



**QC COPPER  
& GOLD**

**NOTICE OF SPECIAL MEETING**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**OF**

**QC COPPER AND GOLD INC.**

**FOR THE SPECIAL MEETING**

**TO BE HELD ON DECEMBER 4, 2024**

**TO CONSIDER THE PROPOSED ACQUISITION OF**

**SHARES OF CUPRUM CORP.**

**AND RELATED MATTERS**

**October 25, 2024**

***These materials are important and require your immediate attention. They require you to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors.***





October 25, 2024

To: Holders of common shares of QC Copper and Gold Inc.

You are invited to attend a special meeting (the "**Meeting**") of the holders (collectively, the "**QC Copper Shareholders**") of common shares ("**QC Copper Shares**") of QC Copper and Gold Inc. ("**QC Copper**" or the "**Company**") to be held at Suite 1805, 55 University Avenue, Toronto, ON M5J 2H7 on December 4, 2024 at 11:00 a.m. (EST).

On October 1, 2024, QC Copper entered into a binding share purchase agreement (the "**Share Purchase Agreement**") with the principal shareholders of Cuprum Corp. ("**Cuprum**") pursuant to which the Company agreed to acquire all of the common shares of Cuprum ("**Cuprum Shares**") held by such shareholders. The Company concurrently issued an offer to purchase to all of the other shareholders of Cuprum (together with the Share Purchase Agreement, the "**Purchase Agreements**"). Pursuant to the terms of the Purchase Agreements, the Company will acquire, subject to the fulfillment of certain conditions (including QC Copper Shareholder approval), all of the issued and outstanding Cuprum Shares in consideration for the issuance of 1.1538 QC Copper Shares for each one Cuprum Share, based on the QC Copper Share price of \$0.13 (the "**Acquisition**").

Upon completion of the Acquisition, QC Copper will own 100% of the issued and outstanding Cuprum Shares and will change its name to XXIX Metal Corp. For the purposes of this letter, "**Combined Entity**" refers to QC Copper after completion of the Acquisition. Based on the assumptions set out in the accompanying management information circular dated October 25, 2024 (the "**Circular**"), it is expected that the former Cuprum shareholders will own approximately 32.5% and the current QC Copper Shareholder will own approximately 67.5% of the issued and outstanding QC Copper Shares, respectively, following completion of the Acquisition.

At the Meeting, QC Copper Shareholders will be asked to consider, and if deemed advisable, pass a resolution (the "**Acquisition Resolution**"), on a majority of the minority basis, authorizing, among other things, the Acquisition.

The board of directors of QC Copper (the "**QC Copper Board**") has reviewed the terms and conditions of the Purchase Agreements and the transactions contemplated thereunder. After consulting with QC Copper management and receiving advice and assistance from its financial and legal advisors, and after careful consideration of the factors set out in the Circular under the heading "*The Acquisition – Reasons for the Recommendations of the Special Committee and the QC Copper Board*", the QC Copper Board unanimously (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) determined that the Acquisition and entry into the Purchase Agreements are in the best interests of QC Copper and are fair to the QC Copper Shareholders; and approved and authorized QC Copper to enter into the Purchase Agreements. Accordingly, the QC Copper Board (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) **unanimously recommends that the QC Copper Shareholders vote FOR the Acquisition Resolution.**

The accompanying Circular sets forth the text of certain of the resolutions proposed to be considered by QC Copper Shareholders at the Meeting and additional information in respect of the various items of business to be considered at the Meeting, including information concerning QC Copper, Cuprum and,

assuming completion of the Acquisition, the Combined Entity. **Please give this material your careful consideration and, if you require assistance, consult your financial, legal or other professional advisors.** If you are unable to attend the Meeting in person, please complete the enclosed form of proxy in order to ensure your representation at the Meeting.

On behalf of the QC Copper Board, I would like to thank all QC Copper Shareholders for their ongoing support as we work towards completion of this important transaction.

Yours very truly,

(signed) "*Stephen Stewart*"

Stephen Stewart  
Chief Executive Officer and Director

## QC COPPER AND GOLD INC.

### NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that a special meeting (the "**Meeting**") of holders ("**QC Copper Shareholders**") of common shares ("**QC Copper Shares**") of **QC COPPER AND GOLD INC.** ("**QC Copper**" or the "**Company**") will be held at Suite 1805, 55 University Avenue, Toronto, ON M5J 2H7 on December 4, 2024 at 11:00 a.m. (EST) for the following purposes:

1. to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution of the QC Copper Shareholders (the "**Acquisition Resolution**"), on a majority of the minority basis, approving the acquisition (the "**Acquisition**") of all of the issued and outstanding shares of Cuprum Corp., as more particularly described in the accompanying management information circular;
2. conditional on the proposed Acquisition Resolution being passed, to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution of the QC Copper Shareholders (the "**RSU Plan Resolution**") approving the Company's restricted share unit plan;
3. conditional on the proposed Acquisition Resolution and RSU Plan Resolution each being passed, to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution of the QC Copper Shareholders (the "**New Option Plan Resolution**") approving the Company's new stock option plan; and
4. to transact such further and other business as may properly come before the Meeting or any adjournment(s) thereof.

**The accompanying management information circular contains the full text of each of the above resolutions and provides additional information relating to the subject matter of the Meeting, including the Acquisition. In order to become effective, (a) the Acquisition Resolution must be approved by a majority of the votes cast by QC Copper Shareholders, other than a QC Copper Shareholder who is a non-arm's length party to QC Copper or the Acquisition, present in person or by proxy at the Meeting or any adjournment(s) thereof, and (b) the RSU Plan Resolution and the New Option Plan Resolution each must be approved by a majority of the votes cast by QC Copper Shareholders present in person or by proxy at the Meeting or any adjournment(s) thereof.**

The Company's board of directors (the "**QC Copper Board**") unanimously (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the Acquisition and abstained from voting in respect thereof) recommends that the QC Copper Shareholders vote **FOR** the Acquisition Resolution. It is a condition to the completion of the Acquisition that the Acquisition Resolution is adopted at the Meeting.

The QC Copper Board has fixed October 21, 2024 as the record date for the determination of QC Copper Shareholders entitled to receive this Notice of Special Meeting of Shareholders and to attend and vote at the Meeting or any adjournment(s) thereof.

If you are a registered QC Copper Shareholder and are unable to attend the Meeting in person, please complete, sign, date and return the enclosed form of proxy. A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, North Tower, Toronto, Ontario M5J 2Y1, or by toll free North American fax number 1-866-249-7775, or by international fax number 1-416-263-9524 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment(s) thereof.

**DATED** this 25<sup>th</sup> day of October, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF QC  
COPPER AND GOLD INC.**

By: "Stephen Stewart"  
Stephen Stewart  
Chief Executive Officer and Director

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## GLOSSARY OF TERMS

Unless the context otherwise provides, the following terms used in this Circular and the Appendices and Schedules hereto shall have the meanings ascribed to them as set forth below, in addition to other terms defined elsewhere in this Circular.

**"Acquisition"** means the acquisition of all of the issued and outstanding Cuprum Shares (other than the Cuprum Shares held by QC Copper), in consideration for the Consideration Shares pursuant to the Purchase Agreements.

**"Acquisition Resolution"** means the resolution of QC Copper Shareholders, on a Majority of the Minority Approval basis, approving the Acquisition.

**"Affiliate"** means a company that is affiliated with another company as described below:

A company is an "Affiliate" of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is "controlled" by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) a company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person.

**"Arm's Length Transaction"** means a transaction which is not a Related Party Transaction.

**"Associate"** when used to indicate a relationship with a Person, means:

- (a) a partner, other than a limited partner, of that Person;
- (b) a trust or estate in which that Person has a substantial beneficial interest or for which that Person serves as trustee or in a similar capacity;
- (c) an issuer in respect of which that Person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer; or
- (d) a relative, including the spouse, of that Person or a relative of that Person's spouse, if the relative has the same home as that Person;

but

- (e) where the TSXV determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a

Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, supplemented, modified, replaced or restated from time to time.

"**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in Toronto, Ontario.

"**CCMI**" means Canadian Critical Minerals Inc.

"**CCMI Warrants**" means a total of 2,000,000 Cuprum Warrants held by CCMI.

"**CCMI Warrant Conversion**" means the conversion of all outstanding CCMI Warrants whereby CCMI shall be issued QC Copper Warrants (with terms materially the same) in exchange for the surrender and termination of the CCMI Warrants based on a ratio of 1.1538 QC Copper Warrants for every one CCMI Warrant held at the time of conversion.

"**Closing**" means the completion of the Acquisition.

"**Closing Date**" means December 13, 2024 or such other date as may be agreed to by QC Copper and the Principal Shareholders in writing.

"**Closing Time**" means 10:00 a.m. (Toronto Time) on the Closing Date or such other time on the Closing Date as may be agreed to by QC Copper and the Principal Shareholders in writing.

"**Combined Entity**" means QC Copper following completion of the Acquisition.

"**Computershare**" means Computershare Investor Services Inc.

"**Consideration Shares**" means 1.1538 QC Copper Shares for each Cuprum Share held for an aggregate total of up to 83,906,252 QC Copper Shares in consideration for all of the issued and outstanding Cuprum Shares (other than the 6,000,000 Cuprum Shares held by QC Copper).

"**control person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"**Cuprum**" means Cuprum Corp., a corporation existing under the laws of the Province of Ontario.

"**Cuprum RSUs**" means restricted share units of Cuprum.

"**Cuprum RSU Termination and Replacement Agreements**" means agreements to be entered into between Cuprum, QC Copper and each holder of Cuprum RSUs, in form and substance acceptable to QC Copper, acting reasonably, whereby: (i) in the event the RSU Plan is approved by the QC Copper Shareholders prior to Closing, each holder agrees to surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for such number of QC Copper RSUs (with terms materially the same, other than vesting dates) based on a ratio of 1.1538 QC Copper RSUs for every one Cuprum RSU held; or (b) in the event the RSU Plan is not approved by the QC Copper Shareholders prior to Closing, each holder agrees to surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for the payment of the fair market value of the Cuprum Shares represented such Cuprum RSUs, less applicable withholding taxes, to be paid in 50% in cash and 50% in QC Copper Shares based on the a ratio of 1.1538 QC Copper Shares for each

Cuprum RSU being so surrendered for QC Copper Shares, all of which shall be conditional upon the completion of the Acquisition.

**"Cuprum Shareholders"** means the holders of Cuprum Shares.

**"Cuprum Shares"** means the common shares in the capital of Cuprum.

**"Cuprum Warrants"** means the common share purchase warrants of Cuprum.

**"Evans & Evans"** means Evans & Evans, Inc., financial advisor to QC Copper.

**"Fairness Opinion"** means the opinion of Evans & Evans dated October 1, 2024 provided to the QC Copper Board to the effect that, as of the date thereof, and based upon the scope of review and subject to the assumptions, limitations and qualifications set out therein, the Acquisition is fair, from a financial point of view, to the QC Copper Shareholders, a copy of which is attached to this Circular as Schedule C.

**"IFRS"** means International Financial Reporting Standards issued by the International Accounting Standards Committee.

**"insider"**, if used in relation to an issuer, means:

- (a) a director or senior officer of the issuer;
- (b) a director or senior officer of a Person that is an insider or subsidiary of the issuer;
- (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or
- (d) the issuer itself if it holds any of its own securities.

**"Intermediary"** means an intermediary that a Non-Registered QC Copper Shareholder deals with in respect of its QC Copper Shares.

**"Majority of the Minority Approval"** means the approval of the Acquisition Resolution by the majority of the votes cast by the QC Copper Shareholders, provided that the votes attached to the QC Copper Shares held by Non-Arm's Length Parties to QC Copper or the Acquisition are excluded from the calculation of any such approval.

**"Management Information Circular"** or **"Circular"** means this management information circular of QC Copper dated October 25, 2024.

**"Meeting"** means the special meeting of the shareholders of QC Copper scheduled to be held on December 4, 2024.

**"Meeting Materials"** means the Notice of Meeting, this Circular and the form of proxy.

**"Member"** has the meaning given to such term in TSXV Policies.

**"MI 61-101"** means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

**"Name Change"** means the proposed name change of QC Copper to "XXIX Metal Corp."

**"New Option Plan"** means the new 10% rolling stock option plan of QC Copper to be implemented following the completion of the Acquisition.

**"New Option Plan Resolution"** means the resolution of QC Copper Shareholders approving the New Option Plan.

**"NI 43-101"** means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

**"NI 51-102"** means National Instrument 51-102 - *Continuous Disclosure Obligations of the Canadian Securities Administrators*.

**"NI 54-101"** means National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

**"Non-Arm's Length Party"** means:

- (a) in relation to a company:
  - (i) a Promoter, officer, director, other insider or control person of that company and any Associates or Affiliates of any of such Persons; or
  - (ii) another entity or an Affiliate of that entity, if that entity or its Affiliate have the same Promoter, officer, director, insider or control person as the company;
- (b) in relation to an individual, any Associate of the individual or any company of which the individual is a Promoter, officer, director, insider or control person; and
- (c) in relation to a transaction, means the vendors, any target companies and includes, in relation to the assets or target company, the Non-Arm's Length Parties of the vendors, the Non-Arm's Length Parties of the target company and all other parties to or associated with the transaction and Associates or Affiliates of all such other parties.

**"Non-Registered QC Copper Shareholder"** means a QC Copper Shareholder who is not a Registered QC Copper Shareholder.

**"Notice of Meeting"** means the notice of special meeting of QC Copper Shareholders which accompanies this Management Information Circular.

**"OBCA"** means the *Business Corporations Act* (Ontario), as amended, supplemented, modified, replaced or restated from time to time.

**"Offer"** has the meaning given under the heading "*Business of the Meeting - the Acquisition - Short Offer to Purchase*".

**"Offer Period"** has the meaning given under the heading "*Business of the Meeting - the Acquisition - Short Offer to Purchase*".

**"Option Plan"** means the existing stock option plan of QC Copper.

**"Opemiska Project"** means the Opemiska Copper Mine Complex in the ChapaisChibougamau region of Quebec, which is 100% owned by QC Copper.

**"Other Shareholders"** means the Cuprum Shareholders (other than QC Copper) who are not the Principal Shareholders.

"**OreCAP**" means OreCAP Invest Corp.

"**Person**" means any individual, partnership, limited partnership, joint venture, trust, body corporate unincorporated organization, committee, trade creditors committee, government or agency, or instrumentality thereof, or any other entity whosoever designated or constituted.

"**Principal Shareholders**" means OreCAP, Standard Ore Corporation (a private company owned by Stephen Stewart, the Chief Executive Officer and director of QC Copper), 2630319 Ontario Inc. (a private company owned by Gautam Iyer, VP Corporate Development of OreCAP), 1000217479 Ontario Inc. (a private company owned by Joel Friedman, the Chief Financial Officer of QC Copper), Moray Resources Inc. (a private company owned by Alex Stewart, a director of QC Copper) and Anthony Moreau (a director of QC Copper).

"**Promoter**" has the meaning given to such term in the *Securities Act* (British Columbia).

"**Purchase Agreements**" means, collectively, the Short Offer to Purchase and the Share Purchase Agreement.

"**QC Copper**" means QC Copper and Gold Inc., a corporation existing under the laws of the Province of British Columbia.

"**QC Copper Board**" means the board of directors of QC Copper.

"**QC Copper Options**" means the stock options of QC Copper.

"**QC Copper RSUs**" means the restricted share units of QC Copper to be issued pursuant to the RSU Plan.

"**QC Copper Shares**" means the common shares in the capital of QC Copper.

"**QC Copper Shareholders**" means the registered holders and/or beneficial holders of QC Copper Shares, as the context requires.

"**QC Copper Special Committee**" has the meaning given under the heading "*Business of the Meeting - the Acquisition - Reasons for the Recommendations of the QC Copper Special Committee and the QC Copper Board*".

"**QC Copper Warrants**" means common share purchase warrants of QC Copper.

"**Record Date**" means October 21, 2024.

"**Registered QC Copper Shareholder**" means a registered holder of QC Copper Shares.

"**Related Party Transaction**" has the meaning ascribed to that term in the TSXV Policies, and includes a related party transaction that is determined by the TSXV to be a Related Party Transaction. The TSXV may deem a transaction to be a Related Party Transaction where the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of the issuer with respect to the transaction.

"**RSU Plan**" means the restricted share unit plan of QC Copper to be implemented following the completion of the Acquisition.

"**RSU Plan Resolution**" means the resolution of QC Copper Shareholders approving the RSU Plan.

"**Securities Based Compensation**" has the meaning ascribed to it under TSXV Policy 4.4 – *Securities Based Compensation*.

**"Share Purchase Agreement"** means the share purchase agreement dated October 1, 2024 entered into among QC Copper and the Principal Shareholder, pursuant to which QC Copper will acquire all of the issued and outstanding Cuprum Shares held by the Principal Shareholders, which represent approximately 41.2% of the issued and outstanding Cuprum Shares, in consideration for the Consideration Shares.

**"Short Offer to Purchase"** means the offer from QC Copper to the Other Shareholders to purchase the Cuprum Shares held by such Other Shareholder in consideration for the Consideration Shares.

**"Tax Act"** means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended from time to time.

**"Thierry Project"** means the Thierry Copper Mine located in central Ontario, Canada, 12 kilometres west-northwest of the community of Pickle Lake and 450 kilometres north-northwest of Thunder Bay, Ontario, which is 100% owned by Cuprum.

**"Transfer"** includes the making or granting of any sale, exchange, assignment, hypothecation, gift, security interest, pledge or other encumbrance, or any contract therefor, any voting trust or other agreement or arrangement with respect to the transfer of voting rights or any other beneficial interest in such securities, the creation of any other claim thereto or any other transfer or disposition whatsoever, whether voluntary or involuntary, affecting the right, title, interest or possession in or to such securities.

**"Transfer Restrictions"** has the meaning given under the heading "*Business of the Meeting - the Acquisition - Share Purchase Agreement - Transfer Restrictions*".

**"TSXV"** means the TSX Venture Exchange Inc.

**"TSXV Policies"** the policies of the TSXV and all bulletins, orders, policies, rules, regulations and by-laws of the TSXV as amended from time to time.

Words importing the singular number only include the plural and vice versa, and words importing any gender include all genders.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Circular contains forward-looking statements or forward-looking information within the meaning of applicable securities laws which may include, but is not limited to, statements or information with respect to the anticipated benefits resulting from the Acquisition, the timing and success of applications to obtain approvals required with respect to the Acquisition and the nature of the business and operations of the Combined Entity following the completion of the Acquisition. Often, but not always, forward-looking statements and forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements and forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company or the Combined Entity, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements and forward-looking information. Such factors include, among others, the risks and uncertainties involved in satisfying the conditions to close the Acquisition, the difficulties associated with the nature of the Company's business and operations following the Acquisition, as well as those factors discussed in the section entitled "*Risk Factors*" in this Circular. Although QC Copper has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements and forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements and forward-looking information contained herein are made as of the date of this Circular, and QC Copper disclaims any obligation to update any forward-looking statements or forward-looking information if these beliefs, estimates and opinions or circumstances should change, except as required by applicable law. There can be no assurance that forward-looking statements and forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information due to the inherent uncertainty in them. All forward-looking statements and forward-looking information contained or incorporated by reference in this Circular are qualified by this cautionary statement.

See the section entitled "*Risk Factors*" in this Circular for a discussion of the factors that could cause actual results or performance to be materially different from those expressed or implied by such underlying forward-looking statements and forward-looking information.

## MARKET AND INDUSTRY DATA

The market and industry data contained in this Circular is based upon, among other things, information from independent industry and other publications. None of the sources of market and industry data have provided any form of consultation, advice or counsel regarding any aspect of, or is in any way whatsoever associated with, the Acquisition and industry data is subject to variations and cannot be verified with complete certainty due to limits on the availability and reliability of raw data at any particular point in time, the voluntary nature of the data gathering process or other limitations and uncertainties inherent in any statistical survey. Accordingly, the accuracy and completeness of this data are not guaranteed. QC Copper has not independently verified any of the data from third party sources referred to in this Circular or ascertained the underlying assumptions relied upon by such sources.

## CURRENCY

Unless otherwise indicated in this Circular, all references to "**dollars**" or the use of the symbol "\$" are to Canadian dollars, and all references to "**U.S. dollars**" or "**US\$**" are to United States dollars.

## MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

The Mineral Resource Estimate ("**MRE**") presented in Appendix 1 and Appendix 2 of this Circular is reported in accordance with the NI 43-101 and were estimated in conformity with the Canadian Institute of Mining, Metallurgy and Petroleum ("**CIM**") "Estimation of Mineral Resource and Mineral Reserves Best Practice Guidelines" (November 2019) and reported using the definitions set out in the 2014 CIM Definition Standards on Mineral Resources and Mineral Reserves:

- 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 to a Probable Mineral Reserve.
- 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.
- Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Confidence in the estimate of Inferred Mineral Resource is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Mineral Resources may be affected by further infill and exploration drilling that may result in increases or decreases in subsequent Mineral Resources.



## SUMMARY

The following is a summary of information relating to QC Copper, Cuprum and the Combined Entity (assuming completion of the Acquisition and related transactions) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular and in the Appendices and Schedules attached hereto.

**Time, Date and Place of Meeting:** A special meeting of the QC Copper Shareholders will be held at Suite 1805, 55 University Avenue, Toronto, ON M5J 2H7 on December 4, 2024 at 11:00 a.m. (EST).

**Purpose of the Meeting:** The purpose of the Meeting is to consider the proposed Acquisition and related matters and, if deemed advisable, pass, with or without variation, resolutions to approve all matters relating to the Acquisition including the Acquisition Resolution, the RSU Plan Resolution and the New Option Plan Resolution, as more particularly disclosed in this Circular.

**Parties:** QC Copper is a reporting issuer in the provinces of British Columbia, Alberta and Ontario, and the outstanding QC Copper Shares are listed on the TSXV under the symbol "QCCU". See "Appendix 1 - Information Concerning QC Copper and Gold Inc." Cuprum is a private company incorporated under the laws of the Province of Ontario and owns a 100% interest in the Thierry Project. See "Appendix 2 - Information Concerning Cuprum Corp."

**Acquisition of Cuprum:** Pursuant to the Purchase Agreements, subject to the fulfillment of certain conditions (including QC Copper Shareholder approval), QC Copper has agreed to acquire all of the issued and outstanding Cuprum Shares, in consideration for the issuance of the Consideration Shares at a deemed issue price of \$0.13.

If the Acquisition and the other transactions contemplated herein are completed and assuming all of the Cuprum Shares held by the Other Shareholders are acquired, it is anticipated that, immediately thereafter, the Company will have issued and outstanding 258,277,608 QC Copper Shares, with the current QC Copper Shareholders holding an aggregate of 174,371,356 QC Copper Shares or 67.5% of the outstanding QC Copper Shares and former Cuprum Shareholders holding an aggregate of 83,906,252 QC Copper Shares or 32.5% of the outstanding QC Copper Shares.

**Selected Pro Forma Financial Information:** The following table sets forth information for the Combined Entity on a *pro forma* basis as of the completion of the Acquisition summarized from the unaudited pro forma financial statements contained in Schedule D hereto. This summary should be read in conjunction with such unaudited *pro forma* statements:

Total Assets	\$9,634,311
Total Liabilities	\$2,993,176
Share Capital	\$30,171,890
Reserves	\$4,107,685
Deficit	(\$27,638,440)
Shareholders' Equity	\$6,641,135

See also "*Appendix 3 - Information Concerning the Combined Entity*".

**Purchase Agreements:**

On October 1, 2024, QC Copper entered into the Share Purchase Agreement with the Principal Shareholders providing for, among other things, the purchase by QC Copper from the Principal Shareholders of all of the Cuprum Shares held by the Principal Shareholders, representing approximately 41.2% of the issued and outstanding Cuprum Shares. QC Copper also issued the Short Offer to Purchase to all of the Other Shareholders to purchase all of the Cuprum Shares owned by the Other Shareholders.

Pursuant to the Purchase Agreements, each Cuprum Shareholder (other than QC Copper) will receive the Consideration Shares in exchange for their Cuprum Shares based on an exchange ratio of 1.1538 QC Copper Shares at a price of \$0.13 per QC Copper Share for each Cuprum Share held.

A description of certain provisions of the Share Purchase Agreement are included in this Circular under the heading "*Business of the Meeting - The Acquisition - The Share Purchase Agreement*". The description is not comprehensive and is qualified in its entirety by the full text of the Share Purchase Agreement which is attached hereto as Schedule B.

**Conditions Precedent to the Acquisition:**

The respective obligations of the parties to consummate the transactions contemplated by the Purchase Agreements, and in particular the Acquisition, are subject to the satisfaction, on or before the Closing Date or such other time specified, of certain conditions, which includes obtaining all applicable governmental, regulatory, stock exchange, shareholder and contractual approvals required to complete the Acquisition, including, without limitation, obtaining Majority of the Minority Approval of the Acquisition, receipt of TSXV approval and a minimum of 90% of the Cuprum Shares being properly tendered pursuant to the Short Offer to Purchase, each of which may be waived, in whole or in part, by the party to which such condition is a benefit.

As at the date of this Circular, 90.9% of the Cuprum Shares held by the Other Shareholders and the Principal Shareholders have been properly tendered pursuant to the Purchase Agreements.

See "*Business of the Meeting - The Acquisition - The Share Purchase Agreement - Conditions Precedent to the Acquisition*", and "*Short Offer to Purchase*".

**Treatment of Cuprum RSUs:**

Pursuant to the Cuprum RSU Termination and Replacement Agreements, each holder of Cuprum RSUs will agree to: (a) in the event the RSU Plan is approved by the QC Copper Shareholders prior to Closing, surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for such number of QC Copper RSUs (with terms materially the same, other than vesting dates) based on a ratio of 1.1538 QC Copper RSUs for every one Cuprum RSU held; or (b) in the event the RSU Plan is not approved by the QC Copper Shareholders prior to Closing, to

surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for the payment of the fair market value of the Cuprum Shares represented such Cuprum RSUs, less applicable withholding taxes, to be paid in 50% in cash and 50% in QC Copper Shares based on the a ratio of 1.1538 QC Copper Shares for each Cuprum RSU being so surrendered for QC Copper Shares, all of which shall be conditional upon the completion of the Acquisition.

As at the date of the Circular, 6,100,000 Cuprum RSUs were outstanding and, assuming the approval of the RSU Plan at the Meeting, an aggregate of 7,038,180 QC Copper RSUs will be issued to the former holders of Cuprum RSUs.

See "*Business of the Meeting - The Acquisition - Treatment of Cuprum RSUs*".

**Fairness Opinion:**

Pursuant to an engagement letter dated as of September 4, 2024, the QC Copper Special Committee retained Evans & Evans to render an opinion to QC Copper as to the fairness of the Acquisition, from a financial point of view, to QC Copper Shareholders.

Evans & Evans verbally delivered its opinion and subsequently confirmed in writing, to the QC Copper Special Committee that, as at the date thereof, based upon the scope of review and subject to the assumptions, limitations and qualifications set out therein, the Acquisition is fair, from a financial point of view, to the QC Copper Shareholders.

The summary of the Fairness Opinion in this Circular is qualified in its entirety by, and should be read in conjunction with, the full text of the Fairness Opinion attached to this Circular in Schedule C. QC Copper Shareholders are encouraged to read the Fairness Opinion carefully in its entirety.

See "*Business of the Meeting - The Acquisition - Fairness Opinion*" in this Circular.

**Recommendation of the QC Copper Special Committee:**

The QC Copper Special Committee, after consultation with QC Copper management and receipt of advice and assistance of its financial and legal advisors and after careful consideration of alternatives and a number of factors, including, among others, the Fairness Opinion, unanimously determined that the Acquisition is fair, from a financial point of view, to the QC Copper Shareholders; that the Acquisition is in the best interests of QC Copper; and that the QC Copper Special Committee recommend that the QC Copper Board recommend that the QC Copper Shareholders vote in favour of the Acquisition Resolution, and unanimously resolved to recommend to the QC Copper Board that the Purchase Agreements be approved by the QC Copper Board substantially in the form circulated to the QC Copper Board.

See "*Business of the Meeting - The Acquisition - Recommendation of the QC Copper Special Committee*" in this Circular.

**Recommendation of the QC Copper Board:**

Based on its consultation with QC Copper management and receipt of advice and assistance from its financial and legal advisors, including, the receipt of the recommendation of the QC Copper Special Committee and the Fairness Opinion, the QC Copper Board unanimously (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) determined that the Acquisition and entry into the Purchase Agreements are in the best interests of QC Copper and approved and authorized QC Copper to enter into the Purchase Agreements. Accordingly, the QC Copper Board (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) **unanimously recommends that the QC Copper Shareholders vote FOR the Acquisition Resolution.**

See "*Business of the Meeting - The Acquisition - Recommendation of the QC Copper Board*" in this Circular.

**Shareholder Approval:**

The Acquisition Resolution must receive Majority of the Minority Approval in respect thereof at the Meeting or any adjournment(s) thereof. See "*Business of the Meeting - the Acquisition*".

The RSU Plan Resolution and the New Option Plan Resolution each must be approved by the affirmative vote of a majority of the votes cast by QC Copper Shareholders in respect thereof at the Meeting or any adjournment(s) thereof. See "*Business of the Meeting - RSU Plan*" and "*- New Option Plan*".

**Stock Exchange Approval:**

The TSXV has conditionally approved the Acquisition and the other items contemplated in this Circular subject to QC Copper fulfilling all of the requirements of the TSXV.

**Arm's Length Transaction:**

The Acquisition is not an Arm's Length Transaction as defined in the TSXV Policies.

**Interests of Certain Persons in the Acquisition:**

Except as otherwise described in this Circular, no person who has been a director or officer of QC Copper at any time since the beginning of QC Copper's last financial year, and no associate or affiliate of the foregoing Persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the approval of the Acquisition, the RSU Plan and the New Option Plan.

In considering the recommendation of the QC Copper Board with respect to the Acquisition, QC Copper Shareholders should be aware that certain members of the QC Copper Board and QC Copper's management team have interests in the Acquisition that may create actual or potential conflicts of interest in connection with such transactions.

In particular, a number of members of the QC Copper Board and QC Copper's management team will participate in the Acquisition on the same terms as other QC Copper

Shareholders, subject to the terms of the Cuprum RSU Termination and Replacement Agreements.

See "*Business of the Meeting - The Acquisition - Interests of Certain Persons in the Acquisition*" in this Circular.

**Name Change:**

Following the completion of the Acquisition, QC Copper intends to complete the Name Change to "XXIX Metal Corp.", subject to regulatory approval, including the approval of the TSXV.

**Risk Factors:**

QC Copper Shareholders should carefully consider the risk factors described below under the heading "*Risk Factors*" before deciding to vote or instruct their vote to be cast to approve the Acquisition Resolution.

## INTRODUCTION

The information contained in this Circular, unless otherwise indicated, is as of October 25, 2024.

All summaries of, and references to, the Acquisition in this Circular are qualified in their entirety by reference to the complete text of the Share Purchase Agreement. **You are urged to carefully read the full text of the Share Purchase Agreement, a copy of which is attached hereto as Schedule B.**

All capitalized terms used in this Circular have the meanings set forth under "*Glossary of Terms*" or as otherwise defined herein.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

The information contained or referred to in this Circular relating to Cuprum has been furnished by the management of Cuprum. In preparing this Circular, the Company has relied upon such information provided by the management of Cuprum to ensure that this Circular contains full, true and plain disclosure of all material facts relating to Cuprum. Although the Company has no knowledge that would indicate that any statements contained herein concerning Cuprum are untrue or incomplete, neither the Company nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information or for any failure by Cuprum, and management of Cuprum, to ensure disclosure of events or facts that may have occurred, which may affect the significance or accuracy of any such information.

Information contained in this Circular should not be construed as legal, tax or financial advice and QC Copper Shareholders are urged to consult their own professional advisers in connection therewith.

## INFORMATION CONCERNING THE MEETING

### Purpose of the Meeting

The information contained in this Circular is furnished in connection with the solicitation of proxies by the management of QC Copper for use at the Meeting. At the Meeting, QC Copper Shareholders will consider and vote upon the Acquisition Resolution and the RSU Resolution and such other business as may properly come before the Meeting.

### Manner Proxies will be Voted

The Meeting will be held at the offices of QC Copper located at Suite 1805, 55 University Avenue, Toronto, ON M5J 2H7 on December 4, 2024 at 11:00 a.m. (EST).

### Solicitation of Proxies

It is expected that solicitation of proxies will be made primarily by mail but proxies may also be solicited personally or by telephone, email, facsimile, or other communication by directors, officers, employees or agents of QC Copper without special compensation. All costs of soliciting proxies and mailing the Meeting Materials in connection with the Meeting will be borne by QC Copper. QC Copper may reimburse brokers, investment dealers or other intermediaries holding QC Copper Shares in their name or in the name of nominees for their costs incurred in sending proxy materials to their principals in order to obtain their proxies.

No Person is authorized to provide any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Company. The delivery of this Circular shall not, under any

circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof (or since the dates set forth in the documents incorporated by reference herein).

## GENERAL PROXY INFORMATION

### Appointment and Revocation of Proxies

The persons designated in the accompanying forms of proxy have been selected by the QC Copper Board and have agreed to represent, as proxyholders, QC Copper Shareholders appointing them. **A QC COPPER SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON OR ENTITY (WHO NEED NOT BE A QC COPPER SHAREHOLDER) TO REPRESENT HIM, HER OR IT AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc. at 100 University Ave., 8<sup>th</sup> Floor, North Tower, Toronto, Ontario M5J 2Y1, Attention Proxy Department, or by fax to Computershare Investor Services Inc. at 1-866-249-7775 or 1-416-263-9524 by December 2, 2024. Alternatively, QC Copper Shareholders may vote via the internet at [www.investorvote.com](http://www.investorvote.com), or by telephone at 1-866-732-8683 (toll free in North America).

**IN ALL CASES, THE PROXY MUST BE RECEIVED AT LEAST FORTY-EIGHT (48) HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF.** The time limit for the deposit of proxies may be waived or extended by the Chairman of the Meeting at his or her discretion, without notice.

A QC Copper Shareholder forwarding the accompanying proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the QC Copper Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The QC Copper Shares represented by the proxy will be voted in accordance with the directions, if any, given in the proxy.

A proxy given by a Registered QC Copper Shareholder for use at the Meeting may be revoked at any time prior to its use. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing or, if the QC Copper Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Any such instrument revoking a proxy must be deposited at the registered office of QC Copper at any time up to and including the last Business Day preceding the day of the Meeting or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting or any adjournment thereof or in any other manner permitted by law, or deposited with the Chair of the Meeting on the day of the Meeting, or any adjournment thereof. If the instrument of revocation is deposited with the Chair on the day of the Meeting or any adjournment thereof, the instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

### Notice and Access

The Company is sending out proxy-related materials to QC Copper Shareholders using the notice-and-access provisions under NI 51-102 and NI 54-101 (the "**Notice-and-Access Provisions**"). The Company anticipates that use of the Notice-and-Access Provisions will benefit the Company by reducing the postage and material costs associated with the printing and mailing of the proxy-related materials and will additionally reduce the environmental impact of such actions.

QC Copper Shareholders will be provided with electronic access to the Meeting Materials on SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca). and at <https://qccopper.com/investors/acquisition/>.

QC Copper Shareholders are reminded to review the Circular before voting. QC Copper Shareholders will receive paper copies of a notice package (the "**Notice Package**") via mail containing a notice with

information prescribed by the Notice-and-Access Provisions and a form of proxy (if you are a Registered QC Copper Shareholder) or a voting instruction form (if you are a Non-Registered QC Copper Shareholder). The Company will not use procedures known as 'stratification' in relation to the use of Notice-and-Access Provisions. Stratification occurs when an issuer using Notice-and-Access Provisions sends a paper copy of the Circular to some securityholders with a Notice Package.

### **Exercise of Discretion by Proxies**

QC Copper Shares represented by properly executed proxies in favour of the persons named in the enclosed form of proxy **WILL BE VOTED OR WITHHELD FROM VOTING IN ACCORDANCE WITH THE INSTRUCTIONS OF THE SHAREHOLDER ON ANY BALLOT THAT MAY BE CALLED FOR** and, where the person whose proxy is solicited specifies a choice with respect to the matters identified in the proxy, **THE QC COPPER SHARES WILL BE VOTED OR WITHHELD FROM VOTING IN ACCORDANCE WITH THE SPECIFICATIONS SO MADE. WHERE QC COPPER SHAREHOLDERS HAVE PROPERLY EXECUTED PROXIES IN FAVOUR OF THE PERSONS NAMED IN THE ENCLOSED FORM OF PROXY AND HAVE NOT SPECIFIED IN THE FORM OF PROXY THE MANNER IN WHICH THE NAMED PROXIES ARE REQUIRED TO VOTE THE QC COPPER SHARES REPRESENTED THEREBY OR IS RETURNED SPECIFYING BOTH CHOICES IN FORM OF PROXY, SUCH QC COPPER SHARES WILL BE VOTED IN FAVOUR OF THE PASSING OF THE MATTERS SET FORTH IN THE NOTICE.**

The enclosed form of proxy when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to any amendment to or variation of a matter identified in the Notice of Meeting, and with respect to any other matter which may properly come before the Meeting. If an amendment to or variation of a matter identified in the Notice of Meeting is properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matter or business. At the time of the printing of this Circular, the management of QC Copper knows of no such amendment, variation or other matter which may be presented to the Meeting.

### **Voting by Registered QC Copper Shareholders**

Only Registered QC Copper Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Registered QC Copper Shareholders may vote a proxy in his or her own name at any time by telephone, facsimile, internet or by mail in accordance with the instructions appearing on the enclosed forms of proxy and/or may attend the Meeting and vote in person.

Registered QC Copper Shareholders may:

- vote online at [www.investorvote.com](http://www.investorvote.com); or
- complete, sign, date and return the enclosed form of proxy, or such other proper form of proxy or voting instruction form ("**VIF**") prepared for use at the Meeting which is acceptable to Computershare and QC Copper.

To be effective, a proxy must be received by Computershare no later than 11:00 a.m. (EST) on December 2, 2024, or in the event the Meeting is adjourned or postponed, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the reconvened or postponed Meeting.

### **Voting by Non-Registered QC Copper Shareholders**

For QC Copper Shareholders who are "beneficial" QC Copper Shareholders ("**Beneficial QC Copper Shareholders**"), their QC Copper Shares are registered in the name of an Intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf, or in the name of a clearing agency, such as The Canadian Depository for Securities Limited ("**CDS**") or the Depository Trust & Clearing Corporation ("**DTC**"), in which the Intermediary is a participant.



In accordance with the requirements of NI 54-101, QC Copper has distributed copies of the Meeting Materials to the Intermediaries and clearing agencies for onward distribution to Beneficial QC Copper Shareholders. QC Copper will also pay the fees and costs of Intermediaries for their services in delivering the Meeting Materials to Beneficial QC Copper Shareholders in accordance with NI 54-101. Intermediaries have obligations to forward the Meeting Materials to each Beneficial QC Copper Shareholder (unless the Beneficial QC Copper Shareholder has waived the right to receive such materials), and often use a service company (such as Broadridge Financial Services), to permit Beneficial QC Copper Shareholder to direct the voting of the QC Copper Shares held by the Intermediary on behalf of the Beneficial QC Copper Shareholder. Generally, Beneficial Shareholders will either:

- (a) be given a VIF which is not signed by the Intermediary and which, when properly completed and signed by the Beneficial QC Copper Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Services (Broadridge). Broadridge mails a VIF in lieu of a proxy provided by QC Copper. The completed VIF must be returned by mail (using the return envelope provided) or by facsimile. Alternatively, Beneficial QC Copper Shareholders may call a toll-free number or go online to [www.proxyvote.com](http://www.proxyvote.com) to vote. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting; or
- (b) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of QC Copper Shares beneficially owned by the Beneficial QC Copper Shareholder, but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial QC Copper Shareholder when submitting the proxy. In this case, the Beneficial QC Copper Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare, 100 University Ave., 8<sup>th</sup> Floor, North Tower, Toronto, Ontario M5J 2Y1.

These Meeting Materials are being sent to both Registered QC Copper Shareholders and Beneficial QC Copper Shareholders. If you are a Beneficial QC Copper Shareholder, and QC Copper or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

The purpose of these procedures is to permit Beneficial QC Copper Shareholders to direct the voting of the QC Copper Shares they beneficially own. If a Beneficial QC Copper Shareholder who receives either a voting instruction form or a form of proxy wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Beneficial QC Copper Shareholder), the Beneficial QC Copper Shareholder should strike out the name(s) of the person(s) named in the form of proxy and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. In either case, Beneficial QC Copper Shareholders should carefully follow the instructions of their Intermediaries and their service companies, for return of the executed form or other method of response.

#### **Record Date**

Only Registered QC Copper Shareholders of record as of the close of business on October 21, 2024 will be entitled to receive notice of the Meeting and vote at the Meeting, or any adjournment or postponement thereof.

## Quorum

For all purposes contemplated by this Circular, the quorum for the transaction of business at the Meeting is one person present or represented by proxy.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

QC Copper has fixed the close of business on October 21, 2024 as the Record Date for the purposes of determining Registered QC Copper Shareholders entitled to receive the Notice of the Meeting and vote at the Meeting. As at the Record Date, 174,371,356 QC Copper Shares were issued and outstanding, each carrying the right to one vote at the Meeting.

To be adopted, (a) the Acquisition Resolution must be approved by a majority of the votes cast by QC Copper Shareholders, with the votes attached to the QC Copper Shares held by Non-Arm's Length Parties to QC Copper or the Acquisition excluded from the calculation of such approval, present in person or by proxy at the Meeting or any adjournment(s) thereof: and (b) the RSU Plan Resolution and the New Option Plan Resolution each must be approved by a majority of the votes cast by QC Copper Shareholders present in person or by proxy at the Meeting or any adjournment(s) thereof.

To the knowledge of the directors and officers of QC Copper, as at the Record Date, no person beneficially owns, or controls or directs, directly or indirectly, voting securities of QC Copper carrying 10% or more of the voting rights attached to the QC Copper Shares.

## BUSINESS OF THE MEETING

### THE ACQUISITION

At the Meeting, QC Copper Shareholders will be asked to consider and, if thought advisable, to pass, with or without amendment, the Acquisition Resolution. The Acquisition, the terms of the Purchase Agreements and related agreements are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Share Purchase Agreement. A copy of the Share Purchase Agreement is also attached as Schedule B of this Circular.

To be adopted, the Acquisition Resolution must be approved by a majority of the votes cast by QC Copper Shareholders, with the votes attached to the QC Copper Shares held by Non-Arm's Length Parties to QC Copper or the Acquisition excluded from the calculation of such approval. See "*Business of the Meeting - The Acquisition - Interests of Certain Persons in the Acquisition*" and "*- Majority of the Minority Approval*". A copy of the Acquisition Resolution is set out in Schedule A of this Circular.

It is a requirement of the TSXV that Majority of the Minority Approval be obtained since the Acquisition is not an Arm's Length Transaction (as defined in the TSXV Policies), and the Company was not able to provide evidence of value as required by sections 5.11 and 5.12 of TSXV Policy 5.3.

After consulting with QC Copper's management and receiving advice and assistance from its financial and legal advisors, and after careful consideration of alternatives and a number of factors, including, among others, receipt of the recommendation from the QC Copper Special Committee, the Fairness Opinion and the factors set out below under the heading "*Business of the Meeting - The Acquisition - Reasons for the Recommendations of the QC Copper Special Committee and the QC Copper Board*", the members of the QC Copper Board unanimously (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) determined that the Acquisition and entry into the Purchase Agreements are in the best interests of QC Copper and are fair to the QC Copper Shareholders and recommend that QC Copper Shareholders vote **FOR** the Acquisition Resolution.

Unless otherwise directed in properly completed forms of proxy, it is the intention of the persons named in the enclosed form of proxy to vote **FOR** the Acquisition Resolution. If you do not specify how you want your

QC Copper Shares to be voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting **FOR** the Acquisition Resolution.

If the Acquisition Resolution is adopted at the Meeting and the conditions to the completion of the Acquisition are satisfied or waived, the Acquisition is expected to take effect on or about December 13, 2024, or such other date as may be agreed by QC Copper and the Principal Shareholders.

### **Reasons for the Recommendations of the QC Copper Special Committee and the QC Copper Board**

The QC Copper Board established a special committee of an independent director of the QC Copper Board (the "**QC Copper Special Committee**"), comprised of Philippe Cloutier, to review and evaluate the proposed Acquisition from the point of view of the best interests of QC Copper and the QC Copper Shareholders and to oversee negotiations with Cuprum and the Principal Shareholders.

In evaluating the Acquisition and making its recommendations, the QC Copper Special Committee and the QC Copper Board each consulted with QC Copper management, received the advice and assistance of their respective legal and financial advisors, reviewed a significant amount of market, industry, financial and other data and considered a number of factors, including, among others, those listed below. The following includes forward-looking statements and readers are cautioned that actual results may vary. See "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*" in this Circular.

- *Creation of one of Canada's largest copper resource portfolios.* Following the completion of the Acquisition, QC Copper will be one of Canada's largest copper resource portfolios, and will establish itself as Eastern Canada's largest copper developer.
- *Dual Asset Strategy.* The Combined Entity will be focused on a dual asset strategy: advancing the Opemiska Project towards a high-quality Preliminary Economic Assessment (PEA), and concurrently, advancing the Thierry Project towards an updated, high-quality mineral resource estimate.
- *Increased Copper Resource Base.* The Acquisition would potentially increase QC Copper's current copper resource base by 70%.
- *Fairness Opinion.* The QC Copper Special Committee received the Fairness Opinion, in which Evans & Evans stated that, as of the date thereof, and based upon the scope of review and subject to the assumptions, limitations and qualifications contained therein, the Acquisition is fair, from a financial point of view, to the QC Copper Shareholders. See "*Business of the Meeting – The Acquisition – Fairness Opinion*" in this Circular.
- *Role of the QC Copper Special Committee.* The evaluation and negotiation process was supervised by the QC Copper Special Committee that was advised by experienced and qualified financial and legal advisors. The Acquisition was unanimously recommended to the QC Copper Board by the QC Copper Special Committee.
- *Evaluation and Analysis.* Each of the QC Copper Special Committee and the QC Copper Board also carefully considered the Acquisition, current economic, industry and market trends and related risks affecting each of QC Copper and Cuprum, information concerning the business, operations, assets, financial condition, operating results and prospects of each of QC Copper, Cuprum and the Combined Entity, and the historical trading prices of the QC Copper Shares and the current value of the Cuprum Shares, taking into account the results of QC Copper's due diligence review of Cuprum and its business.
- *Shareholder Approval.* The Acquisition Resolution must receive Majority of the Minority Approval. See "*Business of the Meeting – The Acquisition – Majority of the Minority Approval*".

The QC Copper Board (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) unanimously approved the execution of the Purchase Agreements.

The reasons of the QC Copper Special Committee and the QC Copper Board for recommending the Acquisition include certain assumptions relating to forward-looking information, and such information and assumptions are subject to certain risks. See "*Cautionary Note Regarding Forward-Looking Statements*" and "*Risk Factors*" in this Circular. The recommendations of the QC Copper Special Committee and the QC Copper Board are based upon the totality of the information presented and considered by them. The foregoing summary of the information and factors considered by the QC Copper Special Committee and the QC Copper Board is not intended to be exhaustive but includes a summary of the material information and factors considered by the QC Copper Special Committee and the QC Copper Board in their evaluation of the Acquisition. In view of the variety of factors and the amount of information considered in connection with the evaluation of the Acquisition by the QC Copper Special Committee and the QC Copper Board, they did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its recommendations. The recommendations of the QC Copper Special Committee and the QC Copper Board were made after consideration of the factors noted above, other factors and in light of the knowledge of the QC Copper Special Committee and the QC Copper Board of the business, financial condition and prospects of QC Copper and taking into account the advice of their respective legal and financial advisors as well as the Fairness Opinion and exercised their business judgment. In addition, in considering the factors described above, individual members of the QC Copper Special Committee and the QC Copper Board may have assigned different weights to different factors and may have applied different analysis to each of the material factors considered by the QC Copper Special Committee and the QC Copper Board.

### **Fairness Opinion**

Pursuant to an engagement letter dated as of September 4, 2024, the QC Copper Board retained Evans & Evans to render an opinion to QC Copper as to the fairness of the Acquisition, from a financial point of view, to QC Copper Shareholders.

On September 23, 2024, Evans & Evans verbally delivered its opinion and subsequently confirmed in writing on October 1, 2024, to the QC Copper Special Committee that, as at the date thereof, based upon the scope of review and subject to the assumptions, limitations and qualifications set out therein, the Acquisition is fair, from a financial point of view, to the QC Copper Shareholders.

The full text of the Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Fairness Opinion, is set out in Schedule C to this Circular. The summary of the Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Fairness Opinion. The Fairness Opinion was provided for the use and benefit of the QC Copper Board in its evaluation of the Acquisition.

The Fairness Opinion is limited solely to the fairness of Acquisition, from a financial point of view, to the QC Copper Shareholders and does not address QC Copper's underlying business decision to effect the Acquisition or the relative merits of the Acquisition as compared to any alternative business strategies or transactions that might be available to QC Copper. The Fairness Opinion does not constitute an independent evaluation, formal valuation or appraisal of the securities or assets of QC Copper and should not be construed as advice as to the price at which the securities of QC Copper may trade at any time and does not address any legal, tax or regulatory aspects of the Acquisition.

The Fairness Opinion was provided solely for the information and assistance of the QC Copper Special Committee in connection with its consideration of the Acquisition and is not a recommendation to any QC Copper Shareholder as to how to vote or act on any matter relating to the Acquisition. The Fairness Opinion was only one factor that the QC Copper Special Committee and the QC Copper Board took into consideration in making its determination to recommend that the QC Copper Shareholders vote in favour of the Acquisition Resolution. The QC Copper Board urges QC Copper Shareholders to read the Fairness Opinion carefully in its entirety. The Fairness Opinion is reproduced in its entirety in Schedule C of this Circular.

### **Recommendation of the QC Copper Special Committee**

The QC Copper Special Committee, after consultation with QC Copper management and receipt of advice and assistance of its and the QC Copper Board's financial and legal advisors and after careful consideration of alternatives and a number of factors, including, among others, the Fairness Opinion and the factors set out above under the heading "*Business of the Meeting - The Acquisition - Reasons for the Recommendations of the QC Copper Special Committee and the QC Copper Board*", unanimously determined that the Acquisition is fair, from a financial point of view, to the QC Copper Shareholders; that the Acquisition is in the best interests of QC Copper; and that the QC Copper Special Committee recommends that the QC Copper Board recommend that the QC Copper Shareholders vote in favour of the Acquisition, and unanimously resolved to recommend to the QC Copper Board that the Purchase Agreements be approved by the QC Copper Board substantially in the form circulated to the QC Copper Board.

### **Recommendation of the QC Copper Board**

The QC Copper Board, after consultation with QC Copper management and receipt of advice and assistance from its financial and legal advisors, and after careful consideration of alternatives and a number of factors, including, among others, the receipt of the recommendation of the QC Copper Special Committee, the Fairness Opinion and the factors set out above under the heading "*Business of the Meeting - The Acquisition - Reasons for the Recommendations of the QC Copper Special Committee and the QC Copper Board*", unanimously (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) determined that the Acquisition and entry into the Purchase Agreements are in the best interests of QC Copper and approved and authorized QC Copper to enter into the Purchase Agreements. Accordingly, the QC Copper Board (with the exception of Stephen Stewart, Anthony Moreau, Charles Beaudry, Alex Stewart and Michael Mansfield, each of whom declared their interest in the transactions contemplated by the Purchase Agreements and abstained from voting in respect thereof) **unanimously recommends that the QC Copper Shareholders vote FOR the Acquisition Resolution.**

### **Details of the Acquisition**

QC Copper has entered into the Share Purchase Agreement with the Principal Shareholders providing for, among other things, the purchase by QC Copper from the Principal Shareholders of all of the Cuprum Shares held by the Principal Shareholders, representing approximately 41.2% of the issued and outstanding Cuprum Shares. QC Copper also issued the Short Offer to Purchase to all of the Other Shareholders to purchase all of the Cuprum Shares owned by the Other Shareholders.

Pursuant to the Purchase Agreements, each Cuprum Shareholder (other than QC Copper) will receive the Consideration Shares in exchange for their Cuprum Shares based on an exchange ratio of 1.1538 QC Copper Shares at a price of \$0.13 per QC Copper Share for each Cuprum Share held.

Upon completion of the Acquisition and assuming all of the Cuprum Shares held by the Other Shareholders are acquired, there will be 258,277,608 QC Copper Shares issued and outstanding. The current QC Copper Shareholders will hold an aggregate of 174,371,356 QC Copper Shares or 67.5% of the outstanding QC Copper Shares and former Cuprum Shareholders will hold an aggregate of 83,906,252 QC Copper Shares or 32.5% of the outstanding QC Copper Shares.

### **Share Purchase Agreement**

The Share Purchase Agreement is attached hereto as Schedule B. The following is a summary of certain provisions of the Share Purchase Agreement, but is not intended to be complete. Please refer to the Share Purchase Agreement for a full description of the terms and conditions thereof.

Under the Share Purchase Agreement, the Principal Shareholders have agreed to sell their Cuprum Shares in exchange for the Consideration Shares.

### ***Representations and Warranties***

The Share Purchase Agreement contains customary representations and warranties of the Principal Shareholders relating to, among other things: title to the Cuprum Shares, corporate status of the Principal Shareholders (if not an individual), corporate authorization and enforceability of the Share Purchase Agreement by the Principal Shareholders, authorized and issued capital of Cuprum, the business and affairs of Cuprum, including, but not limited to, the due incorporation, existence, power and authority of Cuprum to own its assets and conduct its business, and compliance with applicable securities laws.

### ***Conditions Precedent***

The transactions contemplated by the Share Purchase Agreement are subject to a number of conditions in favour of QC Copper, including:

- QC Copper shall have received binding commitments from the Other Shareholders to sell their Cuprum Shares to QC Copper on payment terms identical to those granted to the Principal Shareholders, such so that, at the Closing Time, QC Copper shall hold no less than 90% of the issued and outstanding Cuprum Shares;
- each holder of the Cuprum RSUs shall have entered into a Cuprum RSU Termination and Replacement Agreement pursuant to which all of the outstanding Cuprum RSUs shall have been exercised or surrendered and terminated, and Cuprum shall provide evidence of such exercise or termination to the satisfaction of QC Copper, acting reasonably;
- the CCMI Warrant Conversion shall have been approved by Cuprum, QC Copper and CCMI, and QC Copper Warrants with materially similar terms shall be duly issuable to CCMI in connection with the Closing;
- all of the representations and warranties of the Principal Shareholders made in or pursuant to the Share Purchase Agreement shall be true and correct as at the Closing Time with the same effect as if made at and as of the Closing Time;
- the Principal Shareholders shall have complied with or performed all of the obligations, covenants and agreements under the Share Purchase Agreement to be complied with or performed by Principal Shareholders at or before the Closing Time, to the satisfaction of QC Copper, acting reasonably;
- satisfactory completion by QC Copper in its sole and absolute discretion of a financial, technical and legal due diligence review of the Principal Shareholders and Cuprum; and
- receipt of all required shareholder, third party and regulatory approvals for QC Copper for the Acquisition and the Share Purchase Agreement, including without limitation:
  - the approval of TSXV,
  - the approval of the QC Copper Shareholders of the Acquisition Resolution;
  - receipt of all required approvals for Cuprum for the Acquisition, including without limitation, the approval of any applicable lenders or financial institutions or the approval of third parties pursuant to contractual obligations, as applicable;

- receipt of the resignations of the directors and officers of Cuprum as required by QC Copper; and
- receipt of releases in favour of Cuprum from the directors and officers of Cuprum as required by QC Copper.

The transactions contemplated by the Share Purchase Agreement are also subject to a number of conditions in favour of the Principal Shareholders, including:

- the approval of QC Copper Shareholders of the Acquisition Resolution;
- all of the representations and warranties of QC Copper made in or pursuant to the Share Purchase Agreement shall be true and correct as at the Closing Time with the same effect as if made at and as of the Closing Time;
- QC Copper shall have complied with or performed all of the obligations, covenants and agreements under the Share Purchase Agreement to be complied with or performed by QC Copper at or before the Closing Time, to the satisfaction of the Principal Shareholders, acting reasonably;
- the Consideration Shares shall be issued as fully paid and non-assessable common shares in the capital of QC Copper, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those imposed pursuant to statutory "hold periods" and the Transfer Restrictions; and
- receipt of the Cuprum RSU Termination and Replacement Agreements executed by QC Copper.

### ***Transfer Restrictions***

The Consideration Shares issued pursuant to the Share Purchase Agreement will be subject to resale restrictions and may not be transferred other than in accordance with the schedule set out below or as may be consented to in writing in advance by QC Copper:

- (a) on the Closing Date, ten (10%) percent of the Consideration Shares acquired by a Cuprum Shareholder pursuant to the Share Purchase Agreement may be Transferred;
- (b) on the date that is six (6) months following the Closing Date, an additional thirty (30%) percent of the Consideration Shares acquired by a Cuprum Shareholder pursuant to the Share Purchase Agreement may be Transferred;
- (c) on the date that is twelve (12) months following the Closing Date, an additional thirty (30%) of the Consideration Shares acquired by a Cuprum Shareholder pursuant to the Share Purchase Agreement may be Transferred; and
- (d) on the date that is eighteen (18) months following the Closing Date, the remaining thirty (30%) percent of the Consideration Shares acquired by a Cuprum Shareholder pursuant to the Share Purchase Agreement may be Transferred,

(collectively, the "**Transfer Restrictions**").

The certificates representing the Consideration Shares will be endorsed by a legend, if applicable, stating that the Consideration Shares will be subject to the Transfer Restrictions as well as any hold period under applicable securities laws.

### ***Treatment of Cuprum RSUs***

It is a condition to Closing pursuant to the Share Purchase Agreement, that the holders of Cuprum RSUs enter into the Cuprum RSU Termination and Replacement Agreements, whereby: (i) in the event the RSU Plan is approved by the QC Copper Shareholders prior to Closing, each holder agrees to surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for such number of QC Copper RSUs (with terms materially the same, other than vesting dates) based on a ratio of 1.1538 QC Copper RSUs for every one Cuprum RSU held; or (b) in the event the RSU Plan is not approved by the QC Copper Shareholders prior to Closing, each holder agrees to surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for the payment of the fair market value of the Cuprum Shares represented such Cuprum RSUs, less applicable withholding taxes, to be paid in 50% in cash and 50% in QC Copper Shares based on the a ratio of 1.1538 QC Copper Shares for each Cuprum RSU being so surrendered for QC Copper Shares, all of which shall be conditional upon the completion of the Acquisition.

As at the date of the Circular, 6,100,000 Cuprum RSUs were outstanding and, assuming the approval of the RSU Plan at the Meeting, an aggregate of 7,038,180 QC Copper RSUs will be issued to the former holders of Cuprum RSUs.

### ***CCMI Warrant Conversion***

It is a condition to Closing pursuant to the Share Purchase Agreement, that the CCMI Warrant Conversion shall have been approved by Cuprum, QC Copper and CCMI, and QC Copper Warrants with materially similar terms shall be duly issuable to CCMI in connection with the Closing. The CCMI Warrant Conversion will result in the issuance of 2,307,600 QC Copper Warrants with 1,153,800 of these QC Copper Warrants having an exercise price of \$0.13 per QC Copper Share and an expiry date of October 26, 2025, and 1,153,800 of these QC Copper Warrants having an exercise price of \$0.17 per QC Copper Share and an expiry date of October 26, 2026.

### ***Non-Solicitation Covenant***

Under the Share Purchase Agreement, the Principal Shareholders agreed to certain non-solicitation covenants from date of the Share Purchase Agreement until the Closing Date.

### ***Indemnification***

QC Copper and the Principal Shareholder each agreed to indemnify the other party for losses arising out of or relating to any breach of a representation, warranty, covenant, condition or agreement by QC Copper and the Principal Shareholders, as applicable, contained in the Share Purchase Agreement.

### ***Short Offer to Purchase***

Subject to the terms and conditions set forth in the Short Offer to Purchase, QC Copper conditionally offered to purchase all of the outstanding Cuprum Shares held by the Other Shareholders in exchange for the Consideration Shares (the "**Offer**"). The Offer remains open until 5:00 p.m. (EST) on October 31, 2024, or such later date or dates as may be fixed by QC Copper from time to time (the "**Offer Period**").

The Offer and the obligation of QC Copper to take-up and pay for the Cuprum Shares is conditional on:

- all the representations and warranties contained in the Share Purchase Agreement being true and correct;
- obtaining all applicable governmental, regulatory, stock exchange, shareholder and contractual approvals required to complete the Acquisition, including, without limitation, all TSXV approvals for



the issuance of the Consideration Shares to the Cuprum Shareholders in exchange for their respective Cuprum Shares; and

- a minimum of 90% of the Cuprum Shares shall be properly tendered during the Offer Period.

The foregoing conditions are for sole benefit of QC Copper and may be waived in whole, or in part, by QC Copper at any time prior to the end of the Offer Period.

The Consideration Shares acquired by a Cuprum Shareholder pursuant to the Short Offer to Purchase will be subject to the Transfer Restrictions as well as any hold period under applicable securities laws, and the certificates representing such Consideration Shares will be endorsed by a legend, if applicable.

As at the date of this Circular, 90.9% of the Cuprum Shares held by the Other Shareholders and the Principal Shareholders have been properly tendered pursuant to the Purchase Agreements.

### Non-Arm's Length Transaction

The Acquisition is not a Non-Arm's Transaction under TSXV Policies.

### Interests of Certain Persons in the Acquisition

Except as otherwise described in this Circular, no person who has been a director or officer of QC Copper at any time since the beginning of QC Copper's last financial year, and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the approval of the Acquisition, the RSU Plan and the New Option Plan.

In considering the recommendation of the QC Copper Board with respect to the Acquisition, QC Copper Shareholders should be aware that certain members of the QC Copper Board and QC Copper's management team have interests in the Acquisition that may create actual or potential conflicts of interest in connection with such transactions. The QC Copper Special Committee and the QC Copper Board are aware of these interests and considered them along with other matters described above under the heading "*The Acquisition – Reasons for the Recommendations of the QC Copper Special Committee and the QC Copper Board*" when reaching their respective recommendations. In particular, a number of members of the QC Copper Board and QC Copper's management team will participate in the Acquisition on the same terms as other QC Copper Shareholders subject to the terms of the Cuprum RSU Termination and Replacement Agreements (see below "*Majority of the Minority Approval*").

The following table outlines the number of QC Copper Shares, Cuprum Shares and Cuprum RSUs beneficially owned, directly or indirectly, or over which control or direction was exercised, by the directors and officers of QC Copper, or their respective Associates or Affiliates, as of the Record Date:

Insider of QC Copper and Position	Number of QC Copper Shares held prior to giving effect to the Acquisition	Number of Cuprum Shares held prior to giving effect to the Acquisition	Number of Cuprum RSUs held prior to giving effect to the Acquisition	Number of QC Copper Shares held after to giving effect to the Acquisition	Number of QC Copper RSUs held after giving effect to the Acquisition
<b>Stephen Stewart</b> Chief Executive Officer and Director	7,228,330	2,000,000	3,000,000	9,535,930	3,461,400
<b>Guy Le Bell</b> President	-	-	-	-	-

<b>Charles Beaudry</b> VP Exploration and Director	428,464	400,000	300,000	890,166	346,140
<b>Joel Friedman</b> Chief Financial Officer	-	200,000	750,000	230,760	865,350
<b>Alex Stewart</b> Director	2,990,129	100,000	300,000	3,105,509	346,140
<b>Michael Mansfield</b> Director	-	400,000	-	461,520	*
<b>Anthony Moreau</b> Director	-	200,000	750,000	230,760	865,350
<b>Philippe Cloutier</b> Director	85,000	-	-	-	85,000
<b>Simon Kidston</b> Director	35,000	-	-	-	35,000

### Majority of the Minority Approval

Pursuant to TSXV Policies, in order for the Acquisition Resolution to be passed, a Majority of the Minority Approval is required. Accordingly, such resolution must be approved by the majority of the votes cast by QC Shareholders, other than a QC Shareholder who is a Non-Arm's Length Party to QC Copper or the Acquisition. The following table contains a list of QC Copper Shareholders whose votes will not be considered for the purpose of approving the Acquisition Resolution, the respective number of QC Copper Shares held by each such QC Copper Shareholder, and the respective relationship of the QC Copper Shareholder to QC Copper or the Acquisition:

<b>Name</b>	<b>Number of QC Copper Shares Owned or over which control is exercised</b>	<b>Percentage of outstanding QC Copper Shares</b>	<b>Relationship to QC Copper or the Acquisition</b>
Stephen Stewart	7,228,330	4.2%	Chief Executive Officer and Director
Charles Beaudry	428,464	0.3%	VP Exploration and Director
Alex Stewart	2,990,129	1.7%	Director
Philippe Cloutier	85,000	0.1%	Director
Simon Kidston	35,000	0.1%	Director
OreCAP Invest Corp.	5,059,752	2.9%	See Note (1)

**Note:**

(1) OreCAP is considered a Non-Arm's Length Party under TSXV Policies as certain of its directors and officers are also directors and officers of QC Copper and as a control person of Cuprum.

### Regulatory Approvals and Filings

The completion of the Acquisition is subject to, among other things, obtaining all necessary regulatory approvals, including the approval of the TSXV.

## **Canadian Securities Laws Matters**

### ***Distribution and Resale of QC Copper Shares***

The distribution of the Consideration Shares pursuant to the Purchase Agreements will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation; however, the Consideration Shares may be subject to restrictions on trading in accordance with applicable securities laws.

#### ***MI 61-101***

As a reporting issuer (or its equivalent) in each of the provinces of British Columbia, Alberta and Ontario, QC Copper is subject to applicable securities laws of such provinces, including, MI 61-101. The Acquisition is subject to the requirements of MI 61-101.

MI 61-101 regulates certain types of transactions to ensure equality of treatment among securityholders when, in relation to a transaction, there are persons in a position that could cause them to have an actual or reasonably perceived conflict of interest or informational advantage over other security holders. If MI 61-101 applies to a proposed transaction of a reporting issuer, then enhanced disclosure in documents sent to securityholders, the approval of securityholders excluding, among others, Interested Parties (as defined in MI 61-101), and a formal valuation of the securities affected by proposed transaction, prepared by an independent and qualified valuator (in each case, subject to exemptions that do apply to the Acquisition) are all mandated, and in certain instances, approval and oversight of the transaction by a committee of independent trustees is also required.

MI 61-101 provides that where an issuer directly or indirectly sells, transfers or disposes of an asset to a "related party" of the issuer (as defined in MI 61-101), such transaction may be considered a "related party transaction" for the purposes of MI 61-101. Accordingly, each issuance of the Consideration Shares to a related party will be considered a "related party transaction" within the meaning of MI 61-101.

The Acquisition is exempt from the formal valuation requirements of MI 61-101 under Section 5.5(b) of MI 61-101 as no securities of QC Copper are listed or quoted on the Toronto Stock Exchange, Cboe Canada (formerly Aequitas NEO Exchange Inc.), the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the U.S. other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc. The Acquisition is exempt from the minority approval provisions requirements of MI 61-101 under Section 5.7(1)(a) of MI 61-101 in that the fair market value of the Consideration Shares issued to each related party will not exceed 25% of the Company's market capitalization.

#### **Name Change**

Following the completion of the Acquisition, QC Copper intends to complete the Name Change to "XXIX Metal Corp.", subject to regulatory approval, including the approval of the TSXV.

#### **RSU PLAN**

At the Meeting, conditional upon the proposed Acquisition Resolution being passed, QC Copper Shareholders will be asked to approve the RSU Plan. A summary of the RSU Plan is provided below and is qualified in its entirety by the specific language of the RSU Plan, the full text of which is set forth in Schedule F to this Circular.

The purpose of the RSU Plan is to assist and encourage directors, executive officers, employees and consultants of QC Copper to work towards and participate in the growth and development of QC Copper and provide such persons with the opportunity to acquire an ownership interest in QC Copper.

Pursuant to the RSU Plan, the maximum number of QC Copper Shares which may be reserved for issuance at any time is a number of QC Copper Shares equal to 10% of the issued and outstanding QC Copper Shares from time to time, inclusive of any other QC Copper Shares issuable pursuant to any other Securities Based Compensation plans, including, but not limited to the New Option Plan.

In accordance with TSXV Policy 4.4 – *Securities Based Compensation*, unless disinterested shareholder approval is obtained (or unless otherwise permitted by the rules of the TSXV) the RSU Plan is subject to the following specified limits:

- (a) the maximum number of QC Copper Shares which may be reserved for issuance to insiders, together with any other Securities Based Compensation, may not exceed 10% of the issued QC Copper Shares at any point in time;
- (b) the maximum number of QC Copper RSUs that may be granted to insiders (as a group), together with any other Securities Based Compensation, within a 12-month period, may not exceed 10% of the issued QC Copper Shares calculated on the grant date;
- (c) the maximum number of QC Copper RSUs that may be granted to any one insider may not exceed 1% of the issued QC Copper Shares calculated on the grant date;
- (d) the maximum number of QC Copper Shares which may be reserved for issuance to non-employee directors, together with any other Securities Based Compensation, may not exceed 1% of the issued QC Copper Shares calculated on the grant date;
- (e) the maximum number of QC Copper RSUs that may be granted to any one eligible person under the RSU Plan, together with any other Securities Based Compensation, within a 12-month period, may not exceed 5% of the issued QC Copper Shares calculated on the grant date;
- (f) the maximum number of QC Copper RSUs that may be granted to a consultant, within a 12-month period, may not result in a number of QC Copper RSUs exceeding 2% of the number of QC Copper Shares outstanding at the grant date; and
- (g) no QC Copper RSUs may be granted to Investor Relations Service Providers (as such term is defined in the TSXV Policies).

The QC Copper Board is responsible for the general administration of the RSU Plan, its proper execution, interpretation and the determination of all questions related to the RSU Plan. QC Copper RSUs may be granted to any eligible person under the RSU Plan, including: employees, executive officers, directors, or consultants of QC Copper or any related entity or permitted assign of any such person. The QC Copper Board may determine the criteria for the granting and vesting of QC Copper RSUs under the RSU Plan. Notwithstanding that, in accordance with the TSXV Policies, no QC Copper RSUs may vest before the date that is a year following the date that such QC Copper RSUs are issued (except for the death of a participant, or a change of control, reverse take-over, take-over bid, or other similar transaction).

### **Recommendation and Approval**

The QC Copper Board has concluded that the implementation of the RSU Plan as described herein is in the best interests of QC Copper.

The RSU Plan Resolution must be passed, with or without variation, by a majority of the votes cast by the QC Copper Shareholders present in person or by proxy at the Meeting or any adjournment(s) thereof. Notwithstanding the foregoing, the RSU Plan Resolution will confer discretionary authority on the QC Copper Board to revoke the RSU Plan Resolution before it is acted upon.

The full text of the RSU Plan Resolution is set out in Schedule E to this Circular.

Unless otherwise directed in properly completed forms of proxy, it is the intention of the persons named in the enclosed form of proxy to vote **FOR** the RSU Resolution. If you do not specify how you want your QC Copper Shares to be voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting **FOR** the RSU Resolution.

### **NEW OPTION PLAN**

At the Meeting, conditional upon the proposed Acquisition Resolution and RSU Resolution each being passed, QC Copper Shareholders will be asked to approve the New Option Plan. The New Option Plan will replace the Company's existing fixed 20% stock option plan, which was approved by QC Copper Shareholders at the annual general and special meeting held on October 19, 2023. See "*Appendix 1 - Information Concerning QC Copper and Gold Inc.*" for a description of the Company's existing stock option plan.

A summary of the New Option Plan is provided below and is qualified in its entirety by the specific language of the New Option Plan, the full text of which is set forth in Schedule F to this Circular.

The purpose of the New Option Plan is to assist and encourage directors, executive officers, employees and consultants of QC Copper to work towards and participate in the growth and development of QC Copper and provide such persons with the opportunity to acquire an ownership interest in QC Copper.

Pursuant to the New Option Plan, the maximum number of QC Copper Shares which may be reserved for issuance at any time is a number of QC Copper Shares equal to 10% of the issued and outstanding QC Copper Shares from time to time, inclusive of any other QC Copper Shares issuable pursuant to any other Securities Based Compensation plans, including, but not limited to the RSU Plan.

In accordance with TSXV Policy 4.4 - *Securities Based Compensation*, unless disinterested shareholder approval is obtained (or unless otherwise permitted by the rules of the TSXV) the New Option Plan is subject to the following specified limits:

- (a) the maximum number of QC Copper Shares which may be reserved for issuance to insiders (as a group), together with any other Securities Based Compensation, may not exceed 10% of the issued QC Copper Shares at any point in time;
- (b) the maximum number of QC Copper Options that may be granted to insiders (as a group), together with any other Securities Based Compensation, within a 12-month period, may not exceed 10% of the issued QC Copper Shares calculated on the grant date;
- (c) the maximum number of QC Copper Options that may be granted to any one eligible person under the New Option Plan, together with any other Securities Based Compensation, within a 12-month period, may not exceed 5% of the issued QC Copper Shares calculated on the grant date;
- (d) the maximum number of QC Copper Options that may be granted to a consultant, within a 12-month period, may not result in a number of QC Copper Options exceeding 2% of the number of QC Copper Shares outstanding at the grant date;
- (e) the maximum number of QC Copper Options that may be granted to Investor Relations Service Providers (as such term is defined in the TSXV Policies) (as a group) in any 12-month period shall not exceed 2% of the total number of issued and outstanding QC Copper Shares on a non-diluted basis on the grant date; and
- (f) the maximum number of QC Copper Options that may be granted to Eligible Charitable Organizations (as such term is defined in the TSXV Policies) (as a group) shall not exceed 1% of the total number of issued and outstanding QC Copper Shares on a non-diluted basis on the grant date.

The QC Copper Board is responsible for the general administration of the New Option Plan, its proper execution, interpretation and the determination of all questions related to the New Option Plan. QC Copper Options may be granted to any eligible person under the New Option Plan, including: employees, executive officers, directors, or consultants of QC Copper or any related entity or permitted assign of any such person.

Pursuant to the New Option Plan, the exercise price under each QC Copper Option shall be not less than the market price on the grant date less the applicable discount permitted under TSXV Policies. The vesting and expiry date for each QC Copper Option shall be set by the QC Copper Board at the time of issue of the QC Copper Option and expiry date shall not be more than ten years after the grant date. QC Copper Options shall not be assignable or transferable by the holder thereof.

### **Recommendation and Approval**

The QC Copper Board has concluded that the implementation of the New Option Plan as described herein is in the best interests of QC Copper.

The New Option Plan Resolution must be passed, with or without variation, by a majority of the votes cast by the QC Copper Shareholders present in person or by proxy at the Meeting or any adjournment(s) thereof. Notwithstanding the foregoing, the New Option Plan Resolution will confer discretionary authority on the QC Copper Board to revoke the New Option Plan Resolution before it is acted upon.

The full text of the New Option Plan Resolution is set out in Schedule H to this Circular.

Unless otherwise directed in properly completed forms of proxy, it is the intention of the persons named in the enclosed form of proxy to vote **FOR** the New Option Plan Resolution. If you do not specify how you want your QC Copper Shares to be voted at the Meeting, the persons named as proxyholders in the enclosed form of proxy will cast the votes represented by your proxy at the Meeting **FOR** the New Option Plan Resolution.

### **RISK FACTORS**

QC Copper's business activities are and, assuming the completion of the Acquisition, the Combined Entity will be, subject to significant risks, including, but not limited to, those described below. Every investor or potential investor in QC Copper securities should carefully consider these risks. Any of the following risks could have a material adverse effect on the Company (including the Combined Entity), its business and prospects, and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. Additional risks related to our material properties are discussed in the technical reports and other documents filed by the Company from time to time on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). In addition, other risks and uncertainties not presently known by management of the Company or that management currently believes are immaterial could affect the Company, its business and prospects.

#### **Risks Relating to the Acquisition**

##### ***Failure to complete the Acquisition***

There can be no assurance that the Acquisition will be completed, or if completed, that it will be completed on the same or similar terms to those set out in the Purchase Agreements. The completion of the Acquisition is subject to the satisfaction of a number of conditions, some of which are outside of the control of the parties, which include, among others, obtaining necessary approvals and performance by QC Copper and the Principal Shareholders of their respective obligations and covenants in the Share Purchase Agreement. If these conditions are not satisfied (or waived) the Acquisition will not be completed.

If the Acquisition is not completed, the ongoing business of QC Copper may be adversely affected as a result of the costs (including opportunity costs) incurred in respect of pursuing the Acquisition, and QC Copper could experience negative reactions from the financial markets, which could cause a decrease in

the market price of QC Copper Shares, particularly if the current market price reflects market assumptions that the Acquisition will be completed or completed on certain terms. Failure to complete the Acquisition or a change in the terms of the Acquisition could each have a material adverse effect on QC Copper's business, financial condition and results of operations.

***Risks associated with the Purchase Price***

Upon completion of the Acquisition, Cuprum Shareholders will receive a fixed number of QC Copper Shares, rather than QC Copper Shares with a fixed dollar value. Because the number of QC Copper Shares to be received by Cuprum Shareholders pursuant to the Acquisition will not be adjusted to reflect any change in the market value of the QC Copper Shares between the date of the announcement to the Acquisition and the Closing Date, the market value of QC Copper Shares received by Cuprum Shareholders upon completion of the Acquisition may vary significantly from the market value of such QC Copper Shares at the announcement date. If the market price of the QC Copper Shares increases or decreases, the value of the Consideration Shares that Cuprum Shareholders will receive pursuant to the Acquisition will correspondingly increase or decrease. There can be no assurance that the market price of the QC Copper Shares at the Closing Date will not be lower than the market price of such QC Copper Shares on the date of the announcement of the Acquisition. Many of the factors that affect the market price of the QC Copper Shares are beyond the control of QC Copper. These factors include, but are not limited to, changes in, the business, operations or prospects of QC Copper, regulatory considerations, general market and economic conditions, changes in base or precious metals prices and other factors over which QC Copper has no control.

***Transaction-related costs in connection with the Acquisition***

QC Copper has incurred, and expects to continue to incur, non-recurring transaction-related expenses in connection with the Acquisition, including costs relating to obtaining the QC Copper Shareholder approval for the Acquisition. Additional unanticipated costs may be incurred by QC Copper prior to the Closing Date in connection with the Acquisition. Even if the Acquisition is not completed, QC Copper will be obliged to pay certain costs relating to the Acquisition, such as legal, accounting, financial advisory and printing fees.

***The Acquisition may divert the attention of QC Copper's management***

The pending Acquisition could cause the attention of QC Copper's management to be diverted from the day-to-day operations. These disruptions could be exacerbated by a delay in the completion of the Acquisition and could have an adverse effect on the business, operating results or prospects of QC Copper regardless of whether the Acquisition is ultimately completed.

***Conflicts of Interest***

In considering the recommendation of the QC Copper Board to vote in favour of the Acquisition Resolution, QC Copper Shareholders should be aware that certain members of the QC Copper Board and management team have agreements or arrangements that provide them with interests in the Acquisition that differ from, or are in addition to, those of QC Copper Shareholders generally. See "*The Acquisition – Interests of Certain Persons in the Acquisition*".

***The Fairness Opinion***

Evans & Evans delivered the Fairness Opinion on October 1, 2024. As the Fairness Opinion has not been, nor will it be, updated prior to the completion of the Acquisition, it does not reflect changes, circumstances, developments or events that may have occurred or may occur after the date of such Fairness Opinion. A summary of the Fairness Opinion, and the limitations and qualifications contained therein, can be found

under the heading "*The Acquisition - Fairness Opinion*". Please refer to the full text of the Fairness Opinion, which is attached to this Circular as Schedule C.

The Fairness Opinion was necessarily based on economic, market, financial and other conditions as they existed on, and on the information made available to Evans & Evans as of, the date of such opinion. The opinion does not speak as of the time the Acquisition will be completed or as of any date other than the date of such opinion. Although subsequent developments may affect its opinion, Evans & Evans has no obligation to update, revise or reaffirm its opinion. These developments may include changes to the operations and prospects of QC Copper, regulatory or legal changes, general market and economic conditions and other factors that may be beyond the control of QC Copper.

