gaining social licence to operate but this requires detailed study and communication to understand. There are a number of significant mines and exploration projects in the surrounding region of Norbotten. The area immediately surrounding the project is dominated by wilderness, with small-scale forestry and reindeer husbandry the main land uses. • **Corporate and Financial Agreements:** there are no joint-ventures, partnerships or overriding royalty agreements to SRK's knowledge.
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	Historic drilling in this prospect was originally completed by LKAB in the 1980s.
Geology	Deposit type, geological setting and style of mineralisation	The vanadium enriched magnetite mineralisation in the Airijoki Project is hosted in 2.45 Ga mafic to ultramafic layered intrusions that occur near the Archaean-Proterozoic boundary in the northern Fennoscandian shield across Lapland. The intrusion was emplaced as part of a large plume related rifting event, associated with the breakup of an Archaean continent. This event at 2.45 Ga was an event of global significance with igneous activity producing several layered intrusions and dyke swarms on several different continents.

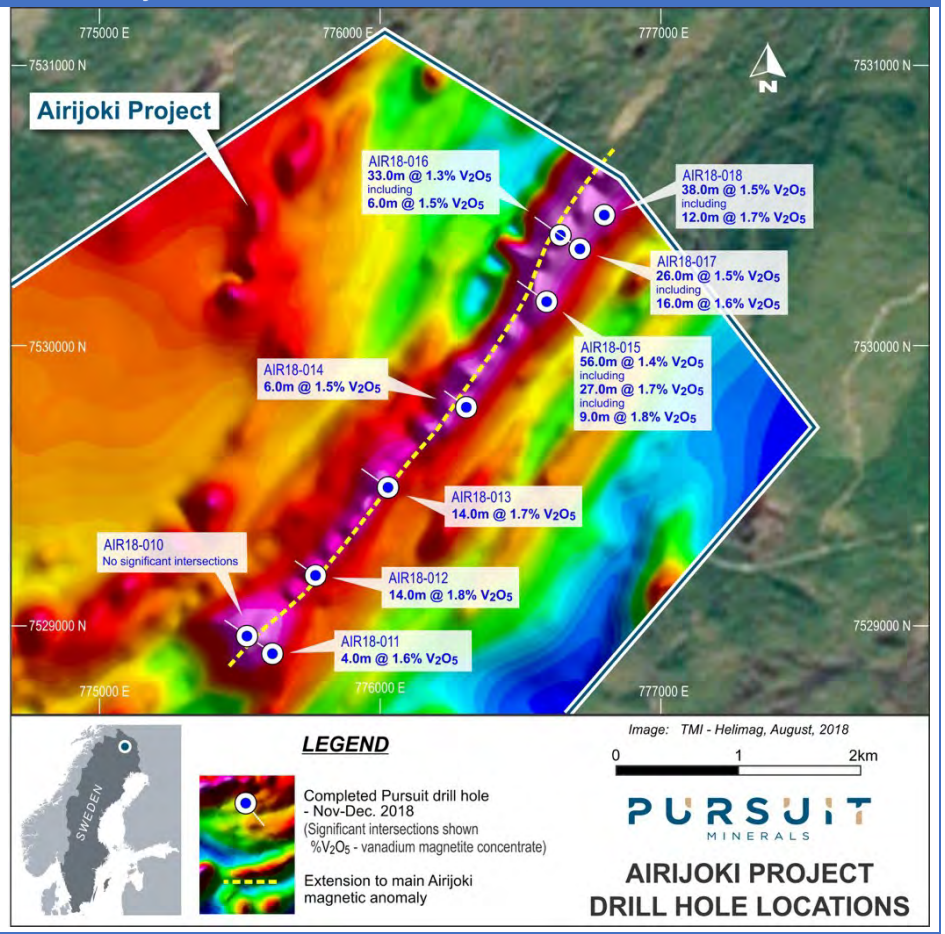
Criteria	JORC Code explanation	Commentary
		The vanadium mineralisation in the intrusion is stratiform in nature, which is interpreted to be the result of both layering within the intrusion as it crystallised as well as strong overprinting deformation.
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for Material drill holes: - easting and northing of the drill hole collar - elevation or RL (reduced level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	• All significant mineralised intersections used to calculate the Airijoki Prospect mineral resources were released in Pursuit's ASX Announcements dated: 22/01/2019 and 05/02/2019. • Reporting of In-Situ Vanadium Grades v Magnetic Concentrate Grades Creating a magnetite concentrate is the standard mineral processing method for vanadium-enriched, titano-magnetite deposits (e.g. Maracas, Bushveld Minerals, Gabanintha, etc.). Therefore, magnetite concentrate grade and mass recovery are key factors in establishing if a vanadium-enriched, titano-magnetite deposit will be economically viable. Simply, if magnetic separation is used to concentrate the ore and the vanadium is not associated with the magnetite minerals, then vanadium is not recovered, and it will go to waste in the mineral processing plant. This means that the only accurate method to estimate the amount of vanadium that can be recovered from this type of deposit, is the magnetite concentrate grade and the mass recovery, not the whole rock (or in-situ) grade of vanadium. Whole rock or in-situ vanadium grades can be misleading, as if a substantial portion of the vanadium is associated with non-magnetic minerals, which can often be the case with this type of mineralisation, the vanadium will not be recovered and effectively the in-situ grade will not be an accurate measure of the viability of the deposit. • This information has not been excluded.
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. Culling of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths or high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in details. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• A 0.7% to 1% V2O5 in magnetite concentrate cut-off was used for the larger, lower grade weighted mean interval and a 1.2, 1.5, 1.7, 2.0, 2.1 to 2.2% V2O5 in magnetite concentrate cut-offs were used for the smaller, high grade weighted mean intervals. No top cuts were used. • A 0.7% to 1% V2O5 in magnetite concentrate cut-off was used for the larger, lower grade weighted mean interval and a 1.2, 1.5, 1.7, 2.0, 2.1 to 2.2% V2O5 in magnetite concentrate cut-offs were used for the smaller, high grade weighted mean intervals. • Weighted means for each interval are calculated by: First, multiply all of the widths of the individual sample intervals within the significant intersection by the % V2O5 in magnetite concentrate assay result of each individual sample. Then sum all these values and divide by the overall width (m) of the significant intersection. • Internal dilution was allowed if the aggregate weighted mean grade from the start of the interval to the end of the dilution does not go below the cut-off grade. • No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results: • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The geometry of the magnetite layering that contains the vanadium was observed in drill core to be quite uniform in the various resource zones and therefore, relatively simple shapes have been modelled. Most commonly the magnetite layering was preserved at an intermediate to high angle to the core axis (mainly between 60-90°). • Down-hole widths were reported in Pursuit's ASX Announcements dated: 22/01/2019 and 05/02/2019 as resource modelling had not been completed at that time.

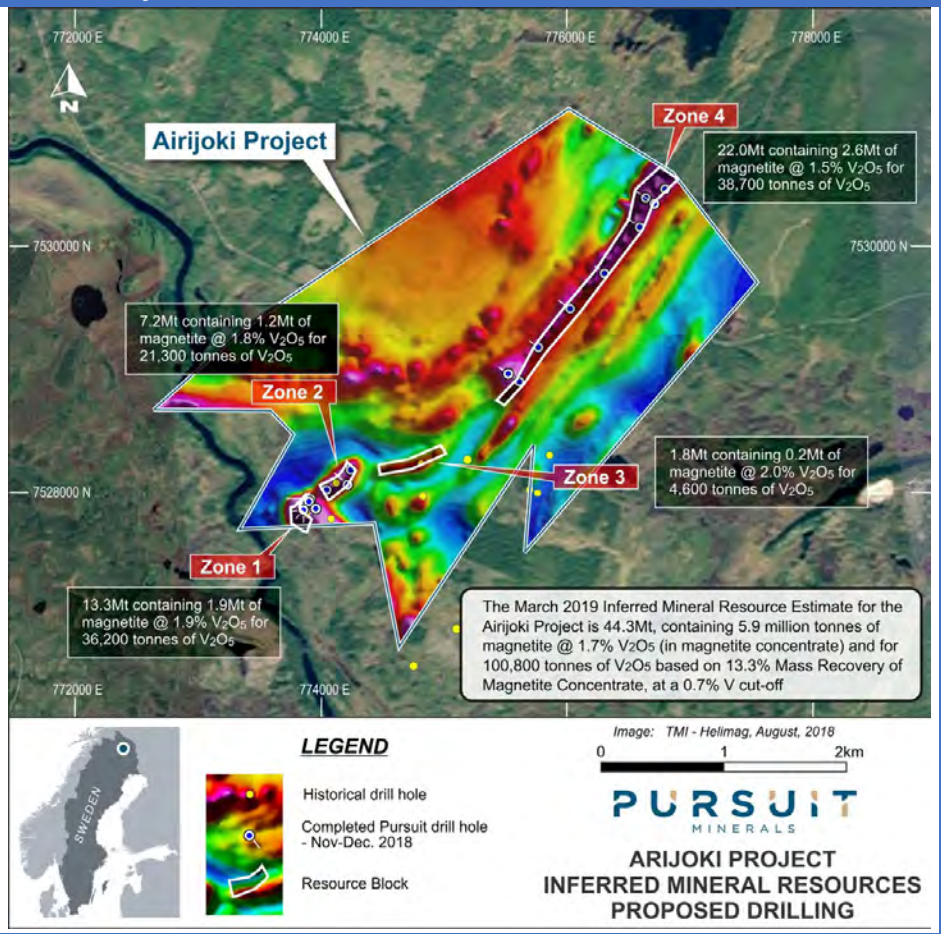
Criteria	JORC Code explanation	Commentary
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of the drill hole collar locations and appropriate sectional views.	

Appendix A: Table 1 - Airijoki

Criteria	JORC Code explanation	Commentary
		

Appendix A: Table 1 - Airijoki

Criteria	JORC Code explanation	Commentary
		

Criteria	JORC Code explanation	Commentary
		
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All known exploration results have been reported to the knowledge of the Competent Person completing this JORC Table 1.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other meaningful exploration data exists to the knowledge of the competent person completing this JORC Table 1. No metallurgical work was conducted to Drake's knowledge on either Stormyra or Dalen.

Criteria	JORC Code explanation	Commentary
Further work	• The nature and scale of planned further work (eg. Tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercial sensitive.	• Exploration plans to advance this project are currently being finalised. The focus of follow up work will be to determine the full extent of the higher-grade vanadium mineralisation at the Airijoki Project. If results are sufficiently encouraging, further drilling to infill any Mineral Resources that have been estimated will be completed during mid to late 2019. • As the mineralisation is magnetic, magnetic data from this area was used to help target mineralisation. The extent of these magnetic anomalies on this tenure have now been drilled. Further drilling would be to infill the mineralisation that has been intersected, not to extend at this stage. There are also other magnetic anomalies on this tenure and adjoining tenure that could also be vanadium enriched, however further exploration needs to be completed to assess this possibility.
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. • Data validation procedures used.	• Pursuit maintains a database (AcQuire) that contains all drill hole survey, drilling details, lithological data and assay results. Where possible, all original geological logs, hole collar survey files, digital laboratory data and reports and other similar source data are maintained by Pursuit. The AcQuire database is the primary source for all such information and was used by the Competent Person to estimate resources. • The Competent Person undertook consistency checks between the database and original data sources as well as routine internal checks of database validity including spot checks and the use of validation tools in Maptek's Vulcan V9 modelling software. No material inconsistencies were identified.
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 Competent Person has relied on other experts to visit the project site. The Airijoki Project was visited between August and December 2018 during the drilling.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• Geological interpretation of the vanadium mineralised domains is based on aeromagnetic anomalies and drilling information variably spaced throughout the deposit. • The interpretation was completed on cross-sections and were based on: - Lithological logging into 5 separate domains; Magnetite Gabbro, Gabbro, Anorthosite, Komatiite Xenolith and Diabase. - Vanadium (V_2O_5) content based on sampled intervals.
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.	• Four separate geological zones were identified within the area, with separate wireframes created based on the geological interpretation. • Aeromagnetic results and drilling results indicate that the lenses extended NE-SW along strike between 200 m-2,000 m and continues over 200 m down dip/plunge, and possibly further according to aeromagnetic anomalies. • The limits of mineralisation have not been completely defined and are open at depth and in some areas along strike.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	• 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 availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg. Sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, the use of reconciliation data if available.	• Most assays were taken over lengths of between 1.0 m and 2.0 m with the mode occurring at 1.6 m. A composting length of 1.0 m was used for this resource estimate. • Grade estimates for Vanadium were made by ordinary kriging. • V grade interpolations were made using geostatistical domains which were allocated based on: the number of composited V samples in each lens; the mean V grade of composited samples in each lens; the variance of V grades of composited samples in each lens; the proximity of lenses; and the general strike and dip of each lens. • For grade interpolations, the search method used was ellipsoidal with a major search axis length of 300 m and the semi-major and minor search axes proportioned using the ranges of the relevant variograms. • Mineralisation was modelled as three-dimensional blocks of parent size 10 m x 10 m x 10 m with sub-celling allowed to 0.5 m x 0.5 m x 0.5 m. • Computer assisted estimations were made using Vulcan 3D software. • No assumptions were made regarding the modelling of selective mining units. No assumptions were made about the correlation between variables. • Wireframes of the geological interpretations of the lenses were used to assign lens codes to blocks in the block model. Grades were interpolated into each lens using only composited samples from within the lens. • Statistical analyses of the Vanadium showed that there were no rogue outliers, that is, high grade assays that did not fit the distributions and which consequently indicated the need for cutting of high grades. • Validation of the block model was made by: - checking that drill holes used for the estimation plotted in expected positions - checking that flagged lens intersections lay within, and corresponded with, lens wireframes - ensuring whether statistical analyses indicated that grade cutting was required - checking that the volumes of the wireframes of lenses matched the volumes of blocks of lenses in the block model - comparing the mean of composited sample grades within a lens with the mean grades of the lens in the block model - checking plots of the grades in the block model against plots of diamond drill holes.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Tonnages were estimated on a dry basis.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	A cut-off grade of 0.7% V in magnetic concentrate has been used to define the resources. At a V2O5 price of US$41,500/t, this implies that material can be treated at a profit above that cut-off grade from an open-pit operation with relatively modest recoveries.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral resources may not always be rigorous. Where this is the case, this should be reported with an explanation on the basis of the mining assumptions made.	The resource estimate has been completed with the assumption that it will be mined using open cut mining methods.
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resource may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• In order to understand the tonnage of magnetite (and V2O5 therein) that has gone into the magnetite concentrate, the other necessary factor that is needed is the mass recovery from the DTR. • The results for the Airijoki sampling, determine the mass recovery to be approximately 12.6%.
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	At this early stage potential environmental impacts, such as possible waste and process residue disposal options have not been considered. Pursuit is currently undergoing its first metallurgical test work program on the Airijoki Prospect mineralisation. When the metallurgical test work results are received, initial studies into potential environmental impacts will be completed.
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.	Density measurements were performed on representative holes from each orebody and the results are averaged and assumed to be: • 3.2 g/cm^3 for the North Eastern ore body • 3.5 g/cm^3 for the South Eastern orebodies.
Classification	• The basis for the classification of the Mineral Resources into varying confidence categories.	The resources were classified by the author as Inferred based on current understanding of geological and grade continuity.

Criteria	JORC Code explanation	Commentary
	• 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.	
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	No external audits or reviews have been undertaken.
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. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • 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. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The estimates made in this report are global estimates. • Local block model estimates, or grade control estimates, whose block grades are to be relied upon for selection of ore from waste at the time of mining will require additional drilling and sampling of blast holes. • Confidence in the relative accuracy of the estimates is reflected in the classification of estimates as Inferred. • Variography was completed for vanadium. The variogram models were interpreted as being isotropic in the plane with shorter ranges perpendicular to the plane of maximum continuity. • Validation checks have been completed on raw data, composited data, model data and Resource estimates. • The model is checked to ensure it honours the validated data and no obvious anomalies exist which are not geologically sound. • The mineralised zones are based on actual intersections. These intersections are checked against the drill hole data. Field geologist picks, and the competent person has independently checked laboratory sample data. The picks are sound and suitable to be used in the modelling and estimation process. • Where the drill hole data showed that no Vanadium existed, the mineralised zone was not created in these areas. • Further drilling also needs be completed to improve Resource classification above the current Inferred Resource.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• **Waste Management:** Pursuit has not yet assessed the location of potential WRD and TSF due to the early stage of the project and lack of detailed processing testwork to understand the characteristics of the waste material. Due to the location of the project close to protected areas, detailed environmental and social studies will be required to assess the potential impacts to humans, flora, fauna and the general environment. In addition, due to the location within a protected area, the permitting decision is likely to be a lengthy process and require detailed testwork and design prior to submitting environmental permit applications. • **Acid Rock Drainage-Metal Leaching (ARDML):** the mineralogy of the deposit is dominated by oxide minerals such as magnetite and other rock forming minerals (silica, feldspars, pyroxenes), with low levels of sulphide minerals reported in documents provided by the Company or in publicly available information. The potential for ARDML waste will need to be confirmed but is currently considered to be a relatively low risk. • **Closure:** no site closure and rehabilitation studies or cost associated estimates have yet been completed. Given the location of the site close to protected areas and wilderness sites, SRK considers this to be fundamental to the success of the permitting and operation. • **Liabilities:** to SRK's knowledge there are no known existing environmental and/or social liabilities associated with the project as it is a greenfield site. • **Water Management:** no design, operational and closure assumptions have yet been made with respect to water management and minimising negative impacts on other water users (ecological and human). • **Energy:** no studies on energy usage or resource efficiency have yet been completed. • **Greenhouse Gas Emissions:** Sweden (as part of the EU) has committed to reducing greenhouse gas (GHG) emissions from 1990s levels by >40% by 2030 (and 29% lower than 2010 levels by 2030). As part of the EU, Sweden works within the framework of the 2003 EU Energy Tax Directive for carbon taxation. As of 2021, the carbon tax in Sweden equates to SEK 1,200 (EUR 114)/t CO^2 equivalent. Depending on the project's approach to energy management, this could have an impact on the potential of the project to demonstrate 'reasonable prospects for eventual economic extraction' as required when reported Mineral Resources.

JORC Code, 2012 Edition

Table 1 report – Koitelainen Vosa

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference lo measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• At the Koitelainen Vosa Prospect, 27 diamond drill holes for 3,784 m were completed in the 1970's by the Finland Geological Survey (GTK). Historic reports were found that state most relevant details, such as collar location, azimuth, dip, historic assay results (some incomplete), etc. • Diamond drill core was cut in half and sampled to geological boundaries. Sampled intersections range from 0.35 m to 6.8 m in length, with the most common interval length being 2 m. The exact laboratory preparation and assay techniques utilised are not known as the samples were analysed by the GTK at their own internal laboratory. • In order to remedy this situation, Pursuit has resampled/re-assayed the historic drill core from Koitelainen that is stored at the GTK's National Drill Core Archive in October and November 2018. • These results arrived in January 2019 and were incorporated into the database and reviewed for comparison.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	The 27 historical diamond drill holes were T56 in size, which is 46 mm in diameter. The core was not orientated.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples.	• The core recovery data or any measures taken to maximise sample recovery or ensure representative nature of the samples were not in the historic reports. • Core recovery information was collected when the drill core was re-sampled in October and November 2018.

Criteria	JORC Code explanation	Commentary
	• 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.	
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. • Whether logging is qualitative or quantitative in nature. Core (or costean channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Quantitative geological information for the entire length of the drill holes was recorded by the GTK. • Re-logging (both geologically and geotechnically) and re-assaying of the historic drill holes stored at the National Drill Core Archive was completed by Pursuit Geologist in October 2018. • No geotechnical data was found in the historic reports.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• The historic diamond drill core was cut in half with a core saw and one half was sampled. Sampling half core for analysis is interpreted to be appropriate for this style and grain size of mineralisation. The sample preparation technique prior to analysis at the laboratory was not recorded in the historic reports and so the nature, quality and appropriateness cannot be determined. • Quality control procedures and measures taken to ensure representivity of samples were not recorded in the historic reports and so it is not known if quality control procedures were used and whether field duplicates were taken.
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. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg. Standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	• The exact laboratory assay technique is not known as the samples were analysed by the GTK at their own internal laboratory. Information on quality control procedures, standards, blanks and laboratory checks have not been found in the historic reports. • Pursuit has resampled/re-assayed the historic drill core that is stored at the GTK's National Drill Core Archive in October and November 2018 using industry standard QA/QC procedures.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Pursuit Minerals has not yet twinned any of the historical drill holes, although it does plan to do so during its initial exploration of the project. • The historical geological logging information was recorded on paper log sheets and then transferred into electronic spreadsheets. The geochemical data was delivered in electronic form from the laboratory. Ultimately both the electronic geological and geochemical data was stored in a data base at the GTK and then made available online. Initially geochemical data from the Koitelainen Vosa Prospect was downloaded from the GTK as Excel spreadsheets. • The GTK has confirmed in writing to Pursuit that the geochemical values are presented in ppm and the values as metal values contained within magnetite concentrates produced by a Davis Machine from magnetite intervals within the Koitelainen layered mafic complex. • Subsequent to this confirmation from the GTK, Pursuit obtained the original hard copy assay data sheets from which the data in the Excel spreadsheets provided by the GTK were compiled. These data sheets confirmed that for each sampled interval, the vanadium content of the whole rock, magnetic concentrate produced by the Davis Machine and of the waste material from theDavis Machine was produced. • For 16 of the drill holes, Pursuit was able to obtain and digitise the three sets of assay data (whole rock, as well as magnetic concentrate and waste from the magnetic separation). For 10 of the drill holes, Pursuit was only able to obtain and digitise the magnetic concentrate assay data. For 1 of the drill holes, Pursuit was only able to obtain and digitise the whole rock assay data. • As far as can be ascertained from the historical reports and geochemical data, there were no adjustments made to the assay data.
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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• The location of the 27 historical diamond drill holes at the Koitelainen Prospect was determined by Carrier Phase Differential (RTK) GPS to +/- 1m for easting and northing co-ordinates and 0.1 m for elevation. • The location of several of these holes have been verified during a field visit by Pursuit Minerals Limited representatives. • Datum: Kartastokoordinaattijarjestelma or in English is Finnish National Coordinate System (1966) Grid Co-ordinates: KKJ, using the International 1924 Ellipsoid, Zone 3. • The topographic control of this area +/- 2 m accuracy, which is adequate for the purpose of defining a Mineral Resource.
Data spacing and distribution	• Data spacing for reporting of Exploration results. • 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 data spacing for 27 historical diamond drill holes at the Koitelainen Vosa Prospect is variable. Drill sections are generally spaced 200-400 m part, but some sections are up to 1,000 m apart. Drill holes along the sections are generally spaced 50-100 m apart but can be up to 400 m apart as the dip of the mineralisation is very shallow.

Criteria	JORC Code explanation	Commentary
	• Whether sample compositing has been applied.	• It has been determined that the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for an Inferred Mineral Resource estimation. • As far as can be determined samples were not composited for the drilling completed at the Koitelainen Vosa Prospect.
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. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	• The available drilling cross sections indicate that the historical drilling intersected the shallowly dipping igneous layering at Koitelainen at a high angle and suggests that sampling was unbiased by geological structures. • The available drilling cross sections indicates that the historical drilling intersected the shallowly dipping igneous layering at Koitelainen at a high angle and suggests that mineralised structures did not introduce a bias to the sampling.
Sample security	The measures taken to ensure sample security.	Measures taken to ensure sample security were not recorded in the historic reports.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No audits or reviews of sampling techniques and data were completed.

Section 2 Reporting of Exploration Results

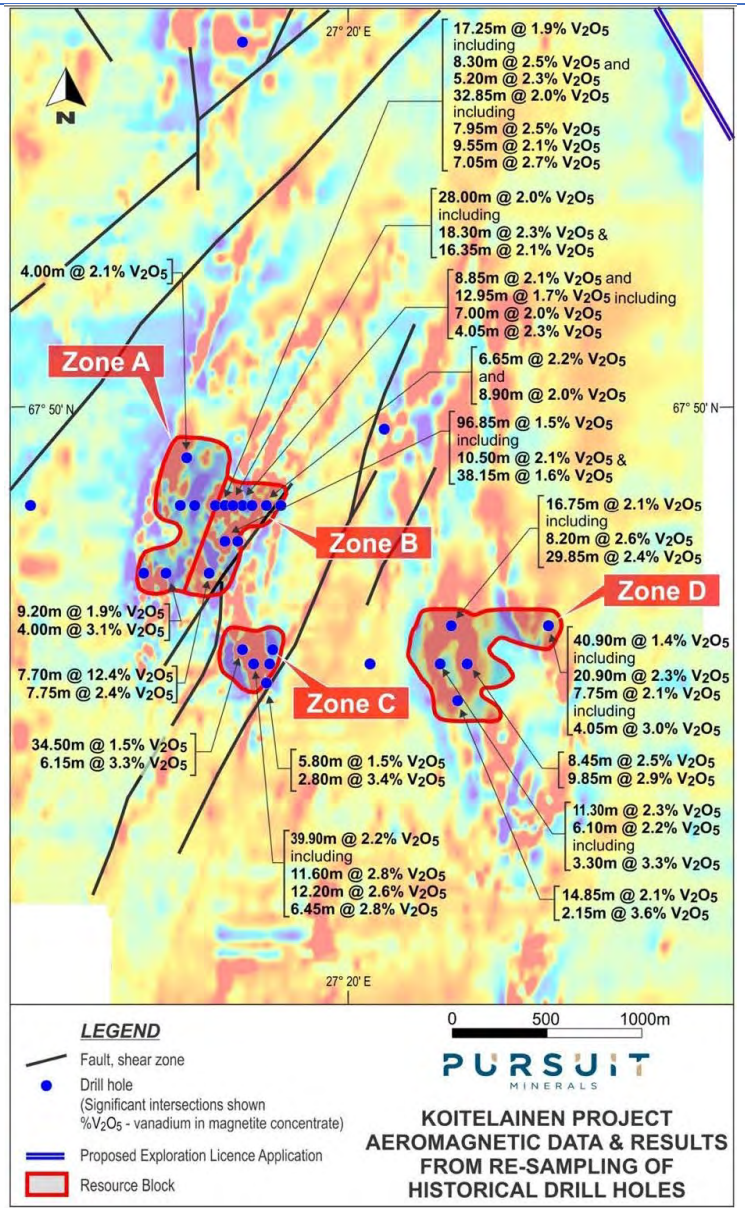
Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The 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 Mineral Reservations in Finland for the Koitelainen Project are 100% owned by Pursuit Minerals Limited via its 100% owned Finnish subsidiary company NorthernX Finland OY. • The Reservations covering the Koitelainen Project will be valid until 29/3/2020. The Mineral Reservations secured by Pursuit allow the Company to conduct non-ground disturbing activities such as geological mapping and airborne surveys. In order to conduct ground disturbing activities such as trenching and drilling, the Company has to apply for an Exploration Licence (EL's). Pursuit is the only company who can apply for an EL within the boundaries of the Koitelainen Reservations. • **Environmental and Social Setting**: Koitelainen project is located in the Lapland region of northern Finland, approximately 40 km northeast of Sodankylä. The area is part of the cultural region of Sápmi, home to the indigenous Sámi people. The status of historic sites or native title interests in the permit area is currently unknown and will require further study. The project site is a flat-lying area dominated by forest and bog within the Scandinavian and Russian Taiga ecoregion and with a sub-Arctic climate. There are scattered buildings within the permit boundaries, with the closest settlements that of Lokka, 15 km to the east and Petkula, 27 km to the west. The topography varies from 200 to 400 masl and the Luiro River runs through the project area before connecting with the Kemijoki River that flows into the Gulf of Bothnia.

