NI 43-101 TECHNICAL REPORT

ON THE

FLORENCE LAKE NICKEL PROPERTY, LOCATED ON LABRADOR INUIT LANDS IN THE AREA SOUTHWEST OF POSTVILLE, NORTH-CENTRAL LABRADOR, PROVINCE OF NEWFOUNDLAND AND LABRADOR

FOR

CHURCHILL RESOURCES INC.

May 10, 2023
Amended July 04, 2023
St. John’s, NL and Toronto, ON, Canada

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1.0 SUMMARY

This independent technical report concerns the Florence Lake Property ("Property") in the central Labrador area of Newfoundland and Labrador, Canada. It was prepared by Dr. Derek Wilton, P.Geo., of Terra Rosetta Inc. ("Terra Rosetta"), St. John's, NL, Mr. Jeremy S. Brett, M.Sc., P.Geo., of Jeremy S. Brett International Consulting Ltd., Toronto, ON, assisted by Mr. Paul Sobie P.Geo., Chief Executive Officer & Director, Churchill Resources Inc. ("Churchill") of Toronto, ON, for Churchill.

1.1 Property Description and Location

The Florence Lake Property consists of 416 map staked claims held under four map staked mineral licences encompassing an area of 10,400 hectares (104km^2), as per Table 1-1 and Figure 1-1.

The original license 027520M was staked by Altius in 2014, with two additional licenses added in March 2019 by Altius, and the fourth in January 2022 by Churchill Resources Inc. ("Churchill" or "CRI") through agent Kenneth Wright. Churchill optioned the three Florence Lake Property mineral licences from Altius Resources Inc. in an agreement dated June 24, 2021. Under the terms of the Option Agreement, Churchill has the exclusive option for a period of 24 months to acquire an undivided 100% ownership interest in the Florence Lake Property by:

i. issuing 1,373,946 common shares in the capital of the Churchill to Altius (issued);

ii. incurring a minimum of $1,500,000 in exploration expenditures within 24 months following the execution date of the Option Agreement;

iii. completing an equity financing on a private placement basis for aggregate gross proceeds of at least $4 million (completed);

iv. following the completion of the Private Placement, issuing to Altius 7,000,000 Common Shares or such lesser number of Common Shares such that after such issuance, Altius shall not own more than 19.9% of the Common Shares outstanding following the issuance of such Common Shares to Altius, on a partially diluted basis;

v. providing Altius with the right to elect one nominee to the board of directors of Churchill until such time that Altius beneficially owns less than 9.9% of the Common Shares; and

vi. providing Altius with a pre-emptive right to participate in future equity financings of Churchill to maintain its share ownership percentage interest in Churchill to a maximum of 19.9% of the issued and outstanding Common Shares until such time that Altius beneficially owns less than 9.9% of the Common Shares.

Following the date that the option is deemed to have been exercised in accordance with its terms, Churchill will issue a 1.6% gross sales royalty to Altius on any minerals produced from the claims comprising the Florence Lake Property.

The licenses are located on Labrador Inuit Land and Labrador Inuit Settlement Area lands, per Table 1-1.

Table 1-1: Florence Lake Property Claims and Status

Property Name	License Number	Number of Claims	Held By	Year of Tenure	Anniversary Date	% Within LIL*	% Within LISA**
Florence Lake	027520M	50	Altius Res.	9	18-Dec-2022	98%	2%
Florence Lake	032167M	151	Altius Res.	2	19-Mar-2022	44.9%	55.1%
Florence Lake	032231M	172	Altius Res.	2	24-Mar-2022	94.7%	5.3%
Florence Lake	033881M	43	Churchill Res.	2	20-Jan-2023	27.1%	72.9%

*LIL refers to Labrador Inuit Lands on which the Nunatsiavut Inuit have the exclusive right to ownership of quarry materials and a 25 percent ownership interest in subsurface resources in this area
**LISA refers to Labrador Inuit Settlement Area

1.2 Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Florence Lake Property is located approximately 150-180km north of the town of Happy Valley-Goose Bay in east-central Labrador, and about 50-70km west of the village of Postville on the coast. The other nearby town is Hopedale, located approximately 70-100km to the northeast on the coast. The claims are centred at approximately UTM co-ordinates 635000mE/6075000mN (NAD 27, zone 20), on NTS sheet 13K/15.

Both Postville and Hopedale offer basic support for field exploration programs including accommodations, provisions, and small airstrips, as well as regular ferry and scheduled daily flights to Happy Valley-Goose Bay, and onwards in Maritime Canada. Access to the property itself is exclusively by helicopter or float/ski planes, the latter of which can land at Florence Lake in the centre of the property.

The summer field season is relatively short, with spring break-up generally starting in June and first snowfall typically occurring during October. The climate is generally cool, with highest average daily temperatures of 15-20°C during July and August. Total annual snowfall accumulation averages approximately 480 cm.

The Florence Lake project area is characterized by rugged topography, with several generally northeast trending river valleys separating a series of higher, commonly steep sided, tree-covered ridges. Elevation on the property ranges from approximately 120 metres above sea level (along the Ugjoktok River Valley which skirts the northern claims) to approximately 300-320 metres above sea level near the Baikie and Boomerang Southeast #2 showings. Valleys are occupied by poorly developed drainage systems of streams, ponds, and bogs, or are quite heavily treed elsewhere.

The Ugjoktok River flows into Ugjoktok Bay approximately 14 kilometres northeast of the property. The largest water body on the claims is Florence Lake (5x1 km), which is centrally located with a good, historic camp site used in the past on its southern shore. Ugjoktok Bay has been used in the past by explorers to barge equipment and fuel to a location quite close for helicopter transport to the work sites and camp. Access overland in winter, using tracked snow machines, has also been utilized in the past.

Coniferous forest predominates in most areas, with scrub forest and barren lands developed at higher ridge elevations. Till coverage on the claims is generally less than 1-2 metres thick, with the predominant ice-flow in the area generally toward the northeast (Batterson, 1996). Bedrock exposure at higher elevations is quite high at 20-50%, but sparse in the valleys especially those underlain by intrusive granitic rocks, or where volcanic country rocks have been heavily weathered.

1.3 History

Exploration for base and precious metals in the vicinity of the property began in 1959 when the British Newfoundland Exploration Limited company (BRINEX), discovered the Baikie Showing discovery. The greenstone belts of the Hopedale Block have attracted base metal and gold explorers periodically since that time, but no sustained exploration has taken place for about 30 years, when Falconbridge held the ground.

The Falconbridge exploration programs between 1991-93 represent the most intensive exploration of the Property, as summarized below by Morgan and Patey (2017):

"The Florence Lake greenstone belt, including the Baikie Showing, was held in whole or in part by Falconbridge Limited between 1990 and 1995. Falconbridge and Noranda jointly held a parcel of claims covering the Baikie showing 1990-1991, during which time Noranda carried out 6 days of limited prospecting and sampling of several ultramafic units, which returned values of up to 0.16% Cu and 198 ppb Au (sample #3655) (Dessureault, 1991).

During 1990-1991, Falconbridge conducted reconnaissance scale prospecting and sampling, followed by a 1:20,000-scale airborne photography survey, line cutting, geophysical surveys (Mag, VLF, and HLEM), as well as 1:10,000 and 1:5,000 scale geological mapping. Several anomalies were recommended for follow-up in the Knee Lake, Pye Pond, and Block 377 areas. It was concluded that inadequate stripping in the vicinity of the Baikie showing may have underestimated its strike extent, [thus influencing] *Brace's (1990)* [supposition] *that mineralization was restricted to a talc-carbonate ultramafic xenolith in trondhjemite units of the Kanairiktok Intrusive Suite. Additional recommended* *work included line cutting, an HLEM and Mag survey, 1:1,000 scale geological mapping, and a 2,000-metre diamond drilling program (McLean, 1992).*

During separate winter and summer campaigns in 1992, Falconbridge carried out a total of 50.4 kilometres of linecutting, as well as various ground geophysical surveys (Mag/VLF, MaxMin, HLEM, transient EM, and IP), and a 1,220 line kilometre airborne EM survey that wasflown at 100-metre line spacing. A 12-hole (1,634 metres) diamond drilling program conducted during July and August significantly increased the known extent and grades of the Baikie showing, returning values of up to 2.19% Ni and 0.22% Cu over 11.32 metres (FLK92-2). Drill hole FLK92-12, which tested the down plunge extent of the Baikie showing more than 50 metres below FLK92-2, returned values of up to 1.25 % Ni and 0.05% Cu over 15.00 metres. Geological mapping and sampling programs conducted that year led to the discovery of the DCP Showing (up to 0.9% Ni over 0.5 metres from a channel sample) and Boomerang Showing (up to 2.1% Ni from grab samples) (McLean et al. 1992; Woolham, 1993).

In 1993, Falconbridge carried out additional line cutting, ground geophysical surveys, geological mapping and sampling, as well as a borehole TEM survey in seven of the drill holes at the Baikie Showing. The borehole TEM survey results indicate that the Baikie mineralization is associated with a strong, continuous, steeply plunging anomaly and that drill hole FLK92-12 only tested the upper edge of the conductor. Several off-hole conductors were also identified from the survey (McLean and Butler, 1993). A summer diamond drilling program totalling 3,145 metres in 23 holes tested numerous targets along the mapped komatiitic ultramafic horizon hosting the Baikie, DCP, and Boomerang showings. No significant mineralization was intersected at the DCP Showing, but drilling at the Boomerang Showing returned values of up to 2.25% Ni over 0.07 metres and 1.23% Ni over 0.42 metres, respectively, from drill holes FLK93-30 and FLK93-35. The Boomerang Showing also returned channel sample values of up to 2.11% Ni over 0.30 metres (McLean and Butler, 1993).

In 1996, Tapestry Ventures entered into a joint venture agreement with Falconbridge Limited and explored several properties in the Florence Lake area over the next three years. Their work included additional diamond drilling at the Baikie Showing, as well as grid rehabilitation, soil sampling, channel sampling, and reconnaissance work in the Baikie, DCP, Boomerang and Knee Lake areas. Drilling did not find any new zones of mineralization, but assays were consistent with those of previous programs. The soil sampling outlined four areas deemed to merit further investigation on the DCP and Boomerang grids, and infill soil sampling, prospecting, mapping, and drilling was recommended (Cullen and Churchill, 1997a).”

The property was dormant until 2015 when Altius collected 94 till samples over the Baikie Sub-belt to characterize the indicator mineral signature of the Baikie Kambalda-type Ni-Cu-Co-PGE mineralization through sulphide grain recoveries, geochemistry and SEM-MLA analytical techniques. Interestingly their results were best to the northeast of Baikie in the DCP NE area, as well as within the Western Volcanics, thought by Falconbridge to be unprospective for nickel deposits.

1.4 Geological Setting and Mineralization

Morgan and Patey (2017) describe the geologic setting of, and mineralization at, the property as:

"The Florence Lake property is situated within the southernmost portion of the Archean Nain Province (referred to as the Hopedale block) in central Labrador. The Nain Province is thought to represent vestiges of the North Atlantic craton, which converged with the Paleoproterozoic Churchill Province during the 1800 Ma Torngat Orogen (Wardle et al., 1997; Ryan et al., 1995).

"The Florence Lake property is predominantly underlain by a northeast trending package of mafic to ultramafic rocks assigned to the Baikie sub-belt of the Florence Lake greenstone belt. The mafic rocks consist mainly of fine grained, black to green, massive to locally pillowed and layered flows, along with minor amphibolite. Mineralogically, the mafic rocks are composed of variable amounts of chlorite, actinolite, plagioclase, biotite, and local epidote or hornblende. Units locally exhibiting phaneritic textures are thought to be metamorphosed gabbro. Narrow units of felsic to intermediate volcanic rocks occur interlayered within the mafic volcanic sequence (James et al., 1996; Miller and James, 1997)."

"The ultramafic rocks consist of white to grey-weathering, talcose schists, and may also occur with minor felsic volcanic rocks, plagioclase-phyric mafic flows, and metasedimentary schists. Brown- to black- to grey- to green-weathering, fine grained, weakly foliated, variably serpentinized peridotite units also occur, and commonly contain magnetite and disseminated pyrite (James et al., 1996; Miller and James, 1997)."

"*As noted by Miller (1996), the ultramafic units exhibit many features of komatiitic flows, such as polyhedral jointing, their relatively thin but elongate (up to 8 kilometres) form, their stratabound and strataform nature, and the common interbedding of cherty, siliceous, and pelitic sedimentary material with the units, and locally observed spinifex textures. At least five mafic-ultramafic units occur within the Baikie sub-belt, most ranging from 1 to 25 metres in thickness, but with locally thicker portions possibly the result of structural modification (Miller, 1996; James et al., 1996)."*

"Based on rock type, magnetic signature, and geochemistry, the mafic to ultramafic rocks making up the Baikie sub-belt has been divided into two domains by Miller and James (1997). In contrast with the western domain, the eastern domain contains abundant peridotite units and is characterized by a prominent magnetic high. Geochemical data also suggests that the eastern domain is largely composed of basaltic komatiites that are characterized by relatively high Ti to Zr, Y, and Sr ratios, whereas the western domain is akin to high-Fe tholeiites with relatively low Ti to Zr, Y, and Sr ratios (Miller and James, 1997)."

In the Adlatok Sub-Belt, Dickrup (2023) report that the units within the Florence Lake Group dip subvertically to the E and strike NNE with a younging direction to the east. They mapped rock types within the group in this sub-unit as 1) mafic to intermediate volcanic rocks, 2) felsic volcanic and intrusive rocks, 3) ultramafic rocks (which they suggest are flows and not sills), 4) sedimentary rocks (including minor cherts with some pyrite), and 5) mafic intrusive rocks.

The eastward younging direction seen at Adlatok, if consistent, has important implications to the stratigraphic volcanic pile at the Baikie Sub-Belt in that Falconbridge's exploration program appears to have targeted the easternmost, ie. youngest, komatiite units rather than the oldest. This would also better explain Falconbridge's observations of large blocks and intrusions of later Kanairiktok granitic material in the Baikie area agmatite units.

The best description of the geology on the southern portion of the property is provided by the Mitchell and Churchill (1996, pp.9-11) assessment report on the Seahorse Lake Property. They report:

"The Seahorse Lake Property is underlain by volcano-sedimentary rocks of the Archean Florence Lake Group which have undergone lower amphibolite metamorphism. Outcrop exposure on the western half of the cut grid is predominantly ultramafic rock. The ultramafic can be massive medium-grained or variably foliated and locally contain antigorite/asbestos veins or magnetite/carbonate/quartz veins. Sulfide mineralization in these rocks consists of massive pyrite in pods and stringers and up to 50% disseminated pyrite. Chalcopyrite may be present in minor amounts. Assay values were up to 4400ppm copper (Sunfish Pond Showing) and 2800 ppm nickel (serpentinized dunite) in the ultramafics.

Miller (1996, pp.164-168) summarized the known mineralization at Florence Lake as:

"Ni-Cu Mineralization
Ultramafic rocks host pyrrhotite-pyrite-pentlandite +/- chalcopyrite semi-massive to disseminated mineralization in stratabound zones. The Baikie and associated prospects contain 10 to 40 percent sulphides and grab samples assay 0.84 to 2.65 percent Ni and 0.01 to 0.07 percent Cu (Sutton, 1971: Brace and Wilton, 1990). Recent diamond-drill core included assays of 2.19 percent Ni, 0.22 percent Cu and 0.16 percent Co over 11.32 m and 1.86 percent Ni, 0.32 percent Cu and 0.05 percent Co over 1121 m (McLean et al., 1992) at the Baikie showing in the Baikie sub-belt.

Mineralization at the DCP showing north of the Baikie showing, assayed 0.68 percent Ni over 2.23m. This mineralization occurs in greenschist-to-amphibolite grade talc-magnesite schists, which are probably meta- peridotites (Brace 1990, McLean et al., 1992). Similar, but less abundant, disseminated mineralization (<3 percent total sulphides), occurs in several other localities throughout the Florence Lake greenstone belt. Significant Ni – Cu mineralization also occurs in graphitic sediment associated with talc-bearing ultramafic rocks (e.g Boomerang showing, 4.5 km southwest of Baikie showing; McLean et al., 1992), which assay up to 2.1 percent Ni and 0.14percent Cu in grab samples.

Fe-Cu Mineralization

Felsic volcanic rocks and volcanogenic sediments host disseminated to rarely massive pyrite +/- chalcopyrite mineralization at numerous localities. In greenschist-facies rocks, the sediments are graphitic, sericitic and cherty layered schists that range from 1 to 5 m thick. In amphibolite-facies rocks, these sediments occur as garnet-bearing pelitic schists that range from 1 to 3 m thick. The sulphides dominantly consist of pyrite that commonly occurs as disseminated grains and stringers ranging from < to 10 percent. Massive-sulphide units are less common; however, one occurrence consists of 1m of mostly massive pyrite associated with garnet-bearing pelitic sediments. Sulphidic and related sediments most commonly occur in association with either ultramafic units, carbonate-bearing mafic units or mafic units of the Florence Lake greenstone belt. Locally, these sediments occur within felsic volcanic schists.

This type of mineralization normally displays very low Cu and Zn values. However, recent work in the Knee Lake area reveals mineralization with grab-sample values up to 6.7 percent Zn over a strike length of approximately 150 m (Tapestry Ventures Limited, press release, September 21, 1995). This mineralization occurs in chert sulphide-bearing exhalative sediments associated with felsic volcanic rocks. Several other poorly explored showings of this type also occur in a similar stratigraphic position in the Knee Lake and Ugjoktok sub-belts."

A seventh nickel showing known as Preference Lake # 2 (Figure 7-3 and Figures 9), discovered in 1962 by Brinex, is indicated in the government Mineral Occurrence Database system as lying outside of the Baikie Sub-Belt about 4km northwest of the Baikie Showing. It is described as found in a 500m wide contact zone between Florence Lake metavolcanics and intrusive Kanairitok granitoid gneiss. The zone therefore sounds quite similar to the agmatite or mixed rock described by Falconbridge at Baikie, implying a similar intrusive margin to the greenstones on the west side of the sub-belt. Mineralization is described as pyrrhotite and pyrite, however no assay data is available in the historical records. Its position, if accurate, would suggest the margin of the belt is further to the northwest than presently mapped.

1.5 Deposit Type

Based on historical mineral exploration work, the primary target for the Florence Lake Property is a magmatic sulphide system with associated nickel and platinum group elements (PGE), typical of mafic to ultramafic-hosted deposits. Secondarily, volcanogenic massive sulphide (VMS) style mineralization appears to be present in the Seahorse Lake area.

There are three types of Ni-Cu sulphide magmatic-hosted deposits (Barnes et. al, 2017):

1) Those that form as accumulations in small mafic, or mafic -ultramafic intrusions, such as the Voisey's Bay deposit in northern Labrador (e.g., Evans-Lamswood et al., 2000);

2) Those that form as accumulations of mainly Ni at the base of komatiitic lava flows/intrusives, such as Kambalda, Australia (e.g., Beresford and Stone, 2004; Grech,

2022; Hoatson et al., 2006), these deposits originate from magma flowing through restricted channels or feeder tubes in komatiite lava-flow fields;

3) Accumulations at the base of the Sudbury meteorite impact crater (e.g., Lightfoot, 2007; Naldrett, 2004)

The Florence Lake Property mineralization is most analogous to Archean Kambalda-type komatiite-hosted deposits (No.2 above) because the sulphides are hosted by komatiitic magmatic rocks. The Kambalda deposits formed ca. 2.71 Ga (Hoatson et al., 2006), thus the Florence Lake examples at ca. 2.98-3.0 Ga (Raynor, 2022) are slightly older.

1.6 Exploration

Churchill commissioned a helicopter-borne magnetic and time domain electromagnetic survey, by Geotech Limited for the fall of 2021, as airborne survey work is not permitted over LIL and LISA areas annually between May 15th and October 15th, due to concerns about wildlife. The survey was only completed over the Northern Block claims on May 15th 2022, and the follow-up soil sampling program was designed based on the results. Churchill also commissioned Goldspot Discoveries Inc. to prepare a digital database of all historical industry and government work over the Property and surrounding area.

The final Geotech VTEM data was examined and found to be an excellent first pass exploration tool to assist with the Churchill Florence Lake exploration program. The magnetic data provides a base map for the lithologies, identification of possible komatiites and structures. The VTEM conductors provide a first pass for identifying stringer to net textured sulfide conductors, and provides a framework for interpretation and the planning of Surface TDEM surveys which can identify massive sulfides. The following is concluded from the final dataset.

VTEM Aeromagnetic Data:

The Florence Lake Magnetic data acquired with the Geotech VTEM platform exhibited multiple prominent and mostly linear features that group into a ~9km long arcuate shape which has been interpreted as a sigmoidal fold pattern.

These were subdivided into three groups:

a) Most of the linear magnetic features were multi-kilometre scale and through-going, suggesting that they are country rock geology, such as mafic sills.

b) A second group was identified as strike limited bodies - discrete anomalies and short linear features. These could represent strike limited intrusive bodies with greater potential to host massive sulfides. These could be conduits.

c) One anomaly was conspicuously different. A circular kilometre-scale anomaly lies in the north part of the fly block off the main linear trends and is associate with a VTEM conductor on its NW edge (paleo bottom?). This feature is mapped as a gabbroic intrusion.

VTEM Time Domain Electromagnetic Data:

VTEM conductors conform mostly to the same arcuate pattern / interpreted fold as the magnetics and were separated into groups that could be associated with geology related to komatiite intrusions. The two major distinctions are:

i) Conductors identified as discrete vs linear multi line anomalies: This distinction was intended to separate 'strike limited possible stringer and net textured sulfide targets' from strike extensive 'formational conductors' such as graphite. Care must be taken however in that it is possible to have strike extensive sulfide horizons up to 1.5km in length using our ore deposit model.

ii) Conductors associated with magnetic anomalies vs. those with no nearby magnetic signature: The intention here is to identify conductors that could be associated with magnetic serpentinized peridotites or conductors associated with magnetic komatiites versus conductors associated with much less magnetic proxenites, etc. These relationships will most definitely evolve along with an improved geological understanding via mapping, trenching and drilling to identify specific mafic and ultramafic rocks in this intrusive environment. This should contribute to an understanding of both the younging direction, favourable host rocks and locations within these intrusions for massive sulfides.

The above magnetic and conductor classifications were combined into sub groups mixing the above criteria plus geological criteria, as discussed on Tables 9-2 and 9-3. These were then used to prioritize target areas, as discussed in sections 9.1 through 9.3.

Soil Sampling Program:

The basic design of the follow-up soil sampling was to sample on 25m stations along 50m spaced lines that followed the VTEM flight paths over all conductor trends. Infill 25m lines were added where medium to strong VTEM conductors were located on adjacent lines.

For ease of planning and logistics, the sampling program was broken down into thirteen discrete blocks. The crews would sample on adjacent lines ensuring that all members were close to one another, and the helicopter, should any need arise. Grids 1 to 7, and grid 9, were targeted in the 2022 work as these grids cover the known showings and extensive VTEM conductor trends as per Figure 9-3. Churchill intends to complete soil sampling over all other grids and conductor trends during the summer of 2023.

A total of 2,873 samples were collected in 2022 between mid-August and the end of October. All samples were processed by Eastern Analytical of Springdale, NL.

Wilton analysed the soil assay data to establish anomalous thresholds and correlation co-efficients. In conclusion, it is suggested that Ni, Co, Mg and Cr should be considered as elemental vectors to nickel sulphide mineralization on Florence Lake Property. Cu and Zn might be considered as vectors to VMS mineralization. Plots 9-4 to 9-7 show a general strong correlation of all ultramafic elements in anomalous areas, and many more target areas beyond the known nickel showings. These are discussed in section 9.5 and 18.0.

Komatiite Geochemistry:

Wilton also investigated the Falconbridge geochemical database of rock and core samples, compiled for the project. The 1992 drill hole database contained 303 samples, 1992 whole rock database contained 355 samples, the 1993 drill hole database contained 368 samples, and the 1993 whole rock database contained 212 samples.

Wilton examined the data files and removed all samples that were not analysed for a full range of major oxide and trace element contents. Based on the criteria that komatiitic rocks contain >18% MgO (e.g., Dostal, 2008), the remaining Goldspot-compiled Falconbridge data were examined and those samples that contained less than 18% MgO were removed.

Based on their Al_2O_3/TiO_2 ratios, komatiites can be subdivided into Al-depleted (ADK) and Al-undepleted varieties (AUK) (e.g., Dostal, 2008). The ADK variety are defined by an Al_2O_3/TiO_2 ratio of < 15 and AUK > 15 (Hoatson et al., 2006). AUK komatiites are intrinsically related to the formation of massive sulphide mineralization, whereas ADK are not (Barnes et al., 2004; Dostal, 2008, Hoatson et al., 2006). On this basis, Wilton subdivided the komatiite samples identified in the Goldspot compilation into AUK and ADK groups.

Komatiite samples designated as either AUK or ADK were subsequently plotted on Figures 9-8 to 9-10 and on 18-2.

Compiled Results and Targets:

Analysis of the VTEM results have been used to discern a number of target types on the North Block summarized in Table 1-2, and detailed in Table 9-3. In general, geophysical conductor targets with correlative geological encouragement such as AUK ultramafics or strong soil sampling results were ranked more highly than those without. Many conductor targets, particularly in the Boomerang SE2 Area, have not yet been covered by Churchill soils, nor were they explored previously by Falconbridge.

Cognizance was also given to past exploration efforts, where drilling pure conductor targets was not successful.

Three categories of geophysical targets, LNF, DNF and DMF respectively lie outside of the known greenstone belt within Kanairkituk Intrusive Suite areas and therefore are not highly ranked as sulphide nickel targets.

A total of 113 targets have been selected thus far as per Table 1-2, of which most are VTEM conductors, of which some are more highly ranked on the basis of correlative Ni in soil, or AUK komatiitic geochemistry being present.

Table 1-2: Florence Lake Property North Block Target Summary Table

Target Type	Total Picked	# on DCP NE Area	# on DCP Area	# on Baikie Area	# on Boomerang Area	# on Boomerang SE1 Area	# on Boomerang SE2 Area
AUK - VTEM Conductor With AUK komatiites present	7			1	1	3	2
CSS - VTEM Conductor With Ni Soil Anomaly	9	2	1		3	2	1
KA - AUK komatiites Without VTEM Conductor	13	1	4	2	4	2	
SS - Ni Soil Anomaly Without VTEM Conductor	7			2	1	3	1
LN - Linear VTEM conductor without magnetic signature	25	3	1	2	6	3	10
DN - discrete VTEM conductor without magnetic signature	30		1	2	1	1	25
LNF - Linear offbelt VTEM conductor without magnetic signature	6	1					
DMF - Discrete offbelt VTEM conductor with magnetic signature	4	1					
DNF - Discrete offbelt VTEM conductor without magnetic signature	12	4				4	
Totals	**113**	**12**	**7**	**9**	**16**	**18**	**39**
*note that totals do not balance as some offbelt targets do not lie within the six areas							

Figures 9-8 to 9-10 present the high, moderate and low priority targets respectively, on tilt derivative magnetic, and geological backgrounds.

1.7 Data Verification

Section 6.3.2 of this report describes the due-diligence sampling trip made in July 2021 supervised by Wilton that sampled historical core from two sites, as well as several of the known showings. Agreement between 1992 Falconbridge/1996 Tapestry Ventures sample assays, and the results for Wilton's equivalent samples, was excellent as per Table 6-1.

The Geotech VTEM survey conducted on the Florence Lake property used the current generation "VTEM Plus" system, which is a state of the art Magnetic and Time Domain Electromagnetic geophysical survey system. The preliminary data for the Florence Lake survey have been Quality Control checked by both Geotech and Jeremy S. Brett during survey acquisition and found to meet or exceed industry standards for airborne geophysical survey data.

These data, at the 50m line spacing used, are fully appropriate as a first pass for Kambalda-style Ni-Cu-PGE exploration.

1.8 Conclusions

Geology:

The primary mineral exploration target identified to date on the Florence Lake Property North Block is Kambalda-style nickel sulphide deposits, and exploration on the northern block of claims has been successful in identifying numerous target areas for follow-up. Falconbridge's rock and core geochemical sampling data has proven beneficial in beginning to characterize certain komatiitic volcanic units or areas as having potential for Kambalda-style mineralization. Importantly these potentially mineralized ultramafic samples are found throughout the stratigraphy, and are not limited to the Baikie horizon focused on by past workers. Churchill's detailed soil sampling approach has proven effective at mapping the ultramafic horizons and demonstrating high-grade nickel mineralization can be detected, as at Baikie where a nearby soil sample assayed 1.0% Ni.

In known Kambalda-style deposits mineralization is associated with AUK komatiites, but ADK komatiites are present as well. Understanding the spatial distributions of AUK vs. ADK rocks in the Florence Lake Group, may enable the definition of vent features and lava flow stratigraphy, and hence provide a vector towards potential mineralization.

With this in mind it is instructive to review Figure 9-8 (reproduced here as Figure 1-1), the high priority target figures, where Al_2O_3-undepleted (AUK) rocks are designated as KA targets, and conductors with AUK rocks present (either at surface or in core) are designated as AUK targets. Stacked AUK/KA targets are located throughout the stratigraphy in the DCP NE, Baikie and Boomerang areas of the greenstone belt, and importantly within basal Western Volcanics and even more westerly within presently mapped Kanairiktok terrain. The other areas of the north block have not seen as much exploration and efforts were more focused exclusively on the upper, most easterly stratigraphy, which serves to emphasize that more field work is needed in these areas.

The presence of AUK rocks at the base of the Western Volcanics is potentially very important to understanding the emplacement history of the Baikie Sub-belt komatiites, and therefore where the best mineralization may be localized. The western portion of the Eastern Volcanics is much less explored than the Baikie horizon, and the Western Volcanics have seen little to no exploration other than Churchill's VTEM survey. Churchill's soil sampling in 2022 did not reach the conductors present in the Western Volcanics in the Boomerang SE2 area where the volcanic pile seems thickest based on the magnetic data, and numerous conductors in this area need follow-up. Similarly, the 2022 soil work did not follow-up on target LN-22 in the DCP Area.

VTEM Survey:

The final Geotech VTEM data was examined and found to be an excellent first pass exploration tool to assist with the Churchill Florence Lake exploration program. The magnetic data provides a base map for the lithologies, identification of possible komatiites and structures. The VTEM conductors provide a first pass for identifying stringer to net textured sulfide conductors, and provides a framework for interpretation and the planning of Surface TDEM surveys which can identify massive sulfides. The following is concluded from the final dataset.

VTEM Aeromagnetic Data:

The Florence Lake Magnetic data acquired with the Geotech VTEM platform exhibited multiple prominent and mostly linear features that group into a ~9km long arcuate shape which has been interpreted as a sigmoidal fold pattern.

These were subdivided into three groups:

b) Most of the linear magnetic features were multi-kilometre scale and through-going, suggesting that they are country rock geology, such as mafic sills.

b) A second group was identified as strike limited bodies - discrete anomalies and short linear features. These could represent strike limited intrusive bodies with greater potential to host massive sulfides. These could be conduits.

c) One anomaly was conspicuously different. A circular kilometre-scale anomaly lies in the north part of the fly block off the main linear trends and is associate with a VTEM conductor on its NW edge (paleo bottom?). This feature is mapped as a gabbroic intrusion.

VTEM Time Domain Electromagnetic Data:

VTEM conductors conform mostly to the same arcuate pattern / interpreted fold as the magnetics and were separated into groups that could be associated with geology related to komatiite intrusions. The two major distinctions are:

ii) Conductors identified as discrete vs linear multi line anomalies: This distinction was intended to separate 'strike limited possible stringer and net textured sulfide targets' from strike extensive 'formational conductors' such as graphite. Care must be taken however in that it is possible to have strike extensive sulfide horizons up to 1.5km in length using our ore deposit model.

ii) Conductors associated with magnetic anomalies vs. those with no nearby magnetic signature: The intention here is to identify conductors that could be associated with magnetic serpentinized peridotites or conductors associated with magnetic komatiites versus conductors associated with much less magnetic proxenites, etc. These relationships will most definitely evolve along with an improved geological understanding via mapping, trenching and drilling to identify specific mafic and ultramafic rocks in this intrusive environment. This should contribute to an understanding of both the younging direction, favourable host rocks and locations within these intrusions for massive sulfides.

The above magnetic and conductor classifications were combined into sub groups mixing the above criteria plus geological criteria, as discussed on Tables 9-2 and 9-3. These were then used to prioritize target areas, as discussed in sections 9.1 through 9.3.

Risks:

The only significant mineral exploration risks associated with the Property are geological in nature. The area of the Property is not within any proposed Provincial Park or Protected Area. Likewise, there are no municipal boundaries near the property. There are no unresolved indigenous land claims that cover the property. The geological risks associated with the Property are common for any similar early-stage exploration program. The chief risk is that the mineralization will prove insufficient in amount and/or grade for economic production. Other potential risks, that are unknown at present, are whether the ore is suitable for metallurgical processing and whether there are deleterious components to the ore.

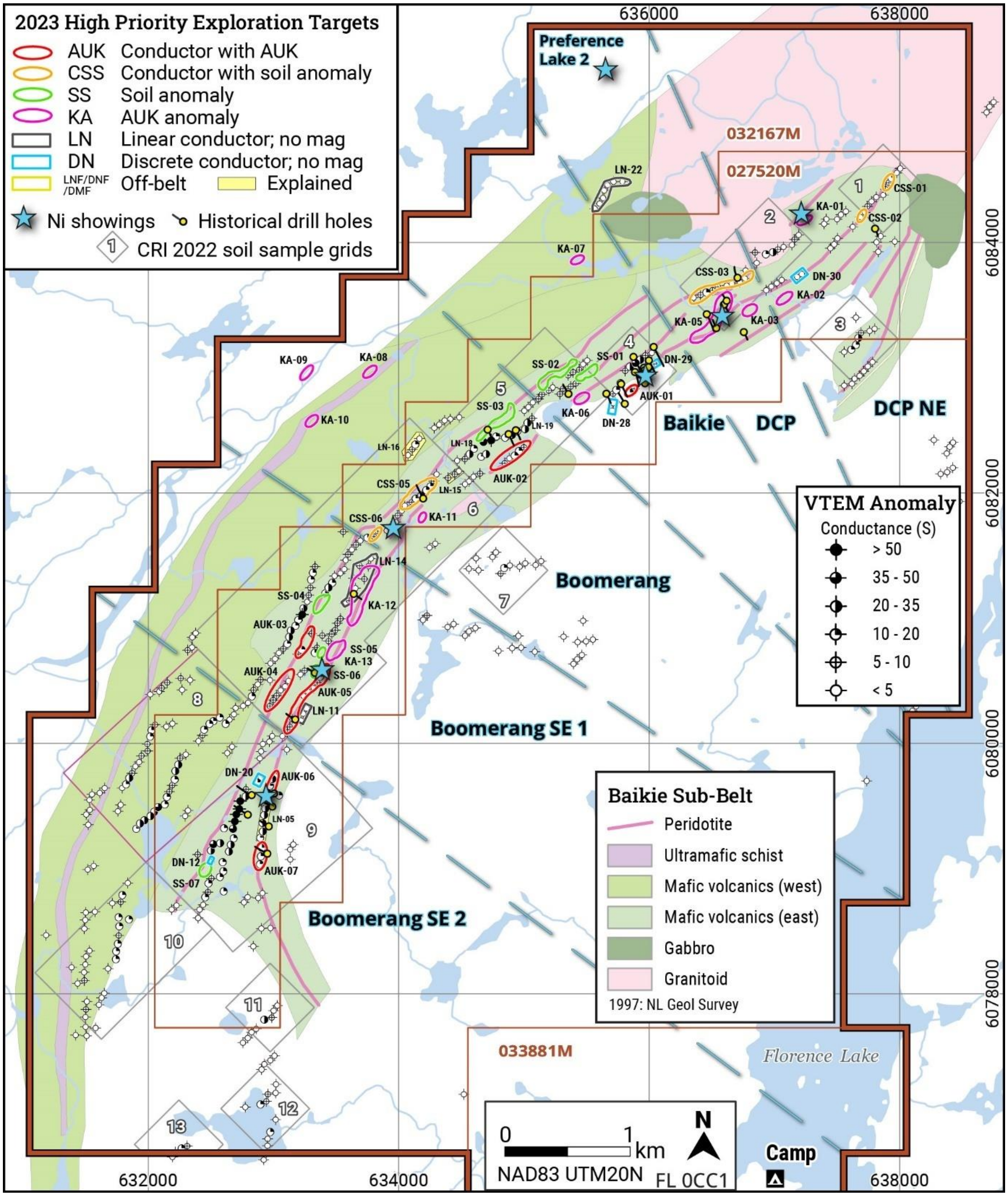
1.9 Recommendations

Exploration to date on the North Block of the Florence Lake Property has identified 113 geological/geophysical targets per Table 19-1 which were discussed in Section 9.5. Of these, 43 lie within the greenstone belt and are presently ranked as high priority and shown on Figure 1-1 and Table 1-3. The stacked nature to many of these suggest that more of the stratigraphy is prospective for nickel deposits than the Baikie horizon which saw most of the past work.