### ***Due diligence***

While QC Copper conducted due diligence with respect to entering into the Share Purchase Agreement, there are risks inherent in any transaction. Specifically, there could be unknown or undisclosed risks or liabilities of Cuprum. Any such unknown or undisclosed risks or liabilities could materially and adversely affect QC Copper's financial performance and results of operations. It is currently anticipated that the Acquisition will be accretive; however, the outcome of such a transaction may be materially different. QC Copper could encounter additional transaction and enforcement-related costs and may fail to realize all of the potential benefits from the Purchase Agreements. Any of the foregoing risks and uncertainties could have a material adverse effect on QC Copper's business, financial conditional and results of operations.

### **Risk Related to QC Copper and the Combined Entity**

#### ***Exploration and Development Risks***

The exploration for, and development of, mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge cannot eliminate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Major expenses may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation.

Whether a mineral deposit will be commercially viable depends on a number of factors, including but not limited to: the particular attributes of the deposit, such as accuracy of estimated size, continuity of mineralization, average grade and metallurgical characteristics (see "*Uncertainty in the Estimation of Mineral Reserves and Mineral Resources*" below); proximity to infrastructure; metal prices, which are highly cyclical (see "*Changes in Metal Prices*" below); and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection (see "*Government Regulation*" below). The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company being unable to receive an adequate return on invested capital.

Development projects are uncertain and capital cost estimates, projected operating costs, production rates, recovery rates, mine life and other operating parameters and economic returns may differ significantly from those estimated for a project. Development projects rely on the accuracy of predicted factors including capital and operating costs, metallurgical recoveries, reserve estimates and future metal prices. Development projects also rely on diligent capital management to prevent overspending. In addition, there can be no assurance that copper recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.



A project is subject to numerous risks during development including, but not limited to, the accuracy of feasibility studies, obtaining and complying with required permits, changes in environmental or other government regulations, securing all necessary surface and land tenure rights, consulting and accommodating First Nations and other Indigenous groups and financing risks. This engagement may be impacted by the federal government's *United Nations Declaration on the Rights of Indigenous Peoples Act* (the "**UNDRIP Act**") and similar provincial legislation. Unforeseen circumstances, including those related to the amount and nature of the mineralization at the development site, technological impediments to extraction and processing, legal challenges or restrictions or governmental intervention, infrastructure limitations, supply chain issues, environmental issues, unexpected ground conditions or other unforeseen development challenges, commodity prices, disputes with local communities or other events, could result in one or more of QC Copper's planned developments becoming impractical or uneconomic to complete or could otherwise impact the Company's ability to execute its strategic plans. Any such occurrence could have an adverse impact on QC Copper's growth, financial condition and results of operations. There can be no assurance that the Company's expansion and development projects will continue in accordance with current expectations or at all. See also "*Permitting Risks*" below.

### ***Construction Risks***

The capital expenditures and time required to develop new mines or new areas of operating mines are considerable, and changes in cost or construction schedules can significantly increase both the time and capital required to build the project. As a result of the substantial expenditures involved in development projects, development projects are prone to material cost overruns versus budget.

Construction costs and timelines can be impacted by a wide variety of factors, many of which are beyond the control of the Company. These include, but are not limited to, weather conditions, ground conditions, performance of the mining fleet and availability of appropriate material and other supplies required for construction, availability and performance of contractors and suppliers, delivery and installation of equipment, design changes, accuracy of estimates and availability of accommodations for the workforce.

Project development schedules are also dependent on obtaining the governmental approvals necessary for the operation of a project. The timeline to obtain these government approvals is often beyond the control of the Company. A delay in start-up or commercial production of a development project would increase capital costs and delay receipt of revenues and could impact the Company's ability to execute its strategic plans and the achievement of planned results.

Given the inherent risks and uncertainties associated with mine development, there can be no assurance that the construction and development will continue in accordance with current expectations or at all, or that construction costs will be consistent with the budget, or that the mine will operate as planned.

### ***Uncertainty in the Estimation of Mineral Reserves and Mineral Resources***

Mineral Reserves and Mineral Resources are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realized or that Mineral Reserves can be mined or processed profitably. Mineral Reserve and Mineral Resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, geotechnical factors (such as pit slope angles), marketing and other risks and relevant issues. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any Mineral Reserve or Mineral Resource estimate is a function of the quantity and quality of available data, the accuracy of assumptions, the nature of the ore body and of the assumptions made and judgments used in engineering and geological interpretation. These estimates may require adjustments or downward revisions based upon further exploration or development work, drilling or actual production experience.

Fluctuations in copper and other metal prices, results of drilling, metallurgical testing and production, the evaluation of mine plans after the date of any estimate, permitting requirements or unforeseen technical or operational difficulties may require revision of Mineral Reserve and Mineral Resource estimates. Prolonged

declines in the market price of copper (or applicable by-product metal prices) may render Mineral Reserves and Mineral Resources containing relatively lower grades of mineralization uneconomical to recover and could materially reduce the Company's Mineral Reserves and Mineral Resources. Mineral Resource estimates for properties that have not commenced production or at deposits that have not yet been exploited are based, in most instances, on very limited and widely-spaced drill hole information, which is not necessarily indicative of conditions between and around the drill holes. There may also be outliers in the representative samples that may disproportionately skew the estimates. In a block cave mine, as a cave exhausts its reserves, it may experience dilution of grade. Accordingly, such Mineral Resource estimates may require revision as more geologic and drilling information becomes available and as actual production experience is gained. Should reductions in the Company's Mineral Resources or Mineral Reserves occur, the Company may be required to take a material write-down of its investment in mining properties, reduce the carrying value of one or more of its assets or delay or discontinue production or the development of new projects, resulting in reduced net income or increased net losses and reduced cash flow. Mineral Resources and Mineral Reserves should not be interpreted as assurances of mine life or of the profitability of current or future operations. In addition, the estimates of Mineral Resources, Mineral Reserves and economic projections rely in part on third-party reports and investigations. There is a degree of uncertainty attributable to the calculation and estimation of Mineral Resources and Mineral Reserves and corresponding grades being mined and, as a result, the volume and grade of reserves mined and processed and recovery rates may not be the same as currently anticipated. Any material reductions in estimates of Mineral Reserves and Mineral Resources, or of the Company's ability to extract these Mineral Reserves and Mineral Resources, could have a material adverse effect on the Company's projects, results of operations and financial condition.

Mineral Resources are not Mineral Reserves and have a greater degree of uncertainty as to their existence and feasibility. There is no assurance that Mineral Resources will be upgraded to proven or probable Mineral Reserves.

#### ***Uncertainty Relating to Inferred Mineral Resources***

Inferred Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Due to the uncertainty which may attach to Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will be upgraded through further exploration to the measured and indicated resource classification level of confidence necessary for their potential conversion to proven or probable Mineral Reserves as a result of a pre-feasibility or feasibility level technical study.

#### ***Production Estimates***

Forecasts of future production are estimates based on interpretation and assumptions, and actual production may be less than estimated. Unless otherwise noted, the Company's production forecasts are based on planned production being achieved at all of its mines. The Company's ability to achieve and maintain full production rates at these mines is subject to a number of risks and uncertainties, the occurrence of any of which could result in delays, slowdowns or suspensions and ultimately, the failure to achieve and maintain full production rates. The Company's production estimates are dependent on, among other things, the accuracy of Mineral Reserve and Mineral Resource estimates, the accuracy of its life of mine plans, the accuracy of assumptions regarding ore grades and recovery rates, weather conditions and minimizing the impacts of extreme weather events, ground conditions, physical characteristics of ores, such as hardness and the presence or absence of particular metallurgical characteristics, the accuracy of estimated rates and costs of mining and processing, including without limitation, operating expenses, cash costs and all-in sustaining costs, mill availability, reliability of equipment and machinery, the accuracy of assumptions and estimates relating to tailings storage facility capacity, the performance of the processing circuit or other processes, water supply and/or quality, the receipt and maintenance of permits and the availability of a sufficient amount of people to perform the work necessary to maintain production as estimated. The Company's actual production and other projected economic and operating parameters may not be realized for a variety of reasons, including those identified under the heading "*Operating Risks*" below. The failure of the Company to achieve its production estimates could have a material adverse effect on the Company's prospects, results of operations and financial condition.

### **Cost Estimates**

The Company prepares estimates of operating costs, capital costs and closure costs for each operation and project. The Company's actual costs are dependent on a number of factors, including the exchange rate between the United States dollar and the Canadian dollar, smelting and refining charges, penalty elements in concentrates, royalties, the price of copper and by-product metals, the cost of inputs used in mining operations and production levels.

QC Copper's actual costs may vary from estimates for a variety of reasons, including changing waste-to-ore ratios, ore grade metallurgy, weather conditions, ground conditions, labour and other input costs, commodity prices, general inflationary pressures and currency exchange rates, as well as those risks identified under the heading "*Operating Risks*" below. Failure to achieve cost estimates or material increases in costs could have an adverse impact on QC Copper's future cash flows, profitability, results of operations, ability to execute its strategic plans and financial condition.

### **Changes in Metal Prices**

The Company's earnings, cash flows and financial condition are subject to risk due to fluctuations in the market price of copper. Metal prices have historically fluctuated widely. Metal prices are affected by numerous factors beyond the Company's control, including:

- the strength of the United States economy and the economies of other industrialized and developing nations;
- global and regional political and economic conditions;
- the relative strength of the United States dollar and other currencies;
- expectations with respect to the rate of inflation;
- interest rates; and
- worldwide production.

Future metal price declines could cause continued development of, and commercial production from, the Company's properties to be uneconomic. Depending on the price of copper, the Company's cash flow from mining operations may be insufficient to meet its operating needs and capital expenditures, and as a result the Company could experience losses and/or may curtail or suspend some or all of its exploration, development, construction and mining activities or otherwise revise its mine plans and exploration, development and construction plans, and could lose its interest in, or be forced to sell, some or all of its properties.

Reserve calculations and mine plans that are revised using significantly lower copper and other metal prices could result in significant reductions in estimated Mineral Reserves and Mineral Resources as well as revisions in the Company's life of mine plans, which in turn could result in material write-downs of the Company's investments in mining properties and increased depletion, reclamation and closure charges. Depending on the price of copper or other metals, the Company may determine that it is impractical to commence or, if commenced, to continue commercial production at a particular site. Any of these factors could result in a material adverse effect on the Company's results of operations and financial condition.

In addition to adversely affecting the Company's Mineral Reserve and Mineral Resource estimates and its financial condition, declining metal prices can impact operations by requiring a reassessment of the feasibility of a particular project or mine. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project or mine. Even if a project or mine is ultimately determined to be economically viable, the need to conduct such a reassessment may

cause substantial delays and/or may interrupt exploration or operations until the reassessment can be completed, which may have a material adverse effect on the Company's results of operations and financial condition.

### ***Operating Risks***

Mining operations generally involve a high degree of risk. The Company's operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of copper including unusual and unexpected ground conditions or geologic formations, seismic activity, fracturing, rock bursts, rock slides, mud rushes, water inflow events, air blasts, cave-ins, slope or pit wall failures, rock falls, flooding, fire, explosions, dust emissions, metal losses, theft, periodic interruption due to inclement or hazardous weather conditions, equipment failure and other conditions that would impact the drilling and removal of material or otherwise impact the safety and efficiency of mine operations and the individuals who work within such mining operations. The configuration of subsidence expression at surface is thought to be influenced by bedrock and structural geologic features such as weaker rock mass or faults. Subsidence is being monitored and evaluated on an ongoing basis. Surface subsidence or any of the above hazards and risks could result in reduced production, damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. In addition, production may be adversely impacted by theft, fraud or industrial accidents, as well as other potential issues such as actual ore mined varying from estimates of grade or tonnage, dilution, block cave performance and metallurgical or other characteristics, significant increases or decreases in precipitation resulting in an over or under supply of water, treated water quality that is too low to allow for discharge when needed, interruptions in or shortages of electrical power, interruptions in delivery or shortages of required inputs or supplies, labour shortages or strikes, claims by or disagreements with First Nations and other Indigenous groups, restrictions or regulations imposed by government agencies or changes in the regulatory environment.

The Company's operations may encounter delays in or losses of production due to the deterioration, malfunction, misuse, breakdown or failure of its mobile or fixed equipment. Further, this equipment may require a long time to procure, build, install or repair due to delays in the delivery or lack of availability of equipment, spare parts or technicians with applicable expertise, which may impede maintenance activities on equipment. In addition, equipment may be subject to aging if not replaced, or through inappropriate use or misuse, or improper or unavailable storage conditions may become obsolete, which could adversely impact the Company's operations, profitability and financial results.

The occurrence of one or more of these events may result in the death of, or personal injury to, employees, other personnel or third parties, the loss or theft of mining equipment, damage to or destruction of mineral properties or production facilities, monetary losses, deferral or unanticipated fluctuations in production, suspension, curtailment or termination of operations, environmental damage and potential legal liabilities, any of which may adversely affect the Company's business, reputation, prospects, results of operations and financial condition.

### ***Permitting Risks***

The Company's operations, development projects, closure sites and exploration activities are subject to receiving and maintaining licenses, permits and approvals, including regulatory relief or amendments, (collectively, "**permits**") from appropriate governmental authorities. Before any development on any of its properties, the Company must receive numerous permits, and continued operations at the Company's mines are also dependent on maintaining, complying with and renewing required permits or obtaining additional permits.

QC Copper may be unable to obtain on a timely basis or maintain in the future all necessary permits required to explore and develop its properties, commence construction or operation of mining facilities and properties. Delays may occur in connection with obtaining necessary renewals of permits for the Company's existing operations and activities, additional permits for existing or future operations or activities, or additional permits associated with new or amended laws or regulations. It is possible that previously issued

permits may be suspended, revoked or lapse for a variety of reasons, including through government or court action, such as the Supreme Court of Canada's October 2023 decision that the federal *Impact Assessment Act* ("**IAA**") is unconstitutional in part.

There can be no assurance that the Company will receive or continue to hold all permits necessary to develop or operating at any particular property or to pursue the Company's exploration activities. To the extent that required permits cannot be obtained or maintained, the Company may be curtailed or prohibited from mining operations or from proceeding with planned exploration or development of mineral properties. Even if permits or renewals are available, the terms of such permits may be unattractive to the Company and result in the applicable operations or activities being financially unattractive or uneconomic. Any inability to obtain or maintain permits or to conduct mining operations pursuant to applicable permits could materially reduce the Company's production and cash flow and could undermine its profitability.

### **Government Regulation**

The mining, processing, development, exploration and reclamation and closure activities of the Company are subject to various laws governing prospecting, development, production, exports, imports, taxes, labour standards and occupational health and safety, mine safety, toxic substances, waste disposal, environmental protection and remediation, protection of endangered and protected species, land use, water use, land claims of local people, relations with local First Nations and other matters. As a public company listed on the TSXV, the Company is also required to comply with a number of public company obligations imposed by securities commissions and stock exchanges, compliance with which can be time consuming and costly. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could have a material adverse effect on the Company's business, financial position and results of operations, including a negative impact on the market price of the Company's securities.

Amendments to current laws, regulations and permits governing the Company's business, operations or development activities and activities of mining and exploration companies, or the application of existing laws, regulations and permits (including a more stringent or different application), could have a material adverse impact on the Company's results of operations or financial position, or could result in abandonment or delays in the development of new mining properties or the suspension or curtailment of operations at existing mines. Failure to comply with any applicable laws, regulations or permitting requirements may result in enforcement actions against the Company, including orders issued by regulatory or judicial authorities causing operations or development activities to cease or be curtailed or suspended, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions (see also "*Permitting Risks*" above). Additionally, the Company could be forced to compensate those suffering loss or damage by reason of its business activities, mining operations or exploration or development activities, and could face civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Any such regulatory or judicial action could materially increase the Company's operating costs, delay or curtail or otherwise negatively impact the Company's operations and other activities and cause reputational harm.

### **Water Management Risks**

Changes in climate have the potential to result in more extreme precipitation levels and extreme weather events that can affect the Company's operations (see "*Climate Change Risks*" below). Water will be a critical resource for the Company's operations and inadequate water management and stewardship could have a material adverse effect on the Company and its operations. While certain aspects relating to water management are within the Company's control, extreme weather events can negatively impact the Company's water management practices. These can consequently impact operations, disrupt production, increase costs and damage site and ancillary infrastructure.

The Company's production estimates are dependent on, among other things, water supply, water storage and water quality, and production may be adversely impacted by availability of any of those conditions. Inadequate water supply or poor water management can directly affect capital and operating costs. QC

Copper could encounter business disruptions and operational difficulties in addressing too much water, or too little water resulting in an under supply of water at the Company's operations, which the mills require to operate. Both of which could lead to production and other disruptions and impact the Company's business, financial position and results of operations.

Mining, processing, development and exploration activities are dependent on adequate infrastructure and reliable water supply and water management. Failure to properly manage water levels or properly treat water can lead to treated water quality that is too low to allow for discharge when needed or other challenges in the ability to store water in the amounts required. The Company may also not be able to discharge water when needed for regulatory reasons outside of its control, including drought conditions where the receiving environment has insufficient capacity. Poor water management and discharge control may not only result in contaminants exceeding permitted limits, but also the suspension of operations at the Company's mine sites. There can be no guarantees that the Company's water management plans will be sufficient or perform as intended, and there can be no assurances that the Company will be able to discharge water when needed, which could subject the Company to liability and affect the Company's business, financial condition and results of operations.

Insufficient water management practices could lead to damage to site infrastructure and have a direct impact on the Company's operations and production. Underperformance or ineffective maintenance of the stabilization and dewatering of its tailings storage facility structures, or improper management of site water could contribute to dam failure or tailings release and may also result in damage or injury to people or property (see "*Tailings Risks*" below).

### ***Tailings Risks***

Mining companies also face innate risks in their operations with respect to tailings storage facilities and structures built for the containment of processed rock that remains after the target minerals are extracted, known as tailings, which exposes the Company to a number of risks. Unexpected failings or breaches of tailings storage facilities, such as slope failures, foundation failures or erosion, could release tailings and result in extensive environmental damage to the surrounding area as well as damage to property, personal injury or death. Tailings storage facility failures can result in the immediate suspension of mining operations by government authorities and lead to significant costs and expenses, write offs of material assets and the recognition of provisions for remediation, which could affect the Company's operations and statements of financial position.

The unexpected failure of a tailings storage facility could subject the Company to any or all of the potential impacts discussed below in "*Environmental Risks*" and "*Geotechnical Risks*", among others. A major spill or failure of the tailings facilities (including as a result of matters beyond the Company's control such as extreme weather, a seismic event or other incident) could cause damage to the environment and the surrounding communities, wildlife and areas. Failure to comply with existing or new environmental, health and safety laws and regulations could lead to injunctions, fines, suspension or revocation of permits and other penalties. The costs and delays associated with compliance with these laws, regulations and permits may prevent the Company from proceeding with the development of a project or the operation or further development of a mine or increase the costs of development or production or otherwise impact the Company's ability to execute its strategic plans, and may materially adversely affect the Company's business, results of operations or financial condition. The Company could also be held responsible for the costs associated with investigating and addressing contamination (including claims for natural resource damages) or for fines or penalties from governmental authorities relating to contamination issues at current or former sites, either owned directly or by third parties. The Company could also be found liable for claims relating to exposure to hazardous and toxic substances and major spills, breach or other failure of the tailing facilities. The costs associated with such responsibilities and liabilities could be significant, be higher than estimated and may involve a time consuming clean-up. Furthermore, in the event that the Company is deemed liable for any damage caused by overflow, the Company's losses or consequences of regulatory action might not be sufficiently covered by insurance policies. Should the Company be unable to fully fund the cost of remedying such environmental concerns, the Company could be required to temporarily or permanently suspend operations. If any such risks were to occur, this could materially and adversely affect

the Company's reputation and its ability to conduct its operations, and could subject the Company to liability and result in a material adverse effect on its business, financial condition and results of operations.

### ***Geotechnical Risks***

There are geotechnical challenges associated with the development and operation of open pit and underground mines. Exposure to geotechnical instability may result from ground and subsurface conditions, larger pits and deeper underground developments. No assurances can be given that adverse geotechnical conditions, such as pit and tailings facility wall failures, underground cave-ins, fracturing, convergence, subsidence and other ground-related instability, will not occur in the future or that such events will be detected in advance. Geotechnical instabilities can be difficult to predict and are often affected by risks beyond the Company's control, such as severe weather, higher than average rainfall and seismic events. Geotechnical failures can result in limited access to mine sites, suspension of operations, production delays, increased costs, as well as injuries and deaths in the most extreme cases. All of these could adversely impact the Company's results of operations and financial position.

### ***Climate Change Risks***

Changes in climate conditions could adversely affect the Company's business and operations through the impact of (i) more extreme temperatures, energy disruptions, precipitation levels and other weather events; (ii) changes to laws and regulations, including disclosure requirements, related to climate change; and (iii) changes in the price or availability of goods and services required by our business.

Climate change may lead to more extremes in temperatures, energy disruptions, precipitation levels and other weather events, and cause both direct and indirect impacts on the Company's business and operations. Extreme high or low temperatures could impact the operation of equipment and the safety of personnel at the Company's sites, which could result in damage to equipment, injury to personnel, cost increases and production disruptions. Extreme high or low temperatures could also impact the surrounding areas and communities leading to more difficult living conditions and potentially resulting in labour shortages or disruptions, particularly given that a number of Company employees who work at the sites come from such surrounding areas and communities. Energy disruptions could affect operations at the Company's sites, including the ability to operate essential machinery, technology and other equipment, and lead to production interruptions. When considering the impact to surrounding areas, energy disruptions could cause area-wide blackouts and brownouts making it difficult for those employees working from home or otherwise working remotely to continue working. There could also be a need for IT back-up systems to be in multiple locations to create redundancy in the event of widespread power outages, which would in turn result in increased costs.

Climate change may lead to new laws and regulations that will affect the Company's business and operations. Many governments and other stakeholders are seeking enhanced disclosure and are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels as reflected by the CSA's proposed National Instrument 51-107 — *Disclosure of Climate-related Matters*. Where legislation already exists, regulations relating to greenhouse gas emission levels and energy efficiency are becoming more stringent. Some of the transition and compliance costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs.

Climate change may lead to changes in the price and availability of goods and services required for the Company's operations, which require the regular supply of consumables such as diesel, electricity and sodium cyanide to operate efficiently. The Company's operations will also depend on service providers to transport these consumables and other goods to the operations and to transport dore and concentrate produced by the Company to refiners, smelters and other customers. The effects of extreme weather described above and changes in legislation and regulation on the Company's suppliers and their industries may result in limited availability or higher prices for these goods and services, which could result in higher costs or production disruptions.

### ***Title Claims and Rights of Indigenous Peoples***

QC Copper's properties may be subject to the rights or the asserted rights of various community stakeholders, including First Nations and other Indigenous peoples. The presence of community stakeholders may impact the Company's ability to develop or operate its mining properties and its projects or to conduct exploration activities. Accordingly, the Company is subject to the risk that one or more groups may oppose the continued operation, further development or new development or exploration of the Company's current or future mining properties and projects. Such opposition may be directed through legal or administrative proceedings, or through protests or other campaigns against the Company's activities.

Governments in many jurisdictions must consult with, or require the Company to consult with, Indigenous peoples with respect to grants of mineral rights and the issuance or amendment of project authorizations. On July 21, 2021, the federal government's UNDRIP Act came into force marking Canada's first substantive step towards ensuring Canadian federal laws reflect the standards outlined in the *United Nations Declaration on the Rights of Indigenous Peoples*. It is yet to be determined what near-term impacts and changes, if any, will follow; however, such legislation may potentially have numerous implications for Indigenous groups, government authorities and natural resource project proponents.

Consultation and other rights of Indigenous peoples may require accommodation including undertakings regarding employment, royalty payments and other matters. This may affect the Company's ability to acquire within a reasonable time frame effective mineral titles, permits or licenses in certain jurisdictions, including in some parts of Canada in which title or other rights are claimed by First Nations and other Indigenous peoples, and may affect the timetable and costs of development and operation of mineral properties in these jurisdictions. The risk of unforeseen title claims by Indigenous peoples also could affect development projects and future operations. These legal requirements may also affect the Company's ability to expand or transfer operations or to develop new projects.

### ***Environmental Risks***

The Company is subject to environmental regulation in Canada where it will operate or has exploration or development activities. In addition, the Company will be subject to environmental regulation in any other jurisdictions in which it may operate or have exploration or development properties. These regulations address, among other things, endangered and protected species, emissions, noise, air and water quality standards, land use and reclamation. They also set out limitations on the generation, transportation, storage and disposal of solid, liquid and hazardous waste or potentially hazardous substances such as fuel, lime or cyanide.

The Company expends significant resources to comply with environmental laws, regulations and permitting requirements, and expects to continue to do so in the future. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in injunctions, damages, suspension or revocation of permits and imposition of penalties. There can be no assurance that:

- the Company has been or will be at all times in complete compliance with such laws, regulations and permitting requirements, or with any new or amended laws, regulations and permitting requirements that may be imposed from time to time;
- the Company's compliance will not be challenged; or
- the costs of compliance will be economic and will not materially or adversely affect the Company's future cash flow, results of operations and financial condition.

The Company may be subject to proceedings in respect of alleged failures to comply with environmental laws, regulations or permitting requirements or of posing a threat to or of having caused hazards or damage to the environment or to persons or property. While any such proceedings are in process, the Company could suffer delays or impediments to or suspension of development and construction of the Company's



projects and operations and, even if the Company is ultimately successful, it may not be compensated for the losses resulting from any such proceedings or delays.

Environmental legislation is evolving in a manner which will involve, in certain jurisdictions, 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 officers, directors and employees. No certainty exists that future changes in environmental regulation, or the application of such regulations, if any, will not adversely affect the Company's operations or development properties or exploration activities. The Company cannot give any assurance that, notwithstanding its precautions, breaches of environmental laws (even if inadvertent) or environmental pollution will not materially and adversely affect its financial condition and results of operations. Environmental hazards may exist on the Company's properties which are unknown to management at present and which have been caused by previous owners or operators of the properties. Changes in weather conditions can also cause environmental hazards, such as increased precipitation leading to possible tailings storage facility failures or other heightened risk of environmental incidents and need for water management mitigation. Increased precipitation can also affect compliance with environmental regulations and affect operations. In addition, measures taken to address and mitigate known environmental hazards or risks may not be fully successful, and such hazards or risks may materialize.

There may be existing environmental hazards, contamination or damage at the Company's mines or projects that the Company is unaware of. The Company may also acquire properties with known or undiscovered environmental risks. Any indemnification from the entity from which the Company acquires such properties may not be adequate to pay all the fines, penalties and costs (such as clean-up and restoration costs) incurred with respect to such properties. The Company may also be held responsible for addressing environmental hazards, contamination or damage caused by current or former activities at our mines or projects or exposure to hazardous substances, regardless of whether or not the hazard, damage, contamination or exposure was caused by its activities or by previous owners or operators of the property, past or present owners of adjacent properties or by natural conditions, and whether or not such hazard, damage, contamination or exposure was unknown or undetectable.

Any finding of liability in proceedings pursuant to environmental laws, regulations or permitting requirements could result in substantial additional costs, delays in the exploration, development and operation of the Company's properties and other penalties and liabilities, including, but not limited to:

- monetary penalties (including fines);
- restrictions on or suspension of activities;
- loss of rights, permits and property;
- completion of extensive remedial cleanup or paying for government or third-party remedial cleanup;
- premature reclamation of operating sites; and
- seizure of funds or forfeiture of bonds.

The cost of addressing environmental conditions or risks, and liabilities associated with environmental damage, may be significant, and could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

### ***Dependence on the Opemiska and Thierry Projects***

The Company's operations at the Opemiska and Thierry Projects are expected to account for substantially all of the Company's copper production in the future. Any adverse condition affecting mining or milling conditions at the Opemiska Project or Thierry Project could have a material adverse effect on the Company's financial performance and results of operations.

Unless the Company acquires or develops other significant assets, the Company will be dependent on its operations at the Opemiska and Thierry Projects for its cash flow provided by operating activities.

### ***Acquisition and Integration Risks***

As part of its business strategy, QC Copper has sought and will continue to seek new operating, development and exploration opportunities in the mining industry. In pursuit of such opportunities, QC Copper may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into QC Copper. The Company cannot assure that it can complete any acquisition or business arrangement that it pursues, or is pursuing, on favourable terms, if at all, or that any acquisition or business arrangement completed will ultimately benefit its business. Such acquisitions may be significant in size, may change the scale of the Company's business and may expose the Company to new geographic, political, operating, financial or geological risks. Further, any acquisition the Company makes will require a significant amount of time and attention of QC Copper management, as well as resources that otherwise could be spent on the operation and development of the Company's existing business.

Any future acquisitions would be accompanied by risks, such as a significant decline in the relevant metal price after the Company commits to complete an acquisition on certain terms; the quality of the mineral deposit acquired proving to be lower than expected; 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 realize anticipated synergies and maximize the Company's financial and strategic position; the failure to maintain 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; and the potential for unknown or unanticipated liabilities associated with acquired assets and businesses, including tax, environmental or other liabilities. In addition, the Company may need additional capital to finance an acquisition. Debt financing related to any acquisition may expose the Company to the risks related to increased leverage, while equity financing may cause existing shareholders to suffer dilution. There can be no assurance that any business or assets acquired in the future will prove to be profitable, that QC Copper will be able to integrate the acquired businesses or assets successfully or that it will identify all potential liabilities during the course of due diligence. Any of these factors could have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

### ***Financing Risks***

The Company's mining, processing, development and exploration activities may require additional external financing. There can be no assurance that additional capital or other types of financing will be available when needed or that, if available, the terms of such financing will be acceptable to the Company. Furthermore, if the Company raises additional capital by offering equity securities or securities convertible into equity securities, any additional financing may involve substantial dilution to existing shareholders. If raised through asset sales, the terms of such sales may not be favourable to the Company and may reduce the assets and future economic performance of the Company. Failure to obtain sufficient financing could result in the delay or indefinite postponement of exploration, development, construction or production of any or all of the Company's mineral properties or otherwise impact the Company's strategic plans. The cost and terms of such financing may significantly reduce the expected benefits from new developments or render such developments uneconomic.

### ***Need for Additional Mineral Reserves and Mineral Resources***

Because mines have limited lives based on proven and probable Mineral Reserves, the Company continually seeks to replace and expand its Mineral Reserves and Mineral Resources. The Company's ability to maintain or increase production of copper will depend in significant part on its ability to find or acquire new Mineral Reserves and Mineral Resources and bring new mines into production, and to expand Mineral Reserves and Mineral Resources at existing mines. Exploration is inherently speculative. QC Copper's exploration projects involve many risks and exploration is frequently unsuccessful. See "*Exploration and Development Risks*" above. There is a risk that depletion of reserves will not be offset by discoveries or acquisitions. The mineral base of QC Copper may decline if reserves are mined without adequate replacement.

### ***Insurance and Uninsured Risks***

QC Copper's business is subject to a number of risks and hazards generally including adverse environmental conditions, industrial accidents, labour disputes, loss or theft of its products, unusual or unexpected geological conditions, ground or slope or wall failures, cave-ins, metallurgical or other processing problems, fires, operational problems, changes in the regulatory environment and natural phenomena, such as inclement weather conditions, floods, hurricanes and earthquakes. Such occurrences could result in damage to mineral properties or production facilities or other property, personal injury or death, environmental damage to the Company's properties or the properties of others, delays in mining, supply chain disruptions, government service disruptions, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers reasonable, such insurance will not cover all the potential risks associated with the Company's operations. The Company may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available on acceptable terms or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as loss of title to mineral property, environmental pollution, or other hazards as a result of exploration, development and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. QC Copper may also become subject to liability for pollution or other hazards which may not be insured against or which the Company may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect on results of operations and financial condition.

### ***Reclamation Costs***

The Company's operations are subject to closure and reclamation plans that establish its obligations to reclaim properties after minerals have been mined from a site. These obligations represent significant future costs for the Company. It may be necessary to revise reclamation timing, concepts and plans, which could increase costs.

Reclamation bonds or other forms of financial assurance are often required to secure reclamation activities. Governing authorities require companies to periodically recalculate the amount of a reclamation bond and may require bond amounts to be increased. It may be necessary to revise the planned reclamation expenditures and the operating plan for a mine in order to fund an increase to a reclamation bond. Reclamation bonds may represent only a portion of the total amount of money that will be spent on reclamation over the life of a mine operation. The actual costs of reclamation set out in mine plans are estimates only and may not represent the actual amounts that will be required to complete all reclamation activity. Obtaining regulatory approval of the Company's reclamation activity may also add additional time and costs to reclamation. If actual costs are significantly higher than the Company's estimates, then its results of operations and financial position could be materially adversely affected.

### ***Availability and Price of Inputs***

Disruptions in the supply of or the inability to procure products or services required for the Company's activities, whether on account of the Company's suppliers or other factors outside of the Company's control, could also adversely affect the Company's operations, financial condition and results of operations. The profitability of the Company's business and its ability to operation will be affected by the market prices and availability or shortages of commodities or labour which are consumed or otherwise used in connection with the Company's operations and projects, such as diesel fuel, electricity, steel, concrete, construction material, grinding media, equipment spare parts, explosives and sodium cyanide. Given that the supply of inputs required for the Company's operations is dependent on the supply chain and transportation routes remaining open and viable, if such routes became unavailable or unpassable, this could materially disrupt the Company's operations and adversely impact the price of inputs and the Company's results of operations and financial condition.

Mining operations and facilities are intensive users of electricity and carbon-based fuels. The Company is subject to price risk for fluctuations in the cost of energy, principally electricity and purchased petroleum products, which are subject to carbon taxes. Energy prices can be affected by numerous factors beyond the Company's control, including global and regional supply and demand, political and economic conditions and applicable regulatory regimes. The prices of various sources of energy may increase significantly from current levels. An increase in energy prices for which the Company is not hedged could materially adversely affect its results of operations and financial condition.

The Company's costs are affected by the prices and availability of commodities, services and other inputs it consumes or uses in its operations, such as lime, sodium cyanide and explosives. The prices and availability of such commodities and inputs can change significantly over short periods of time, most recently when considering the current inflationary environment, and are influenced by supply and demand trends affecting the mining industry in general and other factors outside the Company's control, including on account of pandemics or similar public health threats and on account of political or military wars and armed conflicts such as the war in Ukraine and Israel-Hamas conflict. Increases in the price for, or reduced availability of, materials consumed in the Company's mining and production activities could materially adversely affect the Company's results of operations and financial condition.

### ***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 adversely affect the Company's operations, financial condition and results of operations.

### ***Community Relations, License to Operate and Reputation***

The Company's relationship with the host communities and host governments where it will operate is critical to ensure the future success of its operations and the construction and development of its projects. There is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities. Certain non-governmental organizations ("NGOs"), some of which oppose globalization and resource development, are often vocal critics of the mining industry and its practices, including the use of cyanide and other hazardous substances in processing activities. Adverse publicity generated by such NGOs or others related to extractive industries generally, or QC Copper's operations or development activities specifically, could have an adverse effect on the Company's reputation.

Reputation loss, including reputation loss by other mining companies operating in jurisdictions where QC Copper operates, may result in decreased investor confidence, increased challenges in developing and maintaining community and stakeholder relations and an impediment to the Company's overall ability to advance its projects and strategy, which could have a material adverse impact on the Company's results

of operations, financial condition and prospects. While QC Copper is committed to operating in a socially responsible manner, there is no guarantee that the Company's efforts in this respect will mitigate this potential risk.

### ***Labour and Employment Matters***

The Company's mines and projects are dependent on the efforts of the Company's employees and contractors and their ability to complete required tasks. The Company competes with mining and other companies on a global basis to attract and retain employees at all levels with appropriate technical skills and operating experience necessary to operate its mines. The conduct of the Company's operations will be dependent on access to skilled labour. Access to skilled labour may prove particularly challenging where mining operations are conducted in remote locations. Shortages or high turnover of suitably qualified personnel and fraud, theft or other failures of such personnel to comply with the Company's Code of Business Conduct and Ethics could have a material adverse effect on the Company's business, reputation and results of operations. Relations between the Company and its employees may be impacted by changes in the scheme of labour relations, which may be introduced by the relevant governmental authorities in the jurisdictions where the Company carries on business or on account of proposed employee unionization. In addition, the Company engages contractors who may have unionized employees. Adverse changes in the schemes of labour relations in different jurisdictions or in the relationship between the Company and its employees, or between the Company's contractors and their respective employees, may have a material adverse effect on the Company's business, results of operations and financial condition.

### ***Litigation and Dispute Resolution***

From time to time, QC Copper is subject to legal claims, with and without merit. These claims may commence informally and reach a commercial settlement or may progress to a more formal dispute resolution process or legal proceedings. The causes of potential future claims cannot be known and may arise from, among other things, business activities, environmental laws, land use, contractor engagements, volatility in the stock price or alleged failures to comply with disclosure obligations. In particular, the complex activities and significant expenditures associated with construction activities may lead to various claims, some of which may be material. Defense and settlement costs may be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Company's future cash flows, results of operations or financial condition.

### ***Title Risks***

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Company believes it has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of such properties will not be challenged or impaired. Third parties may have valid claims underlying portions of the Company's interest, including prior unregistered liens, agreements, transfers, royalties or claims, including land claims by First Nations or other Indigenous groups, and title may be affected by, among other things, undetected defects. In some cases, title to mineral rights and surface rights has been divided, and the Company may hold only surface rights or only mineral rights over a particular property, which can lead to potential conflict with the holder of the other rights. As a result of these issues, the Company may be constrained in its ability to operate its properties or unable to enforce its rights with respect to its properties, or the economics of its mineral properties may be impacted. An impairment to, or defect in, the Company's title to its properties or a dispute regarding property or other related rights could have a material adverse effect on the Company's business, financial condition or results of operations.

### ***Volatility in the Market Price of the Company's Securities***

Securities of mining companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, currency fluctuations and market perceptions

of the attractiveness of particular industries. Other factors unrelated to the Company's performance that may have an effect on the price of the QC Copper Shares include: the extent of analytical coverage available to investors concerning the Company's business, especially if investment banks with research capabilities do not continue to follow the Company's securities; the lessening in trading volume and general market interest in the Company's securities, including where this affects an investor's ability to trade significant numbers of QC Copper Shares; and the size of the Company's public float, particularly if it limits the ability of some institutions to invest in the Company's securities.

As a result of any of these factors, the market price of the QC Copper Shares at any given point in time may not accurately reflect QC Copper's long-term value. Securities class action litigation has often been brought against companies following periods of volatility in the market price of their securities. QC Copper may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

### ***Global Economic Conditions***

Economic and geopolitical events may create uncertainty in global financial and equity markets. The global debt situation may cause increased global political and financial instability resulting in downward price pressure for many asset classes and increased volatility and risk spreads. Additionally, if a public health crisis, such as an epidemic or pandemic related to COVID-19 or another virus, terrorist activity, armed conflict, political instability or natural disasters occur in Canada, the U.S. or other locations, such events could cause general economic conditions to deteriorate, cause supply chain shortages or otherwise negatively impact our operations. Difficult, or worsening, general economic conditions, including on account of recessions or increased inflation, could have a material adverse effect on the Company's business, financial condition and operating results. Such disruptions could make it more difficult for the Company to obtain financing for its operations, or increase the cost of such financing, among other things. If the Company is not able to raise capital when needed, or to access capital on reasonable terms, it could have a material adverse effect on the business, operations, financial performance or financial condition. These and other related factors can lead to lower longer term asset values, which can result in impairment losses.

### ***Global Financial Conditions***

Global financial conditions have been subject to continued volatility, most recently when considering the numerous interest rate hikes in Canada, the U.S. and other countries around the world and the significant fluctuations in fuel and energy costs and metal prices. Government debt, the risk of sovereign defaults, political instability and wider economic concerns in many countries have been causing significant uncertainties in the markets. Disruptions in the credit and capital markets can have a negative impact on the availability and terms of credit and capital. Uncertainties in these markets could have a material adverse effect on the Company's liquidity, ability to raise capital and cost of capital. High levels of volatility and market turmoil could also adversely impact commodity prices, demand for metals, including copper, exchange rates and interest rates and have a detrimental effect on the Company's business, financial condition and financial performance, including a possible negative impact on the market price of the Company's securities.

### ***Impact of Pandemic Disease, Including Covid-19, on Global Economic Conditions and Performance***

The Company's operations will be subject to the risk of emerging infectious diseases or the threat of outbreaks of viruses or other contagions or epidemic diseases, such as the COVID-19 pandemic. These infectious disease risks may not be adequately responded to locally, nationally or internationally due to lack of preparedness to detect and respond to outbreaks or respond to significant pandemic threats. As such, there are potentially significant economic and social impacts of infectious disease risks, including the inability of the Company's mining and exploration operations to operate as intended due to a shortage of skilled employees, shortages or disruptions in supply chains, inability of employees to access sufficient healthcare, significant social upheavals, government or regulatory actions or inactions, including introducing new, or modifying existing, laws, regulations, orders or other measures that could impact the Company and its ability to operate, decreased demand or the inability to sell precious metals or declines in

the price of precious metals, capital market volatility or other unknown but potentially significant impacts. These infectious disease risks could also impact the Company's ability to meet expected timelines for development and expansion projects and its anticipated production, costs and capital guidance or otherwise affect the Company's suppliers or customers. There are also potentially significant economic losses from infectious disease outbreaks that can extend far beyond the initial location of an infectious disease outbreak. The extent to which an infectious disease outbreak will have an impact on our business, results of operations, future cash flows, earnings, liquidity and financial condition will depend on future developments that are highly uncertain and difficult to predict. The Company may not be able to accurately predict the quantum of such risks.

### ***Competition***

QC Copper faces strong competition from other mining companies in connection with the identification and acquisition of properties producing, or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than QC Copper. As a result of this competition, the Company may be unable to identify, maintain or acquire attractive mining properties on acceptable terms or at all. Consequently, the Company's prospects, revenues, operations and financial condition could be materially adversely affected.

### ***Retention of Key Personnel***

The Company's business is dependent on retaining the services of a number of key personnel of the appropriate calibre as the business develops. QC Copper's success is, and will continue to be to a significant extent, dependent on the expertise and experience of the directors and senior management, and the loss of one or more of such persons could have a material adverse effect on the Company. The Company does not maintain any key man insurance with respect to any of its officers or directors.

### ***Reliance on Third-Party Contractors***

It is common industry practice for certain aspects of mining operations including, but not limited to, drilling, blasting and construction, to be conducted by one or more outside contractors. Deficient or negligent work, or work not completed in a timely manner, could have a material adverse effect on the Company's business and operations. The Company is also subject to a number of risks associated with the use of such contractors, including, but not limited to: (a) the Company having reduced control over the aspects of the operations that are the responsibility of a contractor; (b) failure of the contractor to perform work properly or at a satisfactory level of quality and safety; (c) failure of a contractor to perform under its agreement(s), including, but not limited to, inability to meet the contractual timelines or to otherwise deliver in accordance with the terms of the contract; (d) inability to replace the contractor if the contractual relationship is terminated; (e) interruption of operations in the event the contractor ceases operations as a result of a contractual dispute with the Company or as a result of insolvency or other unforeseen events (including events of force majeure); (f) failure of the contractor to comply with applicable legal and regulatory requirements; and (g) inadequate contractor cybersecurity program or customer data management and privacy, exposing the Company to external attacks or leaking of the Company's confidential information, any of which could have a material adverse effect on the Company's business, financial condition or results of operations.

### ***Counterparty Risk***

Counterparty risk is the risk to the Company that a party to a contract will default on its contractual obligations to the Company. The Company is or may be exposed to various counterparty risks including, but not limited to: (i) financial institutions that hold the Company's cash and short term investments; (ii) companies that have payables to the Company; (iii) providers of its risk management services, such as hedging arrangements; (iv) shipping service providers that move the Company's material; (v) the Company's insurance providers; and (vi) the Company's lenders. Although the Company makes efforts to limit its counterparty risk, the Company cannot effectively operate its business without relying, to a certain

extent, on the performance of third party service providers (see "*Reliance on Third-Party Contractors*" above).

### ***Conflicts of Interest***

Certain of QC Copper's directors and officers also serve as directors and/or officers of other companies involved in natural resource exploration and development, and consequently there exists the possibility for such directors and officers to have interests that conflict with the Company's interests. In particular, situations may arise in connection with potential investments or material transactions where the other interests of the Company's directors conflict with the interests of QC Copper. The Company has implemented governance measures to address conflicts of interest; however, any such conflicts of interest may result in lost opportunities for the Company. Any conflict of interest involving the Company's directors and officers could result in a material adverse effect on the Company's business.

### ***Corruption and Bribery Laws***

The Company's operations are governed by, and involve interactions with, many levels of government in numerous jurisdictions. The Company is required to comply with anti-corruption and anti-bribery laws, including the Criminal Code, the Canadian Corruption of Foreign Public Officials Act and the U.S. Foreign Corrupt Practices Act, as well as similar laws in the jurisdictions in which the Company conducts its business. In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such laws, resulting in greater scrutiny and punishment to companies convicted of violating anti-corruption and anti-bribery laws. Furthermore, a company may be found liable for violations not only by its employees, but also by its contractors and third-party agents. Although the Company has adopted steps to mitigate such risks, such measures may not always be effective in ensuring that the Company, its employees, contractors and third-party agents will comply strictly with such laws. If the Company finds itself subject to an enforcement action or is found to be in violation of such laws, this may result in significant penalties, fines and/or sanctions imposed on the Company resulting in a material adverse effect on the Company's reputation and results of its operations.

### ***Information Systems Security Threats***

QC Copper has entered into agreements with third parties for hardware, software, telecommunications and other information technology ("IT") services in connection with its operations. QC Copper's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, IT systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, terrorism, fire, power loss, hacking, phishing schemes, computer viruses, vandalism, fraud and theft. While the Company has certain preventative measures in place, there can be no assurances that the Company will not be subject to wire payment fraud, misappropriation of funds, erroneous payments or other human or technological errors resulting in loss of funds that cannot fully be redeemed. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive interventions and expenditures to mitigate the risks of failures and other IT system disruptions. Any of these and other events could result in information systems failures, delays, increases in capital expenses and/or otherwise negatively impact the Company's ability to operate. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

Although the Company has not experienced any material losses relating to cyber-attacks or other information security breaches to date, there can be no assurance that QC Copper will not incur such losses or be subject to such breaches in the future, any of which could cause production downtime, operational delays, the compromising of confidential or otherwise protected information, reputational impacts and destruction or corruption of data. The Company's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access remain a



priority. As cyber threats continue to evolve, the Company may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities. Such efforts may require continuous monitoring and the reliance on third party service providers and are not guaranteed to be successful in preventing or mitigating the potential impacts of cyber-attacks.

#### **OTHER BUSINESS**

The management of QC Copper does not intend to present and does not have any reason to believe that others will present, at the Meeting, any item of business other than those set forth in this Circular. However, if any other business is properly presented at the Meeting and may properly be considered and acted upon, proxies will be voted by those named in the applicable form of proxy in their sole discretion, including with respect to any amendments or variations to the matters identified in the Meeting Materials.

#### **INFORMATION CONCERNING QC COPPER AND GOLD INC.**

See Appendix 1 to this Circular.

#### **INFORMATION CONCERNING CUPRUM CORP.**

See Appendix 2 to this Circular.

#### **INFORMATION CONCERNING THE COMBINED ENTITY**

See Appendix 3 to this Circular.

#### **INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Other than as set forth herein, management of QC Copper is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Person who has been a director or executive officer of QC Copper at any time since the beginning of QC Copper's last financial year or of any associate or affiliate of any such Persons, in any matter to be acted upon at the Meeting.

See "*Business of the Meeting - The Acquisition - Interests of Certain Persons in the Acquisition*" and "*- a Majority of the Minority Approval*".

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of QC Copper's directors, executive officers or employees, or former directors, executive officers or employees, nor any associate of such individuals, is as at the date hereof, or has been, during QC Copper's most recent financial year end, indebted to QC Copper in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of QC Copper.

#### **INTERESTS OF CERTAIN PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed under "*Business of the Meeting - The Acquisition - Interests of Certain Persons in the Acquisition*", there are no interests of any directors, officers or holders of over 10% of the QC Copper Shares, or any directors or officers of any holders of over 10% of the QC Copper Shares or any affiliates or associates of any of the foregoing, in any transactions of QC Copper since the commencement of QC Copper's most recently completed financial year or in any proposed transaction that have materially affected or that would materially affect QC Copper.

## INTEREST OF EXPERTS

Evans & Evans is named as having prepared or certified a report, statement or opinion in this Circular, specifically the Fairness Opinion. See "*Business of the Meeting – The Acquisition – Fairness Opinion*". Except for the fees to be paid to Evans & Evans, to the knowledge of QC Copper, neither Evans & Evans nor its directors, officers, employees and partners, as applicable, or their respective associates or affiliates, beneficially owns, directly or indirectly, 1% or more of the securities of QC Copper or any of its associates or affiliates, has received or will receive any direct or indirect interests in the property of QC Copper or any of its associates or affiliates, or is expected to be elected, appointed or employed as a director, officer or employee of QC Copper or any associate or affiliate thereof.

McGovern Hurley LLP, Chartered Professional Accountants, are the auditors for QC Copper. McGovern Hurley LLP certified the auditors' report on the annual financial statements of QC Copper for the years ended October 31, 2023 and 2022, which are incorporated by reference herein (see "*Appendix 1 – Information Concerning QC Copper – Documents Incorporated by Reference*"), and has confirmed with respect to QC Copper that they are independent within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

MNP LLP, Chartered Professional Accountants, are the auditors for Cuprum. MNP LLP certified the auditors' report on the annual financial statements of Cuprum for the years ended May 31, 2024 and 2023, and has confirmed with respect to Cuprum that they are independent within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

Certain scientific and technical information contained in the documents incorporated by reference herein, including in respect of the Opemiska Report, was reviewed and approved in accordance with NI 43-101 by Eugene Puritch and Antoine Yassa and each a "Qualified Person" as defined in NI 43-101. To the knowledge of QC Copper, each of Eugene Puritch and Antoine Yassa held less than 1% of the outstanding securities of QC Copper or of any associate or affiliate thereof when they prepared the technical information contained or incorporated by reference in this Circular or following the preparation of such technical information. Eugene Puritch and Antoine Yassa did not receive, and will not receive, any direct or indirect interest in any securities of QC Copper or of any associate or affiliate thereof.

Certain scientific and technical information contained herein, including in respect of the Thierry Report, was reviewed and approved in accordance with NI 43-101 by Eugene Puritch and David Burga and each a "Qualified Person" as defined in NI 43-101. To the knowledge of QC Copper, each of Eugene Puritch and David Burga held less than 1% of the outstanding securities of Cuprum or of any associate or affiliate thereof when they prepared the technical information contained in this Circular or following the preparation of such technical information. Eugene Puritch and David Burga did not receive, and will not receive, any direct or indirect interest in any securities of Cuprum or QC Copper or of any associate or affiliate thereof.

## OTHER MATERIAL FACTS

There are no other material facts about QC Copper, Cuprum, the Combined Entity or the Acquisition that are not disclosed under the preceding items and are necessary in order for the Circular to contain full, true and plain disclosure of all material facts relating to QC Copper, Cuprum and the Combined Entity, assuming completion of the Acquisition.

## ADDITIONAL INFORMATION

Financial information is provided in QC Copper's financial statements and management's discussion and analysis for its most recently completed financial year. Copies of such documents may be obtained on request, without charge, from the Chief Financial Officer of QC Copper at Suite 1805, 55 University Avenue, Toronto, ON M5J 2H7, telephone: (416) 644-1567.

Additional information relating to QC Copper can also be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

**APPROVAL OF DIRECTORS**

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the QC Copper Board.

**DATED** this 25<sup>th</sup> day of October, 2024.

**BY ORDER OF THE BOARD OF DIRECTORS OF QC  
COPPER AND GOLD INC.**

By: "Stephen Stewart"  
Stephen Stewart  
Chief Executive Officer and Director

**APPENDIX 1  
INFORMATION CONCERNING QC COPPER AND GOLD INC.**

**DEFINED TERMS**

*Unless the context indicates otherwise, capitalized terms which are used in this Appendix 1 and not otherwise defined in this Appendix 1 have the meanings given to such terms under the heading "Glossary of Terms" in the Circular.*

**FORWARD-LOOKING STATEMENTS**

Certain statements contained in this Appendix 1, and in certain documents incorporated by reference into this Appendix 1, constitute forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events or QC Copper's future performance. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements contained herein and in certain documents incorporated by reference into this Appendix 1 are based on the key assumptions described in such documents. With regard to forward-looking statements in QC Copper's documents incorporated by reference herein, please refer to the forward-looking statements advisories in such documents in respect of the forward-looking contained therein, the assumptions upon which they are based and the risk factors in respect to such forward-looking statements. QC Copper believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this Appendix 1 or the Circular should not be unduly relied upon. For additional information on the forward-looking statements contained in this Appendix 1 and the Circular, see the information included under the heading "*Cautionary Note Regarding Forward-Looking Information*" in the Circular.

**DOCUMENTS INCORPORATED BY REFERENCE**

**Information concerning QC Copper has been incorporated by reference in the Circular from documents filed with securities commissions or similar authorities in Canada.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer of QC Copper at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7 (Telephone (416) 644-1567) or by accessing the disclosure documents available through the internet on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The following documents, or portions thereof, of QC Copper have been filed with the securities commissions or similar authorities of the provinces of Canada and are specifically incorporated by reference into, and form an integral part of, the Circular:

- (a) the condensed interim financial statements of QC Copper for the three and nine months ended July 31, 2024 and 2023, filed on SEDAR+ on September 30, 2024;
- (b) the interim management's discussion and analysis of the financial condition and results of operations of QC Copper for the three and nine months ended July 31, 2024 and 2023, dated September 27, 2024 and filed on SEDAR+ on September 30, 2024;
- (c) the audited financial statements of QC Copper for the years ended October 31, 2023 and 2022, filed on SEDAR+ on September 30, 2024, filed on SEDAR+ on February 28, 2024;

- (d) management's discussion and analysis of the financial condition and results of operations of QC Copper for the year ended October 31, 2023 and 2022, dated February 28, 2024 and filed on SEDAR+ on February 28, 2024;
- (e) the management information circular of QC Copper dated June 4, 2024 relating to the annual general and special meeting of the shareholders held on July 18, 2024, filed on SEDAR+ on October 11, 2024;
- (f) the statement of executive compensation – venture issuers of QC Copper for the year ended October 31, 2023, filed on SEDAR+ on April 29, 2024;
- (g) the Opemiska Report, filed on SEDAR+ on February 22, 2024; and
- (h) the material change report dated June 29, 2023 and filed on SEDAR+ on June 29, 2023, with respect to QC Copper completing all obligations under its option agreement to acquire a 100% interest in the Opemiska Project.

Any documents of the type described in Subsection 11.1(1) of 44-101F1 – *Short Form Prospectus*, if filed by QC Copper with the securities commissions or similar authorities in the provinces of Canada subsequent to the date of the Circular and prior to the Closing Date, shall be deemed to be incorporated by reference in the Circular.

**Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of the Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Circular.**

## CORPORATE STRUCTURE

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

QC Copper was incorporated on February 1, 2018 pursuant to the provisions of the *Business Corporations Act* (British Columbia) ("**BCBCA**") under the name PowerOre Inc. On September 28, 2020, the name of the company was changed from PowerOre Inc. to QC Copper and Gold Inc.

The registered office of QC Copper is located at 1133 Melville Street, Suite 2700, Vancouver, BC, V6E 4E5 and the principal business office of QC Copper is located at 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7.

### **Intercorporate Relationships**

As of the date of the Circular, QC Copper has no subsidiaries.

## GENERAL DEVELOPMENT OF THE BUSINESS

QC Copper's principal business is the exploration, development, and production of exploration and evaluation assets, and is focused on advancing its past-producing Opemiska copper mine complex in the Chapais Chibougamau region of Québec (the "**Opemiska Project**"). To date, QC Copper has no revenues from its mining properties and is considered to be in the exploration stage.

### **The Opemiska Property**

QC Copper owns a 100% in the Opemiska Property, which is comprised of 8 claims totalling 520 ha, in Levy Township, Québec.

On January 8, 2024, QC Copper announced the results of an independent updated Mineral Resource Estimate of the Opemiska Project. Open-pit constrained (at 0.15% CuEq cut-off) and out-of-pit (0.8% CuEq cut-off) Mineral Resource of total 97.5 million tonnes grading 0.97% copper equivalent ("**CuEq**") in Measured and Indicated Mineral Resources and an additional 10.9 million tonnes at 0.65% CuEq in Inferred Mineral Resources. Metal contents are 2.09 billion lbs. of CuEq contained in the Measured and Indicated Mineral Resources and 157 million lbs of CuEq contained in the Inferred Mineral Resources. The effective date of these Mineral Resources is January 8, 2024. See "*Narrative Description of the Business - Mineral Resource and Mineral Reserve Estimates*".

QC Copper's technical team has identified several target areas within the conceptual pit that were not tested within the time limit of the 2024 Mineral Resource Estimate, which could add tonnes and metal to the Mineral Resources, beyond what was published in the 2024 Mineral Resource Estimate. QC Copper plans to drill in 2024 within the confined of the conceptual pit.

See also "*Narrative Description of the Business – Description of the Opemiska Property*".

### **Cooke-Robitaille Property**

QC Copper holds an option to acquire a 100% of the Cooke-Robitaille property, which consists of 175 original claims and four staked claims covering a total area of approximately 9,345 ha and is located immediately east of the town of Chapais (the "**Cooke-Robitaille Property**"). The Cooke-Robitaille option requires that QC Copper invest approximately \$1.05M in exploration before mid-2025 in order to exercise the option to acquire 100% interest in the Cooke-Robitaille Property. All their commitments regarding the Cooke-Robitaille option are in good standing.

Drilling was undertaken in early 2024 on the Cooke-Robitaille mines corridor in order to test the area for low-grade, open-pitable mineralization. The drill program was started in early June and was stopped after five holes for a total of 1,366m. Results were positive, including 0.69% Cu over 22.5 metres in hole COR-24-21, that included 9.0 metres @ 1.29% Cu, and 0.98% Cu over 7.0 metres in hole COR-24-18.

On April 2, 2024, QC Copper announced results from its 2024 winter drill program on the past producing Cooke and Robitaille Mines trend. The results published were from the drill program described above.

### **Scott Property**

QC Copper owns a 100% interest the claims located in Scott and Levy townships in the Chibougamau region of Québec, immediately east and contiguous with the Cooke-Robitaille Property, which are comprised of 117 claims covering 6,433.5 ha (the "**Scott Property**").

A three-hole, diamond drilling program totalling 750m was completed on the Scott Property. Assay results were uniformly low, but one of the holes confirmed the presence of a major NE-trending fault structure that is probably Archean in age and was subsequently intruded by a Proterozoic diabase dike.

No work was done on the Scott Property since 2022.

### **Opemiska West Project**

In March 2023, QC Copper acquired a 100% interest in 36 mineral claims covering 1733 ha located immediately adjacent to and contiguous with the western border of the Opemiska Property (the "**Opemiska West Project**"). In exchange for 100% ownership of the Opemiska West Project, QC Copper issued 500,000 QC Copper Shares to the vendor, Windfall Geotek Inc ("**Windfall Geotek**"). The Opemiska West Project is subject to an 2% net smelter royalty ("**NSR**"), with a right to buy back one-half thereof at any time for a price of \$1,000,000. QC Copper has not preformed any work on the Opemiska West Project to date.

In July 2024, QC Copper also purchased the Kayla property from Multi Resources Boreal Inc. The property is located immediately adjacent and abuts the southwest corner of the Opemiska Project. The claims were purchased for \$10,000 and a 2% NSR, of which half can be re-purchased for \$250,000. The claims are in good standing for 2 years.

### **Northern Claims**

QC Copper owns a 100% interest in 120 claims covering 6,604 ha to the north of the Opemiska West Project, which were staked in early 2022 but no work has been done on these claims to date except for a high resolution airborne magnetic survey. Approximately \$100,000 in assessment work is required before the end of 2024.

### **Roger Project**

On May 26, 2021, QC Copper acquired a 50% ownership interest in a 987-hectare project located in the Chibougamau mining district within the prolific Abitibi greenstone belt (the "**Roger Project**") from Pasofino Gold Ltd. in consideration for \$1,000,000 in cash and 1,150,000 QC Copper Shares at a deemed price of \$0.21 per QC Copper Share. The other 50% interest remains with SOQUEM, a subsidiary of Investissement Québec ("**SOQUEM**").

The Roger Project is an advanced-stage exploration project containing the Roger Gold-Copper Deposit. In total, 58.000 m of diamond drilling have been completed on the Roger Project.

On December 6, 2021, the Engineering firm BBA of Montreal delivered a mineral inventory study to QC Copper and SOQUEM. A joint venture meeting was held in May 2022 to discuss the program and the partners agreed to focus on metallurgical testing to piggyback on the Opemiska metallurgical testing program. Two samples were collected of quarter core and submitted. The results confirm that the mineralization at the Roger Project is not amenable to the metallurgical processing that is envisaged for Opemiska. No fieldwork has been undertaken on the Roger Property since its acquisition by QC Copper.

On October 21, 2024, QC Copper announced that it had signed an arm's length definitive agreement with SOQUEM to acquire the remaining 50% ownership interest in the Roger Project, in consideration for an initial cash payment of \$75,000, and the following share payments: (1) \$450,000 in QC Copper Shares on or before the first anniversary of the closing date; (2) \$425,000 in QC Copper Shares on or before the second anniversary of the closing date; (3) \$375,000 in QC Copper Shares on or before the third anniversary of the closing date; and (4) \$350,000 in QC Copper Shares on or before the fourth anniversary of the closing date. The number of QC Copper Shares to be issued to SOQUEM will be calculated on the basis of the higher of: (i) an issue price per QC Copper Share equal to the volume-weighted average price for the 10 days preceding the issue date, subject to the maximum discount permitted under the TSXV Policies or; (ii) \$0.05 per QC Copper Share. At closing, SOQUEM will also receive a 2.0% net smelter return royalty in respect of the Roger property which include buy-back rights for QC Copper. The transaction is subject to TSXV acceptance and expected to close in November, 2024.

## **Two Year History**

QC Copper was originally incorporated as a wholly-owned subsidiary of Orecap Invest Corp. (formerly Orefinders Resources Inc.) ("**Orecap**").

On April 19, 2018, Orecap executed an arrangement agreement related to the spin-out of QC Copper, whereby pursuant to a plan of arrangement (the "**Arrangement**"): (1) Orecap transferred its Mann property and MacMurchy property to QC Copper in consideration for QC Copper issuing 11,000,000 common shares to Orecap (the "**Consideration Shares**"); and (2) each existing shareholder of Orecap exchanged their shares of Orecap for: (a) one new common share of Orecap for each one existing share of Orecap held; and (b) such shareholder's pro rata portion of 5,500,000 of the Consideration Shares (being approximately one common share of QC Copper for every 17 shares of Orecap held on the effective date of the Arrangement). The Arrangement was approved by shareholders of Orecap at a special meeting on May 24, 2018 and received formal approval of the Supreme Court of British Columbia on May 30, 2018.

On June 5, 2018, the QC Copper Shares began trading on the TSXV.

### ***Year Ended October 31, 2022***

In November 2021, QC Copper issued 1,883,334 QC Copper Shares as a result of the exercise of previously issued warrants for which the company received gross proceeds of \$371,667 prior to October 31, 2021.

On November 30, 2021, QC Copper completed the acquisition of 100% interest in 38 claims from a private arm's length company. The claims cover 2,112 ha of highly prospective ground that connects two land parcels of the Opemiska Project. QC Copper issued 150,000 QC Copper Shares on November 9, 2021 at a value of \$51,750, and paid \$10,000 to the vendor. The vendor retained a 2% NSR, of which 50% can be repurchased for \$500,000.

On May 24, 2022, QC Copper issued 2,000,000 QC Copper Shares to Explorateurs-Innovateurs de Québec Inc. ("**Ex-In**") in connection with the Opemiska Project at a valuation of \$440,000. Additionally, 2,000,000 QC Copper Warrants were issued to Ex-In, with each warrant exercisable into one QC Copper Share at an exercise price of \$0.30, until May 22, 2025.

On July 12, 2022, QC Copper issued 500,000 QC Copper Shares in connection with the Cooke-Robitaille Property option with a value of \$75,000. In addition, 500,000 QC Copper Warrants were issued, with each warrant exercisable into one QC Copper Share at an exercise price of \$0.20 until July 24, 2024.

### ***Year Ended October 31, 2023***

On March 23, 2023, QC Copper closed on its acquisition of 100% of the Opemiska West Project. QC Copper acquired the interest pursuant to a mining property acquisition agreement dated March 3, 2023 between QC Copper and Windfall Geotek. As consideration for the interest, QC Copper issued 500,000 QC Copper Shares to Windfall Geotek at a value of \$67,500.

On April 13, 2023, QC Copper closed the first tranche of a non-brokered private placement. Under the first tranche, QC Copper sold an aggregate of 9,142,428 QC Copper Shares at a price of C\$0.14 per share for aggregate gross proceeds of \$1,279,939.92. On April 20, 2023, QC Copper closed a second and final tranche of the non-brokered private placement. Under the final tranche, QC Copper sold an aggregate of 2,857,142 QC Copper Shares for \$0.14 per share for aggregate gross proceeds of \$399,999.88.

On June 8, 2023, QC Copper issued 3,000,000 QC Copper Shares in connection with the Opemiska Project at \$0.16 per share for a gross value of \$480,000. In addition, QC Copper issued 3,000,000 warrants, with each warrant exercisable into one QC Copper Share at an exercise price of \$0.35 until June 7, 2026.



On June 27, 2023, QC Copper announced that it had completed all obligations under its option agreement to acquire a 100% interest in the Opemiska Project.

On July 13, 2023, QC Copper issued 500,000 QC Copper Shares in connection with its Cooke-Robitaille Property option at a price of \$0.16 for gross value of \$79,200. In addition, QC Copper issued 500,000 warrants with an exercise price of \$0.25, valid until July 13, 2025.

On October 31, 2023, QC Copper acquired a 10% interest in Cuprum from CCMI for \$300,000 in an upfront, all-cash deal. This interest was subsequently diluted as a result of additional share issuances by Cuprum in connection with equity financings.

### **Recent Developments**

On July 11, 2024, QC Copper issued 500,000 QC Copper Shares in connection with its Cooke-Robitaille Property with at a price of \$0.125 per share, for a gross value of \$62,500.

On October 1, 2024, the Principal Shareholders and QC Copper entered into the Share Purchase Agreement pursuant to which QC Copper will acquire all of the Cuprum Shares held by the Principal Shareholders. QC Copper concurrently issued the Short Offer to Purchase to all of the Other Shareholders. Pursuant to the terms of the Purchase Agreements, QC Copper will acquire, subject to the fulfillment of certain conditions (including QC Copper Shareholder approval), all of the issued and outstanding Cuprum Shares in consideration for the issuance of 1.1538 QC Copper Shares for each one Cuprum Share, based on the QC Copper Share price of \$0.13.

On October 21, 2024, QC Copper announced that it had signed an arm's length definitive agreement with SOQUEM to acquire the remaining 50% ownership interest in the Roger Project. See "*GENERAL DEVELOPMENT OF THE BUSINESS – Rogers Project*" above.

## **NARRATIVE DESCRIPTION OF THE BUSINESS**

### **Description of the Opemiska Property**

The following description has predominantly been summarized or extracted from the Technical Report entitled "Technical Report and Updated Mineral Resource Estimate of the Opemiska Copper-Gold Property, Levy Township, Chapais-Chibougamau Mining District Québec, Canada", with an effective date of January 8, 2024, prepared by P&E Mining Consultants Inc. ("**P&E**"), by Antoine Yassa, P. Geo. and Eugene Puritch, P. Eng., FEC, CET, each of whom is a "Qualified Person" for the purposes of NI 43-101, on behalf of QC Copper (the "**Opemiska Report**"). The Opemiska Report was prepared in accordance with NI 43-101. The Opemiska Report is incorporated by reference into this Circular. Readers are cautioned that the following summary should be read in the context of the qualifying statements, procedures and accompanying discussion within the complete Opemiska Report, and this summary is qualified in its entirety by the Opemiska Report.

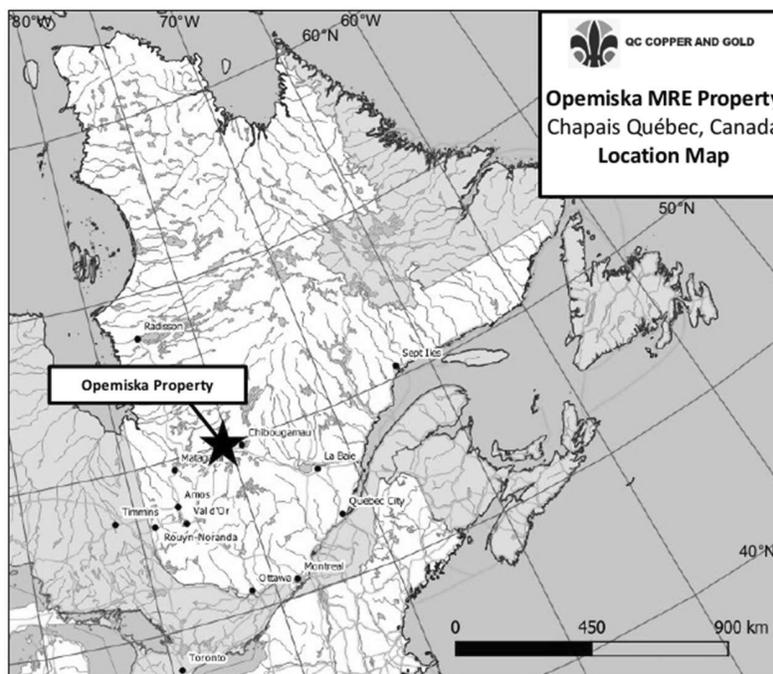
### **Property Description, Location and Access**

The Opemiska Property is located in Levy Township, in the Chapais-Chibougamau region of northwestern Québec and is covered by 8 unpatented map designated mineral claims covering a total area of 520 ha.. The Opemiska Property is located in the northeastern part of the Abitibi Greenstone Belt. These claims are 100% owned by QC Copper subject to a 2% NSR royalty to Ex-In, 50% of which can be purchased by QC Copper for \$4.5 million.

The Opemiska Property is located immediately adjacent to the Community of Chapais (population 1,468; Census Canada 2021) and is road accessible with the paved Québec Highway 113. The Opemiska Property is located 40 kilometres west of the Town of Chibougamau (population 6,491; Census Canada 2021) and 480 kilometres north of the City of Montréal, Québec. The centre of the Opemiska Property is

located at approximately UTM NAD83 Zone 18U 510,300 m E and 5,514,900 m N, or 49°47' N Latitude and 74°51' W Longitude.

**Figure 1.1 - Location Map**



Source: Figure 4.1, located at page 18 of the Opemiska Report. Original source modified by P&E (January 2024) after QC Copper (2021).

The Opemiska Property benefits significantly from excellent access and close proximity to the Chapais and Chibougamau. Mineral exploration, mining, along with mineral processing, are major components of the local economy. The local infrastructure, business community and populace of the region are well-equipped to service and support exploration and mining. The Opemiska Property has year-round access from Québec Highway 113 and other roads north of Chapais.

The Chapais-Chibougamau area is serviced by the Chibougamau-Chapais Airport, located 20 kilometres southwest of Chibougamau (along highway no. 113). Regularly scheduled direct flights depart from the airport three times per week to Montreal, Québec (via Air Creebec).

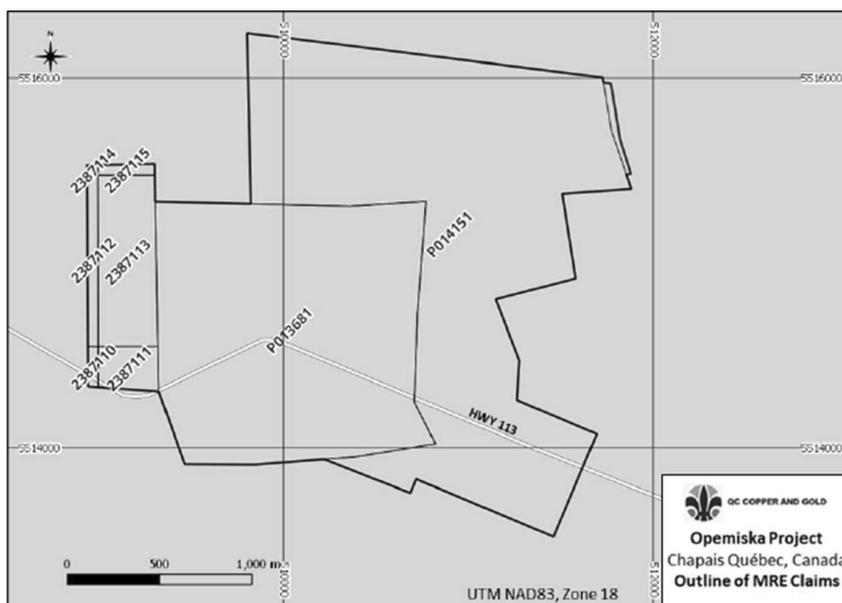
The Opemiska Property partly underlies the municipality of Chapais.

### Mineral Tenure

The Opemiska Property consists of 8 individual, map-designated cells (claims) covering an aggregate area of approximately 520 ha (Figure 1.2 below), which is the Opemiska Property. There are no surface rights associated with these claims. A list of claims, expiry dates, area, renewal fees and work requirements are presented in Table 1.1. All the claims are recorded under the name of QC Copper and Gold Inc. and are in good standing as of the effective date of the Opemiska Report.

The Opemiska Property claims are in good standing until their next renewal date of June 21, 2025.

**Figure 1.2 – Opemiska Property Map**



Source: Figure 4.2, located on page 19 of the Opemiska Report. Original source QC Copper (2023).

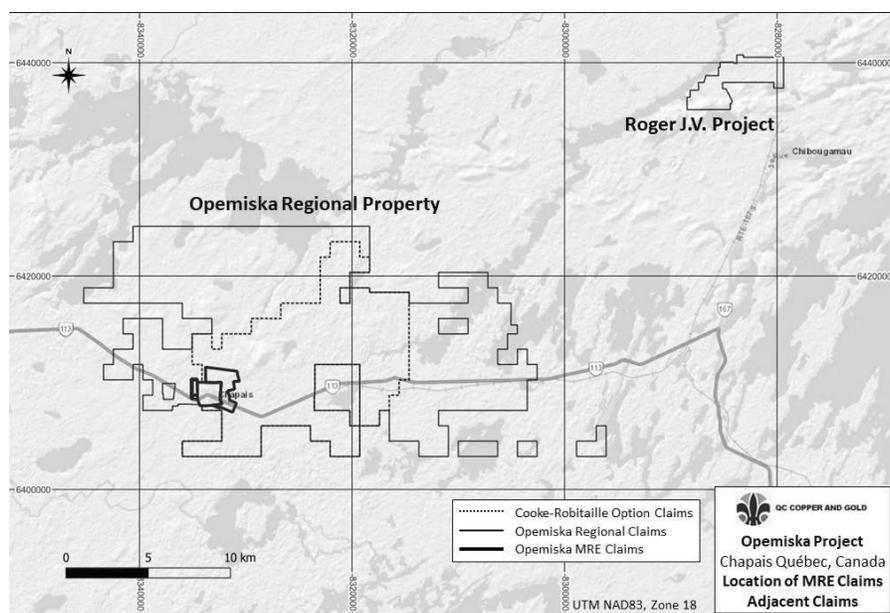
Table 1.1 Opemiska Property, Mineral Tenure					
Claim ID	Expiry Date	Area (ha)	Fees (CAD\$)	Work Requirement (CAD\$)	Banked Credits (CAD\$)
P013681	June 21, 2025	193.91	111.00	3,600	2,269,226
P014151	June 21, 2025	278.99	111.00	3,600	2,034,658
2387110	June 21, 2025	1.20	37.50	1,000	319
2387111	June 21, 2025	7.57	37.50	1,000	319
2387112	June 21, 2025	5.27	37.50	1,000	319
2387113	June 21, 2025	29.27	73.25	2,500	319
2387114	June 21, 2025	0.31	37.50	1,000	319
2387115	June 21, 2025	1.71	37.50	1,000	319

Source: Table 4.2, located at page 20 of the Opemiska Report. Original source QC Copper (2023).

Note: Land tenure information effective January 8, 2023.

## Regional Claims

**Figure 1.1** QC Copper's Additional Properties of Interest in the Chapais-Chibougamau Area



Source: Figure 4.3, located on page 22 of the Opemiska Report. Original source QC Copper (2021).

## **History**

The Opemiska Property has a long history of exploration activities dating back to 1929, when copper mineralization was discovered by Leo Springer. The copper mines on the Opemiska Property (the "Opemiska Copper Mines") commenced production at the mines known as Springer and Perry ("**Springer and Perry Mines**") in 1953 and continued until 1991. The total production from the Springer and Perry Mines was approximately 22.0 metric tonnes, grading 2.40% copper, 0.29 grams per tonne ("**g/t**") Au, and 0.21 g/t Ag, containing 527 kt copper, 6,400 kg gold, and 4,600 kg silver. Following the closure of the Mines, Ex-In completed several surface mineral exploration surveys and follow-up diamond drilling programs.

There have been three main periods of historical exploration and mining activities on the Opemiska Property and surrounding area: (1) 1929 to 1953; (2) 1953 to 1991; and (3) 1993 to 2016. The activities undertaken in each of the three periods are summarized below.

### **1929 to 1953: Discovery and Historical Exploration**

The information in this sub-section is summarized mainly from the documents listed in Table 2.1 below. The documents prefixed with "GM" refer to documents in the Québec SIGEOM geoscientific archive of historical assessment work. They can be searched online and downloaded free of charge, and are all georeferenced on government compilation maps.

<b>Table 1.2 Historical Assessment Reports 1929 to 1951</b>		
<b>Assessment Report ID (Year)</b>	<b>Work Performed By</b>	<b>Work Summary</b>
GM-03556 (1929)	Retty, J.A.	Geological Report by the MRN Claims Springer. The report describes the "Lake Opemiska Copper showing" which was visited in 1929.
GM-03558 (1933)	Opemiska Copper Mines Ltd. Huston, M.B. Energy Mines and Resources Canada.	Geological Report with Technical Evaluation, Map showing original drilling (+ composites) and also trenches with assays.
GM-03559 (1935)	Opemiska Copper Mines Ltd. Taschereau, R.H.	Information Report.
GM-01833 (1952)	Opemiska Copper Mines Ltd. Derry D.R.	Interim Report on Geology and Diamond Drilling Results.
GM-02005 (1951)	Graham R.B. Evaluation Technique.	Summary of Exploration and Development Activities.
GM-02098 (1952)	Thompson J.M. for OPEMISKA COPPER MINES (QUE).	Report on Opemiska Copper Mines.

*Source: Table 6.1, located on page 27 of the Opemiska Report.*

Initial exploration between 1929 and 1953 predated mining operations. A preliminary phase of surface exploration occurred on the Opemiska Property and surrounding area following its discovery by Leo Springer in 1929 at what would become the Springer Mine. Mr. Leo Springer's discovery was assisted by Lloyd Rochester, a pilot of Prospectors Airways. The chalcopyrite discovery was hosted in a gabbro dyke. The dimensions of the mineralized area were 1,200 feet (360 metres) long by 800 feet (240 metres) wide, in a north-south direction.

Initial development work on the Opemiska Property was completed in 1935 (GM 02098) and consisted of trenching and diamond drilling. Underground development was undertaken in 1936. A three-compartment shaft was sunk to 168 m (550 feet) and extensive lateral work and underground drilling was carried out on the 46, 84 and 152 metres (150, 275 and 500 feet) levels. Work was suspended in 1937 due to low metal prices.

In 1951, a decision was made to re-open the mine and place it in production at an initial processing rate of 400 tons per day. Along with new construction, the old buildings were rehabilitated, including a new concrete shaft collar. A total of 6,100 metres (20,000 feet) of exploratory surface drilling was completed in 1952.

### **1953 to 1991: Historical Exploration and Mine Production**

The information in this sub-section is summarized mainly from the documents listed in Table 2.2. The documents prefixed with "GM" refer to documents in the Québec SIGEOM geoscientific archive of historical assessment work. These documents can be searched online and downloaded, and are all georeferenced on government compilation maps.