Criteria	JORC Code explanation	Commentary
		• **Exploration and Mining Permitting:** Reservations covering the Koitelainen Project were 100% owned by Pursuit Minerals Limited via its 100% owned Finnish subsidiary company NorthernX Finland OY at the time of reporting the Mineral Resource statement in February 2019. The reservations expired on 29 March 2020. Pursuit applied for an exploration permit on 26 October 2018, but it has yet to be validated by the mining inspectorate/authority (Tukes). SRK is not aware of the reasons why the permitting process is delayed, with normal waiting times <6 months. No mining permits/concessions have been applied for or are active in the project area. • **Environmental Permitting**: obtaining environmental approval for a project in Finland is split into two separate processes, firstly preparation and approval of an environmental impact assessment (EIA), followed by applying for environmental and water permits. The permitting process in Finland can be lengthy with some projects requiring over five years from submission of EIA report to final decision on approvals depending on the public consultation and appeals. Pursuit has not yet started the EIA process and no baselines studies have been initiated to date. • **Environmental Legislation:** Finland is part of the EU and as such projects must adhere to EU, in addition to local (Finnish), laws and regulations. This includes the Environmental Protection Act (2014) and decree (2000), Environmental Impact Assessment Act (2017) and decree (2017), water framework directive (2000) and Water Act (2011), mine waste directive (2006) and waste framework directive (2008). • **Protected Areas and Biodiversity**: the exploration permit application area is situated inside a Natura 2000 protected area (Koitelainen). It is designated as a 'Site of Community Importance' through the EU Habitats Directive along with being a Ramsar (convention of wetlands) site, internationally important bird area and a reindeer herding area. No studies on the biodiversity of the permit areas have yet been conducted to SRK's knowledge. • **Stakeholder Engagement and Social Licence to Operate:** SRK has not seen any documentation regarding engagement with local communities . Boliden's Kevitsa Mine is adjacent to the southwest corner of the reservations and has been operating since 2012. However, Kevitsa is outside of the Natura 2000 protected area whereas the Koitelainen project is within it. The county of Lapland contains other mining operations along with many exploration properties. The area immediately surrounding the project is dominated by wilderness, with small-scale forestry and reindeer husbandry the main land uses. • **Corporate and Financial Agreements**: there are no joint-ventures, partnerships or overriding royalty agreements to SRK's knowledge.
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	• Drill hole and assay data was initially obtained from the Geological Survey of Finland (GTK) website and downloaded as Excel spreadsheets. Subsequently, original hard copy assay data sheets for 26 drill holes from the Koitelainen Vosa Prospect was obtained from the GTK. • Geological and Petrological information was obtained from Bulletin 395 published by the Geological Survey of Finland.

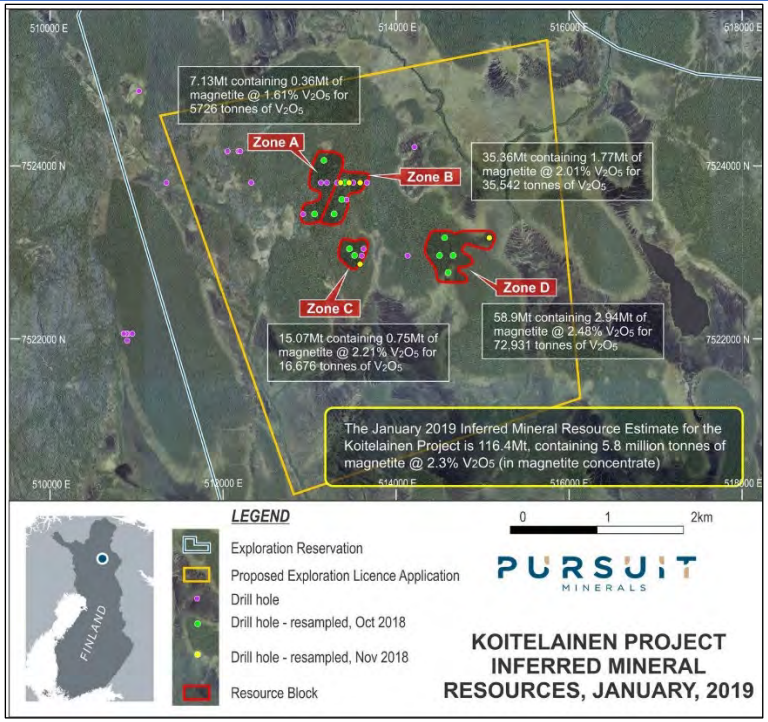
Criteria	JORC Code explanation	Commentary
		• Geological and drill hole data was obtained from the Geological Survey of Finland Guide 28 - Koitelainen Intrusion and Keivitsa – Satovaara Complex. • Historical mineral estimate was obtained from Geological Survey of Finland Special Paper 53 and also from the Fennoscandian Ore Deposits Data Base (http://gtkdata.gtk.fi/fmd/).
Geology	Deposit type, geological setting and style of mineralisation	• Koitelainen is the largest of the 2.45 Ga mafic to ultramafic layered intrusions that occur near the Archaean-Proterozoic boundary in the northern Fennoscandian shield in northern Finland. • The Koitelainen intrusion is a flat, oval shaped brachyanticline structure of 26 km x 29 km in extent and approximately 3 km in thickness. The interior of the intrusions is made up of footwall rocks (Archaean granitoid gneisses, overlying Lapponian supracrustal rocks, pre-Koitelainen gabbroic intrusions and ultramafic dykes. • The intrusion was emplaced as part of a large plume related rifting event, associated with the breakup of an Archaean continent. This event at 2.45 Ga was an event of global significance with igneous activity producing several layered intrusions and dyke swarms on several different continents. • The vanadium mineralisation in the Koitelainen intrusion is stratiform in nature and associated with two PGE enriched chromite reefs (Koitelainen Upper Chromite (UC) and Koitelainen Lower Chromite (LC) and a vanadium enriched gabbro (Koitelainen Vosa prospect). • The Koitelainen UC reef varies in thickness from 1-3 m thick at surface and extends for over 60 km of strike. The Koitelainen V mineralisation is up to 40 m thick within a magnetite gabbro. The main vanadium mineral is chromite usually hosted within a magnetic gabbro. Although known to be of significant extent, the vanadium mineralisation within the Koitelainen intrusion is not well understood due to limited drilling of the mineralisation. • As far as can be ascertained, the Koitelainen UC vanadium mineralisation is only defined by 21 drill holes and is open along strike and at depth. A total of 122 diamond drill holes for 15,475 m have been previously drilled across the entire Koitelainen intrusion.
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for Material drill holes: - easting and northing of the drill hole collar - elevation or RL (reduced level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length.	• No new exploration results are reported in this announcement. • In October and November 2018, the historical drill holes were resampled and assayed with modern geochemical techniques. • This information has not been excluded.

Criteria	JORC Code explanation	Commentary
	• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. Culling of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths or high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in details. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No new weighted average exploration results are reported in this announcement. • No new exploration results are reported in this announcement. • No metal equivalent values are reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results: • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	• The mineralisation is bound within the geological layers and the drilling intersected the geological layers at a high angle. • No new drill hole intersections have been reported in this announcement.
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 the drill hole collar locations and appropriate sectional views.	See report 'Koitelainen Project, Geology and Resource Estimate Report, January 2019'.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All exploration results have been reported.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other exploration data that is meaningful and material has been excluded.

Criteria	JORC Code explanation	Commentary
Further work	• The nature and scale of planned further work (eg. Tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercial sensitive.	Exploration plans are currently being finalised for the project. The focus of follow up work will be to determine the full extent of the higher-grade vanadium mineralisation at the Koitelainen Vosa Prospect.


27° 20' E
N
17.25m @ 1.9% V2O5
including
8.30m @ 2.5% V2O5 and
5.20m @ 2.3% V2O5
32.85m @ 2.0% V2O5
including
7.95m @ 2.5% V2O5
9.55m @ 2.1% V2O5
7.05m @ 2.7% V2O5
28.00m @ 2.0% V2O5
including
18.30m @ 2.3% V2O5 &
16.35m @ 2.1% V2O5
4.00m @ 2.1% V2O5
8.85m @ 2.1% V2O5 and
12.95m @ 1.7% V2O5 including
7.00m @ 2.0% V2O5
4.05m @ 2.3% V2O5
Zone A
6.65m @ 2.2% V2O5
and
8.90m @ 2.0% V2O5
67° 50' N
67° 50' N
96.85m @ 1.5% V2O5
including
10.50m @ 2.1% V2O5 &
38.15m @ 1.6% V2O5
16.75m @ 2.1% V2O5
including
8.20m @ 2.6% V2O5
29.85m @ 2.4% V2O5
Zone B
Zone D
9.20m @ 1.9% V2O5
4.00m @ 3.1% V2O5
7.70m @ 12.4% V2O5
7.75m @ 2.4% V2O5
Zone C
40.90m @ 1.4% V2O5
including
20.90m @ 2.3% V2O5
7.75m @ 2.1% V2O5
including
4.05m @ 3.0% V2O5
34.50m @ 1.5% V2O5
6.15m @ 3.3% V2O5
5.80m @ 1.5% V2O5
2.80m @ 3.4% V2O5
8.45m @ 2.5% V2O5
9.85m @ 2.9% V2O5
11.30m @ 2.3% V2O5
6.10m @ 2.2% V2O5
including
3.30m @ 3.3% V2O5
39.90m @ 2.2% V2O5
including
11.60m @ 2.8% V2O5
12.20m @ 2.6% V2O5
6.45m @ 2.8% V2O5
14.85m @ 2.1% V2O5
2.15m @ 3.6% V2O5
27° 20' E
LEGEND
Fault, shear zone
Drill hole
(Significant intersections shown
%V2O5 - vanadium in magnetite concentrate)
Proposed Exploration Licence Application
Resource Block
0
500
1000m
PURSUIT
MINERALS
KOITELAINEN PROJECT
AEROMAGNETIC DATA & RESULTS
FROM RE-SAMPLING OF
HISTORICAL DRILL HOLES

Appendix A: Table 1 – Koitelainen Vosa

Criteria	JORC Code explanation	Commentary
		

Section 3 – Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant in Section 2, also apply to this section)

Criteria	JORC Code explanation	Commentary
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. • Data validation procedures used.	• The specific measures taken by previous parties to ensure database integrity are not known but the creation of a digital database has allowed for on-going review of the integrity of the data. • Pursuit maintains a database (AcQuire) that contains all drill hole survey, drilling details, lithological data and assay results. Where possible, all original geological logs, hole collar survey files, digital laboratory data and reports and other similar source data are maintained by Pursuit. The AcQuire database is the primary source for all such information and was used by the Competent Person to estimate resources. • The Competent Person undertook consistency checks between the database and original data sources as well as routine internal checks of database validity including spot checks and the use of validation tools in Maptek's Vulcan V9 modelling software. No material inconsistencies were identified.
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 Competent Person has relied on other experts to visit the project site.The Koitelainen Project was visited between August and November 2018.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• Geological interpretation of the vanadium mineralised domains is based on the historical drilling information variably spaced throughout the deposit. • The interpretation was completed on cross-sections and were based on: - Lithological logging into 5 separate domains; Magnetite Gabbro,Gabbro, Anorthosite, Komatiite Xenolith and Diabase. - Vanadium (V2O5) content based on sampled intervals.
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.	• Four separate geological zones were identified within the faulted areas, with • 11 separate wireframes created based on the geological interpretation. • Historical drilling indicates that the lenses extended N-S along strike between 400 m-900 m and continues over 600 m down plunge, and possibly further according to aeromagnetic anomalies. • The limits of mineralisation have not been completely defined and are open at depth and along strike.
Estimation and modelling techniques	• 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	• Most assays were taken over lengths of around 2.0 m with the mode occurring at 1.7 m to 1.9 m. A composting length of 2.0 m was used for this resource estimate. • Grade estimates for Vanadium were made by ordinary kriging.

Criteria	JORC Code explanation	Commentary
	estimation method was chosen include a description of computer software and parameters used. • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg. Sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, the use of reconciliation data if available.	• V grade interpolations were made using geostatistical domains which were allocated based on: the number of composited V samples in each lens; the mean V grade of composited samples in each lens; the variance of V grades of composited samples in each lens; the proximity of lenses; and the general strike and dip of each lens. • For grade interpolations, the search method used was ellipsoidal with a major search axis length of 200 m and the semi-major and minor search axes proportioned using the ranges of the relevant variograms. • Mineralisation was modelled as 3D blocks of parent size 10 m X 10 m X 10 m with sub-celling allowed to 0.5 m X 0.5 m X 0.5 m. • Computer assisted estimations were made using Vulcan 3D software. • No assumptions were made regarding the modelling of selective mining units. • No assumptions were made about the correlation between variables. • Wireframes of the geological interpretations of the lenses were used to assign lens codes to blocks in the block model. Grades were interpolated into each lens using only composited samples from within the lens. • Statistical analyses of the Vanadium showed that there were no rogue outliers, that is, high grade assays that did not fit the distributions and which consequently indicated the need for cutting of high grades. • Validation of the block model was made by: - checking that drill holes used for the estimation plotted in expected positions - checking that flagged lens intersections lay within, and corresponded with, lens wireframes - ensuring whether statistical analyses indicated that grade cutting was required - checking that the volumes of the wireframes of lenses matched the volumes of blocks of lenses in the block model - checking plots of the grades in the block model against plots of diamond drill holes.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	Tonnages were estimated on a dry basis.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	A cut-off grade of 0.5% V has been used to define the resources. At a V2O5 price of US$41,500/t, this implies that material can be treated at a profit above that cut-off grade from an open-pit operation with relatively modest recoveries.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral resources may not	The resource estimate has been completed with the assumption that it will be mined using open cut mining methods.

Criteria	JORC Code explanation	Commentary
	always be rigorous. Where this is the case, this should be reported with an explanation on the basis of the mining assumptions made.	
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resource may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	• In order to understand the tonnage of magnetite (and V2O5 therein) that has gone into the magnetite concentrate, the other necessary factor that is needed is the mass recovery from the DTR. This was not well recorded in the historic results (only reference located was in an historic article) and therefore a range of values has been used consistent with that report, as well as the DTR results from recent resampling of the Airijoki historic core, which were consistent with the range of values recorded in the historic report. • The results for the Koitelainen resampling, determine the mass recovery to be approximately 5%.
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• At this early stage potential environmental impacts, such as possible waste and process residue disposal options have not been considered. Pursuit is currently undergoing its first metallurgical test work program on the Koitelainen Vosa Prospect mineralisation. When the metallurgical test work results are received, initial studies into potential environmental impacts will be completed. • **Waste Management**: Pursuit has not yet assessed the location of potential WRD and TSF due to the early stage of the project and lack of detailed processing testwork to understand the characteristics of the waste material. SRK notes that due to the protected status of the planned exploration permit area, detailed environmental and social studies will be required to assess the potential impacts to humans, flora, fauna and the general environment. In addition, due to the location within a protected area, the permitting decision is likely to be a lengthy process and require detailed testwork and design prior to submitting environmental permit applications. • **Acid Rock Drainage-Metal Leaching (ARDML):** the mineralogy of the deposit is dominated by oxide minerals such as magnetite and other rock forming minerals (silica, feldspars, pyroxenes), with low levels of sulphide minerals reported in documents provided by the Company or in publicly available information. The potential for ARDML waste will need to be confirmed but is currently considered to be a relatively low risk. • **Closure:** no site closure and rehabilitation studies or cost associated estimates have been completed on the project to date. Given the location of the site within a protected area, SRK considers this to be fundamental to the success of the permitting and operation. • **Liabilities:** to SRK's knowledge there are no known environmental and/or social liabilities associated with the project as it is a greenfield site. • **Water Management**: no design, operational and closure assumptions have yet been made with respect to water management and minimising negative impacts on other water users (ecological and human). • **Energy:** no studies on energy usage or resource efficiency have yet been completed.

Criteria	JORC Code explanation	Commentary
		• **Greenhouse Gas Emissions:** Finland (as part of the EU) was a signatory of the United Nations Climate Change treaty (Paris Agreement, effective from November 2016) and has therefore committed to reducing greenhouse gas (GHG) emissions with a pledge to reduce GHG from 1990s levels by >40% by 2030 (and 29% lower than 2010 levels by 2030). As part of the EU, Finland works within the framework of the 2003 EU Energy Tax Directive for carbon taxation. As of 2019, the carbon tax in Finland equates to EUR 62/tonne CO2 equivalent. Depending on the project's approach to energy management, this could have an impact on the potential of the project to demonstrate 'reasonable prospects for eventual economic extraction' as required when reported Mineral Resources.
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.	• The bulk density measurements of the historic drill hole samples for the Koitelainen Project were not recorded in the historical reports. An investigation into bulk density of vanadium-enriched, titano-magnetite deposits hosted within the gabbroic upper part of a layered mafic intrusive body was undertaken. The results are as follows: - Magnetite has a bulk density of 5.15 g/cm^3 - Gabbro has a bulk density between 2.7 and 3.3 g/cm^3 - Of the vanadium-magnetite gabbro rocks from Airijoki (the only historic drill core that has been resampled so far), the bulk density results from Airijoki were all about 3.2 g/cm^3 and above - The Lac Dore Vanadium Project in Quebec, Canada, is a similar style of titano-magnetite deposit, and has bulk density between 3.0 and 3.2 g/cm^3 - The Gabanintha Vanadium Project in Western Australia, held by Vanadium Australia Ltd, is also a similar style of titano-magnetite deposit, and has a bulk density between 3.39 and 3.67 g/cm^3. • Due to the varying results of similar titano-magnetite deposits, a relatively conservative bulk density of 3 g/cm^3 is appropriate.
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.	The resources were classified by the author as Inferred based on current understanding of geological and grade continuity.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	No external audits or reviews have been undertaken.
Discussion of relative	• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate	• The estimates made in this report are global estimates.

Criteria	JORC Code explanation	Commentary
accuracy/confidence	using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • 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. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• Local block model estimates, or grade control estimates, whose block grades are to be relied upon for selection of ore from waste at the time of mining will require additional drilling and sampling of blast holes. • Confidence in the relative accuracy of the estimates is reflected in the classification of estimates as Inferred. • Variography was completed for Vanadium. The variogram models were interpreted as being isotropic in the plane with shorter ranges perpendicular to the plane of maximum continuity. • Validation checks have been completed on raw data, composited data, model data and Resource estimates. • The model is checked to ensure it honours the validated data and no obvious anomalies exist which are not geologically sound. • The mineralised zones are based on actual intersections. These intersections are checked against the drill hole data. Field geologist picks, and the competent person has independently checked laboratory sample data. The picks are sound and suitable to be used in the modelling and estimation process. • Where the drill hole data showed that no Vanadium existed, the mineralised zone was not created in these areas. • Further drilling also needs be completed to improve Resource classification above the current Inferred Resource.

Espedalen JORC Table 1

	Tonnes (Mt)	Grade			Contained Metal		
		Ni (%)	Cu (%)	Co (%)	Ni (kt)	Cu (kt)	Co (kt)
	Stormyra Mineral Resource – October 2013						
Measured	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-
Inferred	1,160,000	1.00	0.42	0.04	11,600	4,900	400
Total	1,160,000	1.00	0.42	0.04	11,600	4,900	400
	Dalen Mineral Resource – October 2013						
Measured	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-
Inferred	7,800,000	0.28	0.12	0.02	21,900	9,400	1,800
Total	7,800,000	0.28	0.12	0.02	21,900	9,400	1,800
	Combined Dalen/Stormyra Resource – October 2013						
Measured	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-
Inferred	8,960,000	0.37	0.16	0.03	33,500	14,300	2,200
Total	8,960,000	0.37	0.16	0.03	33,500	14,300	2,200

APPENDIX 1 – JORC Code, 2012 Edition

Table 1 report - Stormyra

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate tothe minerals under investigation, such as down hole gamma sondes, orhandheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference lo measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to thePublic Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse	• Stormyra mineral resource is estimated using diamond drill core only, drilled on a nominal 50 m x 50 m spaced pattern for the central area, extending to 100 m x 15 0m in the distal areas of the prospect. A total of 54 drill holes for 8,609 m drilled are in the database, with 47 drill holes used in the estimate. Holes were generally drilled to the south west at -60 dip or greater to intersect moderately NE dipping strata. • Drill core was cut longitudinally with a diamond blade core saw at Blackstone's core cutting facility in Tyristrand, Norway, with half of the core placed in bags and sent to accredited labs at SGS Lakefield Research Limited in Lakefield Ontario in 2006 and ALS Chemex (Pitea, Sweden Preparation Facility and Vancouver, B.C. Analytical Laboratory) and Omac Laboratories Limited in Galway, Ireland in 2007 and 2008.

Criteria	JORC Code explanation	Commentary
	circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• 2007 and 2008 drill programs on the Espedalen project were via a muskeg mounted Diamec 251 Type standard drilling rig. It is not known the exact type of drill rigs used in the earlier programs in 2004 to 2006. • Core diameters include a variety ranging from 35.2 mm to 42 mm, which is close to standard BO (35 .5 mm) and BQTW (47.6 mm). • Drill core at all drill sites is placed in wooden boxes, the boxes labelled according to drill hole number and metres and closed for transport.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • 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.	• Recoveries were logged and recorded in a drilling database. • As almost all core recovery is very good, it was unnecessary to take additional measures to improve recovery and the representative nature of samples. • As almost all core recovery is very good, there appear to be no sampling or recovery factors that could materially bias the accuracy or reliability of the sampling results.
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. • Whether logging is qualitative or quantitative in nature. Core (or costean channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All core is logged at the core shack on the project site, where major lithological units, structure, alteration, and mineralogy is recorded using text, numeric codes, or percentages and entered into DHLogger daily. • Prior to being sampled, significant mineralised core sections were photographed using a digital camera and the photos are downloaded to the main office computer. • The final logs include a header sheet with collar coordinates and down hole survey data. Produced from DHLogger in Sudbury. • There has been no geotechnical testing completed on the diamond core.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	• Technicians saw the core in half longitudinally using core saws with a diamond blade at Blackstone's core cutting facility in Tyristrand, Norway. • Sample lengths are based on lithologic units and generally range from 0.30 m to 1.5 m. Standards or blanks are inserted for every 20 samples and a blank is inserted at the end of mineralised zones. • Drill core samples analysed at SGS Lakefield were weighted and dried before up to 4 kg of samples was crushed to 10 mesh then a 250 g split was pulverised to better than 85% passing 75 microns. These pulps were then shipped to Vancouver BC by commercial aircraft for completion of analytical work.

Criteria	JORC Code explanation	Commentary
	• Whether sample sizes are appropriate to the grain size of the material being sampled.	• Drill core samples analysed at Omac Laboratories Limited were shipped to Galway, Ireland from Norway where samples were prepared and analysed. Samples were dried, jaw and coned crushed total to <2 mm, riffled1 kg and pulverised to 100 microns. All fractions were retained.
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. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg. Standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	• Lab procedure analyses performed at SGS Lakefield, ALS Chemex and Omac Laboratories are as follows: • SGS Lakefield: Ni, Cu, Co, S, Ag were analysed using sodium peroxide fusion, ICP-MS analysis (assayed at SGS Toronto); Pt, Pd and Au by fire assay, /CP-OES. • ALS Chemex: analysis for Ni, Cu, Co, Ag and S by peroxide fusion and ICP-AES, Pt, Pd and Au by fire assay and ICP-AES finish (30 g nominal sample weight) • Omac Laboratories: analysis for Ni, Cu, Co, Ag and S by oxidising digestion with final solution in aqua regia and ICP-AES, Pt, Pd and Au by 30 g lead fire assay/ICP finish. • Quality Assurance/Quality Control (QA/QC) was implemented at the • beginning of drilling in 2006 whereby standards were routinely inserted into the sample stream with at least one standard sample inserted per sample batch submitted to the laboratory. The program was further strengthened in 2007 with the introduction of blank samples and a more routine insertion of standards; i.e., one blank or standard every 20 samples. Once received, analytical results were imported into BLV's central database using commercial software, DHLogger (Century Systems) which provides quality control charting. Sample batches containing samples with analytical deviations of more than 5% were flagged, evaluated and batches re-assayed as needed. RC/ reviewed the results of the various QA/QC programs and concluded that the historical and recent sampling were acceptable for the purpose of resource estimation. • Property standards, certified reference materials and blank material were added regularly to the sample stream. Field duplicates, in the form of¼ split core did not form part of the QC Program. The Property Standards consisted of two Ni-sulphide standards, named CRG-B and CRG-C, made up by Falconbridge and used throughout the drilling in 2005, 2006 and 2007. All characterization data were • supplied by Blackstone and examined by the authors. The characterizations were well done with an average of 165 assays from four different labs used to determine the mean and standard deviation for each element • The certified reference material consisted of standards named LBE-1 and LBE-2 which were certified by WCM Minerals in Vancouver , British Columbia. The characterization for these standards used an average of 32 samples sent to either three or four labs. After graphing the round robin data for LBE-1 and LBE-2, it was fell that the materials were suitable for monitoring lab accuracy. The blank material used was sterile drill core.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	• Four samples were selected by the independent consultants RC/ in 2009, from two different drill holes, 1/4 sawn by the technician and placed by the authors into sample bags which were sealed with tape and placed in a rice bag. Sulphides in the drill core ranged from net textured to semi massive. These were assayed at Activation Laboratories in Ancaster, Ontario for analysis. All samples were analysed for Ni, Cu, Co, Au, Pd and Pl.

Criteria	JORC Code explanation	Commentary
	• Discuss any adjustment to assay data.	Bulk densities on drill core, as well as densities measured on the pulps using a pycnometer were also performed. The verification sample results compare favourably with the results obtained by Blackstone for the three elements. • Assay results for samples and quality assurance/quality control (QA/QC) materials are entered into DHLogger when received. All assay and QA/QC results are received electronically and uploaded. • No adjustment of assay data, nor twinned holes were undertaken.
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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Collar locations for all drill holes were established using a total station differential handheld Global Positioning System (GPS) with an accuracy of less than 1 m. Collar locations were picked up immediately after completion of the drill hole. Drill casing was left in the ground for most holes. • A Reflex survey instrument was utilized for surveying deviations of drill holes. Surveys were taken typically at 50 m increments down the hole. In the cases where there are no surveys, these holes were blocked at the time the surveys were being completed. • Drill hole collar location are surveyed in Universal Transverse Mercator (UTM) coordinates, WGS84 UTM Zone 32N. • Although topographic data are available, the GPS data recorded in the field were used for drill collar locations. The origin of the detailed topographic surfaces is not given by RCI.
Data spacing and distribution	• Data spacing for reporting of Exploration results. • 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. • Whether sample compositing has been applied.	• Drill hole spacing varies from 25 m x 50 m in the central area of the prospect, to 100 m x 150 m in the outermost portions. • The MRE Resource Category reflects the drill spacing at the project in relation to grade and lithology continuity. • Simple length weighted compositing, using best fit to 1 m, +/-25% tolerance, was performed on the assay results for the estimation process. These intervals are diluted in unsampled portions.
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. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The mineralized zones in are moderately NE dipping and are generally intercepted by -60 steep drill holes. It appears that the true width of the mineralized zones for both these properties is on average 80% of the core lengths.
Sample security	The measures taken to ensure sample security.	During Blackstone's drilling operations, the procedure was for one half of the core which was bagged for analysis and the bag secured with a zip tie. Cut and bagged samples are placed in sealed plastic transport boxes and secured on pallets ready for transport. The samples are stored in the core cutting facility typically until two or more pallets are ready for shipping. Pallets are picked up by TNT Transport and delivered to Oslo airport for SAS air cargo shipping to laboratories for analysis.

Criteria	JORC Code explanation	Commentary
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	RCI undertook verification sampling of the mineralized intervals and found the Ni, Cu and Co values to be acceptable in comparison to the original assay value.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
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 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 12, 100% Drake owned Espedalen exploration claims (ESPE 1-12) cover 119.28 km^2, in the historical mining district of Espedalen in the Gausdal Kommune in central Norway approximately 170 km north of Oslo and 320 km north of the Kristiansand nickel smelter. The claim covering the Dalen prospect is ESPE 9. The claims were granted 15 June 2021 and have a duration of 7 years prior to the expiry of which an extraction licence is required to secure ongoing tenure over any resources established on which development may be anticipated. • Verbal advice from the Norwegian Mining Directorate is that there are no prior claims or mining titles and that there are no environmental liabilities other than for work programs conducted by Drake during the tenure of the claim. The advice is also that there are no Saami reindeer herding rights in the area. • **Environmental and Social Setting:** Espedalen project is located in the Innlandet county of southern Norway approximately 50 km northwest of Lillehammer. The project site is within the northwest-southeast trending Espedalen valley in a mountainous area dominated by sparse vegetation of the Scandinavian and Russian Taiga ecoregion with a sub-Arctic climate. There are a number of settlements within the exploration permit, including the villages of Vassenden, Dalen and Øvre Satsum on the Espedalen valley floor. The status of native title interests in the permit area is unknown and will require further study. The historic site of the Espedalen Fjellkirki (church) is situated at the northern end of the Espedalen valley within one of the exploration permit boundaries. The topography varies from 600 to 1,400 masl, with the two main deposit areas of Dalen and Stormyra located on the southwestern valley slopes at between 1,000 and 1,200 masl. The Espedalsvatnet lake is situated at the centre of the exploration permit group. The lake and minor Gausa and Dritua rivers drain into the Vorma River then on to the major Glåma River that flows past Oslo into the North Sea. • **Exploration and Mining Permitting:** the project was covered by 16 exploration permits at the time of reporting the Mineral Resource statement in February 2020. The exploration permits covered a total of 140 km^2 that are 100% owned by Pursuit Minerals Limited via its 100% owned Swedish subsidiary company Eurasian Minerals Sweden AB and Norwegian subsidiary EMX Norwegian Services AS. The exploration permits expired on 04 May 2021. No mining permits/concessions have been applied for or are active in the project area. • **Environmental Permitting:** Obtaining environmental approval for a project in Norway will be primarily based on the EIA and will be key for the zoning plan decision. The competent authority for the EIA and zoning plan decision will be the planning authority, likely to be the local municipality with input from the Directorate for Mineral Management.

