

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

Three months ended March 31, 2025

This Management's Discussion and Analysis of Financial Conditions and Results of Operations ("MD&A") of Fortune Minerals Limited ("Fortune" or the "Company") is dated May 14, 2025 and should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and the notes thereto for the three months ended March 31, 2025 and with the annual audited consolidated financial statements and the notes thereto for the year ended December 31, 2024, prepared in accordance with International Financial Reporting Standards ("IFRS"). This discussion contains certain forward-looking information and is expressly qualified by the cautionary statement at the end of this MD&A. All dollar amounts are presented in Canadian dollars unless indicated otherwise. Unless the context otherwise requires, the terms "Fortune" and "the Company" where used herein refer to Fortune Minerals Limited and its subsidiaries on a consolidated basis.

SUMMARY OF QUARTERLY RESULTS

The following table provides selected consolidated financial information that is derived from the unaudited interim condensed consolidated financial statements and audited consolidated financial statements of the Company. The amounts represent the three-month periods ended:

	2025	2024				2023		
	Mar-31	Dec-31	Sep-30	Jun-30	Mar-31	Dec-31	Sept-30	Jun-30
Revenue and Other Income	15,131	48,624	1,994	99,870	20,513	4,193	4,858	1,856
Net loss	(973,244)	(1,619,313)	(301,130)	(1,064,676)	(622,926)	(533,821)	(973,861)	(656,168)
Basic and fully diluted loss per common share⁽¹⁾	—	—	—	—	—	—	—	—

Notes:

(1) The sum of quarterly income (loss) per common share for any given period may not equal the year-to-date amount due to rounding

Revenue and other income fluctuates from quarter to quarter depending on the interest earned on outstanding cash balances and in 2024, an increase was recognized due to flow through share premium being recognized into income as corresponding expenditures were incurred. Net loss from quarter to quarter fluctuates based on the level of work done in each quarter.

Fortune has undertaken the following activities during the three months ended March 31, 2025 in support of corporate financing initiatives and the advancement and permitting for its wholly-owned, vertically integrated NICO cobalt-gold-bismuth-copper Critical Minerals project in Canada ("NICO Project"). The NICO Project consists of a planned open pit and underground mine and concentrator ("NICO Mine") in the Northwest Territories ("NWT") and a related hydrometallurgical processing facility ("Hydromet Facility") that the Company will construct in Lamont County, Alberta to process concentrates from the NICO Mine, and other feed sources to value added products:

- Fortune continued with the hydrometallurgical and pyrometallurgical parts of its test work program started in the prior year at SGS Canada Ltd. ("SGS") and XPS Industry Relevant Solutions ("XPS"), respectively. The hydrometallurgical work for the bismuth circuits was completed subsequent to the quarter end and the results exceeded the Company's expectations, supporting a material reduction in the size and expected capital and operating costs at the planned Hydromet Facility. The Company also validated the production of a 99.99% pure bismuth ingot at XPS by smelting and refining bismuth cement produced at SGS. Cobalt hydrometallurgical test work is nearing completion at SGS.
- Fortune has retained Worley Canada Services Ltd. ("Worley") to prepare an updated Feasibility Study for the NICO Project during the prior year and work continued on this study during the quarter.
- Fortune has retained Worley to assist the Company with permitting for the Hydromet Facility and WSP Golder to support permitting activities for the NICO Mine.
- Fortune is engaged with various municipal, territorial, provincial and federal governments to attract political and financial support for the vertically integrated NICO Project and strengthen domestic supply chains for Critical Minerals needed in new technologies and the growing green economy;

Fortune continues to review the NICO Mineral Resource model, engineering, mining, and execution plans for the NICO Project to assess various opportunities to mitigate capital and operating cost escalation and accelerate processing of higher margin ores to improve project economics.

OVERVIEW

Fortune's vision is to become a leading developer, miner, processor and refiner of Critical Minerals needed for the energy transition, new technologies and defense, together with gold and other by-products contained in the Company's mineral deposits. Supporting this vision is Fortune's mission to profitably produce Critical Minerals and precious metals to meet the needs of our customers and partners, and to attract and develop an exceptional team of people motivated to acquire, explore, develop, mine and reclaim resource properties in a safe and responsible manner. The Company's most significant asset is the NICO Project and the Company has spent approximately \$145 million advancing this in-house mineral discovery to a near construction ready development asset.