Table 1-3: Florence Lake Property North Block High Priority Target Summary

High Priority Target Type	Total Picked	# on DCP NE Area	# on DCP Area	# on Baikie Area	# on Boomerang Area	# on Boomerang SE1 Area	# on Boomerang SE2 Area
AUK - VTEM Conductor With AUK komatiites present	7	0	0	1	1	3	2
CSS - VTEM Conductor With Ni Soil Anomaly	7	2	1		2	2	
KA - AUK komatiites Without VTEM Conductor	14	2	4	2	4	2	
SS - Ni Soil Anomaly Without VTEM Conductor	4				1	2	1
LN - Linear VTEM conductor without magnetic signature	6		1	2		2	1
DN - discrete VTEM conductor without magnetic signature	5	1		2			2
LNF - Linear offbelt VTEM conductor without magnetic signature	0						
DMF - Discrete offbelt VTEM conductor with magnetic signature	0						
DNF - Discrete offbelt VTEM conductor without magnetic signature	0						
Totals	**43**	**5**	**6**	**7**	**8**	**11**	**6**

Figure 1-1: Florence Lake Property High Priority Targets on Geology



With these results in mind the authors recommend comprehensive geological, soil sampling and ground geophysical follow-up to further prioritize targets and allow for the design of appropriate drilling tests. It is also important that the 2022 soil sampling program be completed through the Baikie SE2 Area of the North Block, and the large grid on the South Block.

The authors recommend a 2023 exploration program including:

1. Complete the planned establishment of the 16-person field camp on Florence Lake as early as possible in late Spring. Winterize the tents in late Summer.

2. Complete on-going compilations of all past exploration work coupled with new VTEM Magnetic and EM interpretations. This work will inform the follow-up field work. A detailed geological map of each anomalous soil grid area should be compiled for ground-checking.

3. Refurbish the Falconbridge grids at Baikie, Boomerang and Knee Lake to assist with access for field crews. Expand these to the edges of the greenstone belts in areas of interest.

4. Detailed airborne radiometrics - gradiometer magnetic surveying is recommended for the North Block encompassing the greenstone belt as well as VTEM conductor targets within the granitic terrain.

5. Airborne TDEM surveying at 100m line spacing over the South Block of the property, where both VMS and magmatic nickel mineralization models apply.

6. A LiDAR survey is recommended for early summer once the snow has melted, to provide an accurate surface dataset and aid in structural interpretations.

7. Generation of complete geochemical data, including major element oxides, trace elements, Platinum Group Elements and Rare Earth Elements, from available drill core samples in DIET Happy Valley-Goose Bay core storage library and Tapestry racks at Florence Lake. Also, generation of complete geochemical data, including major element, oxides, trace elements, Platinum Group Elements and Rare Earth Elements from whole rock samples collected from komatiite areas as mapped by Falconbridge.

8. Early summer prospecting to follow-up the anomalous target areas

9. Expansion of, as well as completion of the 2022 planned soil sampling coverage.

10. Induced Polarization, TDEM and CSAMT ground surveys over the highest ranked targets and areas.

11. An initial drilling program should be conducted from the results of the summer fieldwork with the aims of: a) deeper/along strike drilling at the Baikie Showing horizon if compilations suggest larger size possibilities, and b) evaluation of other priority targets.

This program should consist of ~5,000 m of cumulative drilling to allow for reasonable unit costs. Drilling equipment may need to be winterized and stored on-site for the winter.

12. All boreholes should receive Televiewer surveys to better identify oriented structural and geological features drilled.

13. A borehole EM survey should be conducted encompassing all drillholes to detect off-hole conductors.

1.10 Budget Estimate

The programme recommended above has an overall estimated cost of ~$3,500,000 as per Table 19-1 below:

Table 1-4: Budget Estimate

Florence Lake 2023 Fieldwork Components	Units	Estimate
Finalize Compilations/Lithogeochem Sampling		$ 60,000.00
Camp Establishment		$ 300,000.00
Grid Refurbishment & Expansion	200km	$ 300,000.00
Complete Soil Sampling Coverage	2500	$ 500,000.00
Geology and Prospecting	60 days	$ 120,000.00
IP/TDEM/CSAMT Surveys	60 days	$ 240,000.00
LiDAR Survey		$ 75,000.00
Radiometric/magnetic gradiometer surveys	1450 line km	$ 300,000.00
Drilling Program	3000m	$ 1,200,000.00
Televiewer/BHEM Surveys		$ 100,000.00
Contingency at 10%		$ 300,000.00
Total		**$ 3,495,000.00**

Phase 2 in late 2023 or Spring 2024 would be success based, and would likely take the form of deeper drilling and borehole EM surveys in the best of the target areas, as well as on other conductor/soil targets that proved positive for Ni-Cu-PGE mineralization.

2.0 INTRODUCTION

This independent technical report on the Florence Lake Property ("Property") in central Labrador area of Newfoundland and Labrador, Canada, was prepared by Dr. Derek Wilton, P.Geo., of Terra Rosetta Inc. ("Terra Rosetta"), St. John's, NL, and Mr. Jeremy S. Brett, M.Sc., P.Geo., of Toronto, ON, at the request of, and assisted by, Mr. Paul Sobie P.Geo., Chief Executive Officer & Director, Churchill Resources Inc. ("Churchill"). Churchill is headquartered at Suite 505, 133 Richmond St. West, Toronto, ON.

The four contiguous mineral licenses comprising the Florence Lake Project consist of 416 mineral claims, with an area of 10,400 hectares, covering portions of the Archean-aged Florence Lake greenstone belt in east-central Labrador. The region has been subject to limited exploration in the past, and none since 1996-97. The known mineralized zones remain open for expansion, with Churchill Resource now actively assessing this potential.

The original license 027520M was staked by Altius in 2014, with two additional licenses added in March 2019 by Altius, and the fourth in January 2022 by Churchill Resources Inc. ("Churchill" or "CRI") through agent Kenneth Wright. Churchill optioned the three mineral licenses that constitute the Florence Lake Property from Altius Resources Inc. in an agreement dated June 24, 2021. Under the terms of the Option Agreement, the Company shall have the exclusive option for a period of 24 months to acquire an undivided 100% ownership interest in the Florence Lake Property by:

i. issuing 1,373,946 shares in the capital of the Company to Altius (issued);

ii. incurring a minimum of $1,500,000 in exploration expenditures within 24 months following the execution date of the Option Agreement;

iii. completing an equity financing on a private placement basis for aggregate gross proceeds of at least $4 million (completed);

iv. following the completion of the Private Placement, issuing to Altius 7,000,000 Common Shares or such lesser number of Common Shares such that after such issuance, Altius shall not own more than 19.9% of the Common Shares outstanding following the issuance of such Common Shares to Altius, on a partially diluted basis;

v. providing Altius with the right to elect one nominee to the board of directors of Churchill until such time that Altius beneficially owns less than 9.9% of the Common Shares; and

vi. providing Altius with a pre-emptive right to participate in future equity financings of Churchill to maintain its share ownership percentage interest in Churchill to a maximum of 19.9% of the issued and outstanding Common Shares until such time that Altius beneficially owns less than 9.9% of the Common Shares.

Following the date that the option is deemed to have been exercised in accordance with its terms, Churchill will issue a 1.6% gross sales royalty to Altius on any minerals produced from the claims comprising the Florence Lake Property.

Churchill carried out 2022 exploration on the property under NL Permit E220409 (expires 27 June, 2023) and LIL Land-Use Permit No. LIL140073PE (expires 30 June, 2027), with supporting fuel cache permits for drummed fuel storage at the Postville Airstrip, as well as a temporary field cache at the former camp site on Florence Lake. The Company is currently preparing applications for 2023 fieldwork and an exploration camp to be re-established at the former site on the south end of Florence Lake.

This report is formally an Independent Technical Report prepared to Canadian National Instrument 43-101 (“NI 43-101”), Form 43-101F1, Technical Report and Companion Policy 43-101CP standards. The report assesses the technical details and economic potential of the Property and recommends a follow up program and budget.

Churchill is a junior exploration company trading on the TSXV - Exchange (CRI.V) and this report will be used to support corporate development activities and filings with the appropriate regulatory authorities. The report has been prepared by Dr. Derek H.C. Wilton, P.Geo., retired professor of Economic Geology at Memorial University and presently an Honourary Research Professor there, and Jeremy S. Brett, P.Geo., Senior Geophysical Consultant. Mr. Sobie, CEO of Churchill, has contributed to the report as he served as virtual exploration manager for the Company’s activities during 2021-22. Dr. Wilton has past consulting and academic experience on the project and Mr. Brett is a senior geophysical consultant who managed and interpreted the airborne electromagnetic (“EM”) geophysical survey on the property, that forms part of this report.

2.1 Authorization and Terms of Reference

Terms of reference for this report were established through discussions between Churchill and the authors, and on January 26th, 2023, Churchill retained the authors to prepare this Independent Technical Report conforming to National Instrument 43-101 standards. The report was prepared in St. John’s and Toronto, Canada, in February-March, 2023.

2.2 Qualifications of the Authors

The authors of this report are independent Qualified Persons as defined under NI 43-101 and have carried out all work associated with report preparation on a fee for service basis. The authors are Dr. Derek H.C. Wilton, P.Geo., and Mr. Jeremy S. Brett, M.Sc., P.Geo., respectively.

Wilton has past consulting and academic experience on the project and Brett is a senior geophysical consultant who managed and interpreted the airborne electromagnetic (“EM”) geophysical survey on the property, that forms part of this report. Wilton has specific knowledge of the geology and mineralization types detailed in this report, and has participated in exploration and development projects in Newfoundland and Labrador (Evans-Lamswood et al, 2000; Wilton et al., 2015, 2021).

Brett has over 29 years of consulting experience with most types of airborne and ground geophysical methods, including the Geotech VTEM helicopter borne Time Domain Electromagnetic system used on the Florence Lake property, as described in this report. He is also versed in the application of many ore deposit models to geophysical data, including many models for nickel-copper exploration, and is adept at the application of geophysical modeling and inversion for exploration targeting.

Neither of the independent authors of this report (nor their family members or associates) have a business relationship, other than acting as independent consultants, with Churchill or any associated company, nor with any company mentioned in the report, which is likely to materially influence their impartiality or create the perception that the report could be compromised or biased in any way. The views expressed herein are genuinely held and deemed independent of Churchill.

Moreover, neither of the independent report authors nor (nor their family members or associates) have any financial interest in the outcome of any transaction involving the properties considered in this report, other than the payment of normal professional fees for the work undertaken in their preparation (which are based upon hourly charge-out rates and reimbursement of expenses). The payment of such fees is not dependent upon the content or the conclusions of either this report, or any consequences of any proposed transaction.

Churchill has accepted that the qualifications, expertise, experience, competence, and professional reputation of the authors are appropriate and relevant for the preparation of this report. Churchill have also accepted that the authors are members of professional bodies that are appropriate and relevant for the preparation of this Report.

2.3 Scope of Work and Sources of Information

Churchill commissioned the authors to prepare this technical report on the Property and to develop an exploration program with (an) associated budget(s).

In preparing this report, the authors reviewed geological reports and maps, miscellaneous technical papers, company letters, memoranda, and other public and private information as listed in the “Reference” section (Section 19) of this report. As such the material in this Technical Report is a compilation of available information. References in this Technical Report are made to publicly available reports, some of which were written prior to implementation of NI 43-101, including government geological publications and Mineral Assessment Reports that were filed with, and are available through, the Newfoundland and Labrador Department of Industry, Energy and Technology (“DIET”).

The report is based, in part, on personal geological observations from past field examinations of the property and vicinity, along with selective core sampling of historical drill holes from the core rack on the property, and from the DIET core storage facility in Goose Bay, by

Wilton, and extensive review of historical exploration and past assessment work reports on the Property.

This report is based on information known to the authors as of March 1, 2023.

Unless otherwise noted, all measurement units used in this report are metric, and currency is expressed in Canadian Dollars.

3.0 RELIANCE ON OTHER EXPERTS

Wilton checked mineral exploration title status and assessment reports on the property on the NL Department of Industry, Energy, and Technology (DIET) website; https://gis.geosurv.gov.nl.ca/ . Access to the DIET website was made over a period time from January 30 to February 18, 2023.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 The Florence Lake Property

The mineral exploration titles that comprise the Florence Lake Property, as defined in this report, are registered to Altius (3) and Churchill (1) and each company holds a 100% interest in each title according to the DIET Geoscience Online website. The Property consists of these four contiguous mineral licences which comprise a total of 416 map staked claims covering an area of 10,400 hectares (104 km^2). The claims were acquired through online map-staking.

A mineral licence gives the licensee the exclusive right to explore for minerals in, on, or under the area of land described in the licence; it does not include surface rights. Regarding the Property, the Mineral Licenses are located on LIL and LISA land and legal access to the areas is not an issue. There are no other known factors or risks that may affect access, title, or the right or ability to perform work on any of the properties.

The claims are centred at approximately UTM co-ordinates 635000mE/6075000mN (NAD 27, zone 20), on NTS sheet 13K/15 (Figure 2).

Table 4-1 provides a summary of the Property Mineral Rights.

Table 4-1: Florence Lake Property Claims

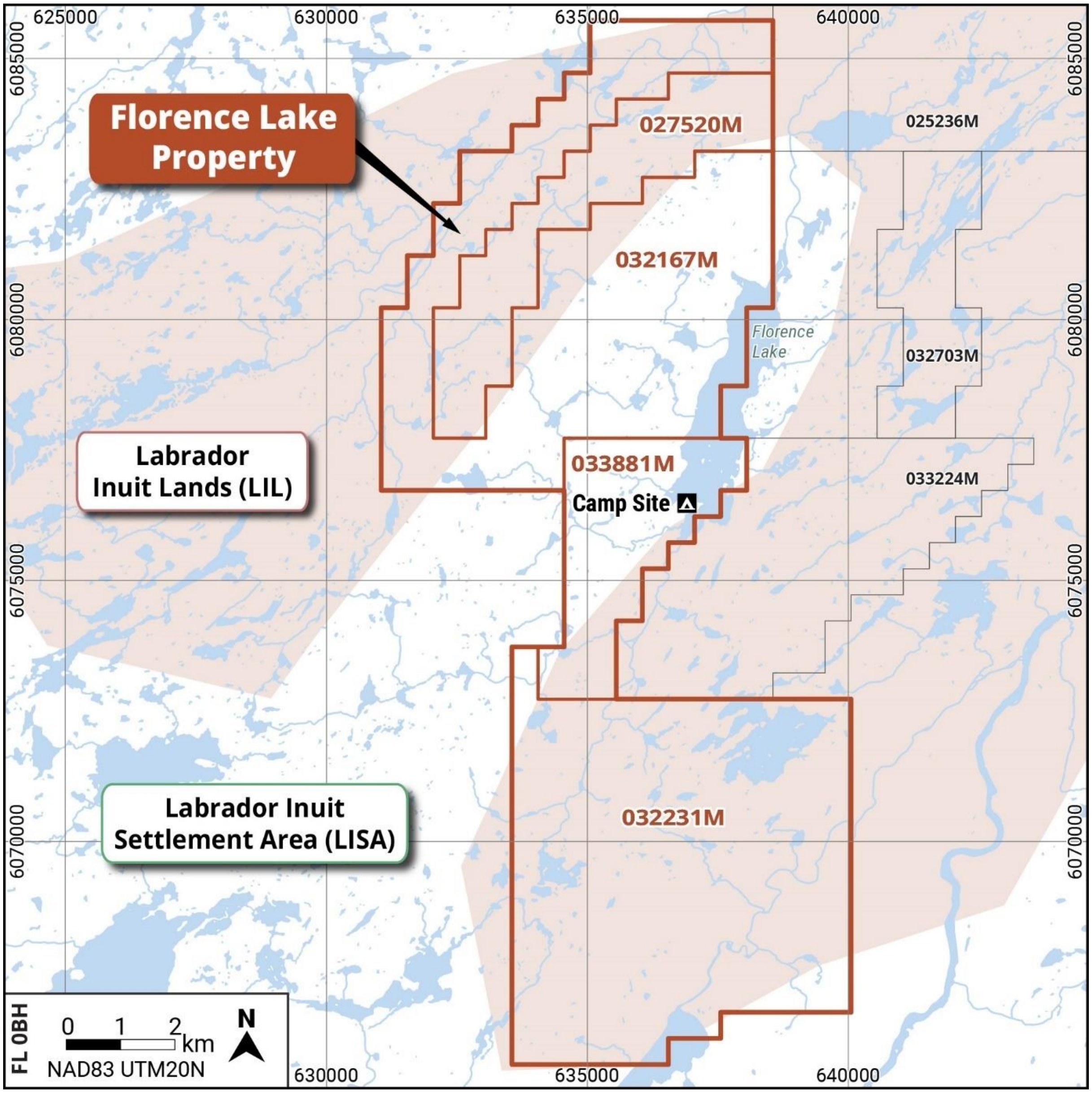
Property Name	License Number	Number of Claims	Held By	Year of Tenure	Anniversary Date	% Within LIL*	% Within LISA**
Florence Lake	027520M	50	Altius Res.	9	18-Dec-2022	98%	2%
Florence Lake	032167M	151	Altius Res.	2	19-Mar-2022	44.9%	55.1%
Florence Lake	032231M	172	Altius Res.	2	24-Mar-2022	94.7%	5.3%
Florence Lake	033881M	43	Churchill Res.	2	20-Jan-2023	27.1%	72.9%

*LIL refers to Labrador Inuit Lands on which the Nunatsiavut Inuit have the exclusive right to ownership of quarry materials and a 25 percent ownership interest in subsurface resources in this area

**LISA refers to Labrador Inuit Settlement Area

Figure 4-1: Location Map of Florence Lake Property, Newfoundland and Labrador

Figure 4-2: Map of Mineral Licences that constitute the Florence Lake Property



4.2 Conditions of Exploration Title

Mineral exploration titles in Newfoundland and Labrador are defined and managed under the terms and conditions of the Mineral Act (RSNL1990), and associated Mineral Regulations as amended to date. The description of the system presented below is summarized from information made available by the Geological Survey of Newfoundland and Labrador (DIET), particularly the Staking and Exploration Guidebook.

The basic unit of map staking in Newfoundland and Labrador is the claim, which is a 25 ha^2 (500 m x 500 m), being one quarter of a UTM grid square (1 km x 1 km) and bounded on one corner by such a UTM grid square. The UTM grid square referred to is the one thousand metre grid used on the 1:50,000 National Topographic Map Series (NAD 27). An application for a map staked licence is made on-line through the Mineral Rights Administration System (MIRIAD). A licence can contain a maximum of 256 claims, all of which must be coterminous (“coterminous” is defined as having at least one side in common). There are no restrictions on the shape of mineral licences. Licences extended past year twenty have a maximum size of 100 claims. A mineral licence may be converted to a mining lease at any time if the owner deems there to be sufficient mineral resources to warrant conversion and further work.

Each claim staked in a licence requires payment of a CDN $65 fee. This total includes a non-fundable CDN $15 recording fee and a CDN $50 security deposit that will be refunded upon submission and acceptance of a report covering first year work requirements for the licence (so-called “assessment report”). If a map staked licence has been partially surrendered in the first year and the assessment work required has not been completed, a portion of the deposit in proportion to the partial surrender is forfeited. Also, if a map staked licence is cancelled or surrendered in the first year, the security deposit is forfeited.

The Mineral Act and Regulations in Newfoundland and Labrador state that there is a 30-day wait period for a staking application to be reviewed prior to a mineral licence being issued. After the licence is issued (Issuance Date), the licence holder has 365 days until the Anniversary Date/Work Due Date during which required first year mineral assessment work must be carried out. Sixty-days after the Work Due Date, an assessment report documenting the work performed and a statement of expenditures must be submitted to the Mineral Lands Division.

A mineral exploration licence is issued for a term of five years (which is renewable for three additional five-year terms and 10 additional one-year terms) and can be held for a maximum of 30 years provided that:

- the minimum annual assessment work is completed
- the annual work is reported upon
- the mineral exploration licence is renewed every five years

The minimum annual assessment work values required to be completed on each claim held in a licence are:

- CDN $200 / claim in the first year
- CDN $250 / claim in the second year
- CDN $300 / claim in the third year
- CDN $350 / claim in the fourth year
- CDN $400 / claim in the fifth year
- CDN $600 / claim / year for years six to ten, inclusive
- CDN $900 / claim / year for years eleven to fifteen, inclusive
- CDN $1,200 / claim / year for years sixteen to twenty, inclusive
- CDN $2,000 / claim/ year for years twenty-one to twenty-five, inclusive
- CDN $2,500 / claim/ year for years twenty-six to thirty inclusive

Excess work performed in a given year can be carried forward for up to ten years. This means that should no other work be performed on the licence, and adequate excess expenditures exist, the annual requirement will be allocated from the excess until such time the excess runs out or the ten-year time period is reached – whatever comes first.

Should a licence holder be deficient in the required expenditures for a licence, security for the amount of the deficiency can be submitted. This requires, however, that the deficient work be completed in the next year, in addition to the minimum assessment work amount required during that subsequent year. This is referred to as a Condition 2 (CON2) extension and the security is refundable upon acceptance of report documenting that the required expenditures were incurred.

In order for a licence to remain in good standing with the Government of Newfoundland and Labrador, the licence has to be renewed every fifth year on the anniversary date. The renewal fees escalate for Term 1, Term 2 and Term 3 and are as follows:

- Term 1 Renewal (year 5 of licence) is CDN $25 / claim
- Term 2 Renewal (year 10 of licence) is CDN $50 / claim
- Term 3 Renewal (year 15 of licence) is CDN $100 / claim

According to Mineral Lands files on NL DIET website, Licence 027520M (staked in 2014/12/18) has had sufficient expenditures to remain in good standing until 2033/12/18 (year 19). Licence 032167M (staked in 2021/02/17) has had sufficient expenditures to remain in good standing until 2027/03/19 (year 6). Licence 032231M (staked in 2021/02/22) has had sufficient expenditures to remain in good standing until 2024/03/24 (year 3). Licence 033881M (staked in 2021/12/21) has had sufficient expenditures to remain in good standing until 2024/01/20 (year 3).

4.2.1 The Exploration Approval Process

Any license holder who intends to conduct an exploration program must obtain an exploration approval from the Department of Natural Resources, and then the Nunatsiavut Government (“NG”), before the activity can commence. The NG may require a security deposit before work can proceed.

Expenditures on the following, within the area of the licence, shall be credited as assessment work when carried out for the purpose of exploration.

(a) prospecting
(b) trenching, pitting and stripping
(c) line cutting and flagging
(d) surface and underground geological surveys
(e) airborne, surface underground geochemical surveys
(f) airborne, surface, underground geophysical surveys and borehole geophysical surveys.
(g) photogeological and remote imagery interpretations

(h) drilling, and core transportation to storage facilities of the Department of Natural Resources
(i) land surveys
(j) topographic surveys
(k) shaft sinking and other underground exploration work
(l) engineering evaluation reports
(m) benefication studies, analysis, assays and microscopic studies, and
(n) others as may be approved by the Minister

Note: Staking costs are not an acceptable assessment expenditure

4.2.2 Transfers and Options

A licence may be transferred at any time during its currency by completing and forwarding to the Mineral Claims Recorder a duly executed transfer document. As well, all options and agreements relating to minerals or rights to or in respect of minerals must be registered in registries maintained by the Mineral Claims Recorder's office, DIET. Otherwise, the transaction is not valid and has no effect in law.

4.3 Underlying Agreements

Churchill optioned the three original mineral licenses that constitute the Florence Lake Property of from Altius Resources Inc. in an agreement dated June 24, 2021. Under the terms of the Option Agreement, the Company shall have the exclusive option for a period of 24 months to acquire an undivided 100% ownership interest in the Florence Lake Property by:

i. issuing 1,373,946 common shares in the capital of the Company to Altius (issued);

ii. incurring a minimum of $1,500,000 in exploration expenditures within 24 months following the execution date of the Option Agreement;

iii. completing an equity financing on a private placement basis for aggregate gross proceeds of at least $4 million (completed);

iv. following the completion of the Private Placement, issuing to Altius 7,000,000 Common Shares or such lesser number of Common Shares such that after such issuance, Altius shall not own more than 19.9% of the Common Shares outstanding following the issuance of such Common Shares to Altius, on a partially diluted basis;

v. providing Altius with the right to elect one nominee to the board of directors of Churchill until such time that Altius beneficially owns less than 9.9% of the Common Shares; and

vi. providing Altius with a pre-emptive right to participate in future equity financings of Churchill to maintain its share ownership percentage interest in Churchill to a maximum of 19.9% of the issued and outstanding Common Shares until such time that Altius beneficially owns less than 9.9% of the Common Shares.

Following the date that the option is deemed to have been exercised in accordance with its terms, Churchill will issue a 1.6% gross sales royalty to Altius on any minerals produced from the claims comprising the Florence Lake Property.

4.4 Environmental Considerations and Exploration Permitting for Recommended Work

Churchill has advised the authors that the Property is not subject to any known environmental liabilities. The exploration companies working in the area of the project did not carry out any more advanced work than line cutting, minor surface channel sampling, and the drilling of 46 diamond drill holes. The work was helicopter-supported and no roads or trails were established. To the degree known to date by Churchill, none of this work is considered to have created environmental liabilities of note on the property, nor should any of these activities accrue liabilities to Churchill in accordance with the provincial regulations. The authors are not aware of any known environmental liabilities or issues associated with the Florence Lake land package.

Churchill carried out 2022 exploration on the property under NL Permit E220409 (expires 27 June, 2023) and LIL Land-Use Permit No. LIL140073PE (expires 30 June, 2027), with supporting fuel cache permits for drummed fuel storage at the Postville Airstrip, as well as a temporary field cache at the former camp site on Florence Lake. The Company is currently preparing applications for 2023 fieldwork and an exploration camp to be re-established at the former site on the south end of Florence Lake.

An Exploration Approval permit must be obtained from the NL DIET before any exploration program can commence. The regulation system in Newfoundland and Labrador is efficient, and typically exploration permit approval would take only four to six weeks. Altius has advised that it has had no difficulty to date obtaining exploration permits for previous work programs on the Property and has not identified any factors that would substantively change this expectation for permitting of exploration work on the Property. The author is not aware of any other significant factor or risk that may affect access, title, or the right or ability to perform recommended work on the property.

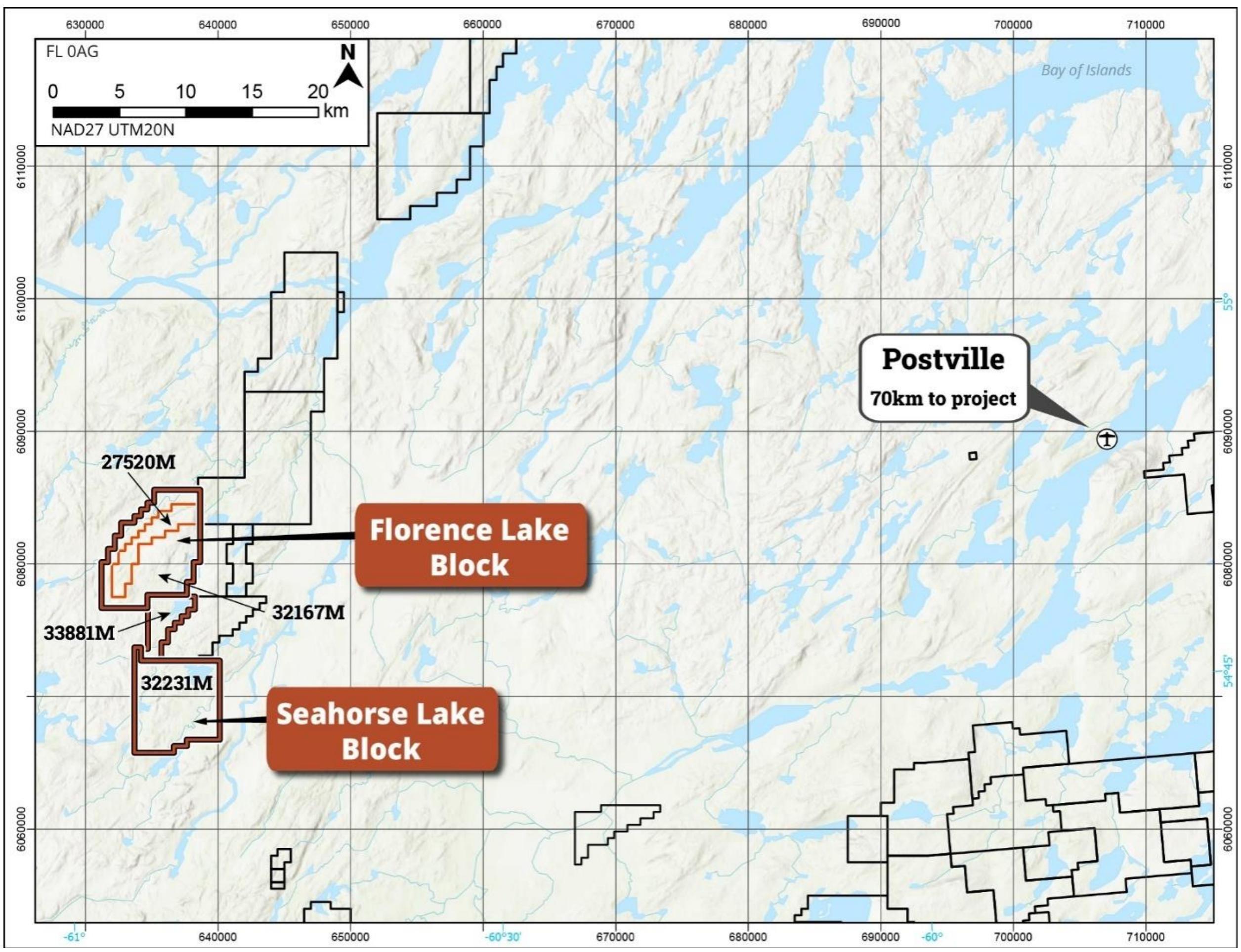
5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Accessibility

The Florence Lake Property is located approximately 150-180km north of the town of Happy Valley-Goose Bay in east-central Labrador, and about 50-70km west of the village of Postville on the coast. The other nearby town is Hopedale, located approximately 70-100km to the northeast on the coast (Figure 5-1). The claims are centred at approximately UTM co-ordinates 635000mE/6075000mN (NAD 27, zone 20), on NTS sheet 13K/15 (Figure 2).

Both Postville and Hopedale offer basic support for field exploration programs including accommodations, provisions, and small airstrips, as well as regular ferry and scheduled daily flights to Happy Valley-Goose Bay, and onwards in Maritime Canada. Access to the property itself is exclusively by helicopter or float/ski planes, the latter of which can land at Florence Lake in the centre of the property.

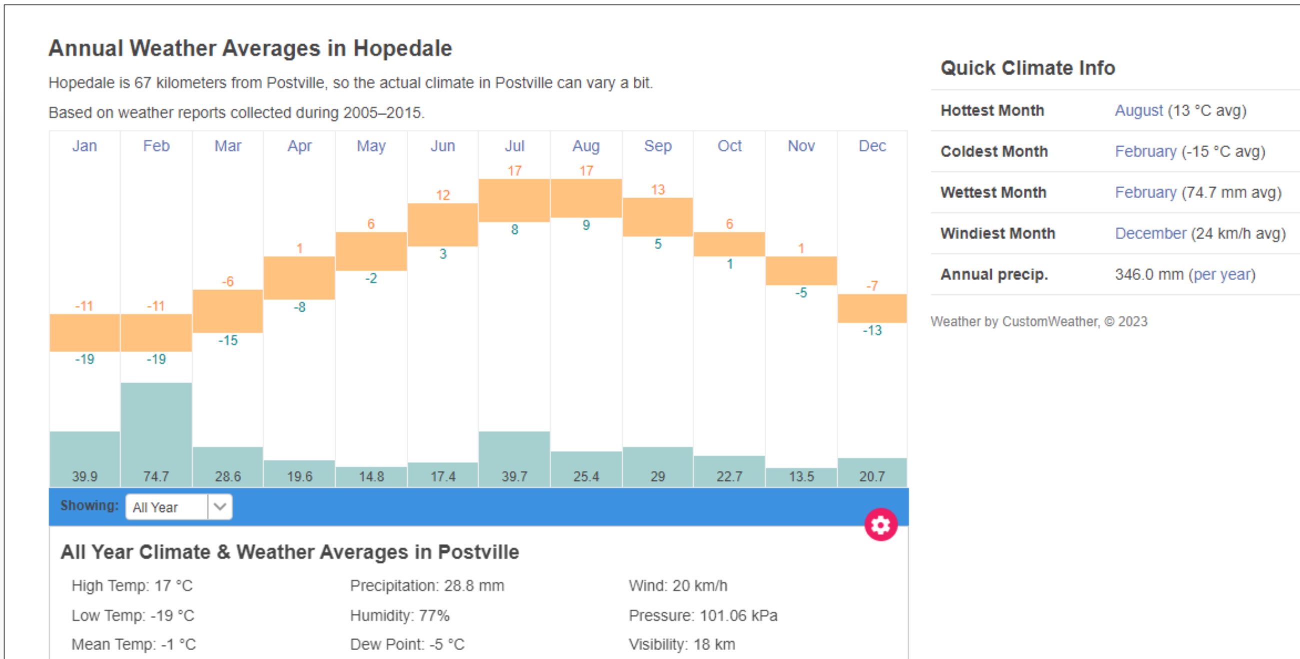
Figure 5-1: Map of Florence Lake Property in relation to regional infrastructure



5.2 Climate

The summer field season is relatively short, with spring break-up generally starting in June and first snowfall typically occurring during October. The climate is generally cool, with average daily temperatures of 15-20°C during July and August. Total annual snowfall accumulation averages approximately 480 cm.

Table 5-1: Annual Climate Data for Postville, NL (from Environment Canada)



5.3 Infrastructure and Local Resources

The is no permanent infrastructure around the Property, excepting personal cabins on nearby rivers and coastal inlets. There is an abundance of waterways on, and around, the Property, hence water for temporary exploration camps or potential future mining and processing requirements is not considered to be problematic at this time. There is sufficient Crown and Inuit land to establish exploration and construction camps.

Postville and Hopedale, the two nearest communities both offer basic support to exploration activities as well as experienced local workers. Happy Valley-Goose Bay is the major centre of supply for the area, and large items can be trucked there and then either shipped by air, or ferry, to Postville, for onward helicopter transport to the Property. The Company shipped personnel, equipment, samples, and fuel to and from Postville on the ferry, to support its 2022 exploration efforts.

5.4 Physiography

The Florence Lake project area is characterized by rugged topography, with several generally northeast trending river valleys separating a series of higher, commonly steep sided, tree-covered ridges. Elevation on the property ranges from approximately 120 metres above sea level (along the Ugjoktok River Valley which skirts the northern claims) to approximately 300-320 metres above sea level near the Baikie and Boomerang Southeast #2 showings. Valleys are occupied by poorly developed drainage systems of streams, ponds, and bogs, but are quite heavily treed elsewhere.

The Ugjoktok River flows into Ugjoktok Bay approximately 14 kilometres northeast of the property. The largest water body on the claims is Florence Lake, which is centrally located with a good camp site used in the past on its southern shore. Ugjoktok Bay has been used in the past by explorers to barge equipment and fuel to a position quite close for helicopter transport to the work sites and camp. Access overland in winter, using tracked snow machines, has also been utilized in the past.

Coniferous forest predominates in most areas, with scrub forest and barren lands developed at higher ridge elevations. Till coverage on the claims is generally less than 1-2 metres thick, with the predominant ice-flow in the area generally toward the northeast (Batterson, 1996). Bedrock exposure at higher elevations is quite high at 20-50%, but sparse in the valleys especially those underlain by intrusive granitic rocks or where volcanic country rocks have been heavily weathered.

