

# NorthWestcopper

**NorthWest Copper Corp.**

**Annual Information Form**

**For the Year Ended December 31, 2022**

**Dated April 20, 2023**

**CORPORATE OFFICE**

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# NorthWestcopper

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## PRELIMINARY NOTES

### Date of Information

All information in this Annual Information Form (“AIF”) of NorthWest Copper Corp. (“NorthWest Copper” or the “Company”) is as of December 31, 2022, unless otherwise indicated.

### Cautionary Notes to U.S. Investors Concerning Resource Estimates

This AIF includes mineral reserves and mineral resources classification terms that comply with reporting standards in Canada and are made in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) and the Canadian Institute of Mining and Metallurgy (“CIM”) Definition Standards. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the United States Securities and Exchange Commission (the “SEC”) applicable to domestic United States reporting companies. Accordingly, information included in this AIF that describes the Company’s mineral reserves and mineral resources estimates may not be comparable with information made public by United States companies subject to the SEC’s reporting and disclosure requirements.

### Currency

Except where otherwise indicated, all references to currency in this AIF are to Canadian Dollars (“\$”) and all references to “US\$” or “USD\$” in this AIF are to U.S. dollars.

The following table reflects the low and high rates of exchange for one United States dollar, expressed in Canadian dollars, during the periods noted, the rates of exchange at the end of such periods and the average rates of exchange during such periods, based on the Bank of Canada daily exchange rates for 2020, 2021 and 2022.

	Year Ended December 31,	Ten Months Ended December 31,	Years Ended February 28,
	2022	2021	2021
Low for the period	\$1.2451	\$1.2040	\$1.2530
High for the period	\$1.3856	\$1.2942	\$1.4496
Rate at the end of the period	\$1.3544	\$1.2678	\$1.2685
Average	\$1.3011	\$1.2503	\$1.3343

On April 19, 2023, the Bank of Canada daily exchange rate was US\$1.00 – \$1.3445.

### Change in Year-End

In 2021, the Company changed its fiscal year-end to December 31, from its previous fiscal year-end of February 28. In accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*, the Company filed a Notice of Change of Year-End on June 10, 2021, which can be found under the Company’s profile at [www.sedar.com](http://www.sedar.com). Consequently, the Company reported audited financial results for the ten-month transition year from March 1, 2021 to December 31,

2021. The Company reverted to a customary quarterly reporting calendar for the year ended December 31, 2022.

## Forward-Looking Information

Except for statements of historical fact, this AIF contains certain “forward-looking information” within the meaning of applicable Canadian securities laws. These forward-looking statements are made as of the date of this document and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

Forward-looking statements include, but are not limited to, statements with respect to the future price of copper, zinc gold and silver; the potential quality and/or grade of minerals; the interpretation of metallurgical results; the estimation of mineral reserves and resources; the realization of such mineral estimates; the potential extension and expansion of mineral resources; the filing of technical reports; the potential size and expansion of a mineralized zone; the potential to add tonnage; the proposed timing of exploration and drilling programs; the growth potential of the Company’s mineral properties; the 2023 exploration program; the timing and amount of estimated future production and output; life of mine; costs of production; capital expenditures; costs and timing of the development of new deposits; planned exploration activities; success of exploration activities; success of permitting activities; permitting time lines; currency fluctuations; requirements for additional capital; government regulation of mining operations; environmental risks; reclamation expenses; the potential or anticipated outcome of title disputes or claims and timing; possible outcome of pending litigation; and the focus of the Company in the coming months. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes”, or variations of such words and phrases or that state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: the limited business history of the Company; actual results of current exploration activities; the limited exploration prospects of the Company; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of copper, zinc, gold and silver; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; need for cooperation with local Indigenous communities; fluctuations in metal prices; unanticipated title disputes; claims or litigation; unknown environmental risks for past activities on the Kwanika-Stardust Project and Lorraine Project (as defined below); limitation on insurance coverage; impact of COVID-19; as well as those risk factors discussed in this AIF under “*Risk Factors*” or referred to in NorthWest Copper’s continuous disclosure documents filed from time to time with the securities regulatory authorities of the provinces and territories of Canada and available on the system for electronic document analysis and retrieval (“SEDAR”) at [www.sedar.com](http://www.sedar.com). These risk factors are not intended to represent a complete list of the risk factors that could affect the Company.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Unless required by securities laws, the Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements.

## Scientific and Technical Information

Unless otherwise indicated, scientific and technical information in this AIF relating to the Kwanika-Stardust Project and Lorraine Project has been reviewed and approved by Tyler Caswell, P.Geol., Vice President Exploration of the Company, a "qualified person" under NI 43-101.

The disclosure included in this AIF uses mineral reserves and mineral resources classification terms that comply with reporting standards in Canada and the mineral reserves and mineral resources estimations are made in accordance with the CIM Definition Standards on mineral reserves and mineral resources adopted by the CIM Council on May 10, 2014 and NI 43-101. The following definitions are reproduced from the CIM Definition Standards:

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

An "**indicated mineral resource**" is 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. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An indicated mineral resource has a lower level of confidence than that applying to a measured mineral resource and may only be converted to a probable mineral reserve.

An "**inferred mineral resource**" is 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. An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.

A "**measured mineral resource**" is 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. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A measured mineral resource has a higher level of confidence than that applying to either an indicated mineral resource or an inferred mineral resource. It may be converted to a proven mineral reserve or a probable mineral reserve.

A “**mineral reserve**” is 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. The reference point at which mineral reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. Mineral reserves are sub-divided in order of increasing confidence into probable mineral reserves and proven mineral reserves. The public disclosure of a mineral reserve must be demonstrated by a pre-feasibility study or feasibility study.

“**Modifying factors**” are considerations used to convert mineral resources to mineral reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

A “**probable mineral reserve**” is 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 mineral reserve is lower than that applying to a proven mineral reserve. Probable mineral reserve estimates must be demonstrated to be economic, at the time of reporting, by at least a pre-feasibility study.

A “**proven mineral reserve**” is the economically mineable part of a measured mineral resource. A proven mineral reserve implies a high degree of confidence in the modifying factors. Proven mineral reserve estimates must be demonstrated to be economic, at the time of reporting, by at least a pre-feasibility study.

## **Certain Other Information**

Certain information in this AIF is obtained from third party sources, including public sources, and there can be no assurance as to the accuracy or completeness of such information. Although believed to be reliable, management of the Company has not independently verified any of the data from third party sources unless otherwise stated.

## **Consolidation**

On March 5, 2021, the Company consolidated all the issued and outstanding common shares (each, a “**Common Share**”) on a two-for-one basis (the “**Consolidation**”). Unless otherwise noted, all references to number of securities, as well as exercise price and price per Common Share information in this AIF reflect the Consolidation.

## **Non-GAAP Measures**

This AIF includes certain performance measures which are not specified, defined, or determined under generally accepted accounting principles (in the Company’s case, International Financial Reporting Standards, or “**IFRS**”).

These are common performance measures in the copper mining industry, but because they do not have any mandated standardized definitions, they may not be comparable to similar measures presented by other issuers. Accordingly, the Company uses such measures to provide additional

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information and readers should not consider them in isolation or as a substitute for measures of performance prepared in accordance with generally accepted accounting principles.

## *All-In-Sustaining Costs (“AISC”)*

The Company has provided an AISC performance measure on a co-product and by-product basis to reflect all the expenditures that are required to produce a pound of copper equivalent and a pound of copper with by-products of gold and silver, respectively, from operations at the Kwanika-Stardust Project. While there is no standardized meaning of these measures across the industry, the Company’s definition conforms to the AISC definition as set out by the World Gold Council in its guidance dated November 14, 2018. The Company believes that these measures are useful to external users in assessing the operating performance and the Company’s ability to generate free cash flow from current operations. Upon commencing commercial production and reporting AISC, the Company will provide a reconciliation to IFRS figures then presented.

## *Cash Operating Cost*

The Company has provided a cash operating cost measure on a co-product and by-product basis to reflect the site operating cost to produce a pound of copper equivalent and a pound of copper with by-products of gold and silver, respectively, from operations at the Kwanika-Stardust Project. While there is no standardized meaning of the measure across the industry, the Company believes that these measures are useful to external users in assessing operating performance. Upon commencing commercial production and reporting cash operating cost, the Company will provide a reconciliation to IFRS figures then presented.

## **CORPORATE STRUCTURE**

### **Name, Address and Incorporation**

NorthWest Copper was incorporated under the *Company Act* of the Province of British Columbia, Canada on March 5, 1973 under the name of “Dual Resources Ltd.”, which name was changed to “Serengeti Diamonds Ltd.” on January 20, 1994. The Company went through a restoration on April 26, 1999. On March 22, 2001, the Company changed its name to “Serengeti Resources Inc.” (“**Serengeti**”). On July 25, 2005, the shareholders approved the alteration of the Company’s authorized share structure to its current structure of an unlimited number of Common Shares and 20,000,000 class A preferred shares (the “**Preferred Shares**”). On August 30, 2005, the Company transitioned to the *Business Corporations Act* (British Columbia) (the “**BCBCA**”). On March 5, 2021, the Company changed its name to “NorthWest Copper Corp.” in connection with the Arrangement (as defined below).

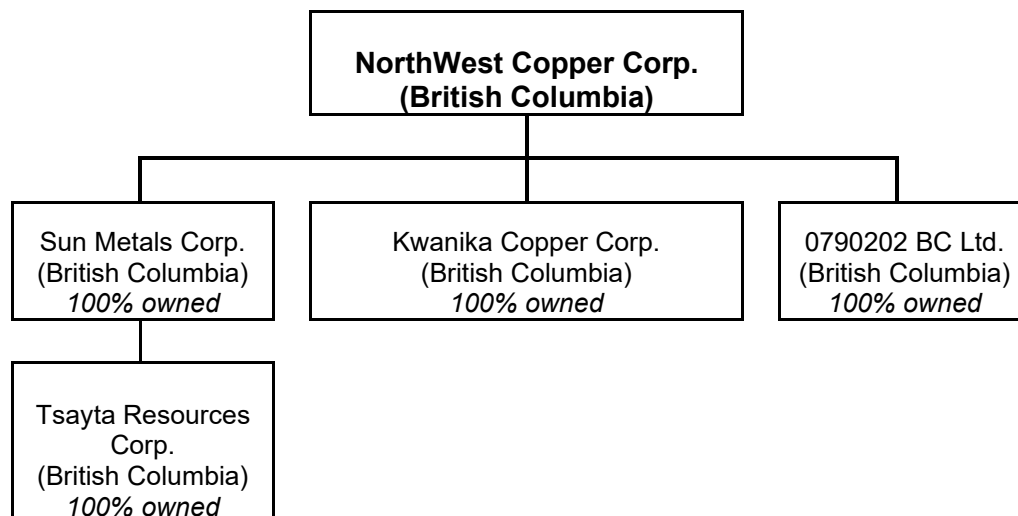
The Common Shares of the Company are currently listed for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “NWST”. The Company is a reporting issuer in British Columbia and Alberta and files its continuous disclosure documents in such provinces. Such documents are available on SEDAR at [www.sedar.com](http://www.sedar.com).

The Company’s corporate office is located at Suite 1900 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 and its registered and records office is located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

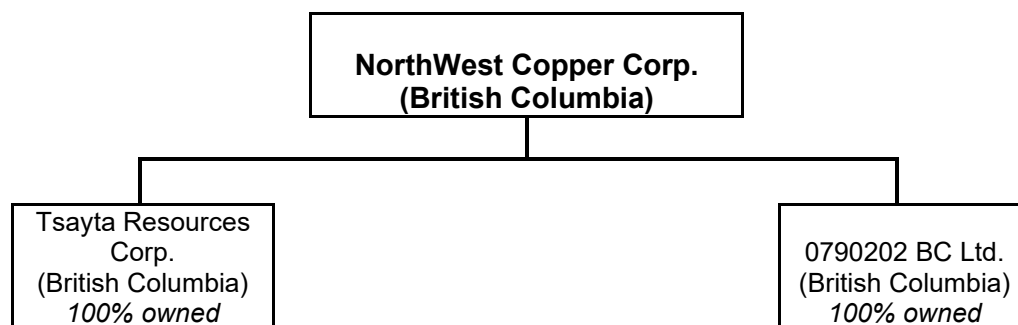


## Intercorporate Relationships

The following diagram illustrates the intercorporate relationships among the Company and its subsidiaries, as well as the jurisdiction of each entity as at December 31, 2022:



Subsequent to the year ended December 31, 2022, the Company effected a reorganization of its wholly-owned subsidiaries (the “**Reorganization**”) such that the intercorporate relationships among the Company and its subsidiaries, as well as the jurisdiction of each entity as at the date of this AIF is as follows:



## GENERAL DEVELOPMENT OF THE BUSINESS

### Overview

The Company is a junior resource issuer and has no history of earnings nor has it earned revenue since commencing operations. The Company is concurrently advancing contiguous copper-gold resource projects in north-central British Columbia, Canada: The Kwanika-Stardust Project and the Lorraine Project.

In January 2023, the Company announced the results of a preliminary economic assessment (“**PEA**”) on the combined Kwanika and Stardust deposits (the “**Kwanika-Stardust Project**”). The PEA represented the first technical and economic evaluation of the combined deposits and outlined a robust project with manageable initial capital cost and multiple opportunities for project

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growth. The Kwanika-Stardust Project involves the development of three copper-gold deposits known as “Kwanika Central,” “Kwanika South” and “Stardust,” all located around 195 kilometres (“km”) by road from Fort St. James, British Columbia. In September 2022, the Company completed the last tranche Common Share issuance to POSCO International Corporation (“**POSCO**”) thereby completing the acquisition of the remaining approximate 31% interest of Kwanika Copper Corporation (“**KCC**”) held by POSCO. KCC was the former joint-venture entity that held the Kwanika deposit. The Company is now the 100% owner of the Kwanika-Stardust Project.

In July 2022, the Company announced the results of a new updated independent, mineral resource estimate for its Lorraine property (the “**Lorraine Project**”), located approximately 280 km northwest of Prince George, British Columbia and approximately 40 km from the Kwanika-Stardust Project.

The Company also owns the East Niv property in British Columbia, located 40 km southwest of the Kemess Mine. The Company also has an option to earn a 100% interest in the Top Cat property, located 40 km north of the Kwanika-Stardust Project. The Company holds a 100% interest in a number of other regional properties, all of which are located in British Columbia.

The Company considers the Kwanika-Stardust Project and the Lorraine Project to be its material properties for the purposes of applicable Canadian securities laws.

For more information on the Kwanika-Stardust Project, see “*Mineral Property – Kwanika-Stardust Project*” and the Kwanika-Stardust Technical Report (as defined below) for the Kwanika-Stardust Project prepared by Kevin Murray, P. Eng., Ausenco Engineering Canada Inc.; Jonathan Cooper, P. Eng., Ausenco Sustainability Inc.; Peter Mehrfert, P. Eng., Ausenco Engineering Canada Inc.; Scott C. Elfen, P. Eng., Ausenco Engineering Canada Inc.; Scott Weston, P. Geo., Ausenco Sustainability Inc.; Cale DuBois, P. Eng., Mining Plus Canada Consulting Ltd.; Jason Blais, P. Eng., Mining Plus Canada Consulting Ltd.; John Caldbick, P.Eng, Mining Plus Canada Consulting Ltd.; Brian S. Hartman, P. Geo., Ridge Geosciences LLC; and Ronald G. Simpson, P. Geo., GeoSim Services Inc. The Kwanika-Stardust Technical Report is available in its entirety on SEDAR at [www.sedar.com](http://www.sedar.com) and readers should review it in its entirety for a full description of the Kwanika-Stardust Project.

For more information on the Lorraine Project, see “*Mineral Property – Lorraine Project*” and the Lorraine Technical Report (as defined below) for the Lorraine Project prepared by Alfonso Rodriguez, M.Sc., P.Geo.; and Michael Dufresne, M.Sc., P.Geo., P.Geo. The Lorraine Technical Report is available in its entirety on SEDAR at [www.sedar.com](http://www.sedar.com) and readers should review it in its entirety for a full description of the Lorraine Project.

## Three Year History

The general development of the Company for the last three completed financial years and until the date of this AIF is described below. Unless otherwise provided below, NorthWest Copper’s history prior to the financial year ended February 28, 2021 is available on the Company’s website and the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

2020

In September 2020, KCC entered into a renewed exploration agreement with the Takla Nation (“Takla”), which provides for a continuation of the relationship between the two parties relating to the advancement of the then Kwanika project. The agreement has a five-year term.

On November 29, 2020, the Company and Sun Metals Corp. (“**Sun Metals**”) entered into an arrangement agreement pursuant to which the Company agreed to acquire all of the issued and outstanding common shares of Sun Metals on the basis of 0.215 of a Common Share for each common share of Sun Metals held (the “**Exchange Ratio**”), by way of plan of arrangement under the BCBCA (the “**Arrangement**”). The Arrangement consolidated the contiguous Kwanika and Stardust deposits. In connection with the Arrangement, all outstanding stock options of Sun Metals were exchanged for options to purchase Common Shares on the basis of the Exchange Ratio and all unexercised common share purchase warrants of Sun Metals were adjusted or exchanged, as applicable, for warrants to purchase Common Shares on the basis of the Exchange Ratio and will expire in accordance with their current expiry dates. As a result of the Arrangement, Sun Metals became a wholly-owned subsidiary of the Company.

Concurrent with the announcement of the Arrangement, the Company and Sun Metals announced that they had entered into an agreement with a syndicate of underwriters co-led by PI Financial Corp. and Haywood Securities Inc. (collectively, the “**Subscription Receipt Underwriters**”) in connection with a bought deal private placement of an aggregate of 64,000,000 subscription receipts of Sun Metals (the “**Subscription Receipts**”) at a price of \$0.125 per Subscription Receipt for gross proceeds of \$8,000,000 (the “**Subscription Receipt Offering**”). In addition, the Company and Sun Metals granted the Subscription Receipt Underwriters an option to purchase up to an additional 9,600,000 Subscription Receipts for additional gross proceeds of up to \$1,200,000, exercisable in whole or in part at any time up to 48 hours prior to the closing date of the Subscription Receipt Offering. Pursuant to an underwriting agreement dated December 17, 2020, as among the Company, Sun Metals and the Subscription Receipt Underwriters, Sun Metals paid a commission of 6.0% of the gross proceeds of the Subscription Receipt Offering to the Subscription Receipt Underwriters (the “**Subscription Receipt Underwriters’ Fee**”) in cash. 50% of the Subscription Receipt Underwriters’ Fee was paid to the Subscription Receipt Underwriters on closing of the Subscription Receipt Offering, and the remaining 50% of the Subscription Receipt Underwriters’ Fee was deposited into escrow, to form part of the Escrowed Funds (as defined below) and was to be paid to the Subscription Receipt Underwriters, together with any interest accrued thereon, subject to and upon satisfaction of the Escrow Release Conditions (as defined below). The Subscription Receipts were to be issued under a subscription receipt agreement (the “**Subscription Receipt Agreement**”) as among the Company, Sun Metals, the Subscription Receipt Underwriters and Computershare Trust Company. Pursuant to the Subscription Receipt Agreement, the gross proceeds of the Subscription Receipt Offering (less 50% of the Subscription Receipt Underwriters’ Fee and all of the Subscription Receipt Underwriters’ expenses) (the “**Escrowed Funds**”) were to be held in escrow pending satisfaction of certain conditions, including, amongst others, (a) the satisfaction or waiver of each of the conditions precedent to the Arrangement; and (b) the receipt of all required shareholder and regulatory approvals in connection with the Arrangement and the Subscription Receipt Offering, including the condition approval of the TSXV (the “**Escrow Release Conditions**”). Upon the satisfaction of the Escrow Release Conditions, each Subscription Receipt was to be automatically converted into one unit of Sun Metals (each a “**Unit**”) which was to be exchanged or adjusted into securities of the Company at the Exchange Ratio upon completion of the Arrangement, on a post-Consolidation basis. Each Unit consisted of one

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common share of Sun Metals and one-half of one common share purchase warrant (each a "**Unit Warrant**"). Each Unit Warrant is exercisable to acquire one common share of Sun Metals for a period of 24 months from the closing of the Subscription Receipt Offering, at an exercise price of \$0.18, as adjusted by the Exchange Ratio, subject to acceleration in the event that the volume weighted average trading price of the common shares of Sun Metals on the TSXV is equal to or greater than \$0.30 (on an exchanged or adjusted basis pursuant to the Arrangement) for 20 consecutive trading days. The Unit Warrants were to be issued under a warrant indenture (the "**Warrant Indenture**") as among the Company, Sun Metals and Computershare Trust Company.

On December 2, 2020, the Company and Sun Metals announced an upsize to the Subscription Receipt Offering to an aggregate 72,000,000 Subscription Receipts at a price of \$0.125 per Subscription Receipt for gross proceeds of \$9,000,000. In addition, the Company and Sun Metals granted the Subscription Receipt Underwriters an option to purchase up to an additional 10,800,000 Subscription Receipts for additional gross proceeds of up to \$1,350,000, exercisable in whole or in part at any time prior to the closing date of the Subscription Receipt Offering.

On December 17, 2020, the Company and Sun Metals announced that the Subscription Receipt Offering had closed. In connection with the Subscription Receipt Offering, Sun Metals issued a total of 82,800,000 Subscription Receipts, at a price of \$0.125 per Subscription Receipt for gross proceeds of \$10,350,000.

## 2021

On March 5, 2021, the Company and Sun Metals announced that the Arrangement had closed. On closing of the Arrangement, former shareholders, including shareholders on conversion of Subscription Receipts, held 49.6% of the combined Company. Concurrently with the closing of the Arrangement, the Company changed its name from "Serengeti Resources Inc." to "NorthWest Copper Corp.", commenced trading on the TSXV under the new trading symbol "NWST" and completed the Consolidation. Mark O'Dea assumed the role of Executive Chairman and was joined on the board of directors of the Company (the "**Board**") by former Sun Metals directors Sean Tetzlaff and Richard Bailes. David W. Moore, Lewis V. Lawrick and Teodora Dechev continued as directors of the Company. David W. Moore continued as Interim President and Chief Executive Officer and Lauren McDougall and Ian Neill of Sun Metals assumed the roles of Chief Financial Officer and Vice President Exploration, respectively. The Company also announced that immediately prior to completion of the Arrangement the previously issued 82,800,000 Subscription Receipts of Sun Metals automatically converted into one Unit of Sun Metals, which were exchanged, adjusted, or converted into securities of NorthWest Copper at the Exchange Ratio, on a post-Consolidation basis, resulting in the issuance of 17,802,000 Common Shares, and warrants entitling the holders to acquire an additional 8,901,000 Common Shares at an exercise price of \$0.84 per Common Share, on or before December 17, 2022, subject to acceleration in the event that the volume weighted average trading price of Common Shares of NorthWest Copper on the TSXV is equal to or greater than \$1.40 for 20 consecutive trading days.

On March 8, 2021, the Company announced the appointment of Peter Bell as President and Chief Executive Officer of the Company.

On March 8, 2021, the Company announced that it had entered into an agreement a syndicate of underwriters led by PI Financial Corp. (collectively, the "**March 2021 Underwriters**") in connection with a bought deal private placement of an aggregate of 3,750,000 Common Shares, 5,000,000 flow-through Common Shares (the "**FT Shares**") and 4,550,000 charity flow-through

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Common Shares (the “**Charity FT Shares**”) at a price of \$0.80 per Common Share, \$1.00 per FT Share and \$1.10 per Charity FT Share for aggregate gross proceeds of \$13,005,000 (the “**March 2021 Offering**”). In addition, the Company granted the March 2021 Underwriters an option to cover over-allotments, which would allow the March 2021 Underwriters to offer up to an additional 20% of the March 2021 Offering (the “**March 2021 Underwriters’ Option**”). The March 2021 Underwriters’ Option was to be exercised in whole or in part at any time prior to the closing of the March 2021 Offering, in any combination of Common Shares, FT Shares and Charity FT Shares. The FT Shares and the Charity FT Shares qualified as “flow-through shares” within the meaning of the *Income Tax Act* (Canada). Pursuant to an underwriting agreement dated March 31, 2021, between the Company and the March 2021 Underwriters, the March 2021 Underwriters received a cash commission equal to 6.0% of the gross proceeds of the March 2021 Offering, including any proceeds realized from the exercise of the March 2021 Underwriters’ Option.

On March 22, 2021, the Company announced the appointment of Dr. James Lang as Chief Geoscientist of the Company.

On March 31, 2021, the Company announced that the March 2021 Offering had closed. In connection with the March 2021 Offering, the Company issued 3,750,000 Common Shares, 5,000,000 FT Shares and 4,550,000 Charity FT Shares at a price of \$0.80 per Common Share, \$1.00 per FT Share and \$1.10 per Charity FT Share for aggregate gross proceeds of \$13,005,000.

On May 17, 2021, the Company announced a new mineral resource estimate for the then Stardust project.

On May 19, 2021, the Company filed a business acquisition report in connection with the acquisition of Sun Metals.

On June 10, 2021, the Company changed its year end from February 28 to December 31.

On June 15, 2021, the Company announced the appointment of Vesta Filipchuk as Vice President Sustainability.

On July 15, 2021, the Company announced that it had added 16 claims to its East Niv property, expanding its size to 43,297 hectares.

On November 9, 2021, the Company announced that it had entered into an agreement with a syndicate of underwriters led by National Bank Financial Inc. (collectively, the “**December 2021 Underwriters**”) in connection with a bought deal private placement of an aggregate of 16,950,000 charity flow-through Common Shares (the “**December 2021 Charity FT Shares**”) at a price of \$1.18 per December 2021 Charity FT Share for aggregate gross proceeds of \$20,001,000 (the “**December 2021 Offering**”). In addition, the Company granted the December 2021 Underwriters an option to cover over-allotments, which will allow the December 2021 Underwriters to offer up to an additional 15% of the December 2021 Offering (the “**December 2021 Underwriters’ Option**”). The December 2021 Underwriters’ Option may be exercised in whole or in part at any time up to 48 hours prior to the closing of the December 2021 Offering, in December 2021 Charity FT Shares. The December 2021 Charity FT Shares were issued as “flow-through shares” within the meaning of the *Income Tax Act* (Canada). Pursuant to an underwriting agreement dated December 2, 2021, between the Company and the December 2021 Underwriters, the December 2021 Underwriters received a cash commission equal to 5.0% of the

# NorthWestcopper

gross proceeds of the December 2021 Offering, including any proceeds realized from the exercise of the December 2021 Underwriters' Option.

On December 2, 2021, the Company announced that the December 2021 Offering had closed. In connection with the December 2021 Offering, the Company issued 16,950,000 December 2021 Charity FT Shares at a price of \$1.18 per December 2021 Charity FT Shares for aggregate gross proceeds of \$20,001,000.

On December 16, 2021, the Company filed a change of auditor notice to reflect that the Company had changed its auditor from Dale Matheson Carr-Hilton LaBonte LLP, Chartered Professional Accountants to KPMG LLP, Chartered Professional Accountants.

On December 29, 2021, the Company announced it had entered into a share purchase agreement ("**SPA**") with POSCO whereby the Company agreed to purchase all of POSCO's approximately 31% remaining interest in KCC for total consideration of \$11,000,000, payable in Common Shares of the Company, in three tranches.

## 2022

On February 24, 2022, the Company announced it had completed the first tranche issuance of 5,194,805 Common Shares at a deemed issue price of \$0.77 per Common Share to POSCO pursuant to the SPA. As part of the first tranche closing, the shareholder joint venture agreement as among the parties has been terminated and any interest or rights of POSCO with respect to the Kwanika project under the shareholder joint venture agreement, including offtake rights, terminated.

On March 15, 2022, the Company announced that David Smith joined the Company's Board.

On April 26, 2022, the Company announced the appointment of Peter Lekich as Director, Investor Relations.

On April 26, 2022, the Company announced it had completed the second tranche issuance of 5,934,718 Common Shares at a deemed issue price of \$0.67 per Common Share to POSCO pursuant to the SPA.

On July 27, 2022, the Company announced a new updated independent, mineral resource estimate for its Lorraine Project. The mineral resource estimate has an effective date of June 30, 2022 and is based on historical drilling from 1949 to 2009.

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## Mineral Resource Estimate for the Lorraine Project at 0.20% copper cut-off grade

Resource Classification <sup>1</sup>	Tonnes (000s)	Grades		
		%Cu	g/t Au	CuEq <sup>2</sup>
Indicated Mineral Resources	12,952	0.55	0.16	0.66
Inferred Mineral Resources	45,252	0.43	0.10	0.50

The updated mineral resource estimate is based on “reasonable prospects for eventual economic extraction” and is constrained in a Lerchs Grossman (“LG”) open pit shell that was constructed using \$US3.50/pound for Cu and \$US1,650/ounce for Au. For more information on the Lorraine Project, see “*Mineral Property – Lorraine Project*” and the Lorraine Technical Report.

On September 7, 2022, the Company announced it had completed the third and final tranche issuance of 7,228,916 Common Shares at a deemed issue price of \$0.415 per Common Share to POSCO pursuant to the SPA. Following completion of this Common Share issuance the Company completed the acquisition of POSCO’s approximately 31% interest in KCC and is now the 100% owner of KCC and the Kwanika-Stardust Project.

On November 4, 2022, the Company announced the release of its first Environmental, Social and Governance Report (the “**ESG Report**”) for the period ending December 31, 2021.

On December 23, 2022, the Company announced the appointment of Tyler Caswell as Vice President Exploration.

### 2023

On January 5, 2023, the Company announced the results of a PEA on the Kwanika-Stardust Project. The PEA represented the first technical and economic evaluation of the combined deposits and outlined a robust project with manageable initial capital cost and multiple opportunities for project growth. The PEA outlines a project that proposes mining approximately 96 million tonnes (“Mt”) of material in a combination of open pit and underground operations from the Kwanika-Stardust deposits. The PEA contemplates a 22,000 tonnes per day process plant, producing high-quality copper concentrate with significant gold and silver by-product credits.

<sup>1</sup> Differences may occur in totals due to rounding. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves in future. There has been insufficient exploration to define the inferred mineral resources tabulated above as an indicated or measured mineral resource, however, it is reasonably expected that the majority of the inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues. Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically.

<sup>2</sup> Assumptions used in USD for the copper equivalent calculation were metal prices of \$US3.50/lb. Copper, \$US1,650/oz. The following equation was used to calculate copper equivalence:  $CuEq = \text{Copper (\%)} + (\text{Gold (g/t)} \times 0.6875)$ , which is the conversion at 100% recovery for both metals.

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The PEA describes the Kwanika-Stardust Project as a unique project combining manageable initial capital with a significant Cu-Au production profile:

- Peak CuEq<sup>3</sup> production of 152.1 million pounds of copper (“**MIbs**”) per year (year 6) and life of mine (“**LOM**”) CuEq average production of 90.6 MIbs per year over 11.9 years;
- Total LOM production of 694 MIbs Cu, 803 koz Au and 3,204 koz Ag (1,078 MIbs CuEq);
- Average cash operating costs<sup>4</sup> of US\$1.58/lb CuEq (US\$0.44/lb Cu on a by-product basis<sup>5</sup>);
- AISC<sup>6</sup> of US\$2.01/lb CuEq (US\$1.12/lb Cu on a by-product basis<sup>7</sup>);
- Initial capital of C\$567.9 M (US\$438.5 M<sup>8</sup>), with a construction period of two years;
- Attractive economics with NPV (as defined below) (7%) of C\$440.1 M (US\$339.8 M) and IRR (as defined below) of 17.1% pre-tax and NPV (7%) of C\$215.0 M (US\$166.0 M) and IRR of 12.7% after tax<sup>9</sup>; and
- At spot prices economics improve, with NPV (7%) of C\$665.6 M (US\$513.9 M) and IRR of 21.7% pre-tax and NPV (7%) of C\$363.3 M (US\$280.6 M) and IRR of 16.4% after tax<sup>10</sup>; and
- The PEA is preliminary in nature. It includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves and there is no certainty that the PEA will be realized.

For more information on the Kwanika-Stardust Project, see “*Mineral Property – Kwanika-Stardust Project*” and the Kwanika-Stardust Technical Report.

On January 23, 2023, the Company announced a non-brokered private placement financing of up to 10,869,566 units (each, a “**2023 Unit**”) at a price of \$0.23 per 2023 Unit for gross proceeds of up to \$2,500,000 (the “**Private Placement**”). Each 2023 Unit consisted of one Common Share and one-half of one non-transferable Common Share purchase warrant (each whole warrant, a “**Private Placement Warrant**”), with each Private Placement Warrant exercisable to purchase one additional Common Share for a period of two years from the date of closing at an exercise price of \$0.30.

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<sup>3</sup> CuEq (lbs) = Cu (lbs) + (Au (koz) \* Au (\$/oz)) / Cu (\$/lb) / 1000 + (Ag (koz) \* Ag (\$/oz)) / Cu (\$/lb) / 1000, US\$3.63 Cu, US\$1,650 Au, US\$21.50 Ag.

<sup>4</sup> Cash operating cost on a co-product basis, calculated with the following formula: (Site Operating Costs) / LOM CuEq (MIbs), Site Operating Costs = C\$23.04 (per tonne processed)\*95,607 kt\*0.77 (USD exchange rate).

<sup>5</sup> Cash operating cost on a by-product basis, calculated with the following formula: (Site Operating Costs – LOM Gold Revenue – LOM Silver Revenue) / LOM Cu (MIbs), LOM Gold Revenue = US\$1,321.55M, LOM Silver Revenue = \$US68.53M.

<sup>6</sup> AISC co-product basis, calculated with the following formula: (Site Operating Costs + Treatment, Refining, Transport Costs+ Sustaining Capital + Closure Costs – Salvage Value) / LOM CuEq (MIbs), Treatment, Refining, Transport Costs = US\$220.96M, Sustaining Capital = C\$282.46M\*0.77, Closure Costs = US\$32.26M, Salvage Value = US\$1.89M.

<sup>7</sup> AISC by-product basis, calculated with the following formula: (Site Operating Costs + Treatment, Refining, Transport, + Sustaining Capital + Closure Costs – Salvage Value – LOM Gold Revenue – LOM Silver Revenue) / LOM Cu (MIbs).

