ASX Announcement | 21 August 2020
Rafaella Resources Limited (ASX: RFR)

AGREEMENT TO ACQUIRE HIGH-GRADE NICKEL-COPPER SULPHIDE PROJECTS IN CANADA AND ~$1.2M PRIVATE PLACEMENT COMPLETED

Announcement Highlights

- Rafaella Resources Limited (ASX: RFR) ("**Rafaella**" or "**the Company**") has entered into a conditional agreement to acquire 100% of the Midrim and Laforce nickel-copper sulphide projects (the "**Projects**") in the highly prospective Belleterre-Angliers Greenstone Belt located in the Province of Quebec, Canada.
- The Projects are located close to Chase Mining Corporation Limited's **Alotta Project** (ASX: CML), which announced massive sulphides and high-grade nickel and copper intersections from its recently completed drilling programme on the 29 June 2020.
- The acquisition of the Projects supports the Company's strategic focus on developing near term, low cost base metal operations.
- High-grade intersections at the **Midrim Deposit** from drilling conducted include:
  - **4.3m @ 6.57% Ni, 5.15% Cu & 7.15g/t PGMs** from 57.15m depth in hole MR00-05;
  - **4.6m @ 5.97% Ni, 4.91% Cu & 3.38g/t PGMs** from 48.00m depth in hole MR00-37; and
  - **9.4m @ 3.52% Ni, 4.25% Cu & 4.59g/t PGMs** from 56m depth in hole MR17-01.
- Broader intersections **at Midrim** include:
  - **39.4m @ 1.91% Ni, 1.85% Cu & 2.57g/t PGMs** from 30m depth in hole MR00-05;
  - **19.7m @ 1.85% Ni, 2.98% Cu & 2.74g/t PGMs** from 15.5m depth in hole MR00-01;
  - **22.1m @ 1.64% Ni, 2.38% Cu & 2.56g/t PGMs** from 28m depth in hole MR17-01; and
  - **18.9m @ 1.49% Ni, 2.11% Cu & 2.43g/t PGMs** from 17.6m depth in hole MR01-29.
- Broad mineralised intersections have also been drilled **at Laforce** including:
  - **100m @ 0.87% Ni and 0.38% Cu** from 3m depth in hole LF06-04.
- Exceptional nickel and copper recoveries have already been achieved from preliminary metallurgical test work at Midrim, with up to 95% Cu and 80% Ni recoveries after just 10 minutes of simple flotation.
- Rafaella has also completed a placement to raise approximately $1.2 million at a price of $0.066 per fully paid ordinary share (which will result in the issue of a further 18 million fully paid ordinary shares in the capital of the Company). This raising will provide funds to progress further feasibility work related to the Company's flagship Santa Comba Project located in Galicia, Spain, to satisfy corporate overheads and otherwise supplement the Company's working capital, and to maintain the Projects. The placement is

scheduled to settle on 21 August 2020, with the shares expected to commence trading on ASX on a normal settlement basis from 24 August 2020.

Rafaella Resources Limited (ASX: RFR) ("Rafaella" or **"the Company")** is pleased to announce that it has entered into a conditional agreement with Meteoric Resources NL (ASX: MEI) ("**Meteoric**") and Ressources Météore Sub Inc. ("**RMS**"), a wholly owned subsidiary of Meteoric, to acquire 100% of the advanced nickel-copper sulphide Midrim and Laforce projects within the mining-friendly jurisdiction of Quebec Province, Canada.

The project areas contain many drill proven zones of **nickel-copper sulphide** (Ni-Cu) mineralisation with associated Platinum Group Metals (PGMs) and Cobalt (Co) credits, which could have a significant impact on the economics of the projects going forward.

The proposed acquisition complements the Company's focus on developing potential near-term mining operations. The Midrim deposit, in particular, is aligned to the Company's business model of identifying shallow ore bodies potentially amenable to straightforward, open-pit mining operations.

The Projects are located within the Belleterre-Angliers Greenstone Belt ("**BAGB**") of Quebec.

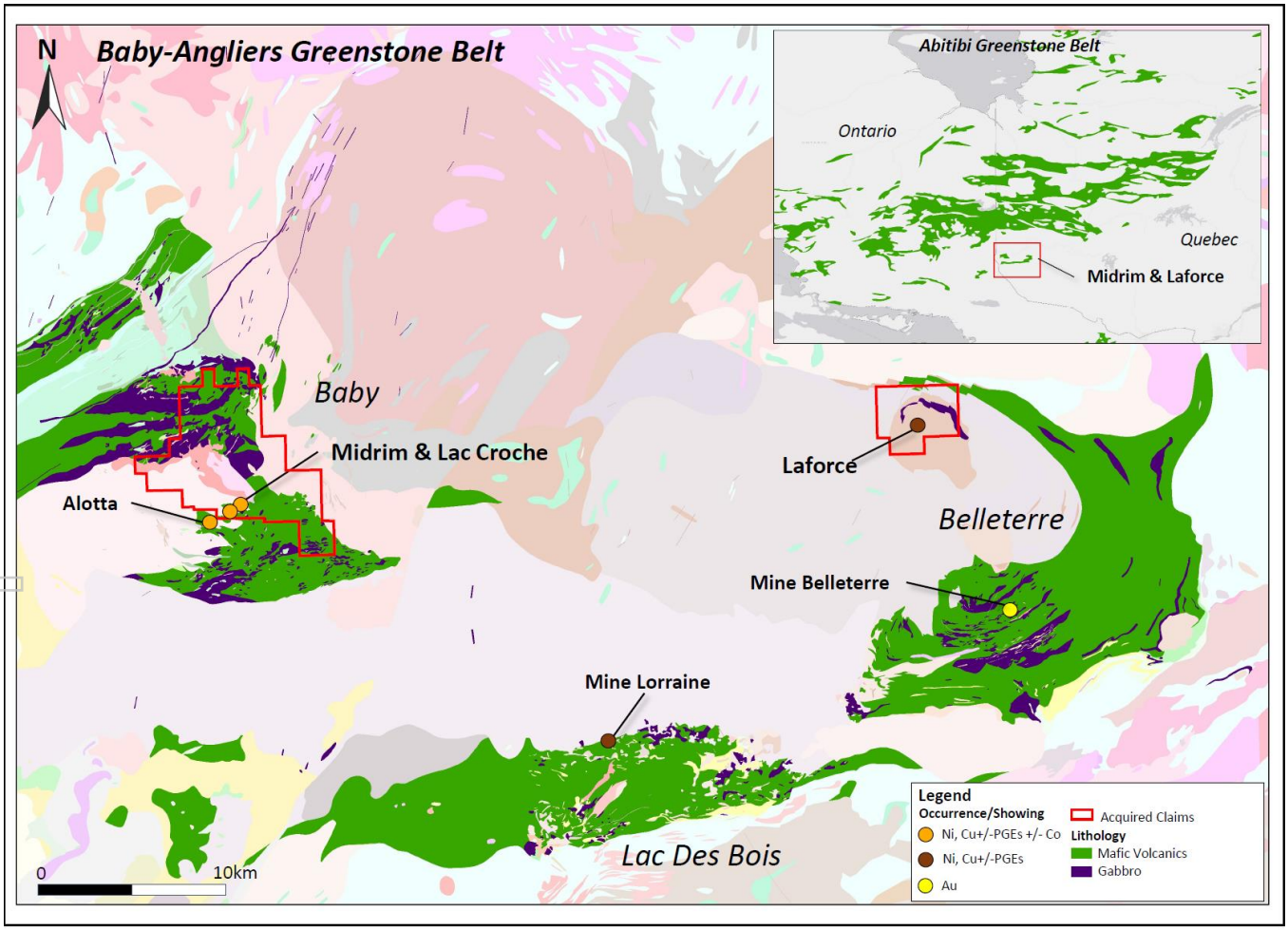

Figure 1: Temiscamingue Regional Geology of the Midrim and Laforce Projects in the Belleterre Angliers Greenstone Belt

