

# Golden Metal Advisors

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## Investment Plan: Domestic Nickel Production

February 2nd, 2024

- I. Investment Strategy
- II. Technical Feasibility
- III. Risk Analysis
- IV. Market Outlook
- V. Conclusion

### Analysts

John Dill, Liam Gilbride,  
Carl Gorski, Alexandra Nickle



# Cautionary Statements

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*The information set forth in this presentation, including any statements regarding the Colorado School of Mines team's evaluation of Magna Mining, Canada Nickel, and Talon Metals, contains forward-looking statements that are subject to a number of risks and uncertainties. These forward-looking statements include, but are not limited to, statements regarding the potential success of the exploration and development efforts of the aforementioned companies, as well as potential returns for investors.*

*It should be noted that actual results may differ materially from those projected in these forward-looking statements as a result of a number of factors, including but not limited to: the inherent risks associated with the exploration and development of mineral properties, the uncertainty of interpreting drilling results and other geological data, fluctuations in commodity prices and currency exchange rates, the possibility of project cost overruns or unanticipated costs and expenses, and the impact of laws and regulations governing mining operations and the ability to obtain necessary permits and approvals.*

*The Colorado School of Mines team does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.*

# Investment Proposal - Invest in Talon Metals



## Minority Partnership:

**1% Project Ownership  
\$10.6 Million**

**2X Premium**

Optional Upon Completion of FS



**4% Additional Ownership  
\$32 Million**

**1.5X Premium**

### Talon: Value Added

- Anticipated bump in stock price
- Capital to complete Feasibility Study
- Fund Tamarack exploration; access to institutional investment

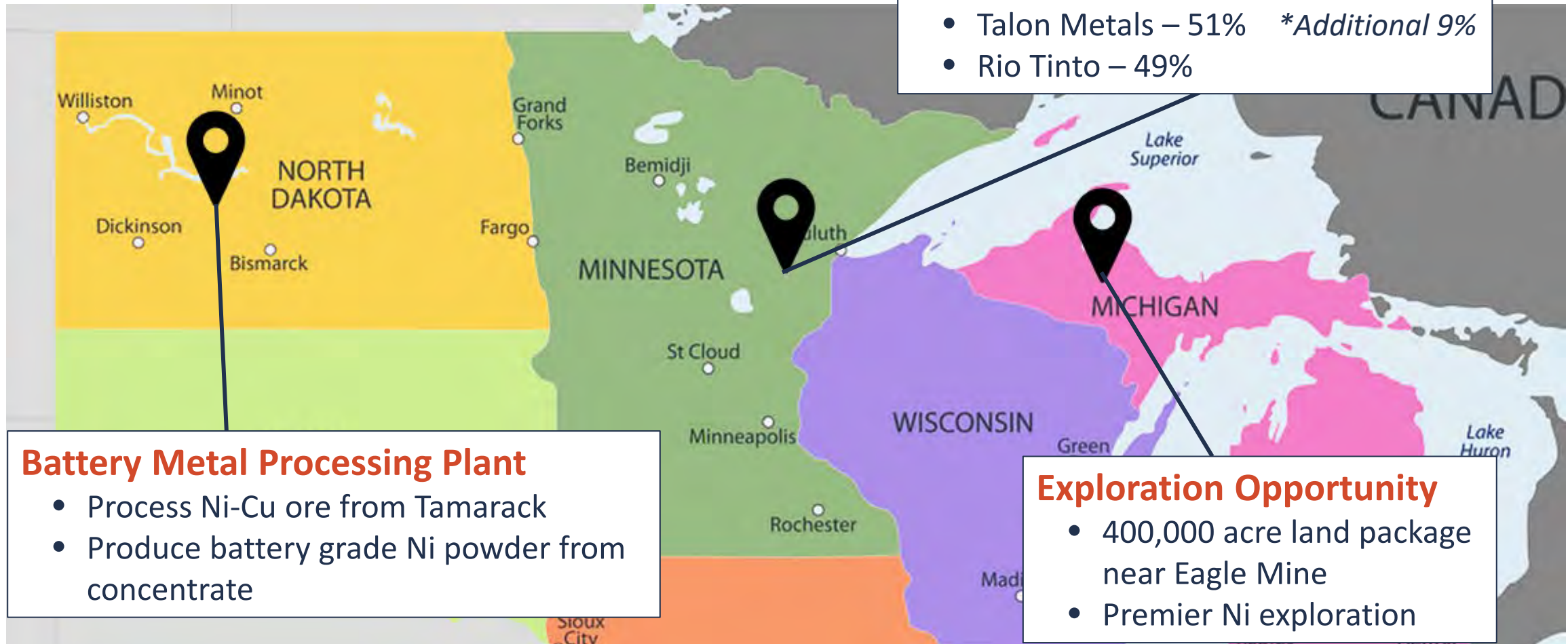
### Contract Terms

- Reclamation plans must be approved
- Major capital expenditures must be disclosed
- Minority protections negotiated

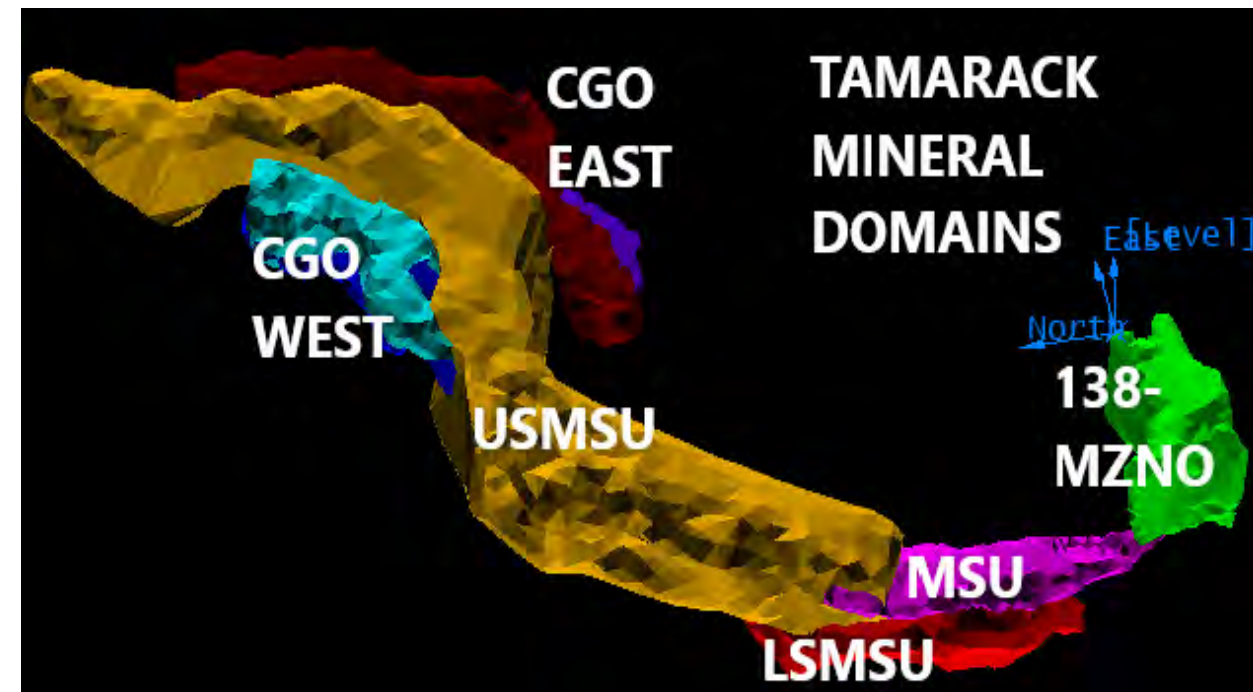
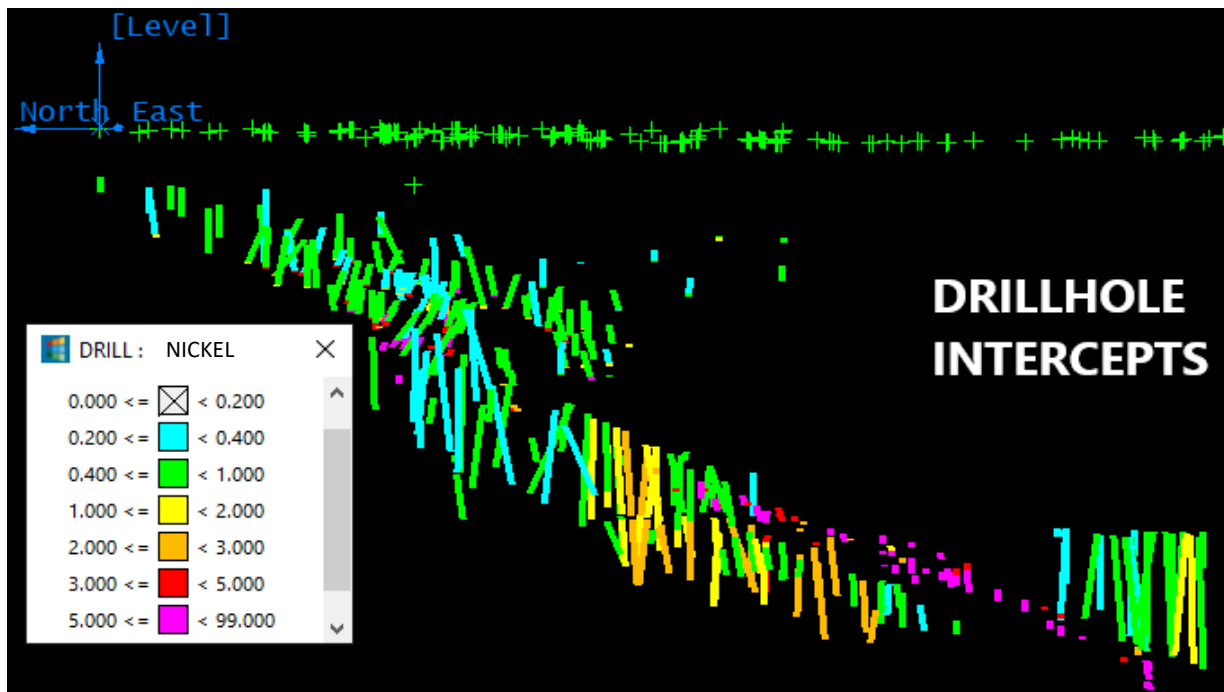
\*proposal evaluated in USD

# Talon Metals – Assets and Goals

## Vertically Integrated Battery Nickel Production

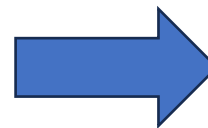


# Talon Metals – Block Model Construction



## PHASE 1)

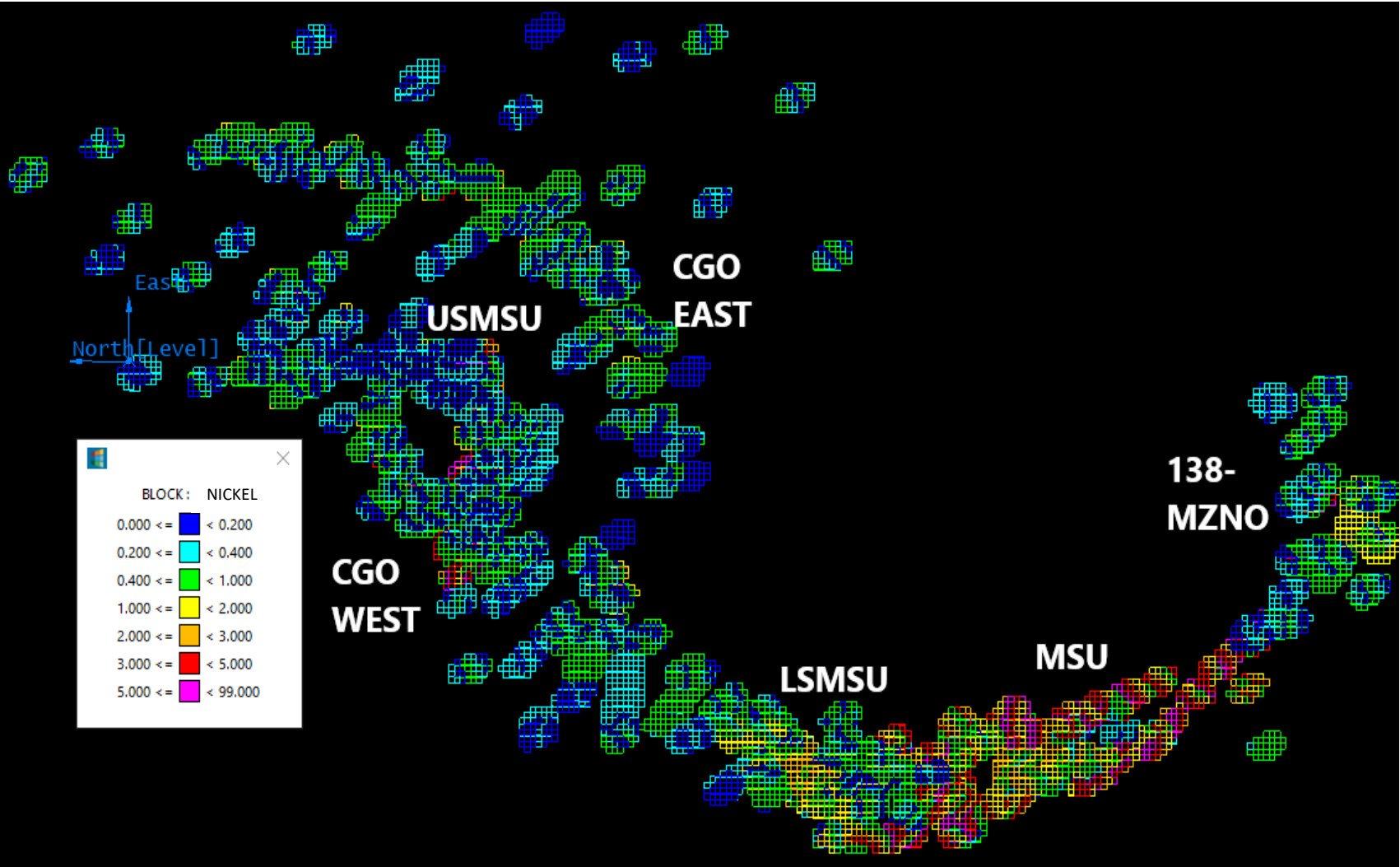
- Digitize drillholes: 382 with Nickel intercepts
- Create bounding triangulations, conservative estimate