<sup>8</sup> 0.77 US\$ per C\$1.00.

<sup>9</sup> Economics calculated at US\$3.63 Cu, US\$1,650 Au and US\$21.50 Ag.

<sup>10</sup> Spot price economics calculated at US\$3.83 Cu, US\$1,840 Au and US\$23.97 Ag (as at January 3, 2023).



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On January 30, 2023, the Company announced an upside to the Private Placement of up to 22,173,913 2023 Units at a price of \$0.23 per 2023 Unit for gross proceeds of up to \$5,100,000.

On February 3, 2023, the Company closed the first tranche of the Private Placement pursuant to which the Company issued 18,837,955 2023 Units for gross proceeds of approximately \$4,332,730.

On February 9, 2023, the Company closed the second and final tranche of the Private Placement pursuant to which the Company issued 3,159,131 2023 Units for gross proceeds of approximately 726,600. In total, the Company issued 21,997,086 2023 Units for aggregate gross proceeds of approximately \$5,059,330.

As of the date of this AIF, management of the Company do not expect any further material changes to the business; however, as is typical of the mineral exploration and development industry, from time to time the Company reviews potential merger, acquisition, investment and joint venture transactions and opportunities that could enhance shareholder value. Furthermore, there can be no assurance that the results of exploration or development programs planned or underway will not result in material changes to the scientific and technical information contained herein. Accordingly, readers of this AIF are urged to read the news releases issued by the Company once they become available under the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) for full and up-to-date information concerning the Company's business and its material exploration property interests.

## THE BUSINESS

### Background

As described above under "*General Development of the Business*" and below under "*Mineral Property – Kwanika-Stardust Project*" and "*Mineral Property – Lorraine Project*", the Company is a junior resource issuer concurrently advancing the Kwanika-Stardust Project and the Lorraine Project.

In January 2023, the Company announced the results of a PEA on the Kwanika-Stardust Project. The PEA represented the first technical and economic evaluation of the combined deposits and outlined a robust project with manageable initial capital cost and multiple opportunities for project growth. The Kwanika-Stardust Project involves the development of three copper-gold deposits known as "Kwanika Central," "Kwanika South" and "Stardust," all located around 195 km by road from Fort St. James, British Columbia. In September 2022, the Company completed the last tranche Common Share issuance to POSCO thereby completing the acquisition of the remaining approximate 31% interest of KCC held by POSCO. KCC was the former joint-venture entity that held the Kwanika deposit. The Company is now the 100% owner of the Kwanika-Stardust Project.

In July 2022, the Company announced the results of a new updated independent, mineral resource estimate for its Lorraine Project, located approximately 280 km northwest of Prince George, British Columbia and approximately 40 km from the Kwanika-Stardust Project.

The Company also owns the East Niv property in British Columbia, located 40 km southwest of the Kemess Mine. The Company also has an option to earn a 100% interest in the Top Cat

property, located 40 km north of the Kwanika-Stardust Project. The Company holds a 100% interest in a number of other regional properties, all of which are located in British Columbia.

The Company considers the Kwanika-Stardust Project and the Lorraine Project to be its material properties for the purposes of applicable Canadian securities laws.

The Company conducts its business in a single operating segment which is the mineral exploration business in Canada. The Company's exploration and evaluation assets are located in Canada. The Company owns no producing properties and, consequently, has no current operating income or cash flow from the properties it holds, nor has it had any income from operations in the past three financial years. As a consequence, operations of the Company are primarily funded by equity financings.

## Specialized Skills and Knowledge

The Company believes that its success is dependent on the performance of its management and key employees, many of whom have specialized knowledge and skills relating to the precious metals exploration business. The Company believes it has adequate personnel with the specialized skills required to successfully carry out its operations.

Various aspects of the Company's business require specialized skills and knowledge. NorthWest Copper's business is dependent on retaining the services of its key management personnel with a variety of skills and experience, including in relation to the exploration and development of mineral projects. The success of the Company is, and will continue to be, dependent to a significant extent on the expertise and experience of its directors and senior management. NorthWest Copper's management team has extensive experience in mineral exploration and development and as such is well positioned to further the development of the Kwanika-Stardust Project and the Lorraine Project. See "*Directors and Officers*".

The Company has also retained Oxygen Capital Corp. ("**Oxygen**"), a private entity owned in part by two directors of the Company (Mark O'Dea and Sean Tetzlaff), to provide services to the Company including staffing, office rental, and other administrative functions (via the "**Services Agreement**"). Oxygen provides its services and personnel on a cost recovery basis. The Company benefits from expanded access to administrative personnel as a result of the Oxygen relationship. Neither Oxygen, nor its owners, are remunerated for services provided under this arrangement. The 10-year lease the Company sublets from Oxygen (the "**Lease**"), ends on September 30, 2023. Oxygen has notified the Company that it does not intend to extend or renew the Lease, as such, the Company has given notice to terminate the Services Agreement, effective September 30, 2023.

## Competitive Conditions

The Company's business is intensely competitive, and the Company competes with other exploration, development and mining companies, many of which have greater resources and experience. As described in this AIF under "*Risk Factors*" below, competition in the precious metals mining industry is primarily for mineral rich properties which can be developed and produced economically and the capital for the purpose of financing development of desired properties. In addition, competition may impact the Company's ability to recruit or retain qualified employees with the technical expertise to find, develop or operate such properties.

## **Business Cycles**

Mining is a cyclical industry and commodity prices fluctuate according to global economic trends and conditions. See “*Risk Factors*” below.

## **Environmental Protection**

The Company’s exploration and development activities, as applicable, are subject to various levels of federal and provincial laws and regulations relating to the protection of the environment, including requirements for closure and reclamation of mining properties. A breach of which may result in the imposition of fines and penalties. Certain types of operations may also require the submission and approval of environmental assessments. As at the date of this AIF, the Company estimates that the cost for future property closure and reclamation for the Kwanika-Stardust Project and the Lorraine Project to be \$0.3 million.

Laws and regulations relating to the protection of the environment are evolving in a manner that means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies including its directors, officers and employees.

The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations.

## **Employees**

As of December 31, 2022, the Company had 17 employees.

## **Bankruptcy and Similar Procedures**

There have been no bankruptcy, receivership or similar proceedings against the Company or its subsidiaries, or any voluntary bankruptcy, receivership or similar proceedings by the Company or its subsidiaries, within the three most recently completed financial years or during or proposed for the current financial year.

## **Reorganizations**

There have been no corporate reorganizations within the three most recently completed financial years of the Company or completed during or proposed for the current financial year other than the Arrangement and the Reorganization.

## **Social and Environmental Policies**

The Company places great emphasis on providing a safe and secure working environment for all employees and recognizes the importance of operating in a sustainable manner. The Company had one loss time incident at the Kwanika-Stardust Project during the financial year ending December 31, 2022, and has taken the necessary steps to improve safety procedures and training.

The Company believes awareness and communication of risks are critical steps in preventing accidents on each of the property interests operated by the Company. There were no significant

environmental incidents at any of the exploration properties at which the Company is the operator during the financial year ended December 31, 2022.

The Company understands that having strong working relationships with Indigenous Peoples (as defined below) and other communities of interest will be imperative to the success of the Kwanika-Stardust Project and the Lorraine Project. Ensuring that local communities have an understanding of and appreciation for, the potential impacts of exploration, development and mining activity in the region and have the opportunity to actively participate in project planning and implementation will be a focus going forward. As the Kwanika-Stardust Project and Lorraine Project advances, management plans to engage further with community members, to solicit and respond to feedback and concerns raised from concerned citizens. On a regular basis, the Company will provide information and updates to community groups, Indigenous Peoples and the general public regarding exploration activities for the projects; undertake exploration in a safe manner, and assess safety, health, environmental and social risks associated with each phase of the projects; and support transparent and fair employment strategies at the local level, and where possible, employ a local workforce at all skill levels.

In November 2022, the Company announced the release of its first ESG Report for the period ending December 31, 2021. The ESG Report highlights the Company's initial scan on its adherence to reporting standards and ethical and transparent project development. The ESG Report, which is aligned to the standards and framework of the Sustainability Accounting Standards Board, includes both quantitative and qualitative metrics from March 5 to December 31, 2021.

In September 2020, KCC entered into a renewed exploration agreement with Takla, which provides for a continuation of the relationship between the two parties relating to the advancement of the Kwanika project. The agreement has a five-year term.

In August 2020, Sun Metals similarly entered into a renewed exploration agreement with Takla, which also provides for a continuation of the relationship between the two parties relating to the advancement of the Stardust project. The agreement was valid through December 31, 2021, and NorthWest Copper and Takla agreed to work using the terms of the previous agreement for the 2022 field season. The Company is currently in discussions with Takla regarding a new agreement, however there is no guarantee the negotiations will be successful.

The Board seeks to foster a culture of ethical conduct by striving to ensure the Company carries out its business in line with high business and moral standards and applicable legal and financial requirements. The Board has adopted a formal Code of Business Conduct and Ethics for its directors, officers, employees and consultants and has established a Whistleblower Policy which details complaint procedures for financial concerns. The Board encourages management to consult with legal and financial advisors to ensure the Company is meeting those requirements and ensures that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

## **RISK FACTORS**

An investment in the Common Shares of the Company is highly speculative due to the high-risk nature of its business and the present stage of its development. Shareholders of the Company may lose their entire investment. The risks described below are not the only risks facing the Company. Additional risks not currently known to the Company, or that the Company currently

deems immaterial, may also impair the Company's operations. If any of the following risks actually occur, the Company's business, financial condition and operating results could be adversely affected.

All references to "NorthWest Copper" or the "Company" in this section include the Company and its subsidiaries.

## **Economics of Developing Mineral Properties**

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that the Company's copper, gold or silver deposits are commercially mineable.

Should any mineral resources and reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (i) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (ii) availability and costs of financing; (iii) ongoing costs of production; (iv) copper, gold and silver prices, which are historically cyclical; (v) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (vi) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from the Kwanika-Stardust Project or the Lorraine Project will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long-term viability of the Company and its operations.

## **Uncertainty of Mineral Resource Estimates**

Mineral resource figures are only estimates. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. While the Company believes that the mineral resource estimates included are established and reflect the Company's best estimates, the estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Company's estimates. Estimated mineral resources may have to be re-estimated based on changes in copper, zinc, gold or silver prices, further exploration

or advancement activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resource estimate will ultimately be reclassified as proven or probable mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

## **Mineral Prices are Volatile**

The mining industry is intensely competitive and there is no assurance that, even if commercial quantities of a mineral resource are discovered, a profitable market will exist or develop for the sale of same. There can be no assurance that mineral prices will be such that the Company's properties can be mined at a profit. Factors beyond the control of the Company may affect the marketability of any minerals discovered at the Kwanika-Stardust Project or the Lorraine Project. Mineral prices are subject to volatile price changes due to a variety of factors including international economic and political trends, expectations of inflation, global and regional demand, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods.

## **Fluctuation in Market Value of Common Shares**

The market price of the Common Shares, as publicly traded shares, can be affected by many variables not directly related to the corporate performance of the Company, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments, global health episodes and the breadth of the public market for the stock. The effect of these and other factors on the market price of Common Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of Common Shares.

## **Meeting Legal and International Conventions Respecting Indigenous Peoples**

Various national and provincial laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of First Nations and Metis ("**Indigenous Peoples**"). The Company operates in an area presently or previously inhabited or used by Indigenous Peoples. Many of these materials impose obligations on government to respect the rights of Indigenous People. Some mandate that government consult with Indigenous Peoples regarding government actions which may affect Indigenous People, including actions to approve or grant mining rights or permits. The obligations of government and private parties under the various national materials pertaining to Indigenous Peoples continue to evolve and be defined. The Company's current and future operations are subject to a risk that one or more groups of Indigenous Peoples may oppose continued operation, further development or new development of the Company's projects or operations. Such opposition may be directed through legal or administrative proceedings or expressed in manifestations such as protests, roadblocks or other forms of public expression against the Company's activities. Opposition by Indigenous Peoples to the Company's operations may require modification of, or preclude operation or development of, the Company's projects or may require the Company to enter into agreements with Indigenous Peoples with respect to the Company's projects.

## **Regulatory Requirements**

The current or future operations of the Company, including advancement activities and possible commencement of production on the Kwanika-Stardust Project or the Lorraine Project, requires licenses and permits from various federal and provincial governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development, advancement and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all licenses and permits which the Company may require for the development and construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have a material adverse effect on any mining project which the Company might undertake.

Failure to comply with applicable laws, regulations, licensing and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments or changes to current laws, regulations government policies and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse effect on the Company and cause increases in costs or require abandonment or delays in the advancement and growth of the Kwanika-Stardust Project or the Lorraine Project.

The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables outside the Company's control. While the Company can foresee no reason why it may not receive all necessary permits, there can be no assurance that all licenses or permits which the Company may require for future exploration or possible future expansion or development will be obtainable at all or on reasonable terms. Any significant delays in obtaining or renewing such licenses or permits in the future could have a material adverse effect on the Company.

## **Unknown Environmental Risks for Past Activities**

Exploration and mining operations incur risks of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. The Company is aware that the Kwanika-Stardust

Project site hosted a past-producing mercury mine during World War II (i.e., the historic Bralorne Takla Mercury Mine). This historic mine site is under the jurisdiction of the Crown Contaminated Sites Program (“CCSP”). The CCSP, regulated by the Ministry of Environment and Climate Change Strategy, manages contaminated sites on Crown land for which there is no existing responsible party. These are typically historic abandoned mine sites and make up a small fraction of the contaminated sites on Crown land. CCSP is not involved with contaminated sites on Crown land where there are specified parties responsible for the contamination. A full remediation and cleanup program was completed on this site through CCSP in 2018. At this point, only ongoing monitoring through CCSP and their contractors is required. The Company is not responsible for reclamation or remediation of this historic site, however, any undiscovered issue existing on the property may be the responsibility of the Company. Moreover, no assurance can be given that potential liabilities for such contamination or damages caused by past activities at the Kwanika-Stardust Project do not exist.

## **Environmental Risks and Hazards**

All phases of the Company’s operations are subject to environmental regulation. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects, and a heightened degree of responsibility for companies and their directors, officers and employees. Environmental hazards which are unknown to the Company at present, and which have been caused by previous or existing owners or operations of the properties may exist on the Kwanika-Stardust Project or the Lorraine Project. Failure to comply with applicable environmental laws and regulations may result in enforcement actions thereunder and may include corrective measures that require capital expenditures or remedial actions. The Company is not aware of any material environmental risk that would preclude exploration or the economic development of the Kwanika-Stardust Project or the Lorraine Project. There is no assurance that future changes in environmental laws and regulations and permits governing operations and activities of mining companies, if any, will not materially adversely affect the Company’s operations or result in substantial costs and liabilities to the Company in the future.

## **Changes in Climate Conditions may Affect Operations**

A number of governments have introduced or are moving to introduce climate change legislation and treaties at the international, national, state/provincial and local levels. Regulation relating to emission levels (such as carbon taxes) and energy efficiency is becoming more stringent. If the current regulatory trend continues, this may result in increased costs for the Company’s operations, and there is no assurance that compliance with such regulations will not have an adverse effect on our operations and financial condition. In addition, the physical risks of climate change may also have an adverse effect on the Company’s operations. These risks include the following:

- extreme weather events (such as prolonged drought and forest fires) have the potential to disrupt operations at the Company’s properties and may require NorthWest Copper to make additional expenditures to mitigate the impact of such events; and
- the Company’s facilities depend on regular supplies of consumables (diesel, tires, reagents, etc.) to operate efficiently. In the event that the effects of climate change or extreme weather events cause prolonged disruption to the delivery of essential commodities, productivity at the Company’s operations may be reduced.



There can be no assurance that efforts to mitigate the risks of climate change will be effective and that the physical risks of climate change will not have an adverse effect on the Company's business, financial condition and operating results. Climate change may result in increased societal pressures and scrutiny for our operations or those of our suppliers and/ or restrict the development of our projects, which may increase costs and/or limit development. Furthermore, given the evolving nature of the debate related to climate change and resulting requirements, there can be no assurance the risks of climate change and resulting requirements will not have an adverse effect on the Company's business, financial condition and operating results.

## **Costs of Land Reclamation Risk**

The laws governing the determination of the scope and cost of the closure and reclamation obligations and the amount and forms of financial assurance are complex. As of December 31, 2022, the Company has provided the appropriate regulatory authorities with \$0.4 million in financial assurance in the form of a letter of credit, bonds, and investment certificates for its reclamation obligations at the Kwanika-Stardust Project and the Lorraine Project. The amount and nature of the financial assurances are dependent upon a number of factors, including the Company's financial condition and reclamation cost estimates. Changes to these amounts, as well as the nature of the collateral to be provided, could significantly increase the Company's costs. To the extent that the value of the collateral provided to regulatory authorities is or becomes insufficient to cover the amount of financial assurance the Company is required to post, the Company would be required to replace or supplement the existing security with more expensive forms of security, which might include additional cash deposits, which would reduce its cash available for operations and financing activities. Although the Company has currently made provisions for certain of its reclamation obligations, there is no assurance that these provisions will be adequate in the future. Failure to provide regulatory authorities with the required financial assurances could result in a material adverse effect on its business, financial condition and operating results.

## **Risk of Amendments to Laws**

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse effect on the Company and cause increases in capital expenditures or production costs or require abandonment or delays in the advancement and growth of the Kwanika-Stardust Project and the Lorraine Project.

## **Limited Exploration Prospects**

The Kwanika-Stardust Project and the Lorraine Project are the Company's sole material properties. Accordingly, the Company does not have a diversified portfolio of exploration prospects either geographically or by mineral targets. The Company's operations could be significantly affected by fluctuations in the market price of copper, gold and silver, as the economic viability of the Company's projects are heavily dependent upon the market price for copper, gold and silver.

## **No Revenue and Negative Cash Flow**

The Company has negative cash flow from operating activities and does not currently generate any revenue. Lack of cash flow from the Company's operating activities could impede its ability

to raise capital through debt or equity financing to the extent required to fund its business operations. In addition, working capital deficiencies could negatively impact the Company's ability to satisfy its obligations promptly as they become due. If the Company does not generate sufficient cash flow from operating activities, it will remain dependent upon external financing sources. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable.

## **No History of Mineral Production or Mining Operations**

The Company has never had a copper, gold or silver producing property. There is no assurance that commercial quantities of copper, gold or silver will be discovered nor is there any assurance that the Company's exploration programs will yield positive results. Even if commercial quantities of copper, gold or silver are discovered, there can be no assurance that the Kwanika-Stardust Project or the Lorraine Project will ever be brought to a stage where copper, gold or silver resources can profitably be produced therefrom. Factors which may limit the ability to produce copper, gold or silver resources include, but are not limited to, the spot price of copper, gold or silver, availability of additional capital and financing and the nature of any mineral deposits. The Company does not have a history of mining operations that would guarantee it will produce revenue, operate profitably or provide a return on investment in the future. The Company has not paid dividends in the past and the Company does not have any plans to pay dividends in the foreseeable future.

## **Additional Financing and Dilution**

The Company is focused on concurrently advancing the Kwanika-Stardust Project and the Lorraine Project and will use its working capital to carry out such advancement and growth. However, the Company will require additional funds to further such activities. To obtain such funds, the Company may sell additional securities including, but not limited to, its Common Shares or some form of convertible security, the effect of which would result in a substantial dilution of the equity interests of the Company's shareholders.

There is no assurance that additional funding will be available to the Company for additional exploration or for the substantial capital that is typically required in order to bring a mineral project, such as the Kwanika-Stardust Project and the Lorraine Project, to the production decision or to place a property, such as the Kwanika-Stardust Project and the Lorraine Project, into commercial production. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable. Failure to obtain such additional financing could result in the delay or indefinite postponement of further exploration, advancement and growth of the Kwanika-Stardust Project and the Lorraine Project.

## **No Assurance of Title to Property**

There may be challenges to title to the Kwanika-Stardust Project and the Lorraine Project. If there are title defects with respect to the Kwanika-Stardust Project or the Lorraine Project, the Company might be required to compensate other persons or perhaps reduce its interest in the Kwanika-Stardust Project or the Lorraine Project. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and advancement programs at the Kwanika-Stardust Project and the Lorraine Project.

The Company may be subject to the rights or asserted rights of various community stakeholders, including Aboriginal and Indigenous Peoples, through legal challenges relating to ownership rights as well as potential changes in community perspectives. The Company is not currently aware of any material risk to title to the Kwanika-Stardust Project or the Lorraine Project.

## **Infrastructure**

Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, or community, government or other interference in the maintenance or provision of such infrastructure could result in a material adverse effect to the Company's business, financial condition and operating results.

## **Dependence on Key Individuals**

The Company is dependent on a relatively small number of key personnel, particularly Peter Bell, its President and Chief Executive Officer; Lauren McDougall, its Chief Financial Officer and Corporate Secretary; Tyler Caswell, its Vice President Exploration; and Vesta Filipchuk, its Vice President Sustainability; the loss of any one of whom could have a material adverse effect on the Company. At this time, the Company does not maintain key-person insurance on the lives of any of its key personnel. In addition, while certain of the Company's officers and directors have experience in the exploration of mineral producing properties, the Company will remain highly dependent upon contractors and third parties in the performance of its exploration and advancement activities at the Kwanika-Stardust Project and the Lorraine Project. There can be no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Company or be available upon commercially acceptable terms.

## **Insurance**

The Company's business is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of, the Kwanika-Stardust Project or the Lorraine Project or any future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of its exploration or advancement activities, delay in or inability to receive regulatory approvals to transport its copper, gold or silver concentrates, or costs, monetary losses and potential legal liability and adverse governmental action. The Company may be subject to liability or sustain loss for certain risks and hazards against which it does not or cannot insure or which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material adverse effect to the Company.

## **Cyber Security**

As the Company continues to increase its dependence on information technologies to conduct its operations, the risks associated with cyber security also increase. The Company relies on management information systems and computer control systems. Business and supply chain disruptions, plant and utility outages and information technology system and network disruptions

due to cyber-attacks could seriously harm its operations and materially adversely affect its operational results. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, including personal and private information held in Company records about employees and/or contractors & consultants, the issue or loss of control over computer control systems and breaches due to employee error. The Company's exposure to cyber security risks includes exposure through third parties on whose systems it places significant reliance for the conduct of its business. The Company has implemented security procedures and measures in order to protect its systems and information from being vulnerable to cyber-attacks. The Company believes these measures and procedures are appropriate. However, it may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to its information and control systems could have severe financial and other business implications.

## **Limited Business History**

The Company has no history of earnings, has earned no revenue since commencing operations and has no source of operating cash flow, and there is no assurance that additional funding will be available to it for exploration and development. Furthermore, financing will be required to continue the development of the Kwanika-Stardust Project and the Lorraine Project. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable. Failure to obtain such financing could result in delay or indefinite postponement of further exploration and development of the Kwanika-Stardust Project and the Lorraine Project. There is also no assurance that the Company can generate revenues, operate profitably, or provide a return on investment or that it will successfully implement its plans.

## **Competition**

The mineral exploration and mining business is competitive in all of its phases. The Company competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Company, in the search for and the acquisition of attractive mineral properties. The Company's ability to acquire royalties or properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for mineral exploration. There is no assurance that the Company will continue to be able to compete successfully with its competitors in acquiring such properties or prospects.

## **Canada's *Extractive Sector Transparency Measures Act***

The Canadian *Extractive Sector Transparency Measures Act* ("**ESTMA**"), which became effective June 1, 2015, requires public disclosure of payments to governments by entities engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments, including Indigenous groups. Reporting on payments to Canadian Indigenous groups commenced in 2018 for payments made in fiscal 2018. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments and any other prescribed payment over \$100,000. Failure to report, false reporting or structuring payments to avoid reporting may

result in fines of up to \$250,000 (which may be concurrent). The Company has assessed there are reportable payments under ESTMA for the year ended December 31, 2022 and will file the required report within the 150 day deadline. If the Company becomes subject to an enforcement action or in violation of ESTMA, this may result in significant penalties, fines and/or sanctions imposed resulting in a material adverse effect on the Company's business, financial condition and operating results.

## **Acquisitions and Joint Ventures**

The Company will evaluate from time-to-time opportunities to acquire and joint venture mining assets and businesses. These acquisitions and joint ventures may be significant in size, may change the scale of the Company's business and may expose it to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition and joint venture activities will depend on its ability to identify suitable acquisition and joint venture candidates and partners, acquire or joint venture them on acceptable terms and integrate their operations successfully with those of the Company. Any acquisitions or joint ventures would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of the Company's ongoing business; the inability of management to maximize the financial and strategic position of the Company through the successful incorporation of acquired assets and businesses or joint ventures; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of the Company's present shareholders or of its interests in its subsidiaries or assets as a result of the issuance of shares to pay for acquisitions or the decision to grant earning or other interests to a joint venture partner; and the potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or joint ventures. There may be no right for shareholders to evaluate the merits or risks of any future acquisition or joint venture undertaken except as required by applicable laws and regulations.

## **Factors Beyond the Control of the Company**

The potential profitability of the Kwanika-Stardust Project and the Lorraine Project is dependent upon many factors beyond the Company's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for advancing mineral projects and other costs have become increasingly difficult, if not impossible to project. Any of these changes and events could have a material adverse effect on the Company.

The Company's potential future revenues will be directly related to the prices of copper, gold and silver as its potential revenues are expected to be derived from copper, gold and silver mining.

Demand for copper, gold and silver can be influenced by economic conditions, the attractiveness of copper, gold and silver as an investment vehicle and the strength of the US dollar and local investment currencies. Other factors include the level of interest rates, exchange rates, inflation and political stability. The aggregate effect of these factors is impossible to predict with accuracy. Copper, gold and silver prices are also affected by worldwide production levels. In addition, the price of copper, gold and silver has on occasion been subject to very rapid short-term changes because of speculative activities. Fluctuations in copper, gold and silver prices may adversely affect the Company's financial performance and results of operations. The effect of these factors, individually or in the aggregate, is impossible to predict with accuracy. A decline in copper, gold or silver prices may also require the Company to write down its mineral resources at the Kwanika-Stardust Project or the Lorraine Project, which would have a material adverse effect on its potential earnings and potential profitability.

## **Conflicts of Interest**

Certain of the directors of the Company also serve as directors and/or officers of other companies. Some of the Company's directors and officers will continue to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties on their own behalf and on behalf of other companies, some of which are in the same business as the Company, and situations may arise where such companies will be in direct competition with the Company. The Company's directors and officers are required by law to act honestly and in good faith with a view to the best interests of the Company. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to the Company may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose the Company to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Company. Such conflicting legal obligations may expose the Company to liability to others and impair its ability to achieve its business objectives.

## **Influence of Third-Party Stakeholders**

The lands in which the Company holds an interest in at the Kwanika-Stardust Project or the Lorraine Project, or the exploration equipment and roads or other means of access which the Company intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for the Company.

## **Legal and Litigation**

All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company may become subject could have a material adverse effect on the Company's business, financial condition and operating results. There are no current claims or litigation outstanding against the Company.

## **Passive Foreign Investment Corporation (“PFIC”)**

The Company may be classified as a PFIC within the meaning of Section 1291 through 1298 of the US Internal Revenue Code of 1986, as amended, for the 2021 tax year and earlier tax years. The Company has not yet completed calculations for the financial year ended December 31, 2022 tax period or earlier tax years. A US shareholder who holds stock in a foreign corporation during any year in which such corporation qualifies as a PFIC is subject to special US federal income taxation rules, which may have adverse tax consequences to such shareholder. Additionally, a United States shareholder may be eligible to make certain elections under two alternative tax regimes. A US shareholder should consult its own US tax advisor with respect to an investment in the Common Shares and to ascertain which elections, if any, might be beneficial to the United States shareholder’s own facts and circumstances.

## **Dividends**

No dividends on the Common Shares have been paid by the Company to date, and the Company does not expect to pay any cash dividends in the future in favor of utilizing cash to support the development of our business. Any future determination relating to the Company’s dividend policy will be made at the discretion of the Board and will depend on a number of factors, including future operating results, capital requirements, financial condition and the terms of any credit facility or other financing arrangements the Company may obtain or enter into, future prospects and other factors the Board may deem relevant at the time such payment is considered. As a result, shareholders will have to rely on capital appreciation, if any, to earn a return on their investment in the Common Shares for the foreseeable future.

## **Force Majeure**

NorthWest Copper’s projects now or in the future may be adversely affected by risks outside the control of the Company, including the price of metals on world markets, labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

## **COVID-19 Pandemic**

On March 11, 2020, the World Health Organization assessed COVID-19 as a pandemic. The effect of the COVID-19 virus and the actions recommended to combat the virus are changing constantly. The impact that COVID-19 has had on the Company’s operations, including its exploration activities, has so far been limited and restrictions have generally been lifted across the world, but as variants present themselves and regulations adapt to the impact of these variants, this impact could change. Overall, the key risks related to exploration activities relate to (a) availability of exploration drilling and laboratory analytical (assay) services; (b) the procurement of goods and potential supply chain issues; (c) permitting delays; and (d) impact to both site-based personnel and head office personnel. If new more aggressive variants arise, leading to backlogs again, this may impact the pace of exploration activities. Site activities have been and may again be affected by government mandated travel restrictions, restrictions on personnel working in close proximity and possible quarantine requirements. Obtaining necessary permits and other government and regulatory documents has been subject to delays due to offices being manned part time and delays with the postal and courier services due to increased demand and the backlog from 2020 and 2021 continues to impact timelines. In addition, the actual and threatened spread of COVID-19 and its variants globally could negatively impact stock

markets, including the trading price of the Company's Common Shares, and could adversely impact the Company's ability to raise capital. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

If any of the Company's properties move to a development stage, the Company would be subject to additional risks respecting any development and production activities.

## **MINERAL PROPERTY – KWANIKA-STARDUST PROJECT**

Please refer to the technical report titled "Kwanika-Stardust Project, NI 43-101 Technical Report and Preliminary Economic Assessment" (the "**Kwanika-Stardust Technical Report**"), prepared by Kevin Murray, P. Eng., Ausenco Engineering Canada Inc.; Jonathan Cooper, P. Eng., Ausenco Sustainability Inc.; Peter Mehrfert, P. Eng., Ausenco Engineering Canada Inc.; Scott C. Elfen, P. Eng., Ausenco Engineering Canada Inc.; Scott Weston, P. Geo., Ausenco Sustainability Inc.; Cale DuBois, P. Eng., Mining Plus Canada Consulting Ltd.; Jason Blais, P. Eng., Mining Plus Canada Consulting Ltd.; John Caldbick, P.Eng, Mining Plus Canada Consulting Ltd.; Brian S. Hartman, P. Geo., Ridge Geosciences LLC; and Ronald G. Simpson, P. Geo., GeoSim Services Inc., each a "qualified person" as defined under NI 43-101, dated February 17, 2023, with an effective date of January 4, 2023 and prepared for the Company, as filed on SEDAR at [www.sedar.com](http://www.sedar.com).

The bulk of the information in this section is derived from the Kwanika-Stardust Technical Report and supplemented by work completed by the Company subsequent to the Kwanika-Stardust Technical Report. The following summary as it relates to the Kwanika-Stardust Technical Report does not purport to be a complete summary of the Kwanika-Stardust Project and is subject to all the assumptions, qualifications and procedures set out in the Kwanika-Stardust Technical Report and is qualified in its entirety with reference to the full text of the Kwanika-Stardust Technical Report. Readers should read this summary in conjunction with the Kwanika-Stardust Technical Report, which can be reviewed in its entirety on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Project Description, Location and Access**

#### *Kwanika*

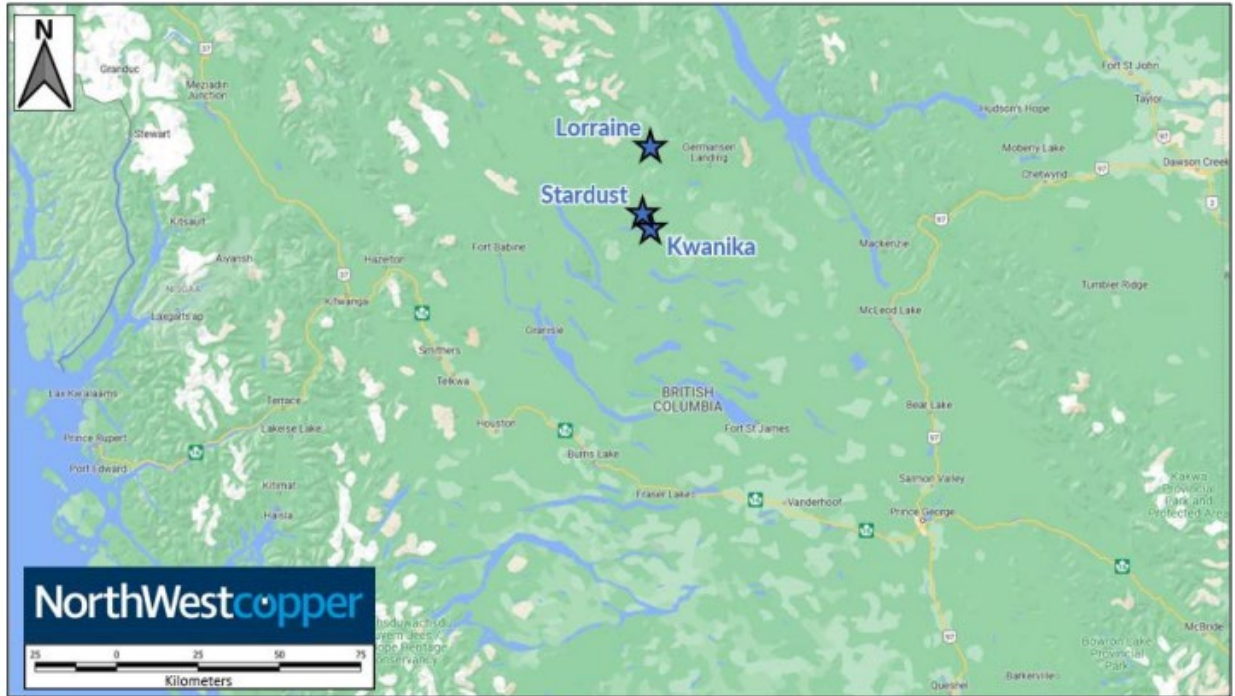
The Kwanika property is located in north central British Columbia, in the Omineca Mining Division, around 140 km northwest (around 200 km by road) of Fort St. James. The project area is on NTS map sheets 93N06 and 93N11, at latitude 55.53° N and longitude 125.35° W.