6.0 HISTORY

Exploration for base and precious metals in the vicinity of the property began in 1959 when the British Newfoundland Exploration Limited company (BRINEX), discovered the Baikie Showing discovery. The greenstone belts of the Hopedale Block have attracted base metal and gold explorers periodically since that time, but no sustained exploration has taken place in about 30 years, when Falconbridge held the ground.

6.1 Introduction

The Assessment Report on License 023829M, by Morgan and Patey (2017), provides a good historical review of work carried out on the Florence Lake Property and general area, by industry, university, and governmental organizations. The following sections *in italics* are reproduced from that report.

6.2 Government Surveys and Academic Research

"In 1953 the Geological Survey of Canada conducted geological mapping within parts of the Hopedale Block (Kranck, 1953; Christie et al., 1953), mainly along the Labrador coast, but it was not until 1978 that inland geological mapping reached the current property area (Ermanovics, 1979, 1980, 1981a, 1981b; Ermanovics and Raudsepp, 1979; Ermanovics and Korstgard, 1981; Ermanovics et al., 1982; Grant et al., 1983).

The Geological Survey of Canada sampled the Florence Lake area as part of a reconnaissance scale lake water and lake sediment survey in 1983 (Friske et al., 1993a), as well as a follow-up survey in 1992 to better define anomalous areas (Friske et al., 1993b; Friske *et.al. 1994).*

In 1990, Brace completed an M.Sc. thesis at Memorial University of Newfoundland on the geology, geochemistry and metallogeny of the Florence Lake Group. As part of his study, Brace carried out 1:50,000 scale geological mapping, as well as geochemical, petrographic, and electron microprobe and SEM analysis.

Brace and Wilton (1989) reported on preliminary lithological, petrological and geochemical investigations of the Florence Lake Group mainly around Knee Lake, but also at the Baikie Showing. Based on geochemical data, Brace and Wilton (1990) described the ultramafic rocks at the Baikie Showing as komatiitic intrusive rocks. They also described PGE enrichments in the Baikie massive sulphides.

In 1996, the Newfoundland Department of Natural Resources published the results of a multi- disciplinary study of the geology and mineral potential of the Florence Lake greenstone belt (James et al., 1996a; Miller, 1996). This work included 1:25,000-scale geological mapping in parts of the belt (James et al., 1996b), as well as surficial geology studies (Batterson, 1996) and a soil, stream water, and stream sediment geochemistry survey (McConnell, 1996).

Diekrup et al. (2023) conducted detailed mapping of the Adlatok sub-belt (after James et. Al, 1996) of the Florence Lake Group. Raynor (2022) produced a number of U-Pb isotope dates for the Hopedale Block, Nain Province.

6.3 Industry Surveys

Industry led work in the Florence Lake greenstone belt was initiated in 1959 by the British Newfoundland Exploration Limited company (BRINEX), with the purpose of exploring for base metal deposits. Work by BRINEX included the first soil geochemistry survey in the region (Hansuld, 1959). Airborne geophysical (Magnetic and EM) surveys detected numerous conductors and the best anomalies were recommended for follow-up, which led to the discovery of sulphide mineralization at the Baikie Showing (Mann, 1960).

From 1960-63, BRINEX, in joint venture with Asbestos Corporation, conducted follow-up work that included geological mapping, channel sampling, soil sampling, ground geophysics, and diamond drilling. The Baikie showing was drill-tested using a packsack drill in 7 short holes totalling 42 metres. Numerous pyrite and nickel showings were discovered but none were deemed as having economic potential, and the area surrounding the occurrence was abandoned (Piloski, 1962a; 1962b; Bondar, 1963; Sutton, 1970). In 1964, BRINEX and partner Cliffs Canada conducted regional exploration that included mapping and stream sediment sampling, but no significant results were reported (Earthrowl, 1964).

In 1970, BRINEX conducted regional mapping in two areas of the Florence Lake belt. One of these areas included the Baikie Showing, while the other was located northeast of Adlatok River along the northwest shore of Ugjoktok Bay. Rock samples that were sent for analysis generally returned negligible metal values, except for a sample that returned 1.01% Ni and another that returned 0.22% Cu (Sutton, 1970).

BP Minerals Canada Limited and Billiton Canada Limited held claims and conducted detailed airborne Magnetic and VLF surveys over a substantial portion of the Florence Lake Belt from 1982-83. The campaign identified numerous targets based on the model of lens-shaped, vertically to steeply dipping massive sulphide bodies, such as those in the Noranda camp. Of 438 anomalous responses, 39 were recommended as targets for follow-up; however no significant mineralization was located. Although graphite and pyrite bearing horizons were identified as the source of some of the anomalies, in the majority of cases the graphite-pyrite horizons were deemed to be too small to produce the geophysical responses, which remained unexplained (Stewart,et al., 1983).

In 1987, Platinum Exploration Canada Inc. staked 15 claims covering the Baikie Showing and carried out geological mapping and rock sampling, as well as follow up of several ground magnetometer survey anomalies identified by BRINEX. Based on this work, the Baikie showings were interpreted to be talc-carbonate altered ultramafic xenoliths within the granodiorite of the Kanairiktok Intrusive Suite. Re-sampling of the Baikie Main showing returned values of up to 224 ppb Pd and 120 ppb Pt (Wilton, 1987).

The Florence Lake greenstone belt, including the Baikie Showing, was held in whole or in part by Falconbridge Limited between 1990 and 1995. Falconbridge and Noranda jointly *held a parcel of claims covering the Baikie showing 1990-1991, during which time Noranda carried out 6 days of limited prospecting and sampling of several ultramafic units, which returned values of up to 0.16% Cu and 198 ppb Au (sample #3655) (Dessureault, 1991).*

During 1990-1991, Falconbridge conducted reconnaissance scale prospecting and sampling, followed by a 1:20,000-scale airborne photography survey, line cutting, geophysical surveys (Mag, VLF, and HLEM), as well as 1:10,000 and 1:5,000 scale geological mapping. Several anomalies were recommended for follow-up in the Knee Lake, Pye Pond, and Block 377 areas. It was concluded that inadequate stripping in the vicinity of the Baikie showing may have underestimated its strike extent, [thus influencing] *Brace's (1990)* [supposition] *that mineralization was restricted to a talc-carbonate ultramafic xenolith in trondhjemite units of the Kanairiktok Intrusive Suite. Additional recommended work included line cutting, an HLEM and Mag survey, 1:1,000 scale geological mapping, and a 2,000-metre diamond drilling program (McLean, 1992).*

During separate winter and summer campaigns in 1992, Falconbridge carried out a total of 50.4 kilometres of linecutting, as well as various ground geophysical surveys (Mag/VLF, MaxMin, HLEM, transient EM, and IP), and a 1,220 line kilometre airborne EM survey that wasflown at 100-metre line spacing. A 12-hole (1,634 metres) diamond drilling program conducted during July and August significantly increased the known extent and grades of the Baikie showing, returning values of up to 2.19% Ni and 0.22% Cu over 11.32 metres (FLK92-2). Drill hole FLK92-12, which tested the down plunge extent of the Baikie showing more than 50 metres below FLK92-2, returned values of up to 1.25 % Ni and 0.05% Cu over 15.00 metres. Geological mapping and sampling programs conducted that year led to the discovery of the DCP Showing (up to 0.9% Ni over 0.5 metres from a channel sample) and Boomerang Showing (up to 2.1% Ni from grab samples) (McLean et al. 1992; Woolham, 1993).

In 1993, Falconbridge carried out additional line cutting, ground geophysical surveys, geological mapping and sampling, as well as a borehole TEM survey in seven of the drill holes at the Baikie Showing. The borehole TEM survey results indicate that the Baikie mineralization is associated with a strong, continuous, steeply plunging anomaly and that drill hole FLK92-12 only tested the upper edge of the conductor. Several off-hole conductors were also identified from the survey (McLean and Butler, 1993). A summer diamond drilling program totalling 3,145 metres in 23 holes tested numerous targets along the mapped komatiitic ultramafic horizon hosting the Baikie, DCP, and Boomerang showings. No significant mineralization was intersected at the DCP Showing, but drilling at the Boomerang Showing returned values of up to 2.25% Ni over 0.07 metres and 1.23% Ni over 0.42 metres, respectively, from drill holes FLK93-30 and FLK93-35. The Boomerang Showing also returned channel sample values of up to 2.11% Ni over 0.30 metres (McLean and Butler, 1993).

In 1996, Tapestry Ventures entered into a joint venture agreement with Falconbridge Limited and explored several properties in the Florence Lake area over the next three years. Their work included additional diamond drilling at the Baikie Showing, as well as grid rehabilitation, soil sampling, channel sampling, and reconnaissance work in the Baikie, *DCP, Boomerang and Knee Lake areas. Drilling did not find any new zones of mineralization, but assays were consistent with those of previous programs. The soil sampling outlined four areas deemed to merit further investigation on the DCP and Boomerang grids, and infill soil sampling, prospecting, mapping, and drilling was recommended (Cullen and Churchill, 1997a).*

Prospecting by Tapestry Ventures in 1997 was limited to mapping and traversing on the East Baikie, Bussiere Lake, and the Joanne Lake South properties. The East Baikie and Joanne Lake South properties were found to lack significant ultramafic accumulation, and the potential for nickel sulphide mineralization lessened. Within the Bussiere Lake properties, substantial potential for auriferous, quartz-carbonate vein arrays was recognized, and geological mappingand B-horizon soil geochemistry was recommended follow-up (Cullen and Churchill, 1997b).

As part of a uranium exploration program in 2006, Bayswater Uranium Corporation held large areas within the Hopedale block that included the Florence Lake Belt. The area surrounding Knee Lake was flown as part of an airborne magnetic and radiometric geophysical survey, and represented the only work covering the Baikie/Knee Lake areas. Work from Tapestry ventures was the last base/precious metal-focused work within the Florence Lake Greenstone Belt."

6.3.1 Altius Resources 2017

Morgan and Patey (2017), report:

"The July 2015 field program on the Florence Lake property included the collection of 94 till samples as part of a 2-year research project being carried out by Altius, with support from the Research & Development Corporation ('RDC'). The objective of this project is to determine the 'indicator mineral' fingerprints for three different mineral deposit types in the province, including komatiite-associated nickel-copper sulphide + PGE mineralization, as represented by the Baikie Showing within the Florence Lake Belt of Labrador.

Indicator minerals in regional till surveys have been the standard diamond exploration technique in northern Canada for many years. The rationale is that unique, durable ("robust") minerals associated with diamondiferous kimberlites can survive glacial transport, can be easily collected in heavy mineral concentrates (HMC), and can thus be used to trace back to source. Diamond exploration has typically used mineral phases such as garnets, diopsides, ilmenites, etc., all of which have chemistries specific to kimberlite heritage. Detailed work on other deposit types has indicated that they likewise have robust indicator minerals with unique chemistries that can be used in till surveys (e.g., gahnites in VMS, scheelite in skarns).

In a traditional indicator mineral study, following separation of a sieved heavy mineral concentrate (HMC) from a till sample, an analyst would examine the HMC under a *microscope and manually pick out grains of what they perceived to be the indicator minerals of interest. The picked grains would be mounted and then analysed by an Electron Microprobe Analyser to identify the minerals and to further ascertain if they had the correct composition reflective of any up-ice mineralization. Using the technique developed by Altius and MUN* [cf. Wilton and Winter, 2012; Wilton et al., 2017], *this process becomes automated by using a Scanning Electron Microscope with Mineral Liberation Analysis software (SEM-MLA). The MLA technique allows for the analysis of all grains present in an HMC separate (up to 17,000 particles) and calculation of exact percentages.*

The till survey and SEM-MLA analytical technique is based on the premise that a distinct set of indicator minerals can be identified for komatiite-associated nickel-copper sulphide + PGE deposits, which can be detected in till sample HMC and then be traced back to a source. To help determine the characteristic indicator minerals for this particular style of mineralization, four control rock samples (10401 to 10404) were collected near the Baikie Showing and broken down into "anthropogenic" till material, which was then analysed by SEM-MLA. Important mineral phases identified in these control samples can then be compared with those from the property-wide till samples that were collected in 2015.

During 2016, the 94 till samples collected in 2015 underwent processing at Altius' sample processing facility in Mount Pearl, NL. Following this, splits of each sample were sent to the ALS Minerals laboratory in Sudbury, ON, for geochemical analysis and Memorial University's microanalytical laboratory in the Bruneau Innovation Centre, St. John's, NL, for indicator mineral analysis using the SEM-MLA."

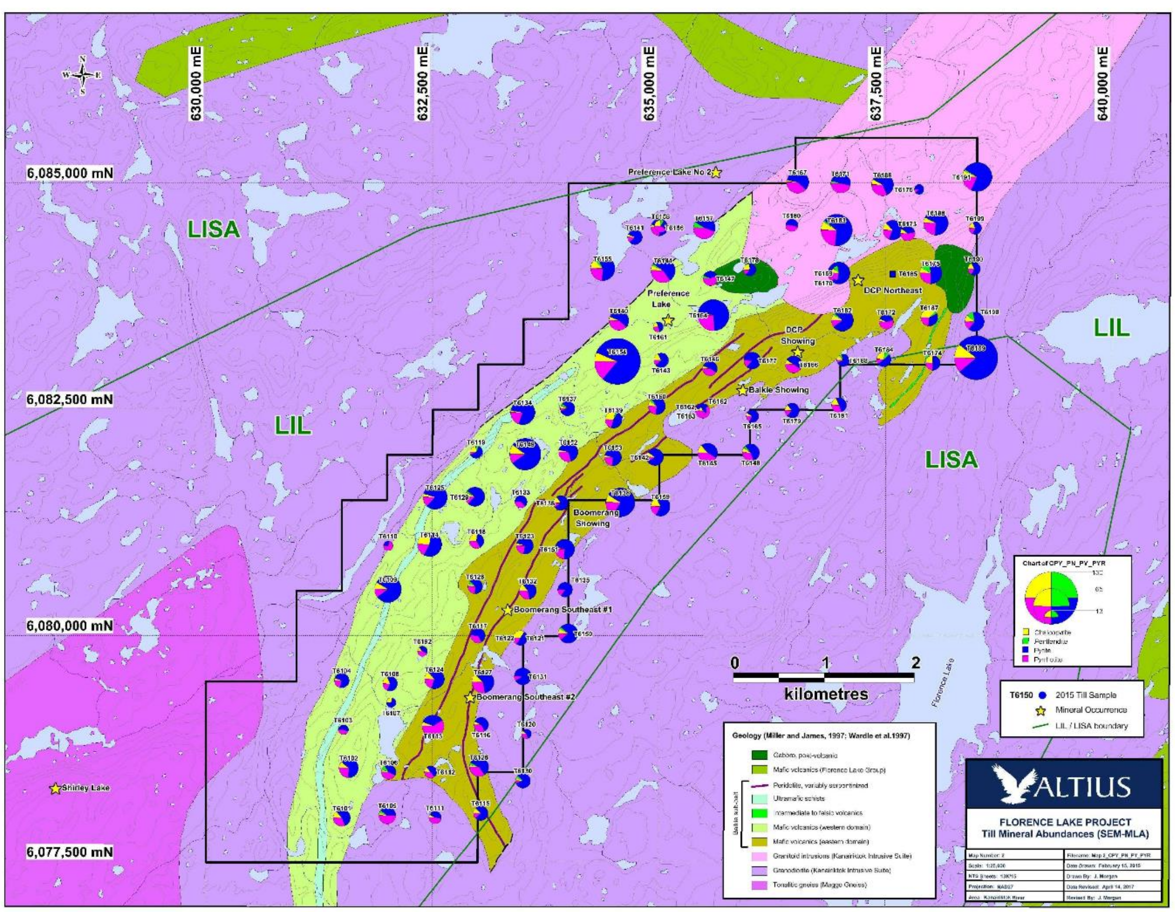
The assessment report provides detailed accounts of the methodologies and procedures followed, which are omitted here. Morgan and Patey (2017) report on the results of the survey as follows:

"The SEM-MLA analysis can produce hundreds of thousands of data points, as well as mineral associations and textures, for each till sample, and Altius personnel are currently developing efficient ways of quantifying and simplifying them for exploration targeting. Data from the SEM-MLA till analysis has been used to produce simple maps of key mineral abundances, which is the simplest way of looking at such a large, complex dataset.

For komatiite-associated deposits, the most abundant sulphide indicator minerals typically include pentlandite, pyrrhotite, pyrite, and chalcopyrite, all of which have been identified at the Baikie Showing on the Florence Lake Property (Brace, 1990; Brace and Wilton, 1990*). Thus, these minerals were selected for initial interpretation of the SEM-MLA data. Other significant indicator minerals may include magnetite, which commonly occurs intergrown with sulfide minerals, as well as nickel- and cobalt-bearing arsenide minerals (ex.: gersdorffite) and platinum-group-element minerals (sulfide, arsenide, telluride, antimonide, and alloy minerals). Gangue mineralogy is the same as that of the host rock and typically consists mainly of plagioclase, orthopyroxene, clinopyroxene, and olivine. Other minerals that may form due to alteration and weathering of sulfide minerals include* *violarite, bornite, mackinawite, cubanite, marcasite, troilite, vaesite, smythite, polydymite, millerite, and hematite.*

Thematic maps of till geochemistry values for nickel, copper, and gold are appended (in back pocket) as Maps 1a to 1c, respectively. As illustrated on Map 1a, the highest nickel value (168.5 ppm) was returned from till sample T6119. Three other samples (T6125, T6129, T6109) located to the southwest define a cluster of samples that spatially coincide with a narrow unit of ultramafic schists mapped in this part of the property. Similar clusters also occur: i) around the Boomerang Southwest #1 Showing, ii) southwest of the Baikie Showing, and iii) southeast of the DCP Northeast Showing. As illustrated on Map 1b, copper geochemistry values loosely correspond with the elevated nickel values in these areas. As shown on Map 1c, elevated gold values correspond very closely with the nickel values associated with the narrow unit of ultramafic schists (till samples T6119, T6125, T6129, T6109).

Figure 6-1: Map of Altius Till Samples and Mineral Abundances, Florence Lake Property (after Morgan and Patey, 2017)



As illustrated on Map 2 [Figure 6-1 herein], *sulphide grain counts amongst the four main indicator minerals are generally dominated by pyrite, followed by pyrrhotite and chalcopyrite. Only three of the till samples contained 3 or more grains of pentlandite, all of which were collected from the northeastern end of the property (the highest - 5 grains - was from sample T6175, collected approximately 750 metres east of the DCP Northeast Showing."*

6.3.2 Churchill Resources 2021 Due-Diligence Sampling Program

In mid-July 2021, Churchill consultants Kevin Kivi and Derek Wilton met with Churchill CEO Paul Sobie in Happy Valley-Goose Bay, and two days were spent on the property sampling showings, locating drill hole collars, and resampling the Tapestry drill core from 1996. Altius senior managers Lawrence Winter and Chad Wells accompanied the Churchill team to the property. A day was also spent at the Newfoundland Government core storage facility in Goose Bay, examining and re-sampling 1992 core drilled by Falconbridge. Wilton's grab sample locations at the Baikie, Boomerang SE2, and Seahorse Lake showings are shown on Figure 6-3, and his core samples in Figure 6-4.

The 1992 core had been fairly-well picked over at the core storage facility by past researchers, and therefore only three holes contained sufficient material for the re-sampling of short intervals as per Table 6-1. The 1996 Tapestry core was recovered in the field and found to be in excellent shape, allowing for longer intersections of half core samples to be collected, from precisely the same intervals as Tapestry had sampled.

CRI results were positive, generally duplicating or exceeding the Falconbridge/Tapestry assay results as per Table 6-1. Of note is the Pt and Pd values reported for the samples, which had not been assayed by Falconbridge or Tapestry. Modest PGE endowment in the drill core samples has been demonstrated, which was previously unknown, though Brace and Wilton (1990) had reported PGE enrichment in grab samples from the Baikie Showing.

Table 6-1: 2021 Due-Diligence Sampling Results

Historical Drillhole #	From	To	Length	Wilton Samp #	Ni%	Cu%	Co%	Pt ppb	Pd ppb	Au ppb	Falc Samp #	Ni%	Cu%	Co%
FLK-92-01	12.00	12.50	0.50	R15713	1.75	0.29	0.051	227	284	22	LB01852	1.36	0.12	0.03
	12.50	13.00	0.50	R15714	3.41	1.37	0.089	177	432	31	LB01853	3.25	0.36	0.08
FLK-92-12	83.00	84.50	1.50	combined							LB01997	1.31	0.04	0.01
	84.50	86.00	1.50	R015712	1.48	0.08	0.04	86	193	14	LB01998	2.38	0.13	0.01
	86.00	86.30	0.30	combined							LB01999	1.19	0.10	0.01
FLK-93-34	82.16	82.20	0.04	combined							LB03388	3.49	0.50	0.10
	82.20	83.33	1.13	R015711	0.56	0.09	0.02	14	58	13	LB03389	0.03	0.01	0.01
	83.33	83.75	0.42	combined							LB03390	1.23	0.06	0.06
FL-96-01	18.45	19.45	1.00	E588751	1.62	0.09	0.04	66	243	8	28452	1.95	0.11	0.05
	19.45	19.95	0.50	E588752	2.61	0.09	0.06	68	290	8	28453	1.90	0.06	0.06
	19.95	20.95	1.00	combined							28454	3.10	0.30	0.07
	20.95	21.95	1.00	E588754	2.08	0.10	0.05	79	238	7	28455	2.10	0.08	0.05
	21.95	23.10	1.15	E588755	1.95	0.09	0.04	89	227	5	28456	2.09	0.08	0.05
	23.10	23.60	0.50	E588756	2.35	0.12	0.05	89	284	5	28457	2.16	0.10	0.05
	28.40	29.10	0.70	E588757	2.13	0.10	0.06	25	220	5	28463	2.40	0.09	0.06
	32.50	33.50	1.00	E588758	1.84	0.09	0.04	180	282	4	28467	2.01	0.07	0.04
	33.50	34.20	0.70	E588759	3.12	0.13	0.07	73	438	8	28468	3.00	0.10	0.06
FL-96-02	37.65	37.90	0.25	combined							28489	1.92	0.05	0.05
	37.90	38.50	0.60	E588760	1.19	0.20	0.03	246	305	7	28490	0.01	0.00	0.01
	38.50	39.00	0.50	combined							28491	3.20	0.49	0.07
	46.30	47.50	1.20	E588761	1.43	0.08	0.04	77	212	2	28472	1.50	0.07	0.04
	47.50	48.00	0.50	E588762	2.00	0.10	0.05	89	285	3	28473	1.85	0.10	0.05
	48.00	49.00	1.00	E588763	0.63	0.02	0.02	54	98	2	28474	0.63	0.03	0.02
	49.00	50.00	1.00	E588764	0.99	0.03	0.02	97	146	6	28475	0.83	0.03	0.02
	50.00	51.00	1.00	E588765	0.80	0.02	0.02	59	100	6	28476	0.69	0.02	0.02
	51.00	52.00	1.00	E588766	1.00	0.04	0.03	65	160	6	28477	0.96	0.03	0.02
	52.00	52.75	0.75	E588767	0.71	0.04	0.03	34	106	1	28478	0.63	0.09	0.04
	52.75	54.00	1.25	E588768	8.00	0.12	0.17	33	952	10	28479	6.60	0.06	0.10
FL-96-07	58.92	59.92	1.00	E588770	0.15	0.00	0.01	5	5	1	28675	0.03	0.002	0.00
	59.92	60.40	0.48	E588771	2.53	0.10	0.05	316	383	2	28676	2.90	0.05	0.05

Grab Samples	Notes	Wilton Samp #	Ni%	Cu%	Co%	Pt ppb	Pd ppb	Au ppb
Baikie Main Showing	Serpentinized ultramafic	R15707	2.95	0.12	0.08	85	421	7
Boomerang Showing	Gossanous ultramafic	R15708	0.01	0.01	0	2	8	<2
Seahorse Lake Showing	Silicified massive sulphide	R15709	0.01	0.01	0.01	<2	4	9
Seahorse Lk 2	Silicified massive sulphide	R15710	0.01	0.01	0.02	<2	2	11

Figure 6-2 contains photos of the due-diligence trip. Figure 6-3 shows the locations and intervals of the drillholes resampled by Wilton. As a general statement the sampling program was quite successful, confirming previous nickel tenors at Baikie and Boomerang SE1 showings, and in drill core from hole FLK-94-34.

Figure 6-2: **Florence Lake Property, photos of Due-Diligence Sampling, July 2021**

Figure 6-3: Florence Lake Property with July 2021 Due-Diligence Sample Locations

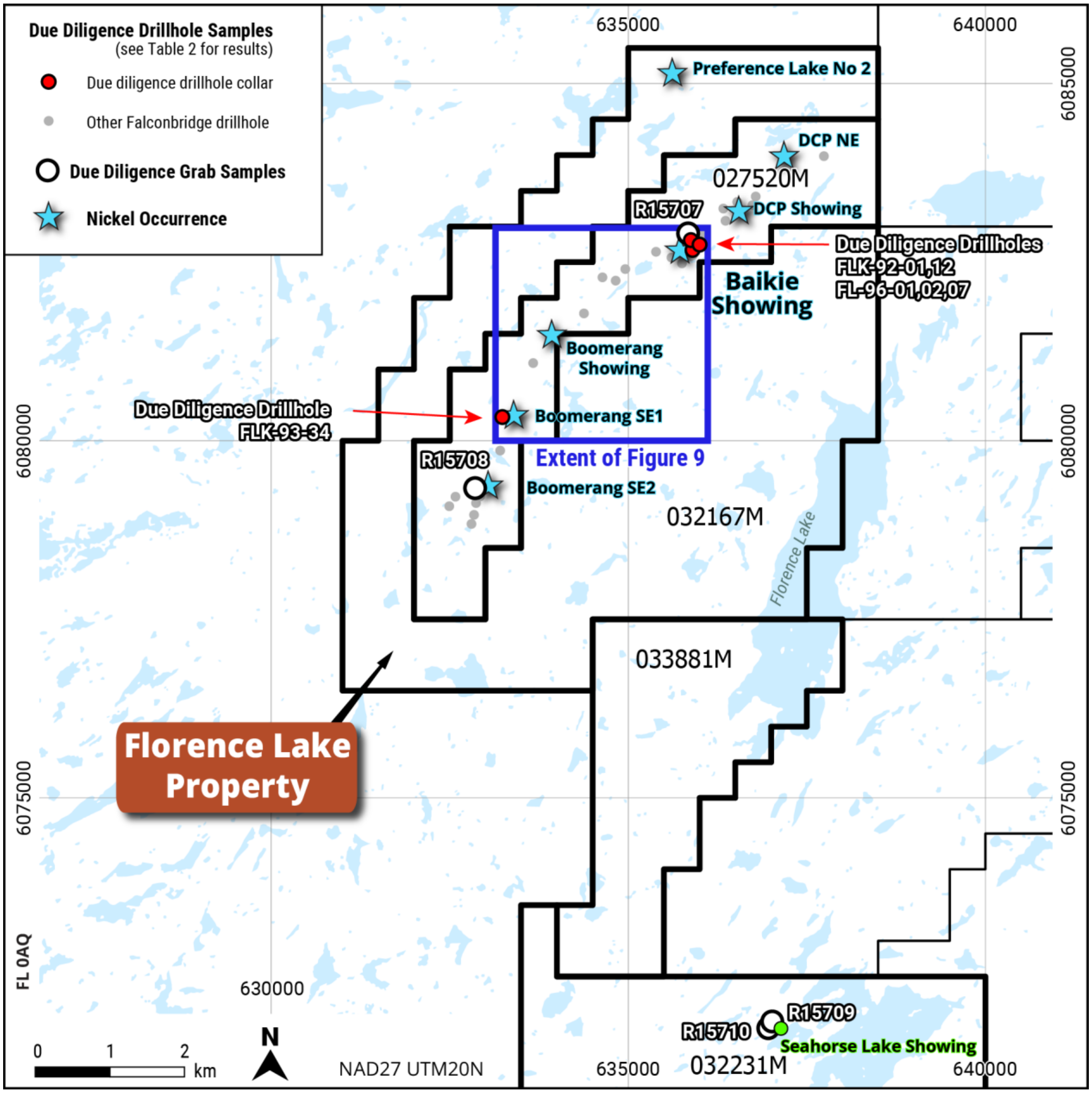
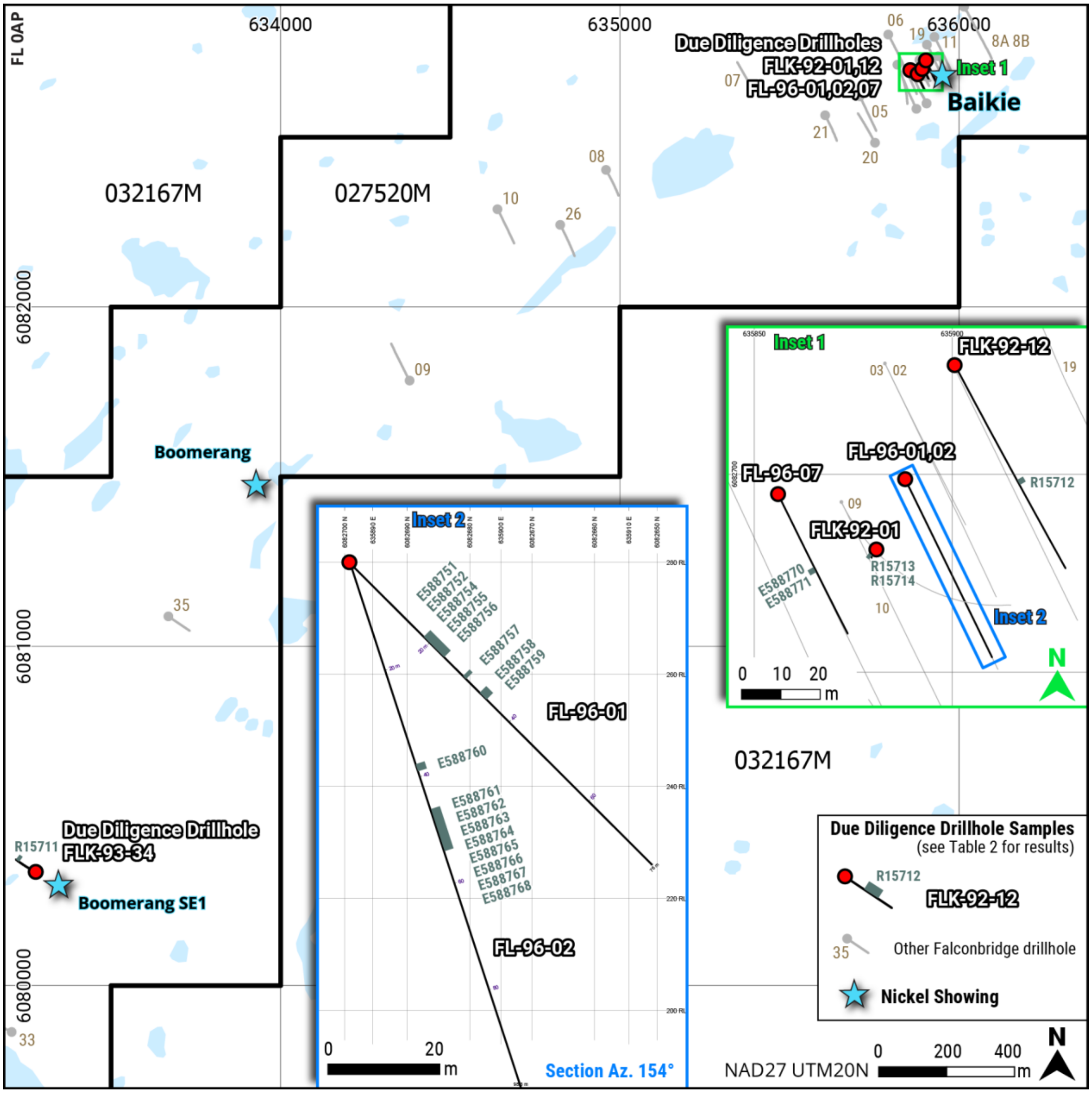


Figure 6-4: Florence Lake Property Drillhole Plans and Sections with July 2021 Due-Diligence Samples



7.0 GEOLOGICAL SETTING AND MINERALIZATION

7.1 Geological Setting

The following sections have also been reproduced from Morgan and Patey (2017).

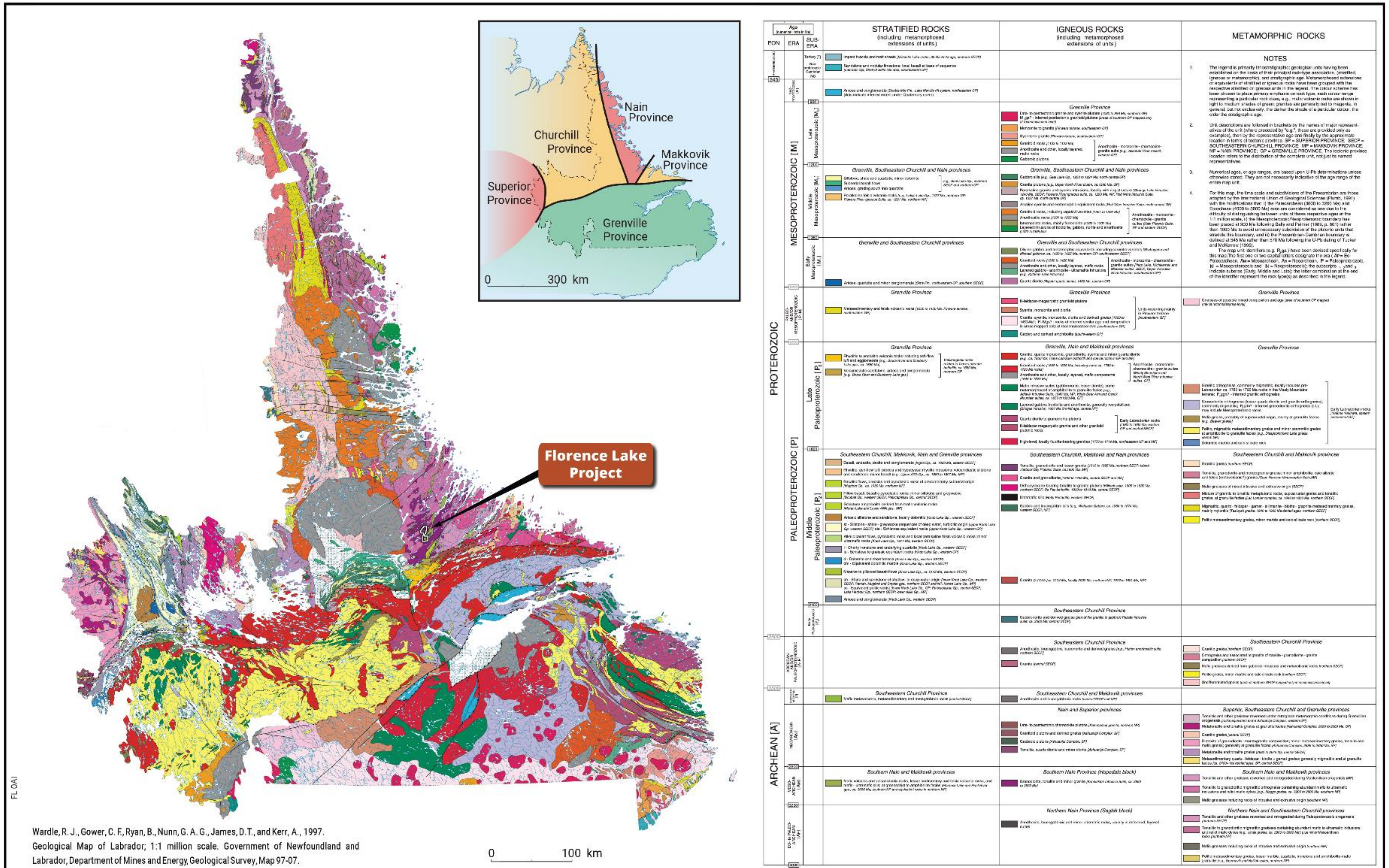
"The Florence Lake property is situated within the southernmost portion of the Archean Nain Province (referred to as the Hopedale block) in central Labrador. The Nain Province is thought to represent vestiges of the North Atlantic craton, which converged with the Paleoproterozoic Churchill Province during the 1800 Ma Torngat Orogen (Wardle et al., 1997; Ryan et al., 1995). The northernmost portion of the Nain Province (i.e.: the Saglek block) is separated from the Hopedale block by anorthosite and troctolite intrusions of the 1340 to 1290 Ma Nain Plutonic Suite (Connelly and Ryan, 1994; Krogh and Davis, 1973) and younger volcanic and plutonic rocks of the 1271 Ma Flowers River igneous suite (Hill, 1982; Brooks, 1982). To the west are leucotroctolites, leucogabbros, leuconorites and anorthosite of the Harp Lake Intrusive Complex (James et al., 1996;). Rocks of the Hopedale block are separated from the Makkovik Province to the east (see Figure 4) by a major ductile shear zone (Ermanovics, 1993).