## PHASE 2)

- Run block model scenarios
- Compute deposit tonnage & grade

# Talon Metals – Block Model Validation



## TALON MRE

	Cutoff (Ni %)	Ni (%)	Cu (%)	Tonnage (Mtonnes)
Ind.	1	2.71	1.34	4.4
Infer.	1	1.74	1.05	1.24
Total	1	2.49	1.27	5.64

## CSM MRE

	Cutoff (Ni %)	Ni (%)	Cu (%)	Tonnage (Mtonnes)
Total	1	2.31	1.20	5.35

## % DIFFERENCE

Ni (%)	Cu (%)	Tonnage (%)
-8%	-6%	-5%

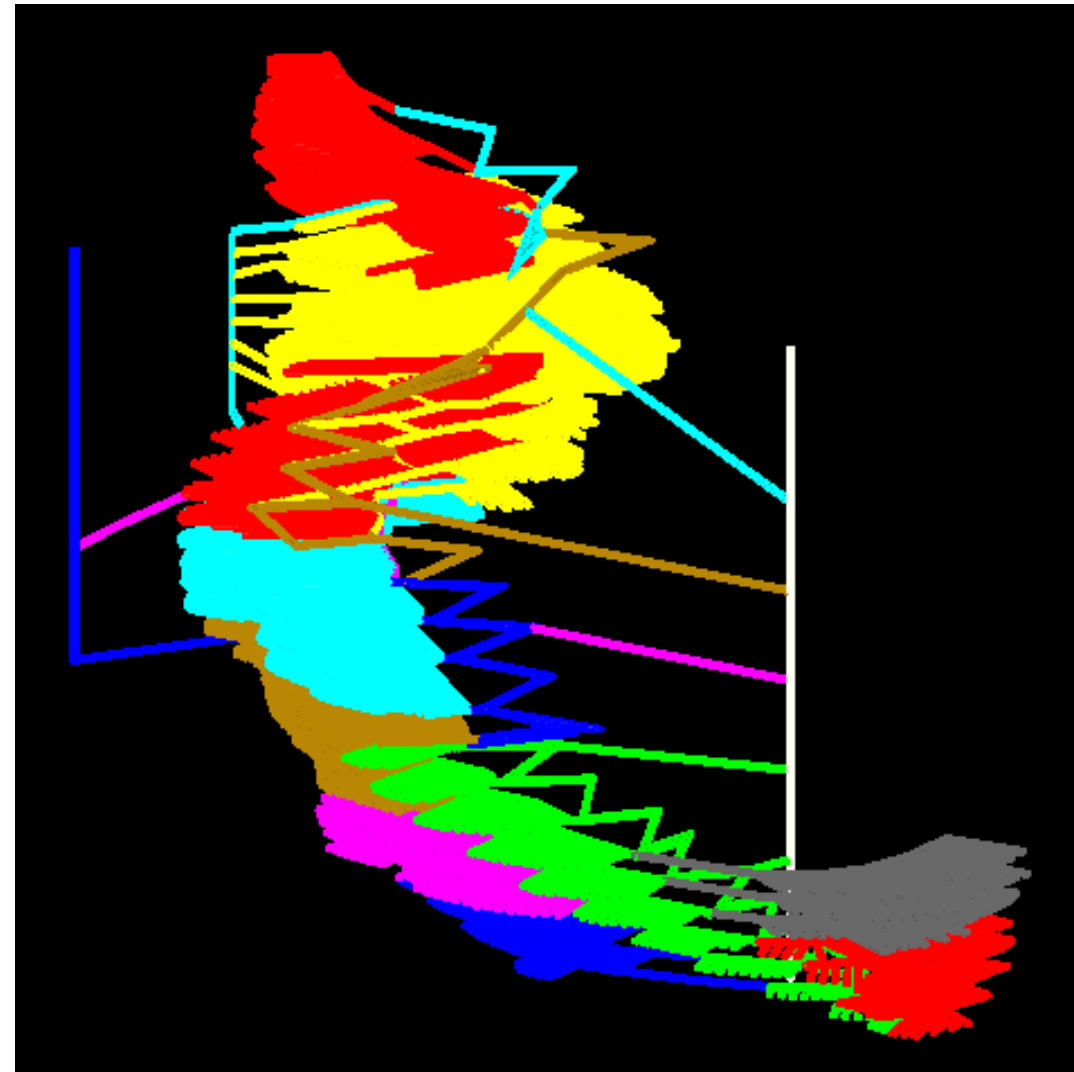


# Talon Metals – Tamarack Mine Plan

## Key Parameters

- 5.35 Million Tonnes (I&I) @ 2.3% Ni
- 2,000 TPD Shaft Mine:
  - Initial targeting of high-grade zones (4.0% Ni)
  - Meet an outstanding offtake agreement
- \$103 Million CAPEX

Tamarack CAPEX	
Production Shaft	45%
Equipment	25%
Surface Infrastructure	20%
Ventilation Shaft	10%

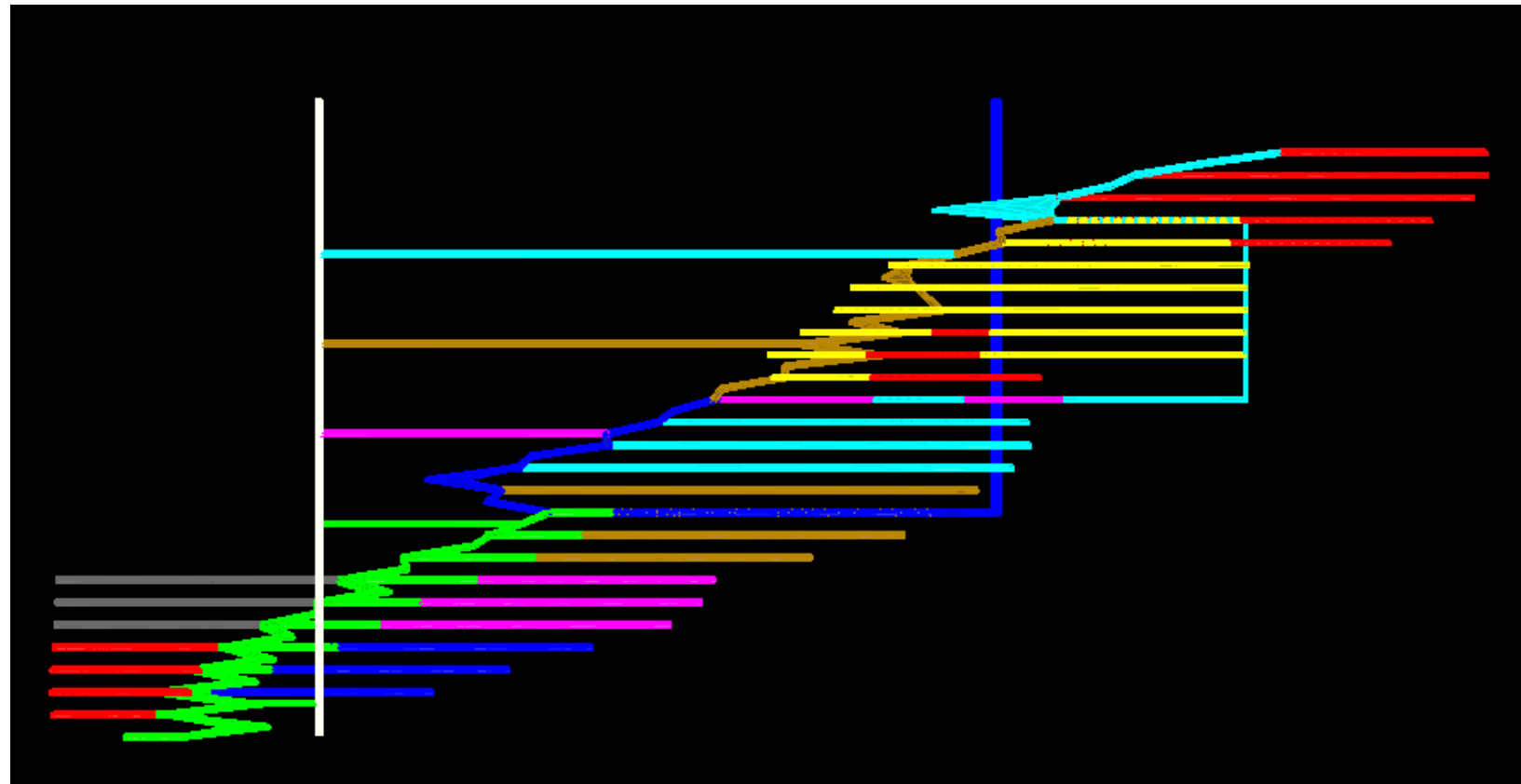


# Talon Metals – Tamarack Mine Plan

## Project Parameters

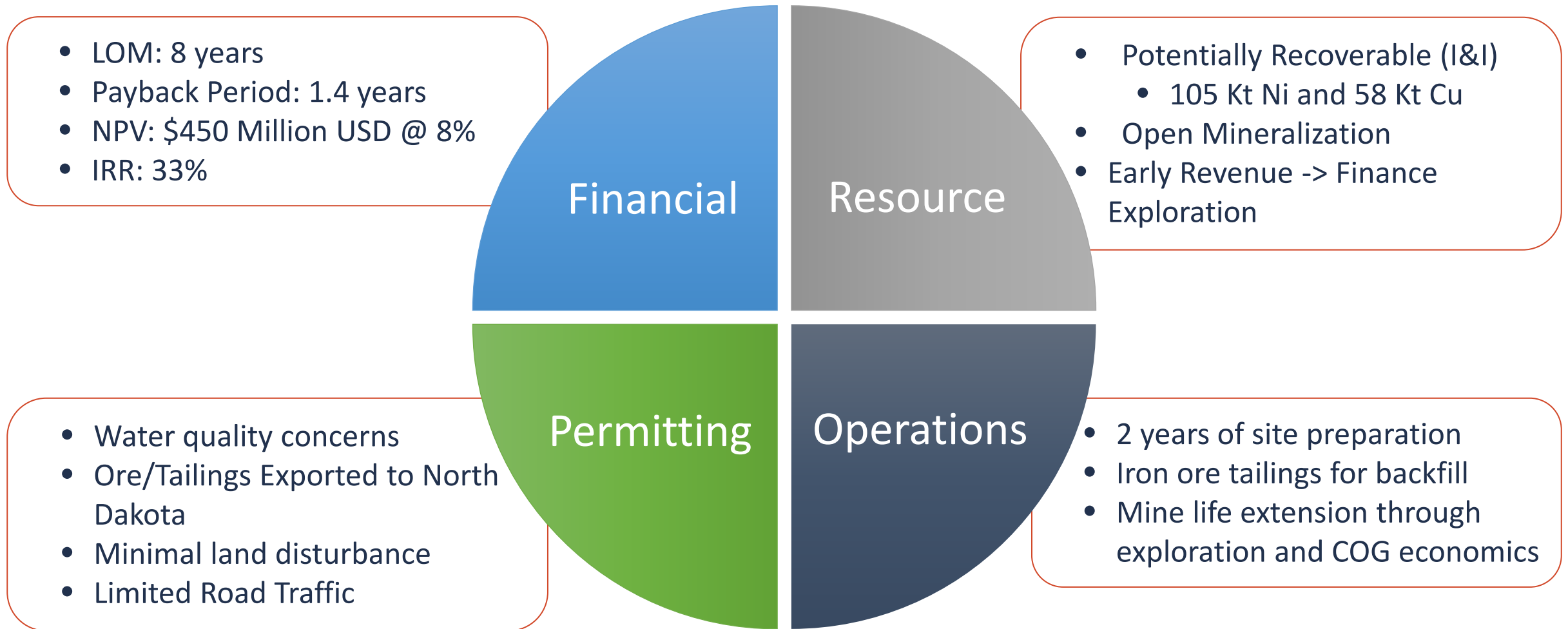
- Mining Method: Longhole Open Stopping
- Cut-off Grade: 1% Ni
- Identified Capital Development and Operating Costs
- Potentially Movable Resource

OPEX \$USD/Metric Ton		
Mining	\$	100.00
Transportation to Mill	\$	17.00
Milling	\$	35.00
G&A	\$	30.00
Total	\$	182.00
COG (Ni%)		0.97