The regional landholding resulting from the proposed acquisition, together with the extensive database of historical exploration, places the Company in an ideal position for the discovery of new nickel-copper (+ PGE-Co-Au) deposits. Falconbridge recognised the potential for targeting multiple high grade 3-5 Mt deposits on the properties before it was taken over by Glencore in 2007.

Significant massive sulphide drill intersection results from Midrim and Laforce are summarised below (also Annexure 3):

Hole #	From	To	Interval	Ni (%)	Cu (%)	PGE (g/t)
MR17-01	28.0m	50.1m	**22.1m**	1.64	2.38	2.56
including	43.0m	50.1m	**7.1m**	3.22	4.43	4.08
MR17-01	56.6m	66.0m	**9.4m**	3.52	4.25	4.59
including	56.6m	62.0m	**5.4m**	5.32	6.15	6.46
MR00-01	15.5m	35.2m	**19.7m**	1.85	2.98	2.74
MR00-05	30.9m	51.0m	**20.1m**	2.06	1.93	2.74
including	46.6m	51.0m	**4.4m**	6.29	2.9	6.21
MR00-05	57.2m	61.5m	**4.3m**	6.57	5.15	7.15
MR01-17	10.2m	19.4m	**9.2m**	2.74	2.47	2.94
MR01-25	50.0m	57.0m	**7.0m**	1.12	1.59	2.34
MR01-25	64.3m	79.0m	**14.7m**	1.77	2.14	2.89
MR01-28	54.5m	56.8m	**2.3m**	1.21	2.2	2.79
MR01-29	17.6m	36.5m	**18.9m**	1.49	2.11	2.43
MR01-37	48.0m	52.6m	**4.6m**	5.97	4.92	3.4
MR01-38	41.4m	54.0m	**12.6m**	1.38	2.52	2.97
MR17-05	23.0m	39.8m	**16.8m**	1.01	1.79	2.95
including	25.6m	28.0m	**2.4m**	1.00	2.00	1.79
including	34.0m	39.8m	**5.8m**	1.03	2.12	3.52

Table 1: Midrim Deposit Significant Massive Sulphide Intersects

Hole #	From	To	Interval	Ni (%)	Cu (%)
LF06-04	3.0m	103m	**100m**	**0.87**	0.38
LF52-88	39.0m	79.0m	**40m**	**0.82**	0.46
LF07-10	52.9m	74.2m	**21.3m**	**0.9**	0.66

Table 2: Laforce Deposit Significant Sulphide Intersects

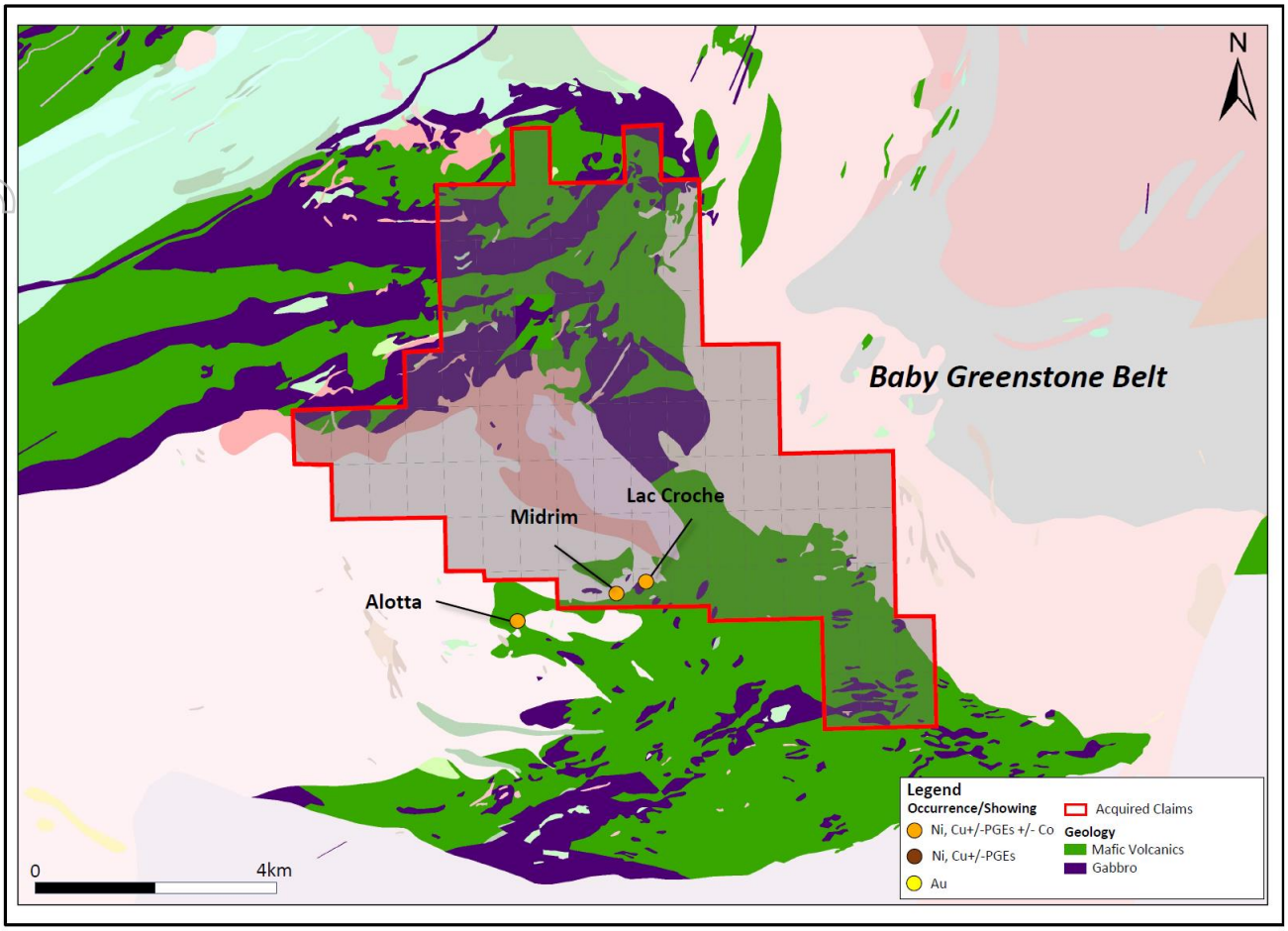

Figure 2: Midrim deposit located in the Belleterre Angliers Greenstone Belt

Midrim Deposit[1]

The Midrim Deposit ("**Midrim**") occurs in the Baby Segment of the BAGB (Figure 2) and is hosted within an elongated, WNW-ESE trending gabbroic intrusion approximately 330m long and 85m wide. The gabbro is hosted in a thick package of mafic volcanics and tuffaceous sedimentary rocks.