Criteria	JORC Code explanation	Commentary
		The permitting process in Norway can be lengthy with some projects requiring over several years from submission of EIA report to decision on approvals. Pursuit has not started the EIA process and no baselines studies have been initiated to date. • **Environmental Regulation:** Norway is not part of the European Union (EU) but is heavily influenced by EU legislation. The Norwegian permitting process requires the following primary approvals: extraction permit for state-owned minerals (under the Minerals Act 2009), zoning plan (under the Planning and Building Act 2009), discharge permit (under the Pollution Control Act 2004) and including requirements from the EU mine waste directive (2006), operating licence (Minerals Act) and building permit (Building and Planning Act). Norway has adopted the Canadian Towards Sustainable Mining initiative (2004). • **Protected Areas and Biodiversity:** the two deposits reported in the March 2020 MRE (Dalen and Stormyra) are located within 2 km of two Natura 2000 protected areas in addition to being close to the Langsua National park (within 5 km north) and within the Lillehammer skiing and tourism area. No studies on the biodiversity of the permit areas have been conducted to SRK's knowledge. • **Stakeholder Engagement and Social Licence to Operate:** SRK has not seen any documentation regarding engagement with local communities. Given the location in a tourist area and close to protected areas, there may be impediments to gaining social licence to operate . There are no mines currently operating in this region, with the land use dominated by tourism (including hiking/skiing). • **Corporate and Financial Agreements:** there are no joint-ventures, partnerships or overriding royalty agreements to SRK's knowledge.
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	• Prior to issue of the claims to Drake in 2012, Blackstone Ventures Inc (TSX) in joint venture with a subsidiary of Xstrata Nickel of Canada (previously Falconbridge) explored the Espedalen Project and discovered the Dalen and Stormyra prospects in 2004/5 using airborne EM and magnetics, ground UTEM follow up surveying and then diamond drilling. Reddick Consulting Inc (RCI), an independent geological consultant performed a resource estimation to 43-101 standards on the project which was released in 2009. • Drake has been able to secure Reddick's NI 43-101 report and data used to produce it. Drake has been unable to obtain any written reports on work conducted by Blackstone for the period from 2006 to 2009 when resource drillouts were conducted at both Stormyra and Dalen, however drill logs and collar and survey data and the core are stored at the NGU's Lokkken core library. • Nickel mining in the area was intermittently active during the period 1848 to 1918 with approximately 100,000 t of nickel ore produced@ 1.0% Ni, 0.4% Cu and 0.6% Co. Records of work prior to 1960 are incomplete. • Regional exploration from 1960 to 1980 has included geophysics, mapping and the drilling of 44 diamond drillholes on showings in areas located elsewhere on the property that are not in the immediate vicinity of the Stormyra and Dalen deposits.

Criteria	JORC Code explanation	Commentary
		• In the period from 2003 to 2008 Falconbridge, Sulfidmalm and Blackstone have completed 1,398 km of airborne geophysics, 229 km of ground geophysics and 167 diamond drill holes on the entire Espedalen property. There have been 54 diamond drill holes on the Stormyra deposit totalling 8,609 m and 33 diamond drill holes on the Dalen deposit totalling 5,018 m.
Geology	Deposit type, geological setting and style of mineralisation	• The Stormyra, Dalen nickel sulphide deposits are magmatic sulphide accumulations with tectonic, structural, and geological similarities to documented Ni-Cu mines. Comparison of the regional geological setting and nickel sulphide mineralisation occurrence between Norway and Voisey's Bay in Labrador indicates analogies which have not previously been investigated by exploration in Norway. A reconstruction of the tectonic palaeoplate position shows that, at the time of the Voisey's Bay intrusion, south Norway and Labrador were in relative close proximity and were undergoing similar tectonic development. Comparison of the suite of mafic rock types which host the mineralisation in Norway with Voisey's Bay show various similarities, such as the presence of troctolites (as in the Ertelien area) and association with anorthosite complexes (as at Espedalen), both of which were previously unrecognised as nickel sulphide targets. • The Espedalen area is underlain by metamorphosed syenites, norites, anorthosites, gabbros, pyroxenites and peridotites ranging in age from 1698-1250 Ma. These rocks in the Espedalen area are considered to be part of a nappe emplaced in its current position during the Caledonide Orogeny c. 400 Ma ago. • Economic concentrations of nickel are associated with magmatic sulphide accumulations and weathered products of mafic-ultramafic rocks as lateritic nickel ores. The Dalen nickel sulphide deposit is all magmatic sulphide accumulations with tectonic, structural, and geological similarities to documented, large Ni-Cu deposits. Nickel and copper are economic commodities contained in sulphide-rich ores that are associated with differentiated mafic sills and stocks and ultramafic volcanic (komatiitic) flows and sills. • The nickel-copper mineralised zones are found in a wide variety of host rocks including gabbro, norite, pyroxenite and peridotite which commonly have a significantly area/er extent. Mineralisation (pyrrhotite, pentlandite, and chalcopyrite ± pyrite) is found as massive to net textured and disseminated sulphide zones. • The mineralisation in the Dalen deposit occurs in a suite of ultramafic rocks and in a more disseminated manner than the other deposits. It may be that Ni mineralisation in Dalen is similar to large low-grade Ni deposits such as Mt. Keith in Australia, which is classified as a type Iib Ni deposit in the classification of Lesher and Keays, 2002. At Mt. Keith Fe-Ni-(Cu) sulphides occur interstitial to former olivine grains with an average abundance of 3-5 vol%.
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for Material drill holes: - easting and northing of the drill hole collar - elevation or RL (reduced level – elevation above sea level in metres) of the drill hole collar	Table A details all drill intersections used to inform the MRE. These intersections have been composited on length weighted basis, diluted for missing sample intervals.

Criteria	JORC Code explanation	Commentary
	- dip and azimuth of the hole - down hole length and interception depth - hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. Culling of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths or high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in details. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No top cuts have been applied to Table A, and the composite grades are simple length weighted averages. • Table C explains the calculation method for determining gross metal value (GMV).
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	It appears that the true width of the mineralised zone is on average 80% of the core lengths.
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 the drill hole collar locations and appropriate sectional views.	Refer to Figure 1 and 2 for plan view and cross sectional views.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All informing sample intervals are reported in Table A.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density,	• A UTEM survey over the broader area identified numerous anomalies with the Stormyra anomaly untested to the south of the southern most drill hole. • Limited metallurgical testwork was completed on two samples from the Megrundtjern prospect approximately 6 km west of Dalen, by Lakefield in Canada in the 1970s and indicated that "concentrate grades and recoveries are good". The best results obtained in

Criteria	JORC Code explanation	Commentary
	groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	this work provided a concentrate assaying 15% nickel and 5.3% copper with potential recovery in the range of 75-79%. Results can be expected to improve with further testwork. • No metallurgical work was conducted to Drake's knowledge on either Stormyra or Dalen.
Further work	• The nature and scale of planned further work (eg. Tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercial sensitive.	• Workplans will focus on extending known targets and developing additional targets within the Espedalen Claims (Figure 1 of the announcement highlights known targets). This will initially comprise ground EM and might, if warranted, continue into exploratory drilling. Land access and workplans require prior approval by authorities and the local Kommune, these have not been secured at this stage but are not expected to be controversial for the initial work planned. • A detailed review of geology and mineralisation is required to identify and prioritise areas of potential resource extension drilling at Stormyra.
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. • Data validation procedures used.	The database used in the estimation was taken from RCI project, which undertook extensive checking of database entries against the original assay reports. The significant intercepts from this estimate were visually checked against the original lab reports to validate the data entry.
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.	John Reddick and Tracey Armstrong undertook a two day site visit for the 2009 mineral resource estimate for which they acted as "qualified person' under Canadian reporting standards. During their visit independent sampling of core was performed to verify the assay results obtained by the exploration operators. Since this mineral resource estimate is based on the same data set and geological assumptions, no site visit could be justified.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• The MRE is based on assayed values within an untramafic suite, with a minimum of 2 m down hole width. Original lithological logging appears to be of a high quality, with supporting geological surface mapping opportunities abundant in the areas. Within a context of the drill spacing the geological model would be considered good, with limited feasible alternative geometric interpretations available. • Continuity was projected down dip and along strike to sub-mineralised intersections to provide gradational boundaries to the mineralisation. However due to the drill hole spacing on the eastern portion of domain 1, the solids were extended to a maximum of 50 m in either dip direction which is less than half the distance to the next drill intersection. • The lithological units were found to have a natural domain cut-off of approximately $100/t GMV during exploratory data analysis. • Grade continuity is good with a moderate nugget factor of about 30%. Assessment of continuity of the resource has been curtailed by the artifact of incomplete sampling, which has been assigned a zero elemental concentration for the purposes of this estimate.
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.	The project has strike of about 1,150 m, dip extent of about 400 m slope distance, and vertical extent of 275 m, extending from near surface to 230 m below surface.

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	• 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 availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. • The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg. Sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, the use of reconciliation data if available.	• The MRE was performed using Surpac software V6.4.1 on a block model methodology using ordinary kriging on a rotated model in -60 azimuth and -45 dip 20 mY x 20 mX x 2.5 mY blocks with no sub-blocking, with drill spacing ranging from 25 m x 50 m to 100 m x 150 m. Interpolation parameters are tabled in Table B, with maximum search distance 80 m for all elements, based on variogram analysis. Each element (Ni%, Cu%, Co%) was estimated independently into one of the four 3D wireframe model of the mineralised domains. • Composites were generated on a 1 m downhole, best-fit basis, consequently there are no residuals. Intervals in which no sample data is available were composited as a zero value. This is based on the likelihood that visual control on mineralisation is possible, and hence unsampled intervals are therefore poorly mineralised. • Variographic analysis of each element was undertaken on the main domains only due to the low sample count, with these results assumed for smaller domains in which variography is prevented by low sample population. • No assumptions were made in regard to elemental correlation during the estimation process. • The estimate is reported to a gross metal value (GMV), the parameters are given in Table C, and in which no recovery assumptions are made. No deleterious elements were considered in the estimate or its reporting. • Top cuts were applied to some domains and some elements, as seen fit to restrict the influence of high grades outside the domain populations as identified by various statistical means. Most domains did not require top cutting. Full details are given in Table D. • Reconciliation of the estimate was via visual checks on estimated grade to the informing composites, with average composite grade to blockmodel grade reconciled in 100 m wide easting bins, and on a domain by domain basis. The final block model was peer reviewed by an independent geologist to check across errors in estimation. No previous mining data is available to reconcile against.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	The model is estimated using dry specific gravity values.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	The GMV value of US$100/t was used based on a selective underground mining scenario. The GMV details are provided in Table C.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral	The project is interpreted as a likely selective mining scenario. The mostly narrow true widths and moderate dip are amenable for such operations.

Criteria	JORC Code explanation	Commentary
	resources may not always be rigorous. Where this is the case, this should be reported with an explanation on the basis of the mining assumptions made.	
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resource may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Only limited testwork has been completed to date on two samples from the nearly Megrundtjem prospect. This was carried out by Lakefield in Canada in the 1970s and indicated that "concentrate grades and recoveries are good". The best results obtained in this work provided a concentrate assaying 15% nickel and 5.3% copper with potential recovery in the range 75-79%. Results can be expected to improve with further testwork. No metallurgical work was conducted to Drake's knowledge on either Stormyra or Dalen directly.
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	No assumptions have been made. As this is a very early stage project an environmental policy for the project has not been drafted.
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.	Most of the rock mass is fresh, unbroken rock. Bulk density is based on 12 samples taken by RCI for both bulk density measurement, these bulk density measurements were reconciled against pycnometer readings. Calculations are based on historical work done, no details are available of methodologies for bulk density determination.
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	• The Mineral Resource above US$100/t GMV has been classified as Inferred due to the wide spaced drilling, uncertainty in bulk density determinations, and the incomplete sampling of available drill core. • The Mineral Resource estimate appropriately reflects the view of the Competent Person.

Criteria	JORC Code explanation	Commentary
	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.	
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	• This MRE follows a maiden MRE published in 2009 by Blackstone Resources, and to which this MRE reconciles against when the different modelling assumptions are considered. The previous MRE is displayed in Table E. • This MRE was peer reviewed in which the estimation process was validated.
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. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • 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. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. This MRE was undertaken using ordinary kriging which not a probabilistic method, hence no quantitative confidence can be given. The Inferred category reflects the good grade continuity within a context of the current drill spacing and incomplete sampling, and low sample count of density measurements. • This Inferred Resource is confined within drill hole intersections in the strike and down-dip directions, and as such the Resource is wholly interpolated rather than extrapolated beyond the limits of drilling. • This MRE is a global resource estimate. • No production data is available to reconcile this estimate with.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• **Waste Management:** Pursuit has not yet assessed the location of potential waste rock dumps (WRD) and tailings storage facilities (TSF) due to the early stage of the project and lack of detailed processing testwork to understand the characteristics of the waste material. Given the location of the deposits within steep terrain, along with the visual impact from a tourism and local resident perspective, siting of waste facilities may be challenging. Due to the close proximity to protected areas, it is expected detailed environmental and social studies will be required to assess the potential impacts. In addition, due to the location close to protected areas, the permitting decision is expected to be a lengthy process and require detailed testwork and design prior to submitting environmental permit applications. • **Acid Rock Drainage-Metal Leaching (ARDML):** The deposit contains abundant sulphide minerals with potential for creating acid-generating waste. Geochemical studies and testwork will be required to understand the impact and determine appropriate design and operational controls of rock dumps and tailings storage facilities. • **Closure:** no site closure and rehabilitation studies or cost associated estimates have yet been completed. Given the location close to protected areas and tourist sites, approaches to rehabilitation and closure are likely to be scrutinised by regulators and stakeholders (including potential investors). • **Liabilities:** to SRK's knowledge there are no known existing environmental and/or social liabilities associated with the project as it is a greenfield site. • **Water Management:** no design, operational and closure assumptions have yet been made with respect to water management and minimising negative impacts on other water users (ecological and human). • **Energy:** no studies on energy usage or resource efficiency have yet been completed. • **Greenhouse Gas Emissions:** Norway has committed to reducing greenhouse gas (GHG) emissions from 1990s levels by >50% by 2030. As part of Norway's Climate Plan 2021-2030, it is planned to increase carbon tax from the NOK 590 (EUR 59) in 2020 to NOK 2,000 (EUR 200)/t CO^2 equivalent from 2021 onwards. Depending on the project's approach to energy management, this could have an impact on the potential of the project to demonstrate 'reasonable prospects for eventual economic extraction' as required when reported Mineral Resources.

Table A: Drill hole intersections used in the Mineral Resource estimate at Stormyra prospect

domain	hole_id	from	to	Int	Ni	Cu	Co	y	x	z	depth	azi	dip	comment
		(m)	(m)	(m)	(%)	(%)	(%)	(m)	(m)	(m)	(m)	degrees	degrees	
1	ES07-110	33.77	36.08	2.31	0.47	0.15	0.018	6,801,370	534,978	991	77.83	230	-50	
1	ES07-111	26.81	28.82	2.01	0.15	0.06	0.010	6,801,311	535,066	990	65.67	230	-50	
2	ES07-112	26.56	30.02	3.46	-	-	-	6,801,311	535,066	990	33.21	230	-80	unsampled interval
1	ES07-113	58.25	60.64	2.39	2.86	1.18	0.086	6,801,328	535,075	998	81.1	230	-60	
2	ES07-113	43.09	45.40	2.31	0.44	0.31	0.009	6,801,328	535,075	998	81.1	230	-60	
1	ES07-114	31.82	34.11	2.29	0.51	0.19	0.017	6,801,250	535,150	981	86.83	230	-50	
2	ES07-114	28.09	30.09	2.00	-	-	-	6,801,250	535,150	981	86.83	230	-50	unsampled interval
1	ES07-115	65.40	68.60	3.20	0.61	0.56	0.026	6,801,274	535,178	974	107.67	230	-50	
2	ES07-115	60.62	63.30	2.68	1.11	0.47	0.048	6,801,274	535,178	974	107.67	230	-50	
1	ES07-116	65.40	68.60	3.20	-	-	-	6,801,274	535,178	974	139.22	230	-50	unsampled interval
2	ES07-116	60.62	63.30	2.68	-	-	-	6,801,274	535,178	974	139.22	230	-50	unsampled interval
1	ES07-117	36.78	40.81	4.03	-	-	-	6,801,219	535,197	979	109.39	230	-50	unsampled interval
2	ES07-117	30.26	31.81	1.55	-	-	-	6,801,219	535,197	979	109.39	230	-50	unsampled interval
1	ES07-118	100.97	103.05	2.08	0.21	0.07	0.009	6,801,272	535,254	961	148.01	230	-65	
2	ES07-118	82.11	84.02	1.91	-	-	-	6,801,272	535,254	961	148.01	230	-65	unsampled interval
1	ES07-119	44.60	46.91	2.31	0.16	0.08	0.009	6,801,195	535,240	979	91.77	230	-50	
1	ES07-120	54.22	56.54	2.32	2.57	0.98	0.086	6,801,211	535,260	971	140.26	230	-50	
2	ES07-120	48.80	50.63	1.83	0.03	0.13	0.003	6,801,211	535,260	971	140.26	230	-50	
1	ES07-121	62.03	64.06	2.03	0.45	0.19	0.020	6,801,211	535,260	971	120.71	230	-73	
2	ES07-121	57.00	58.80	1.80	0.33	0.11	0.011	6,801,211	535,260	971	120.71	230	-73	
1	ES07-122	87.17	94.67	7.50	0.41	0.37	0.017	6,801,232	535,284	966	121.91	230	-70	
2	ES07-122	64.14	66.67	2.53	0.54	0.21	0.022	6,801,232	535,284	966	121.91	230	-70	
1	ES07-123	51.60	53.60	2.00	0.64	0.27	0.025	6,801,162	535,278	978	121.45	230	-75	
1	ES07-124	154.79	156.79	2.00	-	-	-	6,801,240	535,370	968	181.51	230	-80	unsampled interval
2	ES07-124	124.50	126.50	2.00	0.01	0.02	0.002	6,801,240	535,370	968	181.51	230	-80	
1	ES07-125	63.58	66.05	2.47	1.20	0.61	0.038	6,801,147	535,338	977	151.71	230	-76	
1	ES07-126	99.20	105.50	6.30	1.07	0.56	0.047	6,801,174	535,374	968	147.01	230	-79	
1	ES07-127	142.74	144.74	2.00	-	-	-	6,801,229	535,447	953	188.81	230	-60	unsampled interval
1	ES07-128	64.40	66.80	2.40	1.19	0.58	0.044	6,801,127	535,381	975	124.61	230	-65	
1	ES07-129	177.15	179.55	2.40	0.08	0.00	0.012	6,801,203	535,508	960	250.01	230	-60	
1	ES07-56	85.00	87.00	2.00	0.48	0.18	0.020	6,801,310	535,141	975	152	236.5	-51.5	
2	ES07-56	63.50	65.70	2.20	0.21	0.07	0.008	6,801,310	535,141	975	152	236.5	-51.5	
1	ES07-57	132.64	135.42	2.78	-	-	-	6,801,333	535,178	967	170.2	235.8	-55.8	unsampled interval
2	ES07-57	105.46	106.92	1.46	-	-	-	6,801,333	535,178	967	170.2	235.8	-55.8	unsampled interval
1	ES07-58	47.10	51.50	4.40	0.82	0.22	0.029	6,801,352	535,036	986	125.31	226.6	-53	
1	ES07-59	94.00	96.00	2.00	-	-	-	6,801,375	535,064	982	147.91	229.1	-61.3	unsampled interval
1	ES2004-08	56.30	59.50	3.20	1.81	1.05	0.068	6,801,300	535,129	978	85.3	238.4	-43	
2	ES2004-08	44.59	45.77	1.18	-	-	-	6,801,300	535,129	978	85.3	238.4	-43	unsampled interval
1	ES2004-09	80.40	95.00	14.60	1.74	0.79	0.064	6,801,193	535,309	969	139.2	220.4	-76.5	
2	ES2004-09	72.50	74.85	2.35	0.27	0.08	0.010	6,801,193	535,309	969	139.2	220.4	-76.5	
1	ES2005-18	119.28	121.28	2.00	-	-	-	6,801,210	535,336	967	171	230	-81	unsampled interval
2	ES2005-18	92.39	94.39	2.00	-	-	-	6,801,210	535,336	967	171	230	-81	unsampled interval
1	ES2005-19	65.10	67.27	2.17	1.15	0.70	0.033	6,801,174	535,292	974	125.35	247.69	-80.23	
2	ES2005-19	57.50	59.26	1.76	-	-	-	6,801,174	535,292	974	125.35	247.69	-80.23	unsampled interval
1	ES2005-20	64.00	76.18	12.18	2.39	0.95	0.071	6,801,244	535,221	969	132.4	238.15	-64.99	
1	ES2005-20	82.20	85.06	2.86	2.71	0.78	0.093	6,801,244	535,221	969	132.4	238.15	-64.99	
2	ES2005-20	55.40	57.40	2.00	-	-	-	6,801,244	535,221	969	132.4	238.15	-64.99	unsampled interval
1	ES2005-21	57.60	63.45	5.85	1.09	0.63	0.045	6,801,243	535,221	969	98	230	-46	
1	ES2005-21	70.74	72.74	2.00	-	-	-	6,801,243	535,221	969	98	230	-46	unsampled interval
2	ES2005-21	51.65	54.10	2.45	0.52	0.26	0.027	6,801,243	535,221	969	98	230	-46	
1	ES2005-22	29.35	36.50	7.15	2.68	1.27	0.083	6,801,285	535,113	983	77.75	233.5	-43.8	
1	ES2005-23	25.52	28.52	3.00	0.46	0.19	0.018	6,801,339	535,023	990	61.3	232.7	-47.23	
1	ES2005-24	104.76	113.67	8.91	1.18	0.42	0.045	6,801,166	535,438	967	134.55	229.8	-59.9	
1	ES2005-25	106.45	110.60	4.15	0.97	0.25	0.034	6,801,114	535,533	962	138.4	220.8	-65.6	
1	ES2005-26	100.68	105.29	4.61	0.42	0.33	0.021	6,801,057	535,620	961	131.5	217.6	-70.15	
1	ES2005-27	93.15	98.24	5.09	0.71	0.42	0.025	6,800,996	535,703	961	134	222.21	-71.43	
1	ES2005-28	71.45	74.83	3.38	0.63	0.37	0.023	6,800,933	535,783	961	105.8	231.79	-70.09	
1	ES2005-29	56.50	58.70	2.20	0.16	0.08	0.018	6,800,882	535,879	960	88.2	229.95	-65.01	
1	ES2005-30	47.35	49.97	2.62	0.93	0.33	0.037	6,800,824	535,965	957	88.9	230	-65	
1	ES2005-31	92.70	95.91	3.21	0.59	0.36	0.023	6,801,152	535,422	969	131.53	229.4	-59.6	
1	ES2005-32	121.25	124.51	3.26	0.60	0.19	0.021	6,801,179	535,454	965	155.3	229.5	-62.08	
1	ES2005-33	86.20	89.35	3.15	0.51	0.15	0.023	6,801,254	535,233	968	128	229.8	-64.3	
1	ES2005-33	90.65	93.65	3.00	0.05	0.05	0.010	6,801,254	535,233	968	128	229.8	-64.3	
2	ES2005-33	64.60	67.60	3.00	0.29	0.06	0.018	6,801,254	535,233	968	128	229.8	-64.3	
1	ES2006-51	98.05	105.39	7.34	0.15	0.06	0.013	6,801,083	535,572	962	249	230	-65	
4	ES2006-52	80.41	84.98	4.57	1.46	0.38	0.059	6,800,958	535,917	961	271.2	230	-80	
1	ES2006-53	206.25	209.31	3.06	0.03	0.03	0.010	6,801,284	535,501	946	274.39	230	-70	
1	ES2006-54	150.15	152.52	2.37	-	-	-	6,801,341	535,258	954	247.9	230	-51	unsampled interval
2	ES2006-54	127.59	129.59	2.00	-	-	-	6,801,341	535,258	954	247.9	230	-51	unsampled interval
1	ES2006-55	54.00	56.35	2.35	0.76	0.32	0.024	6,800,850	535,917	957	218.91	230	-80	

Table B: Interpolation parameters used

Element	Domain	Ref#	Log variant	Variogram model				Model			Direction			Ratio 1		Sample No.		
				Nugget	Sill1	Sill2	Total	Range1	Range2	Maximum range	Plunge	Strike	Dip	Maj-sm	Maj-minor	Min.	Max.	Max/DH
Ni	1-4	1	1.22	0.30	0.70		1.00	80		80	-7	113	47	1.3	2.3	2	24	
Cu	1-4	2	1.22	0.37	0.63		1.00	85		80	-10	110	45	2.1	3	2	24	
Co	1-4	3	1.22	0.26	0.74		1.00	80		80	-9	111	45	2.1	3	2	24	

Table C: Gross metal value calculation

	Ni	Cu	Co
US$/lb	7.71	2.2	7.71
US$/t	16,993	4,849	16,993

Note: Given by equation: ((Ni%*16,993)+(Cu%*4,849)+(Co%*16,993))/100

Table D: Average composite values and top cuts applied reconciled against interpolated block model averages (no lower cut applied to block model)

Domain	Variable	Undiluted composites		Diluted composites								Block model	
		Number of samples	Mean	Number of samples	Minimum value	Maximum value	Mean	Median	Standard deviation	Coefficient of variation	Skewness	Tonnes	Average %
1	Co	147	0.039	167	-	0.210	0.034	0.019	0.04	1.21	2.10	1,501,200	0.029
2	Co	23	0.018	44	-	0.071	0.009	0.002	0.02	1.63	2.13	190,800	0.009
3	Co	6	0.052	8	-	0.200	0.039	0.010	0.06	1.62	2.03	21,600	0.032
4	Co	5	0.059	5	0.03	0.110	0.059	0.049	0.03	0.50	0.78	46,800	0.063
1	Cu	147	0.50	167	-	2.60	0.44	0.18	0.55	1.27	1.70	1,461,600	0.36
2	Cu	23	0.18	44	-	0.59	0.09	0.01	0.16	1.65	1.92	190,800	0.09
3	Cu	6	0.41	8	-	1.87	0.31	0.06	0.60	1.94	2.12	21,600	0.26
4	Cu	5	0.38	5	0.21	0.81	0.38	0.29	0.22	0.59	1.40	46,800	0.39
1	Ni	147	1.08	167	-	7.75	0.95	0.39	1.40	1.47	2.53	1,810,800	0.68
2	Ni	23	0.41	44	-	1.67	0.21	0.00	0.38	1.79	2.15	216,000	0.62
3	Ni	6	1.38	8	-	6.72	1.03	0.06	2.18	2.11	2.14	21,600	0.62
4	Ni	5	1.46	5	0.55	3.94	1.46	0.98	1.25	0.86	1.43	57,600	1.56

Table E: 2009 MRE, Stormyra Prospect

	Tonnes (Mt)	Ni %	Cu %	Co %
Inferred	1.0	1.09	0.48	0.04

APPENDIX 2 – JORC Code, 2012 Edition

Table 1 report - Dalen

Criteria	JORC Code explanation	Commentary
Sampling techniques	• Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference lo measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	• Dalen mineral resource is estimated using diamond drill core only, drilled mostly on a nominal 25 m x 50 m spaced pattern for the central area, extending to 50 m x 100 m and 200 m x 400 m in the distal areas of the prospect. A total of 33 drill holes for 5,018 m drilled are in the database, with 27 drill holes used in the estimate. Holes were generally drilled to the south west at -80 dip to intersect shallow NE dipping strata. • Drill core was cut longitudinally with a diamond blade core saw at Blackstone's core cutting facility in Tyristrand, Norway, with half of the core placed in bags and sent to accredited labs at SGS Lakefield Research Limited in Lakefield Ontario in 2006 and ALS Chemex (Pitea, Sweden Preparation Facility and Vancouver, B.C. Analytical Laboratory) and Omac Laboratories Limited in Galway, Ireland in 2007 and 2008.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	• 2007 and 2008 drill programs on the Dalen project were via a muskeg mounted Diamec 251 Type standard drilling rig. It is not known the exact type of drill rigs used in the earlier programs in 2004 to 2006. • Core diameters include a variety ranging from 35.2 mm to 42 mm, which is close to standard BQ (35.5 mm) and BQTW (47 .6 mm). • Drill core at all drill sites is placed in wooden boxes, the boxes labelled according to drill hole number and metres and closed for transport.
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • 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.	• Recoveries were logged and recorded in a drilling database • As almost all core recovery is very good, it was unnecessary to take additional measures to improve recovery and the representative nature of samples. • As almost all core recovery is very good, there appear to be no sampling or recovery factors that could materially bias the accuracy or reliability of the sampling results.

