

Project Scope

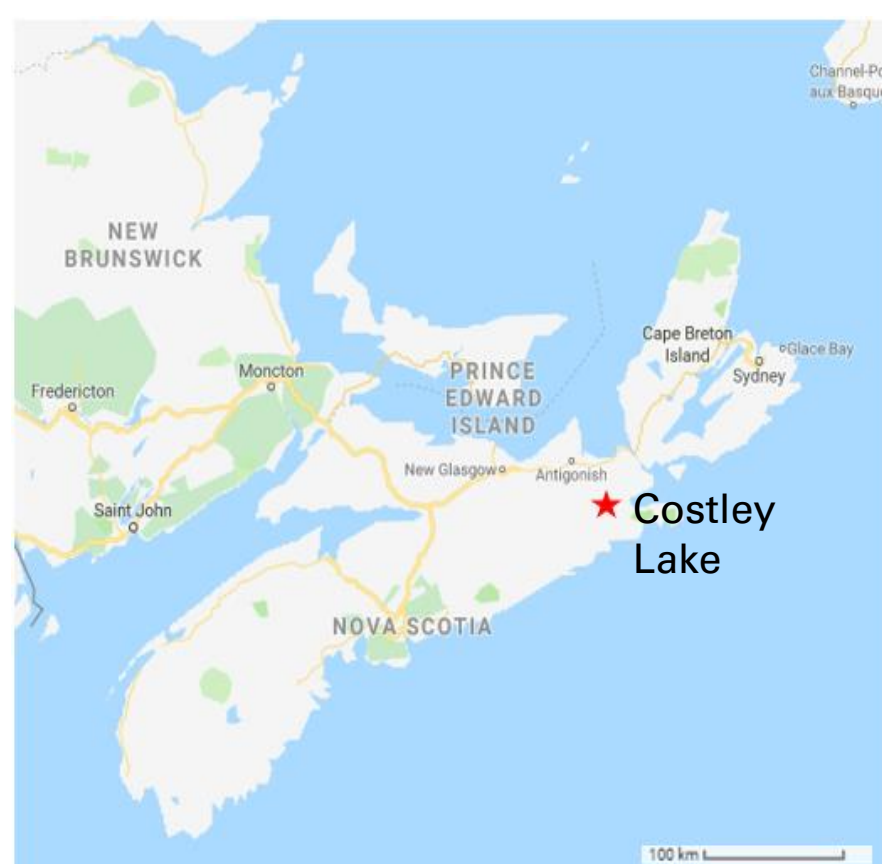
The Huntress Mining Company has conducted a Pre-Preliminary Economic Assessment on a copper-lead-gold deposit in Guysborough County, Nova Scotia. This included determination of deposit size and grade, mine and mill design, reclamation and closure plans and a socioeconomic assessment of the area and project.

Initial Information

The project information given included:

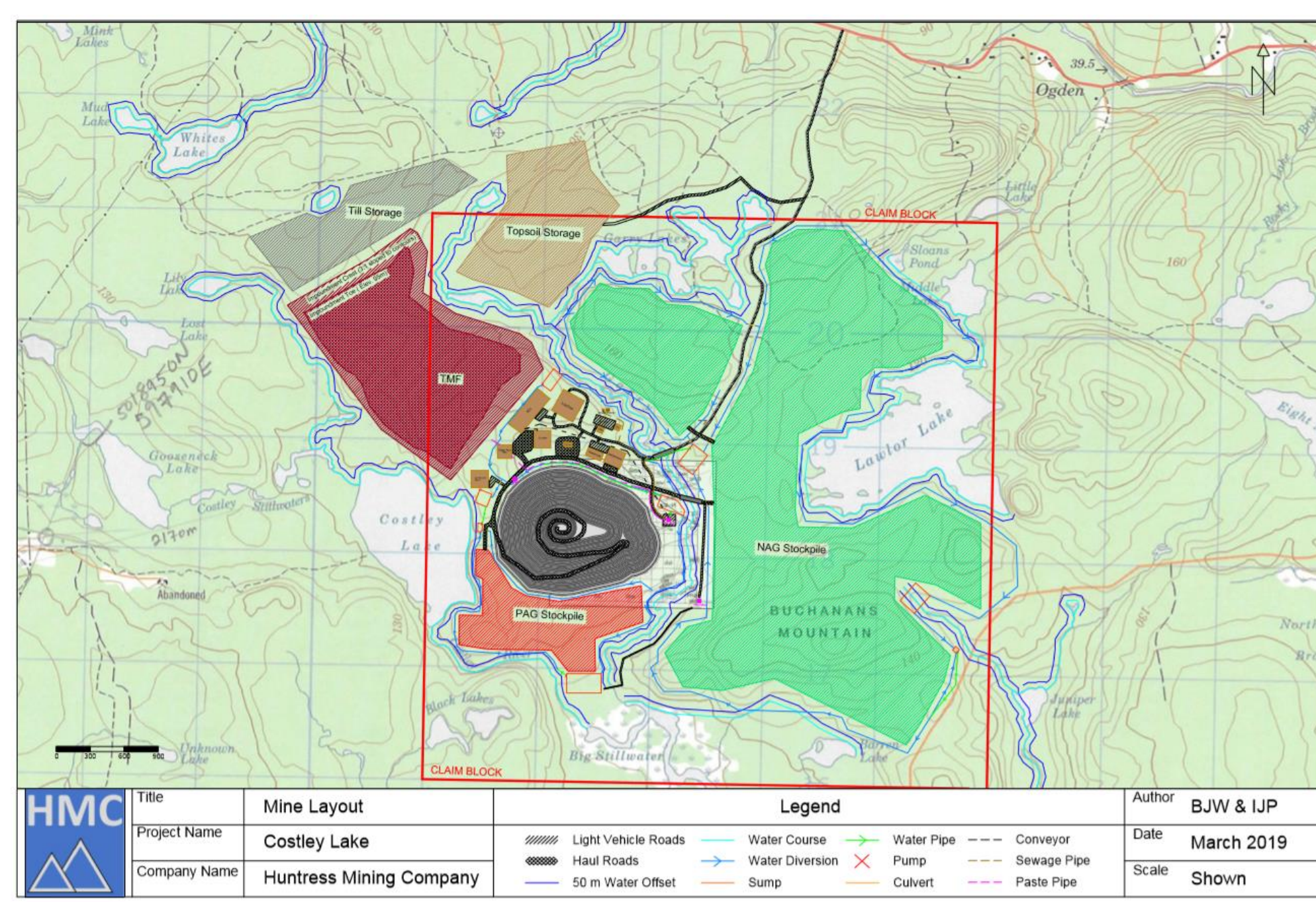
- 5 km by 5 km claim block with a 1.2 km by 1.2 km initial exploration area
- 36 drillhole, 2 exploration trench initial exploration program
- Maps of the claim and the nearby area
- Initial exploration and processing costs