Historical drilling (2001) at Midrim defined multiple zones of massive to semi-massive and net-textured to disseminated sulphides at the base of a differentiated gabbro sill. The mineralisation is terminated to the south by a west-striking, steeply north-dipping fault. The No. 1 Zone intersected in drill hole MR00-01 consists of massive sulphides surrounded by a blebby to disseminated halo. Down plunge, 100m to the west, the No. 5 Zone contains high grade massive sulphide mineralisation intersected in drill hole MR00-05. These two massive sulphide zones are separated by a zone containing blebby to disseminated sulphides and cross faults. At the Central West Zone, a further 60m to the west mineralisation is hosted in shear zones within felsic volcaniclastic units. Midrim mineralisation consists mainly of chalcopyrite, pyrrhotite, millerite, violarite, pentlandite and pyrite.

Historical mineralised intersections from the Midrim deposit include:

- 21.2m @ 1.75% Ni, 2.81% Cu, 2.58g/t PGE from 14m depth in hole MR00-01;

- 39.4m @ 1.91% Ni, 1.85% Cu, 2.57g/t PGE from 30m depth in hole MR00-05;

  Inc. 4.35m @ 6.29% Ni, 2.90% Cu, 6.21g/t PGE from 46.65m;

  Inc. 4.30m @ 6.57% Ni, 5.15% Cu, 7.15g/t PGE from 57.15m; and

- 4.6m @ 5.97% Ni, 4.91% Cu, 3.38g/t PGE from 48m depth in hole MR01-37.

Drilling by Meteoric in November and December 2017 intersected the following mineralised intervals in a verification programme:

- 22.1m @ 1.64% Ni, 2.38% Cu, 2.56g/t PGE from 28m depth in hole MR-17-01;
- 9.4m @ 3.52% Ni, 4.25% Cu, 4.59g/t PGE from 56m depth in hole MR-17-01; and
- 16.8m @ 1.01% Ni, 1.79% Cu, 2.95g/t PGE from 23m depth in hole MR-17-05.

Midrim Regional Project[1]

The Midrim Regional Project area covers 118km² of the Baby sector of the BAGB. As well as including Midrim and the Lac Croche Ni-Cu-PGE prospects, the claims (Annexure 1) contain extensive gabbro bodies prospective for Ni-Cu mineralisation as well as 24 historic EM anomalies identified by Falconbridge in 2001, including the undrilled Alotta North prospect that requires follow-up testing.

Two EM targets have historically been drill tested with mineralisation intercepted at Midrim and the Lac Croche prospect. 32,000m of historical drilling has been conducted within the RMS claims proposed to be acquired. The core is reported to be in good condition and available for re-assay as required. Consultants Orix Geoscience compiled an extensive geological, geophysical, geochemical and drilling database for Meteoric which the Company will have access to.

Laforce Project[2]

The Laforce project lies on the northern extent of the BAGB, which is also host to the historical Belleterre gold mine (Figure 1). The Laforce claims (Annexure 2) cover part of an elongated, east-west trending gabbroic intrusion approximately 4.6km long and 0.15km wide (Figure 3). The gabbro body occurs near the northern margin of a 4.2km wide diorite plug, which is cut by several NNE - NE trending faults.

The main Laforce Ni-Cu mineralisation encountered thus far occurs within the western segment of the gabbro. The mineralisation is hosted within amphibolite (a metagabbro) which is enveloped by porphyritic gabbro that grades into porphyritic diorite and gabbro. Known gold mineralisation occurs in quartz veins developed along or adjacent to sheared volcanic-gabbro or granitoid-volcanic contacts.

The Ni-Cu-PGE mineralisation at Laforce occurs within brecciated and non-brecciated amphibolite. Sulphides comprise up to 30% of the unit and occur as 1-3mm blebs and veinlets of pyrrhotite, pentlandite, chalcopyrite, pyrite and trace millerite. Sulphide mineralisation has also been identified in other parts of the property as trace pyrite in gabbro and pyroxenite. Several anomalous zones have been identified within the claim area using surface geochemistry and ground induced polarisation surveys.