Criteria	JORC Code explanation	Commentary
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. • Whether logging is qualitative or quantitative in nature. Core (or costean channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• All core is logged at the core shack on the project site, where major lithological units, structure, alteration, and mineralogy is recorded using text, numeric codes, or percentages and entered into DHLogger daily. • Prior to being sampled, significant mineralised core sections were photographed using a digital camera and the photos are downloaded to the main office computer. • The final logs include a header sheet with collar coordinates and down hole survey data. Produced from DHLogger in Sudbury. • There has been no geotechnical testing completed on the diamond core.
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Technicians saw the core in half longitudinally using core saws with a diamond blade at Blackstone's core cutting facility in Tyristrand, Norway. • Sample lengths are based on lithologic units and generally range from 0.30 m to 1.5 m. Standards or blanks are inserted for every 20 samples and a blank is inserted at the end of mineralised zones. • Drill core samples analysed at SGS Lakefield were weighed and dried before up to 4 kg of samples was crushed to 10 mesh then a 250 gram split was pulverized to 150 mesh. Cleaning of crushers and pulverisers was completed after every 20 samples. • Drill core samples analysed at ALS Chemex were first prepared at ALS' preparation lab in Pitea, Sweden. There samples were logged in their tracking system, then weighed and the entire sample was fine crushed to better than 70%-2 mm. A split off 250 gram sample was then pulverized to better than 85% passing 75 microns. These pulps were then shipped to Vancouver, B.C by commercial aircraft for completion of analytical work. • Drill core samples analysed at Omac Laboratories Limited were shipped to Galway Ireland from Norway where samples were prepared and analysed. Samples were dried, jaw and coned crushed • Drill core samples analysed at ALS Chemex were first prepared at ALS' preparation lab in Pitea, Sweden. There samples were logged in their tracking system, then weighed and the entire sample was fine crushed to better than 70%-2mm. A split off 250 gram sample was then pulverized to better than 85% passing 75 microns. These pulps were then shipped to Vancouver, B.C by commercial aircraft for completion of analytical work. • Drill core samples analysed at Omac Laboratories Limited were shipped to Galwa, y Ireland from Norway where samples were prepared and analysed. Samples were dried, jaw and coned crushed total to <2 mm, riffled 1 kg and pulverized to 100 microns. All fractions were retained.
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. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	• Lab procedure analyses performed at SGS Lakefield, ALS Chemex and Omac Laboratories are as follows: - SGS Lakefield: Ni, Cu, Co, S, Ag were analysed using sodium peroxide fusion, ICP-MS analysis (assayed at SGS Toronto); Pt, Pd and Au by fire assay, /CP-OES. - ALS Chemex: analysis for Ni, Cu, Co, Ag and S by peroxide fusion and ICP-AES, Pt, Pd and Au by fire assay and ICP-AES finish (30 g nominal sample weight) - Omac Laboratories: analysis for Ni, Cu, Co, Ag and S by oxidising digestion with final solution in aqua regia and ICP-AES, Pt, Pd and Au by 30 g lead fire assay/ICP finish.

Criteria	JORC Code explanation	Commentary
	• Nature of quality control procedures adopted (eg. Standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.	• Quality Assurance/Quality Control (QA/QC) was implemented at the beginning of drilling in 2006 whereby standards were routinely inserted into the sample stream with at least one standard sample inserted per sample batch submitted to the laboratory. The program was further strengthened in 2007 with the introduction of blank samples and a more routine insertion of standards; i.e., one blank or standard every 20 samples. Once received, analytical results were imported into BLV's central database using commercial software, DHLogger (Century Systems) which provides quality control charting. Sample batches containing samples with analytical deviations of more than 5% were flagged, evaluated and batches re-assayed as needed. RCI reviewed the results of the various QA/QC programs and concluded that the historical and recent sampling were acceptable for the purpose of resource estimation. • Property standards, certified reference materials and blank material were added regularly to the sample stream. Field duplicates, in the form of 1/4 split core did not form part of the QC Program. The Property Standards consisted of two Ni-sulphide standards, named CRG-B and CRG-C, made up by Falconbridge and used throughout the drilling in 2005, 2006 and 2007. All characterization data were supplied by Blackstone and examined by the authors. The characterizations were well done with an average of 165 assays from four different labs used to determine the mean and standard deviation for each element • The certified reference material consisted of standards named LBE-1 and LBE-2 which were certified by WCM Minerals in Vancouver , British Columbia. The characterization for these standards used an average of 32 samples sent to either three or four labs. After graphing the round robin data for LBE-1 and LBE-2, it was fell that the materials were suitable for monitoring lab accuracy. The blank material used was sterile drill core.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Four samples were selected by the independent consultants RC/ in 2009, from two different drill holes, 1/4 sawn by the technician and placed by the authors into sample bags which were sealed with tape and placed in a rice bag. Sulphides in the drill core ranged from net textured to semi massive. These were assayed at Activation Laboratories in Ancaster, Ontario for analysis. All samples were analysed for Ni, Cu, Co, Au, Pd and Pl. Bulk densities on drill core, as well as densities measured on the pulps using a pycnometer were also performed. The verification sample results compare favourably with the results obtained by Blackstone for the three elements. • Assay results for samples and quality assurance/quality control (QA/QC) materials are entered into DHLogger when received. All assay and QA/QC results are received electronically and uploaded. • No adjustment of assay data, nor twinned holes were undertaken.
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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Collar locations for all drill holes were established using a total station differential handheld Global Positioning System (GPS) with an accuracy of less than 1 m. Collar locations were picked up immediately after completion of the drill hole. Drill casing was left in the ground for most holes. • A Reflex survey instrument was utilized for surveying deviations of drill holes. Surveys were taken typically at 50 m increments down the hole. In the cases where there are no surveys, these holes were blocked at the time the surveys were being completed. • Drill hole collar location are surveyed in Universal Transverse Mercator (UTM) coordinates, WGS84 UTM Zone 32N.

Criteria	JORC Code explanation	Commentary
		• Although topographic data are available, the GPS data recorded in the field were used for drill collar locations. The origin of the detailed topographic surfaces is not given by RCI.
Data spacing and distribution	• Data spacing for reporting of Exploration results. • 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. • Whether sample compositing has been applied.	• Drill hole spacing varies from 50 m x 50 m in the central area of the prospect, to 200 m x 450 m in the outermost portions. • The MRE Resource Category reflects the wide drill spacing at the project. Good grade and lithology continuity is demonstrated where drill spacing is close. • Compositing of the assay results was performed for the estimation process. These intervals are diluted in unsampled portions.
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. • If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	The mineralized zones in are flat lying and are generally intercepted by fairly steep drillholes. It appears that the true width of the mineralized zones for both these properties is on average 80% to 100% of the core lengths.
Sample security	The measures taken to ensure sample security.	During Blackstone's drilling operations, the procedure was for one half of the core which was bagged for analysis and the bag secured with a zip tie. Cut and bagged samples are placed in sealed plastic transport boxes and secured on pallets ready for transport. The samples are stored in the core cutting facility typically until two or more pallets are ready for shipping. Pallets are picked up by TNT Transport and delivered to Oslo airport for SAS air cargo shipping to laboratories for analysis.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	RCI undertook verification sampling of the mineralized intervals and found the Ni, Cu and Co values to be acceptable in comparison to the original assay value.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
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 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 12, 100% Drake owned Espedalen exploration claims (ESPE 1-12) cover 119.28 km^2, in the historical mining district of Espedalen in the Gausdal Kommune in central Norway approximately 170 km north of Oslo and 320 km north of the Kristiansand nickel smelter. The claim covering the Dalen prospect is ESPE 9. The claims were granted 15 June 2012 and have a duration of 7 years prior to the expiry of which an extraction licence is required to secure ongoing tenure over any resources established on which development may be anticipated. • Verbal advice from the Norwegian Mining Directorate is that there are no prior claims or mining titles and that there are no environmental liabilities other than for work programs conducted by Drake during the tenure of the claim. The advice is also that there are no Saami reindeer herding rights in the area. • The current defined Resource occurs near Lake Espedalsvatnet. The mineralization might extend beneath the lake. Discussions have not yet taken place between Drake and the relevant authorities regarding requirements for developing a resource beside the lake. • **Environmental and Social Setting:** Espedalen project is located in the Innlandet county of southern Norway approximately 50 km northwest of Lillehammer. The project site is within the northwest-southeast trending Espedalen valley in a mountainous area dominated by sparse vegetation of the Scandinavian and Russian Taiga ecoregion with a sub-Arctic climate. There are a number of settlements within the exploration permit, including the villages of Vassenden, Dalen and Øvre Satsum on the Espedalen valley floor. The status of native title interests in the permit area is unknown and will require further study. The historic site of the Espedalen Fjellkirki (church) is situated at the northern end of the Espedalen valley within one of the exploration permit boundaries. The topography varies from 600 to 1,400 masl, with the two main deposit areas of Dalen and Stormmyra located on the southwestern valley slopes at between 1,000 and 1,200 masl. The Espedalsvatnet lake is situated at the centre of the exploration permit group. The lake and minor Gausa and Dritua rivers drain into the Vorma River then on to the major Glåma River that flows past Oslo into the North Sea. • **Exploration and Mining Permitting:** the project was covered by 16 exploration permits at the time of reporting the Mineral Resource statement in February 2020. The exploration permits covered a total of 140 km2 that are 100% owned by Pursuit Minerals Limited via its 100% owned Swedish subsidiary company Eurasian Minerals Sweden AB and Norwegian subsidiary EMX Norwegian Services AS. The exploration permits expired on 04 May 2021. No mining permits/concessions have been applied for or are active in the project area. • **Environmental Permitting:** Obtaining environmental approval for a project in Norway will be primarily based on the EIA and will be key for the zoning plan decision. The competent authority for the EIA and zoning plan decision will be the planning authority, likely to be the local municipality with input from the Directorate for Mineral Management. The permitting process in Norway can be lengthy with some projects requiring over several years from submission of EIA report to decision on approvals. Pursuit has not started the EIA process and no baselines studies have been initiated to date.

Criteria	JORC Code explanation	Commentary
		• **Environmental Regulation:** Norway is not part of the European Union (EU) but is heavily influenced by EU legislation. The Norwegian permitting process requires the following primary approvals: extraction permit for state-owned minerals (under the Minerals Act 2009), zoning plan (under the Planning and Building Act 2009), discharge permit (under the Pollution Control Act 2004) and including requirements from the EU mine waste directive (2006), operating licence (Minerals Act) and building permit (Building and Planning Act). Norway has adopted the Canadian Towards Sustainable Mining initiative (2004). • **Protected Areas and Biodiversity:** the two deposits reported in the March 2020 MRE (Dalen and Stormyra) are located within 2 km of two Natura 2000 protected areas in addition to being close to the Langsua National park (within 5 km north) and within the Lillehammer skiing and tourism area. No studies on the biodiversity of the permit areas have been conducted to SRK's knowledge. • **Stakeholder Engagement and Social Licence to Operate:** SRK has not seen any documentation regarding engagement with local communities. Given the location in a tourist area and close to protected areas, there may be impediments to gaining social licence to operate . There are no mines currently operating in this region, with the land use dominated by tourism (including hiking/skiing). • **Corporate and Financial Agreements:** there are no joint-ventures, partnerships or overriding royalty agreements to SRK's knowledge.
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	• Prior to issue of the claims to Drake in 2012, Blackstone Ventures Inc (TSX) in joint venture with a subsidiary of Xstrata Nickel of Canada (previously Falconbridge) explored the Espedalen Project and discovered the Dalen and Stormyra prospects in 2004/5 using airborne EM and magnetics, ground UTEM follow up surveying and then diamond drilling. Reddick Consulting Inc (RCI), an independent geological consultant performed a resource estimation to 43-101 standards on the project which was released in 2009. • Drake has been able to secure Reddick's NI 43-101 report and data used to produce it. Drake has been unable to obtain any written reports on work conducted by Blackstone for the period from 2006 to 2009 when resource drillouts were conducted at both Stormyra and Dalen, however drill logs and collar and survey data and the core are stored at the NGU's Lokkken core library. • Nickel mining in the area was intermittently active during the period 1848 to 1918 with approximately 100,000 t of nickel ore produced@ 1.0% Ni, 0.4% Cu and 0.6% Co. Records of work prior to 1960 are incomplete. • Regional exploration from 1960 to 1980 has included geophysics, mapping and the drilling of 44 diamond drillholes on showings in areas located elsewhere on the property that are not in the immediate vicinity of the Stormyra and Dalen deposits. • In the period from 2003 to 2008 Falconbridge, Sulfidmalm and Blackstone have completed 1,398 km of airborne geophysics, 229 km of ground geophysics and 167 diamond drill holes on the entire Espedalen property. There have been 54 diamond drill holes on the Stormyra deposit totalling 8,609 m and 33 diamond drill holes on the Dalen deposit totalling 5,018 m.

Criteria	JORC Code explanation	Commentary
Geology	Deposit type, geological setting and style of mineralisation	• The Stormyra, Dalen nickel sulphide deposits are magmatic sulphide accumulations with tectonic, structural, and geological similarities to documented Ni-Cu mines. Comparison of the regional geological setting and nickel sulphide mineralisation occurrence between Norway and Voisey's Bay in Labrador indicates analogies which have not previously been investigated by exploration in Norway. A reconstruction of the tectonic palaeoplate position shows that, at the time of the Voisey's Bay intrusion, south Norway and Labrador were in relative close proximity and were undergoing similar tectonic development. Comparison of the suite of mafic rock types which host the mineralisation in Norway with Voisey's Bay show various similarities, such as the presence of troctolites (as in the Ertelien area) and association with anorthosite complexes (as at Espedalen), both of which were previously unrecognised as nickel sulphide targets. • The Espedalen area is underlain by metamorphosed syenites, norites, anorthosites, gabbros, pyroxenites and peridotites ranging in age from 1698-1250 Ma. These rocks in the Espedalen area are considered to be part of a nappe emplaced in its current position during the Caledonide Orogeny c. 400 Ma ago. • Economic concentrations of nickel are associated with magmatic sulphide accumulations and weathered products of mafic-ultramafic rocks as lateritic nickel ores. The Dalen nickel sulphide deposit is all magmatic sulphide accumulations with tectonic, structural, and geological similarities to documented, large Ni-Cu deposits. Nickel and copper are economic commodities contained in sulphide-rich ores that are associated with differentiated mafic sills and stocks and ultramafic volcanic (komatiitic) flows and sills. • The nickel-copper mineralised zones are found in a wide variety of host rocks including gabbro, norite, pyroxenite and peridotite which commonly have a significantly area/er extent. Mineralisation (pyrrhotite, pentlandite, and chalcopyrite ± pyrite) is found as massive to net textured and disseminated sulphide zones. • The mineralisation in the Dalen deposit occurs in a suite of ultramafic rocks and in a more disseminated manner than the other deposits. It may be that Ni mineralisation in Dalen is similar to large low-grade Ni deposits such as Mt. Keith in Australia, which is classified as a type lib Ni deposit in the classification of Lesher and Keays, 2002. At Mt. Keith Fe-Ni-(Cu) sulphides occur interstitial to former olivine grains with an average abundance of 3 to 5 vol%.
Drill hole information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for Material drill holes: - easting and northing of the drill hole collar - elevation or RL (reduced level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length.	Table A details all drill intersections used to inform the MRE. These intersections have been composited on length weighted basis, diluted for missing sample intervals.

Criteria	JORC Code explanation	Commentary
	• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. Culling of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths or high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in details. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• No top cuts have been applied to Table A, and the composite grades are simple length weighted averages. • Table C explains the calculation method for determining gross metal value (GMV).
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	It appears that the true width of the mineralised zone is on average 80% to 100% of the core lengths.
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 the drill hole collar locations and appropriate sectional views.	Refer to Figure 1 and 2 for plan view and cross sectional views, with Figure 3 an oblique view of mineralisation.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All informing sample intervals are reported in Table A.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	• Various geophysical (electromagnetic and magnetic) surveys over Dalen indicate the deposit remains open in several directions. • Limited metallurgical testwork was completed on two samples from the Megrundtjern prospect approximately 6 km west of Dalen, by Lakefield in Canada in the 1970s and indicated that "concentrate grades and recoveries are good". The best results obtained in this work provided a concentrate assaying 15% nickel and 5.3% copper with potential recovery in the range 75-79%. Results can be expected to improve with further testwork. • No metallurgical work was conducted to Drake's knowledge on either Stormyra or Dalen.

Criteria	JORC Code explanation	Commentary
Further work	• The nature and scale of planned further work (eg. Tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercial sensitive.	• Workplans will focus on extending known targets and developing additional targets within the Espedalen Claims (Figure 1 of the announcement highlights known targets). This will initially comprise ground EM and might, if warranted, continue into exploratory drilling. Land access and workplans require prior approval by authorities and the local Kommune, these have not been secured at this stage but are not expected to be controversial for the initial work planned. • A detailed review of geology and mineralisation is required to identify and prioritise areas of potential resource extension drilling at Dalen.
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. • Data validation procedures used.	The database used in the estimation was taken from RCI project, which undertook extensive checking of database entries against the original assay reports. The significant intercepts from this estimate were visually checked against the original lab reports to validate the data entry.
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.	John Reddick and Tracey Armstrong undertook a two day site visit for the 2009 mineral resource estimate for which they acted as “qualified person’ under Canadian reporting standards. During their visit independent sampling of core was performed to verify the assay results obtained by the exploration operators. Since this mineral resource estimate is based on the same data set and geological assumptions, no site visit could be justified.
Geological interpretation	• Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. • Nature of the data used and of any assumptions made. • The effect, if any, of alternative interpretations on Mineral Resource estimation. • The use of geology in guiding and controlling Mineral Resource estimation. • The factors affecting continuity both of grade and geology.	• The MRE is based on assayed values within an untramafic suite, with a minimum of 2 m down hole width. Original lithological logging appears to be of a high quality, with supporting geological surface mapping opportunities abundant in the areas. Within a context of the drill spacing the geological model would be considered good, with limited feasible alternative geometric interpretations available. • The lithological units were found to have a natural domain cut-off of about $40/t GMV during exploratory data analysis. • Grade continuity is good with a low nugget factor. Continuity of the resource has been curtailed by the artifact of incomplete sampling, which has been assigned a zero elemental concentration for the estimate.
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.	The project has strike of about 1,150 m, dip extent of about 600 m slope distance, and vertical extent of 190 m, extending from near surface to 180 m below surface.
Estimation and modelling techniques	• 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 availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	• The MRE was performed using Surpac software V6.4.1 on a block model methodology using ordinary kriging 20 mY x 20 mX x 10 mY blocks sub-blocking to 20 mY x 20 mX x 2.5 mZ, with drill spacing ranging from 50 m x 50 m to 200 m x 400 m. Interpolation parameters are tabled in Table B, with maximum search distance 70m for all elements, based on variogram analysis. Each element (Ni%, Cu%, Co%) was estimated independently into one of six 3D wireframe model of the mineralized lithology units. • Composites were generated on a 1 m downhole, best-fit basis, consequently there are no residuals. Intervals in which no sample data is available were composited as a zero value. This is based on the likelihood that visual control on mineralisation is possible and hence unsampled intervals are therefore poorly mineralized.

Criteria	JORC Code explanation	Commentary
	• The assumptions made regarding recovery of by-products. • Estimation of deleterious elements or other non-grade variables of economic significance (eg. Sulphur for acid mine drainage characterisation). • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. • Any assumptions behind modelling of selective mining units. • Any assumptions about correlation between variables. • Description of how the geological interpretation was used to control the resource estimates. • Discussion of basis for using or not using grade cutting or capping. • The process of validation, the checking process used, the comparison of model data to drill hole data, the use of reconciliation data if available.	• Variographic analysis of each element was undertaken on the main domains only due to the low sample count, with these results assumed for smaller domains in which variography is prevented by low sample population. • No assumptions were made in regard to elemental correlation during the estimation process. • The estimate is reported to a gross metal value (GMV), the parameters are given in Table C, and in which no recovery assumptions are made. No deleterious elements were considered in the estimate or its reporting. • Top cuts were applied to some domains and some elements, as seen fit to restrict the influence of high grades outside the domain populations as identified by various statistical means. Most domains did not require top cutting. Full details are given in Table D. • Reconciliation of the estimate was via visual checks on estimated • grade to the informing composites, with average composite grade to blockmodel grade reconciled in 100m wide northing bins, and on a domain by domain basis. The final block model was peer reviewed by an independent geologist to check for gross errors in estimation. No previous mining data is available to reconcile against.
Moisture	Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	The model is estimated using dry specific gravity values.
Cut-off parameters	The basis of the adopted cut-off grade(s) or quality parameters applied.	The GMV value of US$40/t was used based on a likely bulk mining, open pit mining scenario. The GMV details are provided in Table C.
Mining factors or assumptions	Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral resources may not always be rigorous. Where this is the case, this should be reported with an explanation on the basis of the mining assumptions made.	The project is interpreted as a likely bulk mining, open pit scenario. The extensive true widths and lateral extents are amenable for such operations.
Metallurgical factors or assumptions	The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resource may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	Only limited testwork has been completed to date on two samples from the nearly Megrundtjem prospect. This was carried out by Lakefield in Canada in the 1970s and indicated that “concentrate grades and recoveries are good”. The best results obtained in this work provided a concentrate assaying 15% nickel and 5.3% copper with potential recovery in the range 75-79%. Results can be expected to improve with further testwork. No metallurgical work was conducted to Drake’s knowledge on either Stormyra or Dalen directly.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	No assumptions have been made. As this is a very early stage project an environmental policy for the project has not been drafted.
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.	Most of the rock mass is fresh, unbroken rock. Bulk density is based on 12 samples taken by RCI for both bulk density measurement, these bulk density measurements were reconciled against pycnometer readings. Calculations are based on historical work done, no details are available of methodologies for bulk density determination.
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.	• The mineral resource above USD$40/t GMV has been classified as inferred due to the wide spaced drilling, uncertainty in bulk density determinations, and the incomplete sampling of available drill core. • The Mineral Resource estimate appropriately reflects the view of the Competent Persons.
Audits or reviews	The results of any audits or reviews of Mineral Resource estimates.	• This MRE follows a maiden MRE published in 2009 by Blackstone Resources, and to which this MRE reconciles against when the different modelling assumptions are considered. The previous MRE is displayed in Table E. • This MRE was peer reviewed in which the estimation process was validated.
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. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that	• The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. This MRE was undertaken using ordinary kriging which not a probabilistic method, hence no quantitative confidence can be given. The Inferred category reflects the good grade continuity within a context of the current drill spacing and incomplete sampling, and low sample count of density measurements.

Criteria	JORC Code explanation	Commentary
	could affect the relative accuracy and confidence of the estimate. • 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. Documentation should include assumptions made and the procedures used. • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	• The proportion of Inferred resource which is extrapolated beyond a polygon outlining the outermost drill intersections is 5.8 Mt @ 0.29% Ni, 0.12% Cu, 0.024% Co for about 75% of tonnes, 77% of Ni, 75% Cu, and 78% of contained Co. The maximum extrapolation distance is 70m, which is the maximum distance of grade continuity identified in variography of the composite data. • This MRE is a global resource estimate. • No production data is available to reconcile this estimate with.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• **Waste Management:** Pursuit has not yet assessed the location of potential waste rock dumps (WRD) and tailings storage facilities (TSF) due to the early stage of the project and lack of detailed processing testwork to understand the characteristics of the waste material. Given the location of the deposits within steep terrain, along with the visual impact from a tourism and local resident perspective, siting of waste facilities may be challenging. Due to the close proximity to protected areas, it is expected detailed environmental and social studies will be required to assess the potential impacts. In addition, due to the location close to protected areas, the permitting decision is expected to be a lengthy process and require detailed testwork and design prior to submitting environmental permit applications. • **Acid Rock Drainage-Metal Leaching (ARDML):** The deposit contains abundant sulphide minerals with potential for creating acid-generating waste. Geochemical studies and testwork will be required to understand the impact and determine appropriate design and operational controls of rock dumps and tailings storage facilities. • **Closure:** no site closure and rehabilitation studies or cost associated estimates have yet been completed. Given the location close to protected areas and tourist sites, approaches to rehabilitation and closure are likely to be scrutinised by regulators and stakeholders (including potential investors). • **Liabilities:** to SRK's knowledge there are no known existing environmental and/or social liabilities associated with the project as it is a greenfield site. • **Water Management:** no design, operational and closure assumptions have yet been made with respect to water management and minimising negative impacts on other water users (ecological and human). • **Energy:** no studies on energy usage or resource efficiency have yet been completed. • **Greenhouse Gas Emissions:** Norway has committed to reducing greenhouse gas (GHG) emissions from 1990s levels by >50% by 2030. As part of Norway's Climate Plan 2021-2030, it is planned to increase carbon tax from the NOK 590 (EUR 59) in 2020 to NOK 2,000 (EUR 200)/t CO^2 equivalent from 2021 onwards. Depending on the project's approach to energy management, this could have an impact on the potential of the project to demonstrate 'reasonable prospects for eventual economic extraction' as required when reported Mineral Resources.