The Canadian and U.S. governments have signed a Joint Action Plan on Critical Mineral Collaboration to enable more North American production of Critical Minerals. Minerals considered critical have important industrial and defense applications, cannot be easily substituted by other minerals, and their supply chains are vulnerable to disruption from geopolitical risks such as geographic concentration of production, and/or sources of supply in jurisdictions that are politically unstable, unfriendly to western democracies or, have Environmental-Social-Governance ("ESG") issues that are not aligned with western standards or values. Cobalt, bismuth and copper are identified as Critical Minerals by the U.S., European Union ("E.U.") and Canadian governments.

On April 7, 2022, the Government of Canada announced \$3.8 billion of financial support for domestic production of Critical Minerals in its 2022 Budget. Cobalt, nickel and lithium are a priority for this support because of their use in lithium-ion rechargeable batteries needed to store power in electric vehicles ("EV")'s, portable electronics and stationary storage cells.

NICO Project

Fortune continues to advance its wholly-owned NICO Project and the Company's business activities have been focused on certain priority critical path activities required to advance test work, engineering and permitting for the planned development as well as identifying future sources of development capital. The NICO Project comprises a proposed open pit and underground mine and concentrator in the NWT, with a dedicated Hydromet Facility that would be constructed in Lamont County, Alberta where concentrates from the mine, and other feed sources, would be processed to value-added products. The Alberta site is brownfield and has the requisite planning approvals in place for industrial operations as well as 42,000 square feet of serviced shops and buildings adjacent to the railway to materially reduce capital costs for the planned development. The Company entered into a revised option agreement with the vendor (JFSL) in 2024 ("the 2024 Option") in respect of acquiring this site.

In 2014, a Feasibility Study (the "2014 Feasibility Study") assessing the economics for the NICO Project prepared by Micon International Limited ("Micon") and is summarized in a Technical Report, dated May 5, 2014 and entitled "*Technical Report on the Feasibility Study for the NICO Gold-Cobalt-Bismuth-Copper Project, Northwest Territories, Canada*" (the "Technical Report") and a summary is filed on the SEDAR+ website. Fortune has been investigating a number of opportunities to optimize the NICO Project to produce a more financially robust project and will be included in the new Feasibility Study by Worley and an updated Technical Report by Micon. They include:

- A new Mineral Resource model with a more constrained mineralization wireframe boundaries to reduce internal and external modeling dilution and better differentiate higher grade resource blocks for earlier processing;
- The new model also identified additional high-grade drill intercepts that were not included in the previous Mineral Resource estimates and extended the wireframe boundaries to surface where the deposit is known to outcrop, reducing near-surface waste rock stripping;
- A new Mine Plan and Production Schedule has been prepared based on the new Mineral Resource model with a focus on earlier processing of high margin ores, additional high-grade underground ore mining, and a stockpiling strategy to defer processing of low margin ores;

- The Company is reviewing its equipment selection and has prepared tradeoff studies with Worley, replacing cone crushers and the ball mill with a High Pressure Grinding Rolls ("HPGR") and vertical stir mill comminution to mitigate escalation of capital and operating costs;
- The completion of the new Tlicho Highway in the NWT, which will enable the Company to eliminate redundant facilities and accelerate the construction schedule;
- A new rail terminal in Enterprise, NWT to reduce trucking costs;
- The new brownfield Hydromet Facility site in Lamont County, Alberta, which has buildings and equipment to reduce capital costs and proximity to the human resources, reagents and services to reduce capital and operating costs; and
- Modifications to simplify the process circuits at the Hydromet Facility and increase metal recoveries.

Fortune has experienced personnel focused on advancing the NICO Project towards commercial production, while also minimizing the risks associated with its planned development. Fortune is committed to developing the NICO Project in a socially and environmentally responsible manner. Fortune continues to work with a number of private sector companies and potential strategic partners interested in the Critical Minerals and/or the gold contained in the NICO Project and potential investment. The Company is also engaged with Canadian governments to access pools of capital available for Critical Minerals development related to enabling infrastructure, process innovation, Indigenous participation and construction.