"The Hopedale block comprises a granite – greenstone terrain approximately 150 km long and 90 km wide (Ermanovics, 1993). The most extensive supracrustal rocks within the Hopedale block are represented by the ca. 3.1 Ga Hunt River belt and the ca. 3.0 Ga Florence Lake belt (Figure 4), although it also contains numerous smaller, generally northeast-striking, greenschist to amphibolites facies belts enveloped by variably aged orthogneiss units and granitoid plutons (James et al., 1996; 1998). Tonalitic to granitic rocks of the 2825 to 2890 Ma Kanairiktok Intrusive Suite intrude the supracrustal sequence (Wasteneys et al. 1994, 1996b).

The Florence Lake belt can be divided into the Adlatok, Ugjoktok, Schist Lakes, Knee Lake, and Baikie sub-belts (Ermanovics, 1993; James et al., 1996), and it is rocks of the Baikie sub-belt which predominantly underlie the claims that make up Altius' Florence Lake Project (see Figure 6).

Ermanovics (1993) suggested that two separate volcanic-plutonic and associated deformation events, known as the Hopedalian and Fiordian events, occurred within the Hopedale Block. The Hopedalian event is characterized by upper amphibolite to granulite facies metamorphism and north-northwest trending structures, whereas the Fiordian event is marked by greenschist to amphibolites facies metamorphism and northeast trending structures."

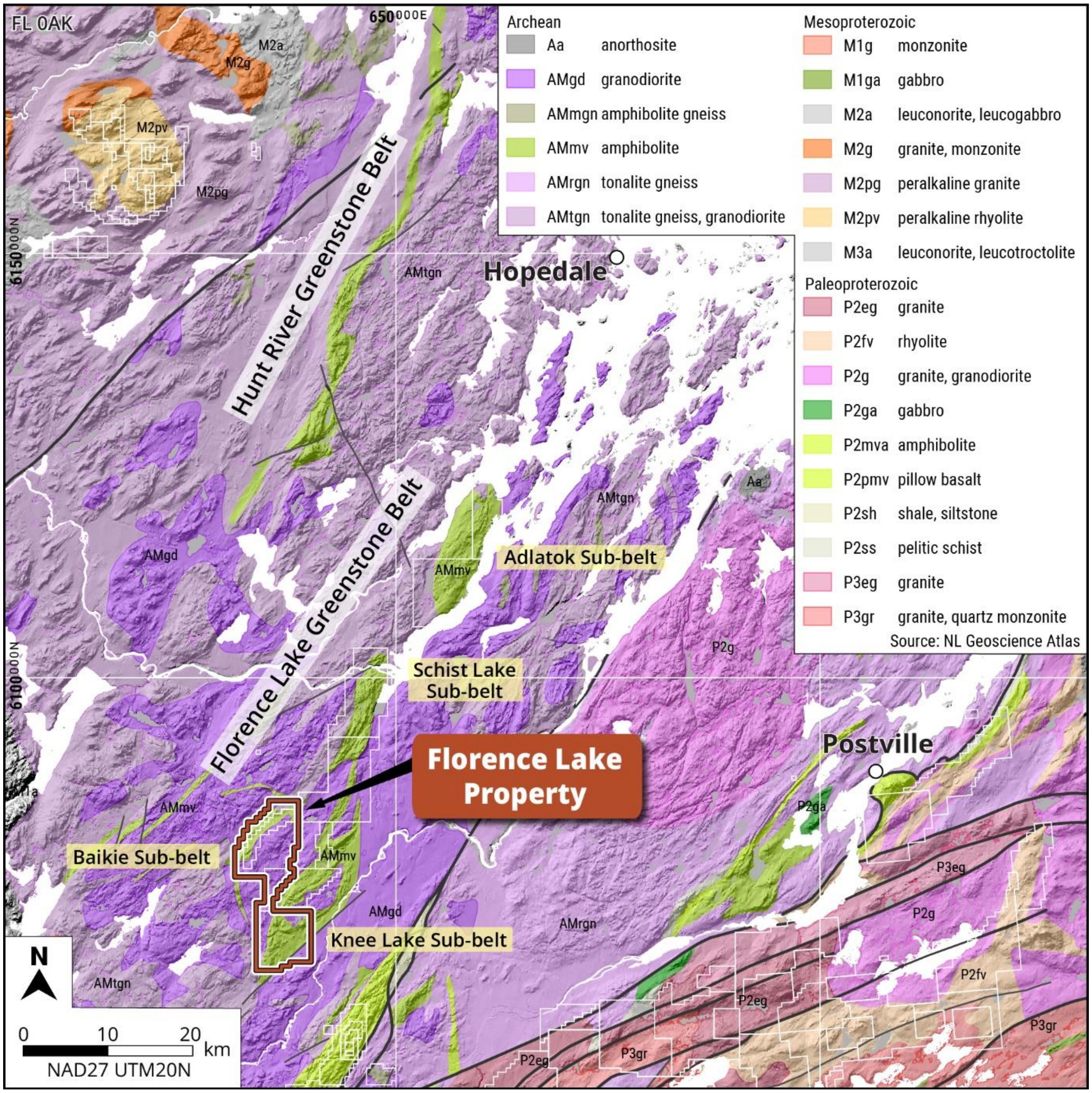
Figure 7-1: Florence Lake Property – Tectonic Setting



7.2 Local Geology

The Florence Lake Project includes claims over the two southern sub-belts of the Florence Lake Greenstone Belt (i.e., the Knee Lake and Baikie sub-belts), per Figure 7-2, hence subsections 7.2.1 and 7.2.2 describe each.

Figure 7-2: Florence Lake Property Regional Geology Map



7.2.1 Baikie Sub-Belt Portion of the Property

Most of the following sections have also been reproduced from Morgan and Patey (2017).

“The Florence Lake property is predominantly underlain by a northeast trending package of mafic to ultramafic rocks assigned to the Baikie sub-belt of the Florence Lake greenstone belt. The mafic rocks consist mainly of fine grained, black to green, massive to locally pillowed and layered flows, along with minor amphibolite. Mineralogically, the mafic rocks are composed of variable amounts of chlorite, actinolite, plagioclase, biotite, and local epidote or hornblende. Units locally exhibiting phaneritic textures are thought to be metamorphosed gabbro. Narrow units of felsic to intermediate volcanic rocks occur interlayered within the mafic volcanic sequence (James et al., 1996; Miller and James, 1997).

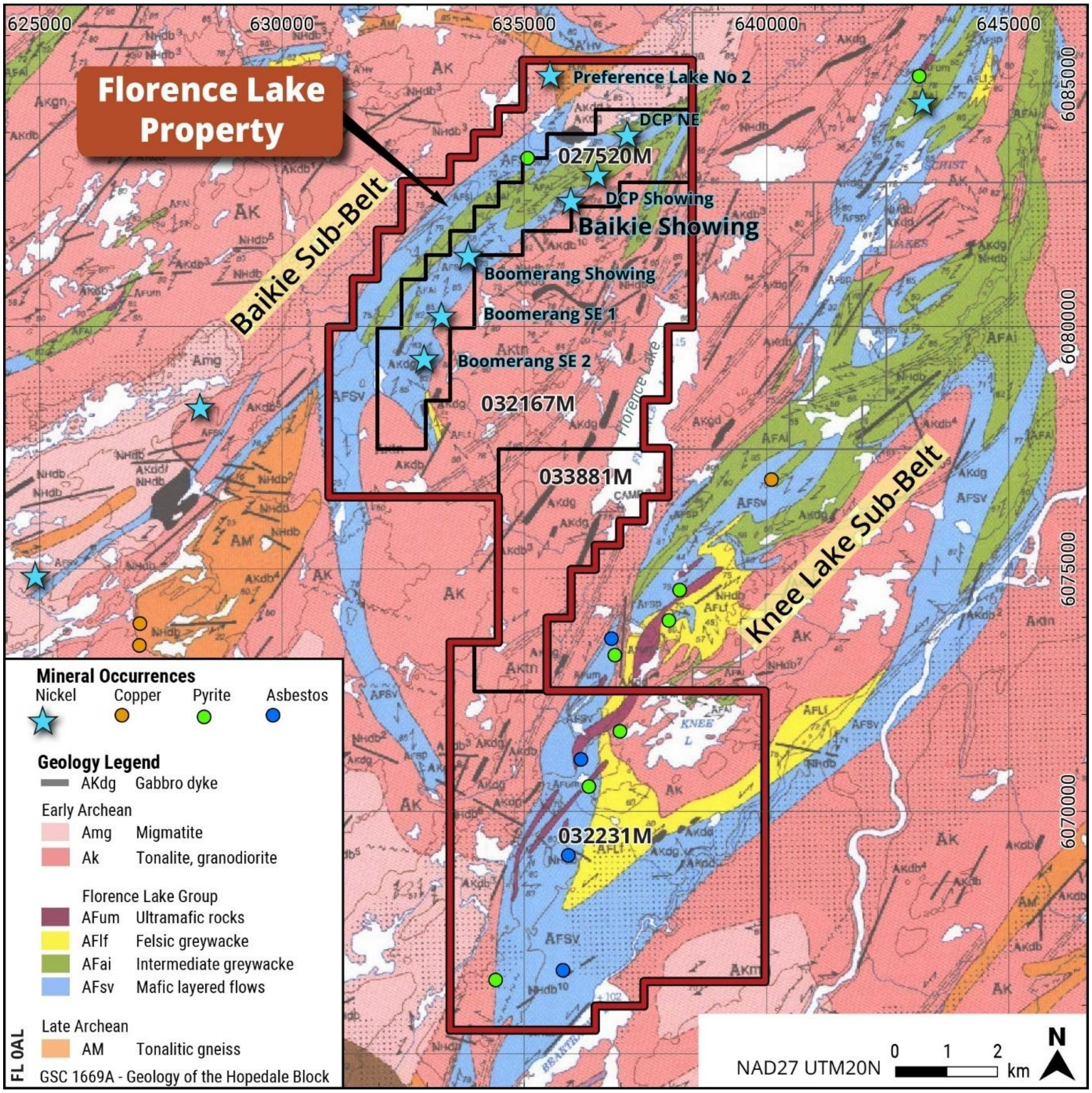
The ultramafic rocks consist of white to grey-weathering, talcose schists, and may also occur with minor felsic volcanic rocks, plagioclase-phyric mafic flows, and metasedimentary schists. Brown- to black- to grey- to green-weathering, fine grained, weakly foliated, variably serpentinized peridotite units also occur, and commonly contain magnetite and disseminated pyrite (James et al., 1996; Miller and James, 1997). Though Brace and Wilton (1990) described the komatiites at the Baikie Showing as intrusive, Miller (1996) provided subsequent geological observations that suggested they were actually volcanic in origin. *As noted by Miller (1996), the ultramafic units exhibit many features of komatiitic flows, such as polyhedral jointing, their relatively thin but elongate (up to 8 kilometres) form, their stratabound and strataform nature, and the common interbedding of cherty, siliceous, and pelitic sedimentary material with the units, and locally observed spinifex textures. At least five mafic-ultramafic units occur within the Baikie sub-belt, most ranging from 1 to 25 metres in thickness, but with locally thicker portions possibly the result of structural modification (Miller, 1996; James et al., 1996).*

Miller (1996, p.170) stated that sulphide-bearing sedimentary rocks, up to 5 m thick (but commonly 1 m thick) are “widespread and closely associated with ultramafic rocks throughout the belt”. Miller also noted that this association of ultramafic rocks, Ni-rich sulphide mineralization, and sulphide-bearing sedimentary rocks in the Florence Lake Group is analogous to lithological association defined for Kambalda-style models.

Based on rock type, magnetic signature, and geochemistry, the mafic to ultramafic rocks making up the Baikie sub-belt has been divided into two domains by Miller and James (1997). In contrast with the western domain, the eastern domain contains abundant peridotite units and is characterized by a prominent magnetic high. Geochemical data also suggests that the eastern domain is largely composed of basaltic komatiites that are characterized by relatively high Ti to Zr, Y, and Sr ratios, whereas the western domain is akin to high-Fe tholeiites with relatively low Ti to Zr, Y, and Sr ratios (Miller and James, 1997).

In the northeastern portion of the property, as well as along the northern and southern margins of the claims, these rocks are in contact with variably deformed *granitoid intrusions of the Kanairiktok Intrusive Suite. At least two post-volcanic, gabbroic intrusions have also been mapped by Miller and James (1997) in the*

Figure 7-3: Florence Lake Property- Geology and Mineral Showings Map



northeast part of the property. A large unit of Maggo Gneiss occurs to the southwest of the property and slightly overlaps the claims."

In the Adlatok Sub-Belt, Dickrup (2023) report that the units within the Florence Lake Group dip subvertically to the E and strike NNE with a younging direction to the east. They mapped rock types within the group in this sub-unit as 1) mafic to intermediate volcanic rocks, 2) felsic volcanic and intrusive rocks, 3) ultramafic rocks (which they suggest are flows and not sills), 4) sedimentary rocks (including minor cherts with some pyrite), and 5) mafic intrusive rocks.

The eastward younging direction seen at Adlatok, if consistent, has important implications to the stratigraphic volcanic pile at the Baikie Sub-Belt in that Falconbridge's exploration program appears to have targeted the easternmost, ie. youngest, komatiite units rather than the oldest. This would also better explain Falconbridge's observations of large blocks and intrusions of later Kanairiktok granitic material in the Baikie area agmatite units.

7.2.1 Knee Lake Sub-Belt Portion of the Property

The best description of the geology on the southern portion of the property is provided by the Mitchell and Churchill (1996, pp.9-11) assessment report on the Seahorse Lake Property. Their 1996 exploration is compiled in Figure 9-4. They report:

"The Seahorse Lake Property is underlain by volcano-sedimentary rocks of the Archean Florence Lake Group which have undergone lower amphibolite metamorphism. Outcrop exposure on the western half of the cut grid is predominantly ultramafic rock. The ultramafic can be massive medium-grained or variably foliated and locally contain antigorite/asbestos veins or magnetite/carbonate/quartz veins. Sulfide mineralization in these rocks consists of massive pyrite in pods and stringers and up to 50% disseminated pyrite. Chalcopyrite may be present in minor amounts. Assay values were up to 4400ppm copper (Sunfish Pond Showing) and 2800 ppm nickel (serpentinized dunite) in the ultramafics.

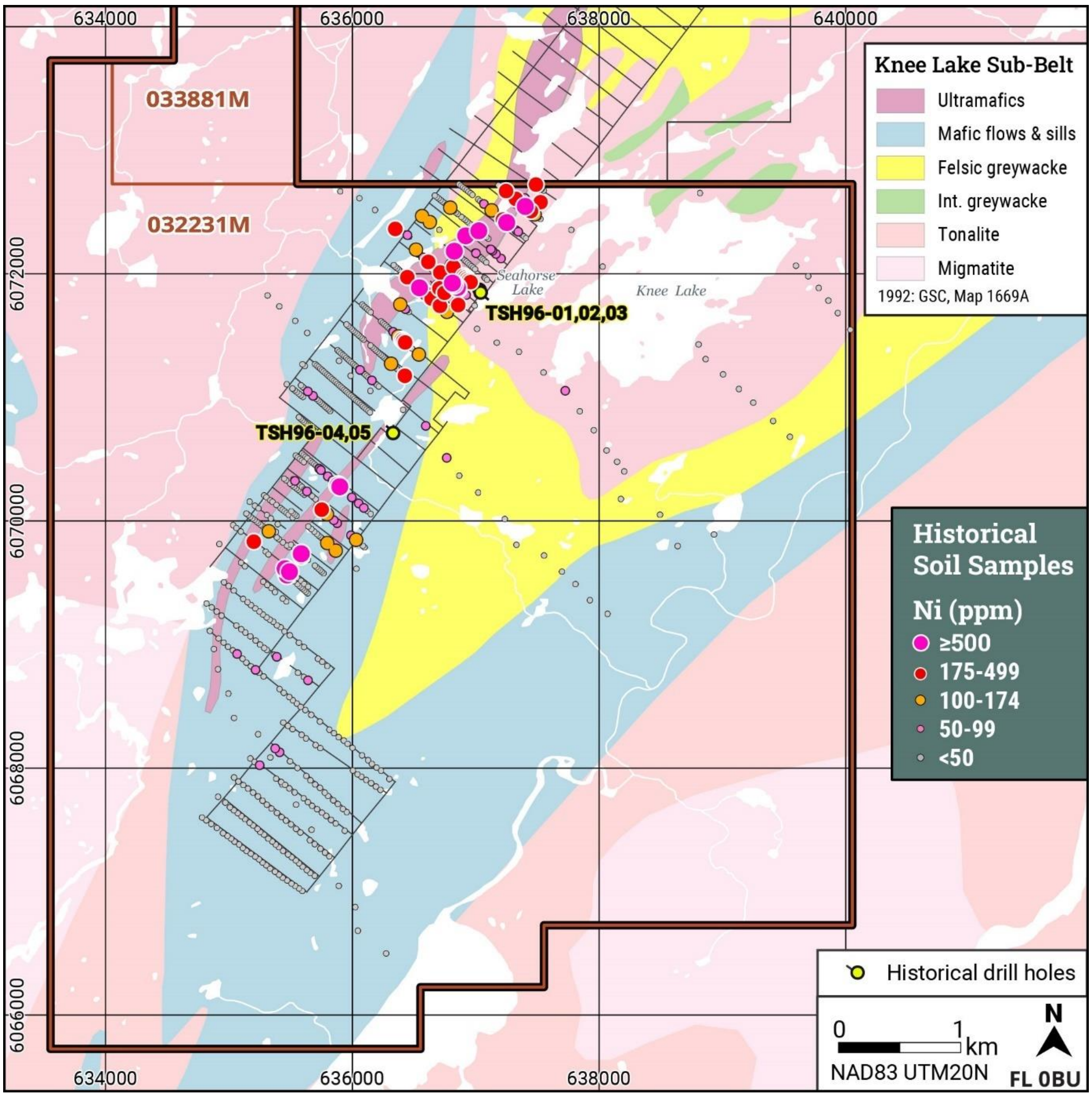
Centrally on the grid is a north-south trending band of mafic rocks approximately 400m in width. These mafics include three variants: (a) massive, find-grained dykes or sills, (b) tuffaceous – flow breccia or with coarse lithic breccia fragments, and (c) dioritic or gabbroic. No rock samples were collected from this unit.

Easterly on the grid is a 100m to 200m wide north-south trending, grey to white banded chert. The chert is likely of exhalative origin. Fine grained pyrite bands up to 0.5m thick, with a trace of chalcopyrite are common in this unit. Metal values in these bands are only very slightly elevated. Locally, along the northwest shore of Seahorse Lake in the northeastern section of the grid, the chert contains sphalerite and minor galena in narrow cm sized lenses and bands. Assay values were 1.65% Pb, 6.7% Zn and 0.23oz/t Ag in sample 356811, taken from this zone.

To the extreme west and south on the grid are rhyolitic and dacitic volcanics. They can be massive or tuffaceous. No rock samples were collected from these volcanics.

The geology generally trends north-south although faulting south of Seahorse Pond appears to have shifted the trend to northeast-southwest, north of the gault. Minor displacement westward has likely taken place in this area also."

Figure 7-4: Florence Lake Property South Block Compilation of 1996 Exploration



7.3 Mineralization

Miller (1996, pp.164-168) summarized the known mineralization at Florence Lake as:

“Ni-Cu Mineralization
Ultramafic rocks host pyrrhotite-pyrite-pentlandite +/- chalcopyrite semi-massive to disseminated mineralization in stratabound zones. The Baikie and associated prospects contain 10 to 40 percent sulphides and grab samples assay 0.84 to 2.65 percent Ni and 0.01 to 0.07 percent Cu (Sutton, 1971: Brace and Wilton, 1990). Recent diamond-drill core included assays of 2.19 percent Ni, 0.22 percent Cu and 0.16 percent Co over 11.32 m and 1.86 percent Ni, 0.32 percent Cu and 0.05 percent Co over 1121 m (McLean et al., 1992) at the Baikie showing in the Baikie sub-belt.

Mineralization at the DCP showing north of the Baikie showing, assayed 0.68 percent Ni over 2.23m. This mineralization occurs in greenschist-to-amphibolite grade talc-magnesite schists, which are probably meta- peridotites (Brace 1990, McLean et al., 1992). Similar, but less abundant, disseminated mineralization (<3 percent total sulphides), occurs in several other localities throughout the Florence Lake greenstone belt. Significant Ni – Cu mineralization also occurs in graphitic sediment associated with talc-bearing ultramafic rocks (e.g Boomerang showing, 4.5 km southwest of Baikie showing; McLean et al., 1992), which assay up to 2.1 percent Ni and 0.14percent Cu in grab samples.

Fe-Cu Mineralization
Felsic volcanic rocks and volcanogenic sediments host disseminated to rarely massive pyrite +/- chalcopyrite mineralization at numerous localities. In greenschist-facies rocks, the sediments are graphitic, sericitic and cherty layered schists that range from 1 to 5 m thick. In amphibolite-facies rocks, these sediments occur as garnet-bearing pelitic schists that range from 1 to 3 m thick. The sulphides dominantly consist of pyrite that commonly occurs as disseminated grains and stringers ranging from < to 10 percent. Massive-sulphide units are less common; however, one occurrence consists of 1m of mostly massive pyrite associated with garnet-bearing pelitic sediments. Sulphidic and related sediments most commonly occur in association with either ultramafic units, carbonate-bearing mafic units or mafic units of the Florence Lake greenstone belt. Locally, these sediments occur within felsic volcanic schists.

This type of mineralization normally displays very low Cu and Zn values. However, recent work in the Knee Lake area reveals mineralization with grab-sample values up to 6.7 percent Zn over a strike length of approximately 150 m (Tapestry Ventures Limited, press release, September 21, 1995). This mineralization occurs in chert sulphide-bearing exhalative sediments associated with felsic volcanic rocks. Several other poorly explored showings of this type also occur in a similar stratigraphic position in the Knee Lake and Ugjoktok sub-belts.”

A seventh nickel showing known as Preference Lake # 2 (Figure 7-3 and Figures 9), discovered in 1962 by Brinex, is indicated in the government Mineral Occurrence Database System (MODS) as lying outside of the Baikie Sub-Belt about 4km northwest of the Baikie Showing. It is described as found in a 500m wide contact zone between Florence Lake metavolcanics and intrusive Kanairitok granitoid gneiss. The zone therefore sounds quite similar to the agmatite or mixed rock described by Falconbridge at Baikie, implying a similar intrusive margin to the greenstones on the west side of the sub-belt. Mineralization is described as pyrrhotite and pyrite, however no assay data is available in the historical records. It's position, if accurate, would suggest the margin of the belt is further to the northwest than presently mapped.

8.0 DEPOSIT TYPES

Based on historical mineral exploration work, the primary target for the Florence Lake Property is a magmatic sulphide system with associated nickel and platinum group elements (PGE), typical of mafic to ultramafic-hosted deposits. Secondarily, volcanogenic massive sulphide (VMS) style mineralization appears to be present in the Seahorse Lake area.

Magmatic Ni sulphide deposits form through the separation of a sulphide liquid from a primary mantle-derived magma, fractionation of Ni, PGE and (Cu) from the magma into the sulphide liquid, and coalescence/collection of the sulphide liquid to form a deposit (cf., Lightfoot, 2007, Naldrett, 2004). According to Hoatson et al. (2006, p.187), "all magmatic Ni-Cu-PGE sulphide deposits are spatially and genetically related to bodies of mafic or ultramafic rocks [where they] constitute a small volume of host rock(s) and are dominated by a simple major mineralogy of pyrrhotite, pentlandite and chalcopyrite".

Barnes et al. (2017, p.91) describe the ore forming processes as a series in terms of three processes: 1) "Generation of a sulfide-silicate liquid emulsion, 2) physical separation of a mixture of liquid droplets and cumulus silicate minerals from this emulsion, 3) deposition and coalescence of sulfide liquid in specific sites." These authors (ibid.) also suggest that these types of deposits most commonly form on the margins of ancient Archean cratonic blocks, and almost all consist of pyrrhotite-pentlandite-chalcopyrite and PGE.

There are three types of Ni-Cu sulphide magmatic-hosted deposits (Barnes et. al, 2017):

4) Those that form as accumulations in small mafic, or mafic -ultramafic intrusions, such as the Voisey's Bay deposit in northern Labrador (e.g., Evans-Lamswood et al., 2000);

5) Those that form as accumulations of mainly Ni at the base of komatiitic lava flows/intrusives, such as Kambalda, Australia (e.g., Beresford and Stone, 2004; Grech, 2022; Hoatson et al., 2006), these deposits originate from magma flowing through restricted channels or feeder tubes in komatiite lava-flow fields;

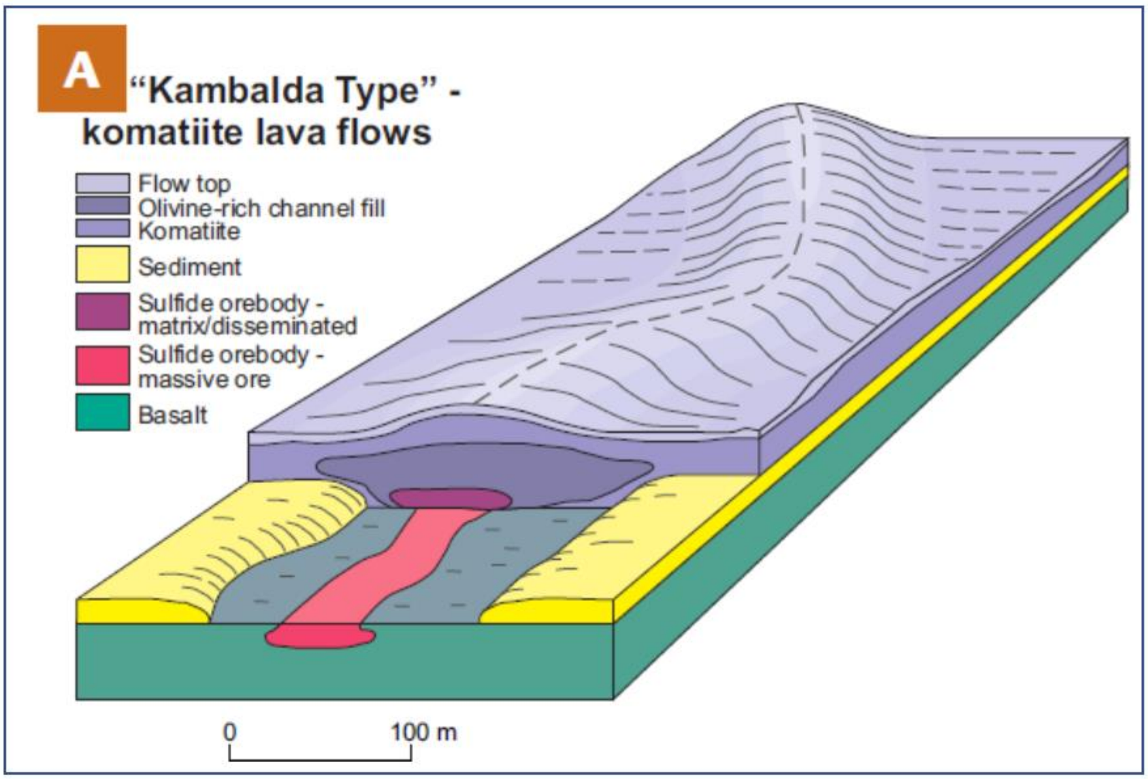
6) Accumulations at the base of the Sudbury meteorite impact crater (e.g., Lightfoot, 2007; Naldrett, 2004)

The Florence Lake Property mineralization is most analogous to Archean Kambalda-type komatiite-hosted deposits (No.2 above) because the sulphides are hosted by komatiitic magmatic rocks. The Kambalda deposits formed ca. 2.71 Ga (Hoatson et al., 2006), thus the Florence Lake examples at ca. 2.98-3.0 Ga (Raynor, 2022) are slightly older.

Komatiite-hosted Ni sulphide ores also occur in the Raglan area of northern Québec, however, these deposits are much younger at ca 1.9 Ga, and occur in lava conduits that formed within a passive continental margin associated with large igneous province (LIP) magmatism (Yao and Mungall, 2021). The Florence Lake deposits are part of an Archean greenstone belt.

Figure 8-1 (from Barnes et al., 2017), is an idealized cross-section through a Kambalda-style Ni sulphide deposit. The sulphide orebody occurs at the base of a layered komatiite flow along the contact with underlying melted/assimilated sulphide-bearing sedimentary units. According to Hoatson et al (2006, p.208), Kambalda deposits contain "massive sulphides (>35% sulphides) at the base of thin (m's to 10s m thick) komatiite flows" and that "the Ni sulphide bodies are hosted by specific volcanic facies within long linear and anastomosing lava pathways. Lenticular shoots of massive, matrix, and disseminated ores occur at the base of the flows, commonly confined by shallow embayments or depressions in the basal ultramafic-basalt contact of the channel facies (called contact ore), and more rarely, in the overlying flows (hangingwall ore) and in cros-cutting structures (off-set ore)". Tectonically, the Kambalda komatiitte mineralization sites are "rift-related greenstones with sulphidic shales and/or cherts".

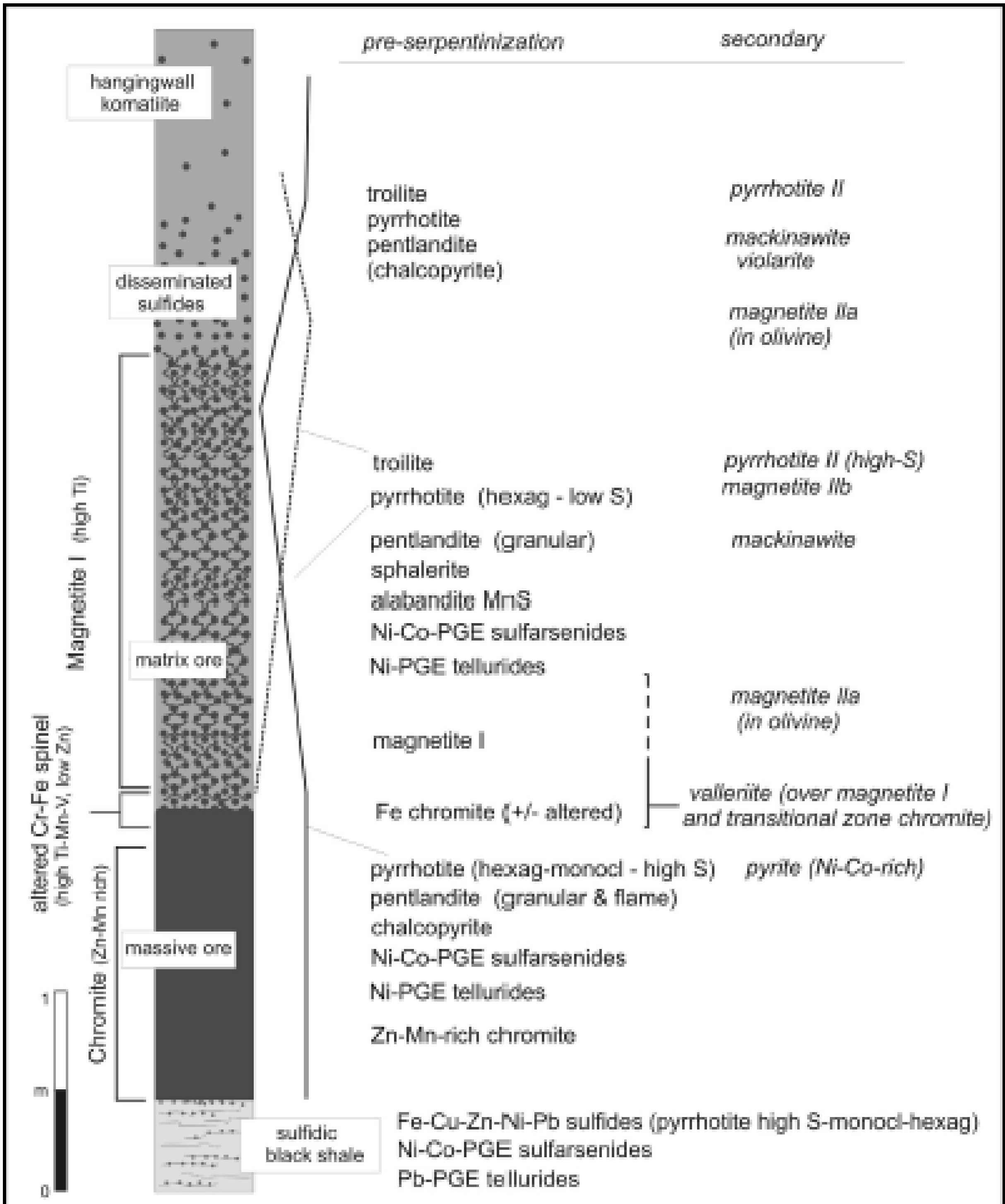
Figure 8-1: Generic model of Kambalda-style komatiite-hosted Ni-mineralization (from Barnes et al, 2017)



Moroni et al. (2017) logged an 18-m long drill core through a komatiite-hosted Ni sulphide deposit at Kambalda. Figure 8-2 is a detailed cross-section from the logging. They concluded (p. 634) that "the magmatic ore body typically consists of basal massive sulphide grading to net-texture [matrix] and disseminated sulphide mineralization upward into komatiite host. The ore zone is underlain by sulphide-rich black shale passing into basalts''.

They defined eight facies in the hole ranging from basalt (base) through sulphidic shale (wallrock), massive sulphide ore, a zone of massive sulphide with basalt xenoliths, into a transition between

Figure 8-2: Drill core log through Kambalda-style komatiite-hosted Ni-mineralization (from Moroni et al., 2017)



massive sulphide to matrix ore, followed by matrix ore, disseminated ore, and finally hanging-wall komatiite.

Figure 8-3, from Hoatson et al. (2006), shows greater detail on the location of Ni-sulphide mineralization in Kambalda-style deposits. These authors suggest (p.224) that the most important factors important related to the formation of Kambalda-style komatiite Ni-sulphide mineralization are

"1. Age: Most fertile komatiite sequences are either of late Archean (~2700 Ma) or Paleoproterozoic (~1900 Ma to 1800 Ma) age. Komatiitic sequences outside these ages appear to be either weakly mineralized or barren.

2. Chemical affinity: Many provinces contain both Al-undepleted (Al_2O_3/TiO_2 =15–25) and Al-depleted (Al_2O_3/TiO_2 < 15) komatiite sequences. The most significant mineralization however, is associated with the Al-undepleted komatiites. Al-depleted komatiitic sequences are generally not well mineralized, particularly if they are spatially associated with Al-undepleted sequences.

3. Volcanic facies: Mineralization is predominantly associated with two major facies: compound sheet flows with internal pathways, or dunitic compound sheet flows. In contrast, such passive facies as thin differentiated flows, lava lakes, and sill-like ponded flows are generally unmineralized. Well-insulated dynamic lava pathways that help focus large volumes (i.e., high-magma flux) of magma flow and facilitate chemical interaction of the magma with the substrate are more likely to occur in the prospective compound sheet flow facies.

4. Thermal erosion of sulfide-bearing substrate: With a few exceptions, examples of thermal erosion and/or assimilation of substrate have been demonstrated in fertile komatiite sequences. The assimilation of sulfide-bearing substrate can dramatically accelerate the sulfur saturation of a primitive ultramafic magma and deposition of sulfides.

5. Intensity of deformation, metamorphism, and post-mineralization remobilization: Most mineralized komatiite sequences show evidence of variable degrees of post-mineralization deformation, metamorphism, and remobilization of sulfides. In some instances, this has resulted in upgrading of deposits.

Hoatson et al. (2006, p.228) defined Exploration guidelines for Kambalda-style nickel sulfide deposits. In terms of regional geological criteria these include:

1. "Komatiitic magmas [are] emplaced in rift zones in granite–greenstone belts in Archean cratons.