Table A: Drill hole intersections used in the Mineral Resource estimate at Dalen prospect

domain	hole_id	from (m)	to (m)	int	Ni%	Cu%	Co%	y	x	z	depth (m)	azi grid	dip	comment
dal_2	ES08-108	35.15	53.85	18.7	0.33	0.12	0.03	6,804,681	534,418	727	200.01	230	-90	
dal_2	ES08-109	40.1	45.25	5.15	0.14	0.07	0.01	6,804,672	534,475	725	130.01	230	-60	
dal_4	ES08-135	9.05	41.52	32.47	0.47	0.20	0.04	6,805,064	533,865	728	176.61	230	-90	
dal_2	ES08-137	95.1	98.5	3.4	0.30	0.10	0.02	6,804,831	534,285	724	212.71	230	-80	
dal_2	ES08-137	106.22	178.11	71.89	-	-	-	6,804,831	534,285	724	212.71	230	-80	unsampled
dal_3	ES08-138	64.16	79.6	15.44	-	-	-	6,804,897	534,151	723	204.21	230	-80	unsampled
dal_2	ES08-138	96.13	103.2	7.07	0.13	0.04	0.01	6,804,897	534,151	723	204.21	230	-80	
dal_4	ES08-140	15	87.44	72.44	0.17	0.07	0.02	6,805,130	533,931	732	183.51	230	-88.3	
dal_4	ES08-141	20	77.75	57.75	0.40	0.15	0.03	6,805,168	533,903	734	199.51	236.8	-78.7	
dal_5	ES08-141	83.6	125	41.4	0.15	0.05	0.02	6,805,168	533,903	734	199.51	236.8	-78.7	
dal_4	ES08-142	20.8	35.2	14.4	0.15	0.07	0.01	6,804,994	533,948	723	138.01	230	-80	
dal_6	ES08-142	42.7	46.3	3.6	0.36	0.27	0.03	6,804,994	533,948	723	138.01	230	-80	
dal_6	ES08-143	52.4	53.5	1.1	1.17	0.42	0.09	6,804,949	533,998	722	137.11	230	-80	
dal_2	ES08-143	77	86.4	9.4	-	-	-	6,804,949	533,998	722	137.11	230	-80	unsampled
dal_4	ES08-144	13.5	35.05	21.55	0.38	0.12	0.03	6,805,033	533,901	726	99.21	230	-80	
dal_4	ES08-145	49.7	56.7	7	-	-	-	6,805,087	533,979	729	116.01	230	-80	unsampled
dal_4	ES08-146	15	62	47	0.17	0.08	0.02	6,804,995	533,860	724	92.51	235	-80	
dal_4	ES08-147	18	34.5	16.5	0.22	0.10	0.02	6,805,011	533,801	724	66.91	249	-80.9	
dal_4	ES08-148	10.5	39	28.5	0.20	0.08	0.02	6,805,068	533,795	717	162.11	209.3	-81	
dal_5	ES08-148	59	60	1	0.53	0.18	0.04	6,805,068	533,795	717	162.11	209.3	-81	
dal_5	ES08-148	79	84.5	5.5	0.30	0.11	0.02	6,805,068	533,795	717	162.11	209.3	-81	
dal_4	ES08-149	16.9	43	26.1	0.29	0.15	0.02	6,805,360	533,494	738	209.61	200	-80	
dal_5	ES08-149	102.65	144.15	41.5	-	-	-	6,805,360	533,494	738	209.61	200	-80	unsampled
dal_2	ES08-150	34.6	87.17	52.57	-	-	-	6,804,380	534,175	745	133.71	230	-80	unsampled
dal_1	ES08-150	92.2	133.7	41.5	-	-	-	6,804,380	534,175	745	133.71	230	-80	unsampled
dal_2	ES08-151	7	121.2	114.2	0.01	0.00	0.00	6,804,274	534,345	745	179.31	230	-80	
dal_1	ES08-151	127.7	132.35	4.65	-	-	-	6,804,274	534,345	745	179.31	230	-80	unsampled
dal_3	ES08-155	17.6	29.65	12.05	-	-	-	6,804,587	534,009	724	215.51	50	-52	unsampled
dal_2	ES08-155	41.7	128.1	86.4	-	-	-	6,804,587	534,009	724	215.51	50	-52	unsampled
dal_4	ES08-162	42	78.9	36.9	0.26	0.11	0.02	6,805,212	533,872	737	197.31	232.7	-78.9	
dal_5	ES08-162	81	117.22	36.22	0.17	0.08	0.02	6,805,212	533,872	737	197.31	232.7	-78.9	
dal_4	ES08-163	98.2	103.64	5.44	0.26	0.09	0.02	6,805,238	533,971	751	160.91	218.7	-77.3	
dal_5	ES08-163	118.11	138.5	20.39	0.21	0.08	0.02	6,805,238	533,971	751	160.91	218.7	-77.3	
dal_4	ES08-164	78.25	107.65	29.4	0.27	0.10	0.03	6,805,273	533,948	753	148.54	234.5	-77.1	
dal_5	ES08-164	126.46	140.5	14.04	0.13	0.05	0.01	6,805,273	533,948	753	148.54	234.5	-77.1	
dal_4	ES08-165	98.2	115.6	17.4	0.22	0.34	0.02	6,805,313	533,909	757	170.61	233.6	-74.9	
dal_4	ES08-167	130	138.06	8.06	0.27	0.09	0.02	6,805,283	534,037	766	205.71	234.6	-79	
dal_4	ES2004-05	8.8	55	46.2	0.38	0.16	0.03	6,805,040	533,840	727	119.4	230	-79	
dal_4	ES2004-06	15.6	47	31.4	0.22	0.11	0.02	6,805,105	533,827	728	62.4	229	-75	
dal_4	ES2004-07	18.3	39.4	21.1	0.13	0.07	0.01	6,805,142	533,804	732	72.4	231	-75	

Table B: Interpolation parameters used

			variogram model				model			Direction			ratio 1		Sample No		
element	domain	Ref #	nugget	sill1	sill 2	total	range 1	range 2	max range	plunge	strike	dip	maj-sm	maj-minor	Min	Max	Max / DH
Ni	1-6	1	0.03	0.97		1.00	70		70	0	100	10	1	1.05	2	24	
Cu	1-6	2	0.07	0.93		1.00	80		70	0	113	5	1	1.7	2	24	
Co	1-6	3	0.04	0.96		1.00	70		70	0	108	10	1	1.4	2	24	

Table C: Gross metal value calculation

	Ni	Cu	Co
USD$/lb	7.71	2.2	7.71
USD$/t	16,993	4,849	16,993

Given by equation: ((Ni%*16993)+(Cu%*4849)+(Co%*16993))/100

Table D: Average composite values and top cuts applied reconciled against interpolated block model averages (no lower cut applied to block model)

		Undiluted Composites				Diluted Composites							top cuts			Block model	
Domain	Variable	Number of composites	Minimum value	Maximum value	Mean	Number of composites	Minimum value	Maximum value	Mean	Median	Standard Deviation	Coefficient of variation	topcut	count cut	mean	tonnes	% ave.
1	co					46	-	-	-	-	-	-				1,753,750	-
2	co	38	0.005	0.041	0.021	368	-	0.041	0.002	-	0.007	3.22				14,502,750	0.002
3	co					27	-	-	-	-	-	-				1,000,400	-
4	co	383	0.002	0.063	0.022	518	-	0.063	0.022	0.020	0.012	0.54				8,860,250	0.020
5	co	105	0.004	0.094	0.019	160	-	0.044	0.013	0.015	0.010	0.75	0.040	2	0.013	3,592,900	0.011
6	co	5	0.006	0.094	0.044	5	0.006	0.094	0.044	0.041	0.033	0.76				54,900	0.045
1	cu					46	-	-	-	-	-	-				1,738,500	-
2	cu	38	0.01	0.24	0.09	368	-	0.24	0.01	-	0.03	3.41				14,386,850	0.01
3	cu					27	-	-	-	-	-	-				1,000,400	-
4	cu	383	0.01	0.61	0.11	518	-	0.40	0.11	0.10	0.07	0.65	0.4	8	0.11	8,823,650	0.11
5	cu	105	0.01	0.42	0.07	160	-	0.25	0.05	0.04	0.05	0.96	0.2	1	0.05	3,586,800	0.04
6	cu	5	0.06	0.47	0.30	5	0.06	0.47	0.30	0.33	0.15	0.51				54,900	0.30
1	ni					46	-	-	-	-	-	-				1,753,750	-
2	ni	38	0.06	0.50	0.25	368	-	0.50	0.03	-	0.09	3.27				14,777,250	0.03
3	ni					27	-	-	-	-	-	-				1,003,450	-
4	ni	383	0.00	0.88	0.27	518	-	0.88	0.27	0.23	0.16	0.61				8,875,500	0.24
5	ni	105	0.01	1.17	0.19	160	-	0.54	0.13	0.13	0.11	0.86	0.4	4	0.13	3,617,300	0.12
6	ni	5	0.04	1.17	0.52	5	0.04	1.17	0.52	0.47	0.42	0.81				54,900	0.53

2009: reported to USD$40/t GMV

Resource Category	Tonnes	Ni	Cu	Co
	(t)	(%)	(%)	(%)
Indicated	4.6	0.29	0.12	0.02
Inferred	5.4	0.25	0.11	0.02
Grand Total	**10.00**	**0.27**	**0.11**	**0.02**

Appendix B Site Visit Report

Airijoki site visit on 1-2 June 2021

All drill hole collar control surveys were made with a handheld Garmin GPSMAP 64 x GPS device using the SWEREF 99 TM co-ordinate system. Drillholes AIR18-001, AIR18-010, AIR18012 and bedrock sampling site SS18052 in the permit area 100 were targeted for control surveys. In the permit area 102 SGU`s drill hole NUN72002, old LKAB? drill holes on top of the Hosiorinta hill and an old mine working/ exploration pit were targeted for surveys.

The permit areas are easily accessible by gravel roads from which smaller forest tracks diverge to cover the area quite well (Figures 1-2). A concrete bridge is built over the Tornio-river in the permit area 102 (Figure 15). A reconnaissance trip to find a crossing over the Airijoki-river and to the drill hole AIR18-001 was made by foot, but a route over the Airijoki-river couldn`t be located, because of a too high water level from the melting snow (Figures 3-5). Drill holes AIR18-010 and AIR18-012 were close to the gravel road and could easily be accessed by foot (Figures 6-7). Accuracy of the survey points were excellent and the Author can confirm the use of historic drill hole and bedrock sampling data for reporting purposes.

Figure 1: Gravel road



Figure 2: Forest track



Figure 3: Possible river crossing later in the summer. Location is marked as river-crossing in one of the Airijoki DH-maps



Figure 4: Forest track to the possible river crossing



Figure 5: Airijoki river



Drillhole AIR18-010

The co-ordinates of the drill hole collar AIR18-010 are recorded in the historical database as: SWEREF 99 TM 775532mE and 7528963mN. The collar co-ordinate control survey was taken directly above the collar point, which was well marked and easily observed (Figure 6). The azimuth and dip were convergent with the recorded values. The GPS co-ordinates of the site are: SWEREF 99 TM 775533mE and 7528965mN, and the distance from the survey point to the reported collar point was 2 m.

Figure 6: AIR18-010 drilling site with the collar in the middle



Drillhole AIR18-012

The co-ordinates of the drill hole collar AIR18-012 are recorded in the historical database as: SWEREF 99 TM 775775mE and 7529177mN. The collar co-ordinate control survey was taken directly above the collar point, which was well marked and easily observed (Figure 7). The azimuth and dip were convergent with the recorded values. The GPS co-ordinates of the site are: SWEREF 99 TM 775774mE and 7529180mN and the distance from the survey point to the reported collar point was 3 m.

Figure 7: AIR18-012 collar



Bedrock sampling site SS18052

The co-ordinates of the sampling site SS18052 are recorded in the historical database as: SWEREF 99 TM 775730mE and 7529177mN. The sample co-ordinate control survey was taken directly above the sampling point, which was easily observed (Figure 8). Several samples were taken from the same area. The GPS co-ordinates of the site are: SWEREF 99 TM 775731mE and 7729172mN and the distance from the survey point to the reported sample point was 5 m.

Figure 8: SS18052 sampling site



Historical drillholes NUN72002 and the top of Hosiorinta

The collar co-ordinates of the drill hole NUN72002 is recorded in the historical database as SWEREF 99 TM and collars on top of Hosiorinta in an older co-ordinate system. The collar co-ordinate survey for NUN72002 was taken directly above the collar point, which could be found quite easily (Figure 9). The azimuth and dip were convergent with the recorded values. The GPS co-ordinates of the site are: SWEREF 99 TM 768303mE 7526106mN and the distance from the survey point to the reported collar point was 11 m.

Old LKAB? drill holes on top of the Hosiorinta hill were quite easy to locate (Figures 10-11), but since the collar co-ordinates in the historical database were in an older co-ordinate system, a control survey weren`t conducted. The view from the top of the Hosiorinta is presented in Figure 14.

An old mine working/exploration pit was found from the reported location in 771350mE 752340mN (Figures 12-13).

Figure 9: NUN72002 collar



Figure 10: Old LKAB? drill hole



Figure 11: Drill hole collar on Hosiorinta



Figure 12: Old mine working/exploration pit





Figure 14: View form the Hosiorinta top





Malå national core archive visit on 31 May 2021

Drill core logging and sampling verification of two Airijoki (AIR18-002 and AIR18-007) drill cores were conducted in the Swedish national drill core archive in Malå during 31st of May 2021. The objective was to confirm the historical core logging results, sampling sections, core quality and confirm the existence of the drill cores and the suitability of the Malå archive for storing the drill cores. No quality or security related issues were observed and all the reported core boxes were located in the Malå archive. The Author can confirm, that based on this verification the Airijoki historical drill core information is concordant with the examined drill cores.

The following verifications were conducted:

- Malå archive security
- Collar and sampling marks on the boxes
- Drill core total and per core box lengths
- Core loss and mechanical core quality
- Overall core and box quality
- Missing core intervals
- Core logging documentation
- Sampling method and location
- Assay intervals
- Subjective magnetism strength with a hand magnet.

Figure 1: New core archive



Figure 2: Core box storage



Figure 3: Core logging room

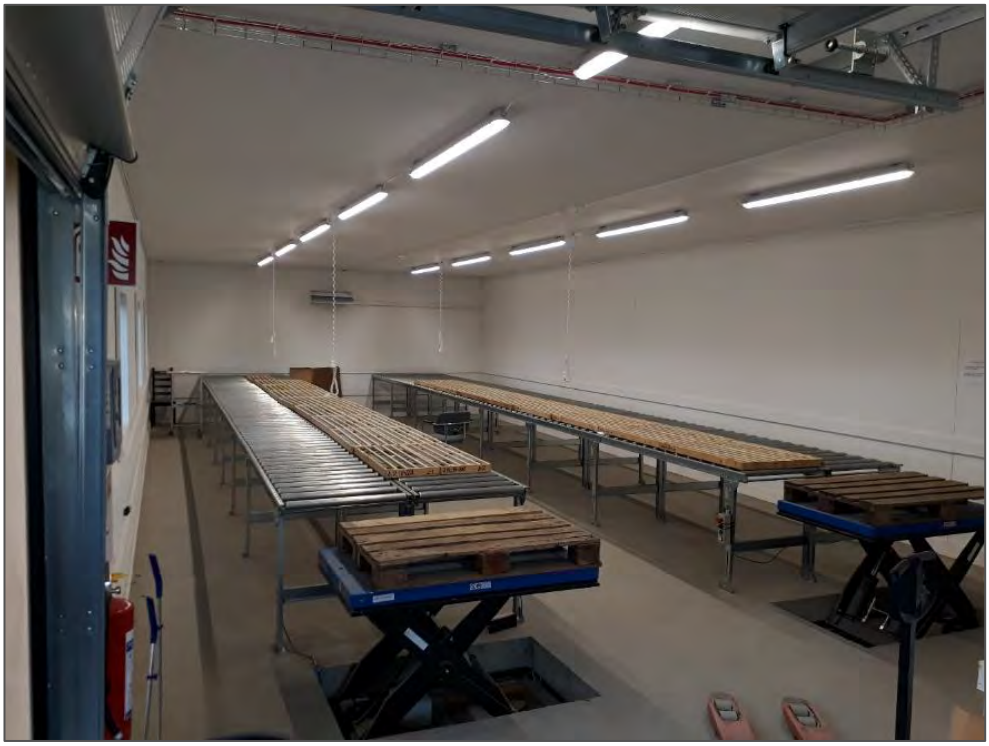


Figure 4: Core tray



Figure 5: Competent drill core

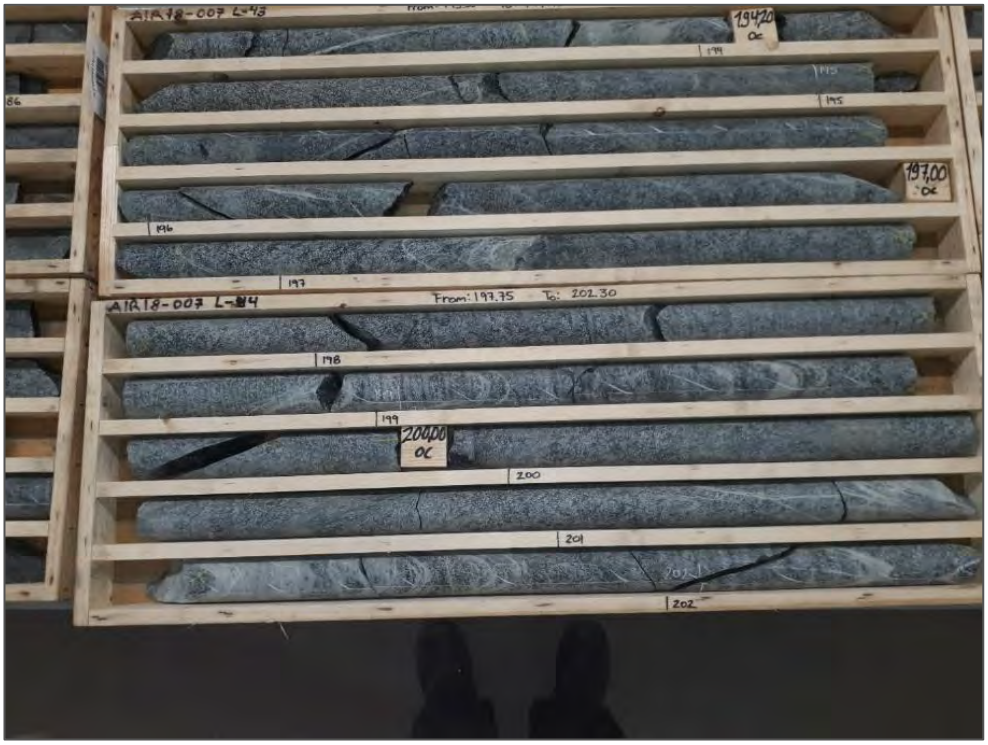


Figure 6: Sampled half core



Figure 7: Sampled quarter core



Koitelainen site visit on 4 June 2021

All drill hole collar control surveys were made with a handheld Garmin GPSMAP 64x GPS device using the ETRS-TM35FIN co-ordinate system, which is equivalent to the WGS84 UTM35 co-ordinate system. Drillholes M374176R324, M374178R340, M374199R395 and M374199R396 were targeted for control surveys.

A gravel road from Lokka leads to the permit area and a reconnaissance trip to reach drill holes R324 and R340 was made by foot. A route over the mires and Viuvalo-stream was found and both drill holes were located and surveyed (Figures 1-8). Drill holes R395 and R396 were close to the gravel road and could easily be accessed by foot (Figures 9-10). Accuracy of the survey points were good, but an absolute certainty of the collar identification couldn`t be achieved. Author can confirm with caution the use of historic drill hole data for reporting purposes, and recommends a thorough investigation of the collar locations within the reported mineral resource.

Figure 1: Gravel road from Lokka



Figure 2: Open mire



Figure 3: Forest terrain



Figure 4: Viuvalo-stream



Drillhole M374176R324

The co-ordinates of the drill hole collar M374176R324 are recorded in the historical database as: ETRS-TM35FIN 513398mE 7523796mN. The collar co-ordinate control survey was taken directly above of the assumed collar point, since there were no drill hole markings. The azimuth or dip couldn`t be measured, because there was no drill rod left in the hole. The GPS co-ordinates of the site are: ETRS-TM35FIN 513408mE and 7523795mN and the distance from the survey point to the reported collar point was 10 m. It can only be assumed that the surveyed point is the actual collar point, since the only visible sign of the drill hole collar was a badly eroded rectangular wooden pole and a small hole under it from which drilling rod pieces could be dug out (Figures 5-6).

Figure 5: Survey point of Drillhole M374176R324



Figure 6: Drilling site of the drillhole M374176R324



Drillhole M374178R340

The co-ordinates of the drill hole collar M374178R340 are recorded in the historical database as: ETRS-TM35FIN 513153mE 7524056mN. The collar co-ordinate control survey was taken directly above of the assumed collar point, since there were no drill hole markings. The azimuth or dip couldn`t be recorded, because only a short drill rod stump was left in the hole. The GPS co-ordinates of the site are: ETRS-TM35FIN 513161mE and 7524052mN and the distance from the survey point to the reported collar point was 9 m. The surveyed point is probably the actual drill hole collar, but the lack of any drill hole markings prohibited reliable identification (Figures 7-8).

Figure 7: Drillhole collar M374178R340



Figure 8: Drilling site of the drillhole M374178R340



Drillhole M374199R395

The co-ordinates of the drill hole collar M374199R395 are recorded in the historical database as: ETRS-TM35FIN 516572mE 7527105mN. The collar co-ordinate control survey was taken directly above of the assumed collar point. The azimuth or dip couldn`t be recorded, since there were no collar markings. The GPS co-ordinates of the site are: ETRS-TM35FIN 516584mE and 7527099mN and the distance from the survey point to the reported collar point was 10 m. It can only be assumed that the surveyed point is the actual collar point, since the only visible sign of the drill hole collar was a wooden stick in the ground and a small hole under it, from which clear water was pouring out indicating a deeper hole to the groundwater level. The assumed collar point was in the middle of an old machine trail (Figure 9).

Figure 9: Drill hole collar M374199R395 in front



Drillhole M374199R396

The co-ordinates of the drill hole collar M374199R396 are recorded in the historical database as: ETRS-TM35FIN 516422mE 7527105mN. The collar co-ordinate control survey was taken few metres to south of the assumed collar point, since there were no visible drill hole markings and the collar was in the middle of a small pond. The azimuth (west) and dip (50º) could only be roughly estimated along a plastic tube sticking out of the assumed drill hole. The GPS co-ordinates of the site are: ETRS-TM35FIN 516438mE and 7527104mN and the distance from the survey point to the reported collar point was 16 m (Figure 10).

Figure 10: Drillhole M374199R396 collar



Loppi national core archive visit on 17-18 May 2021

Drill core logging and sampling verification of three Koitelainen (M374177R329, M374177R330 and M374178R339) and one Karhujupukka (M273187R301) drill cores were conducted in the Finnish national drill core archive in Loppi during 17-18 May 2021. The objective was to confirm the historical core logging results, sampling sections, core quality and confirm the existence of the drill cores and the suitability of the Loppi archive for storing the drill cores. No quality or security related issues were observed and all the reported core boxes were located in the Loppi archive. The Author can confirm, that based on this verification the Koitelainen and Karhujupukka historical drill core information is concordant with the examined drill cores.

The following verifications were conducted:

- Loppi archive security
- Collar and sampling marks on core boxes
- Drill core total and per core box lengths
- Core loss and mechanical core quality
- Overall core and box quality
- Missing core intervals
- Core logging documentation
- Sampling method and location
- Assay intervals
- Subjective magnetism strength with a hand magnet.

Figure 1: Competent drill core and intact core boxes



Figure 2: Occasionally poor core quality



Figure 3: Quarter samples left in the box and missing sample interval



Figure 4: Sawed and splitted half cores



Figure 5: Only quarter core left in the box



Figure 6: Loppi core tray



Figure 7: Loppi core logging room

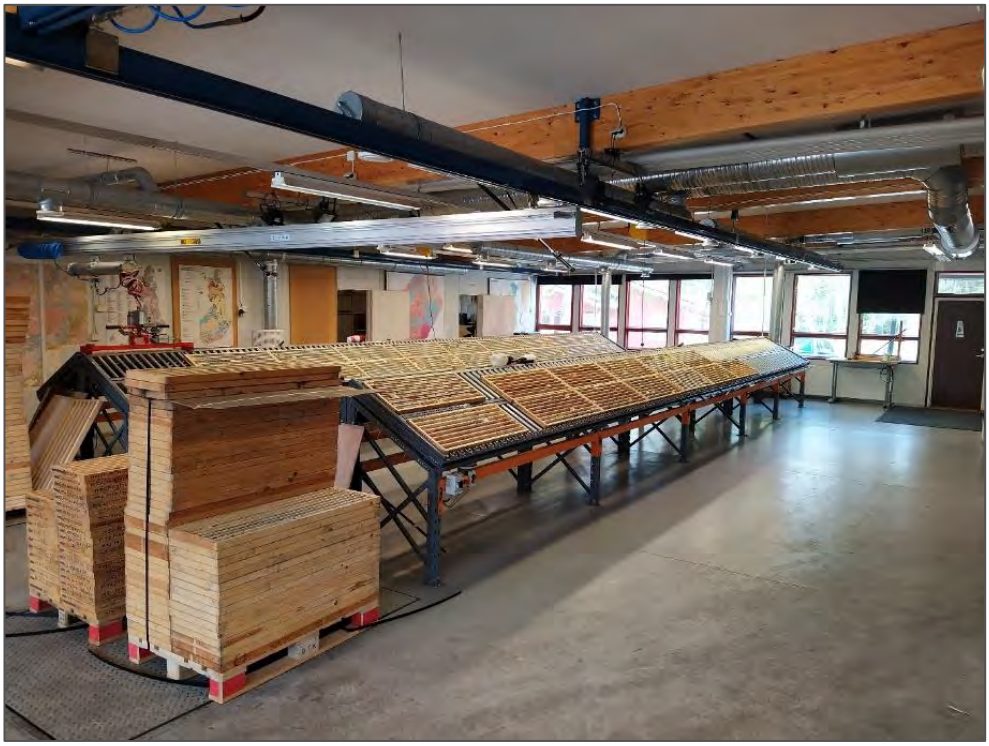


Figure 8: Loppi core storage



Karhujupukka south site visit on 3 June 2021

All drill hole collar control surveys were made with a handheld Garmin GPSMAP 64x GPS device using the ETRS-TM35FIN co-ordinate system, which is equivalent to the WGS84 UTM35 co-ordinate system. Drillholes KAR19001 and KAR19002 were targeted for control surveys. The co-ordinates of the drill hole collar KAR19001 and KAR19002 are recorded in the historical database as: ETRS-89 TM35FIN 392948mE 7465536mN and 393070mE 7465564mN respectively.

A gravel road runs next to the permit area and smaller roads diverge from it to the drilling areas. Drill holes KAR19001 and KAR19002 were recorded to be close to the road and could be accessed by foot (Figures 1-3). The drill holes couldn`t be located, since there was an issue with the cartographic projection, which gave an error of 200 m. This was corrected on the same day by using a known point in the Sodankylä township. After the failure to locate the KAR-holes an attempt was made to locate the old GTK drill holes at the end of another local road, but the road was washed away and the area couldn`t be reached by foot within the planned timeframe. Therefore, no drill hole collar surveys could be conducted in the Karhujupukka south permit area. For a new site visit, a 4WD car is recommended.

Figure 1: Gravel road to the permit area



Figure 2: Forest mire



Figure 3: Mire



PART VI

TAXATION

The following section is a summary guide only to certain aspects of tax in the UK. This is not a complete analysis of all the potential tax effects of acquiring, holding, and disposing of Ordinary Shares in the Company, nor will it relate to the specific tax position of all Shareholders in all jurisdictions. This summary is not a legal opinion. Shareholders are advised to consult their own tax advisers.

Taxation in the UK

The following information is based on UK tax law and HM Revenue and Customs ("**HMRC**") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

1.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency, or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

1.2 Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

1.3 Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption, or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and 20 per cent. for upper rate and additional rate taxpayers.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19% falling to 17% after 1 April 2020. But in the Budget on 11 March 2020, it was announced that the rate would remain at 19%, after 1 April 2020.

1.4 Further information for Shareholders subject to UK income tax and capital gains tax

"Transactions in securities"

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel *"tax advantages"* derived from certain prescribed *"transactions in securities"*.

1.5 Stamp duty and stamp duty reserve tax

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of ordinary shares pursuant to the Fundraise.

Most investors will purchase existing ordinary shares using the crest paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5%. Where ordinary shares are acquired using paper (i.e., non-electronic settlement) stamp duty will become payable at 0.5% if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries, and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART VII

ADDITIONAL INFORMATION

1. Responsibility

1.1 The Company and the Directors, whose names appear on page 24 of this Document, accept responsibility for this Document. To the best of the knowledge of the Directors and the Company, the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information of such information.

1.2 SRK Consulting (Australasia) Pty Ltd accepts responsibility for the Competent Persons Report set out in Part V of this Document. To the best of the knowledge of SRK Consulting (Australasia) Pty Ltd, the information contained in the Competent Persons Report is in accordance with the facts and Part V of this Document does not omit anything likely to affect its import.

2. The Company

2.1 The Company was incorporated on 5 July 1989 in England and Wales with company number 02401127 and with the name Ashchurch Exploration PLC. The principal legislation under which the Company operates is The Companies Act 2006 (the "Act") and the regulations made under it. The liability of the members of the Company is limited.

2.2 On 6 September 1989, the Company was issued with a certificate permitting it to commence business and borrow under section 117 of the Companies Act 1985, now section 761 of the Act.

2.3 The Company has had the following names:

Previous name	Period
Ashchurch Exploration PLC	**05 July 1989 – 25 November 1991**
Ashchurch Resources PLC	**25 November 1991 – 28 March 1994**
Dominion Energy PLC	**28 March 1994 – 28 April 2000**
Startup Station PLC	**28 April 2000 – 14 September 2001**
Tecteon PLC	**14 September 2001 – 3 March 2008**
Berkeley Mineral Resources PLC	**3 March 2008 – 28 May 2015**
BMR Mining PLC	**28 May 2015 – 10 February 2016**
BMR Group PLC	**10 February 2016 – 27 February 2021**
Kendrick Resources PLC	**27 February 2021 – Present**

2.4 The registered office of the Company is 7/8 Kendrick Mews, South Kensington, London, United Kingdom, SW7 3HG.

2.5 The principal place of business of the Company following Admission will be 7/8 Kendrick Mews, South Kensington, London, United Kingdom, SW7 3HG.

2.6 The Company will have interests in the following companies immediately following Admission:

Name	Country of Incorporation	Principal Activity	Percentage owned by the Company
Northern X Finland Oy	Finland	Mining and exploration	100%
Northern Scandinavia AB	Sweden	Mining and exploration	100%

2.7 The Company disposed of its investment in the following subsidiary undertakings on 24 June 2020:

Name	Country of Incorporation	Principal Activity	Percentage owned by the Company
Enviro Mining Limited 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius	Mauritius	Holding Company	100%
Enviro Processing Limited, Plot 5209, Mine Plant Kabwe, Zambia	Zambia	Tailings Processing	100%
Enviro Props Limited, Plot 5209, Mine Plant Kabwe, Zambia	Zambia	Property holding	100%

2.8 The Company's former holding of 100% in the Zambian Subsidiaries was held as to 99% by Enviro Mining Limited and 1% by a nominee on behalf of the Company.

2.9 The Company's former holding of 100% in the Mauritius Subsidiary was held as to 95% by the Company and 5% by a nominee on behalf of the Company.

2.10 The Company held an 80% shareholding in BMR Minas de Portugal LDA, a company incorporated in Portugal. This was disposed of at the beginning of 2019 and the company was dissolved in June 2019.