Project Location

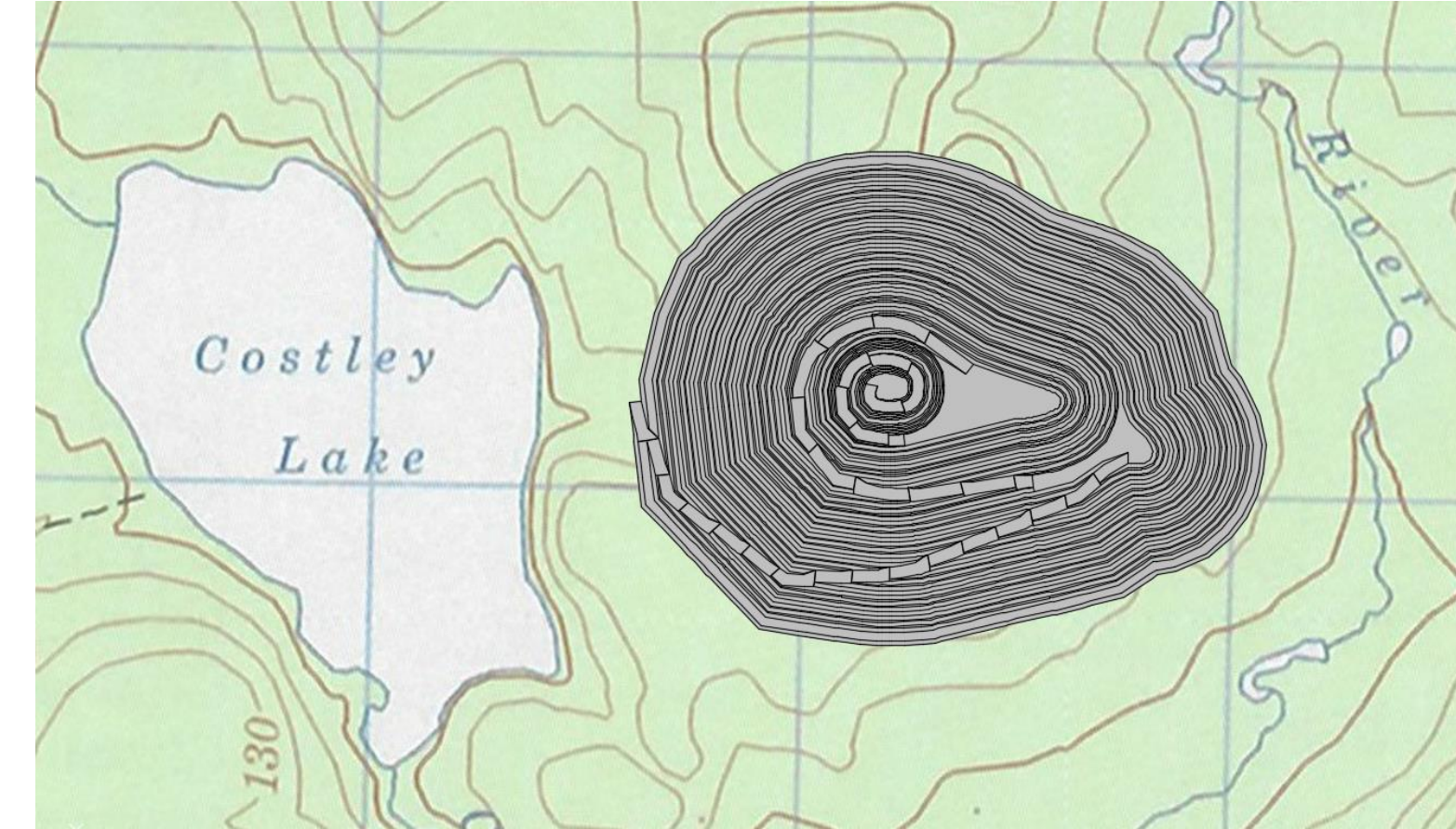


- Located in Guysborough County, Nova Scotia
- Situated 15 kilometers southwest of the community of Guysborough