2. [The deposits occur in] Granite–greenstone belts: sub-parallel linear and sinuous greenstone sequences; elongate, ovoid, and domal granitic bodies; coeval komatiitic, basaltic (tholeiitic), and felsic volcanics; metasedimentary rocks; province-wide shear systems; and linear tectonic patterns.

3. Intracratonic–extensional rift environments [are important and can include] (a) rift-phase greenstone sequences formed in deep-water under conditions of high-crustal extension; abundant sulfidic shale and chert or (b) platform-phase greenstone sequences formed in relatively shallow-water under conditions of low-crustal extension; volcaniclastic rocks and oxide-facies iron formation.

4. Regionally extensive (10s to 100s km strike extent) komatiite sequences containing thick olivine cumulate units. Cumulates [are] proportionally thicker relative to more evolved komatiitic rocks from upper parts of sequences.

5. Emplacement ages: ~2700 Ma, and ~2900 to ~3000 Ma in the Yilgarn [craton].

6. Although most mineralized provinces contain both Al-undepleted (Al_2O_3/TiO_2 =15–25) and Al-depleted (Al_2O_3/TiO_2 < 15) komatiitic sequences, the most significant mineralization is generally associated with the former type. Provinces with only Al-depleted sequences are generally poorly mineralized or barren.

Local geological criteria include:

1. Presence of outcropping gossans and primitive komatiitic rocks: spinifex, quench, breccia, and aphyric textures for komatiitic basalts and low- to high-Mg komatiites (15 to 32% MgO whole-rock compositions), and cumulus (orthocumulate, mesocumulate, adcumulate) textures for more primitive (32 to 50% MgO whole-rock and >Fo_{85} olivine compositions) sequences.

2. Massive and matrix ores concentrated in basal part of [a] stacked sequence of relatively thin (few meters up to tens of meters) compound sheet flows with internal pathways, or disseminated ores within thick (up to 800 m) olivine cumulate dunite lenses with transgressive basal contacts.

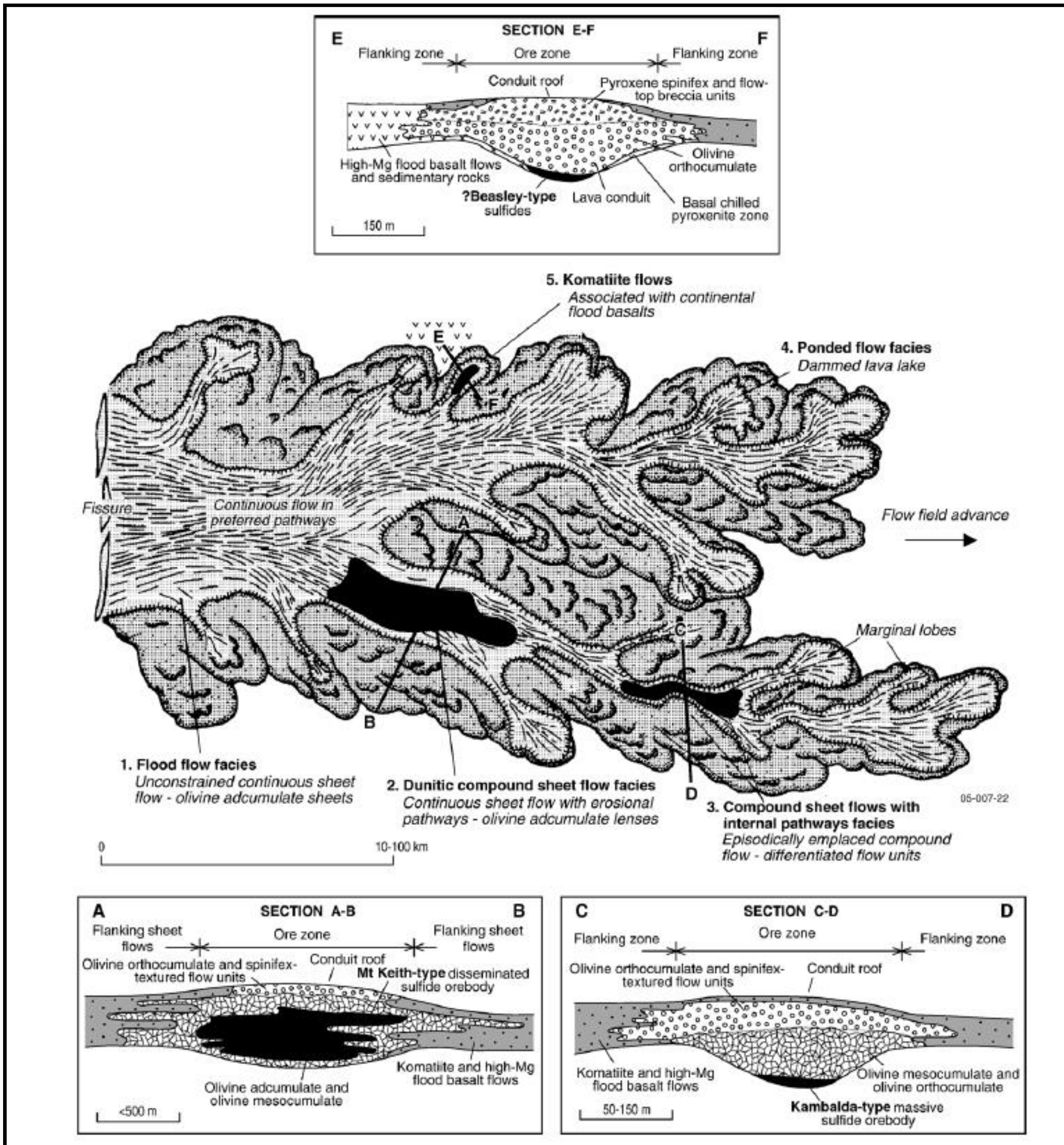
2. Preserved lava pathways or lava tubes (i.e., focussed flow) within thick inflated flows.

3. Presence of sulfide-bearing substrate lithologies (chemical–exhalative sediments, volcanics) that have relatively low melting points to facilitate thermal erosion.

4. Presence of transgressive embayments and structural traps along footwall contacts of channel facies to concentrate massive sulfides.

5. Evidence of sulfur saturation (e.g., presence of Ni-enriched magmatic sulfides, nickel depletion trends in olivine compositions, depletion of PGEs).

Figure 8-3: Schematic section through komatiite flow field with cross-sectional views Ni-mineralization (from Hoatson et al., 2006)



Exploration methods [include]:

- Geophysics: regional aerial magnetic surveys to define potential host komatiitic rocks (generally, but not always strongly magnetic) and lava pathways, and horizontal gradient aeromagnetic / drone / ground magnetics to identify lithological contacts and small-scale structures; airborne–surface electromagnetics to delineate electrically conductive stringer Fe–Ni–Cu sulfides (can be hampered by barren sulfide-bearing or graphitic sediments and saline groundwaters). Induced Polarization surveys should be used to detect disseminated sulfides and their relationship to the younging direction within komatiite host rocks, potentially providing a vector for massive sulfides. Surface Time Domain electromagnetic surveys will detect both weakly and strongly conductive massive sulfides, so are critical for the detection of large economically interesting sulfide bodies. Downhole Time Domain electromagnetics must be used on all drillholes to detect massive sulfides at depth and off hole.

- Identify physical or chemical haloes which are much larger than the orebodies themselves. Gossans of massive sulfides defined by coincident high Ni, Cu, and PGEs; most deposits are covered by alluvium, laterite, or lacustrine sediments thus regolith and geobotanical mapping to interpret subsurface geology and supergene geochemistry.

- Determine magmatic environments (volcanic, subvolcanic, intrusive) and facies (flood sheet flows, compound flows, ponded lakes).

- Chemical evidence of substrate erosion and crustal contamination (enrichment in Zr, La, Th, U, Y, Nd, Ti, Al, Fe, negative Nb–Ta–Ti anomalies; depletion trends in chalcophile trace element ratios (Pd/S, Cu/Pd) along basal flows to indicate location of sulfur saturation and mineralization.

- Close-spaced core drilling of most primitive parts of komatiite sequences.

Grech (2022) describes komatiites in Kambalda-like environments as being always altered, thus the elements Si, Cr, Al, Ti, Fe, Ni, and Mg must be used for geochemical identification. For instance, Al_2O_3/TiO_2 can indicate whether a komatiite is Al-depleted, undepleted or enriched, thus defining magma source regions. Incompatible ratios Zr/TiO_2, La/Sm, Th/Nb can define the degree of crustal assimilation, and Ni/Ti and Ni/Cu ratios can define (p.2) "magma pathways favourable to NiS mineralization" such as olivine-adcumulate-rich channels compared to low energy channel flanks which are poor for mineralization.

There are five facies present in komatiite flows (Grech, 2022): 1) Thin differentiated flows (TDF), 2) compound sheet flows with internal pathways (CSF), 3) compound sheet flows (DCSF), 4) dunitic sheet flows (DCF), and 5) LLS layered lava lakes/sills (LLS). Ni-sulphide mineralization only occurs in CSF (2) and DCSF (3) which are characterized by elevated Ni/Ti and Ni/Cr ratios and low Cr contents. But sulphide can also be remobilized along faults, in fold hinges, or neighbouring country rocks (Grech, 2022).

9.0 EXPLORATION

Churchill commissioned a helicopter-borne magnetic and time domain electromagnetic survey, by Geotech Limited for the fall of 2021, as airborne survey work is not permitted over LIL and LISA areas annually between May 15th and October 15th, due to concerns about wildlife. The survey was only completed over the northern block claims on May 15th 2022, and a follow-up soil sampling program was designed based on the results. Churchill also commissioned Goldspot Discoveries Inc. to prepare a digital database of all historical industry and government work over the Property and surrounding area.

9.1 2021-22 VTEM Survey

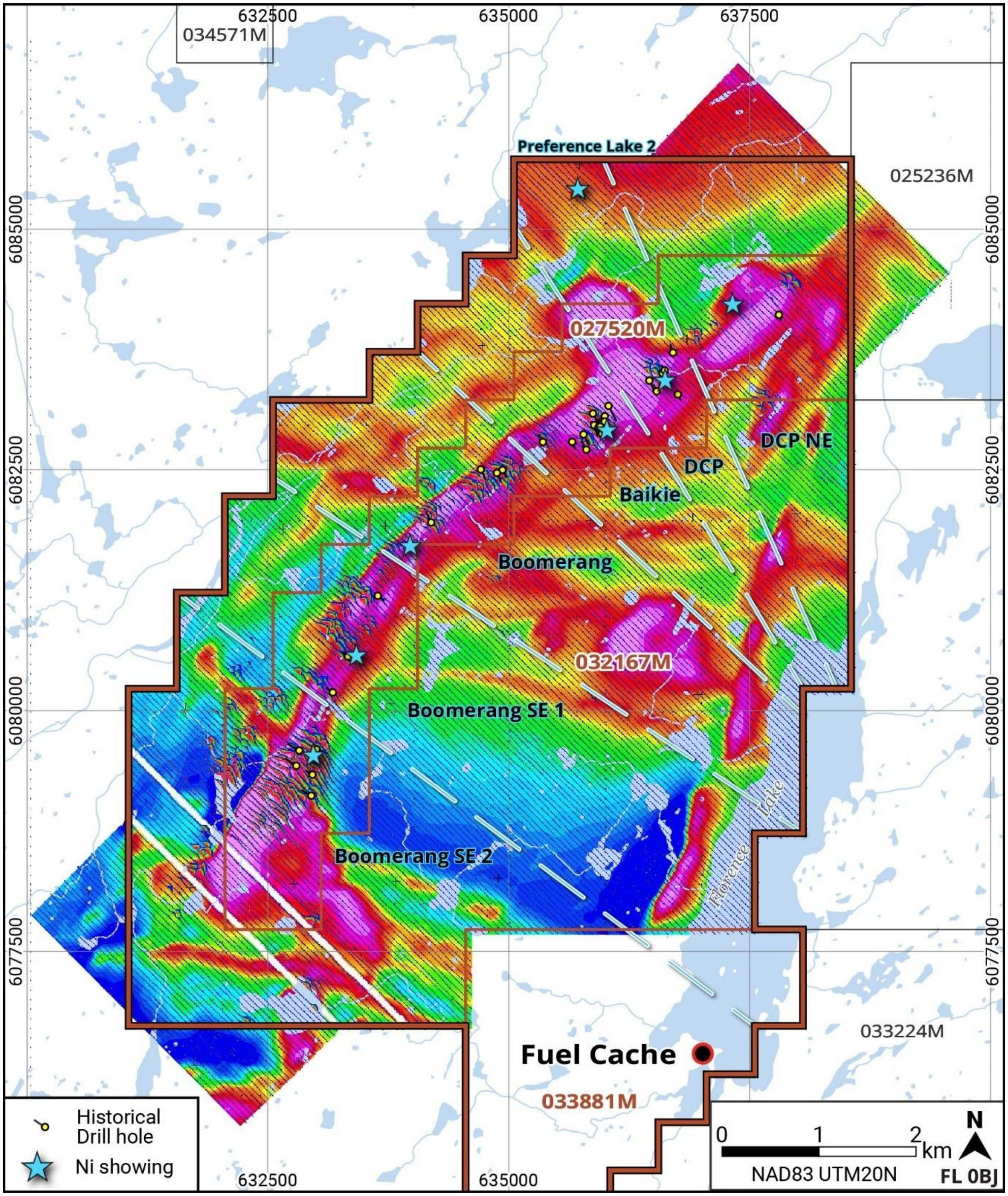
Churchill engaged Geotech Limited on July 8th, 2021, to carry out a helicopter-borne geophysical survey over the Florence Lake Project based out of Postville, utilizing their VTEM™ Plus system. Principal geophysical sensors included a versatile time domain electromagnetic (VTEM™ Plus) system and a horizontal magnetic gradiometer with two caesium sensors. Ancillary equipment included a GPS navigation system and a radar altimeter. The survey was to commence in mid-October 2021, but mobilization was delayed until late November. No production flights were flown before the decision was made for demobilization on Dec. 9th, which was completed on Dec. 13th, 2021.

Geotech's second mobilization to Postville commenced on March 30th, 2022, and the survey was again plagued by operational and weather delays, such that by May 15th operations ceased under Nunatsiavut Government permit conditions with only the Northern Block licenses completed and a total of 1107 line kilometres of data collected. The collected conductivity, resistivity and magnetic data from this portion of the survey have become the modern base data for the project and are presented in Figures 9-1. Line spacing was set at 50m to detect small, short strike length, vertical conductors, which typify this deposit style. Fuel was cached at the old camp site on Florence Lake (see figures), and this site was also used to lay down the EM loop between sorties.

Final reports, data and maps for the Northern Block survey were received on 16th August, 2022. Final conductor axes symbols are included on all exploration figures.

The Company intends to complete TDEM airborne survey work over the Southern Block with a different contractor, as well as high-resolution gradiometer magnetics over the Northern Block and property-wide LIDAR surveys during 2023.

Figure 9-1: Florence Lake North Block VTEM TMI with Conductive Responses



9.2 Historical Rock and Drillhole Geochemical Data

Goldspot (now EarthLabs Inc.) was contracted by Churchill to compile all the geochemical data generated by Falconbridge during their 1992 and 1993 exploration programs in the region of the Florence Lake property (McLean et al., 1992 and 1993, respectively). Two files were produced for both the 1992 and 1993 programs containing data for drill hole and whole rocks/float samples respectively. The 1992 drill hole database contained 303 samples, 1992 whole rock database contained 355 samples, the 1993 drill hole database contained 368 samples, and the 1993 whole rock database contained 212 samples. The samples had been analysed using a variety of techniques and laboratories, consequently the data for individual samples ranged from simple Ni-Cu and other assays, through extended trace element analyses, to complete major oxide and trace element whole rock data.

Figure 9-2 shows the positions of the surface samples, and their nickel assays.

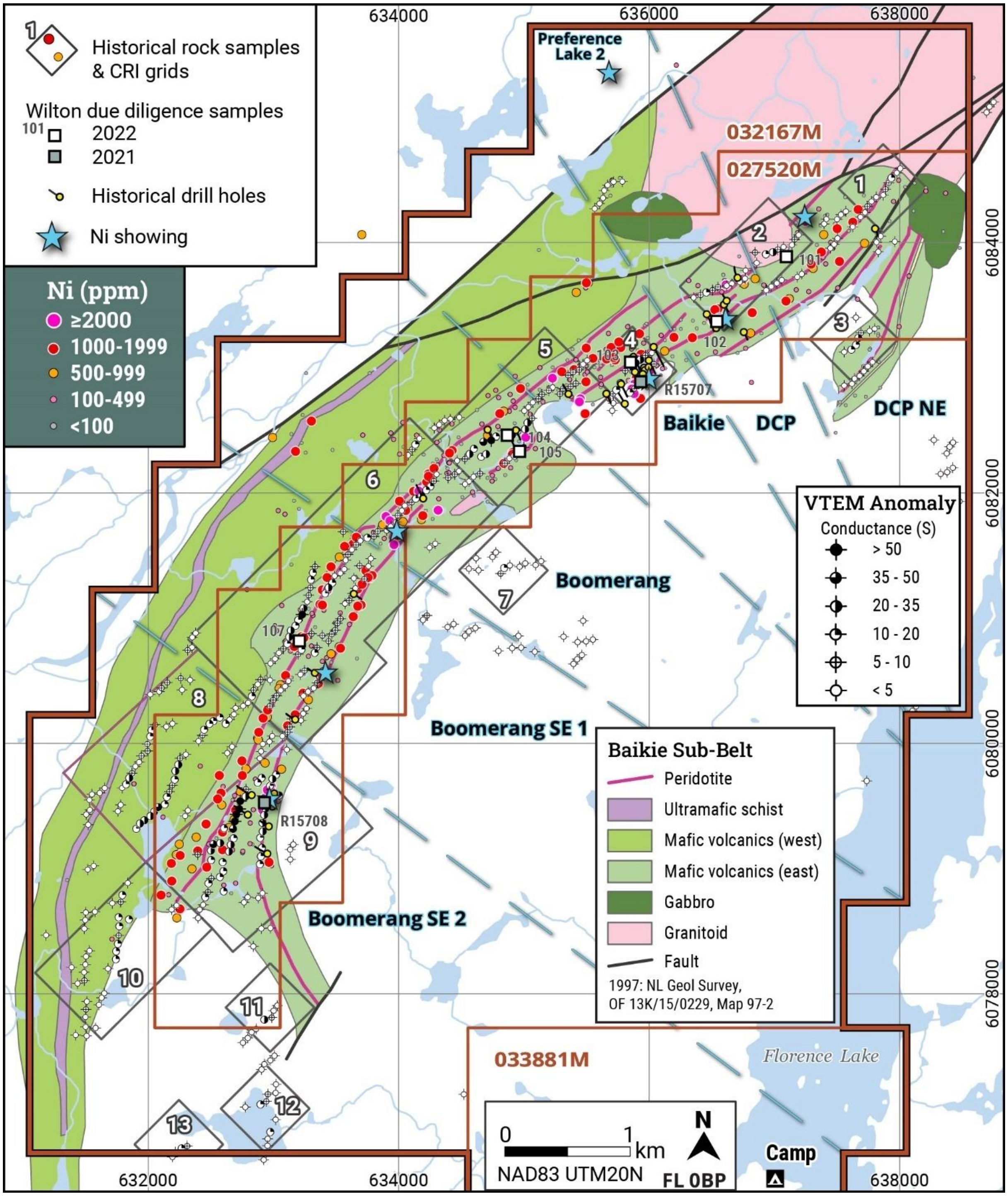
Wilton examined the data files and removed all samples that were not analysed for a full range of major oxide and trace element contents. Geochemical data derived from the analysis of 1996 Tapestry Ventures drill core did not include major oxide data (Cullen and Churchill, 1997) and consequently couldn’t be used to evaluate proto-lithologies.

Based on the criteria that komatiitic rocks contain >18% MgO (e.g., Dostal, 2008), the remaining Goldspot-compiled Falconbridge data were examined and those samples that contained less than 18% MgO were removed.

Based on their Al_2O_3/TiO_2 ratios, komatiites can be subdivided into Al-depleted (ADK) and Al-undepleted varieties (AUK) (e.g., Dostal, 2008). The ADK variety are defined by an Al_2O_3/TiO_2 ratio of < 15 and AUK > 15 (Hoatson et al., 2006). AUK komatiites are intrinsically related to the formation of massive sulphide mineralization, whereas ADK are not (Barnes et al., 2004; Dostal, 2008, Hoatson et al., 2006). On this basis, Wilton subdivided the komatiite samples identified in the Goldspot compilation into AUK and ADK groups.

Komatiite samples designated as either AUK or ADK were subsequently plotted on Figures 9-8 to 9-10 and on 18-2.

Figure 9-2: Florence Lake North Block Historical Rock Sampling & VTEM Conductors



9.3 2022 Soil Sampling Survey

Churchill received the final data and conductor axes picks from Geotech in August 2022, allowing for the planning of a soil sampling and prospecting program on the Northern Block.

The basic design was to sample on 25m stations along 50m spaced lines that followed the VTEM flight paths over all conductor trends. Infill 25m lines were added where medium to strong VTEM conductors were located on adjacent lines.

For ease of planning and logistics, the sampling program was broken down into thirteen discrete blocks. The crews would sample on adjacent lines ensuring that all members were close to one another, and the helicopter, should any need arise. Grids 1 to 7, and grid 9, were targeted in the 2022 work as these grids cover the known showings and extensive VTEM conductor trends as per Figure 9-3. Churchill intends to complete soil sampling over all other grids and conductor trends during the summer of 2023.

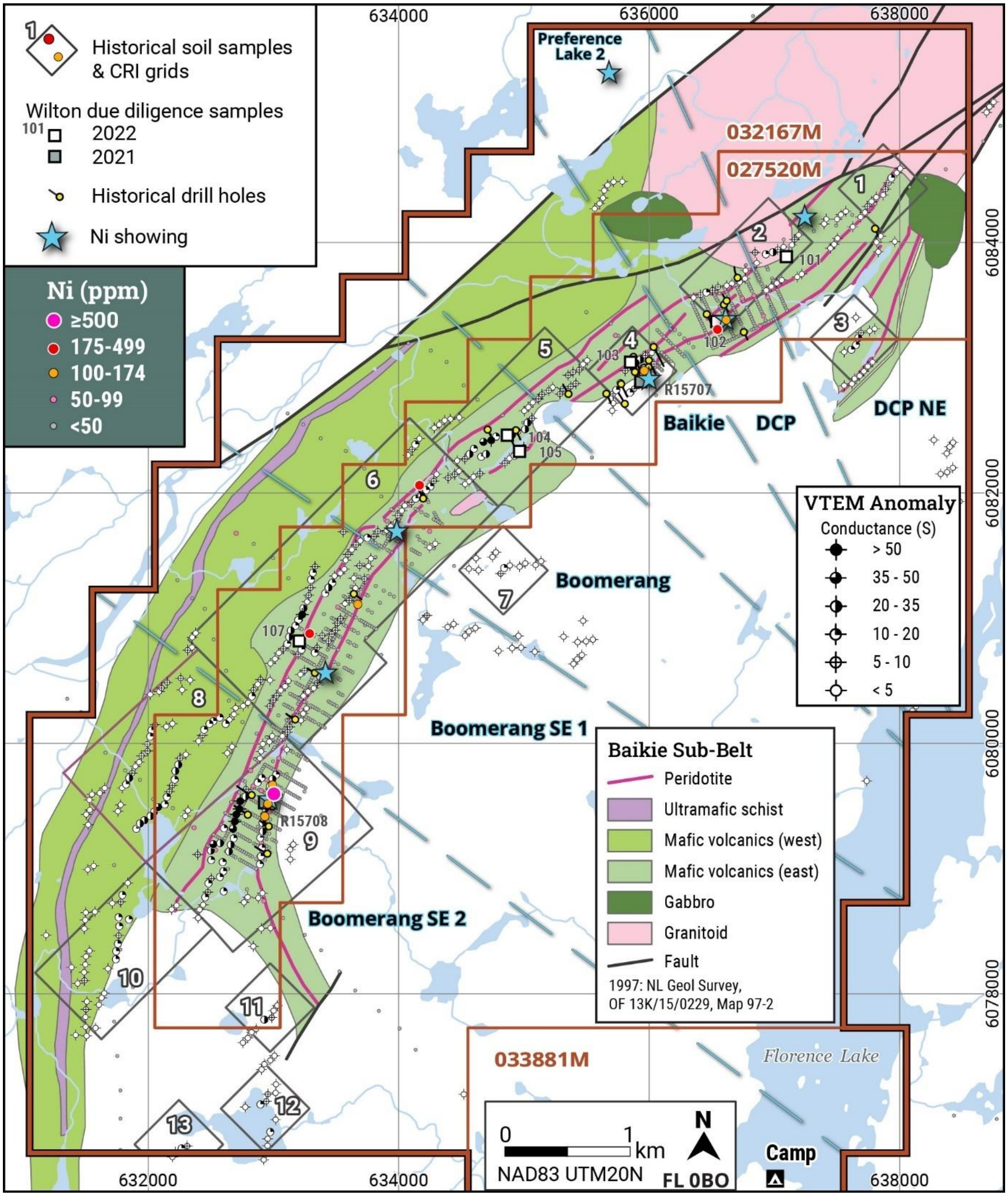
Nickel assay data for soil samples collected in historical surveys by Falconbridge and/or Tapestry Ventures are shown in Figure 9-3. These historical surveys were captured by the Churchill grids, but did not generate many anomalies except for the Boomerang SE Showing area. These results, as well as the spatial locations of historical rock samples, have been assimilated into detailed compilations, along with the historical mapping work.

Churchill's primary soil sampling/prospecting program at Florence Lake was completed during the period August 22nd to September 13th when 2,368 samples were collected by a five-man team out of Postville, utilizing a Bell206LR from Custom Helicopters. Sobie was present for the first four days of the program to assist in getting the program up and running satisfactorily. The sampling team was provided by Quinlan Exploration of Birchy Bay, NL, with all logistics (including vehicles), lodging (houses), and meals provided by Titjaluk Logistics of Roddickton, NL, but based out of Postville. Fixed-wing aircraft support was provided by Air Borealis out of Happy Valley-Goose Bay, and fuel was purchased from Woodwards Oils Limited, also of Happy Valley-Goose Bay.

Churchill fuel was shipped by ferry to Postville and stored at a permitted cache site at the Postville airport, along with a field cache of several drums at the cache/camp site on Florence Lake. Drums were stored in secure berms with spill kits at both caches, and no spills occurred.

Sobie, Derek Wilton, and technician, Wade Mugford, returned to the property on the 21st of September, from Goose Bay, again using Custom Helicopters. Several due-diligence samples were collected by Wilton and are discussed in Section 9.5.

Figure 9-3: Florence Lake North Block Historical Soil Sampling & VTEM Conductors with 2022 Soil Sampling Grids



On October 19th a crew supervised by Max Kinden of Titjaluk Logistics, based in Postville and having completed work for Labrador Uranium, began sampling for Churchill expanding the coverage before weather conditions deteriorated. Custom Helicopters again provided helicopter transportation to the property. This subsequent sampling program collected 505 samples over grids 1,2, and 9 before the project ended for the year. The crew were demobilized on Thursday October 29th, by ferry to Goose Bay.

All samples were processed by Eastern Analytical of Springdale, NL. Results are presented in Figures 9-4 to 9-7 and described in Section 9.4 and 9.5,and discussed in Section 18.0.

9.4 Soil Sampling Data Analysis and Results

Wilton performed statistical analysis, using probability plots, on the soil sampling database and derived thresholds for elements of interest. Key observations from the data include:

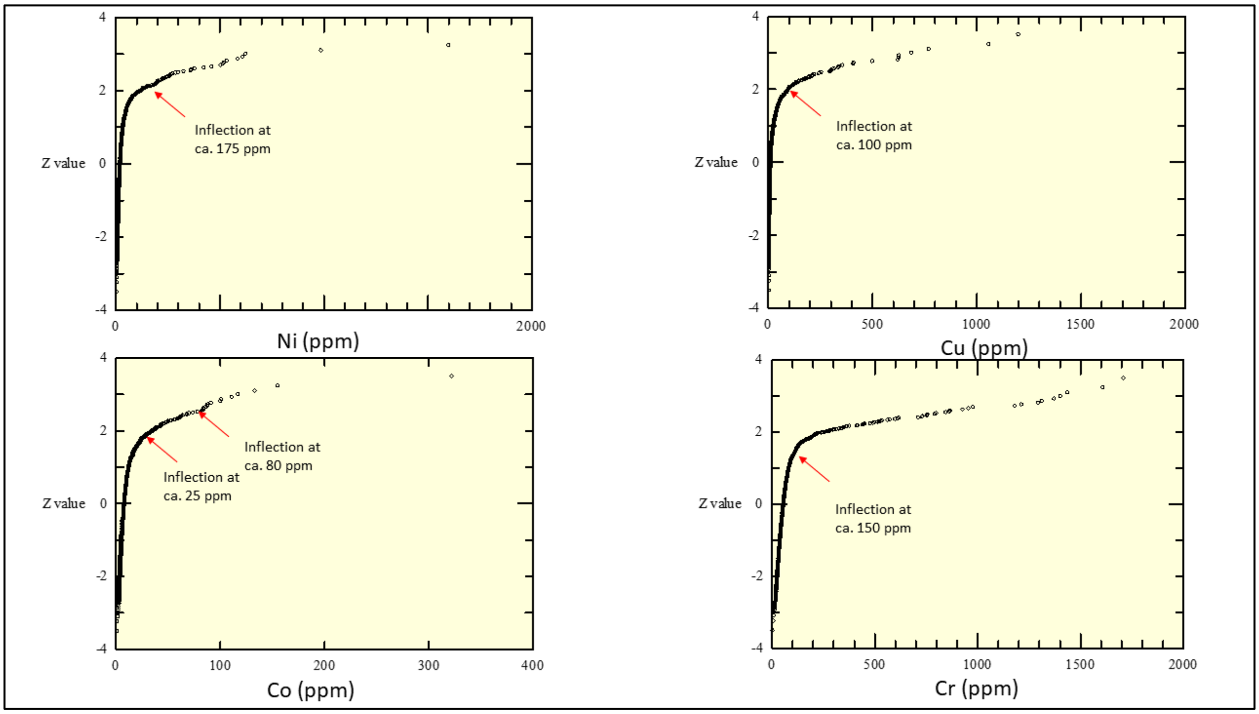
- Ni has two levels of anomalous values – 1) > 175 ppm ("true background" is below 175 ppm), and 2) "anomalously high" values > 500 ppm
- Cu has an inflection point at 100 ppm, i.e., background is < 100 ppm
- Co has two levels of anomalous values – 1) > 25 ppm base on "true background" below <25 ppm, and 2) "anomalously high", > 80 ppm
- Cr has inflection at 150 ppm, i.e., background is < 150 ppm. Samples with values > 1200 ppm seem to shifting off main trend and are "Super anomalous"
- Mg has inflection at ca. 1.75%, i.e., background is < 1.75%

Figure 9-4 presents the probability plots for these elements, which are useful for locating this style of nickel-copper-cobalt mineralization. Figures 9-5 to 9-7 present plan maps of the results to date for these five elements.

Correlation coefficients were calculated for the Florence Lake soil data. A correlation coefficient of +1 indicates a perfect positive correlation between two elements, a coefficient of -1 indicates a perfect negative correlation between two elements, and a coefficient of 0 indicates no correlation between the two elements.

Table 9-1 contains correlation coefficients for some elements from the Florence Lake soil data. These were calculated without sample 902700 which had a super anomalous value of 1% Ni. This sample was rejected because of problems for the statistical analysis that such an elevated Ni content represented. Such a value would only be expected in a sulphide-rich rock and is completely unlike the other samples.

Figure 9-4: Florence Lake North Block Soil Sampling Probability Plots for Ultramafic Elements



Based on the large sample size, the coefficients indicate good positive correlations between Mg-Cr (an ultramafic rock factor), along with Ni and Co, Mg and Cr suggesting that Ni is associated with ultramafic rocks. The Ni-Co correlation may also suggest a common sulphide factor. Ni does not correlate nearly as well with Cu and does not correlate with Pb or Zn. Cu, in contrast correlates well with Zn, somewhat with Co, and not at all with Pb. VMS-like showings are known from the Florence Lake Property (e.g., Seahorse Lake) and the correlation of Cu with Zn might represent a VMS factor in the data. Such a factor might cloud the Ni-Cu factor.

Table 9-1: Correlation Coefficients for Soil Samples from the Florence Lake Property

		Elemental Correlation Coefficients							
Cr-Mg	Ni-Co	Ni-Cr	Ni-Mg	Ni-Cu	Ni-Zn	Ni-Pb	Cu-Co	Cu-Zn	Cu-Pb
0.8469	0.72	0.797	0.748	0.46	0.27	-0.147	0.531	0.617	0.128

In conclusion, it is suggested that Ni, Co, Mg and Cr should be considered as elemental vectors to nickel sulphide mineralization on Florence Lake Property. Cu and Zn might be considered as vectors to VMS mineralization. Plots 9-5 to 9-7 show a general strong correlation of all ultramafic elements in anomalous areas, and many more target areas beyond the known nickel showings. These are discussed in section 9.5.