The increasing demand for lithium-ion batteries needed to store energy in EV's, portable electronics and stationary storage cells, together with government concerns over the reliability of the current supply chains for Critical Minerals are expected to support strong prices needed to enable the successful development of the NICO Project. Bismuth consumption is also increasing in the automotive, alloys, and pharmaceutical industries and there is also growing demand as non-toxic and environmentally safe replacement for lead in alloys and chemicals. There are also new applications for bismuth in plugging decommissioned oil and gas wells to prevent greenhouse gas leakage, blowouts and subsurface water contamination, manganese-bismuth magnets, radiation shielding, semiconductors and defense industry weapons systems. The NICO Project will also produce an important highly liquid and countercyclical gold co-product to help mitigate Critical Mineral price volatility as well as copper as a minor by-product. Fortune will be able to demonstrate supply chain transparency and custody control of metals from ores through to the production of value-added products and mitigate risks from geographic concentration of supply in the Democratic Republic of the Congo and China.

RESULTS OF OPERATIONS

Summary

The Company's net loss for the three months ended March 31, 2025 was \$973,244 or \$Nil per common share, compared to a net loss of \$622,926 or \$Nil per common share, for the three months ended March 31, 2024. The change year over year is primarily due to a decrease in exploration and evaluation expenditures and general and administrative expenses, offset by an increase in change in fair value and amortization of deferred day 1 loss related to the convertible security and an increase in interest and other income.

Revenue and Other Income

Revenue and other income for the three months ended March 31, 2025 was \$15,131 compared to \$20,513 for the same period in the prior year. The slight decrease is primarily the result of a recognition of flow-through share premium income in the prior year offset by an increase in interest income earned on cash and cash equivalent in the current period.

Expenses

Expenses, excluding change in fair value of convertible security and amortization of deferred day 1 loss of convertible security, decreased to \$534,782 for the three months ended March 31, 2025, compared to \$643,439 for the same period in the prior year.

The decrease year over year is primarily attributable to a decrease in exploration and evaluation expenditures and general and administrative expenses offset by an increase in interest expenses related to interest accrued on the Company's debts.

The change in fair value of convertible security and amortization of deferred day 1 loss of convertible security relates to the change in value from the valuation prepared at December 31, 2024, and recognition of the deferred loss for the period.

Deferred Taxes

The Company has not recognized a net deferred income tax recovery or provision for the three months ended March 31, 2025. During the three months ended March 31, 2025, recognition of (i) \$258,000 from the estimated tax loss; and (ii) \$32,000 for non-deductible stock-based compensation and other expenses resulted in a tax recovery which was offset by a tax provision of \$290,000 for a loss carryforward not recognized.

During the same period in 2024, recognition of (i) \$165,000 from the estimated tax loss resulted in a tax recovery which was offset by: (i) a tax provision of \$163,500 for a loss carryforward not recognized; and (ii) \$1,500 for non-deductible stock-based compensation and other expenses.

A valuation allowance of \$144,006,000 has been recognized related to the uncertainty of realizing the benefit of deferred income tax assets in future years.

Cash Flow

Cash used in operating activities during the three months ended March 31, 2025 was \$181,349 compared to \$344,785 for the same period in 2024. The decrease in use of cash in operating activities year over year is mainly attributed to a decrease in exploration and evaluation expenditures as discussed above in "Expenses" offset by proceeds received and receivable from government grants.

Cash used in investing activities was \$301,371 for the three months ended March 31, 2025 compared to \$47,119 for the same period in 2024. This increase is related primarily to an increase in option payments made related to the Hydromet Facility.

Cash used by financing activities for the three months ended March 31, 2025 was \$16,500 compared to \$56,500 for the three months ended March 31, 2024. The difference year over year is primarily a result of the repayment of a debt facility in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2025, Fortune had cash and cash equivalents of \$1,093,109 and negative working capital of \$13,917,803 compared to \$225,231 and negative working capital of \$9,624,478, respectively, for the prior period. The change in negative working capital is a result of the debt maturity date being extended from December 31, 2024 to December 31, 2025, the issuance of convertible securities and deferred government grants.

The Company regularly reviews its planned activities relative to available funding and prioritizes activities based on what is required to complete critical path activities and budgets accordingly. The Company invests its surplus cash in low risk, liquid investments, which typically have low yields but hold their value during times of market uncertainty. With its existing working capital, the Company will require additional financing to conduct certain critical path activities for 2025 and to repay its outstanding debt. The NICO Project will also require further funding to maintain its operations and advance the project through to production. The Company has historically been successful in financing its activities, however, there are no assurances that it will be successful in raising future funds required, especially considering the impacts inflation, increasing interest rates, and the Russia/Ukraine conflict could have on the global financial markets as a whole. Management is continuously pursuing and considering various financing opportunities.