Mine Layout



Surface and Underground Mine Design



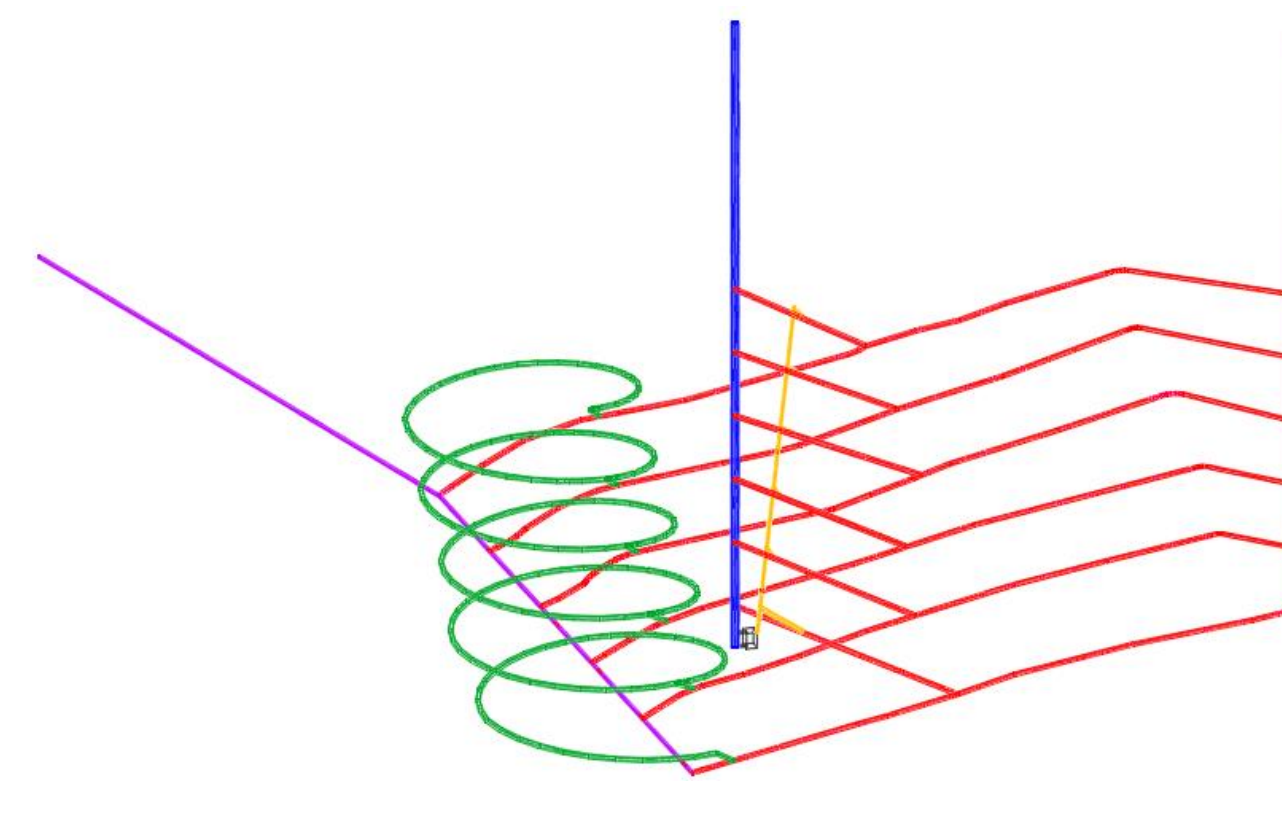
Production Rate: 5,000 tpd
Ore Recovery: 87%
Cut-Off Grade: 2.7 wt% eqCu
Average Deposit Grade: 7.11 wt% eqCu (3.1 wt% Cu, 4.0 wt% Pb, 0.9 g/t Au)