Figure 9-5: Florence Lake North Block VTEM Conductor Axes with Ni and Cu Soil Assays

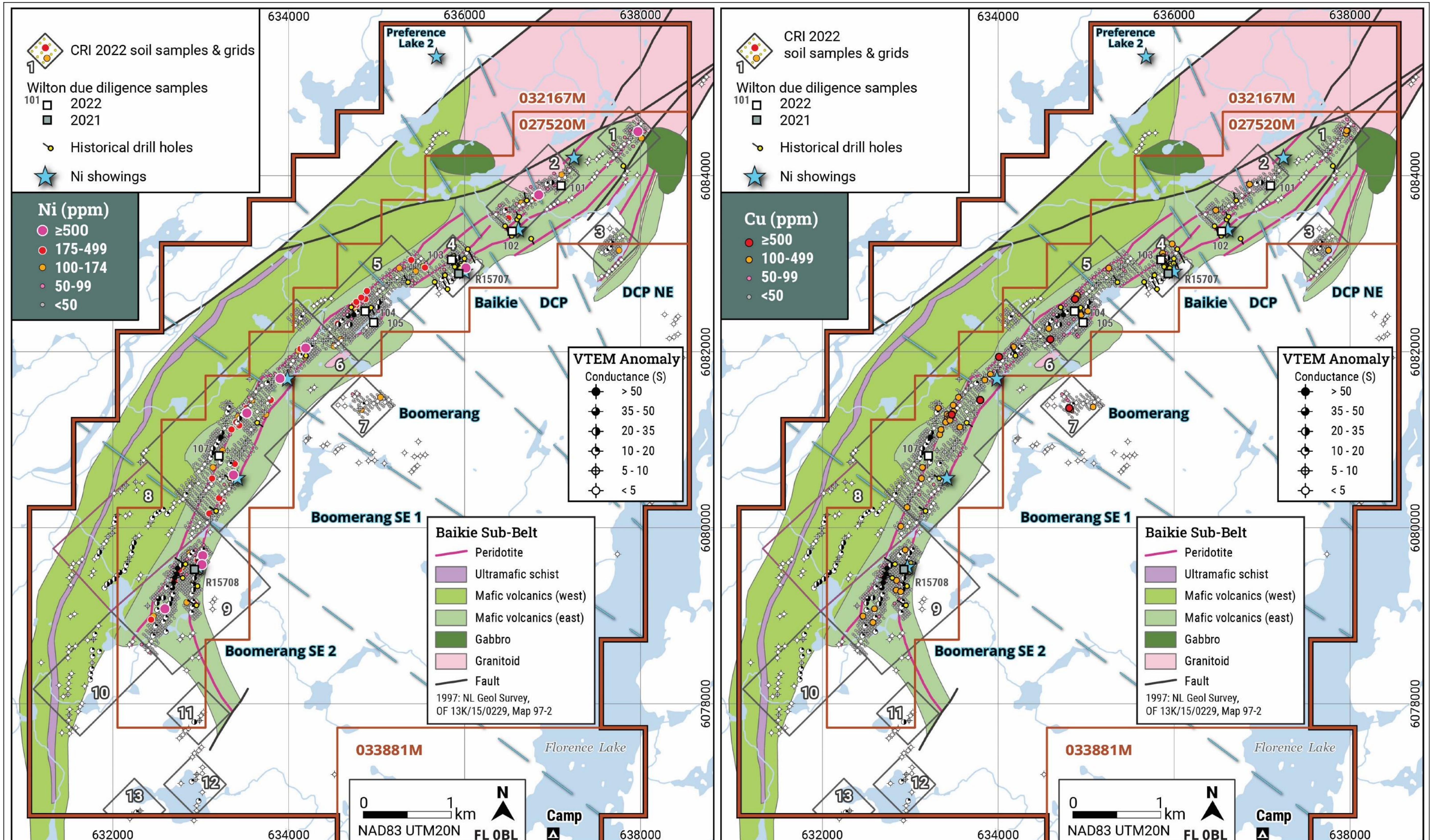


Figure 9-6: Florence Lake North Block VTEM Conductor Axes with Co and Cr Soil Assays

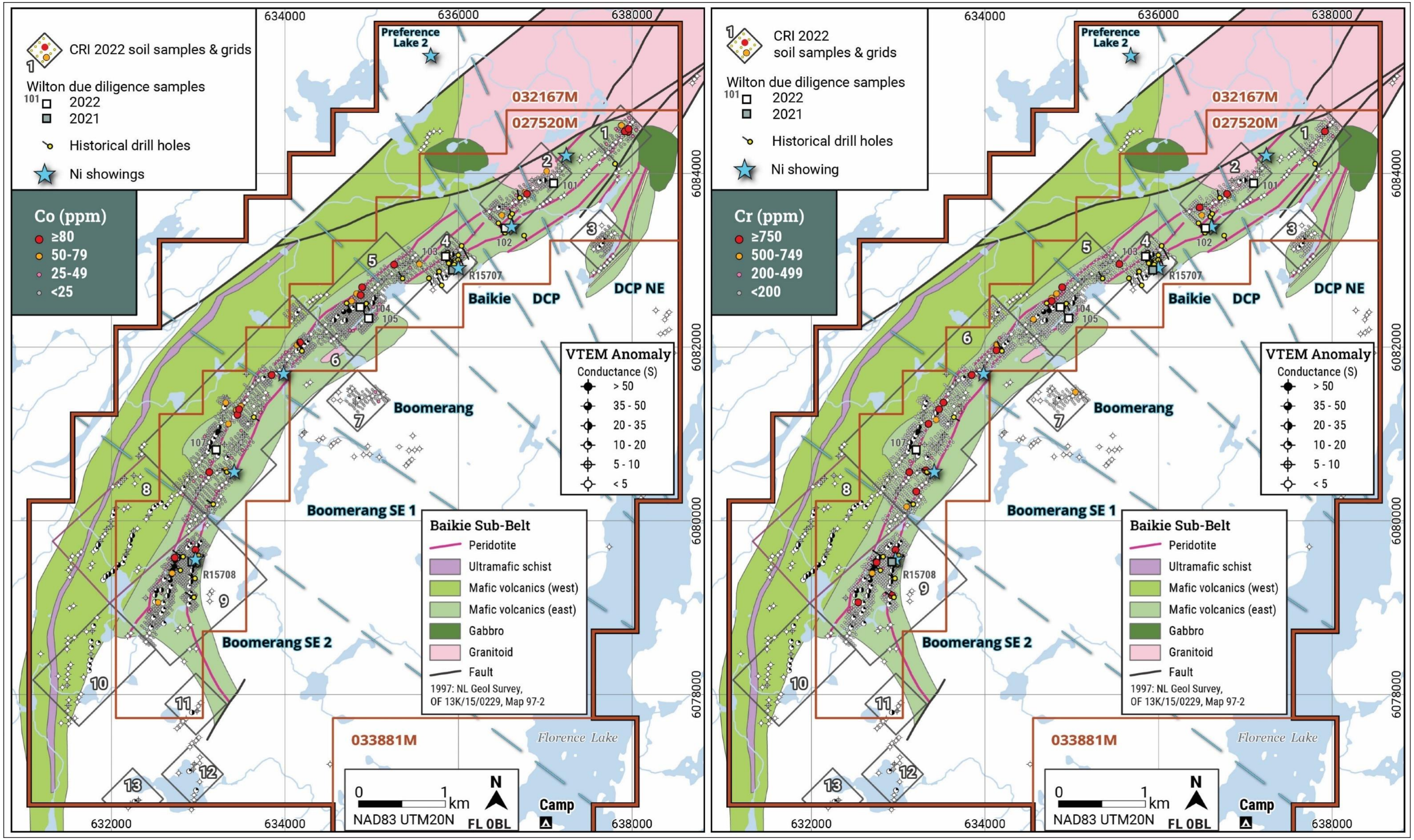
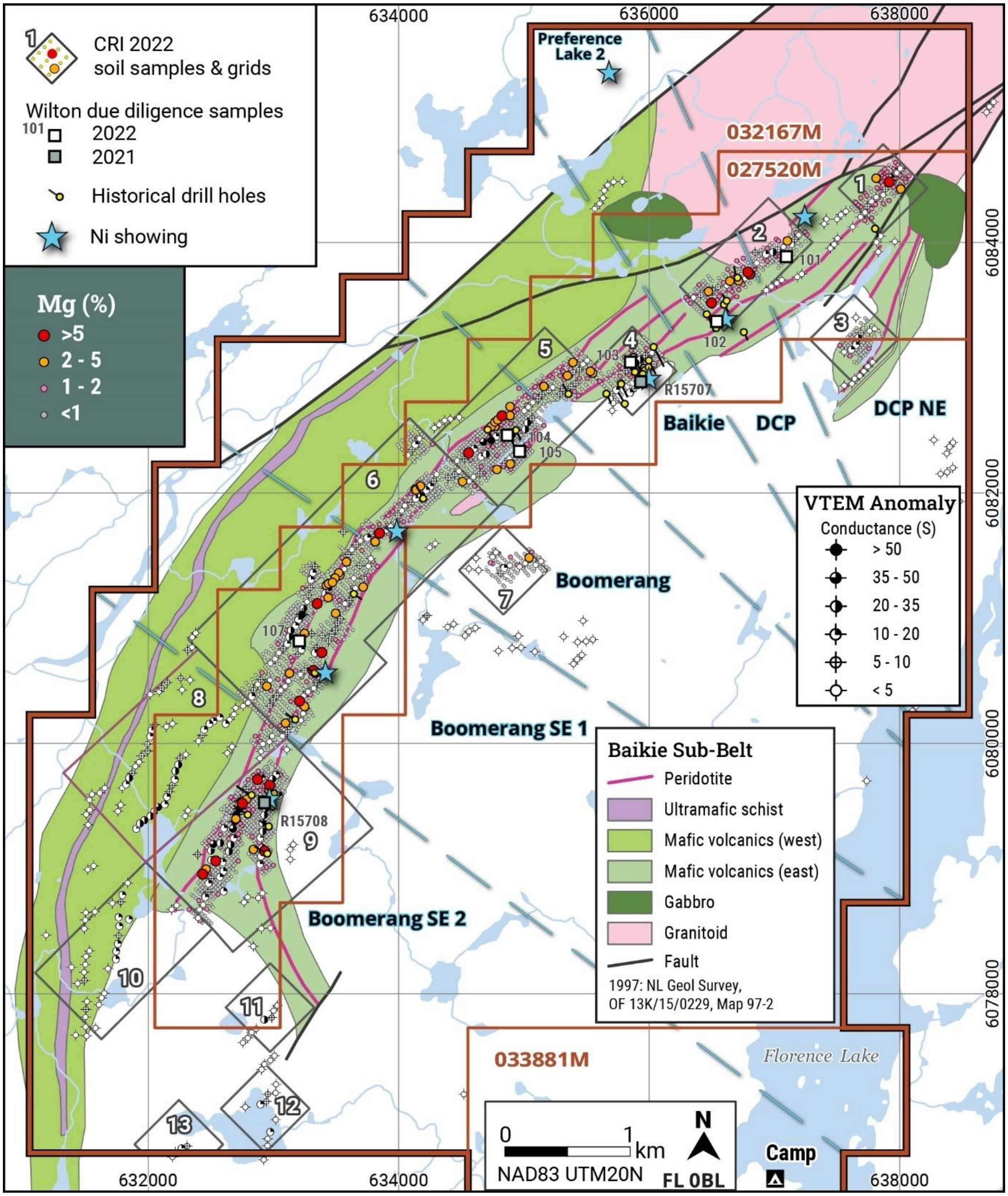


Figure 9-7: Florence Lake North Block VTEM Conductor Axes with Mg Soil Assays



9.5 Compiled Results and Targets

Analysis of the VTEM results have been used to discern a number of target types on the North Block summarized in Table 9-2, and detailed in Table 9-3. In general, geophysical targets with correlative geological encouragement such as AUK ultramafics or strong soil sampling results were ranked more highly than those without. A large number of conductor targets, particularly in the Boomerang SE2 Area, have not yet been covered by Churchill soils, nor were they explored previously by Falconbridge.

Cognizance was also given to past exploration efforts, where drilling pure conductor targets was not successful.

Three categories of geophysical targets, LNF, DNF and DMF respectively lie outside of the known greenstone belt within Kanairkituk Intrusive Suite areas and therefore are not highly ranked as sulphide nickel targets.

Table 9-2: Florence Lake Property North Block Target Summary Table

Target Type	Total Picked	# on DCP NE Area	# on DCP Area	# on Baikie Area	# on Boomerang Area	# on Boomerang SE1 Area	# on Boomerang SE2 Area
AUK - VTEM Conductor With AUK komatiites present	7			1	1	3	2
CSS - VTEM Conductor With Ni Soil Anomaly	9	2	1		3	2	1
KA - AUK komatiites Without VTEM Conductor	13	1	4	2	4	2	
SS - Ni Soil Anomaly Without VTEM Conductor	7			2	1	3	1
LN - Linear VTEM conductor without magnetic signature	25	3	1	2	6	3	10
DN - discrete VTEM conductor without magnetic signature	30		1	2	1	1	25
LNF - Linear offbelt VTEM conductor without magnetic signature	6	1					
DMF - Discrete offbelt VTEM conductor with magnetic signature	4	1					
DNF - Discrete offbelt VTEM conductor without magnetic signature	12	4				4	
Totals	**113**	**12**	**7**	**9**	**16**	**18**	**39**
*note that totals do not balance as some offbelt targets do not lie within the six areas							

Figures 9-8 to 9-10 present the high, moderate and low priority targets respectively, on tilt derivative magnetic, and geological backgrounds.

9.5.1 DCP NE Area

The weight of geological evidence currently suggests that the younging direction of the Baikie Sub-belt volcanic units is to the east. Therefore, in the following

Table 9-3: Florence Lake North Block Detailed VTEM/Geological Target Table

Target	Conductor Type	Area	Ranking (1-high, 2-med, 3-low)	Conductor Trend	Length	Maximum VTEM Conductivity	Thick/Thin	Falco HLEM Conductor?	Surface Mapping Explanation?	Komatiites Sampled?	AUK Komatiites?	Soil Anomaly?	Drill Tested?	Drilled Conductor?	Komatiite Thickness	Nickel Values if Tested
LN-01	Linear conductor - no mag signature	Boomerang SE2	3	4	150m+	4	thin	no	no outcrop	n/a	n/a	not sampled yet	no	n/a	not known	
LN-02	Linear conductor - no mag signature	Boomerang SE2	3	2	150m+	4	thin	no	no outcrop	no	n/a	wk 50-99ppm	no	n/a	not known	
LN-03	Linear conductor - no mag signature	Boomerang SE2	2	2	100m+	4	thin	yes	no	no	n/a	no	no	n/a	not known	
LN-04	Linear conductor - no mag signature	Boomerang SE2	2	2	100m+	5	thin	yes	no	yes	no	no	no	n/a	not known	
LN-05	Linear conductor - no mag signature	Boomerang SE2	Eliminated	Baikie	250m+	5	thin	yes	no but um lenses mapped	yes	yes	orth end 175ppm	yes 93-30	yes - contact of um & mafic	3m+	2.25%/0.07m
LN-06	Linear conductor - no mag signature	Western Mafics	2	3	100m+	5	thin	no	no - FMV lenses	no	n/a	not sampled yet	no	n/a	not known	
LN-07	Linear conductor - no mag signature	Western Mafics	2	4	600m	4	thin	no	no outcrop	no	n/a	not sampled yet	no	n/a	not known	
LN-08	Linear conductor - no mag signature	Western Mafics	2	3	300m+	5	thin	yes	no	no	n/a	not sampled yet	no	n/a	not known	
LN-09	Linear conductor - no mag signature	Western Mafics	2	3	300m	4	thin	yes	no - FMV lenses	no	n/a	not sampled yet	no	n/a	not known	
LN-10	Linear conductor - no mag signature	Western Mafics	2	3	500m+	3	thin	yes	no - FMV & FMI lenses	no	n/a	south not sampled yet north no anomalies	no	n/a	not known	
LN-11	Linear conductor - no mag signature	Boomerang SE1	1	Baikie	100m+	1	thick	no	no - um lenses mapped	yes - nearby	yes	strong - 175ppm+	no - 93-33 drilled strong conductor to the west	n/a	20m+ in 93-33	0.83%/0.15 m in 93-33
LN-12	Linear conductor - no mag signature	Western Mafics	2	3	800m+	6	thin	two line conductor identified	no	no	no	well sampled no anomalies	no	n/a	n/a	
LN-13	Linear conductor - no mag signature	Boomerang SE1	2	Baikie	100m+	2	thin	one coincident line	no	no	no	no anomalies	no	n/a	n/a	
LN-14	Linear conductor - no mag signature	Boomerang	1	Baikie	400m+	2	thin	none	no	Yes	yes - 2110	Y - 175ppm+	no	n/a	not known	
LN-15	Linear conductor - no mag signature	Western Mafics	Eliminated	2	100m+	2	thin	offset from A	gf lens with 15% py,po,cpy (for A?)	no	n/a	no	no	n/a	not known	
LN-16	Linear conductor - no mag signature	Western Mafics	Eliminated	3	150m+	3	thin	none	graphite	no	n/a	no	no	n/a	not known	
LN-17	Linear conductor - no mag signature	Boomerang	3	3	250m+	1	thin	none	no	no	n/a	no	no	n/a	not known	
LN-18	Linear conductor - no mag signature	Boomerang	Eliminated	2	50m	6	thin	NE end of A	py, gf lens along strike	no	n/a	Y - 100ppm+	Yes 92-10	Yes - 1.5m of 30% py in carb. Argillite	60m+	nsv
LN-19	Linear conductor - no mag signature	Boomerang	Eliminated	2	300m+	5	thin	NE end of B	diss. Py along strike	nearby but not on conductor	yes in ddh 93-26	no	Yes 92-08, 93-26	carb. Argillite in both holes, 3% py +po	~40m	nsv
LN-20	Linear conductor - no mag signature	Baikie	2	2	150m+	2	thin	part of E, but E given unnatural trend	py bands to NW, not on conductor	no	no	modest - better along strike to NE	Yes 92-07	no conductor intersected. Minor sulphides in pillow selvages	o um intersecte	nsv
LN-21	Linear conductor - no mag signature	Baikie	2	2	300m	5	thin	Yes conductor G	small gossan with aspy, py, po, cpy	no	no	modest 100ppm+	Possibly with 92-06, definitely with 93-18b	thin pyroxenetic sill +um, no conductors	thin units only	nsv
LN-22	Linear conductor - no mag signature	Western Mafics	1	5	300m	1	thick	not surveyed	NW margin of gabbro plug	not surveyed	no	no	no	n/a	n/a	
LN-23	Linear conductor - no mag signature	DCP NE	3	2	400m+	5	thin	could be NE extension of I	none	yes to NE at DCP NE	yes to NE at DCP NE	Strong - scattered 500ppm+	93-24 just off to the SW.	four thin carb. Sediment units with up to 5% py	three um units below sediments	nsv
LN-24	Linear conductor - no mag signature	DCP NE	2	2	200m	1	thin	no	no	yes to NW at DCP NE	yes to NW at DCP NE	not covered with CRI grid	no	n/a	n/a	
LN-25	Linear conductor - no mag signature	DCP +	3	2	100m+	2	thick	off belt?	no	no	no	not covered with CRI grid	no	n/a	n/a	
DN-01	Discrete conductor - no mag signature	Western Mafics	3	4	single	1	thick	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-02	Discrete conductor - no mag signature	Western Mafics	3	4	single	1	thin	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-03	Discrete conductor - no mag signature	Western Mafics	3	4	single	1	thin	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-04	Discrete conductor - no mag signature	Western Mafics	3	4	double	2	thin	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-05	Discrete conductor - no mag signature	Western Mafics	3	5	single	1	thick	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-06	Discrete conductor - no mag signature	Western Mafics	3	4	single	1	thick	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-07	Discrete conductor - no mag signature	Western Mafics	2	6	single	1	thick	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-08	Discrete conductor - no mag signature	Western Mafics	3	4	multiple	3	thin	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	

Target	Conductor Type	Area	Ranking (1-high, 2-med, 3-low)	Conductor Trend	Length	Maximum VTEM Conductivity	Thick/Thin	Falco HLEM Conductor?	Surface Mapping Explanation?	Komatiites Sampled?	AUK Komatiites?	Soil Anomaly?	Drill Tested?	Drilled Conductor?	Komatiite Thickness	Nickel Values if Tested
DN-09	Discrete conductor - no mag signature	Western Mafics	3	5	multiple	1	thick	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-10	Discrete conductor - no mag signature	Western Mafics	3	4	double	5	thin	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-11	Discrete conductor - no mag signature	Western Mafics	3	4	multiple	3	thick	SW/West of past work	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-12	Discrete conductor - no mag signature	Boomerang SE2	1	4	multiple	3	thick	Under pond	um mapped to SW	ADK	no	strong - 500ppm+ to SW	no	n/a	n/a	
DN-13	Discrete conductor - no mag signature	Boomerang SE2	2	2	single	3	thin	shore of pond	no outcrop	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-14	Discrete conductor - no mag signature	Boomerang SE2	2	Baikie	double	1	thin	shore of pond	no outcrop	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-15	Discrete conductor - no mag signature	Boomerang SE2	3	Baikie/off belt?	multiple	1	thick	not previously explored	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-16	Discrete conductor - no mag signature	Boomerang SE2	3	5	multiple	1	thick	West of past work	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-17	Discrete conductor - no mag signature	Boomerang SE2	3	5	multiple	1	thin	West of past work	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-18	Discrete conductor - no mag signature	Boomerang SE2	3	4	double	1	thin	West of past work	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-19	Discrete conductor - no mag signature	Western Mafics	2	'2/3	double	1	thin	no - swampy area	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-20	Discrete conductor - no mag signature	Boomerang SE2	1	2	double	3	thick	Yes - 3 line conductor	no	no	no	modest 100ppm+	no	n/a	n/a	
DN-21	Discrete conductor - no mag signature	Boomerang SE2	2	Baikie/off belt?	single	3	thick	edge of Falco conductor	no	just to west	yes	not comprehensively sampled	no	n/a	n/a	
DN-22	Discrete conductor - no mag signature	Western Mafics	2	2/3	double	1	thin	no	no	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-23	Discrete conductor - no mag signature	Boomerang SE2	2	2	double	1	thick	no	major contact?	no	no	no	no	n/a	n/a	
DN-24	Discrete conductor - no mag signature	Boomerang SE2	2	Baikie	single	1	thin	no	low ground	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-25	Discrete conductor - no mag signature	Western Mafics	2	5	multiple	2	thick	West of past work	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-26	Discrete conductor - no mag signature	Western Mafics	2	5	multiple	2	thin	West of past work	not known	no	no	not covered by 2022 sampling	no	n/a	n/a	
DN-27	Discrete conductor - no mag signature	Boom/Baikie	2	2	double	3	thick	Between A & B	diss. Py, gf lenses noted in area	no	no	weak - 50ppm +	no	n/a	n/a	
DN-28	Discrete conductor - no mag signature	Baikie	1	Baikie	double	1	thin	no	no	no	no	not covered by 2022 sampling	93-21 may have reached conductor	no true conductors intersected	n/a	
DN-29	Discrete conductor - no mag signature	Baikie	1	Baikie	single	1	thick	Between G & H	yes Baikie units	yes	yes	mainly under pond	92-11 definitely hit area	no true conductors intersected	17.5m of um at 78m	nsv
DN-30	Discrete conductor - no mag signature	DCP	1	Baikie	double	1	thick	Conductor J	um mapped to NE	yes	no	not covered by 2022 sampling	no	n/a	n/a	
DMF-01	Discrete Conductor With Mag, Off-Belt		3													
DMF-02	Discrete Conductor With Mag, Off-Belt		3													
DMF-03	Discrete Conductor With Mag, Off-Belt		3													
DMF-04	Discrete Conductor With Mag, Off-Belt	"Hook" Belt Area	2	not known	single	1	thick	SE of K	gabbro plug mapped	no	no	not covered by 2022 sampling	no	n/a	n/a	nsv
DNF-01	Discrete Conductor Without Mag, Off-Belt		3													
DNF-02	Discrete Conductor Without Mag, Off-Belt		3													
DNF-03	Discrete Conductor Without Mag, Off-Belt	Boomerang	3	n/a	multiple	2	thick	n/a	no	no	no	no	no	no	no	
DNF-04	Discrete Conductor Without Mag, Off-Belt	Boomerang	3	n/a	multiple	1	thick	n/a	no	no	no	no	no	no	no	
DNF-05	Discrete Conductor Without Mag, Off-Belt	Boomerang	3	n/a	multiple	1	thick	n/a	no	no	no	no	no	no	no	
DNF-06	Discrete Conductor Without Mag, Off-Belt	Boomerang	3	n/a	multiple	1	thick	n/a	no	no	no	no	no	no	no	
DNF-07	Discrete Conductor Without Mag, Off-Belt	Boomerang	2	n/a	multiple	3	thick	n/a	no	no	no	Grid 7 - mod. Ni, Cu, Co, Cr	no	no	no	
DNF-08	Discrete Conductor Without Mag, Off-Belt		3													
DNF-09	Discrete Conductor Without Mag, Off-Belt	DCP NE	3	n/a	multiple	1	thick	n/a	no	no	no	no	no	no	no	
DNF-10	Discrete Conductor Without Mag, Off-Belt	DCP NE	3	n/a	multiple	1	thick	n/a	no	no	no	no	no	no	no	
DNF-11	Discrete Conductor Without Mag, Off-Belt	DCP NE	3	n/a	multiple	1	thick	n/a	no	no	no	no	no	no	no	
DNF-12	Discrete Conductor Without Mag, Off-Belt	"Hook" Belt Area	2	not known	single	1	thick	Conductor K	gabbro plug mapped	no	no	not covered by 2022 sampling	93-13	3 gf zones with upto 10% po	no um intersected	nsv

Target	Conductor Type	Area	Ranking (1-high, 2-med, 3-low)	Conductor Trend	Length	Maximum VTEM Conductivity	Thick/Thin	Falco HLEM Conductor?	Surface Mapping Explanation?	Komatiites Sampled?	AUK Komatiites?	Soil Anomaly?	Drill Tested?	Drilled Conductor?	Komatiite Thickness	Nickel Values if Tested
LNF-01	Linear Conductor Without Mag, Off-Belt		3													
LNF-02	Linear Conductor Without Mag, Off-Belt		3													
LNF-03	Linear Conductor Without Mag, Off-Belt		3													
LNF-04	Linear Conductor Without Mag, Off-Belt		2													
LNF-05	Linear Conductor Without Mag, Off-Belt		2													
LNF-06	Linear Conductor Without Mag, Off-Belt		3													
CSS-01	Conductor With Ni Soil Anomaly	DCP NE	1	Baikie	120	3	thin	J	no	no	no	strong 500 ppm+	no	n/a	not known	
CSS-02	Conductor With Ni Soil Anomaly	DCP NE	1	Baikie	100	1	thin	J	no	no	no	weak 50 ppm+	no	n/a	not known	
CSS-03	Conductor With Ni Soil Anomaly	DCP	1	2	550	3	thin	I	um mapped	yes	no	strong 500 ppm+	no	n/a	50m+	
CSS-04	Conductor With Ni Soil Anomaly	Baikie-Boom	1	2	150	3	thin	A	no	no	no	strong 500 ppm+	no	n/a	not known	
CSS-05	Conductor With Ni Soil Anomaly	Boomerang	2	2	350	4	thin	A	um mapped	yes	no	very strong multiple 500 ppm+	no	n/a	50m+	
CSS-06	Conductor With Ni Soil Anomaly	Boomerang	2	3	120	2	thin	A/L	no	yes	no	strong 500 ppm+	no	n/a	not known	
CSS-07	Conductor With Ni Soil Anomaly	Boomerang	1	3	100	2	thin	L	no	yes	no	oderate 100 ppm	no	n/a	not known	
CSS-08	Conductor With Ni Soil Anomaly	Boomerang	2	3	300	4	thin	L	no	yes	no	strong 500 ppm+	no	n/a	not known	
CSS-09	Conductor With Ni Soil Anomaly	Boom SE2	2	2	475	6	thin	Z	um mapped	yes	no	very strong multiple 500 ppm+	yes 93-28, 93-29	carb. Argillite with 15-20% po	multiple thin (10m+) units	nsv
AUK-01	Conductor With AUK komatiites	Baikie	1	Baikie	100	3	thin	H	um mapped	yes	yes	no	yes 92-05	hole too short, but ended in um	m at end of ho	nsv
AUK-02	Conductor With AUK komatiites	Baikie-Boom	2	Baikie	400	3	thin	B	no	yes	yes	no	yes 93-26	carb. Argillite	48m in hole	nsv
AUK-03	Conductor With AUK komatiites	Boom SE1	1	3	300	3	thin	N	um mapped	yes	yes	moderate 100 ppm+	no	n/a	50-100m	
AUK-04	Conductor With AUK komatiites	Boom SE1	1	3	400	2	thin	Q	um mapped	yes	yes	strong 500 ppm+	no	n/a	50-100m	
AUK-05	Conductor With AUK komatiites	Boom SE1	1	Baikie	650	3	thin	R	no	yes	yes	very strong multiple 500 ppm+	yes 93-33, 93-34	contact of mafic-um mineralized in both	50m+	1.23%/0.43 m
AUK-06	Conductor With AUK komatiites	Boom SE2	1	Baikie	300	4	thin	X	no	yes	yes	very strong multiple 500 ppm+	yes 93-32	uff/ash units noted	multiple thin (10m+) units	nsv
AUK-07	Conductor With AUK komatiites	Boom SE2	1	Baikie	225	3	thin	X	no	yes	yes	moderate 100 ppm+	yes 93-31	not explained	50m+	nsv
SS-01	Ni Soil Anomaly Without Conductor	Baikie	1	2	200	N/A	N/A	N/A	no	no	no	mod-strong 175ppm+	no	n/a	not known	
SS-02	Ni Soil Anomaly Without Conductor	Baikie	1	3	350	N/A	N/A	N/A	um mapped, py noted	yes	no	od-strong 175ppn	no	n/a	30m mapped	
SS-03	Ni Soil Anomaly Without Conductor	Baikie-Boom	1	3	400	N/A	N/A	N/A	um mapped	yes	no	very strong multiple 500 ppm+	no	n/a	30m mapped	
SS-04	Ni Soil Anomaly Without Conductor	Boom SE1	1	3	200	N/A	N/A	N/A	um mapped	yes	no	mod-strong 175ppm+	no	n/a	50m+	
SS-05	Ni Soil Anomaly Without Conductor	Boom SE1	1	2	50	N/A	N/A	N/A	no	no	no	od-strong 175ppn	no	n/a	not known	
SS-06	Ni Soil Anomaly Without Conductor	Boom SE1	1	Baikie	100	N/A	N/A	N/A	um mapped	yes	yes	strong 500 ppm+	y 93-34	contact of mafic-um mineralized	50m+	1.23%/0.43m
SS-07	Ni Soil Anomaly Without Conductor	Boom SE2	1	4	125	N/A	N/A	N/A	no	no	no	od-strong 175ppn	no	n/a	not known	
KA-01	AUK komatiites Without Conductor	DCP NE	1	2	125	N/A	N/A	N/A	DCP NE Showing	yes	yes	not sampled	no	n/a	not known	
KA-02	AUK komatiites Without Conductor	DCP	1	Baikie	150	N/A	N/A	N/A	single AUK sample	yes	yes	not sampled	no	n/a	not known	
KA-03	AUK komatiites Without Conductor	DCP	1	Baikie	100	N/A	N/A	N/A	single AUK sample	yes	yes	not sampled	no	n/a	not known	
KA-04	AUK komatiites Without Conductor	DCP	1	Baikie	100	N/A	N/A	N/A	single AUK sample	yes	no	not sampled	y 93-17	several pyroxenitic um units intersected	multiple thin (10m+) units	nsv
KA-05	AUK komatiites Without Conductor	DCP	1	Baikie	500	N/A	N/A	N/A	DCP Showing / DDH Area	yes	yes	only partially sampled, single 500 ppm+ sample	y 93-15, 16, 22 & 23	several serpentinized um units intersected	multiple thin (10m+) units	0.63%/2.23 m
KA-06	AUK komatiites Without Conductor	Baikie	1	Baikie	150	N/A	N/A	N/A	3 close AUK samples	yes	yes	not sampled	no	n/a	not known	
KA-07	AUK komatiites Without Conductor	Western Mafics	1	N/A	50	N/A	N/A	N/A	single AUK sample out in West. Volcanics	yes	yes	not sampled	no	n/a	not known	
KA-08	AUK komatiites Without Conductor	Western Mafics	1	N/A	50	N/A	N/A	N/A	single AUK sample out in West. Volcanics	yes	yes	not sampled	no	n/a	not known	
KA-09	AUK komatiites Without Conductor	Western Mafics	1	N/A	50	N/A	N/A	N/A	single AUK sample out in West. Volcanics	yes	yes	not sampled	no	n/a	not known	
KA-10	AUK komatiites Without Conductor	Western Mafics	1	N/A	50	N/A	N/A	N/A	single AUK sample out in West. Volcanics	yes	yes	not sampled	no	n/a	not known	
KA-11	AUK komatiites Without Conductor	Boomerang	1	Baikie	150	N/A	N/A	N/A	two AUK's NE of Boomerang	yes	yes	not sampled	no	n/a	not known	
KA-12	AUK komatiites Without Conductor	Boomerang	1	Baikie	450	N/A	N/A	N/A	multiple AUK's in mapped um	yes	yes	partially sampled mod-strong 175ppm+	y 93-35	multiple serpentinized um units	20m+	best 0.34% - hole lost @104m
KA-13	AUK komatiites Without Conductor	Boom SE1	1	Baikie	175	N/A	N/A	N/A	three AUK's along strike from Boom SE1	yes	yes	not sampled	no	n/a	50m+	nsv

Figure 9-8: Florence Lake North Block High Priority Targets on VTEM Tilt Derivative and Geology

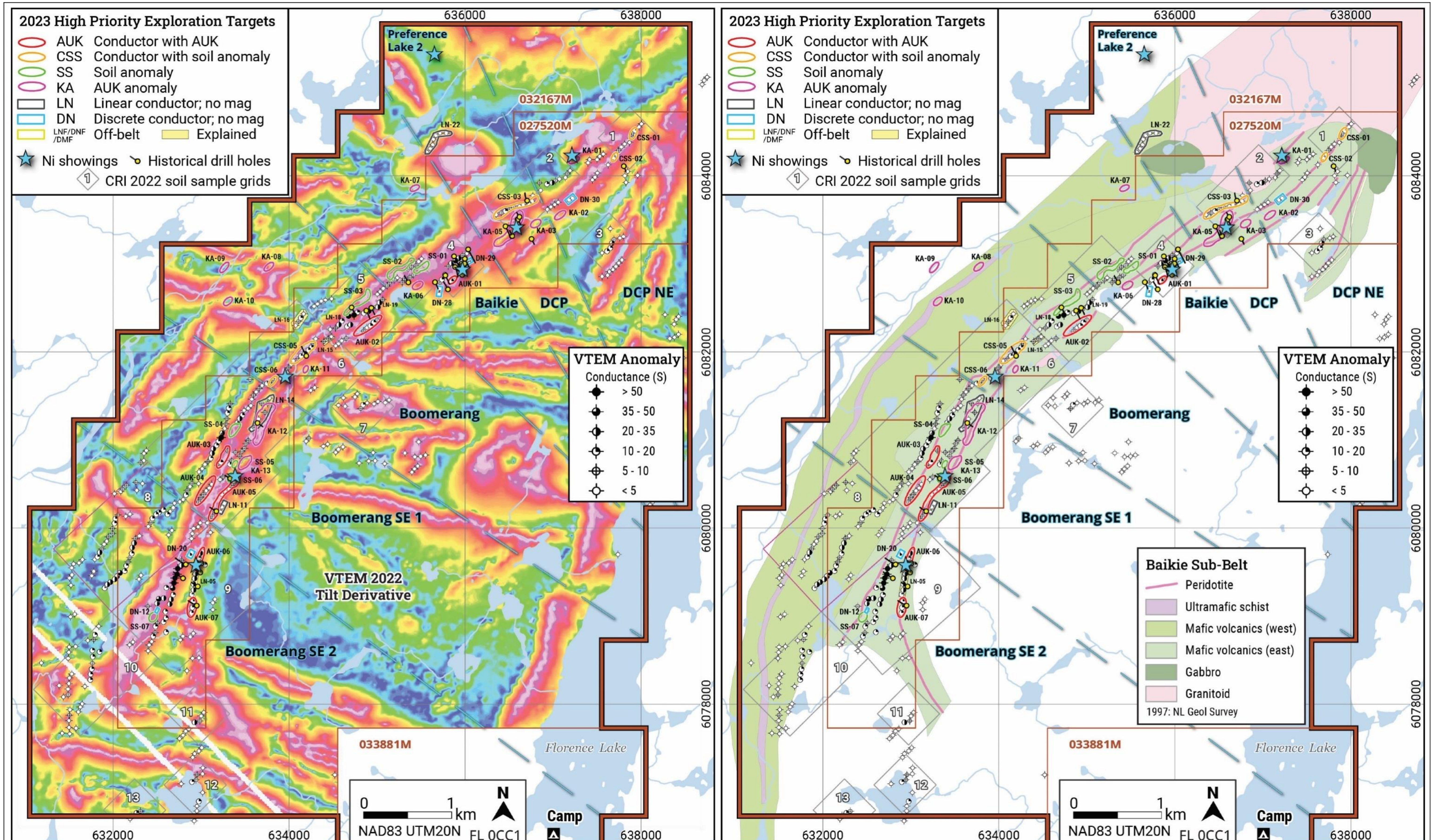


Figure 9-9: Florence Lake North Block Moderate Priority Targets on VTEM Tilt Derivative and Geology