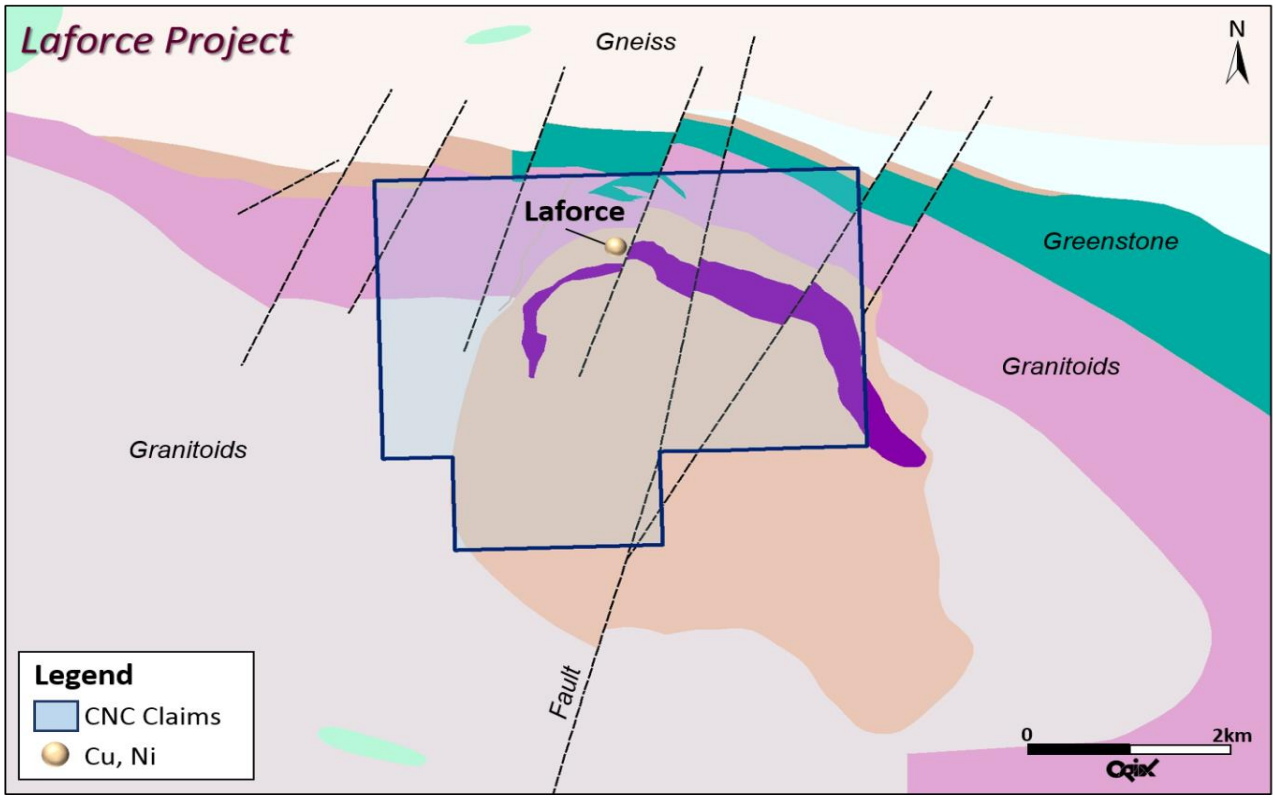

Figure 3: Laforce Deposit and Project Area

Historical exploration at Laforce was focused directly around the known mineralisation. Exploration potential remains within the project area with numerous untested targets, including widespread anomalous copper and nickel soil geochemistry (from 1,500 samples) and two high priority induced polarisation (IP) geophysical targets that mimic responses of the Laforce mineralisation. These targets cover the ~4km strike of the meta-gabbro bodies within the diorite plug. Follow-up drilling/exploration was proposed but not completed by the previous claim holders.

The historical drilling within the claims that needs to be reassessed comprises:

- a total of **14,600m** of historical core drilling conducted on the property; and
- a core library containing **35** of the historic **108** diamond drill holes, representing **5,438m** of core is in good standing and is available for inspection.

Drill collar locations have been confirmed and original geological logs of the drilling have been sourced, along with a large amount of hard copy geological data which will be digitised and assessed.

Source References:

[1] ***Midrim Project*** *– Meteoric announcements 15 June 2017, 6 July 2017, 21 August 2017, 1 September 2017, 3 November 2017, 21 December 2017,19 February 2018.*

[2] ***Laforce Project*** *– Meteoric ASX Announcement 6 July 2017.*

** Resource information provided by the Quebec Mines Department - Ministère de l'Énergie et des Ressources naturelles (MERN). Data can be viewed on MERN's interactive database SIGÉOM (then Carte Interactive)* http://sigeom.mines.gouv.qc.ca

Key Commercial Terms of the Proposed Acquisition

Under a conditional claim sale agreement ("**RFR-RMS Agreement**"), the Company has agreed to purchase 100% of the claims held by RMS covering the Midrim and Laforce projects for consideration of 13,050,000 fully paid ordinary shares in the capital of the Company ("**RFR Shares**") to RMS or its nominee, with an additional 1,450,000 RFR Shares and 5 million options over RFR Shares (each with an exercise price of $0.20 and an expiry date two years from the date of grant) to be issued or granted (as the case may be) to Canadian Nickel Corporation Pty Ltd ("**CNC**") as a facilitation fee.

Completion of the acquisition by Rafaella of the Projects from RMS remains subject to various conditions, including:

- the Company completing due diligence on the Projects to its sole satisfaction;
- the Company obtaining all required regulatory approvals to complete the acquisition of the Projects, including but not limited to obtaining all required shareholder approvals under:
    - Listing Rule 7.1 in respect of the issue of the RFR Shares to RMS and CNC; and
    - Listing Rule 11.1.2 in respect of a change to the scale of the Company's activities;
- there being no material breach, and there being no facts or circumstances that may reasonably be expected to lead to a material breach, of any of the warranties given by RMS under the RFR-RMS Agreement before completion of the RFR-RMS Agreement; and
- the holders of certain royalties applicable to the Projects agreeing to the assignment of such royalties on terms acceptable to Rafaella (acting reasonably).

Subject to the receipt of shareholder approval under Listing Rule 7.1, the Company also proposes to issue a further 1,000,000 RFR Shares and 1,000,000 options over RFR Shares (each with an exercise price of $0.20 and an expiry date two years from the date of grant) to EverBlu Capital Pty Ltd as consideration for the provision of advisory services to the Company in respect of its proposed acquisition of the Projects, to be issued on, and subject to, completion of the RFR-RMS Agreement.

Capital Raising

In addition to the 14,500,000 RFR Shares proposed to be issued to RMS and CNC (as set out above), the Company has completed a placement to raise approximately $1.2 million, which will result in the issue of a further 18 million RFR Shares to investors at a price of $0.066 per RFR Share ("**Placement**"). The Company will utilise its available capacity under Listing Rule 7.1 and Listing Rule 7.1A to undertake the Placement and intends to use the funds raised under the Placement to progress further feasibility work related to the Company's flagship Santa Comba Project located in Galicia, Spain, to satisfy corporate overheads and otherwise supplement the Company's working capital, and to maintain the Projects. The Placement is scheduled to settle on 21 August 2020, with the new RFR Shares expected to commence trading on a normal settlement basis from 24 August 2020.

The joint lead managers for the Placement were EverBlu Capital Pty Ltd and CPS Capital Group Pty Ltd. The broking fee payable to them is 6% of funds raised under the Placement, which, subject to receipt of shareholder approval under Listing Rule 7.1, is proposed to be satisfied by the issue of new RFR Shares ("**Broking Shares**"). Subject to receipt of shareholder approval under Listing Rule 7.1, the Company also proposes to grant a further 6,000,000 options over RFR Shares (each with an exercise price of $0.20 and an expiry date two years from the date of grant) to CPS Capital Group Pty Ltd. In the event that shareholder approval is not received under Listing Rule 7.1 to allow issue of the Broking Shares, the 6% broking fee will be paid in cash.

Rafaella's Managing Director Steven Turner said: *"This is an important acquisition for Rafaella. The Midrim and Laforce projects represent an excellent opportunity to add development assets to Rafaella's Canadian portfolio alongside the McCleery Project, in a jurisdiction well known to the Company and in a range of commodities seeing increasing focus in a changing environment. Furthermore, the issuance of Rafaella shares as consideration and the successful completion of the private placement significantly strengthens the Company's shareholder base".*

This announcement has been authorised for release by the board of directors of Rafaella Resources Limited.