# Talon Metals – Tamarack Project Feasibility



# Talon Metals – Exploration Prospects

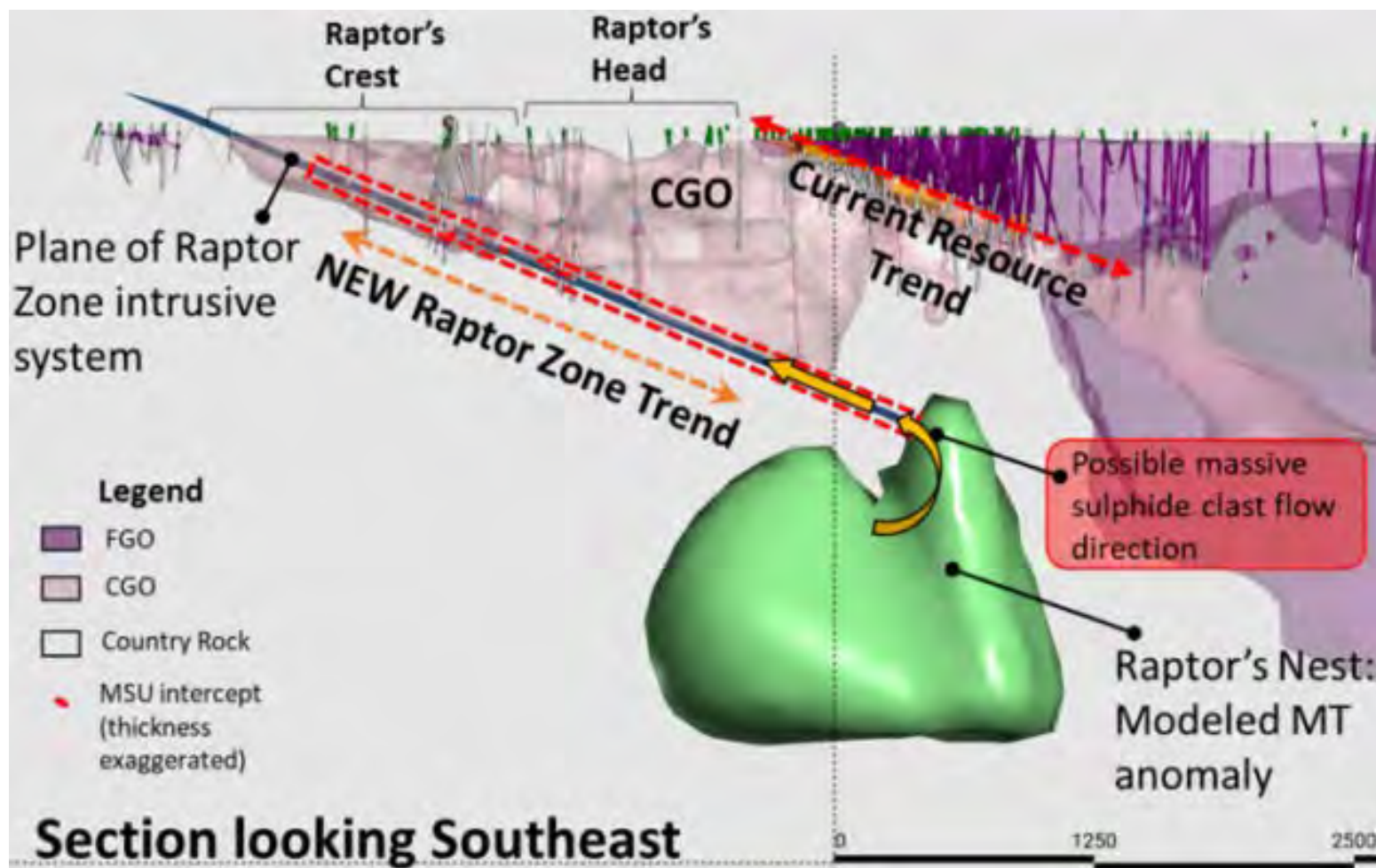
## Resource Expansion:

- Experience + Geophys = efficient, adaptable Ni exploration

- Identified High Grade Ni Targets:

Raptor Zone

- open 3km N
- open 1.5km NE



# Talon Metals – Battery Metals Processing Plant

## Ship ore by rail to the North Dakota Battery Metal Processing Plant

- Total Cost: \$430M
  - DOE provided \$114M grant
  - 30% CAPEX tax credit from IRA's 48C
- Mercer County, ND



## Domestic Nickel Production

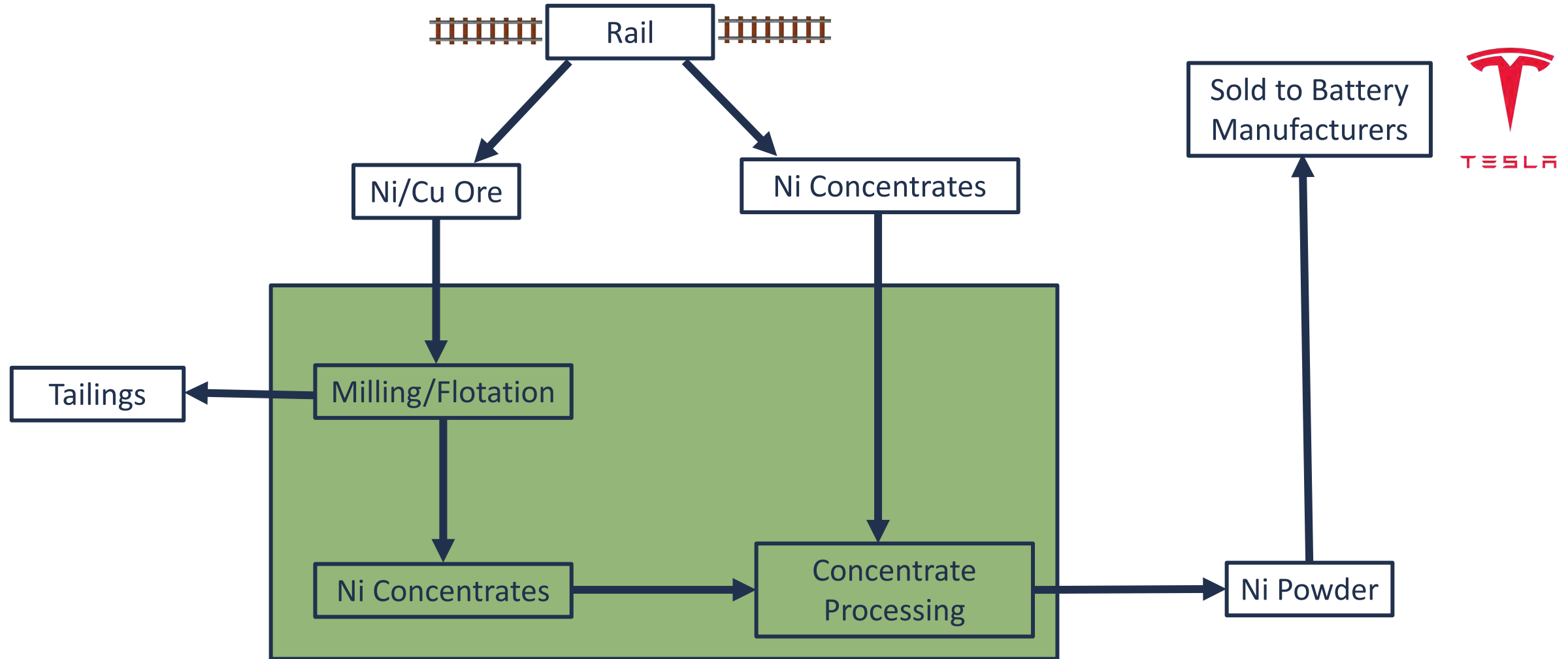


## Off-take Agreement with Tesla

- Contract is for Talon will supply Tesla with their Nickel until 2027 or up to 75k Tonnes of Ni



# Talon Metals – Battery Metals Processing Plant





# Talon Metals – Environmental & Social Impacts

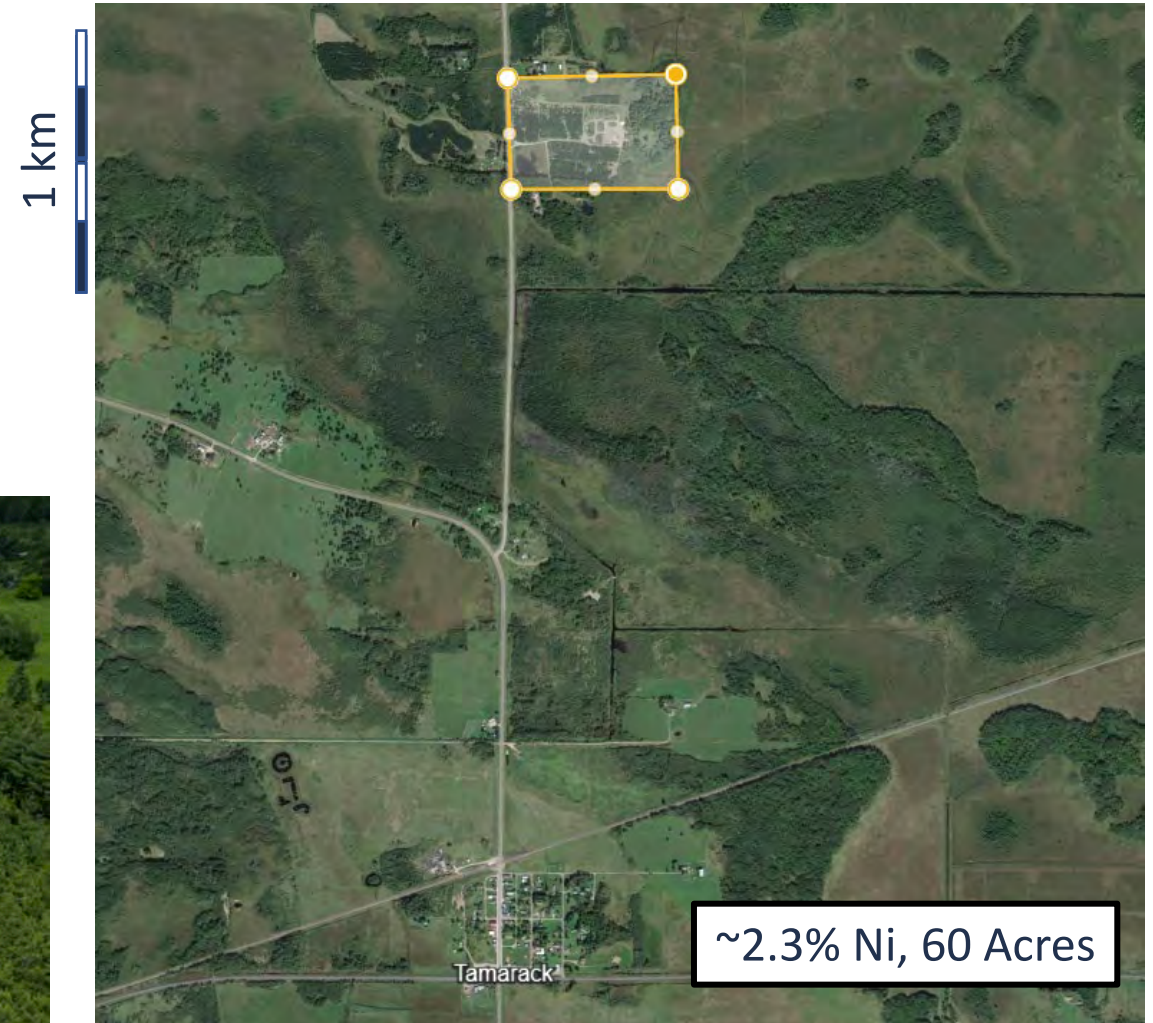


## Reclamation (Active & Post-Mining):

- Small footprint
- Rejuvenation of wetland habitat

## Community Outreach:

- Monthly meetings with local tribes
- Open door policy



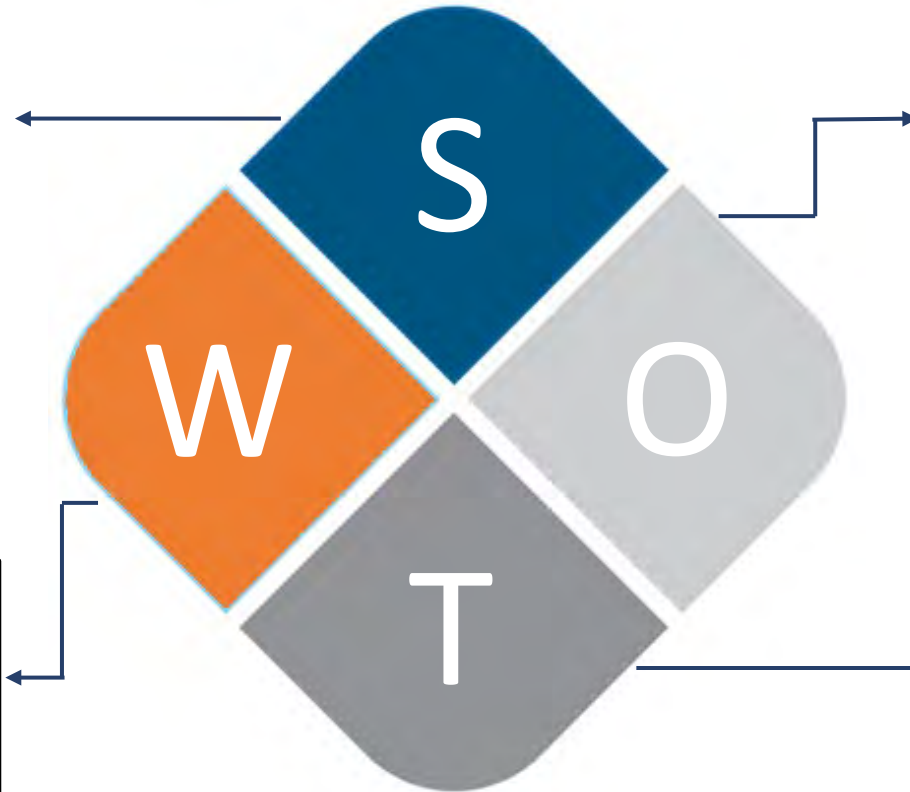
# Talon Metals - SWOT Analysis

## Strengths

- First Implementation of tax breaks
- Permitting
- Environmentally Conscious
- Exploration Experience
- High Quality Resource
- Prominent Financial Backing

## Weaknesses

- Investor Communication
- Share Dilution
- Operational Experience



## Opportunities

- Sole Provider of Nickel
- Regional Nickel Demand
- Labor Availability
- Open Mineralization
- Secondary Mill Products

## Threats

- Raise Remaining Capital
- Battery Substitutes (LFP)
- Backfill Availability
- ESG Road Blocks



# Talon Metals - Experienced Management



## Management



**Henri van Rooyen**  
**CEO & Director**

Specializing in business evaluation, and successfully developed largest South African silica mine.

**Sean Werger** **President**

Investment & Advisory Services / Mergers & Acquisitions Law

**Vince Conte** **CFO**

Corporate development and financial evaluation

**Brian Goldner**

**Chief Exploration and Ops. Officer**  
14 yr. with Rio Tinto Exploration

**Kyle Mehalek**

**Chief Technical Officer**  
Mine Design & Planning

**Mike Kicis**

**Chief Legal Officer**  
Corporate & Securities Law

**Todd Malan**

**Chief External Affairs Officer**  
Corporate Relations & Com.

**Brian Bengert**

**Vice President, Geophysics**  
Structural Geology & mapping

## Directors



**Warren Newfield**  
**Executive Chairman**

Founder, Chairman, and CEO of Tau Capital Corp.