<b>Table 1.2 Opemiska Property Assessments Filed</b>	
<b>Assessment File ID (Year)</b>	<b>Summary</b>
GM-2700 (1954)	Information Report. Cornwall, F.W. for the MRN. OPEMISKA COPPER MINES LTD.
GM-04273 (1956)	Information Report. Opemiska Copper Mines Ltd. Assad, J.R. MRN Sketch Map with "Campbell Lake Fault".
GM-46158 (1987)	Rapport Géologique de la Partie Nord Ouest de la Propriété Bourbeau West. Cormier J.M. MINNOVA INC.
MM 87-03 (1989)	Etude métallogénique (aurifère) du Filon Couche de Bourbeau (région de Chibougamau). MRN. Dubé B., Guha J.
GM-049654 (1990)	Rapport des travaux d'exploration effectués entre le 1er Septembre 1986 et le 31 Mars 1987 sur les propriétés minières de Minnova Inc., Division Opemiska, canton Levy. Doiron G., géologue de projet. 30 Avril 1987 (numerous maps are appended to the report: sections, level plans, drifts, and longitudinal sections detailing Veine 10-2S, No. 4, No. 5, No. 6 at SPRINGER and Vein A at PERRY beside work carried at adjacent Cooke Mine).

*Source: Table 6.2, located on page 28 of the Opemiska Report.*

The Chapais–Chibougamau Mining District is the second largest of its kind in the Québec district of the Abitibi Greenstone Belt. From 1953 to 2008, the District produced approximately 86 metric tonnes of mineralized material, including 1.57 metric tonnes of copper, 176.1 tonnes of gold, 108.8 tonnes of silver, and 72,066 tonnes of zinc (Leclerc *et al.*, 2012).

The Opemiska Copper Mines were in production from December 1953 until June 1991. Total production from the Springer and Perry Mines was 22.0 tonnes grading 2.40% Cu, 0.29 g/t Au, and 0.21 g/t Ag, containing 527 kt of copper, 6,400 kg of gold, and 4,600 kg of silver.

Production came from seven easterly-trending mineralized zones; specifically, the No. 1, 2, 3 (or the Main Ore Zone), 3, 4, 5 and No. 6 Zones. The mineralized zones were described as being sharp-walled, except for No 3, which is hosted by a shear or fault zone that contains a breccia-type mineralization with altered gabbro remnants set in a sulphide (mainly chalcopyrite) matrix.

Detailed drilling in the spring of 1956 outlined an important deposit in the Perry zone area ("**Perry Zone**"). The outlined deposit strikes 330° and dips 56° to the north. A fault that strikes 130° and dips to the southwest lies from 15 to 120 metres southwest of the Perry Zone. The mineralization in the Perry Zone is described as heavy impregnation of sulphides in the host rocks with some massive sulphides. The alteration is partial chloritization. The sulphides present are mainly chalcopyrite and pyrite with some pyrrhotite and arsenopyrite. Quartz vein sections containing sulphides are common in the mineralized horizon.

In 1980, Falconbridge Copper Limited, the original developer of the mining claims, changed its name to Corporation Falconbridge Copper ("**Falconbridge**"), and again in 1987, to Minnova Inc. ("**Minnova**"). In October 1986, an agreement between Minnova and the Québec Ministry of Energy and Resources led to an exploration program at the Springer and Perry Mines, which were part of the Minnova Opemiska division. In 1987, the low price of copper meant that the secondary products, gold and silver, became metals of interest for exploration. Between the discovery of Springer in 1932 and closure of that mine in 1991, a total of 612 surface and 15,287 underground diamond drill holes, totalling 82,767 and 861,542 metres, respectively, were completed on the Opemiska Property by Falconbridge and Minnova.

**1993 to 2016: Ex-In Exploration and Drill Programs**

The information in this sub-section is summarized mainly from the documents listed in Table 2.3. The documents prefixed with "GM" refer to documents in the Québec SIGEOM geoscientific archive of historical assessment work. They can be searched online and downloaded free of charge, and are all georeferenced on government compilation maps.

<b>Assessment File ID (Year)</b>	<b>Summary</b>
GM-55059 (1994)	Géologie et Levé au BEEP MAT effectué sur la Propriété OPEMISCA. E. Gaucher. GEOSIG Inc.
MM 91-02 (1994)	Géologie et compilation géologique de la région de Chapais. Morin R., Ressources Naturelles du Canada & Ministère des Ressources Naturelles du Québec.
DV 98-03 (1998)	Géologie et Metallogénie du District Minier de Chapais-Chibougamau. Ministère Richesses Naturelles (MRN). Nouvelle Vision du Potential de Découverte. Editeur: Pierre Pilote.
MB 98-06 (1998)	Compilation et Répartition des Gisements Polymétalliques à Tonnage évalué dans la Sous-Province de l'Abitibi. Lacroix, S. Gouvernement du Québec, Ministère des Ressources Naturelles. Secteur Mines.
GM-60142 (2001)	Atlas des Gisements Abitibi, Fiche No 182. Springer. CONSOREM. Faure S., Gaboury D.
GM-60258 (2001)	Rentabilité de l'exploitation des piliers de surface, Projet Mine Opemiska. E. Gaucher.
GM-60259 (2001)	Métallurgie des rejets du moulin, projet Mine Opemiska. E. Gaucher, A. Laplante.
GM-60262 (2001)	Plan d'affaire d'Ex-In Inc. sur Opemiska. Gaucher E., Gaucher P.
GM-60257 (2002)	Évaluation des Ressources en Cuivre et en Or exploitables a partir de la surface, Localisation des sites prioritaires a investiguer, Projet EX-07C, Mine Opemiska. Gaucher E.
GM-60260 (2002)	Digitalisation des forages, Mine Opemiska
GM-60261 (2002)	Validation des Ressources de Minerais exploitables à ciel ouvert, phase 2 révisée, Mine Opemiska. Gaucher E.
GM-63383 (2007)	Campagne de forage, secteur de la Mine Opemiska, Projet EX-07C. hiver 2005-2006, St-Pierre R. & Gaucher E.
GM-64969 (2009)	Rapport d'un levé de Polarisation Provoquée effectué sur la propriété Opemiska. Hubert, J.M. Explorateurs-Innovateurs de Québec Inc.
GM-64968 (2010)	Campagne d'Exploration 2009, Propriété Opemiska. Explorateurs-Innovateurs de Québec Inc. (Ex-In). Gaucher, E. & Pearson, N.
GM-65209 (2010)	Travaux de terrain 2009, Propriété Opemiska. EX-IN. Gaucher E., Pearson N.
GM-65737 (2010)	Levé de Polarisation Provoquée, propriété Opemiska (EX-07C) Block Nord. GEOSIG.
GM-65965 (2011)	Campagne d'Exploration 2010, Propriété Opemiska. Explorateurs-Innovateurs de Québec Inc. Drilling. Gaucher E., Pearson N., and Kongo J.B.
RP-2010-09A (2011)	Geology of the Chapais area (32G15-200-0101). Compilation, Geological Survey. MRNF. Leclerc F., Houle P., Rogers R.
RP-2013-02A (2014)	Geology of the Lac Simon Region (32G15-200-0102). Compilation, Geological Survey. MRNF. Leclerc F., Houle P.
GM-69674 (2016)	Campagne d'exploration 2015, Propriété Opemiska. Gaucher, F. & Gaucher P. Explorateurs-Innovateurs de Québec Inc.

<b>Table 1.3</b>	
<b>Opemiska Property Assessment Filed Between 1994 and 2016</b>	
<b>Assessment File ID (Year)</b>	<b>Summary</b>
GM-70399 (2016)	Report on the limited core drilling campaign completed December 2016 on the Opemiska mining property. Larouche, C. for Explorateurs-Innovateurs de Québec Inc.

*Source: Table 6.3, located on page 29-30 of the Opemiska Report.*

### **Surface Exploration**

Surface exploration work was completed by Ex-In, who acquired the claims on the Springer and Perry Mines in 1995. A list of mineralization targets compiled by Ex-In in 2002 is provided in Table 6.4, located at page 32 and 33 of the Opemiska Report.

Exploration was completed in 2009 in the southwest quadrant of the Opemiska Property. Compilation, line-cutting (4.5 kilometres), stripping, sampling, metallurgical testing, and Induced Polarization ("IP") surveys were also completed. An Ex-In report also records that, in 1995, a sample weighing 15.5 tonnes was extracted from a surface vein at Opemiska, in order to test the recovery of surface pillars. Results were disappointing. In 1998, Ex-In also carried out an experimental gravimetric survey. In 2000, Ex-In started a prefeasibility study to test the possibility of mining lower grade material left behind at the closure of the mines. In 2002, a 100 metres core drilling program was completed, to test a surface vein that was not exploited. In 2003, Beep-Mat prospecting was completed, along with stripping and trenching. In 2004, a line grid was cut to guide a max-min survey. Additional sampling was conducted. In 2005, magnetic separation tests were completed. In 2006, a second core drilling program of 1,000 metres was initiated on five separate veins to test for the presence of mineralization close to surface.

Work completed in 2009 led to the discovery of a boulder carrying high-grade gold south of the Opemiska Property. Ex-In went back to old surface and underground maps, in order to find a possible source for the high-grade boulder. It is reported that at levels 200 metres and 400 metres, two zones drilled systematically at 15 metres, have been previously investigated for gold. One zone is located north of Springer No. 1 Shaft and the other one is south of that shaft. The report also notes that certain drill holes confirm the presence of 150 metres wide sections grading >0.5% Cu and 0.3 g/t Au.

A trench, 200 metres long by 3.0 metres wide oriented north-south, perpendicular to the mineralized structures, was completed in 2009. The overburden thickness ranged from 0.5 metres to 5.0 metres locally. Sampling was completed by blasting every 2.5 metres along the trench. The trench exposed three separate mineralized zones. The most northerly zone corresponds to the No. 3 Vein, just east of the Opemiska Property's glory hole, an average value of 2.15% copper and 0.53 g/t Au was calculated over a width of 14.55 metres. This zone is in an area of previous surface drilling by Falconbridge with drill holes S-140, S-141, S-148, S-149 and S-150. The second zone of interest graded 2.99% Cu and 1.06 g/t Au over a width of 12.55 metres. On the sketch provided by Ex-In (2002), this second zone of mineralization appears to be located approximately 60 m southwest of Vein No. 3 and would correspond to the "Vein 3 South" projected at surface (previous drilling is also located in this area). The third zone intersected lies due south of the previously noted zone, approximately 100 m south of No. 3 Vein South, and returned values of 0.65% Cu and 0.83 g/t Au over a width of 21.5 metres on top of a recently located IP anomaly. This third zone would fall in the western extension of the No. 13, 4 and 5 Zones. Drill hole S-853 was also completed in this area. Note that the samples were collected after blasting and, therefore, that such sampling is equivalent to grab samples.

Channel sampling was also completed on Vein No. 2, south-southeast of Springer Shaft No. 1. Good results were returned from the sampling, a length of 75 metres was sampled every 5.0 metres. The copper values were up to 26.0% Cu and the gold values up to 11.11 g/t Au. Individual widths were not given within, except a note that the vein sampled averages 0.45 metres, locally 1.0 metres wide. This stripping and



sampling location was the site of the 2006 surface drilling by Ex-In. A rapid survey of the data acquired on this vein does not show a direct correlation between the higher values in copper and gold.

Based on the work of Dimroth *et al.* (1984), Daigneault and Allard (1990) and Dubé and Guha (1992), the principal movement along the Gwillim Fault was concluded to have occurred after the formation of the mineralized faults at the Springer and Perry Mines and had very little influence on this style of mineralization. On the other hand, the veins at Springer and Perry are considered to be related to the post-D2 fold structures in the inverted and conjugate synformal anticline and antiformal syncline located along and next to the Gwillim Fault, with geometric relations consistent with sinistral displacement along this fault. If these fold structures, which are unique to the Chibougamau region, are related to the Gwillim Fault, this suggests that the mineralization at Chapais may all be related and produced in the late-stages of movement along that structure.

The main east-west vein (Vein No. 3) is the most important mineralized structure at Springer. Vein No. 3 has a horizontal length of 900 metres, an average width of 6.0 metres, and it has been mined to a depth of 1,000 metres. Mineralized material extracted from Vein No 3 totalled 6,491,793 tonnes grading 2.61% Cu and 0.69 g/t Au. Vein No. 7 (also east-west trending) extended for 606 metres horizontally with an average width of 2.4 metres and was mined to 1,000 metres depth. A total of 616,320 tonnes of mineralized material grading 1.88% Cu and 2.37 g/t Au has been extracted from this vein. Many other smaller veins have been mined at Springer for a total production of 13 million tonnes of mineralized material grading 2.54% Cu, 0.48 g/t Au, and 0.28 g/t Ag.

The Perry Shaft is located approximately 700 metres east of Springer No. 2 Shaft. The mineralized structures generally strike north-northwest and dip to the northeast. Veins "B" and "D" were the most important. Vein "B" was mined for a length of 455 metres with an average width of 12.0 metres and a vertical continuity of 600 metres. Vein "D" had a length of 330 metres, width of 7.6 metres and vertical extension of 750 metres. Total production at Perry is reported to be 9.0 million tonnes grading 2.19% Cu, 0.02 g/t Au, and 0.11 g/t Ag.

### ***Drill Programs by Ex-In***

Exploration diamond drilling campaigns were completed by Ex-In in 2006, 2010, 2015 and 2016. The drill core size varies from BQ (earlier drilling) to NQ (recent drilling). The drill core was logged with the sampling focused on the main mineralized veins, whereas most of the remaining drill core was assayed in 3.0 to 6.0 metres sections. The assaying was carried out systematically for Cu (with few duplicate samples). Assaying for Au, Ag and Zn has not been carried out systematically.

In 2006, Ex-In completed approximately 46 short drill holes for a total of 970 metres. Drill hole collar locations are listed in Table 6.5 and assay results in Table 6.6, located at page 35 and 36 of the Opemiska Report.

Nineteen surface diamond drill holes totalling 1,748 metres were completed by Ex-In in 2010 on the Opemiska Property. Drill hole collar locations are provided in Table 6.7 of and significant assay results in Table 6.8 located at page 38 and 39 of the Opemiska Report.

The casings for the 2015 drilling were located by a land surveyor. Drill hole OP-2015-01 intersected 22.78% Cu over 0.75 metres (part of a section grading 4.21% Cu and 0.73 g/t Au over 7.6 metres, from 3.0 metres to 10.6 metres along the drill hole). This drill hole duplicated a previous drill hole by Falconbridge, drill hole S-26 drilled in the 1930s that intersected 5.29% Cu over 0.61 metres (from 27.5 to 29.5 feet). The location of diamond drill hole OP-2015-01 has been surveyed by the land surveyor after locating the old casing for drill hole S-26.

The mineralized intersection in drill hole OP-2015-01 has been estimated at 0.98% Cu and 0.24 g/t Au over 54.0 metres. Only a small section (single assay) of drill hole S-26 has been sampled. Drill hole OP-2015-05 intersected 1.28% Cu, 0.50 g/t Ag, and 0.52 g/t Au over 6.0 metres (from 57.0 m to 63.0 m along the

drill hole). This mineralization has also been reported as grading 0.11% Cu, 12.09 g/t Ag and 0.11 g/t Au over the 108.0 metres length of the drill hole. No cut-off values were used in the calculation of the composite. The best mineralized intersection (57.0 metres to 63.0 metres) has been recalculated as: 1.28% Cu, 0.52 g/t Au and 4.45 g/t Ag.

A second intersection of 0.17% Cu, 0.05 g/t Au, and 0.70 g/t Ag has been cut between 87.0 metres and 90.0 metres along the drill hole, and a third intersection between 102.0 metres and 105.0 metres, grading 0.406% Cu, 2.39 g/t Au, and 2.6 g/t Ag over the 3.0 metres. The 12.09 g/t Ag value over the length of the drill hole should be re-evaluated, because all other assays for silver within drill hole OP-2015-05 were "trace". In drill hole OP-2015-05, the Cu values are "not anomalous" between the mineralized intersections.

Drill hole OP-2015-07 "duplicated" historical drill hole S-51, although the report does not specify if the casing was found in the field. The best intersection, as reported in the assessment work report, returned 0.23% Cu, 1.4 g/t Ag and 0.03 g/t Au over 3.0 metres (from 72.0 to 75.0 metres along the drill hole). A composite grading 0.04% Cu, 0.55 g/t Ag, and 0.004 g/t Au has been calculated for the entire 138 metre length of the drill hole. A review of the drill log with assays indicates a value of 0.023% Cu, with trace Au and Ag between 72.0 and 75.0 metres. Nevertheless, the assays show the reported values between 84.0 and 87.0 metres. All other assays from the drill hole are <0.05% Cu, <0.01 g/t Au, and <5.0 g/t Ag, except for an anomalous section from 126.0 to 132.0 metres.

Drill hole OP-2015-09 was designed to test a mineralized zone intersected previously in drill hole U-408 (underground). A zone grading of 0.90% Cu, 13.3 g/t Au, and 1.18 g/t Au over 3.0 metres was intersected from 81.0 to 84.0 metres along drill hole 2015-09. The description of the drill core indicated that possibly a "chlorite shear" sub-parallel to the drill core axis had been followed. The mineralized section reported appears at 84.0 to 87.0 metres, the section also graded 1.18 g/t Au. A second anomalous section was recorded between 99.0 to 105.0 metres.

The intersections indicate that the width of the copper mineralization increases westward, toward the contact between the Ventures Sill and Blondeau Felsic Volcanics formations.

The 2016 drilling program consisted of nine surface diamond drill holes for a total of 708 metres. The drill holes were planned by P. Gaucher, Ing. and F. Gaucher, geophysicist, following numerous years of compilation work, limited surface detailed exploration (stripping, sampling and diamond drilling), and geophysical surveying, including a recent experimental time-domain electromagnetic ("TDEM") ground geophysical survey. Logging and sampling were supervised by C. Larouche.

Except for drill hole OP-16-03 and the end of drill hole OP-16-04, which intersected felsic volcanics of the Blondeau Formation, all of the 2016 drilling was located within the upper portion of the Ventures Sill, proximal to contact with the structurally underlying, but stratigraphically overlying felsic volcanics.

The gabbro is medium- to coarse-grained, locally pegmatitic, variably magnetic, and the composition appears locally to be more ultramafic (pyroxenite). The gabbro is locally more chloritic, fractured and brecciated. These well-defined and altered rock corridors are generally injected by variable amounts of magnetite, quartz veining, pyrite and chalcopyrite.

The copper-gold mineralization was observed in many forms:

Magnetite Veins: (massive) with fine disseminated chalcopyrite;

Pyrite Veins: with fine-grained chalcopyrite;

Fractures: filled by massive chalcopyrite;

High Sulphide Veins: (30 to 70% quartz present) quartz usually carries fragments of massive magnetite and fractures are filled up locally with pyrite but usually massive chalcopyrite. Commonly these veins are surrounded by narrow halos rich in magnetite;

Sulphide Veins: massive chalcopyrite veins with lesser amount of disseminated fragments of magnetite. Again, magnetite veins at contacts; and

Quartz-Carbonate Stringers: with trace chalcopyrite.

Certified reference materials or blanks were not inserted into the sample batches for any of the drilling programs prior to QC Copper's 2019 program. However, all the assay certificates have been preserved and all the drill cores from this period are available. A suite of mineralized drill core samples was quarter-cut and sampled as part of the 2021 diamond drilling program, in order to validate the pre-QC Copper drilling assay.

A summary of significant drill hole assay intersections is presented at Table 6.12 located on page 43 and 44 of the Opemiska Report.

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

#### **Regional Geology**

The Opemiska Property area is located within the Superior Structural Province of the Canadian Shield, which is present in eastern Canada and the northeastern USA. The Precambrian rock units are generally covered by a "veneer" of glacial overburden.

The Chapais-Chibougamau Mining District (Figure 7.1, located on page 47 of the Opemiska Report) is located in the northeast part of the Abitibi Subprovince. The Abitibi Subprovince is one of the world's largest contiguous areas of Archean metavolcanic and metasedimentary rocks and hosts many significant mineral deposits. The general lithological distribution is characterized by oval-shaped granitoid batholiths surrounded by east-to-west trending "greenstone belts" that appear to wrap around and enclose the batholiths. Regional and local folding is common, and the dips of the rock units are generally sub-vertical. The region under study is located within the Northern Volcanic Zone of the Abitibi Subprovince.

#### **Local and Property Geology**

The metavolcanic stratigraphy in the Chapais-Chibougamau area is representative of deep-water deposition to submarine environments. The metavolcanic-sedimentary package is cut by mafic to ultramafic intrusions (Lac Dore Complex being the best-known example), mafic sills (Cummings Sills and gabbro), and younger plutonic intrusions that range from tonalite to carbonatite in composition.

The geology of the Opemiska Property is characterized by a fold affecting the Cummings Complex introduced at the lower contact of felsic volcanics of the Blondeau Formation (Figure 7.2, located on page 49 of the Opemiska Report shows the relevant formations). The Cummings Complex are comprised of three separate differentiated sills: the Roberge Sill at the base; the Ventures Sill; and the Bourbeau Sill higher-up in the Blondeau stratigraphy.

#### **Deposit Geology and Mineralization**

The mineralization at the Opemiska Property consists largely of chalcopyrite-bearing quartz veins that occupy fracture systems in the folded and faulted gabbroic portions of two conformable, regionally extensive, layered Archean ultramafic-mafic sills. The veins are generally restricted to the fracture system and in lower grade halos around the main fractures/veins. The width and frequency of the veins tend to increase toward the dilated nose of the main structure at the Springer Mine (Watkins and Riverin, 1982).

The mineralization at the Springer Mine is associated to a series of east-trending (090°), steeply (65°) north-dipping, sets of axial plane faults and fractures with right-handed (dextral) displacement that developed in areas of maximum inflexion of folds (Watkins and Riverin, 1982). Plan and cross-section views of the Springer Mine show at least three different orientations for the mineralized veins (Figures 7.4 and 7.5 located on page 53 and 54 of the Opemiska Report), which could indicate a conjugate fault system or separate fracture systems.

### **Deposit Types**

The mineral deposit type on the Opemiska Property is structurally controlled copper-gold veins. The veins occur in east-west trending axial planar faults and northwest-trending radial structures within the folded mafic-ultramafic Ventures Sill and Bourbeau Sill. The folds postdate the main east-west trending regional isoclinal folds, but predate the third phase of deformation, and are interpreted to represent drag folding during sinistral movement along the Gwillim Fault (Figure 8.1, located on page 57 of the Opemiska Report). Progressive deformation of the Ventures Sill caused rupturing of the unit, which produced axial planar and radial fractures and faults, some of which were subsequently mineralized when the regional compression rotated from north-south to northwest-southeast, opening up the existing structures and providing pathways for circulation of mineralizing hydrothermal fluids.

In the Chibougamau Mining Camp, structurally-controlled copper-gold mineralization occurs in west-northwest trending dextral shear zones related to the second deformation event and in cross-cutting, northeast-trending dextral shear zones.

Comparing the veins systems at the Springer and Perry Mine Deposits on the Opemiska Property with the Chibougamau Mine Deposits farther east, the veins proximal to the Gwillim Fault at the Springer Mine contain significantly higher gold grades than the more distal veins (Salmon *et al.*, 1984), while at Chibougamau, the main copper veins are oriented northeast-southwest at Henderson-Portage Mines, but the later-formed "Mines Shears" oriented at 110° appear to carry more gold.

### **Exploration**

Exploration work by QC Copper has been focused on diamond drilling and geological compilation and re-interpretation work. In addition, a geophysical 3-D IP survey, a drill hole televiewer survey and a structural geology study were completed.

### **Re-interpretation of Geological Model**

QC Copper continued the extensive compilation work started by Ex-In on the historical Springer and Perry Mines. During operation of the Mines, all drill holes were logged on paper and no digital records were compiled. QC Copper built a digital database that includes drill hole collar locations, deviation tests, geology, sampling, and assay results. The compilation included all the historical surface and underground drill holes for a total of 19,471 drill holes (1,074,735 metres) and 375,931 samples.

None of the drill core from the historical surface and underground drilling during the mining period were preserved and there is no means of directly validating historical assays. Assay certificates were not preserved and the samples were assayed at the on-site mine laboratory. No information is available as to the sample preparation or analytical methods used by the mine. Some of the historical surface drill holes were twinned in the 2019 and 2021 diamond drilling programs. The assay results and logs were compared in detail with the historical drilling, with the ultimate objective of validating all the historical mining results.

Level plans, sections and longitudinal projections were scanned and georeferenced to confirm the location of all the drill holes and to digitize all the underground mine openings. All underground drifts, veins and stopes were digitized from the available scanned maps and combined into 3-D wireframe models and ultimately integrated into GEOVIA GEMS™ modelling software and later converted to Micromine™ format. Geological contacts and faults were also digitized from level plans and the linework combined into 3-D

surfaces to aid interpretation. Several hundred individual 3-D wireframes of the veins and stopes were constructed to approximately the -150 metre elevation (approximate depth of 550 metres below the surface) and subsequently down to the bottom of the historical Springer Mine, around 650 metres in depth, and to the bottom of the historical Perry Mine, around 1,000 metres in depth. Many stopes were intersected during the 2019 and 2021 drill programs typically within one or two metres of the projected downhole locations from the drill hole collars as projected in 3-D.

All the work described above was performed in the original local mine grid coordinates. All the drill holes and the 3-D wireframe models were subsequently converted to UTM coordinates and elevations above sea level, in order to better integrate with GPS and surface data, such as the Chapais town site and surrounding road network, using the transformation equations in listed below:

Mine to UTM NAD83, Zone 18 Co-ordinate Transformation Equations:

$$X\_UTM = (0.3048 * X\_Mine) + 508,249.09$$

$$Y\_UTM = (0.3048 * Y\_Mine) + 5,513,407.36$$

$$Z\_UTM = (Z\_Mine - 3,676.91) * 0.3048$$

These equations were generated by a qualified land surveyor in Chibougamau, based on regression analysis of a large number of mine-era surface drill collar casings that were re-surveyed using a differential GPS unit. They were validated and confirmed when new found surface drill casings were located and georeferenced. In addition, QC Copper's drilling located buried drill casings within 1 or 2 metres accuracy, when bulldozing new drill setups and projected stopes were typically encountered within a few of metres of the anticipated down hole depth locations.

### Geophysics

In 2022, QC Copper completed a high resolution, 75-metre line spacing airborne magnetic survey that covered the Opemiska Property and QC Copper's adjacent properties (Figure 9.1 located on page 60 of the Opemiska Report). The survey data were micro-levelled to provide the maximum resolution and interpretability. Previous magnetic susceptibility measurements on drill core were used to constrain the 3-D inversions of the airborne survey data. This study was expected to define distinct geological domains for improved Mineral Resource modelling. The geophysical data reprocessing and 3-D inversions results indicate that the Ventures Sill is variably magnetic with the most magnetic portion corresponding to the Ventures Gabbro and Green Pyroxenite units. The magnetic response within these units, where cut by northwest-trending mineralized faults, is diminished, which suggests that the mineralizing fluids were magnetite destructive. Magnetite is a ubiquitous vein mineral, which suggests that either the magnetite was chemically remobilized into the veins or that the veins formed in the late stages of the hydrothermal system, when the fluid composition evolved from magnetite destructive to magnetite formative.

During the fall 2022, Géophysique TMC was commissioned by QC Copper to complete a mise-à-la-masse survey in the vicinity of the Saddle Zone (as described in Figure 10.9 on page 89 of the Opemiska Report). The purpose of the survey was to confirm the connection between the mineralized zones and aid interpretation of the geological model in the area. Beforehand, a field grid consisting of 13 lines ranging from 275 to 600 metres long was cut to lay the wires to guide the survey.

The mise-à-la-masse survey consisted of two types of readings. The first is a surface survey, which consisted of putting an electrode down the drill hole to the level of a mineralized zone and reading along the surface lines. For this, a total of 14 different readings were made, using 6 different drill holes. The second type of reading was drill hole-to-drill hole reading, which consisted of placing one transmitting electrode in one drill hole, at a mineralized interval and the receiving electrode at the same interpreted interval in an adjacent drill hole, and reading along one line to confirm the connection of the two zones.

Structural Geology Study

QC Copper engaged SRK Consulting Inc. to complete a structural geological study to better understand the relationships between the different veins and mineralized faults of this structurally-hosted Cu-Au-Ag deposit. The purpose of the study was to integrate all the available observations, including surface stripping, drill core, underground geology level plans, longitudinal projections and cross-sections, 3-D shapes of the existing stopes, and constrained inversions of the airborne magnetic data, into a comprehensive structural model for the Opemiska Deposit.

**Drilling**

In total, 17,837 completed surface and underground drill holes for 1,145,402 metres are recorded at the Opemiska Property. A breakdown of the drill holes and metres is presented in Table 3.1.

<b>Table 1.4 All Inclusive Drilling Statistics on Opemiska Deposit</b>		
<b>Drilling Phase</b>	<b>Number of Drill Holes</b>	<b>Total (m)</b>
Historical Mine_Surface	631	87,469.0
Historical Mine_UG	16,840	987,265.8
2002	7	104.5
2005	46	969.8
2010	19	1,748.0
2015	4	537.0
2016	9	708.0
2019	23	3,363.6
Early-2021	78	16,411.6
Late-2021 to 2023	180	47192.2
<b>Grand Total</b>	<b>17,837</b>	<b>1,146,690.7</b>

*Source: Table 10.1, located on page 61 of the Opemiska Report.*

QC Copper completed drill hole programs in 2019 (as its predecessor company, PowerOre Inc.), in winter-spring 2021, in autumn-winter 2021-2022, in summer 2022, and in winter 2023. These drill programs were all completed according to industry standards with certified reference materials and blanks inserted in the sample stream to monitor and control the quality of the assay data. In addition, duplicate, ¼ drill core samples of mineralized rock were sampled to estimate sampling variance and verification assays were undertaken in a second laboratory to confirm the accuracy of the principal laboratory, ALS-Global.

**2019 Drilling**

In 2019, an initial 23 hole, 3,364 metre, diamond drilling program was carried out on the Springer Zones with the primary objective of verifying that significant disseminated mineralization exists between the veins that were mined underground. Drilling focused on crown pillars and interior pillars, where these could be targeted, and results confirmed the expectations that the Project could be re-evaluated as an open pit to mine pillars and the low-grade material that was left in the underground due to prevailing economics.

A series of drill holes were completed to duplicate some of Falconbridge's drill holes, to test favorable sections for disseminated copper mineralization adjacent to largely mined out "high-grade copper zones", and to investigate the metavolcanic/gabbro contact for disseminated copper mineralization within both the Ventures gabbro and felsic metavolcanic rocks. A total of 23 NQ-size drill holes (diameter 4.76 centimetres)

were completed for 3,364 metres. A total of 1,251 samples were sent to an independent commercial laboratory for analysis.

The drill program, logging and sampling were carried out under the supervision of Claude Larouche, P.Eng., Ing. Samples of drill core were cut longitudinally along a line marked by the logging geologist and cut in half using a diamond drill core saw. Samples were assembled in batches with pulps of certified reference materials and blanks. Approximately 10% of the samples submitted for analysis were either certified reference materials or blanks. In addition, a suite of drill core duplicates was submitted for analysis. Finally, a suite of mineralized drill core from the 2010, 2015 and 2016 drilling programs was quartered and submitted for validation assay. These results are reviewed in Section 12 of the Opemiska Report.

The 2019 diamond drilling program's objective was to confirm the presence of wide, near-surface mineralization on the periphery of existing mined out veins. This objective was confirmed, and significant intervals were also identified in areas previously considered to be barren. In addition, some "un-named" veins were intersected in the drilling; these were not mined underground, because they did not meet the minimum threshold requirement of 1.5% Cu over a minimum of 1.5 metres (5 feet). Moreover, drilling in the vicinity of the historical process plant indicates that the mine left much thicker crown pillars in this area, presumably to protect the mill infrastructure. Finally, a total of 10 of the 23 drill holes were twins or quasi-twins of historical mine surface drill holes. Preliminary results of the comparison of the locations, widths and grade distributions between the historical assays and the quality assurance/quality controlled ("QA/QC") drilling by QC Copper indicates the historical in-house mine assay results are compatible with modern sampling. This data will be combined with additional twin holes in the 2021 drilling in Section 12 of the Opemiska Report to validate the historical assays.

### **Winter-Spring 2021 Drilling Program**

From January 22 to May 16, 2021, QC Copper undertook a drilling campaign on the Opemiska Property. The work was carried out by Forage Miiikan, a subsidiary of Forage Chibougamau. During the campaign, 78 drill holes were completed for a total of 16,411 metres. All drill holes were completed with NQ sized drill core, using a hexagonal bar and a long reamer sleeve to minimize drill hole deviation.

The work was carried out under the supervision of Denis McNichols, P.Geo., Project Manager for QC Copper. Drill core was logged by Patrice Rioux, géo. Junior, Julien Huget, Ing. Junior, Vincent Raymond, géo., all three working for Laurentia Exploration and by Armando G. Monteza, P.Geo. Junior, employed by QC Copper. The drill core processing and the operation of drill core sawing equipment were carried out under the supervision of Mr. André Bouchard of Chapais, currently an employee of QC Copper.

The drill collars were set-up by a professional land surveyor, who returned to the field after the campaign to record the final position of the drill holes. All the drill hole collars were aligned using an "Azimuth Aligner" from Minnovare. This method guaranteed an accuracy of 0.1° on the direction and on the dip of the drill holes, and is not affected by the high magnetic susceptibility of the rocks in the Ventures Sill. The device was checked regularly to ensure it was properly calibrated. The deviation tests were completed using a Reflex magnetic device, starting at 30 metres and subsequently at 50 metres intervals. Outlier azimuths and dips were removed from the dataset before plotting.

### **Drilling Programs in Late 2021, 2022 and 2023**

Subsequent to the publication of the Initial Mineral Resource Estimate for the Opemiska Project, from October 26, 2021, to February 12, 2023, QC Copper undertook three drilling programs on its Opemiska Property: (1) fall-winter 2021-2022; (2) summer 2022; and (3) winter 2023. The work was carried out by forage Pelletier, forage Chibougamau and forage Nordik.

A total of 180 drill holes totalling 47,192.2 metres were completed over the course of the programs. The diamond drilling programs were carried out on the Springer, Saddle (located between Springer and Perry), Perry, Bouchard and McNichols Zones, with the objective of verifying the presence of significant

disseminated mineralization. The locations of the 2021, 2022 and 2023 drill holes are shown in Figures 10.3 to 10.5 of the Opemiska Report. Drill hole collar locations, orientation and lengths are listed in Table 10.6 of the Opemiska Report.

The work was carried out under the supervision of Denis McNichols, P.Geo., Exploration Manager for QC Copper. Drill core was logged by geologists in-training, employed by QC Copper. The drill core processing and the operation of drill core sawing equipment were carried out under the supervision of André Bouchard, employed by QC Copper.

The drill holes were completed to test favourable targets for disseminated copper mineralization, adjacent to largely mined out "high-grade copper zones" and to investigate the metavolcanic/gabbro contact for disseminated copper mineralization within the Ventures Gabbro and felsic metavolcanic rocks.

Many drill holes were completed with NQ size using a hexagonal bar and a long reamer sleeve to minimize drill hole deviation, except for some drill holes that crossed underground stopes or mine drifts and were drilled telescopically in HQ-NQ-BQ size, in order to pass through those openings.

The drill collar sites were located initially by QC Copper personnel using a handheld GPS. Before drilling, all the drill hole collar alignments were determined with an "Azimuth Aligner" from Minnovare. This method guaranteed the accuracy of 0.1°, on the direction and on the dip of the holes, and is not affected by the high magnetic susceptibility of the rocks in the Ventures Sill. The device was checked regularly to ensure proper calibration. The deviation tests were completed every 50 metres using an Axis Mining Technology gyro. Suspicious azimuths and dips were removed from the dataset before plotting. At the completion of each drill program, a professional land surveyor returned to the field to measure and record the final UTM coordinates of each collar using a differential GPS unit.

Drill core samples were cut in half using a diamond saw along a longitudinal line drawn by the logging geologist. Samples were collected in batches with insertion of certified reference material sachets and blanks. One certified reference material and one blank were sent with every 50 samples. In addition, quartered drill core duplicate samples were submitted for analysis. A total of 29,914 samples were sent to an independent commercial laboratory for analysis.

### ***Sampling, Analysis, and Data Verification***

#### **Historical Sampling and Security**

Little is known about the sample preparation, analysis and security procedures used during historical drill programs carried out at the Opemiska Property prior to Ex-In's first drilling program in 2002. The majority of the historical programs were undertaken in the context of historical underground mining at the Springer and Perry Mines. Procedures used by past operators were very likely those in common use at the time of the historical programs. However, documentation relating to the sampling and analytical methods utilized by historical operators has not been reviewed by P&E. The Opemiska Mining Division did undertake annual grade reconciliation that gave variable results, due to the inherent issues of mining multiple deposits with different copper and gold grades.

The previous mining operators, Falconbridge and Minnova, carried out work at the Opemiska Property from 1953 to 1991, which consisted of 1,074,735 metres of drilling in 17,471 surface and underground drill holes within and near the original vendor property outline. Although Falconbridge collected over 375,931 samples for assay throughout this period, no drill core, reject or pulp samples remain.

To confirm the grades determined by Falconbridge at the Opemiska Property, QC Copper has undertaken drill hole-twinning programs as described in Section 12.2.1 of the Opemiska Report. This work confirmed that mineralized zones are located in the same locations as in the original drilling, that the widths of mineralization are consistent, and that copper assays for the largest part of the grade curve in the 2021



Mineral Resource Estimate ("MRE") are similar to the results obtained by the mine. On the other hand, gold assays are much more variable and difficult to compare with historical drilling results.

The absence of drill core from the historical mine drilling at the Opemiska Property rules out resampling to confirm historical grades and, with the majority of the mine drilling completed underground, the twinning of historical drill holes is also impossible. An alternative to confirming the accuracy of historical in-house mine assays is to drill in detail a portion of the Opemiska Deposit and compare the resulting tonnage and grade estimates with those estimated from the historical mine drilling. This will be recommended as part of future drilling programs on the Opemiska Deposit.

A complete review of historical drilling was presented in the 2021 MRE.

### **Sampling and Security – Ex-In (2002 to 2016)**

The following description of sample preparation and security procedures has been taken largely from Larouche (2019).

During the recent drill programs (2002 to 2016), the drill core was partially cut with a rock saw along its longitudinal axis and sampled every 0.3 metres and up to 3.0 metres, following the typology of the mineralization. Generally, the shorter intervals represent isolated veins or well-mineralized sections, and such sections carry higher grade.

The sampling steps were as follows:

- The drilled core was put in boxes that were closed and tied solidly for transportation; the boxes were transported to a secure location by a pick-up truck; the drill core boxes were then unloaded, washed if necessary and tagged with aluminum tags embossed with the drill hole number, box number and from-/to- interval were stapled onto the end of each drill core box;
- The drill core was measured and described by the geologist (consultant), noting different geological units, alteration, structure, and mineralization (sulphide). Sections with alteration and mineralization were usually marked for sampling;
- Experienced technicians hired by the exploration company performed the sampling;
- The entire length of each drill hole was sampled, with mineralized sections sampled along mineralized contacts; the remaining drill core was assayed at approximately 3.0 metre intervals;
- One-half of the drill core was sampled and placed in a tagged bag for assay. The other half was replaced in the box with corresponding tags placed at the beginning or the end of the sampled interval, depending on the geologist;
- The metallic sample pans and the splitter were cleaned after each sample was taken;
- Each sample bag was then sealed and placed in larger shipping bags that were delivered directly by the company personnel to the commercial laboratory for assay; and
- The other half of the drill core, retained in the drill core boxes for reference and further detailed sampling, was moved to a permanent storage in steel drill core racks within fenced yards;

The drill core was safeguarded within a locked building and fenced yard in Chapais. The rejects and pulps were stored in Québec City. Since QC Copper took over management of the project, the pre-2019 core boxes were transferred to a new storage facility where all core are stored together. The pulps and rejects in Québec City were evaluated and trashed because of likely oxidation due to poor storage over many winters.

### **Sampling and Security – QC Copper and Gold Inc. (2019 to 2023)**

Sample preparation and security procedures for the 2019 to 2023 drill programs are described as follows:

- The drilled core is stored in boxes that are closed and tied solidly for transportation; the boxes are transported to a secure location by a pick-up truck; the drill core boxes are then unloaded, washed if necessary and tagged with aluminum tags embossed with the hole number, box number and interval from/to- are stapled onto the end of each drill core box;
- The drill core is photographed (1 photo per 4 boxes), both dry and wet, in order to obtain better optical results;
- RQD was conducted systematically over all pre-2021 MRE drill holes. For the post-2021 MRE drilling, a machine learning procedure was developed based on the images of the drill core that produced a measure of rock quality designation that is comparable to the traditional method;
- MPP measurements (magnetic susceptibility) are also systematically conducted over the length of every drill hole;
- The drill core is measured and described by the geologist (consultant or employee), noting different geological units, alteration, structure, and mineralization (sulphide). Intervals with alteration and mineralization are usually marked for sampling;
- The drill core is cut with a diamond core cutting saw. One half of the drill core is sampled and placed in a tagged bag for assay. The other half drill core is returned to the box with corresponding tags placed at the end of the sampled interval and an aluminum tag with sample number and metreage for each sample is stapled at the beginning of the sample;
- During the most recent drill program, which commenced in the fall of 2021 immediately following publication of the 2021 MRE, drill core was typically sampled every 1.5 metres. Where more localized veins or shorter intervals were present, drill core sample lengths were reduced accordingly, with a minimum sample length of 0.8 metres. Generally, the shorter intervals represent isolated veins or well-mineralized sections; generally, such intervals carry higher copper grades;
- The metallic pans and splitter are cleaned after each sample is taken;
- Sample bags are then sealed and placed into larger shipping bags that are delivered directly by QC Copper personnel to the commercial laboratory for assay, or delivered to a reputable and independent transport company to complete delivery to the commercial laboratory;
- During the process of sample preparation, quality control samples are introduced between regular samples;
- The other half of the drill core, retained in the drill core boxes for reference and further detailed sampling, is moved to a permanent storage in steel drill core racks or cross-piled on pallets, within fenced yards; and
- The drill core storage facilities are under constant video surveillance and footage of video is monitored constantly to detect intrusion.

The drill core sampling statistics indicate that a total of 419,108 assays were available within or near the 2021 MRE conceptual open pit, of which 41,885 samples have full QA/QC results. Since the publication of the 2021 MRE, a total of 29,914 samples of drill core were collected and submitted for analysis with accompanying quality control.

## **Sample Preparation and Analysis**

Drill core samples collected by Ex-In at the Opemiska Property from 2010 to 2016 were analysed at Laboratoire d'Analyse Bourlamaque Ltée., ("**Bourlamaque Lab**") and ALS Minerals ("**ALS**") in Val-d'Or, Québec, Techni-Lab S.G.B. Abitibi Inc., ("**Techni-Lab**") and Activation Laboratories ("**Actlabs**") in Québec. Drill core samples collected by QC Copper at the Opemiska Property in 2019 were analysed at Laboratoire Expert Inc., ("**Expert Lab**"), of Rouyn-Noranda, Québec, and by ALS in Val-d'Or, Québec from 2021 to 2023. Both laboratories are independent of QC Copper.

### ***ALS (2010)***

Samples at ALS throughout 2010 were analysed for gold by fire assay ("**FA**") with atomic absorption ("**AA**") finish, with higher-grade samples further analysed by FA with gravimetric finish. Samples were also analysed for a suite of 35 elements, including silver, copper and zinc, by aqua regia digest with ICP-AES finish. ALS maintains ISO registrations and accreditations and all ALS geochemical hub laboratories are accredited to ISO/IEC 17025:2017 for specific analytical procedures.

### ***Bourlamaque Lab (2010 to 2015)***

Samples at Bourlamaque Lab throughout 2010 to 2015 were analysed for gold, palladium and platinum by lead FA with AA finish. Silver, copper and zinc samples were analysed by aqua regia digest with AA finish, with high-grade samples further analysed by total digestion and AA finish. Bourlamaque Lab is a non-accredited commercial laboratory. However, as part of the lab's internal QA/QC protocol, blanks, certified reference materials ("**CRM**") and duplicates are inserted into the sample sequence.

### ***Techni-Lab (2016)***

Samples at Techni-Lab throughout 2016 were analysed for gold by FA with AA finish. Techni-Lab was purchased by Actlabs in 2010. Techni-Lab was a Standards Council of Canada accredited laboratory at the time they carried out the above-noted gold analyses at Opemiska in 2016.

### ***Actlabs (2016)***

Samples at Actlabs throughout 2016 were analysed for an array of elements, including copper, silver, cobalt and zinc by aqua regia digest with ICP finish. Actlabs is an independent commercial laboratory that is ISO 17025 accredited with CAN-P-1579 (Mineral Lab) and CAN-P-1578 (forensic lab). Actlabs is also accredited/certified to ISO 9001:2015, Health Canada Licensed, FDA registered and inspected, OMAFRA accredited, and GMP/GLP compliant.

### ***Expert Lab (2019)***

Samples received at Expert Lab were logged into the tracking system, weighed, dried (if necessary), crushed to 80% passing minus 10 mesh, riffle split to 250 g, then pulverized to 90% passing minus 200 mesh. The crusher and pulverizer were suitably cleaned between batches. Samples were analysed for gold by lead FA on 30-gram aliquots with AA finish. Samples returning results >5,000 ppb gold were then re-assayed by FA with gravimetric finish. Copper, silver, cobalt and zinc samples were analysed by partial digestion AA, with samples assaying >10,000 ppm re-assayed by total digestion AA. Expert Lab is a non-accredited facility that routinely performs assaying for junior mining companies. Blanks, CRMs and duplicates were inserted into the sample sequence at all sample preparation stages, as part of the lab's internal QA/QC protocol.

### ***ALS (2021 to 2023)***

Sample preparation at ALS was divided between the full-service laboratory in Val d'Or and a preparation laboratory in Quevillon. Since the laboratory has uniform protocols throughout, it is very common for the

prepared pulps to be sent to more than one of their major laboratories for analysis. Gold analyses by FA however, were mainly performed in Val d'Or. ALS sample preparation and analytical procedures are specified in Table 11.3 of the Opemiska Report by code. Detailed descriptions of each code are available from ALS upon request. ALS maintains ISO registrations and accreditations and all ALS geochemical hub laboratories are accredited to ISO/IEC 17025:2017 for specific analytical procedures.

### **Quality Assurance/Quality Control Review**

#### ***Ex-In Drilling (2002 to 2016)***

Ex-In did not insert blind CRMs, blanks, or duplicates into the stream of samples as part of their own QA/QC protocol and instead relied upon the laboratories' own internal quality control protocol. Fortunately, all or most of the core drilled by Ex-In has been preserved for review and re-sampling. QC Copper undertook drill core resampling and drill hole-twinning programs for the 2021 MRE to confirm the quality of the data collected by Ex-In at the Opemiska Property, and these are discussed in Section 12.2.2 of the Opemiska Report. The results confirm that the Ex-In assays were of acceptable quality for Mineral Resource estimation and that the twin drilling results, albeit imperfect as a measure of the mining assay accuracy, are accurate within dominant ranges of copper metal concentrations in comparison to modern QA/QC-controlled assay results.

#### ***QC Copper Drilling (2019 and 2021)***

QC Copper implemented and monitored a thorough QA/QC program for the drilling undertaken at the Opemiska Property over the 2019 period. QA/QC protocol included the insertion of quality control samples by QC Copper personnel into every batch sent for analysis to monitor for analytical accuracy and contamination, including CRMs at a rate of 1:25 and blanks at a rate of 1:19. A total of 48 OREAS CRMs and 62 blanks were assayed. Similar QA/QC measures were taken in the QC Copper's 2021 drilling program at the Opemiska Property. CRMs were inserted at a rate of 1:23 and blanks at a rate of 1:24. A total of 462 OREAS CRMs were inserted in the sample stream and 447 blanks.

P&E considers the CRM data for copper, gold, silver, zinc and cobalt, to demonstrate acceptable accuracy and the blank performance to indicate no material issues with contamination in the Opemiska 2019 and 2021 diamond drilling data.

#### **QC Copper Drilling (Post-2021 MRE Drilling 2021 to 2023)**

QC Copper undertook a systematic QA/QC protocol from the commencement of drilling in 2019 at the Opemiska Property, which has included the routine insertion of CRMs (to monitor analytical accuracy) and blank samples (to monitor contamination during sample preparation) into the sampling stream. CRMs were selected to represent the range of copper and gold grades encountered in the Opemiska Deposit. In addition, a suite of randomly selected pulp samples, with grades between the assumed lower cut-off grade of the Opemiska Deposit (~0.1% Cu) and up to at least the 95<sup>th</sup> percentile of grades, were submitted to a secondary laboratory (Actlabs, in Hamilton, Ontario) for verification assaying.

The same CRMs were submitted to the secondary laboratory to enhance comparison. A suite of quartered drill core samples was also submitted for assay to ALS in order to estimate sampling variance of the drill core. Shortly following the publication of the 2021 MRE in the fall of 2021 (P&E, 2021), QC Copper embarked on a 180-hole diamond drilling program with a full complement of QA/QC controls to monitor and correct errors in the analyses.

Post-2021 MRE drilling was completed mainly within the 2021 MRE conceptual open pit, and QC Copper personnel collected 29,920 drill core samples and inserted 1,114 quality control samples, including 585 CRMs and 529 blanks (Table 11.5 of the Opemiska Report). The OREAS CRMs used during previous campaigns were again utilized throughout the 2021 to 2023 period, including OREAS-166, OREAS-502c, OREAS-504c and OREAS-505. A new CDN-CM-44 CRM, from CDN Resources Laboratory Ltd., was also

utilized. Approximately 4% of samples submitted to the laboratory were quality control samples and, in addition, 3.3% of mineralized samples were re-analysed from pulps at a secondary laboratory. A total of 372 verification pulp assays were added to the 44 check assays originally undertaken for the Opemiska Property in 2021 (P&E, 2021), bringing the percentage of drill core samples umpire assayed at a secondary lab closer to the recommended minimum of 5%. Sample statistics for the post-2021 MRE drilling are detailed below:

Table 1.5 Sampling Statistics for Post-2021 MRE Drilling		
Sample Type	Number of Analyses	Percent of Drill Core Samples (%)
Drill Core	29,920	--
CRMs	585	1.96
Blanks	529	1.77
Drill Core Duplicates	35	0.12
Umpire Assays on Pulps	1,318	3.30

Source: Table 11.4, located on page 108 of the Opemiska Report.

The analytical package implemented at ALS includes copper, gold, silver, zinc and cobalt (the same elements analysed since the commencement of drilling in 2019). However, in practice, only copper, gold and silver are of significant grade to have an economic impact on the Opemiska Property. Therefore, only the QA/QC results for copper, gold and silver are discussed here. All control charts, including those for zinc and cobalt, are presented in Appendices I, J and K of the Opemiska Report and the table of failures is presented in Appendix L of the Opemiska Report (the "**Table of Failures**").

### **Performance of Blanks**

QC Copper continued to utilize the dolomite marble purchased from a local hardware store as a blank material, as was previously used in the 2021 drilling program. Blanks were inserted at a frequency of around one in 56 samples and an attempt was made to position blank material subsequent to observed mineralization to monitor carry over contamination. All blank data for copper, gold, silver, cobalt and zinc was reviewed by P&E. Blank results were plotted against a suitable threshold limit, set at a level low enough to not impact results at or near the lower cut-off grade for the Deposit. The thresholds for copper, gold and silver at Opemiska, are suitably set at 300 ppm, 0.03 ppm and 4.6 ppm, respectively. There were 529 data points to examine.

When blank samples were judged to have exceeded the threshold results, the sample was recorded in the Table of Failures (Appendix L) and the blank and surrounding samples were typically re-analysed from coarse reject material. Re-assaying typically confirmed that the failure was caused by contamination from adjacent samples, and the re-assayed results were imported into the database, replacing the failed assays.

Blank performance was generally good, with only a relative few elevated results returned from the lab (Figure 11.6 of the Opemiska Report). Project protocol dictates that personnel in the field office review quality control sample performance once lab results are received, addressing any samples that exceed the set thresholds, and requesting reanalysis of any blank failures (and the affected drill core samples) that are considered significant. All failures and the follow-up action taken are documented in a Table of Failures (Appendix L).

Generally, field office personnel were able to assess and follow up on failures in a timely fashion, however, during a short period in late 2022 follow-up action on some failures was delayed. Consequently, a number of failures were not acted upon prior to the pulps and coarse rejects being returned to QC Copper and they remain uncorrected. The uncorrected failures are identified as "unresolved" in the Table of Failures

(Appendix L) and are also clearly visible in the copper and gold blanks results in Figure 11.6 of the Opemiska Report.

P&E does not consider contamination to be an issue for the 2021 to 2023 drill data at Opemiska.

**Mineral Processing and Metallurgical Testing**

Information on potential process metallurgy relies on the available records of production at Falconbridge’s Opemiska Mine and a recent (2023) mineralogical study and concentration testing on a composite sample prepared by QC Copper. Falconbridge’s Opemiska Mine operated from 1954 to 1991 and produced a high-grade copper concentrate with payable gold and silver.

Some metallurgical testing was completed in recent years (after mine closure) by COREM, Ex-In and McGill University on mineralized material from the Opemiska mineralized zones and from historical tailings. The processing techniques that were applied were basic gravity-based concentration techniques and magnetic separation. Economic potential of the application of these basic-gravity and "mag-sep" concentration technologies was not demonstrated by these test results.

A flotation metallurgical test program was completed at the SGS laboratory in Québec City on a single composite sample in June-July 2023. This sample contained 0.81% Cu and 1.23 g/t Au (Table 3.3).

Sample ID	Cu (%)	Au (g/t)	Ag (g/t)	Fe (%)	As (%)	S (%)
Composite 1	0.81	1.23	5.00	12.7	0.021	1.82

Source: Table 13.1, located on page 144 of the Opemiska Report.

**Opemiska Production Record**

Summaries of historical life of mine (LOM) production and of the final 10-years of production are shown in Table 3.4 located on page 145 of the Opemiska Report. High recovery was achieved for copper, with moderately high recovery for gold and silver, over the 37 years of operations.

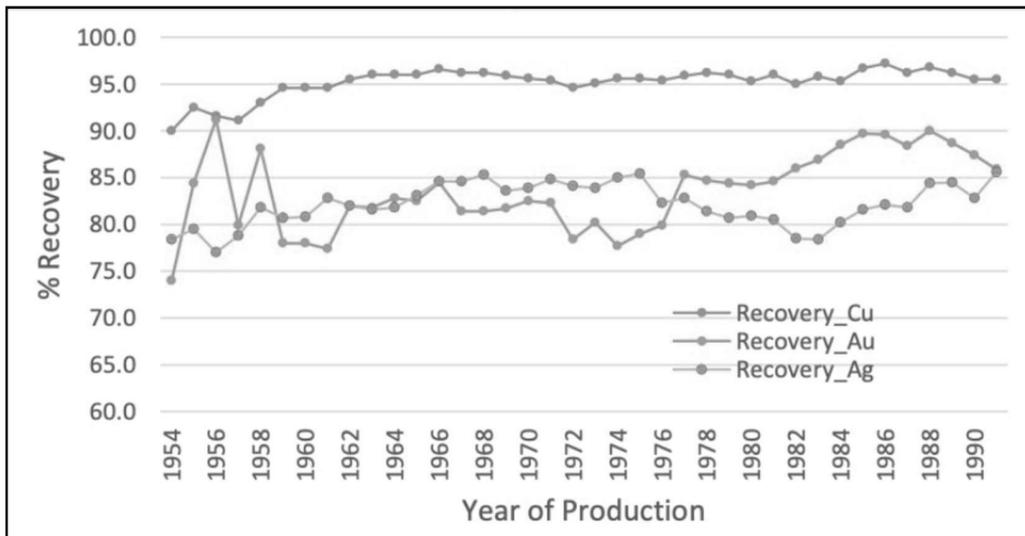
Year	Kt Processed (avg tpd)	Plant Feed Grade			Concentrate				Average Process Recoveries (%)		
		Cu (%)	Au (g/t)	Ag (g/t)	kt	Cu (%)	Au (g/t)	Ag (g/t)	Cu	Au	Ag
1954 to 1982	24,228 (1,870)	2.24	1.06	11.2	2,158.3	23.4	11.3	118	95.4	86.2	85.3
1982 to 1991	5,247 (1,500)	1.56	2.28	11.7	384.5	20.9	30.9	137	96.0	88.1	82.0

Source: Table 13.2, located on page 145 of the Opemiska Report.

In the final 10-years of operations, the copper head grade was significantly lower and gold grade higher, but recoveries remained high. The copper grade in the concentrate was slightly lower than possibly desirable at the time, but the gold in the process plant feed doubled and the concentrate grade approached 1 troy ounce (31.1 g/t Au).

The historical annual performance record (% process recoveries) is shown in Figure 3.1. It is understood by P&E that gravity concentration of gold was introduced by Falconbridge during the later years of operation.

**Figure 1.4 Annual Historical Process Recovery**



**Source:** Table 13.1, located on page 145 of the Opemiska Report. Original source QC Copper Investor Presentation dated 4<sup>th</sup> Quarter 2023.

### **Mineralogy**

Information on copper and gold mineralogy was not available for review on historical mineral production, other than reports that the host minerals were silica and calcite, and the copper mineralogy was essentially chalcopyrite. Additional sulphides were reported to be mainly pyrite with some pyrrhotite.

Bulk mineralogy identification was performed by SGS - QEMSCAN and X-ray diffraction, on the July 2023 Composite No. 1 sample. Gold deportment was examined by heavy liquid separation (S.G. = 2.85), and tabling and microscopic gold grain identification/association.

### **Mineral Identification**

The main minerals in the 2023 composite sample were identified (in order of decreasing abundance) to be feldspars, amphibole, pyroxene, stilpnomelane (a soft potassium-iron silicate mineral), quartz, iron oxides, chlorite, micas and calcite. Minerals of economic interest are chalcopyrite (2.5%), pyrite (1.8%), iron-oxides (4.6%), and arsenopyrite (0.06%), all of which may host gold. Pyrrhotite was not observed.

### **Mineral Association**

At a laboratory grind of 80% -140 Mesh, the chalcopyrite grains were 60% liberated, 23% partially (30 - 80%) exposed, and 16% minorly (<30%) exposed. The amount of completely locked chalcopyrite was very low at 0.8%. The copper mineralogy results suggest an optimum concentration approach could include modest grinding and rougher flotation, followed by a regrind and a cleaner flotation phase.

Most of the gold present in the composite sample was identified as electrum (76 wt%), with 21 wt% as native gold. Electrum is 50 to 75% gold and 25 to 50% silver. A small proportion was identified as kustelite. Kustelite contains 25 to 50% gold, with the balance being silver.

The gold mineralization was characterized by the SGS laboratory as being over 70% pure, free and liberated. The non-liberated gold occurred in complex association with pyrite (8%), arsenopyrite (6%), and chalcopyrite (2%). These associations suggest that depending on grind size, up to 14% of the gold would be challenging to physically recover from the mineral assemblage.

The gold grain ranged in size from <3 to >75 µm. The +75 µm fraction represented 40% of the gold mass. This result suggests that a modern gravity concentration circuit upstream of flotation could be beneficial in maximizing gold recovery.

### **Review of Historical Opemiska Plant Operations**

The Opemiska process included multi-stage crushing, ball mill grinding and a conventional flotation circuit using Sub-A (Denver sub-aeration) cells. In later years of operation, a gravity circuit recovered free coarse-grained gold in advance of flotation of copper-gold. Scavenger flotation concentrates and cleaner tailings were subject to regrinding. Automatic sampling and on-line X-ray sensors assisted in process control. The copper-gold concentrate was dewatered by disc filters and shipped in covered rail cars to the Noranda Smelter in the City of Rouyn-Noranda.

The flotation reagent mix was also conventional with the use of lime, xanthates and frothers with sodium sulphide supplemented to depress non-copper sulphides. The sand portion of the flotation tailings was separated by cyclones and used for mine backfill.

A modern processing circuit could include SAG-ball mill grinding, high-intensity gravity concentrators, high-efficiency flotation cells, attrition regrinding units, and pressure filtration of the final concentrate. High-pressure grinding rolls are an optional component of grinding. However, this technology is more applicable where leaching is performed and electricity costs are very high – neither of which are applicable to Opemiska.

### **2023 Metallurgical Testing Results on an Opemiska Composite**

The SGS laboratory in Québec City performed basic grinding and flotation tests on the No. 1 Composite sample (Table 13.1 of the Opemiska Report).

Six rougher flotation tests indicated that a modest grind of P<sub>80</sub> 105 µm (140 Mesh) was better than a coarser grind of 150 µm (100 Mesh). Rougher copper and gold recoveries were 98 and 93%, respectively. The copper, gold and silver grades were 4.6% Cu, 8.3 g/t Au, and 21.5 g/t Ag in a 17.8% mass pull.

An optimized cleaner test yielded a final copper recovery of 90% (94% recovery to 1<sup>st</sup> cleaner and scavenger concentrate) with a grade of 26.5% Cu and a final gold recovery of 73% (81% recovery to 1<sup>st</sup> cleaner and scavenger concentrates), with a grade of 27.1 g/t Au. The regrind target (P<sub>80</sub>) on intermediate concentrates was moderate at 25 to 30 µm.

The SGS laboratory suggested, and P&E agrees, that in closed cycle testing, good grades and recoveries could be expected –comparable to historical results.

### **Anticipated Metallurgical Performance Of The Opemiska Resource**

Assuming the mineral composition of the current Mineral Resources approximately resembles the historical mineral resource, high recoveries of copper and gold could be anticipated in a modern mineral processing facility. As noted above, modern equipment and processes could be anticipated to produce comparable grades and recoveries of copper, gold and silver, in spite of lower Mineral Resource grades.

Copper and gold recoveries similar to historical recoveries – 95% copper recovery and 85% gold recovery, could be anticipated. A proportion of the gold could be recovered by gravity methods and refined on-site,



or sold as a separate concentrate. The copper grade of the concentrate could be expected to be increased to 23 to 25% copper, which would increase the NSR value of the concentrate.

**Mineral Resource and Mineral Reserve Estimates**

The updated MRE presented herein this Appendix 1 is reported in accordance with the NI 43-101 and were estimated in conformity with the CIM "Estimation of Mineral Resource and Mineral Reserves Best Practice Guidelines" (November 2019) and reported using the definitions set out in the 2014 CIM Definition Standards on Mineral Resources and Mineral Reserves. See "*Mineral Resource and Mineral Reserve Estimates*" in the Circular.

The updated Opemiska Mineral Resource was developed by QC Copper using Leapfrog and Micromine software, based on drill hole results received to February 10, 2023. The Mineral Resource models were then supplied to P&E for review. This MRE review has been prepared under the direction of Antoine Yassa, P.Geo., and Eugene Puritch, P.Eng., FEC, CET, of P&E Mining Consultants Inc., both independent Qualified Persons in terms of NI 43-101 by reason of their education, affiliation with a professional association, and past relevant work experience.

All drilling and assay data were provided by QC Copper in the form of csv data files and imported into a GEMS™ database. The data consist of collar, survey, assay, bulk density, and composite tables. Assay data consists of copper, gold and silver grades. The coordinate reference system used is NAD83 UTM Zone 18N (EPSG 26918). Topography and overburden surfaces and underground development wireframe models were also supplied.

The data as supplied contains 17,753 collar records. Of these, 991 drill holes were not assayed, and 1,715 drill holes were outside the modelled mineralization zones. Seven drill holes were wedged deflections. A total of 15,034 drill holes were therefore available for modelling (Table 4.1). Summary statistics of the assays are presented in Table 4.1

<b>Table 1.8 Drill Hole Database Summary</b>		
<b>Dataset</b>	<b>No. of Drill Holes</b>	<b>Metres</b>
Surface Drilling	554	88,817
Underground Drilling	14,480	784,369
<b>Total</b>	<b>15,034</b>	<b>873,186</b>

Source: Table 4.1, located on page 149 of the Opemiska Report.

<b>Table 1.9 Assay Summary Statistics</b>				
<b>Variable</b>	<b>Cu</b>	<b>Au</b>	<b>Ag</b>	<b>Length</b>
Number of Samples	364,396	286,740	241,509	364,468
Mean	0.75	0.47	3.12	1.18
Std Dev	2.01	4.23	11.04	0.61
Coefficient of Variation	2.69	9.02	3.54	0.51
Minimum	0.0001	0.01	0.10	0.03
Median	0.10	0.08	0.10	1.22
Maximum	33.40	620.22	501.00	10.97

Source: Table 4.2, located on page 149 of the Opemiska Report.

Notes: Cu units are %; Au and Ag units are g/t and length units are metres.

The MRE is reported herein with an effective date of January 8, 2024 and is tabulated in 4.3 below:

<b>Table 4.3</b>									
<b>Opemiska Mineral Resource Estimate <sup>(1-11)</sup></b>									
<b>Class</b>	<b>Tonnes (kt)</b>	<b>Cu (%)</b>	<b>Cu (Mlb)</b>	<b>Ag (g/t)</b>	<b>Ag (koz)</b>	<b>Au (koz)</b>	<b>Au (koz)</b>	<b>CuEq (%)</b>	<b>CuEq (Mlb)</b>
<b>Pit Constrained</b>									
Measured	52,704	0.77	892	1.65	2,800	0.30	500	0.94	1,091
Indicated	34,629	0.77	586	1.31	1,458	0.24	261	0.90	690
Mea + Ind	87,333	0.77	1478	1.52	4,258	0.27	762	0.93	1,780
Inferred	9,791	0.48	104	2.19	689	0.18	55	0.59	128
<b>Out of Pit</b>									
Measured	4,064	1.24	111	3.81	498	0.32	42	1.44	129
Indicated	6,067	1.18	157	3.92	764	0.22	42	1.32	176
Mea + Ind	10,130	1.20	268	3.87	1,261	0.26	83	1.37	305
Inferred	1,162	0.89	23	5.84	218	0.40	15	1.15	29
<b>Total</b>									
Measured	56,767	0.80	1003	1.81	3,297	0.30	542	0.97	1,219
Indicated	40,696	0.83	743	1.70	2,222	0.23	303	0.97	866
Mea + Ind	97,463	0.81	1746	1.76	5,519	0.27	845	0.97	2,085
Inferred	10,953	0.53	127	2.58	907	0.20	70	0.65	157

**Notes:**

- (1) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
- (2) The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
- (3) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could potentially be upgraded to an Indicated Mineral Resource with continued exploration.
- (4) The Mineral Resources were estimated in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum, CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.
- (5) The cut-off value for the open pit Mineral Resource is 0.15% CuEq. The cut-off value for the out-of-pit Mineral Resource is 0.80% CuEq.
- (6) Metal prices used were US\$4.00/lb Cu and US\$1,875/oz Au, US\$24/oz Ag and 0.76 CAD\$/US\$ FX. Cu, Au and Ag process recovery and smelter payable were 91%, 72% and 72%, respectively. Open pit mining cost was CAD\$2.50/t, processing CAD\$14/t, G&A CAD\$2.25/t. Out of pit mining costs were CAD\$68/t.
- (7) Pit slopes were 50 degrees in rock and 30 degrees in overburden.
- (8) Historical mined volumes were depleted from the blocks to report the correct tonnages and metal content of the remaining high-grade vein material.
- (9)  $CuEq \% = Cu \% + (Au \text{ g/t} \times 0.54) + (Ag \text{ g/t} \times 0.007)$
- (10) Out-of-pit Mineral Resources were selected which exhibit continuity and reasonable potential for extraction by the long hole underground mining method. Narrow strings of grade blocks and orphaned blocks were depleted.
- (11) Totals may not sum to 100% due to rounding.

**Risks and Liabilities to Perform Work**

The Opemiska Project covers a large part of the historical Springer and Perry Mines, the area of the dismantled processing plant, and the tailings facility. All the historical mining and processing infrastructure has been dismantled and the mining operation decommissioned since 1991. QC Copper does not have any responsibility for environmental matters arising from the historical mining and processing operations. To the extent known, and apart from the encumbrances noted above, the Authors of the Opemiska Report, as

of the effective date of the Report, were not aware of any other significant factors or risks that may affect access, title or right or ability to perform work on the Opemiska Property.

**Infrastructure, Permitting, and Compliance Activities**

Hydro-electric power, sufficient water for mining operations and sufficient infrastructure for exploration and mining operations are readily available in the Opemiska Property. There is sufficient area on the Opemiska Property to build and extend mining infrastructure.

**Exploration, Development, and Production**

QC Copper will be focusing on several key initiatives moving forward. Over the next 12 months, QC Copper plans to conduct drilling at the Cooke and Robitaille sites, update its MRE, and complete a Preliminary Economic Study. Following this, QC Copper will continue with engineering studies over the subsequent 12 months, working towards the completion of a prefeasibility study.

**DIVIDENDS**

QC Copper has not declared or paid any dividends on the QC Copper Shares since its incorporation. Any decision to pay dividends on the QC Copper Shares will be made by the board of directors of QC Copper on the basis of QC Copper's earnings, financial requirements and other conditions existing at such future time.

**DESCRIPTION OF SHARE CAPITAL**

QC Copper is authorized to issue an unlimited number of QC Copper Shares. Holders of QC Copper Shares are entitled to one vote per share at meetings of holders of QC Copper Shares, to receive dividends if, as and when declared by the board of directors of QC Copper and to receive pro rata the remaining property and assets of QC Copper upon its dissolution or winding-up, subject to the rights of shares having priority over the QC Copper Shares.

As of the date of the Circular, there are 174,371,356 QC Copper Shares issued and outstanding, 9,875,000 QC Copper Options (as defined below) outstanding and 5,500,000 QC Copper Warrants outstanding.

**CONSOLIDATED CAPITALIZATION**

The following table sets forth the consolidated capitalization of QC Copper as at July 31, 2024, including after giving effect to the Acquisition.

<b>Designation</b>	<b>Authorized</b>	<b>Outstanding as at July 31, 2024 prior to giving effect to the Acquisition<sup>(1)(2)</sup></b>	<b>Outstanding as at July 31, 2024 after giving effect to the Acquisition<sup>(1)(2)</sup></b>
QC Copper Shares <sup>(1)</sup>	Unlimited	174,371,356 <sup>(2)(3)</sup>	258,277,608 <sup>(2)(3)</sup>
Debt	N/A	Nil	Nil

**Notes:**

- (1) As at the date hereof, there are 174,371,356 QC Copper Shares outstanding.
- (2) Does not include the 9,875,000 QC Copper Options issued and outstanding as at the date hereof, having a weighted average exercise price of \$0.22 per QC Copper Share.
- (3) Does not include the 5,500,000 QC Copper Warrants issued and outstanding as at the date hereof, having exercise prices between \$0.25 and \$0.35 per QC Copper Share.

### OPTIONS TO PURCHASE SECURITIES

As of the date of the Circular, QC Copper has the following options outstanding under the Option Plan (as defined below):

Name of Option Holder	Number of Options	Exercise Price <sup>(1)</sup> (\$)	Expiry Date
<b>Executive Officers:</b>			
Stephen Stewart	750,000	0.08	2025-08-24
	1,000,000	0.34	2026-12-19
	1,000,000	0.18	2028-08-03
Charles Beaudry	500,000	0.08	2025-08-24
	1,000,000	0.34	2026-12-19
	1,000,000	0.18	2028-08-03
Guy Le Bel	400,000	0.13	2029-02-28
Joel Friedman	200,000	0.28	2027-04-01
	550,000	0.18	2028-08-03
<b>Directors</b>			
Alex Stewart	250,000	0.08	2025-08-24
	250,000	0.34	2026-12-19
	125,000	0.18	2028-08-03
Anthony Moreau	200,000	0.08	2025-08-24
	125,000	0.34	2026-12-19
	125,000	0.18	2028-08-03
Philippe Cloutier	400,000	0.23	2026-03-08
	125,000	0.34	2026-12-19
	125,000	0.18	2028-08-03
Simon Kidston	125,000	0.34	2026-12-19
	125,000	0.18	2028-08-03
<b>Employees</b>	200,000	0.34	2026-12-19
	300,000	0.18	2028-08-03
<b>Consultants</b>	100,000	0.08	2025-08-24
	200,000	0.28	2027-04-01
	250,000	0.34	2026-12-19
	450,000	0.18	2028-08-03

**Note:**

(1) As October 24, 2024, the last trading day before the date of the Circular, the closing price of the QC Copper Shares was \$0.13.

## Stock Option Plan

On August 10, 2022, the shareholders of QC Copper approved a 20% fixed stock option plan (the "**Option Plan**"). The purpose of the Option Plan is to allow QC Copper to grant options ("**QC Copper Options**") to Directors, Officers, Employees, Management Company Employees, Consultants and Eligible Charitable Organizations (as those terms are defined in the Option Plan) of QC Copper and its subsidiaries (the "**Eligible Persons**") as additional compensation, and as an opportunity to participate in the success of QC Copper. QC Copper Options will be exercisable over periods of up to 10 years as determined by the board of directors of QC Copper (the "**QC Copper Board**"), to buy shares of QC Copper at a price not less than the Market Price (as defined in the Option Plan) prevailing on the date the QC Copper Option is granted less applicable discount, if any, permitted by the policies of the TSXV and approved by the QC Copper Board. The granting of such options is intended to align the interests of the Eligible Persons with that of the shareholders.

Under the Option Plan, options will be exercisable for a period set by the QC Copper Board at the time of the grant of such QC Copper Options, but subject to the terms of the Option Plan, shall not be exercisable for a period over 10 years after the date of grant. The QC Copper Options are required to have an exercise price no less than the closing market price of the QC Copper Shares on the day on which QC Copper announces the grant of QC Copper Options, less the applicable discount, if any, permitted by the policies of the TSXV and approved by the QC Copper Board or, if the QC Copper Shares are not listed on any exchange, less 25%.

The Option Plan provides certain limits on the number of QC Copper Shares which may be reserved for issuance to certain persons, including, among other limitations, the following:

- (a) any one Eligible Person (each, an "**Optionee**") (including, where permitted under applicable Exchange policies, any companies that are wholly owned by such Optionee) in any 12-month period shall not exceed 5% of the total number of issued and outstanding QC Copper Shares, unless QC Copper has obtained the requisite disinterested shareholder approval under the applicable TSXV policies;
- (b) any consultant in any 12-month period shall not exceed 2% of the total number of issued and outstanding QC Copper Shares; and
- (c) to Investor Relations Service Providers (as defined in the Option Plan) (as a group) in any 12-month period shall not exceed 2% of the total number of issued and outstanding QC Copper Shares.

Subject to the TSXV's minimum vesting requirements, if any and unless otherwise specified by the QC Copper Board at the time of grant of a QC Copper Option, all QC Copper Options granted will vest in stages over 12 months, with no more than one-quarter of such QC Copper Options vesting in any three month period.

The Option Plan provides that if a Change of Control (as defined in the Option Plan) occurs, all QC Copper Shares subject to QC Copper Options shall immediately become vested and may thereupon be exercised in whole or in part by the QC Copper Option holder, subject to the approval of the TSXV, if necessary.

Subject to the terms of the Option Plan, if a take-over bid ("**Offer**") occurs, which if accepted in whole or in part, would result in the offeror becoming a control person of QC Copper, within the meaning of subsection 1(1) of the *Securities Act*, R.S.B.C. 1996, c.418, as amended, QC Copper shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the TSXV, as necessary) all common shares subject to such option will immediately vest and the option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the common shares received upon such exercise, pursuant to the Offer.

The Option Plan contains adjustment provisions with respect to outstanding QC Copper Options in cases of share reorganizations, special distributions and other QC Copper reorganizations including an arrangement or other transaction under which the business or assets of QC Copper become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to QC Copper's shareholders, or the exchange with QC Copper's shareholders, of securities of QC Copper, or securities of another company or both.

The Option Plan provides that on the death or disability of an option holder, all vested QC Copper Options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such QC Copper Options. Where an Optionee is terminated for cause, or in the case of a Management Company Employee or a Consultant Company (as defined in the Option Plan), the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, any outstanding QC Copper Options (whether vested or unvested) are cancelled as of the date of termination. If an Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires or voluntarily resigns or is otherwise terminated by QC Copper other than for cause, then all vested options held by such Optionee will expire at the earlier of (i) the expiry date of such QC Copper Options and (ii) the date which is 90 days (30 days if the Optionee was engaged in investor relations activities) after the Optionee ceases its office, employment or engagement with QC Copper; however, the Board may extend this expiry date within a reasonable period not exceeding one year in accordance with the policies of the TSXV.

The Option Plan contains a provision that if pursuant to the operation of an adjustment provision of the Option Plan, an Optionee receives QC Copper Options (the "**New Options**") to purchase securities of another company (the "**New Corporation**") in respect of the Optionee's QC Copper Options under the Option Plan (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the expiry date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Corporation, the date that the Subject Options expire pursuant to the applicable provisions of the Option Plan relating to expiration of QC Copper Options in cases of death, disability or termination of employment discussed in the preceding paragraph above (the "**Termination Provisions**"); (iii) if the Optionee becomes an Eligible Person in respect of the New Corporation, the date that the New Options expire pursuant to the terms of the New Corporation's stock option plan that correspond to the Termination Provisions; and (iv) the date that is 1 year after the Optionee ceases to be an Eligible Person in respect of the New Corporation or such shorter period as determined by the Board.

## PRIOR SALES

### Prior Sales

The following table summarizes the issuances by QC Copper of QC Copper Shares or securities convertible into QC Copper Shares during the 12-month period prior to the date of this Circular:

Date	Securities	Price Per Security/ Exercise Price (\$)	Number of Securities
February 28, 2024	QC Copper Options <sup>(1)</sup>	0.13	400,000
July 11, 2024	QC Copper Shares <sup>(2)</sup>	0.10	210,000
July 11, 2024	QC Copper Shares	0.125	500,000

**Note:**

- (1) These QC Copper Options have a term of five years and vest 12 months after the grant date.
- (2) Shares issued pursuant to the exercise of 1,050,000 QC Copper Options on a net exercise basis.

### Trading Price and Volume

The QC Copper Shares are listed and posted for trading on the TSXV under the trading symbol "QCCU". The following table sets forth the price range and trading volume of the QC Copper Shares as reported by the TSXV for the periods indicate:

Period	High (\$)	Low (\$)	Volume (#)
<b>2023</b>			
November	0.145	0.110	1,262,079
December	0.145	0.110	2,505,659
<b>2024</b>			
January	0.185	0.115	8,695,702
February	0.145	0.115	2,276,958
March	0.135	0.120	1,973,574
April	0.140	0.120	3,485,547
May	0.185	0.130	4,938,211
June	0.155	0.120	1,747,586
July	0.135	0.115	1,888,017
August	0.135	0.115	1,531,102
September	0.135	0.120	1,323,574
October 1 - 24	0.140	0.120	1,723,948

On October 24, 2024, the last trading day prior to the date of this Circular, the closing price of the QC Copper Shares was \$0.13.

### ESCROWED SECURITIES

As of the date herein, no securities of any class of securities of QC Copper are held in escrow or are anticipated to be held in escrow following the completion of the Share Purchase Agreement.

### PRINCIPAL SHAREHOLDERS

To the knowledge of QC Copper, as of the date herein, there are no persons who own or exercise control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of QC Copper.

## DIRECTORS AND EXECUTIVE OFFICERS

### Name, Address and Occupation

The names, municipalities of residence, positions with QC Copper and the principal occupations of the current directors and executive officers of QC Copper are set out below, together with their holdings of QC Copper Shares.