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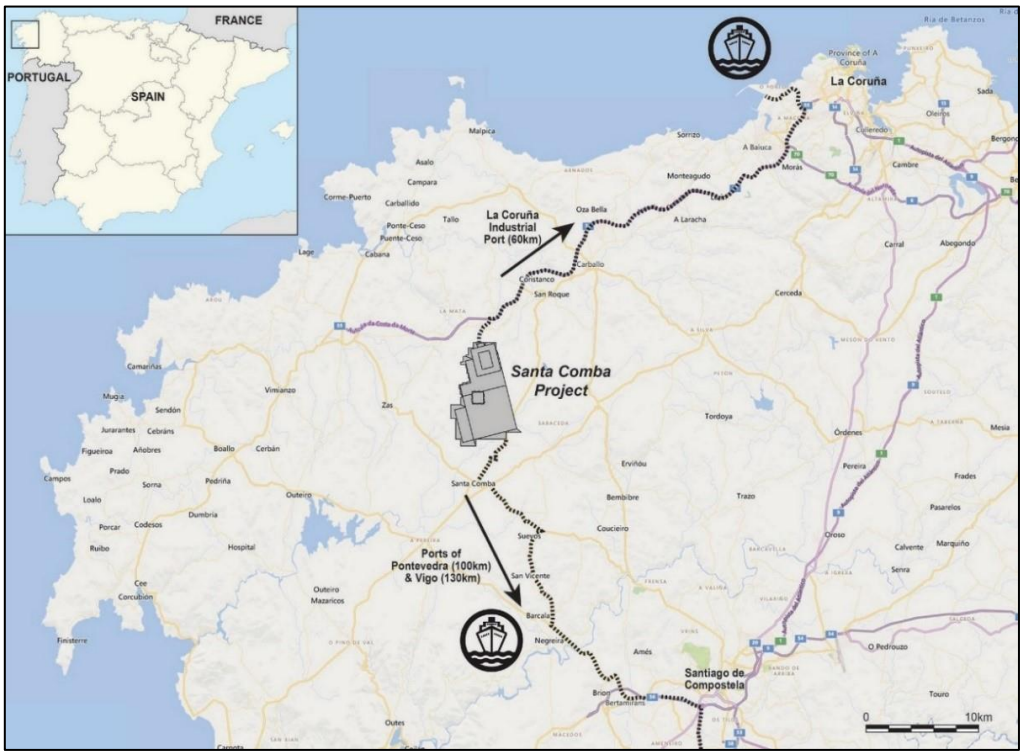
About Rafaella Resources Limited

Rafaella Resources Limited (ASX:RFR) is an explorer and developer of world-class mineral deposits worldwide. Rafaella owns the Santa Comba tungsten and tin project in Spain and the McCleery cobalt and copper project in Canada. The Santa Comba project is located in a productive tungsten and tin province adjacent to critical infrastructure and the McCleery project was previously under-explored and holds significant potential.



Location of the Santa Comba Project, Galicia, Spain.

To learn more please visit: www.rafaellaresources.com.au

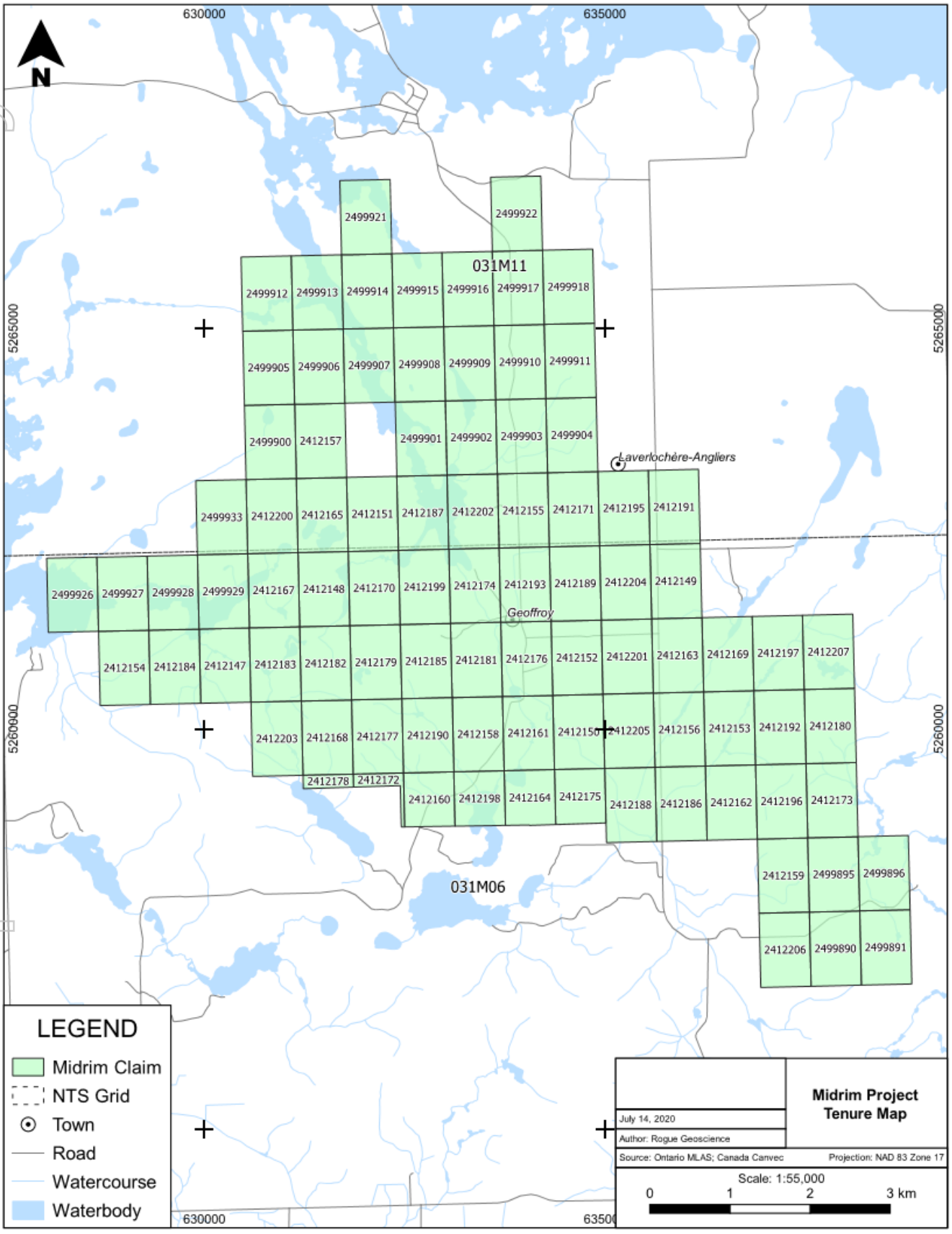
Competent Person Statement

The information in this announcement is based on and fairly represents information compiled by Mr Jonathan King, consultant geologist, who is a Member of the Australian Institute of Geoscientists and employed by Collective Prosperity Pty Ltd, and is an accurate representation of the available data and studies for the Projects. Mr King has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr King consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