NorthWest Copper owns a 100% interest in the Kwanika property, which is situated amongst a group of 59 unpatented mineral claims covering an area of 24,152.04 ha. The property is not subject to any royalties or other outstanding liabilities. There are no government minimum spend obligations to retain these claims. Table 4-1 of the Kwanika-Stardust Technical Report lists the claims for the Kwanika property area and Figure 2 below shows the claim map. The resource outlined in the Kwanika-Stardust Technical Report is contained within claims 501733, 514432, 514433 and 502953.



# NorthWestcopper

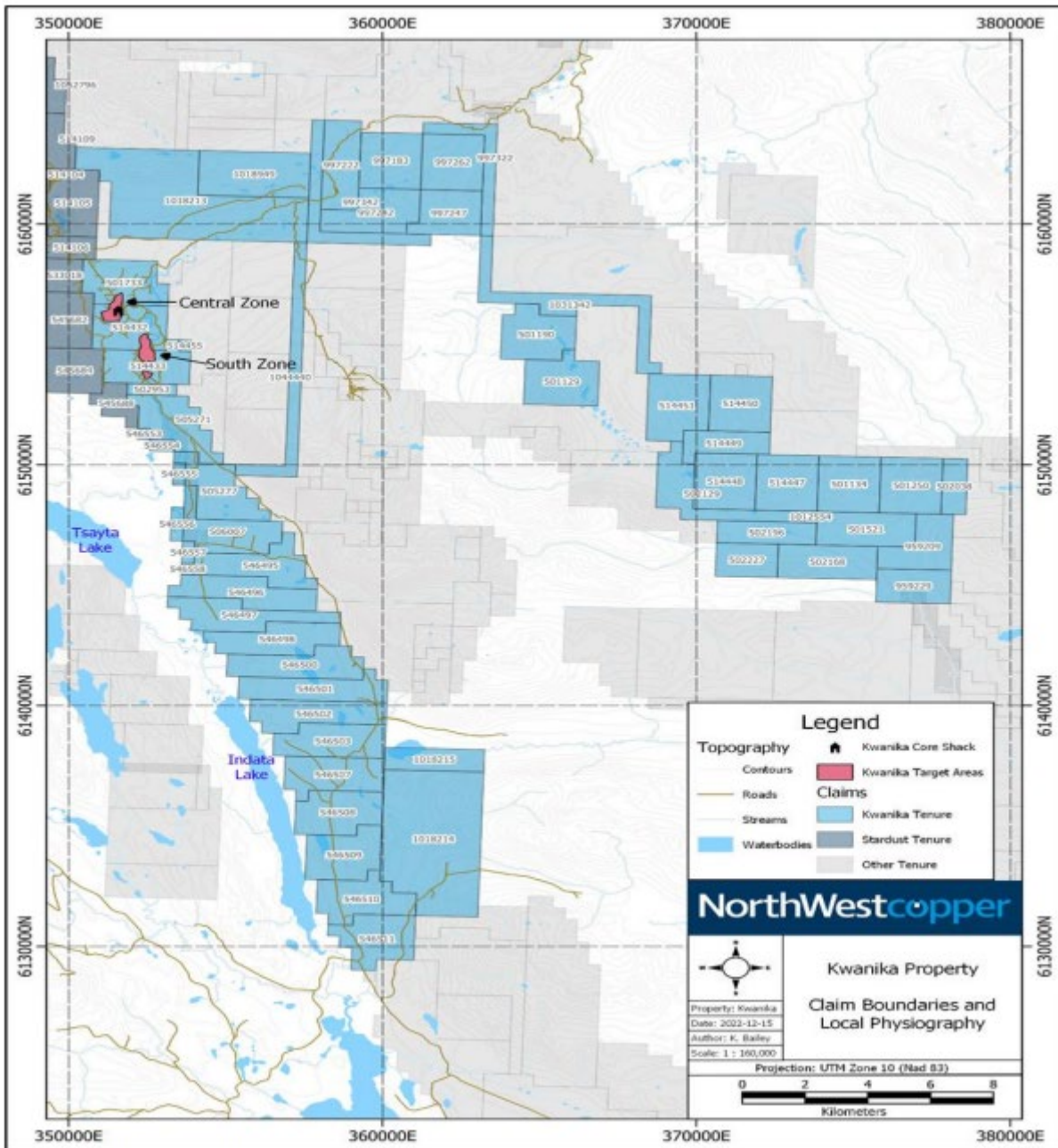
Figure 1: Kwanika Property Location Map



Source: NorthWest Copper, 2022.

# NorthWestcopper

Figure 2: Kwanika Claim Map



Source: NorthWest Copper, 2022

Surface rights over the Kwanika property are owned by the Crown and administered by the Government of British Columbia and would be available for any eventual mining operation. The ownership of other rights (Aboriginal, placer, timber, water, grazing, trapping, outfitting, etc.) affecting the property were not investigated by the relevant author of the Kwanika-Stardust Technical Report.

# NorthWestcopper

NorthWest Copper and its predecessor Serengeti have worked closely with Takla on the Kwanika property. On September 14, 2020, a new exploration agreement was announced between Serengeti (now NorthWest Copper) and Takla. The new exploration agreement replaced an expired agreement and is valid through to September 14, 2025. The agreement respects Aboriginal title, rights, and interests, and continues to recognize Takla's stewardship role in environmental and wildlife management and monitoring and traditional land use and knowledge.

The Kwanika property is not subject to any royalty terms, back-in rights, payments or any other agreements or encumbrances.

NorthWest Copper has an exploration permit issued by the British Columbia Ministry of Energy and Mines and Low Carbon Innovation authorizing mineral exploration for the Kwanika property. The permit is good until August 19, 2027, with the option to renew at the discretion of the British Columbia Ministry of Energy and Mines and Low Carbon Innovation.

NorthWest Copper conducts routine baseline environmental monitoring through engagement and in collaboration with First Nations rights and titleholders. This includes measuring surface water flow, water quality, and recording wildlife sightings. Additionally, NorthWest Copper maintains a weather station on the adjacent Stardust property that is appropriate for collecting relevant climate data for this location. There are no known environmental liabilities on the property.

## *Stardust*

The Stardust property is located around 150 km north of Fort St. James in the Omineca Mining Division of north-central British Columbia on NTS 93N/11W at latitude 55° 34' N (Northing 6160175) and 125° 25' W (Easting 347850), UTM Zone 10, NAD 83 (Figure 2 above).

# NorthWestcopper

Figure 3: Stardust Property Location Map

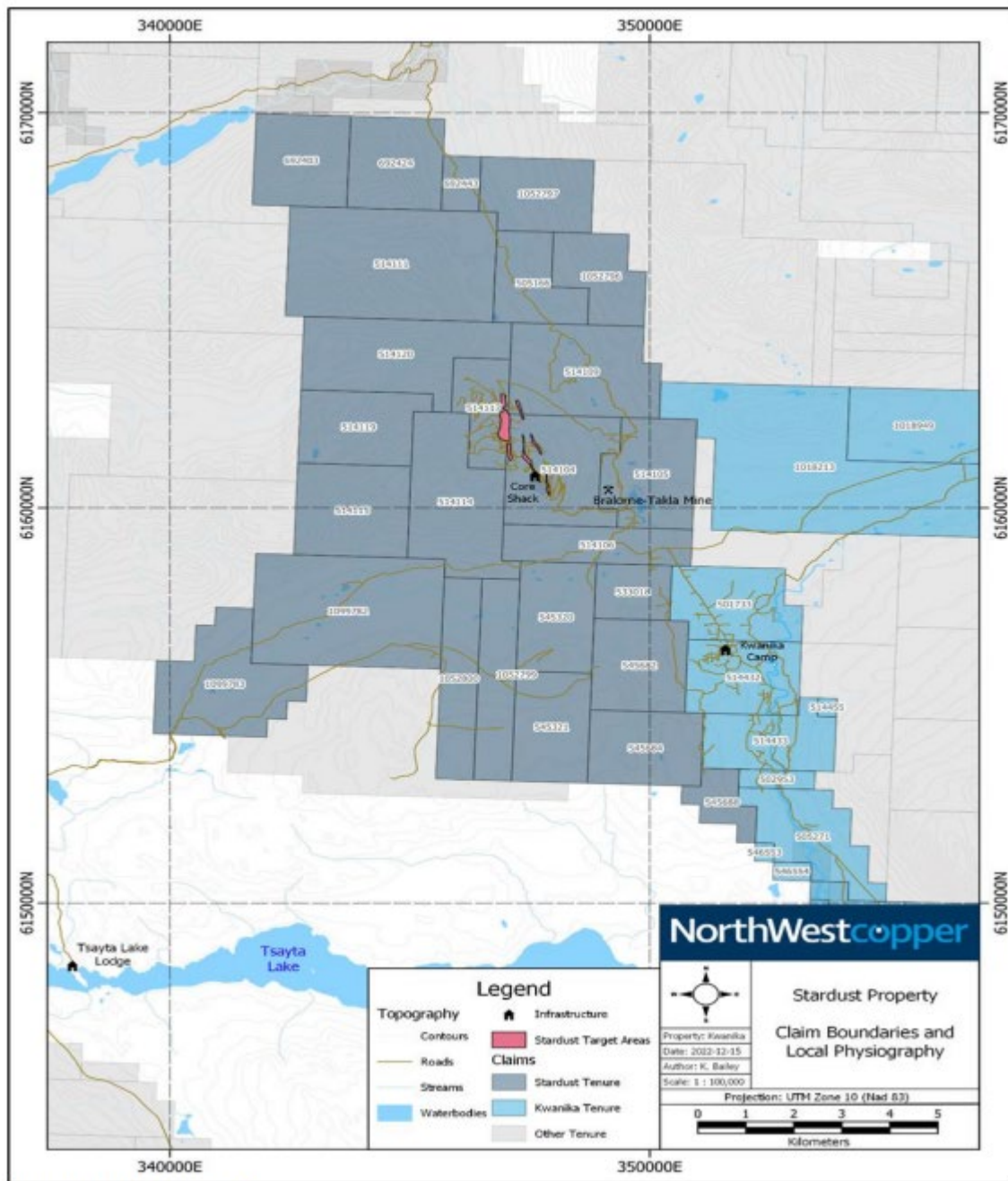


Source: NorthWest Copper, 2022.

NorthWest Copper owns a 100% interest in the Stardust property. The claims are registered to Tsayta Resources Corporation (“**Tsayta**”), a wholly owned subsidiary of NorthWest Copper. The Stardust property encompasses 26 mineral claims covering 12,932.39 ha. Claim details are presented in Table 4-2 of the Kwanika-Stardust Technical Report and Figure 4 below. A single small claim in the centre of the property covers the site of a historic mining drift into the Number 1 Vein Zone that is excluded from the property claims. Claim numbers 1099782 and 1099783 have a minimum annual spend required to retain the claims. These claims lie away from the deposit area.

# NorthWestcopper

Figure 4: Stardust Claim Boundaries and Local Physiography



Source: NorthWest Copper, 2022.

Surface rights over the Stardust property are owned by the Crown and administered by the Government of British Columbia and would be available for any eventual mining operation. The ownership of other rights (Aboriginal, placer, timber, water, grazing, trapping, outfitting, etc.) affecting the property were not investigated by the relevant author of the Kwanika-Stardust Technical Report.

# NorthWestcopper

NorthWest Copper and its predecessors Sun Metals have worked closely with Takla on the Stardust property. On August 19, 2020, a new exploration agreement was announced between Sun Metals (now NorthWest Copper) and Takla. The new exploration agreement replaced an expired agreement and was valid through to December 31, 2021. NorthWest Copper and Takla agreed to work using the terms of the previous agreement for the 2022 field season. NorthWest Copper is working with Takla and hopes to have a new exploration agreement in 2023 and the future. The previous agreement respects Aboriginal title, rights, and interests, and continues to recognize Takla's stewardship role in environmental and wildlife monitoring.

The property is not subject to any royalty terms, back-in rights, payments or any other agreements or encumbrances.

NorthWest Copper has an exploration permit issued by the British Columbia Ministry of Energy and Mines and Low Carbon Innovation authorizing mineral exploration for the Stardust property. The permit is good until December 31, 2023, with the option to extend at the discretion of the British Columbia Ministry of Energy and Mines and Low Carbon Innovation.

The historical Bralorne Takla Mercury Mine is located within the property boundaries. This historical mine site is under the jurisdiction of the CCSP.

The CCSP in the Ministry of Environment and Climate Change Strategy manages contaminated sites on Crown land for which there is no existing responsible party. These are typically historical abandoned mine sites that make up a small fraction of the contaminated sites on Crown land. CCSP is not involved with contaminated sites on Crown land where there are specified parties responsible for the contamination.

Full remediation and cleanup programs were completed on this site through CCSP in 2018. At this point, only ongoing monitoring through CCSP and their contractors is required. NorthWest Copper is not involved with or responsible for any of the ongoing monitoring programs.

## **History**

### *Kwanika*

Various claims in the area have been held by different operators since 1965. Serengeti staked the property starting in 2004 and operated throughout the years. In 2016 Serengeti entered into a joint venture agreement with POSCO forming the private company KCC, which then owned the Kwanika tenure. POSCO had the option to earn in up to 35% of KCC. In 2017, POSCO had met the requirements and had earned 35% of KCC with Serengeti controlling the remaining 65%. From 2019 onward Serengeti started to earn back shares of KCC. On March 5, 2021, Serengeti and Sun Metals merged to form NorthWest Copper. This was followed by an announcement on December 29, 2021 of NorthWest Copper's intent to purchase the remaining 31% share of KCC from POSCO. As part of the tranche 1 closing, the shareholder joint venture agreement was terminated and any interest or rights of POSCO with respect to the Kwanika property under the joint venture agreement, including offtake rights, were terminated. On September 7, 2022, NorthWest Copper completed the closing of the final tranche of its consolidation of the Kwanika project, and now owns 100% of KCC.

Previous technical reports on the Kwanika property include:

# NorthWestcopper

- “NI 43-101 Technical Report for the Kwanika Project Resource Estimate Update 2019.” Report prepared by Moose Mountain Technical Services. Effective Date: April 17, 2019.
- “NI 43-101 Technical Report for the Kwanika Project Preliminary Economic Assessment Update 2017.” Report prepared by Moose Mountain Technical Services. Effective Date: April 19, 2017.
- “Independent Technical Report for the Kwanika Copper-Gold Project, Canada.” Report prepared by SRK Consulting (Canada) Inc. Effective Date: December 1, 2016.
- “NI 43-101 Technical Report for The Kwanika Property Preliminary Economic Assessment 2013.” Report prepared by Moose Mountain Technical Services. Effective Date: March 4, 2013.
- “NI 43-101 Technical Report on the Kwanika Project, Fort ST. James, British Columbia, Canada.” Report prepared by Roscoe Postle Associates INC. Effective Date: March 3, 2011.
- “NI 43-101 Technical Report on the Kwanika Project, Fort ST. James, British Columbia, Canada.” Report prepared by Scott Wilson Mining. Effective Date: March 4, 2010.
- “NI 43-101 Technical Report on the Kwanika Project, Fort ST. James, British Columbia, Canada.” Report prepared by Scott Wilson Mining. Effective Date: April 8, 2009.

The first exploration on the Kwanika property occurred in the 1930s and 1940s following the discovery of mercury at Pinchi Lake. Initial exploration concentrated on prospecting for mercury mineralization along the Pinchi fault and for placer gold in Kwanika Creek.

Copper mineralization was first recognized along Kwanika Creek by prospectors Almond and Thurber in 1964. A. Hodgson and G. Bleiler were first to stake the property for Hogan Mines Ltd. (Hogan) in 1965. During that year, Hogan conducted a small X-ray drilling program (27.4 metres (“m”)) as well as a trenching and geochemical program (Macdonald, 1965; Buskas, Garrett & Morton, 1989).

The property was subsequently optioned to Canex Aerial Exploration Ltd. (“**Canex**”) in 1966 (Pentland, 1966; Sawyer 1969). Canex’s work included geological, geochemical (sediment and water, parameters not defined) and magnetic/IP surveys (as defined below) on a 67.6 km cut grid, as well as drilling 11 diamond drillholes (856 m). Geophysics identified an IP anomaly coincident with mineralized outcrops along Kwanika Creek. Drilling confirmed that this IP anomaly was caused by sulphide mineralization that comprised up to 5% of the rock mass. A second IP anomaly with a coincident 300 gamma magnetic response and a frequency effect of 3% was also identified to the west of Kwanika Creek. It remained untested as it was thought to be located in a sedimentary environment and within the Pinchi fault zone.

The Canex option was terminated, and the property was acquired by Great Plains Development Company of Canada (“**Great Plains**”) in 1969. Great Plains conducted a magnetic survey and drilled seven diamond drillholes (1,320 m) to test the previously identified IP and magnetic low anomalies (Sawyer, 1969; Buskas, Garrett & Morton, 1989). The drilling program outlined an area about 490 m by 300 m of copper mineralization grading around 0.20% Cu. No gold analysis was performed, and molybdenum was analyzed only in selected sections.

In 1972, Bow River Resources Ltd. (“**Bow River**”) mapped the property and drilled six percussion holes for a total of 549 m (Buskas, Garrett & Morton, 1989).

Pechiney Developments Ltd. (“**Pechiney**”) optioned the property in 1973 and conducted a 64.4 km grid IP and resistivity survey (Halloy & Goudie, 1973). When the results were interpreted with

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previous drillhole data, it was determined that the best copper grades corresponded to anomalies with frequency effects over 3% and resistivities over 100 ohm-m. In 1974, Pechiney conducted a 30-hole, 2,993 m percussion drilling program (Guelpa, 1974); however, assay results for this work are not available.

In 1981, Placer Developments Ltd. conducted a geochemical survey further south which consisted of 35 soil samples and 16 rock samples (Bulmer, 1981). Soil samples were collected from a grid with 100 m sampling interval and a line spacing of 200 m. Rock samples were collected from outcrops on the soil grid as well as along Kwanika Creek. The survey identified anomalous copper (up to 2,520 parts per million ("**ppm**")), molybdenum (up to 730 ppm) and mercury (up to 90 parts per billion ("**ppb**")) within cataclastized granite along Kwanika Creek, near the Pinchi fault.

In 1983, Aume Resources Ltd. conducted a geochemical survey at the northern end of the Kwanika property to investigate the gold content of mercury mineralization associated with the Pinchi fault (Culbert, 1983). The survey consisted of 43 soil samples, 37 stream sediment samples and 12 rock samples, which were collected during line traverses and included samples collected outside the property boundaries. Assay results supported the high concentration of mercury associated with the Pinchi fault (up to 6,400 ppb), although Au and Ag values were not anomalous.

In 1986, Daren Resources Ltd. conducted a geochemical survey in the northwest corner of the Kwanika property, which included work on the northwestern and western periphery of the property (Christoffersen, 1986). The regional survey consisted of 96 soil samples, 14 silt samples, and 15 rock samples. The results obtained from this survey confirmed previously identified low order gold, silver, and arsenic anomalies, with the best sample grading 275 ppb Au, 58 ppm As and 1.1 ppm Ag.

In 1989, W. Halleran staked the Swan property, located in the northern portion of the Kwanika claims at 55°30'N, 125°19'W (Carpenter, 1999), on ground previously abandoned by Bow River. Halleran was able to demonstrate the association of gold with the copper mineralization and subsequently optioned the property to Eastfield Resources Ltd. ("**Eastfield**") (Buskas, Garrett & Morton, 1989). During 1989, Eastfield conducted an extensive exploration program which consisted of cutting 22.6 km of grid lines, a geochemical survey (55 soils at 50 m intervals, 143 stream sediments on Kwanika Creek tributaries and 162 rock samples), and a 23.3 km induced polarization ("**IP**") survey. Work conducted during this period also consisted of geological mapping, prospecting, and resampling historical core. Results from the geochemical survey indicated that the highest and most consistent copper-gold anomalies were restricted to the north copper zone (values up to 9,462 ppm Cu and up to 1,227 ppb Au). A comprehensive analysis of the geophysical chargeability results in conjunction with geochemical, drillhole and geological surveying data yielded six targets for future exploration which extended throughout the property. Furthermore, it was determined that the best copper mineralization was not always associated with the strongest sulphide mineralization, suggesting that significant copper mineralization may be associated with less intense IP anomalies.

Eastfield also carried out a small drilling program in 1991 consisting of 4 diamond drillholes totalling 549 m (Morton, 1991). The program intended to test geophysical targets to the north and west of the Pechiney 1974 percussion holes. The drilling program failed to identify new zones of significant mineralization.



Discovery Consultants (“**Discovery**”) re-staked the Swan property and continued exploration in 1995 with a limited heavy mineral stream sediment (two samples) and rock (15 samples) geochemical program (Carpenter, 1996). The heavy mineral stream sediment samples from the west edge of the property yielded anomalous gold values of 3,180 ppb and 4,580 ppb, whereas the rock samples had values up to 73 ppb Au and 2,607 ppm Cu. In 1999, Discovery obtained an additional three heavy mineral stream sediment samples from the east side of the property which yielded anomalous gold values of 7,450 ppb and 1,730 ppb (Carpenter, 1999).

A historical mineral resource estimate for what is currently referred to as the South Zone deposit was produced in 1976. The estimate stated a mineral resource of 36 megatonne (“**Mt**”) grading 0.20% Cu (Pilcher and McDougall, 1976). No mention was made of the source of this estimate or how the estimate was completed. Serengeti was able to obtain a similar result using the same dataset and a polygonal method. The estimate is only referenced herein for historical completeness, and it should not be relied upon.

No further work was performed on the property until Serengeti acquired it in 2004.

There has been no production from the Kwanika property.

## *Stardust*

The property has been explored since 1944 when the Takla silver vein (No. 1 Zone) was discovered. Alpha Gold Corporation (“**Alpha Gold**”) carried out exploration on the property between 1991 and 2012. In June of 2016, Lorraine Copper Corp. (“**Lorraine Copper**”) entered into an agreement to purchase a 100% interest in the property from Alpha Gold.

In September 2017, 1124245 B.C. Ltd. (subsequently renamed Sun Metals Corp.) was granted an option to acquire a 100% interest in the property subject to certain royalties and terms. Sun Metals fulfilled the 2017 expenditure requirement by completing an exploration program by year end.

In April 2019, Sun Metals acquired all outstanding shares of Lorraine Copper through its subsidiary Tsayta, following which in order to own a 100% interest in the property.

In March 2021, Sun Metals and Serengeti announced the completion of a merger and a name change to NorthWest Copper Corp.

Previous technical reports on the Stardust property include:

- “Stardust Project Updated Mineral Resource Estimate NI 43-101 Technical Report.” Report prepared by Ronald G. Simpson of Geosim Services Inc. Effective Date: July 2, 2021.
- “Stardust Project NI 43-101 Technical Report.” Report prepared by Ronald G. Simpson of Geosim Services Inc. Effective date: January 8, 2018.

The Stardust area was first staked in 1944 when the No. 1 Zone (Takla silver veins) was discovered near the southern end of the property. Since that time numerous operators have investigated the property and immediately surrounding area and a number of mineralized zones have been identified.

The Bralorne Takla Mercury Mine was in operation from November 1943 to September 1944 when mining ceased. During nine months of operation, 59,914 kilogram of mercury were recovered from 10,206 tonne of milled mineralized material from the two largest orebodies (Geological Survey of Canada Memoir 252, page 157).

Bralorne Mines Ltd. ("**Bralorne**") explored the property from 1952 to 1954. In 1960 Bralorne again acquired the property and from 1960 to 1962 carried out further work (drilling and trenching) in a joint venture with Noranda Exploration Company, Ltd. ("**Noranda**"), and Canex. A limited sampling program was also carried out by Bralorne alone in 1963.

The option held by Bralorne was transferred to Takla Silver Mines Ltd. which was organized in September 1964 to explore and develop the property. A new adit, bypassing the old one, was begun in 1964 and advanced to a total length of 229 m in 1965. Diamond drilling during 1965-1966 totalled 259 m underground and more than 762 m on surface. In July 1968, an agreement was reached with Anchor Mines Ltd. by which a new company, Anchor-Takla Mines Ltd. ("**Anchor-Takla**"), was incorporated for the purpose of performing joint venture work on the property. Additional ground was acquired in the A.G. 1-6, Ag 1-4 and Keno 1-8 claims. Diamond drilling during the fall of 1968 totalled 573 m in 17 holes underground, and 1,337 m in 13 holes on surface. The underground work was confined to the No. 1 zone. Anchor-Takla was dissolved in 1977.

In 1977, Granby located the K, L and M claims comprising 38 units to cover a large area with apparent mineral potential. The M claims adjoined Crown Granted Mineral Claims L.6181, 6184, 6186 and 6188 which formed part of the former Bralorne Takla Mercury Mine property. Pioneer Metals Corporation acquired 100% interest in the property early in 1985 and followed with some geological work in 1986.

The air claim was added to the property in late 1978, and in 1979 three fractions and 52 metric claim units were located.

In 1978 Granby cut 67 km of grid line, carried out a soil geochemical survey and mapped the property at a scale of 1:5,000. In 1979 a Pulse EM survey was conducted by Glen White Geophysics Ltd., followed by a diamond drill program later in the year.

In 1989 Alpha Gold acquired the property and in 1991 completed 988 m of drilling in 11 holes on Zone 3. They followed in 1992 with 30 diamond drillholes totalling 1,520 m on Zone 4B. In 1993, Alpha Gold completed a further 24 diamond drillholes on Zone 4B and purchased 8 two-post claims which overlie the historical Bralorne Takla Mercury Mine. A total of four drillholes were collared in the mine area but only three were successfully completed. An extensive soil geochemical survey was also conducted in the mine area.

Teck Exploration Ltd. ("**Teck**"), under option from Alpha Gold, drilled 16 holes totalling 3,063 m in 1997. Drilling targeted the manto and skarn styles of mineralization that were traced by trenching in 1996. Alpha Gold completed 1,103 m in a 14-hole diamond drilling program in 1998 that targeted Zones 1, 2 and 3. In 1999, Alpha Gold completed an 18-hole, 3,045 m drilling program that accomplished two objectives. It extended the strike length of the skarn zone 1,000 m further to the north (hole LD99-06 intersected 5.2 m grading 8.3% copper) and provided very encouraging information on a previously untested 400 m gap between the most southerly skarn holes and most northerly exposures of manto mineralization. In 2000, Alpha drilled 4,680 m of diamond drilling in 29 holes. Most of the drillholes targeted prospective skarn zones, although the company did test

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areas further west for potential porphyry mineralization. In 2001, Alpha Gold drilled 5,610 m in 18 holes on the Canyon Creek Skarn (“CCS”) Zone and peripheral targets.

Alpha Gold drilled 19 NQ bore holes totalling 7,790 m between July 8 and September 6, 2002, on the CCS deposit. An additional 42 NQ holes totalling 7,908 m, were completed in 2003 and 32 holes totalling 6,010 m in 2004. Most of the drilling was on the CCS deposit.

In 2005, Alpha Gold drilled 5,153 m in 16 diamond drillholes. Drilling a coincident gold-arsenic soil geochemistry anomaly 300 m east of the CCS deposit resulted in the discovery of the East zone. In 2005 Alpha Gold also conducted a broad, gridbased soil sampling and bedrock mapping program that covered not only the Dream Creek area north of the Canyon skarn zone but also part of the Pinchi fault system at the former Bralorne Takla Mercury Mine.

In 2005, a mineral resource estimate was prepared by Snowden reportedly in conformance with the requirements set out in the standards defined by NI 43-101 (Palmer & Hanson, 2005). However, this report was never filed publicly on SEDAR.

In 2006, diamond drilling extended the sinuous geometry of the Canyon Creek copper skarn system both downdip and to the south. Alpha Gold drilled 6,855 m in 31 NQ diamond drillholes and 3,054 m in 24 rotary holes. Trenching of a gold soil anomaly southeast of the Canyon Creek zone discovered the GD zone. The company completed a reverse circulation drilling program in an area surrounding the historic Bralorne Takla Mercury Mine to evaluate gold soil anomalies outlined in 2005.

In 2007, Alpha Gold completed 50 line-km of soil geochemistry and IP, mapping, and 11 boreholes totalling about 2,757 m. In 2008, Alpha Gold completed about 2,400 m of drilling on untested targets on the southern portion of the property.

In 2009, Alpha Gold completed 6,367 m of core drilling in 17 holes, mainly targeting the CCS zone. In 2010, Alpha Gold drilled 14 holes (3,987 m) in the Canyon Creek and Canyon Creek Extension zones.

In 2012, Aurora Geoscience was engaged by Alpha Gold to carry out a data evaluation and report on project potential.

No work was carried out between 2012 and the time the Stardust project was acquired by Lorraine Copper.

The 2017 exploration project carried out by Lorraine Copper, included a geochemical survey, IP, and magnetometer surveys and a 3-hole diamond drill program totalling 344 m.

There has been no production from the Stardust property.

## **Geological Setting, Mineralization and Deposit Types**

### *Kwanika*

The Kwanika porphyry deposits are located at the western margin of the Quesnel terrane (Quesnellia). Quesnellia is a Late Paleozoic to Early Jurassic island arc that hosts numerous

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alkalic and calc-alkalic porphyry Cu ± Au ± Mo ± Ag deposits, and which extends north from the British Columbia-Washington State border for more than 1,000 km.

The Kwanika property consists of two mineralized areas: the Central Zone and the South Zone. Mineralization in the Central and South Zones at Kwanika occurs in the Quesnel Terrane, immediately east of the Pinchi fault which places Quesnellia against the Cache Creek Terrane and is associated with intrusive phases of the Hogem batholith. The mineralization is mostly covered by glacial sediments that average 25 m to 35 m in thickness and, as such, bedrock geology is interpreted from drill core and the few outcrops along Kwanika Creek in the South Zone.

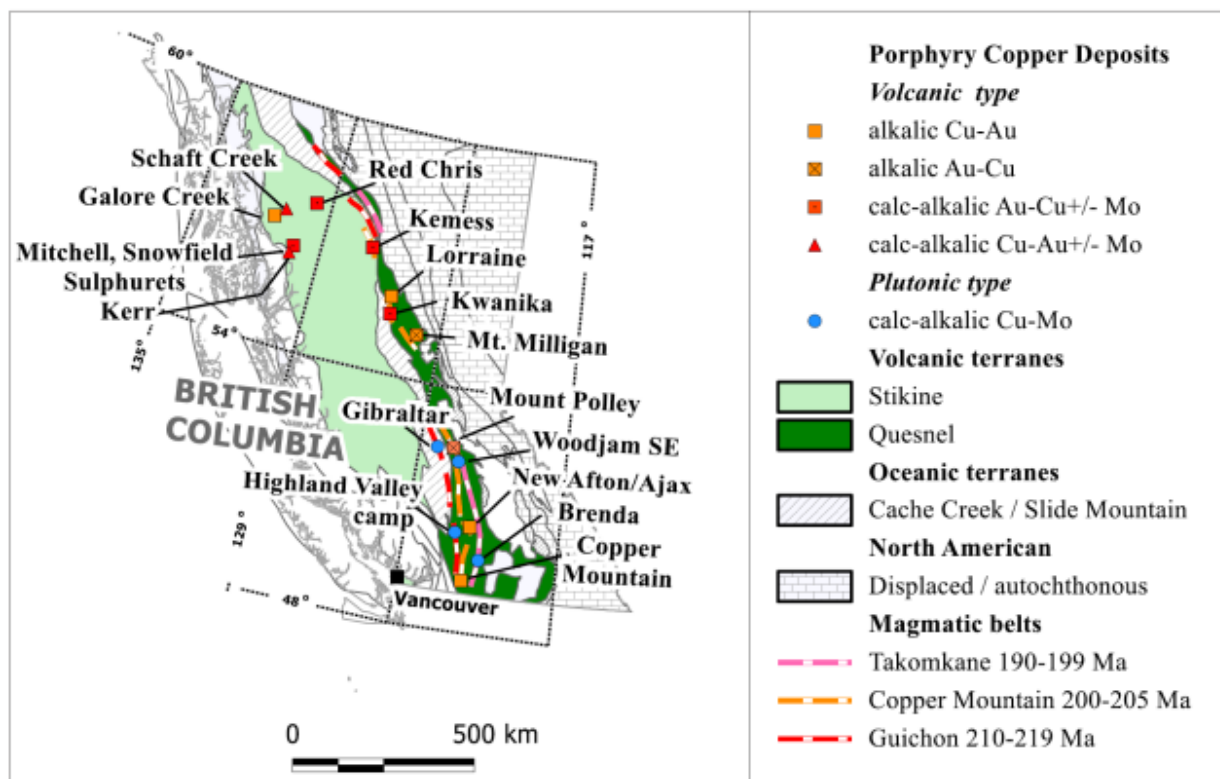
The Central Zone is 1,400 m long by 400 m wide and extends more than 700 m below surface where it is open to depth on many drill sections. It is downfaulted in its middle on the west side of the Central fault and then cut off by the Pinchi fault further west. Mineralization is mainly hosted by a shallow to steeply-dipping plug and dyke complex of quartz monzonite porphyry. Hydrothermal alteration in the Central Zone comprises an inner potassic core surrounded by an outer potassic shell that yields to a peripheral propylitic zone, all of which are variably overprinted by patchy sericite alteration.

The South Zone is 2,200 m long by about 330 m wide, and locally extends more than 600 m below the surface. The highest copper grades occur in a steeply-dipping, 800 m long tabular body in the northwest part of the South Zone, with an upper part extending to the east. The South Zone is ovoid in plan and is confined to a northerly trending corridor bounded by the West and East faults. Mineralization in the South Zone is mostly hosted by an equigranular quartz monzonite intrusion. Fine to medium-sized grains of pyrite, chalcopyrite, and minor molybdenite occur along microfractures and as disseminations within zones of fine-grained quartz that replace potassically-altered quartz monzonite.