Name, Province and Country of Residence	Offices Held and Time as Director or Officer	Principal Occupation (for last 5 years)	Number of QC Copper Shares beneficially owned, controlled or directed, directly or indirectly
Stephen Stewart Toronto, ON, Canada	Chief Executive Officer and Director since May 29, 2018	CEO and director of QC Copper since May 2018; President of 2287957 Ontario Inc. since January 2010; CEO and director of Orecap Invest Corp. since February 2015; Chairman of Mistango River Resources Inc. since October 2019; Chairman and director of Baselode Energy Corp. since June 2020; Chairman and director of Metal Energy Corp. since June 2020; Chairman and director of American Eagle Gold Corp. since October 2022; director of Awale Resources Limited since May 2023; CEO and director of Cuprum Corp. since October 2023.	7,228,830 <sup>(2)</sup>
Alexander Stewart Toronto, ON, Canada	Director since February 1, 2018	Director of QC Copper since February 2018; President of Moray Resources Inc.; Executive Chairman and director of Mistango River Resources Inc. since May 2019; director of Baselode Energy Corp. since June 2020; director of Metal Energy Corp. since November 2021; director of Awale Resources Limited since May 2023; director of Orecap Invest Corp. since June 2023.	2,990,129 <sup>(3)</sup>
Anthony Moreau <sup>(1)</sup> Toronto, ON, Canada	Director since May 29, 2018	Director of QC Copper since June 2018; director of Orecap Invest Corp. since July 2019; CEO of American Eagle Gold Corp. since January 2021, director of American Eagle Gold Corp. since October 2022; director of Cuprum Corp. since October 2023; director of Awale Resources Limited since May 2024.	Nil
Charles Beaudry Toronto, ON, Canada	Director since May 29, 2018 and VP Exploration	Director and VP Exploration of QC Copper since June 2018; director of Mistango River Resources Inc. since May 2019; director of Baselode Energy Corp. since June 2020; director of Metal Energy Inc. since November 2021; director of Awale Resources Limited since May 2023; director of Orecap Invest Corp. since June 2023.	331,964 <sup>(4)</sup>
Philippe Cloutier Val d'Or, QC, Canada	Director since March 8, 2021	Director of QC Copper since March 2021; president, CEO and director of Cartier Resources Inc. since 2007.	85,000



Name, Province and Country of Residence	Offices Held and Time as Director or Officer	Principal Occupation (for last 5 years)	Number of QC Copper Shares beneficially owned, controlled or directed, directly or indirectly
Simon Kidston <sup>(1)</sup> Sydney, Australia	Director since December 16, 2021	Director of QC Copper since December 2021; Chairman of Energy Transition Minerals Limited (ETM.ASX) since 2024, Chairman of Permagen Limited (private) since 2021, Non-Executive Director of Lithium Plus Minerals (LPM.ASX) since 2021.	35,000
Michael Mansfield <sup>(1)</sup> Toronto, ON, Canada	Director since February 26, 2024	Director of QC Copper since February 2024; Financial Consulting since 2021; Senior Investment Advisor & Portfolio Manager, Industrial Alliance Securities Inc. from 2017 to 2021; director of Revival Gold Inc. from December 2016 to May 2024; director of VIP Entertainment Technologies Inc. from July 2022 to February 2023; director of American Eagle Gold Corp. since February 2024; director of Baselode Energy Corp. since February 2024; director of Mistango River Resources Inc. since February 2024;	380,000
Guy Le Bel Repentigny, QC, Canada	President since February 28, 2024	President of QC Copper since February 2024; Chief Executive Officer of Aquila Resources Inc. from February 2021 to November 2021; director of Kintavar Exploration Inc. since June 2020; and director of Sirios Resources Inc. since December 2022.	Nil
Joel Friedman Toronto, ON, Canada	Chief Financial Officer since April 3, 2022	CFO of QC Copper since April 2022; CFO of American Eagle Gold Corp. since May 2022; CFO of Baselode Energy Corp. since May 2022; CFO of Metal Energy Corp. since May 2022; CFO of Mistango River Resources Inc. since May 2022; CFO of Orecap Invest Corp. since May 2022; CFO of Cuprum Corp. since October 2023. CFO of Khiron Life Sciences Inc October 2020 to September 2021.	Nil

**Notes:**

- (1) Member of the Audit Committee.
- (2) 1,125,981 shares are held indirectly in the name of 2287957 Ontario Inc., a private company wholly-owned by Stephen Stewart.
- (3) 243,725 shares are held indirectly on the name of Moray Resources Inc., a private company wholly-owned by Alexander Stewart.
- (4) 50,000 shares are held by Merrygold Investments Inc., a corporation wholly owned and controlled by Charles Beaudry.

Each of the directors of QC Copper will hold office until the next annual meeting of the holders of QC Copper Shares or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with QC Copper articles.

The directors and executive officers of QC Copper, as a group, beneficially own, directly or indirectly, or exercise control or direction over 11,050,423 QC Copper Shares, or approximately 6.3% of the QC Copper Shares that will be outstanding immediately prior to completion of the Acquisition.

## Management Profiles

The following is a brief description of the directors and officers of QC Copper:

Stephen Stewart – Director and Chief Executive Officer; Age: 46: Mr. Stewart is the founder and Chairman of Ore Group, a private company focused on natural resource discovery and development. He is also the Chairman of public companies: Orecap Invest, QC Copper & Gold, American Eagle Gold, Baselode Energy, Mistango River Resources, Metal Energy, and a Director of Awale Resources. Mr. Stewart is the Founder and Chairman of the Young Mining Professionals Scholarship Fund, the largest mining-focused charitable organization supporting mining engineering and geology education. Mr. Stewart holds a Bachelor of Arts from the University of Western Ontario, a Master of Business Administration from the University of Toronto's Rotman School of Management, and a Master of Science from the University of Florida.

Alexander Stewart – Director; Age: 80: Mr. Stewart has over 40 years of experience in the practice of corporate and securities law and the natural resource investment. He has been a director of numerous public companies on various exchanges including Nasdaq, NYSE, TSX and TSXV. For the last fifteen years he has focused exclusively on mining and metals sector and has been instrumental in sourcing, funding and developing high-quality mineral assets in North and South America. In the past he was the founder, seed financier and principal behind a number of mining projects including the Cote Lake Project, acquired by IAM Gold in 2012 for over \$580m and the Eagle One polymetallic project now owned by Noront Resources. Mr. Stewart holds a Bachelor of Arts degree from the University of Western Ontario, a Juris Doctor degree from the University of Toronto Law School and a Diploma, LCE, from the University of Madrid.

Anthony Moreau – Director; Age: 40: Mr. Moreau is the CEO and Director of American Eagle Gold. He is also a Director of QC Copper & Gold and Orefinders Resources, both TSXV listed companies. He previously worked with IAMGOLD comprising different roles within the organization, most recently Business Development and Innovation. He gained valuable experience working in a continuous improvement function at the Rosebel Gold Mine in Suriname. Mr. Moreau has spearheaded many industry initiatives, one of them being an international co-op peer benchmarking program owned and run by the participating mining companies. He leads the Young Mining Professionals Toronto Chapter and is the Co-Chair of the YMP Scholarship Fund. A graduate of the Queen's School of Business, Mr. Moreau is a Chartered Financial Analyst.

Charles Beaudry – Director and VP Explorations; Age: 67: Mr. Beaudry is a P. Geo with over 30 years experience in project generation, business development, exploration chemistry and hands-on project management. Mr. Beaudry previously held the position of General Manager of new business opportunities with IAMGOLD Corporation from 2008 until 2009, after having spent nearly 17 years in various capacities for Noranda-Falconbridge-Xstrata, including as country manager of Brazil from 1996 to 2001 and manager of the Frieda River Project from 2005 to 2006. He holds a Bachelors of Science in Geology from the University of Ottawa and a Masters of Geology from McGill University.

Philippe Cloutier – Director; Age: 60: Mr. Cloutier, P. Geo, holds a B.Sc. in Geology and a certificate in Human Resource Management and has over 35 years of experience in the mining exploration and development business. Mr. Cloutier has previously worked for industry leaders such as Noranda Inc., Aur Resources Inc., and SOQUEM. Mr. Cloutier played a lead role in the discovery and delineation of the Bell-Allard South Cu-Zn Mine in Matagami, Quebec. He has served as director and chairman of the board of directors of the AEMQ and as a member of the Order of Geologist professional inspection committee. He is the founder of Cartier Resources for which he is a director as well as President and CEO.

Simon Kidston – Director; Age: 55: Mr. Kidston has an investment banking background with more than 30 years global experience with groups such as Macquarie Bank, HSBC and Helmsec Global Capital. Mr. Kidston was the co-founder and Director of Genex Power until July 2024, when it was acquired by J Power for A\$1.2 billion EV. He is the Chairman of Energy Transition Minerals Limited, Chairman of Permagen Limited and Director of Lithium Plus Minerals Limited. He has a Bachelor of Commerce degree from Griffith

University, a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia and is a Member of the Australian Institute of Company Directors.

Michael Mansfield – Director; Age: 60: Mr. Mansfield is a Vice-President, investment professional with Industrial Alliance Securities Inc. Mr. Mansfield has 20 years' experience as investment advisor specializing in the Canadian venture market working both on the private and public investors and companies. He has a track record of successfully taking public over a hundred of companies through the completion of qualifying transactions by Capital Pool Corporations and secondary financings. Mr. Mansfield graduated from the University of Calgary in 1989, articulated with KPMG and obtained his CA designation in 1993 and CFA designation in 1998.

Guy Le Bel – President; Age: 65: Mr. Le Bel brings over 35 years of experience in strategic and financial planning, project development and M&A to Quebec Copper and Gold. Until recently, he was chief executive officer of Aquila Res. and, previously, CEO and CFO of Golden Queen Mining Ltd. He was vice president evaluations for Capstone and vice president business development for Quadra/FNX Mining Ltd. Mr. Le Bel also held business advisory, strategy and planning, business valuation, and financial planning management roles at BHP Billiton Base Metals, Rio Algom Ltd, and Cambior Inc., together with independent consultation mandates across the industry. He provides extensive experience across base and precious metals industries in the America. Mr. Le Bel has held board positions in numerous junior exploration and mining companies since 2007. He is currently appointed to the boards of Kintavar Exploration and Sirios Resources. Mr. Le Bel holds an MBA Finance from Ecole des Hautes Etudes Commerciales (Montreal), a Master Applied Sciences, Mining Engineering from University of British Columbia and a B.Sc. Mining Engineering from Universite Laval. He is a professional engineer (O.I.Q.).

Joel Friedman – Chief Financial Officer; Age: 37: Mr. Friedman is a finance professional with over 15 years of experience working in the mining and cannabis industries. Sine 2022, Mr. Friedman has been the CFO of the Ore Group and six publicly listed junior mining companies including QC Copper. Mr. Friedman previously served as the CFO of Khiron Life Sciences Corp, prior to this, he was Vice President, Finance at CannTrust Inc., and Director of Finance at Primero Mining Corp. and senior finance roles at Banro Corporation and Iamgold Corporation. Mr. Friedman began his career at Deloitte in the Real Estate and Resources group, where he worked with a variety of publicly listed clients throughout the mining lifecycle, from exploration to multi-asset operators. Mr. Friedman holds a CPA, CA and Honours Bachelor of Business Administration from the Schulich School of Business at York University, Canada.

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

No director or officer is as at the date hereof, or has been, within 10 years of the date hereof, a director or CEO or CFO of any company, including QC Copper, that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director CEO or CFO of the company, being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days and which resulted from an event that occurred while that person was acting in the capacity as a director, CEO or CFO.

### **Penalties or Sanctions**

Other than as described below, no director or officer is as at the date hereof, or has been, within 10 years of the date hereof, a director or chief executive officer or chief financial officer of any company, including QC Copper, that: (i) within 10 years of the date hereof, a director or executive officer of any company, including QC Copper, that, while that person was acting in their 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 became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation

relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director.

Mr. Guy Le Bel was a director of Pembridge Resources PLC. ("Pembridge"), a United-Kingdom-based corporation, from 2017 to May 18, 2023. On May 18, 2023, the board of directors of Pembridge voted in favour to place Pembridge into creditor voluntary liquidation pursuant to the bankruptcy of Minto Metals Corp. Pembridge held approximately 11.2% of the shares of Minto Metals Corp. Pembridge also held a receivable of approximately US\$2,000,000 from Minto Metals Corp.

In addition, no director or officer has been subject to: (i) 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, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a director.

### **Conflicts of Interest**

There are potential conflicts of interest to which the directors and officers of QC Copper will be subject in connection with the operations of QC Copper. In particular, certain of the directors and officers of QC Copper are involved in managerial or director positions with other mining companies whose operations may, from time to time, be in direct competition with those of QC Copper or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of QC Copper. Conflicts, if any, will be subject to the procedures and remedies available under the BCBCA. The BCBCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BCBCA. As at the date hereof, QC Copper is not aware of any existing or potential material conflicts of interest between QC Copper and any director or officer of QC Copper.

## **EXECUTIVE COMPENSATION**

For information regarding QC Copper's executive officer and director compensation for the year ended October 31, 2023, please refer to the statement of executive compensation – venture issuers of QC Copper for the year ended October 31, 2023, which was filed on SEDAR+ on April 29, 2024 and is incorporated by reference herein.

### **Employment, consulting and management agreements**

During the year ended October 31, 2024, QC Copper entered into consulting agreements with holding companies of each of Stephen Stewart, Chief Executive Officer, Joel Friedman, Chief Financial Officer, Guy Le Bel, President, and Charles Beaudry, VP Explorations for the provision of executive services by the executive officer to QC Copper.

The consulting agreement for each of Stephen Stewart, Joel Friedman and Charles Beaudry provides for payments to the executive officer:

- in connection with a termination without just cause, the executive officer will be entitled to: (a) the fees earned to the effective date of termination and any expenses incurred prior to the effective date of termination; (b) one year equivalent of consulting fees payable under the agreement; (c) a bonus amount based on the average of the bonus amounts earned and paid to the executive officer over the two years prior to the effective termination date; and (d) a pro-rata bonus amount for the current fiscal year based on the two years prior to the effective termination date, to be paid over a period of nine months and subject to the executive officer providing a release in favour of QC Copper; and

- in connection with a termination without just cause or the termination of the agreement by the executive officer during the period beginning two months prior to, and ending 18 months following, a Change of Control (as defined in the applicable consulting agreement), the executive officer will be entitled to: (a) the fees earned to the effective date of termination and any expenses incurred prior to the effective date of termination; (b) a lump-sum payment equal to \$400,000 (in the case of Stephen Stewart), \$200,000 (in the case of Joel Friedman) and \$250,000 (in the case of Charles Beaudry); and (c) 100% of the executive officer's then-outstanding and unvested compensation securities will immediately become vested in full and will remain exercisable until the original maximum term, subject to the executive officer providing a release in favour of QC Copper.

The consulting agreement for Guy Le Bel provides for payments to Mr. Le Bel: (a) in connection with a termination without just cause, Mr. Le Bel will be entitled to the fees earned to the effective date of termination and any expenses incurred prior to the effective date of termination plus three months equivalent of consulting fees payable under the agreement; and (b) in connection with the termination of the agreement by QC Copper or Mr. Le Bel in connection with a Change of Control (as defined in the consulting agreement), Mr. Le Bel will be entitled to the fees earned to the effective date of termination and any expenses incurred prior to the effective date of termination plus a lump-sum payment equal to \$400,000.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

There exists no indebtedness of the directors or executive officers of QC Copper, or any of their associates, to QC Copper, nor is any indebtedness of any of such persons to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by QC Copper.

### **AUDIT COMMITTEE AND CORPORATE GOVERNANCE**

#### **Audit Committee**

The Audit Committee is a committee of the board of directors of QC Copper to which the board of directors of QC Copper delegates its responsibility for oversight of the financial reporting process. The Audit Committee is also responsible for managing, on behalf of the shareholders, the relationship between QC Copper and the external auditor.

Pursuant to National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), QC Copper is required to disclose certain information with respect to its Audit Committee, as summarized below.

#### ***Audit Committee Terms of Reference***

QC Copper must, pursuant to NI 52-110, have a written charter which sets out the duties and responsibilities of its Audit Committee. QC Copper's audit committee charter is attached hereto as Schedule "A".

#### ***Audit Committee Composition***

As of the date of the Circular, the members of the Audit Committee were:

Anthony Moreau	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Simon Kidston	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>
Michael Mansfield	Independent <sup>(1)</sup>	Financially Literate <sup>(1)</sup>

**Note:**

(1) As defined by NI 52-110.

**Relevant Education and Experience of current Members of the Audit Committee**

*Anthony Moreau*, B. Com., CFA is Chairman of QC Copper's audit committee. He is a Chartered Financial Analyst, currently CEO and a director of American Eagle Gold Corp. and has previously worked for IAMGOLD Corporation, a company listed on the Toronto Stock Exchange and New York Stock Exchange, comprising different roles within the organization, most recently Business Development and Innovation. Thus he has an excellent understanding of financial reporting and a well-qualified member of QC Copper's audit committee.

*Simon Kidston*, is a member of QC Copper's audit committee. He has over 30 years of global experience in finance with groups such as Macquarie Bank, HSBC and Helmsec Global Capital. He is a co-founder and Executive Director of Genex Power until July 2024, and was responsible for project finance and business development. He has a Bachelor of Commerce degree from Griffith University, a Graduate Diploma in Applied Finance and Investment from the Securities Institute of Australia and is a Member of the Australian Institute of Company Directors. Mr. Kidston's extensive experience in finance makes him a well qualified member of QC Copper's audit committee.

*Michael Mansfield*, CPA, CA, CFA, is a member of the audit committee. Mr. Mansfield has over 20 years' experience as investment advisor specializing in the Canadian venture market working both on the private and public investors and companies. Michael has a track record of successfully taking over a hundred of companies public through the completion of qualifying transactions by capital pool companies and secondary financings. Michael graduated from the University of Calgary in 1989, articulated with KPMG and obtained his CA designation in 1993 and CFA designation in 1998.

**Audit Committee Oversight**

At no time since the commencement of QC Copper'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 QC Copper's most recently completed financial year has QC Copper relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*securities regulatory authority exemption*).

**Pre-Approval Policies and Procedures**

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors" in the audit committee charter attached hereto as Schedule "A".

**External Auditor Service Fees**

The aggregate fees billed by QC Copper's external auditors in each of the last two fiscal years for audit and other fees are as follows:

Financial Year Ending	Audit Fees (\$) <sup>(1)</sup>	Audit Related Fees (\$) <sup>(2)</sup>	Tax Fees (\$) <sup>(3)</sup>	All Other Fees (\$) <sup>(4)</sup>
2023	58,850	Nil	14,766	Nil
2022	56,700	Nil	12,285	Nil

**Notes:**

(1) "Audit Fees" include the aggregate fees billed in each financial year for audit fees.

- (2) "Audit Related Fees" include the aggregate fees in each financial year for assurance and related services to the performance of the audit or review of QC Copper's financial statements not already disclosed under "Audit Fees".
- (3) "Tax Fees" are the aggregate fees billed by the auditor for tax compliance, tax advice and tax planning.
- (4) "All Other Fees" include aggregate fees billed for products or services not already reported in the above table.

**Exemption in Section 6.1 of NI 52-110**

QC Copper is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

**Corporate Governance**

Corporate governance relates to the activities of the board of directors of QC Copper, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the board of directors of QC Copper and who are charged with the day to day management of QC Copper. The board of directors of QC Copper is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. QC Copper has reviewed its own corporate governance practices in light of these guidelines. In certain cases, QC Copper's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for QC Copper at its current stage of development and therefore these guidelines have not been adopted.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, QC Copper is required to disclose its corporate governance practices as summarized below.

**Board of Directors**

The board of directors of QC Copper is currently comprised of six members. Anthony Moreau, Simon Kidston and Philippe Cloutier are the independent directors of QC Copper and have no ongoing interest or relationship with QC Copper other than their security holdings in QC Copper and serving as directors.

Stephen Stewart, the CEO of QC Copper, is a member of management of QC Copper and, as a result, is not an independent director. Charles Beaudry, the VP Exploration of QC Copper, is not an independent director. Alexander Stewart is an immediate family member, as the term is defined in NI 52-110, is an executive officer of QC Copper, and is not an independent director.

**Directorships**

The following table sets out the directors and officers of QC Copper that are, or have been within the last five years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdiction:

Director	Other Reporting Issuers	Market	Position	From	To
Alexander Stewart	OreCAP Invest Corp.	TSX-V	Director	February 2012	Current
	Mistango River Resources Inc.	CSE	Director	October 2019	Current
	American Eagle Gold Corp.	TSX-V	Director	June 2018	Current

Director	Other Reporting Issuers	Market	Position	From	To
	Metal Energy Corp	TSX-V	Director	November 2021	Current
	Baselode Energy Corp.	TSX-V	Director	June 2020	October 2021
Stephen Stewart	OreCAP Invest Corp.	TSX-V	CEO and Director	February 2015	Current
	Mistango River Resources Inc.	CSE	Director	October 2019	Current
	American Eagle Gold Corp.	TSX-V	Director	June 2018	Current
	Baselode Energy Corp.	TSX-V	Director	June 2020	Current
	Awale Resources Inc.	TSX-V	Director	May 2023	Current
	Metal Energy Corp.	TSX-V	Director	November 2021	Current
Anthony Moreau	American Eagle Gold Corp.	TSX-V	CEO and Director	June 2018	Current
	QC Copper and Gold Inc.	TSX-V	Director	February 2018	Current
Charles Beaudry	QC Copper and Gold Inc.	TSX-V	Director and Officer	June 2018	Current
	Mistango River Resources Inc.	CSE	Director	May 2019	Current
	OreCAP Invest Corp.	TSX-V	Director	June 2017	Current
	Awale Resources Inc.	TSX-V	Director	July 2023	Current
	Metal Energy Corp.	TSX-V	Director	November 2021	Current
	Baselode Energy Corp.	TSX-V	Director	June 2020	Current
Joel Friedman	QC Copper and Gold Inc.	TSX-V	CFO	May 2022	Current
	Mistango River Resources Inc.	CSE	CFO	May 2022	Current
	Metal Energy Corp.	TSX-V	CFO	May 2022	Current
	OreCAP Invest Corp.	TSX-V	CFO	May 2022	Current
	Baselode Energy Corp.	TSX-V	CFO	May 2022	Current
	Khiron Life Sciences Corp.	TSX-V	CFO	October 2020	September 2021
Philippe Cloutier	Cartier Resources Inc.	TSX-V	President, CEO, Director	May 2007	Current
	Imperial Mining Group Ltd.	TSX-V	Director	December 2017	Current
Michael Mansfield	Revival Gold Inc.	TSX-V	Director	June 2017	September 2024



Director	Other Reporting Issuers	Market	Position	From	To
	Baselode Energy Corp.	TSX-V	Director	December 2017	Current
Simon Kidston	Genex Power Ltd.	ASX	Director	August 2013	July 2024
	Lithium Plus Minerals Limited	ASX	Director	September 2021	Current
	Q Mines Limited	ASX	Director	January 2023	November 2023
	Energy Transition Minerals Ltd.	ASX	Director	June 2024	Current

### ***Orientation and Continuing Education***

QC Copper does not have formal orientation and training programs for new board members. New board members are provided with: (i) information respecting the functioning of the board, committees and copies of QC Copper's corporate governance policies; (ii) access to recent, publicly filed documents by QC Copper, Technical Reports and QC Copper's internal financial information; (iii) access to management and technical experts and consultants; and (iv) a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit QC Copper's operations. Board members have full access to QC Copper's records.

### ***Ethical Business Conduct***

The board of QC Copper views good corporate governance as an integral component to the success of QC Copper and to meet responsibilities to QC Copper Shareholders. The Board has adopted a code of conduct and has instructed its management and employees to abide by the code of conduct.

### ***Nomination of Directors***

The board of directors of QC Copper has not appointed a nominating committee. The board of QC Copper has responsibility for identifying potential board candidates. The board of directors assesses potential board candidates to fill perceived needs on the board for required skills, expertise, independence and other factors. Members of the board and representatives of the resource exploration industry are consulted for possible candidates.

### ***Compensation of Directors and the CEO***

As at the date herein, QC Copper's independent directors are Anthony Moreau, Philippe Cloutier and Simon Kidston. The independent directors have the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the independent directors review compensation paid for directors and executive officers of companies of similar size and stage of development in mineral exploration and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of QC Copper. In setting the compensation, the independent directors annually reviews the performance of the CEO and senior management in light of the QC Copper's objectives.

### **Other Board Committees**

As the directors are actively involved in the operations of QC Copper and the size of QC Copper's operations does not warrant a larger board, the board has determined that additional committees outside the Audit Committee, discussed above, are not necessary at this stage QC Copper's development.

### **Assessments**

The board of QC Copper does not consider that formal assessments would be useful at this stage of QC Copper's development. The board conducts informal annual assessments of the board's effectiveness, the individual directors and each of its committees. To assist in its review, the board conducts informal surveys of its directors.

## **RISK FACTORS**

**An investment in the QC Copper Shares is subject to certain risks. QC Copper Shareholders should carefully consider the risks described in QC Copper's filings on [www.sedarplus.ca](http://www.sedarplus.ca) and the risk factors outlined under the headings "Risk Factors" in the Circular. All statements regarding QC Copper's business should be viewed in light of these risk factors. QC Copper Shareholders should consider carefully whether an investment in the QC Copper Shares is suitable for them in the light of the information set forth in this Circular and in the documents incorporated by reference herein. Such information does not purport to be exhaustive. If any of the identified risks were to materialize, QC Copper's business, financial position, results and/or future operations may be materially adversely affected. Additional risks and uncertainties not presently known to QC Copper, or which QC Copper currently deems immaterial, may also have an adverse effect upon QC Copper. QC Copper Shareholders should carefully review and consider all other information contained in this Circular and in the documents incorporated by reference herein before making an investment decision and consult their own professional advisors where necessary.**

## **PROMOTERS**

As of the date of the Circular, no person or company is, or has been within the past two years immediately preceding the date of the Circular, a promoter of QC Copper or a subsidiary of QC Copper.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

There are no legal proceedings that QC Copper is or was a party to, or that any of its property is or was a subject of, during the last completed financial year, nor are any such legal proceedings known to QC Copper to be contemplated.

During the period from incorporation to the date of this Circular, there were no (i) penalties or sanctions imposed against QC Copper by a court relating to securities legislation or by a securities regulatory authority; (ii) penalties or sanctions imposed by a court or regulatory body against QC Copper; or (iii) settlement agreements QC Copper entered into with a court relating to securities legislation or with a securities regulatory authority.

## **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth in the Circular or as set forth in Note 12, "Related Party Transactions", in QC Copper's October 31, 2023 audited consolidated financial statements, which is incorporated herein by reference and can be found on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca), QC Copper is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of QC Copper or of any subsidiary of QC Copper, proposed nominee for election as a director, any shareholder holding more than 10% of the QC Copper Shares or any director or executive officer of any shareholder holding more than 10% of the QC Copper Shares or any associate or affiliate of

any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of QC Copper which has or will materially affect QC Copper.

#### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

QC Copper has appointed McGovern Hurley LLP, Chartered Accountants, of Toronto, Ontario, as auditors of QC Copper. McGovern Hurley LLP have been the auditors for QC Copper since March 2018. QC Copper has engaged Computershare Investor Services Inc. as transfer agent and registrar for the QC Copper Shares.

#### **MATERIAL CONTRACTS**

As of the date of the Circular, there are no material contracts entered into by QC Copper within the most recently completed financial year, or before the most recently completed financial year but which are still in effect, other than contracts entered into in the ordinary course of business.

## APPENDIX 2 INFORMATION CONCERNING CUPRUM CORP.

### DEFINED TERMS

*Unless the context indicates otherwise, capitalized terms which are used in this Appendix 2 and not otherwise defined in this Appendix 2 have the meanings given to such terms under the heading "Glossary of Terms" in the Circular.*

### FORWARD-LOOKING STATEMENTS

Certain statements contained in this Appendix 2, and in certain documents incorporated by reference into this Appendix 2, constitute forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events or Cuprum's future performance. All statements other than statements of historical fact may be forward-looking statements. Such forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements contained herein are based on the key assumptions described in such documents. With regard to forward-looking statements in Cuprum's documents herein, please refer to the forward-looking statements advisories in such documents in respect of the forward-looking contained therein, the assumptions upon which they are based and the risk factors in respect to such forward-looking statements. Cuprum believes the expectations reflected in such forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Circular should not be unduly relied upon. For additional information on the forward-looking statements contained in this Appendix 2 and the Circular, see the information included under the heading "*Cautionary Note Regarding Forward-Looking Information*" in the Circular.

### CORPORATE STRUCTURE

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

Cuprum was formed on January 15, 2010 by means of the amalgamation of 2220403 Ontario Inc. and Richview Resources Inc. ("**Richview**") pursuant to the provisions of the *Business Corporations Act* (Ontario) ("**OBCA**") which amalgamated company continued under the name "Cadillac Ventures Holdings Inc." ("**Cadillac**"). Effective January 26, 2021, Cuprum (formerly known as Cadillac) changed the name of the company to "Pickle Lake Minerals Inc." Effective October 25, 2023, Cuprum (formerly known as Cadillac and Pickle Lake Minerals Inc.) completed a stock split whereby: (A) each of the 100 shares of Cuprum was subdivided on the basis of 330,000 common shares for each 1 common share currently outstanding; and (ii) the name of the company was changed to "Cuprum Corp."

The registered office and principal business office of Cuprum are each located at 18<sup>th</sup> Floor, 55 University Avenue, Toronto, Ontario M5J 2H7. Cuprum's fiscal year end is May 31.

#### **Intercorporate Relationships**

As of the date hereof, Cuprum has no subsidiaries or investments in other companies.

## GENERAL DEVELOPMENT OF THE BUSINESS

Cuprum is a mineral exploration and development company that is focused on copper properties in Ontario, principally its Thierry Project, which consists of 27 mining leases and 179 mining claims spanning 4,670 ha in central Ontario (the full property, including all claims may also be referred to herein as the "**Thierry Property**"). To date, Cuprum has no revenues from its mining properties and is considered to be in the exploration stage. See "*Narrative Description of the Business – Description of the Thierry Property*".

### History

Cuprum was previously a wholly-owned subsidiary of Canadian Critical Minerals Inc. ("**CCMI**"). CCMI acquired Cuprum and the rights to the Thierry Property in 2020.

On October 26, 2023, Orecap Invest Corp. ("**Orecap**") acquired 27,000,000 common shares of Cuprum ("**Cuprum Shares**"), representing 45% of the outstanding Cuprum Shares, from CCMI in consideration for the cash payment of \$1,350,000 pursuant to an investment agreement dated October 3, 2023 among Orecap, CCMI and Cuprum (the "**Investment Agreement**"). Concurrently, QC Copper acquired 6,000,000 Cuprum Shares, representing 10% of the outstanding Cuprum Shares, at the same valuation.

Pursuant to the Investment Agreement, CCMI also received: (a) 3,000,000 common share purchase warrants of Cuprum ("**Cuprum Warrants**") with the following terms: (i) 1,000,000 Cuprum Warrants with an exercise price of \$0.10 per Cuprum Share and exercisable until October 26, 2024; (ii) 1,000,000 Cuprum Warrants with an exercise price of \$0.15 per Cuprum Share and exercisable until October 26, 2025; and (iii) 1,000,000 Cuprum Warrants with an exercise price of \$0.20 per Cuprum Shares and exercisable until October 26, 2026; and (b) the right to receive: (i) a \$500,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 100 million tonnes and/or 1.0 billion lbs of copper; and (ii) a \$250,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 150 million tonnes and/or 1.5 billion lbs of copper.

### Financing Activities

In November 2023, Cuprum completed a private placement offering of 9,110,000 Cuprum Shares at a price of \$0.05 per Cuprum Share for gross proceeds of \$455,500. Orecap subscribed to 2,500,000 Cuprum Shares in this private placement.

In April 2024, Cuprum completed a private placement offering of 3,176,666 flow-through common shares at a price of \$0.15 per share for gross proceeds of \$476,500.

In April 2024, Cuprum completed a private placement offering of 5,434,995 Cuprum Shares at a price of \$0.12 per Cuprum Share for gross proceeds of \$642,000.

### Recent Developments

On October 1, 2024, the Principal Shareholders and QC Copper entered into the Share Purchase Agreement pursuant to which QC Copper will acquire all of the Cuprum Shares held by the Principal Shareholders. QC Copper concurrently issued the Short Offer to Purchase to all of the Other Shareholders. Pursuant to the terms of the Purchase Agreements, QC Copper will acquire, subject to the fulfillment of certain conditions (including QC Copper Shareholder approval), all of the issued and outstanding Cuprum Shares in consideration for the issuance of 1.1538 QC Copper Shares for each one Cuprum Share, based on the QC Copper Share price of \$0.13.

## NARRATIVE DESCRIPTION OF THE BUSINESS

### Description of the Thierry Property

The following description has predominately been summarized or extracted from the Technical Report entitled "Technical Report on the Thierry Copper-Nickel (PGE) Property Pickle Lake Area Patricia Mining Division Northwestern Ontario, Canada" with an effective date of October 24, 2024, prepared by P&E Mining Consultants Inc. ("P&E"), Eugene Puritch, P.Eng., FEC, CET and David Burga, P.Geo., each of whom is a "Qualified Person" for the purposes of NI 43-101, on behalf of Cuprum ("Thierry Report"). The Thierry Report was prepared in accordance with NI 43-101, and is incorporated by reference into this Circular. Additional sources have provided more recent updates, particularly with respect to mineral tenure. Readers are cautioned that the following summary should be read in the context of the qualifying statements, procedures and accompanying discussion within the complete Thierry Report, and this summary is qualified in its entirety by the Thierry Report.

### Project Description, Location and Access

The Thierry Property is located in central Ontario, Canada, 12 kilometres west-northwest of the community of Pickle Lake and 450 kilometres north-northwest of Thunder Bay, Ontario. The Thierry Property is accessible by a 19 kilometre all-weather road from the community of Pickle Lake. The township of Pickle Lake is accessed by Provincial Highway No. 599, approximately 300 kilometres north of the town of Ignace on the Trans-Canada Highway No. 17. The Canadian National Railway passes through the town of Savant Lake, approximately 170 kilometres southwest of Pickle Lake.

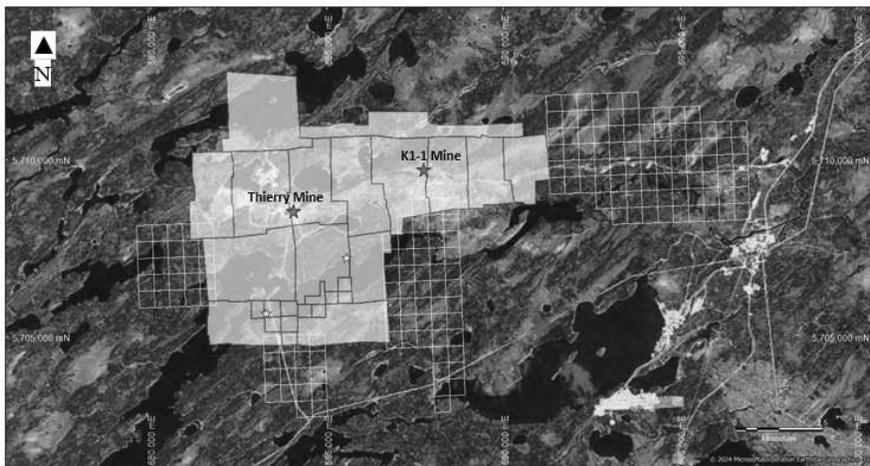
**Figure 4.1 Location**



Source: Figure 4.1 located on page 10 of the Thierry Report. Original source, Natural Resources Canada (2002).

The Thierry Property consists of 27 mining leases and 179 mining claims, all 100% owned by Cuprum (formerly known as Pickle Lake Minerals Inc.). The 27 mining leases cover a total area of 4,669 ha of land, of which, 9 have mining rights and the other 18 have mining rights and surface rights. The 179 mining claims consist of 163 single cell claims and 16 boundary claims. As of the date of the Thierry Report, all the claims are in good standing. The total Thierry Property area including both the mining leases and mining claims covers a total area of 7,997 ha of land. The mining leases and the claims are held 100% by Cuprum.

**Figure 2.2 Claim Map of the Thierry Property**



**Source:** Figure 4.2 located on page 12 of the Thierry Report. Original source, P&E (January 2024).

**Note:** Claims information effective October 24, 2024. The 27 mining leases are shown in red outline and the 179 mining claims shown in grey outline.

A detailed description of the mining leases and mining claims of the Thierry Project can be found in Table 4.1 and 4.2, located on pages 13-22 of the Thierry Report.

Cuprum is required to make milestone payments to CCMI in relation to the Thierry Project as follows:

- \$500,000 if the mineral resource of the Thierry Project is increased to greater than 100 million tonnes and/or greater than 1 billion pounds of copper; and
- \$250,000 if the mineral resource of the Thierry Project is increased to greater than 150 million tonnes and/or greater than 1.5 billion pounds of copper.

### ***Environmental and Permitting***

Both the Deposits on the Thierry Property are considered to be advanced exploration stage projects, as development or pre-development programs are not currently being undertaken. The most recent work program conducted on the Thierry Property was the 2023 drilling program by CCMI. To the extent known to Cuprum, there are no issues in relation to permitting or any other risk factors other than those noted above that may affect access, title, right or ability to perform work on the Thierry Property.

### ***History***

This “*History*” section presents material that is historical in nature and, therefore, much of the terminology used may not be in keeping with modern or current usage. In particular, mineral resource and mineral reserve classifications and related terms may not be considered appropriate or acceptable under NI 43-101, CIM best practices, and current industry standards. However, the context of the source material has been maintained to ensure historical accuracy and the reader is cautioned not to rely on historical information out of context.

In view of when the mineral resources were estimated and the differences in metal prices and operating costs at the time compared to present day, Cuprum is not treating the historical resources as current Mineral Resources or Mineral Reserves. The historical data is considered important as a conceptual indication of the potential size and grade of the mineral deposits in the area, and this data is relevant to proposed and future exploration efforts.

Gold was first discovered at the Thierry Property in 1928 along the banks of the Kawinogans River. The development of air transport technology made the area accessible and mining began on the Property in 1929. The following bullet points summarize the intermittent historical mining operations carried out on the Thierry Property:

- From 1934 to 1951, Pickle Crow Gold Mines operated the Pickle Crow Gold Mine from and produced 2,969,720 tonnes of mineralized material with a grade of 15.4 grams per tonne (“g/t”) Au.
- From 1935 to 1966, Central Patricia Gold Mines Limited operated the Central Patricia Gold Mine and produced 1,520,000 tonnes of mineralized material with a grade of 12.5 g/t Au.
- From 1946 to 1950, Central Patricia Gold Mines Limited completed drilling programs on several gabbro hosted copper-nickel prospects in the Kapkichi Lake area.
- In 1946, Albany River Gold Mines sunk a shaft and extracted mineralization. Pickle Crow Gold Mines took over the assets and liabilities of Albany River Gold Mines.
- In 1946, Crowshore Patricia Gold Mines, situated approximately three miles east of Pickle Crow Gold Mine, sunk a shaft to 550 feet deep. The shaft closed in 1947.
- In 1946, Norpic Gold Mines, situated north of Pickle Crow Gold Mine, completed extensive drilling on their property. In 1979, Dona Lake Gold Mines took an option on this property in 1979 and completed additional diamond drilling.
- From 1956 to 1966, Kapkichi Nickel Mines Limited completed geophysical surveys and diamond drilling on the Thierry Property.
- Gold mining on the Thierry Property ceased in 1966.

Union Miniere Explorations and Mining Corporation (“**UMEX**”) acquired the Thierry Project in 1969 under a joint venture agreement with Kapkichi Nickel Mines Limited. The agreement pertained to 12 mining claims and a one-mile surrounding zone (“**Kapkichi Property**”). McPhar Geophysics completed initial magnetometer and electromagnetic surveys on the Kapkichi Property. Later in 1969, UMEX completed ground magnetometer and geological mapping surveys on the Kapkichi Property. Through a drilling program, UMEX discovered low-grade copper and nickel mineralization in mafic and ultramafic rocks underlying Kapkichi Lake. Following this drilling program, UMEX outlined principal areas with copper-nickel mineralization, namely the K1-1, K1-2, K2-1 (later the location of the Thierry Project) and G and J anomalies. UMEX conducted preliminary metallurgical testwork on the Thierry Property that indicated a favourable metallurgical response. In September 1970, UMEX drilled a discovery drill hole on the K2-1 anomaly. The drilling revealed that the anomaly intersected 20 feet of sulphides in biotite and chlorite schist and contained 1.24% Cu and 0.14% Ni. Following the discovery drill hole, the Thierry Property was drilled off on a grid of cross-sections of 200 feet apart. In total, UMEX drilled 77 drill holes over 45,000 feet. The mineralization of the K2-1 anomaly covered 4,000 feet in length and was 2,500 feet deep. In 1971, UMEX awarded Kilborn Engineering a contract to prepare a preliminary feasibility study of the Thierry Project and to assume the project engineering tasks. In 1974, the decision was made to proceed with development of the Thierry Project.

In 1976, UMEX opened two open pit mines and an underground mine on the Thierry Property. A total of 52,000 feet of underground diamond drilling was completed to delineate mineralization. This drilling



produced approximately 5.8 million tonnes of mineralized material with an average grade of 1.13% Cu and 0.14% Ni between October 1976 and April 1982. The production primarily created a copper concentrate. In 1981, a small amount of nickel concentrate was also produced. Additionally, platinum group elements ("PGE") were recovered from the Mine. The average grades of PGEs were 0.005 ounces per tonne Au, 0.004 ounces per tonne Pt and 0.020 ounces per tonne Ag. In 1981, UMEX began test mining a large low-grade zone of disseminated copper-nickel mineralization at the K1-1 anomaly. From 1976 to 1982, the Thierry Mine produced 5.3 metric tonnes grading 1.13% Cu and 0.14% Ni. In total, the Mine produced concentrates containing 480,100 pounds of copper, 15,200 pounds of nickel, 17,500 ounces of platinum, 47,000 ounces of palladium, 17,000 ounces of gold and 900,000 ounces of silver. From 1987 to 1989, UMEX staff geologist, D. Unger, implemented re-sampling and assaying of selected diamond drill holes. It was discovered that higher grade copper-nickel zones were coincident with anomalous PGE. In 1988, DIGHEM flew an airborne geophysical study over the Kibler Lake Stock. The survey included electromagnetic, resistivity, magnetometer and very low frequency surveying.

In 1990, Etruscan Resources Inc. purchased the Thierry Property. In 1991, Watts, Griffis and McQuat Limited prepared an economic analysis for the reactivation of the Thierry Property operation. In 2002, PGM Ventures Inc. completed 25 drill holes totalling 8,952 metres to test mineralization of the Thierry Property. JVX Limited completed a time-domain electromagnetic and magnetometer survey of the Thierry Property. From October 2004 to March 2005, Richview conducted a multiphase drill program to explore the Thierry Property. In 2006, P&E and Billiken Management Services Inc. completed a NI 43-101 Mineral Resource Estimate for Richview. The Mineral Resource consisted of 4,623,000 tonnes of Measured & Indicated Mineral Resources at average grades of 1.81% Cu and 0.20% Ni and of 4,366,000 tonnes of Inferred Mineral Resource at average grades of 1.71% Cu and 0.18% Ni. Historical production records and metal recovery testwork completed between the 1970s and 2006, indicated that conventional crushing-grinding-flotation processes could produce a saleable copper concentrate with relatively high-grades of palladium, platinum and gold and low nickel. A nickel concentrate was also produced, but would probably not be saleable to a smelter. The anticipated metal performance would be:

- Copper concentrate: 30% Cu, less than 1% Ni, at 92% copper and 50% PGE recoveries.
- Nickel concentrate: 8% Ni and 2% Cu, at 40% nickel recovery.

Concentrate tonnage and concentration ratios would depend on head grade. The PGE may not be payable.

In May 2007, Richview commenced its summer validation and exploration program. Richview also completed a drilling program of 45,900 feet on the surface of the K1-1 open pit area to confirm and validate the historical drilling. A three kilometre corridor of unexplored ground between the Thierry Mine and the K1-1 Deposit was cleared of overburden. In 2008 Richview committed to an ongoing relationship with the First Nations regarding the company's exploration activities and the Thierry Project. Richview also conducted a summer work program consisting of excavation, geological mapping, prospecting and geochemical sampling. Richview further completed a deep drill hole program of 45,900 feet and conducted a mobile metal ion geochemical survey of the Thierry Project.

Further exploration was subsequently carried out by Cuprum (formerly known as Cadillac) and CCMI (formerly known as Braveheart Resources Inc.). In 2010, Cuprum acquired the Thierry Property through the amalgamation of Cadillac and Richview. Following the acquisition, Cuprum completed exploration drilling programs until 2012. Cuprum also issued Mineral Resource Estimates and a positive Preliminary Economic Assessment on the Thierry Project. CCMI acquired Cuprum and the Thierry Property in 2020 from Cadillac Ventures Inc., which maintained a 2% net smelter return royalty. In 2021, CCMI purchased the 2% net smelter return royalty from Cadillac Ventures Inc. for 2.5 million common shares of CCMI. An updated Mineral Resource Estimate and positive Preliminary Economic Assessment were completed in 2021.

### **2005 to 2011 Site Visits and Independent Sampling**

Mr. Eugene Puritch, P.Eng., of P&E, visited the Thierry and K1-1 Deposits on December 15, 2005, May 5, 2010, and June 2, 2011 for the purpose of completing independent site visits and data verification sampling programs. Mr. Puritch has not returned to the site since 2011.

In 2011, six samples were collected from six diamond drill holes by taking a quarter split of the half drill core remaining in the core box. An effort was made to sample a range of grades. At no time were any employees of Cadillac advised as to the identification of the samples to be chosen during the visit.

The 2011 samples were selected by Mr. Puritch and placed into sample bags that were sealed with tape and placed in a larger bag. The samples were brought by Mr. Puritch to the P&E office in Brampton and from there they were sent by courier to AGAT Laboratories (“**AGAT**”) in Mississauga for analysis.

At each of its locations, AGAT has developed and implemented a quality management system designed to ensure the production of consistently reliable data. The system covers all laboratory activities and takes into consideration the requirements of ISO standards.

AGAT maintains ISO registrations and accreditations, which provide independent verification that a quality management system is in operation at the location in question. Most AGAT laboratories are registered or are pending registration to ISO 9001:2000.

Samples were analyzed for copper, nickel and silver using a multi-acid-digest ( $\text{HCl}/\text{HNO}_3/\text{HClO}_4/\text{HF}$ ), with an ICP finish. Gold, palladium and platinum were determined using lead collection fire assay with an ICP finish.

### **Cadillac Ventures Inc. Drilling and Sampling**

From 2010 to 2012, Cadillac sampled all the sulphidic zones deemed to have potential for hosting precious or base metals. Exactly 1.5 metres of drill core was sampled on either side of every mineralized zone. Drill core was cut in half, with one-half stored in drill core boxes on site and the other half cut in half again. This quarter drill core was sampled (other  $\frac{1}{4}$  for duplicate).

Drill core sample lengths ranged from 0.3 to 1.5 metres. The drill core was cut on-site by contract labourers under the supervision of the Brian H. Newton, P. Geo who was directly responsible for all aspects of sample collection, on-site sample preparation and subsequent shipping to the assay laboratory. When cut, the remaining drill core was stored on-site in clearly labelled wooden drill core boxes placed on metal drill core racks.

Each individual drill core sample was packaged in a labelled plastic bag with matching sample tags, placed in rice bags, and secured with duct tape and flagged. Samples were transported by bonded carrier to Activation Laboratories in Thunder Bay, Ontario. Samples were prepared and assayed using Fire Assay ICP-OES. Samples which assayed greater than 1% Cu were reprocessed using total digestion with an ICP finish.

Activation Laboratories is an independent, internationally recognized minerals testing laboratory operating in 10 countries. The laboratory in Thunder Bay has also been accredited to ISO 17025 standards for specific laboratory procedures by the Standards Council of Canada.

Sample pulps and rejects from the 2011 and 2012 drill programs have been discarded.

### **Quality Assurance**

For the winter 2011 diamond drill program that consisted of 26 drill holes, Cadillac essentially maintained the same Quality Assurance/Quality Control (“**QA/QC**” or “**QC**”) program as had been initiated for the previous drilling with only a few minor changes. Certified reference materials (“**CRM**”) were purchased from

CDN Resource Labs in Langley, BC and from Analytical Solutions Ltd. in Toronto, ON, who are distributors of the OREAS CRM from Australia.

Cadillac's QC program included the insertion of one blank, one CRM and (provision for) one pulp duplicate approximately every 20 to 24 samples. The CRMs monitored copper, nickel, gold, palladium, and platinum.

There was a total of 126 CRMs inserted with the 26 drill holes. All values were graphed and compared to the warning limit of  $\pm 2$  standard deviations from the mean of the between lab round robin characterization values. Assay values were also compared to a tolerance limit of  $\pm 3$  standard deviations. For copper, there was an unacceptable level of failures, all exceeding +3 standard deviations from the mean. Drill hole samples bracketing the estimated copper cut-off grade of 0.25% Cu, (from 0.20% to 0.30% Cu) that were associated with failed CRMs were re-run for copper. All values re-run were lower in value than the original values, and the re-run values were imported into the master database. Cadillac inserted eight CRMs with these batches, and all were within the warning limits.

Accuracy for the other metals was acceptable.

A total of 68 pulp duplicate pairs were analyzed as part of the QC program.

Simple scatter graphs were prepared for each element for each duplicate type. At the pulp duplicate level, all metals apart from gold demonstrated excellent precision. There was imprecision demonstrated by the gold pulp duplicates, with a scatter higher than desired. An investigation will be conducted to try to determine the reasons for the imprecision.

Cadillac used a blank material obtained from sterile historical drill core for a total of 72 data points for each of the elements. For silver, 100% of the values were less than three times detection limit. For platinum, 100%, apart from a single value, were less than three times detection limit. For gold, approximately 50% of the values exceeded three times detection limit; however, the average was 0.003 g/t Au. For palladium, the values were approximately three times detection limit with an average of 0.006 g/t Pd and one high value of 0.15 g/t Pd. The high palladium value was examined and found to be the result of sample misallocation.

The copper and nickel data points were 100% above the set threshold of three times detection limit. Copper had an average value of 0.01% Cu and two high values of 0.05% and 0.06% Cu. Nickel had an average value of 0.004% Ni and a high value of 0.02% Ni. The values as reported in the blanks are low. It is recommended, however, that a certified, completely sterile blank material be used for future analysis.

### **CCMI Drilling Program and Sampling**

In July 2023, CCMI completed six diamond drill holes (CCM-23-51 to CCM-23-56) totalling 2,600 metres in the K1-1 Deposit area. The 2023 summer drilling program was designed to focus on expanding the K1-1 Deposit, a large tonnage, near-surface deposit located 3 kilometres east of the Thierry Mine. Assay highlights of the drill program are as follows:

- Drill hole CCM-23-51 intersected 106 m of 0.539% Cu equivalent ("**CuEq**") mineralization (including 23.2 metres of 0.875% CuEq mineralization) within continuous sulphide mineralization that started near-surface and extended 248 metres downhole, grading 0.438% CuEq; and
- Drill hole CCM-23-52 intersected 31.2 metres of 0.677% CuEq mineralization and 22.8 metres of 0.670% CuEq mineralization within continuous sulphide mineralization that started at surface and continued for 243.9 metres downhole, grading at 0.382% CuEq.

The drill holes were completed at -45° dip to intersect mineralized lenses dipping 50° to the north, thereby returning intercepts of approximate true thickness.

As part of the drilling program, CCMI conducted sampling of the drill holes. The entire length of the drill hole was sampled. Generally, samples were between 1.0 to 1.5 metres in length, but were sometimes shorter

to prevent crossing lithologies or to get more information around a particular structure or mineralized zone. The drill core was split on-site by contract labourers under the supervision of the Brian H. Newton, P. Geo., who was directly responsible for all aspects of sample collection, on-site sample preparation, and subsequent shipping to the assay laboratory. When split, the remaining drill core was stored on-site in clearly labelled wooden core boxes placed in metal drill core racks.

Each individual sample was packaged in a labelled plastic bag with matching sample tags, placed in rice bags, and secured with duct tape and flagged. Samples were transported by bonded carrier to ALS Laboratories in Thunder Bay, Ontario (“ALS”). Samples were prepared in Thunder Bay, and subsequently shipped to Vancouver for final analysis. Samples were prepared and assayed for platinum, palladium and gold using Fire Assay with ICP-MS finish. Copper, nickel, zinc and other elements were analyzed by Aqua Regia digestion with ICP-MS finish. A 30-gram sample size was used.

Only samples from drill holes CCM-23-51, CCM-23-52 and part of CCM-23-53 have been submitted for analysis. Samples from the bottom of drill hole CCM-23-53 and all samples from drill holes CCM-23-53 through CCM-23-57 are being stored in a secure facility in Pickle Lake.

ALS is an independent, internationally recognized minerals testing laboratory with more than 350 offices operating in over 70 countries. ALS Canada is certified by the Canadian Association for Laboratory Accreditation Inc (“CALA”). The laboratories in Thunder Bay and Vancouver have also been accredited to ISO 17025:2017 standards for specific laboratory procedures by the CALA.

Sample pulps from the 2023 summer drill program are stored at ALS’ storage facility.

### **Quality Assurance**

For the 2023 diamond drill program that consisted of seven drill holes, CCMI implemented a QA/QC program that included the insertion of control samples into batches of 50 samples that were submitted to ALS. For each batch of 50 samples, at least six QA/QC samples are inserted, including two blanks, two field duplicates (which are quarter cuts of core), and two coarse rejects. A CRM is inserted every 150 samples, or every three batches. The CRM utilized, CDN-ME-1309, was purchased from CDN Resource Labs in Langley, BC, , and was used to monitor the quality of copper, nickel, gold, palladium, and platinum assay analyses.

The blank material utilized was barren granite material from previous drill programs.

A total of four CRMs were inserted with three drill holes. All values were below the warning limit of  $\pm 2$  standard deviations from the mean of the between lab round robin characterization values for gold, copper, nickel, palladium and platinum.

A total of 21 coarse reject pairs were analyzed as part of the QC program. Simple scatter graphs were prepared for each element for each duplicate type. At the coarse reject level, all metals apart from gold demonstrated excellent precision. There was imprecision demonstrated on the Au coarse reject, which can be attributable to the nature of gold mineralization.

A total of 21 field duplicate pairs were analyzed as part of the QC program. Simple scatter graphs were prepared for each element of each duplicate type. At the field duplicate level, all metals apart from gold demonstrated excellent precision. There was imprecision demonstrated on the gold pulp duplicates, with a scatter higher than desired.

CCMI used a blank material obtained from sterile historical drill core for a total of 21 data points for each of the elements. All the gold, platinum and palladium values were less than three times detection limit. For platinum, 100%, apart from one value, were less than three times the detection limit.

The copper and nickel data points were 100% above the set threshold of three times detection limit. Copper had an average value of 13.8 parts per million (“ppm”) Cu with a high value of 32.8 ppm Cu. Nickel had an

average value of 4.6 ppm Ni and a high value of 8.6 ppm Ni. The values as reported in the blanks are low and have no impact on the purpose of this Report. It is recommended, however, that a completely sterile and certified blank material be acquired for future analysis.

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

#### **Regional Geology**

The Thierry and K1-1 Deposits occur along the northwest margin of the Archean Pickle Lake Greenstone Belt, in the Uchi Subprovince of the northwestern Superior Province, Canadian Shield. The Thierry Property is underlain by a 1.5 kilometre wide belt of metavolcanic rocks that thicken to the southwest. The metavolcanic sequence is intruded by the Pickle Lake and Tarp Lake felsic-intermediate plutons. The metavolcanic sequence has been regionally metamorphosed under mid-greenschist facies conditions and structurally modified by four distinct tectonic events, the most significant of which was a late deformation and dynamic (retrograde) metamorphic event that produced a major shear zone (mylonite) in the vicinity of the Thierry Deposit. Peak metamorphic conditions increased to mid-amphibolite facies in the contact aureoles of the major plutons.

#### **Local Geology**

The Thierry Deposit sequence consists of metamorphosed gabbro and ultramafic rocks hosted by sequences of massive to pillowed tholeiitic basalt flows. The intrusions have been described as amphibolite, peridotite and metagabbro. The temperature and pressure conditions of metamorphism, as determined from garnet-biotite, calcite dolomite and magnetite-ilmenite geothermometers, peaked in the range of 600° to 650°C and 6.5 to 7 kilobar in the contact aureoles of the felsic-intermediate plutons. Granitoid-metavolcanic contacts generally display cataclastic features and texturally some of these rocks approach a protomylonite.

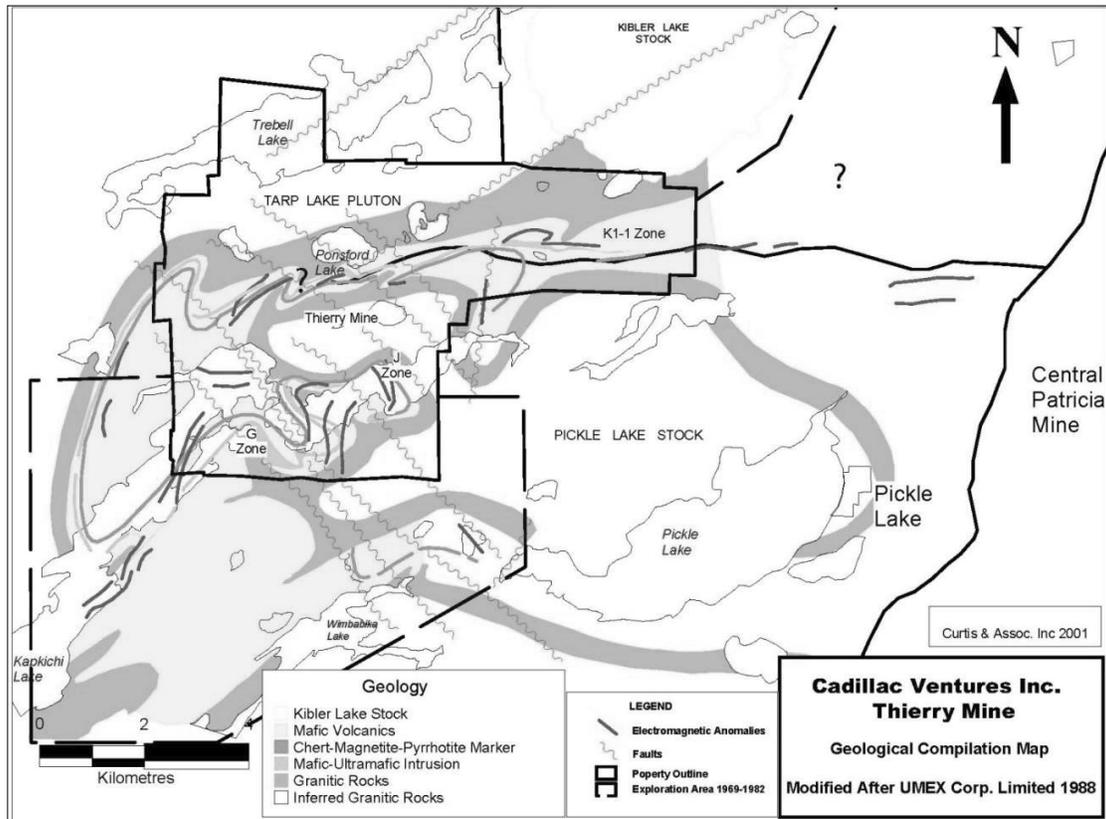
The pillow basalt flows around the historical Thierry Deposit open pits are highly deformed and flattened. Relatively undeformed, flat-lying amphibolite pillows have been observed along the southeast shore of Kapkichi Lake, near the Kapkichi Lake gold showing. The metavolcanics are moderately to strongly foliated and altered to epidote. The area of the Thierry Deposit is covered by glacial till and fluvial materials that average 4.5 metres in thickness. Interlayered with the mafic rocks of the Thierry Deposit sequence is a chert-magnetite iron formation of variable thickness that can be traced for at least a kilometre west and southwest of the Thierry Mine, where it appears to be truncated by a northwest-trending sinistral fault. The iron formation horizon may have a focus of the main shearing event that preferentially allowed the intrusion of the host mafic-ultramafic bodies at Thierry.

The siliceous metasedimentary rocks and cherty iron formation observed in drill holes west of the Thierry Mine are probably not the strike extension of the main iron formation horizon west of the west pit, but represent another sedimentary horizon. Iron formations under Kapkichi Lake and encountered farther south in drill hole K-92 are probably the on-strike extension of the "Mine Iron Formation". Magnetite-rich mafic intrusions similar to mafic-ultramafic bodies at Thierry underlie Kapkichi Lake.

#### **Property Geology**

The below image shows the geology of the Thierry Property.

Figure 1.3 Property Area Geology



Source: Figure 7.2 located on page 64 of the Thiery Report. Original source, Cadillac (2012).

### Mineralization

The main mineralized zone of the Thiery Deposit consists of a near-continuous, sheet-like body of sulphide mineralization that has been traced in drilling and underground exposures for 1,280 metres along strike, up to 30 metres across strike (thick), and 760 metres down-dip. The Thiery Deposit strikes east-west and dips moderately to steeply to the north. Two other mineralized zones, the hanging wall zone and the footwall zone, are much shorter and parallel to the main mineralized zone. The K1-1 Deposit, 3 kilometres to the east of Thiery, has been traced in drilling for 1,380 metres roughly east-west along strike and to a depth of 450 metres below surface. This Deposit consists of approximately seven en-echelon stacked lenses that dip approximately 55° north.

Despite the relatively simple geometry, the nickel grade shell models of the Thiery Deposit indicate several distinct plunge components to the Thiery Deposit. The primary plunge component is defined by two prominent mineralized shoots that plunge steeply in the plane of the Deposit. These intersect bedrock surface at the locations of the west and east pits. Two secondary plunge components are defined by three roughly equally-spaced, mineralized shoots that plunge shallowly west-southwest and east-northeast in the plane of the Thiery Deposit. The main mineralized zone appears to be open to expansion by drilling at depth.

Overall, the main sulphide minerals, listed in approximate order of decreasing abundance, are pyrrhotite, chalcopyrite, pyrite and pentlandite. Cubanite, bornite, magnetite and minor ilmenite have also been identified. Violarite and mackinawite occur as alteration products of pentlandite. Outside the main sulphide mineralized zone, chalcopyrite and bornite occur as stringers and finely dissemination sulphides. Bornite is commonly associated with carbonate and quartz veins. Oxidized mineralization contains violarite, millerite and bornite.

The main features of the copper-nickel sulphide mineralization and of the platinum metal mineralization are summarized below:

### ***Copper-Nickel Mineralization***

Five main styles of copper-nickel sulphide mineralization have been described at the Thierry Mine: 1) breccia mineralization; 2) mylonite mineralization; 3) disseminated mineralization; 4) bornite mineralization; and 5) supergene altered or oxidized mineralization. The key features of each of these styles of sulphide mineralization are summarized below:

#### ***Breccia Mineralization***

Breccia mineralization makes-up approximately 40% of all mineralized rock. This mineralization consists of near-massive (50 to 80% total sulphide) to massive (greater than 80% total sulphide) chalcopyrite and pyrrhotite that contains angular to subrounded inclusions of wall rocks or other silicate gangue (mafic metagabbro, mylonite and amphibolite). Breccia mineralization tends to form discrete, relatively sharp-walled veins that are apparently controlled by irregular fracture arrays in relatively weakly to non-foliated wall rocks. These veins may result from ductile flow of sulphides during deformation (i.e., piercement veins) or fluid-state remobilization during, or subsequent to, deformation. The breccia veins typically do not exceed 50 centimetres in maximum thickness, and are composed mainly of chalcopyrite with subordinate to subequal amounts of pyrrhotite. Some veins exhibit marked segregation of pyrrhotite and chalcopyrite. In addition to chalcopyrite and pyrrhotite, pyrite (nickel-rich and cobalt-rich), pentlandite, smythite, violarite (in pentlandite and pyrrhotite), and sphalerite (in pyrrhotite and with pyrrhotite and pyrite) are also present.

Late-tectonic emplacement of the breccia veins is indicated by their relatively undeformed state, and the local presence of multiphase deformation structures in wall rock inclusions. In addition, breccia mineralization is observed to discordantly cut tight to isoclinal folds in the laminated rocks of possible sedimentary origin, indicating emplacement subsequent to development of the intense transposition fabrics. These aspects, coupled with the relatively fine-grained, nonannealed, nature of the breccia mineralization indicate emplacement late in the tectono-metamorphic evolution of the host-rocks.

Nevertheless, some of the breccia veins preserve evidence of a more protracted, multi-phase emplacement history. One breccia vein intersected in drill hole PGM 05-60, for example, contains two generations of breccia mineralization. The earlier generation of breccia is inclusion-poor and distinctly layered, and is sharply cross-cut by a later generation of relatively massive and inclusion-rich breccia.

Although most examples of breccia mineralization are relatively undeformed, some exhibit evidence of ductile and brittle-ductile deformation, in the form of a moderate to strong planar fabric defined by aligned inclusions of silicate gangue. This style of mineralization is referred to as 'durchbewegt'.

#### ***Mylonite Mineralization***

Mylonite mineralization makes-up approximately 58% of all mineralized rock and contains 5% to 20% sulphide as stringers of chalcopyrite, pyrrhotite, pentlandite and pyrite (nickel-rich and cobalt-rich). The stringers parallel foliation and, where gradational with breccia mineralized rock, the breccia fragments are flattened and elongated. Violarite (in pentlandite) and sphalerite (with pyrrhotite and pyrite) are also present.

The mylonite was probably derived through intense deformation and hydrothermal alteration of mafic or ultramafic intrusive rocks. However, this interpretation appears to be inconsistent with the observation that these rocks occur in sharp contact with mafic and ultramafic intrusive rocks that lack mesoscopic deformation fabrics, which would require very abrupt strain-gradients from the mylonite into the precursor rocks. Nevertheless, similar such abrupt strain gradients are apparent in the Kambalda Nickel Camp of Western Australia and have been attributed to extreme competency contrast during ductile deformation.

Alternatively, the mylonite (CSB) unit precursor was originally sedimentary rock that has been intensely sheared. Evidence of intense transposition is provided by the occurrence of tight to isoclinal, strongly asymmetric and rootless folds in these rocks.

### ***Bornite Mineralization***

Bornite mineralization constitutes only approximately 1% of all mineralized rock and contains 1% to 5% sulphide as stringers and disseminations of chalcopyrite and bornite in carbonate veins associated with blocks of amphibolite schist up to 20 metres in diameter in the main shear zone (chlorite-biotite ± amphibole schist). Disseminated bornite was intersected in a cross-cut on the 180 metre level.

In addition to chalcopyrite and bornite, millerite, carrollite, and wittichenite and emplectite (sulphosalts) are also present. Precious metal minerals native silver (with acanthite and stuetzite) and merenskyite occur as micrometre-size grains disseminated in bornite and chalcopyrite.

### ***Disseminated Mineralization***

Disseminated mineralization makes-up approximately 1% of all mineralized rock. The disseminated sulphides are hosted in thick sections of mafic metagabbro and talc-carbonate schist. The disseminated sulphides occur between remnant olivine and serpentine-talc pseudomorphs of olivine in the metagabbro and along cleavages in amphibole and chlorite in the schist. The sulphide phases are chalcopyrite, pyrrhotite, pentlandite, bornite and cubanite intergrown with magnetite.

Disseminated mineralization consists of isolated, monomineralic to polyminerally grains of pyrrhotite, chalcopyrite and/or pentlandite that typically are less than 2 millimetres across and are evenly distributed throughout the host rock. Typically, this style of mineralization contains less than 5% total sulphide. Disseminated mineralization is observed in ultramafic and mafic rocks of inferred intrusive origin, and has been interpreted to represent recrystallized primary magmatic sulphide. More heavily disseminated mineralization (5% to 10% total sulphide) consists of blebs and irregular veinlets of chalcopyrite and pyrrhotite that form the matrix to equant to irregular-shaped fragments or grains of silicate gangue.

### ***Supergene Altered/Oxidized Mineralization***

Additionally, there is also supergene altered or oxidized mineralization, which is characterized by the presence of violarite, millerite and bornite. Also present are the mineral phases polydymite (copper-rich and cobalt-rich varieties), vaesite, pyrite (cobalt-rich), and chalcopyrite. The alteration produced iron oxide at the expense of iron sulphide, thereby increasing the nickel:iron ratio of the remaining sulphide mineralization.

### ***Copper:Nickel Ratio Variation***

Intrusive complexes similar to those at Thierry contain sulphides with a copper:nickel ratio of 2:1 and a pyrrhotite:chalcopyrite ratio of 10:1. At the Thierry Deposit, the copper:nickel ratio is 8:1 and the chalcopyrite/pyrrhotite ratio is 1:1. In detail, the ratio of copper:nickel appears to increase from approximately 6:1 to 13:1 from east to west along the Deposit. The overall elevated contents of copper and chalcopyrite relative to nickel (and iron) and pyrrhotite (and pentlandite) is attributed to the greater mobility of copper in the presence of hydrothermal fluids during shear deformation and metamorphism.

### ***Platinum-Group Element and Silver Mineralization***

Two distinct associations of precious metal minerals have been recognized in the Thierry Deposit:

- In breccia mineralized rock, merenskyite, moncheite, stuetzite, and an unnamed mineral ( $\text{Ag}_3\text{BiTe}_2$ ) occur with chalcopyrite, pyrrhotite, pentlandite, pyrite and violarite; and



- In bornite mineralized rock, native silver, acanthite, stutzite and merenskyite are associated with chalcopyrite, bornite, and the copper bismuth sulphosalts wittichenite and emplectite.

The precious metal minerals occur as less than 0.1 millimetre size, isolated grains with chalcopyrite, pyrrhotite and pentlandite. The moncheite occurs in chalcopyrite, pyrrhotite and pentlandite with small pods of stuetzite. Merenskyite occurs with lamellae of kotulskite and stuetzite. A single specimen contains stuetzite intergrown with the  $Ag_3BiTe_2$  phase. Compositions of the precious metal minerals are listed in the Table 2.1 below:

TABLE 2.1 WEIGHT PERCENT COMPOSITION OF PRECIOUS METAL MINERALS FROM THE THIERRY MINE											
Mineral	No. of Analyses	Pd (%)	Pt (%)	Au (%)	Ag (%)	Ni (%)	Fe (%)	Te (%)	Bi (%)	S (%)	Total
Moncheite	11	11.60	22.60	n.d.	n.d.	0.93	0.22	55.4	7.38	n.d.	98.3
Merenskyite <sup>1</sup>	2	26.00	3.80	n.d.	2.12	n.d.	n.d.	60.1	8.01	n.a.	100.0
Merenskyite <sup>2</sup>	1	16.90	3.52	n.d.	9.53	n.d.	n.d.	61.1	6.38	n.a.	97.4
Kotulskite	1	44.30	2.31	n.d.	n.d.	n.d.	n.d.	53.5	1.80	n.a.	101.9
Stuetzite	5	0.75	0.38	1.54	56.80	n.d.	n.d.	39.7	tr	n.a.	99.2
unknown	2	n.d.	n.d.	n.a.	40.10	0.57	n.d.	33.0	25.70	n.a.	99.4
Acanthite	1	n.a.	n.a.	n.a.	87.00	n.a.	n.a.	n.d.	tr	13.4	100.7
Native Silver	1	n.a.	n.a.	2.10	97.80	n.a.	n.a.	n.d.	n.d.	n.d.	99.9

*Source: Table 7.1 located on page 80 of the Thierry Report. Original source, modified by P&E (January 2024) after Patterson and Watkinson (1984b)*

*Note: Compositions determined by electron microprobe analysis. 1. exsolved with kotulskite; 2. exsolved with stuetzite; n.d. = not detected; n.a. = not analyzed; tr = trace.*

Statistically, the strongest positive correlation of the metals is shown by silver and copper. A negative correlation of silver and nickel exists at values of nickel greater than 0.5%.

### **Deposit Types**

Two models have been proposed to explain the origin of the Thierry Mine Deposit: 1) it formed originally as a mafic-ultramafic magmatic sulphide deposit and subsequently deformed during regional metamorphism and deformation; and 2) it formed in part or in its entirety as a hydrothermal mineral deposit during regional metamorphism and deformation. The evidence in support of each of these two alternative mineralization models is summarized below.

#### ***Deformed Magmatic Sulphide Deposit***

Investigations of the Thierry Deposit concluded that the mineralization had undergone intense modification following initial deposition as magmatic sulphides. This interpretation also applies to the K1-1 Deposit. Textural evidence and the occurrence of sulphide inclusions in olivine supported the argument that the mineralization was originally an intercumulus sulphide phase. The excess copper relative to nickel (greater than 3:1 ratio) was interpreted to occur as a result of depletion of nickel due to prior removal of olivine and pyroxene from the parental magma.

Magmatic sulphide deposits form when sulphur-undersaturated picrite or high magnesium basalt magma becomes saturated in sulphides, generally as a result of interaction with and assimilation of sulphur-bearing sedimentary rocks. Assimilation of crustal sulphur results in the formation of an immiscible sulphide liquid that segregates toward the base of the flow or sill. Assimilation and concentration may be enhanced by multiple pulses of magma in a dynamic conduit system. The mineralization typically forms lenses or tabular concentrations in the middle or lower parts of the gabbro intrusions.

Strong evidence exists at the Thierry Deposit that re-mobilization of the original sulphide material is responsible for the observation that the amount of chalcopyrite increases relative to pentlandite in late-stage veins. During regional metamorphism, the primary disseminated sulphides were mobilized into veins and veinlets as the surrounding silicates recrystallized. Strong dynamic (retrograde) metamorphism also mobilized the sulphides into fractures and pressure shadows and significantly changed the copper/nickel ratio of the mylonite- and breccia-hosted sulphides compared to the disseminated sulphides. Furthermore, the occurrence of fragments of mylonite in the breccia mineralization suggests formation of the breccia-hosted sulphides during dynamic metamorphism.

The sulphide mineralization is considered to have been deposited initially as magmatic sulphides, and subsequently overprinted and remobilized in the presence of hydrothermal fluids during shear deformation and regional metamorphism. Specifically, the remobilization and re-concentration of the sulphide mineralization was linked to deformation imposed by the emplacement of the Pickle Lake Stock (2740 Ma).

### ***Hydrothermal Mineralization Model***

The Thierry Deposit contains significant concentrations of platinum and palladium with abnormal characteristics. Unlike many nickel-copper (PGE) deposits, Thierry is not obviously of primary magmatic derivation. The nickel-copper (PGE) mineralization at Thierry is hosted in a metamorphosed and deformed mafic-ultramafic complex and there exists little textural evidence to suggest that primary magmatic concentration of sulphides played a major role in elevating the PGE content of the mineralization.

What is more evident at Thierry, and common to several other PGE-enriched deposits, are the following features:

- the PGE-enriched mineralization is structurally confined;
- the PGE occur in association with higher contents of nickel and/or copper, but the relationship is not exclusive; that is, high contents of PGEs occur in zones that have low concentrations of nickel and copper;
- host rocks to the mineralization have been subjected to upper greenschist-lower amphibolite grade regional metamorphism;
- there is evidence for late-stage remobilization of sulphides with PGEs; and
- there is evidence for involvement of hydrothermal fluids during metamorphism and remobilization.

Furthermore, the occurrence of merenskyite in bornite-bearing carbonate veins that cut metamorphic foliation in the amphibolite host rocks at Thierry implies mobility of the PGE during deformation and metamorphism. The additional association of hydrous silicates, particularly chlorite, biotite, sericite and actinolite-talc that are atypical of magmatic environments, suggest that PGE can be remobilized and re-concentrated by hydrothermal fluids during metamorphism.

### ***Exploration***

Cuprum has not completed any exploration work on the Thierry Property since the acquisition of the Thierry Project. Please see "*History*" and "*Historical Information of Thierry Mining Site*" for a summary of the past exploration activities.

### ***Drilling***

Cuprum has not completed any drilling on the Thierry Property since the acquisition of the Thierry Project. Please see "*History*" and "*Historical Information of Thierry Mining Site*" for a summary of the past drilling activities.

### **Sampling, Analysis and Data Verification**

Cuprum has completed the following sampling activities since the acquisition of the Thierry Project. Please see “History” and “Historical Information of Thierry Mining Site” for a summary of the past sampling activities and quality assurance.

#### **2024 Site Visit and Independent Sampling**

Mr. David Burga P.Geol., of P&E, visited the Thierry Property on January 24, 2024 for the purpose of an independent site visit and completion of an independent verification sampling program. Nine samples were collected from three of CCMI’s 2023 diamond drill holes by taking the half drill core remaining in the drill core box. An effort was made to sample a range of grades. Cuprum employees were not advised at any time as to the identification of the samples to be chosen during the visit. The samples were selected by Mr. Burga and placed into sample bags that were subsequently sealed with tape and placed in a larger bag. The samples were brought by Mr. Burga back to Toronto where he delivered them personally to the Activation Laboratories (“ActLabs”) in Ancaster, Ontario for analysis.

At each of its locations, ActLabs has developed and implemented a quality management system designed to ensure the production of consistently reliable data. The system covers all laboratory activities and takes into consideration the requirements of ISO standards. ActLabs maintains ISO registrations and accreditations, which provide independent verification that a QMS is in operation at the location in question. The Ancaster location is registered to ISO/IEC 17025:2017.

The samples were analyzed for copper, nickel and silver using a multi-acid-digest (HCl/HNO3/HClO4/HF) with an ICP finish. Gold, palladium and platinum were determined using lead collection fire assay with an ICP finish. Overall, the verification samples aligned well with the original values other than gold, which can show variation even in different sides of a single piece of drill core, due to the sporadic nature of gold mineralization.

Overall, the verification samples aligned well with the original values other than for gold, which can show high variation even in different sides of a piece of drill core, due to the sporadic nature of gold mineralization.

#### **Mineral Processing and Metallurgical Testing**

Cuprum has not completed any mineral processing or metallurgical testing on the Thierry Property since the acquisition of the Thierry Project. Please see “History” and “Historical Information of Thierry Mining Site” for a summary of the past mineral processing and metallurgical testing activities.

#### **Mineral Resource and Mineral Reserve Estimates**

Cuprum has not completed any Mineral Resource or Mineral Reserve Estimates on the Thierry Property since the acquisition. All historical Mineral Resource Estimates prepared for the various deposits in the Thierry Property are described on pages 47-52 of the Thierry Report.

Most recently in 2021 a Preliminary Economic Assessment (“PEA”) and an updated Mineral Resource Estimate for the Thierry and K1-1 locations was completed, as summarized in Tables 2.2 and 2.3 below:

<b>TABLE 2.2</b> <b>2021 THIERRY MINERAL RESOURCE ESTIMATE</b> <b>AT \$60/TONNE NSR CUT-OFF <sup>(1-6)</sup></b>							
<b>Classification</b>	<b>Tonnes (t)</b>	<b>Cu (%)</b>	<b>Ni (%)</b>	<b>Au (g/t)</b>	<b>Pt (g/t)</b>	<b>Pd (g/t)</b>	<b>Ag (g/t)</b>
Measured	3,233,000	1.65	0.19	0.03	0.03	0.09	4.6

TABLE 2.2 2021 THIERRY MINERAL RESOURCE ESTIMATE AT \$60/TONNE NSR CUT-OFF <sup>(1-6)</sup>							
Classification	Tonnes (t)	Cu (%)	Ni (%)	Au (g/t)	Pt (g/t)	Pd (g/t)	Ag (g/t)
Indicated	5,582,000	1.66	0.19	0.05	0.05	0.14	3.8
<b>Measured + Indicated</b>	<b>8,815,000</b>	<b>1.66</b>	<b>0.19</b>	<b>0.05</b>	<b>0.04</b>	<b>0.13</b>	<b>4.0</b>
Inferred	14,922,000	1.64	0.16	0.10	0.07	0.21	6.4

**Notes:**

- (1) Mineral Resources, which are not Mineral Reserves, do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
- (2) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to the Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
- (3) The Mineral Resources in this report were estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- (4) The December 31, 2020 two-year trailing average US metal prices used in this estimate were \$3.75/lb Cu, \$6.25/lb Ni, \$18.5/oz Ag, \$1,600/oz Au, \$900/oz Pt and \$1,600/oz Pd. The CDN\$:US\$ exchange rate was 0.75.
- (5) Overall payable metal (process recovery x smelter payable) in the NSR calculation were 86% Cu, 33% Ni and 25% for Ag, Au, Pt & Pd.
- (6) Costs used to determine the \$60/t NSR cut-off value are as follows: mining \$40/t, processing \$15/t and G&A \$5/t.