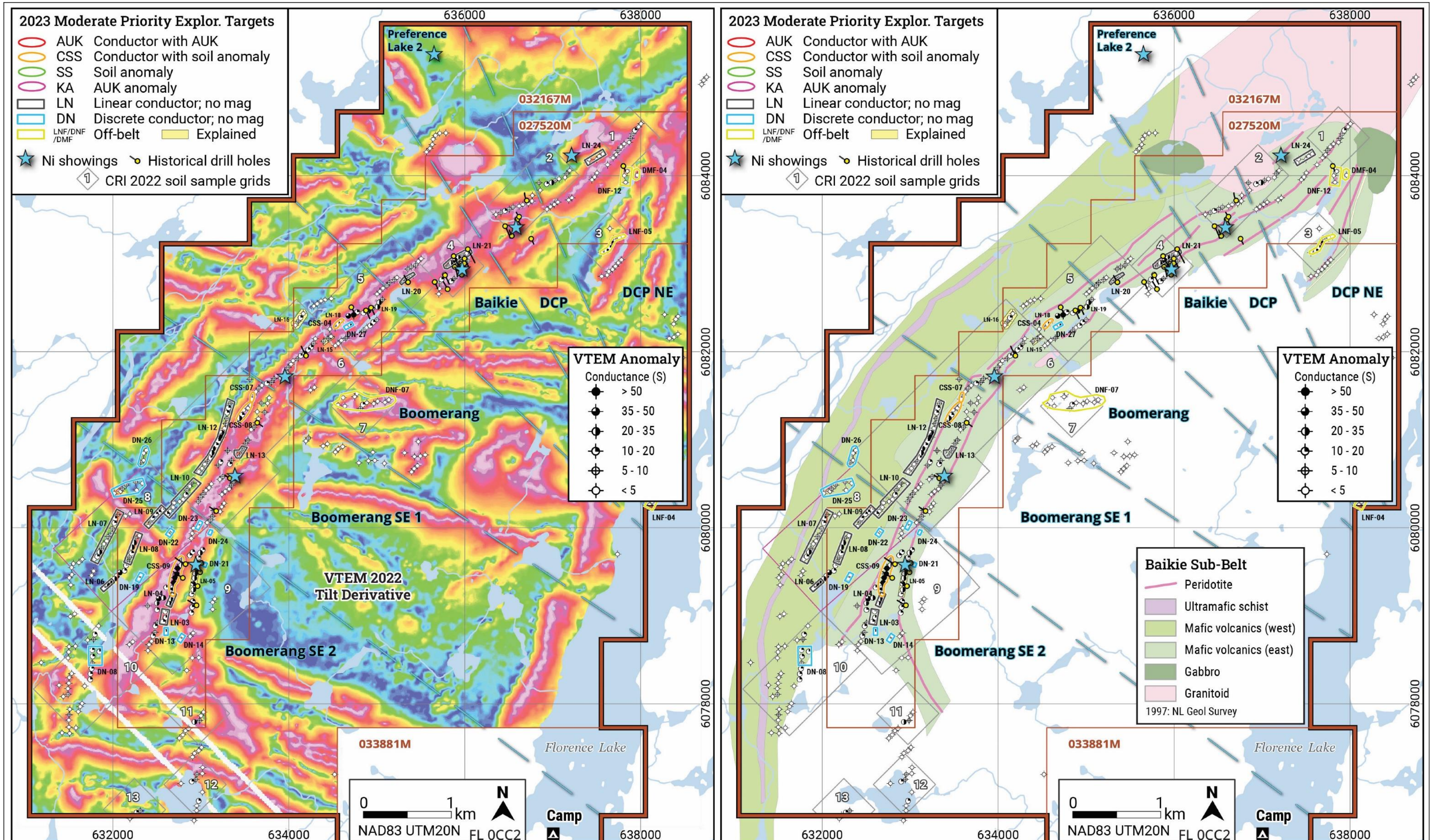
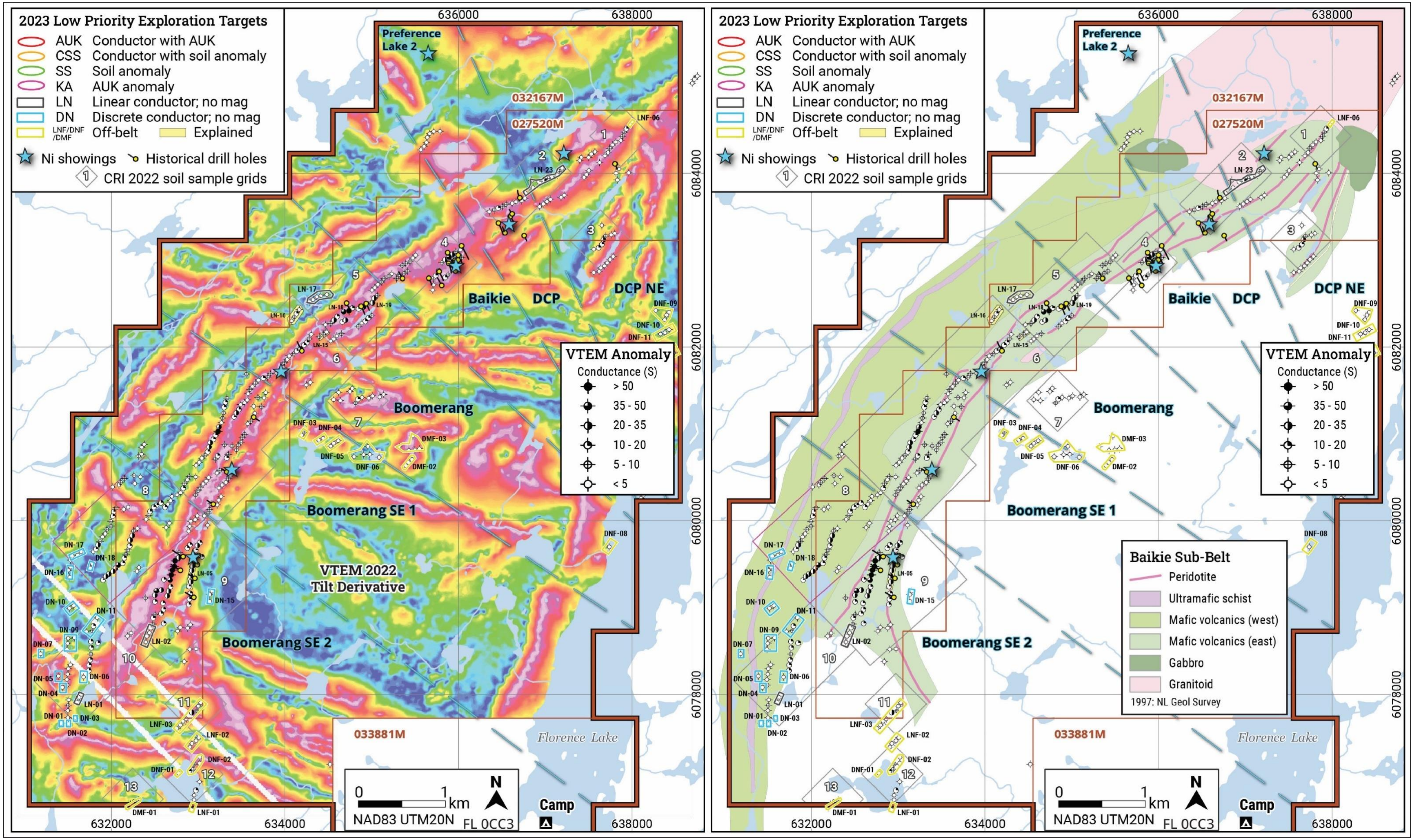


Figure 9-10: Florence Lake North Block Low Priority Targets on VTEM Tilt Derivative and Geology



discussions the easternmost units are referred to as upper, and westernmost units as lower, for both the Eastern Domain and Western Domain volcanics.

This DCP NE Area of the sub-belt covers ~ 4km of sub-belt stratigraphy including Falconbridge's DCP NE Showing as well as the folded "hook" eastern arm of the belt which has seen very limited past exploration. The eastern arm has only ~ 1.5km of exposure before being truncated by Kanairiktok intrusives. Magnetic data suggests no remnant of the eastern arm of the volcanic belt is present further to the south. Multiple peridotites are mapped by Miller and James (1997), and Falconbridge identified three HLEM conductors J, K and K'. Hole 93-13 which is the only drillhole in the area, tested conductor K', and intersected three graphitic zones over five metres with up to 30% pyrite and pyrrhotite locally. Three Churchill soil sampling grids cover a portion of the belt in the DCP NE Area.

Grid 1 – Grid 1 lies in the extreme northeastern portion of the sub-belt, within the DCP NE Showing Area. Grid 1 contains a coherent VTEM trend which correlates with Falconbridge Conductor K, and a peridotite unit of Miller and James (1997). Three targets have been selected on Grid 1, which appears to have seen little past work. Geophysical targets LNF-06 (Moderate Priority) and CSS-01 (High Priority) are along the NE extent of the VTEM conductor, which also seems to be located on the NE margin of a mapped gabbro intrusive. Target CSS-02 (High) lies at the SW end of the conductor. The highest soil sample result from the grid is 514ppm Ni in CSS-01; Cu and Co values are also highly anomalous in this area of the grid near the gabbro.

Grid 2 – this grid extends from the DCP NE Showing to the DCP Showing, with two coherent VTEM anomaly trends along the length of the ~1.2km grid. The eastern VTEM trend has been designated Target LN-23 (Low Priority) crosses mapped Kanairiktok Intrusive, which appears incorrect, with only background to modestly anomalous soil results. Falconbridge drillhole 93-24 appears to have tested the ultramafic unit and to have been located along trend from LN-23, and intersected four thin carbonaceous argillite units with up to 5% pyrite, bracketing 5-10m thick serpentinized ultramafics.

Two Wilton due-diligence rock samples were collected along the grid, and were petrographically categorized as a serpentinite (sample DW101 (884027)) as biotite-quartz schist (DW102 (884028)). Sample DW101 was from a local ultramafic boulder between the DCP and DCP NE Showings and assayed 2860ppm nickel, a modestly anomalous value for rock samples. This area of the grid is mapped as a granite body, however the VTEM trend is through-going implying that greenstone belt rocks are present, such that follow-up mapping and sampling is needed.

Grid 3 – this is an isolated, small grid covering VTEM anomaly LNF-05 (Mod.) within the eastern "hook" arm of the volcanic belt, which has not received previous soil sampling or drilling. Only a single modestly anomalous (Ni, Cu and Co values) soil sample was recovered from this grid, well off the VTEM trend. A second weak

VTEM trend to the south of the grid correlates with mapped Miller and James (1997) peridotite, and should be investigated.

Other Targets – not covered with 2022 soil sampling, to be sampled in 2023

- two high interest AUK targets KA-01 and KA-02 at the bottom and top respectively of the Eastern Domain volcanics
- Conductor target DN-30 (H) along a mapped peridotite trend
- Moderately ranked conductor targets DMF-04, DNF-12 and LN-24
- 3 lowly ranked conductor targets within Kanairktuk terrain, DNF-09 (L), DNF-10 (L) and DNF-11 (L)

9.5.2 DCP Area

The DCP Area encompasses ~1km of the belt to the southwest of the DCP NE area, including the DCP Showing, and work carried out there includes seven Falconbridge drill holes and the western half of Churchill soil sampling Grid 2.

Grid 2 – Target CSS-03 (High) covers a strong VTEM trend near the base of the Eastern Domain volcanics which correlates with historical conductor I, and where ultramafics are mapped by Falconbridge. Churchill soil samples returned anomalous to very anomalous results along the length of CSS-03, loosely aligned with the VTEM conductor. Highest soil sample result is 586ppm Ni, with Cu and Co values reaching anomalous thresholds at a couple of sites along the VTEM trend.

Other Targets – not covered with 2022 soil sampling, to be sampled in 2023

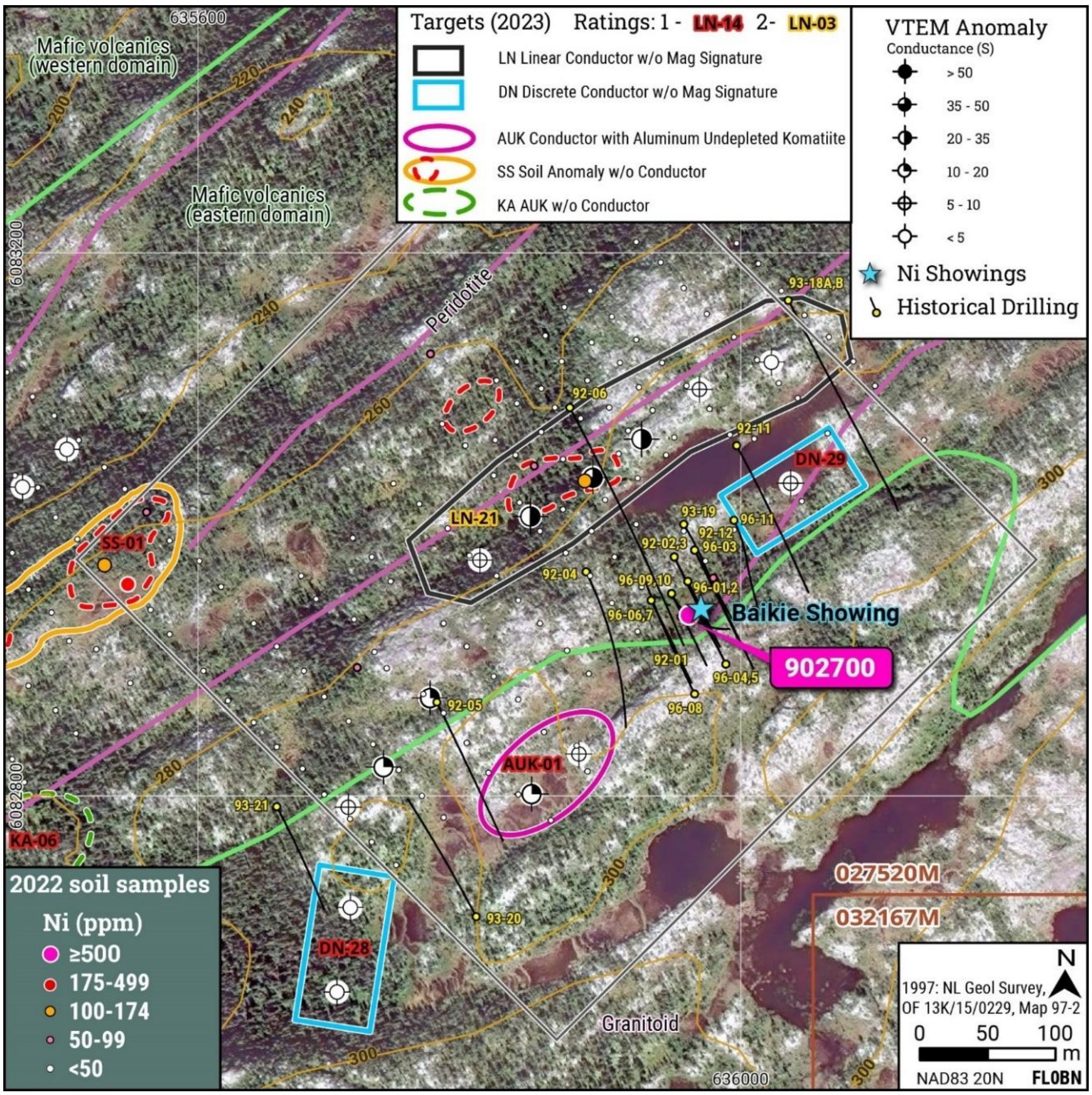
- Target KA-05 (H) covers the large AUK drilling and surface sample anomaly at DCP. Two separate peridotite trends are mapped, and Falconbridge drillholes 93-14 to 16, 22 and 23 have partially tested the area without intersecting significant nickel mineralization.
- high interest AUK target KA-03 (H) is located ~200m northeast of DCP, along strike with KA-02 (H).
- Moderate interest conductor target LN-22 (M) is located near the base of the Western Domain volcanics, along the northwest margin of a mapped gabbroic intrusion

9.5.3 Baikie Area

The Baikie Area covers ~1.5km of greenstone stratigraphy including the Baikie Showing which has been drilled with 16 boreholes in 1992, 93 and 96. The stratigraphy includes five mapped ultramafic units in the Eastern Domain with the Baikie unit at the top of the sequence, and one mapped ultramafic schist near the base of the Western Domain volcanics. Churchill soil sampling Grid 4 and the east half of Grid 5 were positioned over the VTEM conductor trends.

Grid 4 – This is a small grid that covers the Baikie Showing which was the area of most intense Falconbridge/Tapestry Ventures drilling. Figure 9-7 defines Grid 4 in more detail, including drill hole traces along with the CRI soils and VTEM results.Several short VTEM trends are apparent on the grid, although the known Baikie Showing does not appear to have been detected by the survey. There are, however, compelling conductor targets DN-28 (H) and DN-29 (H) along strike from the Baikie Showing to the southwest and northeast respectively that have not been drilled.

Figure 9-11: Grid 4 Baikie Area Detailed Plan of VTEM Conductors and Targets



Conductor target AUK-01 (H) appears to have not been tested as it lies between Falconbridge drillholes, as well as conductor target LN-21 (M) lower in the stratigraphy that appears to have not been adequately tested by holes 92-06 and 93-18. Neither hole encountered a conductor near the top of the hole. The Baikie Grid is mostly bereft of anomalous soil samples, implying a very small outcrop footprint for the known magmatic nickel mineralization. Soil sample 902700 is located close to the Baikie Showing outcrops, and assayed 1.0% Ni, as well as 686ppm Cu and 322ppm Co, all highly anomalous values. Regional geological mapping, as also shown on Figure 9-7, does not correlate at all well with the VTEM results, implying that detailed compilations, and new mapping, are needed.

Wilton examined sample 902700 using the automated SEM (MLA-SEM) instrument at the CREAIT laboratories, Memorial University, St. John's, NL. He found that the sample was indeed a soil comprised of 21% orthopyroxene, 21% quartz, 11% hornblende, 6.8% limonite, 6.3% chlorite, 5.3% clay, 4.9% albite, 4.3% plagioclase, 3.3% orthoclase. These minerals were subangular to subrounded. Pentlandite comprised 0.16% of the grains and generally exhibited oxidized rims typical of weathered pentlandite (cf. Wilton et al, 2021). All in all, this sample seems to be a soil of local derivation from a nickel-bearing magmatic protolithology.

Wilton due-diligence sample DW103 (884029) was from a suspected ultramafic rock found in a stream bed along the trend of the northern VTEM conductor trend. The sample is petrographically categorized as an epidote-chlorite-calcite-quartz granofels. This trend does not appear to have been drill tested with the possible exception of hole FLK92-06, which intersected a pyroxenitic sill from 57.3 to 65.0m, but without sulphides.

Grid 5 East – this grid covers 1.5km of the belt, and was positioned to allow for soil sampling of the two main VTEM conductor trends. The eastern third of the grid lies in the Baikie Area and contains highly ranked soil targets SS-01 (H) and SS-02 (H) as well as conductor target LN-20 (M). Target SS-02 is coincident with mapped peridotites in the lower portion of the Eastern Domain volcanics, target SS-01 has sulphide bearing argillaceous sediments in the vicinity. LN-20 appears to have been drilled by Falconbridge hole 92-07, however no conductor was intersected, nor were ultramafics.

Other Targets – not covered with 2022 soil sampling, to be sampled in 2023

- Target AUK-06 (H) lies along strike to the southwest of Baikie
- Target AUK-07 (H) is an isolated single sample low in the Western Domain volcanics

9.5.4 Boomerang Area

The Boomerang Area covers ~2km of sub-belt stratigraphy including the Boomerang Showing (2.11% Ni over 0.3m on surface) with three mapped ultramafic units in the

Eastern Domain, and the ultramafic schist near the base of the Western Domain. Only a single borehole was drilled in the area, 93-26, which intersected the upper ultramafic. Churchill soil grids 5 West, 6 and 7 cover portions of the area. The highlight is sample 904061 which returned 1600ppm Ni, 155ppm Co and 1100ppm Cu and is captured by target CSS-08 (H). A soil sample close to the Boomerang Showing returned 533ppm nickel, and is captured by target AUK-05.

Grid 5 (west) – The western two-thirds of Grid 5 includes several high interest targets including soil target SS-03 (H) aligned with mapped ultramafics in the lower EasternDomain, komatiite target AUK-02 (H) at the top, and conductor targets CSS-04 (M), DN-27 (M), LN-18 (L) and LN-19 (L) in between. The conductor targets loosely correlate with sulphide-bearing argillaceous sediments mapped or drilled.

Falconbridge appears to have at least partially tested the conductor target LN-19 (L) with holes 92-08 and 93-26 and intersecting thin sulphide-bearing argillite units, and with 93-26 intersecting AUK ultramafics deeper in the hole. Hole 92-10 tested LN-18 lower in the stratigraphy, and intersected pyritic carbonaceous argillite in the upper part of the hole, then over 60m of altered ultramafic.

Wilton due-diligence samples DW104 (884030) and DW105 (884031) were selected to provide examples of the ultramafic volcanic units in this southern trend area. They have been petrographically categorized as chlorite-quartz-epidote-actinolite granofels, and epidote-calcite-quartz-chlorite granofels, respectively.

Grid 6 East – this large grid stretches ~2km along the belt and encompasses the known Boomerang and Boomerang SE showings, with the eastern quarter within the the Boomerang Area. High priority conductor targets CSS-05 (H) and CSS-06 (H) align well with peridotites mapped in the Eastern Domain volcanics and have strong soil sampling results. Conductor target LN-15 (L) is along strike from the argillaceous targets on Grid 5 and has graphite lenses containing 5-15% py, po and cpy mapped in the vicinity. Conductor target LN-16 (L) near the top of the Western Domain volcanics was covered with a soil grid which did not return any anomalous samples.

Grid 7 – this is a small 400m grid centred ~500m southeast of the mapped Baikie Sub-Belt volcanic package as the VTEM survey identified a weak conductor cluster designated Target DNF-07 (L) in this area. This cluster of weak conductors collectively may be signifying that more volcanics are present in this general area than have been mapped historically. Churchill's soil sampling did include several samples with anomalous to highly anomalous Ni, Cu and Co assays, which suggest that some follow-up is warranted.

Other Targets – not covered with 2022 soil sampling, to be sampled in 2023

- Target KA-11 (H) is an interesting set of AUK volcanics just off Grid 6

- AUK targets KA-08 (H), KA-09 (H) and KA-10 (H) are single AUK komatiite samples near the bottom of the Western Domain volcanics, and KA-09 is currently mapped as being within Kanairkitok plutonics
- Conductor target LN-17 (L) is along strike from LN-16 but has not been soil sampled.

9.5.5 Boomerang SE1 Area

The Boomerang SE1 Area covers ~2km of greenstone belt stratigraphy and includes more mapped ultramafics than any of the other areas. The basal ultramafic shows thicknesses to 100m+ in this area and even the thinner upper unit appears to outcrop more here. There is some suggestion that an intermediate ultramafic unit is also present here. Falconbridge drilled two holes in the area, 93-33 400m southwest of the showing, and 93-35 700m northeast of the showing, both targeting the upper ultramafic and both intersecting AUK komatiites. Churchill soil sampling Grid 6 covers most of the Eastern Domain volcanics.

Grid 6 West – highly ranked conductor targets CSS-07 (H), CSS-08 (H), AUK-03 (H) and AUK-04 (H) align along the lower ultramafic unit in the Eastern Domain along with SS-04 (M). Moderately ranked linear conductors are located just below the lower ultramafic unit and appear formational, but lack any soil anomalies.

Between the two outcropping Eastern Domain ultramafic units are highly ranked soil targets SS-05 (H), SS-06 (H) and conductor target LN-14 (H), the latter of which has a strong AUK association. Moderately ranked LN-13 (M) is 200m along strike to LN-14 bat lacks soil anomalies. The upper ultramafic unit is captured by highly ranked targets LN-11 (H) and AUK05 (H) over 600m southwest from the Boomerang SE1 Showing, and by highly ranked targets KA-13 (H) and KA-12 (H) to the northeast where LN-14 is located. The entire length of the area is showing AUK komatiites.

Wilton due-diligence sample DW107 (884032) was collected from the area where the lower ultramafic and a possible greenschist-hosted shear zone are located. Petrographically the sample was categorized as epidote-calcite-quartz-chlorite granofels (orthoderivate).

Other Targets – not covered with 2022 soil sampling, to be sampled in 2023

- Targets DNF-03 to DNF-06, all lowly ranked, lie off the greenstones to the east within Kanairiktok terrain, with a stong E-W linear magnetic feature
- Conductor target DN-26 (M) lies ~200m above the ultramafic schist in the Western Domain volcanics

9.5.6 Boomerang SE2 Area

The Boomerang SE2 Area covers the southern ~3km of the belt which is poorly mapped due to swampy lowlands. It includes six Falconbridge drillholes, 93-27 to 93-32 which primarily targeted the uppermost ultramafic horizon in the Eastern Domain, encountering cm-scale mineralized contacts between mafic and ultramafic units. Hole 93-28 and 93-29 targeted the conductors above the lower ultramafic unit without success. Churchill soil grids 8-13 were positioned over the VTEM conductors in the area, however only Grid 9 was partially completed before weather forced the program to cease.

Regional and Falconbridge mapping have two bifurcating ultramafic trends in the Eastern Domain of which the upper correlates with the Boomerang SE2 Showing.

Grid 9 – this is a densely sampled grid that covers the Boomerang SE2 Showing and six Falconbridge drillholes in the southwestern portion of the belt where it appears to be bifurcating into two limbs. Overburden thickness increases and outcrop abundance diminishes as one moves further south and west along this grid.

Targets AUK-06 (H), AUK-07 (H) and LN-05 (L) cover the upper ultramafic horizon which is indicated to be in contact with metasediments at Boomerang SE2. The best intersections along this trend were 2.25%Ni over 0.07m in hole FLK93-30 and 1.28%Ni over 0.25m in hole FLK93-27, 300m, to the northeast. Discrete short conductor targets DN-14 (M), DN-21 (M) and DN-24 (M) are also located along this trend, but lack soil sampling.

The lower ultramafic unit in the Eastern Domain is captured by highly ranked targets DN-20 (H), DN-12 (H) and SS-07(H), and a number of moderately ranked targets DN-23 (M), CSS-09 (M), LN-04 (M), LN-03 (M), LN-02 (L) and DN-13 (M) are either aligned with the ultramafic or conductors above it in the stratigraphy. The area is complicated by the bifurcating conductor trends.

Other Targets – not covered with 2022 soil sampling, to be sampled in 2023

- Targets DN-08, DN-11, LN-06, DN-19, LN-07, DN-22, LN-09 and DN-25 are all moderately ranked at present, and lie within the Western Domain volcanics, but have not seen Churchill soil sampling or documented past work by Falconbridge

Grids 8, 10, 11, 12 and 13 were not sampled in 2022 and as planned will assess the large number of targets in these more southerly and westerly parts of the Boomerang SE2 area.

10.0 DRILLING

Churchill has not carried out any drilling on the Florence Lake Property.

11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

All historical sampling work on the property relevant to Churchill's compilations was conducted by reputable mineral exploration companies such as Altius, Falconbridge (1990-1993), or Tapestry Ventures (1996)and is believed to have been conducted with industry best practice standards as far as the authors are aware. The assessment reports do not describe specific sampling methods, or chain of custody procedures and protocols, however, the work does appear to have been carried out thoroughly and comprehensively by experienced personnel, many of whom Wilton knows professionally or personally. The authors have carefully examined all assessment reports listed to ensure that complete original assay and analytical reports have been included. All other data presented herein are historical in nature and have not been verified by the authors.

All soil samples collected by Churchill were processed at the Eastern Analytical facility in Springdale, NL,, with the exception of a duplicate set of samples from the Baikie Showing grid, which were processed by ALS Thunder Bay for comparative purposes.

Table 11-1 provides a summary of the sampling carried out, analytical methods used and at which facility for the various relevant exploration programs carried out on the property. CRI is not utilizing any data that predates the 1992 work of Falconbridge.

Samples collected by Wilton in 2021 and 2022 for due-diligence purposes described in Section 6.3.2 were in his possession from sample site to shipping to the analytical laboratory ALS in Thunder Bay for assay work. The core samples collected were marked in the core boxes by Wilton and the core pieces were placed in labelled plastic sample bags and sealed with tape at site. Rock samples were similarly packaged and labelled. They were then transported to the ALS Chemex laboratory in Thunder Bay, ON, for ICP-30+Au and follow-up fire assay analyses for over limit values. ALS has ISO/ISE 17025 accreditation and the scope of their accreditation covers rocks and ores (inorganic), gold in rocks, soils by fire assay with AA finish as well as metals in rocks, soils by multi-acid digestion and AA finish.

All Churchill 2022 soil samples were air dried at the field house in Postville, then packaged into sealed and labelled plastic pails until ready for transport. The August-September samples were securely packed on a Titjaluk vehicle which travelled by ferry and road from Postville to Springdale under supervision at all time. The sample shipment was delivered to Eastern Analytical on September 24th, 2022. The second tranche of soil samples were prepared and travelled in the same manner, and were delivered to Eastern Analytical on December 7th, 2022. Identical ICP-34 analytical methods were performed on both tranches of samples.

Table 10-1: Florence Lake Project Sampling Summary

Florence Lake Project Sampling History

Year	Organization	Exploration Activities	Sampling	Analytical Method	Facility
1992	Falconbridge Limited	Mapping, prospecting, rock geochemistry, grid establishment, mapping, geophysics, drilling	259 whole rock grab samples	Major/select trace elements - XRF spec. Trace elements Rb, Sr, Y, Nb, Ba, Ni, Cu, Co, S	XRAL Laboratories, Toronto
			96 geochemical assay grab samples	Cu, Ni, Co, Cr - wet chemical assay S - XRF on fused disc Cu, Ni >5000ppm - fire assay	XRAL Laboratories, Toronto
			126 whole rock core samples	Major/select trace elements - XRF spec. Trace elements Rb, Sr, Y, Nb, Ba, Ni, Cu, Co, S	XRAL Laboratories, Toronto
			191 geochemical assay core samples	Cu, Ni, Co, Cr - wet chemical assay S - XRF on fused disc Cu, Ni >5000ppm - fire assay	XRAL Laboratories, Toronto
1993	Falconbridge Limited	Prospecting, mapping, soil sampling, drilling	200 whole rock core, 328 whole rock grab samples	Major/select trace elements - XRF spec. Trace elements Rb, Sr, Y, Zr, Nb, Ba, Ni, Cu, Co, Zn, S	Lakefield Research, Lakefield, ON
			232 geochemical core, 122 geochemical grab assay sample	Cu, Ni, Co, As - wet chemical assay S - XRF on fused disc Cu, Ni >5000ppm - fire assay	Lakefield Research, Lakefield, ON
			42 soil samples	24 element aqua regia weak leach followed by ICP analysis	Lakefield Research, Lakefield, ON
1996	Tapestry Ventures Limited & Portman Explorations Limited	Mapping, prospecting, soil sampling, ground geophysics **Seahorse Lake Property**	33 rock samples	Cu, Ni, Co, Au, PB, Zn, Ag - fire assay with atomic absorption finish	Eastern Analytical, Springdale
			838 soil samples	Au, Cu, Pb, Zn, Ag, Co - fire assay with atomic absorption finish	Eastern Analytical, Springdale
1996	Tapestry Ventures Limited & Falconbridge Limited	prospecting, mapping, soil sampling, grid rehabilitation and diamond drilling	44 rock and chip samples	Au, Co, Cu, Ni, Pd and Pt by assay methods	Bondar Clegg, Ottawa
			995 soil samples	Bondar Clegg - multi element ICP-ES Eastern Anaylitical - multi-element ICP-MS	Bondar Clegg, Ottawa Eastern Analytical, Springdale
			269 core samples	Ni, Cu, Co by multi-acid digestion followed by AA, fire assay for > AA detection limits	Eastern Analytical, Springdale
1997	Tapestry Ventures Limited & Portman Explorations Limited	soil sampling and drilling **Seahorse Lake Property**	372 soil samples	multi-element ICP-MS	Eastern Analytical, Springdale
			26 core samples	Au, Cu, Pb, Zn, Ag, Co - fire assay with atomic absorption finish	Eastern Analytical, Springdale
2017	Altius Minerals	till sampling	94 till samples	splits subjected to geochem analysis by AuMe-ST44 method - Au by aqua regia extraction with ICP-MS finish.	ALS Minerals, Sudbury

Laboratory	Accreditation	Analytical Abbreviation	Explanation
Eastern Analytical	ISO 17025 Accredited Assay Laboratory	FA - fire assay AA - atomic absorption	Fire assay is a lead-collection/fusion, for refinement of total sub-sample into a silver dore bead. The silver bead is dissolved in an aqua-regia digestion and analysis by atomic absorption (AA).
XRAL Laboratories	ISO 17025 Accredited Assay Laboratory - now part of SGS	ICP-MS	Inductively Coupled Plasma - Mass Spectrometry
ALS Minerals	ISO 17025 Accredited Assay Laboratory	ICP-OES	Inductively Coupled Plasma - Optical Emission Spectrometry 200mg subsample is totally dissolved in four acids and analysed by ICP-OES.
Bondar Clegg	ISO accredited assay laboratory - acquired by ALS in 2001	ICP-AES	same as ICP-OES

12.0 DATA VERIFICATION

12.1 Introduction

Section 6.3.2 of this report describes the due-diligence sampling trip made in July 2021 supervised by Wilton that sampled historical core from two sites, as well as several of the known showings. Agreement between 1992 Falconbridge/1996 Tapestry Ventures sample assays, and the results for Wilton's equivalent samples, was excellent as per Table 6-1.

12.2 Review of Supporting Documents and Reports

Churchill provided the authors with copies of all internal documents, such as technical presentations, that summarize the history of exploration and identification of exploration targets on the Property. The authors supplemented key aspects used in the historical data compilations provided through online searching of assessment reporting through the DIET system. In particular, the assessment and government geological mapping reports, referenced throughout this report, were accessed and examined.

The reference document checking program by the author indicates that, in all instances considered, the digital and written records supplied by Churchill accurately reflect the contents of referenced source documents.

12.3 Review of Geotech VTEM Helicopter-Borne Geophysical Data

The Geotech VTEM survey conducted on the Florence Lake property used the current generation "VTEM Plus" system, which is a state of the art Magnetic and Time Domain Electromagnetic geophysical survey system. The preliminary data for the Florence Lake survey have been Quality Control checked by both Geotech and Jeremy S. Brett during survey acquisition and found to meet or exceed industry standards for airborne geophysical survey data.

These data, at the 50m line spacing used, are fully appropriate as a first pass for Kambalda-style Ni-Cu-PGE exploration. (Please see Venter, Data and Legault, 2022 for a complete description of the survey equipment and parameters.)

13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

No mineral processing or metallurgical testing studies have been completed by Falconbridge or Altius in the past, or currently by Churchill with respect to the Property. There are no historical data on mineral processing and metallurgical testing for any of the ground covered in this report.

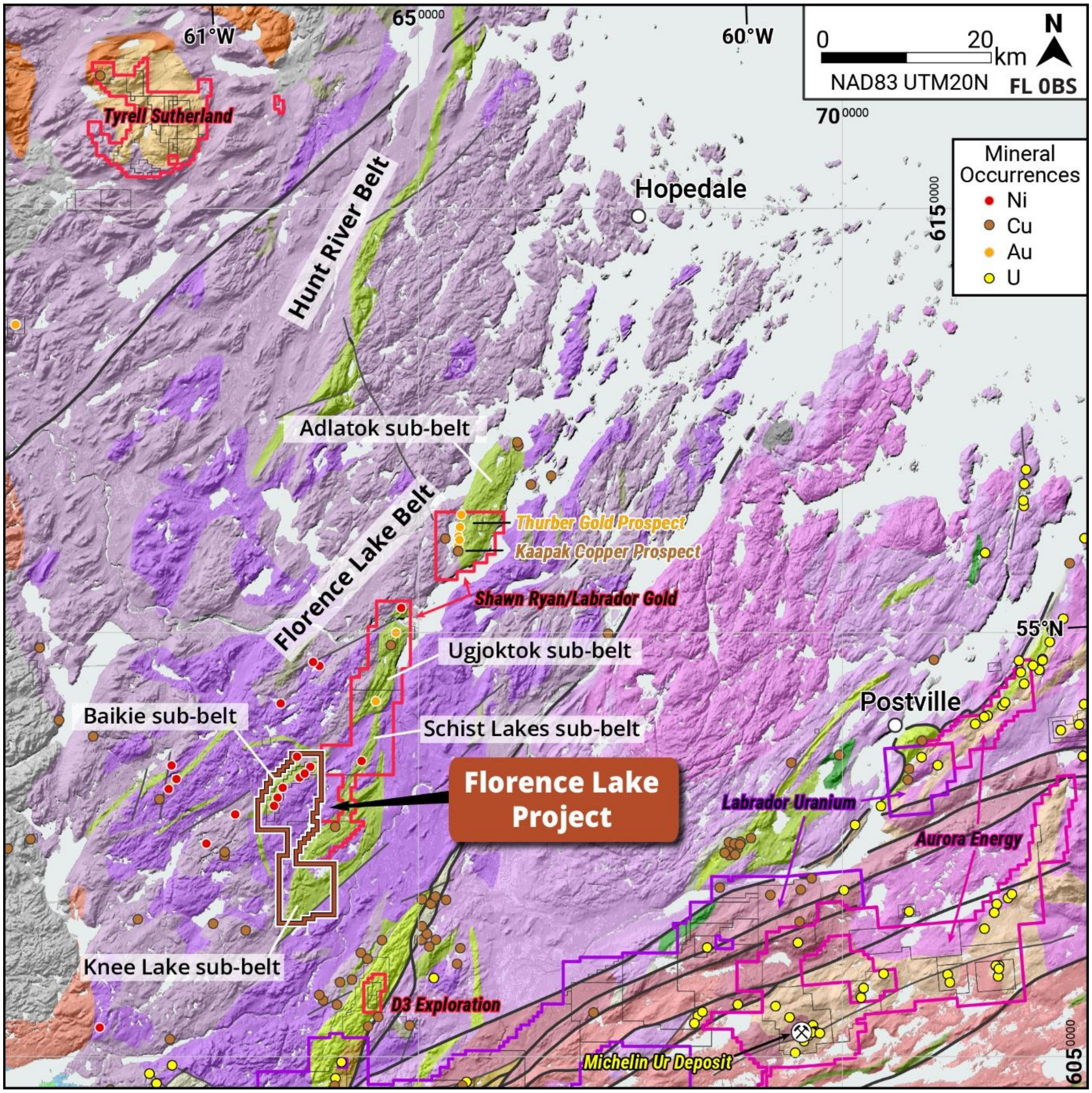
14.0 ADJACENT PROPERTIES

There are two mineral licenses that are directly contiguous with the Florence Lake Property per figure 14-1, namely 025236M and 033224M, both staked by prospector Shawn Ryan. These licenses, along with 032703M registered to Labrador Gold Corp. (“LAB”), form the southern extent of LAB’s Hopedale Project, optioned from Mr. Ryan. LAB has tied up the majority of the Florence Lake Greenstone Belt since 2017, with the exception of the Baikie Sub-Belt, and the southern portion of the Knee Lake Sub-Belt, which are controlled by Altius/Churchill.