Porphyry Cu-Au deposits in British Columbia occur as pre-accretionary deposits in both the Quesnel and Stikine Terranes, and also in post-accretionary settings. They are classified into alkalic, transitional and calc-alkalic sub-types, based on the composition of the host rocks, Cu:Au metal ratios, alteration types, and presence or absence of quartz stockworks (e.g., MacMillan et al., 1995). British Columbia hosts at least one major example of each porphyry sub-type (Figure 5). The Central and South Zones at Kwanika have characteristics compatible with models for porphyry deposit formation, although the characteristics of the two zones are different and their genetic relationship, if any, remains unknown.

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Figure 5: Porphyry Deposits in British Columbia



Source: Osatenko et al., 2020

The Central Zone deposit at Kwanika has characteristics of both alkalic and calc-alkalic porphyry sub-types. It is similar to the classic alkalic porphyry model in that the mineralization is associated with a monzonite that contains abundant alkalic feldspar but only minor quartz. Mineralization, however, is related to a strong quartz stockwork, which is more compatible with the calc-alkalic sub-type. The Central Zone deposit may be transitional between the alkalic and calc-alkalic sub-types.

The South Zone deposit at Kwanika is a structurally controlled porphyry deposit hosted by quartz monzonite to quartz monzodiorite, and mineralization is related to quartz veins and includes significant concentrations of Mo. These features are consistent with the calc-alkalic porphyry sub-type. Structural control is implicated by a close association of Cu-AuAg-Mo mineralization with zones of brittle deformation that have been inundated by intense K-spar ± silica flooding. The West and East faults that bound the deposit are interpreted to be both the causes of this brittle deformation and conduits for fluid flow

## Stardust

The Stardust property is located within the Cache Creek Terrane of the Intermontane Belt west of the Pinchi fault. Once a major thrust fault, the Pinchi fault was later reactivated as a major right-lateral strike-slip fault which can now be traced roughly 600 km through north-central British Columbia. At Stardust, the Pinchi marks the contact between the Pennsylvanian-Permian Cache Creek Terrane to its southwest and Quesnellia to the northeast, which includes the Jurassic Hogen Batholith and Triassic Takla Group rocks.

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Most of the property is underlain by very strongly deformed Pennsylvanian to Permian Cache Creek units. Much of the mapped regions of the property contains an assortment of intrusions that cut carbonate rocks interbedded with graphitic, siliceous, and calcareous phyllites, cherts, cherty argillites, and mafic flows. The most prominent intrusions form the Eocene Glover stock but intrusions are found throughout the property, except in the far north of the claims, where they may lie buried beneath thick overburden.

Several styles of mineralization that are zonally related to each other and, apparently, to the Glover Stock, are present on the property. From most proximal to most distal from the Glover Stock, they are:

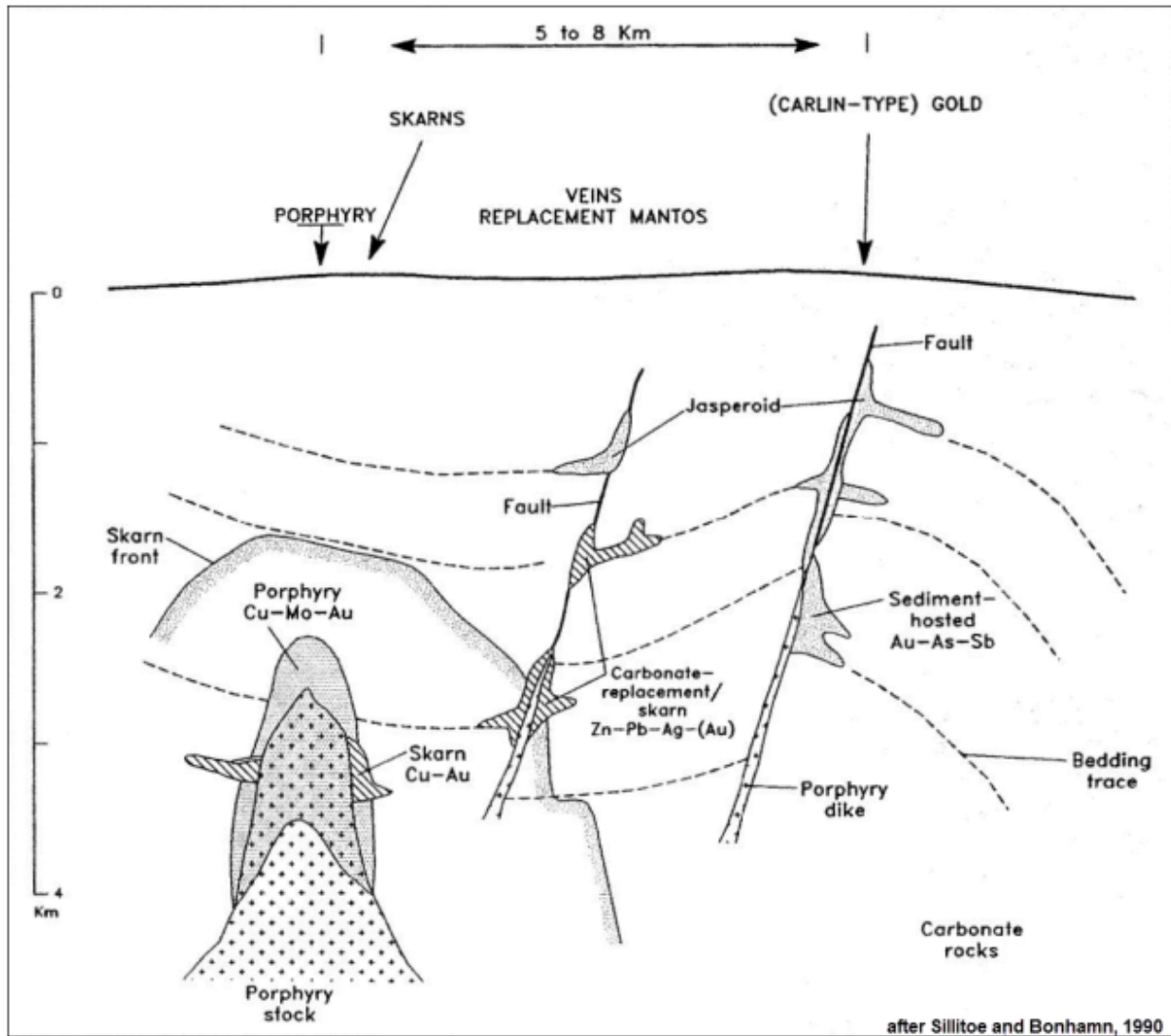
- Molybdenum-copper-gold porphyry consisting of quartz-K-spar, pyrite, molybdenite and/or chalcopyrite veinlets associated with potassic, sericitic, and propylitic alteration in intrusive rocks (Glover Stock).
- Multi-stage garnet-diopside skarn cut by Cu-Au-Ag-Zn bearing structures with surrounding dispersed Cu-Au mineralization (Canyon Creek Skarn).
- Structurally and stratigraphically controlled massive sulphide Zn, Au, Pb, Ag, Cu replacement bodies (“**CRD**”) (4b, 3, and 2 Zones) and their oxidized equivalents.
- Sulphosalt-rich veins (Zone 1) which follow faults and are associated with fine-grained, linear, felsic dykes containing high values of Au, Ag, Pb, Zn, Sb and Mn.
- Mercury mineralization in limestone proximal to the Pinchi fault.
- Sediment-hosted gold mineralization in limestone.

The current exploration concept for the Stardust property is based on a model proposed by Sillitoe and Bonham in 1990 (Figure 6). The model links porphyry, skarn, carbonate replacement, vein, and sediment hosted types of mineralization. Any one or several of these deposit types can be present in a mineralized system (Hanson, 2007). According to the model, Cu-Au-bearing garnet skarns occur as replacements of the limestone host rocks adjacent to a mineralized porphyry stock. Outboard of the skarn zones, structurally and stratigraphically controlled carbonate replacement massive sulphides deposits (“**CRD**”) occur as mantos and chimneys. Sulphosalt veins can occur outboard of the CRD or overlie them in leakage zones. The distal end member mineralization style in this system is the sediment hosted Au-As-Sb (Carlin-type) deposit (Hanson, 2007).

A conceptual model for the Stardust property showing the relative positions of the various mineralized zones is illustrated in Figure 7.

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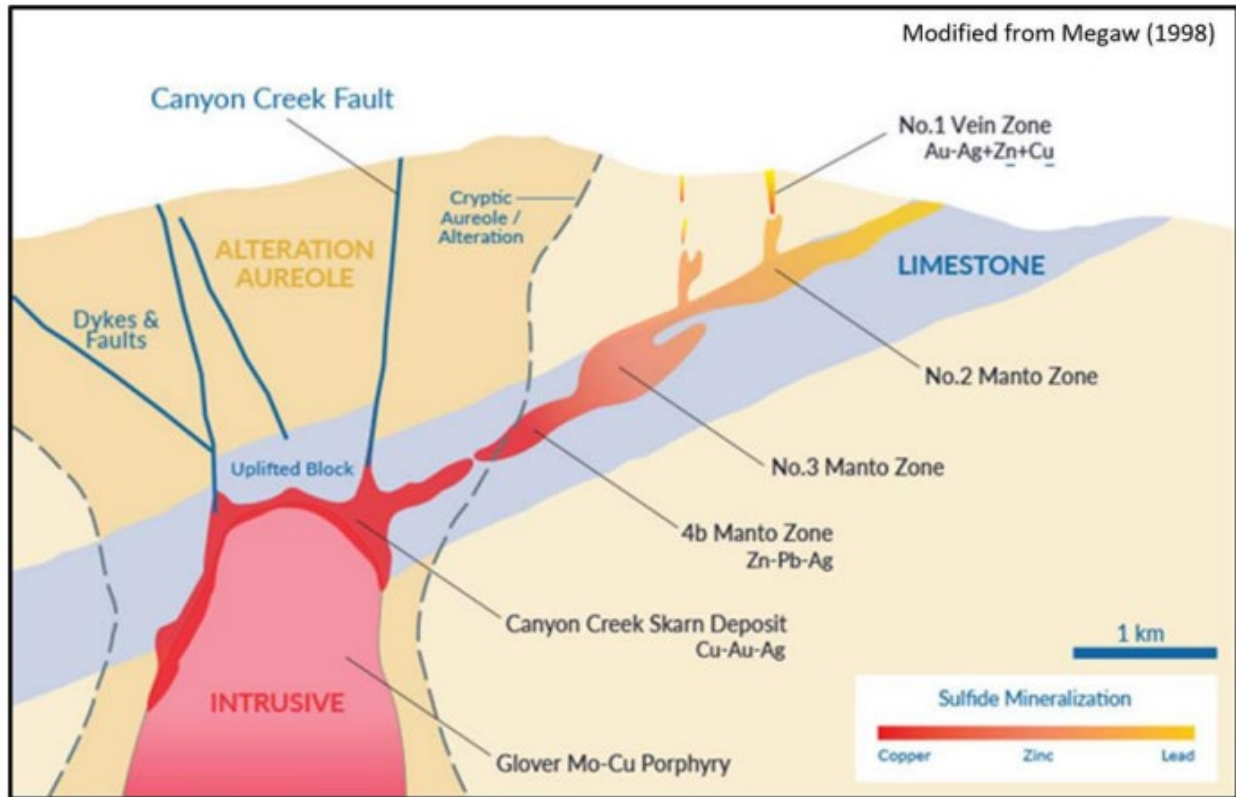
Figure 6: Schematic Model of Possible Links Between Porphyry Districts and Sedimentary Deposits



Source: Stilltoe & Bonhamn, 1990.

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Figure 7: Stardust Conceptual Model



Source: Megaw, 1998.

## Exploration

### Kwanika

In 2005, Serengeti conducted a 530 line-km airborne magnetic/radiometric survey and collected rock samples on the Kwanika property. The airborne survey identified a small magnetic anomaly on the east side of the known South Zone porphyry copper-gold deposit, with similar anomalies trending to the north-northwest of the deposit, as well as to the south.

In 2006, the discovery holes into the Central Zone starting with K-06-09 were drilled by Serengeti Resources; historical drilling was concentrated at the known South Zone, so these were the first holes into the Central Zone. Over the season Serengeti drilled 10 diamond drillholes for 1,874 m.

Following the success of the drilling in the Central Zone in 2006, Serengeti followed up with 47 diamond drillholes in 2007, totalling 22,415.4 m. Concurrently, a regional airborne magnetic and electromagnetic (EM) survey, totalling 320 line-km over the Kwanika property was carried out by Serengeti. The survey identified multiple magnetic anomalies with varying resistivity throughout the property. The anomalies were coincident and demonstrated a north-northwest trend that is seen in the South and Central Zone deposit areas.



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This was followed by another 49 diamond drillholes for 26,553 m in 2008. From 2009 to 2012, Serengeti drilled 17 (6,249 m), 28 (7,619 m), 5 (1,724 m), and 4 (2,446 m) diamond drillholes, respectively, with 3 line-km of IP in 2012.

Drilling on the property resumed in 2016 with 5 diamond drillholes totalling 2,446 m and an additional 2.4 line-km of surface IP work.

During the 2018 field season, Serengeti drilled 21 drillholes for 7,411 m to support engineering and economic studies.

This was followed by no work in 2019 and an additional 4,355 m in 9 drillholes during 2020 as well as 15 line-km of ground IP survey.

Following the creation of NorthWest Copper by the merger of Sun Metals and Serengeti in early 2021, NorthWest Copper drilled 20 holes for 8,696 m. Additionally, NorthWest Copper collected 385 soil samples, 238 silt samples, and conducted 12 line-km of ground IP.

## *Stardust*

The earliest publicly available reports on exploration on the property date from 1944 with the discovery of Zone 1 (Zn-PbAs-Sb veins). Later exploration programs resulted in the discovery of several targets that were drilled sporadically between 1966 and 1981.

Major drill programs began in 1991 when Alpha Gold was the operator. Most of the exploration carried out on the property since 1999 has focused on the Canyon Creek Skarn Zone and peripheral areas. Sun Metals conducted three drill programs on the property since 2018 to further delineate and explore for extensions of the Canyon Creek Skarn Zone. These programs resulted in the discovery of the 421 Zone in 2018. Follow-up drilling from this discovery established that the 421 Zone was part of the Canyon Creek Skarn Zone.

## **Drilling**

### *Kwanika*

From July 2006 to September 2021, Serengeti and later NorthWest Copper carried out 95,255 m of diamond drilling in 226 holes on the Kwanika property. The results of this drilling have achieved three main goals:

- Measured, indicated and inferred mineral resources have been delineated on the Central Zone deposit, which was initially discovered by Serengeti in late 2006.
- An inferred mineral resource was delineated on the South Zone deposit.
- Several geophysical anomalies on the Kwanika property were tested to explore for possible extensions of the Central Zone deposit.

All but the first five drillholes up to the 2018 drill program were surveyed for downhole azimuth and dip using a Reflex EZshot generally at 50-60 m intervals. During the 2018 drill program, a Reflex Gyro, a north-seeking gyroscope, was used at 10 m intervals, either during drilling or upon completion. The 2020 drill program used DeviAlign, a north-seeking gyroscope, azimuth, and dip along the length of the hole were collected using continuous downhole measurements. For the

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2021 drill program an Axis Champ Gyro, and north-seeking gyroscope, was used at 30 m intervals after completion of the drillholes.

For all programs from 2006 to 2010 and in 2018, All North Consultants Limited was contracted to carry out a differential GPS (DGPS) survey of the drillhole collar locations on the Kwanika property. Drilling from 2011 to 2012 was surveyed using handheld GPS units and drilling collars from 2016 were surveyed using a Reflex APS GPS unit. For drillhole collar locations in 2020 they were surveyed with handheld GPS. During the 2021 drill program, drill collars were surveyed using a Trimble R2 M2 Single GNSS Receiver ( $> \pm 1$  m).

A LiDAR (as defined below) survey flown in 2016 has been used to verify all collar elevations. SRK compared the drillhole collar elevations to the new 2016 LiDAR surface topography and found that the elevations for some of the holes were not in agreement with the high accuracy surface. Collars have been adjusted to conform to the 2016 LiDAR topography.

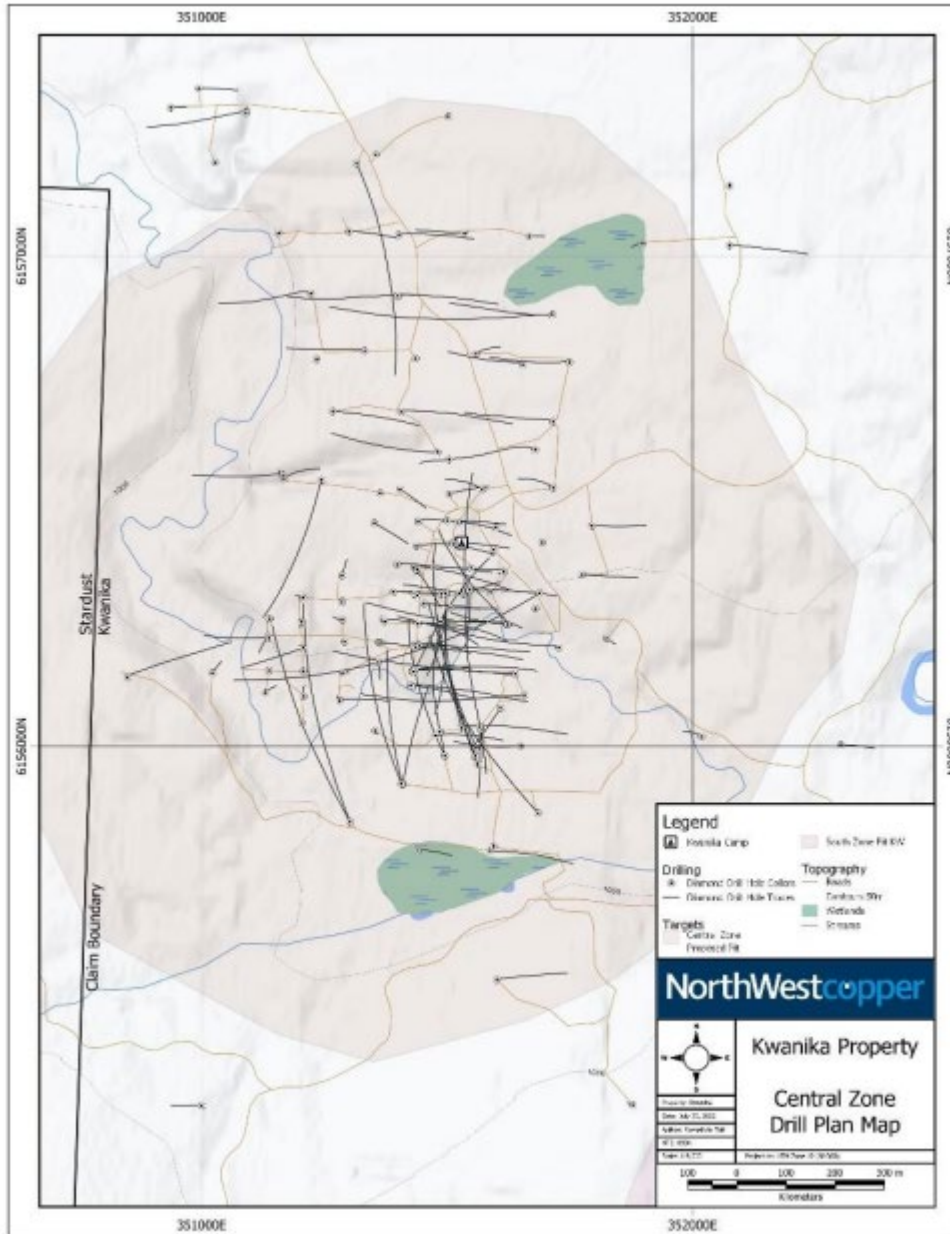
Core recovery for all drill programs was good to excellent with overall recoveries greater than 95%. Areas of poor or no recovery normally occurred in fault zones. Due to the multiple orientations of the mineralized zones and the limitations of surface drilling, none of the drill intercepts approximate the true thickness. True thickness must be calculated for each intercept based on the angle of the drillhole to the specified zone. Refer to Section 14 of this report for representative cross sections of the deposits.

All drill core was logged for geological and geotechnical characteristics. Geotechnical logging included rock quality designation (RQD), magnetic susceptibility, and specific gravity, and some point load testing. The core was also photographed, sampled, and split by diamond saw or core splitter. The majority of drill core collected on the Kwanika property was NQ (4.76 cm diameter) size. In rare cases, BQ size (3.64 cm diameter) core was drilled when core size had to be reduced due to ground conditions. HQ and HQ3 size (6.35 cm diameter) core were drilled for geotechnical drilling in the 2018 drilling campaign and at the top of several holes that were collared in the sedimentary basin in the Central Zone, as well as for deep drilling in the 2016 and 2021 drilling campaigns.

The core is currently stored in conex bins or cross-piled and palletized at the Kwanika camp. Figure 8 and Figure 9 show the drilling in the Central and South zones respectively.

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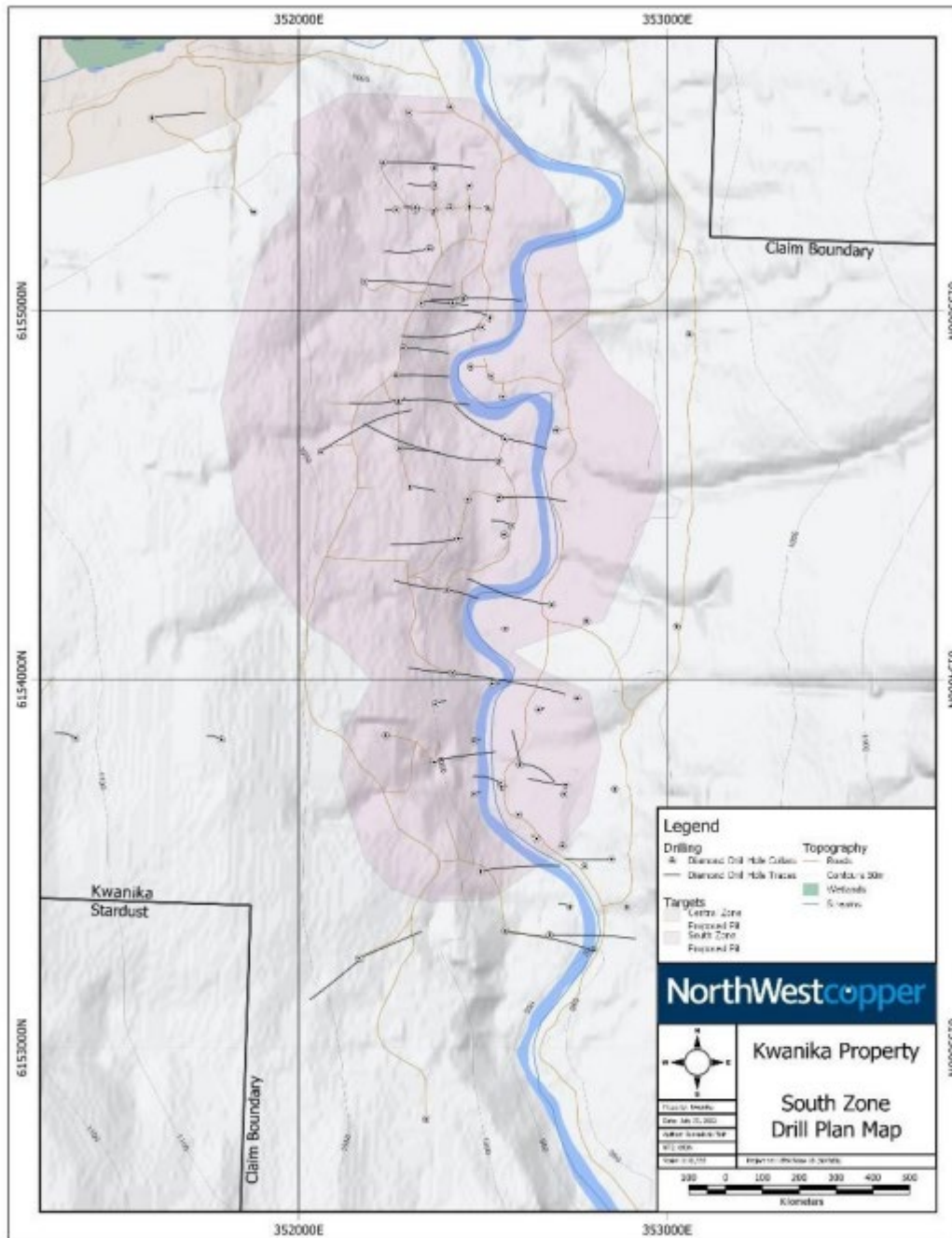
Figure 8: Plan Map of Kwanika Central Zone Drilling



Source: NorthWest Copper, 2022.

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Figure 9: Plan Map of Kwanika South Zone Drilling



Source: NorthWest Copper, 2022.

Previously, the South Zone area at Kwanika was drill tested during the period 1965 to 1991 by 30 diamond and percussion drillholes. The historical data are not included in this data compilation and mineral resource estimate, but they were confirmed by Serengeti and NorthWest Copper's drilling activities from 2006 to 2021.

## *Stardust*

From 2018 to the end of 2021, Sun Metals completed four diamond drilling programs on the Stardust property, primarily in the Canyon Creek Skarn zone; these programs totalled 34,541.9 m over 71 holes. Previously, at least 16 holes were drilled from 1965 to 1980 by Takla Silver Mines, Zapata Granby, and Noranda; additionally, 316 holes were drilled by Alpha Gold, Teck Cominco, and Lorraine Copper between 1991 and 2017.

Drilling results from the 2019 season confirmed the presence of a large, mineralized skarn system at depth in the 421 Zone. Seventeen diamond drillholes intersected significant copper-gold-silver-zinc mineralization. These results expanded the 421 Zone in all directions from mineralization previously intersecting in DHH18-SD-421.

Mineralization is hosted in skarn alteration within a pre-mineral parasitic anticline fold hinge of a broad anticline along the contact of overlying siliciclastic sedimentary rocks and underlying carbonates. The trend of the fold hinge is interpreted to be plunging down at 20° – 30° to the north-northwest. Intensity and thickness of skarn replacement appears to be increasing to the north and down plunge, this implies the source of the fluids in the system are to the north and/or below the 421 Zone. Additionally, the decrease in thickness of mineralized intercepts on sections 6162275N and 6162325N suggests an east – west trending fault(s) may down drop to the north offsetting mineralization.

DDH19-SD-453M is the most southerly test of the 421 Zone and intersected strong copper-gold-silver mineralization. This indicates mineralization remains open in the south as well as both up and downdip in this area.

Results from DDH19-SD-452D show that high-grade copper-gold-silver mineralization is present and open in this northerly part of the system.

The 2020 drilling combined with Sun Metals previous drilling in 2017-2019, as well as historical drilling on the property was used to re-interpret the geological model and mineralized domains. The structural framework that controls mineralization is currently interpreted to be a series of parasitic folds and thrust faults formed where faults and associated fault propagation folds create the architecture and plumbing system for the skarn alteration, fluid flow, and base metal mineral deposition. Zone thickening is seen at the intersection lineation between the faults and certain stratigraphic horizons. Dilatational offset within the structures creates northerly plunging mineralized material chutes within the larger mineralized structure. The most prospective stratigraphic horizon for hosting the high-grade zones is the carbonate unit that is deposited stratigraphically below the clastic sediment unit and above the limestone clast tuff unit.

## **Sampling and Analysis**

### *Kwanika*

#### Core Logging

The drill programs at the Kwanika property were managed by Coast Mountain Geological from 2006 to 2008, by Serengeti staff from 2009 to 2020 and by NorthWest Copper staff in 2021. The methodology for core handling and sampling since 2006 is described below.

The core was transported from the drills to the camp at each drilling shift change, once in the morning and once in the evening. Each morning, the core drilled during the previous day was quick-logged by a geologist. The quick log involved a brief description of lithology, alteration, and mineralogy, as well as a description of any significant structural characteristics. An approximate copper grade based on visual inspection of mineralization was assigned to each interval. Since February 2008, a handheld X-ray fluorescence (XRF) tool was used to aid in the initial grade estimation.

Once quick-logged, the core was stacked on-site pending detailed logging. The logging includes a description of the lithology, alteration, structural features, mineralogy, and veining. Sample intervals were divided based on contacts between these characteristics, to a nominal length of two metres. The overlying post-mineral sedimentary rocks, encountered at the top of many of the holes drilled in the Central Zone were not sampled unless copper mineralization was observed. Once the sampled intervals were established, each interval was assigned a unique sample number.

Geo-technicians determined the recovery, rock quality designation (RQD), specific gravity, magnetic susceptibility and conductivity of the rock as well as conducted point load testing on select intervals.

The Magnetic susceptibility and conductivity were determined using a multi-parameter probe. A reading was taken every 1.5 m directly on the core surface (every 1 m in 2021). Recovery and RQD were completed for the full length of the holes, whereas specific gravity and magnetic susceptibility were measured only for sampled intervals.

Structure related geotechnical data, were gathered from 2018 drill core. Drill core was oriented and retrieved with tripletube core barrels to enable comprehensive geotechnical data capture for underground and open pit mine engineering design. The core was also oriented to record oriented structural data in 2020 and 2021, the difference being it was not triple-tubed.

## Core Sampling

After logging, the core was split or cut under the supervision of project geologists. Diamond core saws were the preferred method, or a hydraulic splitter was used to split the core in zones observed by the geologists to be low grade during earlier drill campaigns by Serengeti. The diamond core saws used clean, un-recirculated water to aid in cutting, and were cleaned regularly to avoid contamination. The mechanical splitter was cleaned thoroughly after each sample was split.

Once split, half of the core was left in the core box for reference, and the other half was sent for analysis. Samples were placed in labelled plastic bags with the corresponding sample tag and sealed with zip ties or staples. Quality control samples, including standard reference materials and blanks, were also placed into a labelled plastic bag with a sample tag. These plastic bags were placed in numbered rice sacks, which were sealed by heavy duty zip ties or metal tamperproof closures and given a numbered tamper-proof security tag.

Samples were transported via truck by a local third party expediting and freight company. To ensure that samples were not tampered with during transport to the laboratory, the number of each security tag and its associated rice sack number were recorded by the geologist at the Kwanika site. Prior to 2021, a list of each bag and its unique security tag number was forwarded

to GDL/ACME/ACT/BV, which then confirmed that each security tag matched its correct rice sack. In 2021, sample bags and ID tags were recorded, tamper-proof metal closures were used to seal the bags, and the lab was asked to notify if any of the bags appeared to be tampered with. Samples were in NorthWest Copper personnel possession until they were delivered to a licensed and bonded transportation company. No contractors, or non-NorthWest Copper personnel delivered samples.

## Core Preparation and Analysis

From 2006 to 2009 all assays from the Kwanika project were sent to independent lab Global Discovery Labs (“**GDL**”) in Vancouver, British Columbia. GDL did not have ISO accreditation but did participate in the Proficiency Testing Program for Mineral Analysis Laboratories (“**PTP-MAL**”). PTP-MAL is an ISO 9001:2000 accredited program that is operated by the Canadian Certified Reference Materials Project and meets recognized international standards for proficiency testing providers.

Samples sent to GDL were passed through a two-stage crushing process reducing the material to 90% minus 2 mm in size. The crushed material was split in a Jones Riffle to a subsample measuring 250 g to 300 g. The samples were pulverized in a ring-and-puck mill to 95% passing a 150-mesh screen.

The shipped samples were divided into two groups: samples with an assumed grade less than 0.2% Cu and samples with an assumed grade of greater than 0.2% Cu, as determined by the project geologist. All samples were subject to aqua regia digestion and then run for 28 elements using Inductively Coupled Plasma (ICP) spectrometry (Package ICP-OES). Samples with greater than 2,000 ppm Cu or 100 ppb Au were rerun for Au, Cu, Pb, Zn and Fe by Atomic Absorption (AA). Dissolution of the samples for the base metal determinations was done using aqua regia, while for the gold it was aqua regia followed by 2, 6-Dimethyl-4-heptanone.

Samples assaying greater than 0.2 g/t Au in the ICP or AA analyses were rerun using fire assay and AA finish. These assays were carried out on a 30 g (one assay-ton) aliquot.

From 2009 to 2012, sampling was carried out by independent lab Acme Laboratories (“**ACME**”) which acquired GDL in July of 2009. ACME held ISO 9001 accreditation during this time. The assay prep and processing remained the same from 2009-2012 after ACME took over GDL.

During the 2016 drilling program, independent lab Activation Labs of Kamloops, British Columbia was used to carry out assaying of the Kwanika property. Activation Labs is an ISO 17025 accredited laboratory.

Once samples were received at the lab they were weighed, and then crushed up to 90% passing 10 mesh, riffle split (250 g) and then pulverized to 95% passing minus 150 mesh. The pulverizer bowl was cleaned after each sample. Prepared samples were assayed for a suite of 38 elements including selenium by aqua regia digestions and ICP spectrometry. All Au analysis was carried out by 30 g fire assay and AA.

Samples greater than 2,500 ppm Cu were rerun by assay grade aqua regia digestion and ICP spectrometry. Au results greater than 3.0 g/t were rerun by 30 g fire assay and a gravimetric finish.

# NorthWestcopper

During the 2018-2021 drilling campaign, independent lab Bureau Veritas Mineral Laboratories (“**Bureau Veritas**”) out of Vancouver, British Columbia was used to carry out the assaying of the Kwanika property. Bureau Veritas is an ISO 17025 accredited laboratory.

At Bureau Veritas all rock samples were crushed, to 70% passing 2 mm, then split to 250 g samples and pulverized up to 85% passing 200 mesh. Split samples were assayed for Au using fire assay fusion with AAS finish. In 2018, samples were digested using aqua regia and analyzed with ICP- ES/MS for 34 elements. In 2020 and 2021, 4-acid digestion was utilized, with either 35 element ICP-ES or 45 element ICP-MS analysis.