TABLE 2.3 2021 K1-1 PIT CONSTRAINED INFERRRED MINERAL RESOURCE ESTIMATE <sup>(1-9)</sup>							
Cut-off NSR (\$/t)	Tonnes (kt)	Cu (%)	Ni (%)	Au (g/t)	Pt (g/t)	Pd (g/t)	Ag (g/t)
\$12	53,614	0.38	0.10	0.03	0.05	0.14	1.8

**Notes:**

- (1) CIM Definitions (2014) and Best Practices (2019) were followed for Mineral Resources.
- (2) Mineral Resources are estimated by conventional 3-D block modelling based on wireframing at a \$12/tonne NSR cut-off value and ID2 grade interpolation.
- (3) Metal prices for the estimate are: US\$3.75/lb Cu, US\$6.25/lb Ni, US\$900/oz Pt, US\$1,600/oz Pd, US\$1,600/oz Au, US\$18.50/oz Ag, based on Dec 31/2020 two-year trailing averages.
- (4) A uniform bulk density of 3.12 t/m<sup>3</sup> has been applied for volume to tonnes conversion.
- (5) The Inferred Mineral Resource in this estimate has a lower level of confidence that that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
- (6) Classification of Inferred Resources is based on wide drill hole spacing, lack of collar and down surveys for UMEX and 2002 series drilling and the lack of Au, Ag, Pt and Pd assays for more than 50% the sample data in the Mineral Resource. Regression based on available assays was used to generate PGE/PM values for the Mineral Resource Estimate.
- (7) The Mineral Resource Estimate was determined within a constraining pit shell with 50-degree slopes utilizing mining costs of \$2.50/tonne for mineralized material, \$2.50/tonne for waste rock, and \$2.00/tonne for overburden. The pit constrained Mineral Resource is estimated below surface to a depth of 268 m.
- (8) Costs used to determine the \$12/tonne NSR Mineral Resource cut-off value were processing at \$10/tonne and G&A at \$2.00/tonne.
- (9) Overall payable metal in the NSR calculation were 86% Cu, 33% Ni and 25% for Ag, Au, Pt & Pd.

### **Exploration , Development and Production**

Over the next 12 months, it is anticipated that the K1 zone drill program will focus on testing the G and J zones, with the goal of expanding the known resource areas. During this period, efforts will also be made to update the Thierry Property resource model, ensuring that new data is accurately reflected. In parallel, metallurgical studies are expected to extend beyond the 12-month timeframe, contributing valuable insights into the economic feasibility of the project. Ultimately, this work will culminate in the completion of a preliminary economic study, providing a comprehensive overview of the project's potential.

### **SELECTED FINANCIAL INFORMATION**

The following table sets forth selected consolidated financial information for Cuprum which information has been derived from the audited consolidated annual financial statements and the reviewed interim consolidated financial statements of Cuprum for the financial year ended May 31, 2024 and for the three month period ended August 31, 2024, which are attached to this Appendix 2 as Schedules A and B, respectively. Such information should be read in conjunction with "*Management's Discussion and Analysis*" which is attached to this Appendix 2 as Schedules C and D, respectively.

<b>Category</b>	<b>As at August 31, 2024 and for the quarter ended August 31, 2024 (\$)</b>	<b>As at May 31, 2024 and for the year ended May 31, 2024 (\$)</b>
Assets	1,317,971	1,541,458
Liabilities	2,952,101	2,858,619
Working Capital	(2,047,035)	(1,725,566)
Shareholders' Equity	(1,634,130)	(1,317,161)
Deficit	(4,697,594)	(4,380,625)
Revenue	Nil	Nil
Loss Other Income	357,969	1,461,226
Net Loss	316,969	1,435,226

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Cuprum's management's discussion and analysis of the operating and financial results for the year ended May 31, 2024 is attached to this Appendix 2 as Schedule C. Cuprum management's discussion and analysis of the operating and financial results for the three months ended August 31, 2024 is attached to this Appendix 2 as Schedule D.

### **DIVIDENDS**

Cuprum has not declared or paid any dividends on the Cuprum Shares since its incorporation. Any decision to pay dividends on the Cuprum Shares will be made by the board of directors of Cuprum on the basis of Cuprum's earnings, financial requirements and other conditions existing at such future time.

### **DESCRIPTION OF SHARE CAPITAL**

Cuprum is authorized to issue an unlimited number of Cuprum Shares. Holders of Cuprum Shares are entitled to one vote per share at meetings of holders of Cuprum Shares, to receive dividends if, as and when declared by the board of directors of Cuprum and to receive pro rata the remaining property and assets of Cuprum upon its liquidation, dissolution or winding-up, subject to the rights of shares having priority over the Cuprum Shares.

As at the date of this Circular, there are 78,721,661 Cuprum Shares issued and outstanding.

## CONSOLIDATED CAPITALIZATION

Other than as set forth in the table below, there has been no material change in the consolidated capitalization of Cuprum since May 31, 2024.

Designation	Authorized	Outstanding as at May 31, 2024	Outstanding as at October 25, 2024 prior to giving effect to the Acquisition
Cuprum Shares	Unlimited	77,721,661	78,721,661
Cuprum Warrants	3,000,000	3,000,000 <sup>(1)</sup>	2,000,000 <sup>(1)</sup>
Cuprum RSUs	6,100,000	6,100,000 <sup>(2)</sup>	6,100,000 <sup>(2)</sup>
Debt	N/A	Nil	Nil

**Notes:**

- (1) 1,000,000 of these Cuprum Warrants had an exercise price of \$0.10 per Cuprum Share and expiry date of October 26, 2024 and were exercised on October 24, 2024; 1,000,000 of these Cuprum Warrants have an exercise price of \$0.15 per Cuprum Share and expire on October 26, 2025; and 1,000,000 of these Cuprum Warrants have an exercise price of \$0.20 per Cuprum Share and on October 26, 2026.
- (2) These restricted share units of Cuprum ("**Cuprum RSUs**") each vest as to 1/3 on the date that is 12 months from the date of grant, 1/3 on the date that is 24 months from the date of grant, and 1/3 on the date that is 36 months from the date of grant.
- (3) As at May 31, 2024, Cuprum had deficit of \$4,380,625.

## PRIOR SALES

### Prior Sales

The following table summarizes the issuances by Cuprum of Cuprum Shares or securities convertible into Cuprum Shares during the 12-month period prior to the date of this Circular:

Date	Securities	Price Per Security (\$)	Number of Securities
October 26, 2023	Cuprum Shares	0.05	27,000,000 <sup>(1)</sup>
October 26, 2023	Cuprum Warrants	Note 2	3,000,000 <sup>(2)(6)</sup>
November 14, 2023	Cuprum Shares	0.05	9,110,000 <sup>(3)</sup>
April 25, 2024	Cuprum Flow-Through Shares	0.15	3,176,666 <sup>(4)</sup>
April 25, 2024	Cuprum Shares	0.12	5,349,995 <sup>(3)</sup>
April 25, 2024	Cuprum RSUs	N/A	6,100,000 <sup>(5)</sup>
October 24, 2024	Cuprum Shares	0.10	1,000,000 <sup>(6)</sup>

**Notes:**

- (1) Issued to a Orecap in connection with the closing of the transactions under the Investment Agreement with proceeds directed to a creditor of CCMI in settlement of related party loans with CCMI.
- (2) Issued to CCMI in connection with the closing of the transactions under the Investment Agreement. 1,000,000 of these Cuprum Warrants had an exercise price of \$0.10 per Cuprum Share and expiry date of October 26, 2024, 1,000,000 of these Cuprum Warrants have an exercise price of \$0.15 per Cuprum Share and expire on October 26, 2025; and 1,000,000 of these Cuprum Warrants have an exercise price of \$0.20 per Cuprum Share and on October 26, 2026.
- (3) Issued pursuant to a private placement offering of Cuprum Shares.
- (4) Issued pursuant to a private placement offering of Cuprum Shares issued a on flow-through basis.

- (5) Issued pursuant to the restricted share unit plan of Cuprum (the "**Cuprum RSU Plan**"). These Cuprum RSUs each vest as to 1/3 on the date that is 12 months from the date of grant, 1/3 on the date that is 24 months from the date of grant, and 1/3 on the date that is 36 months from the date of grant.
- (6) Issued pursuant to the exercise of the 1,000,000 Cuprum Warrants with an exercise price of \$0.10 per Cuprum Share referenced in note (2) above.

### Market for Securities

The Cuprum Shares are not listed or traded on any exchange.

### ESCROWED SECURITIES

As of the date of the Circular, no securities of any class of securities of Cuprum are held in escrow or are anticipated to be held in escrow following the completion of the Acquisition.

### PRINCIPAL SHAREHOLDERS

To the knowledge of Cuprum, as of the date herein, there are no persons who own or exercise control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of Cuprum, other than as follows:

Name	Number of Cuprum Shares Owned or Controlled	Percentage of Outstanding Cuprum Shares <sup>(1)</sup>
Orecap Invest Corp.	29,500,000	37.5%
Canadian Critical Minerals Inc.	23,260,000	29.5%

**Note:**

- (1) Based on 78,721,661 Cuprum Shares issued and outstanding as at the date of the Circular.

### DIRECTORS AND EXECUTIVE OFFICERS

#### Name, Address and Occupation

The names, municipalities of residence, positions with Cuprum and the principal occupations of the current directors and executive officers of Cuprum are set out below, together with their holdings of Cuprum Shares.

Name, Province and Country of Residence	Offices Held and Time as Director or Officer	Principal Occupation (for last 5 years)	Holdings of Cuprum Shares
Stephen Stewart <sup>(2)</sup> Ontario, Canada	Chief Executive Officer and Director since October 26, 2023	CEO and a director of Cuprum since October 2023; President of 2287957 Ontario Inc. since January 2010; CEO and director of Orecap Invest Corp. since February 2015; CEO and director of QC Copper and Gold Inc. since May 2018; Chairman of Mistango River Resources Inc. since October 2019; Chairman and director of Baseload Energy Corp. since June 2020; Chairman and director of Metal Energy Corp. since June 2020; Chairman and director of American Eagle Gold Corp. since October 2022; director of Awale Resources Limited since May 2023.	2,000,000 <sup>(1)</sup>

Name, Province and Country of Residence	Offices Held and Time as Director or Officer	Principal Occupation (for last 5 years)	Holdings of Cuprum Shares
Anthony Moreau Ontario, Canada	Director since October 26, 2023	Director of Cuprum since October 2023; director of QC Copper and Gold Inc. since June 2018; director of Orecap Invest Corp. since July 2019; CEO of American Eagle Gold Corp. since January 2021, director of American Eagle Gold Corp. since October 2022; director of Awale Resources Limited since May 2024.	200,000
Joel Friedman <sup>(3)</sup> Ontario, Canada	Chief Financial Officer since October 26, 2023	CFO of Cuprum since October 2023; CFO of American Eagle Gold Corp. since May 2022; CFO of Baselode Energy Corp. since May 2022; CFO of Metal Energy Corp. since May 2022; CFO of Mistango River Resources Inc. since May 2022; CFO of Orecap Invest Corp. since May 2022; CFO of QC Copper and Gold Inc. since May 2022. CFO of Khiron Life Science Inc from October 2020 to September 2021.	200,000 <sup>(3)</sup>

**Notes:**

- (1) These Cuprum Shares are held indirectly in the name of Standard Ore Corporation, a private company wholly-owned by Stephen Stewart.
- (2) These Cuprum Shares are held indirectly in the name of 1000217479 Ontario Inc., a private company beneficially-owned by Joel Friedman.

Each of the directors of Cuprum will hold office until the next annual meeting of the holders of Cuprum Shares or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with Cuprum articles or by-laws.

The directors and executive officers of Cuprum, as a group, beneficially own, directly or indirectly, or exercise control or direction over 2,400,000 Cuprum Shares, or approximately 3.0% of the Cuprum Shares that will be outstanding immediately prior to completion of the Acquisition.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

No director or officer is as at the date hereof, or has been, within 10 years of the date hereof, a director or CEO or CFO of any company, including Cuprum, that: (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director, CEO or CFO of the company, being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days and which resulted from an event that occurred while that person was acting in the capacity as a director, CEO or CFO.

**Penalties or Sanctions**

No director or officer is as at the date hereof, or has been, within 10 years of the date hereof, a director or CEO or CEO of any company, including Cuprum, that: (i) within 10 years of the date hereof, a director or executive officer of any company, including Cuprum, that, while that person was acting in their 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 became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or (ii) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any



proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the director.

In addition, no director or officer has been subject to: (i) 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, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a director.

### **Conflicts of Interest**

There are potential conflicts of interest to which the directors and officers of Cuprum will be subject in connection with the operations of Cuprum. In particular, certain of the directors and officers of Cuprum are involved in managerial or director positions with other mining companies whose operations may, from time to time, be in direct competition with those of Cuprum or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of Cuprum. Conflicts, if any, will be subject to the procedures and remedies available under the OBCA. The OBCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the OBCA. As at the date of this Circular, Cuprum is not aware of any existing or potential material conflicts of interest between Cuprum and any director or officer of Cuprum.

## **EXECUTIVE COMPENSATION**

For the purposes of this Appendix 2:

**"CEO"** means an individual who acted as chief executive officer of Cuprum, or acted in a similar capacity, for any part of the most recently completed financial year;

**"CFO"** means an individual who acted as chief financial officer of Cuprum, or acted in a similar capacity, for any part of the most recently completed financial year;

**"Compensation securities"** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

**"Named Executive Officer"** or **"NEO"** means each of the following individuals:

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as CEO, including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as CFO, including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

During the financial year ended May 31, 2024, the Company had two (2) NEOs, being Stephen Stewart, the CEO, and Joel Friedman, the CFO.

### Director and NEO Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by Cuprum to each NEO and director of the Corporation in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of Cuprum for services provided and for services to be provided, directly or indirectly, to Cuprum, for each of Cuprum's two (2) most recent completed financial years.

<i>NEO Name and Position</i>	<i>Year</i>	<i>Salary, consulting fee, retainer or commission</i> <i>(\$)</i>	<i>Bonus</i> <i>(\$)</i>	<i>Committee or meeting fees</i> <i>(\$)</i>	<i>Value of perquisites</i> <i>(\$)</i>	<i>Value of all other compensation</i> <i>(\$)</i>	<i>Total Compensation</i> <i>(\$)</i>
<b>Stephen Stewart</b> <i>CEO and Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Joel Friedman</b> <i>CFO</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil
<b>Anthony Moreau</b> <i>Director</i>	2024	Nil	Nil	Nil	Nil	Nil	Nil
	2023	Nil	Nil	Nil	Nil	Nil	Nil

### Option-Based Awards

Except as disclosed below, no Compensation Securities were granted or issued to NEOs or Directors during the most recently completed financial year ended May 31, 2024.

<b>Compensation Securities</b>							
<b>Name and position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class</b>	<b>Date of issue or grant</b>	<b>Issue, conversion or exercise price</b> <b>(\$)</b>	<b>Closing price of security or underlying security on date of grant</b> <b>(\$)</b>	<b>Closing price of security or underlying security at year end</b> <b>(\$)</b>	<b>Expiry date</b>
<b>Stephen Stewart</b> <i>CEO and Director</i>	Cuprum RSUs	3,000,000 (49.2%)	April 25, 2024	N/A	N/A	N/A	December 31, 2027
<b>Joel Friedman</b> <i>CFO</i>	Cuprum RSUs	750,000 (12.3%)	April 25, 2024	N/A	N/A	N/A	December 31, 2027
<b>Anthony Moreau</b> <i>Director</i>	Cuprum RSUs	750,000 (12.3%)	April 25, 2024	N/A	N/A	N/A	December 31, 2027

No Compensation Securities were exercised by NEOs or Directors during the most recently completed financial year ended May 31, 2024.

## Stock Option Plans and Other Incentive Plans

Cuprum does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Named Executive Officer(s), other than the Cuprum RSU Plan.

### *Cuprum RSU Plan*

The Cuprum RSU Plan has been and will be used to provide Cuprum RSUs which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of Cuprum. In determining the number of Cuprum RSUs to be granted to the executive officers, the board of directors of Cuprum (the "**Cuprum Board**") takes into account the number of Cuprum RSUs, if any, previously granted to each executive officer. The Cuprum Board as a whole has the responsibility to administer the compensation policies related to the executive management of Cuprum, including share-based awards.

Cuprum currently has in place the Cuprum RSU Plan, which was approved by the Cuprum Board on April 24, 2024. Pursuant to the Cuprum RSU Plan, the maximum number of Cuprum Shares which may be reserved for issuance is 10% of the issued and outstanding Cuprum Shares, inclusive of any other Cuprum Shares delivered pursuant to any other securities based compensation, which includes Cuprum's stock option plan. Unless disinterested shareholder approval is obtained (or unless otherwise permitted by the rules of the TSXV) the Cuprum RSU Plan is subject to the following specified limits: (i) the maximum number of Cuprum Shares which may be reserved for issuance to insiders, together with any other securities based compensation, may not exceed 10% of the issued Cuprum Shares; (ii) the maximum number of Cuprum RSUs that may be granted to insiders, together with any other securities based compensation, within a 12-month period, may not exceed 2% of the issued Cuprum Shares calculated on the grant date; (iii) the maximum number of Cuprum RSUs that may be granted to any one insider may not exceed 1% of the issued Cuprum Shares calculated on the grant date; (iv) the maximum number of Cuprum Shares which may be reserved for issuance to non-employee directors, together with any other share based compensation, may not exceed 1% of the issued Cuprum Shares calculated on the grant date; and (v) the maximum number of Cuprum RSUs that may be granted to any one eligible person under the Plan, together with any other share based compensation, within a 12-month period, may not exceed 5% of the issued Cuprum Shares calculated on the grant date.

The Board is responsible for the general administration of the Cuprum RSU Plan, its proper execution, interpretation and the determination of all questions related to the Cuprum RSU Plan. Cuprum RSUs may be granted to any eligible person under the Cuprum RSU Plan, including: employees, executive officers, directors, or consultants of Cuprum or any related entity or permitted assign of any such person.

For each calendar year, the Cuprum Board may designate one or more performance periods. In respect of each such designated performance period, the Cuprum Board may from time to time establish the grant date and grant to any eligible person one or more Cuprum RSUs as the Cuprum Board deems appropriate. The Cuprum Board shall make all other determinations with respect to the performance period as the Cuprum Board considers in its sole discretion to be necessary or desirable, including, without limitation, the date or dates within such performance period and such other terms and conditions, if any, on which all or a portion of such Cuprum RSUs shall vest, provided that no Cuprum RSUs may vest when prohibited by or in breach of applicable law.

The Cuprum Board may in its sole and absolute discretion accelerate and/or waive any vesting or other conditions for all or any Cuprum RSUs for any participant at any time and from time to time. In no circumstances will Cuprum RSUs credited to a participant's account in respect of a performance period vest after December 31 of the third full calendar year following the grant date in respect of such performance period. Any Cuprum RSUs in respect of a performance period that are not vested on or before December 31 of the third full calendar year following the grant date in respect of such Cuprum RSUs shall be cancelled and no vesting, payment or issuance shall be made in respect of such Cuprum RSUs.

As of the date hereof, Cuprum has 6,100,000 Cuprum RSUs issued and outstanding.

### **Employment, consulting and management agreements**

Cuprum's compensation philosophy for its NEOs is to maintain a close monitoring over costs during its start-up phase and then to pay management a total compensation amount that is competitive with other junior exploration companies in Canada and is consistent with the experience and responsibility level of management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of Cuprum on both an annual and long term basis.

The duties and responsibilities of the CEO are typical of those of a business entity of Cuprum's size in a similar business and include direct reporting responsibility to the Cuprum Board, overseeing the activities of all other executive and management consultants, representing the Company, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

### **Elements of Compensation**

Cuprum did not pay a base salary to the NEOs during the year ended May 31, 2024. Base fees of officers will be reviewed annually by the Cuprum Board and base salaries paid to officers of Cuprum, if any, will be intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which Cuprum competes for talent.

The incentive component of Cuprum's compensation program is the potential long-term reward provided through the grant of Cuprum RSUs. The Cuprum RSU Plan is intended to attract, retain and motivate officers and directors of Cuprum in key positions, and to align the interests of those individuals with those of Cuprum's shareholders. The Cuprum RSU Plan provides such individuals with an opportunity to acquire a proprietary interest in Cuprum's value. Cuprum RSUs are granted at the discretion of the Cuprum Board, which considers factors such as how other junior exploration companies grant share based awards and the potential value that each individual is contributing to Cuprum. The number of Cuprum RSUs granted to an individual is based on such considerations.

Cuprum has not currently identified specific performance goals or benchmarks as such relate to executive compensation, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within Cuprum's industry. The stage of Cuprum's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal.

### **Compensation Policies and Risk Management**

The Cuprum Board considers the implications of the risks associated with Cuprum's compensation policies and practices when determining rewards for its officers. Due to the small size of Cuprum and the current level of Cuprum's activity, the Cuprum Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of Cuprum are reviewed. No risks have been identified arising from Cuprum's compensation policies and practices that are reasonably likely to have a material adverse effect on Cuprum.

### **Pension disclosure**

Cuprum does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

There exists no indebtedness of the directors or executive officers of Cuprum, or any of their associates, to Cuprum, nor is any indebtedness of any of such persons to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Cuprum.

## **PROMOTERS**

Other than its directors and officers, there is no person who is or who has been within the two years immediately preceding the date of the Circular, a promoter of Cuprum.

## **RISK FACTORS**

An investment in the Cuprum Shares is subject to certain risks. In addition to those risks noted below, Cuprum Shareholders should carefully consider the risk factors outlined under the headings "*Risk Factors*" in the Circular. All statements regarding Cuprum's business should be viewed in light of these risk factors. Shareholders should consider carefully whether an investment in the Cuprum Shares is suitable for them in the light of the information set forth in this Circular and in the documents incorporated by reference herein. Such information does not purport to be exhaustive. If any of the identified risks were to materialize, Cuprum's business, financial position, results and/or future operations may be materially adversely affected. Additional risks and uncertainties not presently known to Cuprum, or which Cuprum currently deems immaterial, may also have an adverse effect upon Cuprum. Shareholders should carefully review and consider all other information contained in this Circular before making an investment decision and consult their own professional advisors where necessary.

## **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

There are no legal proceedings that Cuprum is or was a party to, or that any of its property is or was a subject of, during the last completed financial year, nor are any such legal proceedings known to Cuprum to be contemplated.

During the period from incorporation to the date of this Circular, there were no (i) penalties or sanctions imposed against Cuprum by a court relating to securities legislation or by a securities regulatory authority; (ii) penalties or sanctions imposed by a court or regulatory body against Cuprum; or (iii) settlement agreements Cuprum entered into with a court relating to securities legislation or with a securities regulatory authority.

## **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth in this Circular or in Note 10, "Related Party Transactions", to Cuprum's May 31, 2024 audited consolidated financial statements, which are attached hereto as Schedule "A", Cuprum is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of Cuprum or of any subsidiary of Cuprum, proposed nominee for election as a director, any shareholder holding more than 10% of the Cuprum Shares or any director or executive officer of any shareholder holding more than 10% of the Cuprum Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of Cuprum which has or will materially affect Cuprum.

## **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Except as otherwise set out herein, no director or executive officer of Cuprum at any time since the beginning of Cuprum's most recently completed financial year and no associate or affiliate of any of such persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Cuprum Meeting, except for any interest arising from the ownership of Cuprum Shares where the Cuprum Shareholder will receive no extra or special benefit or advantage not shared on a pro-rata basis by all Cuprum Shareholders.

**AUDITOR, TRANSFER AGENT AND REGISTRAR**

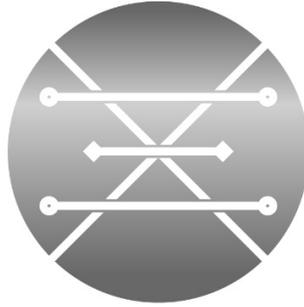
Cuprum has appointed MNP LLP as auditor of Cuprum.

Cuprum serves as its own transfer agent and registrar for the Cuprum Shares at its head office located at 18<sup>th</sup> Floor, 55 University Avenue, Toronto, Ontario M5J 2H7.

**MATERIAL CONTRACTS**

There are no material contracts entered into by Cuprum within the most recently completed financial year, or before the most recently completed financial year but which are still in effect, other than contracts entered into in the ordinary course of business.

**SCHEDULE A TO APPENDIX 2**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MAY 31, 2024**



# CUPRUM CORP

**CUPRUM CORP.**  
**(Formerly Pickle Lake Minerals Inc.)**

## **Annual Financial Statements**

**For the Years Ended May 31, 2024 and 2023**

*(Expressed in Canadian Dollars unless otherwise indicated)*



To the Shareholders of Cuprum Corp. (formerly Pickle Lake Minerals Inc.):

### Opinion

We have audited the financial statements of Cuprum Corp. (formerly Pickle Lake Minerals Inc.) (the "Company"), which comprise the statements of financial position as at May 31, 2024 and May 31, 2023, and the statements of loss and comprehensive loss, changes in equity (deficiency) and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2024 and May 31, 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS® Accounting Standards.

### Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Company had an accumulated deficit as at May 31, 2024. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Toronto, Ontario  
October 24, 2024

**MNP LLP**

Chartered Professional Accountants  
Licensed Public Accountants

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)  
As at May 31, 2024 and 2023

<i>As at</i>	<i>Notes</i>	<b>May 31, 2024</b>	<b>May 31, 2023</b>
<b>ASSETS</b>			
<b>Current</b>			
Cash		<b>1,090,015</b>	6,265
Restricted cash	5	-	403,362
Amounts receivable	6	<b>33,038</b>	-
Prepays		<b>10,000</b>	-
		<b>1,133,053</b>	409,627
<b>Non-current</b>			
Restricted cash	5	<b>408,405</b>	-
<b>TOTAL ASSETS</b>		<b>1,541,458</b>	409,627
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8	<b>1,301,571</b>	1,054,421
Loan payable	9	-	40,000
Due to related party	12, 13	<b>8,375</b>	865,647
Asset retirement obligation	11	<b>1,434,939</b>	1,394,957
Restricted share unit liabilities	13	<b>44,734</b>	-
Flow-through share liability	10	<b>69,000</b>	-
<b>TOTAL LIABILITIES</b>		<b>2,858,619</b>	3,355,025
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	13	<b>3,000,874</b>	1
Other reserves	13	<b>62,590</b>	-
Deficit		<b>(4,380,625)</b>	(2,945,399)
<b>TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		<b>(1,317,161)</b>	(2,945,398)
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		<b>1,541,458</b>	409,627

Going concern (Note 2)  
Commitments and contingencies (Notes 17)  
Subsequent events (Note 18)

Approved on behalf of the Directors:

*"Stephen Stewart"*

Stephen Stewart – Director

*"Anthony Moreau"*

Anthony Moreau – Director

The accompanying notes are an integral part of these financial statements.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian dollars)  
For the Years Ended May 31, 2024 and 2023

	<i>Notes</i>	<b>May 31, 2024</b>	<b>May 31, 2023</b>
<b>EXPENSES</b>			
Consulting fees		<b>39,883</b>	-
Exploration expenses	7	<b>1,149,940</b>	198,116
Share-based payments	13	<b>44,734</b>	-
Office, rent and general		<b>10,170</b>	-
Accretion expense	11	<b>39,982</b>	45,314
Professional fees		<b>183,789</b>	-
Interest and bank charges		<b>13,813</b>	7,974
Interest income		<b>(21,085)</b>	(7,478)
<b>Loss before other income</b>		<b>1,461,226</b>	243,926
<b>Other income</b>			
Flow-through share premium	10	<b>(26,000)</b>	-
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>1,435,226</b>	243,926
<b>Weighted average number of shares - basic and diluted</b>			
		<b>54,445,310</b>	33,000,000
<b>Loss per share – basic and diluted</b>		<b>\$ (0.03)</b>	\$ (0.01)

The accompanying notes are an integral part of these financial statements.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)**  
(Expressed in Canadian dollars)  
For the Years Ended May 31, 2024 and 2023

	Note	Number of shares	Amount	Other reserve	Deficit	Total equity (deficit)
<b>Balance at May 31, 2022</b>		33,000,000	\$1	\$-	\$(2,701,473)	\$(2,701,472)
Loss for the year		-	-	-	(243,926)	(243,926)
<b>Balance at May 31, 2023</b>		<b>33,000,000</b>	<b>\$1</b>	<b>\$-</b>	<b>\$(2,945,399)</b>	<b>\$(2,945,398)</b>
Loss for the year		-	-	-	(1,435,226)	(1,435,226)
Forgiveness of shareholder loan	13	-	183,773	62,590	-	246,363
Shares issued to settle debt	13	27,000,000	1,350,000	-	-	1,350,000
Shares issued on hard-dollar private placement – November 2023	13	9,110,000	455,500	-	-	455,500
Shares issued on hard-dollar private placement – April 2024	13	5,349,995	642,000	-	-	642,000
Shares issued on flow-through private placement – April 2024	13	3,176,666	476,500	-	-	476,500
Finders fees	13	85,000	-	-	-	-
Shares issued costs	13	-	(11,900)	-	-	(11,900)
Flow-through premium	13	-	(95,000)	-	-	(95,000)
<b>Balance at May 31, 2024</b>		<b>77,721,661</b>	<b>\$ 3,000,874</b>	<b>\$ 62,590</b>	<b>\$(4,380,625)</b>	<b>\$(1,317,161)</b>

The accompanying notes are an integral part of these financial statements.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)  
For the Years Ended May 31, 2024 and 2023

	<b>May 31, 2024</b>	<b>May 31, 2023</b>
<b>Operating activities</b>		
Loss for the year	<b>\$(1,435,226)</b>	\$(243,926)
Items not involving cash		
Flow-through share premium renunciation	<b>(26,000)</b>	-
Share-based payments	<b>44,734</b>	45,314
Accretion expense	<b>39,982</b>	(953)
Accrued interest	<b>(5,043)</b>	-
Changes in working capital items:		
Prepaid expenses	<b>(10,000)</b>	-
Amounts receivable	<b>(33,038)</b>	-
Accounts payable and accrued liabilities	<b>247,150</b>	132,467
Net cash used in operating activities	<b>\$(1,177,441)</b>	\$(67,098)
<b>Financing activities</b>		
Repayment of loan	<b>\$(40,000)</b>	\$-
Proceeds on the issue of common shares, net	<b>1,562,079</b>	-
Advances from related parties	<b>739,112</b>	73,036
Net cash from financing activities	<b>\$2,261,191</b>	\$73,036
<b>Net increase in cash</b>	<b>\$1,083,750</b>	5,938
<b>Cash, beginning of year</b>	<b>6,265</b>	327
<b>Cash, end of year</b>	<b>\$1,090,015</b>	\$6,265
Supplemental information:		
Shares issued to settle debt	<b>\$1,350,000</b>	\$-
Warrants issued to settle debt	<b>62,590</b>	-
Shares issued for Finders' fees	<b>10,200</b>	-

The accompanying notes are an integral part of these financial statements.

## **CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

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### **1. NATURE OF OPERATIONS**

Cuprum Corp. ("Cuprum" or the "Company"), formerly Pickle Lake Minerals Inc, formed on January 15, 2010 by means of the amalgamation of 2220403 Ontario Inc. and Richview Resources Inc. pursuant to the provisions of the Business Corporations Act (Ontario) which amalgamated company continued under the name "Cadillac Ventures Holdings Inc.". Effective January 26, 2021, Cuprum (formerly known as Cadillac) changed the name of the company to "Pickle Lake Minerals Inc. In October 2023, the Company changed its name. Cuprum's principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned any revenue as it is in the exploration stage.

The head and principal office of the Company is located at 55 University Avenue, Suite 1805 Toronto, Ontario M5J 2H7.

### **2. GOING CONCERN**

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these financial statements. Such adjustments could be material.

The Company has raised funds during the year ended May 31, 2024. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to sell or relinquish rights to certain of its interests or terminate its operations.

As at May 31, 2024, the Company had working capital deficit excluding asset retirement obligation and flow-through share liability of \$(221,627) (2023 – deficit of \$1,550,441) and an accumulated deficit of \$4,380,625 (2023 - \$2,945,399). The Company has no proven history of performance, earnings or success. Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. However, management plans on securing additional financing through the issue of new equity, among other things. Nevertheless, there is no assurance that these initiatives will be successful. These factors indicate the existence of material uncertainties that may cast significant doubt as to the Company's ability to continue as a going concern.

### **3. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION**

The financial statements were authorized for issue on October 24, 2024 in accordance with a resolution by the board of directors of the Company.

#### ***Statement of compliance***

The financial statements of the Company comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The policies applied in these financial statements are based on IFRS issued and effective for the year ended May 31, 2024.

#### ***Basis of presentation***

The financial statements of the Company have been prepared on an accrual basis except for cash flow information and are based on historical costs, except for certain financial instruments which are measured

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

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at fair value, as explained in the accounting policies.

***Functional and presentation currency***

The functional currency of the Company is determined using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Canadian dollars which is the Company's functional and presentation currency. The Company does not have any significant expenditures in foreign currencies.

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at the date of the statement of financial position. Exchange differences are recognized in operations in the period in which they arise.

***Significant accounting judgements, estimates and assumptions***

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Such estimates and assumptions affect asset retirement obligations and reclamation costs. Other significant estimates made by the Company include factors affecting valuations of share-based payments, warrants and income tax accounts. The Company regularly reviews its estimates and assumptions; however, actual results could differ from these estimates and these differences could be material.

***(a) Estimation of asset retirement obligation***

Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. The cost estimates are updated annually during the life of a project to reflect known developments, (e.g., revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. See Note 11.

***(b) Share-based payments and warrants***

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are estimated at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviours and corporate performance. Such judgments and assumptions are inherently uncertain. Warrants are valued in a similar way. Changes in these assumptions affect the fair value estimates.

***(c) Going concern***

The assessment of the Company's ability to execute its strategy by funding future working capital requirements requires judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

***Exploration and evaluation expenditures***

Mineral property acquisition costs are expensed as incurred. Exploration expenditures are the costs



## **CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

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incurred in the initial search for mineral deposits with economic potential. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, diamond drilling and other work involved in searching for ore. All exploration expenditures are expensed as incurred.

Where the Company has granted an option on one of its properties, the Company does not record any expenditures made by the optionee on its account. Any cash consideration received directly from the optionee related to an option or sale agreement is credited against the exploration expenditures incurred.

When economically viable reserves have been determined and the decision to proceed with development has been approved, the expenditures incurred subsequent to this date related to development and construction are capitalized as construction-in-process and classified as a component of property, plant and equipment.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Mining properties and process facility assets are amortized upon commencement of commercial production either on a unit-of-production basis over measured and indicated resources included in the mine plan or the life of mine.

### ***Share-based payments***

The Company has adopted an restricted share unit plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. Share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments issued at the grant date. The corresponding amount is recorded to the share-based payment reserve except in circumstances where the holder can receive payment in cash, it is recorded as a liability. The fair value of units is determined based on the most recent equity financing. The number of units expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

### ***Loss per share***

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The diluted loss per share calculation assumes that any proceeds from the exercise of warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted loss per share calculation. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. All of the Company's outstanding restricted share units and warrants were anti-dilutive for the year ended May 31, 2024 and 2023.

### ***Financial instruments***

#### **Financial assets**

##### ***Initial recognition and measurement***

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit or loss ("FVPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

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(Expressed in Canadian dollars)

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

***Subsequent measurement – Financial assets at amortized cost***

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flows represent "solely payments of principal and interest."

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statements of income (loss).

***Subsequent measurement - Financial assets at FVPL***

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statements of financial position with changes in fair value recognized in other income or expense in the statement of income (loss).

***Subsequent measurement - Financial assets at FVOCI***

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

***Derecognition***

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

***Impairment of financial assets***

The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable has been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases, and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

***Financial liabilities******Initial recognition and measurement***

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. All financial liabilities are recognized initially at fair value and in the case of long-term debt, net of directly attributable transaction costs.

***Subsequent measurement - financial liabilities at amortized cost***

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance cost in the statements of income (loss).

***Derecognition***

## **CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

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A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the statements of income (loss).

### ***Financial instruments fair value hierarchy***

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data.

### ***Asset retirement obligations (“ARO”)***

The Company records the present value of estimated costs of legal and constructive obligations required to restore operating locations in the period in which the obligation is incurred. The nature of these restoration activities includes dismantling and removing structures, rehabilitating mines and tailings dams, dismantling operating facilities, closure of plant and waste sites, and restoration, reclamation and re-vegetation of affected areas.

The obligation generally arises when the asset is installed or the ground / environment is disturbed at the production location. When the liability is initially recognized, the present value is estimated at cost.

Over time, the discounted liability is increased for the change in present value based on the discount rates that reflect current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognized in loss as a finance cost. Additional disturbances or changes in rehabilitation costs will be recognized as an expense in the statements of loss and comprehensive loss and rehabilitation liability when they occur. For closed sites, changes to estimated costs are recognized immediately in loss.

### ***Income tax***

Income tax expense is comprised of both current and deferred income taxes. Income tax expense is recognized in the statement of income (loss) and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided for temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Recent accounting pronouncements include Amendments to IAS 12, Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction, narrowing the scope for exemption when recognizing deferred taxes. The IAS 12 amendments, effective January 1, 2023, does not have a

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

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(Expressed in Canadian dollars)

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material effect on our financial statements.

***Flow-through share issuances***

The Company finances a portion of its exploration activities through the issue of flow-through shares issued pursuant to the Canadian Income Tax Act ("Tax Act"). Proceeds received from the issuance of flow-through shares are restricted to be used only for qualifying Canadian exploration and development expenses as defined in the Tax Act.

Pursuant to the terms of the flow-through share subscription agreements, these shares transfer the tax deductibility of qualifying expenditures to flow-through investors. On issuance, the Company allocates a portion of the subscription proceeds as a flow-through share premium, equal to the estimated premium, if any, that investors pay for the flow-through feature, which is recognized as a flow-through share liability. As expenditures are incurred and applied against the Company's associated flow-through commitment, the flow-through share liability is reduced proportionately, charged as a Flow-through share premium in the statement of loss and comprehensive loss.

**4. FUTURE NEW AND REVISED STANDARDS AND INTERPRETATIONS**

During the year ended May 31, 2024, the Company adopted a number of amendments and improvements of existing standards. These included IAS 1 - Presentation of Financial Statements and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. These new standards and changes did not have any material impact on the Company's financial statements.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after June 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. Management is currently evaluating the impact of these pronouncements on the Company's financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024.

**5. RESTRICTED CASH**

At May 31, 2024, restricted cash totaled \$408,405 (2023 - \$403,362). This is comprised of funds placed by the Company in a restricted investment towards the Thierry Copper Project (Notes 11). The investment is a GIC that accrues interest at 4.75% and matures on Oct 20, 2025. As at May 31, 2023, the GIC had a maturity date of October 13, 2023.

**6. ACCOUNTS RECEIVABLE**

At May 31, 2024, accounts receivable totaled \$33,038 (2023 - \$Nil). This is comprised of sales tax receivables.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

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**7. EXPLORATION AND EVALUATION EXPENSES**

The following are details of the Company's exploration and evaluation expenses for the year ended May 31:

	2024	2023
<b>Thierry Copper Project</b>	<b>\$1,149,940</b>	\$198,116

As of May 31, 2024 and 2023, the Company has a project, the Thierry Copper Project, located in Pickle Lake, Ontario. The Company owns 100% of Thierry Copper Project (see note 17). The Thierry Project is not currently compliant with its regulatory obligations with respect to its closure plan. A portion of this project has historically been subject to a NSR of 3% and a 5% carried interest on any mine developed on the original leased claims which do not include the Thierry mine site.

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to exploration activities, financing activities, general and administrative expenses and professional fees.

**9. LOAN PAYABLE**

As at May 31, 2024 the Loan payable was \$Nil (2023 - \$40,000). The loan previously outstanding related to a CEBA loan that was repaid during the year ended May 31, 2024.

**10. FLOW-THROUGH SHARE LIABILITY**

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company has indemnified the holders of such shares for any tax and other costs payable by them in the event the Company has not incurred the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of the common shares. The incremental proceeds, or "premium", are recorded as a flow-through liability. During the year ended May 31, 2024, the Company recognized a flow-through share premium renunciation of \$26,000 (2023 - \$Nil) included in the statements of loss and comprehensive loss. As of May 31, 2024, the flow-through liability was \$69,000 (2023 - \$Nil).

**11. ASSET RETIREMENT OBLIGATION ("ARO")**

The Company has recognized a provision of \$1,434,939 (2023 - \$1,394,957) for environmental rehabilitation in relation to previous mining activities at Pickle Lake project. The provision is estimated based on management's estimates of projected reclamation costs. The Company is currently unable to reliably estimate when the reclamation activities will be completed.

	2024	2023
ARO – beginning of year	<b>\$1,394,957</b>	\$1,349,643
Accretion expense	<b>39,982</b>	45,314
ARO – end of year	<b>1,434,939</b>	1,394,957
Current portion	<b>1,434,939</b>	1,394,957
Non-current portion	<b>\$ -</b>	\$ -

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

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For Years Ended May 31, 2024 and 2023

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**12. RELATED PARTY TRANSACTIONS*****Key management personnel compensation***

Key management includes directors and executive officers. The remuneration of the key management of the Company during the year ended May 31, 2024 and 2023 was as follows:

	2024	2023
Share-based payments	\$33,000	\$ -
	\$33,000	\$ -

***Other related party transactions***

The Company incurred \$125,000 (2023 - \$Nil) in expenses comprised of consulting fees \$39,883 (2023 - \$Nil), professional fees \$74,924 (2023 - \$Nil), exploration expenditures \$8,393 (2023 - \$Nil) and office, general of \$1,800 (2023 - \$Nil) in relation to costs incurred by Orecap Invest Corp. in association with change in ownership that resulted in the equity financing and settlement of balances with Canadian Critical Minerals Inc. The Company recognized share-based payment expense of approximately \$8,000 related to insiders of a major shareholders and approximately \$2,200 in relation to a person who is related to a director of the Company.

***Related Party Balances***

The following are the balances due from (to) associates and related parties as at May 31, 2024 and 2023:

	2024	2023
Due to Orecap Invest Corp.	\$6,462	\$-
Due to QC Copper.	1,913	-
Due to Canadian Critical Minerals Inc.	-	865,647
	\$8,375	\$865,647

All of the amounts due to and from related parties are unsecured, non-interest bearing with no fixed terms of repayment.

**13. SHARE CAPITAL*****Authorized share capital***

Unlimited number of voting common shares without par value.

***Issued share capital***

- On October 3, 2023, the Company completed a subdivision of its 100 issued and outstanding common shares into 33,000,000 common shares, at a ratio of 330,000 common shares for each previously outstanding common share. This subdivision has been applied retroactively in these financial statements.
- In October 2023, the Company entered into an investment agreement with its sole shareholder at the time, Canadian Critical Minerals Inc. ("CCMI") and Orecap Invest Corp. ("Orecap") which resulted in Orecap obtaining voting control of the Company. Pursuant to the agreement, the Company completed a private placement whereby Orecap subscribed to 27,000,000 common shares at a price of \$0.05 per share for gross proceeds of \$1,350,000. The proceeds from this private placement were directed to settle debt obligations of CCMI unrelated to the Company. The direction of the proceeds to CCMI's debtor settled all balances between the Company and CCMI, such that no amounts were outstanding following the transaction. Under the investment agreement, CCMI received 3,000,000 warrants in the Company (see below for additional details) and milestone payment entitlements (see Note 17). As a

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Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

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result of the transaction, the Company recorded a \$183,773 increase in share capital representing the loan forgiveness with CCMI. The Company used judgement to determine that CCMI was acting in its capacity as a shareholder in assessing the accounting for the loan forgiveness which had a balance prior to settlement of \$1,596,384.

- (c) In November 2023, the Company completed a private placement consisting of 9,110,000 common shares at a price of \$0.05 per share for gross proceeds of \$455,500.
- (d) In April 2024, the Company completed a private placement consisting of 3,176,666 flow-through common shares at a price of \$0.15 per share for gross proceeds of \$476,500. In connection with financing, the Company recognized a flow-through share liability of \$95,000 and incurred transaction costs of \$5,950.
- (e) In April 2024, the Company completed a private placement consisting of 5,434,995 common shares at a price of \$0.12 per share for gross proceeds of \$642,000. In connection with financing, the Company incurred transaction costs of \$5,950.
- (f) In April 2024, the Company issued shares to settle finders' fees consisting of 85,000 common shares.

**Restricted Share Units (RSUs)**

The Board of Directors of the Company has adopted a RSU plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable RSUs to receive common shares or cash, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares and be exercisable for a period of up to three years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities will not exceed 2% of the issued and outstanding shares. Unless otherwise specified by the Board of Directors options vest on the date of grant. A summary of the changes in the Company's RSUs is set out below:

<i>For the year ended</i>	<b>May 31, 2024</b>		<b>May 31, 2023</b>
	<b>Number of RSUs</b>	<b>Weighted average life (years)</b>	<b>Number of RSUs</b>
Outstanding, beginning of year	-	-	-
Granted	<b>6,100,000</b>	<b>3.68</b>	-
Outstanding, end of year	<b>6,100,000</b>	<b>3.59</b>	-
Exercisable, end of year	-	-	-

The 6,100,000 RSUs will vest in three equal installments: one-third in April 2025, another third in April 2026, and the final third in April 2027. The RSUs were valued at \$0.12 per unit based on the April 2024 financing.

As at May 31, 2024 the recognized in the Statement of Loss and Comprehensive Loss amounted to \$44,734 (2023 - \$Nil) and Restricted share unit liabilities of \$44,734 (2023 - \$Nil).

**Warrants**

On October 26, 2023, the Company issued 3,000,000 warrants to CCMI valued at \$62,590, refer to note 13(a), with the following terms:

- 1,000,000 warrants with an exercise price of \$0.10 per common share of Cuprum and exercisable for a period of 1 year. The valuation of the warrants issued was estimated using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 136.42% based on historical volatility of CCMI, risk free interest rate of 4.64%, share price of \$0.05 and an expected life of 1 year;
- 1,000,000 warrants with an exercise price of \$0.15 per common share of Cuprum and exercisable for a period of 2 years. The valuation of the warrants issued was estimated using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model

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calculations: expected dividend yield rate of 0%, expected volatility of 127.83% based on historical volatility of CCMI, risk free interest rate of 4.64%, share price of \$0.05 and an expected life of 2 years; and

- 1,000,000 warrants with an exercise price of \$0.20 per common share of Cuprum and exercisable for a period of 3 years. The valuation of the warrants issued was estimated using the Black-Scholes option pricing model. The following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 116.1% based on historical volatility of CCMI, risk free interest rate of 4.51%, share price of \$0.05 and an expected life of 3 years.

**14. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended May 31, 2024 and 2023. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body.

**15. INCOME TAXES**

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2023 – 26.5%) to the effective tax rate is as follows:

	<b>2024</b>	<b>2023</b>
Net (loss) before recovery of income taxes:	<b>\$(1,435,226)</b>	\$(243,926)
Expected income tax (recovery) expense	<b>\$(380,335)</b>	\$(64,640)
Share-based compensation	<b>9,152</b>	-
Flow-through share renunciation	<b>(6,890)</b>	-
Share issuance cost booked into equity	<b>(3,154)</b>	-
Effective of flow-through renunciation	<b>36,133</b>	-
Change in tax benefits not recognized	<b>345,094</b>	64,640
Deferred income tax (recovery)	<b>\$-</b>	\$-

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

	<b>2024</b>	<b>2023</b>
Property and equipment	<b>\$2,575,163</b>	\$2,575,163
Share issuance costs	<b>9,520</b>	-
Non-capital losses carried forward	<b>557,058</b>	356,996
Canadian exploration expenses	<b>77,094,511</b>	76,239,653
Canadian development expenses	<b>28,653,509</b>	28,639,482
Asset retirement obligation	<b>1,434,939</b>	1,394,957
	<b>\$110,324,700</b>	\$109,206,251



**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

The Company's Canadian non-capital income tax losses expire as follows:

<b>Non-capital losses</b>	
2041	44,766
2042	128,436
2044	383,856
	<b>\$557,058</b>

The potential future benefits of these losses have not been recognized in the financial statements because it is not probable that future taxable profit will be available against which the Company can use the benefits.

**16. FINANCIAL RISK MANAGEMENT**

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts, restricted cash. Cash is held with major banks in Canada. Restricted cash is on deposit with a Canadian bank and is pledged with an Ontario government agency.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. Refer to note 2.

***Market risk***

Market risk incorporates a range of risks. Movements in risk factors, such as interest rate risk, currency risk, market price risk, and commodity price risk, affect the fair value of financial assets and liabilities.

***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debt. The Company's current policy is to deposit excess cash in interest-bearing accounts at its Canadian banking institutions.

***Currency risk***

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar as the majority of its transactions and operations are in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

***Market price risk***

The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

companies. This in turn may impact the Company's ability to raise equity financing for its long-term working capital requirements.

*Commodity price risk*

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The carrying value of the Company's financial instruments approximates fair value due to their short-term or demand nature.

**Classification of financial instruments**

Financial assets included in the statement of financial position are as follows:

	2024	2023
Financial assets at amortized cost:		
Cash	\$1,090,015	\$6,265
Restricted cash	408,405	403,362
	<b>\$1,498,420</b>	<b>\$409,627</b>

Financial liabilities included in the statement of financial position are as follows:

	2024	2023
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	\$1,301,571	\$1,054,421
Loan payable	-	40,000
Due to related party	8,375	865,647
Restricted share unit liabilities <sup>1</sup>	44,734	-
	<b>\$ 1,354,680</b>	<b>\$1,960,068</b>

<sup>1</sup>The restricted share units (RSUs) are measured at FVPL

**17. COMMITMENTS AND CONTINGENCIES**

- (i) The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. Refer to note 7.
- (ii) Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. Certain interpretations are required to assess the eligibility of flow-through expenditures that, if changed, could result in the denial of renunciation.

The Company has indemnified the subscribers of the flow-through share offerings against any tax-related amounts that become payable by the shareholder as a result of the Company not meeting its expenditure commitments. As of May 31, 2024, the remaining flow-through commitment is \$340,150, which must be spent by December 31, 2025.

- (iii) CCMI will receive a \$500,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 100 million tonnes and/or 1.0 billion lbs of copper; and an additional \$250,000 milestone bonus payment for the completion of a

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Financial Statements

For Years Ended May 31, 2024 and 2023

(Expressed in Canadian dollars)

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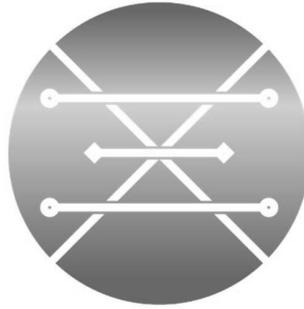
new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 150 million tonnes and/or 1.5 billion lbs of copper. The Company used judgment to determine that the accrual for the milestone bonus payments could not be reliably estimated at this time, and as a result the amount has not been accrued for in the financial statements.

**18. SUBSEQUENT EVENTS**

On October 1, 2024, the principal shareholders of the Company, who collectively own 41.3% of the outstanding shares, entered into a binding share purchase agreement with QC Copper and Gold Inc. "QC Copper" along with QC Copper making a concurrent offer to purchase all of the outstanding shares of the Company in an all-share transaction. QC Copper will issue 1.1538 common shares of QC Copper for every share of the Company. The transaction is subject to approval from the TSX Venture Exchange and QC Copper's disinterested shareholder with an annual general and special meeting of shareholders expected to be held in December 2024.

In October 2024, 1,000,000 warrants with an expiry date of October 26, 2024 and an exercise price of \$0.10 were exercised for gross proceeds of \$100,000.

**SCHEDULE B TO APPENDIX 2**  
**INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED AUGUST 31, 2024**



# CUPRUM CORP

**CUPRUM CORP.**  
**(Formerly Pickle Lake Minerals Inc.)**

**Condensed Interim Financial Statements**

**For the three months ended August 31, 2024 and 2023**

*(Unaudited - Expressed in Canadian Dollars)*

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Unaudited - Expressed in Canadian dollars)

<i>As at</i>	<i>Notes</i>	<b>August 31, 2024</b>	<b>May 31, 2024</b>
<b>ASSETS</b>			
<b>Current</b>			
Cash		<b>850,570</b>	1,090,015
Due from related party	11	<b>3,538</b>	-
Amounts receivable	6	<b>47,594</b>	33,038
Prepays		<b>3,364</b>	10,000
		<b>905,066</b>	1,133,053
<b>Non-current</b>			
Restricted cash	5	<b>412,905</b>	408,405
<b>TOTAL ASSETS</b>		<b>1,317,971</b>	1,541,458
<b>LIABILITIES</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	8	<b>1,326,676</b>	1,301,571
Due to related party	11	<b>3,252</b>	8,375
Asset retirement obligation	10	<b>1,437,439</b>	1,434,939
Restricted share unit liabilities	12	<b>156,734</b>	44,734
Flow-through share liability	9	<b>28,000</b>	69,000
<b>TOTAL LIABILITIES</b>		<b>2,952,101</b>	2,858,619
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	12	<b>3,000,874</b>	3,000,874
Other reserves	12	<b>62,590</b>	62,590
Deficit		<b>(4,697,594)</b>	(4,380,625)
<b>TOTAL SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		<b>(1,634,130)</b>	(1,317,161)
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)</b>		<b>1,317,971</b>	1,541,458

Going concern (Note 2)  
Commitments and contingencies (Notes 15)  
Subsequent event (Note 16)

Approved on behalf of the Directors:

*"Stephen Stewart"*

Stephen Stewart – Director

*"Anthony Moreau"*

Anthony Moreau – Director

The accompanying notes are an integral part of these interim condensed financial statements.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Unaudited - Expressed in Canadian dollars)  
For the three months ended August 31, 2024 and 2023

	<i>Notes</i>	<b>August 31, 2024</b>	<b>August 31, 2023</b>
<b>EXPENSES</b>			
Exploration expenses	7	<b>204,355</b>	752,460
Share-based payments	12	<b>112,000</b>	-
Office, rent and general		<b>7,094</b>	-
Accretion expense	10	<b>2,500</b>	16,321
Professional fees		<b>43,580</b>	-
Interest and bank charges		<b>4,129</b>	-
Interest income		<b>(15,689)</b>	(2,700)
<b>Loss before other income</b>		<b>357,969</b>	766,081
<b>Other income</b>			
Flow-through share premium	9	<b>(41,000)</b>	-
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>316,969</b>	766,081
<b>Weighted average number of shares - basic and diluted</b>			
		<b>77,721,661</b>	33,000,000
<b>Loss per share – basic and diluted</b>		<b>\$ (0.00)</b>	\$ (0.02)

The accompanying notes are an integral part of these interim condensed financial statements.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY (DEFICIENCY)**  
(Unaudited - Expressed in Canadian dollars)  
For the periods ended August 31, 2024 and 2023

	Number of shares	Amount	Other reserve	Deficit	Total Deficit
<b>Balance at May 31, 2023</b>	33,000,000	\$1	\$-	\$ (2,945,399)	\$(2,945,398)
Loss for the period	-	-	-	(766,081)	(766,081)
<b>Balance at August 31, 2023</b>	<b>33,000,000</b>	<b>\$1</b>	<b>\$-</b>	<b>\$ (3,711,480)</b>	<b>\$(3,711,479)</b>
<b>Balance at May 31, 2024</b>	<b>77,721,661</b>	<b>\$ 3,000,874</b>	<b>\$ 62,590</b>	<b>\$ (4,380,625)</b>	<b>\$(1,317,161)</b>
Loss for the period	-	-	-	(316,969)	(316,969)
<b>Balance at August 31, 2024</b>	<b>77,721,661</b>	<b>\$ 3,000,874</b>	<b>\$ 62,590</b>	<b>\$ (4,697,594)</b>	<b>\$(1,634,130)</b>

The accompanying notes are an integral part of these interim condensed financial statements.



**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
(Unaudited - Expressed in Canadian dollars)  
For the periods ended August 31, 2024 and 2023

	<b>August 31, 2024</b>	<b>August 31, 2023</b>
<b>Operating activities</b>		
Loss for the period	<b>\$(316,969)</b>	\$(766,081)
Items not involving cash		
Flow-through share premium renunciation	<b>(41,000)</b>	-
Share-based payments	<b>112,000</b>	-
Accretion expense	<b>2,500</b>	16,321
Accrued interest	<b>(4,500)</b>	(9,665)
Changes in working capital items:		
Prepaid expenses	<b>6,635</b>	-
Amounts receivable	<b>(14,555)</b>	-
Accounts payable and accrued liabilities	<b>25,105</b>	116,233
Due from related party	<b>(3,538)</b>	-
Net cash used in operating activities	<b>\$(234,322)</b>	\$(643,192)
<b>Financing activities</b>		
Advances to related parties	<b>(5,123)</b>	646,165
Net cash (used in)/from financing activities	<b>\$(5,123)</b>	\$646,165
<b>Net (decrease)/increase in cash</b>	<b>\$(239,445)</b>	2,973
<b>Cash, beginning of period</b>	<b>1,090,015</b>	6,265
<b>Cash, end of period</b>	<b>\$850,570</b>	\$9,238

The accompanying notes are an integral part of these interim condensed financial statements.

## **CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

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### **1. NATURE OF OPERATIONS**

Cuprum Corp. (“Cuprum” or the “Company”), formerly Pickle Lake Minerals Inc, was incorporated under the Business Corporations Act (British Columbia) on July 26, 2011. In October 2024, the Company changed its name. Cuprum’s principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned any revenue as it is in the exploration stage.

The head and principal office of the Company is located at 55 University Avenue, Suite 1805 Toronto, Ontario M5J 2H7.

### **2. GOING CONCERN**

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Accordingly, it does not give effect to adjustments, if any that would be necessary should the Company be unable to continue as a going concern and, therefore, be required to realize its assets and liquidate its liabilities in other than in the normal course of business and at amounts that may differ from those shown in these condensed interim financial statements. Such adjustments could be material.

The Company had raised funds during the year ended May 31, 2024. The ability of the Company to arrange such financing in the future will depend in part upon the prevailing capital market conditions as well as the business performance of the Company. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, control of the Company may change and existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to sell or relinquish rights to certain of its interests or terminate its operations.

As at August 31, 2024, the Company had working capital deficit excluding asset retirement obligation and flow-through share liability of \$(581,596) (May 31, 2024 – deficit of \$221,627) and an accumulated deficit of \$4,697,594 (May 31, 2024 - \$4,380,625). The Company has no proven history of performance, earnings or success. Management believes the Company has sufficient funds or access to sufficient funds to cover planned operations throughout the next twelve-month period. However, management plans on securing additional financing through the issue of new equity, among other things. Nevertheless, there is no assurance that these initiatives will be successful. These factors indicate the existence of material uncertainties that may cast significant doubt as to the Company’s ability to continue as a going concern.

### **3. MATERIAL ACCOUNTING POLICIES AND BASIS OF PREPARATION**

#### **a) Statement of compliance and basis of measurement**

These condensed interim financial statements (“interim financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) with interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) which the Canadian Accounting Standards Board has approved for incorporation into Part I of the CPA Canada Handbook – Accounting, as applicable to the preparation of interim financial statements, including International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”). These condensed interim financial statements should be read in conjunction with the May 31, 2024, annual financial statements. These condensed interim financial statements were authorized for issuance in accordance with a resolution of the Board of Directors on October 24, 2024.

These condensed interim financial statements follow the same accounting principles and methods of application as disclosed in the financial statements as at and for the year ended May 31, 2024. The condensed interim financial statements may condense or omit certain disclosures that otherwise would be present in

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

annual financial statements prepared in accordance with IFRS.

**b) Significant accounting judgments and sources of estimation uncertainty**

The preparation of the condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts and the valuation of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed interim financial statements and the reported amounts of revenues and expenditures during the period reported.

Management uses its best estimates for these purposes, based on assumptions that it believes reflect the most probable set of economic conditions and planned courses of action. However, actual results could differ materially from these estimates.

The significant areas of estimation and uncertainty considered by management in preparing the condensed interim financial statements are the same as those described in the Company's annual financial statements for the year ended May 31, 2024.

**c) Material accounting policies**

The Company's accounting policies applied to all periods presented in these condensed interim financial statements are the same as those applied by the Company in its annual financial statements as at and for the year ended May 31, 2024, except as detailed in note 4.

**4. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS**

At the date of authorization of these condensed interim financial statements, the IASB has issued new and revised Standards and Interpretations which are not yet effective for the relevant reporting period. Many are not applicable or do not have a significant impact on the Company. Management is currently evaluating the impact of these pronouncements on the Company's condensed interim financial statements.

**5. RESTRICTED CASH**

At August 31, 2024, restricted cash totaled \$412,905 (May 31, 2024 - \$408,405). This is comprised of funds placed by the Company in a restricted investment towards the Thierry Copper Project (Note 10). The investment is a GIC that accrues interest at 4.75% and matures on Oct 20, 2025.

**6. ACCOUNTS RECEIVABLE**

At August 31, 2024, accounts receivable totaled \$47,594 (May 31, 2024 - \$33,038). This is comprised of sales tax receivables.

**7. EXPLORATION AND EVALUATION EXPENSES**

The following are details of the Company's exploration and evaluation expenses for the three months ended August 31:

	2024	2023
<b>Thierry Copper Project</b>	<b>\$204,355</b>	<b>\$752,460</b>

As of August 31, 2024 and 2023, the Company has a project, the Thierry Copper Project, located in Pickle Lake, Ontario. The Company owns 100% of Thierry Copper Project (see note 15). The Thierry Project is not currently compliant with its regulatory obligations with respect to its closure plan. A portion of this project has historically been subject to a NSR of 3% and a 5% carried interest on any mine developed on the original leased claims which do not include the Thierry mine site.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Accounts payable and accrued liabilities are principally comprised of amounts outstanding for trade purchases relating to exploration activities, financing activities, general and administrative expenses and professional fees.

**9. FLOW-THROUGH SHARE LIABILITY**

Flow-through common shares require the Company to incur an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company has indemnified the holders of such shares for any tax and other costs payable by them in the event the Company has not incurred the required exploration expenditures. Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of the common shares. The incremental proceeds, or "premium", are recorded as a flow-through liability. During the three months ended August 31, 2024, the Company recognized a flow-through share premium renunciation of \$41,000 (2023 - \$Nil) included in the statements of loss and comprehensive loss. As of August 31, 2024, the flow-through liability was \$28,000 (May 31, 2024 - \$69,000).

**10. ASSET RETIREMENT OBLIGATION ("ARO")**

The Company has recognized a provision of \$1,437,439 (May 31, 2024 - \$1,434,939) for environmental rehabilitation in relation to previous mining activities at Pickle Lake project. The provision is estimated based on management's estimates of projected reclamation costs. The Company is currently unable to reliably estimate when the reclamation activities will be completed.

	August 31, 2024	May 31, 2024
ARO – beginning of period/year	\$1,434,939	\$1,394,957
Accretion expense	2,500	39,982
ARO – end of period/year	1,437,439	1,434,939
Current portion	1,437,439	1,434,939
Non-current portion	\$ -	\$ -

**11. RELATED PARTIES TRANSACTIONS*****Key management personnel compensation***

Key management includes directors and executive officers. The remuneration of the key management of the Company during the three months ended August 31, 2024 and 2023 was as follows:

	2024	2023
Share-based payments	\$82,500	\$-
	\$82,500	\$ -

The Company recognized share-based payment expense of approximately \$20,000 related to insiders of a major shareholders and approximately \$5,500 in relation to a person who is related to a director of the Company.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

**Related Party Balances**

The following are the balances due from (to) associates and related parties as at August 31, 2024 May 31, 2024:

	August 31, 2024	May 31, 2024
Due from Orecap Invest Corp.	\$3,538	\$6,462
Due to QC Copper.	(3,252)	1,913
	<b>\$286</b>	<b>\$8,375</b>

All of the amounts due to and from related parties are unsecured, non-interest bearing with no fixed terms of repayment.

**12. SHARE CAPITAL****Authorized share capital**

Unlimited number of voting common shares without par value.

**Restricted Share Units (RSUs)**

The Board of Directors of the Company has adopted a RSU plan which permits the Company to grant to directors, officers and consultants of the Company, non-transferable RSUs to receive common shares or cash, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares and be exercisable for a period of up to three years from the date of grant. The number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one consultant or individual conducting investor relations activities will not exceed 2% of the issued and outstanding shares. Otherwise specified otherwise by the Board of Directors options vest on the date of grant.

A summary of the changes in the Company's RSUs is set out below:

<i>For the period and year ended</i>	August 31, 2024	May 31, 2024
	<b>Number of RSUs</b>	
Outstanding, beginning of year	6,100,000	-
Granted	-	6,100,000
Outstanding, end of period/year	6,100,000	6,100,000
Exercisable, end of period/year	-	-

In the period ending August 31, 2024, share-based compensation recognized in the Statement of Loss and Comprehensive Loss amounted to \$112,000 (August 31, 2023 - \$Nil) and Restricted share unit liabilities of \$156,734 (2023 - \$44,734).

**Warrants**

As at August 31, 2024, the Company has the following warrants outstanding:

- 1,000,000 with an exercise price of \$0.10 expiring on October 26, 2024
- 1,000,000 with an exercise price of \$0.15 expiring on October 26, 2025
- 1,000,000 with an exercise price of \$0.20 expiring on October 26, 2026

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

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**13. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can provide returns to shareholders and benefits to other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders.

There can be no assurance that the Company will be successful in its efforts to arrange additional financing, if needed, on terms satisfactory to the Company.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended August 31, 2024 and 2023. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body,

**14. FINANCIAL RISK MANAGEMENT**

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts, restricted cash. Cash is held with major banks in Canada. Restricted cash is on deposit with a Canadian Bank pledged with an Ontario government agency.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. Refer to note 2.

***Market risk***

Market risk incorporates a range of risks. Movements in risk factors, such as interest rate risk, currency risk, market price risk, and commodity price risk, affect the fair value of financial assets and liabilities.

***Interest rate risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debt. The Company's current policy is to deposit excess cash in interest-bearing accounts at its Canadian banking institutions.

***Currency risk***

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar as the majority of its transactions and operations are in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

*Market price risk*

The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This in turn may impact the Company's ability to raise equity financing for its long-term working capital requirements.

*Commodity price risk*

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The carrying value of the Company's financial instruments approximates fair value due to their short-term or demand nature.

**Classification of financial instruments**

Financial assets included in the statement of financial position are as follows:

	<b>August 31, 2024</b>	May 31, 2024
Financial assets at amortized cost:		
Cash	<b>\$850,570</b>	\$1,090,015
Restricted cash	<b>412,905</b>	408,405
Due from related party	<b>3,538</b>	-
	<b>\$1,267,013</b>	\$1,498,420

Financial liabilities included in the statement of financial position are as follows:

	<b>August 31, 2024</b>	May 31, 2024
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	<b>\$1,326,676</b>	\$1,301,571
Due to related party	<b>3,252</b>	8,375
Restricted share unit liabilities <sup>1</sup>	<b>156,734</b>	44,734
	<b>\$ 1,486,662</b>	\$ 1,354,680

<sup>1</sup>The restricted share units (RSUs) are measured at FVPL.

**15. COMMITMENTS AND CONTINGENCIES**

- (i) The Company's exploration activities are subject to various federal and provincial laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations. Refer to note 7.
- (ii) Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. Certain interpretations are required to assess the eligibility of flow-through expenditures that, if changed, could result in the denial of renunciation.

The Company has indemnified the subscribers of the flow-through share offerings against any tax-related amounts that become payable by the shareholder as a result of the Company not meeting its

**CUPRUM CORP. (formerly Pickle Lake Minerals Inc.)**

Notes to Condensed Interim Financial Statements

For the periods ended August 31, 2024 and 2023

(Unaudited - Expressed in Canadian dollars)

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expenditure commitments. As of August 31, 2024, the remaining flow-through commitment is \$135,000, which must be spent by December 31, 2025.

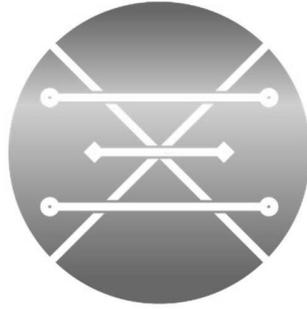
- (iii) CCMI will receive a \$500,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 100 million tonnes and/or 1.0 billion lbs of copper; and an additional \$250,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 150 million tonnes and/or 1.5 billion lbs of copper. The Company used judgment to determine that the accrual for the milestone bonus payments could not be reliably estimated at this time, and as a result the amount has not been accrued for in the condensed interim financial statements.

**16. SUBSEQUENT EVENT**

- On October 1, 2024, the principal shareholders of the Company, who collectively own 41.3% of the outstanding shares, entered into a binding share purchase agreement with QC Copper and Gold Inc. "QC Copper" along with QC Copper making a concurrent offer to purchase all of the outstanding shares of the Company in an all-share transaction. QC Copper will issue 1.1538 common shares of QC Copper for every share of the Company. The transaction is subject to approval from the TSX Venture Exchange and QC Copper's disinterested shareholder with an annual general and special meeting of shareholders expected to be held in December 2024.
- In October 2024, 1,000,000 warrants with an expiry date of October 26, 2024 and an exercise price of \$0.10 were exercised for gross proceeds of \$100,000.



**SCHEDULE C TO APPENDIX 2**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED MAY 31, 2024**



# CUPRUM CORP

**CUPRUM CORP.**  
**(Formerly Pickle Lake Minerals Inc.)**

Management's Discussion and Analysis  
Year ended May 31, 2024 and 2023

October 24, 2024

**(Expressed in Canadian Dollars)**

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)  
Management’s Discussion and Analysis  
Year ended May 31, 2024 and 2023**

The following is Management’s Discussion and Analysis (“MD&A”) of the financial condition and results of operations of Cuprum Corp. (“Cuprum”, the “Corporation”, or the “Company”) to enable a reader to assess the financial condition and results of operations of the Company for the year ended May 31, 2024 and 2023. This MD&A has been prepared as at October 24, 2024 unless otherwise indicated. This MD&A should be read in conjunction with the annual financial statements (“Financial Statements”) and related notes for the year ended May 31, 2024, which are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting. All references to dollars herein are in Canadian dollars (“\$”) unless otherwise specified.

Results are reported in Canadian dollars (“\$”), unless otherwise noted. The Company’s Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC).

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements.

Cuprum Corp. (“Cuprum” or the “Company”), formerly Pickle Lake Minerals Inc, formed on January 15, 2010 by means of the amalgamation of 2220403 Ontario Inc. and Richview Resources Inc. pursuant to the provisions of the Business Corporations Act (Ontario) which amalgamated company continued under the name "Cadillac Ventures Holdings Inc.". Effective January 26, 2021, Cuprum (formerly known as Cadillac) changed the name of the company to "Pickle Lake Minerals Inc. In October 2023, the Company changed its name. Cuprum’s principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned any revenue as it is in the exploration stage.

The Company’s head office and principal business address is 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7. Additional information relevant to the activities of the Company is available on the Company’s website – [www.cuprum.ca](http://www.cuprum.ca).

*The technical information contained in this Management Discussion and Analysis has been reviewed and approved by Antoine Schwartzmann, P.Geo., Project Geologist for Cuprum, a Qualified Person as defined in “National Instrument 43-101, Standards of Disclosure for Mineral Projects.”*

## **OVERVIEW**

Cuprum’s primary focus is the Thierry Project (“Thierry” or the “Project”), which is one of the largest known copper deposits in Ontario and is in close proximity to existing infrastructure such as roads, grid power and mining communities. In addition to copper, the Project has other critical minerals including nickel, palladium and platinum.

### **Thierry Drilling Program**

In July 2023, a seven hole, 2,700-metre exploration drill program was completed at the Thierry Project. This program was designed to focus on expanding upon the K1-1 deposit, which is a large tonnage, near surface deposit located approximately 3 km east of the past producing Thierry Mine. The K1-1 deposit has a current Inferred Mineral Resource within an optimized Whittle pit shell consisting of the following: 53,614,000 tonnes grading 0.38% Cu, 0.10% Ni, 1.8 g/t Ag, 0.03 g/t Au, 0.05 g/t Pt and 0.14 g/t Pd at an NSR of C\$12/tonne. In September 2023, assay results for the first two drill holes were detailed in a press release issued by Canadian Critical Minerals Corp. In June 2024, assay results for the remaining five drill holes were detailed in a press release issued by Orecap Invest Corp.

### **Investment in Cuprum (previously Pickle Lake Minerals Inc.) by Orecap Invest Corp (“Orecap”)**

In October 2023, Orecap acquired 27,000,000 shares (45% interest) in Cuprum Corp. (“Cuprum”), then a subsidiary

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)  
Management's Discussion and Analysis  
Year ended May 31, 2024 and 2023**

of Canadian Critical Minerals Inc. ("CCMI"), for \$1,350,000 in an all-cash deal. The transaction closed on October 31, 2023 ("Closing Date"). Pursuant to the investment, CCMI also received 3,000,000 share purchase warrants of Cuprum with the following terms: 1,000,000 warrants with an exercise price of \$0.10 per common share of Cuprum and exercisable for a period of 1 year from the Closing Date; 1,000,000 warrants with an exercise price of \$0.15 per common share of Cuprum and exercisable for a period of 2 years from the Closing Date; and 1,000,000 warrants with an exercise price of \$0.20 per common share of Pickle Lake and exercisable for a period of 3 years from the Closing Date. Additionally, CCMI will receive a \$500,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 100 million tonnes and/or 1.0 billion lbs of copper; and an additional \$250,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 150 million tonnes and/or 1.5 billion lbs of copper.

As part of the transaction and shareholder agreement, Orecap was granted the right to appoint two directors, and CCMI was granted the right to appoint one director to Cuprum's Board of Directors. As a result of Orecap's rights under the shareholder agreement, the investment in Cuprum is reflected in the Financial Statements as a consolidated entity with an associated non-controlling interest.

In November 2023, Orecap, its principals and affiliates further invested C\$455,500 into Cuprum ("Seed Round") at the same valuation as its initial acquisition in October 2023, with Orecap acquiring an additional 2,500,000 shares in Cuprum for \$125,000. As a result of the Seed Round, Orecap's interest in Cuprum was reduced to 42.7%.

**April 2024 Private Placement**

In April 2024, Cuprum completed a \$1 million private placement financing from arms-length investors. The financing included hard-dollar and flow-through components at 12 and 15 cents, respectively.

**Acquisition of Cuprum (previously Pickle Lake Minerals Inc.) by QC Copper and Gold Inc. ("QC Copper")**

In October 2024, QC Copper announced that it intends to acquire 100% of Cuprum in an all-share deal (the "Acquisition"), whereby QC Copper will issue 1.1538 common shares of QC Copper ("QC Copper Shares") for every Cuprum common share, based on QC Copper's share price of \$0.13. QC Copper will issue an aggregate of 82.76 million QC Copper Shares in connection with the Acquisition, securing full ownership of Cuprum's assets, including the multi-billion-pound Thierry Copper Project. The Acquisition is subject to approval from disinterested shareholders of QC Copper, approval from the TSXV Exchange and the acceptance of QC Copper's offer by Cuprum shareholders. The Acquisition is expected to close in December 2024.

**Cautionary Note Concerning the Various Historical Resources on Cuprum's Thierry Project**

Cuprum cautions that a Qualified Person has not done sufficient work to classify historic estimates as current mineral resources or mineral reserves; Cuprum is not treating the historic estimates as relevant or as current mineral resources or mineral reserves and the historic estimates should not be relied upon. Note that all of the historic estimates were made prior to the adoption and publication of the CIM Standards of Disclosures for Mineral Resources and Mineral Reserves or of the CIM Best Practices Guidelines. The assumptions, parameters and methods used to prepare the historic estimates are not available and they therefore may not be comparable to the categories as defined by the CIM Definition Standards for Mineral Resource or Mineral Reserve estimates as adopted by the CIM council in 2010. There have been no recent estimates on the G and J zones, nor is there any new data available that would allow the reporting of current Mineral Resource or Mineral Reserve estimates on these zones. Given the inability to verify any of the past data prior to Canadian Critical Minerals' work, the historic data should be used to with caution. At best, Cuprum considers these results as indications of the presence of mineralization on the property and we will use the information to guide future exploration but the reader is cautioned not to rely on these estimates.

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)  
Management's Discussion and Analysis  
Year ended May 31, 2024 and 2023**

**MINERAL PROPERTY EXPLORATION ACTIVITIES**

Assay results from the remaining five drill holes from the seven-hole 2,600-metre exploration program that was completed at the Thierry Project near Pickle Lake, Ontario in July 2023 were commissioned and results detailed in a press release by Orecap Invest Corp., on June 20, 2024.

**MINERAL PROPERTY EXPENDITURES**

The following are details of the Company's exploration and evaluation expenses for the year ended May 31:

	2024	2023
<b>Thierry Copper Project</b>	<b>\$1,149,940</b>	\$198,116

**REVIEW OF OPERATIONS FOR THE YEAR ENDED MAY 31, 2024 AND 2023**

For the year ended May 31, 2024, the Company had a net loss before taxes of \$1.4 million, compared to net loss before taxes of \$0.2 million in the prior year period, an increase in net loss of \$1.2 million. The increase was largely due to exploration expenses at Thierry and corporate activities following the transaction with Orecap. .

	May 31,		
	2024	2023	Change
<b>EXPENSES</b>			
Consulting fees	39,883	-	\$ 39,883
Exploration expenses	1,149,940	198,116	951,824
Share-based payments	44,734	-	44,734
Office, rent and general	10,170	-	10,170
Accretion expense	39,982	45,314	(5,332)
Professional fees	183,789	-	183,789
Interest and bank charges	13,813	7,974	5,839
Interest income	(21,085)	(7,478)	(13,607)
<b>Loss before tax</b>	<b>1,461,226</b>	243,926	1,217,300

- Consulting and management fees increased by \$40 thousand in the current year due to the transaction with Orecap.
- Gross exploration and evaluation expenses increased by \$950 thousand in the current year due to the drill program carried out at Thierry in summer 2023 combined with the review and analysis of historical data in order to determine future exploration plans.
- Share-based compensation increased \$45 thousand as a result of the issuance of restricted share units in April 2024, and their vesting schedule over 3 years.
- Professional fees increased by \$183 thousand due to legal, audit and tax work that resulted from the Orecap transaction, the standalone nature of the Company thereafter.
- Interest income increased by \$14 thousand in 2024 due to higher market rates and a higher treasury following the private placements.

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**Year ended May 31, 2024 and 2023**

	<b>May 31, 2024</b>	<b>February 28, 2024</b>	<b>November 30, 2023</b>	<b>August 31, 2023</b>
Total assets	\$1,541,458	\$826,138	\$870,357	\$412,327
Total liabilities	2,858,619	2,760,273	2,714,527	4,123,806
Total shareholders' equity (deficiency)	(1,317,161)	(1,934,134)	(2,844,171)	(3,711,479)
Net (loss) income	(521,526)	(89,964)	(57,655)	(766,081)
Basic and diluted net income (loss) per share	(\$0.00)	\$(0.00)	\$(0.00)	\$(0.02)

	<b>May 31, 2023</b>	<b>February 28, 2023</b>	<b>November 30, 2022</b>	<b>August 31, 2022</b>
Total assets	\$409,627	\$408,921	\$408,274	\$408,534
Total liabilities	3,355,025	3,263,416	3,216,596	3,169,775
Total shareholders' equity (deficiency)	(2,945,398)	(2,854,495)	(2,808,322)	(2,761,241)
Net income (loss)	(90,903)	(46,173)	(47,081)	(59,769)
Basic and diluted net (loss) income per share	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)

**Liquidity and Financial Condition and Capital Resources**

As at May 31, 2024, the Company had working capital deficit of \$1.7 million compared to May 31, 2023 when it had working capital deficit of \$2.9 million. The \$1.2 million decrease in working capital was primarily driven by the expending resources on exploration activities at the beginning of fiscal 2023. As at May 31, 2024, Cuprum had \$1.5 million in current assets, being an increase of \$1.1 million from May 31, 2023 when its current assets totalled \$409 thousand, primarily due to the private placements partially offset by the use of cash on exploration activities. As at May 31, 2024, Cuprum's current and total liabilities totalled \$2.9 million, a decrease of \$0.5 million from May 31, 2023.

The Company had a cash balance of \$1.1 million as at May 31, 2024, an increase of \$1.1 million from \$6 thousand as at May 31, 2023. As at May 31, 2024, cash used in operating activities was \$1.2 million compared to cash used of \$67 thousand in the prior year. Cash from financing activities as at May 31, 2024 was \$2.3 million compared with less than \$73 thousand in the prior year.

Cash flow to date has not satisfied the Company's operational requirements. Due to the nature of the junior mineral exploration business, the Company relies upon external financing to fund its ongoing business activities. In the past, the Company has relied on the sale of equity securities to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Company's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. Financing options are continually being evaluated and pursued by the Company, such as the issuance of share capital and/or debt financing. Cuprum's ability to continue as a going concern is dependent upon financing arrangements for its business activities. As with any business in this industry, there are uncertainties associated with its ability to raise additional financing through private placements, or other sources to fund these activities. There can be no assurances that the Company will be successful in obtaining any such financing or in joint venturing its properties. As such, the Company is subject to liquidity risks. Cuprum has no proven history of performance, earnings or success.