2.11 The Company held a 12.5% shareholding in Kabwe Operations Limited, a company incorporated in Mauritius and subsequently disposed of the shareholding on 24 June 2019

2.12 The Company held a 15% shareholding in Enviro Zambia Limited, a company incorporated in Mauritius and subsequently disposed of the shareholding on 24 June 2019.

2.13 The Company currently has 1 employee and following Admission the Enlarged Group will have 1 employee.

3. Share Capital

3.1 On incorporation, the Company had an issued share capital of 2 ordinary shares which were allotted to Donald John Burns and David Jeremiah Barry and an authorised share capital of £500,000 divided into 5,000,000 Ordinary shares of £0.10 each.

3.2 The issued share capital of the Company at the date of this Document and following Admission is and will be as follows:

As at the date of this Document* Existing Ordinary Shares		On Admission Ordinary Shares	
Nominal Value £	**Issued Number £**	**Nominal Value £**	**Issued Number** £**
0.0003	11,190,363	0.0003	219,511,616

* Being the date to which the most recent balance sheet has been prepared and set out in Part X of the document.

** All 219,511,616 *Ordinary Shares will be issued and fully paid up on Admission.*

Existing Deferred Shares		On Admission Deferred Shares	
Nominal Value £	**Issued Number £**	**Nominal Value £**	**Issued Number £**
0.00999	335,710,863	0.00999	335,710,863
0.009	1,346,853,817	0.009	1,346,853,817
0.01	19,579,925	0.01	19,579,925
0.04	181,378,766	0.04	181,378,766

3.3 The following changes to the issued share capital of the Company have occurred in the period covering the historical financial information, since 1 January 2018:

(a) On 19 January 2018 the Company issued 25,000,000 ordinary shares of £0.01 each to Jubilee Metals Group Plc at an issue price of £0.02 each. Also, on 19 January 2018 the Company issued 72,371,298 ordinary shares of £0.01 each, to Jubilee Metals Group Plc in exchange for 63,166,969 new ordinary shares of £0.01 each in Jubilee Metals Group Plc. As such a total of 97,371,298 new ordinary shares were issued by the Company to Jubilee Metals Group Plc.

(b) On 4 February 2021 at the Company's annual general meeting, a resolution was passed re-designating and sub-dividing each ordinary share of £0.01 each into one new ordinary share of £0.00001 each and one deferred share of £0.00999 each.

(c) On 25 October 2021 the Company held a general meeting, at which a resolution was passed consolidating every thirty issued and unissued ordinary share of £0.00001 into one ordinary share of £0.0003 each, ("**2021 Share Consolidation**") To ensure a whole number of ordinary shares after the 2021 Share Consolidation 26 ordinary shares were issued to the Registrar prior to the 2021 Share Consolidation post the 2021 Share Consolidation.

3.4 The Ordinary Shares, which will be denominated and traded in pounds sterling, will be listed on the Official List by way of a Standard Listing and will be traded on the Main Market of the LSE. The Shares are not listed or traded on, and no application has been or is being made for the admission of the Shares to listing or trading on, any other stock exchange or securities market.

3.5 All Ordinary Shares are fully paid up.

Save as disclosed above, there has been no issue of share capital of the Company since 1 April 2018.

3.6 By a resolution passed on 25 October 2021, the Directors were generally and unconditionally authorised pursuant to section 551 of the Act to exercise any power of the Company to allot equity securities up to an aggregate nominal value of £150,000 for the purpose of the Acquisitions and to allot and grant rights to subscribe for or to convert securities into shares of the Company up to a maximum nominal amount of £300,000 provided that the authority thereby given would expire on the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or extended) save that the Directors may, notwithstanding such expiry, allot any shares or grant any such rights under the authority in pursuance of an offer or agreement so to do made by the Company before the expiry of the authority.

3.7 By a second resolution passed on 25 October 2021, the Directors were empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by the resolution above as if section 561(1) of the Act did not apply to any such allotment, provided that such power would be limited to the allotment of equity securities as described in paragraph 3.6 above and in relation to a share option scheme, be limited as to 10% of the issued share capital of the Company and such power would expire (unless previously revoked, varied or extended by the Company at a general meeting) on the conclusion of the next annual general meeting of the Company save that the Company may

before such expiry make an offer or agreement which would or might require such equity securities to be granted in pursuance of such offer or agreement as if the power conferred thereby had not expired.

3.8 To conserve working capital during the period prior to Admission, the Company agreed with both Colin Bird (a director) and a consultant to the Company that certain fees accruing to them would be settled by the issue to them of Ordinary Shares at the Placing Price. Colin Bird will be issued with 4,528,571 Ordinary Shares in satisfaction of all directors fees amounting to GBP158,500 due to him in relation to the 4 year period from April 2018 to April 2022 and 816,740 Ordinary Shares will be issued to a consultant to the Company in satisfaction of its outstanding fees amounting to GBP28,586.

4. Articles of Association

A summary of the principal provisions of the Articles, including the provisions relating to the rights attaching to the Ordinary Shares and Deferred Shares, is set out below. The summary below is not a complete copy of the terms of the Articles. A complete copy of the Articles is available for inspection at the Company's registered office.

4.1 Capital structure

The share capital of the Company is represented by an unlimited number of Ordinary Shares and Deferred Shares having the rights described in the Articles.

The Deferred Shares shall have no voting rights, no rights to dividends and very limited rights on a return of capital. They will not be admitted to trading or listed on any stock exchange and will not be freely transferable.

4.2 Alteration of share capital

Subject to the provisions of the Companies Act and the Articles, the Company can issue shares which are required to be redeemed and shares which may be redeemed at the option of the Company or the relevant member.

Subject to the provisions of applicable law and to any special rights previously conferred on the holders of any existing shares, any share may be classified and issued with such preferred, deferred, or other special rights or subject to such restrictions as the Company may determine by ordinary resolution (or, in the absence of any such determination, as the Directors determine). The Company may by ordinary resolution consolidate and divide all or any of its share capital into shares of a larger amount and sub-divide its shares, or any of them, into shares of a smaller amount (subject to the provisions of applicable law).

Subject to the provisions of applicable law, the Company may reduce its share capital, or any capital redemption reserve, share premium account or other non-distributable reserve in any manner. The Company may also, subject to the requirements of applicable law, purchase its own shares (including any redeemable shares).

4.3 Voting

Subject to disenfranchisement in the event of:

(a) non-payment of calls or other monies due and payable in respect of Ordinary Shares; or

(b) non-compliance with a statutory notice requiring disclosure as to beneficial ownership of Ordinary Shares,

and, without prejudice to any special rights or restrictions as to voting upon which any shares may be issued or may for the time being be held and to any other provisions of the Articles, on a show of hands every shareholder who is present in person (including by corporate representative) and every proxy present who has been duly appointed to vote on the resolution shall have one vote, and on a poll every shareholder who is present in person (including by corporate representative) and every proxy present who has been duly appointed to vote on the resolution shall have one vote for every Ordinary Share held.

4.4 Repurchase of shares

Subject to and in accordance with the Companies Act, the Company may purchase any of its own shares (including any redeemable shares) in any manner and may hold such shares as treasury shares provided that the number of shares held as treasury shares shall not at any time exceed any limits set out in the Companies Act.

4.5 Variation of rights

Where the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provision of the Companies Act and the CREST Regulations, be varied or abrogated either with the written consent of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up. At every such general meeting the necessary quorum shall be two or more persons holding or representing by proxy (which proxies are authorised to exercise voting rights) not less than one-third in nominal value of the issued shares of the class (excluding any shares of that class held in treasury) (but so that at an adjourned meeting any holder of shares of the class present in person or by proxy shall be a quorum). Every holder of shares of the class present may demand a poll and every such holder shall on a poll have one vote for every share of the class held by him. The rights attached to any class of shares shall, unless otherwise expressly provided by the terms of issue of such shares or by the terms upon which such shares are for the time being held, be deemed not to be modified, abrogated or varied by the creation or issue of further shares ranking *pari passu* therewith or the purchase or redemption by the Company of any of its own shares in accordance with the Companies Act and the Articles.

4.6 Share transfers

All transfers of shares which are in certificated form may be affected by transfer in writing in any usual or common form or in any other form acceptable to the Directors. The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid shares) by or on behalf of the transferee. All transfers of shares which are in uncertificated form may be affected by means of a relevant computer-based system.

The Directors may, in the case of shares in certificated form, in their absolute discretion refuse to register any transfer of shares (not being fully paid shares) and they may also decline to register the transfer of a share upon which the Company has a lien, provided that any such refusal does not prevent dealings in partly paid shares from taking place on an open and proper basis. In addition, the Directors may, subject to the Crest Regulations, refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly or made to or by an infant or patient within the meaning of the Mental Health Act 1983.

The Directors may decline to recognise any instrument of transfer relating to shares in certificated form unless the instrument of transfer is duly stamped, is in respect of only one class of share and is lodged at the Transfer Office accompanied by the relevant share certificate(s) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (or if the instrument of transfer is executed by some other person on his behalf, the authority of that person to do so).

4.7 Calls

Subject to the terms of allotment, the Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares including any premium and each member shall (subject to being given at least 14 clear days' notice specifying where and when payment is to be made) pay to the Company the specified amount called on his shares. If any sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid. Interest shall be paid at a rate fixed by the terms of allotment of the share or in the notice of the call; or if no rate

is fixed, at the appropriate rate per annum from the day appointed for the payment thereof to the time of the actual payment. Directors may at their discretion waive payment of any such interest in whole or in part.

4.8 Dividends and other distributions

The Company may by ordinary resolution declare dividends, but no dividend shall exceed the amount recommended by the Directors. Except insofar as the rights attaching to, or the terms of issue of, any shares otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid *pro rata* according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. If, in the Directors' opinion, the profits of the Company justify such payments, the Directors may pay interim dividends of such amounts and on such dates and in respect of such periods as they think fit. Any dividend unclaimed after a period of 12 years from the date it became due for payment shall be forfeited and shall revert to the Company.

4.9 Untraced Shareholders

Subject to the Statutes, the Companies Act and all other applicable laws, the Company may sell any shares of a member or the shares of a person entitled thereto who is untraceable, if during a period of 12 years, at least three dividends in respect of the shares in question have become payable and the cheques or warrants for all amounts payable to such member or person in respect of his shares have remained uncashed or mandated dividend payments have failed and the Company has received no communication from such member or person. The net proceeds of sale shall belong to the Company but the member or person who had been entitled to the shares shall become a creditor of the Company in respect of those proceeds.

If on three consecutive occasions notices sent to a member have been returned undelivered, such member shall not thereafter be entitled to receive notices from the Company until he shall have communicated with the Company and supplied in writing to the Company (or its agent) a new registered address or a postal address within the United Kingdom for the service of notices or shall have informed the Company, in such manner as may be specified by the Company, of an address for the service of notices by electronic communication.

4.10 Non-UK Shareholders

There are no limitations in the Articles on the rights of non-UK Shareholders to hold, or exercise voting rights attaching to, Ordinary Shares. However, no shareholder is entitled to receive notices from the Company (whether electronically or otherwise), including notices of general meetings, unless he has given a postal address in the UK or an address for the service of notices by electronic communication to the Company to which such notices may be sent.

4.11 Pre-emption rights

There are no rights of pre-emption under the Articles of the Company in respect of transfers of issued Ordinary Shares.

In certain circumstances, the Company's Shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new shares in the Company. These statutory pre-emption rights would require the Company to offer new shares for allotment to existing Shareholders on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such shares would be offered to the Company's Shareholders.

4.12 Sanctions on Shareholders

A member loses his rights to vote in respect of his shares if and for so long as he or any other person appearing to be interested in those shares fails to comply with a request by the Company under the Companies Act requiring him to give particulars of any interest in those Ordinary Shares within 14 days.

In the case of shareholdings representing 0.25 per cent or more of the issued shares of the class concerned, the sanctions which may be applied by the Company include not only disenfranchisement but also the withholding of the right to receive payment of dividends and other monies payable on, and restrictions on transfers of, the shares concerned.

4.13 Appointment, removal, and retirement of Directors

The number of Directors of the Company shall be at least two but shall not be subject to any maximum number. The Company may by ordinary resolution elect any person to be a Director. The Board also has powers to appoint a person as a Director, but such person will only hold office until the next annual general meeting and will then be eligible for re-election. A director shall not be required to hold shares in the Company but shall be entitled to attend and speak at any general meeting of the Company or any meeting of the holders of any class of shares in the Company.

4.14 No person other than a Director retiring at the meeting shall, unless recommended by the Board, be eligible for election to the office of Director at any general meeting unless not less than 14 nor more than 35 days before the date appointed for the meeting there has been notice in writing given to the Company by a member duly qualified to attend and vote at the meeting of his intention to propose the person for appointment and a written notice signed by the person to be proposed of his willingness to be elected. The Company has power by ordinary resolution (of which special notice has been given) to remove any Director from office before the expiration of his period of office and may by ordinary resolution appoint another person in his place.

4.15 Alternate directors

Any Director may at any time appoint any person (including another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Unless previously approved by the Directors or unless the appointee is another Director, the appointment shall only have effect once it has been approved by the board.

4.16 Executive Office

The Directors may from time to time appoint one or more Directors to be the holder of any executive office on such terms and for such period as they determine.

4.17 Retirement of Directors

At each annual general meeting of the Company all of the Directors shall retire from office. A retiring Director shall be eligible for re-election.

The office of a Director will be vacated if the Director resigns, becomes bankrupt or is the subject of other insolvency-related proceedings, in certain circumstances where the Director is suffering from mental disorder, if the Director is absent from meetings of the Board for six successive months without leave and the Board resolves that the Director's office should be vacated, if removed by notice in writing from all the other Directors, if the Director is an executive Director and ceases to hold that office and the majority of the other Directors resolve that such office be vacated, or if the Director is removed or becomes prohibited from being a Director under any provision of applicable statutes.

4.18 Directors' benefits

The salary or remuneration of any Director appointed to hold any employment or executive office may be a fixed sum or may be governed by business done or profits made. Each of the Directors may be paid a fee at such as may from time to time be determined by the Board. Fees payable are distinct from any salary, remuneration or other amounts payable.

The Directors may also be paid all such reasonable expenses as they may incur in attending and returning from meetings of the Company or of the Directors or any committee or otherwise in or about the business of the Company or the proper exercise of their duties.

The Company may also fund a Director's expenditure (and that of a director of any subsidiary) for the purposes permitted under applicable law and may do anything to enable a Director (or a director of any subsidiary) to avoid incurring such expenditure as provided under all applicable laws.

4.19 Powers and proceedings of the Board

Subject to the provisions of the Companies Act and the Articles and to any regulation as may be prescribed by the Company in general meeting, the business of the Company shall be managed by the Board who may exercise all such powers of the Company.

The Board may meet for the despatch of business, adjourn, and otherwise regulate its meetings as it thinks fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman at the meeting shall have a second or casting vote.

A video link or telephone conference call or other electronic or telephonic means of communication in which a quorum of Directors participates, and all participants can hear and speak to each other shall be a valid meeting. A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretion exercisable by the Board.

The quorum necessary for the transaction of the business of the Board may be fixed by the Board and unless so fixed shall be two.

4.20 Directors' interests

At meetings of the Board, questions are determined by a majority of votes and in the case of an equality of votes the Chairman of the Board shall have a second or casting vote. The quorum at Directors' meetings may be fixed by the Directors but otherwise shall be two. The Board may delegate any of its powers to committees. Decisions of the Directors may also be taken by written resolution approved by all Directors eligible to vote on the matter, provided they would have formed a quorum at a meeting of the Board.

A Director who is in any way, whether directly or indirectly, interested in a proposed or existing, contract, transaction or arrangement with the Company must declare the nature and extent of that interest to the other Directors unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.

A Director shall not vote, or be counted in the quorum in respect of, any contract or arrangement or any other proposal in which he has any direct or indirect interest other than an interest that cannot reasonably be regarded as likely to give rise to a conflict of interest **or an interest that arises by** virtue of his interests in shares or debentures or other securities or rights of or otherwise in or through the Company. However, this prohibition does not apply (in the absence of any other prohibited interest) in the following circumstances:

(a) giving him any security, guarantee or indemnity for any money or any liability which he, or any other person, has lent or obligations he or any other person has undertaken at the request, or for the benefit, of the Company or any of its subsidiary undertakings;

(b) giving any security, guarantee or indemnity to any other person for a debt or obligation which is owed by the Company or any of its subsidiary undertakings, to that other person if the Director has taken responsibility for some or all of that debt or obligation. The Director can take this responsibility by giving a guarantee, indemnity, or security;

(c) proposal or contract relating to an offer of any shares or debentures or other securities for subscription or purchase by the Company or any of its subsidiary undertakings, if the Director takes part because he is a holder of shares, debentures, or other securities, or if he takes part in the underwriting or sub-underwriting of the offer;

(d) any arrangement for the benefit of employees of the Company or any of its subsidiary undertakings which only gives him benefits which are also generally given to employees to whom the arrangement relates,

(e) any arrangement involving any other company if the Director (together with any person connected with the Director) has an interest of any kind in that company (including an interest by holding any position in that company or by being a shareholder of that company). This does not apply if he knows that he has a Relevant Interest.

(f) a contract relating to insurance which the Company can buy or renew for the benefit of the Directors ore group of people which includes Directors; and

(g) a contract relating to a pension, superannuation or similar scheme or a retirement, death, disability benefits scheme or employees' share scheme which gives the Director benefits which are also generally given to the employees to whom the scheme relates.

Subject to the relevant statutory provisions the Company may, by ordinary resolution, suspend or relax the above provisions either generally or in respect of a particular matter or ratify any transaction, arrangement or proposal not duly authorised by reason of a contravention of such provisions.

4.21 Indemnification of Directors

The Directors (including any alternate Director), secretary and other officers or employees of the Company shall be indemnified out of the assets of the Company to the fullest extent permitted by the Companies Act from and against all actions, costs, charges, losses, damages, and expenses which they or any of them may incur or sustain by reason of any contract entered into or any act done, concurred in, or omitted, in or about the execution of their duty or supposed duty or in relation thereto.

4.22 Borrowing powers

Subject to relevant statutory provisions, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of the undertaking, property, assets (present and future) including uncalled capital of the Company and to issue debentures and other securities, whether outright or as collateral security for any debt, liability, or obligation of the Company or of any third party.

4.23 Annual General Meetings and General Meetings

The Company must, in respect of each financial year, hold a general meeting as its annual general meeting in accordance with the Companies Act. Subject to the foregoing and to the provisions of the Companies Act, the annual general meeting shall be held at such time and place as the Directors may determine. Holders of Ordinary Shares shall have the right to receive notice of and to attend and to vote at all general meetings of the Company.

Subject to the provisions of the Companies Act, an annual general meeting shall be called on not less than 21 days' written notice and all other general meetings shall be called on not less than 14 days' written notice. The period of notice shall in each case be exclusive of the day on which it is given or deemed to be given and of the day on which the meeting is to be held. The accidental omission to give notice (or any document intended to accompany any notice) to, or non-receipt of notice (or any document intended to accompany any notice) by, any person entitled to it shall not invalidate the proceedings at any general meeting.

The Directors must convene a general meeting on the requisition of members under the Companies Act and, if it fails to do so within the time allowed any of the requisitions may convene the meeting. A general meeting of the Company shall be called by notice of at least such length as is required in the circumstances by the Companies Act.

No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum of two Shareholders of the Company are present.

4.24 Winding up

On a winding up or other return of capital, the surplus assets of the Company remaining after payment of its liabilities shall be applied; firstly to pay £1.00 in aggregate to the holders of the 335,710,863 Deferred Shares with a par value of £0.00999; secondly to pay the amount paid up on such Ordinary Shares together with a premium of the amount paid up on such

Ordinary Shares together with a premium of £5,000,000 per Ordinary Share; and thirdly the balance of such assets shall be distributed among the holders of Ordinary Shares and the holders of the Deferred Shares rateably according to the amount paid up on such shares.

4.25 Application of DTRs and Insider Dealing

Following and subject to Admission, the Company and its Shareholders will be required, *inter alia*, to comply with the Disclosure Guidance and Transparency Rules. In respect of the disclosure of interests in shares, provision has also been made in the Articles to require disclosure to be made by Shareholders.

It should be noted that insider dealing legislation set out in the UK Criminal Justice Act 1993, as well as provisions relating to market abuse, will apply to the Company and dealings with Ordinary Shares, alongside the relevant provisions of UK MAR.

5. Directors' shareholdings and other interests

5.1 The interests of the Directors in the issued share capital of the Company and (so far as is known to the Directors, or could with reasonable diligence be ascertained by them) the interests of persons connected with the Directors, as at 28 April 2022 (being the latest practicable date prior to publication of this Document) and as at Admission, assuming full subscription under the Fundraise, will be as follows:

	On 28 April 2022		Following Admission		Following Admission on a fully diluted basis	
Director	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital
Colin Bird*	16,875	0.15%	45,069,227	20.53%	45,069,226	11.88%
Kjeld Thygesen	—	—	2,142,857	0.98%	2,142,857	0.56%
Alex Borrelli	82,777	0.74%	82,777	0.04%	82,777	0.02%
Evan Kirby	—	—	—	—	—	—

* At Admission, includes 3,695,238 shares held by Lion Mining Finance Ltd and 33,428,571 shares held by Camden Park Trading FZE-LLC, companies controlled by Colin Bird

5.2 Save as disclosed at paragraph 5.1 above, the Directors are not aware of any interests of any persons connected with them.

5.3 The Directors are not required to hold any Ordinary Shares under the Articles.

5.4 Colin Bird is non-executive chairman of Jubilee Metals Group Plc which has an interest of 1.48% in the Company.

5.5 Colin Bird pursuant to the Placing has agreed to subscribe for 1,571,400 of the Placing Shares at the Placing Price at Admission and will also be issued at Admission 1,571,400 Placing Warrants. Colin Bird will at Admission be issued i) 4,528,571 Fee Shares (further details of the Fee Shares are set out in paragraph 3.8 of Part VII of this Document) and ii) 1,828,571 Ordinary Shares and 1,828,571 Convertible Note Warrants arising from his participation in the July 2021 Convertible Loan Note, details of which are set out in paragraph 13.9.

5.6 Kjeld Thygesen pursuant to the Subscription has agreed to subscribe for 1,000,000 Subscription Shares at the Placing Price and will also be issued at Admission 1,000,000 Subscription Warrants, details of the Subscription is as set out in paragraph 13.13. Kjeld Thygesen will at Admission be issued 1,142,857 Ordinary Shares and 1,142,857 Convertible Note Warrants arising from his participation in the July 2021 Convertible Loan Note, details of which are set out in paragraph 13.9.

5.7 Lion Mining Finance Limited (a company controlled by Colin Bird) will at Admission be issued i)1,409,524 Ordinary Shares and 1,409,524 Convertible Note Warrants arising from its participation in the November 2021 Convertible Loan Note details of which are set out in paragraph 13.10; and ii) 2,285,714 Consideration Shares pursuant to the Deed of Assignment and Assumption details of which are set out in paragraph 13.4(b).

5.8 Camden Park Trading FZE-LLC (a company controlled by Colin Bird) will at Admission be issued 33,428,571 Consideration Shares pursuant to the Deed of Assignment and Assumption details of which are set out in paragraph 13.4(b).

5.9 The Directors have undertaken to Novum Securities Limited and Shard Capital Partners LLP that they and their connected persons will not dispose of any Ordinary Shares for a period of 12 months from the date of Admission and thereafter they have agreed for a period of 12 months from the first anniversary of Admission not to dispose of any Ordinary Shares other than in the first instance through the Company's Joint Broker whilst they remain Joint Brokers of the Company.

5.10 Other than as set out below, the Company is not aware of any person, other than the Directors and their immediate families, who as at 28 April 2022 (being the latest practicable date prior to publication of this Document) and immediately following Admission will, directly or indirectly, be interested (within the meaning of the Act) directly or indirectly in three per cent or more of the issued share capital of the Company or of any persons who directly or indirectly, jointly or severally, will exercise or could exercise control over the Company, or whose interest is notifiable under the disclosure rules contained in the FSA's 'Disclosure Rules and Transparency Rules sourcebook', or otherwise in the UK:

	On 28 April 2022		Following Admission		Following Admission on a fully diluted basis	
	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital
Jubilee Metals Group Plc[1]	3,245,709	29.00%	3,245,709	1.48%	3,245,709	0.86%
Pursuit Minerals	—	—	42,142,857	19.20%	42,142,857	11.10%
Colin Bird[2]	16,875	0.15%	45,069,227	20.53%	45,069,226	11.88%
Interactive Investor Services Nominees Limited (SMKTN)	1,345,959	12.03%	1,345,959	0.61%	1,345,959	0.12%
HSDL Nominees Limited	1,314,030	11.74%	1,314,030	0.60%	1,314,030	0.35%
Barclays Direct Investing Nominees Limited	837,635	7.49%	837,635	0.38%	837,635	0.22%
Hargreaves Lansdown (Nominees) Limited	634,302	5.67%	634,302	0.29%	634,302	0.17%
Interactive Investor Services Nominees Limited (SMKTIS)	444,552	3.97%	444,552	0.20%	444,552	0.12%
Vidacos Nominees Limited	340,834	3.05%	340,834	0.16%	340,834	0.09%
Eurasian Minerals Sweden AB	—	—	—	—	40,226,757	10.60%

1 held via JIM Nominees

2 of these shares 33,428,571 are held by Camden Park Trading FZE-LLC, a company controlled by Camden Park which is controlled by Colin Bird, and 3,695,238 are held by Lion Mining Finance Ltd, a company controlled by Colin Bird

5.11 Subject to the shareholdings in the Company and the management of the Enlarged Group described in this Document, the Enlarged Group is not believed by the Board to be controlled directly or indirectly by any person or persons.

5.12 Neither the Directors nor the Enlarged Group are aware of any arrangements in place which may result in a change in control of the Company. None of the Shareholders have different voting rights with regard to each Ordinary Share held.

5.13 Save as disclosed in this Document, none of the Directors has any interest, beneficial or non-beneficial, in the share or loan capital of the Enlarged Group.

5.14 Save as disclosed in this Document, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Enlarged Group and no contract or arrangement exists in which any Director is materially interested, and which is significant in relation to the business of the Enlarged Group.

5.15 There are no outstanding loans granted by the Enlarged Group to any Director, nor are there any guarantees provided by the Enlarged Group for their benefit.

5.16 Save as disclosed in this Document, no Director has or has had any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions significant to the business of the Enlarged Group and which was affected by any member of the Enlarged Group during the current or immediately preceding financial year, or during any earlier financial year and which remains in any respect outstanding or unperformed.

5.17 Save as set out in paragraph 5.18 below, there are no potential or actual conflicts of interest between any duties owed by the Directors to the Company and their private interests and/or other duties, save for their interests as holders of securities of the Company.

5.18 The Directors also serve as directors of one or more other resource companies involved in mineral exploration and/or development. It may occur from time to time that, as a consequence of a Director's activity in the mineral industry and serving on such other boards, a Director may become aware of potential resource property opportunities which are of interest to more than one of the companies on whose boards that person serves.

6. Additional Information on the Directors

6.1 The directorships of the Directors currently held and held over the 5 years preceding the date of this Document (other than of the Company and its subsidiaries) are as follows:

Director	Current directorships	Past directorships
Colin Bird	African Pioneer plc Bezant Resources Plc Bird Leisure & Admin (Pty) Ltd BMR Resources Plc Braemore Holdings (Mauritius) Pty Ltd Braemore Resources Ltd Camel Valley Holdings Inc (BVI) Crocus-Serv Resources (Pty) Ltd Dullstroom Plats (Pty) Ltd Enviro Mining Ltd Enviro Processing Ltd Enviro Props Ltd Galagen (Pty) Ltd Galileo Resources plc Galileo Resources South Africa (Pty) Ltd Glenover Phosphate (Pty) Ltd Holyrood Platinum (Pty) Ltd Jubilee Metals Group plc Kabwe Operations Mauritius Lion Mining Finance Ltd Maude Mining & Exploration (Pty) Ltd Mitte Resources Investment Ltd (BVI) New Age Metals Inc Newmarket Holdings (Mauritius) NewPlats (Tjate) (Pty) Ltd Revelo Resources Corp (formerly Polar Star Mining Corp) Sandown Holdings (Mauritius) Shamrock Holdings Inc (BVI) Tiger Royalties and Investments plc Tjate Platinum Corp (Pty) Ltd Umhlanga Lighthouse Café CC Virgo Business Solutions (Pty) Ltd Windsor SA Pty Ltd Xtract Resources plc	1 Tara Bar and Restaurant CC Add X Trading CC (t/a Characters Pub & Grill) Afminco (Pty) Ltd Dialyn Café CC Emanuel Mining & Exploration (Pty) Ltd Isigidi Trading 413 CC (t/a Steak & Ale Steakhouse) Jubilee Smelting & Refining (formerly Jubilee Tailings Treatment Company (Pty) Ltd M.I.T. Ventures CorpEuropa Metals Ltd (formerly Ferrum Crescent Ltd) Mokopane Mining & Exploration (Pty) Ltd NDN Properties CC Orogen Gold plc Pilanesberg Mining Co (Pty) Ltd Pioneer Coal (Pty) Ltd PowerAlt (Pty) Ltd SacOil Holdings Ltd Sovereign Energy plc Thos Begbie Holdings (Pty) Ltd)
Kjeld Thygesen	Xtract Resources PLC African Pioneer Plc	Superior Mining Intl Bullfrog Gold Corporation
Alex Borrelli	Greatland Gold PLC BWA Group PLC BWA Resources (UK) Limited BNB Recruitment Solutions PLC Borrelli Capital Limited Tiger Royalties and Investments PLC Bradda Head Lithium Limited Red Rock Resources plc	BMR Group PLC Black Sea Property PLC The Black Sea Property Fund Limited Enviro Processing Limited Enviro Props Limited Kabwe Operations Limited Enviro Zambia Limited BMR Minas de Portugal LDA Callisto Resources Limited Mineralfields Limited Mineralfields Group Limited Metal Tiger PLC Metal Capital Limited Metal Horse Limited Prego International Limited

Director	Current directorships	Past directorships
		Enviro Mining Limited Xpediator PLC
Evan Kirby	Metallurgical Management Services Pty Ltd Jubilee Metals Group PLC Europa Metals PLC Bezant Resources PLC Goldoz Limited Balama Resources Pty. Ltd	Nyota Minerals Limited GoldOz Limited

(a) Alex Borrelli was a director of BNB Recruitment Solutions plc ("BNB") from 5 April 2007 until its liquidation on 25 January 2010. BNB was placed into administration on 29 June 2009 and entered into a creditors' voluntary liquidation on 25 January 2010.