The following is a summary of contractual obligations for the next five years and thereafter:

Contractual Obligations	Payments Due by Year				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
<i>Accounts payable and accrued liabilities</i>	\$ 492,273	\$ 492,273	\$ —	\$ —	\$ —
<i>Lease liability</i>	165,500	66,660	98,840	—	—
<i>Current debts</i>	8,258,651	8,258,651	—	—	—
<i>Interest on debt</i>	3,217,957	3,217,957	—	—	—
<i>Provision for environmental rehabilitation</i>	167,569	—	—	—	167,569
<i>Convertible security</i>	2,218,235	1,828,235	390,000	—	—
Total Contractual Obligations	\$ 14,520,185	\$ 13,863,776	\$488,840	\$ —	\$ 167,569

The current debts represent a debenture in the principal amount of \$5,298,651 held by a previous secured creditor of the Company, a \$2,750,000 secured loan, and a \$250,000 secured loan, of which \$210,000 has been drawn. The debenture has an aggregate principal amount of \$5,298,651, matures on December 31, 2025, bears interest at a rate of 10% per annum, compounded monthly in arrears, and is secured by all of the assets of the Company, including the NICO Project. The Loan and Security Agreement ("Loan") for \$2,750,000, matures on December 31, 2025, bears interest at 9% per annum, compounding annually, and both principal and interest are payable at maturity. The Loan is secured by the mining leases for NICO. The second secured loan ("Loan 2") for \$210,000, matures on December 31, 2025, bears interest at 9% per annum, compounding annually, and both principal and interest are payable at maturity. Loan 2 is also secured by the mining leases. The convertible security represents two tranches with a total face value of \$3,490,000. The first tranche has a face value of \$1,600,000, of which \$971,765 has been converted into common shares of the Company as of March 31, 2025. The second tranche has a face value of \$1,890,000, of which \$300,000 has been converted into common shares of the Company as of March 31, 2025. The convertible security is secured by a lien against the Company's assets and bear interest at 14% and 10%, respectively, for the first and second tranches. The first and second tranches mature on May 21, 2026 and December 23, 2026, respectively.

The Loans and debentures balances have been recorded in the consolidated financial statements at their net present value using an effective interest rate of 12%, 14.5% and 14.5%, respectively.

In addition to contractual obligations noted, non-discretionary budget commitments required to keep current mining leases for NICO in good standing consist of annual payments of \$25,693 plus an additional \$2,350 for water licenses.

The Company's current environmental reclamation obligations as defined by government regulators are fully secured by cash held in accounts with a large Canadian financial institution for NICO and Arctos. Additional financing is required to construct mine infrastructure and processing facilities and to acquire additional equipment for the NICO Project. Potential sources for future funding include but are not limited to equity financing, project financing, off-take and royalty agreements, additional strategic partnerships, mergers and acquisitions. The Company continues to evaluate its alternatives with a view to executing a financing plan suitable to fund its transformation into a producer and minimize potential dilution to shareholders.

OUTLOOK

The Company's principal objective is to achieve successful financing and development of the NICO Project. The Company's activities in pursuit of its objectives are subject to many risks as discussed under the heading "Risks and Uncertainties" section below. The most significant risk to meeting its objectives for the NICO Project continues to be the ability to finance the construction costs for the project. Additional risks include completing the purchase of the lands and buildings for the Hydromet Facility and securing the requisite permits for construction and operations of this facility. An ideal site has been identified in Alberta, Canada. A significant risk to the NICO Project was removed with the completion of the Tlicho Highway to Whati, which opened to the public on November 30, 2021. . In addition, the Company has completed an Access Agreement with the Tlicho Government that sets out the terms and conditions

for the construction of a spur road to the mine. Other risks are primarily from external parties such as government regulators, First Nations and investors who have significant influence over the outcome of the Company's efforts and external factors such as commodity prices, economic conditions and the financial markets. Accordingly, management has sought and continues to seek ways to address risks in its business model and has developed appropriate strategies to move forward by focusing expenditures on critical path activities in a socially and environmentally responsible manner.