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)**  
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**Year ended May 31, 2024 and 2023**

**Related Party Transactions**

***Key management personnel compensation***

Key management includes directors and executive officers. The remuneration of the key management of the Company during the year ended May 31, 2024 and 2023 was as follows:

	<b>2024</b>	<b>2023</b>
Share-based payments	<b>\$33,000</b>	\$-
	<b>\$33,000</b>	\$ -

***Other related party transactions***

The Company incurred \$125,000 in expenses comprised of consulting fees \$39,883, professional fees \$74,924, exploration expenditures \$8,393 and office, general of \$1,800 in relation to costs incurred by Orecap Invest Corp. in association with change in ownership that resulted in the equity financing and settlement of balances with Canadian Critical Minerals Inc.

The Company recognized share-based payment expense of approximately \$8,000 related to insiders of a major shareholders and approximately \$2,200 in relation to a person who is related to a director of the Company.

***Related Party Balances***

The following are the balances due from (to) associates and related parties as at May 31, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Due to Orecap Invest Corp.	<b>\$6,462</b>	\$-
Due to QC Copper.	<b>1,913</b>	-
Due to Canadian Critical Minerals Inc.	-	865,647
	<b>\$8,375</b>	\$865,647

All of the amounts due to and from related parties are unsecured, non-interest bearing with no fixed terms of repayment.

**Financial risk management**

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts, restricted cash. Cash is held with major banks in Canada. Restricted cash is on deposit with a Canadian bank and is pledged with an Ontario government agency.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, considering its

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)**  
**Management's Discussion and Analysis**  
**Year ended May 31, 2024 and 2023**

anticipated cash flows from operations and its holdings of cash. Refer to note 2 of the Annual Financial Statements.

***Market risk***

Market risk incorporates a range of risks. Movements in risk factors, such as interest rate risk, currency risk, market price risk, and commodity price risk, affect the fair value of financial assets and liabilities.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debt. The Company's current policy is to deposit excess cash in interest-bearing accounts at its Canadian banking institutions.

*Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar as the majority of its transactions and operations are in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

*Market price risk*

The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This in turn may impact the Company's ability to raise equity financing for its long-term working capital requirements.

*Commodity price risk*

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The carrying value of the Company's financial instruments approximates fair value due to their short-term or demand nature.

***Classification of financial instruments***

Financial assets included in the statement of financial position are as follows:

	<b>2024</b>	2023
Financial assets at amortized cost:		
Cash	<b>\$1,090,015</b>	\$6,265
Restricted cash	<b>408,405</b>	403,362
	<b>\$1,498,420</b>	\$409,627



**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)**  
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Financial liabilities included in the statement of financial position are as follows:

	2024	2023
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	\$1,301,571	\$1,054,421
Loan payable	-	40,000
Due to related party	8,375	865,647
Restricted share unit liabilities <sup>1</sup>	44,734	-
	<b>\$ 1,354,683</b>	<b>\$1,960,068</b>

<sup>1</sup>The restricted share units (RSUs) are measured at FVPL

**Risks and Uncertainties**

Cuprum's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future.

**Capital Requirements**

The Company will require significant capital in order to fund its operating costs and to explore and develop any project. Cuprum has no revenues and is wholly reliant upon external financing to fund all of its capital requirements. Cuprum will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to Cuprum or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of Cuprum, the interests of shareholders in the net assets of Cuprum may be diluted. Any failure of Cuprum to obtain financing on acceptable terms could have a material adverse effect on Cuprum's financial condition, prospects, results of operations and liquidity and require Cuprum to cancel or postpone planned capital investments.

**Dependence on Mineral Exploration Projects**

Any adverse development affecting the progress of Company's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Company and its business or prospects.

**Metal Prices**

The development and success of any project of the Company will be primarily dependent on the future price of copper, gold and other metals. Copper, gold and other metal prices are subject to significant fluctuation and are affected by a number of factors, which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The price of copper, gold and other precious and base metals has fluctuated widely in recent years, and future serious price declines could cause any future development of and commercial production from the Company's properties to be impracticable. Depending on the price of copper, gold and other metals, projected cash flow from planned mining operations may not be sufficient and the Company could be forced to discontinue any development and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mining properties is dependent on copper, gold and base metal prices that are adequate to make these properties economic.

Furthermore, reserve calculations and life-of-mine plans using significantly lower gold and other metal prices could result in material write-downs of the Company's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting the Company's possible future reserve estimates and its financial condition, declining commodity prices may impact operations by requiring a reassessment of the feasibility of a particular

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)**  
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project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

***Government Regulation, Permits and Licenses***

The Company's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Where required, obtaining necessary permits and licenses can be a complex, time-consuming process and the Company cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, 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 or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of such mining activities, and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

***Competition***

The mining industry is competitive in all of its phases. The Company faces strong competition from other exploration and mining companies in connection with the acquisition of properties producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Cuprum. As a result of this competition Cuprum may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of Cuprum could be materially adversely affected.

***Exploration, Development and Operational Risk***

The exploration for, and development of, mineral deposits involve significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Cuprum not receiving an adequate return on invested capital.

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The Company does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by Cuprum towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore. Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of gold and other precious or base metals. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability

***Reliance on Management and Key Employees***

The success of the operations and activities of Cuprum is dependent to a significant extent on the efforts and abilities of its management, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. Cuprum does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect Cuprum's operations and financial performance.

***No Assurance of Titles, Boundaries or Approvals***

Titles to Cuprum's properties may be challenged or impugned, and title insurance is generally not available. Cuprum's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, Cuprum may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. Cuprum cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect Cuprum's operations.

***Environmental Risks and Hazards***

All phases of Cuprum's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. 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 officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Cuprum's operations. Environmental hazards may exist on the properties in which Cuprum interests which are unknown to Cuprum at present and which have been caused by previous or existing owners or operators of the properties. Cuprum's Thierry Project is currently non-compliant with respect to its closure plan and other related requirements under the Government of Ontario. The Company intends to rectify this compliance when funds are available to do so and is performing certain interim monitoring procedures. There has been no change in the current situation for a number of years.

***Uninsured Risks***

Cuprum's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Cuprum's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability. Although Cuprum maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. Cuprum may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Cuprum on affordable and acceptable terms. Cuprum

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might also become subject to liability for pollution or other hazards which may not be insured against or which Cuprum may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Cuprum to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

***Environmental Regulations***

The Company is subject to all environmental acts and regulations at the federal and provincial levels. These include, but are not limited to, the following:

**Federal Level (Canada)**

Canadian Environmental Protection Act

Fisheries Act

Navigable Waters Protection Act and Regulations

**Provincial Level (Ontario)**

Ontario Environmental Protection Act

Ontario Mining Act

To the Company’s knowledge, there are no liabilities to date which relate to environment risks or hazards apart from the asset retirement obligations in the Financial Statements.

**Equity Securities Issued and Outstanding**

As at October 24, 2024:

78,721,661 common shares issued and outstanding

2,000,000 share purchase warrants outstanding

6,100,000 Restricted Share Units (RSUs) outstanding

**Off Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Evaluation of Disclosure Controls and Procedures**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited interim condensed consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements; and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of: i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim condensed consolidated financial statements for external purposes in accordance with the issuer’s generally accepted accounting principles (IFRS).

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The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

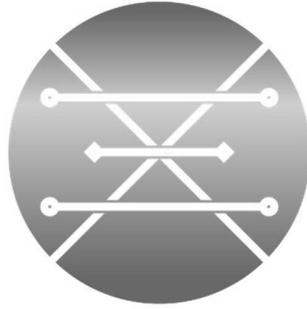
**Cautionary Note Regarding Forward-Looking Statements**

Certain of the statements made and information contained herein is "forward-looking information". These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipates", "plans", "budget", "scheduled", "continue", "estimates", "forecasts", "expect", "is expected", "project", "propose", "potential", "targeting", "intends", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative connotation thereof. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its properties and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- uncertainties relating to receiving exploration permits;
- the impact of increasing competition;
- unpredictable changes to the market prices for minerals;
- exploration and developments costs for its properties;
- availability of additional financing and opportunities for acquisitions or joint-venture partners;
- anticipated results of exploration and development activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Interim MD&A and interim financial statements; uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral and oil and gas operations; fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and farm-in or joint venture partners and unpredictable weather conditions. Although the Company has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward looking statements are made as of the date hereof and accordingly are subject to change after such date. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

**SCHEDULE D TO APPENDIX 2**  
**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE THREE MONTHS ENDED AUGUST 31, 2024**



# CUPRUM CORP

**CUPRUM CORP.**  
**(Formerly Pickle Lake Minerals Inc.)**

Management's Discussion and Analysis  
Three months ended August 31, 2024 and 2023

October 24, 2024

**(Expressed in Canadian Dollars)**

**Cuprum Corp. (formerly Pickle Lake Minerals Inc.)  
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The following is Management’s Discussion and Analysis (“MD&A”) of the financial condition and results of operations of Cuprum Corp. (“Cuprum”, the “Corporation”, or the “Company”) to enable a reader to assess the financial condition and results of operations of the Company for the three months ended August 31, 2024 and 2023. This MD&A has been prepared as at October 24, 2024 unless otherwise indicated. This MD&A should be read in conjunction with the annual financial statements (“Financial Statements”) and related notes for the three months ended August 31, 2024, which are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board applicable to the preparation of interim financial statements, including IAS 34 – Interim Financial Reporting. All references to dollars herein are in Canadian dollars (“\$”) unless otherwise specified.

Results are reported in Canadian dollars (“\$”), unless otherwise noted. The Company’s Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC).

Certain statements made may constitute forward-looking statements. Such statements involve a number of known and unknown risks, uncertainties and other factors. Actual results, performance and achievements may be materially different from those expressed or implied by these forward-looking statements.

Cuprum Corp. (“Cuprum” or the “Company”), formerly Pickle Lake Minerals Inc, formed on January 15, 2010 by means of the amalgamation of 2220403 Ontario Inc. and Richview Resources Inc. pursuant to the provisions of the Business Corporations Act (Ontario) which amalgamated company continued under the name "Cadillac Ventures Holdings Inc.". Effective January 26, 2021, Cuprum (formerly known as Cadillac) changed the name of the company to "Pickle Lake Minerals Inc. In October 2023, the Company changed its name. Cuprum’s principal business is the acquisition and exploration of mineral properties. To date, the Company has not earned any revenue as it is in the exploration stage.

The Company’s head office and principal business address is 55 University Avenue, Suite 1805, Toronto, Ontario, M5J 2H7. Additional information relevant to the activities of the Company is available on the Company’s website – [www.cuprum.ca](http://www.cuprum.ca).

*The technical information contained in this Management Discussion and Analysis has been reviewed and approved by Antoine Schwartzmann, P.Geo., Project Geologist for Cuprum, a Qualified Person as defined in “National Instrument 43-101, Standards of Disclosure for Mineral Projects.”*

## **OVERVIEW**

Cuprum’s primary focus is the Thierry Project (“Thierry” or the “Project”), which is one of the largest known copper deposits in Ontario and is in close proximity to existing infrastructure such as roads, grid power and mining communities. In addition to copper, the Project has other critical minerals including nickel, palladium and platinum.

### **Thierry Drilling Program**

In July 2023, a seven hole, 2,700-metre exploration drill program was completed at the Thierry Project. This program was designed to focus on expanding upon the K1-1 deposit, which is a large tonnage, near surface deposit located approximately 3 km east of the past producing Thierry Mine. The K1-1 deposit has a current Inferred Mineral Resource within an optimized Whittle pit shell consisting of the following: 53,614,000 tonnes grading 0.38% Cu, 0.10% Ni, 1.8 g/t Ag, 0.03 g/t Au, 0.05 g/t Pt and 0.14 g/t Pd at an NSR of C\$12/tonne. In September 2023, assay results for the first two drill holes were detailed in a press release issued by Canadian Critical Minerals Corp. In June 2024, assay results for the remaining five drill holes were detailed in a press release issued by Orecap Invest Corp.

### **Investment in Cuprum (previously Pickle Lake Minerals Inc.) by Orecap Invest Corp (“Orecap”)**

In October 2023, Orecap acquired 27,000,000 shares (45% interest) in Cuprum Corp. (“Cuprum”), then a subsidiary



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of Canadian Critical Minerals Inc. (“CCMI”), for \$1,350,000 in an all-cash deal. The transaction closed on October 31, 2023 (“Closing Date”). Pursuant to the investment, CCMI also received 3,000,000 share purchase warrants of Cuprum with the following terms: 1,000,000 warrants with an exercise price of \$0.10 per common share of Cuprum and exercisable for a period of 1 year from the Closing Date; 1,000,000 warrants with an exercise price of \$0.15 per common share of Cuprum and exercisable for a period of 2 years from the Closing Date; and 1,000,000 warrants with an exercise price of \$0.20 per common share of Pickle Lake and exercisable for a period of 3 years from the Closing Date. Additionally, CCMI will receive a \$500,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 100 million tonnes and/or 1.0 billion lbs of copper; and an additional \$250,000 milestone bonus payment for the completion of a new NI 43-101 resource on near surface (300 metres from surface) resources in excess of 150 million tonnes and/or 1.5 billion lbs of copper.

As part of the transaction and shareholder agreement, OreCAP was granted the right to appoint two directors, and CCMI was granted the right to appoint one director to Cuprum’s Board of Directors. As a result of OreCAP’s rights under the shareholder agreement, the investment in Cuprum is reflected in the Financial Statements as a consolidated entity with an associated non-controlling interest.

In November 2023, OreCAP, its principals and affiliates further invested C\$455,500 into Cuprum (“Seed Round”) at the same valuation as its initial acquisition in October 2023, with OreCAP acquiring an additional 2,500,000 shares in Cuprum for \$125,000. As a result of the Seed Round, OreCAP’s interest in Cuprum was reduced to 42.7%.

**April 2024 Private Placement**

In April 2024, Cuprum completed a \$1 million private placement financing from arms-length investors. The financing included hard-dollar and flow-through components at 12 and 15 cents, respectively.

**Acquisition of Cuprum (previously Pickle Lake Minerals Inc.) by QC Copper and Gold Inc. (“QC Copper”)**

In October 2024, QC Copper announced that it was acquiring 100% of Cuprum in an all-share deal (the “Acquisition”), whereby QC Copper will issue 1.1538 common shares of QC Copper (“QC Copper Shares”) for every Cuprum common share, based on QC Copper’s share price of \$0.13. QC Copper will issue an aggregate of 82.76 million QC Copper Shares in connection with the Acquisition, securing full ownership of Cuprum’s assets, including the multi-billion-pound Thierry Copper Project. The Acquisition is expected to close by the end of December, 2024.

**Cautionary Note Concerning the Various Historical Resources on Cuprum’s Thierry Project**

Cuprum cautions that a Qualified Person has not done sufficient work to classify historic estimates as current mineral resources or mineral reserves; Cuprum is not treating the historic estimates as relevant or as current mineral resources or mineral reserves and the historic estimates should not be relied upon. Note that all of the historic estimates were made prior to the adoption and publication of the CIM Standards of Disclosures for Mineral Resources and Mineral Reserves or of the CIM Best Practices Guidelines. The assumptions, parameters and methods used to prepare the historic estimates are not available and they therefore may not be comparable to the categories as defined by the CIM Definition Standards for Mineral Resource or Mineral Reserve estimates as adopted by the CIM council in 2010. There have been no recent estimates on the G and J zones, nor is there any new data available that would allow the reporting of current Mineral Resource or Mineral Reserve estimates on these zones. Given the inability to verify any of the past data prior to Canadian Critical Minerals’ work, the historic data should be used to with caution. At best, Cuprum considers these results as indications of the presence of mineralization on the property and we will use the information to guide future exploration but the reader is cautioned not to rely on these estimates.

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**MINERAL PROPERTY EXPLORATION ACTIVITIES**

Assay results from the remaining five drill holes from the seven-hole 2,600-metre exploration program that was completed at the Thierry Project near Pickle Lake, Ontario in July 2023 were commissioned and results detailed in a press release by Orecap Invest Corp., on June 20, 2024.

**MINERAL PROPERTY EXPENDITURES**

<i>Three months ended August 31,</i>	<b>2024</b>	<b>2023</b>
<b>Thierry Copper Project</b>	<b>\$204,355</b>	<b>\$752,460</b>

**REVIEW OF OPERATIONS FOR THE THREE MONTHS ENDED AUGUST 31, 2024 AND 2023**

For the three months ended August 31, 2024, the Company had a net loss before other income of \$0.3 million, compared to net loss before taxes of \$0.8 million in the prior year period, a decrease in net loss of \$0.4 million.

<b>Three months ended</b>	<b>August 31,</b>		<b>Change</b>
	<b>2024</b>	<b>2023</b>	
<b>EXPENSES</b>			
Exploration expenses	<b>204,355</b>	752,460	(548,105)
Share-based payments	<b>112,000</b>	-	112,000
Office, rent and general	<b>7,094</b>	-	7,094
Accretion expense	<b>2,500</b>	16,321	(13,821)
Professional fees	<b>43,580</b>	-	43,580
Interest and bank charges	<b>4,129</b>	-	4,129
Interest income	<b>(15,689)</b>	(2,700)	(12,989)
<b>Loss before tax</b>	<b>357,969</b>	766,081	(408,112)

- Exploration and evaluation expenses decreased by \$0.5 million in the current period, as a 5-hole drill program was conducted at Thierry. Assays for 2 holes were obtained at the time, with the remaining holes being completed in May 2024. In 2024, work was carried out to digitize and analyze historical data as part of the planning for upcoming exploration work.
- Share-based compensation increased \$0.1 million as a result of the quantity and timing of restricted share units issued and the resulting expense recognition over their vesting period.
- Professional fees increased by \$43 thousand as a result of the Company operating in a stand alone manner as opposed to a subsidiary of CCMI in the prior year period and the work required to preparing for a potential transaction.
- Interest income increased by \$13 thousand in 2024 due to higher treasury following the private placement in April 2024.

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**Summary of Quarterly Results**

	<b>August 31, 2024</b>	<b>May 31, 2024</b>	<b>February 28, 2024</b>	<b>November 30, 2023</b>
Total assets	\$1,317,971	\$1,541,458	\$826,138	\$870,357
Total liabilities	2,952,101	2,858,619	2,760,273	2,714,527
Total shareholders' equity(deficiency)	(1,634,130)	(1,317,161)	(1,934,134)	(2,844,171)
Net (loss) income	(357,969)	(521,526)	(89,964)	(57,655)
Basic and diluted net income (loss) per share	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)

	<b>August 31, 2023</b>	<b>May 31, 2023</b>	<b>February 28, 2023</b>	<b>November 30, 2022</b>
Total assets	\$412,327	\$409,627	\$408,921	\$408,274
Total liabilities	4,123,806	3,355,025	3,263,416	3,216,596
Total shareholders' equity(deficiency)	(3,711,479)	(2,945,398)	(2,854,495)	(2,808,322)
Net income (loss)	(766,081)	(90,903)	(46,173)	(47,081)
Basic and diluted net (loss) income per share	\$(0.02)	\$(0.00)	\$(0.00)	\$(0.00)

**Liquidity and Financial Condition and Capital Resources**

As at August 31, 2024, the Company had working capital deficit of \$0.6 million compared to May 31, 2024 when it had working capital deficit of \$0.2 million, calculated excluding asset retirement obligation and flow-through share liability. The \$0.4 million decrease in working capital was primarily driven by the expending resources on exploration activities at the beginning of fiscal 2023. As at August 31, 2024, Cuprum had \$0.9 million in current assets, being an decrease of \$0.2 million from May 31, 2024 when its current assets totalled \$1.1 million, primarily due to the use of cash on exploration activities. As at August 31, 2024, Cuprum's current and total liabilities totalled \$3.0 million, an increase of \$0.1 million from May 31, 2024.

The Company had a cash balance of \$0.85 million as at August 31, 2024, a decrease of \$0.2 million from \$1.1 million as at May 31, 2024. As at August 31, 2024, cash used in operating activities was \$0.2 million compared to cash used of \$0.6 million in the prior year. Cash used in financing activities as at August 31, 2024 was \$5 thousand, compared with \$0.6 million in the prior year.

Cash flow to date has not satisfied the Company's operational requirements. Due to the nature of the junior mineral exploration business, the Company relies upon external financing to fund its ongoing business activities. In the past, the Company has relied on the sale of equity securities to meet its cash requirements. Future developments, in excess of funds on hand, will depend on the Company's ability to obtain financing through joint venturing of projects, debt financing, equity financing or other means. Financing options are continually being evaluated and pursued by the Company, such as the issuance of share capital and/or debt financing. Cuprum's ability to continue as a going concern is dependent upon financing arrangements for its business activities. As with any business in this industry, there are uncertainties associated with its ability to raise additional financing through private placements, or other sources to fund these activities. There can be no assurances that the Company will be successful in obtaining any such financing or in joint venturing its properties. As such, the Company is subject to liquidity risks. Cuprum has no proven history of performance, earnings or success.

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**Related Party Transactions**

***Key management personnel compensation***

Key management includes directors and executive officers. The remuneration of the key management of the Company during the three months ended August 31, 2024 and 2023 was as follows:

	2024	2023
Share-based payments	<b>\$82,500</b>	\$-
	<b>\$82,500</b>	\$ -

***Other related party transactions***

The Company recognized share-based payment expense of approximately \$20,000 related to insiders of a major shareholders and approximately \$5,500 in relation to a person who is related to a director of the Company.

***Related Party Balances***

The following are the balances due from (to) associates and related parties as at August 31, 2024 May 31, 2024:

	August 31, 2024	May 31, 2024
Due from Orecap Invest Corp.	<b>\$3,538</b>	\$6,462
Due to QC Copper.	<b>(3,252)</b>	1,913
	<b>\$286</b>	\$8,375

All of the amounts due to and from related parties are unsecured, non-interest bearing with no fixed terms of repayment.

**Financial risk management**

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

***Credit risk***

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's exposure to credit risk is on its cash held in bank accounts, restricted cash. Cash is held with major banks in Canada. Restricted cash is on deposit with a Canadian Bank pledged with an Ontario government agency.

***Liquidity risk***

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company strives to ensure that there are sufficient funds to meet its short-term business requirements, considering its anticipated cash flows from operations and its holdings of cash. Refer to note 2 of the Annual Financial Statements.

***Market risk***

Market risk incorporates a range of risks. Movements in risk factors, such as interest rate risk, currency

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risk, market price risk, and commodity price risk, affect the fair value of financial assets and liabilities.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk is minimal as there are no outstanding loans or interest-bearing debt. The Company's current policy is to deposit excess cash in interest-bearing accounts at its Canadian banking institutions.

*Currency risk*

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional currency is the Canadian dollar as the majority of its transactions and operations are in Canada. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

*Market price risk*

The prices of metals and minerals fluctuate widely and are affected by many factors outside of the Company's control. The prices of metals and minerals and future expectation of such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. This in turn may impact the Company's ability to raise equity financing for its long-term working capital requirements.

*Commodity price risk*

The value of the Company's exploration and evaluation assets are related to the price of gold and other mineral commodities, and the outlook for this mineral. Adverse changes in the price of gold can also significantly impair the economic viability of the Company's projects, along with the ability to obtain future financing.

The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The carrying value of the Company's financial instruments approximates fair value due to their short-term or demand nature.

***Classification of financial instruments***

Financial assets included in the statement of financial position are as follows:

	<b>August 31, 2024</b>	May 31, 2024
Financial assets at amortized cost:		
Cash	<b>\$850,570</b>	\$1,090,015
Restricted cash	<b>412,905</b>	408,405
Due from related party	<b>3,538</b>	-
	<b>\$1,267,013</b>	\$1,498,420

Financial liabilities included in the statement of financial position are as follows:

	<b>August 31, 2024</b>	May 31, 2024
Financial liabilities at amortized cost:		
Accounts payable and accrued liabilities	<b>\$1,326,676</b>	\$1,301,571
Due to related party	<b>3,252</b>	8,375
Restricted share unit liabilities <sup>1</sup>	<b>156,734</b>	44,734
	<b>\$ 1,486,662</b>	\$ 1,354,680

<sup>1</sup>The restricted share units (RSUs) are measured at FVPL.

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**Risks and Uncertainties**

Cuprum's business of exploring mineral resources involves a variety of operational, financial and regulatory risks that are typical in the natural resource industry. The Company attempts to mitigate these risks and minimize their effect on its financial performance, but there is no guarantee that the Company will be profitable in the future.

**Capital Requirements**

The Company will require significant capital in order to fund its operating costs and to explore and develop any project. Cuprum has no revenues and is wholly reliant upon external financing to fund all of its capital requirements. Cuprum will require additional financing from external sources to meet such requirements. There can be no assurance that such financing will be available to Cuprum or, if it is, that it will be offered on acceptable terms. If additional financing is raised through the issuance of equity or convertible debt securities of Cuprum, the interests of shareholders in the net assets of Cuprum may be diluted. Any failure of Cuprum to obtain financing on acceptable terms could have a material adverse effect on Cuprum's financial condition, prospects, results of operations and liquidity and require Cuprum to cancel or postpone planned capital investments.

**Dependence on Mineral Exploration Projects**

Any adverse development affecting the progress of Company's exploration projects such as, but not limited to, obtaining financing on commercially suitable terms, hiring suitable personnel and contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the Company and its business or prospects.

**Metal Prices**

The development and success of any project of the Company will be primarily dependent on the future price of copper, gold and other metals. Copper, gold and other metal prices are subject to significant fluctuation and are affected by a number of factors, which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The price of copper, gold and other precious and base metals has fluctuated widely in recent years, and future serious price declines could cause any future development of and commercial production from the Company's properties to be impracticable. Depending on the price of copper, gold and other metals, projected cash flow from planned mining operations may not be sufficient and the Company could be forced to discontinue any development and may lose its interest in, or may be forced to sell, some of its properties. Future production from the Company's mining properties is dependent on copper, gold and base metal prices that are adequate to make these properties economic.

Furthermore, reserve calculations and life-of-mine plans using significantly lower gold and other metal prices could result in material write-downs of the Company's investment in mining properties and increased amortization, reclamation and closure charges.

In addition to adversely affecting the Company's possible future reserve estimates and its financial condition, declining commodity prices may impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

**Government Regulation, Permits and Licenses**

The Company's mineral exploration and potential development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration, development or production. Many of the mineral rights and interests of the Company are subject to government approvals, licenses and permits. Such approvals, licenses and permits are, as

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a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Company will be successful in maintaining any or all of the various approvals, licenses and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; the Company may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties.

Where required, obtaining necessary permits and licenses can be a complex, time-consuming process and the Company cannot assure that required permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the development of an exploration project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other liabilities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, 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 or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of such mining activities, and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Company and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

***Competition***

The mining industry is competitive in all of its phases. The Company faces strong competition from other exploration and mining companies in connection with the acquisition of properties producing or capable of producing, precious and base metals. Many of these companies have greater financial resources, operational experience and technical capabilities than Cuprum. As a result of this competition Cuprum may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, the financial condition and any future revenues and operations of Cuprum could be materially adversely affected.

***Exploration, Development and Operational Risk***

The exploration for, and development of, mineral deposits involve significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties, which are explored, are ultimately developed into producing mines. Major expenses may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical, and government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Cuprum not receiving an adequate return on invested capital.

The Company does not currently operate a mine on any of its properties. There is no certainty that the expenditures made by Cuprum towards the search for, and evaluation of, mineral deposits will result in discoveries of commercial quantities of ore. Mining operations generally involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of gold and other precious or base metals. Such hazards and risks include unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Milling operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas which may result in environmental pollution and consequent liability

***Reliance on Management and Key Employees***

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The success of the operations and activities of Cuprum is dependent to a significant extent on the efforts and abilities of its management, a relatively small number of key employees, outside contractors, experts and other advisors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of its key employees, outside contractors, experts and other advisors. Cuprum does not have in place formal programs for succession of management and training of management nor does it have key person insurance on its key employees. The loss of one or more of these persons, if not replaced, could adversely affect Cuprum's operations and financial performance.

***No Assurance of Titles, Boundaries or Approvals***

Titles to Cuprum's properties may be challenged or impugned, and title insurance is generally not available. Cuprum's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, Cuprum may be unable to operate its properties as permitted or to enforce its rights with respect to its properties. Cuprum cannot assure that it will receive the necessary approval or permits to exploit any or all of its mineral projects in the future. The failure to obtain such permits could adversely affect Cuprum's operations.

***Environmental Risks and Hazards***

All phases of Cuprum's operations are subject to environmental regulation in the jurisdiction in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. 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 officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Cuprum's operations. Environmental hazards may exist on the properties in which Cuprum interests which are unknown to Cuprum at present and which have been caused by previous or existing owners or operators of the properties. Cuprum's Thierry Project is currently non-compliant with respect to its closure plan and other related requirements under the Government of Ontario. The Company intends to rectify this compliance when funds are available to do so and is performing certain interim monitoring procedures. There has been no change in the current situation for a number of years.

***Uninsured Risks***

Cuprum's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labor disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to Cuprum's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability. Although Cuprum maintains insurance to protect against certain risks in such amounts as it considers commercially reasonable, its insurance will not cover all of the potential risks associated with its operations. Cuprum may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration is not generally available to Cuprum on affordable and acceptable terms. Cuprum might also become subject to liability for pollution or other hazards which may not be insured against or which Cuprum may elect not to insure against because of premium costs or other reasons. Losses from these events may cause Cuprum to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

***Environmental Regulations***



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The Company is subject to all environmental acts and regulations at the federal and provincial levels. These include, but are not limited to, the following:

**Federal Level (Canada)**

Canadian Environmental Protection Act  
Fisheries Act  
  
Navigable Waters Protection Act and  
Regulations

**Provincial Level (Ontario)**

Ontario Environmental Protection Act  
Ontario Mining Act

To the Company’s knowledge, there are no liabilities to date which relate to environment risks or hazards apart from the asset retirement obligations in the Financial Statements.

**Equity Securities Issued and Outstanding**

As at October 24, 2024:

78,721,661 common shares issued and outstanding  
2,000,000 share purchase warrants outstanding  
6,100,000 Restricted Share Units (RSUs) outstanding

**Off Balance Sheet Arrangements**

The Company has no off-balance sheet arrangements.

**Evaluation of Disclosure Controls and Procedures**

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the unaudited interim condensed consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited interim condensed consolidated financial statements; and (ii) the unaudited interim condensed consolidated financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”), the Venture Issuer Basic Certificate filed by the Company does not include representations relating to the establishment and maintenance of disclosure controls and procedures (“DC&P”) and internal control over financial reporting (“ICFR”), as defined in NI 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of: i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of unaudited interim condensed consolidated financial statements for external purposes in accordance with the issuer’s generally accepted accounting principles (IFRS).

The Company’s certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

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**Cautionary Note Regarding Forward-Looking Statements**

Certain of the statements made and information contained herein is "forward-looking information". These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "anticipates", "plans", "budget", "scheduled", "continue", "estimates", "forecasts", "expect", "is expected", "project", "propose", "potential", "targeting", "intends", "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur" or "be achieved" or the negative connotation thereof. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its properties and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- uncertainties relating to receiving exploration permits;
- the impact of increasing competition;
- unpredictable changes to the market prices for minerals;
- exploration and developments costs for its properties;
- availability of additional financing and opportunities for acquisitions or joint-venture partners;
- anticipated results of exploration and development activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Interim MD&A and interim financial statements; uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral and oil and gas operations; fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and farm-in or joint venture partners and unpredictable weather conditions. Although the Company has attempted to identify important factors that could cause results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward looking statements are made as of the date hereof and accordingly are subject to change after such date. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws.

## APPENDIX 3 INFORMATION CONCERNING THE COMBINED ENTITY

### DEFINED TERMS

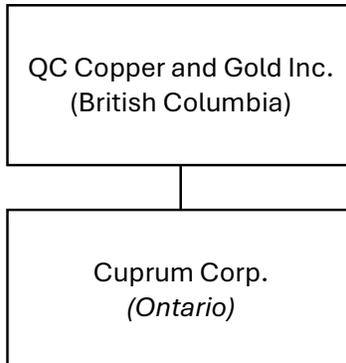
*Unless the context indicates otherwise, capitalized terms which are used in this Appendix 3 and not otherwise defined in this Appendix 3 have the meanings given to such terms under the heading "Glossary of Terms" in the Circular.*

### FORWARD-LOOKING STATEMENTS

Certain statements contained in this Appendix 3, and in certain documents incorporated by reference into this Appendix 3, constitute forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of applicable Canadian securities laws. Such forward-looking statements relate to future events or the Combined Entity's future performance. For additional information on the forward-looking statements contained in this Appendix 3 and the Circular, see the information included under the heading "*Cautionary Note Regarding Forward-Looking Information*" in the Circular. Readers should also carefully consider the matters and cautionary statements discussed under the heading "*Risk Factors*" in the Circular

### OVERVIEW

Following completion of the Acquisition, QC Copper will directly own all of the issued and outstanding Cuprum Shares and Cuprum will be a wholly owned subsidiary of QC Copper. The following chart lists QC Copper's expected corporate structure, including its material subsidiaries and their applicable governing jurisdictions after giving effect to the Acquisition. Following completion of the Acquisition, QC Copper will own 100% of the voting securities of Cuprum.



### MATERIAL ASSETS

The material mineral properties of QC Copper following completion of the Acquisition for the purposes of NI 43-101 will be the Opemiska Project and Thierry Project. See "*Appendix 1 – Information Concerning QC Copper and Gold Inc.*" and "*Appendix 2 – Information Concerning Cuprum Corp.*"

### DIRECTORS AND OFFICERS

The Acquisition will not result in changes to the directors and officers of QC Copper. Following completion of the Acquisition, the directors and officers of QC Copper are expected to remain the current directors and officers of QC Copper. See "*Appendix 1 – Information Concerning QC Copper and Gold Inc.*"

## DESCRIPTION OF SHARE CAPITAL

The authorized share capital of QC Copper following the completion of the Acquisition will continue to be as described in "Appendix 1 – Information Concerning QC Copper and Gold Inc." attached to this Circular and the rights and restrictions of the QC Copper Shares will remain unchanged.

As of the date hereof, there are 174,371,356 QC Copper Shares issued and outstanding. Following the Acquisition, QC Copper Shareholders will continue to hold their existing QC Copper Shares. At the Closing Time, QC Copper expects that an aggregate of up to approximately 83,906,252 QC Copper Shares will be issued in respect of the Cuprum Shares outstanding, representing 32.5% of the issued and outstanding shares of QC Copper, on a non-diluted basis.

## SHAREHOLDINGS UPON COMPLETION OF THE ACQUISITION

Upon completion of the Acquisition and assuming immediately prior to the Closing Date there are 78,721,661 Cuprum Shares and 174,371,356 QC Copper Shares issued and outstanding and a further 6,100,000 Cuprum Shares and 9,875,000 QC Copper Shares reserved for issuance upon exercise of outstanding Cuprum RSUs and QC Copper Options, respectively, and 2,000,000 Cuprum Shares and 5,500,000 QC Copper Shares reserved for issuance upon exercise of outstanding Cuprum Warrants and QC Copper Warrants, respectively, and that the RSU Plan is approved at the Meeting, there will be approximately 258,277,608 QC Copper Shares outstanding and a further 24,720,780 QC Copper Shares reserved for issue upon exercise of QC Copper Options, QC Copper RSUs and QC Copper Warrants. See "The Acquisition – Treatment of Cuprum RSUs" and "– CCMI Warrant Conversion".

The following table summarizes the distribution of QC Copper Shares following the completion of the Acquisition based upon the foregoing assumptions:

Shareholder	Number of QC Copper Shares	Percentage of outstanding QC Copper Shares
Existing QC Copper Shareholders	174,371,356	67.5%
Existing Cuprum Shareholders	83,906,252	32.5%

## PRINCIPAL SHAREHOLDERS

Upon completion of the Acquisition, to the knowledge of QC Copper, no person will beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the QC Copper Shares, other than as follows:

Name	Number of QC Copper Shares Owned or Controlled	Percentage of outstanding QC Copper Shares <sup>(1)</sup>
OreCAP Invest Corp.	39,096,852	15.1%
Canadian Critical Minerals Inc.	26,837,388	10.4%

**Note:**

(1) Based on 258,277,608 QC Copper Shares issued and outstanding upon completion of the Acquisition.

### UNAUDITED PRO FORMA FINANCIAL STATEMENTS OF THE COMBINED ENTITY

The pro forma financial statements giving effect to the Acquisition and the accompanying notes are included in "Schedule D – Pro Forma Financial Statements of the Combined Entity" to this Circular.

### UNAUDITED PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth information for the Combined Entity on a pro forma basis as of the completion of the Acquisition summarized from the unaudited pro forma financial statements contained in Schedule D to this Circular.

	Actual (\$)	As Adjusted (\$)
Total Assets	10,602,563	9,634,311
Total Liabilities	3,153,162	2,993,176
Share Capital	23,104,014	30,171,890
Reserves	3,242,940	4,107,685
Deficit	(18,897,553)	(27,638,440)
Shareholders' Equity	7,449,401	6,641,135

### DIVIDENDS

The holders of QC Copper Shares are entitled to receive distributions as and when declared from time to time on the QC Copper Shares by the QC Copper Board, acting in their sole discretion, out of the assets of QC Copper properly available for the payment of dividends. See "Appendix 1 – Information Concerning QC Copper and Gold Inc. – Dividends".

### INDEPENDENT AUDITORS, TRANSFER AGENT AND REGISTRAR

The independent auditors of QC Copper following completion of the Acquisition will continue to be McGovern Hurley LLP.

The transfer agent and registrar for QC Copper Shares will continue to be Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

### RISK FACTORS

The business and operations of QC Copper following completion of the Acquisition will continue to be subject to the risks currently faced by QC Copper, including those set out under the heading "Risk Factors" in the Circular.

**SCHEDULE A  
ACQUISITION RESOLUTION**

**"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, ON A MAJORITY OF THE MINORITY BASIS, THAT:**

1. the acquisition by QC Copper and Gold Inc. (the "**Company**") of the issued and outstanding common shares of Cuprum Corp. ("**Cuprum**") in consideration for the issuance of up to 83,906,252 common shares in the capital of the Company in accordance with the terms of the share purchase agreement between the Company and the principal shareholders of Cuprum (the "**Share Purchase Agreement**") and the offer to purchase provided to the other shareholders of Cuprum, as more fully described in the management information circular of the Company dated October 25, 2024, is hereby authorized, approved and agreed to;
2. the board of directors of the Company be and is hereby authorized to issue common share purchase warrants of the Company to the former holders common share purchase warrants of Cuprum in accordance with the terms of the Share Purchase Agreement;
3. notwithstanding that these resolutions have been passed, the directors of the Company are hereby authorized and empowered, without further notice to, or approval of, any securityholders of the Company, to abandon all or any part of these resolutions at any time prior to giving effect thereto; and
4. any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal of the Company or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing."

**SCHEDULE B  
SHARE PURCHASE AGREEMENT**

(attached)

**THIS SHARE PURCHASE AGREEMENT** is entered into on the 1<sup>st</sup> day of October, 2024,

**AMONG:**

**ORECAP INVEST CORP.**, a corporation incorporated pursuant to the laws of the province of British Columbia, having an office in Toronto, Ontario ("**Orecap**")

**STANDARD ORE CORPORATION**, a corporation incorporated pursuant to the laws of the province of Ontario, having an office in Toronto, Ontario ("**Standard**")

**2630319 ONTARIO INC.**, a corporation incorporated pursuant to the laws of the province of Ontario, having an office in Toronto, Ontario ("**263**")

**1000217479 ONTARIO INC.**, a corporation incorporated pursuant to the laws of the province of Ontario, having an office in Toronto, Ontario ("**1000**")

**MORAY RESOURCES INC.**, a corporation incorporated pursuant to the laws of the province of Ontario, having an office in Toronto, Ontario ("**Moray**")

**ANTHONY MOREAU**, an individual resident in Toronto, Ontario ("**Moreau**")

(collectively, the "**Vendors**")

**- AND -**

**QC COPPER AND GOLD INC.**, a corporation incorporated pursuant to the laws of the province of British Columbia, having an office in Toronto, Ontario

(the "**Purchaser**" or "**QC Copper**")

**WHEREAS:**

- A. Cuprum Corp. ("**Cuprum**" or the "**Company**") is a corporation incorporated under the laws of the Province of Ontario, having an office in Toronto, Ontario;
- B. Cuprum is the 100% owner of the Thierry Project (as defined herein);
- C. The Vendors collectively own 32,100,000 common shares in the capital of Cuprum ("**Cuprum Shares**") representing approximately 41.3% of the total issued and outstanding Cuprum Shares;
- D. The Vendors wish to sell and the Purchaser wishes to purchase the Purchased Shares (as defined herein) from the Vendors, and intend to concurrently offer to purchase from the Other Cuprum Shareholders (as defined herein) all of the Cuprum Shares held by them; and
- E. The Purchaser has requested the Vendors to, and the Vendors have agreed to, provide certain representations, warranties and covenants set forth herein to the Purchaser regarding each such



Party, the Purchased Shares, and business and affairs of Cuprum, as applicable, and as set forth herein.

**NOW THEREFORE** in consideration of the mutual covenants herein contained and set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each Party, each Party hereby agrees as follows:

## **ARTICLE 1 DEFINITIONS AND INTERPRETATION**

1.1 **Definitions.** For the purpose of this Agreement:

- (a) “**Act**” means the *Business Corporations Act* (British Columbia);
- (b) “**Affiliate**” has the meaning ascribed to such term in the Act, as in effect on the date of this Agreement;
- (c) “**Agreement**”, “**herein**”, “**hereto**”, “**hereof**” and similar expressions means this Share Purchase Agreement, including the recitals to this agreement, and not to any particular article, section, subsection or other subdivision of this agreement, and includes every agreement varying, modifying, amending or supplementing this agreement;
- (d) “**Anti-Money Laundering Laws**” has the meaning ascribed thereto in Section 4.1(pp)(i);
- (e) “**Associate**” has the meaning ascribed to such term in the Securities Act;
- (f) “**Authorization**” means any authorization, Order, Permit, approval, grant, licence, registration, consent, right, notification, condition, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decision, decree, bylaw, rule or regulation, whether or not having the force of Law, by any Governmental Authority and includes any Environmental Permit;
- (g) “**Board**” means the board of directors of Cuprum;
- (h) “**Books and Records**” means any books, records, data, reports or other information of any kind whatsoever, any format whatsoever (including in electronic format) relating to the Cuprum Properties owned by or in the control of the Vendors and/or Cuprum, including all exploration, development, production and processing information, surveys, plans, specifications, maps, drill core samples, other samples and assays relating to the Cuprum Properties;
- (i) “**CCMI**” means Canadian Critical Minerals Inc.;
- (j) “**CCMI Warrants**” means a total of 3,000,000 common share purchase warrants of Cuprum held by CCMI;
- (k) “**CCMI Warrant Conversion**” means the conversion of all outstanding CCMI Warrants whereby CCMI shall be issued warrants of QC Copper (with terms materially the same) in exchange for the surrender and termination of the CCMI Warrants based on a ratio of 1.1538 warrants of QC Cooper for every one (1) CCMI Warrant held at the time of conversion;
- (l) “**Claim**” means (i) any suit, action, dispute, investigation, claim, arbitration, order, summons, citation, directive, ticket, charge, demand or prosecution, whether legal or

administrative; or (ii) any appeal or application for review; at Law or in equity or by any Governmental Authority;

- (m) **"Closing"** means the completion of the Transactions;
- (n) **"Closing Date"** means December 13, 2024 or such other date as may be agreed to by the Parties in writing;
- (o) **"Closing Time"** means 10:00 a.m. (Toronto Time) on the Closing Date or such other time on the Closing Date as may be agreed to by the Parties in writing;
- (p) **"Contract"** means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding, joint venture, partnership, note, instrument, or other right or obligation (whether written or oral) to which a Party, or any of its subsidiaries, is a party or by which a Party, or any of its subsidiaries, is bound or affected or to which any of their respective properties or assets is subject;
- (q) **"Convertible Securities"** means any agreement, option, warrant, note, instrument, right or other security or conversion privilege issued or granted by Cuprum that is exercisable or convertible into, or exchangeable for, or otherwise carries the right of the holder to purchase or otherwise acquire Cuprum Shares or other voting securities of Cuprum, including pursuant to one or more multiple exercises, conversions and/or exchanges;
- (r) **"Corporate Vendors"** means Orecap, Standard, 263, 1000 and Moray;
- (s) **"Cuprum Properties"** means any and all real properties in which Cuprum owns or holds any right, title or interest, as disclosed in Schedule B, and includes the Thierry Project;
- (t) **"Cuprum RSUs"** means restricted share units of Cuprum;
- (u) **"Cuprum RSU Termination and Replacement Agreements"** means agreements to be entered into between Cuprum, QC Copper and each holder of Cuprum RSUs, in form and substance acceptable to QC Cooper, acting reasonably, whereby: (i) in the event the QC Cooper RSU Plan is approved by the shareholders of QC Copper prior to Closing, each holder agrees to surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for such number of QC Cooper RSUs (with terms materially the same, including vesting dates) based on a ratio of 1.1538 QC Copper RSUs for every one (1) Cuprum RSU held; or (b) in the event the QC Cooper RSU Plan is not approved by the shareholder of QC Copper prior to Closing, each holder agrees to surrender for cancellation immediately prior to the Closing Time all vested and unvested Cuprum RSUs in exchange for the payment of the fair market value of the Cuprum Shares represented such Cuprum RSUs, less applicable withholding taxes, to be paid in 50% in cash and 50% in QC Copper Shares based on the a ratio of 1.1538 QC Copper Shares for each Cuprum RSU being so surrendered for QC Copper Shares, all of which shall be conditional upon the completion of the Transactions;
- (v) **"Cuprum Shareholder Agreement"** means the shareholder agreement of Cuprum dated October 26, 2023, by and among Cuprum, Orecap, QC Copper, Canadian Critical Minerals Inc. and Ocean Partners UK Limited;
- (w) **"Cuprum Shares"** means common shares in the capital of Cuprum;

- (x) **“Disclosure Letter”** means the letter of disclosure dated as of the date of this Agreement and delivered by Cuprum and the Vendors to the Purchaser on or prior to the date of this Agreement;
- (y) **“Environment”** means the natural environment (including soil, land surface or subsurface strata, surface water, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms, including human health and safety, and any other environmental medium or natural resource);
- (z) **“Environmental Laws”** means applicable Laws aimed at or relating to reclamation or restoration of properties; abatement of pollution; protection of the Environment; protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural or historic resources; management, treatment, storage, disposal or control of, or exposure to, Hazardous Substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Substances, including ambient air, surface water and groundwater; and all other Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of Hazardous Substances;
- (aa) **“Environmental Permits”** means all Permits or program participation requirements with or from any Governmental Authority under any Environmental Laws;
- (bb) **“Governmental Authority”** means any multinational, federal, provincial, territorial, state, regional, municipal, local or other government or governmental body and any division, agent, official, agency, commission, board or authority of any government, governmental body, quasi-governmental or private body (including the TSXV, or any other stock exchange) exercising any statutory, regulatory, expropriation or taxing authority under the authority of any of the foregoing and any domestic, foreign or international judicial, quasi-judicial or administrative court, tribunal, commission, board, panel or arbitrator acting under the authority of any of the foregoing;
- (cc) **“Hazardous Substances”** means any chemical, material or other substance in any form, whether solid, liquid or gaseous or any combination thereof, whether waste material, raw material, finished product, intermediate product or by-product, that is prohibited, listed, defined, designated or classified as dangerous, hazardous, radioactive, corrosive, explosive, infectious, carcinogenic or toxic or a pollutant or a contaminant under or pursuant to, or that could result in liability under, any applicable Environmental Laws including petroleum and all derivatives thereof or synthetic substitutes therefor, hydrogen sulphide, arsenic, cadmium, lead, mercury, polychlorinated biphenyls (“PCBs”), PCB-containing equipment and material, mould, asbestos, asbestos-containing material, urea-formaldehyde, urea-formaldehyde-containing material;
- (dd) **“Indigenous Groups”** means any Indian or Indian Band (as those terms are defined in the *Indian Act* (Canada)), First Nation Person or people, Inuit Person or people, Métis Person or people, Aboriginal Person or people, native person or people, indigenous person or people, any person or group asserting or otherwise claiming an Aboriginal or treaty right, including Aboriginal title or any other Aboriginal or indigenous interest, and any person or group representing, or purporting to represent, any of the foregoing;
- (ee) **“Investments”** means with respect to any person, all advances, loans or extensions of credit to any other person, all purchases or commitments to purchase any shares, stock, bonds, notes, debentures or other securities of any other person, and any other investment in any other person, including partnerships or joint ventures (whether by capital contribution or otherwise) or other similar arrangement (whether written or oral)

with any person, including but not limited to arrangements in which (i) the person shares profits and losses, (ii) any such other person has the right to obligate or bind the person to any third party, or (iii) the person may be wholly or partially liable for the debts or obligations of such partnership, joint venture or other arrangement;

- (ff) “**Laws**” means all laws, statutes, codes, ordinances (including zoning), decrees, rules, regulations, by-laws, notices, judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, injunctions, Orders, decisions, settlements, writs, assessments, arbitration awards, rulings, determinations or awards, decrees or other requirements of any Governmental Authority having the force of law and any legal requirements arising under the common law or principles of law or equity and the term “applicable” with respect to such Laws and, in the context that refers to any person, means such Laws as are applicable at the relevant time or times to such person or its business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over such person or its business, undertaking, property or securities;
- (gg) “**Liability**” means any debts, liabilities and obligations, whether accrued, absolute or contingent, matured or unmatured or determined or determinable;
- (hh) “**Liens**” means any pledge, claim, lien, charge, option, hypothec, mortgage, security interest, restriction, conditional sale agreement, adverse right, prior assignment, lease, sublease, royalty, levy, right to possession or any other encumbrance, easement, license, right of first refusal, covenant, voting trust or agreement, transfer restriction under any shareholder or similar agreement, right or restriction of any kind or nature whatsoever, whether contingent or absolute, direct or indirect, or any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;
- (ii) “**Material Adverse Effect**” means any result, fact, change, effect, event, circumstance, occurrence or development that when taken together with all other results, facts, changes, effects, events, circumstances, occurrences or developments:
  - (i) has or would reasonably be expected to have a material and adverse effect on the business, results of operations, capitalization, prospects, assets, liabilities (including any contingent liabilities), obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of Cuprum; or
  - (ii) creates or would reasonably be expected to create:
    - A. a Liability (including any contingent liabilities) of Cuprum;
    - B. damage to Cuprum; or
    - C. losses to Cuprum,

in each case of this clause (ii) having a value of \$25,000 or more;

other than any result, fact, change, effect, event, circumstance, occurrence or development (A) in or relating to general political, economic or financial conditions in Canada, (B) in or relating to financial or capital market conditions in general, including any reduction in market indices, (C) in or relating to currency exchange, interest rates or the price of commodities, including copper, (D) in or relating to the mining industry in general, or (E) the commencement or continuation of any war, pandemics armed hostilities or

acts of terrorism; provided, however, that such effect referred to in subsections (A) to (E) above does not primarily relate to (or have the effect of primarily relating to) Cuprum or disproportionately adversely affects Cuprum, compared to other companies operating in the mining industry;

- (jj) **“Mining Claims”** has the meaning given in Section 4.1(hh)(i);
- (kk) **“NI 43-101”** means National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*;
- (ll) **“Order”** means any judgment, decision, decree, injunction, ruling, writ, assessment or order of any Governmental Authority that is binding on any person or its property under applicable Laws;
- (mm) **“Other Cuprum Shareholders”** means the holders of Cuprum Shares other than the Vendors, including any persons that become shareholders of Cuprum after the date of this Agreement and prior to the Closing Time;
- (nn) **“Ownership Period”** means the period from October 31, 2023, being the date that the Vendors first acquired Cuprum Shares and therefore acquired intimate knowledge of Cuprum beyond any and all reasonable due diligence exercises performed by the Vendors in connection with such initial acquisition of Cuprum Shares, until the Closing Date of the Transactions;
- (oo) **“Party”** means either of the Vendors or Purchaser and **“Parties”** shall mean all of the Vendors and Purchaser;
- (pp) **“Permit”** means any lease, license, permit, certificate, consent, order, grant, approval, classification, registration or other authorization of or from any Governmental Authority;
- (qq) **“person”** includes an individual, sole proprietorship, corporation, body corporate, incorporated or unincorporated association, syndicate or organization, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, joint stock company, trust, natural person in his or her capacity as trustee, executor, administrator or other legal representative, a government or Governmental Authority or other entity, whether or not having legal status;
- (rr) **“Pre-Ownership Period”** means the period of time between the date of incorporation of Cuprum and the beginning of the Ownership Period;
- (ss) **“Purchase Price Shares”** means an aggregate of 37,036,980 QC Copper Shares, to be issued to the Vendors as consideration for the Purchased Shares pursuant to Section 2.2, representing a ratio of 1.1538 QC Copper Shares for every one (1) Cuprum Share held by the Vendors;
- (tt) **“Purchased Shares”** means a total of 32,100,000 Cuprum Shares, being all of the Cuprum Shares held by the Vendors at the Closing Time, as more particularly described in Schedule A;
- (uu) **“QC Copper Shares”** means common shares in the capital of QC Copper;
- (vv) **“QC Cooper RSUs”** means restricted share units of QC Cooper;
- (ww) **“QC Cooper RSU Plan”** means the restricted share unit plan of QC Cooper;

- (xx) “**Real Property**” means any freehold, leasehold or other real property interests and rights, including but not limited to licences from landholders permitting the use of the land, leases, rights of way, occupancy rights, surface rights and easements;
- (yy) “**Remediate**” or “**Remediation**” means any containment, clean up, response, treatment, removal, mitigation, abatement, elimination, or control of any Hazardous Substances;
- (zz) “**Securities Act**” means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder;
- (aaa) “**Securities Authorities**” means all applicable securities regulatory authorities, including the applicable securities commission or similar regulatory authorities in each of the provinces and territories of Canada;
- (bbb) “**Securities Laws**” means the Securities Act, all other applicable Canadian provincial and territorial securities Laws;
- (ccc) “**subsidiary**” means, with respect to a specified entity, any:
  - (i) corporation of which issued and outstanding voting securities of such corporation to which are attached more than 50% of the votes that may be cast to elect directors of the corporation (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are owned by such specified entity and the votes attached to those voting securities are sufficient, if exercised, to elect a majority of the directors of such corporation;
  - (ii) partnership, unlimited liability company, joint venture or other similar entity in which such specified entity has more than 50% of the equity interests and the power to direct the policies, management and affairs thereof; and
  - (iii) a subsidiary (as defined in clauses (a) and (b) above) of any subsidiary (as so defined) of such specified entity;
- (ddd) “**Tax**” or “**Taxes**” means all taxes, dues, duties, rates, imposts, fees, levies, other assessments, tariffs, charges or obligations of the same or similar nature, however denominated, imposed, assessed or collected by any Governmental Authority, including all income taxes, including any tax on or based on net income, gross income, income as specifically defined, earnings, gross receipts, capital gains, profits, business royalty or selected items of income, earnings or profits, and specifically including any federal, provincial, state, territorial, county, municipal, local or foreign taxes, state profit share taxes, windfall or excess profit taxes, capital taxes, royalty taxes, production taxes, payroll taxes, health taxes, employment taxes, withholding taxes, sales taxes, use taxes, goods and services taxes, custom duties, value added taxes, ad valorem taxes, excise taxes, alternative or add-on minimum taxes, franchise taxes, gross receipts taxes, licence taxes, occupation taxes, real and personal property taxes, stamp taxes, anti-dumping taxes, countervailing taxes, occupation taxes, environment taxes, transfer taxes, and employment or unemployment insurance premiums, social insurance premiums and worker’s compensation premiums and pension payments, and other taxes, fees, imposts, assessments or charges of any kind whatsoever together with any interest, penalties, additional taxes, fines and other charges and additions that may become payable in respect thereof;

- (eee) **"Tax Return"** means any return, report, declaration, designation, election, notice, filing, form, claim for refund, information return or other document (including any related or supporting schedule, statement or information) filed or required to be filed in connection with the determination, assessment or collection of any Tax or the administration of any Laws, regulations or administrative requirements relating to any Tax;
  - (fff) **"Thierry Project"** means Cuprum's 100% interest in the mineral rights and interests to explore and exploit minerals from the Thierry mining project located in Pickle Lake, Ontario, consisting of 4,670 hectares across 27 mineral leases, as more particularly described in Schedule C hereto;
  - (ggg) **"Transactions"** means the transactions contemplated by this Agreement;
  - (hhh) **"Transfer"** includes the making or granting of any sale, exchange, assignment, hypothecation, gift, security interest, pledge or other encumbrance, or any contract therefor, any voting trust or other agreement or arrangement with respect to the transfer of voting rights or any other beneficial interest in such securities, the creation of any other claim thereto or any other transfer or disposition whatsoever, whether voluntary or involuntary, affecting the right, title, interest or possession in or to such securities;
  - (iii) **"TSXV"** means the TSX Venture Exchange;
  - (jjj) **"U.S. Person"** means a "U.S. Person" as defined in Rule 902(k) of the U.S. Securities Act;
  - (kkk) **"U.S. Securities Act"** means the *United States Securities Act of 1933*, as amended.; and
  - (lll) **"Vendors' Knowledge"** or any other similar knowledge qualification, means the actual or constructive knowledge of a Vendor (or any director or officer of a Corporate Vendor) after reasonable due inquiry.
- 1.2 **Captions and Section Numbers.** The headings and section references in this Agreement are for convenience of reference only and do not form a part of this Agreement and are not intended to interpret, define or limit the scope, extent or intent of this Agreement or any provision thereof.
- 1.3 **Extended Meanings.** The words "hereof", "herein", "hereunder" and similar expressions used in any clause, paragraph or section of this Agreement shall relate to the whole of this Agreement and not to that clause, paragraph or section only, unless otherwise expressly provided.
- 1.4 **Number and Gender.** Whenever the singular or masculine or neuter is used in this Agreement, the same shall be construed to mean the plural or feminine or body corporate where the context of this Agreement or the parties hereto so require.
- 1.5 **Section References.** Any reference to a particular "article", "section", "subsection" or other subdivision is to the particular article, section or other subdivision of this Agreement.
- 1.6 **Governing Law.** This Agreement and all matters arising hereunder shall be governed by, construed and enforced in accordance with the laws of the Province of British Columbia and all disputes arising under this Agreement shall be referred to the Courts of the Province of British Columbia.

- 1.7 **Severability of Clauses.** In the event that any provision of this Agreement or any part thereof is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 1.8 **Currency.** All sums of money to be paid or calculated pursuant to this Agreement shall be paid or calculated in currency of Canada unless otherwise expressly stated.
- 1.9 **Schedules.** The attached schedules are incorporated into this Agreement and form part of it. All terms defined in this Agreement shall have the same meaning in the schedules. The schedules to this Agreement are:

Schedule A - Purchased Shares  
 Schedule B - Cuprum Properties  
 Schedule C - Cuprum Mineral Rights

## ARTICLE 2 PURCHASE AND SALE OF SECURITIES

- 2.1 **Purchase and Sale.** Subject to the terms and conditions of this Agreement, at the Closing Time, the Vendors will sell to the Purchaser and the Purchaser will purchase from the Vendors all of the Vendors' beneficial right, title and interest in and to the Purchased Shares, constituting approximately 41.3% of the issued and outstanding securities in the capital of Cuprum, free and clear of all Liens.
- 2.2 **Purchase Price.** Subject to the terms and conditions of this Agreement, the aggregate purchase price (the "**Purchase Price**") to be paid by the Purchaser to the Vendors for the Purchased Shares shall be the Purchase Price Shares. This Purchase Price shall be paid by the issue and delivery to the Vendors of the Purchase Price Shares at the Closing Time, in the allocations as set out below.

<u>Name of Vendor</u>	<u>Number of Purchased Shares</u>	<u>Number of Purchase Price Shares</u>
OreCAP Invest Corp.	29,500,000	34,037,100
Standard Ore Corporation	2,000,000	2,307,600
2630319 Ontario Inc.	100,000	115,380
1000217479 Ontario Inc.	200,000	230,760
Moray Resources Inc.	100,000	115,380
Anthony Moreau	200,000	230,760
<b>TOTAL</b>	<b>32,100,000</b>	<b>37,036,980</b>

- 2.3 **Lock-Up Period and Resale Covenants.** The Purchase Price Shares issued pursuant to Section 2.2 will be subject to resale restrictions and may not be transferred other than in accordance with the schedule set out below or as may be consented to in writing in advance by QC Copper:
- (a) on the Closing Date, ten (10%) percent of the Purchase Price Shares acquired by a Vendor pursuant to this Agreement may be Transferred;



- (b) on the date that is six (6) months following the Closing Date, an additional thirty (30%) percent of the Purchase Price Shares acquired by a Vendor pursuant to this Agreement may be Transferred;
- (c) on the date that is twelve (12) months following the Closing Date, an additional thirty (30%) of the Purchase Price Shares acquired by a Vendor pursuant to this Agreement may be Transferred; and
- (d) on the date that is eighteen (18) months following the Closing Date, the remaining thirty (30%) percent of the Purchase Price Shares acquired by a Vendor pursuant to this Agreement may be Transferred.

The certificates representing the Purchase Price Shares will be endorsed by a legend, if applicable, stating that the Purchase Price Shares will be subject to the restrictions on Transfer set out above as well as any hold period under Securities Laws.

**2.4 Purchaser's Conditions Precedent.** The Purchaser shall be obliged to complete the Transactions only if each of the following conditions precedent have been satisfied in full at or before the Closing Time (each of which conditions precedent is acknowledged to be for the exclusive benefit of the Purchaser):

- (a) QC Copper shall have received binding commitments from the Other Cuprum Shareholders to sell their Cuprum Shares to QC Copper on payment terms identical to those granted to the Vendors, such so that, at the Closing Time, QC Copper shall hold no less than 90% of the issued and outstanding Cuprum Shares;
- (b) each holder of the Cuprum RSUs shall have entered into a Cuprum RSU Termination and Replacement Agreement pursuant to which all of the outstanding Cuprum RSUs shall have been exercised or surrendered and terminated, and Cuprum shall provide evidence of such exercise or termination to the satisfaction of QC Cooper, acting reasonably;
- (c) the CCMI Warrant Conversion shall have been approved by Cuprum, QC Copper and CCMI, and warrants of QC Copper with materially similar terms shall be duly issuable to CCMI in connection with the Closing;
- (d) all of the representations and warranties of the Vendors made in or pursuant to this Agreement shall be true and correct as at the Closing Time with the same effect as if made at and as of the Closing Time;
- (e) the Vendors shall have complied with or performed all of the obligations, covenants and agreements under this Agreement to be complied with or performed by the Vendors at or before the Closing Time, to the satisfaction of the Purchaser, acting reasonably;
- (f) satisfactory completion by the Purchaser in its sole and absolute discretion of a financial, technical and legal due diligence review of the Vendors and Cuprum;
- (g) receipt of all required shareholder, third party and regulatory approvals for QC Copper for the Transactions and this Agreement, including without limitation:
  - (i) the approval of TSXV,
  - (ii) the approval of the shareholders of QC Copper, if and as applicable;

- (h) receipt of all required approvals for Cuprum for the Transactions, including without limitation, the approval of any applicable lenders or financial institutions or the approval of third parties pursuant to contractual obligations, as applicable;
- (i) receipt of the resignations of the directors and officers of Cuprum as required by the Purchaser;
- (j) receipt of releases in favour of Cuprum from the directors and officers of Cuprum as required by the Purchaser; and
- (k) the Purchaser will have received a certificate of the Vendors and dated the Closing Date certifying that the conditions set out in Section 2.4(d) and Section 2.4(e) have been satisfied.

2.5 **Waiver of Purchaser's Conditions Precedent.** The conditions precedent as set forth in Section 2.4 hereof shall be for the benefit of the Purchaser and may, without prejudice to any of the rights of the Purchaser hereunder, be waived by it in writing, in whole or in part, at any time at or before the Closing Date or such other date as hereinbefore set forth. In the event that any of the conditions precedent set forth in Section 2.4 shall not be complied with, or waived by the Purchaser at or before the Closing Date or such other date as hereinbefore set forth, the Purchaser may terminate this Agreement by written notice to the Vendors and, in such event, the Purchaser and the Vendors shall be released from all obligations hereunder.

2.6 **Vendors' Conditions Precedent.** The Vendors shall be obliged to complete the Transactions only if each of the following conditions precedent have been satisfied in full at or before the Closing Time (each of which conditions precedent is acknowledged to be for the exclusive benefit of the Vendor):

- (a) QC Copper shall have received the requisite shareholder approval to complete the Transactions contemplated in this Agreement in accordance with applicable Laws;
- (b) all of the representations and warranties of the Purchaser made in or pursuant to this Agreement shall be true and correct as at the Closing Time with the same effect as if made at and as of the Closing Time;
- (c) the Purchaser shall have complied with or performed all of the obligations, covenants and agreements under this Agreement to be complied with or performed by the Purchaser at or before the Closing Time, to the satisfaction of the Vendor, acting reasonably;
- (d) the Purchase Price Shares shall be issued as fully paid and non-assessable common shares in the capital of QC Copper, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those imposed pursuant to statutory "hold periods" and the Transfer restrictions set out in Section 2.3;
- (e) receipt of the Cuprum RSU Termination and Replacement Agreements executed by the Purchaser; and
- (f) the Vendors will have received a certificate of the Purchaser and dated the Closing Date certifying that the conditions set out in Section 2.6(a) and Section 2.6(c) have been satisfied.

2.7 **Waiver of Vendors' Conditions Precedent.** The conditions precedent as set forth in Section 2.6 hereof shall be for the benefit of the Vendors and may, without prejudice to any of the rights of the Vendors hereunder, be waived by it in writing, in whole or in part, at any time, at or before

the Closing Date or such other date as hereinbefore set forth. In the event that the conditions precedent as set forth in Section 2.6 hereof shall not be complied with, or waived by the Vendors at or before the Closing Date or such other date as hereinbefore set forth, the Vendors may terminate this Agreement by written notice to the Purchaser and, in such event, the Purchaser and the Vendors shall be released from all obligations hereunder.

### **ARTICLE 3 ADDITIONAL COVENANTS**

#### **3.1 Additional Covenants of Vendors.**

- (a) The Vendors shall not, and shall not authorize or permit any of their affiliates (including Cuprum) or any of its or their representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal (as defined below); (ii) enter into discussions or negotiations with, or provide any information to, any person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. The Vendors shall immediately cease and cause to be terminated, and shall cause its affiliates (including Cuprum) and all of its and their representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any person conducted heretofore with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, "**Acquisition Proposal**" shall mean any inquiry, proposal or offer from any person (other than Purchaser or any of its affiliates) concerning: (i) a merger, amalgamation, arrangement, liquidation, recapitalization, share exchange or other business combination transaction involving Cuprum; (ii) the issuance or acquisition of shares in the capital, or other equity securities, of Cuprum; or (iii) the sale, lease, exchange or other disposition of substantially all or any significant portion of Cuprum' properties or assets.
- (b) From the date hereof until the Closing Date, the Vendors shall not take any action or inaction, nor cause or otherwise allow Cuprum to take any action or inaction, that results in any of the representations and warranties set out in Sections 4.1 and 4.2 to become false.
- (c) The Purchaser and its authorized representatives shall be permitted to make such investigations, inspections, surveys or tests of Cuprum, the Cuprum Properties and of Cuprum's financial and legal condition as the Purchaser deems necessary or desirable. Without limiting the generality of the foregoing, the Purchaser shall, during normal business hours, be permitted free and unrestricted access to (i) all Books and Records of Cuprum, (ii) the Books and Records, (iii) environmental reports, surveys, inspection reports, internal audits, manifests, incident reports and any and all correspondence with Governmental Authorities or third parties in respect of environmental matters, and (iv) all other reports prepared by advisors of Cuprum, and the Vendors shall provide photocopies to the Purchaser of all such written information and documents as may be reasonably requested by the Purchaser.
- (d) From the date hereof until the Closing, the Vendors shall promptly notify the Purchaser in writing of any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on Cuprum, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Vendor hereunder not being true and correct, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 2.4 to be satisfied.

**ARTICLE 4**  
**REPRESENTATIONS AND WARRANTIES OF THE VENDORS**

4.1 **Representations and Warranties Relating to Cuprum.** Each Vendor hereby represents and warrants, on a joint and several basis, to the Purchaser, with the intent that the Purchaser shall rely thereon in entering into this Agreement and in concluding the Transactions, both at the date hereof and at the Closing Time, that:

- (a) Corporate Existence and Power. Cuprum is a corporation duly formed, validly existing and in good standing under the corporate Laws of the jurisdictions in which it is domiciled, and has all corporate powers required to carry on its business as now conducted, to own or lease its property and assets, and to enter into and perform its obligations under this Agreement. Cuprum is duly qualified to do business and is in good standing in each jurisdiction where the character of the property owned or leased by it or the nature of its activities makes such qualification necessary. No acts or proceedings have been taken, instituted or are pending for the dissolution or liquidation of Cuprum.
- (b) Subsidiaries and Investments. Cuprum has no subsidiaries or Investments.
- (c) Shareholder and Similar Agreements. Except for the Cuprum Shareholder Agreement, Cuprum is not a party to any shareholder, partnership, policy, voting trust or similar agreement relating to any of the issued and outstanding securities or equity interests of the Company, nor is Cuprum aware of any agreement which affects the voting control of any of the securities of Cuprum.
- (d) Corporate Books and Records. The Books and Records of Cuprum for the period from inception to the date of this Agreement are all of the minute books and all of the records of Cuprum for such period. The minute books and records of Cuprum have been maintained in material compliance with applicable Laws, rules and regulations, and contain substantially complete and accurate records of all meetings and other corporate actions of the Board, committees of the Board, incorporators and shareholders of Cuprum.
- (e) Capitalization. The authorized capital of Cuprum consists of an unlimited number of Cuprum Shares, of which 77,721,658 Cuprum Shares are issued and outstanding as of the date hereof. All issued and outstanding Cuprum Shares have been duly authorized, are validly issued and outstanding, and are fully paid and non-assessable. No securities issued by Cuprum from the date of its incorporation to the date hereof were issued in violation of any pre-emptive rights or similar privileges. There are no dividends which have accrued or been declared but are unpaid on the Cuprum Shares. All securities of Cuprum have been issued in accordance with the provisions of all applicable Securities Laws or other applicable Laws.
- (f) Rights.

Except for the Cuprum RSUs and the CCMI Warrants and except as in accordance with the Cuprum Shareholder Agreement:

- (i) there are no outstanding (a) Convertible Securities or securities, notes or instruments convertible into or exercisable for any equity interests of the Company; (b) options, warrants, subscriptions or other rights to acquire capital stock or other equity interests of Cuprum, and (c) Contracts of any kind, including employee benefit arrangements, relating to the issuance or repurchase by Cuprum of any Cuprum Shares, other equity securities or other

equity interests of Cuprum, any such securities or instruments convertible or exercisable for securities or any such options, warrants or rights;

- (ii) except as provided for in the Cuprum Shareholder Agreement, Cuprum has not granted anti-dilution rights to any person or entity in connection with any outstanding option, warrant, subscription or any other instrument convertible or exercisable for the securities of Cuprum; and
- (iii) there are no outstanding rights which permit the holder thereof to cause the Company to file a prospectus or registration statement under Securities Laws or other applicable Laws or which permit the holder thereof to include securities of Cuprum in a prospectus or registration statement filed by Cuprum under Securities Laws or other applicable Laws, and there are no outstanding agreements or other commitments which otherwise relate to the registration or qualification of any securities of Cuprum for sale or distribution in any jurisdiction.

(g) Corporate Authorization.

- (i) The execution, delivery and performance by Cuprum of this Agreement and the consummation of the transactions contemplated hereby (including, but not limited to, the sale, delivery and the transfer of the Purchased Shares from the Vendors to QC Cooper) have been duly authorized by all necessary corporate action, and no additional corporate action is required for the approval of this Agreement and the completion of the transactions contemplated herein.
- (ii) This Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of Cuprum, enforceable against Cuprum in accordance with its terms subject to such limitations and prohibitions as may exist or may be enacted and applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other Laws of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally and the general principles of equity including that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.

(h) Regulatory or Third Party Consents and Approvals. Except as otherwise specifically contemplated in this Agreement and as described in the Disclosure Letter, no consent, approval, Order or authorization of, or declaration or filing with, any Governmental Authority or any other third party is required to be obtained by the Company in connection with the consummation of the transactions contemplated by this Agreement, except for such consents, approvals, Orders or authorizations, or declarations or filings, as to which the failure to obtain or make would not, individually or in aggregate, prevent or materially delay the consummation of the transactions contemplated by this Agreement.

(i) Accounting Controls. Cuprum maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with applicable generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

- (j) Accounting Policies. There has been no change in accounting policies or practices of Cuprum since May 31, 2024, other than as required by IFRS and as disclosed in the Financial Statements.
- (k) Resale Restrictions. Subject to compliance with Subsection 2.6 of NI 45-102, the Purchased Shares will not be subject to a restricted period or to a statutory hold period under Securities Laws or other applicable Laws.
- (l) Financial Statements. Cuprum's unaudited statement of financial position as at May 31, 2024 and related statements of loss and comprehensive loss, consolidated statements of cash flows and statements of consolidated changes in shareholders' equity (including the related notes) as of the year ended May 31, 2024 (the "**Financial Statements**"), (a) present fairly in all material respects the financial position of Cuprum as of the dates thereof and the results of operations, cash flows and shareholders' equity as of and for each of the periods then ended, and (b) were prepared in accordance with IFRS in effect from time to time applied on a consistent basis throughout the periods involved.
- (m) Liabilities and Indebtedness. Except to the extent reflected or disclosed in the Financial Statements or in the Disclosure Letter, Cuprum does not have any Liabilities of any nature (whether accrued, absolute, contingent or otherwise), or any obligation to issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other person required to be reflected or disclosed therein. In addition, except to the extent reflected or disclosed in the Financial Statements or in the Disclosure Letter, Cuprum does not have any Contract, agreement or other arrangement (whether oral or written) still in force under each of which Cuprum has an obligation to pay (whether before or after Closing) any amount, whether in cash or in kind, and whether in the form of economic Liability (arising from a claim) or otherwise.
- (n) Off-Balance Sheet Arrangements and Liabilities. There are no off-balance sheet transactions, arrangements or obligations (including contingent obligations) of Cuprum, and Cuprum does not have any material liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent, or otherwise, which are not disclosed or referred to in the Financial Statements.
- (o) No Undisclosed Liabilities. Cuprum does not have any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which, in either case, are not fully reflected, reserved against or disclosed in the Financial Statements.
- (p) Financial Books and Records. The financial books, records and accounts of Cuprum, in all material respects: (a) have been maintained in accordance with accounting principles generally accepted in the country of domicile of each such entity on a basis consistent with prior years; (b) are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of Cuprum; and (c) accurately and fairly reflect the basis for the Financial Statements.
- (q) Litigation. Except to the extent reflected or disclosed in the Disclosure Letter there is no action, suit, proceeding, judgment, claim or investigation pending or, to the knowledge of Cuprum, threatened against Cuprum, and to the knowledge of the Vendors there is no basis for the assertion of any of the foregoing. There are no Orders which remain unsatisfied against Cuprum or consent decrees or injunctions to which Cuprum is subject.
- (r) Taxes. Except as disclosed in the Disclosure Letter, all Tax Returns required to be filed with respect to the income, operations, business or assets of Cuprum have been filed

(or appropriate extensions have been obtained) with the appropriate Governmental Authority in all jurisdictions in which such returns are required to be filed, and all of the foregoing as filed are, in all material respects, correct, complete and reflect accurately all Liability for Taxes of Cuprum for the periods to which such returns relate, and all amounts shown as owing thereon have been paid; Cuprum has made provision in the Financial Statements for appropriate amounts in respect of any Taxes that are reasonably likely to be assessed in accordance with IFRS, withheld and collected all Taxes required to be withheld and collected by it and remitted such Taxes to the appropriate governmental body, and paid and discharged all obligations (other than obligations for Taxes not yet due and payable) incidental to any statutory lien or deemed trust imposed upon it by applicable Law which if unpaid, might become a Lien on any of its assets; and no assessment or appeal is, to the Vendors' knowledge, being asserted or processed with respect to any Tax Return, Tax or Tax obligation of Cuprum.

- (s) Interests of Officers, Directors and Other Affiliates. No officer, director or other Affiliate of Cuprum has any interest in any property, real or personal, tangible or intangible, used in or pertaining to Cuprum's business.
- (t) Directors and Officers. None of the directors or officers of Cuprum are now, or have ever been, subject to an Order or ruling of any Governmental Authority prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.
- (u) Related Party Transactions.
  - (i) Except as set forth in the Disclosure Letter, Cuprum is not indebted to any director, officer, employee or agent of the Company, or any other insider of Cuprum or any Affiliate or Associate of any of them.
  - (ii) Except as set forth in the Disclosure Letter, no director, officer, employee or agent of Cuprum or any other insider of Cuprum or any Affiliate or Associate of any of them is a party to any loan, Contract, arrangement or understanding or other transactions with Cuprum.
- (v) Governmental Authorization. Except as otherwise specifically contemplated in this Agreement, and as described in the Disclosure Letter, the execution, delivery and performance by Cuprum of this Agreement, and the consummation of the transactions contemplated hereby by Cuprum require no action, consent or approval by or in respect of, or filing with, any Governmental Authority by the Company.
- (w) Non-Contravention. The execution, delivery and performance by Cuprum of this Agreement and the consummation by Cuprum of the transactions contemplated hereby (including, but not limited to, the sale, delivery and transfer of the Purchased Shares from the Vendors to QC Copper) do not and will not:
  - (i) violate, contravene, conflict with, constitute a default or require any consent to be obtained under any provisions of: (A) any resolutions of the Board (or any committee thereof) or shareholders, (B) the constating documents of the Company, (C) any shareholders' agreement or rights plan, (D) any other agreement or understanding with any person holding an ownership interest in Cuprum, or (E) any Contract;
  - (ii) contravene or conflict with or constitute a violation of any provision of any Law or Order binding upon or applicable to Cuprum;

- (iii) constitute a default (or would constitute a default with notice or lapse of time or both) under or give rise to a right of termination, cancellation or acceleration or loss of any benefit under any Contract or under any material license, franchise, Permit or other similar Authorization held by the Company; or
  - (iv) result in the creation or imposition of any Lien on any asset of Cuprum.
- (x) Compliance with Law. Cuprum is in material compliance and has conducted its business so as to comply, in all material respects, with all Laws and Orders of any court, administrative agency, commission, regulatory authority or other Governmental Authority. To the best of the Vendors' knowledge, there are no Orders (whether rendered by a court or administrative agency or by arbitration) against Cuprum or against any of its properties or businesses except as described in the Disclosure Letter. There is no pending or, to the knowledge of the Vendors, proposed change to any Laws applicable to Cuprum that would render illegal or materially restrict the business of Cuprum.
- (y) No Defaults. Cuprum is not, nor has it received notice that it would be with the passage of time, giving of notice, or both, (i) in violation of any provision of their constating documents, or (ii) in default or violation of any term, condition or provision of (A) any Law or Order applicable to Cuprum, or (B) any Contract, Permit or concession to which Cuprum is a party or by which the Company or its properties or assets may be bound, and no circumstances exist which would entitle a party to any Contract to terminate such as a result of such Company having failed to meet any material provision thereof.
- (z) Contracts.
  - (i) Set forth in the Disclosure Letter is a list of every Contract to which Cuprum is a party ("**Company Contracts**") or by which Cuprum or its properties or assets are bound;
  - (ii) All Company Contracts are legal, valid, binding and in full force and effect and are enforceable by Cuprum in accordance with their respective terms and are the product of arm's length negotiations between the parties thereto;
  - (iii) Except as set forth in the Disclosure Letter, Cuprum has performed in all material respects all respective obligations required to be performed by them to date under Cuprum's Contracts and are not alleged to be (with or without the lapse of time or the giving of notice, or both), in breach or default in any material respect thereunder, nor, to the Vendors' knowledge, is any counterparty thereto in breach or default in any material respect thereunder;
  - (iv) Except as set forth in the Disclosure Letter, Cuprum is not aware of the invalidity of any Company Contract or any grounds for rescission, avoidance or repudiation of any Contract or have received notice of termination of any Company Contract; and
  - (v) Except as set forth in the Disclosure Letter, no existing material supplier, distributor, service provider, contractor or third party partner of Cuprum has indicated that it intends to terminate its relationship with Cuprum or that it will be unable to meet the Company's supply, distribution, service or contracting requirements, and to the knowledge of the Vendors, there is no reason to believe that any such supplier, distributor, service provider, contractor or third-party partner does not intend to continue dealing with Cuprum on substantially



the same terms as presently conducted, subject to changes in pricing and volume in the ordinary course of business.