## Specific Gravity Data

Specific gravity data were collected using whole core measurements carried out on-site before core was sent for assay. This was performed using a water immersion method. The data were recorded in a density log within the drilling template or logged directly into online data base in the case of the 2021 drill program. Specific gravity has been collected since the 2007 drill program.

Specific gravity was determined by taking the weight of that sample in air and then the weight of the sample in water. The volume of the sample was determined by subtracting its weight in air from its weight in water. Specific gravity was found by dividing sample weight in air by its volume. A wax coating was not necessary for the core at Kwanika because it is not vuggy or particularly porous.

## Quality Assurance and Quality Control

An independent assay Quality Assurance/Quality Control (“**QA/QC**”) program has been in place throughout the drilling campaigns carried out by Serengeti and NorthWest Copper since 2006. Control samples have included certified reference materials (CRMs), pulp blanks, and quarter core twin samples (field duplicates).

CRMs were prepared by CDN Resource Labs Ltd. (“**CDN**”) of Langley, British Columbia. or by Ore Research & Exploration P/L in Australia. Most of the standards used are certified for both copper and gold values. Two standards are not certified for gold and are deemed “Provisional”. CRMs are used to assess analytical accuracy.

Blank material comprised packets of pulverized barren material. The 2020-2021 drilling campaign used a certified blank, also prepared by CDN. Pulp blanks are used to assess contamination during assaying. During 2021, a small number of coarse blanks (unmineralized garden stone) were used to assess contamination during preparation.

Twin samples were produced by cutting the initial core sample interval in half and leaving one half in the core box. The half to be sent to the laboratory for analyses was then quartered by cutting each piece in half again and putting one quarter of the core in one sample bag and the other quarter of the core in a separate sample bag. Twin samples are generally used to assess sampling precision and mineralization homogeneity. The term ‘duplicate’ is avoided since the original and twin-sample do not occupy the same spatial position.

A total of 3,534 quality control samples, plus 184 additional check assays were completed on the 37,921 primary samples from the 2006 to 2021 drilling campaigns, representing an approximate 10% insertion rate.



## *Stardust*

### Sampling Methods

Soil samples were collected with a tree planting shovel or soil auger and placed in a kraft paper bag labelled with a sample number and containing the corresponding pre-numbered analytical tag provided by Bureau Veritas. In instances where field duplicate samples were taken, the sample was divided by hand and placed in a separate kraft bag with unique sample number for analysis. Kraft bags were folded shut and placed in a cardboard box for shipping. Sampling targeted B and C horizon soils. Sample locations were recorded using a handheld GPS and field marked with flagging tape labelled with the sample number.

Rock samples were collected by taking selected pieces of rock from outcrop, subcrop, and float using a rock hammer. All samples were placed in a poly bag labelled with the sample number and containing the corresponding pre-numbered analytical tag provided by Bureau Veritas. Poly bags were sealed using a nylon cable tie and placed in rice bags for shipping. Sample locations were recorded using a handheld GPS, and field marked with flagging tape and an aluminum tag labelled with the sample number.

Drill core sample intervals were laid out and recorded by the logging geologist on site based on lithology and mineralization noted. Sample locations and associated sample numbers were marked on the core using a red lumber crayon. Pre-numbered three-part analytical tags provided by Bureau Veritas were stapled into the core boxes at the end of each sample.

Drill core was cut using an electric powered rock saw. Samples were cut in half lengthwise. One half was returned to its original location in the core box. The other half was placed in a poly sample bag pre-labelled with the sample number. Two sections of the analytical tag were placed in the pre-labelled polyethylene (poly) bag with the corresponding sample number. One section of the analytical tag remained stapled to the core box. In instances where field duplicate samples were taken, the sampled half core was re-sawn lengthwise to produce two quarter core samples. Each quarter core sample was placed in a separate poly bag with unique sample number for analysis. Poly sample bags were sealed using a stapler and placed in rice bags for shipping. Rice bags were sealed using numbered locking security ties.

### Density Determinations

Specific gravity measurements were taken on 9,159 core samples from the 2018, 2019 and 2020 drill programs using the water immersion method. The measurements were carried out by Sun Metals geotechnical personnel on-site using a digital scale

### Analytical and Test Laboratories

All core and geochemical samples from 2017 were analyzed at Bureau Veritas, an ISO:9001 certified lab. Bureau Veritas is independent of the Company and Sun Metals.

### Sample Preparation and Analysis

Analytical methods used by Bureau Veritas are presented in the table below:

Table 1: Analytical Methods – Bureau Veritas

Procedure	Lab Code	Description
Soil Preparation	SS80	Dry at 60°C
		Sieve to -180 µm (80 mesh)
Soil Analysis	AQ200	0.5 gram sample
		Aqua regia digestion
		ICP-MS analysis
Drill Core/Rock Preparation	PRP70-250	Crush to ≥70% passing 2 mm
		Pulverize 250 g to ≥85% passing 75 µm (200 mesh)
Drill Core/Rock Analysis	MA270	0.5 gram sample
		4 Acid digestion
		ICP-ES/ICP-MS analysis
Gold Fire Assay	FA330	30 gram sample
		Fire assay fusion
		ICP-ES analysis
Overlimit Gold/Silver	FA530	Automatic for any samples >10 ppm Au or >100 ppm Ag
		30 gram sample
		Fire assay fusion
		Gravimetric finish
Overlimit Copper	GC820	Automatic for any samples >10,000 ppm Cu
		Copper Assay by Classical Titration
Overlimit Zinc	GC816	Automatic for any samples >10,000 ppm Zn
		Zinc Assay by Classical Titration
Overlimit Lead	GC817	Automatic for any samples >10,000 ppm Pb
		Lead Assay by Classical Titration

Soil samples were dried at 60°C and sieved to 180 microns (80 mesh). Each sample was analyzed for 36 elements using modified aqua regia digestion (1:1:1 HNO<sub>3</sub>:HCl:H<sub>2</sub>O) and ICP-MS finish.

Rock and drill core samples were crushed to ≥70% passing 2 millimetres and pulverized to ≥85% passing 75 microns (200 mesh). Each sample was analyzed for 41 elements using multi-acid digestion with ICP-ES and ICP-MS finish. Fire assay fusion decomposition with ICP-ES analysis was also completed on each sample to determine gold-platinum-palladium content. Samples containing gold, silver, copper, zinc, or lead above the detection limit of these techniques were automatically reanalyzed. Samples containing >10 ppm gold or >100 ppm silver were reanalyzed by fire assay fusion with a gravimetric finish. Samples containing >10,000 ppm copper, zinc, or lead were reanalyzed by titration.

#### Quality Assurance and Quality Control

Diamond drill core samples had standard and blank reference material inserted into the sampling series at regular intervals. The certified ranges for the blank and standards used are summarized in the table below:

Table 2: Stardust Certified Reference Material Expected Values

Standard	Au	Ag	Cu	Pb	Zn
CDN-ME-1312	1.27	22.3	0.446	0.273	1.81
CDN-ME-1410	0.542	69	3.8	0.248	3.682
CDN-ME-1708	6.96	53.9	2	0.171	0.484
CDN-BL-10	<0.01				

Field duplicates were also taken at regular intervals. In sections of high-grade mineralization, the frequency of insertion of reference material and field duplicates was increased. Additional reference material samples and field duplicates were also added at the discretion of the logging geologist on site. The results indicated no significant problems with the laboratory analysis. A review of Bureau Veritas' QA/QC data – duplicate analysis, standards, blanks, and prep washes also indicate no significant problem with the laboratory analysis.

Correlation between field duplicate core samples is generally strong. Increased variability is noted in returned gold and silver analytic results <1 ppm. Minor variability is noted in copper results throughout the range of returned results. These inconsistencies are interpreted to be due to the irregular nature of mineralization in skarn and CRD systems and local relative coarseness of commodity bearing minerals in these systems.

Soil samples had blank reference material inserted into the sample sequence around every 20 samples. Field duplicates were taken around every 35 samples. The results indicated no problems with the laboratory analysis. A review of Bureau Veritas' QA/QC data – duplicate analysis, standards, blanks, and prep washes also indicate no significant problem with the laboratory analysis.

All rock samples passed Bureau Veritas' internal reference material and duplicate QA/QC protocols. Results from duplicate analysis, standards, blanks, and prep washes indicate no significant problem with the laboratory analysis.

Drill core was brought from the drill to the core logging facility by either the drillers or the project geologist. On site, the core was kept in and around the core logging tent, where it was logged by the geologist and sample intervals laid out.

Rock and drill core samples were placed in labelled rice bags and sealed using numbered locking security ties for shipping. Rice bags were labelled with a unique identification number and list of samples contained within. Soil samples were placed in cardboard boxes labelled with a unique identification number and list of samples contained within and sealed with packing tape for shipping. Each batch of samples shipped to Bureau Veritas was given a unique shipment identification.

Samples were delivered by Sun Metals personnel to Bandstra Transportation Systems Ltd. ("**Bandstra**") in Prince George, British Columbia. Bandstra personnel complete a certified bill of landing for each sample shipment and maintain a complete chain of custody of samples until delivered to Bureau Veritas.

At all times samples were under the control of Sun Metals personnel until delivered to Bureau Veritas. Bureau Veritas catalogues all received samples and maintains a complete chain of custody of each sample through the analytical process.

For soil samples, sample depth, soil horizon and soil colour and relevant notes were recorded for each sample. Samples were placed in Kraft bags labelled with the grid location, were dried in the Tsayta Lake Lodge core shack, and were put in ~12x11" size cardboard boxes and shipped to Bureau Veritas via courier.

Rock samples were placed in polybags and taken back to camp, where hand specimens were separated from the original sample. Sampler, location, field description, source and source size, sample type, rock type, mineralization and alteration were recorded for each sample. Samples were batched in rice bags and sent via courier to Bureau Veritas for assay.

## **Data Verification**

### *Kwanika*

A site visit was completed to the project area on September 20, 2022, by Mr. Jason Blais, P. Eng. of Mining Plus Canada Consulting Ltd. All relevant data and procedures for measuring, capturing, recording, and storing were reviewed, and drill log and assay certificates were compared. Presentations of drill core and geological interpretation were made by senior site geologists.

Three representative drillholes were examined during the site visit, including K21-207, K21-217, K22-255. Items noted included:

- Drill core condition
- Sample selection
- Core recovery
- Assay certificates
- Logging, sampling, and core handling procedures.

Drill logs and assay certificates were compared as a part of this process. No significant discrepancies were identified.

Following observations and discussion at the main project site and core logging facility, several drillhole collars relating to Kwanika Central and Kwanika South were located, and coordinates verified by handheld GPS.

Since 2001, drill core is logged directly into MxDeposit using project-specific geological codes to maintain consistency in results and conclusions. Automatic validations and table look-ups are also incorporated into the database to ensure the integrity of the data being loaded. A database manager oversees the data capture process, and well as importing external data such as laboratory assay results, into the database.

Drillhole collar elevations have been validated against a topographic surface generated from a LiDAR survey flown in 2016. Drillhole traces were visually checked to validate the downhole surveys.

Independent database audits have been completed several times since 2006 to check the database for errors, as noted in prior technical reports. As part of this study, Mining Plus Canada Consulting Ltd. has further verified 5% of the assay database against original assay certificates and found no errors.

## *Stardust*

Ronald Simpson, P. Geo. of GeoSim Services Inc. has visited the Stardust property site on three occasions with the most recent visit being conducted on September 23, 2020. Previous visits were carried out on June 14, 2010, and September 17, 2017. During the sites visits, copper-bearing sulphide mineralization in drill core and outcrop were visually identified. A number of drill sites were checked by GPS and found to be accurate.

Drillholes are surveyed by an RTK DGPS system. The relevant author of the Kwanika-Stardust Technical Report checked several drill sites by handheld GPS, and they were found to be accurate. Drill sites have been reclaimed and the drillhole position marked with stakes.

A core logging facility is on site. It was found to be clean and well maintained. Inclined benches were used to display core for mark-up and logging. A dedicated digital camera mount attached to a computer was used for core photography.

Specific gravity measurements were taken on drill core using the water immersion method.

The core storage facility is located beside the core shack. Core boxes are marked with metal tags and stacked on pallets.

A separate room attached to the core shack is used for sawing and bagging core samples and insertion of certified reference standards and blanks.

During the site visit on June 14, 2010, several core samples were collected and submitted for analysis. Results of the sample from hole LD200913 were consistent with the initial values obtained from the assay interval of 2.82 g/t Au, 62.1 g/t Ag and 3.13% Cu (Table 12-1). The limonitic material from near the top of hole LD200513 was not previously sampled.

The relevant author of the Kwanika-Stardust Technical Report also visually identified mineralization in drill core consistent with reported analytical results on more recent site visits and does not consider further independent sampling necessary.

The relevant author of the Kwanika-Stardust Technical Report independently audited the sample database for location accuracy, downhole survey errors, interval errors and missing sample intervals. The author also reviewed the sample QA/QC results.

## **Mineral Processing and Metallurgical Testing**

Three metallurgical testwork programs have been performed on material from the Kwanika deposit, and the Stardust deposit has been the subject of its own metallurgical scoping study. The full body of testwork is summarized in the table below:

Table 3: Metallurgical Testwork Summary Table

Year	Test Programs	Laboratory
2008-2009	The Recovery of Copper and Gold from Kwanika Deposit	Vancouver Metallurgy, SGS Minerals Services
2009	Follow-up Testwork Summary on Kwanika Deposit	Vancouver Metallurgy, SGS Minerals Services
2018	Comminution Tests on Kwanika Deposit	ALS Metallurgy Kamloops
2018-2019	Prefeasibility Metallurgical Testing to Recover Copper and Gold on Kwanika Deposit	Metallurgical Division, Bureau Veritas Commodities Canada Ltd.
2020-2021	Metallurgical Scoping Study of the Stardust Project	Base Metallurgical Laboratories Ltd.
2022	Metallurgical Assessment of Samples from the Kwanika/Stardust Project	Base Metallurgical Laboratories Ltd.

The earliest SGS metallurgical testing utilized rougher and cleaner batch flotation, locked cycle flotation, and gravity testing. Gravity recovery results did not warrant the inclusion of gravity concentrators in the flowsheet. Rougher flotation was performed on P80 grind sizes of 133 µm, 87 µm, and 75 µm. The optimal conditions were considered to be a P80 of 75 µm, flotation time of 14 minutes, and a natural pH of 7.9. Cleaner flotation tests targeted a copper concentrate with a grade of 25-30% after three stages of cleaning. Rougher flotation concentrate was reground to 20 µm, 26 µm, and 32 µm to find the optimum regrind size. At 25 µm, the target grade was achieved with a copper recovery of 82-85%. Locked cycle tests attained a final concentrate grade of 27.7% copper with 88.5% copper recovery. At this concentrate grade, 65.2% of gold was recovered to the final concentrate.

The SGS follow-up testwork program was conducted to assess the potential of recovering gold from the rougher flotation tails. This was achieved by investigating the impact of regrind and scavenger flotation of rougher tails, cyanidation of rougher tails, and determination of gold distributions in different size fractions of rougher tails. Ultimately, this program determined that fine grinding can liberate more gold and improve gold recovery, but achieving this additional recovery is not necessarily economical.

The objectives of the Bureau Veritas test program were to establish optimized copper and gold recoveries for flotation design and determine grindability and head chemical and mineralogical characteristics of the material from the Kwanika deposit. The average of the BWi testwork results was 17.7 kWh/t. Mineralogical analysis showed low sulphide mineralization with only 3.5-4.7% sulphide minerals by weight. The copper in the deposit is fine-grained with most of the copper contained in chalcopyrite, and the remaining copper contained in chalcocite, covellite, and bornite. The non-sulphide mineralogy also supports the SGS findings of a relatively micaceous deposit.

The Bureau Veritas locked cycle flotation tests were able to achieve a saleable copper concentrate grade and reasonable copper and gold recoveries. The average copper recovery attained in these tests was 85.0% and the average gold recovery was 69.0%. Locked cycle tests with an additional cleaner scavenger stage achieved greater copper and gold recoveries than the previous locked cycle tests. Across these tests, the average copper recovery was 91.8% and the average gold recovery was 73.9%.

The first Base Metallurgical (“**Base Met**”) test program was performed to identify possible flowsheet options for processing material contained in the Stardust deposit. This test program was conducted separately of any results or flowsheet considerations from the earlier SGS and Bureau Veritas Kwanika test programs. Ultimately, this program proved that Stardust material can be processed by a similar flowsheet as the one established in earlier Bureau Veritas testwork.

The second Base Met test program was performed on composite samples made of material from both Kwanika and Stardust deposits. Similar metallurgical performance was measured, copper recoveries ranged from 81 to 92% to final concentrate grades of 26 to 35% copper. Gold recoveries to final concentrates ranged from 52 to 71%, with 14 to 16% of the gold reporting to gravity concentrates where applied.

From these testwork programs, a recovery estimate was generated for open pit and underground material. The primary grind size was increased from 75 µm, from the previous design, to 100 µm in the current PEA. These recovery equations are presented below:

*Table 4: Open Pit and Underground Recovery Equations*

Metal	Open Pit	Underground
Copper	$Rec = 6.04 * LN(Cu \%) + 91.3$	$Rec = 4.75 * (Cu \%) + 87.34$
Gold	$Rec = 9.24 * LN(Au \text{ g/t}) + 76.5$	$Rec = 11.28 * LN(Au \text{ g/t}) + 77.5$
Silver	$Rec = 18.4 * LN(Ag \text{ g/t}) + 52.37$	$Rec = 11.67 * LN(Ag \text{ g/t}) + 57.5$

Final concentrates from 4 locked cycle tests and 10 open circuit cleaner tests, representing in total 9 unique Kwanika composites, were assayed for minor element contents. No deleterious elements were measured at potential penalty levels. The highest arsenic levels were measured in final concentrates from two underground composites, returning values of 1070 and 1164 ppm As.

Both Kwanika and Stardust deposits are amenable to conventional sulphide flotation. The greater portion of the combined mineral resource is contained within the Kwanika deposit, which hosts relatively fine-grained copper minerals that require a relatively fine primary grind size and regrind of rougher flotation concentrate. Cleaner flotation can produce a saleable concentrate with acceptable cleaner circuit recoveries. The levels of impurities in the concentrate are below the smelting penalty thresholds applied by most smelters according to the metallurgical testwork performed to date. Future testwork should focus on completing more tests at target mine plan feed grades and carrying the testwork through to stable locked cycle tests. Additional testing should be completed to investigate coarser primary grind and regrind discharge sizes.

## Mineral Resource Estimates

### *Kwanika Central Mineral Resource Estimation*

The Kwanika Central mineral resource is reported with an effective date of January 4, 2023 and using an economic cut-off of US\$8.21 for open pit resources, which equates to processing plus general and administrative (G&A) costs. The underground mineral resources are reported using an economic cut-off of US\$ 16.41, which covers the additional underground mining and G&A costs of US\$8.20/tonne. Additionally, the mineral resource is constrained by an open pit mining shell and underground block caving shape to satisfy reasonable prospects for eventual economic

extraction. Table 5 shows the Kwanika Central Zone mineral resource. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

*Table 5: Mineral Resource Statement – Kwanika Central Zone*

Open Pit	Economic Cut-off US\$	Classification	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Contained Metal		
							Cu (Mlbs)	Au (koz)	Ag (koz)
8.21		Measured	30.7	0.31	0.31	1.05	210.8	310.5	1,041.7
		Indicated	35.9	0.22	0.19	0.80	174.9	222.0	923.9
		M&I	66.6	0.26	0.25	0.92	385.7	532.5	1,965.6
		Inferred	4.1	0.15	0.15	0.58	13.8	20.1	77.3
Underground	Economic Cut-off US\$	Classification	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Contained Metal		
							Cu (Mlbs)	Au (koz)	Ag (koz)
16.41		Measured	25.6	0.50	0.61	1.62	284.4	501.3	1,332.6
		Indicated	11.3	0.51	0.65	1.56	126.2	236.7	565.1
		M&I	36.8	0.51	0.62	1.60	410.6	738.0	1,897.8
		Inferred	-	-	-	-	-	-	-

Notes:

1. The mineral resources have been compiled by Mr. Brian Hartman of Ridge Geoscience LLC, and subcontractor to Mining Plus. Mr. Hartman is a Registered Member of the Society for Mining, Metallurgy & Exploration, and a Practicing Member with Professional Geoscientists Ontario. Mr. Hartman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he has undertaken to qualify as a qualified person as defined by NI 43-101.
2. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
3. Mineral resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.
4. Mineral resources are estimated consistent with CIM Definition Standards and reported in accordance with NI 43-101.
5. Open pit mineral resources are reported on an in-situ basis at an economic cut-off of US\$8.21 and constrained by an economic pit shell. Underground mineral resources are reported at an economic cut-off of US\$16.41 and constrained by a conceptual block cave shape. Cut-offs are based on assumed prices of US\$3.50/lb for copper, US\$21.50/oz for silver, and US\$1650/oz for gold. Assumed metallurgical recoveries are based on a set of recovery formulas derived from recent metallurgical testwork. Maximum recoveries were limited to 95% for Cu, 85% for Au and 72% for Ag. Milling plus G&A costs were assumed to be US\$8.21/tonne, and underground mining and G&A costs are assumed to be US\$8.20/tonne.
6. Actual SG measurements were interpolated into the block model, with an average SG of 2.74.
7. The quantity and grade of reported inferred mineral resources are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as indicated mineral resources. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.
8. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues.

### *Kwanika South Zone Mineral Resource Estimation*

The Kwanika South mineral resource is reported with an effective date of January 4, 2023 and using an economic cutoff of US\$8.21 for open pit resources, which equates to processing plus G&A costs. Additionally, the mineral resource is constrained by an open pit mining shell to satisfy reasonable prospects for eventual economic extraction.



Table 6 shows the Kwanika South Zone mineral resource. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Open Pit	Economic Cut-off US\$	Classification	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Contained Metal		
							Cu (Mlbs)	Au (koz)	Ag (koz)
	8.21	Inferred	25.4	0.28	0.06	1.68	155.0	52.4	1,373.9

Notes:

1. The mineral resources have been compiled by Mr. Brian Hartman of Ridge Geoscience LLC, and subcontractor to Mining Plus. Mr. Hartman is a Registered Member of the Society for Mining, Metallurgy & Exploration, and a Practicing Member with Professional Geoscientists Ontario. Mr. Hartman has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he has undertaken to qualify as a qualified person as defined by NI 43-101.
2. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
3. Mineral resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.
4. Mineral resources are estimated consistent with CIM Definition Standards and reported in accordance with NI 43-101.
5. Open Pit mineral resources are reported on an in-situ basis at an economic cut-off of US\$8.21 and constrained by an economic pit shell. Cut-offs are based on assumed prices of US\$3.50/lb for copper, US\$21.50/oz for silver, and US\$1650/oz for gold. Assumed metallurgical recoveries are based on a set of recovery formulas derived from recent metallurgical testwork. Maximum recoveries were limited to 95% for Cu, 85% for Au and 62% for Ag. Milling plus G&A costs were assumed to be US\$8.21/tonne.
6. Actual SG measurements were interpolated into the block model, with an average SG of 2.68.
7. The quantity and grade of reported inferred mineral resources are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as indicated mineral resources. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.
8. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues.

## Stardust Mineral Resource Estimation

The updated Stardust mineral resource estimate for the Canyon Creek Skarn Zone has an effective date of January 4, 2023 and is presented in Table 7. It is based on a cut-off of US\$88/t and 2-m minimum mining width. Mineral resources that are not mineral reserves do not have demonstrated economic viability

Table 7: Mineral Resource Statement – Stardust Canyon Creek Skarn Zone

Underground	Economic Cut-off US\$	Classification	Tonnes (Mt)	Cu (%)	Au (g/t)	Ag (g/t)	Contained Metal		
							Cu (Mlbs)	Au (koz)	Ag (koz)
	88.00	Indicated	1.6	1.49	1.63	30.1	52.2	83.1	1,536.4
		Inferred	4.1	1.00	1.38	22.8	90.0	181.1	3,004.3

Notes:

1. The mineral resources have been compiled by Mr. B Ronald G. Simpson of GeoSim Services Inc. Mr. Simpson has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activity that he has undertaken to qualify as a qualified person as defined by NI 43-101.
2. Mineral resources are estimated consistent with CIM Definition Standards and reported in accordance with NI 43-101.
3. Mineral resources are not mineral reserves and do not have demonstrated economic viability.
4. Reasonable prospects for economic extraction were determined by applying a minimum mining width of 2.0 m. and excluding isolated blocks and clusters of blocks that would likely not be mineable.

5. The base case cut-off of US\$88/t was determined based on metal prices of \$1,650/oz gold, \$21.50/oz silver and \$3.50/lb copper, underground mining cost of US\$64/t, transportation cost of US\$6/t, processing cost of US\$8.25/t, and G&A cost of US\$9.75/t. Recovery formulas were based on recent metallurgical test results. Maximum recoveries were limited to 95% for Cu, 85% for Au and 72% for Ag.
6. Block tonnes were estimated using a density of 3.4 g/cm<sup>3</sup> for mineralized material.
7. Six separate mineral domains models were used to constrain the estimate. Minimum width used for the wireframe models was 1.5 m.
8. For grade estimation, 2.0-metre composites were created within the zone boundaries using the best-fit method.
9. Capping values on composites were used to limit the impact of outliers. For Zone 102, gold was capped at 15 g/t, silver at 140 g/t and copper at 7.5%. For all other zones, gold was capped at 6 g/t, silver at 140 g/t and copper at 5%.
10. Grades were estimated using the inverse distance cubed method. Dynamic anisotropy was applied using trend surfaces from the vein models. A minimum of 3 and maximum of 12 composites were required for block grade estimation.
11. Blocks were classified based on drill spacing. Blocks falling within a drill spacing of 30 m within Zones 2, 3, and 6 were initially assigned to the indicated mineral resource category. All other estimated blocks within a maximum search distance of 100 m were assigned to the inferred mineral resource category. Blocks were reclassified to eliminate isolated indicated mineral resources within inferred mineral resources.
12. The quantity and grade of reported inferred mineral resources are uncertain in nature and there has been insufficient exploration to define these inferred mineral resources as indicated mineral resources. However, it is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration.
13. The estimate of mineral resources may be materially affected by geology, environment, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues.

## Mining Methods

### *Kwanika Underground Mine Design*

The Kwanika Central Block Cave mine produces 44 Mt mill feed with an average net smelter return (“NSR”) value of 56.79 \$/t based on 15% dilution at 38.41% of in-situ grade and 88.52% mining recovery. The operating cost assumed is 10.62\$/t inclusive of mining, transportation, and G&A. This mine commences production in year 3 of the project and is the predominant feed source for years 4 through 9 at a maximum throughput of 20,000 t/d. The Kwanika Central Block Cave mineral inventory is presented in Table 8.

*Table 8: Kwanika Central Block Cave Mineral Inventory*

Kwanika Central Block Cave	Total Mined (Mt)	Au (g/t)	Ag (g/t)	Cu (%)	NSR (\$/t)
Measured	31.0	0.50	1.35	0.42	55.58
Indicated	12.6	0.57	1.38	0.45	61.65
Unclassified Waste	0.4	0	0	0	0

### *Stardust Underground Mine Design*

Stardust underground will produce 3.1 Mt mill feed with average NSR of 195.41 \$/t. After 1 year of pre-production development the mine will be in steady state production for 6 years. The mine production schedule is presented in Table 9. Stardust underground mine is designed to be contractor-operated.

Table 9: Stardust Underground Production Profile

	Total Mined (Mt)	Y1	Y2	Y3	Y4	Y5	Y6	Y7
Mineral Tonnes (Mt)	3.11	0.00	0.49	0.60	0.61	0.61	0.59	0.20
Cu (%)	1.329	0.00	1.106	1.227	1.302	1.449	1.445	1.568
Au (g/t)	1.466	0.00	1.031	1.501	1.657	1.539	1.436	1.707
Ag (g/t)	27.793	0.00	20.358	28.990	33.043	27.372	26.397	31.842
NSR	195.41	0.00	148.58	189.93	207.53	208.77	201.83	230.40

## Kwanika Central Pit

Both open pit operations are designed as contractor-operated.

This mine produces 29.4 Mt mill feed with an average NSR value of 36.74 \$/t and a strip ratio of 1.87. After 1-year pre-stripping at year -1, this mine will be the only source of mill throughput in the production year of 1 to 3 and also the majority of mill feed in year 4.

The mine inventories in the designed Central Pit are presented in Table 10. This is calculated based on a 10x10x10 m regularized block model with 2% dilution and 5% losses, at an NSR Cut-off grade at \$11.19/t

Table 10: Central Pit Mineralized Material

	Total Mined (Mt)	Waste (Mt)	Overburden (Mt)	Mineralized Material (diluted & recovered) (Mt)	Au (g/t)	Ag (g/t)	Cu (%)	NSR (\$/t)
Central pit	84.62	25.18	29.99	29.45	0.29	1.16	0.32	36.74

Some amount of the resource encountered during production year 4 from Kwanika Central Pit is stockpiled. This mineral resource will be reclaimed later in years 5 to 12.

## Kwanika South Pit

This mine will produce 19.1 Mt mill feed with an average NSR value of 23.4 \$/t and a strip ratio of 1.66. This mine will supplement the Kwanika Block Cave in order to maintain mill feed capacity in years 9 to 12.

Kwanika South includes three separate pits which are mined in four phases from north to south. The mine contents in the designed South Pit are presented in Table 11. That is calculated based on 10x10x10 m regularized block model and applying 2% dilution and 5% losses to estimate the pit resource considering NSR cut-off grade at \$11.19/t.

Table 11: South Pit Mineralized Material

	Total Mined (Mt)	Waste (Mt)	Overburden (Mt)	Mineralized Material (diluted & recovered) (Mt)	Au (g/t)	Ag (g/t)	Cu (%)	Mo (g/t)	NSR (\$/t)
South pit	50.76	20.85	10.83	19.05	0.07	1.68	0.29	98.48	23.40

## Recovery Methods

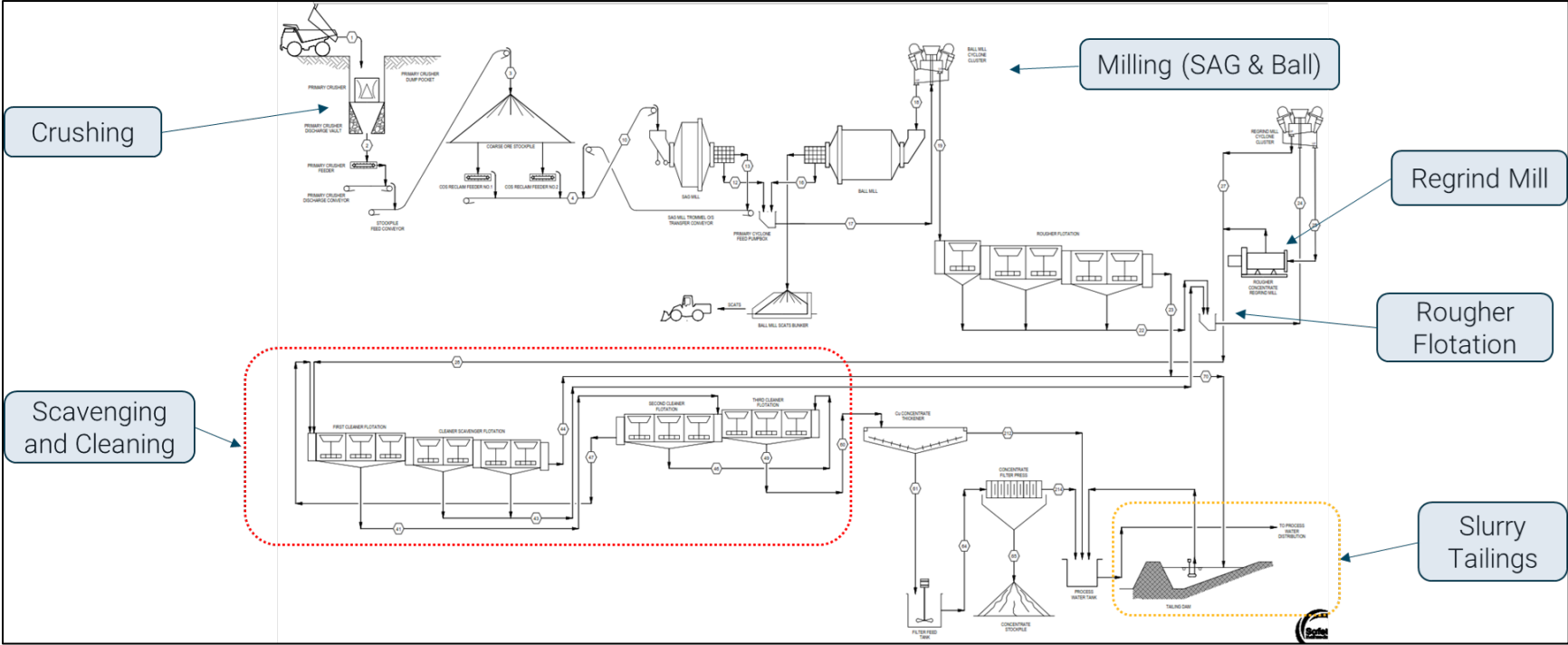
The process design is based on processing mineralized material from both the Kwanika and Stardust deposits through copper flotation to produce a saleable copper concentrate. The design is based previous testwork programs performed on the deposit, Ausenco's extensive database of reference projects, and in-house modelling programs. The plant is design for a throughput of 22,000 t/d at 92% availability. The crushing circuit is designed with an availability of 75%. The plant will operate with two 12-hour shifts per day, 365 days per year.

The process plant features the following:

- Gyratory crushing of run-of-mine (ROM) material.
- SAB grinding circuit followed by classification by cyclone.
- Rougher flotation, concentrate regrinding, and cleaning for copper flotation.
- Thickening, filtration, loadout, and shipping of copper concentrate.
- Tailings handling by pumping to tailings pond.
- Reagent handling and storage.
- Plant services, including air, water and power.

The simplified process flow diagram for the project is shown below in Figure 10.