**Gregory S. Kinross**

Private Investments & New Business Evaluation

**David L. Deisley**

Legal Governance & Corporate Affairs

**John D. Kaplan**

Real Estate Investment

**Arne H Frandsen**

Investment Banking

**Frank David Wheatley**

Independent Director in Mining with Operational Experience

**David E. Singer**

Strategic Planning & Project Management

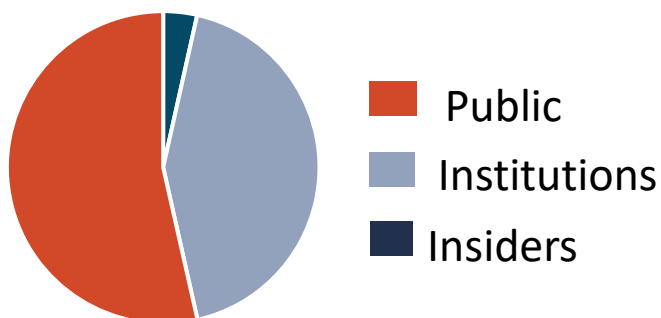
# Talon Metals - Company Overview

## Market Profile

- Share Price - CAD \$0.15
- Market Cap - CAD \$140M
- Share O/S - 934M

## Shareholder Breakdown

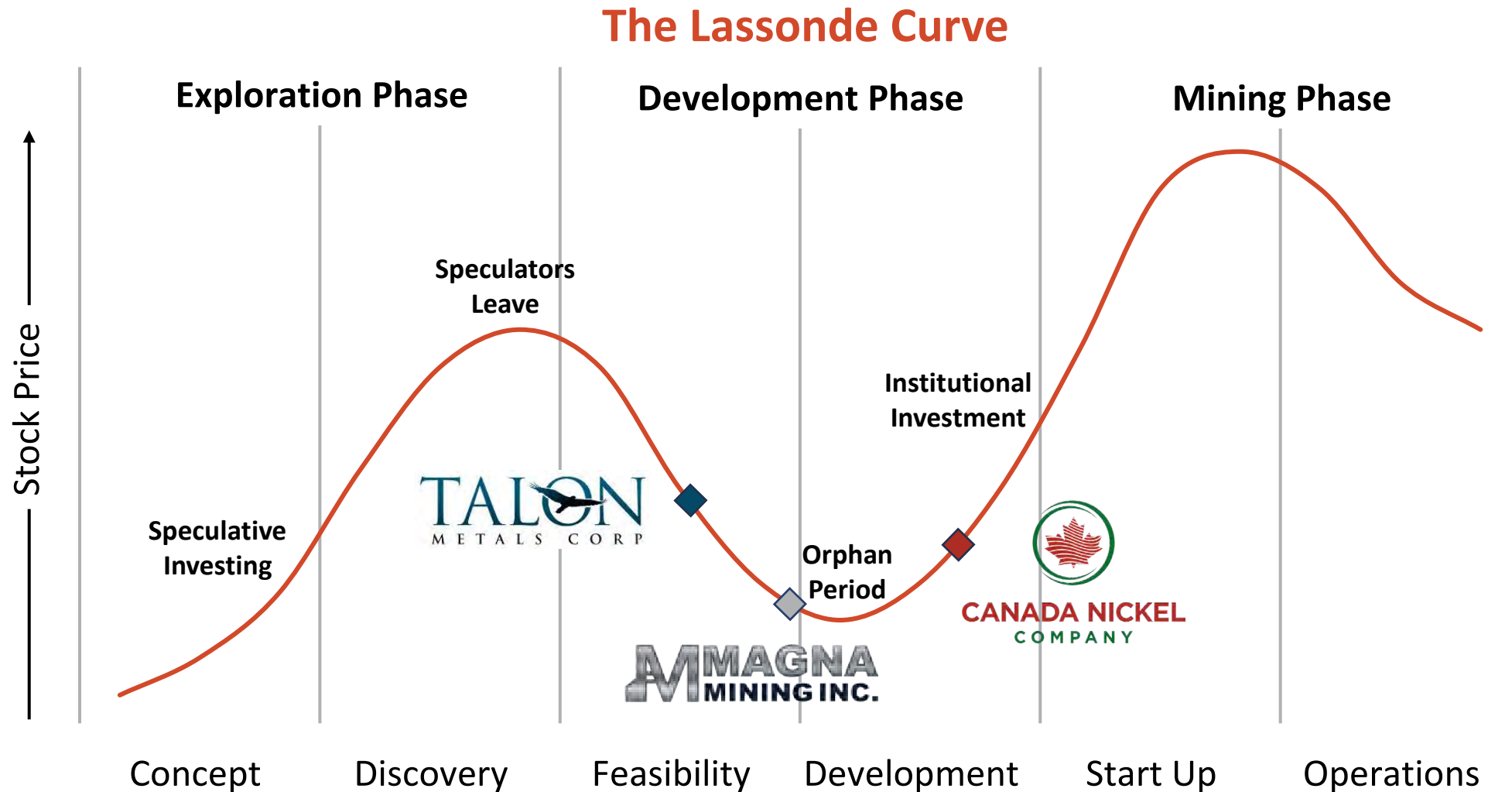
- General Public: 53.5%
- Board and Management: 3.5%
- Institutions: 43%



# Talon Metals – Cash Flow Valuation

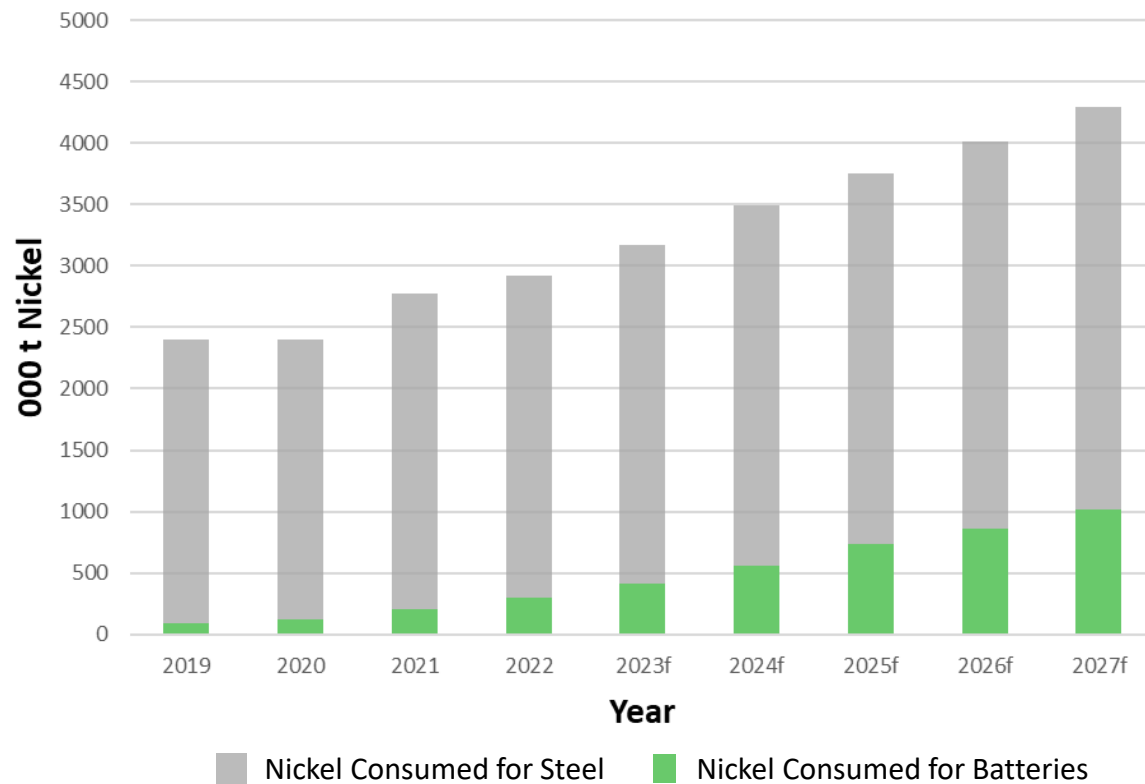
Criteria	Bearish Case	Base Case	Bullish Case
Nickel Price	\$8.10/lb.	\$9.00/lb.	\$9.90/lb.
Post-Tax NPV <sub>8%</sub>	\$319 M	\$449 M	\$577 M
Post-Tax IRR	26.4%	32.9%	38.8%
Payback Period	1.9 Years	1.4 Years	1.0 Years
Est. Post-Tax Revenue	\$639 M	\$832 M	\$1,024 M

# Comparative Analysis - Life Cycle Perspective

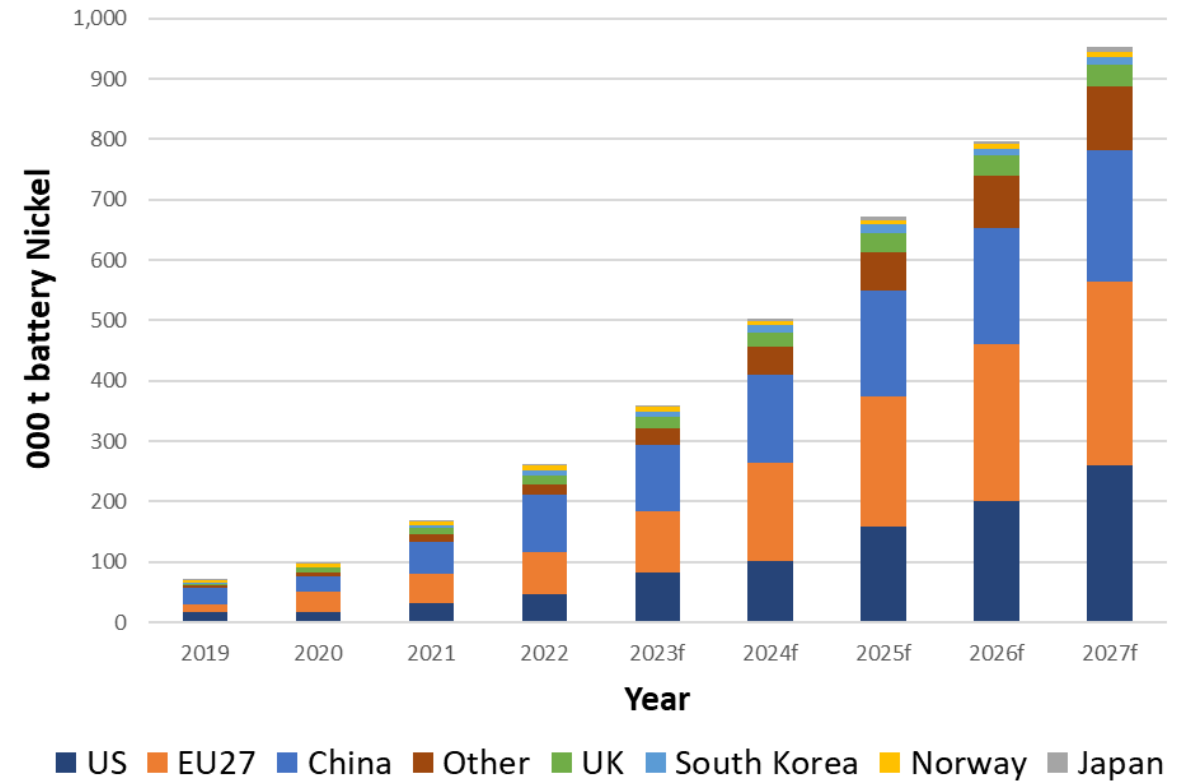


# Global Nickel Markets

## Data and Futures of Global Increase in Nickel Consumption for Battery Industry



## Global Distribution of Battery Nickel Consumption Data and Futures



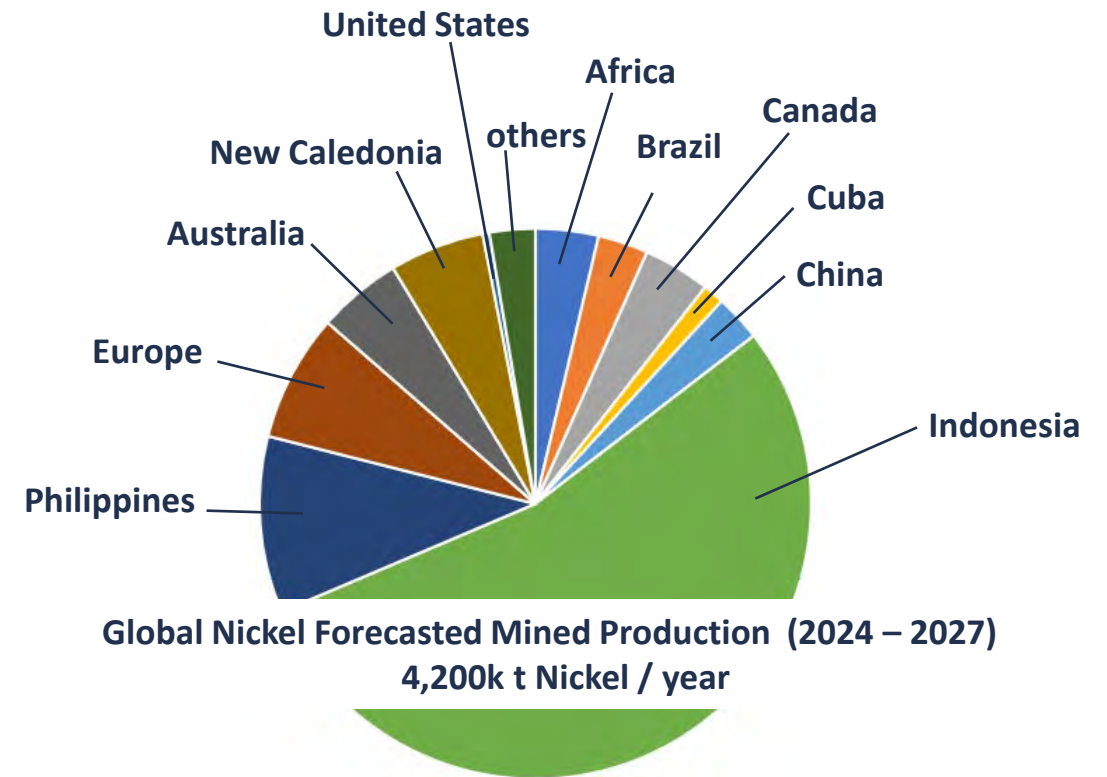
# Industry Outlook - Government Support

## Motivation

- U.S. Nickel production is <1%
- U.S. Nickel demand is ~23% of the global market