- (aa) Intellectual Property. Except in each case to the extent that it could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect:
- (i) Cuprum owns, or is validly licensed or otherwise have the right to use, all patents, patent rights, trademarks, trade names, service marks, copyrights, know how and other proprietary intellectual property rights that are used in its business;
  - (ii) the use by Cuprum of its registered trademarks, service marks, copyrights, industrial designs, patents, design patents and all applications therefor (“**Applicable IP**”), does not infringe upon or breach the industrial or intellectual property rights of any other person; and
  - (iii) Cuprum has not commenced legal proceedings against any person relating to an infringement by such person of any Applicable IP.
- (bb) Absence of Certain Changes. Since May 31, 2024, except in connection with the transaction contemplated by this Agreement, Cuprum has conducted its business only in the ordinary course and there has not occurred:
- (i) any event that could reasonably be expected to have a Material Adverse Effect;
  - (ii) any amendments or changes in the constating documents of Cuprum;
  - (iii) any material damage, destruction or loss, whether or not covered by insurance;
  - (iv) any
    - A. incurrence, assumption or guarantee by Cuprum of any debt for borrowed money other than in the ordinary course of business consistent with past practice or for equipment leases;
    - B. issuance or sale of any Cuprum Shares;
    - C. issuance or sale of options or other rights to acquire from Cuprum, directly or indirectly, securities of Cuprum or any securities convertible into or exchangeable for any such securities;
    - D. issuance or sale of any stock, bond or other corporate security;
    - E. discharge or satisfaction of any material Lien, other than current Liabilities incurred since May 31, 2024 in the ordinary course of business;
    - F. declaration or making of any payment or distribution to shareholders of Cuprum or purchase or redemption of any share of its capital stock or other security;
    - G. sale, assignment or transfer of its properties or any portion thereof;

- H. waiver of any right of substantial value whether or not in the ordinary course of business;
  - I. change in officer compensation, except in the ordinary course of business consistent with past practice; or
  - J. other commitment (contingent or otherwise) to do any of the foregoing;
- (v) any creation, sufferance or assumption by Cuprum of any Lien on its properties other than Liens existing on the date hereof, arising in the ordinary course of business or in connection with equipment leases or working capital lines of credit; or
- (vi) any entry into, amendment of, relinquishment, termination or non-renewal by the Company of any Company Contract, license, lease, transaction, commitment or other right or obligation, other than in the ordinary course of business.
- (cc) Restrictions on Business Activities. There is no agreement or Order binding upon the Company which has or could reasonably be expected to have the effect of prohibiting or materially impairing any business practice of Cuprum, any acquisition of property by Cuprum or the conduct of business by the Company as currently conducted or as currently proposed to be conducted by Cuprum.
- (dd) Insurance. The insurance policies providing insurance coverage to Cuprum are adequate for the business conducted by Cuprum and are sufficient for compliance by Cuprum with all requirements of applicable Laws and all material agreements to which Cuprum is a party or by which any of their assets are bound. All of such policies are in full force and effect and are valid and enforceable in accordance with their terms, and Cuprum has complied with all material terms and conditions of such policies, including premium payments, and there are no material claims by Cuprum under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause. All of such policies shall remain in full force and effect and shall not be cancelled or terminated as a result of this Agreement. None of the insurance carriers has indicated to Cuprum an intention to cancel any such policy or deny any claim made thereunder. Cuprum has no reason to believe that it will be unable to renew its existing insurance as and when such coverage expires or will be able to obtain replacement insurance adequate for the conduct of the business and the value of its properties at a cost that would not have a Material Adverse Effect.
- (ee) Absence of Certain Business Practices. Neither Cuprum nor any Affiliate of the Company, nor to the knowledge of the Vendors, any agent or employee of the Company, any other person acting on behalf of or associated with Cuprum, or any individual related to any of the foregoing persons, acting alone or together, has:
- (i) received, directly or indirectly, any rebates, payments, commissions, promotional allowances or any other economic benefits, regardless of their nature or type, from any customer, supplier, trading company, shipping company, governmental employee or other person with whom Cuprum has done business directly or indirectly; or
  - (ii) directly or indirectly, given or agreed to give any gift or similar benefit to any customer, supplier, trading company, shipping company, governmental employee or other person who is or may be in a position to help or hinder the business of Cuprum (or assist Cuprum in connection with any actual or

proposed transaction) which (i) may subject Cuprum to any damage or penalty in any civil, criminal or governmental litigation or proceeding, (ii) if not given in the past, may have had a Material Adverse Effect or (iii) if not continued in the future, may have a Material Adverse Effect or subject Cuprum to suit or penalty in any private or governmental litigation or proceeding.

(ff) Licenses; Compliance with Regulatory Requirements.

- (i) Cuprum holds all Authorizations required under applicable Law for the operation of the business of Cuprum as currently operated, including such Authorizations as may be required in connection with the exploration of the Mining Claims;
- (ii) all of such Authorizations have been duly issued or obtained and are in full force and effect and are not subject to appeal or similar proceedings by or before any Governmental Authority, and Cuprum is in material compliance with the terms of all such Authorizations;
- (iii) Cuprum has not engaged in any activity that, to the knowledge of the Vendors, could cause revocation or suspension of any such Authorizations;
- (iv) The Vendors have no knowledge of any facts which could reasonably be expected to cause Cuprum to believe that such Authorizations will not be renewed by the appropriate Governmental Authority in the ordinary course; and
- (v) neither the execution, delivery nor performance of this Agreement would adversely affect the status of any of such Authorizations.

(gg) Material Assets. Except as described in the Disclosure Letter, Cuprum is the absolute legal and beneficial owners of and have good and marketable title to all of all the material assets of Cuprum including the Mining Claims, free and clear of all Liens except for any defects which, individually or in aggregate are not material to Cuprum. No property or asset of Cuprum has been taken or expropriated by any Governmental Authority, nor has any written notice in respect thereof been given or commenced nor, to the knowledge of the Vendors, is there any proposal to give any such notice or commence any such proceeding.

(hh) Mining Claims.

- (i) All mining licenses, crown leases, claims, concessions, exploration, extraction and other mineral property rights of Cuprum are set forth in Schedule C ("**Mining Claims**"). All Mining Claims are in good standing, are valid and enforceable, are free and clear of any material Liens or charges and no royalty is payable in respect of any of them, except as set out on the Disclosure Letter. Except as set out in the Disclosure Letter, no other property rights are necessary for the conduct of Cuprum's business, and there are no material restrictions on the ability of Cuprum to use, transfer or otherwise exploit any such property rights except as required by applicable Law. Except as disclosed in the Disclosure Letter, Cuprum is the owner of Mining Claims necessary to carry on Cuprum's current and proposed exploration activities and proposed mining operations.
- (ii) Each of Cuprum and the respective predecessors in title to the Thierry Project have conducted its activities in compliance in all material respects with all

applicable Laws, tariffs and directives of each jurisdiction in the Cuprum Properties are located and possesses all Authorizations issued by the appropriate provincial, state, municipal, federal or other regulatory agency or body necessary to carry on the business currently carried on by it, is in compliance with the terms and conditions of all such Authorizations and with all Laws, tariffs and directives, and Cuprum has not received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such Authorization;

(iii) Except as disclosed in the Disclosure Letter, with respect to all properties that are owned by Cuprum, Cuprum is in exclusive possession thereof and has good, sufficient and marketable title thereto, free and clear of all Liens, except for Liens that would not individually or in the aggregate be material to Cuprum. Except as disclosed in the Disclosure Letter, with respect to any properties that are leased by Cuprum:

- A. Cuprum has not received any notice of default of any of the terms or provisions of the leases applicable thereto;
- B. the leases applicable thereto are valid and are in good standing;
- C. The Vendors have no knowledge of any act or omission or any condition on such properties which could be considered or construed as a default under any of the such leases applicable thereto;
- D. Cuprum is not a party to, or under any agreement to become a party to, any lease with respect to Real Property, which, if terminated, could reasonably be expected to have a Material Adverse Effect;
- E. the property covered thereby is free and clear of all Liens except Liens that would not individually or in the aggregate have a Material Adverse Effect; and
- F. in the case of properties as to which Cuprum holds rights to explore for minerals, Cuprum has the right to explore for such minerals.

(ii) Aboriginal Claims. Except as has been disclosed in the Disclosure Letter, there is no Indigenous Claim with respect to Cuprum or, to the knowledge of the Vendors, the Mining Claims or any related lands, that is pending or threatened by any Indigenous Groups. Cuprum has satisfied any duty to consult or accommodate any Indigenous Groups. Cuprum is not a party to any Contract with, have made any written or verbal commitment or have any written obligation to an Indigenous Group with respect to Cuprum, the Mining Claims or any related lands.

(jj) Technical Report. The NI 43-101 technical report dated effective January 21, 2021 titled "Preliminary Economic Assessment of the Thierry Cu-Ni-Pge Deposit Thierry Project, Pickle Lake Area Patricia Mining District North-Western Ontario, Canada 51°29'51.32" N 90°20'52.45" W for Braveheart Resources Inc." complies in form and substance with Securities Laws and all mineral reserves and mineral resources disclosed therein have been prepared and disclosed in all material respects in accordance with accepted engineering practices and all applicable Laws. The estimates of the mineral resources and mineral reserves have been prepared in accordance with Canadian industry standards set forth in NI 43-101; and the method of estimating the mineral resources and mineral reserves has been verified by mining

experts who are "qualified persons" (within the meaning of NI 43-101) and the information upon which the estimates of mineral resources and mineral reserves were based, was, at the time of delivery thereof, complete and accurate in all material respects and there have been no material changes to such information since the date of delivery or preparation thereof. The Vendors do not have any knowledge that the mineral resources or mineral reserves are inaccurate in any material respect.

(kk) Operations. All exploration, development and other actions and operations by the Company has been conducted by Cuprum in all material respects in accordance with applicable Laws and with good mining exploration and engineering practices.

(ll) Environmental Matters.

(i) Except as has been disclosed in the Disclosure Letter, the material properties of Cuprum are in material compliance with all Environmental Laws, and Cuprum and, to the knowledge of the Vendors, its predecessors have complied in all material respects with all Environmental Laws. The Company has no basis to expect, nor has it received any actual, or to the knowledge of the Vendors, threatened, written or oral Order, notice, report or other communication from any Governmental Authority or other person of any actual, potential or alleged violation of or failure of the assets of Cuprum to comply with any Environmental Law.

(ii) Cuprum has obtained and complied with, and is in compliance with, all Authorizations that are required pursuant to any Environmental Laws for operations, and the occupation of, the properties of Cuprum.

(iii) In connection with Cuprum's treatment, storage, disposal, transportation, handling, manufacturing and distribution of Hazardous Substances, neither Cuprum nor, to the knowledge of the Vendors, any predecessor, with respect to its assets and operations, has any current or future material Liabilities, including any Liability for fines, penalties, corrective action costs, personal injury, property damage, natural resource damages or attorney's fees, pursuant to any Environmental Laws, and (ii) to the knowledge of the Vendors, none of the assets of Cuprum are contaminated by any Hazardous Substances.

(iv) No facts, events or conditions relating to the operations or the property of the Company, will prevent, hinder or limit continued compliance with Environmental Laws, or give rise to any proceedings against Cuprum or any Remediation obligations or Liabilities.

(v) Except as disclosed in the Disclosure Letter, there are no outstanding bonds, or other surety or security arrangements issued or entered into in connection with the assets or the operations of Cuprum for Remediation or otherwise. No other bond, surety or security arrangement is required to satisfy the requirements of any Environmental Laws or other Laws applicable to Cuprum with respect to their respective assets and operations.

(mm) Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement, based upon any arrangement made by or on behalf of Cuprum, which would make Cuprum liable for any fees or commissions.

- (nn) Full Disclosure. All the information provided to the Purchaser and prepared by or on behalf of Cuprum, is true and correct in all material respects and no material fact or facts have been omitted from that information which would make such information misleading at the time it was made or at Closing.
- (oo) Labour/Employment Matters. Except as has been disclosed in the Disclosure Letter, the Company does not have any employees, consultants or independent contractors and no personnel are or have ever been employed, engaged or retained by the Company. There are no employment Law-related Claims pending, commenced or, to the knowledge of the Vendors, threatened, and there are no outstanding employment Law-related Orders, awards or rulings, in each case involving Cuprum.
- (pp) Prohibited Conduct.
  - (i) The operations of Cuprum are and have been conducted at all times in compliance with the anti-money laundering Laws to which they are subject (collectively, the “**Anti-Money Laundering Laws**”) and no action, suit or proceeding by or before any Governmental Authority involving Cuprum with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Vendors, threatened; and
  - (ii) Neither Cuprum nor, to the knowledge of the Vendors, any director, officer, agent, employee, or other person acting on behalf of the Company: (i) used any of Cuprum’s funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic governmental official from corporate funds; (iii) violated or is in violation of any provision of the *Corruption of Foreign Public Officials Act* (Canada) or any other Law of similar purpose and scope; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment.
- (qq) Full Delivery. The Vendors have disclosed and delivered to the Purchaser, or will within ten days after the date of this Agreement disclose and deliver to the Purchaser, all information and data in the possession or under the control of the Vendors including, without limitation, all historical documentation with respect to title, all geological, geophysical and assay results, maps, environmental studies, tests and assessments and notification from regulatory authorities, concerning the Mining Claims and Cuprum’s Real Property and prior exploration, development, reclamation and remediation work carried out thereon and within the Vendor’s knowledge.

4.2 **Representations and Warranties Relating to the Vendors.** Each Vendor, on its own behalf, represents and warrants to the Purchaser, with the intent that the Purchaser shall rely thereon in entering into this Agreement and in concluding the Transactions, both at the date hereof and at the Closing Time, that:

- (a) Corporate Existence and Power of Vendors. The Corporate Vendors are duly incorporated, validly existing and in good standing under the corporate Laws of the jurisdiction in which they are domiciled.
- (b) Authorization of Vendors.
  - (i) The execution, delivery and performance by Corporate Vendors of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action and no additional

corporate action is required for the approval of this Agreement and the completion of the transactions contemplated herein.

(ii) This Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of the Vendors, enforceable against the Vendors in accordance with its terms subject to such limitations and prohibitions as may exist or may be enacted and applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other Laws of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally and the general principles of equity including that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.

(c) Title to Purchased Shares. The Vendors are the legal and beneficial owner of the Purchased Shares, and have good title to them, free and clear of any Liens. At Closing, the Vendors will have the absolute and exclusive right to sell the Purchased Shares to QC Copper as contemplated by this Agreement.

(d) Litigation of Vendors. There is no action, suit, proceeding, judgment, claim or investigation pending or, to the knowledge of the Vendors, threatened against the Vendors, and to the knowledge of the Vendors there is no basis for the assertion of any of the foregoing. There are no Orders which remain unsatisfied against the Vendors or consent decrees or injunctions to which the Vendors are subject.

(e) Non-Contravention by Vendors. The execution, delivery and performance by the Vendors of this Agreement and the consummation by the Vendors of the transactions contemplated hereby does not and will not:

(i) violate, contravene, conflict with, constitute a default or require any consent to be obtained under any provisions of: (A) any resolutions of the board of directors of the Corporate Vendors (or any committee thereof) or shareholders, (B) the constating documents of the Corporate Vendors, (C) any shareholders' agreement or rights plan, (D) any other agreement or understanding with any person holding an ownership interest in the Corporate Vendors, or (E) any material Contract of the Corporate Vendors;

(ii) contravene or conflict with or constitute a violation of any provision of any Law or Order binding upon or applicable to a Vendor;

(iii) constitute a default (or would constitute a default with notice or lapse of time or both) under or give rise to a right of termination, cancellation or acceleration or loss of any benefit under any material Contract of a Corporate Vendor or under any material license, franchise, Permit or other similar authorization held by a Corporate Vendor; or

(iv) result in the creation or imposition of any Lien on any asset of a Vendor.

(f) Residency. The Corporate Vendors are validly existing under the laws of the Province of Ontario with head offices located in Toronto, Ontario. Anthony Moreau is a Canadian resident, residing in Toronto, Ontario.

4.3 **Full Disclosure - Ownership Period.** The information and statements contained in this Agreement and the Disclosure Letter, including all representations and warranties of the Vendors given pursuant to Section 4.1, are true and correct and constitute full, true and plain

disclosure of all material facts relating to Cuprum during the Ownership Period and contain no misrepresentations.

- 4.4 **Disclosure to the Best of the Vendors' Knowledge - Pre-Ownership Period.** Notwithstanding any other provision of this Agreement, to the best of the Vendors' Knowledge, the information and statements contained in this Agreement and the Disclosure Letter, including all representations and warranties of the Vendors given pursuant to Section 4.1 are true and correct and constitute full, true and plain disclosure of all material facts relating to Cuprum during the Pre-Ownership Period and contain no misrepresentations. The Vendors represent and warrant that they shall promptly disclose any and all new information related to the Pre-Ownership Period to the Purchaser prior to the Closing and for a period of one (1) year thereafter.
- 4.5 **Survival.** The representations and warranties contained in Sections 4.1 and 4.2 shall survive the completion of the Transactions contemplated by this Agreement and shall terminate at 11:59 p.m. Eastern Time on the date that is 12 months following the Closing Date.
- 4.6 **Limitation of Liability.** Subject to Section 4.7, each Vendor's individual liability under this Agreement shall be limited to the total consideration they receive for the sale of the Purchased Shares ("**Vendor Liability Limit**").
- 4.7 **Exceptions to the Limitation of Liability.** If, in relation to the Transactions, any Vendor engages in fraud, wilful misconduct, or makes any misrepresentation resulting in a breach of this Agreement, there shall be no limitation of their liability pursuant to Section 4.6.
- 4.8 **Indemnity.**
- (a) Subject to Section 4.6 and Section 4.7, the Vendors covenant to jointly and severally indemnify and hold harmless the Purchaser from and against any loss, claims, damages, liability, expenses and costs, including any payment made in good faith in settlement of any claim or potential claim, arising from any of the representations and warranties set forth in Section 4.1 being incorrect or breached.
  - (b) Subject to Section 4.6 and Section 4.7, the Vendors covenant to severally indemnify and hold harmless the Purchaser from and against any loss, claims, damages, liability, expenses and costs, including any payment made in good faith in settlement of any claim or potential claim, arising from any of the representations and warranties of that Vendor set forth in Section 4.2 being incorrect or breached.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

- 5.1 **Representations and Warranties.** The Purchaser hereby represents and warrants to the Vendors, with the intent that the Vendors shall rely thereon in entering into this Agreement and in concluding the transactions contemplated hereby, both at the date hereof and at the Closing Time, that:
- (a) Existence and Power. The Purchaser is a corporation duly incorporated, validly existing and in good standing under the corporate Laws of the jurisdiction in which it is domiciled.
  - (b) Corporate Authorization.
    - (i) The execution, delivery and performance by the Purchaser of this Agreement and the consummation of the transactions contemplated hereby have been



duly authorized by all necessary corporate action, and no additional corporate action is required for the approval of this Agreement and the completion of the transactions contemplated herein.

- (ii) This Agreement has been duly executed and delivered and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms subject to such limitations and prohibitions as may exist or may be enacted and applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other Laws of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally and the general principles of equity including that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.
- (c) Authorized Share Capital. The authorized share capital of QC Copper consists of an unlimited number of QC Copper Shares without nominal or par value and an unlimited number of preferred shares without nominal or par value, of which 174,371,356 QC Copper Shares (and no more) and no preferred shares are validly issued and outstanding as fully paid and non-assessable shares in the capital of QC Copper.
- (d) Reporting Issuer. QC Copper is a “reporting issuer” within the meaning of the Securities Act and is not in default of any of its obligations as a reporting issuer, and the Securities Authorities have not issued any order preventing the Transactions or the trading of any securities of QC Copper.
- (e) Exchange Compliance. QC Copper is in material compliance with all policies and requirements of TSXV.
- (f) Investment. The Purchaser is acquiring the Purchased Shares for its own account as principal and not for the benefit of any other person, for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof, nor with the intention of distributing or reselling the same, and no other person has or will have a direct or indirect beneficial interest in the Purchased Shares.
- (g) Regulatory or Third Party Consents or Approvals. With the exception of the approval of the TSXV, no consent, approval, Order or authorization of, or declaration of filing with, any Governmental Authority or any other third party is required to be obtained by the Purchaser in connection with the consummation of the transactions contemplated by this Agreement, except for such consents, approvals, Orders or authorizations, or declarations of filings, as to which the failure to obtain or make would not, individually or the in aggregate, prevent or materially delay the consummation of the transactions contemplated by this Agreement.
- (h) Residency. The Purchaser is resident in the Province of British Columbia and is not resident in any other jurisdiction.
- (i) Accredited Investor. The Purchaser is an “accredited investor” within the meaning of NI 45-106 and was not created and is not being used solely to purchase or hold the Cuprum Shares as an “accredited investor” as described in paragraph (m) of the definition of “accredited investor” in Section 1.1 of NI 45-106.
- (j) Not a U.S. Person. The Purchaser is neither a U.S. Person nor acquiring the Purchased Shares for the account of a U.S. Person or for resale in the United States and the Purchaser confirms that the Purchased Shares have not been offered to the

Purchaser in the United States and that this Agreement has not been signed in the United States.

- (k) Previous Ownership of Cuprum Shares. As of the date of this Agreement, and before giving effect to the purchase by the Purchaser of any Cuprum Shares hereunder, the Purchaser beneficially owns 6,000,000 Cuprum Shares.
- (l) Filings. If required by Securities Laws, the Purchaser will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents with respect to the purchase and sale of the Purchased Shares and the issuance of the Purchase Price Shares as may be required by any securities commission or other Governmental Authority.

5.2 **Survival.** The representations and warranties contained in Section 5.1 shall survive the completion of the Transactions contemplated by this Agreement and shall terminate at 11:59 p.m. Eastern Time on the date that is 12 months following the Closing Date.

5.3 **Indemnity.** The Purchaser covenants to indemnify and hold harmless the Vendors from and against any loss, claims, damages, liability, expenses and costs, including any payment made in good faith in settlement of any claim or potential claim, arising from any of the representations and warranties set forth in Section 5.1 being incorrect or breached.

## **ARTICLE 6 CLOSING ARRANGEMENTS**

6.1 **Closing.** Subject to the satisfaction or waiver of the conditions set out in Sections 2.4 and 2.6, the Closing shall take place at the Closing Time virtually, or at the offices of DLA Piper (Canada) LLP in Calgary, Alberta or at such other place as may be agreed to by the Vendors and the Purchaser.

6.2 **Vendors' Closing Deliveries.** At the Closing, the Vendors shall deliver or cause to be delivered to the Purchaser the following:

- (i) certificates representing the Purchased Shares accompanied by stock transfer powers duly executed in blank or duly executed instruments of transfer, and all such other assurances, consents and other documents as the Purchaser may reasonably request to effectively transfer to the Purchaser title to the Purchased Shares free and clear of all encumbrances;
- (ii) receipts for the certificates representing the Purchase Price Shares;
- (iii) original share registers, share transfer ledgers, minute books and corporate seals (if any) of Cuprum;
- (iv) a copy of a resolutions of the Board consenting to the transfer of the Purchased Shares from the Vendors to the Purchaser as contemplated by this Agreement and authorizing the execution, delivery and performance of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by Cuprum;
- (v) a certificate of status for Cuprum or its equivalent under the laws of the jurisdiction of its incorporation;
- (vi) the certificate set out in Section 2.4(k); and

- (vii) such other documentation as set out in Section 2.4 and as the Purchaser may reasonably request in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Purchaser, acting reasonably.

6.3 **Purchaser's Closing Deliveries.** At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendors the following:

- (i) certificates representing the Purchase Price Shares;
- (ii) receipts for the certificates representing the Purchased Shares;
- (iii) a copy of a resolutions of the board of directors of the Purchaser approving the issuance of the Purchase Price Shares to the Vendors as contemplated by this Agreement and authorizing the execution, delivery and performance of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Purchaser;
- (iv) a certificate of status for the Purchaser or its equivalent under the laws of the jurisdiction of its incorporation;
- (v) the certificate set out in Section 2.6(f); and
- (vi) such other documentation as set out in Section 2.6 and as the Vendors may reasonably request in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Vendors, acting reasonably.

## **ARTICLE 7 GENERAL PROVISIONS**

7.1 **Notices.** All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered by hand, email or mailed postage prepaid to the addresses as first set forth above or to such other address as may be given in writing by the parties and shall be deemed to have been received, if delivered by hand, on the date of delivery; if email on the business day next following the date of transmission; and if mailed as aforesaid to the addresses set out above, on the fifth business day following the posting thereof; provided that if there shall be, between the time of mailing and the actual receipt of the notice, a mail strike, slowdown or other labour dispute which might affect the delivery of the notice by the mails, then the notice shall only be effective if actually delivered or telecopied to the telecopier numbers set out above.

7.2 **Expenses.** All fees, costs and expenses incurred by QC Copper, the Vendors, and Cuprum in connection with this Agreement and the transactions contemplated hereby shall be paid by QC Copper.

7.3 **Time of Essence.** Time is hereby expressly made of the essence of this Agreement with respect to the performance by each of the parties of their respective obligations under this Agreement.

7.4 **Binding Effect.** This Agreement shall enure to the benefit of and be binding upon each of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

- 7.5 **Entire Agreement.** This Agreement, its appended Schedules and the relevant joint election forms referred to herein constitute the entire Agreement between the parties with respect to the subject matter hereof and shall supersede all previous expectations, understandings, communications, representations and agreements whether verbal or written between the parties with respect to the subject matter hereof.
- 7.6 **Further Assurances.** Each of the parties hereto hereby covenants and agrees to execute such further and other documents and instruments and to do such further and other things as may be necessary or desirable to implement and carry out the intent of this Agreement.
- 7.7 **Assignment.** None of the parties may assign or transfer their respective rights under this Agreement.
- 7.8 **Amendments.** No amendment to this Agreement shall be valid unless it is evidenced by a written agreement executed by all of the parties hereto.

*Signature page follows.*

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

**QC COPPER AND GOLD INC.**

*(s) Stephen Stewart*

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Per Name: Stephen Stewart  
Title: Chairman & Director

**STANDARD ORE CORPORATION**

*(s) Stephen Stewart*

---

Per Name: Stephen Stewart  
Title: President

**2630319 ONTARIO INC.**

*(s) Guatam Iyer*

---

Per Name: Gautam Iyer  
Title: President

**1000217479 ONTARIO INC.**

*(s) Joel Friedman*

---

Per Name: Joel Friedman  
Title: President

**MORAY RESOURCES INC.**

*(s) Alex Stewart*

---

Per Name: Alex Stewart  
Title: President

*(s) Witnessed*

---

**Witness**

*(s) Anthony Moreau*

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**ANTHONY MOREAU**

**SCHEDULE A  
PURCHASED SHARES**

The Purchased Shares means:

<b>Vendor</b>	<b>Number of Cuprum Shares Held</b>
OreCAP Invest Corp.	29,500,000
Standard Ore Corporation	2,000,000
2630319 Ontario Inc.	100,000
1000217479 Ontario Inc.	200,000
Moray Resources Inc.	100,000
Anthony Moreau	200,000
<b>Total</b>	<b>32,100,000</b>

**SCHEDULE B  
CUPRUM PROPERTIES**

The real properties in which Cuprum owns or holds any right, title or interest are as follows.

- The interest of Cuprum in the concessions comprising the Thierry Project as set out in Schedule C.



**SCHEDULE C  
MINING CLAIMS**

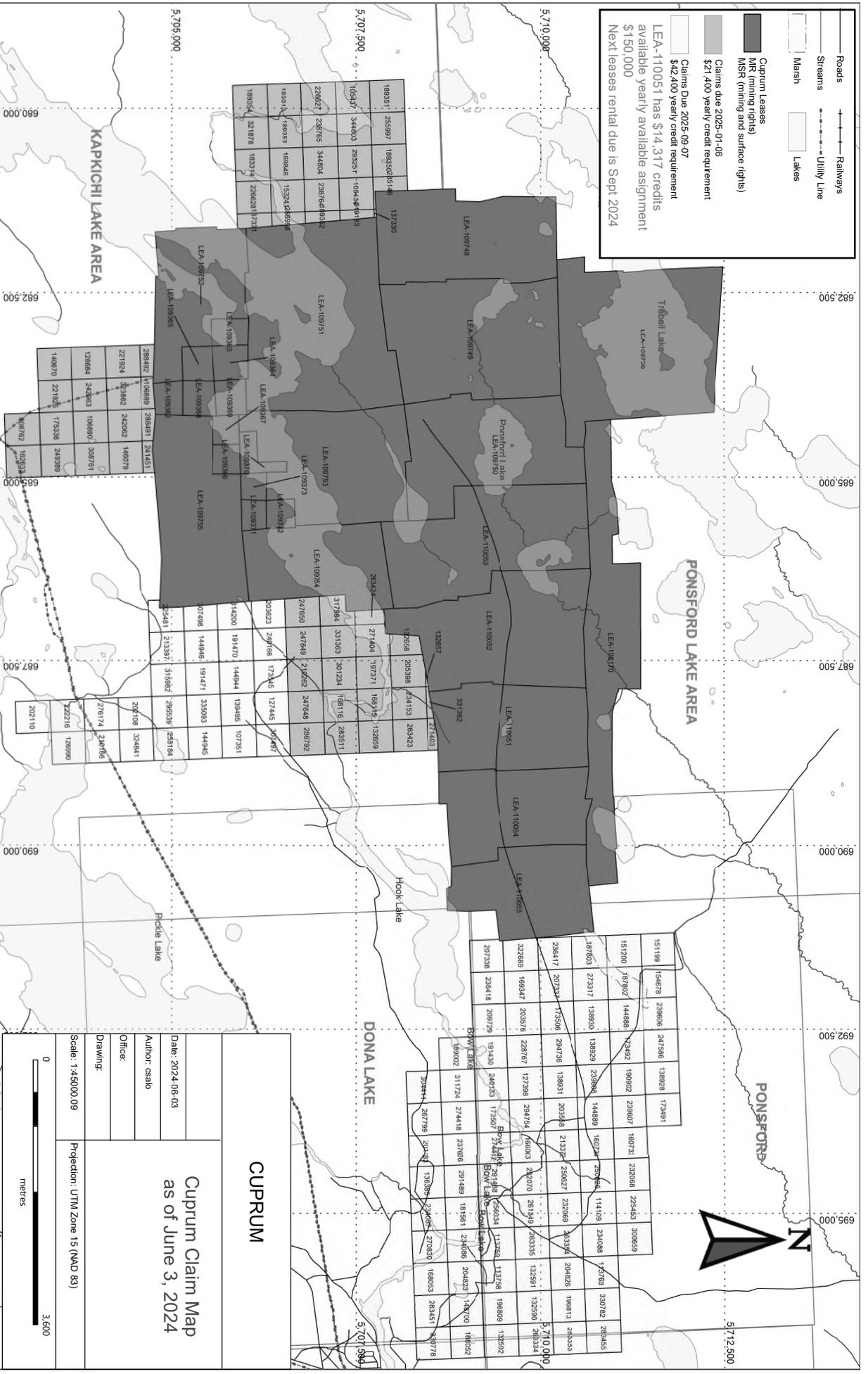
*See Attached*





LEA-109754	01-Sep	Lease	201.639	Active	0	0	0	150000	150000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109755	01-Sep	Lease	266.518	Active	0	0	0	150000	150000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109366	01-Nov	Lease	15.224	Active	0	0	0	50000	50000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109363	01-Nov	Lease	18.761	Active	0	0	0	50000	50000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109748	01-Sep	Lease	285.226	Active	34	0	34	150000	150000	Cunrum Corp (408156)	100	Patricia	PONSFORD LAKE AREA, KAPKOCHI LAKE AREA
LEA-109756	01-Sep	Lease	448.893	Active	0	0	0	150000	150000	Cunrum Corp (408156)	100	Patricia	PONSFORD LAKE AREA
LEA-109368	01-Nov	Lease	21.93	Active	0	0	0	50000	50000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-108170	01-Dec	Lease	263.434	Active	0	0	0	150000	150000	Cunrum Corp (408156)	100	Patricia	PONSFORD LAKE AREA, PONSFORD
LEA-109370	01-Nov	Lease	19.413	Active	0	0	0	50000	50000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109367	01-Nov	Lease	14.318	Active	0	0	0	50000	50000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109371	01-Nov	Lease	13.403	Active	0	0	0	50000	50000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109752	01-Sep	Lease	192.383	Active	0	0	0	150000	150000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA
LEA-109753	01-Sep	Lease	291.859	Active	0	0	0	150000	150000	Cunrum Corp (408156)	100	Patricia	KAPKOCHI LAKE AREA

Roads Railways   
 Streams Utility Line   
 Marsh Lakes   
 Cuprum Leases  
 ML (mining rights)   
 MSR (mining and surface rights)   
 Claims due 2023-01-06   
 \$21,400 yearly credit requirement  
 Claims Due 2023-09-07   
 \$42,400 yearly credit requirement  
 LEA-110051 has \$14,317 credits  
 available yearly available assignment  
 \$150,000  
 Next leases rental due is Sept 2024



**CUPRUM**

**Cuprum Claim Map  
as of June 3, 2024**

Date: 2024-06-03

Author: csalo

Office:

Drawing:

Scale: 1:45000.09

Projection: UTM Zone 15 (NAD 83)

0 3,000 metres

**SCHEDULE C  
FAIRNESS OPINION AND CONSENT**

(attached)

# EVANS & EVANS, INC.

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SUITE 130, 3<sup>RD</sup> FLOOR, BENTALL II, 555 BURNARD STREET  
VANCOUVER, BRITISH COLUMBIA  
CANADA V7X 1M8

19<sup>TH</sup> FLOOR, 700 2<sup>ND</sup> STREET SW  
CALGARY, ALBERTA  
CANADA T2P 2W2

41<sup>ST</sup> FLOOR, 40 KING STREET W  
TORONTO, ONTARIO  
CANADA M5H 3Y2

October 1, 2024

## **QC COPPER AND GOLD INC.**

Suite 1805, 55 University Avenue  
Ontario, Ontario M5J 2H7

### **Attention: Special Committee of the Board of Directors**

Dear Sirs:

#### **Subject: Fairness Opinion**

#### **1.0 Introduction**

1.01 Evans & Evans, Inc. (“Evans & Evans” or the “authors of the Opinion”) was engaged by the Special Committee (the “Committee”) of the Board of Directors (the “Board”) of QC Copper and Gold Inc. (“QC Copper” or “Issuer”) of Ontario to prepare a Fairness Opinion (the “Opinion”) with respect to the proposed share exchange (the “Proposed Transaction”) with Cuprum Corp. (“Cuprum” or the “Target” and together with QC Copper, the “Companies”). The Proposed Transaction is summarized in section 1.03 of this Opinion.

Evans & Evans understand QC Copper is a resource company focused on advancing its past producing Opemiska copper mine complex (the “Opemiska Project” or “Opemiska”) in the Chapais-Chibougamau region of Quebec. Evans & Evans further understands QC Copper is a minority shareholder in Cuprum, which is a private company focused on advancing its Thierry copper project (the “Thierry Project”).

Evans & Evans has been requested by the Committee to prepare the Opinion to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial standpoint, to the shareholders, of QC Copper, (the “QC Shareholders”).

QC Copper is a reporting issuer whose shares are listed for trading on the TSX Venture Exchange (the “Exchange”) under the symbol “QCCU”.

1.02 Unless otherwise noted, all monetary amounts referenced herein are Canadian dollars.

1.03 In August of 2024, QC Copper made an offer to purchase all of the outstanding Cuprum common shares (the “Cuprum Shares”) for the consideration of 1.1538 common shares of QC Copper (the “QC Copper Shares”) for each Cuprum Share outstanding (the “Exchange Ratio”). Evans & Evans reviewed the Offer to Purchase which effects the Proposed Transaction by way of a share purchase agreement (the “Agreement”). The Agreement sets out the Exchange Ratio.

## QC COPPER AND GOLD INC.

October 1, 2024

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As of the date of the Opinion, there are 77,721,659 Cuprum Shares issued and outstanding, of which QC Copper owns 6,000,000 Cuprum Shares, resulting in the issuance of 82,755,760 QC Copper Shares in exchange for all of the remaining Cuprum Shares not owned by QC Copper.

- 1.04 The Committee retained Evans & Evans to act as an independent advisor to QC Copper and to prepare and deliver the Opinion to the Committee to provide an independent opinion as to the fairness of the Proposed Transaction and Exchange Ratio, from a financial point of view, to the QC Copper Shareholders as of October 1, 2024.
- 1.05 QC Copper was incorporated under the *Business Corporations Act* (British Columbia) on February 1, 2018. The Issuer was originally a wholly owned subsidiary of Orecap Invest Corp. Its principal business activity is the exploration, development and production of exploration and evaluation assets in Canada.

QC Copper is focused on advancing its past-producing Opemiska Project in the Chapais-Chibougamau region of Quebec. In January 2024, the Issuer published an updated National Instrument 43-101 (“NI 43-101”) compliant mineral resource estimate (“MRE”) for the Opemiska Project, which set out measured, indicated and inferred mineral resources. The following description of the Opemiska Project is derived from various disclosure documents of the Issuer.

### *Opemiska Project*

The Opemiska Project is located adjacent to the town of Chapais, Quebec within the Chibougamau region. Opemiska is also within the Abitibi Greenstone belt and within the boundaries of the Province of Quebec's Northern Action Plan which promotes and funds infrastructure and development of natural resource projects. The Northern Action Plan 2023-2028 is a government strategy developed with partners in the northern territory to address economic, social and environmental development issues. It will contribute to the vitality and prosperity of the communities that inhabit it, and thus to the province of Québec as a whole. The plan calls for investments of over \$2.57 billion dollars, including 1,665.3 million dollars from the government of Québec over a five-year period.<sup>1</sup>

The Opemiska Project is composed of 457 claims totaling 24,485.4 hectares, in the Levy, Daubrée and Scott townships. The Opemiska Project is divided into three groups of claims. In 2023, the Issuer completed its option agreement on the original Opemiska option claims, earning 100% of the Opemiska deposit which was the subject of a MRE in 2024. The MRE covers 11 mining claims totaling 685 hectares and includes the past producing Springer & Perry mines which were owned and operated by Falconbridge Nickel Mines Limited. The Opemiska Project has in place infrastructure including a power station and direct access to Highway 113 and the Canadian National Railway. In addition, the central part of Opemiska comprises the Cooke-Robitaille option property which consists of 179 mining claims covering 9,345.8 hectares. The option is in good standing and QC Copper is adequately

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<sup>1</sup> <https://www.quebec.ca/en/government/policies-orientations/northern-action-plan>



## QC COPPER AND GOLD INC.

October 1, 2024

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funded to fulfil its obligations and intends to exercise the option to acquire 100% interest in the claims on or before July 2025. The remaining property consists of the Western claims (36 claims, 1,733 hectares), the Northern claims (120 claims, 6,604 hectares) and the Eastern claims (117 claims, 6,433.5 hectares), all of which are 100% QC Copper-owned.

The Opemiska Project is subject to a 2% NSR, 50% of which can be re-purchased by the Issuer at a cost of \$4.5 million. If the Issuer files a positive feasibility study, it will be required to pay advance royalty payments of \$250,000 per year.

On July 24, 2024, QC Copper and the City of Chapais announced the two parties have implemented an official working group to ensure the exploration and development of the Opémiska Project within the city limits of Chapais are conducted according to the highest industry standards. The working group, City/Mine Group (“CMG”) is a forum for constructive dialogue to ensure that the Opémiska Project is explored and developed according to the values and expectations of Chapais citizens while maximizing economic benefits.

### *Cooke- Robitaille Property Option, Quebec*

The Cooke-Robitaille option claims consists of 175 original claims and four staked claims covering a total area of approximately 9,345 hectares located immediately east of the town of Chapais. The property is accessible by a network of secondary roads from Highway 113 and the town of Chapais (“Cooke-Robitaille Property”).

The Cooke-Robitaille Property is located in the northeastern corner of the Abitibi Greenstone Belt (ABS). The property is dominated by a sequence of steeply dipping volcano-sedimentary rocks of the Blondeau formation that have been intruded by layered mafic to ultramafic rocks of the Cummings complex. The stratigraphy has been folded into an east plunging anticline-syncline complex on the SW limb of the Chibougamau anticline. The NE trending Gwillim fault cuts through the center of the property.

Initial drilling on the Cooke-Robitaille Property was undertaken in 2021 when 12 holes were collared for a total of 5,134.7 metres. Further Drilling was undertaken in early 2024 on the Cooke-Robitaille Property mines corridor in order to test the area for low-grade, open-pitabile mineralization. The drill program was started in early June and was stopped after five holes for a total of 1,366 metres. In order to complete the acquisition of the Cooke-Robitaille Property, the Issuer must make a final cash payment of \$200,000, issue 500,000 QC Copper Shares and incur \$1,500,000 of exploration expenditures prior to July 31, 2025.

### *Eastern Claims*

The Eastern claims, located in Scott and Levy townships in the Chibougamau region of Quebec, immediately east and contiguous with the Cooke-Robitaille option, comprises 117 claims covering 6,433.5 hectares and are owned outright by the Issuer.

The Eastern claims straddle the Chibougamau anticline, which is cored by the Dore Lake layered complex and intruded by the Chibougamau pluton. Surrounding the two intrusive complexes is the stratigraphy of the Roy Group which at the base, in contact with the Dore Lake Complex, and consists of the Waconichi Formation, composed of felsic volcanics and hosting two major VMS deposit, the Lemoine Mine on the south flank of the Chibougamau anticline and the Scott Lake on the north flank, adjacent to the Barrette-Scott property.

A three-hole, diamond drilling program totalling 750 metres was completed on the eastern part of the claims, south of Scott Lake in the vicinity of historical mineralized drilling results and near a major northeast-trending fault structure. Assay results were uniformly low but one of the holes confirmed the presence of a major northeast-trending fault structure that is probably Archean in age but was subsequently intruded by a Proterozoic diabase dike. Management of the Issuer considers this important in the context of the structural interpretation of the deposits in Chapais.

#### *Western Claims*

In March 2023, the Issuer acquired the Opemiska West project claims consisting of 36 mineral claims over 1,733 hectares immediately adjacent to and contiguous with the western border of QC Copper's Opemiska project (MRE claims), in the Chibougamau District of Quebec.

In exchange for 100% ownership of the Opemiska West claims, QC Copper issued 500,000 common shares to the vendor. The Opemiska West claims are subject to an existing 2% net smelter royalty, of which 1% can be repurchased for \$1 million. Additionally, the Issuer entered into a \$125,000 services agreement with the vendor to perform data analysis and to generate artificial intelligence drill targets, which was completed in the first quarter of 2024.

No work was done on the Western Claims in the nine months preceding the date of the Opinion.

#### *Northern Claims*

The Northern Claims comprise 120 claims covering 6,604 hectares, which were staked in early 2022 but no work has been done on these claims to date except for a high resolution airborne magnetic survey. The Issuer is required to complete \$100,000 of exploration work on the Northern claims in calendar year 2024 in order to maintain the claims in good standing.

#### *Roger Property, Quebec*

QC Copper has a 50% interest in the Roger copper-gold property ("Roger" or the "Roger Property"). The other 50% interest remains with SOQUEM, a subsidiary of Investissement Québec. Roger is an advanced-stage exploration project containing the Roger gold-copper

deposit. In total, 58,000 metres of diamond drilling have been completed on the property. Underground exploration undertaken in 1988 included 1,177 metres of development, 1,433 metres of underground drilling and over 1,000 metres of chip sampling.

The 987-hectare Roger project is located in the Chibougamau Mining District within the prolific Abitibi Greenstone belt. It is situated 5 kilometres from the historic mining centre of Chibougamau, Quebec and has all-season road access. A power line that serviced the past-producing Troilus copper-gold mine crosses the property and connects to the Obalski electrical distribution station located 4 kilometres south of Chibougamau.

On December 6, 2021, a Montreal-based engineering firm delivered a mineral inventory study on the Roger Property. Although this study does not provide an estimate of the mineral resources at Roger, the work focused on comparing the impact of low percentage of sampling in the historical holes and concluded that the historical holes for which the core is not available for resampling should not be used in any resource estimate and that possibly the remaining holes may be sufficient, subject to further validation, to produce an inferred mineral resource. In particular, it is thought that parts of the Roger deposit contain anomalous copper grades that could be recovered under favourable conditions using the same flow sheet as Opemiska Project.

No field work was undertaken on the Roger Property in the nine months preceding the date of the Opinion.

### **Financial Position and Capital Structure**

The Issuer's fiscal year ("FY") ends on October 31. QC Copper's properties are at the advanced exploration stage and as such QC Copper does not yet generate any revenue.

As at July 31, 2024, QC Copper had \$9.2 million in current assets, a decrease of \$3.1 million from October 31, 2023 when its current assets totalled \$12.3 million, primarily due to the reduction in receivables, cash and investments. As at July 31, 2024, QC Copper's current and total liabilities totalled approximately \$200,000, a decrease of \$60,000 from October 31, 2023. As of the date of the Opinion, the Issuer had no interest-bearing debt outstanding.

As of the date of the Opinion, the Issuer there were 174,317,356 QC Copper Shares issued and outstanding. In addition, there were 5,500,000 warrants outstanding to acquire QC Copper Shares at exercise prices ranging from \$0.25 to \$0.35 and 8,175,000 options outstanding to acquire QC Copper Shares at exercise prices ranging from \$0.18 to \$0.34.

The last financing completed by the Issuer was in April of 2023, when the Issuer issued 11,999,570 QC Copper Shares at \$0.14 per QC Copper Share for gross proceeds of \$1,679,940. In the 30 days preceding the date of the Opinion, the QC Copper Shares were trading in a range of \$0.115 to \$0.135 per QC Copper Share.

## QC COPPER AND GOLD INC.

October 1, 2024

Page 6

- 1.06 Cuprum is focused is a privately owned company focused on advancing its Thierry Project. On December 22, 2020, Canadian Critical Minerals Inc. (“CCMI” and formerly Braveheart Resources Inc.) acquired all shares of Cadillac Ventures Holdings Inc. and on January 26, 2021 Cadillac Ventures Holdings Inc. changed its name to Pickle Lake Minerals Inc (“PMLI”)., which subsequently changed its name to Cuprum on October 30, 2023.

On October 31, 2023, CCMI completed the sale of a controlling interest in its private subsidiary company Cuprum which holds a 100% interest in the Thierry Project to OreCAP Invest Corp. (“OreCAP”). OreCAP acquired a 45% interest in Cuprum for \$1,350,000 in an upfront all-cash deal. CCMI received 3,000,000 share purchase warrants of Cuprum with the following terms 1,000,000 warrants with an exercise price of \$0.10 per common share of Cuprum and exercisable for a period of one year from closing of the transaction, 1,000,000 warrants with an exercise price of \$0.15 per common share of Cuprum and exercisable for a period of two years from closing of the transaction, and 1,000,000 warrants with an exercise price of \$0.20 per common share of Cuprum and exercisable for a period of three years from closing of the transaction. Additionally, CCMI is entitled to receive milestone payments from Cuprum of \$500,000 should the current near surface NI 43-101 resource at Thierry be increased to 100 million tonnes and/or 1.0 billion lbs of copper and an additional \$250,000 should the current near surface NI-43-101 resource at Thierry be increased to 150 million tonnes and/or 1.5 billion lbs of copper.

QC Copper acquired a 10% interest in Cuprum for \$300,000 in an upfront all-cash deal in conjunction with the OreCAP investment. The QC Copper interest was subsequently diluted to 8% following private placements by Cuprum.

The following description of the Thierry Project is taken from the “Preliminary Economic Assessment of the Thierry Cu-Ni-PGE Deposit Thierry Project, Pickle Lake Area Patricia Mining District North-Western Ontario, Canada” prepared for Braveheart Resources Inc. by P & E Mining Consultants Inc. with an effective date of January 21, 2021 (the “Thierry PEA”).

### *Thierry Project*

Cuprum owns 100% of the Thierry Project which is Ontario’s largest copper resource. Thierry spans 4,670 hectares across 27 mineral leases. The Thierry Project also contains 163 contiguous cell claims and 16 boundary claims totalling 3,258 hectares. The total combined property area is 7,907 hectares. The property hosts a past-producing copper and nickel mine with underground and open-pit operations—producing 5.8 million tonnes grading 1.13% copper and 0.14% nickel between 1976 – 1982 by UMEX Inc. Historically, copper concentrate was shipped to the Horne Smelter in Rouyn-Noranda, Quebec. Significant infrastructure is already in place, with the property being accessible via all-season road, a municipal airport within five kilometers, a nearby rail system, and a provincial power grid within eight kilometers.

Thierry is Ontario's largest primary copper resource and includes a recent PEA covering only the underground portion of the known resources. Orecap's view is that Thierry's primary upside is its near-surface bulk tonnage potential growth.

The Thierry Project hosts a NI 43-101 compliant resource across two zones—the Thierry (K2-1) underground deposit, and the K1-1 open pit deposit, along with historical resources at the J & G Zones (see disclosure in the Thierry PEA).

Thierry, and specifically the Thierry underground deposit, was the subject of an updated PEA study by P&E Mining Consultants in April 2022 that outlined a 14-year mine life, producing at a rate of 4,000 tonnes per day recovering 567 million pounds of copper and 21 million pounds of nickel.

Following the acquisition of Cuprum, Orecap assembled all historical data from the mine period and from subsequent exploration activities. This comprised an initial visit to the property and contact with the local authorities in late 2023 and several steps to recover paper documents from several sources as well as interviews with previous professionals involved with the project. The project data was organized into a comprehensive database, uncovering a total of 1,857 drill holes from various sources. Most data came from the K2-1 (Thierry underground mine) and K1-1 deposits.

### **Financial Position and Capital Structure**

Cuprum's FY ends on May 31. As of the date of May 31, 2024, Cuprum had cash and cash equivalents of approximately \$1.49 million and no debt. Cuprum's property is an exploration stage property and as such Cuprum has no revenues.

There are 77,721,659 Cuprum Shares issued and outstanding, of which QC Copper owns 6,000,000 Cuprum Shares. In April of 2024, Cuprum completed a private placement, issuing a total of 8,611,661 flow through and non-flow through shares for gross proceeds of \$1,118,500 and an average price of \$0.13 per Cuprum Share.

## **2.0 Engagement of Evans & Evans, Inc.**

- 2.01 Evans & Evans was formally engaged by the Committee pursuant to an engagement letter signed September 4, 2024 (the "Engagement Letter"). The Engagement Letter provides the terms upon which Evans & Evans has agreed to provide the Opinion to the Committee.

The terms of the Engagement Letter provide that Evans & Evans is to be paid a fixed professional fee for its services. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by QC Copper in certain circumstances. The fee established for the Opinion is not contingent upon the opinions presented.

**3.0 Scope of Review**

3.01 In connection with preparing the Opinion, Evans & Evans has reviewed and relied upon, or carried out, among other things, the following:

- Reviewed the Draft Offer to Purchase all the common shares of Cuprum.
- Reviewed the Companies' press releases for the 18 months preceding the date of the Opinion.
- Interviewed representatives of Cuprum and QC Copper to understand the current and planned operations of the Company.
- Reviewed financial, trading and resource information on the following companies: Granite Creek Copper Ltd.; NorthIsle Copper and Gold Inc.; Wolfden Resources Corporation; Lion Copper and Gold Corp.; Hudbay Minerals Inc.; Foran Mining Corporation; Libero Copper & Gold Corporation; Taseko Mines Limited; Imperial Metals Corporation; NorthWest Copper Corp.; Western Copper and Gold Corporation; Faraday Copper Corp.; Alta Copper Corp. and Arizona Sonoran Copper Company Inc.
- Reviewed information on the Companies markets from a variety of sources.

QC Copper

- Reviewed QC Copper's website ([www.qccopper.com](http://www.qccopper.com)) and Quarter 3, 2024 Investor Presentation.
- Reviewed QC Copper's fully diluted share capitalization table as of the date of the Opinion.
- Reviewed QC Copper's Management's Discussion and Analysis for the three and nine months ended July 31, 2024, three and six months ended April 30, 2024, and the years ended October 31, 2022, and 2023.
- Reviewed QC Copper's unaudited Condensed Interim Financial Statements for the three and nine months ended July 31, 2024 and the three and six months ended April 30, 2024, and 2023.
- Reviewed QC Copper's financial statements for the years ended October 31, 2020, to 2023 as audited by McGovern Hurley LLP of Toronto, Ontario.
- Reviewed and relied extensively on the "Technical Report And Updated Mineral Resource Estimate of the Opemiska Copper-Gold Property, Levy Township, Chapais-Chibougamau Mining District Québec, Canada" prepared for the Issuer by P&E Mining Consultants Inc. with an effective date of January 8, 2024.

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- Reviewed and relied extensively on the “Technical Report on the Cooke-Robitaille Property, Chapais Mining District, Quebec” prepared for QC Copper by AuCu Consulting Inc., with an effective date of October 13, 2020.
- Reviewed trading data for the QC Copper Shares on the Exchange for the 12 months preceding the date of the Opinion. As can be seen from the following chart, the closing price of the QC Copper Shares in the 12 months preceding the date of the Opinion has ranged from a low of \$0.11 (November 2023) to a high of \$0.18 (May 2024). In the 90 days preceding the date of the Opinion, the QC Copper Shares’ closing price has stabilized around \$0.12 to \$0.13.



## Cuprum

- Reviewed Cuprum’s website ([www.cuprum.ca](http://www.cuprum.ca)) and the Quarter 3, 2024 Investor Presentation.
- Reviewed and relied extensively on the “Preliminary Economic Assessment of the Thierry Cu-Ni-PGE Deposit Thierry Project, Pickle Lake Area Patricia Mining District North-Western Ontario, Canada” prepared for Braveheart Resources Inc. by P & E Mining Consultants Inc. with an effective date of January 21, 2021.
- Cuprum’s management-prepared financial statements for the years ended May 31, 2023, and 2024.
- Reviewed CCMI’s Management Discussion and Analysis for the year ended May 31, 2023, and the nine months ended February 29, 2024.
- Reviewed CCMI’s press releases for calendar years 2022 and 2023 related to the Thierry Project.

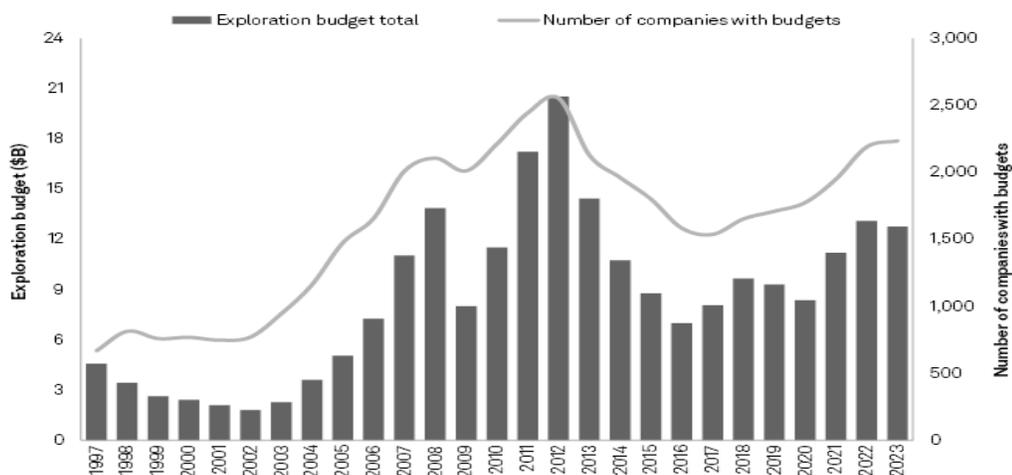
- **Limitation and Qualification:** Evans & Evans did not visit any of the mineral resource properties referenced in the Opinion. Evans & Evans has, therefore, relied on management’s disclosure with respect to the properties / operations of the Companies and the various technical reports outlined in section 3.0 of this Opinion.

#### 4.0 Market Overview

4.01 In determining the fairness of the Proposed Transaction as of the date of the Opinion, Evans & Evans reviewed the overall copper and gold market conditions and the market for exploration and development stage companies.

4.02 Most junior exploration companies are generally reliant on equity financings to advance their properties (as they lack producing assets) and accordingly, their ability to advance mineral resource properties is dependent on market conditions and investor interest. According to S&P Global Market Intelligence in 2023, monetary tightening by central banks has restrained the flow of new capital, directly impacting junior explorers, which rely heavily on capital raisings to finance their exploration programs. As shown in the graph below, the global nonferrous exploration budget fell by 3% year-over-year to US\$12.8 billion in 2023 from US\$13.0 billion in 2022.<sup>2</sup>

Annual nonferrous exploration budgets, 1997–2023

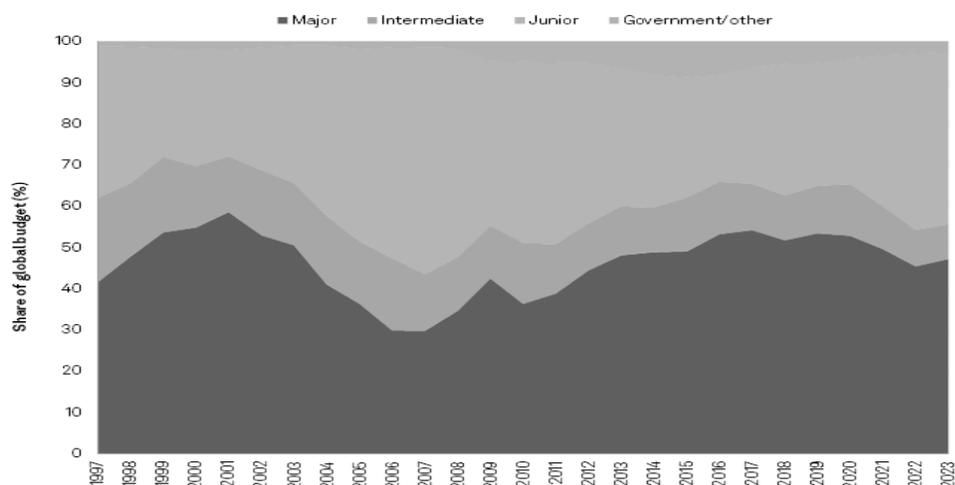


In 2023, major companies exhibited resilience by sustaining a collective budget increase of 1.2% to reach US\$6.02 billion. The erosion of major companies' global budget share since 2020, attributed to the robust post-pandemic growth of junior explorers, was arrested in 2023. Conversely, junior explorers faced a 4.5% year-over-year decline in budgets to

<sup>2</sup> <https://www.spglobal.com/marketintelligence/en/news-insights/research/ces-2023-monetary-tightening-weighs-down-exploration-activity>



US\$5.36 billion, reflecting a loss of momentum amid weakening financing conditions.<sup>3</sup>



4.03 According to IndexBox, a leading global research firm, the global copper ore market is expected to experience substantial growth by 2030. This growth is primarily driven by increasing demand for copper in various sectors, including construction, electrical and electronics, and automotive industries, underpinned by advancements in mining and ore processing technologies. The market's expansion is propelled by the growing electrical and electronics industry, rising construction activities worldwide, and the increasing usage of copper in renewable energy applications. However, the market faces challenges such as environmental concerns related to mining and fluctuating copper prices. Demand for copper ore is influenced by global infrastructure development trends, the burgeoning electric vehicle market, and the shift toward renewable energy sources. Additionally, advancements in telecommunications and the need for high-quality copper in electrical applications shape market demand. Key industries consuming copper ore include the electronics and electrical sector, construction industry, and the automotive sector. The growth of these industries directly impacts the demand for copper ore and concentrates.

The global copper mining market was valued at US\$8.87 billion in 2023 and is projected to grow from US\$9.26 billion in 2024 to US\$11.86 billion in 2032 indicating a compound annual growth rate (“CAGR”) of 3.13% in the forecast period. Copper is mined as composite ore, known as copper oxide ore and copper sulfide. Copper is a necessary component in so many products that the consumption of copper is an important indicator of the economy of a country.<sup>4</sup>

Copper is essential for constructing infrastructure projects such as buildings, bridges, and electric systems. Hence, government initiatives and policies promoting infrastructure

<sup>3</sup> <https://www.spglobal.com/marketintelligence/en/news-insights/research/ces-2023-monetary-tightening-weighs-down-exploration-activity>

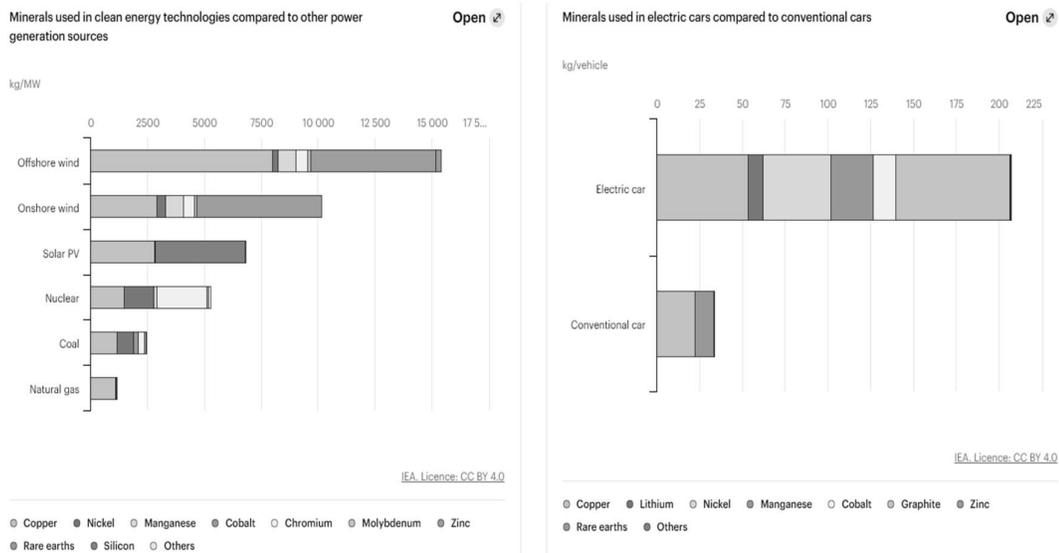
<sup>4</sup> <https://www.fortunebusinessinsights.com/copper-mining-market-105514>

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development can significantly boost the market.<sup>5</sup> Furthermore, the transition to a clean energy system, powered by technologies like solar panels, wind turbines, and electric vehicles, requires significantly more minerals than traditional fossil fuel-based systems. For example, electric cars need six times more minerals than conventional cars, and wind farms require nine times more than gas-fired plants. The demand for minerals such as lithium, nickel, cobalt, and copper has surged, as these materials are essential for batteries, wind turbines, and electricity networks. As clean energy adoption increases, the energy sector is becoming a dominant force in mineral markets, with demand for certain minerals expected to rise dramatically, especially in scenarios aligned with the Paris Agreement goals.<sup>6</sup>



As shown in the chart below, over the period from January 2021 to the date of the Opinion, copper price has fluctuated between US\$3.24 per pound to US\$5.11 per pound. Copper was trading at US\$4.69 per pound as of the date of the Opinion.<sup>7</sup>



4.04 In the Fraser Institute Annual Survey of Mining Companies (2023), Quebec ranked 5/86 (2022 – 34/62) and Ontario ranked 10/86 (2022-12/62) on the Investment Attractiveness

<sup>5</sup> <https://www.fortunebusinessinsights.com/copper-mining-market-105514>

<sup>6</sup> [https://orocoresourcecorp.com/\\_resources/blog/Copper-Market-Analysis-RFC-Ambrian-May-2022.pdf](https://orocoresourcecorp.com/_resources/blog/Copper-Market-Analysis-RFC-Ambrian-May-2022.pdf)

<sup>7</sup> <https://comexlive.org/copper/>

Index . On the Policy Perception Index Quebec and Ontario ranked 6/86 (2022 – 14/62) and 13/86 (2022-18/62), respectively.<sup>8</sup>

- 4.06 The global precious metal market size was valued at US\$209.4 billion in 2023 and is expected to grow at a compound annual growth rate (“CAGR”) of 6.8% from 2023 to 2032 to reach an estimated value of US\$323.2 billion. The market is segmented into gold, silver, platinum, palladium and some other metals. The significant increase in investments in precious metals is a major driving force behind the global market. Economic instability and inflation fears continue to drive investments in gold and silver as safe-haven assets, reinforcing their value during times of financial uncertainty. Technological advancements are expanding the use of precious metals in various industries, from electronics and automotive to renewable energy, particularly in the development of solar panels and electric vehicles, which require silver, platinum, and palladium.<sup>9</sup>

The Asia Pacific region emerged as the foremost market for precious metals due to several factors. Included among these factors are the expanding production within the automotive sector and the growing disposable incomes of individuals, both contributing to a heightened demand for precious jewelry. Furthermore, there is a notable shift towards contemporary investment avenues and heightened purchases of precious metals by central banks in countries such as China, India, and South Korea, further bolstering market expansion. Additionally, the rapid expansion of industries like consumer electronics, pharmaceuticals, refinery, and petrochemicals in the region has led to a surge in demand for precious metals across diverse applications.<sup>2</sup>

- 4.07 The increase in demand for gold jewelry led to the growth of the gold ore market. According to the World Gold Council, a UK-based market development organization for the gold industry, worldwide annual jewelry consumption of gold was 2,092.6 tonnes in 2023, a marginal increase from 2,089 tonnes in 2022. The increase in demand for gold jewelry is driving the gold ore market.<sup>10</sup>

The cooling labor market that triggered fears of recession in the United States, coupled with the inflation rate inching below 3.0%, cemented rate cut expectations by the Federal Reserve (“Fed”). Geopolitics remain a safe-haven demand driver for gold, with the Israel-Hamas conflict intensifying and threatening to spill over into neighboring states. Factoring in a small correction from the new price high, it is estimated that a September-quarter gold price average of US\$2,450/ounce. The uptrend continuing in the final months of the year with the upcoming United States presidential election and one-year anniversary of the Israel-Hamas war, yielding an average of US\$2,525/ounce for the last quarter and US\$2,346/ounce for the year.

A combination of supportive factors for the gold market drove the London Bullion Market Association price to a new peak of US\$2,529.75/ounce on August 20, 2024. The uptrend

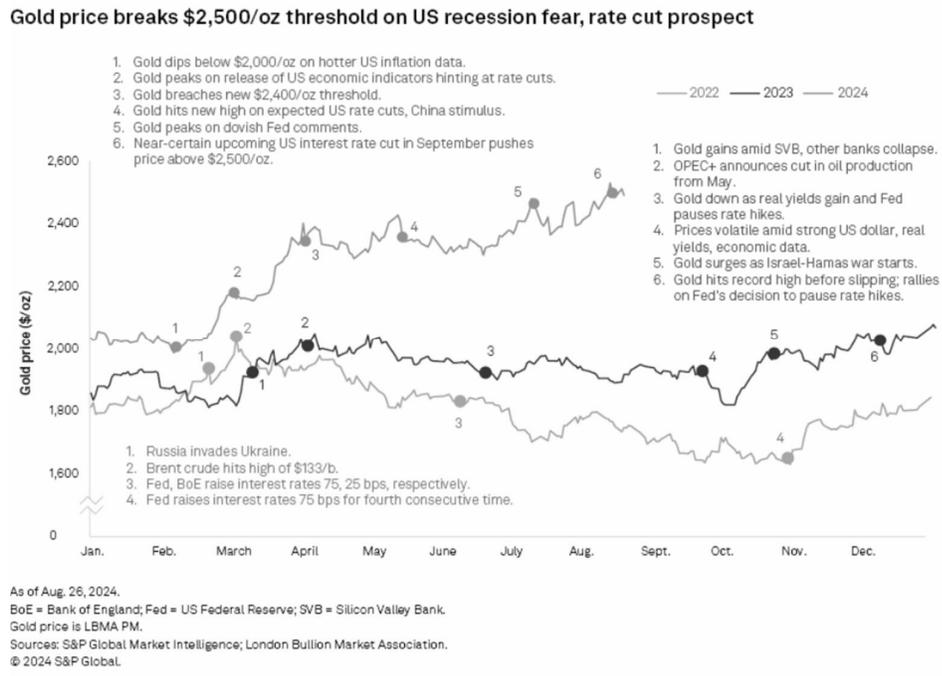
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<sup>8</sup> <https://www.fraserinstitute.org/sites/default/files/2023-annual-survey-of-mining-companies.pdf>

<sup>9</sup> <https://www.imarcgroup.com/precious-metals-market>

<sup>10</sup> <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2023/jewellery>

was supported by the growing certainty throughout August of the Fed cutting United States interest rates at their next scheduled meeting in September. Further, heightening and broadening geopolitical risks and the challenging macroeconomic outlook, globally as well as locally in the United States in the lead-up to the presidential election, make for uncertain times during which gold shines as a safe haven.<sup>11</sup>



## 5.0 Prior Valuations

5.01 The Companies have stated to Evans & Evans that there have been no formal valuations or appraisals relating to the Companies or any affiliate or any of their respective material assets or liabilities made in the preceding three years which are in the possession or control of the Companies.

## 6.0 Conditions and Restrictions

6.01 The Opinion may not be issued to anyone, nor relied upon by any party beyond the Committee, the Exchange and the court approving the Proposed Transaction. The Opinion may be shared with the Board and the management of QC Copper at the discretion of the Committee. The Opinion may be referenced and/or included in Issuer's information circular and may be submitted to the QC Copper Shareholders and / or in a joint mailing to the Cuprum shareholders (if required).

<sup>11</sup> Gold Commodity Briefing Service- August 2024 – Rate cut hopes, geopolitics drive prices to new peaks - S&P Capital IQ

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- 6.02 The Opinion may not be issued to any international stock exchange and/or regulatory authority beyond the Exchange.
- 6.03 The Opinion may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor stock exchanges, or other regulatory authorities, nor any Canadian or international tax authority. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter (other than relating to the approval of the Proposed Transaction).
- 6.04 Any use beyond that defined above is done without the consent of Evans & Evans and readers are advised of such restricted use as set out above.
- 6.05 The Opinion should not be construed as a formal valuation or appraisal of QC Copper, the Target or any of their securities or assets. Evans & Evans, has, however, conducted such analyses as we considered necessary in the circumstances.
- 6.06 In preparing the Opinion, Evans & Evans has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Companies. Evans & Evans has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Opinion has also been used.
- The Opinion is based on: (i) our interpretation of the information which the Companies, as well as their representatives and advisers, have supplied to date; (ii) our understanding of the terms of the Proposed Transaction; and (iii) the assumption that the Proposed Transaction will be consummated in accordance with the expected terms.
- 6.07 The Opinion is necessarily based on economic, market and other conditions as of the date hereof, and the written and oral information made available to us until the date of the Opinion. It is understood that subsequent developments may affect the conclusions of the Opinion, and that, in addition, Evans & Evans has no obligation to update, revise or reaffirm the Opinion.
- 6.08 Evans & Evans denies any responsibility, financial, legal or other, for any use and/or improper use of the Opinion however occasioned.
- 6.09 Evans & Evans is expressing no opinion as to the price at which any securities of QC Copper will trade on any stock exchange at any time.
- 6.10 Evans & Evans was not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of or merger with QC Copper. Our opinion also does not address the relative merits of the Proposed Transaction as compared to any alternative business strategies or transactions that might exist for QC

Copper, the underlying business decision of QC Copper to proceed with the Proposed Transaction, or the effects of any other transaction in which Issuer will or might engage.

- 6.11 Evans & Evans expresses no opinion or recommendation as to how any shareholder of QC Copper should vote or act in connection with the Proposed Transaction, any related matter or any other transactions. We are not experts in, nor do we express any opinion, counsel or interpretation with respect to, legal, regulatory, accounting or tax matters. We have assumed that such opinions, counsel or interpretation have been or will be obtained by QC Copper from the appropriate professional sources. Furthermore, we have relied, with QC Copper's consent, on the assessments by QC Copper and its advisors, as to all legal, regulatory, accounting and tax matters with respect to QC Copper and the Proposed Transaction, and accordingly we are not expressing any opinion as to the value of QC Copper's tax attributes or the effect of the Proposed Transaction thereon.
- 6.12 Evans & Evans is expressing no opinion as to whether any alternative transaction might have been more beneficial to the shareholders of QC Copper.
- 6.13 Evans & Evans reserves the right to review all information and calculations included or referred to in the Opinion and, if it considers it necessary, to revise part and/or its entire Opinion and conclusion in light of any information which becomes known to Evans & Evans during or after the date of this Opinion.
- 6.14 In preparing the Opinion, Evans & Evans has relied upon a letter from management of QC Copper confirming to Evans & Evans in writing that the information and management's representations made to Evans & Evans in preparing the Opinion are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Opinion.
- 6.15 Evans & Evans has based its Opinion upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view, to the QC Copper Shareholders of the Proposed Transaction were based on its review of the Proposed Transaction taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the Proposed Transaction or the Proposed Transaction outside the context of the matters described under "Scope of Review". The Opinion should be read in its entirety.
- 6.15 Evans & Evans and all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers,

shareholders or employees, shall be limited to the fees charged and paid for the Opinion. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Opinion.

**7.0 Assumptions**

7.01 In preparing the Opinion, Evans & Evans has made certain assumptions as outlined below.

7.02 With the approval of QC Copper and as provided for in the Engagement Letter, Evans & Evans has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by it from public sources or provided by the Companies or their affiliates or any of their respective officers, directors, consultants, advisors or representatives (collectively, the “Information”). The Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. In accordance with the terms of the Engagement Letter, but subject to the exercise of its professional judgment, and except as expressly described herein, Evans & Evans has not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

7.03 Senior officers of QC Copper represented to Evans & Evans that, among other things: (i) the Information (other than estimates or budgets) provided orally by, an officer or employee of QC Copper or in writing by Issuer (including, in each case, affiliates and their respective directors, officers, consultants, advisors and representatives) to Evans & Evans relating to QC Copper, its affiliates or the Proposed Transaction, for the purposes of the Engagement Letter, including in particular preparing the Opinion was, at the date the Information was provided to Evans & Evans, fairly and reasonably presented and complete, true and correct in all material respects, and did not, and does not, contain any untrue statement of a material fact in respect of QC Copper, its affiliates or the Proposed Transaction and did not and does not omit to state a material fact in respect QC Copper, its affiliates or the Proposed Transaction that is necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to portions of the Information that constitute financial estimates or budgets, they have been fairly and reasonably presented and reasonably prepared on bases reflecting the best currently available estimates and judgments of management of the Companies or their associates and affiliates as to the matters covered thereby and such financial estimates and budgets reasonably represent the views of management of the Companies; and (iii) since the dates on which the Information was provided to Evans & Evans, except as disclosed in writing to Evans & Evans, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Companies or any of their affiliates and no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on the Opinion.

- 7.04 In preparing the Opinion, we have made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to us, all of the conditions required to implement the Proposed Transaction will be met, all consents, permissions, exemptions or orders of relevant third parties or regulating authorities will be obtained without adverse condition or qualification, the procedures being followed to implement the Proposed Transaction are valid and effective and that the disclosure provided or (if applicable) incorporated by reference in any information circular provided to shareholders with respect to QC Copper, the Target and the Proposed Transaction will be accurate in all material respects and will comply with the requirements of applicable law. Evans & Evans also made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Evans & Evans and any party involved in the Proposed Transaction. Although Evans & Evans believes that the assumptions used in preparing the Opinion are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.
- 7.05 The Companies and all of their related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Opinion that would affect the evaluation or comment.
- 7.06 As of July 31, 2024 and May 31, 2024, all assets and liabilities of QC Copper and Cuprum, respectively, have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.
- 7.07 There were no material changes in the financial position of the Companies between the date of their financial statements and October 1, 2024 unless noted in the Opinion. Evans & Evans specifically draws reference to more recent cash and debt balances of the Companies as outlined in section 1.0 of this Opinion.
- 7.08 All options and warrants “in-the-money” based on the trading price of the Companies and the value implied by the Exchange Ratio are assumed to be exercised at the close of the Proposed Transaction.
- 7.09 Representations made by the Companies as to the number of shares outstanding are accurate.
- 8.0 Analysis of QC Copper**
- 8.01 In assessing the fairness of the Proposed Transaction, Evans & Evans considered the following analyses and factors, amongst others with respect to QC Copper: (1) trading price analysis; (2) historical financings; (3) guideline public company analysis; and (4) other considerations.



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- 8.02 Evans & Evans reviewed QC Copper’s trading prices over the 10, 30, 90 and 180 trading days preceding the date of the Opinion. As can be seen from the following table, in the 180 trading days preceding the date of the Opinion, the Issuer’s closing share price on the Exchange ranged from an average range of \$0.126 to \$0.131 per QC Copper Share. While Evans & Evans reviewed data over a 180-day trading period, the analysis focused on the 30 to 90 days preceding the date of the Opinion. In the view of Evans & Evans, given changes in the market, a long-term view is not appropriate. It does appear from trading data that the Issuer’s share price has stabilized in the range of \$0.12 to \$0.13 which is a slight discount to the last round of financing in 2023.

<b>Trading Price</b>	<b>September 30, 2024</b>		
	<u>Minimum</u>	<u>Average</u>	<u>Maximum</u>
10-Days Preceding	\$0.120	\$0.126	\$0.130
30-Days Preceding	\$0.115	\$0.126	\$0.135
90-Days Preceding	\$0.115	\$0.131	\$0.180
180-Days Preceding	\$0.115	\$0.131	\$0.180

In undertaking the share price analysis, the authors of the Opinion deemed it necessary to examine the trading history of QC Copper to determine the actual ability of the QC Copper Shareholders to realize the implied value of their shares (i.e., sell). The analysis of QC Copper trading volumes also provides an indicator of the additional liquidity the Cuprum shareholders are receiving by exchanging their shares in a private entity for shares in a publicly listed entity.

As can be seen from the tables below, in the 180 trading days preceding the date of the Opinion, approximately 22.0 million QC Copper Shares were traded, representing 12.6% of QC Copper’s outstanding shares prior to the completion of the Proposed Transaction. Prior to the date of the Opinion, the Issuer’s shares traded on 173 of the 180 trading days considered. The relatively low trading volumes imply that the ability of large numbers of Cuprum and or QC Copper shareholders to convert their shares to cash is limited.

<b>Trading Volume</b>	<b>September 30, 2024</b>				
	<u>Minimum</u>	<u>Average</u>	<u>Maximum</u>	<u>Total</u>	<u>%</u>
10-Days Preceding	0	16,478	78,000	164,785	0.1%
30-Days Preceding	0	58,791	292,500	1,763,717	1.0%
90-Days Preceding	0	76,173	379,175	6,855,543	3.9%
180-Days Preceding	0	122,445	1,234,989	22,040,137	12.6%

Given the limited trading volumes, Evans & Evans also considered the volume weighted average price (“VWAP”) of QC Copper. Over the 30 trading days preceding the date of the Opinion, QC Copper’s VWAP has ranged between \$0.124 to \$0.127 on the Exchange.

<b>10-Day VWAP</b>	<b>\$0.127</b>	<b>20-Day VWAP</b>	<b>\$0.124</b>
<b>15-Day VWAP</b>	<b>\$0.125</b>	<b>30-Day VWAP</b>	<b>\$0.126</b>

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- 8.03 Evans & Evans assessed the reasonableness of the current market capitalization of the Issuer based on the last round of financing secured by QC Copper. The last round of financing of QC Copper was completed in April 2023, when QC Copper raised gross proceeds of approximately \$1,700,000 through the issuance of shares at a price of \$0.14 per QC Copper Share. As of the date of the Opinion, the Issuer's share price had declined appropriately 7% since the last round of financing. The relatively stable trading price given the uncertain financing market for junior resource issuers is positive.
- 8.04 Evans & Evans assessed the reasonableness of the Issuer's current market capitalization by comparing certain of the related valuation metrics for copper - gold guideline public companies ("GPCs"). The identified GPCs selected were considered reasonably comparable to QC Copper and Cuprum. Evans & Evans calculated the enterprise value<sup>12</sup> ("EV") per pound of NI 43-101 copper equivalent ("CuEq") reserves and resources. In calculating the reserves and resources used in the model for the Companies and the GPCs, Evans & Evans considered 100% of mineral reserves, 100% of measured and indicated mineral resources and 50% of inferred mineral resources. The inferred mineral resources were discounted given the uncertainty and work required to upgrade such resources. In selecting the GPCs, Evans & Evans did focus on companies with projects in North America.