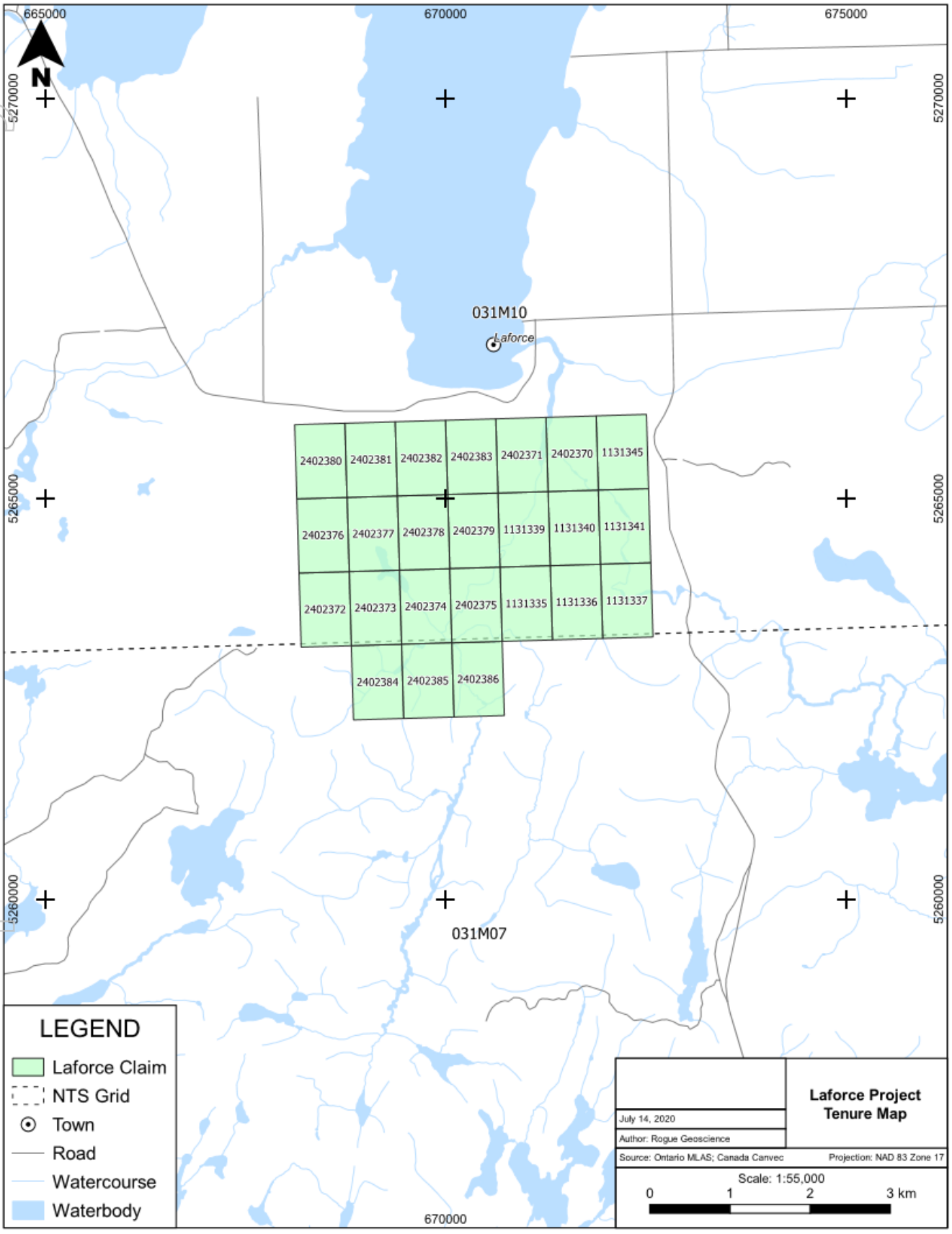
Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve several risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

Annexure 1 – Midrim Project Tenure



Annexure 2 – Laforce Project Tenure



Annexure 3 – referenced drill holes

BHID	Project	NAD83Z17_E	NAD83Z17_N	Elevation_m	Length_m	Azimuth	Dip
MR00-01	Midrim	633083.2	5259016.8	260.8	62	356.83	-85
MR00-05	Midrim	632985.2553	5259016.322	265.9376	122	19.16	-61
MR-01-17	Midrim	633086.9633	5259027.811	259.6669	32	16.66	-70
MR-01-25	Midrim	632972.5148	5259023.674	266.2565	100	19.66	-70
MR-01-28	Midrim	632903.702	5259073.533	263.2523	170	23.66	-70
MR-01-29	Midrim	633091.3045	5259039.405	259.2645	45	201.16	-46
MR-01-37	Midrim	633005.2172	5259064.571	261.4434	90	208.16	-64
MR-01-38	Midrim	633005.022	5259064.153	261.4781	90	206	-49
MR-17-01	Midrim	632984.9331	5259016.812	265.899	111.53	21.46	-59.99
MR-17-05	Midrim	633082.8521	5259012.901	261.3202	55.5	353.37	-69.99
LF-06-04	Laforce	670312	5265268	302.5	41	300	-68
LF-07-10	Laforce	633081.206	5259055.67	258.494			

APPENDIX 1: JORC CODE, 2012 EDITION- SECTION 1- MIDRIM PROJECT 2017

DRILLING PROGRAM

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Comments
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry 'standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	*Most recent drilling completed in November-December 2017; location and length of sampled core was selected by geologist. No sample was longer than 1 metre and not less than 0.4 metres and designed to not cross any major lithological boundaries. Samples were thencut in half using a core saw by trained technical support staff. Half core was sent to lab and the remaining half kept for verification.* *Samples were analysed by ALS-Chemex Canada Ltd. It is a fully accredited lab and complies with international standards ISO 9001:2000 and ISO 17025:2005.* *Mineralisation was logged by a competent geologist.*
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	*Only NQ-sized diamond drilling has been performed across all the Projects that comprise the Baby Project* *Drilling in 2017 was NQ sized diamond drill core.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	*A drilling contractor was responsible for good core recovery. If core was lost or grinded, it was noted by drill operator and recorded by geologist during core description.* *Recovery was good. Core has been assayed and no sample bias noted.*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	*Geological logging is quantitative based on visually identifying the metavolcanic, and mafic and felsic intrusive rocks.* *Logging of geological characteristics is qualitative. Sulphide abundances are visually estimated by the geologist.* *All the 2017 core was photographed, as part of the logging process.* *The total length of all holes was logged except where no core was recovered due to casing*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	*Since 2001 core has been sawn in half. Half core was submitted for assay.* *No non-core sampling was undertaken.* *The 2017 samples were sent to ALS-Chemex Canada Ltd. Sample preparation was performed in Sudbury, Ontario, Canada and analysis was performed in*