Surface

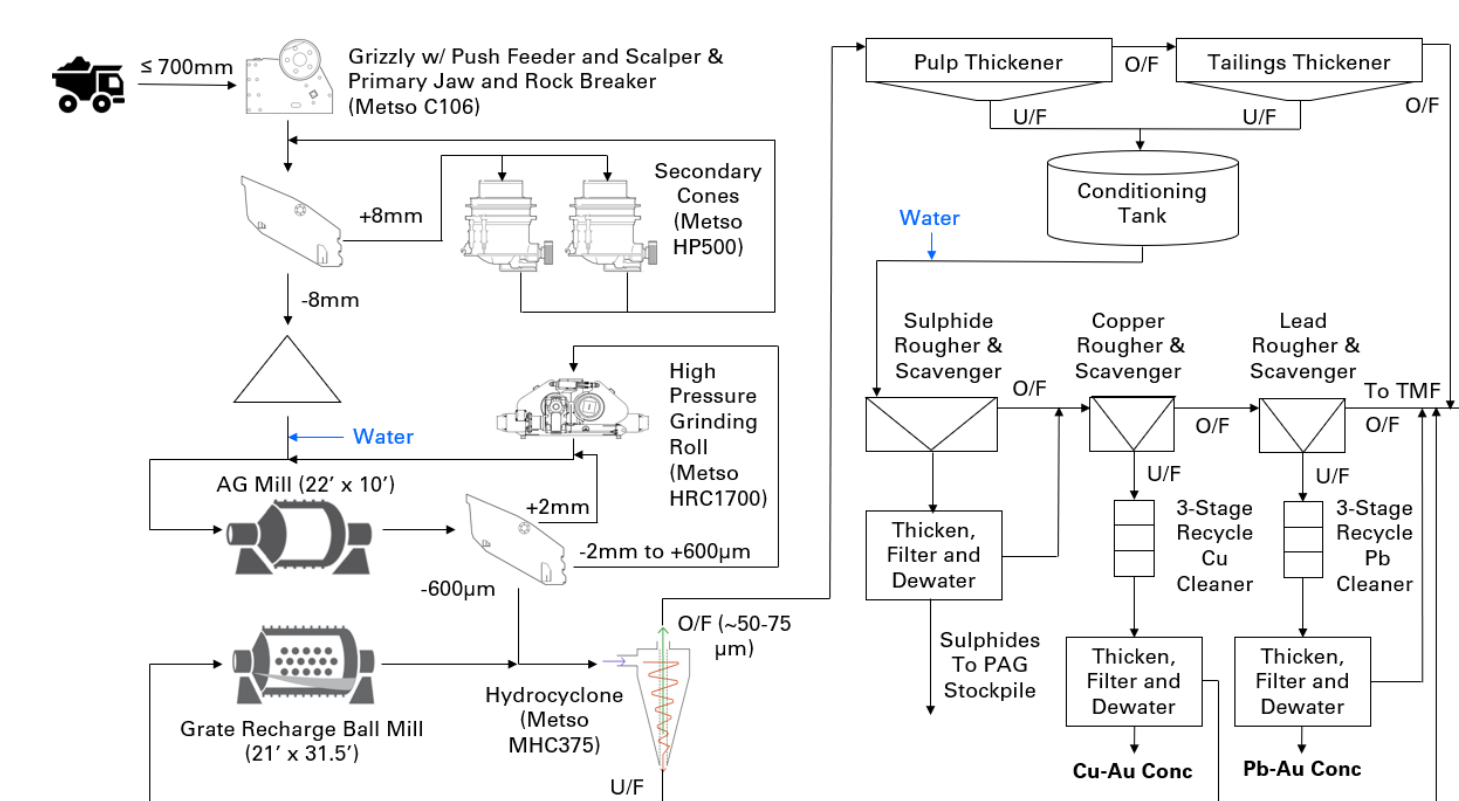
- Stripping Ratio: 20:1
- Mineable Tonnes: 21,280,000 tonnes
- Mine Life: 13 years

Underground

- Method: Blasthole Open Stopping w/ Paste Fill
- Mineable Tonnes: 26,570,000 tonnes
- Mine Life: 16 years



Mill Design



- Mill: Two Product Froth Flotation (Cu-Au Concentrate sent to Rouyn-Noranda, QC, Pb-Au Concentrate sent to Bathurst, NB) at 8% Moisture Content
- Concentrate Recovery: 95%
- Concentrate Grade: 39% Cu, 68% Pb, 12 g/t Au