Figure 10: Simplified Process Flow Diagram



The process plant receives mineralized material from the deposit at the crushing plant by haul truck. Material is dumped directly into the gyratory crusher and crushed material is conveyed to a stockpile. Two reclaim feeders transfer crushed material from the stockpile to the SAG feed conveyor. The crushed material is processed in a semi-autogenous grinding (SAG) mill. After exiting the SAG mill, material passes across a trommel screen and oversize material is returned to the SAG mill via a conveyor. SAG trommel undersize material discharged from the SAG mill is sent to a pump box where it is combined with ball mill discharge. This combined material is sent to a cyclone pack for classification. Cyclone underflow reports to the ball mill and cyclone overflow advances to rougher flotation.

The rougher flotation circuit produces a bulk copper concentrate. The tailings from the rougher flotation circuit are sent to the tailings storage facility (“**TSF**”). The rougher copper concentrate reports to a pump box that sends material to a pack of regrind cyclones. Overflow from the regrind cyclones advances directly to the cleaner flotation circuit. The cyclone overflow reports to the regrind ISA mill where it is reground before entering the cleaner flotation circuit. The regrind cyclone overflow and regrind ISA mill product are combined in the first stage of cleaner flotation. Tailings from the first cleaner are sent to cleaner scavenger flotation. Concentrate from cleaner scavenger flotation is recirculated to the regrind circuit; tailings are sent to the tailings pond. First cleaner flotation concentrate advances to second cleaner flotation, and second cleaner flotation concentrate is sent to third cleaner flotation. The third cleaner produces a final copper concentrate for dewatering. Second cleaner tailings are recycled to the first cleaner flotation feed. Third cleaner tailings are recycled to the second cleaner flotation feed.

## **Project Infrastructure**

Infrastructure at the Kwanika-Stardust Project includes on-site infrastructure such as civil, structural, and earthworks development, site facilities and buildings, on-site roads, water management systems and site electrical power facilities. Off-site infrastructure includes site access roads, fresh water supply, power supply, piping, camp and tailings storage facility. The site infrastructure will include:

- Mine facilities, including mining administration offices, a mine fleet truck shop and wash bays, a mine workshop and a mine water treatment plant.
- Common facilities, including an entrance/exit gatehouse, a security/medical office, overall site administration building, potable water and fire water distribution systems, compressed air, power generation and distribution facilities, diesel reception and combustion plants, communications area and sanitation systems.
- Process facilities, housed in the processing plant, including crushing, grinding and classification, flotation, product regrind, concentrate handling, thickening, dewatering, and filtration, reagent mixing and distribution, assay laboratory and process plant workshop and warehouse.
- Other infrastructure includes the on-site man-camp, TSF and waste rock storage facility (“**WRSF**”).

The overall site layout was developed using the following criteria and factors:

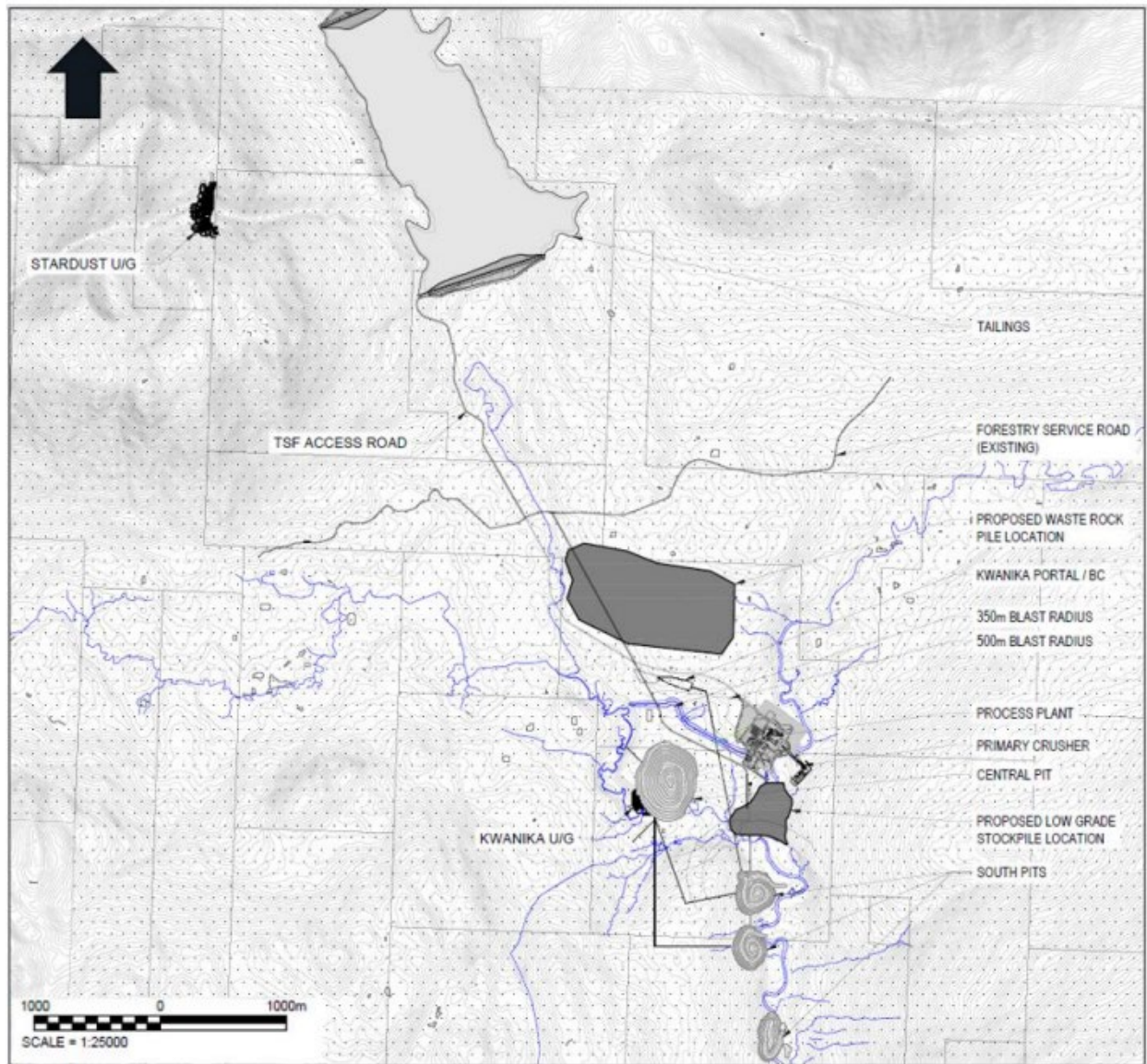
- The facilities described above must be located on a site within the Kwanika-Stardust Project boundary.

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- The location of the process plant must be close to Kwanika open pit and underground mine which is the major source of feed, to reduce haul distance but outside of the 500 m blast radius.
- The location of the WRSF must be close to the open pits to reduce haul distance.
- The location of the primary crushing and run-of-mine (“**ROM**”) stockpile must be close to the Kwanika deposits to reduce haul distance.
- The TSF should be located at a site that takes advantage of sloped natural terrain to adequately drain entrained water and reduce earthworks, concrete, and structural development if possible.
- The arrangement of the administration buildings, mine workshops, processing plant, and additional offices should be optimized for foot and vehicle traffic.

The Kwanika-Stardust Project layout is shown in Figure 11.

Figure 11: Overall Site Plan



Source: Ausenco, 2022

## Site Access

The Kwanika-Stardust Project is located 140 km northwest of Fort St. James, British Columbia. Surface access to the property is now provided via an existing forest service road (FSR) between Fort St. James and Tsayta Lake Road. In addition, around a 30-km-long Tsayta Lake Road will be improved to meet operational requirements and allow for the delivery of bulk freight by tractor-trailer units.



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## *Water Supply*

The Kwanika-Stardust Project will source freshwater from wells and Kwanika Creek. Water will be pumped from the creek through a pipeline to the processing plants where storage tanks will be located. This water will be the source of potable water across the site.

## *Power Supply*

Power will be provided from a connection to BC Hydro's electrical grid via a 230-kV transmission line from the Kemess Power Line to a substation at the site. The transmission line will be stepped down to the 25 kV at the substation for distribution to different power requirements across the project site.

## *Logistics*

Copper-gold concentrate will be trucked from the site to Mackenzie, from which it will be transported by railcars to port storage facilities in North Vancouver. The concentrate will subsequently be transported by sea to clients.

## *On-Site Roads*

The Kwanika-Stardust Project site has unpaved roads connecting the access road to the gatehouse. In addition to the existing roads on site, new roads will be constructed to link the gatehouse to the administration building, from the process plant to the TSF, and from the access road to the magazine.

## *Fuel Storage*

Diesel storage facilities will consist of five bulk storage tanks with a total capacity of 500,000 litres, which represents around two weeks of storage capacity for the site.

## *Buildings*

The plant site consists of the necessary infrastructure to support the processing operations. All infrastructure buildings and structures will be built and constructed to all applicable codes and regulations. The project site will include administration building, plant maintenance shop and warehouse, and other buildings. The camp will have individual dormitory-style rooms for 525 camp personnel. In addition, the security and medical office will be part of the permanent on-site camp.

## *Waste Rock Storage Facility*

The Kwanika-Stardust Project will require a waste rock pile to store all non-mineralized material from the pits. This material will be deposited on a waste dump north of the process plant. The project will also have a low-grade stockpile used to blend mill feed with high-grade underground material.

## *Tailings Storage Facility*

The project TSF was designed with consideration towards having upstream composite liner system (geomembrane liner/low permeability soil liner) for minimizing seepage through the

embankment during staging the facility's development and maximizing the reuse of process water from the facility. The TSF is designed to hold a total of 96,360 kt of tailings (66,456,000 m<sup>3</sup>) of material. The dam will be constructed in three stages. All the tailings will be pumped overland from the process plant.

## *Site Water Management*

Based on the rainfall frequency at the project site, the proposed water management structures include diversion channel, diversion ditches, collection ditches and collection ponds. The source of runoff water is from stockpile, excess from process plant, groundwater inflow to mining pit, surface runoff from precipitation, and the waste rock storage facilities. A preliminary site-wide water balance analysis was performed for the Kwanika mine site and the average condition is shown in the Kwanika-Stardust Technical Report.

## **Environmental, Permitting and Social Considerations**

The Kwanika-Stardust Project involves the development of the Kwanika and the nearby Stardust copper-gold deposits. The site is accessible by forest service roads and Tsayta Lake Road and contains several kilometres of excavated trails. The project site is within a broad valley bordered by mountains of the Omineca Mountain range. Presently, the area is characterized by wilderness, forestry and mineral exploration land use. The nearest community is Takla Landing which encompasses the part of the reserve lands of Takla. The access roads to Takla Landing are used for community access as well as logging and mining/mineral exploration work. The project site neighbours Kwanika Creek and West Kwanika Creek, which are tributaries flowing south to the larger Nation River. The proposed project site is contained entirely within the Kwanika Creek subwatershed. The property is located within the traditional territory of Takla.

## *Environmental Considerations*

A number of limited field and screening environmental baseline studies and reports were completed in 2018 and 2019. The programs involved the collection of baseline data within the proposed project footprint area (as of 2018) and commenced the process of identifying potential environmental constraints and opportunities related to the proposed development of the project, including engineering designs and management plans for the construction, operation, and closure phases of the project. The reports also outlined recommended next steps for baseline data collection.

The 2018-2019 environmental programs covered a range of valued ecosystem components (“VECs”) and involved the following activities:

- Hydrometric and climatic monitoring.
- Surface water quality monitoring.
- Hydrogeological monitoring and testing.
- Fish and fish habitat monitoring.
- Soils, vegetation and wildlife monitoring.
- Socio-economic and cultural baseline studies.

From a study area perspective, the baseline environmental studies were focused mainly on the areas potentially impacted by the Kwanika deposits and little information is available for the Stardust deposit area where underground development is proposed. In addition, there have been

no baseline studies completed to date on air quality, noise, greenhouse gases and climate change, and groundwater quality, Ongoing and expanded baseline studies will be required to support the project through the feasibility and environmental assessment (“EA”)/permitting phases of the project. The results of baseline studies will be used to minimize impact of the project on VECs and to optimize the location and operation of project infrastructure.

In addition to the above studies, a screening level tailings and waste rock facilities alternatives assessment was completed that included environmental criteria as part of the screening methodology and ratings. A preliminary geochemistry study was completed that assessed the potential for metal leaching and acid generation from tailings, mineralized material, and waste rock materials.

In terms of water management, the main consideration for the project is related to changes to the flow regime of Kwanika and West Kwanika Creeks which will require diversion around open pits and loss of fish habitat which will require fisheries authorization and habitat compensation measures. Mine contact water around all surface facilities will be managed in accordance with regulatory requirements and tested/treated as required prior to discharge to downstream receivers.

As the project progresses through the preliminary feasibility study and EA/permitting stage a number of environmental management and monitoring plans will be required for the purpose of guiding the development and operation of the project and mitigating and limiting environmental impacts. These plans will be complementary to the engineered designs that will be required for the storage of tailings, waste rock, mineralized material and conveyance/storage/treatment of mine contact water.

There are three provincial parks within 30 km of the project including: Nation Lakes Provincial Park located around 10 km south and downstream of the project; Omineca Provincial Park and Protected Area located around 20 km north and 25 km northeast of the project; and Mt. Blanchet Provincial Park around 30 km southeast of the project. The historic Bralorne Takla Mercury Mine is located within the property boundaries; however, this historic mine site is under the jurisdiction of the CCSP. A full cleanup program was completed on this site through CCSP in 2018. At this point, only ongoing monitoring through CCSP and their contractors is required. NorthWest Copper is not involved with or responsible for any of the ongoing monitoring programs.

### *Permitting Considerations*

The major Federal legislation and associated authorizations related to the anticipated for the project include an Impact Assessment, issued under the *Impact Assessment Act*; and a Fisheries Act Authorization, issued under the *Fisheries Act*. When a project falls under both provincial and federal environmental assessment responsibility, there is an agreement in place between British Columbia and Canada which enables the two governments to carry out a single, cooperative environmental assessment while retaining their respective decision-making powers. Provincial and federal ministers make independent decisions on whether to issue an Environmental Assessment Certificate (EAC) from a single report. The project as envisioned in this report will require a Fisheries Authorization and Fish Habitat Compensation Plan. A Schedule 2 amendment to the MDMER may also be required subject to further fish and fish habitat surveys required for areas where mine waste will be stored (waste rock, tailings, mineralized material, and untreated contact water / mine effluent).

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The major provincial legislation and associated authorizations anticipated for the project include the following: a British Columbia Mines Act Permit, issued under the *Mines Act*; an Effluent and Air Emissions Permit, issued under the British Columbia *Environmental Management Act*; and British Columbia EAC, issued under the British Columbia *Environmental Assessment Act*.

## *Closure and Reclamation Considerations*

Under the British Columbia *Mines Act*, anyone who engages in mining exploration work or mining operations determined by regulation must submit a reclamation plan. A conceptual reclamation and closure plan and a closure security estimate will need to be developed to support the submission of an EA report to the province or to the federal agency. The reclamation security will need to be posted to British Columbia government prior to the commencement of construction the construction phase.

The current Conceptual Closure and Reclamation Plan for the project includes the following measures:

- Partial backfilling of open pits with waste rock, and flooding of the remaining open pit, and in the case of the Kwanika Central Pit, the underlying block cave mine, likely achieved by breaching the diversion dam and channel.
- The mineralized material stockpile will be reclaimed, once depleted.
- The mine portals will be decommissioned, plugged and backfilled.
- The plant and infrastructure pad will be dismantled, removed, and re-contoured and revegetated.
- The tailings dam will be vegetated to establish an erosion resistant surface.
- The tailings beach will be capped with soil and vegetated.
- Water treatment will be continued until the Tailing Management Facility (“**TMF**”) water quality meets discharge criteria.
- Once TMF water quality meets discharge criteria, water treatment will be stopped, diversions will be decommissioned, and the TMF will be allowed to discharge naturally via a closure spillway.
- At closure, Potentially Acid Generating (“**PAG**”) rock will be managed by: rehandling into the pit to keep it permanently submerged in the pit lake or capping it with low permeability glacial till to reduce seepage and oxygen infiltration.
- Non-PAG waste rock stored on the surface will be capped with soil and revegetated.

## *Social Considerations*

The project is located with the traditional territory of Takla. As of 2019, the traditional territory of Takla is in north central British Columbia and totalled around 27,250 km<sup>2</sup> including 17 reserves totalling 809 hectares. The closest community to the project is Takla Landing located around 30 km west of the project. Other First Nations potentially affected by the project include the Nak'azdli Whut'en First Nation (“**Nak'azdli Whut'en**”) and the McLeod Lake Indian Band (“**MLIB**”). The MLIB's traditional territories overlap or border those of Takla at or near the project; and include the downstream receiving waters including Tchentlo Lake, Nation River and Williston Reservoir.

Results from an Archaeology Overview Assessment (“**AOA**”) indicated no archeological sites are in direct conflict with the proposed development area, as identified in 2018. Culturally modified trees (pre-AD 1846) or other protected cultural remains may be present inside proposed development boundaries. A documented Aboriginal and probable historic pack train trail (Kwanika

Trail) is located in this study area. Overall, archaeological potential is rated moderate to high for the project site.

In early 2018, KCC signed an agreement with Takla. The agreement outlined requirements for communication, information sharing, capacity funding and collaboration. The known traditional land and resource use within traditional territories include hunting, fishing, plant gathering, habitation, gathering places, sacred sites, trails and travel ways, and trapping. Within the 2018 exploration agreement with Takla it was understood that Takla's interests regarding traditional land use areas must be addressed through the Takla Lands and Stewardship Department who are responsible for facilitating meetings for impacted Takla families and the community as a whole. Several seasonal cabins and campsites are reported to be within the local study area of the project site.

Community engagement activities during 2018 and 2019 included numerous meetings, community updates, employment and training opportunities, and sponsorship of a Takla career fair held in Takla Landing in March 2019. In 2018 and 2019 the exploration programs involved significant participation by the Takla community members and Takla contractors. Between 2020 and 2022, direct community engagement was limited due to COVID restrictions, however agreement implementation and involvement of Takla community members and contractors in the project continued. In 2021 and 2022, NorthWest Copper increased its direct interaction with the Takla Lands and Stewardship Department to update the Wildlife Management and Mitigation Plan, conduct an Archaeological Overview Assessment, update the Chance Find Procedure for the project, implement agreements and improve ongoing communications and reporting on project activities. Continued engagement and collaboration with Takla and other potentially impacted and affected communities is a top priority for NorthWest Copper going forward.

## **Capital and Operating Cost Estimates**

The preliminary economics of the project can be assessed using the capital and operating cost estimates presented in the Kwanika-Stardust Technical Report. These calculations have been developed for an open pit and underground mining operation with a processing plant, supporting infrastructure, TSF, and owner's expenses and provisions.

### *Capital Cost Estimate*

The capital costs provided in the Kwanika-Stardust Technical Report are reported in Canadian dollars (C\$) with no allowance for escalation or exchange rate fluctuations. The capital cost estimate follows Class 5 guidelines for a PEA-level estimate with +50%/-30% accuracy according to the Association for the Advancement of Cost Engineering International ("**AACE International**").

The total initial capital cost for the project is C\$567.9 million, the LOM sustaining cost including financing is C\$282.5 million, and the LOM growth capital cost is C\$493.3.

Table 12: Summary of Capital Costs

WBS Description	WBS	Initial Capital Cost (C\$M)	Sustaining Capital Cost (C\$M)	Growth Capital Cost (C\$M)	Total Cost (C\$M)
		LOM	LOM	LOM	
Mining	1000	65.8	151.4	393.3	610.5
Process Plant	2000	198.0	0.0	0.0	198.0
Additional Process Facilities	3000	6.4	5.6	0.0	12.0
On-site Infrastructure	4000	21.6	4.9	0.0	26.5
Off-site Infrastructure	5000	82.5	78.5	0.0	161.0
<b>Total Directs</b>		<b>374.3</b>	<b>240.4</b>	<b>393.3</b>	<b>1008.0</b>
Project Preliminaries	6000	28.4	2.1	0.0	30.5
Project Delivery	7000	50.4	2.1	0.0	52.5
Owner's Costs	8000	33.7	27.3	100.0	161.0
Provisions	9000	81.1	10.5	0.0	91.6
<b>Total Indirect</b>		<b>193.6</b>	<b>42.0</b>	<b>100.0</b>	<b>335.6</b>
<b>Project Total</b>		<b>567.9</b>	<b>282.4</b>	<b>493.3</b>	<b>1343.6</b>

## Operating Cost Estimate

Operating costs for the project include those related to mining, processing, infrastructure, tailings disposal, and general and administrative activities. The estimate for these operating costs conforms to Class 5 guidelines for a PEA-level estimate with +50%/-30% accuracy, according to the AACE International.

The LOM average unit operating cost is C\$23.04/t milled, including an annual G&A cost of C\$18.3 million.

Table 13: Operating Cost Summary

Cost Area	Total (\$M)	C\$/t Milled	% of Total
Mining	1,207.8	12.63	54.8
Process	776.9	8.13	35.3
G&A	218.1	2.28	9.9
<b>Total</b>	<b>2,202.9</b>	<b>23.04</b>	<b>100</b>

## Economic Analysis

The PEA is preliminary in nature, in that it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

The economic analysis was performed assuming a 7% discount rate. Cash flows have been discounted to the start of construction, assuming that the project execution will be made, and major project financing will be carried at this time.

The pre-tax net present value ("NPV") discounted at 7% is C\$440.1 million; the internal rate of return ("IRR") is 17.1%; and payback period is 5.99 years. On a post-tax basis, the NPV discounted at 7% is C\$215.0 million; the IRR is 12.7%; and payback period is 6.37 years. A summary of project economics is listed in Table 14.

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Table 14: Economic Analysis Summary

Description	Unit	LOM Total / Avg.
<b>General</b>		
Copper Price	US\$/lb	\$3.63
Gold Price	US\$/oz	\$1,650
Silver Price	US\$/oz	21.5
Exchange Rate	CAD:USD	0.77
Mine Life	Years	11.9
Total Mineralized Material Processed	kt	95,607
Total Waste	kt	86,926
Strip Ratio – Kwanika Central OP	waste tonnes:ore tonnes	1.9
Strip Ratio – Kwanika South OP	waste tonnes:ore tonnes	1.7
<b>Production</b>		
Average Feed Grade, Cu	%	0.39
Average Feed Grade, Au	g/t	0.39
Average Feed Grade, Ag	g/t	2.21
Average Open pit Mill Recovery Rate, Cu	%	84.3
Average Open pit Mill Recovery Rate, Au	%	60.0
Average Open pit Mill Recovery Rate, Ag	%	57.8
Average Underground Mill Recovery Rate, Cu	%	89.7
Average Underground Mill Recovery Rate, Au	%	71.4
Average Underground Mill Recovery Rate, Ag	%	70.3
Total Payable Copper	mlbs	694
Total Payable Gold	koz	803
Total Payable Silver	koz	3,204
Total Payable Copper Equivalent	mlbs	1,078
<b>Operating Costs</b>		
Mining Cost	C\$/t Mined	\$6.62
Mining Cost	C\$/t Milled	\$12.63
Processing Cost	C\$/t Milled	\$8.13
G&A Cost	C\$/t Milled	\$2.28
Refining and Transport Cost	C\$/lb of Cu Eq.	\$0.27
Cash Cost	C\$/lb of Cu Eq.	\$2.6
All-in Sustaining Costs	C\$/lb of Cu Eq.	\$1.5
<b>Capital Costs</b>		
Initial Capital	C\$M	\$567.9
Sustaining Capital	C\$M	\$282.5
Growth Capital	C\$M	\$493.3
Closure Costs	C\$M	\$41.9
Salvage Costs	C\$M	(\$2.5)
<b>Financials</b>		
Pre-Tax NPV (7%)	C\$M	\$440.1
Pre-Tax IRR	%	17.1%
Pre-Tax Payback (Years)	Years	5.99
Post-Tax NPV (7%)	C\$M	\$215.0
Post-Tax IRR	%	12.7%
Post-Tax Payback (Years)	Years	6.37

## Sensitivity Analysis

A sensitivity analysis was conducted on the base case pre-tax and post-tax NPV and IRR of the project, using the following variables: commodity price, discount rate, foreign exchange, operating cost, and initial capital cost.

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Table 15: Post-Tax NPV Sensitivity Analysis

Commodity Price Change (%)	Post-Tax NPV (7%) Base Case	Initial Capital Cost		Operating Cost		Foreign Exchange	
		(-20%)	20%	(-20%)	20%	(-20%)	20%
(20%)	(\$187)	(\$103)	(\$275)	(\$87)	(\$298)	\$215	(\$541)
(10%)	\$18	\$97	(\$62)	\$112	(\$77)	\$456	(\$305)
–	\$215	\$292	\$136	\$307	\$122	\$694	(\$116)
10%	\$408	\$483	\$332	\$498	\$317	\$931	\$51
20%	\$598	\$673	\$524	\$689	\$508	\$1,168	\$215

Table 16: Post-Tax IRR Sensitivity Analysis

Commodity Price Change (%)	Post-Tax IRR Base Case	Initial Capital Cost		Operating Cost		Foreign Exchange	
		(-20%)	20%	(-20%)	20%	(-20%)	20%
(20%)	1.9%	3.7%	0.3%	4.6%	0.0%	12.7%	0.0%
(10%)	7.5%	10.0%	5.5%	10.0%	4.9%	18.6%	0.0%
–	12.7%	15.9%	10.2%	15.0%	10.3%	24.2%	3.8%
10%	17.5%	21.4%	14.5%	19.6%	15.3%	29.7%	8.4%
20%	22.0%	26.7%	18.6%	24.0%	19.9%	34.9%	12.7%

## Exploration, Development and Production

In 2022, the Company completed 11,872 m of diamond drilling in 30 holes at the Kwanika deposit, which were primarily focused around the Kwanika Central Zone, both north and south of the mineralized footprint testing for potential expansion and for higher grade zones within the deposit. 2022 drilling at Kwanika included 6 drillholes targeting the South Zone.

The Company also completed a total depth of 6,698 metres of diamond drilling in 10 holes at the Stardust deposit, targeting incremental extensions of the high grade 421 Zone.

The 2022 drilling carried out at the Kwanika-Stardust Project is not included in the PEA that comprises the Kwanika-Stardust Technical Report. Below are complete drill results from the 2022 drill programs at the Kwanika-Stardust Project:

### Kwanika

Hole	From(m)	To(m)	Interval (m) <sup>(1)</sup>	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)
<b>K-22-227</b>	87.60	110.25	<b>22.65</b>	0.46	0.18	1.5	-
<b>K-22-228</b>	60.00	198.30	<b>138.30</b>	0.33	0.13	1.0	-
incl.	111.30	154.45	<b>43.15</b>	0.56	0.21	1.6	-
incl. incl.	135.30	154.45	<b>19.15</b>	0.80	0.27	2.1	-
<b>K-22-229</b>	32.35	143.45	<b>111.10</b>	0.51	0.15	1.2	-
incl.	73.95	93.95	<b>20.00</b>	0.78	0.36	2.3	-
also incl.	107.75	123.45	<b>15.70</b>	1.15	0.07	1.3	-
<b>K-22-230</b>	19.20	398.00	<b>378.80</b>	0.37	0.33	1.2	-
incl	78.45	140.80	<b>62.35</b>	0.62	0.34	1.9	-



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also incl.	251.60	339.20	<b>87.60</b>	0.45	0.79	1.5	-
<b>K-22-231</b>	30.00	167.90	<b>137.90</b>	0.58	0.28	3.0	-
incl.	30.00	77.80	<b>47.80</b>	0.74	0.32	5.3	-
also incl.	142.10	166.50	<b>24.40</b>	0.96	0.56	2.9	-
<b>K-22-232</b>	27.00	136.05	<b>109.05</b>	0.62	0.33	3.0	-
incl.	27.00	59.90	<b>32.90</b>	1.20	0.85	7.1	-
incl. incl.	34.50	35.95	<b>1.45</b>	9.35	6.65	44.1	-
<b>K-22-233</b>	30.00	132.90	<b>102.90</b>	0.80	0.26	1.9	-
incl.	30.00	65.10	<b>35.10</b>	1.24	0.39	3.0	-
incl. incl.	30.00	32.00	<b>2.00</b>	3.41	0.83	5.6	-
<b>K-22-234</b>	58.90	145.90	<b>87.00</b>	0.27	0.21	1.1	-
also incl.	208.80	296.50	<b>87.70</b>	0.47	0.68	1.5	-
incl.	244.80	268.75	<b>23.95</b>	1.06	1.93	3.7	-
<b>K-22-235</b>	41.00	214.00	<b>173.00</b>	0.22	0.21	0.8	-
<b>K-22-236</b>	49.90	229.50	<b>179.60</b>	0.21	0.21	0.6	-
incl	107.40	178.45	<b>71.05</b>	0.28	0.29	0.8	-
<b>K-22-237</b>	27.80	392.00	<b>364.20</b>	0.17	0.17	0.8	-
incl.	117.85	283.00	<b>165.15</b>	0.21	0.26	0.9	-
incl. incl.	229.30	253.85	<b>24.55</b>	0.38	0.83	1.3	-
<b>K-22-238</b>	33.55	201.40	<b>167.85</b>	0.21	0.18	0.7	-
<b>K-22-239</b>	47.00	295.60	<b>248.60</b>	0.18	0.19	0.6	-
<b>K-22-240</b>	<i>No Significant Result</i>						
<b>K-22-241</b>	33.00	338.75	<b>305.75</b>	0.18	0.17	0.9	-
<b>K-22-242<sup>10</sup></b>	339.30	643.50	<b>304.20</b>	0.47	0.53	1.7	-
Incl.	412.10	566.80	<b>154.70</b>	0.65	0.87	2.3	-
Incl. incl.	412.10	448.80	<b>36.70</b>	0.87	2.07	2.8	-
Incl. incl.	466.00	488.80	<b>22.80</b>	0.69	1.25	3.2	-
<b>K-22-243</b>	81.35	143.50	<b>62.15</b>	0.22	0.13	0.8	-
also incl.	210.50	329.00	<b>118.5</b>	0.17	0.24	0.6	-
<b>K-22-244</b>	59.00	128.80	<b>69.80</b>	0.10	0.13	0.6	-
also incl.	197.40	284.00	<b>86.60</b>	0.22	0.15	0.6	-
<b>K-22-245</b>	44.00	68.00	<b>24.00</b>	0.23	0.11	0.8	-
also incl.	221.40	287.00	<b>65.60</b>	0.18	0.17	0.5	-
<b>K-22-246</b>	47.80	193.50	<b>145.70</b>	0.13	0.11	0.5	-
Incl.	122.90	187.50	<b>64.60</b>	0.20	0.13	0.7	-
<b>K-22-247</b>	<i>No Significant Result</i>						
<b>K-22-248</b>	222.05	671.30	<b>449.25</b>	0.15	0.15	1.1	-
also	750.40	1118.00	<b>367.60</b>	0.14	0.13	0.9	-
<b>K-22-249</b>	<i>No Significant Result</i>						
<b>K-22-250</b>	49.00	144.30	<b>95.30</b>	0.21	0.03	1.5	13
<b>K-22-251</b>	307.10	624.00	<b>316.90</b>	0.26	0.03	1.5	65

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incl.	486.30	506.40	<b>20.10</b>	0.62	0.06	3.2	51
also incl.	530.40	576.15	<b>45.75</b>	0.50	0.02	2.5	44
<b>K-22-252</b>	162.00	411.95	<b>249.95</b>	0.26	0.04	1.7	287
incl.	277.50	307.00	<b>29.50</b>	0.56	0.04	2.9	367
<b>K-22-253</b>	74.15	183.90	<b>109.75</b>	0.17	0.06	1.3	96
also.	275.50	449.00	<b>173.50</b>	0.26	0.10	2.0	85
also incl.	437.00	449.00	<b>12.00</b>	1.25	0.08	8.1	164
<b>K-22-254</b>	58.00	141.00	<b>83.00</b>	0.31	0.11	1.8	245
also	275.00	326.00	<b>51.00</b>	0.25	0.17	1.9	127
<b>K-22-255</b>	152.20	552.00	<b>399.80</b>	0.62	0.74	2.0	-
incl.	152.60	176.00	<b>23.40</b>	2.12	0.70	6.2	-
incl.	363.00	514.00	<b>151.00</b>	0.70	1.55	2.2	-
also incl.	374.80	438.80	<b>64.00</b>	1.00	2.17	2.9	-
also incl.	416.30	438.80	<b>22.50</b>	1.15	2.95	3.6	-

<sup>1</sup>True widths of the reported mineralized intervals have not been determined

## Stardust

Hole	From (m)	To (m)	Interval (m) <sup>(1)</sup>	Cu (%)	Au (g/t)	Ag (g/t)
DDH22-SD-475M	579.00	582.20	<b>3.20</b>	1.02	0.56	15.2
incl	580.05	581.10	<b>1.05</b>	2.36	1.19	35.1
DDH22-SD-476M	600.45	676.40	<b>75.95</b>	0.55	0.50	10.9
incl.	616.55	617.45	<b>0.90</b>	6.24	3.11	113.0
also incl.	658.05	666.50	<b>8.45</b>	1.62	1.67	46.3
DDH22-SD-477D	560.85	580.50	<b>19.65</b>	0.32	0.29	6.1
incl.	577.70	580.50	<b>2.80</b>	1.15	0.71	16.7
also	620.00	651.80	<b>31.80</b>	0.63	0.44	12.4
also incl.	647.20	651.80	<b>4.60</b>	3.27	2.34	64.5
DDH22-SD-478D	502.00	546.20	<b>44.20</b>	0.84	0.51	13.7
incl.	523.10	544.20	<b>21.10</b>	1.54	0.96	26.1
incl. incl.	542.65	544.20	<b>1.55</b>	10.91	6.07	189.9
DDH22-SD-479M	602.20	629.10	<b>26.90</b>	0.21	0.25	3.7
also	661.40	707.45	<b>46.05</b>	0.80	0.71	14.4
also incl	695.00	701.40	<b>6.40</b>	1.63	1.67	33.4
DDH22-SD-480M	444.75	478.30	<b>33.55</b>	0.56	0.33	14.2
incl.	463.80	475.00	<b>11.20</b>	1.37	0.75	36.8
DDH22-SD-481D	703.45	722.35	<b>18.90</b>	0.63	0.63	9.7
incl.	718.50	722.35	<b>3.85</b>	1.71	1.53	27.4
DDH22-SD-482	42.00	44.00	<b>2.00</b>	0.02	0.37	39.5
also.	90.00	92.00	<b>2.00</b>	0.07	1.38	62.7

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DDH22-SD-483D	440.60	451.15	<b>10.55</b>	0.43	0.23	4.6
incl.	445.85	446.20	<b>0.35</b>	2.97	1.21	22.5
DDH22-SD-484	35.35	36.00	<b>0.65</b>	0.03	5.07	26.6
also.	171.65	173.65	<b>2.00</b>	0.01	3.06	0.7
also.	246.30	247.30	<b>1.00</b>	0.01	2.28	0.2
also.	309.55	310.70	<b>1.15</b>	0.05	0.53	170.0
also.	564.30	565.00	<b>0.70</b>	0.02	6.34	1.3
also.	722.00	763.20	<b>41.20</b>	1.81	1.66	29.6
also. Incl.	734.40	739.20	<b>4.80</b>	6.59	7.61	121.5
also. Incl.	762.65	763.20	<b>0.55</b>	13.80	14.70	207.0

<sup>1</sup>True widths of the reported mineralized intervals have not been determined

Drilling completed at the Kwanika deposit in 2022 was supervised by on-site NorthWest Copper personnel who collected and tracked samples and implemented a full QA/QC program using blanks, standards and duplicates to monitor analytical accuracy and precision. The samples were sealed on site and shipped to Bureau Veritas in Vancouver, British Columbia for analysis. Bureau Veritas's quality control system complies with global certifications for Quality ISO9001:2008. Core samples were analyzed using a combination of Bureau Veritas' MA200 process for low level concentrations (ICP-MS/4 Acid digestion) and the MA370 process for higher level concentrations (ICP-ES/4 acid digestion). Gold assaying was completed with FA430, a 30-gram fire assay with AAS finish. Base metal over-limits were finalized with titration where required, with gold over-limits completed with a gravimetric finish. A silica wash was used between high-grade samples to ensure no sample carry over.