Evans & Evans identified 14 GPCs, one of which was subsequently removed as an outlier. Evans & Evans found the EV / CuEq multiples for the 13 remaining GPCs ranged from \$0.003 to \$0.098 per pound with an average of \$0.026 and a median of \$0.023. As of the date of the Opinion, QC Copper was trading at \$0.0048 per pound, which was below the average and the median, implying there is potential for share appreciation.

In assessing the reasonableness of the above, we considered the following:

- there are a limited number of directly comparable public companies, when one considers differentiating factors such as stage of exploration and number of properties;
- QC Copper has one primary property and many of the GPCs had multiple projects or projects at a more advanced stage of development;
- no company considered in the analysis is identical to QC Copper; and,
- an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning the differences in the financial and operating characteristics QC Copper, the Proposed Transaction and other factors that could affect the trading value and aggregate transaction values of the companies to which they are being compared.

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<sup>12</sup> Enterprise value = market capitalization less cash plus debt / minority interest / preferred shares

8.05 Evans & Evans assessed the reasonableness of the implied \$10.2 million to \$10.4 million equity value<sup>13</sup> to be paid for Cuprum and the implied EV / CuEq multiple. The Proposed Transaction metrics imply QC Copper is issuing shares to Cuprum at an implied EV per pound of CuEq mineral resources of \$0.0103 to \$0.0106. While the EV / CuEq multiple is higher than the current trading multiples of QC Copper, it is a 55% to 60% discount to the average and median of the GPCs and as such does not appear unreasonable.

## **9.0 Analysis of Cuprum**

9.01 In assessing the fairness of the Proposed Transaction and the reasonableness of the Exchange Ratio, Evans & Evans considered the following analyses and factors, amongst others with respect to the Target: (1) historical financings; (2) guideline company analysis; (3) precedent transaction analyses; and (4) other considerations.

9.02 As outlined in section 1.06 of the Opinion, Cuprum has received several investments over the past three years. In October of 2023, Orecap acquired a 45% interest in Cuprum in exchange for a cash payment of \$1.35 million and at the same time, QC Copper acquired a 10% interest in exchange for a cash payment of \$300,000, implying a value for Cuprum in October of 2023 in the range of \$3.0 million. In April of 2024, Cuprum completed a flow through and non-flow through financing for gross proceeds of approximately \$1.18 million, implying a value for the Target in April of 2024 in the range of \$10.0 million. It is important to note that the April 2024 financing was relatively small, with investors in the round holding approximately 11% of Cuprum post-financing. Further, the April 2024 financing included the issuance of both flow-through and non-flow through common shares. Flow-through shares are generally issued at a premium to non-flow through shares as they carry significant tax advantages for investors.

As noted in section 8.05 of this Opinion, the equity value implied by the Exchange Ratio is in the range of \$10.2 to \$10.4 million, which represents a premium of approximately 12% to 15% to Cuprum's last round of hard dollar financing. In the experience of Evans & Evans, historical premiums for resource issuers in mergers & acquisitions transactions have been in the range of 30% to 50% of their trading price. While the premiums have been more volatile in the 24 months preceding the date of the Opinion due to the financing market for junior resource issuers, a 15% premium is not unreasonable.

9.03 Evans & Evans assessed the reasonableness on the Exchange Ratio based on an EV per pound of NI 43-101 compliant CuEq reserves and resources as outlined in the Thierry PEA. As noted above, the implied EV / CuEq multiple was \$0.0103 to \$0.0106 which is above the trading multiples of QC Copper but well below the average and the medians of the peers. As the Thierry Project does have a PEA, it is not unreasonable for the multiple to be above that of a company like QC Copper which has MREs for its properties but has not yet advanced to a PEA or pre-Feasibility Study stage.

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<sup>13</sup> QC Copper 10-day, 20-day and 30-day VWAP at the date of the Opinion multiplied by the number of Issuer Shares to be issued to Cuprum shareholders

In assessing the reasonableness of the above, we considered the following:

- there are a limited number of directly comparable public companies, when one considers differentiating factors such as stage of exploration and number of properties;
- the Thierry Project does have a PEA;
- no company considered in the analysis is identical to the Target; and,
- an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning the differences in the financial and operating characteristics the Issuer, the Proposed Transaction and other factors that could affect the trading value and aggregate transaction values of the companies to which they are being compared.

9.04 Evans & Evans assessed the reasonableness of the equity value of the Target by comparing certain of the related valuation metrics to the metrics indicated by transactions involving the acquisition of copper companies in the two years preceding the date of the Opinion. Evans & Evans found the multiples varied significantly and many of the projects were less advanced than the Thierry Project. Overall, the acquisition multiples were supportive of the median of the identified transactions.

## **10.0 Fairness Conclusions**

10.01 In considering fairness, from a financial point of view, Evans & Evans considered the Proposed Transaction from the perspective of the QC Copper Shareholders as a group and did not consider the specific circumstances of any particular securityholder, including with regard to income tax considerations.

10.02 Based upon and subject to the foregoing and such other matters as we consider relevant, it is our opinion, as of the date hereof and the date of the Opinion, that the Exchange Ratio is fair, from a financial point of view, to the QC Copper Shareholders.

10.03 In arriving at the conclusion as to fairness, from a financial standpoint, Evans & Evans did consider the following quantitative and qualitative issues which shareholders might consider when reviewing the Proposed Transaction. Evans & Evans has not attempted to quantify the qualitative issues.

- a. As outlined in section 8.0 of the Opinion, QC Copper is trading at the low end of the multiples of its peers and the diversification through the addition of the Thierry Project may bring about share appreciation.
- b. Combining the Companies creates diversification for QC Copper Shareholders as noted above. Further, the Thierry Project is more advanced than the existing QC Copper projects. The MRE at Thierry significantly increases the QC Copper global resource estimate which may result in share appreciation.

- c. Synergies are expected to be created in terms of general and administrative cost savings which potentially increase the funds available for exploration.
- d. As outlined in section 9.02 of this Opinion, the Exchange Ratio implied a 15% premium to Cuprum's last round of hard dollar financing. While historically, premiums for natural resource issues have been in the range of 30% to 50%, there has been more volatility over the past 18 months given difficult market conditions, particularly for more junior issuers. A small premium to the last round of financing is not unreasonable.
- e. QC Copper's cash on hand is expected to provide sufficient funding to achieve objectives over the next 12 to 18 months.

## **11.0 Qualifications & Certification**

- 11.01 The Opinion preparation was carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For over 35 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of several thousand technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the CBV Institute and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing several valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CBV Institute and the ASA.

**QC COPPER AND GOLD INC.**

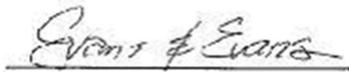
October 1, 2024

Page 24

11.02 The analyses, opinions, calculations and conclusions were developed, and this Opinion has been prepared in accordance with the standards set forth by the CBV Institute.

11.03 The authors of the Opinion have no present or prospective interest in the Companies, or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

Yours very truly,

A handwritten signature in cursive script that reads "Evans & Evans". The signature is written in dark ink and is positioned above a thin horizontal line.

**EVANS & EVANS, INC.**

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**EVANS & EVANS, INC.**

# EVANS & EVANS, INC.

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SUITE 130, 3<sup>RD</sup> FLOOR, BENTALL II, 555 BURRARD STREET  
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CANADA V7X 1M8

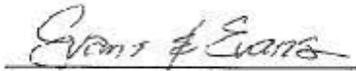
19<sup>TH</sup> FLOOR, 700 2<sup>ND</sup> STREET SW  
CALGARY, ALBERTA  
CANADA T2P 2W2

357 BAY STREET  
TORONTO, ONTARIO  
CANADA M5H 4A6

## CONSENT OF EVANS & EVANS, INC.

**To: The Special Committee of the Board of Directors and the Board of Directors of QC Copper and Gold Inc. (“QC Copper”).**

We hereby consent to the references to our firm name in the circular dated October 25, 2024 (the “**Circular**”) and to the inclusion of the Fairness Opinion as Schedule "C" to the Circular. In providing such consent, except as may be required by securities laws, we do not intend that any persons other than the QC Copper Board and QC Copper Special Committee rely upon such opinion.



**EVANS & EVANS, INC.**  
Vancouver, British Columbia  
October 25, 2024

**SCHEDULE D**  
**PRO FORMA FINANCIAL STATEMENTS OF THE COMBINED ENTITY**

(attached)





# **QC COPPER & GOLD**

**QC Copper and Gold Inc.**

**Pro Forma Consolidated Financial Statements**

**July 31, 2024**

*(Unaudited - Expressed in Canadian Dollars)*

**QC COPPER AND GOLD INC.**  
**PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
As at JULY 31, 2024  
(Unaudited - Expressed in Canadian dollars)

	QC Copper & Gold	Cuprum Corp.	Adjustments	Pro Forma Consolidated
<b>ASSETS</b>				
<b>Current</b>				
Cash	\$4,595,488	\$850,570	(\$345,000) <sup>1</sup> 100,000 <sup>2</sup>	<b>\$5,201,058</b>
Restricted cash	55,000	-	-	<b>\$55,000</b>
Amounts receivable	1,409,919	47,594	-	<b>\$1,457,513</b>
Investments	2,955,715	-	110,736 <sup>3</sup> (830,736) <sup>4</sup>	<b>\$2,235,715</b>
Due from related parties	74,218	3,538	(3,252) <sup>5</sup>	<b>\$74,504</b>
Prepaid expenses	142,877	3,364	-	<b>\$146,241</b>
Total current assets	9,233,217	905,066	(968,252)	<b>9,170,936</b>
Restricted cash	-	412,905	-	<b>412,905</b>
Equipment	51,375	-	-	<b>\$51,375</b>
<b>TOTAL ASSETS</b>	<b>\$9,284,592</b>	<b>\$1,317,971</b>	<b>(\$968,252)</b>	<b>\$9,634,311</b>
<b>LIABILITIES</b>				
<b>Current</b>				
Accounts payable and accrued liabilities	201,061	1,326,676	-	<b>1,527,737</b>
Due to related party	-	3,252	(3,252) <sup>5</sup>	-
Asset retirement obligation	-	1,437,439	-	<b>1,437,439</b>
Flow-through share liability	-	28,000	-	<b>28,000</b>
Restricted share unit liabilities	-	156,734	(156,734) <sup>6</sup>	-
<b>TOTAL LIABILITIES</b>	<b>201,061</b>	<b>2,952,101</b>	<b>(159,986)</b>	<b>2,993,176</b>
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	20,103,140	3,000,874	117,287 <sup>2</sup> 10,068,750 <sup>6</sup> (3,118,161) <sup>7</sup>	<b>\$30,171,890</b>
Reserves	3,180,350	62,590	(17,287) <sup>2</sup> 82,753 <sup>8</sup> (45,303) <sup>8</sup> 844,582 <sup>6</sup>	<b>\$4,107,685</b>
Deficit	(14,199,959)	(4,697,594)	(345,000) <sup>1</sup> 110,736 <sup>3</sup> (830,736) <sup>4</sup> (12,373,481) <sup>9</sup> 4,697,594 <sup>10</sup>	<b>(\$27,638,440)</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>9,083,531</b>	<b>(1,634,130)</b>	<b>(808,266)</b>	<b>6,641,135</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$9,284,592</b>	<b>\$1,317,971</b>	<b>(\$968,252)</b>	<b>\$9,634,311</b>

*Adjustments:*

1. Cash expenditures related to the Transaction
2. In October 2024, Cuprum issued 1,000,000 common shares from the exercise of warrants for gross proceeds of \$100,000. Reclassify warrant reserves for \$17,287 to share capital.
3. To adjust the value of the shares in Cuprum held by QC Copper to fair value based on the transaction of QC Copper shares at the exchange ratio of 1.1538 QC Copper shares for every Cuprum share.
4. To eliminate investment in Cuprum on consolidation.
5. To eliminate intercompany balances on consolidation.
6. 83,906,252 shares issued at exchange rates of 1.1538 QC Copper shares for every Cuprum share. QC Copper shares at \$0.12, the closing share price on July 31, 2024. No shares were issued for the 6,000,000 Cuprum shares already owned by QC Copper which is eliminated from the consolidated investments. Refer to Note 2.
7. Cuprum share capital eliminate on consolidation.
8. Cuprum's Reserves is eliminated on consolidation, with outstanding Cuprum warrants revalued based terms for their exchange under the transaction.
9. The merger is treated as an asset acquisition for consolidated financial reporting purposes, with QC Copper acquiring the net assets of Cuprum. As QC Copper expenses its exploration and evaluation expenditures, the value of mineral properties acquired is recognized in deficit.
10. Cuprum's accumulated deficit is eliminated on consolidation

*The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.*

**QC COPPER AND GOLD INC.****PRO FORMA CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the nine months ended July 31, 2024

(Unaudited - Expressed in Canadian dollars)

	QC Copper and Gold	Cuprum Corp.	Adjustments	Pro Forma Consolidated
<b>EXPENSES</b>				
Exploration expense <sup>1</sup>	\$1,130,483	\$549,726	\$13,204,217	<b>\$14,884,426</b>
Consulting, wages and management fees	384,763	39,883	-	<b>424,646</b>
Professional fees <sup>2</sup>	48,786	227,369	262,500	<b>538,655</b>
Transfer agent, filing fees and shareholder communications <sup>2</sup>	141,945	-	82,500	<b>224,445</b>
Travel and related costs	47,950	-	-	<b>47,950</b>
Office, rent and general	41,628	17,265	-	<b>58,893</b>
Accretion expense	-	16,166	-	<b>16,166</b>
Amortization	9,533	-	-	<b>9,533</b>
Interest and bank charges	-	17,942	-	<b>17,942</b>
Share-based payments	426,628	156,734	-	<b>583,362</b>
<b>TOTAL EXPENSES</b>	<b>\$2,231,716</b>	<b>\$1,025,085</b>	<b>\$13,549,217</b>	<b>\$16,806,018</b>
Unrealized loss (gain) on marketable securities, net	1,480,000	-	(110,736)	<b>1,369,264</b>
Interest income	(185,848)	(29,625)	-	<b>(215,473)</b>
<b>Deferred income tax recovery</b>				
Flow-through share premium liability renunciation	-	(67,000)	-	<b>(67,000)</b>
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>\$3,525,868</b>	<b>928,460</b>	<b>13,438,481</b>	<b>17,892,809</b>

1. To recognize the exploration and evaluation expense on acquisition. Refer to Note 2.

2. To recognize transaction costs.

The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.

**QC COPPER AND GOLD INC.****PRO FORMA CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the year ended October 31, 2023

(Unaudited - Expressed in Canadian dollars)

	QC Copper and Gold	Cuprum Corp.	Adjustments	Pro Forma Consolidated
<b>EXPENSES</b>				
Exploration expense <sup>1</sup>	\$4,002,725	\$903,724	\$13,204,217	<b>\$18,110,666</b>
Consulting, wages and management fees	380,405	-	-	<b>380,405</b>
Professional fees <sup>2</sup>	121,463	-	262,500	<b>383,963</b>
Transfer agent, filing fees and shareholder communications <sup>2</sup>	155,791	-	82,500	<b>238,291</b>
Travel and related costs	28,167	-	-	<b>28,167</b>
Office, rent and general	131,764	-	-	<b>131,764</b>
Accretion expense	-	50,307	-	<b>50,307</b>
Amortization	11,107	-	-	<b>11,107</b>
Interest and bank charges	-	4,174	-	<b>4,174</b>
Share-based payments	146,527	-	-	<b>146,527</b>
<b>TOTAL EXPENSES</b>	<b>\$4,977,949</b>	<b>\$958,205</b>	<b>\$13,549,217</b>	<b>\$19,485,371</b>
Unrealized loss on marketable securities, net	2,645,908	-	(110,736)	<b>2,535,172</b>
Interest income	(301,635)	(9,774)	-	<b>(311,409)</b>
<b>Deferred income tax recovery</b>				
Flow-through share premium liability renunciation	-	-	-	-
<b>NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>	<b>\$7,322,222</b>	<b>\$948,431</b>	<b>\$13,438,481</b>	<b>21,709,134</b>

1. To recognize the exploration and evaluation expense on acquisition. Refer to Note 2.

2. To recognize transaction costs.

The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.

## **QC Copper and Gold Inc.**

Notes to the Pro Forma Consolidated Financial Statements as at July 31, 2024 and for the nine months ended July 31, 2024 and the year ended October 31, 2023  
(Unaudited - Expressed in Canadian dollars)

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### **1. BASIS OF PREPARATION**

These unaudited pro forma consolidated financial statements have been prepared in connection with the proposed transaction between QC Copper and Gold Inc. (the “Company” or “QC Copper”) and Cuprum Corp. (“Cuprum”), whereby QC Copper will acquire all of the issued and outstanding common shares of Cuprum (the “Transaction”). The Transaction is expected to close in December, 2024.

These unaudited pro forma consolidated financial statements have been prepared from information derived from, and should be read in conjunction with, the unaudited condensed interim financial statements of QC Copper for the three and nine months ended July 31, 2024 and the financial statements of QC Copper for the year ended October 31, 2023, the unaudited condensed interim financial statements of Cuprum for the three months ended August 31, 2024 and the financial statements of Cuprum for the year ended May 31, 2024. The historical financial statements of QC Copper and Cuprum were prepared in accordance with International Financial Reporting Standards (“IFRS”). These unaudited pro forma consolidated financial statements have been compiled as follows:

- a. An unaudited pro forma consolidated statement of financial position as at July 31, 2024 combining:
  - i. The unaudited condensed interim statement of financial position of QC Copper as at July 31, 2024;
  - ii. The unaudited condensed interim statement of financial position of Cuprum as at August 31, 2024; and
  - iii. The footnotes following the pro forma statements.
  
- b. An unaudited pro forma consolidated statement of net loss and comprehensive loss for the nine months ended July 31, 2024 combining:
  - i. The unaudited condensed interim statement of net loss and comprehensive loss of QC Copper for the nine months ended July 31, 2024;
  - ii. The unaudited condensed interim statement of net loss and comprehensive loss of Cuprum for the nine months ended August 31, 2024; and
  - iii. The footnotes following the pro forma statements.
  
- c. An unaudited pro forma consolidated statement of comprehensive (loss) / earnings for the year ended October 31, 2023, combining:
  - i. The statement of net loss and comprehensive loss of QC Copper for the year ended October 31, 2023;
  - ii. The statement of net loss and comprehensive loss of Cuprum for the year ended August 31, 2023; and
  - iii. The footnotes following the pro forma statements.

The unaudited pro forma consolidated statement of financial position as at July 31, 2024 reflects the Transaction described in Note 4 as if it was completed on July 31, 2024. The unaudited pro forma consolidated statement of Net loss and comprehensive loss for the nine months ended July 31, 2024 and for the year ended October 31, 2023 have been prepared as if the proposed Transaction described in Note 3 had occurred on November 1, 2022.

The unaudited pro forma consolidated financial statements are not intended to reflect the financial performance or the financial position of the Company which would have resulted had the Transaction been affected on the dates indicated. Actual amounts recorded upon completion of the proposed Transaction will likely differ from those recorded in the unaudited pro forma consolidated financial statements and such differences could be material. Any potential synergies that may be realized, integration costs that may be incurred upon completion of the Transaction or other non-recurring changes have been excluded from the unaudited pro forma financial information. Further, the pro forma financial information is not necessarily indicative of the results of operations that may be obtained in the future.

### **2. IDENTIFIABLE ASSETS ACQUIRED AND LIABILITIES ASSUMED IN THE TRANSACTION**

QC Copper has applied the optional concentration test under IFRS in the assessment of whether the acquisition of Cuprum is a considered an acquisition of a business or an asset acquisition. As the acquisition of Cuprum met the concentration test, QC Copper has accounted for the Transaction as an asset acquisition, measured under

## QC Copper and Gold Inc.

Notes to the Pro Forma Consolidated Financial Statements as at July 31, 2024 and for the nine months ended July 31, 2024 and the year ended October 31, 2023  
(Unaudited - Expressed in Canadian dollars)

IFRS 2, Share-based Payments. The fair value of the consideration has been allocated to the identifiable assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows:

<b>Acquisition price (100% basis)</b>		
QC Copper shares issued for Cuprum shares		10,068,750
QC Copper shares and cash issued for Cuprum RSUs		844,582
QC Copper warrants issued for Cuprum warrants		82,753
	<b>A</b>	<b>10,996,085</b>
<b>Estimated fair value of Cuprum's net assets acquired</b>		
Cash		\$950,570
Restricted cash		412,905
Amounts receivable		47,594
Prepaid expenses		3,364
Due from related party		3,538
Accounts payable and accrued liabilities		(1,326,676)
Due to related party		(3,252)
Asset retirement obligation		(1,437,439)
Flow-through share liability		(28,000)
	<b>B</b>	<b>(\$1,377,396)</b>
Net assets acquired	<b>A - B</b>	<b>12,473,481</b>
Value of shares previously held		830,736
Exploration and evaluation expense		\$13,204,217

The acquisition price has been calculated as:

- 83,906,252 QC Copper shares issued at \$0.12 per share as consideration for 72,721,661 Cuprum shares converted using a conversion rate of 1.1538 QC Copper shares for each Cuprum share;
- 7,038,180 QC Copper restricted share units issued at \$0.12 per share as consideration for 6,100,000 Cuprum restricted shares unites using a conversion rate of 1.1538 based on the assumption of approval of the implementation of a restricted share unit plan by disinterested shareholder. See Note 4; and,
- 2,307,600 QC Copper warrants issued in consideration for 2,000,000 Cuprum warrants converted to QC Copper warrants using a conversion rate of 1.1538 with the same conversion rate applying to the exercised prices.
  - o 1,000,000 warrants, the following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 71% based on historical volatility of QC Copper, risk free interest rate of 3.46%, share price of \$0.12, exercise price of \$0.13 and an expected life of 1.24 year:
  - o 1,000,000 warrants, the following assumptions were used in the Black-Scholes option pricing model calculations: expected dividend yield rate of 0%, expected volatility of 68% based on historical volatility of QC Copper, risk free interest rate of 3.35%, share price of \$0.12, exercise price of \$0.17 and an expected life of 2.24 year:

As at the date of these unaudited pro forma consolidated financial statements, A final determination of the fair value of Cuprum's assets and liabilities will be based on the information and assumptions that exist as of the closing date of the Transaction, and, therefore, cannot be made prior to the Transaction date. In addition, the value of the consideration to be paid by QC Copper upon the consummation of the Transaction will be determined based on the closing price of QC Copper's common shares on the Transaction date. Other than 1,000,000 Cuprum warrants exercised on October 24, 2024, no effect has been given to any other new Cuprum

## **QC Copper and Gold Inc.**

Notes to the Pro Forma Consolidated Financial Statements as at July 31, 2024 and for the nine months ended July 31, 2024 and the year ended October 31, 2023  
(Unaudited - Expressed in Canadian dollars)

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common shares or other equity awards that may be issued or granted subsequent to August 31, 2024 and before the closing date of the Transaction, and none are anticipated. As a result, the pro forma adjustments are preliminary and are subject to change as additional information becomes available and as additional analysis is performed. The preliminary pro forma adjustments have been made solely for the purpose of providing the unaudited pro forma financial information. QC Copper has estimated the fair value of Cuprum's assets and liabilities based on discussions with Cuprum's management, preliminary valuation information, and due diligence. Upon completion of the Transaction, a final determination of fair value of Cuprum's assets and liabilities will be performed. Any increases or decreases in the fair value of assets acquired and liabilities assumed upon completion of the final valuations will be reflected in the actual reporting by the Company subsequent to closing.

The combined Canadian federal and provincial effective income tax rate for QC Copper is expected to be 26.5%.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies used in preparing the unaudited pro forma consolidated financial statements are set out in the Company's audited financial statements for the year ended October 31, 2023 and the unaudited condensed interim financial statements for the nine months ended July 31, 2024. In preparing the unaudited pro forma consolidated financial statements, a preliminary review was undertaken to identify any accounting policy differences between the accounting policies used by Cuprum and those of the Company where the impact was potentially material and could be reasonably estimated. The significant accounting policies of QC Copper and Cuprum conform, in all material respects, to those of the Company.

### **4. DESCRIPTION OF THE TRANSACTION**

On October 1, 2024, QC Copper and Cuprum entered into a share purchase agreement (the "Agreement") pursuant to which QC Copper would acquire all of the outstanding common shares of Cuprum Corp.

Under the terms of the Agreement, at the effective time of the Transaction (the "Effective Time"), each issued common share of Cuprum (a "Cuprum Share") will be deemed to be transferred and assigned to QC Copper in exchange for 1.1538 (the "Exchange Ratio") of common shares of QC Copper ("QC Copper Share") (on a pre-Consolidation basis). Each outstanding restricted share unit of Cuprum, whether vested or unvested, will be fully vested, and subject to the approval of disinterested shareholders of QC Copper, will be exchanged for 1.1538 vested restricted share units of QC Copper. In the event that disinterested shareholders of QC Copper do not approve the implementation of a restricted share unit plan, each restricted share unit of Cuprum will be exchanged for one half of one common share of Cuprum and \$0.065. In addition, each outstanding warrant to acquire Cuprum Shares ("Cuprum Warrants") outstanding immediately prior to the Effective Time, shall be exchanged by the holder thereof for a warrant to acquire from QC Copper, other than as provided herein, the number of QC Copper Shares equal to the product obtained when (A) the number of Cuprum Shares subject to such Cuprum Option immediately before the Effective Time, is multiplied by (B) the Exchange Ratio, provided that if the foregoing would result in the issuance of a fraction of a QC Copper Share on any particular exercise of replacement QC Copper warrants, then the number of QC Copper Shares otherwise issuable shall be rounded down to the nearest whole number of QC Copper Shares.

In connection with the Transaction, shareholders of QC Copper are also being asked to approve an amendment to the articles of QC Copper to change the name of QC Copper to "XXIX Metal Corp." or such other name as the board of directors of each of QC Copper and Cuprum, may resolve, subject to regulatory approval (the "Name Change") and a consolidation (the "Consolidation") of the outstanding QC Copper Shares on the basis of one post Consolidation QC Copper Share for each two pre-Consolidation QC Copper Shares. The Name Change and Consolidation are not conditions to the completion of the Arrangement and will only be implemented in connection with the Arrangement if approved by the shareholders of QC Copper. The figures reported in these pro forma statements exclude the effects of the proposed share consolidation.



**QC Copper and Gold Inc.**

Notes to the Pro Forma Consolidated Financial Statements as at July 31, 2024 and for the nine months ended July 31, 2024 and the year ended October 31, 2023  
(Unaudited - Expressed in Canadian dollars)

<b>Pro Forma Share Capital</b>	<b>Common Shares</b>	<b>Amount (\$)</b>
Issued and outstanding, July 31, 2024	174,371,356	20,103,140
Shares issued as consideration in connection with Cuprum Transaction <sup>1</sup>	83,906,252	10,068,750
Pro forma balance issued and outstanding	258,277,608	30,171,890

1. Excludes conversion of 6,000,000 Cuprum shares owned by QC Copper

**Pro Forma Loss per share**

	<b>Basic Loss per Share</b>
<b>Nine months ended July 31, 2024</b>	
Actual weighted average number of QC Copper common shares outstanding	173,713,181
Shares issued as consideration in connection with Cuprum Transaction	83,906,252
<b>Pro forma weighted average number of QC Copper shares outstanding (Basic)</b>	<b>257,619,433</b>
Net Loss and Comprehensive Loss	\$17,892,809
Pro forma loss per share - Basic	\$0.07
<b>Year ended October 31, 2023</b>	
Actual weighted average number of QC Copper common shares outstanding	161,976,210
Shares issued as consideration in connection with Cuprum Transaction	83,906,252
<b>Pro forma weighted average number of QC Copper shares outstanding (Basic)</b>	<b>245,882,462</b>
Net Loss and Comprehensive Loss	\$21,709,134
Pro forma loss per share - Basic	\$0.09

Note – Diluted loss per share has not been calculated as EPS is antidilutive for both the nine months ended July 31, 2024 and year ended October 31, 2023.

**SCHEDULE E  
RSU PLAN**

(attached)

## RESTRICTED SHARE UNIT PLAN

### QC COPPER AND GOLD INC.

#### 1. INTERPRETATION

##### 1.1 Restricted Share Unit Plan

The plan herein described shall be called the “**Restricted Share Unit Plan**” and is referred to herein, as may be amended from time to time, as the “**Plan**”.

##### 1.2 Definitions

For the purposes of the Plan, unless there is something in the subject matter or context inconsistent therewith the following terms shall have the following meanings:

- (a) “**Account**” means the account set up on behalf of each Participant in accordance with Section 4.1(b);
- (b) “**Applicable Law**” means all applicable federal, provincial and foreign laws and any regulations, instruments or orders enacted thereunder, and the rules, regulations and policies of the Stock Exchange;
- (c) “**Black Out Period**” means a period when a Participant is prohibited from trading in the Corporation's securities pursuant to the Corporation's written policies then applicable or a notice in writing to a Participant by a senior officer or Director of the Corporation;
- (d) “**Board**” or “**Board of Directors**” means the Board of Directors of the Corporation, as constituted from time to time;
- (e) “**Change in Control**” means (i) the successful completion of a take-over bid in respect of the Corporation; (ii) the issuance to or acquisition by any person, or group of persons acting jointly or in concert of (A) more than 50% of the outstanding Shares; or (B) more than 33 and 1/3% of the outstanding Shares and the election or appointment by such person or persons of their nominees as a majority of the Board, and (iii) the sale of all or substantially all of the assets of the Corporation;
- (f) “**Consultant**” has the meaning given to it in NI 45-106;
- (g) “**Corporation**” means QC Copper and Gold Inc. and any successor company thereto;
- (h) “**Director**” has the meaning given to it in NI 45-106;
- (i) “**Disability**” means that the Participant becomes physically or mentally disabled to such an extent as to make him or her unable to perform his or her duties normally and adequately for a period totalling six months during a period of 12 consecutive months. The Board's determination as to whether or not a Participant has incurred a Disability is final and conclusive and binding on all persons;
- (j) “**Dividend Equivalent**” means a bookkeeping entry whereby each outstanding RSU is credited with the equivalent amount of any dividend paid on a Share in accordance with Section 4.5;

- (k) “**Dividend Market Value**” means the Market Price per Share on the dividend payment date;
- (l) “**Eligible Person**” means, at the Grant Date, any Employee, Executive Officer, Director or Consultant of the Corporation or of a Related Entity or a Permitted Assign of any such person;
- (m) “**Employee**” means an employee of the Corporation;
- (n) “**Executive Officer**” has the meaning given to it in NI 45-106;
- (o) “**Grant Date**” means the effective date on which RSUs are awarded to a Participant in accordance with Section 4.7;
- (p) “**Insider**” means: (i) a Director or senior officer of the Corporation; (ii) a Director or senior officer of a company that is an Insider or subsidiary of the Corporation; (iii) a person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation; and (iv) the Corporation itself if it holds any of its own securities;
- (q) “**Market Price**” means, the volume weighted average price of the Shares on the TSXV, or another Stock Exchange where the majority of the trading volume and value of the listed securities occurs, for the five trading days immediately preceding the relevant date. In the event that the Shares are not listed and posted for trading on any Stock Exchange, the Market Price shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith;
- (r) “**NI 45-106**” means National Instrument 45-106 - *Prospectus Exemptions* or any successor instrument adopted from time to time by the Canadian Securities Administrators;
- (s) “**Non-Employee Director**” means a director of the Corporation that is not also an officer, Employee or Consultant of the Corporation;
- (t) “**Participant**” means an Eligible Person to whom or which RSUs have been granted;
- (u) “**Performance Period**” means a period designated by the Board in accordance with Section 3.2 that commences on the designated Grant Date and ends on December 31 of the third full calendar year commencing after the Grant Date;
- (v) “**Permitted Assign**” has the meaning given to it in NI 45-106;
- (w) “**Plan Limit**” means the maximum number of Shares that are issuable under the Plan in accordance with Section 4.2;
- (x) “**Regulatory Approval**” means the approval under Applicable Law of the Stock Exchange and any other regulatory authority or governmental agency that may have lawful jurisdiction over the Plan and any RSUs issued hereunder.
- (y) “**Related Entity**” has the meaning given to it in NI 45-106;

- (z) “**RSU Agreement**” means an agreement, substantially in the form of the agreement set out in Schedule A, between the Corporation and a Participant setting out the terms of the RSUs granted to the Participant;
- (aa) “**Restricted Share Unit**” or “**RSU**” means a unit equivalent to the Market Price of a Share on the date such unit is credited by means of a bookkeeping entry on the books of the Corporation to a Participant's Account in accordance with the terms and conditions of the Plan;
- (bb) “**Retirement**” means the termination of employment of a Participant on or after age sixty-five (65) or any such other age as determined from time to time by the Corporation;
- (cc) “**Securities Act**” means the *Securities Act* (Ontario), as amended from time to time;
- (dd) “**Share Compensation Arrangement**” means any share option, share option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to Directors, Executive Officers, Employees or Consultants of the Corporation;
- (ee) “**Shareholder Approval**” means approval by the Corporation’s shareholders in accordance with the rules of the Stock Exchange;
- (ff) “**Shares**” means common shares in the capital of the Corporation;
- (gg) “**Stock Exchange**” means the Toronto Stock Exchange, the TSX Venture Exchange or any other stock exchange on which the Shares are then listed for trading, as applicable; and
- (hh) “**TSXV**” means the TSX Venture Exchange.

### **1.3 Use of Gender and Number**

Words importing the singular number only shall include the plural and vice versa and words importing the masculine shall include the feminine.

### **1.4 Governing Law**

The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

## **2. ESTABLISHMENT OF THE PLAN**

### **2.1 Establishment and Purpose of the Plan**

The purpose of the Plan is to assist and encourage Directors, Executive Officers, Employees and Consultants of the Corporation and its Related Entities to work towards and participate in the growth and development of the Corporation and its Related Entities and provide such persons with the opportunity to acquire an ownership interest in the Corporation.

### **2.2 Effective Date**

The Plan shall be effective as of October [◆], 2024

### **2.3 Eligibility**

RSUs may be granted hereunder to Eligible Persons from time to time by the Board, subject to the limitations set forth herein, but may not be granted when that grant would be prohibited by or in breach of Applicable Law or any Black Out Period then in effect.

## **3. ADMINISTRATION**

### **3.1 Use of Committees**

The Board may delegate all or such portion of its powers hereunder as it may determine to a committee of the Board duly appointed for this purpose by the Board and consisting of not less than three members of the Board, either indefinitely or for such period of time as it may specify and thereafter such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorised so to do. If a committee is appointed for this purpose, all references herein to the Board will be deemed to be references to such committee.

### **3.2 Authority of the Board**

The Board shall be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Subject to the limitations of the Plan, without limiting the generality of the foregoing, the Board has the power and authority to:

- (a) determine which Eligible Persons are to be granted RSUs and the number of RSUs to be issued to those Eligible Persons;
- (b) determine the terms under which such RSUs are granted including, without limitation, those related to the Performance Period, vesting and forfeiture;
- (c) prescribe the form of RSU Agreement with respect to a particular grant of RSUs;
- (d) interpret the Plan and determine all questions arising out of the Plan and any RSUs granted pursuant to the Plan, which interpretations and determinations will be conclusive and binding on the Corporation and all other affected persons;
- (e) prescribe, amend and rescind rules and procedures relating to the Plan;
- (f) subject to the provisions of the Plan and subject to such additional limitations and restrictions as the Board may impose, delegate to one or more officers of the Corporation some or all of its authority under the Plan; and
- (g) employ such legal counsel, independent auditors, third party service providers and consultants as it deems desirable for the administration of the Plan and to rely upon any opinion or computation received therefrom.

The Board's guidelines, rules, regulations, interpretations and determinations shall be conclusive and binding upon the Corporation and all other persons, including, in particular and without limitation, the Participants.

## **4. GRANT OF RSUs**

### **4.1 RSU Agreement and Account**

- (a) Upon the grant of RSUs, the Corporation will deliver to the Participant an RSU Agreement dated as of the Grant Date, containing the terms of the RSUs and executed by the Corporation, and upon delivery to the Corporation of the RSU Agreement executed by the Participant, such Participant will be a participant in the Plan and have the right to receive Shares on the terms set out in the RSU Agreement and in the Plan. Subject to any specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of each RSU Agreement made hereunder.
- (b) An account (“**Account**”) shall be maintained by the Corporation for each Participant and will show the RSUs credited to a Participant from time to time.

### **4.2 Shares Reserved**

The maximum number of Shares which may be reserved for issuance under the Plan at any time shall be a number of Shares equal to 10% of the issued and outstanding Shares from time to time, such number to include all Shares issuable pursuant to any other Securities Based Compensation (as such term is defined in the policies of the TSXV) plans in place for the Corporation from time-to-time, including, but not limited to, the Corporation’s Stock Option Plan, subject to adjustment under Section 6.1 (the “**Plan Limit**”).

### **4.3 Status of Terminated RSUs**

For purposes of determining the number of Shares that remain available for issuance under the Plan, the number of Shares underlying any grants of RSUs that are surrendered, forfeited, waived and/or cancelled shall be added back to the Plan Limit and again be available for future grant, whereas the number of Shares underlying any grants of RSUs that are issued shall not be available for future grant.

### **4.4 Limitations of RSUs to any One Person and to Insiders**

- (a) Notwithstanding any other provision of this Plan, unless disinterested Shareholder Approval is obtained (or unless permitted otherwise by the rules of the Stock Exchange):
  - (i) the maximum number of Shares which may be reserved for issuance to Insiders under the Plan, together with any other Share Compensation Arrangement, may not exceed 10% of the issued Shares at any point in time;
  - (ii) the maximum number of RSUs that may be granted to Insiders (as a group) under the Plan, together with any other Share Compensation Arrangement, within a 12-month period, may not exceed 10% of the issued Shares calculated on the Grant Date;
  - (iii) the maximum number of Shares which may be reserved for issuance to Non-Employee Directors under the Plan, together with any other Share Compensation Arrangement, may not exceed 1% of the issued Shares calculated on the Grant Date; and
  - (iv) the maximum number of RSUs that may be granted to any one Eligible Person under the Plan, together with any other Share Compensation Arrangement, within

a 12-month period, may not exceed 5% of the issued Shares calculated on the Grant Date.

- (b) Unless disinterested Shareholder Approval is obtained (or unless permitted otherwise by the rules of the applicable Stock Exchange): (i) the maximum number of RSUs that may be granted to a Consultant, within a 12-month period, may not result in a number of RSUs exceeding 2% of the number of Shares outstanding at the Grant Date.
- (c) No RSUs may be granted to Investor Relations Service Providers (as such term is defined in the policies of the TSXV).

#### **4.5 Credits for Dividends**

A Participant's Account shall be credited with a Dividend Equivalent in the form of additional RSUs only if the Board, in its sole discretion, so determines. Such Dividend Equivalents, if any, shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs recorded in the Participant's Account on the record date for the payment of such dividend, by (b) the Dividend Market Value, with fractions computed to three decimal places.

#### **4.6 Grant and Vesting of RSUs**

- (a) In accordance with the policies of the TSXV, notwithstanding the terms herein, in no case shall RSUs granted under the Plan vest before the date that is year following the date that such RSUs are issued, except for a Participant who dies or who ceases to be an eligible Participant under the Plan in connection with a change of control, take-over bid, reverse take-over or other similar transaction.
- (b) For each calendar year ending after the effective date of the Plan, the Board may designate one or more Performance Periods under the Plan. In respect of each such designated Performance Period and subject to the terms of the Plan, the Board may from time to time establish the Grant Date and grant to any Eligible Person one or more RSUs as the Board deems appropriate. It shall be the responsibility of the Corporation and the Eligible Person to ensure that such Eligible Person is a bona fide Eligible Person.
- (c) The Board shall make all other determinations with respect to the Performance Period as the Board considers in its sole discretion to be necessary or desirable under the Plan, including, without limitation, the date or dates within such Performance Period and such other terms and conditions, if any, on which all or a portion of such RSUs (and corresponding Dividend Equivalents) credited to a Participant's Account shall vest (to be set forth in the RSU Agreement), provided that no RSUs (and corresponding Dividend Equivalents) may vest when prohibited by or in breach of Applicable Law.
- (d) Notwithstanding any other provision of the Plan excepting 4.6(a) above, the Board may in its sole and absolute discretion accelerate and/or waive any vesting or other conditions for all or any RSUs (and corresponding Dividend Equivalents) for any Participant at any time and from time to time.
- (e) In no circumstances will RSUs credited to a Participant's Account in respect of a Performance Period vest after December 31 of the third full calendar year following the Grant Date in respect of such Performance Period.



- (f) Any RSUs in respect of a Performance Period that are not vested on or before December 31 of the third full calendar year following the Grant Date in respect of such RSUs shall be cancelled and no vesting, payment or issuance shall be made under the Plan in respect of such RSUs.

#### **4.7 Third Party Offer**

If an offer to purchase all of the outstanding Shares of the Corporation is made by a third party, the Board may, to the extent permitted by Applicable Law and upon giving each Participant written notice to that effect, effect the acceleration of the vesting of RSUs granted under the Plan. All determinations of the Board under this Section will be final, binding and conclusive for all purposes.

#### **4.8 Change in Control**

Upon the occurrence of a Change in Control, all the RSUs at that time outstanding but unvested shall automatically and irrevocably become vested in full.

#### **4.9 Delivery of Shares or Cash**

- (a) Vested RSUs may be redeemed by a Participant, in whole or in part, at any time prior to the end of the Performance Period, subject to Black Out Periods, upon delivery of a Notice of Redemption to the Corporation in the form attached hereto as Schedule B. Upon receipt by the Corporation of a Notice of Redemption, the Corporation shall redeem the RSUs required to be redeemed pursuant to the Plan and the Notice of Redemption by issuing from treasury one Share for each full RSU to be redeemed and making a lump sum cash payment in respect of any partial Restricted Share Unit to be redeemed. Notwithstanding the foregoing, if at the time of the election the Corporation is listed on the Toronto Stock Exchange or is a Tier 1 Issuer (as defined by the TSXV), if the Board determines, the Corporation may redeem all or part of the vested RSUs subject to a Notice of Redemption by making a lump sum payment in respect of all full and partial Restricted Share Units to be redeemed, equal to the amount determined by multiplying the number of Restricted Share Units in the Participant's Account that are vested on such vesting date by the Market Price of a Share. Such payment or issuance shall take place no later than the 21st day following receipt of the Notice of Redemption.
- (b) Notwithstanding Section 4.9(a), all redemptions under this Section 4.9 in respect of RSUs in Participants' Accounts that have vested in respect of a Performance Period shall be redeemed on or before December 31 of the third full calendar year following the end of the year in which such RSUs were awarded pursuant to Section 4.5.
- (c) Upon delivery of Shares and/or cash in satisfaction of RSUs, such RSUs shall be cancelled from the Participant's Account.
- (d) If the applicable Redemption Date for RSUs occurs during or within 10 business days of the expiration of a Black Out Period applicable to such Participant, then the Redemption Date for such RSUs shall be extended to the close of business on the tenth business day following the expiration of the Black Out Period.

#### **4.10 Tax and Withholding Tax**

Notwithstanding any other provision contained herein, in connection with the exercise of an RSU by a Participant or a Permitted Assign for Shares of the Corporation pursuant to Section 4.9(a) hereof, as a condition to such exercise (i) the Corporation shall require such Participant to pay or cause to be paid to the Corporation an amount as necessary so as to ensure that the Corporation is in compliance with the applicable provisions of any federal, provincial or local law relating to the withholding of tax or other required deductions in connection with the exercise of such RSUs (the Source Deductions); or (ii) in the event a Participant does not pay or cause to be paid the amount specified in (i), the Corporation shall be permitted to engage a broker or other agent on behalf of the Participant or Permitted Assign, at the risk and expense of the Participant, to sell a portion of the underlying Shares issued on the exercise of such RSU through the facilities of the Stock Exchange, and to apply the proceeds received on the sale of such underlying Shares as necessary so as to ensure that the Corporation is in compliance with the applicable Source Deductions relating to the exercise of such RSUs. In addition, the Corporation shall be entitled to withhold from any amount payable to a Participant, including the exercise of RSUs for a cash payment pursuant to Section 4.9(a) hereof, and either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation is in compliance with the applicable Source Deductions relating to the exercise of any RSU.

#### **4.11 Termination of Employment**

Unless otherwise determined by the Board, in its sole discretion, or specified in the applicable RSU Agreement:

- (a) upon the voluntary resignation or the termination for cause of a Participant, all of the Participant's RSUs which remain unvested in the Participant's Account shall be forfeited without any entitlement to such Participant. If the Participant has an employment or consulting agreement with the Corporation, the term "cause" shall include any meaning given to that term in the employment or consulting agreement or, if such term is not defined in such agreement, shall mean any ground which would justify the services of the Participant to be terminated without notice or payment in lieu and/or shall have the meaning given to such term under any Applicable Law. In all cases where a Participant ceases to be an Eligible Participant pursuant to this Section 4.11(a), all RSUs which have been previously issued or vested shall expire within 12 months following the date that the Participant ceases to be an Eligible Participant pursuant to this Plan; and
- (b) upon the termination without cause, the Disability, the Retirement or death of a Participant, the Participant or the Participant's beneficiary, as the case may be, shall have a number of RSUs become vested in a linear manner equal to the sum for each grant of RSUs of the original number of RSUs granted multiplied by the number of completed months of employment since the Grant Date divided by the number of months required to achieve the full vesting of such grant of RSUs reduced by the actual number of RSUs, if applicable, that have previously become vested in accordance with the Plan. Such vested RSUs shall be settled in accordance with Section 4.9. All claims pursuant to this Section 4.11(b) must be made by the Participant or the Participant's beneficiary within 12 months following the date that the Participant ceases to be an Eligible Participant pursuant to this Plan.

#### **4.12 No Compensation for Cancelled RSUs Awards**

Section 4.12 applies regardless of whether the Participant received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of

the RSUs to vest with the Participant. Except as expressly permitted by the Board and the Plan, all RSUs will cease to vest as at the date upon which the Participant ceases to be an Eligible Person. Participants will not be entitled to any compensation in respect of any part of the RSUs which was not vested.

#### **4.13 Non-Transferability of RSUs**

Unless the Board determines otherwise in its sole discretion, a Participant may transfer RSUs to a Permitted Assign, provided that the transfer is permitted by, and is effected in accordance with the then applicable policies of the Stock Exchange; for the avoidance of doubt, if the Corporation is subject to the requirements of the TSXV and such exchange so requires, RSUs shall be non-assignable and non-transferrable. Upon any such permitted transfer, the transferred RSUs shall be deemed, for purposes of the Plan, to continue to be held by the Participant, and shall continue to be subject to the terms and conditions of the Plan as if the Participant remained the sole holder thereof. The Board may, in its sole discretion, permit transfers of RSUs other than those contemplated by this Section, subject to Applicable Law and the prior approval of the Stock Exchange, if required.

#### **4.14 Hold Period**

In accordance with the policies of the TSXV, all RSUs and Shares issuable pursuant to the exercise thereof shall be subject to any applicable Resale Restrictions under Securities Laws and the Exchange Hold Period (as such terms are defined in the policies of the TSXV), if applicable.

### **5. AMENDMENT**

#### **5.1 Amendments**

- (a) The Board reserves the right, in its absolute discretion, to amend, suspend or terminate the Plan, or any portion thereof, at any time without obtaining Shareholder Approval, subject to those provisions of Applicable Law and Regulatory Approval, if any, that require Shareholder Approval. Such amendments may include, without limitation:
  - (i) minor changes of a “house-keeping nature”, including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the Plan, or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
  - (ii) amending RSUs under the Plan, including with respect to advancing the date on which any RSU may vest, assignability and the effect of termination of a Participant, provided that such amendment does not adversely alter or impair any RSU previously granted to a Participant without the consent of such Participant;
  - (iii) amendments necessary to comply with the provisions of applicable law or the applicable rules of the Stock Exchange on which the Shares are then listed, including with respect to the treatment of RSUs granted under the Plan;
  - (iv) amendments respecting the administration of the Plan;
  - (v) amendments necessary to suspend or terminate the Plan; provided that such amendment does not adversely alter or impair any RSU previously granted to a Participant without the consent of such Participant; and

- (vi) any other amendment, fundamental or otherwise, not requiring Shareholder Approval under Applicable Law or the applicable rules of the Stock Exchange.
- (b) Notwithstanding the foregoing, the Corporation will be required to obtain Shareholder Approval for any amendment related to the following (provided that such Shareholder Approval is then a requirement of the Stock Exchange):
  - (i) the eligibility of a Participant in the Plan;
  - (ii) removing or exceeding the limits on participation in the Plan;
  - (iii) increasing the Plan Limit;
  - (iv) any amendment to the Plan allowing awards granted under the Plan to be transferable or assignable to a new beneficial owner other than for normal estate settlement purposes;
  - (v) any amendment that would have the effect of extending the term of an RSU beyond the original expiry;
  - (vi) granting additional powers to the Board to amend the Plan without Shareholder Approval; and
  - (vii) any amendment to the amending provisions of the Plan.
- (c) Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals.

## **5.2 Termination**

The Board may terminate the Plan at any time in its absolute discretion. If the Plan is so terminated, no further RSUs shall be granted, but the RSUs then outstanding shall continue in full force and effect in accordance with the provisions of the Plan. For the purposes of this Section 5.2, an amendment does not include an accelerated expiry of an RSU by reason of the fact that a Director, Executive Officer, Employee or Consultant ceases to be a Participant.

## **6. ADJUSTMENT TO SHARES**

### **6.1 Adjustments**

Appropriate adjustments in the number of Shares subject to the Plan, as regards RSUs granted or to be granted and the number of Shares subject to RSUs, will be, subject to approval of the TSXV, conclusively determined by the Board to give effect to adjustments in the number of Shares resulting from subdivisions, consolidations, substitutions, or reclassifications of the Shares, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the capital of the Corporation or from a proposed merger, amalgamation or other corporate arrangement or reorganization involving the exchange or replacement of Shares of the Corporation for those in another corporation. Any dispute that arises at any time with respect to any such adjustment will be conclusively determined by the Board, and any such determination will be binding on the Corporation, the Participant and all other affected parties.

## **6.2 Further Adjustments**

Subject to Section 6.1 and Applicable Law, if, because of a proposed merger, amalgamation or other corporate arrangement or reorganization, the exchange or replacement of Shares of the Corporation for those in another corporation is imminent, the Board may, in a fair and equitable manner and subject to approval of the TSXV, determine the manner in which all unvested RSUs and rights granted under the Plan will be treated including, without limitation, requiring the acceleration of the time for the vesting of such RSUs and the time for the fulfilment of any conditions or restrictions on such vesting. All determinations of the Board under this Section will be final, binding and conclusive for all purposes.

## **6.3 Limitations**

The grant of RSUs under the Plan will in no way affect the Corporation's right to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, amalgamate, reorganize, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets or engage in any like transaction.

## **7. GENERAL**

### **7.1 Unfunded and Unsecured Plan**

The Plan shall be unfunded and neither the Corporation nor any of its Related Entities will secure the Corporation's obligations under the Plan. To the extent any Participant or his estate holds rights by virtue of an award of Restricted Share Units under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

### **7.2 Compliance with Legislation**

The Plan, the grant and vesting of RSUs hereunder and the Corporation's obligation to sell and deliver Shares upon vesting of RSUs is subject to Applicable Law and to such Regulatory Approvals as may, in the opinion of counsel to the Corporation, be required. Each RSU Agreement will contain such provisions as in the opinion of the Board are required to ensure that no Shares are issued on the vesting of an RSU unless the issuance of such Shares will be exempt from all registration, qualification and prospectus requirements of securities laws of any jurisdiction and will be permitted under Applicable Law. The Corporation shall not be obliged by any provision of the Plan or the grant of any RSU hereunder to issue, sell or transfer Shares in violation of Applicable Law or any condition of any Regulatory Approval. No RSU shall be granted and no Shares issued or sold hereunder where such grant, issue or sale would require registration of the Plan or of Shares under the securities laws of any jurisdiction and any purported grant of any RSU or issue, sale or transfer of Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Shares pursuant to the Plan unless such Shares shall have been duly listed, upon official notice of issuance, with the Stock Exchange. Shares issued and sold to Participants pursuant to the vesting of RSUs may be subject to limitations on sale or resale under Applicable Law. In particular, if required by Applicable Law, an RSU Agreement may provide that shareholder approval to the grant of an RSU must be obtained prior to the vesting of the RSU or to the amendment of an RSU Agreement.

### **7.3 Non-Exclusivity**

Nothing contained in the Plan will prevent the Board from adopting other or additional Share Compensation Arrangements, subject to obtaining prior Regulatory Approval and, if required, Shareholder Approval.

#### **7.4 Employment and Services**

Nothing contained in the Plan or in any RSU Agreement will confer upon or imply in favour of any Eligible Person or Participant any right with respect to office, employment or provision of services with the Corporation or of any Related Entity or interfere in any way with the right of the Corporation or any Related Entity to lawfully terminate the Eligible Person or Participant's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Eligible Person will be voluntary.

#### **7.5 Change of Status**

Unless otherwise provided for herein or in an RSU Agreement, a change in the status, office, position or duties of a Participant from the status, office, position or duties held by such Participant on the date on which an RSU was granted to such Participant will not result in a change in the terms of such RSU provided that such Participant remains an Eligible Person.

#### **7.6 No Representation or Warranty**

The Corporation makes no representation or warranty as to the future market value of Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the RSUs or the Shares issued or issuable thereunder or the tax consequences to a Participant. Compliance with Applicable Law as to the disclosure and resale obligations of each Participant is the responsibility of such Participant and not the Corporation.

#### **7.7 Rights as a Shareholder**

Nothing contained in the Plan nor in any RSU granted thereunder shall be deemed to give any Participant any interest or title in or to any Shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation whatsoever other than with respect to Shares issued following the vesting of RSUs.

#### **7.8 Discretion of Board**

The awarding of RSUs to any Eligible Person is a matter to be determined solely in the discretion of the Board. The Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Shares or any other securities in the capital of the Corporation or any of its subsidiaries other than as specifically provided for in the Plan.

#### **7.9 Notices**

The form of all communication relating to the Plan shall be in writing and delivered by recognized overnight courier, certified mail, fax or electronic mail to the proper address or, optionally, to any individual personally. Except as otherwise provided in any RSU Agreement, all notices to the Corporation or the Board shall be addressed to: c/o the Corporation at its registered office, Attn: the Chief Financial Officer. All notices to Participants, former Participants, beneficiaries or other persons acting for or on behalf of such persons that are not delivered personally to an individual shall be addressed to such person by the Corporation or its designee at the last address for such person maintained in the records of the Board or the Corporation.

**SCHEDULE A - FORM OF RSU AGREEMENT**

**QC COPPER AND GOLD INC.**

This RSU Agreement is entered into between QC Copper and Gold Inc. (the “**Corporation**”) and the Eligible Person named below, pursuant to the Corporation's Restricted Share Unit Plan (the “**Plan**”), a copy of which is attached hereto, and confirms that on:

1. \_\_\_\_\_ (the “**Grant Date**”);
2. \_\_\_\_\_ (the “**Eligible Person**”);
3. was granted \_\_\_\_\_ Restricted Share Units (“**RSUs**”), in accordance with the terms of the Plan;
4. these RSUs will vest as follows:

Number of RSUs	Vesting On
_____	_____
_____	_____
_____	_____

all on the terms and subject to the conditions set out in the Plan.

5. The performance period for this grant of RSUs commences on the Grant Date and ends at the close of business on December 31, [YEAR] (the “**Performance Period**”).
6. By signing this agreement, the Participant:
  - (a) acknowledges that he or she has read and understands the Plan, agrees with the terms and conditions thereof which shall be deemed to be incorporated into and form part of this RSU Agreement (subject to any specific variations contained in this RSU Agreement);
  - (b) acknowledges that he or she is responsible for paying any applicable taxes and withholding taxes arising from the exercise of any RSU, as provided in Section 4.9 of the Plan;
  - (c) agrees that an RSU does not carry any voting rights;
  - (d) acknowledges that the value of the RSUs granted herein is in C\$ denomination, and such value is not guaranteed;
  - (e) recognizes that the value of an RSU upon delivery is subject to stock market fluctuations; and
  - (f) recognizes that, at the sole discretion of the Corporation, the Plan can be administered by a designee of the Corporation by virtue of paragraph 3.1 of the Plan and any communication from or to the designee shall be deemed to be from or to the Corporation.

IN WITNESS WHEREOF the Corporation and the Eligible Person have executed this RSU Agreement as of \_\_\_\_\_.

**QC Copper and Gold Inc.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

\_\_\_\_\_  
Name of Eligible Person

\_\_\_\_\_  
Signature of Eligible Person

**Note to Plan Participants**

This Agreement must be signed where indicated and returned to the Corporation within 30 days of receipt. Failure to acknowledge acceptance of this grant will result in the cancellation of your RSUs.



**SCHEDULE B - NOTICE OF REDEMPTION**

**QC Copper and Gold Inc.  
(the "Corporation")**

This Notice of Redemption is made in reference to the Corporation's Restricted Share Unit Plan (the "Plan").

**Participant Information:**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number \_\_\_\_\_

**RSU Information:**

Date of Grant: \_\_\_\_\_

# of RSUs to be redeemed for Shares: \_\_\_\_\_

# of RSUs to be redeemed for cash : \_\_\_\_\_

**Registration:**

The Shares issued in settlement of the vested RSUs, if any, are to be registered in the name of the undersigned and are to be delivered, as directed below:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

**Acknowledgment:**

1. This Notice of Redemption is subject to the terms and conditions of the Plan.
2. RSUs exercised pursuant to this Notice of Redemption will be priced at the Market Price (as defined in the Plan).

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

**SCHEDULE F  
RSU PLAN RESOLUTION**

**"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:**

1. subject to final acceptance of the TSX Venture Exchange (the "**TSXV**"), the restricted share unit plan (the "**RSU Plan**") of QC Copper and Gold Inc. (the "**Company**"), in the form attached as Schedule E to the management information circular of the Company dated October 25, 2024, is hereby approved;
2. the form of the RSU Plan may be amended, in the discretion of the board of directors of the Company, in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. the directors of the Company or any committee of the board of directors of the Company are hereby authorized to grant restricted share units ("**RSUs**") pursuant to the RSU Plan to those eligible to receive RSUs thereunder;
4. any one director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director's opinion may be necessary to give effect to the matters contemplated by these resolutions; and
5. notwithstanding that this resolution be passed by the shareholders of the Company, the adoption of the proposed RSU Plan is conditional upon receipt of final approval of the TSXV, and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors."

**SCHEDULE G  
NEW OPTION PLAN**

(attached)

## QC COPPER AND GOLD INC.

### 10% ROLLING STOCK OPTION PLAN

#### 1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for Directors, Officers, Employees, Management Company Employees, Consultants and Eligible Charitable Organizations (as such terms are defined below) of the Company and its subsidiaries (collectively "**Eligible Persons**"), to be known as the "QC Copper and Gold Inc. Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals Options, exercisable over periods of up to ten (10) years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the Option is granted less applicable discount, if any, permitted by the policies of the Exchanges and approved by the Board.

#### 2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

**2.1 "Board"** means the Board of Directors of the Company.

**2.2 "Cashless Exercise"** has the meaning set forth in Section 4.2.

**2.3 "Change of Control"** means the occurrence of any one or more of the following events:

- (a) a consolidation, reorganization, amalgamation, merger, acquisition or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement do not, following the completion of such consolidation, reorganization, amalgamation, merger, acquisition, business combination or plan of arrangement, beneficially own, directly or indirectly, more than 50% of the resulting voting rights (on a fully-diluted basis) of the Company or its successor;
- (b) the sale, exchange or other disposition to a person other than an affiliate of the Company of all, or substantially all of the Company's assets;
- (c) a resolution is adopted to wind-up, dissolve or liquidate the Company;
- (d) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change; or
- (e) any person, entity or group of persons or entities acting jointly or in concert (an "**Acquiror**") acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Company which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror to cast or to direct the casting of 20% or more of the votes attached to all of the Company's outstanding Voting Securities which may be cast to elect directors of the Company or the successor Company (regardless of whether a meeting has been called to elect directors);

For the purposes of the foregoing, "**Voting Securities**" means Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Company, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

- 2.4** "**Company**" means QC Copper and Gold Inc. and its successors.
- 2.5** "**Consultant**" means a "Consultant" as defined in the TSXV Policies.
- 2.6** "**Consultant Company**" means a "Consultant Company" as defined in the TSXV Policies.
- 2.7** "**Director**" means a "Director" as defined in the TSXV Policies.
- 2.8** "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
- (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
  - (b) acting as a director or officer of the Company or its subsidiaries.
- 2.9** "**Eligible Charitable Organization**" means an "Eligible Charitable Organization" as defined in TSXV Policies.
- 2.10** "**Eligible Persons**" has the meaning given to that term in Section 1 hereof.
- 2.11** "**Employee**" means an "Employee" as defined in the TSXV Policies.
- 2.12** "**Exchanges**" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.13** "**Exchange Hold Period**" means "Exchange Hold Period" as defined in TSXV Policies.
- 2.14** "**Expiry Date**" means the date set by the Board under Section 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.15** "**Grant Date**" means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.16** "**Insider**" means an "Insider" as defined in the TSXV Policies.
- 2.17** "**Investor Relations Activities**" means "Investor Relations Activities" as defined in the TSXV Policies.
- 2.18** "**Investor Relations Service Provider**" means "Investor Relations Service Provider" as defined in the TSXV Policies.
- 2.19** "**Joint Actor**" means a person acting "jointly or in concert with" another person as that phrase is interpreted in National Instrument 62-104 – *Take-Over Bids and Issuer Bids*.
- 2.20** "**Management Company Employee**" means a "Management Company Employee" as defined in the TSXV Policies.
- 2.21** "**Market Price**" of Shares at any Grant Date means the market price per Share as determined by the Board, provided that if the Company is listed on an Exchange, such price shall not be less than the market price determined in accordance with the rules of such Exchange.

- 2.22** "Net Exercise" has the meaning set out in Section 4.2.
- 2.23** "Officer" means an "Officer" as defined in the TSXV Policies.
- 2.24** "Option" means an option to purchase Shares granted pursuant to, or governed by, this Plan and any pre-existing stock option plan of the Company.
- 2.25** "Option Agreement" means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.
- 2.26** "Optionee" means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.27** "Option Price" means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of Section 5.
- 2.28** "Option Shares" means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.29** "Plan" means this QC Copper and Gold Inc. Stock Option Plan.
- 2.30** "Securities Act" means the *Securities Act* (British Columbia), R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.31** "Security Based Compensation" means "Security Based Compensation" as defined in the TSXV Policies.
- 2.32** "Shares" means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to Section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.33** "TSXV Policies" means the policies included in the TSX Venture Exchange Corporate Finance Manual and "TSXV Policy" means any one of them.
- 2.34** "Unissued Option Shares" means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of Section 5, such adjustments to be cumulative.
- 2.35** "Vested" means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.
- 2.36** "VWAP" means "VWAP" as defined in the TSXV Policies.

### **3. GRANT OF OPTIONS**

#### **3.1 Option Terms**

The Board may from time to time authorize the issue of Options to Eligible Persons. Where permitted under applicable policies of the Exchanges, companies that are wholly owned by Eligible Persons may also be issued Options. The Option Price under each Option shall be not less than the Market Price on the Grant Date less the applicable discount permitted under the policies of the Exchanges or, if the Shares are not listed on any Exchange, less 25%. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date, subject to the operation of Section 4.1. Options shall not be assignable or transferable by the Optionee.

### **3.2 Limits on Shares Issuable on Exercise of Options**

The maximum aggregate number of Shares that are issuable pursuant to Security Based Compensation granted or issued under the Plan and all of the Company's other previously established or proposed Security Based Compensation plans (to which the following limits apply under Exchange policies):

- (a) the percentage of shares reserved shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis at the time of the grant;
- (b) to Insiders (as a group) must not exceed 10% of the issued and outstanding at any point in time (unless the Company has obtained disinterested Shareholder approval);
- (c) to Insiders (as a group) in any 12-month period shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies;
- (d) to any one Optionee (including, where permitted under applicable policies of the Exchanges, any companies that are wholly owned by such Optionee) in any 12-month period shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, unless the Company has obtained the requisite disinterested shareholder approval pursuant to applicable Exchange policies.
- (e) to any one Consultant in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date;
- (f) to Investor Relations Service Providers (as a group) in any 12-month period shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, and Investor Relations Service Providers shall not be eligible to receive any Security Based Compensation other than Options if the Shares are listed on the TSX Venture Exchange at the time of any issuance or grant; and
- (g) to Eligible Charitable Organizations (as a group) shall not exceed 1% of the total number of issued and outstanding Shares on a non-diluted basis on the Grant Date, and Eligible Charitable Organizations shall not be eligible to receive any Security Based Compensation other than Options if the Shares are listed on the TSX Venture Exchange at the time of any issuance or grant.

### **3.3 Option Agreements**

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. In respect of Options granted to Employees, Consultants, Consultant Companies or Management Company Employees, the Company and the Optionee is representing herein and in the applicable Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan. All Options shall be subject to any applicable resale restrictions pursuant to applicable securities laws. In addition, Options and Option Shares that are subject to the Exchange Hold Period pursuant to TSXV Policy 1.1 must be legended with the Exchange Hold Period commencing on the Grant Date, and the Option Agreement shall contain any applicable resale restriction or Exchange Hold Period.

## 4. EXERCISE OF OPTION

### 4.1 When Options May be Exercised

Subject to Sections 4.3, 4.4 and 4.5, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. Pacific Time on the Expiry Date and shall not be exercisable thereafter. In the event that the Expiry Date of an Option falls during a trading blackout period imposed by the Company (the "Blackout Period"), the Expiry Date of such Option shall automatically be extended to a date which is ten (10) trading days following the end of such Blackout Period (the "Extension Period"), subject to no cease trade order being in place under applicable securities laws; provided that if an additional Blackout Period is subsequently imposed by the Company during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional Blackout Period to enable the exercise of such Option within ten (10) trading days following the end of the last imposed Blackout Period.

### 4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Company a notice specifying the number of Option Shares in respect of which the Option is exercised together with one of the following forms of consideration, subject to applicable securities laws and other applicable laws:

- (a) *Cash Exercise* – Consideration may be paid by an Optionee delivering a cheque payable to the Company or such other method of cash payment as is acceptable to the Company in the amount of the Option Price. Delivery of the Optionee's cheque payable to the Company or such other method of cash payment, as the case may be, shall constitute payment of the Option Price unless the cheque or other method of cash payment, as the case may be, is not honoured upon presentation in which case the Option shall not have been validly exercised.
- (b) *Cashless Exercise* – Subject to approval from the Board and further subject to the Shares being traded on the Exchange, consideration may be paid by an Optionee as follows: (i) a brokerage firm loans money to the Optionee in order for the Optionee to exercise Options to acquire the underlying Shares (the "**Loan**"); (ii) the brokerage firm then sells a sufficient number of Shares to cover the Option Price for the Options that were exercised by the Optionee in order to repay the Loan; and (iii) the brokerage firm receives an equivalent number of Shares from the exercise of the Options and the Optionee receives the balance of the Shares or the cash proceeds from the balance of such Shares (collectively, the "**Cashless Exercise**").
- (c) *Net Exercise* – Subject to approval from the Board and further subject to the Shares being traded on the Exchange, consideration may be paid by reducing the number of Shares otherwise issuable under the Options such that, in lieu of a cash payment to the Company, an Optionee, excluding Investor Relations Service Providers, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the VWAP of the underlying Shares and the Option Price of the subject Options; by (ii) the VWAP of the underlying Shares (collectively, the "**Net Exercise**").

In the event of a Cashless Exercise or Net Exercise, the number of Options exercised, surrendered or converted, and not the number of Shares actually issued by the Company, must be included in calculating the limits set forth in Section 3.2 hereof.

Upon notice and payment there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan.

### 4.3 Vesting of Option Shares

The Board, subject to the policies of the Exchanges, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at the



time of granting an Option, and subject to the other limits on Option grants set out in Section 3.2 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Investor Relations Service Providers, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period.

#### 4.4 Termination of Employment

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the Expiry Date;

(b) Termination For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

(d) Spin-Out Transactions

If pursuant to the operation of subsection 5.3(c) an Optionee receives options (the "**New Options**") to purchase securities of another company (the "**New Company**") in respect of the Optionee's Options (the "**Subject Options**"), subject to the prior approval of the Exchanges, the New Options shall expire on the earlier of: (i) the Expiry Date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Company, the date that the Subject Options expire pursuant to subsection 4.4(a), (b) or (c), as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Company, the date that the New Options expire pursuant to the terms of the New Company's stock option plan that correspond to subsection 4.4(a), (b) or (c) hereof; and (iv) the date that is one (1) year after the Optionee ceases to be an Eligible Person in respect of the New Company or such shorter period as determined by the Board.

(e) Eligible Charitable Organizations

If the Optionee ceases to be an Eligible Person due to no longer being an Eligible Charitable Organization, the Options then held by that Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days after the date the Optionee ceases to be an Eligible Person.

Notwithstanding the foregoing, the Board may, in its sole discretion if it determines such is in the best interests of the Company and subject to the policies of the Exchanges, extend the early Expiry Date (as set out above in this Section 4.4) of any Option held by an Optionee who ceases to be an Eligible Person to a later date within a reasonable period, subject to such period not exceeding 12 months from the date the Optionee ceases to be an Eligible Person.

For purposes of this Section 4.4, the dates of death, Disability, termination, retirement, voluntary resignation, ceasing to be an Eligible Person and incapacity shall be interpreted to be without regard to any period of notice (statutory or otherwise) or whether the Optionee or his or her estate continues thereafter to receive any compensatory payments from the Company or is paid salary by the Company in lieu of notice of termination.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this Section 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

#### **4.5 Effect of a Take-Over Bid**

If a *bona fide* offer ( an "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchanges with respect to Investor Relations Service Providers) all Option Shares subject to such Offer will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to Section 4.3 shall be reinstated. If any Option Shares are returned to the Company under this Section 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.6 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer and subject to the approval of the Exchanges with respect to Investor Relations Service Providers, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this Section, except that not less than 5 business days of notice is required and more than 30 days of notice is not required.

#### **4.7 Compulsory Acquisition or Going Private Transaction**

If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares pursuant to Division 6 of the *Business Corporations Act* (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in Section 8.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Option Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Option Shares to the take-over bid.

#### **4.8 Effect of a Change of Control**

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges with respect to Investor Relations Service Providers or if otherwise necessary.

#### **4.9 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.10 Shares Not Acquired**

Any Unissued Option Shares not acquired by an Optionee under an Option which has been settled in cash, cancelled, terminated, surrendered, forfeited or expired without being exercised may be made the subject of a further Option pursuant to the provisions of the Plan.

### **5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

#### **5.1 Share Reorganization**

Subject to the prior approval of the Exchanges (other than in the case of a Share subdivision or consolidation), whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "Share Reorganization") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and

- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection 5.1(a)(ii).

Any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this Section 5.1 is subject to compliance with the limits set out in Section 3.2 and, if any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this Section 5.1 would result in any limit set out in Section 3.2 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges), make payment in cash to the Optionee in lieu of increasing the number of Unissued Option Shares in order to properly reflect any diminution in value of the Option Shares as a result of such Share Reorganization.

## **5.2 Special Distribution**

Subject to the prior approval of the Exchanges, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

Any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this Section 5.2 is subject to compliance with the limits set out in Section 3.2 and, if any increase in the number of Unissued Option Shares as a result of the adjustment provisions provided in this Section 5.2 would result in any limit set out in Section 3.2 being exceeded, then the Company may, if determined by the Board in its sole and unfettered discretion (subject to the prior approval of the Exchanges), make payment in cash to the Optionee in lieu of increasing the number of Unissued Option Shares in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

## **5.3 Corporate Organization**

Subject to the prior approval of the Exchanges, whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in Sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company, or securities of another company, or both; or

- (d) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation,

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he/she would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he/she would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he/she had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

#### **5.4 Determination of Option Price and Number of Unissued Option Shares**

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

#### **5.5 Regulatory Approval**

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of Sections 5.1, 5.2 or 5.3 is subject to the prior approval of the Exchanges and any other governmental authority having jurisdiction. Notwithstanding the foregoing, adjustments pursuant to Section 5.1 due to a Share subdivision or consolidation do not require prior TSX Venture Exchange approval.

### **6. MISCELLANEOUS**

#### **6.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

#### **6.2 Necessary Approvals**

The Plan shall be effective upon the approval of the Plan by the Board and the Exchange or any regulatory authority having jurisdiction over the securities of the Company and shall be ratified thereafter by the shareholders of the Company by way of an ordinary resolution at the next duly convened meeting of the shareholders of the Company. Disinterested shareholder approval (as required by the Exchanges) will be obtained for any reduction in the exercise price, or any extension of the term, of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. In addition, any amendment to an Option (including any cancellation of an Option and subsequent grant of a new Option to the same Person within one year) that results in a benefit to an Insider of the Company at the time of amendment will be subject to disinterested shareholder approval (as required by the Exchanges). The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

#### **6.3 Administration of the Plan**

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in Section 5.4 and subject to any required prior Exchange approval, the interpretation

and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

#### **6.4 Withholding Taxes**

The exercise of each Option granted under the Plan is subject to the condition that if at any time the Company determines, in its discretion, that the satisfaction of withholding tax or other withholding liabilities is necessary or desirable in respect of such exercise, such exercise is not effective unless such withholding has been effected to the satisfaction of the Company. In such circumstances, the Company may require that the Optionee pay to the Company, in addition to and in the same manner as the exercise price for the Shares, such amount as the Company is obliged to remit to the relevant tax authority in respect of the exercise of the Option. Alternatively, the Company shall have the right in its discretion to satisfy any such liability for withholding or other required deduction amounts by retaining or acquiring any Shares acquired upon exercise of any Option, or retaining any amount payable, which would otherwise be issued or delivered, provided or paid to an Optionee by the Company, whether or not such amounts are payable under the Plan. For greater certainty, the application of this Section 6.4 to any exercise of an Option shall not conflict with the policies of the Exchanges that are in effect at the relevant time and the Company will obtain prior Exchange acceptance and/or shareholder approval of any application of this Section 6.4 if required pursuant to such policies.

#### **6.5 Amendments to the Plan**

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders (or disinterested shareholders, if required), Exchanges or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

#### **6.6 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

#### **6.7 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **6.8 Compliance with Applicable Law**

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

#### **6.9 No Assignment or Transfer**

No Optionee may assign or transfer any of his or her rights under the Plan or any option granted thereunder. Notwithstanding the foregoing, where permitted under applicable policies of the Exchanges, companies that are wholly owned by Eligible Persons may be issued Options.

#### **6.10 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

### **6.11 Previously Granted Options**

Stock options which are outstanding under pre-existing stock option plan(s) of the Company as of the effective date of this Plan shall continue to be exercisable and shall be deemed to be governed by and be subject to the terms and conditions of this Plan except to the extent that the terms of this Plan are more restrictive than the terms of such pre-existing plan(s) under which such stock options were originally granted, in which case the applicable pre-existing plan(s) shall govern, provided that any stock options granted, issued or amended after November 23, 2021 must comply with TSXV Policy 4.4 - *Incentive Stock Options (as at November 24, 2021)*.

### **6.12 Conflict**

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

### **6.13 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

### **6.14 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

### **6.15 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

## SCHEDULE "A"

### QC COPPER AND GOLD INC.

#### STOCK OPTION PLAN - OPTION AGREEMENT

[If the Company is listed on the TSXV at the time of the option grant, the following legend is required in respect of: (i) Options with an Option Price at a discount to the Market Price; or (ii) Options granted to directors, officers, promoters of the Company or persons holding securities carrying more than 10% of the voting rights and who have elected or appointed or have the right to elect or appoint one or more directors or senior officers of the Company: *Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this agreement and any securities issued upon exercise thereof may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ♦, 20♦ (being four months and one day after the date of grant).*]

This Option Agreement is entered into between **QC COPPER AND GOLD INC.** (the "**Company**") and the **OPTIONEE** named below pursuant to the Company Stock Option Plan (the "**Plan**"), a copy of which is attached hereto, and confirms that:

1. on ♦, 20♦ (the "**Grant Date**");
2. ♦ (the "**Optionee**");
3. was granted the option (the "**Option**") to purchase ♦ common shares (the "**Option Shares**") of the Company;
4. for the price (the "**Option Price**") of \$♦per share;
5. which rights to purchase the Option Shares under the Option may be exercised and will vest on the Grant Date [OR set forth applicable vesting schedule – NOT LESS THAN QUARTERLY VESTING OVER A MINIMUM OF 1 YEAR FOR INVESTOR RELATIONS SERVICE PROVIDERS]; and
6. the Option will terminate on ♦ (the "**Expiry Date**");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

Where the Optionee is resident in or otherwise subject to the securities laws of the United States, the Optionee acknowledges that any Option Shares received by him/her upon exercise of the Option have not been registered under the United States *Securities Act of 1933*, as amended, or the Blue Sky laws of any state (collectively, the "**Securities Acts**"). The Optionee acknowledges and understands that the Company is under no obligation to register, under the Securities Acts, the Option Shares received by him/her or to assist him/her in complying with any exemption from such registration if he/she should at a later date wish to dispose of the Option Shares. The Optionee acknowledges that the Option Shares shall bear a legend restricting the transferability thereof, such legend to be substantially in the following form:

***"The shares represented by this certificate have not been registered or qualified under the United States Securities Act of 1933, as amended or state securities laws. The shares may not be offered for sale, sold, pledged or otherwise disposed of unless so registered or qualified, unless an exemption exists or unless such disposition is not subject to U.S. federal or state securities laws, and the Company***



***may require that the availability of any exemption or the inapplicability of such securities laws be established by an opinion of counsel, which opinion of counsel shall be reasonably satisfactory to the Company."***

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement (including without limitation all representations set out therein with respect to the Optionee).

**Acknowledgement – Personal Information**

The undersigned hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.

**IN WITNESS WHEREOF** the parties hereto have executed this Option Agreement as of the ♦ day of ♦, 20♦.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_

**QC COPPER AND GOLD INC.**

Per: \_\_\_\_\_  
Authorized Signatory

**QC COPPER AND GOLD INC.  
STOCK OPTION PLAN  
NOTICE OF EXERCISE OF OPTION**

**TO: QC Copper and Gold Inc. (the "Company")**

The undersigned hereby irrevocably gives notice, pursuant to the stock option plan of the Company (the of the exercise of stock options ("**Options**") to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Option Shares; or
- (b) \_\_\_\_\_ of the Option Shares,

which are the subject of the Option Agreement attached hereto.

The undersigned tenders herewith payment to "QC Copper and Gold Inc.", or such other payee as directed by the Company, in an amount equal to the aggregate exercise price of the aforesaid Option Shares and directs the Company to issue the certificate evidencing said Option Shares in the name of the undersigned and mail a copy of that certificate to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Signature of Option Holder

**SCHEDULE H  
NEW OPTION PLAN RESOLUTION**

**"BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:**

1. subject to final acceptance of the TSX Venture Exchange (the "**TSXV**"), the stock option plan (the "**Option Plan**") of QC Copper and Gold Inc. (the "**Company**"), in the form attached as Schedule G to the management information circular of the Company dated October 25, 2024, is hereby approved;
2. the form of the Option Plan may be amended, in the discretion of the board of directors of the Company, in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Company;
3. the directors of the Company or any committee of the board of directors of the Company are hereby authorized to grant stock options ("**Options**") pursuant to the Option Plan to those eligible to receive Options thereunder;
4. the previous existing Options be ratified, confirmed and approved and that all existing Options become subject to the provisions of the Option Plan;
5. any one director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director's opinion may be necessary to give effect to the matters contemplated by these resolutions; and
6. notwithstanding that this resolution be passed by the shareholders of the Company, the adoption of the proposed Option Plan is conditional upon receipt of final approval of the TSXV, and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable to the directors."

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