Major milestones to achieve on the path forward for the development of the NICO Project include:

- completion of various strategies to mitigate capital and operating cost escalation for the vertically integrated project and make it more financially robust;
- completion of the purchase of the Hydromet Facility site;
- engaging with local governments and communities around the Hydromet Facility site and securing the permits required for its construction and operation;
- updating the engineering to incorporate identified optimizations to the 2014 Feasibility Study based on current estimates of costs and commodity prices to support a more financially robust project;
- complete an updated Feasibility Study to support project financing and construction;
- continuing engagement with governments in Canada and the U.S for financial support for the NICO Project development;
- continuing with the programs required to meet water license pre-construction requirements for the NICO Mine site;
- submitting applications to obtain the water licence and land use permit for the NICO Mine access road, renewal of land use permit for the mine, and amendments for the water license;
- advancing the negotiations with the Tlicho Government for a Participation Agreement;
- identifying and engaging strategic partners to support the financing and development for the NICO Project;
- arranging the project financing and potential transactions to finance the NICO Project; and
- continuing engineering and procurement activities.

In the three months ended March 31, 2025, Fortune continued its dialogue with potential strategic partners and advanced the metallurgical test work programs, engineering and permitting activities planned pursuant to its contribution funding from various government entities.

The Company has made significant progress towards achieving its milestones through the federal and Tlicho Government approvals for the NICO mine and concentrator environmental assessment, and the renewals for the land use permit and Type A water license for the NICO Mine site. The Company currently holds a land use permit for exploration and renew its other permits as required.

Activities undertaken during 2025 towards achieving the next major milestones for the NICO Project will remain the Company's focus through 2025. As it pursues this objective, the Company will strive to prudently manage capital resources and mitigate risks.

TRANSACTIONS WITH RELATED PARTIES

During the three months ended March 31, 2025, the Company paid key management personnel, including officers, directors, or their related entities, an aggregate of \$108,125 for salaries and benefits and consulting and/or management services when compared to \$108,777 for the same period in the prior year. At March 31, 2025, \$38,377 was owing to these related parties for services received during the period when compared to \$25,400 at March 31, 2024.

The following table summarizes the amounts paid and payable to related parties and the nature of the payments as at March 31, 2025:

Fortune Minerals Limited
Management's Discussion and Analysis of Financial Conditions and Results of Operations
Three Months Ended March 31, 2025

Party ¹	Relationship	Business Purpose of Transaction				Total	
		Salaries and Benefits ⁴		Consulting Services		Paid/Awarded	Payable
		Paid	Payable	Paid	Payable		
Goad, Robin ²	President & CEO, Director	\$ 1,046	\$ -	\$ 46,154	\$ 15,385	\$ 47,200	\$ 15,385
Naik, Mahendra	Director	2,133	-	-	-	2,133	-
Penney, Patricia	Interim CFO	30,850	5,192	-	-	30,850	5,192
Schryer, Richard ³	VP Environmental & Regulatory Affairs	2,132	-	25,810	17,800	27,942	17,800
Total		\$ 36,161	\$ 5,192	\$ 71,964	\$ 33,185	\$ 108,125	\$ 38,377

¹ No amounts were paid or payable for the three months ended March 31, 2025 for Glen Koropchuk, John McVey, David Ramsay, Edward Yurkowski and David Knight.

² Robin Goad is engaged to provide services of President and Chief Executive Officer of the Company pursuant to an independent consultant agreement and does not receive additional compensation for his services as a director.

³ Richard Schryer is engaged to provide services of VP Environmental & Regulatory Affairs of the Company pursuant to an independent consultant agreement.

⁴ Salaries and benefits include a base salary plus benefits that are basic in nature, require participants to contribute to the premium costs and includes certain co-pay requirements.

CRITICAL ACCOUNTING ESTIMATES

Mineral Reserve and Mineral Resource estimates are not precise and also depend on statistical inferences drawn from drilling and other data, which may prove to be unreliable. Future production could differ from mineral resource estimates for the following reasons:

- mineralization or formation could be different from those predicted by drilling, sampling and similar tests;
- the grade of mineral resources may vary from time to time and there can be no assurance that any particular level of recovery can be achieved from the mineral resources; and
- declines in the market prices of contained minerals may render the mining of some or all of the Company's mineral resources uneconomic.

FINANCIAL INSTRUMENTS

As at the date hereof, the Company's financial instruments consist of: cash and cash equivalents, reclamation security deposits, and accounts receivable which are financial assets designated as financial assets at amortized cost, measured initially at fair value and subsequently on the basis of amortized cost using the effective interest rate method; accounts payable and accrued liabilities, lease liability and long-term debts, which are financial liabilities designated as financial liabilities at amortized cost, measured initially at fair value and subsequently on the basis of amortized cost using the effective interest rate method and convertible security designated as financial liabilities at fair value through profit or loss, measured at fair value and revalued at each reporting period. It is management's opinion that the Company is not exposed to significant interest or credit risks arising from these financial instruments.