(b) Alex Borrelli was a director of IAF Securities Limited ("IAF") from 1 September 2008 until 18 January 2009. IAF entered into a creditors' voluntary liquidation on 23 March 2009.

6.2 As at the date of this Document, none of the Directors have:

(a) had any convictions in relation to fraudulent offences for at least the previous five years; or

(b) been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or

(c) been subject to any official public incrimination and/or sanction of him by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

7. Directors' Service Agreements and Emoluments

7.1 Pursuant to an agreement dated 29 April 2022 the Company renewed the appointment of Colin Bird as a Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Colin Bird is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Colin Bird is not entitled to any pension, medical or similar employee benefits. The agreement will terminate automatically without the requirement for notice if Admission does not occur by 31 March 2022 and replaces all previous agreements with Colin Bird in relation to his appointment as a director of the Company.

7.2 Pursuant to a consultancy agreement dated 29 April 2022, the Company has, with effect from the date of Admission, appointed Colin Bird as a consultant to provide technical advisory services in relation to its current and future projects including, but not limited to, assessing existing geological data and studies, existing mine development studies and developing exploration programs and defining the framework of future geological and mine study reports (the "Colin Bird Services"). The appointment continues unless terminated by either party giving to the other three months' notice in writing. Colin Bird is entitled to fees of £2,500 per month for being a consultant to the Company plus reasonable and properly documents expenses incurred during the performance of the Colin Bird Services. The agreement will terminate automatically without the requirement for notice if Admission does not occur by 31 March 2022.

7.3 Pursuant to an agreement dated 29 April 2022, renewed the appointment of Kjeld Thygesen as a non-executive Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Kjeld Thygesen is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly

documented expenses incurred during the performance of his duties. Kjeld Thygesen is not entitled to any pension, medical or similar employee benefits. The agreement will terminate automatically without the requirement for notice if Admission does not occur by 31 March 2022.

7.4 Pursuant to an agreement dated 29 April 2022, Alex Borrelli was appointed as a non-executive Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Alex Borrelli is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Alex Borrelli is not entitled to any pension, medical or similar employee benefits. The agreement will terminate automatically without the requirement for notice if Admission does not occur by 31 March 2022.

7.5 Pursuant to an agreement dated 29 April 2022, Evan Kirby was appointed as a non-executive Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Evan Kirby is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Evan Kirby is not entitled to any pension, medical or similar employee benefits. The agreement will terminate automatically without the requirement for notice if Admission does not occur by 31 March 2022.

7.6 None of the Directors have other arrangements with the Company pursuant to which they are or will be entitled to payment, and in particular have no further entitlement to benefits upon termination of employment.

7.7 Save as set out above, there are no existing or proposed service agreements between any of the Directors and the Company.

8. Working Capital

The Company is of the opinion that, after taking into account the net proceeds of the Fundraise, that the working capital available to the Enlarged Group is sufficient for its present requirements, that is for at least 12 months from the date of this Document.

9. Capitalisation and indebtedness

Company

Capitalisation

The following table shows the Company's capitalisation as at 30 June 2021, as extracted from the Company's unaudited interim financial information incorporated by reference in Section A: *"Historical Financial Information of the Group"* of Part IV *"Financial Information"* of this Document:

	Unaudited As at 30 June 2021 £
Total Current Debt	
— Guaranteed	—
— Secured	—
— Unguaranteed/unsecured	—
Total Non-Current Debt (excluding current portion of long-term debt)	
— Guaranteed	—
— Secured	—
— Unguaranteed/unsecured	
Shareholders' Equity	
Share capital	22,929,743
Share premium	25,027,278
Convertible loan notes	210,000
Merger reserve	1,824,000
Accumulated losses	(49,861,760)
Total capitalisation	**129,261**

There have been no changes to the Company's capitalisation since 30 June 2021, save for:

- further unsecured convertible loan note instruments dated 2 July 2021 constituting up to £350,000 and 15 November 2021 constituting up to £150,000 were approved by way of Zero-Coupon Convertible Loan Notes of £1 each, repayable on 31 July 2022 (the "Repayment Date"). The Loan Notes automatically convert into Ordinary Shares in the event of a Qualifying Equity Financing which is defined to mean the Company, prior to the Repayment Date, completing an IPO or reverse takeover transaction which leads to the Company's shares being traded on a market of the London Stock Exchange ("Automatic Conversion"). In the event of Automatic Conversion, the conversion price is at a 25% discount to the price at which the Company issues Ordinary Shares in any Qualifying Equity Financing in the period commencing on the date of this Instrument and ending on the Repayment Date (the "Loan Note Conversion Price") and the issue of one warrant for each Ordinary Share to be issued to the Noteholders with the warrant exercisable within 18 months from the Qualifying Equity Financing at the price at which the Company issues Ordinary Shares in the Qualifying Equity Financing. As at the date of this Document, the Company had raised a further £469,560 from these loan instruments.

With respect to the aggregate £469,560 Zero-Coupon Convertible Loan Notes issued subsequent to 30 June 2021, the values set out in the Company's capitalisation statement set out above have changed as follows:

- the value of *"Convertible loan notes"* within *"Shareholders' Equity"* has increased by £469,560, from £210,000 to £679,560; and
- the value of *"Total capitalisation"* has increased by £469,560, from £129,261 to £598,821.

All other values remain as originally stated.

Indebtedness

The following table shows the Company's indebtedness as at 31 January 2022, as extracted from the Company's unaudited management information as at that date:

	Unaudited As at 31 January 2022 £
A. Cash	41,227
B. Cash equivalent	—
C. Trading securities	13,487
D. **Liquidity (A) + (B) + (C)**	**54,714**
E. Current financial receivable	9,055
F. Current bank debt	—
G. Current portion of non-current debt	—
H. Other current financial debt	679,500
I. **Current Financial Debt (F) + (G) + (H)**	**679,500**
J. **Net Current Financial Indebtedness (I) – (E) – (D)**	**615,731**
K. Non-current bank loans	—
L. Bonds issued	—
M. Other non-current loans	—
N. **Non-current Financial Indebtedness (K) + (L) + (M)**	**—**
O. **Net Financial Indebtedness (J) + (N)**	**615,731**

There have been no changes to the Company's indebtedness since 31 January 2022.

The Company has no indirect or contingent indebtedness as at the date of this Document.

Northern X Group

Capitalisation

The following table shows the Northern X Group's capitalisation as at 30 June 2021, as extracted from the audited Northern X Group Financial Information included in Section C: *"Historical Financial Information of the Northern X Group"* of Part IV *"Financial Information"* of this Document:

	Audited As at 30 June 2021 £
Total Current Debt	
— Guaranteed	—
— Secured	—
— Unguaranteed/Unsecured	1,951,245
Total Non-Current Debt (excluding current portion of long-term debt)	
— Guaranteed	—
— Secured	—
— Unguaranteed/Unsecured	—
Shareholders' Equity	
Share capital	6,480
Foreign currency translation reserve	2,949
Retained earnings	(217,055)
Total capitalisation	**1,743,619**

There have been no changes to the Northern X Group's capitalisation since 30 June 2021.

The £1,925,523 non-current debt included above is owed by the Northern X Group to its parent company, Pursuit. On completion of the Acquisitions, this debt will be assigned to the Company for a notional sum of £1.

Indebtedness

The following table shows the Northern X Group's indebtedness as at 31 January 2022, as extracted from the Northern X Group's unaudited management information as at that date:

	Unaudited As at 31 January 2022 £
Cash	12,122
Cash equivalent	—
Trading securities	—
Liquidity (A) + (B) + (C)	**12,122**
Current financial receivable	—
Current bank debt	—
Current portion of non-current debt	—
Other current financial debt	—
Current Financial Debt (F) + (G) + (H)	**—**
Net Current Financial Indebtedness (I) – (E) – (D)	**(12,122)**
Non-current bank loans	—
Bonds issued	—
Other non-current loans	1,863,466
Non-current Financial Indebtedness (K) + (L) + (M)	**1,863,466**
Net Financial Indebtedness (J) + (N)	**1,851,344**

There have been no changes to the Northern X Group's indebtedness since 31 January 2022.

The Northern X Group has no indirect or contingent indebtedness as at the date of this Document.

10. Premises

The Company does not own any properties and has entered into a licence agreement with Lion Mining Finance Limited (a company controlled by Colin Bird) to use the premises at 7-8 Kendrick Mews, London, SW7 3H further details of the licence agreement are provided at para 13.11 in Part VII.

11. Litigation

The Company confirms that there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months which may have or have had in the recent past significant effects on the financial position or profitability of the Company or the Enlarged Group.

12. Incentives and Share Options

Overview: The Incentive Schemes are intended to put in place new short-term, annual and transaction incentive awards payable in cash and/or Company shares to align the interest of directors, officers, employees, and consultants with those of shareholders. These awards are not intended to replace the Company's share option scheme and shall continue until the Board has put an alternative incentive scheme to the Company's shareholders which the Company's shareholders have approved.

Eligibility: Directors, officers, employees, and consultants of the Enlarged Group ("Eligible Participants"). Eligible Participants, who are good leavers, may continue to be eligible for awards for up to 12 months from their resignation or retirement.

Operation and purpose: The Remuneration Committee will make awards to Eligible Participants to reward, retain and recruit them and reward performances against performance measures determined by the Remuneration Committee. A member of the Remuneration Committee will not participate in the determination of their own award. The Remuneration Committee will in determining awards relative to annual salary have regard to median salaries of public company executives in the annual KPMG or comparable surveys of the remuneration of public company executives of companies with comparable projects at a similar stage of development to Kendrick ("Comparable Median Annual Salary"). The Remuneration Committee will, in making awards, determine appropriate key performance indicators for Eligible Participants to meet.

Short Term Incentive Awards: Eligible Participants with direct involvement in meeting short term operational targets, for example, production or exploration targets will be eligible for incentive awards determined by the Remuneration Committee. The maximum award will be capped at two (2) times the Eligible Participants' Comparable Median Annual Salary. Awards and may be paid in cash and /or Company shares. If paid in Company shares, the price will be based on the 30-day VWAP following announcement of the Company's interim and final results. Awards of Company shares to Directors and PDMRs may be subject to a minimum holding period of up to 3 months to be determined.

Annual Incentive Awards: These will be awarded to Eligible Participants with approximately 25% of their awards being related to Company performance and approximately 75% related to individual key performance indicators determined by the Remuneration Committee. The maximum award will be capped at three (3) times the Eligible Participants' Comparable Median Annual Salary. Awards may be paid in cash and / or Company shares and if in Company shares based on the 30-day VWAP following announcement of Company's interim and final results. Awards of Company shares to Directors and PDMRs may be subject to a minimum holding period of up to 3 months to be determined. An Eligible Participant who has been awarded a Short-Term Incentive Award is eligible for an Annual Incentive Award, but their Annual Incentive Award will be reduced by the amount due to them under their Short-Term Incentive Award.

Transaction Incentive Awards: These will be awarded to Eligible Participants and the Award Triggers will be based on the Company completing a successful acquisition or disposal transaction (the "Transaction") based on criteria determined by the Remuneration Committee. The maximum award payable in relation to a Transaction will be up to 5% of the Transaction value and be allocated amongst the Eligible Participants by the Remuneration Committee. Awards may be paid in cash and / or Company shares and if in Company shares based on the 30-day VWAP following the date the Company announces the Transaction.

Corporate Event: In the event of a takeover or merger, general offer being made to shareholders, scheme of arrangement, member's voluntary winding up, change of control or other similar corporate event, the Eligible Participant will be deemed to have met their Annual Incentive Award and / or Award Trigger unless determined otherwise by the Remuneration committee taking into account the Eligible Participants Annual Trigger and / or Award Trigger.

Share Options

The Directors consider that in addition to the Incentive Schemes, an important part of the Company's remuneration policy should include equity incentives through the grant of Share Options to directors, senior management, consultants, and employees (each an "**Eligible Person**"), ("**Scheme**"). A new Scheme was approved at the Company's annual general meeting held on 4 February 2021.

Eligibility: Directors, officers, employees, and consultants of the Enlarged Group ("Eligible Participants"). Eligible Participants, who are good leavers, may continue to be eligible for awards for up to 12 months from their resignation or retirement.

Eligibility: Directors, officers, employees, and consultants of the Enlarged Group ("Eligible Participants"). Eligible Participants, who are good leavers, may continue to be eligible for awards for up to 12 months from their resignation or retirement.

The key terms of the Scheme are:

1. The number of options to be issued under the Scheme must not exceed 10% of the issued ordinary share capital of the Company from time to time.

2. The exercise price of the options will be determined by the Remuneration Committee in consideration of the following:

   a. the last fundraising by the Company whilst its shares are not traded on a stock exchange; and

   b. once the Company's shares are traded on a stock exchange, the volume weighted average share price of the Ordinary Shares in the 30 days preceding the issue of the options save that in the 30 days after Admission, any options may be issued at the Placing Price;

3. The allocation of the options will be determined by the Remuneration Committee.

4. The options will vest in accordance with the terms of the Scheme.

5. The options must be exercised within ten years of the date the Scheme was passed by resolution, that being 3 February 2031.

6. A person granted an option under the Scheme is not permitted to exercise it at any time they are subject to disciplinary proceedings, have breached their employment or consultancy obligations, they owe a fiduciary duty to the Company or, after ceasing to be an Eligible Person, it is discovered that a breach occurred whilst an Eligible Person. Options may not be exercised at a time when its exercise is prohibited by law, regulation, or applicable guidelines.

7. The Directors may direct an option holder to exercise his or her options prior to a change of control of the Company.

13. Material Contracts

The following material contracts, not being a contract entered into in the ordinary course of business, have been entered into by the Company or any member of the Enlarged Group during the two years immediately prior to the date hereof and are, or may be, material:

13.1 Placing Agreement

On the date of this document, the Company entered into the Placing Agreement with the Directors and the Broker pursuant to which the Company has appointed the Broker to act as its corporate broker and placing agent in relation to the Placing and the Broker has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Issue Price.

The Placing Agreement is conditional, amongst other things, on Admission taking place not later than 6 May 2022 (or such other date as the Broker and the Company may jointly decide.

The Placing Agreement contains certain warranties by the Company and the Directors in favour of the Broker, including as to the accuracy of information contained in this Document.

The liability of the Directors under these warranties is limited in time and amount. In addition, the Company has agreed to indemnify the Broker in respect of any losses, damages, liabilities incurred by the Broker resulting from the carrying out by the Broker of its obligations or services under the Placing Agreement or otherwise in connection with the Placing or Admission.

The Broker shall be entitled to terminate the Placing Agreement in certain specified circumstances prior to Admission, principally in the event of a material breach of the Placing Agreement, a material breach of any of the warranties contained in the Placing Agreement, the occurrence of a material adverse change in the financial position or prospects of the Company or the occurrence of other circumstances materially prejudicial to the successful outcome of the Placing.

The Placing Agreement provides for the Company to pay all costs, changes, expenses of, or incidental to, the Placing and Admission, including all accountancy, legal and other professional fees, and expenses. Pursuant to the Placing Agreement the Joint Brokers have secured subscriptions for 91,000,143 Placing Shares at the Placing Price and the granting of

91,000,143 Placing Warrants. Colin Bird, a director of the Company is participating in the Placing and has subscribed for 1,571,400 Placing Shares and will be awarded 1,571,400 Placing Warrants.

13.2 Registrar Agreement

On 21 April 2010, the Company entered into an agreement with the Registrars pursuant to which the Company has appointed Neville Registrars Limited as its share register to provide share registration transfer services. Pursuant to the terms of the Registrar Agreement, the Company is to pay certain fees and charges to the Registrar. The Registrar Agreement will continue until terminated by either party giving notice to the other on not less than six months' notice, such notice shall not expire before the end of the original term The Registrar Agreement is governed by the laws of England and Wales.

13.3 Advisor and Broker Agreement with Novum Securities Limited

Under the provisions of the Adviser and Broker Agreement dated 15 April 2021 Novum Securities Limited agreed to act as Corporate Adviser and Broker for the Company in relation to the Placing and the Admission. Novum Securities Limited will be issued warrants valid for three years from Admission which shall give Novum the right to acquire shares equivalent to 5% (five per cent.) of the gross aggregate value of funds raised by Novum at the Placing price.

13.4 Broker Agreement with Shard Capital Limited

Under the provisions of the Broker Agreement dated 31 March 2022 Shard Capital Limited agreed to act as joint broker to the Company in relation to the Placing and the Admission. Shard Capital Limited will be issued warrants valid for three years from Admission which shall give Shard Capital Limited the right to acquire shares equivalent to 5% (five per cent.) of the gross aggregate value of funds raised by Shard at the Placing Price.

13.5 Pursuit Minerals Limited

The Company entered into the following agreements with the overall objective to purchase the vanadium and nickel projects in Finland, Sweden, and Norway (the "Scandinavian Projects") from Pursuit:

(a) Deed of Assignment and Variation dated 20 April 2021 – EMX Option Agreement

Pursuant to an agreement between Pursuit (as "**Assignor**"), the Company (as assignee) and Eurasian Minerals Sweden AB (as "**Continuing Party**"), the Assignor has agreed to assign its rights, present and future, to the Company and the Company has agreed to assume its obligations and keep the Assignor indemnified in respect of the following agreements: the EMX Option Agreement (1) and the agreement entitled Royal Interest Conveyance and Agreement between the Assignor and the Continuing Party dated 13 February 2020 (2) (the "**Royalty Agreement**"), under the terms of the agreement.

Under the terms of the agreement, the parties acknowledge and agree that:

(i) a Force Majeure has been declared under the EMX Option Agreement;

(ii) the Assignee is only required to expend a further US$81,949 on Exploration Expenditures to satisfy the expenditure requirement of the EMX Option Agreement; and

(iii) the issue of shares by the Assignor has been issued and there are no further obligations in respect of 4.1(b) of the EMX Option Agreement on the Company.

The parties agreed that the agreement entitled Royal Interest Conveyance and Agreement between the Assignor and the Continuing Party dated 13 February 2020 (the "**Original Royalty Agreement**") was executed in error and agree to terminate; and

EMX Option Agreement

An agreement dated 13 February 2020 between Eurasian Minerals Sweden AB (the "**Seller**") and Pursuit (as purchaser) for the option to acquire the Seller's interest in the exploration licences (the "**Exploration Licences**") relating to the Norwegian Projects. Subsequently, in a letter issued by Pursuit to the Seller dated 18 March 2020, Pursuit gave written notice of its intention to rely on the Force Majeure clause of the EMX Option Agreement, to extend the period of time in which both parties have to fulfil their obligations to a period of time equal to the period of delay caused by the Force Majeure event, that being the Covid-19 Pandemic.

The condition precedent set an exploration expenditure of USD$250,000, as varied under the terms of the Deed of Assignment and Variation dated 20 April 2021, and it was acknowledged by the parties that the sum of USD$168,051 had already been expended leaving a further USD$81,949 to satisfy the further expenditure requirement.

Under the terms of the EMX Option Agreement, which has been assigned to the Company, the Company covenants to the Seller, that during the period of 12 months from the date of signing (the "**Option Period**"), it will:

(i) make all expenditures and perform all activities required to keep the land subject to the Exploration Licences (the "**Properties**") in good standing under the terms of the Exploration Licences and the Mining Law;

(ii) keep the Properties free of all Encumbrances, other than Permitted Encumbrances;

(iii) allow the Seller access to the Properties and to all Data prepared by Pursuit;

(iv) prepare comprehensive exploration reports on an annual basis and prepare timely reports on any material factual results obtained;

(v) conduct operations in accordance with industry standards and laws;

(vi) pay all wages or salaries for services rendered for the benefit of the Properties;

(vii) arrange for and maintain the local statutory requirements for worker's compensation;

(viii) obtain and maintain the necessary insurance coverage as specified; and

(ix) comply with indemnification requirements.

Subject to the exercise of the Option, the additional payment requirements of the Company are as follows:

(i) on or before the second anniversary of the date of signing (the "**Signing Date**"), the Company shall expend no less than an additional USD$500,000 in Exploration Expenditures, bringing the total to USD$750,000 and make payment of USD$25,000 per Project (the "**Annual Advanced Royalty**");

(ii) on the first anniversary of the Signing Date, the Company shall issue to the Seller the lesser of (i) 20 million ordinary shares and (ii) the number of ordinary shares equal to that which shall ensure that the Seller holds aggregate shares in the Company equal to 9.9% of its total issued shares (the number of shares shall be multiplied by the 5 day VWAP to establish the value of the shares (the "**Established Value**"));

(iii) on the second anniversary of the Signing Date, the Company shall issue to the Seller, the lesser of (i) the number of ordinary shares necessary to ensure the aggregate shares held by the Seller equal 9.9% of the total issued shares in the Company and (ii) the number of shares determined by dividing the Established Value by the 5 day VWAP (the shares to be issued as referred to in sub-paragraphs (ii) and (iii), being the "Option Shares");

(iv) beginning on the third anniversary of the Signing Date, the amount of the Annual Advanced Royalty shall increase by USD$5,000 each year, payable on or before each anniversary of the Signing Date;

(v) beginning on the third anniversary of the Signing Date and ceasing on the date upon which the Company commissions a Pre-Feasibility Study on any one of the Projects: the Company shall commit to one thousand meter drilling for each Project; and

(vi) upon attainment of each development milestone ((milestone 1) being the completion of an economic assessment of mineral potential and (milestone 2) the completion of a feasibility study), the Company shall pay the Seller the sum of USD$500,000. If milestone 1 is not met but milestone 2 is met then an aggregate of USD$1,000,000, will become due.

In the event that shareholder approval is not given for the issue of the Option Shares, the Company must pay to the Seller the cash equivalent.

The Exploration Expenditures and additional payments are considered material to the contract and a breach may result in termination of the agreement.

Both the Company and the Seller have provided various warranties as set out in the agreement.

The agreement is subject to termination: if agreed by the parties in writing, if the Company fails to satisfy the conditions precedent, if the Company is likely to become insolvent or if the Company fails to meet any Work Requirement or payment under the agreement. In the event of termination, the Company has various obligations in respect of the Properties and must indemnify the Seller from any third-party related losses relating to the Properties.

Pursuant to a the fourth amendment to the exploration and option agreement dated 4 April 2022 between the Company and the Seller, it was agreed that the period of the agreement is extended to expire seven calendar days after Admission, provided Admission has occurred by 30 April 2022.

Pursuant to the fifth amendment to the exploration and option agreement dated 29 April 2022 between the Company and the Seller, it was agreed that the period of the agreement is extended to expire seven calendar days after Admission, provided Admission has occurred by 31 May 2022 and provided further that as consideration for such extension, the Seller will receive additional Ordinary Shares equivalent in value to US $10,000 at the Placing Price, using a fixed foreign exchange rate of GBP 1 = US $1.26.

(b) Deed of Assignment and Assumption

An assignment and assumption agreement dated 20 January between Lion Mining Finance Limited (a company controlled by Colin Bird), acting as agent for the Principal (as "**Assignor**"), the Company (as assignee) and Camden Park Trading FZE-LLC (a company controlled by Colin Bird) (as "**Principal**"). The Assignor has agreed to assign its rights, present and future, to the Assignee and the Assignee has agreed to assume its obligations and keep the Assignor indemnified in relation to the Principal Agreement (details of which are below at paragraph 13.5 (d)). The consideration paid by the Company is as follows:

(i) £52,000 reimbursement to the Assignor for the licence and other fees paid in relation to the Scandi Tenements;

(ii) £48,000 to the Assignor to be settled by the issue of shares in the Company at the Company's offering of its shares on the LSE Main Market or the AIM (the "**Listing Event**") at the same conversion price as that which was issued by the loan note instrument constituting up to £210,000 of unsecured convertible loan notes 2020 that was entered into by the Company on 30 December 2020 (the "**Unsecured Convertible Loan Notes 2020**");

(iii) £702,000 to the Principal to be settled by the issue of shares in the Company at the Listing Event at the same conversion price as per the Unsecured Convertible Loan Notes 2020; and

(iv) in the event that completion does not occur under the Principal Agreement at the Listing Event, the Assignor and the Principal can opt to receive payment of their consideration at cash in an amount equal to the cash value multiplied by 1.666.

(c) Deed of Assignment dated 20 January 2021

An assignment and assumption agreement dated 20 January between Lion Mining Finance Limited (a company controlled by Colin Bird) (as "**Assignor**"), the Company (as assignee) and Pursuit (as "**Continuing Party**"). The Assignor has agreed to assign its rights, present and future, to the Assignee and the Assignee has agreed to assume its obligations and keep the Assignor indemnified in relation to the Principal Agreement.

(d) Principal Agreement – Binding Sales Agreement dated 18 January 2021

A binding sale agreement dated 18 January 2021 between Pursuit and Lion Mining Finance Limited (a company controlled by Colin Bird, as agent for Camden Park Trading FZE-LLC, a company also controlled by Colin Bird) setting out the terms upon which Lion will acquire from Pursuit:

(i) the entire issued share capital of the following companies: Northern X Finland Oy (incorporated in Helsinki, Finland with company number 2892740-6) and Northern X Scandinavia AB (incorporated in Stockholm, Sweden with company number 559148-9850) in relation to the Scandi Tenements; and

(ii) the assignment of an option agreement to acquire certain nickel tenements in Norway that are currently owned by Eurasian Minerals Sweden AB in relation to the EMX Tenements,

together the "**Acquisition**", of the combined Scandi Tenements and EMX Tenements (the "**Tenements**"), subject to spinning out the Tenements into a listing, (the "**Spin Out**").

The consideration paid to Pursuit is as follows:

(i) A$50,000 cash paid on execution of the agreement;

(ii) £1,250,000 satisfied through the issue of Consideration Shares;

(iii) A$250,000 in cash on the Company's completion of a feasibility study on any of the individual project areas in the Tenements that demonstrate an internal rate of return of not less than 25%; and

(iv) A$500,000 in cash upon a decision by the Company to mine in any individual project area in the Tenements.

The agreement is subject to the satisfaction of five conditions precedent, including amongst others, the Company raising a minimum of £1,500,000 at the fund raise through the issue of shares. As at the date of this Document, all five conditions, save for Admission, have been satisfied. Pursuit agrees that 75% of the Consideration Shares will initially be restricted from free trading from their date of issue (with 25% being freely tradeable). Every 6 months thereafter, a further tranche of 25% of the Consideration Shares will become unrestricted and free to trade.

Pursuit agrees to pay all future costs and expenses of the current business of the companies, including without limitation, minimum expenditure obligations which Pursuit confirms as at 31 December 2020 is $30,000, later to be reimbursed by the Company (obligations run until the date of termination, if such termination occurs). Subject to the payment of these expenses, Pursuit agrees to maintain the Tenements and meet all of their obligations.

The parties are to use best efforts it ensures the satisfaction of the condition's precedent. The original deadline for satisfaction was 31 March 2021 but this date has now been amended in accordance with the letters dated 23 August 2021, 7 December 2021, 28 January 2022, 24 February 2022, 4 April 2022 and 27 April 2022 and set out below at paragraph 13.7. Under the agreement, Pursuit provided a number of representations and repeating warranties as set out in the annexures. Warranties are subject to certain customary controls and limitations.