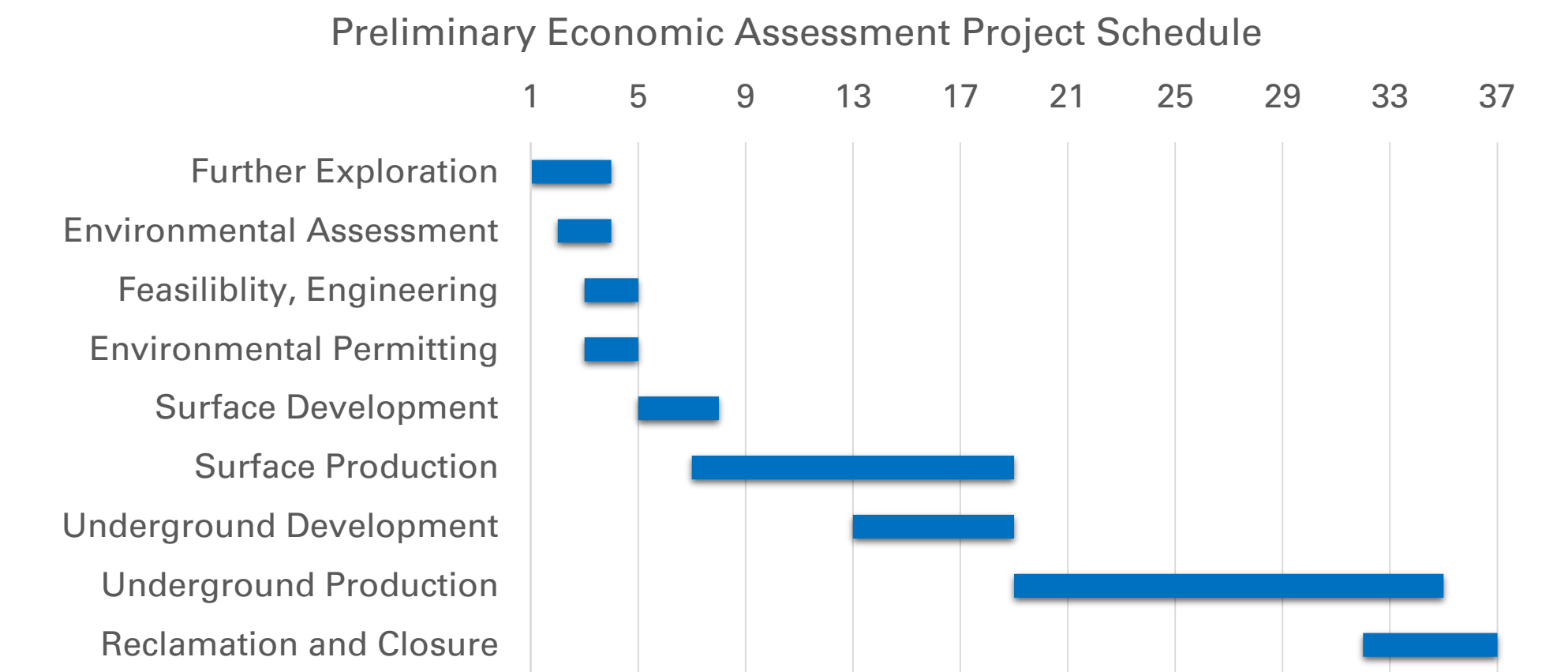
Deposit Potential

- Deposit trends at depth to the southeast, at surface to the northwest
- Further exploration would increase mineable tonnage, decrease stripping ratio
- Proposing a \$30M extended exploration program, including a bulk sample, additional drilling, trenching and assaying at surface and underground

Environment, Reclamation and Closure

- Site Valued Environmental Components (VECs): Surface water, groundwater, old spruce, wildlife including bears, bats, coyotes and endangered moose
- Cumulative Effects: Historic forestry operations, other mining operations
- Acid Rock Drainage: Concerns include stockpiled Potentially-Acid Generating (PAG) materials south of the pit and the Tailings Management Facility (TMF) north of the pit, all low pH water will be directed to a limestone treatment plant on-site
- Reclamation Plan: Backfilling PAG and Tailings into open pit and covering with NAG and a wet cover to prevent oxidation, TMF reclaimed with NAG, underground workings backfilled with tailings paste fill, infrastructure dismantled, site and NAG stockpile regraded to required regulations

Project Schedule



Socioeconomic Assessment

- Proactive Engagement: First priority is to engage with Indigenous and local communities
- Taxes and Royalties: \$2.64 Billion CAD
- Direct Jobs Added: 474 during surface operation reduced to 286 during underground, 37 year operation
- Contractor Opportunities: Road development, fuel supply and delivery, blasting operations, auxiliary projects

Economic Assessment

- Commodity Prices (USD): Copper – \$2.43/lb, Lead - \$0.88/lb, Gold - \$1,000/toz
- Royalties and Taxes: 2% Net Smelter Return, 15% Federal, 16% Provincial

Results in Canadian Dollars (After Deductions)			
Capital Cost	Operating Cost	Revenues	Taxes
\$ 542,697,483.00	\$ 5,525,139,038.57	\$ 13,905,441,998.55	\$ 2,640,392,791.70
NPV at 12%	IRR of Cash Flow	C/F Profitability	Simple Payback
\$ 214,680,123.57	14.6%	1.39557973	22.21 Years

Recommendations

- Continued exploration of the area to accurately determine the economic viability of the deposit
- Exploration of the limestone and dolostone deposit for use in the limestone treatment plant and/or for quarrying simultaneously with underground extraction