During the three months ended March 31, 2025 and 2024, profit and losses associated with each financial instrument are as follows:

	Impact on Profit (Loss)	
	2025	2024
Current debt	(288,432)	(261,033)
Convertible security	(453,593)	—

ADDITIONAL INFORMATION

Additional information relating to the Company, including its annual information form, is available on SEDAR+ at www.sedarplus.com.

SHARE DATA

As at the date hereof, the Company has:

1. 535,813,054 common shares issued and outstanding;
2. 48,698,174 warrants outstanding which entitle the holders to purchase one common share at various prices between \$0.036 and \$0.10 and expiring at various dates between June 15, 2025 and December 23, 2029; and
3. stock options outstanding to purchase an aggregate of 12,150,000 common shares expiring August 23, 2026 and exercisable at \$0.045 per common share.

All stock options have vested as at the date hereof.

INTERNAL CONTROLS OVER EXTERNAL FINANCIAL REPORTING

The control framework used to design and assess the effectiveness of the Company's internal controls over financial reporting is the *Internal Control - Integrated Framework* (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The Company assesses internal controls over financial reporting on an ongoing basis and, where determined appropriate, proactively implements enhancements to the design of controls required to support anticipated changes to and growth of the business. Due to operational, financial and administrative changes planned to occur as the Company transforms from an exploration company to a producer, changes will be required to the Company's internal controls over financial reporting in order to maintain reasonable assurance regarding the reliability of the Company's financial reporting and preparation of financial statements.

No material weaknesses in the Company's internal controls over financial reporting were identified during the three months ended March 31, 2025 and there have been no changes made to such internal controls that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

The disclosure of scientific and technical information contained in this MD&A has been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of Fortune, who is a "Qualified Person" under National Instrument 43-101.

This document contains certain forward-looking information. This forward-looking information includes, among other things, statements regarding the anticipated development of the NICO Project, including the building or acquisition of a Hydromet Facility in western Canada, purchase of a brownfield site in Lamont County in Alberta's Industrial Heartland Association pursuant to the Option to Purchase Agreement and the expected results of the technical report updating the 2014 Feasibility Study. With respect to forward-looking information contained in this document, the Company has made assumptions, including assumptions regarding, among other things, the Company's ability to acquire an existing site in Lamont County, Alberta for the NICO Project Hydromet Facility or acquire land suitable for the construction of such a facility, the Company's ability to obtain the necessary financing to develop and operate the NICO Project and the related Hydromet Facility, the ability of the Company to obtain all necessary regulatory approvals for the construction and operation of the NICO Project and the related Hydromet Facility, the Company's ability to purchase the brownfield site in Lamont County in Alberta's Industrial Heartland and the timing thereof and the timing of the update of the 2014 Feasibility Study and the results thereof. Some of the risks that could affect the Company's future results and could cause results to differ materially from those expressed in the Company's forward-looking information include: the risk that the Option to Purchase Agreement and its extension may not result in the purchase of a brownfield site in Lamont County in Alberta's Industrial Heartland, the risk that the Company may not be able to carry on operating or to develop, construct and operate the NICO Project, including the related hydrometallurgical refinery; the risk that the Company may not be able to acquire an existing Hydromet Facility or otherwise acquire land suitable for the for the construction of such a facility; uncertainties with respect to the receipt or timing of required permits and agreements for the development of the NICO Project, including the related Hydromet Facility; the risk that the update to the 2014 Feasibility Study may not be completed within the time frame anticipated and may not generate improved economics for the NICO Project to the extent anticipated; the risk that the operating and/or capital costs for any of the Company's projects may be materially higher than anticipated; the risk of decreases in the market prices of the metals to be produced by the Company's projects; loss of key personnel;

discrepancies between actual and estimated mineral resources or between actual and estimated metallurgical recoveries; the inherent risks involved in the exploration and development of mineral properties and in the mining industry in general; uncertainties associated with estimating mineral resources and even if such resources prove accurate the risk that such resources may not be converted into mineral reserves, once economic conditions are applied; labour shortages; workplace accidents; the cost and timing of expansion activities; changes in applicable laws or regulations; competition for, among other things, capital and skilled personnel; unforeseen geological, technical, drilling and processing problems; compliance with and liabilities under environmental laws and regulations; changes to the Company's current business strategies and objectives; and other factors, many of which are beyond the Company's control. Readers are cautioned to not place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking information will not be achieved by the Company. These forward-looking statements are made as of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.