Criteria	JORC Code explanation	Comments
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	*Vancouver, British Columbia, Canada. All 2017 samples were crushed up to 70% passing 2mm, a 250 g split was taken and pulverised to 85% passing 75 microns. The samples were analysed using ME-MS61, which combines a four-acid digestion with ICP-MS for the 48 element analysis. Ore grade samples were repeated using ICP-AES. A 30 g sub sample was taken for analyses for Pd, Pt & Au by fire assay and ICP-AES finish. Industry standard QA/QC protocols were implemented for 2017 drill core sampling. Certified reference material (CRM) standards (14) and blanks (12) were inserted for routine assaying along with the 512 core samples. Prior to 2017, no duplicates were taken. A total of 13 duplicates were inserted for routine assaying along with the 512 core samples. Samples were no longer than 1 metre and not less than 0.4 metres.*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	*2017 core samples were analysed by ALS-Chemex Canada Ltd, a fully accredited lab that complies with international standards ISO 9001:2000 and ISO 17025:2005. The core samples were dissolved using a four-acid digestion, which can be considered as dissolving nearly all minerals. Analysis was by ICPMS and ICP-AES and fire assay with an ICP-AES finish. ALS-Chemex performed internal QAQC and values fell within acceptable ranges. 'Company's consultants performed QAQC checks on the standards and blanks, values fell within acceptable range. External laboratory checks have not been conducted as they are not deemed material to these results.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	*The 2017 drilling twinned 3 historical holes. Logging of the 2017 drill core was entered directly into purpose designedspreadsheets in Microsoft Excel. An Excel spreadsheet with all sample numbers was received electronically by the labs. A master database Excel spreadsheetwas created for all the logging fields, samples, assay results and ' CRM's. The database has undergone extensive QAQC reviews by both company staff and consultants. No adjustments were made to the assay data.*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	*2017 drill holes have been located with reference to UTM NAD83 Zone 17N. All 2017 drill hole collars were surveyed using a DGPS providing cm accuracy. Collar information for the historical Midrim drill holes have been recovered in NAD83Z17*

Criteria	JORC Code explanation	Comments
		Collar information for the Laforce holes have been field located and recorded in NAD83Z17. Dips and azimuths are not available for all holes at the time of publishing.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	*No record of data spacing was made available for the purposes of thisannouncement.* *No resource estimation is made within this announcement.* *2017 drill samples have not been composited.*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	*Drilling has been done to maximise true width of mineralised section.*
Sample security	*The measures taken to ensure sample security.*	*Samples were delivered to the laboratory by company staff or consultants.*
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	*No results or reviews are available.*

APPENDIX 1: JORC CODE, 2012 EDITION- SECTION 2- MIDRIM PROJECT 2017

DRILLING PROGRAM

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	*CNC warrants the Mineral Claims are in good standing* *No issues or impediments. Tenure will be reviewed during the due diligence period.*
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	*Information on the 'project's history has been sourced from Québec government files and Fieldex exploration records. Exploration work done on* *the Midrim deposit from 2001-2006 has been largely done by Laurent Hallé P. Geo member of the Ordre des géologues du Québec no. 388.*
Geology	*Deposit type, geological setting and style of mineralisation.*	*Ni-Cu-PGM-bearing gabbro bodies which intrude a sequence of mafic volcanic rocks at or near the contact with overlying felsic volcaniclastic sedimentary rocks in the Belleterre-Angliers Greenstone Belt. The mineralisation occurs as disseminated to massive sulphides near the base of the gabbro bodies and as remobilised sulphides along shears.*

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ◦ *easting and northing of the drill hole collar*
	  ◦ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ◦ *dip and azimuth of the hole*
	  ◦ *down hole length and interception depth*
	  ◦ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		Dip and azimuth of the 2017 drill program was determined by a competent geologist and confirmed in field with drilling contractor.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades)*	*No aggregation methods applied* *No aggregation methods applied* *No metal equivalence reported*

Criteria	JORC Code explanation	Commentary
	and cut-off grades are usually Material and should be stated. • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	*Drill holes were designed to cut mineralised zone as much close to 90 degree. The number of drill intercept was sufficient to keep good control between ore and drill angle*
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	*A plan view and drill sections are not available at the time of this report. The company will provide updates as due diligence is completed*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	*No other available exploration data is considered meaningful and material to this announcement*
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	*The other material exploration data inclusive of various types of geophysical survey information has been documented in this report. Mostly general in nature and provides support as to the mineral prospectivity remaining in the ground and as such is not considered as material.*
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*Further exploration work has not been decided at this stage and will require appropriate initial geophysical and geochemical exploration techniques within the claims* *Work is anticipated to commence after completion of the compilation and review phase*

APPENDIX 2: JORC CODE, 2012 EDITION- SECTION 1- MIDRIM PROJECT HISTORICAL WORK

Section 1 Sampling Techniques and Data

	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry 'standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *No data prior 2001, since 2001 core to be sample, location and length was taken in mineralised zone by geologist. No sample was longer than 1 meter and not less than 0.5 meter. (exception may exist but are marginal). Sample was then cut with saw by a technical support staff.* • *No data prior 2001. Since 2001, half core was sent to lab and the remaining half kept for verification. Any unusual result was checked visually, verification match assay and sulfide content.* • *No data prior 2001. Mineralisation was appreciated visually by competent geologist.* • *No data prior 2001. Since 2001, no special procedure was necessary for the kind of mineralisation. Sulphide was identified visually by geologist and submits for assay, generally for any core containing more than a trace. This was done especially for PGE element.*
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• *Historical drilling is reported as core, drilling in 2001 was NQ size core.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *No record prior 2001, Drilling contractor was responsible for recording and assessing core.* • *No record prior 2001. Drilling contractor was responsible for good core recovery. If core was lost or grinded, it was noted by drill operator and recorded by geologist during core description.* • *No record prior 2001. Recovery was good and do not affect assay*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *No record of drilling prior to 2001. Since 2001 drilling, logging, sampling and sample submittal was managed by a competent geologist.*

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *No record before 2001. Since 2001 core has been saw in half, half core submit for assay.* • *No non-core sampling was undertaken.* • *No record before 2001. Since 2001 sample were sent to qualified Lab (Chimitec of Val D'Or, Québec, Canada)* • *No Quality control was done.* • *No record prior 2001. Since 2001 no duplicate was taken.* • *No record prior 2001, Since 2001 not applicable.*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• *No record prior 2001. Since 2001. Sample was sent to Chimitec Val D'Or, technique unknown.* • *No record prior 2001. Since 2001. Sample was sent to Chimitec Val D'Or, analytical tool parameters unknown.* • *No record prior 2001, Since 2001 no QAQC were applied.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *No record prior 2001, Since 2001, No verification by independent or alternative company personnel.* • *Data prior 2001 are available at the Ministère de resources naturelles du Québec as assessment files. Since 2001, data are available at the Ministère de resources naturelles and at Fieldex files in Rouyn-Noranda, Québec, Canada.*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *No record prior 2001. Sine 2001 drill location was done with gps and ground grid originally locates according with government survey.* • *Topographic control was from government 1:20 000 topographic map*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *No record of data spacing was made available for the purposes of this announcement.* • *Not applicable as no resource estimation is made within this announcement.* • *No record of sample compositing is available.*

Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *No record prior 2001. Since 2001. Drilling has been done to maximise true width of mineralised sections.* • *Drilling has been done to maximise true width of mineralised section.*
Sample security	• *The measures taken to ensure sample security.*	• *No record prior 2001, samples sent to the lab by company's staff*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *No results or reviews are available*