Details are sparse on LAB’s website concerning work in this southern portion of their property package beyond a ca. 2018 Hopedale Technical Flyer. LAB released news concerning the Hopedale Project on January 19th, 2023, about grab and channel samples collected from the TD500 gold occurrence, part of the Thurber prospect gold trend. Also announced were high-grade copper-silver grab and channel samples collected from the Kaapak Copper Occurrence, located at the southern end of the Thurber trend. LAB is reportedly planning to drill these targets in 2023. Their past work on, and plans for, their southern licenses covering the Ugjoktok, Schist Lakes and Knee Lake sub-belts are not known, other than a statement in the news release that “In addition, based on LabGold’s initial work in the southern portion of the property, there appears to be potential for nickel mineralization associated with ultramafic rocks in the region.”

Other large land packages shown in Figure 14-1 are held by two uranium groups, Labrador Uranium Inc. and Aurora Energy Ltd., a subsidiary of Australian miner Paladin Energy Ltd. Both groups are targeting uranium within the Central Mineral Belt which hosts several low-grade deposits including the Michelin Project. That project consists of six spatially close deposits with a substantial resource base of 127Mlb of uranium resources, including 92Mlb in the Michelin Deposit.

Figure 14-1: Significant Adjacent Exploration Projects



15.0 OTHER RELEVANT DATA AND INFORMATION

The authors recommend that Churchill implement an environmental strategy and began studies that document baseline conditions, as the project advances, to identify potential and likely impacts a mining project will have on the environment.

The Mineral Lands Division of the NL Department of Industry, Energy, and Technology has a clear permitting regime for exploration activities, and guidelines that outline specific requirements and recommendations for work in the province including:

1. Basic Documentation of exploration activities and the promotion of best practices
2. Cutting of Trees for Access or Site Clearing purposes
3. Vehicles and Equipment Usage on Forested Land
4. Exploration Access Trails
5. Trench and Test Pit Preparation
6. Trench Rehabilitation
7. Drill Site Preparation
8. Active Drilling
9. Drill Site Rehabilitation
10. Uranium Exploration
11. Camps and Laydown Areas
12. Fuel and Oil Storage and Handling
13. Fuel and Oil Spills and Clean-up
14. Erosion and Sediment Control

16.0 MINERAL RESOURCES ESTIMATES

No mineral resource or mineral reserve estimates, prepared in accordance with NI 43-101 and the CIM Definition Standards, have been undertaken by Churchill for any known mineralization present within the Florence Lake Project area. Additionally, the authors are not aware of any historic mineral resource or reserve estimates that apply to any mineralization within the Florence Lake Project area.

17.0 ENVIRONMENTAL CONSIDERATIONS

There are no environmental considerations for this Project at its current stage.

18.0 INTERPRETATION AND CONCLUSIONS

The primary mineral exploration target identified to date on the Florence Lake Property is Kambalda-style nickel sulphide deposits, and exploration on the northern block of claims has been successful in identifying numerous target areas for follow-up. Falconbridge's rock and core geochemical sampling data has proven beneficial in beginning to characterize certain komatiitic volcanic units or areas as having potential for Kambalda-style mineralization. Importantly these potentially mineralized ultramafic samples occur throughout the stratigraphy, and are not limited to the Baikie horizon focused on by past workers. Churchill's detailed soil sampling approach has proven effective at mapping the ultramafic horizons and demonstrating high-grade nickel mineralization can be detected as at Baikie where nearby soil samples assayed 1.0% Ni and 0.58% Ni, respectively.

18.1 Geological Interpretation

The Falconbridge and Tapestry reports and drill logs are devoid of younging or top observations despite noting pillow lavas in the mafic volcanics, spinifex textures in the ultramafics and metasedimentary interflow units, all of which can provide evidence of tops.

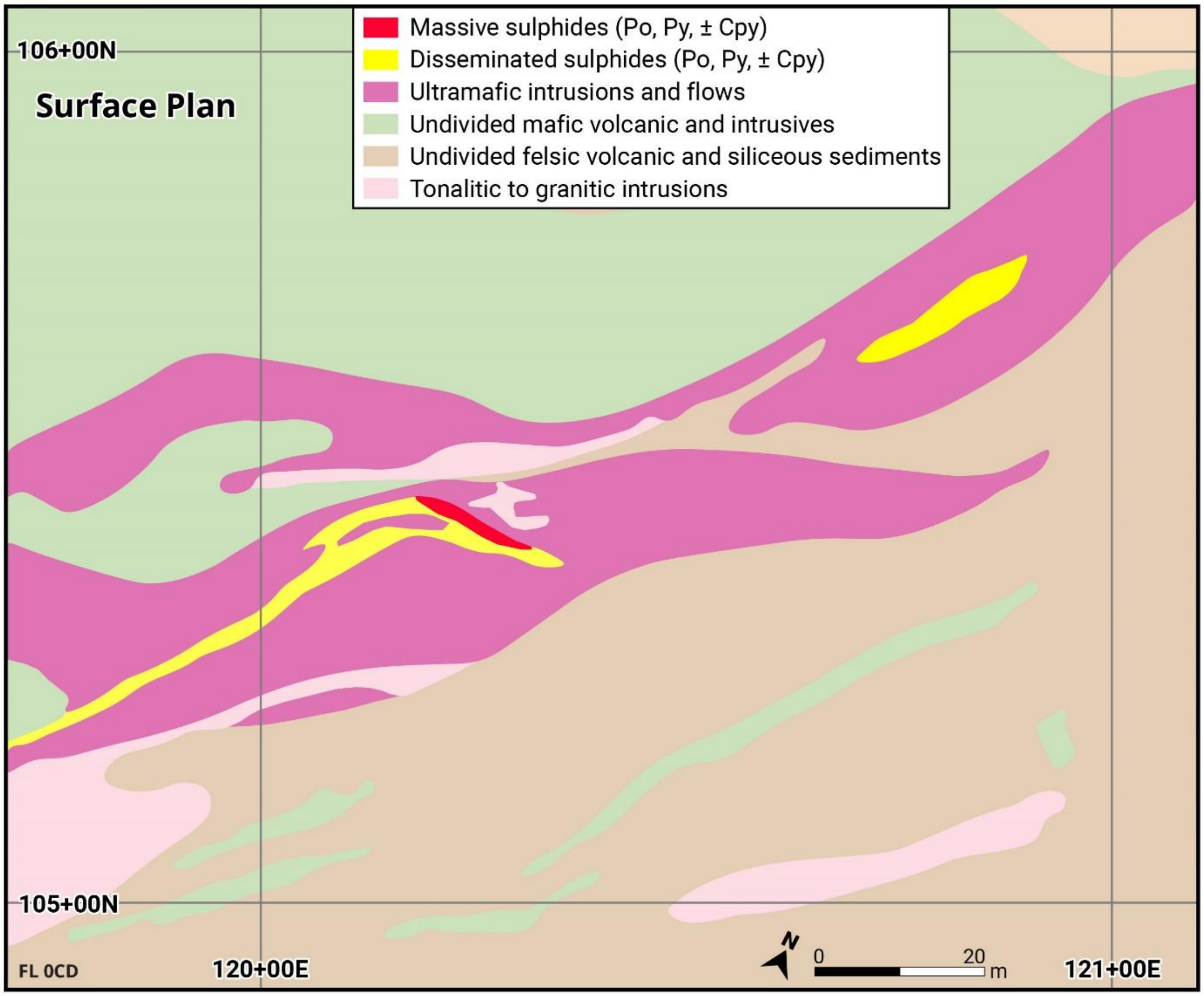
There are several lines of evidence suggesting that tops to the volcanic stratigraphy in the Baikie Sub-belt are to the east (or southeast), in agreement with recent government mapping in the Adloktok Sub-belt. There is the clear intrusive relationship of coarse grained Kanairiktok granitic intrusions and blocks within the Baikie horizon stratigraphy, suggestive of a major later intrusive event into the uppermost portion of the greenstone belt and a brecciated contact zone. The most compelling evidence of younging to the east is Tapestry/Falconbridge's modelling of the drilling at the Baikie Prospect (Figure 18-1), which clearly indicates that the massive mineralization is pooling in a trough-like feature to the northwest, with the disseminated mineralization above to the southeast, and along the flanks of the massive pod.

Geochemical data from Falconbridge work in 1992 and 1993 on whole rocks and drill core samples indicates that many of the ultramafic units on the property are of komatiitic igneous affinity. Sulphide mineralization in Kambalda occurs at the base of komatiitic flows. The geochemical data also indicate that both Al_2O_3-undepleted (AUK) and Al_2O_3-depleted (ADK) varieties of komatiite ae present.

In known Kambalda-style deposits mineralization is associated with AUK komatiites, but ADK komatiites are present as well. Understanding the spatial distributions of AUK vs. ADK rocks in the Florence Lake Group, may enable the definition of vent features and lava flow stratigraphy, and hence provide a vector towards potential mineralization.

With this in mind, it is instructive to review Figure 9-8, the high priority target figures, where Al_2O_3-undepleted (AUK) rocks are designated as KA targets, and conductors with AUK rocks present (either at surface or in core) are designated as AUK targets. The geology figure is reproduced below as Figure 18-2. Stacked AUK/KA targets are located throughout the stratigraphy in the DCP NE, Baikie and Boomerang areas of the greenstone belt, and

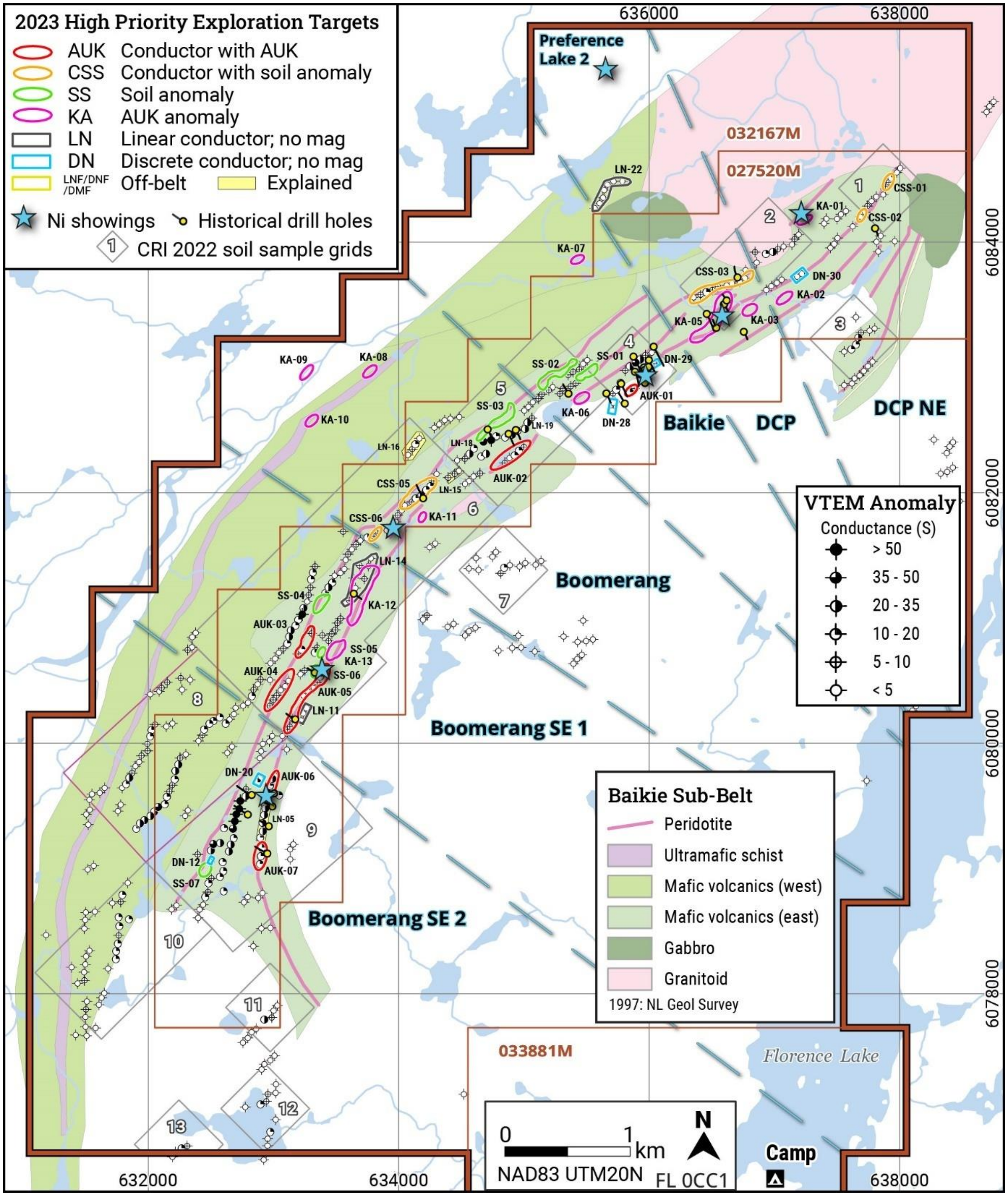
Figure 18-1: Florence Lake Property Baikie Showing 1996 Surface Plan (Cullen and Churchill, 1997)



importantly within basal Western Volcanics and even more westerly within presently mapped Kanairiktok terrain. The other areas of the north block have not seen as much exploration and efforts were more focused exclusively on the upper, most easterly stratigraphy, which serves to emphasize that more field work is needed in these areas.

The presence of AUK rocks at the base of the Western Volcanics is potentially very important to understanding the emplacement history of the Baikie Sub-belt komatiites, and therefore where the best mineralization may be localized. The western portion of the Eastern Volcanics is much less explored than the Baikie horizon, and the Western Volcanics have seen little to no exploration other than Churchill's VTEM survey. Churchill's soil sampling in 2022 did not reach the conductors present in the Western Volcanics in the Boomerang SE2 area where the volcanic pile seems thickest based on the magnetic data, and numerous conductors in this area needed follow-up. Similarly the 2022 soil work did not follow-up on target LN-22 in the DCP Area.

Figure 18-2: Florence Lake Property High Priority Targets on Geology



The Preference Lake showing also needs to be examined, and if interesting, covered with a soil sampling grid. Recall that the original work described the showing as a mineralized, a 500m wide contact zone between Florence Lake metavolcanics and intrusive Kanairitok granitoid gneiss.

18.2 Geophysical Interpretation

The final Geotech VTEM data was examined and found to be an excellent first pass exploration tool to assist with the Churchill Florence Lake exploration program. The magnetic data provides a base map for the lithologies, identification of possible komatiites and structures. The VTEM conductors provide a first pass for identifying stringer to net textured sulfide conductors, and provides a framework for interpretation and the planning of Surface TDEM surveys which can identify massive sulfides. The following is concluded from the final dataset.

VTEM Aeromagnetic Data:

The Florence Lake Magnetic data acquired with the Geotech VTEM platform exhibited multiple prominent and mostly linear features that group into a ~9km long arcuate shape which has been interpreted as a sigmoidal fold pattern.

These were subdivided into three groups:

c) Most of the linear magnetic features were multi-kilometre scale and through-going, suggesting that they are country rock geology, such as mafic sills.

b) A second group was identified as strike limited bodies - discrete anomalies and short linear features. These could represent strike limited intrusive bodies with greater potential to host massive sulfides. These could be conduits.

c) One anomaly was conspicuously different. A circular kilometre-scale anomaly lies in the north part of the fly block off the main linear trends and is associate with a VTEM conductor on its NW edge (paleo bottom?). This feature is mapped as a gabbroic intrusion.

VTEM Time Domain Electromagnetic Data:

VTEM conductors conform mostly to the same arcuate pattern / interpreted fold as the magnetics and were separated into groups that could be associated with geology related to komatiite intrusions. The two major distinctions are:

iii) Conductors identified as discrete vs linear multi line anomalies: This distinction was intended to separate 'strike limited possible stringer and net textured sulfide targets' from strike extensive 'formational conductors' such as graphite. Care must be taken however in that it is possible to have strike extensive sulfide horizons up to 1.5km in length using our ore deposit model.

ii) Conductors associated with magnetic anomalies vs. those with no nearby magnetic signature: The intention here is to identify conductors that could be associated with magnetic serpentinized peridotites or conductors associated with magnetic komatiites versus conductors associated with much less magnetic proxenites, etc. These relationships will most definitely evolve along with an improved geological understanding via mapping, trenching and drilling to identify specific mafic and ultramafic rocks in this intrusive environment. This should contribute to an understanding of both the younging direction, favourable host rocks and locations within these intrusions for massive sulfides.

The above magnetic and conductor classifications were combined into sub groups mixing the above criteria plus geological criteria, as discussed on Tables 9-2 and 9-3. These were then used to prioritize target areas, as discussed in sections 9.1 through 9.3.

18.3 Highest Priority Target Areas

The combined exploration database of 2022 VTEM and soil sampling coverage, married with the best usage possible of Falconbridge historical work, has served to emphasize that all portions of the Baikie Sub-Belt have komatiitic nickel potential. Whilst much of the historical work has concentrated on the uppermost Baikie horizon of the Eastern Volcanics stratigraphy, Churchill’s VTEM and soils, along with reprocessing of the historical ultramafic rock samples is showing high priority targets throughout the combined Western and Eastern volcanic packages at several locations along the belt ie. DCP NE, Baikie and Boomerang Areas, despite little exploration outside of the Baikie horizon.

Whilst it is tempting to do more work in the known showing areas, Churchill should first better assess the numerous targets lower in the stratigraphy in the Eastern Volcanics, and gain fresh rock and soil samples throughout the Western Volcanic package, particularly along the western margin of the belt where AUK samples were collected by Falconbridge.

As well, the VTEM data is indicating a much thicker pile of ultramafics in the Boomerang SE Area, with numerous VTEM conductor targets which have not as yet been prospected, nor soil sampled. This area represents a compelling region of the Western Volcanics to follow-up early in the 2023 field season.

18.4 Risks

The only significant mineral exploration risks associated with the Property are geological in nature. The area of the Property in not within any proposed Provincial Park or Protected Area. Likewise, there are no municipal boundaries near the property.

Due diligence and best practise environmental monitoring should alleviate any risk to the lakes, streams, and ponds on the property.

Climate change is an unknown risk, but in the region of the Property the main consequences may be shorter winters and drier summers. Shorter winters would allow the exploration and ferry season to be extended, but conversely may affect the ability to drill through pond/lake ice in the winter. Drier summers may cause increased risk of forest fires.

The geological risks associated with the Property are common for any similar early-stage exploration program. The chief risk is that the mineralization will prove insufficient in amount and/or grade for economic production. Other potential risks, that are unknown at present, are whether the ore is suitable for metallurgical processing and whether there are deleterious components to the ore.

19.0 RECOMMENDATIONS

Exploration to date on the North Block of the Florence Lake Property has identified 113 geological/geophysical targets which were discussed in Section 9.5. Of these, 43 lie within the greenstone belt and are presently ranked as high priority per Table 19-1 and Figure 18-2. The stacked nature to many of these suggest that more of the stratigraphy is prospective for nickel deposits than the Baikie horizon which saw most of the past work.

Table 19-1: Florence Lake Property North Block High Priority Target Summary

High Priority Target Type	Total Picked	# on DCP NE Area	# on DCP Area	# on Baikie Area	# on Boomerang Area	# on Boomerang SE1 Area	# on Boomerang SE2 Area
AUK - VTEM Conductor With AUK komatiites present	7	0	0	1	1	3	2
CSS - VTEM Conductor With Ni Soil Anomaly	7	2	1		2	2	
KA - AUK komatiites Without VTEM Conductor	14	2	4	2	4	2	
SS - Ni Soil Anomaly Without VTEM Conductor	4				1	2	1
LN - Linear VTEM conductor without magnetic signature	6		1	2		2	1
DN - discrete VTEM conductor without magnetic signature	5	1		2			2
LNF - Linear offbelt VTEM conductor without magnetic signature	0						
DMF - Discrete offbelt VTEM conductor with magnetic signature	0						
DNF - Discrete offbelt VTEM conductor without magnetic signature	0						
Totals	**43**	**5**	**6**	**7**	**8**	**11**	**6**

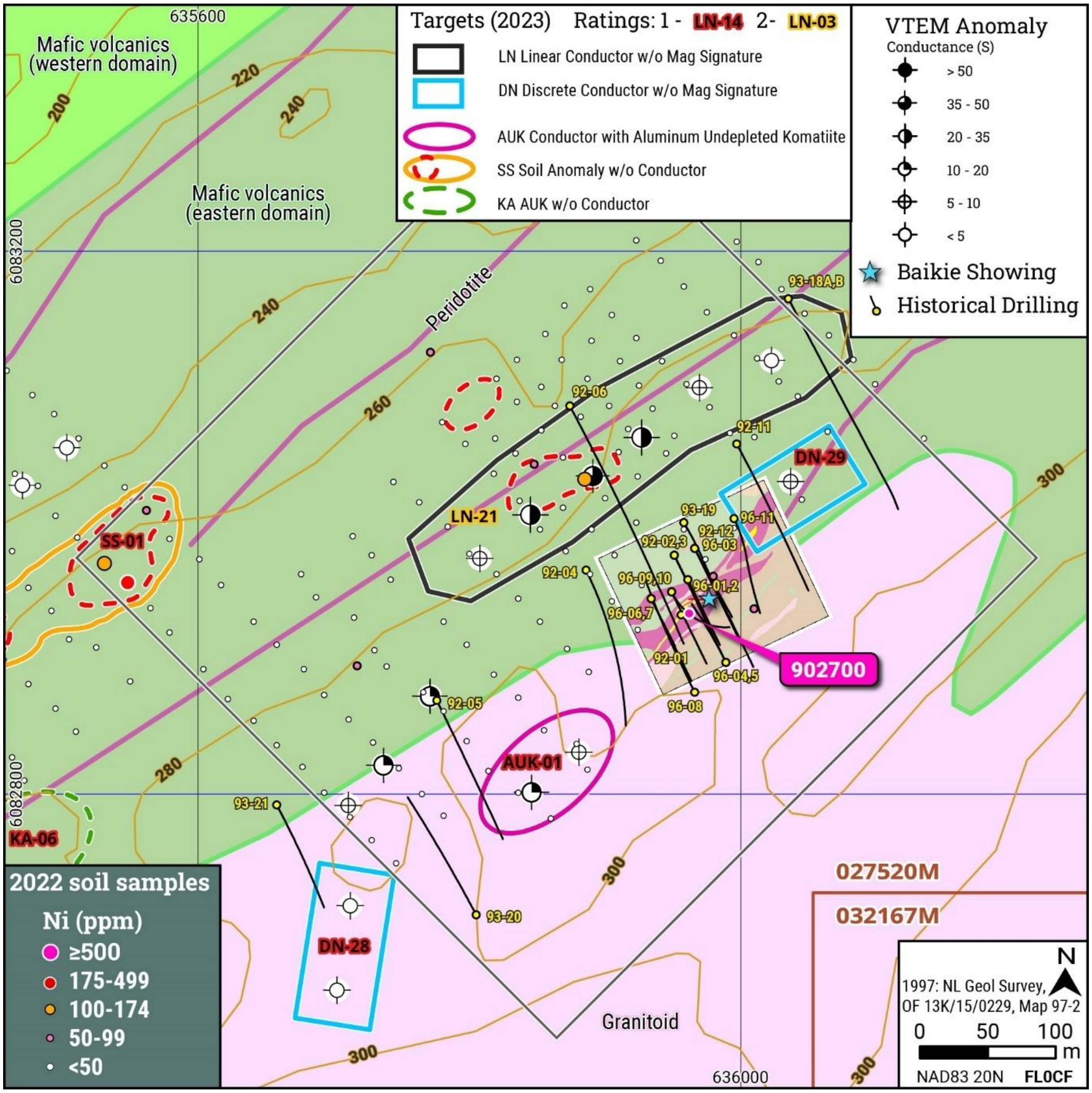
With these results in mind the authors recommend comprehensive geological, lithogeochemical, soil sampling and ground geophysical follow-up to further prioritize targets and allow for the design of appropriate drilling tests. It is also important that the 2022 soil sampling program be completed through the Baikie SE2 Area of the North Block, and the large grid on the South Block.

19.1 Recommendations

The authors recommend a 2023 exploration program including:

14. Complete the planned establishment of the 16-person field camp on Florence Lake as early as possible in late Spring. Winterize the tents in late Summer.

Figure 19-1: Florence Lake Property Baikie Showing Area Grid 4 Compilation



15. Complete on-going compilations of all past exploration work coupled with new VTEM mag and EM interpretations. This work will inform the follow-up field work. A detailed geological map of each anomalous soil grid area should be compiled for ground-checking. Figure 19-1 is of the compilation to date at the Baikie Showing on Grid 4, which confirms and upgrades VTEM targets AUK-01, DN28 and DN-29.

16. Refurbish the Falconbridge grids at Baikie, Boomerang and Knee Lake to assist with access for field crews. Expand these to the edges of the greenstone belts in areas of interest.

Detailed airborne radiometrics - gradiometer magnetic surveying is recommended for the North Block encompassing the greenstone belt as well as VTEM conductor targets within the granitic terrain.

17. Airborne TDEM surveying at 100m line spacing over the South Block of the property, where both VMS and magmatic nickel mineralization models apply.

18. A LiDAR survey is recommended for early summer once the snow has melted, to provide an accurate surface dataset and aid in structural interpretations.

19. Generation of complete geochemical data, including major element oxides, trace elements, Platinum Group Elements and Rare Earth Elements, from available drill core samples in DIET Happy Valley-Goose Bay core storage library and Tapestry racks at Florence Lake. Also, generation of complete geochemical data, including major element, oxides, trace elements, Platinum Group Elements and Rare Earth Elements from whole rock samples collected from komatiite areas as mapped by Falconbridge.

20. Early summer prospecting to follow-up the anomalous target areas

21. Expansion of, as well as completion of the 2022 planned soil sampling coverage.

22. Induced Polarization, TDEM and CSAMT ground surveys over the highest ranked targets and areas.

23. An initial drilling program should be conducted from the results of the summer fieldwork with the aims of: a) deeper/along strike drilling at the Baikie Showing if compilations suggest larger size possibilities, and b) evaluation of other priority targets. This program should consist of ~5,000 m of cumulative drilling to allow for reasonable unit costs. Drilling equipment may need to be winterized and stored on-site for the winter.

24. All boreholes should receive Televiewer surveys to better identify oriented structural and geological features drilled.

25. A borehole EM survey should be conducted encompassing all mineralized drillholes to detect off-hole conductors.

19.2 Budget Estimate

The programme recommended above has an overall estimated cost of ~$3,500,000 as per Table 19-1 below:

Table 19-1: Budget Estimate

Florence Lake 2023 Fieldwork Components	Units	Estimate
Finalize Compilations/Lithogeochem Sampling		$ 60,000.00
Camp Establishment		$ 300,000.00
Grid Refurbishment & Expansion	200km	$ 300,000.00
Complete Soil Sampling Coverage	2500	$ 500,000.00
Geology and Prospecting	60 days	$ 120,000.00
IP/TDEM/CSAMT Surveys	60 days	$ 240,000.00
LiDAR Survey		$ 75,000.00
Radiometric/magnetic gradiometer surveys	1450 line km	$ 300,000.00
Drilling Program	3000m	$ 1,200,000.00
Televiewer/BHEM Surveys		$ 100,000.00
Contingency at 10%		$ 300,000.00
Total		**$ 3,495,000.00**

Phase 2 in late 2023 or Spring 2024 would be success based, and would likely take the form of deeper drilling and borehole EM surveys in the best of the target areas, as well as on other conductor/soil targets that proved positive for Ni-Cu-PGE mineralization.

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21.0 CERTIFICATES OF QUALIFICATION

Dr. Derek H. C. Wilton, PGeo., FGC

7 Yellowknife St.
St. John's NL
A1A 2Z7
Tel: 709-730-6624

I, Derek Harold Clement Wilton, do hereby certify the following:

- I am currently a part-time Faculty Researcher at the College of the North Atlantic, St. John's NL, and am a recently retired (Dec. 31, 2019) Professor – Department of Earth Sciences, Memorial University of Newfoundland (MUN), St. John's, NL, A1B 3X5 where I had been employed as a fulltime employee since September 1983.
- I also operate under the business name of Terra Rosetta Inc., a geological consulting business (active since November 2007) independent of Churchill Diamonds Corp. and 9 Capital Corp.
- I graduated with the degree of BSc. (Geology) from Memorial University of Newfoundland in 1976, MSc. (Geological Sciences) from the University of British Columbia in 1978, and a PhD. from Memorial University of Newfoundland in 1984 and have worked continuously in the industry since that time.
- I am duly registered with, and a member in good standing of, the Professional Engineers and Geoscientists of Newfoundland and Labrador (PEG-NL Reg. N. 02840).
- I am a Fellow Geosciences Canada, Fellow Geological Association of Canada, and Fellow Royal Canadian Geographical Society.
- I have worked as a geologist for a total of 45 years since my BSc. graduation. My relevant experience for the purpose of the Technical Report is that I have conducted geological research in Newfoundland and Labrador since 1976. I have completed extensive work on Newfoundland and Labrador nickel sulphide deposits, particularly the Voisey's Bay deposit in northern Labrador and I have undertaken collaborative work with government geologists and consulting work on nickel sulphide mineralization throughout Newfoundland and Labrador.
- I visited the exact site of the licences in 1987 with an MSc. student, wrote a report for Platinum Exploration Inc. on the Baikie Showing, conducted till sampling surveys over some of the licences with Altius Exploration Inc in 2017, and visited the site in July 2021 and September 2022 for Churchill Resources Inc.
- **I** have read the definition of "qualified person" set out in National Instrument 43- 101 ("NI432-101") and certify that by reason of my education, affiliation with professional associations (as deemed in NI43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101. I am responsible for the preparation of all sections of this technical document titled "NI 43-101 technical report on the Florence Lake Nickel property, located on Labrador Inuit Lands in the area southwest of Postville, north-central Labrador, Province of Newfoundland and Labrador" (THE "REPORT"), with an effective date of May 10th, 2023.

- I prepared and I am responsible for the contents of all sections of this technical report (the "Report") entitled **NI** 43-101 technical report on the Florence Lake Nickel property, located on Labrador Inuit Lands in the area southwest of Postville, north-central Labrador, Province of Newfoundland and Labrador." with an effective date of May 10, 2023, except for sections 9.1 2021-22 VTEM survey, 9.5 Compiled Results and Targets, and 12.3 Review of Geotech VTEM Helicopter-Borne Geophysical Data
- As of May10th, 2023 and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.
- I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which make the Technical Report misleading.
- I am independent of the issuer applying all the tests in Section 1.5 of National Instrument 43-101 and I do not hold, nor expect to hold, securities of Churchill Resources Corp.
- I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.
- The business address of Terra Rosetta Inc. is:

Terra Rosetta Inc.
7 Yellowknife St.
St. John's NL
A1A 2Z7

[Signed] [Sealed]
Derek Wilton,
July 04, 2023

Jeremy S. Brett, M.Sc., PGeo.
400 - 550 Queens Quay West, Toronto, Ontario M5V3M8

I, Jeremy S. Brett, do hereby certify the following:

- I am a Senior Geophysical Consultant, with over 29 years of industry experience in mineral exploration, for most commodities, using most geophysical methods.

- I conduct business under "Jeremy S. Brett International Consulting Ltd.", an incorporated Geoscience consulting business (active since July, 2020), which is independent of Churchill Resources Inc.

- All references to Jeremy S. Brett in this report refer to geoscience practice conducted by "Jeremy S. Brett International Consulting Ltd.".

- I am a graduate in Physics (Geophysics), B.Sc., 1992, and Geology (Geophysics), M.Sc., 1995, from the University of Toronto. I have been active as a professional consultant in the mining industry since 1994.

- I am a member in good standing of the *Professional Geoscientist Ontario* (APGO #0923).

- I have relevant work experience for the purpose of the Technical Report. I have conducted Consulting work on Geophysical data for numerous nickel-copper sulfide and PGE projects in Ontario and Quebec, plus international projects, and have interpreted multiple geophysical data types towards exploration goals on these projects, in the context of appropriate Ni-Cu PGE ore deposit models, including the use of Geotech VTEM data, as described in this report.

- I have been involved with the planning, supervision, and quality control evaluation of the 2021-2022 Geotech VTEM geophysical survey over Florence Lake property. I have not visited the Florence Lake property.

- I have read the definition of "qualified person" set out in National Instrument 43- 101 ("NI43-101") and certify that by reason of my education, affiliation with professional associations (as deemed in NI43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.I am responsible for the preparation of parts of Sections 1.6 1.7 1.8 1.9, 1.10, 2.2, 2.3, 3.0, 8.6 9.0, 9.1, 12.3, 18.0, 18.2, 19.1, 19.2, and 20.0 of this technical document titled "NI 43-101 Technical Report on Florence Lake Nickel Property, Located on Labrador Inuit Lands in the area southwest of Postville north-central Labrador, Newfoundland and Labrador, Canada" (the "report"), with an effective date of May 10, 2023.

- As of May 10, 2023 and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

- I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which make the Technical Report misleading.

- I am independent of the issuer applying all the tests in Section 1.5 of National Instrument 43-101 and I do not hold, nor expect to hold, securities of Churchill Diamonds Corp. or 9 Capital Corp.

- I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

Jeremy S. Brett International Consulting Ltd.

[Signed] [Sealed]

Jeremy S. Brett, M.Sc., P.Geo.
Senior Geophysical Consultant

July 04, 2023

Paul Sobie, CEO, P.Geo.
179 Guelph Street, Rockwood, Ontario N0B 2K0

I, Paul Sobie, do hereby certify the following:

- I am a Senior Economic Geologist, with over 35 years of industry experience in mineral exploration, for most commodities, using most modern geological, geophysical and geochemical methods.
- I conduct business under "MPH Consulting Limited.", an incorporated geological consulting business (active since 1967), which is independent of Churchill Resources Inc.
- I am a graduate in graduate in Geology, with a B.Sc., 1987, from the Laurentian University, Sudbury. I have been active as a professional consultant in the mining industry since 1987.
- I am a member in good standing of the *Professional Geoscientist Ontario* (APGO #0374).
- I have relevant work experience for the purpose of the Technical Report. I have conducted consulting work on numerous nickel-copper sulfide and PGE projects in Ontario, Manitoba and Quebec, plus international projects in Botswana and South Africa, and have interpreted data and made conclusions and recommendations, in the context of appropriate Ni-Cu PGE ore deposit models, including the use of Geotech VTEM data, as described in this report.
- I have been involved with the planning, supervision, and quality control of the 2021-2022 exploration program on Florence Lake property.
- I have visited the Florence Lake property three times – in July 2021 (2 days), August 2022 (4 days) and September 2022 (1 day).
- I have read the definition of “qualified person” set out in National Instrument 43- 101 (“NI43-101”) and certify that by reason of my education, affiliation with professional associations (as deemed in NI43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101. I am responsible for assisting with the preparation of all sections of this technical document titled “NI 43-101 technical report on the Florence Lake Nickel property, located on Labrador Inuit Lands in the area southwest of Postville, north-central Labrador, Province of Newfoundland and Labrador” (THE "REPORT"), with an effective date of May 10th, 2023.
- As of May 10, 2023 and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the technical report not misleading.

- I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which make the Technical Report misleading.

- I am an officer and director of Churchill Resources Inc., and therefore I am not independent of the issuer.

- I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

Paul Sobie, CEO, P.Geo.

[Signed] [Sealed]

Paul Sobie
July 04, 2023