## Legislative Support

- The Federal Sustainability Plan: Biden-Harris
- Inflation Reduction Act 48C:
  - Tax credit for 30% of CAPEX
- Inflation Reduction Act 45X:
  - Tax credit for 10% of OPEX
- U.S. Department of Energy Grants
- U.S. Department of Defense Grants





# Conclusion - Invest in Talon Metals

## Minority Partnership

Acquire 1% Tamarack  
\$10.6M



Acquire 4%  
\$32M



\$85 M Net  
Revenue



*"Right Place Right Time"*

Strong Partners

Resource Expansion

Vertically Integrated

High Grade Deposit

Favorable Nickel Outlook

Experienced Leadership

# Golden Metal Advisors

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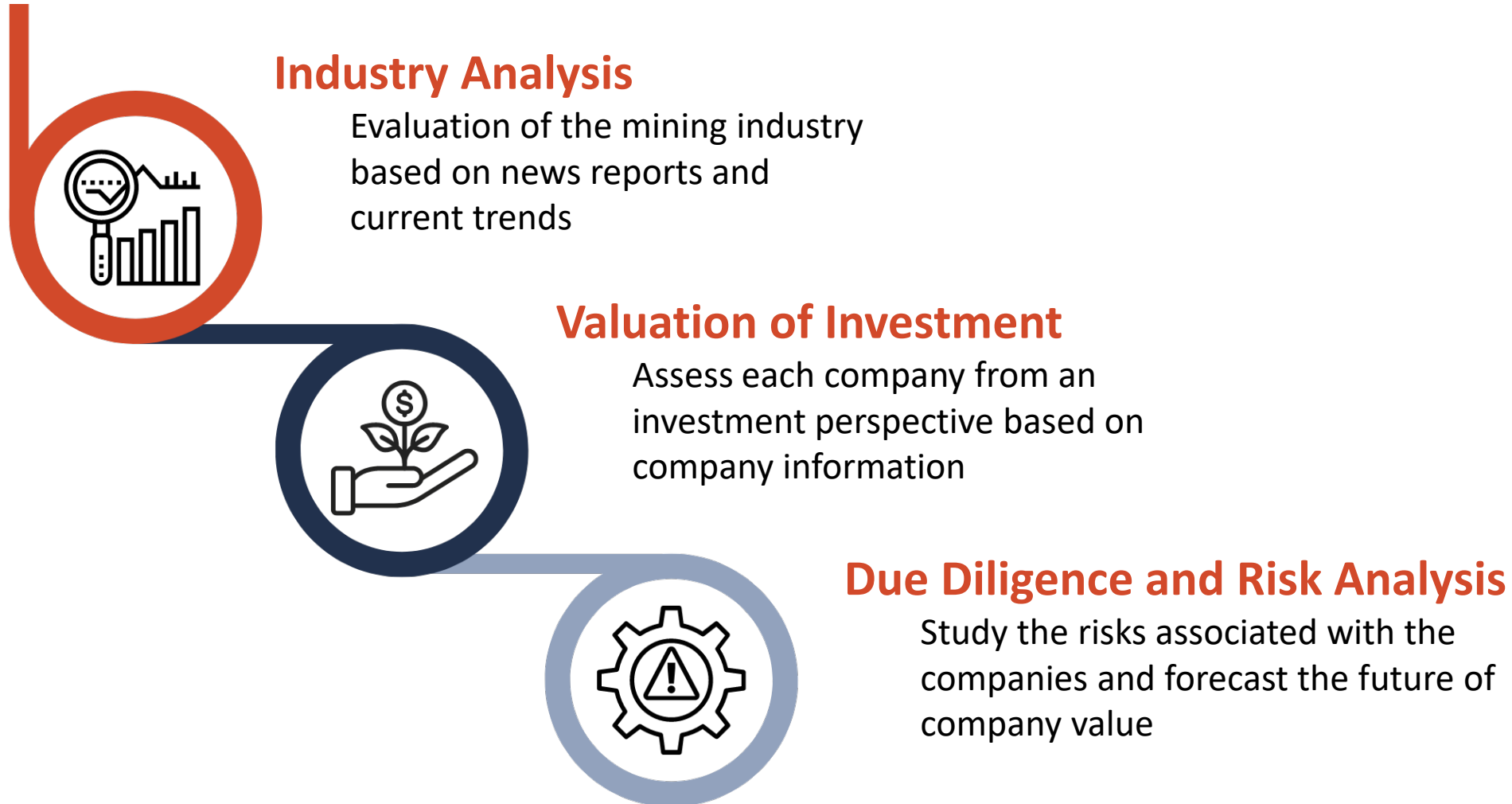
# Appendices

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- I. Competition Information
- II. Talon Information
- III. Financials
- IV. Comparative Analysis
- V. Market Analysis

# Goodman Gold Challenge 2024

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# Golden Metals Partners

## Competition Information



**Liam Gilbride**

**B.S. Mining Engineering '24**

Mine Finance  
Consulting



**Carl Gorski**

**B.S. Geological Engineering '24**

Resource Modeling  
Geometallurgy



**John Dill**

**B.S. Mining Engineering '24**

Mine Operations  
Mine Design



**Alexandra Nickle**

**B.S. Mining Engineering '25**

Business Analytics  
Short Range Planning

*"A principled financial advisory team providing elite clients with long-term financial growth through expert analysis"*

# Investment Proposal Outlined

	Talon Metals	Rio Tinto	Investor
<b>Present</b>	51%	49%	0%
<b>After Initial JV</b>	50%	49%	1%
<b>Post Feasibility</b>	59%	40%	1%
<b>Option Exercised</b>	55%	40%	5%



# Project Financing vs. Traditional Investment

## Talon Metals

- Market Cap: \$140 Million USD
- Outstanding Shares: 930 Million
- Over Diluted Shares to Raise Capital
- Management own 3% of shares
- Would need to buy shares from open market
- Lean Company with Good Vision

## Tamarak Project – Minnesota, USA

- Financially Viable Project
- High Grade Resource

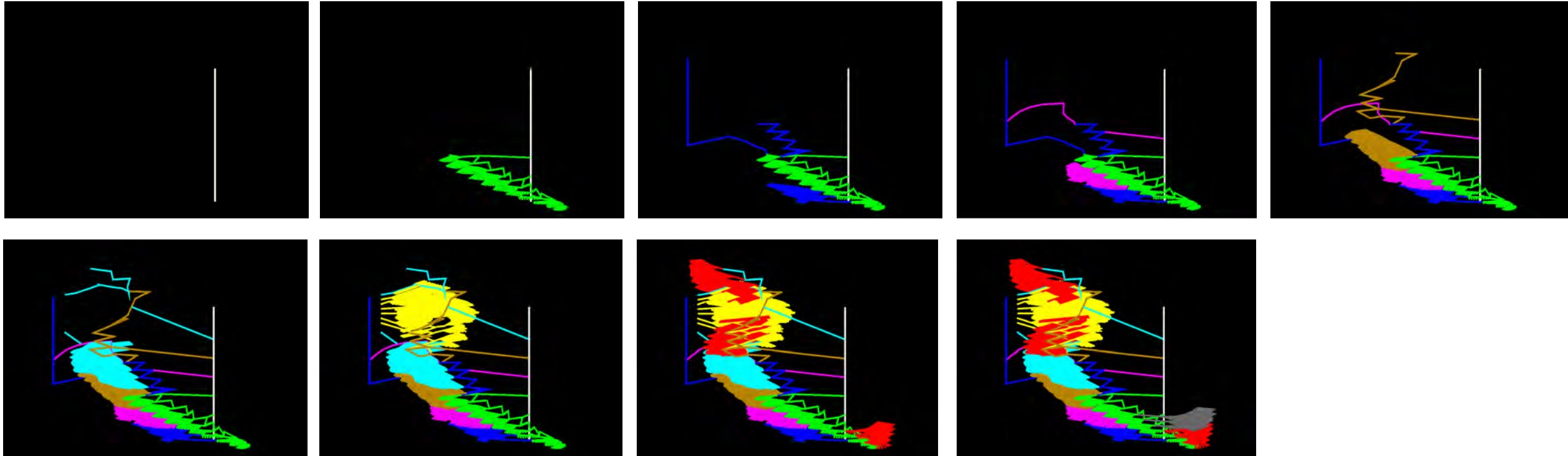
## Processing Plant– North Dakota, USA

- Significant government support
- Only one of its kind



# Golden Metal Partners- Mine Plan

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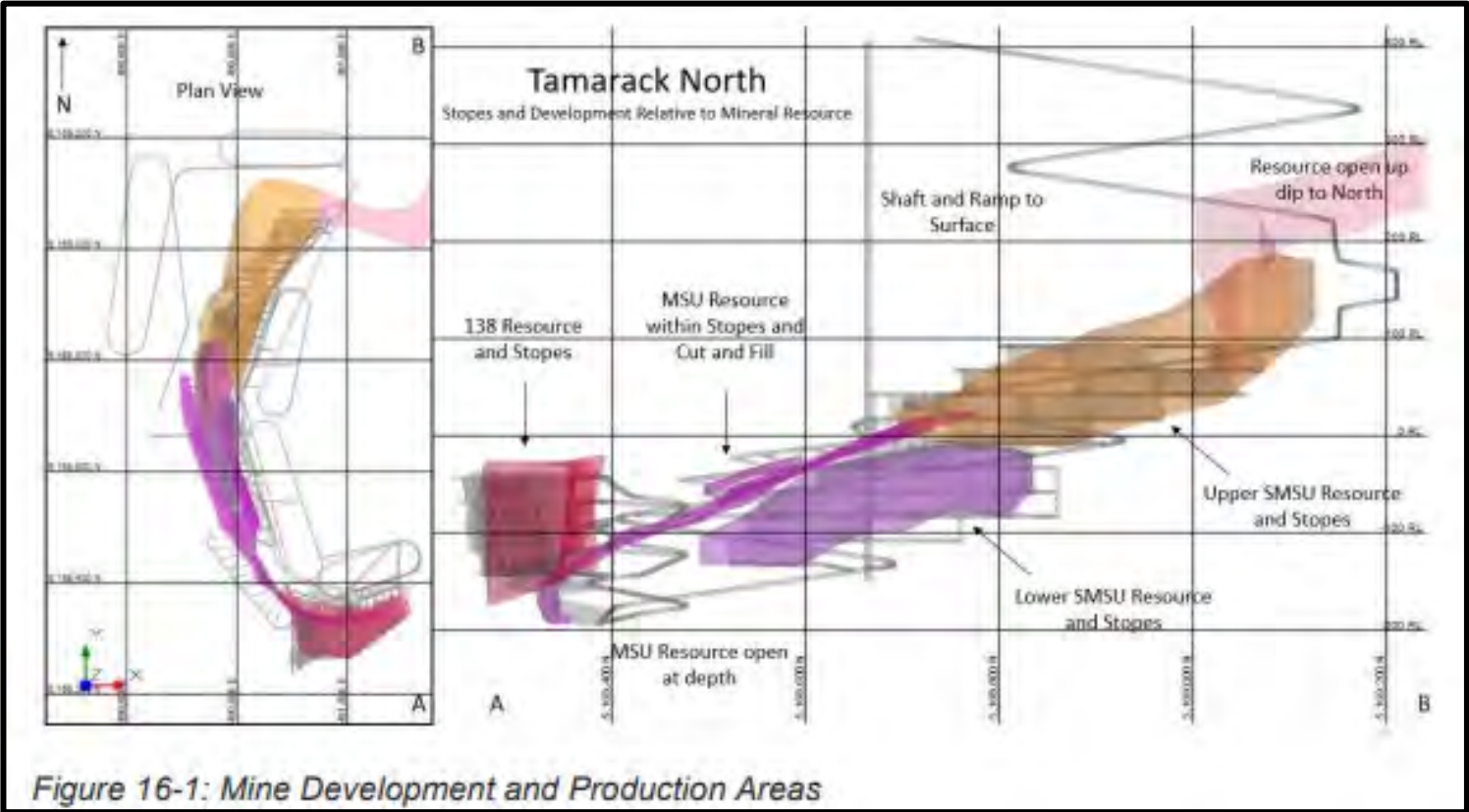
# Golden Metal Partners- Mine Plan

Year	0	1	2	3	4	5	6	7	8	9
Tonnes Mined (000's)		183	547	730	730	730	730	730	768	233
Ni%		4.0	4.0	2.0	2.0	2.1	2.1	2.6	1.8	1.1
Cu%		1.8	1.8	1.1	1.1	1.2	1.2	1.2	1.0	0.9
Ni Production (000's lbs)		13788	41214	27364	27364	28322	29006	35847	25334	4847
Cu Production (000's lbs)		6464	19322	15936	15936	16660	17094	17094	15393	4208
Horizontal Development (m)		785	2354	2102	1727	2846	2869	3664	2051	886
Vertical Development (m)	565			370			160			

OPEX \$USD/Metric Ton	
Mining	\$ 100.00
Transportation to Mill	\$ 17.00
Milling	\$ 35.00
G&A	\$ 30.00
Total	\$ 182.00
COG (Ni%)	0.97

Equipment	Quantity
2 Boom Jumbo	3
40-ton Truck	6
Long Hole Drill	2
8yd Mucker	3
Roof Bolter	3
Shotcreter	1
Anfo Truck	2
Lube Truck	1

# Talon Metals PEA (2021)- Mine Plan



## 2022 Talon Estimates

OPEX	(US\$/tonne)
Mining	\$35.12
Processing	\$22.05
Tailings	4.73
G&A	\$4.74
<b>TOTAL</b>	<b>\$66.63</b>

## 2023 Eagle Mine Costs

Cost Center	LOM Cost, \$M Total	Unit Cost, \$/t Average
Mining	307.0	92.16
Ore Transport to Mill	40.2	12.07
Plant	118.3	35.50
G&A	88.2	26.47
<b>Total Operating Costs</b>	<b>553.7</b>	<b>166.19</b>



# Talon Metals – Geophysics

## JUSTIFICATION:

- Geophysics enables us to "see" through rock and explore the area around boreholes. Surveys may increase a drillholes radius of investigation to as much as several hundred meters; akin to inflating a basketball's radius to the size of 2 hockey rinks...