APPENDIX 2: JORC CODE, 2012 EDITION- SECTION 1- MIDRIM PROJECT HISTORICAL WORK

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *CNC warrants the Mineral Claims are in good standing* • *No issues or impediments. Tenure will be reviewed during the due diligence period.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Information utilised within this release is sourced from Québec government files and by Fieldex exploration records. Exploration work done on Midrim deposit since 2001 has been largely done by Laurent Hallé P. Geo member of the Ordre des géologues du Québec no. 388*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *Midrim is a magmatic Copper-Nickel PGE deposit. The host of mineralisation is a fine to medium grained gabbro with glomeroporphyritic texture. The gabbro intruded to the volcano-sedimentary Archaean belt of Baby. Several others nickel-copper small deposits are known in the area, among them, the Lorrain deposit, Alotta, Kelly Lake, etc.*

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ◦ *easting and northing of the drill hole collar*
	  ◦ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ◦ *dip and azimuth of the hole*
	  ◦ *down hole length and interception depth*
	  ◦ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• *No record prior 2001*
		• *Recent and old collar when find was located by local grid line reference with government survey lot and range post.*
		• *Dip and azimuth were determined by professional geologist and check on field with driller contractor*
		• *The company expects to receive the historical drill logs as part of the due diligence process, any significant finding will be reported*
		• *All available information has been released*

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *No aggregation methods applied* • *No metal equivalence reported*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• *No record prior 2001, drill holes were design to cut mineralised zone as much close to 90 degree. The number of drill intercept was sufficient to keep good control between ore and drill angle*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Maps have been included in the report, however sections were not available at the time of writing. Any relevant information generated through the due diligence process will be reported*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *All available results have been reported*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *No other available exploration data is considered meaningful and material to this announcement*
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Further exploration work has not been decided at this stage and will require appropriate initial geophysical and geochemical exploration techniques within the claims* • *Work is anticipated to commence after completion of the compilation and review phase*

Laforce Project Competent Person Appendix 3.

The information that relates to the Laforce Project is based on and fairly represents information compiled by Mr Jonathan King, consultant geologist, who is a Member of the Australian Institute of Geoscientists and employed by Collective Prosperity Pty Ltd, and is an accurate representation of the available data and studies for the Project. Mr King has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr King consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

Historic resource information is sourced from the Quebec Mines Department - Ministère de l'Énergie et des Ressources naturelles (MERN). Data can be viewed on 'MERN's interactive database SIGÉOM http://sigeom.mines.gouv.qc.ca

APPENDIX 3: JORC CODE, 2012 EDITION- SECTION 1- LAFORCE PROJECT

Section 1 Sampling Techniques and Data

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

Criteria	*JORC Code explanation*	*Commentary*
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry 'standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• *No sampling has been undertaken by the author.* • *Collection methods and survey parameters not reported.* • *Samples were submitted to a certified laboratory (ALS in Sudbury and Vancouver) though individual lab job numbers are not reported.* • *No material issues resulted from sampling*
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• *Diamond drilling was performed however the drill size was not recorded in the assessment file referenced above* • *Half core was submitted for assay*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *There was no RQD measurements taken in the drilling thus recovery is unknown at this time* • *This was not recorded in the drill logs or the assessment file.*

		• *This was not recorded in the drill logs or the assessment file.*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *Core has been logged in sufficient detail to permit calculation of a tonnage estimate*
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *Sampled as half core in selected intervals for assay* • *The assay data and qualified assurance procedures were prepared under the supervision of a QP, other than this nothing is reported*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• *Samples were submitted to ALS Chemex in Sudbury and for assay to ALS Chemex in Vancouver where they were analysed for Au, Pt, Pd, Ag, Cu, Pb, Ni, and Co. Precious metals were analysed using an inductively-coupled plasma mass spectrometer (ICP-MS). Base metals were analysed using an atomic absorption spectrometer (AA).* • *No geophysical or other tools were used in the 'hole's development* • *This information was not recorded in the logs or the attached non-technical assessment file as listed above.*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *No independent verification by alternative personnel.* • *This is not recorded in the government assessment files.* • *This is not recorded in the government assessment files.* • *This is not recorded in the government assessment files.*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Original collar placement is unknown* • *There is no known grid system that was used.*

		• *Given the early stage of the work, no RL control was necessary*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *This information is yet to be obtained from the various sources.* • *There are no mineral resources on this property.* • *There appears to be no compositing for grassroot exploration drilling.*
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *There are no known structures at this time affecting mineralisation.* • *Yet to be ascertained from past exploration*
Sample security	• *The measures taken to ensure sample security.*	• *This was not recorded.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *No audits or reviews performed*

APPENDIX 3: JORC CODE, 2012 EDITION- SECTION 2- LAFORCE PROJECT

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	*CNC warrants the Mineral Claims are in good standing*
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	*No issues or impediments. Tenure will be reviewed during the due diligence period.*
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	*Work completed at La Force has been supervised at all times by a QP.*
Geology	*Deposit type, geological setting and style of mineralisation.*	*La Force represents a nickel-copper-PGE sulphide occurrence associated with gabbroic intrusive rock. The claims cover part of an elongate, east-west trending gabbroic intrusion approximately 4.6 km long and 0.15 km wide. The gabbro body occurs near the northern margin of a 4.2 km wide dioritic plug.* *The main La Force nickel and copper mineralisation occurs within the western segment of the gabbro. The mineralisation is hosted within amphibolite which is enveloped by porphyritic gabbro that grades into porphyritic diorite and gabbro. Known gold mineralisation occurs in quartz veins developed along or adjacent to sheared volcanic-gabbro or granitoid-volcanic contacts.*

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ◦ *easting and northing of the drill hole collar*
	  ◦ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ◦ *dip and azimuth of the hole*
	  ◦ *down hole length and interception depth*
	  ◦ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent*
		No record prior 2001
		Recent and old collar when find was located by local grid line reference with government survey lot and range post.
		Dip and azimuth were determined by professional geologist and check on field with driller contractor
		The company will compile additional data throughout the due diligence process

Criteria	JORC Code explanation	Commentary
	Person should clearly explain why this is the case.	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	*No aggregation methods applied* *No metal equivalence reported*
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg "down hole length, true width not known').*	*No record prior 2001, drill holes was design to cut mineralised zone as much close to 90 degree. The number of drill intercept was sufficient to keep good control between ore and drill angle*
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	*The company is currently conducting due diligence on the property any significant findings will be reported*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	*The project is limited by the availability of public domain information given the relative age of the project and the then voluntary reporting obligations on companies.* *The author included as much information as he could find from multiple sources in the public domain in a best effort to provide balanced reporting.*
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	*No other available exploration data is considered meaningful and material to this announcement. The company is currently conducting due diligence on the property any significant findings will be reported* ***Resource information provided by the Quebec Mines Department, the Ministère de l'Énergie et des Ressources naturelles (MERN). Data can be viewed on MERN's interactive database SIGÉOM*** http://sigeom.mines.gouv.qc.ca

Criteria	JORC Code explanation	Commentary
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible exxtensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*Further exploration work has not been decided at this stage and will require appropriate initial geophysical and geochemical exploration techniques within the claims*