Drilling completed at the Stardust deposit in 2022 was supervised by on-site NorthWest Copper personnel who collected and tracked samples and implemented a full QA/QC program using blanks, standards, and duplicates to monitor analytical accuracy and precision. The samples were sealed on site and shipped to AGAT Laboratories ("AGAT") in Calgary, Alberta. AGAT's quality control system complies with global certifications for Quality ISO 9001:2015. Core samples were analyzed using a combination of AGAT's 201-071 process for low-level concentrations (4 Acid digestion/ICP-OES/MS) and the 201-079 process for higher-level concentrations in base metals (Sodium Peroxide Fusion/ICP-OES). Silver over-limits were analyzed with method 201-116, a 3-acid digestion with ICP-OES finish. Gold assaying was completed with 202-055, a 30-gram fire assay with ICP-OES finish.

The Company also completed 1,933.3 line-km of airborne EM and magnetics surveying in May 2022, with final data received shortly thereafter. The 57.4-line km of 3-D IP and MT was completed in late July with final data delivered in September including 3D-inversions. NorthWest Copper's exploration team is integrating the data into geological interpretation as well as reviewing for direct targeting of possible future drill holes.

In 2023, the Company plans to continue work on developing deep drill targets at the Kwanika-Stardust Project, for a potential drill program of approximately 2,500 m, designed to extend and upgrade the mineral resource estimate. 2023 activities at the Kwanika-Stardust Project are expected to be flexible based on the availability of funding. The Kwanika-Stardust Technical Report includes additional recommendations to advance the Kwanika-Stardust Project, including

supplemental metallurgical work, various geotechnical and environmental studies, as well as engineering studies. The Company is currently evaluating and prioritizing these recommendations.

Based on the amount of funding raised, the Company's planned exploration or other work programs may be postponed, or otherwise revised, as necessary. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

## **MINERAL PROPERTY – LORRAINE PROJECT**

Please refer to the technical report titled "Lorraine Copper-Gold Project NI 43-101 Report & Mineral Resource Estimate Omineca Mining Division, B.C" (the "**Lorraine Technical Report**"), prepared by Alfonso Rodriguez, M.Sc., P.Geol. and Michael Dufresne, M.Sc., P.Geol., P.Geol., each a "qualified person" as defined under NI 43-101, dated September 12, 2022, with an effective date of June 30, 2022 and prepared for the Company, as filed on SEDAR at [www.sedar.com](http://www.sedar.com).

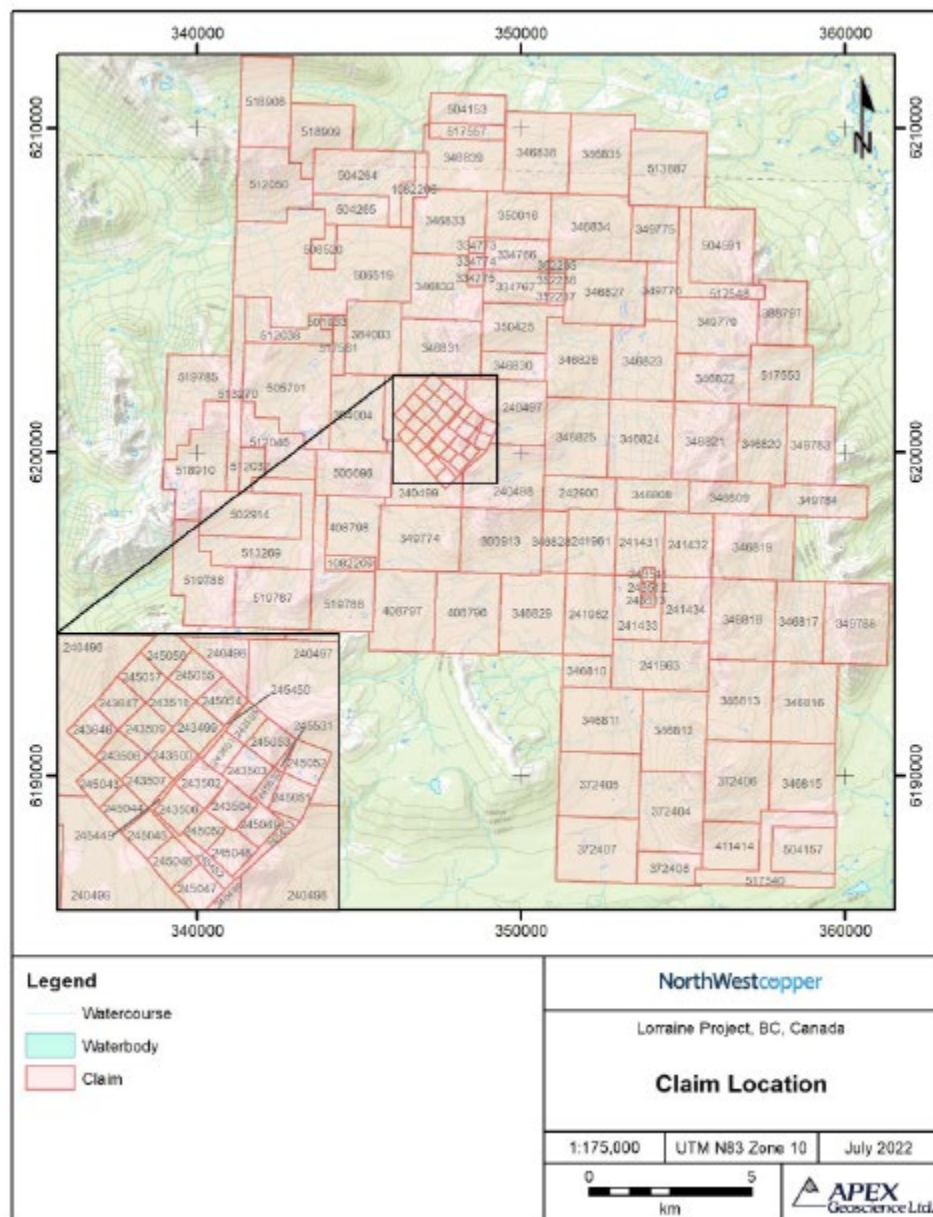
The bulk of the information in this section is derived from the Lorraine Technical Report and supplemented by work completed by the Company subsequent to the Lorraine Technical Report. The following summary as it relates to the Lorraine Technical Report does not purport to be a complete summary of the Lorraine Project and is subject to all the assumptions, qualifications and procedures set out in the Lorraine Technical Report and is qualified in its entirety with reference to the full text of the Lorraine Technical Report. Readers should read this summary in conjunction with the Lorraine Technical Report, which can be reviewed in its entirety on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Project Description, Location and Access**

The Lorraine Project is located approximately 280 km northwest of Prince George, British Columbia, 50 km northwest of Germansen Landing and northwest of the Omineca Provincial Park, and can be accessed via existing roads. The Lorraine Project can be accessed, via Fort St. James and Germansen Landing using a bush road off the Omineca Mining Road. The Lorraine Project can also be accessed along the Kemess Access Corridor from MacKenzie via logging haul roads along the Osilinka River and HaHa Creek to the west side of the Lorraine Project, where a 9.5 km trail was upgraded in 2004 to give access to the main Lorraine camp.

The Lorraine Project comprises 142 mineral claims covering a combined area of approximately 39,227 ha. The Lorraine Project is located in the Omineca Mining Division of central BC and is approximately centred on UTM sheet 93N14W at 55°55' N, 125°27'W. The claims are all located on government (Crown) land. All the claims are recorded in the name of Tsayta, a wholly owned subsidiary of NorthWest Copper. A detailed map showing the claims is provided as Figure 12.

Figure 12: Mineral Claims Map



NorthWest Copper through its subsidiaries Sun Metals and Tsayta previously held a 49% interest in the Lorraine Project. To consolidate ownership of the Lorraine project, NorthWest Copper’s subsidiaries, Sun Metals and Tsayta completed an acquisition agreement with Teck Resources Limited (“**Teck**”) on November 25, 2020 pursuant to which Sun Metals and Tsayta acquired Teck’s 51% joint venture interest in the Lorraine Project. The Company now owns 100% of the Lorraine-Jajay claims and 90% of the adjacent Tam-Misty claims. Commander Resources Ltd. holds a 10% carried interest in the Tam-Misty claims. Pursuant to the acquisition agreement with Teck, Sun Metals is required to make payments to Teck, either in cash or common shares of NorthWest Copper. As of the date of this AIF, the following milestone payments remain owing:

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- \$500,000 upon a PEA;
- \$2,000,000 upon a feasibility study; and
- \$5,000,000 upon a construction decision.

If the Company sells or options all or a portion of the property to a third party at any time during a 60-month period commencing from the date of the acquisition agreement, the Company will pay to Teck 20% of the sale proceeds, net of exploration expenses incurred on the property by the Company following closing.

Under the terms of the purchase agreement, Teck has also retained a 1% NSR royalty on all claims that are not already burdened by a royalty and a 0.25% NSR royalty on all claims that are subject to the existing Tam-Misty royalties.

The Tam-Misty royalty covers the historical Jan-Tam/Misty claims located along the west side of the current Lorraine Project. These 21 claims are covered by a 3% NSR royalty to Lorne B. Warren (25%), Westley Grant Luck (25%) and Commander (50%) based on the option and sale agreement in respect of the Tam/Misty property dated Jan 15, 2006. The Tam-Misty royalty can be reduced to 1% by paying \$1,000,000 per each 1% for a total of \$2,000,000 dollars. An advanced royalty is due on these claims totaling \$50,000 per year (starting on December 31, 2012) and is to be paid in the proportion as described above. The advance royalty is capped at \$500,000 total and will be deducted from future royalty payments or a buy down of the royalty. As of the effective date of the Lorraine Technical Report, the full advance royalty of \$500,000 has been paid.

Umex Inc. (“**UMEX**”) holds royalties over the historical Tam Project pursuant to the UMEX royalty agreement dated February 28, 1990. Any amounts to pay the royalty due to UMEX pursuant to the UMEX royalty agreement may be deducted from the Tam- Misty royalty payments.

Osisko Gold Royalties Ltd. (“**Osisko**”), successor to Kennecott Canada Exploration Inc. (Kennecott), holds a 2% NSR royalty on the claims comprising the historical Lorraine and Dorothy properties pursuant to the Lorraine and Dorothy Properties Kennecott back-in rights surrender agreement dated August 18, 2003. The royalty may be reduced to 1% by payment to Osisko of \$1,000,000.

Messrs. Alvin Jackson and Rudi Durfeld hold a 2% NSR royalty on the Steelhead claims pursuant to the Steelhead property purchase agreement dated May 27, 2002. Up to 1.5% of the NSR royalty may be purchased at any time for \$500,000 per 0.5%.

Messrs. Richard Haslinger and Larry Hewitt hold a 2% NSR royalty on the Steele claims pursuant to the Steele option agreement dated December 15, 1994, as amended November 6, 1997. The royalty may be reduced to 1% by payment of \$1,000,000.

In British Columbia, the holder of a mineral claim acquires the right to or interest in the minerals which were available at the time of claim location as defined in the *Mineral Tenure Act* of British Columbia. Claims are valid for a period of one year after the date of recording or registration. To maintain a claim in good standing the claim holder must, on or before the anniversary date of the claim, either: (a) record sufficient exploration and development work carried out on that claim during the current anniversary year; or (b) pay cash in lieu of work. Payment of cash in lieu of work requirements are assessed at double the value of exploration and development work that would be required to maintain the claim for the following anniversary year.

The value of exploration and development work required to maintain a mineral claim for one year is at least: (a) \$5 per hectare for each of the first and second anniversary years; (b) \$10 per hectare for each of the third and fourth anniversary years; (c) \$15 per hectare for each of the fifth and sixth anniversary years; and (d) \$20 per hectare for each subsequent anniversary year. Only work and associated costs for the current anniversary year of the mineral claim may be applied toward that claim unit. If the value of work performed in a year exceeds the required minimum for a claim, the value of the excess work may be applied to work requirements for that claim for future years, subject to the *Mineral Tenure Act* and Regulation.

Exploration and development work must be registered online by the recorded claim holder or an authorized agent using the Government of British Columbia's Mineral Titles Online (“**MTO**”) internet-based electronic mineral titles administration system. A report pertaining to the exploration and development work completed must be submitted to the chief gold commissioner in the form and manner prescribed by the Mineral Tenure Act Regulations, within 30 days of registering physical work or within 90 days of registering technical work. Physical work reports are uploaded to MTO; technical work reports and required data are uploaded to the Assessment Report and Digital Data Submission Portal.

According to a consultation with the Mineral Titles Branch of the Ministry of Energy, Mines and Low Carbon Innovation of British Columbia, NorthWest Copper has applied sufficient work to the Lorraine property claims to extend the good to date until August 15, 2025.

NorthWest Copper submitted a Notice of Work (“**NOW**”) application to carry out exploration on the Lorraine Project to the Ministry of Energy Mines and Low Carbon Innovations (“**EMLI**”) on June 7, 2022 and received the Mines Act Permit associated with the NOW on August 9, 2022. The permit is valid until August 9, 2027.

Given the alpine environment in which the Lorraine Project is located, exploration work will require careful planning and execution to mitigate any environmental concerns identified by government agencies, First Nations and/or the public. NorthWest Copper is conducting ongoing consultations with First Nations title, rights, and interest holders of Takla, the Tsay Key Dene Nation (“**Tsay Key Dene**”) and the Nak'azdli Whut'en Nation. On June 9, 2022, NorthWest Copper and Tsay Key Dene signed an exploration agreement that is valid through to the 1st of June, 2027. Additionally, NorthWest Copper is continuing to engage with Takla and Nak'azdli Whut'en with respect to an exploration agreement.

The authors of the Lorraine Technical Report are not aware of social, political, or environmental liabilities to which the Lorraine Project may be subject, or any other significant factors or risks that would affect access, title, or NorthWest Copper's ability to perform work on the Lorraine Project.

## History

Exploration within the Lorraine Project dates to the 1930s when the Lorraine Project was staked and later acquired by Cominco Limited in 1943. The initial mineral claims of Lorraine were restricted to the Upper Main and Lower Main mineralized zones. From the mid-1990's onwards, a process of claim consolidation from various operators has resulted in the current extent of the Lorraine Project. Mineral exploration programs have included surface geochemical sampling, airborne and ground geophysical surveys, geological mapping as well as drilling. The authors of the Lorraine Technical Report have identified approximately 1,180 rock samples, 1,240 silt samples and 15,750 soil samples that have been collected from the Lorraine Project between

1948 and 2011. These samples are documented in 25 historical assessment reports, which describe exploration that was conducted within the current extent of the Lorraine Project.

Historical drilling on the Lorraine Project has been conducted by several companies from 1949 to 2009. In total, information for 398 historical drillholes totalling 63,445.03 meters (“m” for the purposes of the Lorraine Technical Report) completed on or in the immediate vicinity of the current Lorraine Project is compiled in the drillhole database of the Lorraine Project. The number of historical drillholes completed within the current boundaries of the Lorraine Project is 322 totaling 52,290.17 m. A total of 167 holes in the database totalling 25,506.42 m are included in the mineral resource estimate area and are utilized in the current mineral resource estimate which encompasses the mineralization zones of Lower Main, Upper Main and Bishop. These zones of mineralization were defined in historical exploration.

The Lorraine Project is subject of several historical mineral resource estimates the majority of which pre-date NI 43-101. A more recent mineral resource estimate was completed for Lorraine Copper Corporation by Giroux Consultants in 2012 and published as a current resource in 2016 by Giroux and Lindinger (2016). The authors of the Lorraine Technical Report are not aware of any mineral production from the Lorraine Project.

## **Geological Setting, Mineralization and Deposit Types**

The Lorraine Project is located in a favorable geological setting, within the Duckling Creek Syenite Complex, part of the Mesozoic age composite intrusive complex known as the Hogem Batholith. The Hogem Batholith is a massive, 200 km long expanse of intrusive rocks within the Quesnel Terrane. To the west, older, uplifted Cache Creek Group rocks are separated from this belt by the Pinchi fault zone. The Hogem Batholith is composed of four main Jurassic-Cretaceous intrusive suites: 1) Early Jurassic calc-alkaline intrusive rocks of the Thane Creek suite (granodiorite, diorite, quartz monzonite, granite), which form the oldest intrusive component of this part of the Quesnel Terrane; 2) Early Jurassic alkalic intrusive rocks represented by the Duckling Creek Syenite Complex and the Chuchi syenite body; 3) Late Jurassic calc-alkaline granitoids of the Osilinka suite; and 4) Early Cretaceous calc-alkaline intrusive rocks of the Mesilinka suite (granodiorite, granite, quartz monzonite). Several ultramafic and gabbro-diorite intrusive complexes also form part of the intrusive component of Quesnel Terrane, although they are not historically included in the definition of the Hogem Batholith.

Copper-gold mineralization, commonly described as “porphyry-style” disseminated and local vein-related copper-gold (Cu-Au) mineralization in the southern Hogem Batholith, is focused around the syenite bodies (Nelson and Bellefontaine, 1996, Devine et al., 2014). Ultramafic bodies are notable for occurrences of platinum group elements PGEs (Nixon et al., 1997). Cretaceous-age intrusions locally host occurrences of copper and molybdenum in the Hogem region (Garnett, 1978).

Three main mineralized zones have been identified on the Lorraine Project: (Upper) Main Zone, Lower Main Zone and the Bishop Zone. Together these mineralized zones constitute a single, 2.5 km long elongate porphyry system that has been partially disrupted by late stage high-angle faults. The Lorraine Project copper-gold mineralization occurs throughout and peripheral to a fine-grained, strongly potassic altered syenite-monzonite intrusive body that underlies Lorraine Peak.

The Lorraine Project is located amongst other known porphyry Cu deposits along the Triassic-Jurassic Quesnel arc in north-central British Columbia. The dominant mineralization on the



Lorraine Project is interpreted to have been emplaced by a porphyry Cu system. Porphyry Cu deposits in the Quesnel and Stikine island-arc terranes are classified as either a calc-alkaline (calc-alkalic) porphyry Cu±Mo±Au, or an alkaline (alkalic) porphyry Cu-Au subtype (Mihalasky et al., 2011). The BC MINFILE records for (BC MINFILE 093N 093) of mineral occurrences located within the Lorraine Project indicate a Cu-Au porphyry-style deposit, with the exception of one occurrence indicating a Cu±Mo±Au porphyry-style deposit. The Lorraine Project deposit type will therefore only refer to the alkaline porphyry Cu-Au sub-type (referred to as “porphyry Cu-Au deposit”).

## Exploration

NorthWest Copper carried out mineral exploration at the Lorraine Project between June and September, 2021. This program comprised rock and soil geochemical sampling, stream sediment sampling, porphyry indicator mineral (“PIM”) sampling, re-logging and sampling of historical drill core, and IP and resistivity geophysical surveying. An airborne magnetic geophysical survey and a Light Detection and Ranging (“LiDAR”) survey were also completed during July, 2021.

A total of 316 rock samples were collected during the 2021 exploration program. Mapping and rock sampling identified or confirmed a number of target areas in the Lorraine and Tam-Boundary areas prospective for copper sulphide mineralization, including Lorraine Peak and Copper Peak, Boundary Zones and North Cirque. The Boundary targets are associated with robust alteration and chalcopyrite ± bornite mineralization. A total of 24.4 line-kms of geological mapping traverses were completed.

A total of 1,258 soil samples were collected. Soil sampling was completed on what is known as the Lorraine and the Tam-Boundary grids, confirming anomalies within a 2.5 km northwest trend extending through the Bishop and Lower Main zones, but also including anomalies higher than 500 ppm Cu, extending known mineralization to other targets including North Cirque, Weber, Ekland, Jenó Ridge and Copper-Page. Soil sampling at the Boundary showed overall lower copper values than Lorraine, displaying somewhat diffuse anomalous values through the central and eastern areas of the grid. However, clear anomalies were identified both upslope and downslope.

Additionally, a total of 13 PIMs and silt samples were collected. A total of 1,255 m of existing core from 10 drillholes was relogged and 180 core samples were collected from the core. A total of 20.8 line-km of ground IP was surveyed over 8 lines. Two aeromagnetic grids totaling 5,080 ha of coverage were flown. A LiDAR survey and orthophotographic imagery survey was obtained covering 10,231 ha of the Lorraine Project.

## Drilling

No drilling completed on behalf of NorthWest Copper within the Lorraine Project has been included in the Lorraine Technical Report. All drilling within the Lorraine Project included in the Lorraine Technical Report is historical in nature. NorthWest Copper undertook re-logging of select drillholes from the historical core library during 2021.

Historical drilling on the Lorraine Project has been conducted by several companies from 1949 to 2009. In total, information for 398 historical drillholes completed on or in the immediate vicinity of the current Lorraine Project totalling 63,445.03 m is compiled in the drillhole database for the Lorraine Project. The number of historical drillholes in the database drilled within the current

boundaries of the Lorraine Project is 322 totalling 52,290.17 m. Most holes drilled after 1972 have their replicated splits stored at three core storage facilities on the Lorraine Project.

Based on collar records, drillholes were set at azimuths between 0 ° and 345°. Dip of drillholes ranged between -30° and -90°. Appendix 1 of the Lorraine Technical Report shows location and provides the orientation of drillholes within the Lorraine Project and the mineralized zones. The vast majority of the historical drillholes particularly for the Lower Main Zone and the Bishop Zone have been drilled with true thicknesses of mineralization ranging from about 60% to 100%. This is also the case for the Upper Main Zone, however, because of the difficult set ups at high altitude, there are a few of the Upper Main Zone drillholes that have been completed at fairly oblique angles to the overall mineralization shapes and likely have true thicknesses on the order of 30% to 50%.

Due to the historical nature of the diamond drilling, in particular the pre 2000 drillholes there is some lacking detail within the historical documentation including limited information about the sampling and assaying methodology conducted for the Lorraine diamond drilling, prior to 2000.

A summary of drill intercepts returning combined uncapped composite grades greater than or equal to 1% Cu is provided in Appendix 2 of the Lorraine Technical Report. Based on this drilling, mineralization zones were defined and are illustrated in the Lorraine Technical Report. Drillholes that are included as part of the mineral resources presented in the Lorraine Technical Report belong to the Lower Main, Upper Main and Bishop zones. Approximately 35% of the Lorraine Project mineral resource area drillholes were completed in the 1970's, a further 35% were completed in the 1990's with approximately 26% completed after 2000. By drilled meterage, this changes to 25% in the 1970's, 33% in the 1990's and 39% after 2000.

## **Sample Preparation, Analyses and Security**

### *2021 Surface Sampling: Rocks*

Rock samples were collected at a nominal spacing of 100 m along the planned traverse irrespective of sulphide mineralization at the site, as well as at other localities of interest.

Data capture was done using a handheld smartphone with Qfield software. The GPS accuracy of the smartphone is 2-5 m depending on satellite coverage. The location of photographs taken of sample sites with the smartphone were geotagged. For the best potential spatial accuracy, the GPS on the smartphone was left to stabilize before a position was captured. To maintain data consistency and cleanliness, pre-set drop-down menus using appropriate codes related to core logging were utilized. With every rock sample collected for assay, a small reference sample was collected. The reference sample was put into a kraft paper bag and labelled with the sample number, sampler initials, sample type and date. As a physical back up, the sample station coordinates were recorded in the laboratory sample tag book, along with the date, sampler initials and the sample type. At each sample station an aluminum tag with pink flagging tape was left with sampling information inscribed (Titley and Harper, 2022).

Samples were brought back to camp, sealed in rice bags, transported by the Company operated trucks to Prince George, BC, and delivered via Bandstra from Prince George, BC to Vancouver, BC, to be analyzed at Bureau Veritas.

Bureau Veritas is an ISO 9001:2015 and 17025 accredited analytical laboratory. Bureau Veritas is independent of the Company and the authors of the Lorraine Technical Report. At Bureau Veritas, samples were prepared by crushing, splitting and pulverizing 250 g of rock to -200 mesh (PRP70-250). Copper and silver analyses were determined via four acid digestion followed by induced coupled plasma mass spectrometer (ICP-MS) method MA250, which is capable of determining up to 10,000 ppm copper and 200,000 ppb silver. Gold, platinum and palladium were determined by fire assay atomic absorption (FA/AAS method FA330 using a 30-gram sub-sample with lead collection, and has an upper detection limit of 10 ppm for gold, platinum and palladium. Overlimit copper analyses were determined by four acid digestion ICP-ES finish, ore grade method MA370 with a lower detection limit of 0.001% for copper.

QA/QC for NorthWest Copper's Lorraine 2021 rock sampling program included internal procedures as well as relying on laboratory QA/QC procedures. NorthWest Copper's internal procedures included the insertion of blanks within the rock sampling sequence. QA/QC measures at Bureau Veritas include routine screen tests to verify crushing and pulverizing efficiency, sample preparation duplicates, and analytical quality controls: blanks, standards, duplicates (duplicates from rejects and pulp replicates). At the laboratory, quality control samples are inserted on each analytical run, based on the rack sizes associated with the method.

A total of 316 rock samples were collected, including 22 blanks (7% of total samples from the sampling program). These blanks consisted of country rock material with negligible mineralization features. Assays from blanks yielded values below or at threshold detection limit for both copper (10 ppm or 0.01%) and gold (0.01 ppm)

### *2021 Surface Sampling: Soils*

Soil samples were collected from the Ah horizon unless that was unavailable, in which case, O or B horizons were sampled and the horizon change was recorded. Soils were put into brown paper kraft bags along with a sample tag and sealed with zip ties. Data capture was done using a handheld smartphone with Qfield software. The GPS accuracy of the smartphone is 2-5 m depending on satellite coverage (Tittley and Harper, 2022).

Samples were sealed and delivered via Bandstra from Prince George, BC to Vancouver BC, to be analyzed at Bureau Veritas.

At Bureau Veritas, samples were prepared by drying at 60°C, sieving 100 g to -80 mesh (SS80) and after aqua regia digestion, analyzed by an ultra-trace ICP-ES/MS method AQ201 for 15 g test weight or method AQ202 0.5 g test weight, for 37 elements.

QA/QC for NorthWest Copper's Lorraine 2021 soil sampling program included internal procedures as well as relying on laboratory QA/QC procedures. NorthWest Copper's internal procedures included the insertion of field duplicates within soil sampling sequence. QA/QC measures at Bureau Veritas laboratories include routine screen tests to verify crushing and pulverizing efficiency, sample preparation duplicates, and analytical quality controls: blanks, standards, duplicates (duplicates from rejects and pulp replicates). At the laboratory quality control samples are inserted on each analytical run, based on the rack sizes associated with the method.

A total of 1,236 sites were sampled with a total of 24 field duplicates collected (2% of total samples within sampling program). These field duplicates consisted of separate samples collected from the same location, marked with the next number in sequence from the original (parent) sample

and marking on sampling form the number of parent sample for easy identification within assay database. Assays from field duplicate compared to original samples for copper are within the same order of magnitude, and while for gold it is less consistent, it is still considered within the same order of magnitude. In general, the variability observed when compared in plots for all these field duplicates is consistent with the type of sample and mineralization characteristics. The 2021 soil sample results are deemed acceptable based upon the QA/QC data.

## *2021 Surface Sampling: Stream Sediments/Silts*

Stream sediment samples were collected from 13 sites on drainages within the Lorraine Project claim group. Collection was done by sieving sediments using a #4 mesh (0.25") to remove coarse debris. Information on the sample site was collected including stream flow, vegetation, stream order, slope, bank type, and sample site (type of bed or bar the sample was collected from). Sample location GPS and data capture was mapped using a handheld smartphone with QField software. The GPS accuracy of the smartphone is 2- 5 m depending on satellite coverage. For the best potential spatial accuracy, the GPS on the smartphone was left to stabilize before a position was captured. To maintain data consistency and cleanliness pre-set drop-down menus using the mapping and quick logging codes were used (Tittley and Harper, 2022).

Samples were brought back to camp, sealed in rice bags, transported by Company operated trucks to Prince George, BC, and delivered via Bandstra from Prince George, BC to Vancouver BC, to be analyzed at Bureau Veritas.

At Bureau Veritas, samples were prepared by drying at 60°C, sieving 100 g to -80 mesh (SS80) and after aqua regia digestion, analyzed by an ultra-trace ICP-ES/MS method AQ201 for 15 g test weight or method AQ202 0.5 g test weight, for 37 elements.

QA/QC for NorthWest Copper's Lorraine 2021 stream sampling program relied on laboratory QA/QC procedures. QA/QC measures at Bureau Veritas laboratories include routine screen tests to verify crushing and pulverizing efficiency, sample preparation duplicates, and analytical quality controls: blanks, standards, duplicates (duplicates from rejects and pulp replicate analysis). At the laboratory quality control samples are inserted on each analytical run, based on the rack sizes associated with the method.

## *Historical Diamond Drill Core Data used in Current Mineral Resource*

NorthWest Copper have compiled and constructed a database of all historical exploration data from the Lorraine Project. The historical data has for the most part been provided in its entirety or has been accessible to APEX personnel. However, certain aspects of the database particularly the metadata for historical sampling, security, analytical profiles, and QA/QC methods and data are incomplete with respect to the life time exploration that has been conducted at the Lorraine Project, particularly with the use of a number of laboratories for assaying between 1949 and 2002. NorthWest Copper has provided and APEX personnel have reviewed all of the available historical drilling documentation for work completed prior to 2009. The current NorthWest Copper drillhole database has undergone an extensive data verification program and has been compared to available historical assessment report information.

The authors of the Lorraine Technical Report reviewed approximately 10% of the historical drillhole pre-2003 geological logs and assay certificates for holes in the Lorraine Project resource area. In addition, all of the 2003 to 2008, drillhole original data including geological logs, sample

logs and assay certificates were reviewed by the authors of the Lorraine Technical Report and used to verify the current database. Current database includes QA/QC data from drilling programs starting in 2005 until 2008. In total, more than 20% of the historical drillhole geological and assay data was checked and reviewed against copies of original documents by the authors of the Lorraine Technical Report. Including statistical review and comparison of all of the digital data files and databases, effectively the entire assay database was reviewed and checked. The updated drillhole database is considered by the authors of the Lorraine Technical Report to be acceptable for resource estimation.

## *NorthWest Copper 2021 Historical Drill Core Sampling*

Samples were collected during re-logging every 10 to 30 metres based on changes in lithology, alteration and mineralization. Samples measure 10 to 30 cm. A total of 180 samples were collected and divided into three pieces: one piece remained in the Company office as a representative sample, a second piece was sent for assay and whole rock major oxide analysis, and a third piece was kept for other testing. 37 samples were used to make thin sections for petrographic analysis. The samples were also collected for physical properties testing, including chargeability/resistivity and conductivity and density. These tests had not been completed or were not available by the effective date of the Lorraine Technical Report. Samples were submitted to Bureau Veritas in Vancouver for analysis.

Information on QA/QC for drilling programs at the Lorraine Project is available for programs starting in splitting and pulverizing 250 g of rock to -200 mesh (PRP70-250). Copper and silver analyses were determined via four acid digestion followed by induced coupled plasma mass spectrometer ICP-MS method MA250, which is capable of determining up to 10,000 ppm copper and 200,000 ppb silver. Gold, platinum and palladium were determined by fire assay atomic absorption Fire Assay/AAS method FA330 using a 30-gram sub-sample with lead collection and has an upper detection limit of 10 ppm for gold, platinum and palladium. Overlimit copper analyses were determined by four acid digestion ICP-ES finish, ore grade method MA370 with a lower detection limit of 0.001% for copper.

Each sample was also sent for whole rock major oxide analysis by XF700, which uses which is a method consisting of x-ray fluorescence (XRF) on fused discs. It uses Li<sub>2</sub>B<sub>4</sub>O<sub>7</sub>/LiBO<sub>2</sub> fusion for Whole rock analysis. It is capable of determining major oxides to 0.01% for Si, Al, Fe, Ca, Mg, Na, K, Mn, Ti, P, Cr, Ba and to 0.002% for S and Sr.