# Talon Metals - Michigan Exploration

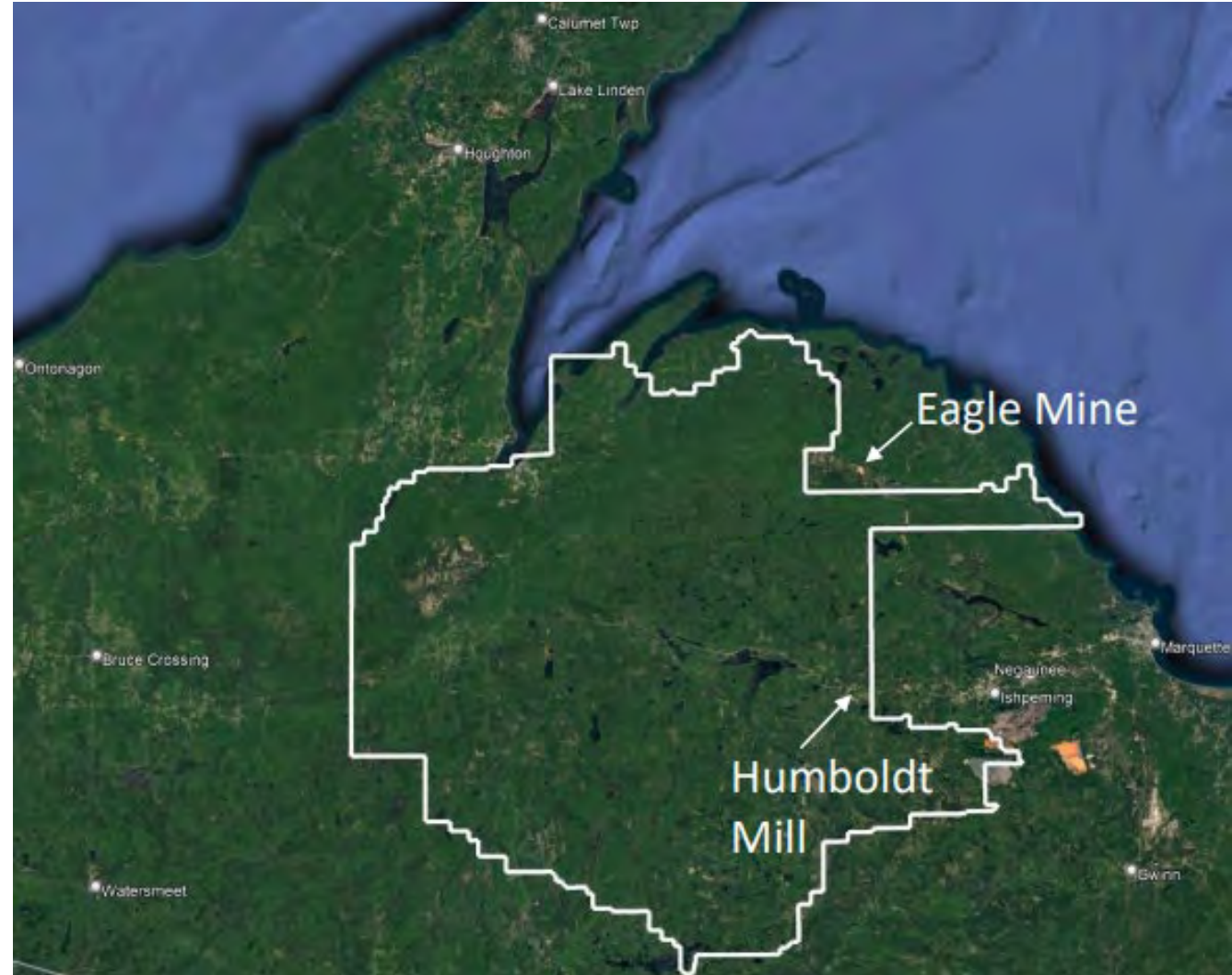


## Henry Ford Land Package:

- 400,000 acres of land
- \$20 Million DOD grant for exploration

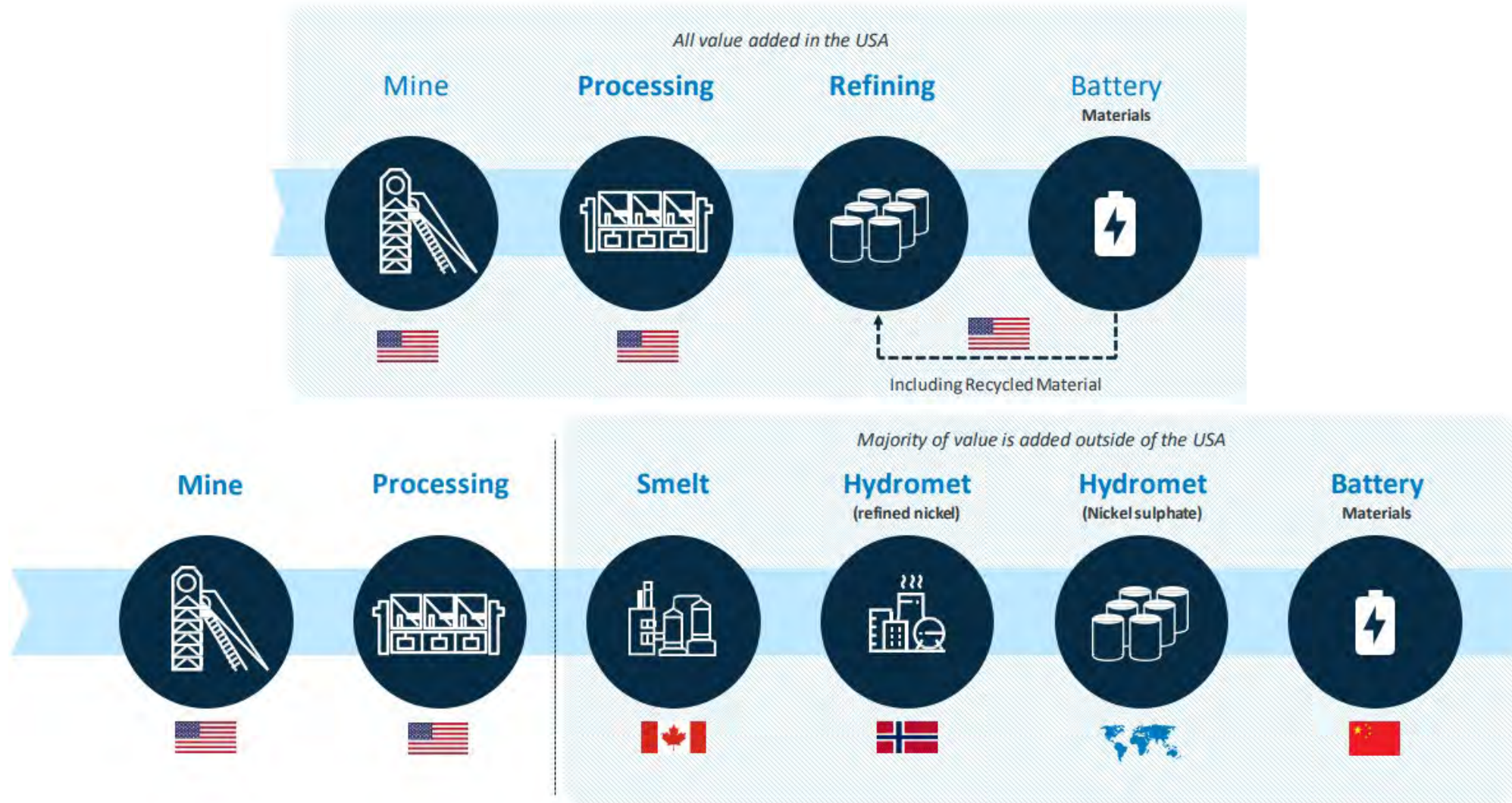
## Opportunities:

- Source for Battery Metals Processing Plant



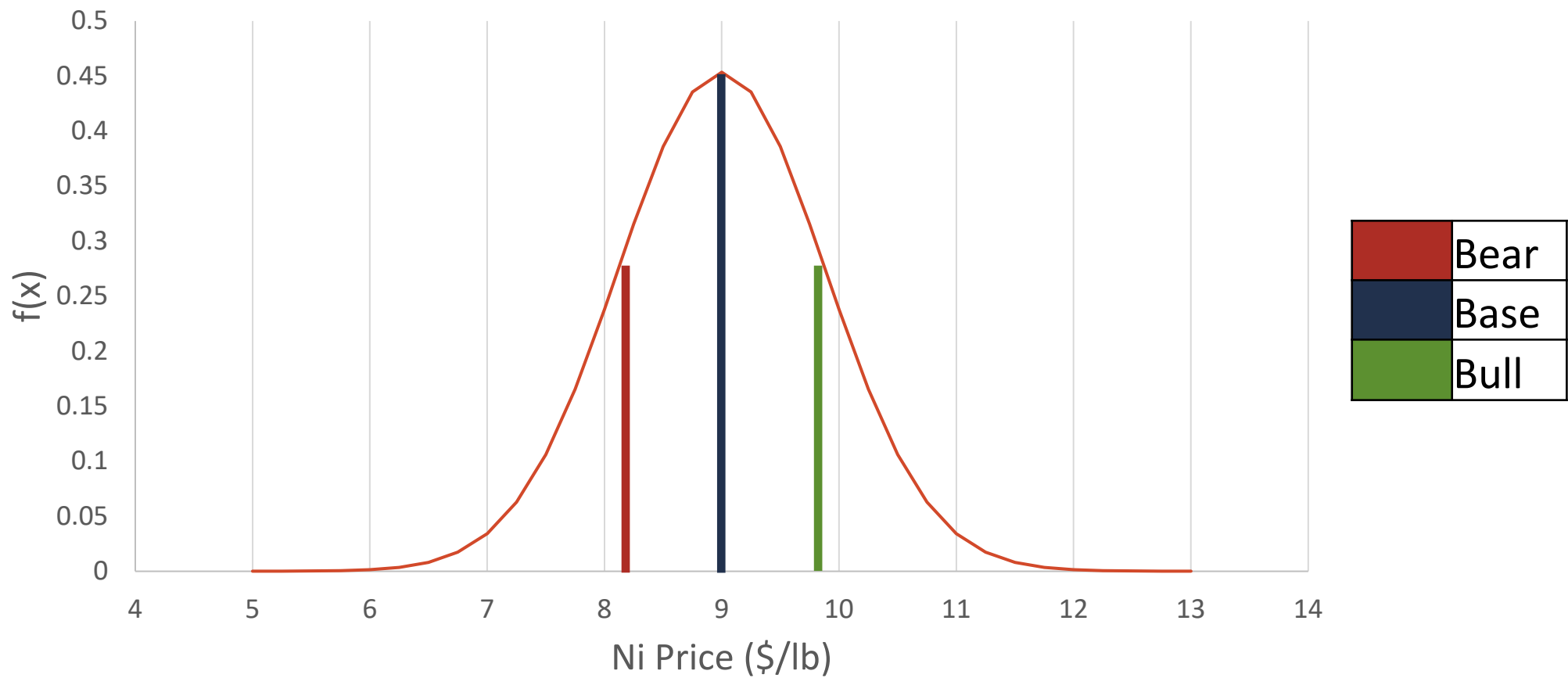


# Battery Production Efficiency

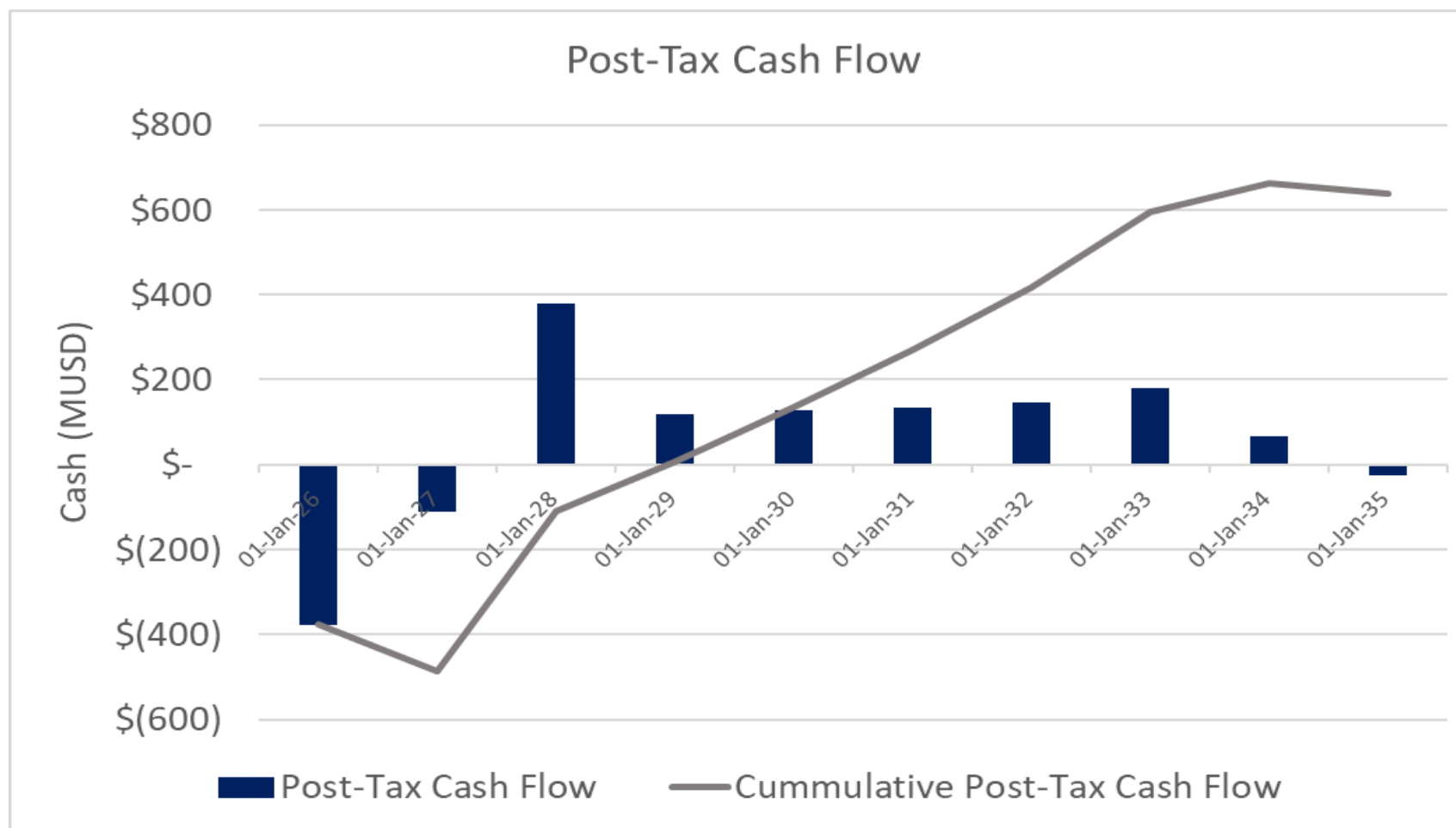


# Commodity Outlook - Probabilities

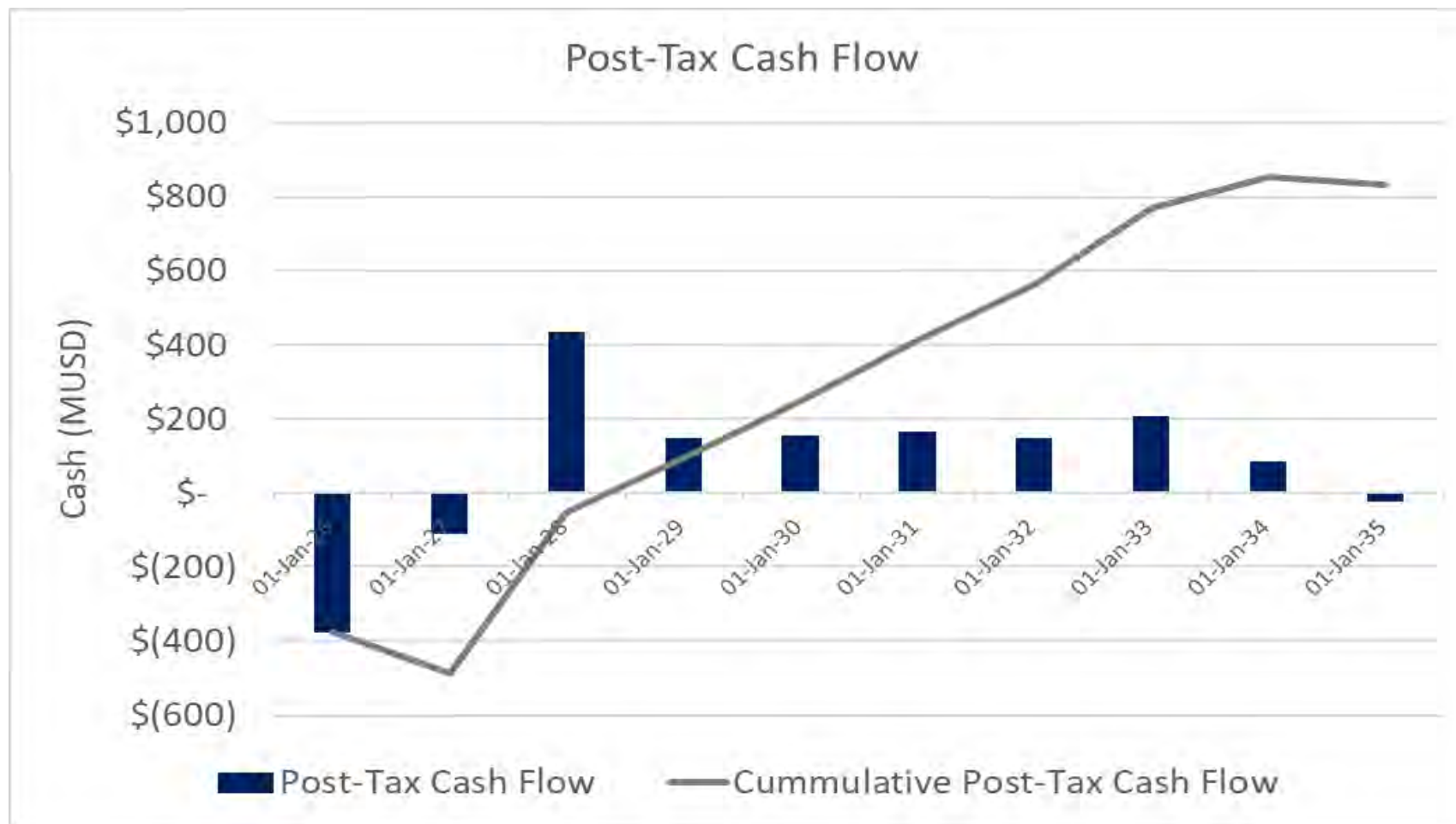
Nickel Pricing Scenario Distribution



# Talon Metals – Bear Case Cash Flow

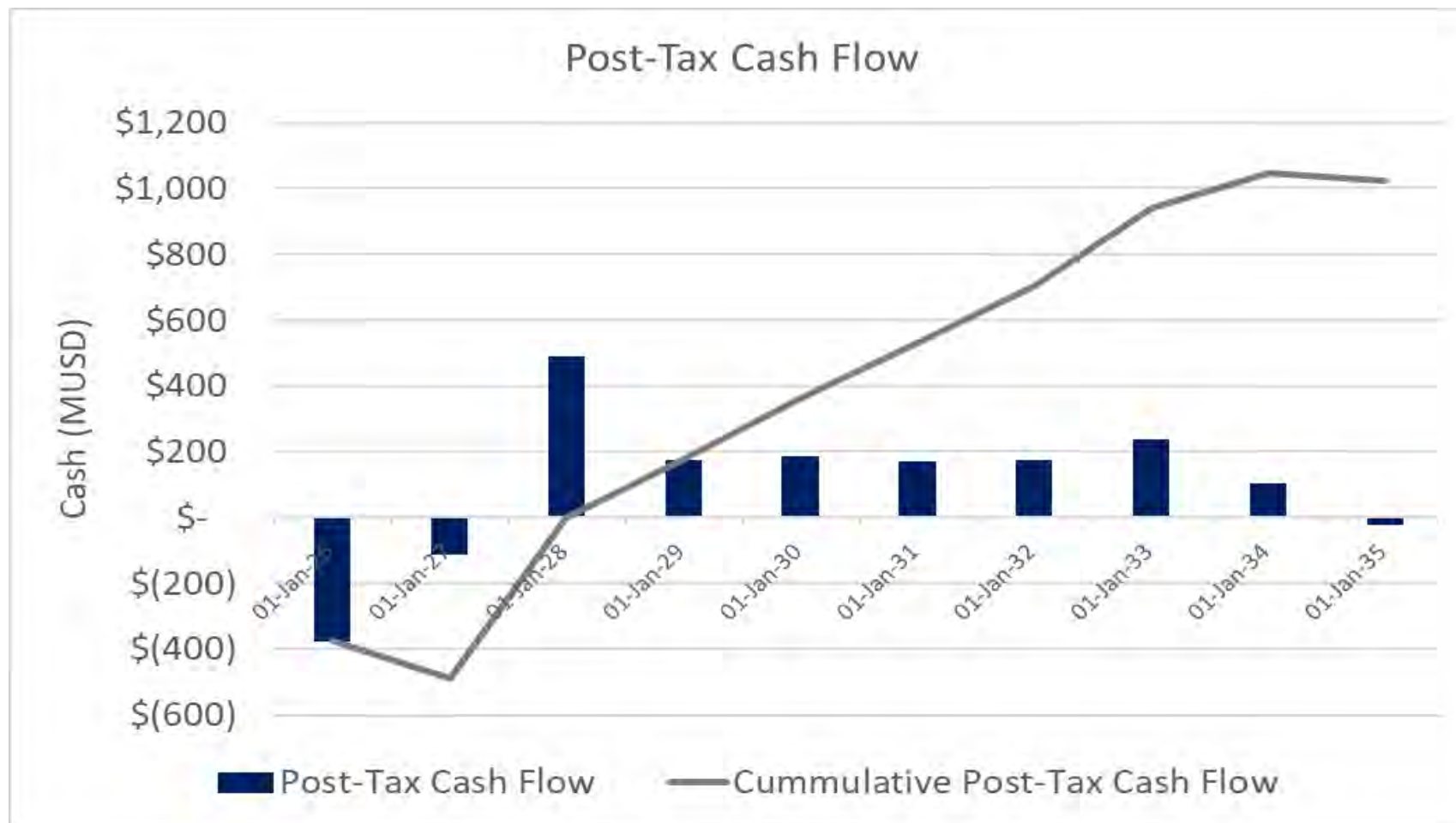


# Talon Metals – Base Case Cash Flow





# Talon Metals – Bull Case Cash Flow



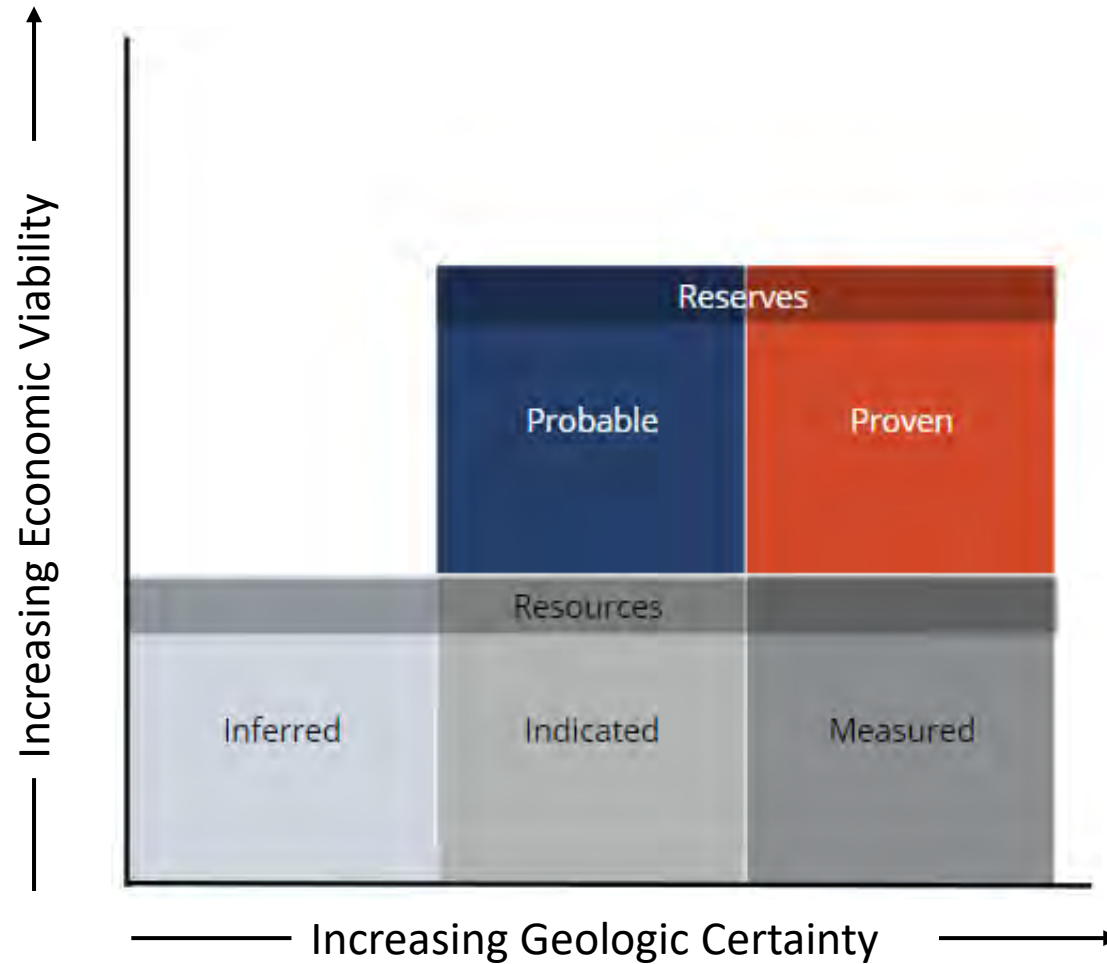
# Cash Flow Table

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# SME Resources and Reserves