13.6 Pursuant to a letter dated 26 March 2021, Pursuit Minerals Limited ("Pursuit") agreed to extend the terms of the Deed of Assignment from 31 March 2021 to 30 September 2021 in exchange for an additional payment of A$60,000. The letter further refers to an agreement that the Company's shares are to be listed on the Standard Segment of the London Stock Exchange Main Market rather than on the Alternative Investment Market of the London Stock Exchange.

13.7 Pursuant to letters dated 23 August 2021, 7 December 2021, 28 January 2022, 24 February 2022, 4 April 2022 and 27 April 2022 Pursuit Minerals Limited ("Pursuit") agreed to extend the terms of the deed of assignment, entered into between Pursuit and the Company dated 20 January 2021 (the "Deed of Assignment") (details of which are set out at paragraph 13.5 from 30 September, on the following terms:

(a) to 31 October 2021 by making a payment of A$50,000 to Pursuit on or by 24 September 2021;

(b) to 30 November 2021 by making an additional payment of A$50,000 to Pursuit on or by 25 October 2021;

(c) to 31 December 2021 by making an additional payment of A$75,000 to Pursuit on or by 25 November 2021;

(d) to 31 January 2022 by increasing the payment referred to in paragraph 13.5(d)(ii) above from £1,250,000 to £1,300,000;

(e) to 28 February 2022 by increasing the payment referred to in paragraph 13.5(d)(ii) above, subsequently amended by paragraph 13.7(d), from £1,300,000 to £1,350,000.

(f) to 31 March 2022 by increasing the payment referred to in paragraph 13.5(d)(ii) above, subsequently amended by paragraph 14.6(d), from £1,350,000 to £1,400,000;

(g) to 30 April 2022 by increasing the payment referred to in paragraph 13.5(d)(ii) above, subsequently amended by paragraph 14.6(d), from £1,400,000 to £1,450,000; and

(h) to 15 May 2022 by increasing the payment referred to in paragraph 13.5(d)(ii) above, subsequently amended by paragraph 14.6(d) to (f) from £1,450,000 to £1,475,000.

13.8 On 20 December 2020, the Company executed a £210,000 unsecured convertible loan note instrument (the "**December 2020 Convertible Loan Note**") and received subscriptions of £210,000 in respect of the December 2020 Convertible Loan Note from private investors. The December 2020 Convertible Loan Note does not pay interest and will be repaid at Admission by the issue of 10,000,000 New Ordinary Shares at a 40% discount to the Placing Price

13.9 On 2 July 2021, the Company executed a £350,000 unsecured convertible loan note instrument (the "**July 2021 Convertible Loan Note**") and has received subscriptions of £350,000 in respect of the July 2021 Convertible Loan Note from private investors and £30,000 from Kjeld Thygesen and £48,000 from Colin Bird, who are directors of the Company. The July 2021 Convertible Loan Note does not pay interest and will be repaid at Admission by the issue of i) 13,333,333 New Ordinary Shares at a 25% discount to the Placing Price of which 1,142,857 will be issued to Kjeld Thygesen and 1,828,571 to Colin Bird and ii) one (1) warrant for each New Ordinary Share issued to the noteholders at a strike price of the Placing Price. The 13,333,333 warrants will be valid for a period of 18 months from Admission and 1,142,857 of the warrants will be issued to Kjeld Thygesen and 1,828,571 to Colin Bird.

13.10 On 15 November 2021, the Company executed a £150,000 unsecured convertible loan note instrument which was, with the consent of the noteholder, subsequently increased to £150,000 (the "**November 2021 Convertible Loan Note**") and has received subscriptions of £119,500 in respect of the November 2021 Convertible Loan Note from private investors including £37,000 from Lion Mining Finance Ltd, a company controlled by Colin Bird, a director of the Company. The November 2021 Convertible Loan Note does not pay interest and will be repaid at Admission by the issue of i) 4,552,381 New Ordinary Shares at a 25% discount to the Placing Price of which 1,409,524 will be issued to Lion Mining Finance Ltd

and ii) one (1) warrant for each New Ordinary Share issued to the noteholders at a strike price of the Placing Price. The 4,552,381 warrants will be valid for a period of 18 months from Admission and 1,409,524 of the warrants will be issued to Lion Mining Finance Ltd.

13.11 The Company entered into a licence agreement dated 1 February 2022 with Lion Mining Finance Limited (a company controlled by Colin Bird, a director of the Company). Pursuant to this agreement, the Company has been granted a licence to use the premises at 7-8 Kendrick Mews, London, SW7 for a period of 12 months with effect from 1 December 2021 for a licence fee of £1,000 per month. In addition, Lion Mining Finance Limited provides basic administrative and support services as required by the Company from time to time.

13.12 Pursuant to an agreement dated 15 October 2021 between the Company and Quantum Capital and Consulting Ltd ("**Quantum**"), Quantum agreed to assist the Company in preparing for Admission in consideration of a success fee payable in Ordinary Shares to Quantum (or its nominee), based on the higher of (i) £125,000 divided by the Placing Price; and (ii) an amount equal to 2% of the Ordinary Shares in issue at Admission including the Ordinary Shares to be issued to Quantum. Quantum (or its nominee) is also entitled to receive one warrant in respect of each of the Ordinary Shares to be issued to it in connection with the agreement which will be exercisable for a period of three years after Admission, at the Placing Price.

13.13 On 8 April 2022, the Company entered into subscription agreements for subscriptions of £64,955 for 1,857,000 Subscription Shares in the Company. The subscriptions entitle each subscriber to receive one Subscription Warrants for each Subscription Share. £29,995 was subscribed by a a private investor and £35,000 for 1,000,000 Subscription Shares and 1,000,000 Subscription Warrants by Kjeld Thygesen, a director of the Company.

14. Intellectual Property Rights

14.1 There are no patents, trademarks or other intellectual property rights, licences or particular contracts which are of fundamental importance to the Enlarged Group's business.

15. Investments

15.1 Save as set out in this Document, there are no:

(a) investments in progress which are significant to the Enlarged Group; or

(b) future investments upon which the Enlarged Group has already made firm commitments; or

(c) intentions to make any new principal investments.

16. No significant change

Group

16.1 Since 30 June 2021 (being the date as at which the Group's interim financial information incorporated by reference in Section A *"Historical Financial Information of the Company"* has been prepared), there has been no significant change to the financial position and performance of the Group, save for:

(a) on 2 July 2021, the Company executed the July 2021 Convertible Loan Note and has received subscriptions of £350,000 in respect of the July 2021 Convertible Loan Note from private investors and £30,000 from Kjeld Thygesen and £48,000 from Colin Bird. The July 2021 Convertible Loan Note does not pay interest and will be repaid at Admission by the issue of:

(i) 13,333,333 New Ordinary Shares at a 25% discount to the Placing Price, of which 1,142,857 will be issued to Kjeld Thygesen and 1,828,571 to Colin Bird; and

(ii) one (1) warrant for each New Ordinary Share issued to the noteholders at a strike price of the Placing Price. The 13,333,333 warrants will be valid for a period of 18 months from Admission and 1,142,857 of the warrants will be issued to Kjeld Thygesen and 1,828,571 to Colin Bird.

(b) on 15 November 2021, the Company executed the November 2021 Convertible Loan Note and has received subscriptions of £119,500 in respect of the November 2021 Convertible Loan Note from private investors including £37,000 from Lion Mining Finance Ltd, a company controlled by Colin Bird. The November 2021 Convertible Loan Note does not pay interest and will be repaid at Admission by the issue of:

(i) 4,552,381 New Ordinary Shares at a 25% discount to the Placing Price of which 1,409,524 will be issued to Lion Mining Finance Ltd; and

(ii) one (1) warrant for each New Ordinary Share issued to the noteholders at a strike price of the Placing Price. The 4,552,381 warrants will be valid for a period of 18 months from Admission and 1,409,524 of the warrants will be issued to Lion Mining Finance Ltd.

Northern X Group

16.2 Since 30 June 2021 (being the date as at which the Northern X Group Financial Information contained in Section C *"Historical Financial Information of the Northern X Group"* has been prepared), there has been no significant change to the financial position and performance of the Northern X Group.

17. Responsibility

17.1 Crowe U.K. LLP of 55 Ludgate Hill, London EC4M 7JW, Chartered Accountants, has been appointed as reporting accountant to the Company for the purposes of this Document and has given and has not withdrawn its written consent to the inclusion in this Document of its accountant's report on the Northern X Group Financial Information included in Section A *"Accountant's Report on the Historical Financial Information of the Northern X Group"* of Part IV *"Financial Information"* of this Document and of its accountant's report on the *Pro Forma* Financial Information included in Section D *"Accountant's Report on the Unaudited Pro Forma* Financial Information of the Group" of Part IV *"Financial Information"* of this Document in the form and context in which they appear, and has authorised the contents of its reports for the purposes of Rule 5.5.3R (2)(f) of the Prospectus Regulation Rules. In addition, Crowe U.K. LLP has given and not withdrawn its consent to the issue of this Document with the inclusion herein of the references to its name in the form and context in which it appears.

17.2 SRK Consulting (Australasia) Pty Ltd are responsible for CPR and statements and information attributed to them or extracted from the CPR and included in this Document in the form and context in which they appear. SRK has reviewed and commented on the Mineral Resource estimates which have been prepared by others as named in the CPR. SRK did not prepare such estimates which were prepared by the Competent Persons as so named in the CPR. To the best of the knowledge of SRK Consulting (Australasia) Pty Ltd, the information in their report, as well as references to them, and statements and information attributed to them or extracted from the CPR, are in accordance with the facts and make no omission likely to affect their import.

17.3 Where information which appears in this Document has been sourced from a third party, the information has been accurately reproduced. As far as the Company is aware and able to ascertain from such information published by a third party, no facts have been omitted which would render any reproduced information inaccurate or misleading.

18. General

18.1 The reporting accountants to the Company as at the date of this Document are Crowe U.K. Limited, a member of the Institute of Chartered Accountants in England and Wales, Register of Statutory Auditors number C001095468, 55 Ludgate Hill, London, EC4M 7JW.

18.2 The auditors of the Company are Crowe U.K. LLP of 55 Ludgate Hill, London, EC4M 7JW. Crowe U.K. LLP are registered to carry on company audit work by the Institute of Chartered Accountants in England and Wales and authorised and regulated by the Financial Services Authority.

18.3 The statutory accounts of the Group for the financial periods ended 29 December 2020, 29 December 2019 and 30 December 2018 have been audited. The financial information contained in this Document does not constitute full statutory accounts as referred to in section 434 of the Act.

18.4 The Company anticipates raising gross proceeds of £3,250,000 pursuant to the Fundraise. The costs and expenses of the Fundraise and Admission will be borne by the Company in full and no expenses or taxes will be charged to the investors by the Company. These expenses (including broker commission, listing and Admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) are not expected to exceed £618,862, representing approximately 19 per cent of the gross proceeds of the Fundraise. Of this figure, £76,579 is to be paid in Fee Shares and £446,271 has already been paid by the Company from its existing cash resources and thus £393,790 remains to be paid in cash on Admission. Accordingly, the total Net Fundraise Proceeds following deduction of the Expenses (but not including £76,579 payable in Fee Shares and not including the £446,271 already paid by the Company) on this basis will be £2,856,210.

18.5 Crowe U.K. LLP has given and has not withdrawn its consent to the inclusion in this Document of its accountant's reports in Section B: *"Accountant's Report on the Historical Financial Information of the Northern X Group"* and Section D: *"Accountant's Report on the Unaudited Pro Forma* Financial Information of the Group" of Part IV *"Financial Information"* of this Document and has authorised the contents of those reports for the purposes of 5.3.2R(2)(f) of the Prospectus Regulation Rules.

18.6 Crowe U.K. LLP has given and not withdrawn its written consent to the inclusion in this Document of its name and reference.

18.7 Novum has given and not withdrawn its written consent to the issue of this document with its name included in it and references to it in the form and context in which they appear and to the inclusion of its report in this Document.

18.8 SRK Consulting (Australasia) Pty Ltd (in its capacity as competent person) has given and not withdrawn its written consent to the inclusion in this Document of an has authorised for the purpose of Prospectus Regulation Rule 5.5.3 (2)(f) (i) its report set out in Part V ("CPR") and estimates of mineral reserves and resources contained therein; (ii) references to them; and (iii) statements and information attributed to them or extracted from the CPR and included in this Document in the form and context in which they appear.

18.9 The Company confirms that no material changes have occurred since 23 December 2021 being the effective date to which the Competent Person's Report set out in Part V of this Document has been prepared regarding the mineral assets covered by this CPR the omission of which would make this CPR misleading.

18.10 The Company's accounting reference date is 29 December.

18.11 This Document has been prepared in accordance with current UK tax legislation, practice and concession and interpretation thereof. Such legislation and practice may change, and the current interpretation may therefore no longer apply.

18.12 Except as disclosed in the financial information set out in Part IV *"Financial Information"* of this Document, the Company has not been a party to any transaction with any related party required to be disclosed under International Finance Reporting Standards.

18.13 As at the date of this Document, the Company has no principal investments in progress and there are no future principal investments on which the Company has made a firm commitment.

18.14 The Directors are not aware of any trends, uncertainties, demands, commitments, or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year.

18.15 The Directors will apply for the Enlarged Issued Share Capital to be admitted to CREST with effect from Admission. Accordingly, it is expected that the Enlarged Issued Share Capital with be enabled for settlement in CREST following Admission.

18.16 Save as set out in this Document and so far as the Directors are aware, there are no arrangements relating to the Company, the operation of which may at a subsequent date result in a change of control of the Company.

18.17 Save as disclosed in this Document, no person has made a public takeover bid for the Company's issued share capital since its incorporation or in the current financial period and the Company is not aware of the existence of any takeover pursuant to the rules of the City Code.

19. Documents Available for Inspection

19.1 Copies of this Document shall be available free of charge from the offices of Edwin Coe LLP, Lincoln's Inn, 2 Stone Buildings, London WC2A 3TH during usual business hours on weekdays, public holidays excepted, and available on the Company's website at www.kendrickresources.com for 12 months from the date of this Document.

19.2 In addition, copies of the following documents may be viewed on www.kendrickresources.com or be available for inspection at the offices of Edwin Coe LLP, Lincoln's Inn, 2 Stone Buildings, London WC2A 3TH during usual business hours on weekdays, public holidays excepted, for a period of 12 months from the date of this Document, following the date of this document:

(a) the memorandum of association of the Company and the Articles;

(b) the Competent Persons Report set out in Part V of this Document*;*

(c) the audited accounts for the Company for the periods ended 29 December 2020, 29 December 2019 and 30 December 2018;

(d) the accountant's reports prepared by Crowe U.K. LLP contained in sections b and d of Part IV of this Document;

(e) the Directors' service and other agreements referred to in paragraph 7 of this Part VII;

(f) the instrument constituting the Placing Warrants referred to in paragraph 13 of this Part VII;

(g) the material contracts referred to in paragraph 13 of this Part VII; and

(h) the written consents of Crowe U.K. LLP, Novum Securities Limited and SRK SRK Consulting (Australasia) Pty Ltd

The date of this document is 29 April 2022.

PART VIII

NOTICE TO INVESTORS AND DISTRIBUTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

No arrangement has however been made with the competent authority in any other EEA state (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions.

INVESTORS IN THE UNITED KINGDOM

This Document has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the securities that are the subject of the prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

In relation to the United Kingdom, no Placing Shares have been offered or will be offered pursuant to the Fundraise to the public in the United Kingdom prior to the publication of the Prospectus has been approved by the FCA, except that the Offer Shares may be made to the public in the United Kingdom at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of Novum for any such offer; or

(iii) in any other circumstances falling within Section 86 of the FSMA, provided that no such offer of the Placing Shares shall require the Company or Novum to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Each person in the United Kingdom who acquires any Placing Shares in the Fundraise or to whom any offer is made will be deemed to have represented, acknowledged, and agreed to and with the

Company and Novum that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any Placing Shares being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company and Novum that the Placing Shares acquired by it in the Fundraise have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the United Kingdom to qualified investors, in circumstances in which the prior consent of the Banks has been obtained to each such proposed offer or resale. Neither the Company nor Novum have authorised, nor do they authorise, the making of any offer of Placing Shares through any financial intermediary, other than offers made by Novum which constitute the final placement of Placing Shares contemplated in this document.

The Company and Novum and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements, and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to the Placing Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression.

INVESTORS IN THE EUROPEAN ECONOMIC AREA

In relation to each member state of the European Economic Area ("EEA") (each a "Member State"), no Placing Shares have been offered or will be offered pursuant to the Fundraise to the public in that Member State prior to the publication of a prospectus in relation to the Placing Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except the Placing Shares may be offered to the public in that Member State at any time:

(i) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(iv) in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer of Offer Shares shall require the Company or any Bank to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Member State who acquires any Placing Shares in the Fundraise or to whom any offer is made will be deemed to have represented, acknowledged, and agreed to and with the Company and Novum that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Placing Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company and Novum that the Placing Shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Member State to qualified investors, in circumstances in which the prior consent of Novum has been obtained to each such proposed offer or resale. Neither the Company nor Novum has authorised, nor do they authorise, the making of any offer of Placing Shares through any financial intermediary, other than offers made by Novum which constitute the final placement of Placing Shares contemplated in this document.

The Company and Novum and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements, and agreements.

In this context, the expression "an offer to the public" in relation to any Placing Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Fundraise and any Placing Shares to be offered so as to enable an investor to decide to purchase, or subscribe for, any Placing Shares.

NOTICE TO OVERSEAS SHAREHOLDERS

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The Company is incorporated under the laws of England and Wales and a number of the Directors are residents of either Canada or the United Kingdom. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors within the Overseas Shareholder's country of residence or to enforce against the Directors judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors who are residents of either Canada or the United Kingdom or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

NOTICE TO ALL SHAREHOLDERS

Copies of this document will be available on the Company's website, www.kendrickresources.com from the date of this document until the date which is one month from the date of Admission.

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that such Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal, or regulatory selling restrictions in relation to the Fundraise. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Novum will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

29 April 2022

PART IX

DEFINITIONS

The following definitions apply throughout this Document unless the context requires otherwise.

"£" or **"pound(s) sterling"**	UK pound sterling
"€" or **"Euro(s)"**	the official currency of the European Union
"Act"	the UK Companies Act 2006, as amended
"Admission"	the admission of the Ordinary Share Capital to the Official List, by way of a Standard Listing, and to trading on the Main Market becoming effective
"Admission Costs"	the costs associated with Admission
"Acquisitions"	together, the acquisition of Northern X Finland and Northern X Scandinavia by the Company, and the assignment of the EMX Option Agreement to the Company
"Airijoki Project"	the Airijoki and vanadium project which hosts a defined Mineral Resource as defined by the JORC Code (2012) and is owned by Northern X Scandinavia
"Articles"	the articles of association of the Company as amended and/or restated from time to time
"Audit Committee"	the audit committee established by the Company, as described at paragraph 2 of Part II of this document
"Board" or "Directors"	the directors of the Company, whose names are set out on page 24 of this Document
"Central Sweden Projects"	collectively, the Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden owned by Northern X Scandinavia
"certificated" or **"in certificated form"**	an Ordinary Share which is not in uncertificated form
"Company" or **"Kendrick"**	Kendrick Resources plc, company number 02401127, with its registered office address at 7/8 Kendrick Mews, London, SW7 3HG
"Connected Person"	as defined in section 252 of the Companies Act
"Consideration Shares"	the Ordinary Shares to be issued to i) Pursuit as consideration for the Acquisitions and ii) to Camden Park Trading FZE-LLC and Lion Mining Finance Limited pursuant to the Deed of Assignment and Assumption
"Control"	an interest, or interests, in Ordinary Shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give *de facto* control
"Convertible Note Shares"	the convertible note shares issued by the Company, further details of which are set out in paragraphs 13.9, 13.10 and 13.11 of Part VII of this Document
"Convertible Note Warrants"	the 17,885,714 warrants being issued to the holders of the July 2021 Convertible Loan Notes (details of which are set out at para 13.9 of Part VII) and the November 2021 Convertible Loan Notes (details of which are set out at para 13.10 pf Part VII) with an exercise price of £0.035 per Ordinary Share, exercisable for 18 months from Admission
"CREST Regulations"	the Uncertificated Securities Regulations 2001of the UK (SI 2001/3755) (as amended)

"CREST"	the computer-based system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
"Deed of Assignment and Assumption"	an assignment and assumption agreement dated 20 January between Lion Mining Finance Limited (a company controlled by Colin Bird), acting as agent for the Principal (as "assignor"), the Company (as assignee) and Camden Park Trading FZE-LLC (a company controlled by Colin Bird) (as "Principal"), further details of which are set out in paragraph 13.5(b) of Part VII of this Prospectus
"Directors"	the Directors, as applicable
"Disclosure Guidance and Transparency Rules" or **"DTR"**	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
"Document"	this prospectus
"EEA"	the European Economic Area
"Enlarged Group"	the Company and Northern X Group
"Enlarged Share Capital"	the issued Ordinary Shares in the capital of the Company, including the Placing Shares, Subscription Shares, Fee Shares, Convertible Note Shares, and the Ordinary Shares to be issued pursuant to the Acquisitions
"EMX Option Agreement"	the Exploration and Option Agreement dated 13 February 2020 between Eurasian Minerals Sweden AB and Pursuit (as subsequently amended) which has been assigned to the Company, further details of which are set out in paragraph 13.5(a) of Part VII of this Prospectus
"Eurasia Minerals"	Eurasia Minerals Sweden AB, a company incorporated in Sweden
"EU"	the European Union
"EUWA"	European Union (Withdrawal) Act 2018
"Exchange Act"	the US Securities Exchange Act of 1934, as amended
"FCA"	the UK Financial Conduct Authority
"Fee Shares"	the Ordinary Shares to be issued at the Placing Price to settle outstanding fees due to Colin Bird and a Quantum, a consultant to the Company (as set out in paragraph 3.8 of Part VII) and to Quantum Capital and Consulting (as set out in paragraph 13.12 Part VII)
"Finnish Projects"	the Koitelainen vanadium project which hosts a defined Mineral Resource as defined by the JORC Code (2012) and is owned by Northern X Finland
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"Fundraise or **Fundraising"**	together the Placing and the Subscription
"Gross Fundraise Proceeds"	the gross proceeds from the Fundraise, being £3,250,000
"Group"	The Company and its former subsidiary companies as consolidated in the historical financial information of the Group for the year ended 29 December 2020, the period ended 29 December 2019 and the 18-month period ended 30 December 2018, being Enviro Mining Limited, Enviro Processing Limited, and Enviro Props Limited.

"HMRC"	HM Revenue and Customs
"IFRS"	UK-adopted international accounting standards
"Issue Price"	3.5p per Ordinary Share
"Joint Broker(s)"	Novum and Shard, acting together
"Jubilee"	Jubilee Metals Group plc, a company incorporated in England and Wales, with the company number 04459850
"Latest Practicable Date"	28 April 2022
"Licences"	the mineral exploration licence relevant to the Finnish Projects, the Airijoki Project and the Central Sweden Projects
"Listing Rules"	the listing rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time
"London Stock Exchange" or **"LSE"**	London Stock Exchange plc
"Main Market"	the LSE's main market for listed securities
"MAR"	the EU Market Abuse Regulation (EU 596/2014)
"Mauritius Subsidiary"	Enviro Props Limited, incorporated in Mauritius
"Member States"	member states of the EU
"Net Fundraise Proceeds"	the Gross Fundraise Proceeds less the outstanding associated costs of the Fundraise and Admission, being £2,856,210
"New Ordinary Shares"	the 208,321,253 new Ordinary Shares to be issued pursuant to the Acquisitions, the Fundraise, Convertible Note Shares and Fee Shares
"Non-executive Directors"	any Director of the Company appointed as a non-executive director from time to time
"Novum"	Novum Securities Limited, Financial Adviser and Broker to the Company, which is authorised and regulated by the FCA.
"Nomination Committee"	the Company's nomination committee comprising of the Non-executive Directors
"Northern X Finland"	Northern X Finland Oy, a company incorporated in Finland with company number 2892740-6
"Northern X Group"	Northern X Finland and Northern X Scandinavia, both 100% owned subsidiaries of Pursuit prior to Admission
"Northern X Group Directors"	Directors of the Northern X Group
"Northern X Group Financial Information"	The audited, combined historical financial information of the Northern X Group for the three years ended 30 June 2019, 30 June 2020, and 30 June 2021
"Northern X Scandinavia"	Northern X Scandinavia AB, a company incorporated in Sweden with company number 559148-9850
"Norwegian Projects"	the Espedalen, Hosanger and Sigdal exploration nickel-copper-cobalt projects owned by Eurasia Minerals which are the subject of the EMX Option Agreement
"Official List"	the Official List of the FCA
"Option Shares"	the Ordinary Shares to be issued to Eurasian Minerals Sweden AB pursuant to the exercise of the EMX Option Agreement
"Ordinary Share Capital"	the entire issued share capital of the Company, comprising 219,511,616 Ordinary Shares on Admission

"Ordinary Shares"	ordinary shares of £0.0003 in the capital of the Company from time to time
"Overseas Shareholders"	holders of Ordinary Shares who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or persons who are nominees or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK which may be affected by the laws or regulatory requirements of the relevant jurisdictions.
"Placing"	the issue of the Placing Shares at the Placing Price
"Placing Price"	£0.035 per Placing Share
"Placing Shares"	91,000,143 Ordinary Shares which have been conditionally placed with Placees pursuant to the Fundraise
"Placing Warrants"	The 91,000,143 warrants being issued to the Placees pursuant to the Placing with an exercise price of £0.06 per Ordinary Share, exercisable for 3 years from Admission
"Premium Listing"	a Premium Listing in accordance with Chapter 6 of the Listing Rules
"*Pro Forma* Financial Information"	the unaudited *pro forma* Statement of Financial Position of the Group as at 30 June 2021 and the unaudited *pro forma* Statement of Comprehensive Income of the Group for the year ended 31 December 2020
"Projects"	collectively, the Finnish Project, the Central Sweden Project, and the Norwegian Project
"Prospectus Regulation" or **"PR"**	the EU Prospectus Regulation (EU 2017/1129 of the European Parliament and of the Council of 14 June 2017)
"Prospectus Regulation Rules" or **"PRR"**	the Prospectus Regulation Rules sourcebook made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
"Pursuit"	Pursuit Minerals Limited, a company incorporated in Australia with company number 128 806 977
"QCA Code"	the Quoted Companies Alliance Corporate Governance Code 2018 published by the Quoted Companies Alliance (as amended from time to time)
"Registrars"	the Company's registrars, Neville Registrars Limited
"Remuneration Committee"	the Company's remuneration committee comprising of the Non-executive Directors
"Securities Act"	the US Securities Act of 1933, as amended
"Shard"	Shard Capital Partners LLP, Joint Broker to the Company, which is authorised and regulated by the FCA
"Shareholder"	a holder of Ordinary Shares from time to time
"SIR 2000"	The Investment Reporting Standard applicable to public reporting engagements on historical information
"Standard Listing"	a Standard Listing in accordance with Chapter 14 of the Listing Rules
"Subscripton"	The subscription for 1,857,000 new Ordinary Shares in the Company at the Placing Price on the terms set out in paragraph 13.13 of Part VII

"Subscripton Shares"	The 1,857,000 new Ordinary Shares in the Company being issued at the Placing Price to the subscribers to the Subscription
"Subscripton Warrants"	The 1,857,000 warrants being issued to the subscribers to the Subscription with an exercise price of £0.06 per Ordinary Share, exercisable for 3 years from Admission
"Swedish Krona" or **"SEK"**	the official currency of Sweden
"Takeover Code"	the UK City Code on Takeovers and Mergers
"Transaction Costs"	costs incurred in relation to the Acquisitions and fees paid to Pursuit in relation to the Acquisitions
"UK Corporate Governance Code"	the UK corporate governance code published by the Financial Reporting Council and as amended from time to time
"UK"	the United Kingdom of Great Britain and Northern Ireland
"UK Prospectus Regulation"	the UK version of Regulation (EU) 2017/1129, which is part of the laws of England and Wales by virtue of the EUWA and certain other enacting measures
"UK MAR"	the UK version of Regulation (EU) 2017/1129, which is part of the laws of England and Wales by virtue of the EUWA and certain other enacting measures
"uncertificated" or **"in uncertificated form"**	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"US" or **"United States"**	the United States of America, each state thereof, its territories and possessions and the District of Columbia and all other areas subject to its jurisdiction
"US Investment Company Act"	the US Investment Company Act of 1940
"VAT"	UK value added tax
"Zambian Subsidiaries"	Enviro Mining Limited and Enviro Processing Limited, both incorporated in Zambia

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