QA/QC for NorthWest Copper's Lorraine 2021 core sampling program relied on laboratory QA/QC procedures. QA/QC measures at Bureau Veritas laboratories include routine screen tests to verify crushing and pulverizing efficiency, sample preparation duplicates, and analytical quality controls: blanks, standards, duplicates (duplicates from rejects and pulp replicate analysis). At the laboratory quality control samples are inserted on each analytical run, based on the rack sizes associated with the method.

The 2021 core sampling only includes a small part of the entire sample length, thus it is not expected to exhibit the same repeatability as a proper core duplicates collected over the entire length of the original sample. However, copper assays from lithochemical core samples are within range of error of original drillhole assays while gold results were more erratic for these samples.

It is author's of the Lorraine Technical Report's opinion that the sampling techniques and procedures used, sample security and transportation completed by NorthWest Copper and previous operators of the Lorraine Project were adequate and the data is considered suitable for its use in the Lorraine Technical Report.

## **Data Verification**

The relevant author of the Lorraine Technical Report completed a site inspection of the Lorraine Project on September 23, 2021. The site visit included a tour of the Lorraine Project to verify historical exploration results and to confirm the geology and mineralization of the Lorraine Project. The relevant author of the Lorraine Technical Report collected a total of six samples with sample 12ARM008 returning 1.625 % Cu and 0.802 ppm Au and sample 21ARM009 returning 0.456% Cu and 0.096 ppm Au. The qualified person verification samples were collected from historical drillholes and outcrops.

Based upon a review of available information, historical exploration data, and the relevant author of the Lorraine Technical Report site visit, the relevant author of the Lorraine Technical Report considers the Lorraine Project to be a property of merit that is prospective for porphyry copper-gold style mineralization. The Lorraine Project demonstrates the potential for the discovery of additional mineralization with additional exploration. The Lorraine Project is hosted by units exhibiting porphyry style alteration and mineralization in an area with a long history of discovery and mineral exploration.

In total, more than 20% of the historical drillhole geological and assay data was checked and reviewed by APEX personnel with few errors found. Including statistical review and comparison of all of the digital data files and databases, effectively the entire assay database was reviewed and checked. Based upon the data verification conducted by APEX personnel, the updated drillhole database is considered by the authors of the Lorraine Technical Report to be acceptable for mineral resource estimation. The authors of the Lorraine Technical Report take responsibility for the current drillhole database.

## **Mineral Processing and Metallurgical Testing**

The Company has not undertaken any metallurgical testing.

## **Mineral Resource Estimates**

The updated 2022 Lorraine Project mineral resource estimate is reported in Table 17 for indicated and inferred mineral resource categories. The indicated and inferred mineral resource is undiluted and uses a cut-off grade of 0.2% Cu which is constrained within a LG optimized pit shell and includes an indicated mineral resource of 12,952,000 tonnes at 0.55% Cu, 0.16 g/t Au and 0.65% CuEq, and an inferred mineral resource of 45,452,000 tonnes at 0.43% Cu, 0.1 g/t Au and 0.49% CuEq. The conversion to CuEq is provided in Table 17 notes below.

The updated NI 43-101 mineral resource estimate for the Lorraine Project was completed in 2022 by Michael B. Dufresne, M.Sc., P. Geol., P.Geol. Mr. Dufresne was assisted by Mr. Deon van der Heever, B.Sc., a Resource Specialist, who contributed to the completion of the mineral resource estimate for the Lorraine Project. Mr. Dufresne is independent of NorthWest Copper and is a qualified person who takes responsibility for the mineral resource estimate.

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The Lorraine Project's resource database consists of a total of 63,445.03 m of sampling in 398 drillholes. A total of 167 drillholes for a total of 25,506.42 m of sampling are included in the mineral resource estimate. Drill spacing is generally less than 50 m in the densely drilled portions of the project. The database was supplied by the issuer in the form of Leapfrog project files. The database was reviewed, validated and accepted by the qualified person.

*Table 17: Lorraine 2022 Mineral Resource Estimate at a Cut-Off of 0.2% Copper*

Domain	Class	Tonnes	Avg Cu	Avg Au	Ave CuEq	Cu	Au
		(000s)	Grade (%)	Grade (g/t)	Grade (%)	('000 lbs)	('000 oz)
Bishop	Indicated	2,541	0.58	0.12	0.66	32,284	10
	Inferred	9,082	0.51	0.1	0.57	101,730	29
Lower Main	Indicated	3,828	0.45	0.15	0.55	38,342	18
	Inferred	21,282	0.38	0.07	0.43	179,032	49
Upper Main	Indicated	6,584	0.59	0.19	0.71	85,467	40
	Inferred	15,089	0.44	0.14	0.53	147,169	67
Total	Indicated	12,952	0.55	0.16	0.65	156,093	68
	Inferred	45,452	0.43	0.1	0.49	427,931	145

**Notes:**

1. Indicated and inferred mineral resources are not mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability. There has been insufficient exploration to define the inferred resources tabulated above as an indicated or measured mineral resource, however, it is reasonably expected that the majority of the inferred mineral resources could be upgraded to indicated mineral resources with continued exploration. There is no guarantee that any part of the mineral resources discussed herein will be converted into a mineral reserve in the future. The estimate of mineral resources may be materially affected by environmental, permitting, legal, marketing or other relevant issues. The mineral resources have been classified according to the CIM Definition Standards (May, 2014).and CIM Estimation of Mineral Resources & Mineral Reserves Best Practices Guidelines (2019).
2. Cu Equivalent (CuEq) grade is based on 90% Cu recovery and 85% Au recovery. The conversion used for Au grade (g/t) to CuEq grade (%) is:  $Au (g/t) * 0.6493$ , at a price of Cu US\$3.50/lb and Au US\$1,650/oz.
3. The mineral resource estimate is constrained in an LG pit optimization utilizing Cu at US\$3.50/lb, Au at US\$1,650/oz, Mining at C\$3.50/tonne, Processing and G&A at C\$14.50/tonne, pit slopes at 45o and an exchange rate of 0.77.
4. Differences may occur in totals due to rounding.
5. The effective date of the mineral resource estimate is June 30, 2022.

The mineral resource has been estimated within three dimensional solids based on an updated geological interpretation that was completed by NorthWest Copper and reviewed and modified as needed by Mr. van der Heever and the qualified person for use in the resource model. The geological interpretation was modeled inside each fault block and then used to create shapes for constraining mineralized zones. Fault blocks and lithological boundaries showing clear breaks in mineralization were used as constraining boundaries to create five final estimation domains. Three higher grade mineralized targets were modeled as separate domains by creating grade shells with 0.2% Cu boundaries within the previously modeled lithological and structure model: these are: Upper Main, Lower Main and Bishop zones. The surrounding volumes were split into a medium grade Syenite domain and low grade Syenite-Pyroxenite domain.

The copper grade was estimated within a block model that was constructed to fill the domain volumes with 20 m x 20 m x 5 m blocks in the X, Y and Z directions to best represent the data density of the deposit shapes, and to minimize blocks with unsupported by data. The model was rotated clockwise by 40o to better fit the alignment of domains. Ordinary kriging was used to

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estimate all blocks into the model with three estimation passes whereby each successive pass utilized a less restrictive sample search strategy to estimate any remaining un-estimated blocks. For this estimate 2.7 g/cm<sup>3</sup> was used for the bulk density and converting volume to tonnes. At the time the resource was completed, data on density was not available to the authors. Density data for approximately 200 samples is now available and according to NorthWest Copper, provides an average density of 2.75 g/cm<sup>3</sup>.

The 2022 Lorraine Project mineral resource has been classified as comprising indicated and inferred resources according to recent CIM Definition Standards. The classification for the Lorraine mineral resources was based on geological confidence, data quality and grade continuity. All reported mineral resources occur within a pit shell optimized using values of \$US3.50/lb for copper and \$US1,650 per ounce for gold. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

Based upon a review of available information, historical exploration data, and the relevant author of the Lorraine Technical Report site visit, the author's of the Lorraine Technical Report consider the Lorraine Project to be a property of merit that is prospective for porphyry copper style mineralization. The Lorraine Project is hosted by units exhibiting porphyry style alteration and mineralization in an area with a long history of mineral exploration. The exploration conducted recently by NorthWest Copper in conjunction with the current mineral resource estimate along with historical exploration demonstrates that there is potential to expand upon the current mineral resources and proceed to more advanced studies and with additional positive results to eventual development.

## Exploration, Development and Production

In 2022, the Company undertook an inaugural drill program at the Lorraine Project. Before the 2022 drill program, the Lorraine Project had not been drilled in 14 years. During this program seven holes were drilled using diamond drilling for a total of 2,867 m. Three were drilled in the Lower Main Zone, two in the Upper Main Zone and two were drilled in the open area between the Lower and Upper Main Zones. Below are complete drill results from the 2022 drill program:

Hole	From(m)	To(m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
LOR-22-130	5.10	24.00	<b>18.90</b>	0.23	0.07	1.5
also	109.00	154.85	<b>45.85</b>	0.49	0.19	3.6
incl	109.00	132.00	<b>23.00</b>	0.79	0.30	5.8
also	214.00	234.90	<b>20.90</b>	0.30	0.07	1.5
also	279.20	322.90	<b>43.70</b>	0.16	0.03	1.0
LOR-22-131	15.00	61.90	<b>46.90</b>	0.59	0.25	4.2
incl	30.00	47.00	<b>17.00</b>	1.13	0.46	8.0
also	98.00	100.00	<b>2.00</b>	0.00	<b>6.19</b>	0.4
LOR-22-132	6.00	73.00	<b>67.00</b>	0.18	0.08	1.6
also	334.00	349.00	<b>15.00</b>	0.14	0.12	1.1
LOR-22-133	<i>No significant result</i>					
LOR-22-134	173.00	223.20	<b>50.20</b>	0.18	0.06	1.0
incl.	173.00	176.00	<b>3.00</b>	1.05	0.37	8.3
LOR-22-135	20.30	101.05	<b>80.75</b>	0.07	0.06	0.8
also	153.00	170.10	<b>17.10</b>	0.10	0.05	0.9



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Hole	From(m)	To(m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)
also	233.00	256.20	<b>23.20</b>	0.63	0.27	4.4
also	295.00	297.10	<b>2.10</b>	0.67	0.22	9.9
also	320.35	331.00	<b>10.65</b>	0.26	0.11	2.1
also	381.70	402.60	<b>20.90</b>	0.36	0.18	2.8
also	491.95	501.50	<b>9.55</b>	0.01	0.31	2.2
LOR-22-136	0.00	17.00	<b>17.00</b>	0.09	0.07	0.8
also	91.00	193.80	<b>102.80</b>	0.28	0.05	1.3
also	229.20	243.20	<b>14.00</b>	0.21	0.07	1.5
also	329.00	344.30	<b>15.30</b>	0.20	0.04	1.9

Drilling completed at the Lorraine Project in 2022 was supervised by on-site NorthWest Copper personnel who collected and tracked samples and implemented a full QA/QC program using blanks, standards and duplicates to monitor analytical accuracy and precision. The samples were sealed on site and shipped to AGAT in Calgary, Alberta. AGAT's quality control system complies with global certifications for Quality ISO 9001:2015. Core samples were analyzed using a combination of AGAT's 201-071 process for low-level concentrations (ICP-MS/4 Acid digestion) and higher-level concentrations were finalized with method 201-097 (Sodium Peroxide Fusion/ICP-OES). Gold assaying was completed with 202-055, a 30-gram fire assay with ICP finish

Additionally, the Company flew 501 line-km of airborne EM and magnetics, conducted 13 days of geological mapping, took 13 geochronology samples, 109 surface rock samples, 167 whole rock lithochemical samples and 3,863 soil samples. NorthWest Copper's exploration team is integrating the data into geological interpretation as well as reviewing for direct targeting of possible future drill holes.

The Company plans to focus on growing the mineral resource and increasing the Company's understanding of the deposit at the Lorraine Project in 2023. NorthWest Copper will also evaluate the possibility of further synergies with nearby deposits in the Company's portfolio, including the Kwanika-Stardust Project. The 2022 exploration results demonstrated the potential for mineral resource growth at the Lorraine Project by identifying mineralization outside the previous mineral resource shells. 2023 activities are expected to include metallurgical testwork, as well as potentially a 4,000 - 6,000 m drill program designed to upgrade the current mineral resource, as well as test both targets outside of the Lower and Upper Main Zones and regional targets. Field work at the Lorraine Project in 2023 is also expected to include structural and geological mapping, and desktop activities are planned to include the continuation of ore-body knowledge studies undertaken by NorthWest Copper staff.

2023 activities at the Lorraine Project are expected to be flexible based on the availability of funding. Based on the amount of funding raised, the Company's planned exploration or other work programs may be postponed, or otherwise revised, as necessary. There can be no assurance that such financing will be available in the amount required at any time or for any period or, if available, that it can be obtained on terms satisfactory to the Company.

## DIVIDENDS AND DISTRIBUTIONS

The Company has not, for any of the three most recently completed financial years or its current financial year, declared or paid any dividends on our Common Shares, and does not currently have a policy with respect to the payment of dividends. For the foreseeable future, we anticipate that we will not pay dividends but will retain future earnings and other cash resources for the operation and development of our business. The payment of dividends in the future will depend on our earnings, if any, our financial condition and such other factors as our directors consider appropriate.

## CAPITAL STRUCTURE

### Common Shares and Preferred Shares

The authorized share capital of the Company consists of an unlimited number of Common Shares and 20,000,000 Preferred Shares. As of the date of this AIF, 189,759,253 Common Shares were issued and outstanding and nil Preferred Shares were issued and outstanding.

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Company and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Company. The Common Shares do not carry any pre-emptive, subscription, redemption, retraction, conversion or exchange rights, nor do they contain any sinking or purchase fund provisions. The Company does not have debt securities. The holders of the Common Shares, subject to the prior rights, if any, of any other class of Common Shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company on a *pro rata* basis.

### Warrants

As of the date of this AIF, 15,623,929 warrants to purchase Common Shares (the “**Warrants**”) were outstanding. Of these Warrants, 4,625,381 Warrants are exercisable into one Common Share at an exercise price of \$1.63 per Common Share, on or before May 2, 2023; 9,418,982 Warrants are exercisable into one Common Share at an exercise price of \$0.30 per Common Share, on or before February 3, 2025; and 1,579,566 Warrants are exercisable into one Common Share at an exercise price of \$0.30 per Common Share, on or before February 9, 2025.

### Options

As of the date of this AIF, 15,060,300 options to purchase Common Shares (the “**Options**”) were outstanding under the Company’s stock option plan. Each Option is exercisable into one Common Share. The outstanding Options have a weighted average exercise price of \$0.67.

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## RSUs

As of the date of this AIF, 3,349,480 restricted share units (“**RSUs**”) were outstanding under the Company’s restricted share unit plan. On redemption each RSU entitles the holder to one Common Share.

## DSUs

As of the date of this AIF, 800,000 deferred share units (“**DSUs**”) were outstanding under the Company’s deferred share unit plan. On redemption each DSU entitles the holder to one Common Share.

## MARKET FOR SECURITIES

### Trading Price and Volume

The Common Shares are listed and traded on the TSXV under the symbol “NWST”. The table below summarizes the high and low prices and volumes of trading of Common Shares on the TSXV for each of the periods indicated.

Period	High (\$)	Low (\$)	Monthly Volume
January 2022	0.82	0.63	1,857,825
February 2022	0.73	0.61	2,760,297
March 2022	0.72	0.63	1,907,605
April 2022	0.73	0.58	2,409,080
May 2022	0.61	0.47	1,988,726
June 2022	0.53	0.39	2,726,550
July 2022	0.405	0.25	3,933,800
August 2022	0.36	0.30	1,646,610
September 2022	0.325	0.225	3,009,110
October 2022	0.315	0.21	3,668,038
November 2022	0.26	0.21	3,028,976
December 2022	0.23	0.20	6,243,800

The closing price of the Common Shares on the TSXV on April 19, 2023, being the last trading day before the date of this AIF, was \$0.225.

## Prior Sales

The Company issued the following securities, which are not listed or quoted on a marketplace, during the most recently completed fiscal period:

Date	Number of Securities Issued / Granted	Type of Securities Issued / Granted	Weighed Average Exercise Price (\$)
March 14, 2022	400,000	Options	\$0.67
April 25, 2022	50,000	RSUs	N/A
April 25, 2022	150,000	Options	\$0.65
August 2, 2022	100,000	Options	\$0.33

## DIRECTORS AND OFFICERS

### Name, Occupation and Security Holding

The following table sets forth the name of each of our directors and executive officers, their province or state and country of residence, their position(s) with the Company, their principal occupation during the preceding five years and the date they first became a director of the Company. Each director's term will expire immediately prior to the following annual meeting of shareholders.

Name, Province and Country of residence, and positions held with the Company	Principal occupation during the past five years	Date serving as a Director
MARK O'DEA <sup>(2)(3)</sup> British Columbia, Canada <i>Chairman and Director</i>	Former Director of Sun Metals <sup>(5)</sup> . Former Executive Chair, NorthWest Copper Corp. Director of Liberty Gold Corp <sup>(5)</sup> . Former Director of Discovery Silver Corp <sup>(5)</sup> . Former Interim President and Chief Executive Officer, Pure Gold Mining Inc. <sup>(5)</sup> , from April 2022 to March 2023. Former Director of Pure Gold Mining Inc.	Since March 5, 2021
TEODORA DECHEV <sup>(1)(3)(4)</sup> British Columbia, Canada <i>Director</i>	President and Director of Mundoro Capital Inc <sup>(5)</sup> , since April 2008 and CEO since July 2009.	Since April 10, 2019
LEWIS V. LAWRICK <sup>(2)(4)</sup> Ontario, Canada <i>Director</i>	President, CEO and a Director of Magna Terra Minerals Inc. <sup>(5)</sup> since November 2009. Director of Signal Gold Inc. <sup>(5)</sup> since March 2007.	Since January 12, 2006
SEAN TETZLAFF <sup>(1)(2)</sup> British Columbia, Canada <i>Director</i>	Former Director of Sun Metals <sup>(5)</sup> . Former Chief Financial Officer of Pure Gold Mining Inc. <sup>(5)</sup> , from June 2014 to December 2021.	Since March 5, 2021
RICHARD BAILES <sup>(4)</sup> British Columbia, Canada <i>Director</i>	Former Director of Sun Metals <sup>(5)</sup> . Consulting geologist.	Since March 5, 2021
DAVID SMITH <sup>(1)(3)</sup> British Columbia, Canada <i>Director</i>	Corporate director from July 2014 to present.	Since March 14, 2022
PETER BELL Ontario, Canada <i>Director, President and Chief Executive Officer</i>	President & CEO, NorthWest Copper since March 2021. Investment Banker with National Bank Financial from 2018 to 2021. Co-CIO, Polygon Global Partners LLP, a global investment firm, from 2012 to 2018.	Since August 26, 2021

Name, Province and Country of residence, and positions held with the Company	Principal occupation during the past five years	Date serving as a Director
TYLER CASWELL British Columbia, Canada <i>Vice President Exploration</i>	VP Exploration, NorthWest Copper since December 2022. Principal Geologist, NorthWest Copper from March 2021 to December 2022. Former Stardust Project Manager of Sun Metals.	Not Applicable
LAUREN MCDOUGALL British Columbia, Canada <i>Chief Financial Officer and Corporate Secretary</i>	CFO and Corporate Secretary, NorthWest Copper since March 2021. Former CFO & Corporate Secretary of Sun Metals <sup>(5)</sup> . Controller of Pure Gold Mining Inc. 2015-2019.	Not Applicable
VESTA FILIPCHUK British Columbia, Canada <i>Vice President Sustainability</i>	VP Sustainability, NorthWest Copper since June 2021. Director of Social, Environmental, and Regulatory Affairs Galore Creek – Teck Resources, 2019-2021. Manager, Social Responsibility and Sustainability Exploration – Teck Resources 2011-2019.	Not Applicable

**Notes:**

- (1) Member of Audit Committee.
- (2) Member of Compensation Committee.
- (3) Member of Corporate Governance and Nominating Committee.
- (4) Member of Health, Safety and Sustainability Committee.
- (5) A publicly traded mining company

## Shareholdings of Directors and Executive Officers

As of the date of this AIF, the Company’s directors and executive officers beneficially own, control or direct, directly or indirectly 8,706,052 Common Shares, representing approximately 4.59% of the issued and outstanding Common Shares as of such date.

## Cease Trade Orders, Bankruptcies, Penalties or Sanctions

For purposes of the disclosure in this section, an “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that was in effect for a period of more than 30 consecutive days whether or not the director or executive officer was named in the order.

None of our directors or executive officers, including any personal holding company of a director or executive officer:

- (a) is, as at the date of this AIF, or has been, within the 10 years before the date of this AIF,

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a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (i) was subject to an order that was issued while the director or executive officer was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
- (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer of the company.

Except as disclosed below, none of our directors or executive officers, or a shareholder holding a sufficient number of securities to affect materially the control of the Company, including any personal holding company of the aforementioned:

- (b) is, as at the date of this AIF, or has been, within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable investor in making an investment decision, or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be important to a reasonable investor in making an investment decision.

Mark O'Dea was a director of Pure Gold Mining Inc. ("**Pure Gold**") until March 30, 2023. Pure Gold owns the Madsen Mining property, located near Red Lake Ontario. After redeveloping the property and processing facilities, Pure Gold experienced significant start up and operational difficulties. Consequently, on October 31, 2022, Pure Gold applied for and received an initial order for creditor protection from the Supreme Court of British Columbia (the "**Court**") under the Companies' Creditors Arrangement Act (the "**CCAA**"). KSV Restructuring Inc. was appointed as the monitor. On November 10, 2022, the Court approved a Sales and Investment Solicitation Process Order, among other relief. On March 30, 2023, the Court approved Pure Gold's appointment of a Chief Administrative Officer and all members of the Pure Gold board of directors resigned immediately. Pure Gold's common shares were suspended from trading on the NEX Board of the TSX Venture Exchange. The CCAA proceedings remain ongoing.

## **Conflicts of Interest**

Certain directors and officers of the Company are directors, officers, shareholders or promoters of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties. Such association to public companies in the resource sector may give rise to conflicts of interest from time to time. As a result, opportunities provided to a director of the Company may not be available to the Company, but rather may be offered to a company with competing interests. The directors and officers of the Company are required by law to act honestly and in good faith with a view to the best interests of the Company and to disclose any personal interest which they may have in any project or opportunity of the Company, and to abstain from voting on such matters. As of the date of this AIF and to the knowledge of the directors and officers of the Company, except as disclosed herein, there are no existing conflicts of interest between the Company and any of the current directors and officers of the Company.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

There are no legal proceedings or regulatory actions material to us to which we are a party, or to which we have been a party since our incorporation, or of which any property of the Company or its subsidiaries is or has been the subject matter of, since the beginning of the year ended December 31, 2022, and no such proceedings are known by us to be contemplated. There have been no penalties or sanctions imposed against us by a court relating to provincial or territorial securities legislation or by any securities regulatory authority, there have been no penalties or sanctions imposed by a court or regulatory body against us, and we have not entered into any settlement agreements before a court relating to provincial or territorial securities legislation or with any securities regulatory authority since our incorporation.

## **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Other than transactions carried out in the ordinary course of business of the Company or its subsidiaries, or as disclosed elsewhere in this AIF, none of the directors or executive officers of the Company, any shareholder directly or indirectly beneficially owning, or exercising control or direction over, Common Shares carrying more than 10% of the voting rights attached to the Common Shares, nor an associate or affiliate of any of the foregoing persons has had, within the three most recently completed financial years or during the current financial year, any material interest, direct or indirect, in any transactions that materially affected or would materially affect the Company or its subsidiaries.

Pursuant to the terms of David W. Moore's employment agreement, Mr. Moore, who held the position of President and Chief Executive Officer of the Company prior to the Company's acquisition of Sun Metals, received a lump-sum cash payment of \$513,216 following completion of the Arrangement.

## **AUDITORS, TRANSFER AGENT AND REGISTRAR**

### **Auditors**

The auditor of the Company is KPMG LLP, PO Box 10426 777 Dunsmuir Street, Vancouver British Columbia, V7Y 1K3.

## Transfer Agents, Registrars or Other Agents

The registrar and transfer agent of the Common Shares is Odyssey Trust Company, Suite 323 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

## AUDIT COMMITTEE

### Audit Committee Charter

The Audit Committee Charter is attached to this AIF as Schedule “A”.

### Composition of the Audit Committee

The current members of the Audit Committee are Sean Tetzlaff (“**Chair**”), Teodora Dechev and David Smith, all of whom are independent and all of whom are financially literate as defined by National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

### Relevant Education and Experience

All members of the Audit Committee have received relevant education in financial literacy and have been involved in enterprises which public report financial results, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

#### *Sean Tetzlaff*

Mr. Tetzlaff, CPA, CA, is an experienced financial professional with over 25 years of experience in the mining industry. He has been responsible for the successful execution of numerous equity investments, asset divestitures and merger and acquisitions transactions over his career. Mr. Tetzlaff is currently a director of Liberty Gold Corp., a TSX-listed company. Mr. Tetzlaff previously served as Chief Financial Officer and Corporate Secretary of Pure Gold Mining Inc. from 2014 to 2021 and he served as Chief Financial Officer and Corporate Secretary of Blue Gold Mining Inc., which merged with Riverstone Resources Inc. in 2012 to become True Gold Mining Inc., which was sold to Endeavour Mining Corporation in 2016. He served as CFO, VP Finance and Corporate Secretary of Fronteer Gold from 2005 to 2011, when it was sold to Newmont for \$2.3 billion. Mr. Tetzlaff also served as CFO of Aurora Energy from 2006 to 2008, helping the company grow from initial public offering through to the advancement of one of the world's largest undeveloped uranium deposits. Mr. Tetzlaff has a tax background, having worked with KPMG LLP from 2000 through 2004.

#### *Teodora Dechev*

Ms. Dechev holds a Masters of Business Administration (MBA) from the Schulich School of Business at York University in Canada, a Bachelor of Applied Science and Engineering (B.A.Sc.) in Geological & Mineral Engineering from the University of Toronto, is a licensed Professional Engineer in both British Columbia and Ontario, and holds the ICD.D designation from the Institute of Corporate Directors. She is the President, CEO and a Director of Mundoro Capital Inc., a Vancouver-based company that invests in, acquires and develops mineral resource properties primarily focused on Eastern Europe and the southwest USA. Prior to Mundoro, Ms. Dechev worked at Canadian investment banks including at Desjardins Securities Inc., CIBC World



Markets; and National Bank Financial, in corporate finance and M&A; as well as Loewen Ondaatje McCutcheon in institutional equity research.

## *David Smith*

Mr. Smith is a Corporate Director who has had a career on both the finance and the supply sides of business within the mining sector, with extensive international exposure. Mr. Smith served as the Chief Financial Officer and Executive Vice President of Finning International Inc. from 2009 to 2014. Prior to joining Finning, Mr. Smith served as Chief Financial Officer and a Vice President of Ballard Power Systems, Inc. from 2002 to 2009. Previously, he spent 16 years with Placer Dome Inc. in various senior positions and 4 years with PriceWaterhouseCoopers. Mr. Smith currently is also a director of IAMGOLD Corporation and HudBay Minerals Inc., both TSX-listed companies. He has also completed the Institute of Corporate Directors course, Directors Education Program (ICD.D). He holds a Bachelor of Science degree in Accounting and Finance.

## **Audit Committee Oversight**

At no time during the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

## **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in section 2.4 (*De Minimis Non-audit Services*), the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*), the exemption in subsection 6.1.1(6) (**Death, Incapacity or Resignation**), or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

## **Pre-approval Policies and Procedures**

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chair of the Audit Committee deems is necessary, and the Chair will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Audit Committee's consideration, and if thought fit, approval in writing.

## **External Auditor Service Fees (by Category)**

The following table sets out the aggregate fees charged to the Company by the Company's auditor in each of the last two completed financial years for the category of fees described.

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	Year Ended December 31, 2022	Ten Months Ended December 31, 2021
Audit Fees <sup>(1)</sup>	\$171,200	\$112,350
Audit-Related Fees <sup>(2)</sup>	\$Nil	\$Nil
Tax Fees <sup>(3)</sup>	\$Nil	\$Nil
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil
<b>Total Fees:</b>	<b>\$171,200</b>	<b>\$112,350</b>

Notes:

- (1) "Audit Fees" include fees billed by the Company's external auditor in the provision of audit services in each of the last two fiscal years for audit fees. Fees for the year ended December 31, 2022 include \$26,215 in additional fees charged in relation to the audit of the Company's December 31, 2021 financial statements. Fees for the ten months ended December 31, 2021 include \$48,150 in fees charged in relation to the audit of Sun Metals' December 31, 2020 financial statements, which was required in connection with the BAR on May 19, 2021.
- (2) "Audited Related Fees" include the fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees" above.
- (3) "Tax Fees" include the fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All Other Fees" include the fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit Fees", "Audit Related Fees" and "Tax Fees" above.

## Exemption

Since the Company is a 'venture issuer', as defined in NI 52-110, it relies on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 *Composition of the Audit Committee* (as described in "Composition of the Audit Committee" above) and Part 5 *Reporting Obligations* of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in the Company's AIF).

## MATERIAL CONTRACTS

As at the date of this AIF, the following agreements and contracts are reasonably regarded as being material to NorthWest Copper:

- The Warrant Indenture. See "General Development of the Business – Three Year History".

A copy of the Warrant Indenture is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## INTEREST OF EXPERTS

Experts who have prepared reports for the Company for the financial year ended December 31, 2022 include the following:

- KPMG LLP, who prepared the auditors' report accompanying the audited financial statements of the Company for the most recent year end, report that they are independent with respect to the Company within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.
- The disclosure with respect to the Kwanika-Stardust Project contained in this AIF is substantively based on the Kwanika-Stardust Technical Report prepared by by Kevin Murray, P. Eng., Ausenco Engineering Canada Inc.; Jonathan Cooper, P. Eng., Ausenco Sustainability Inc.; Peter Mehrfert, P. Eng., Ausenco Engineering Canada Inc.; Scott C.

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Elfen, P. Eng., Ausenco Engineering Canada Inc.; Scott Weston, P. Geo., Ausenco Sustainability Inc.; Cale DuBois, P. Eng., Mining Plus Canada Consulting Ltd.; Jason Blais, P. Eng., Mining Plus Canada Consulting Ltd.; John Caldbick, P.Eng, Mining Plus Canada Consulting Ltd.; Brian S. Hartman, P. Geo., Ridge Geosciences LLC; and Ronald G. Simpson, P. Geo., GeoSim Services Inc., each a “qualified person” under NI 43-101 and supplemented by work completed by the Company subsequent to the Kwanika-Stardust Technical Report’s filing.

- The disclosure with respect to the Lorraine Project contained in this AIF is substantively based on the Lorraine Technical Report prepared by Alfonso Rodriguez, M.Sc., P.Geo.; and Michael Dufresne, M.Sc., P.Geol., P.Geo., each a “qualified person” under NI 43-101 and supplemented by work completed by the Company subsequent to the Lorraine Technical Report’s filing.

Tyler Caswell, P.Geo., Vice President Exploration of the Company, a “qualified person” under NI 43-101, has reviewed and approved the scientific and technical disclosure contained in this AIF. Mr. Caswell is not independent of the Company by virtue of his current employment with the Company. As of the date hereof, Mr. Caswell holds 709,100 Options and 218,750 RSUs of the Company.

None of the experts who are named in this AIF as having prepared reports or having been responsible for reporting exploration results relating to our mineral properties and whose profession or business gives authority to such reports, or any director, officer, partner, or employee thereof, as applicable, received or has received a direct or indirect interest in our property or of any of our associates or affiliates. As at the date hereof, such persons, and the directors, officers, partners and employees, as applicable, of each of the experts beneficially own, directly or indirectly, in the aggregate, less than one percent of the securities of the Company and they did not receive any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation of such report.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Additional information including directors’ and officers’ remuneration and indebtedness, principal holders of our securities, securities authorized for issuance under equity compensation plans and a statement as to the interest of insiders in material transactions, was contained in the management proxy circular for the annual meeting of shareholders held on June 24, 2022. Additional financial information is provided in the audited financial statements and management discussion and analysis for the most recent year-end. The foregoing additional information is available on SEDAR at [www.sedar.com](http://www.sedar.com) under the Company’s profile.

## **SCHEDULE "A"** **Audit Committee Charter**

### **Purpose of the Committee**

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of the Corporation is to provide an open avenue of communication between management, the Corporation's independent auditors and the Board and to assist the Board in its oversight of:

- (a) the integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- (b) the Corporation's compliance with legal and regulatory requirements related to financial reporting; and
- (c) the independence and performance of the Corporation's independent auditors.

The Committee shall also perform any other activities consistent with this Charter, the Corporation's Bylaws and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. A majority of the members of the Committee must not be officers or employees of the Corporation or of an affiliate of the Corporation.

The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Corporation or of an affiliate of the Corporation. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Corporation's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards ("IFRS"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations. The independent auditors' responsibility is to audit the Corporation's financial statements and provide their opinion, based on their audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Committee is responsible for recommending to the Board the independent auditors to be nominated for the purpose of auditing the Corporation's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and for reviewing and recommending the compensation of the independent auditors. The Committee is also directly responsible for the evaluation of and oversight of the work of the independent auditors. The independent auditors shall report directly to the Committee.

### **Authority and Responsibilities**

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditors the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.

4. Review with management and the independent auditors the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the independent auditors' judgment about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the independent auditors without the presence of management.
8. Review with management and the independent auditors significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the independent auditors.
10. Monitor the independence of the independent auditors by reviewing all relationships between the independent auditors and the Corporation and all non-audit work performed for the Corporation by the independent auditors.
11. Establish and review the Corporation's procedures for the:
  - (a) receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - (b) confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting Corporation in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Corporation Act* (British Columbia) and or the *Business Corporations Act* (British Columbia) and the Articles of the Corporation.