# Comparative Analysis - Target Companies

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## Talon Metals

**TSXV:**

**Tamarack and Mercer County**

PEA

Nickel, Copper, and PGM's



## Magna Mining

**TSXV: NICU.V**

**Shakespeare and Crean Hill**

Feasibility Study and PEA

Nickel, Copper, and PGM's



## Canada Nickel

**TSX:**



















**Crawford Project**

Feasibility Study

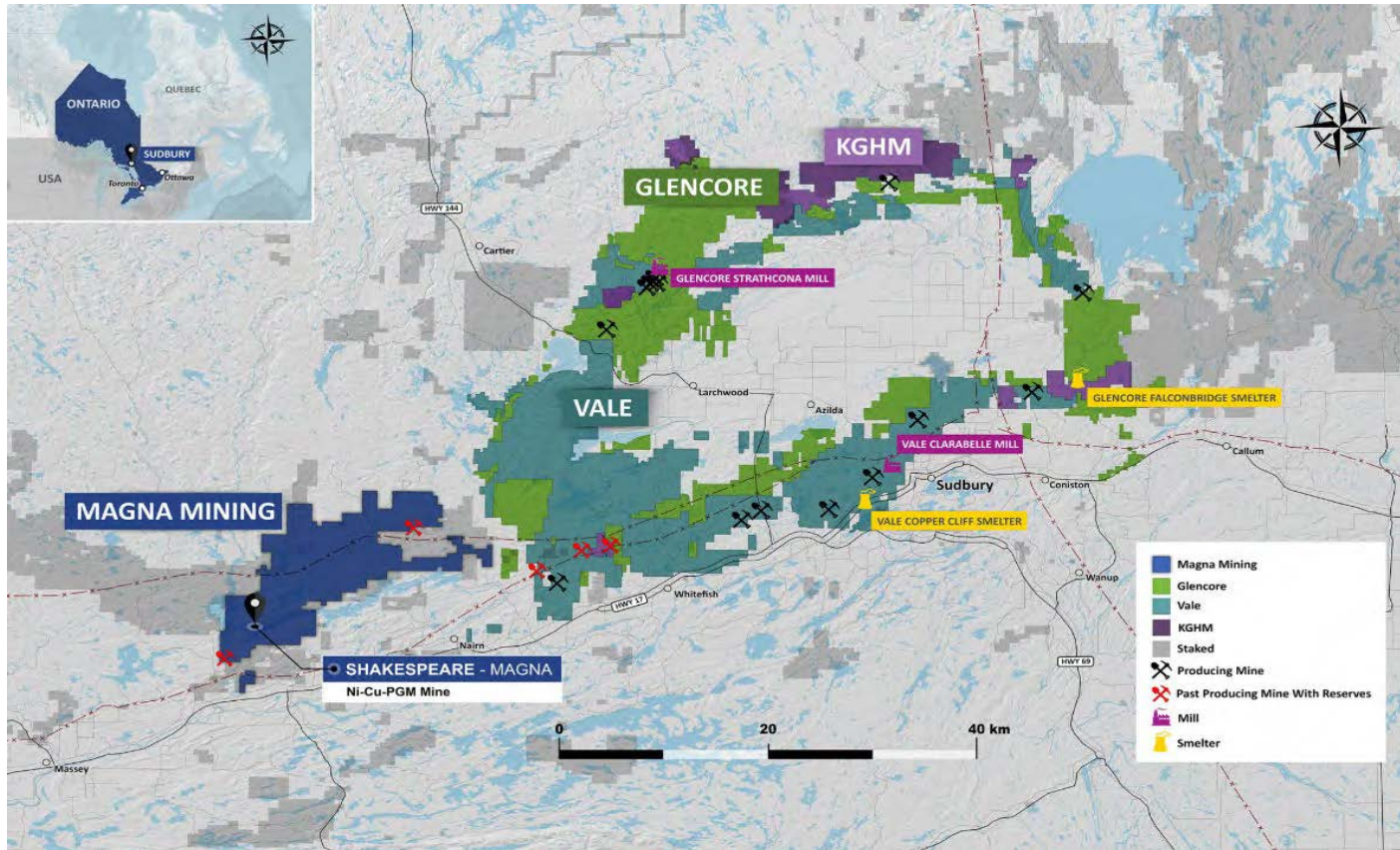
Nickel, Copper, and PGM's



# Comparative Analysis - Conclusions

	Project Status	Green Economy Focus	Institutional Investment	Project Feasibility	Exploration Potential	Project Risks
<b>Talon Metals</b>	PEA 	Electrified fleet & battery grade nickel 	Powerful players 	Likely feasible 	Open dip and great geophysics 	Funding risks 
<b>Canada Nickel</b>	FS 	Carbon capture 	Significant players 	Likely feasible 	Potential at Reid 	Significant recovery risks 
<b>Magna Mining</b>	Freshly released PEA & FS 	Nickel used for renewable energy 	Some institutional cash 	Feasible 	Crean Hill drilling program 	Funding and technical risks 

# Marquee Asset



***“A Past Producing Mine and an Exploration Portfolio in a World-Class Nickel District”***

## Deposit Geology

- The Ni-Cu-PGM Shakespeare deposit comprises mainly pyrrhotite, chalcopyrite and pentlandite with lesser pyrite.

## Location

- Shakespeare Township of Ontario

## Project Highlights

- The project is planned to have both open pit and underground operations.

## Notable Permits Obtained

- Construction of a 4,500 tpd mill
- The recommencement of open pit mining.
- Surrounding 180 sqKm land package with high exploration potential.

**MAGNA**  
MINING INC.  
Source: Magna Mining Corp.

# Project Overview

## Project Ownership

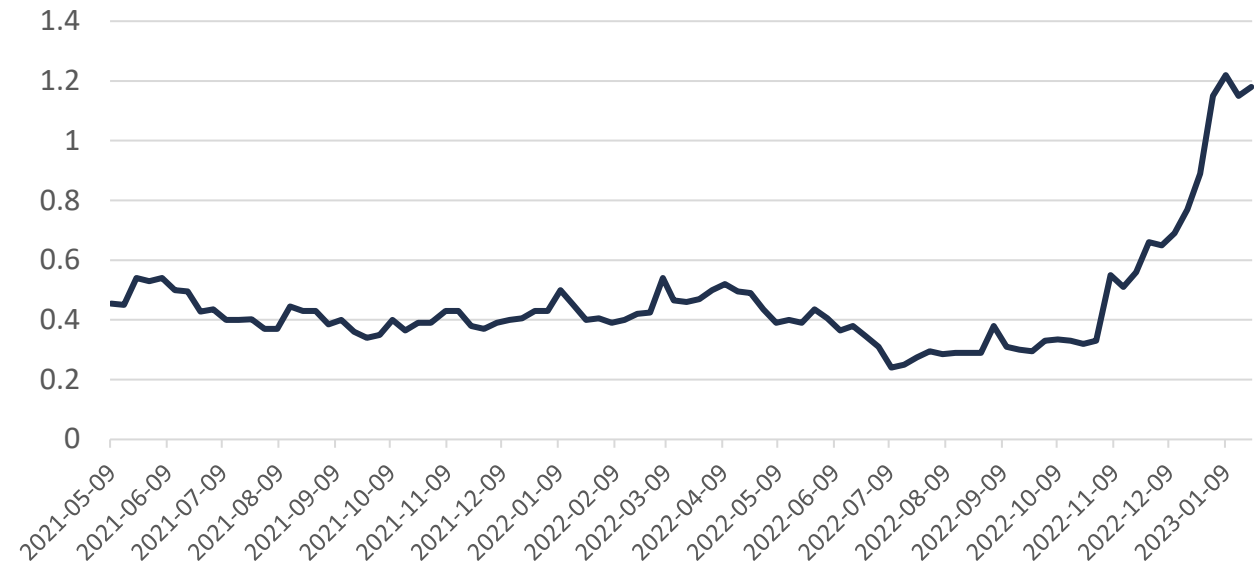
- Magna: 100% of Property
- Joint Venture with Glencore: 83.9/16.1 Magna

## Report Highlights

- Mine Life: 7.1 Years
- Post-Tax NPV<sub>6%</sub>: \$140M CAD
- Post-Tax IRR: 21.5%
- Payback Period: 3.5 Years
- CAPEX: \$242.1M CAD
- OPEX: \$471M CAD

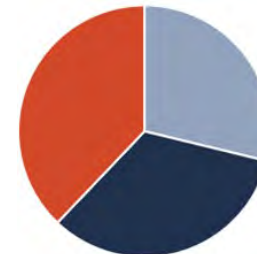
## Market Profile – TSXV: NICU.V

- Share Price: \$1.08
- Market Cap: 160.13M
- Shares O/S: 146.24M



## Company Ownership

- Public
- Institutions
- Insiders



## Notable Shareholders

- Dundee Corporation: 22%
- TFG Asset Management: 12.7%
- Mine Management Partners: 6.89%



# Project Overview

## Project Ownership

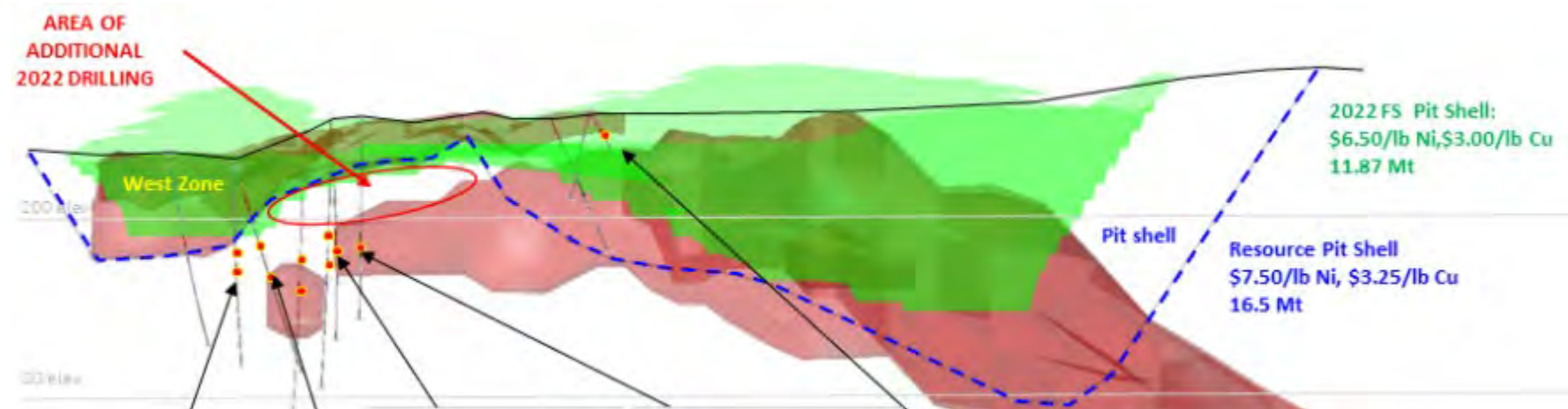
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Shakespeare Project	Tonnage (Mt)	Ni %	Cu %	Co %	Pt (g/t)	Pd (g/t)	Au (g/t)
Probable	11.87	0.33	0.35	0.02	0.32	0.36	0.18



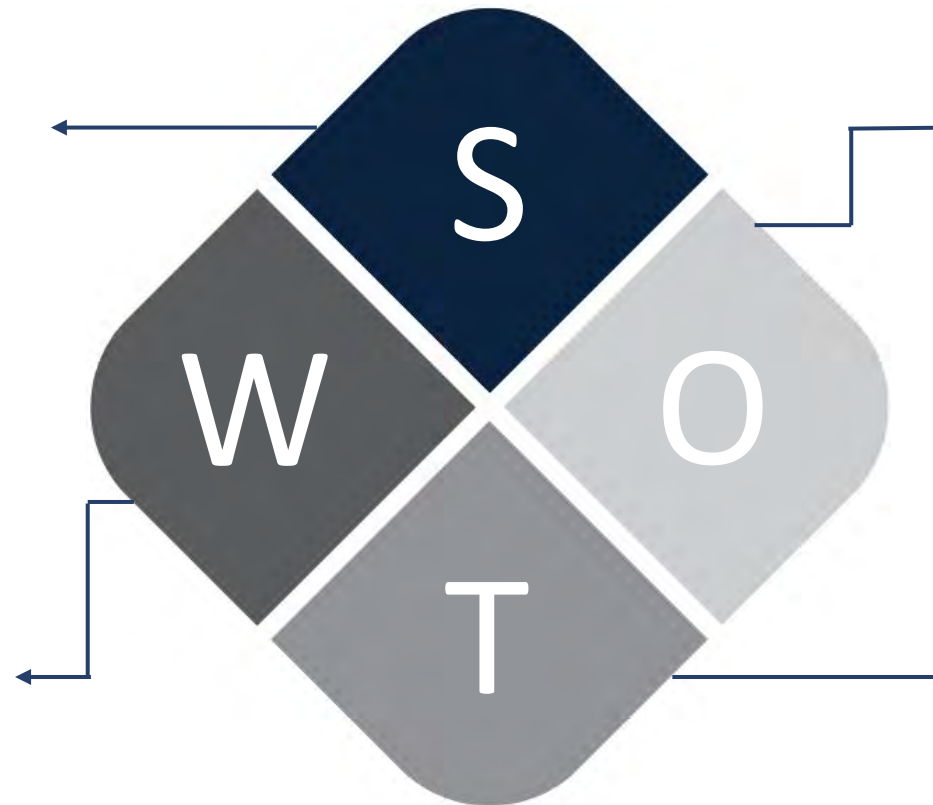
# SWOT Analysis

## Strengths

- Economic Viability
- Low CAPEX for Shakespeare Project
- Permits in Place for Mine and Mill

## Opportunities

- Expanding the resource with Crean Hill
- Critical Mineral Focus
- Potential Shakespeare Continuity



## Weaknesses

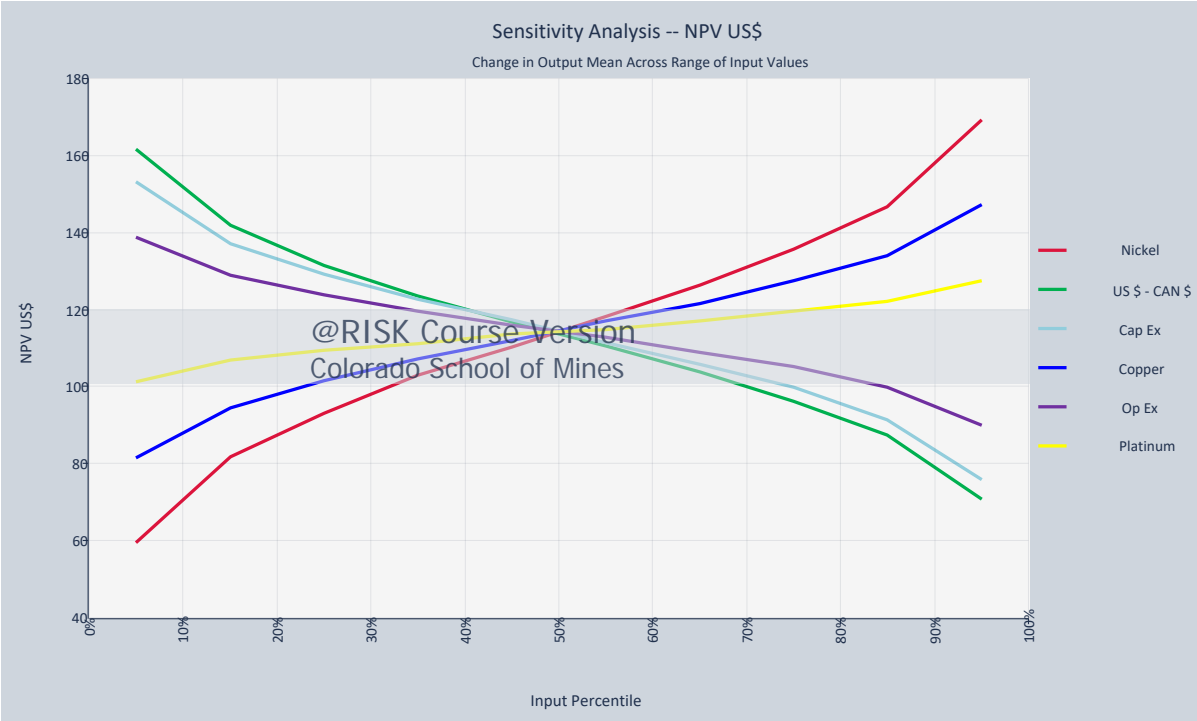
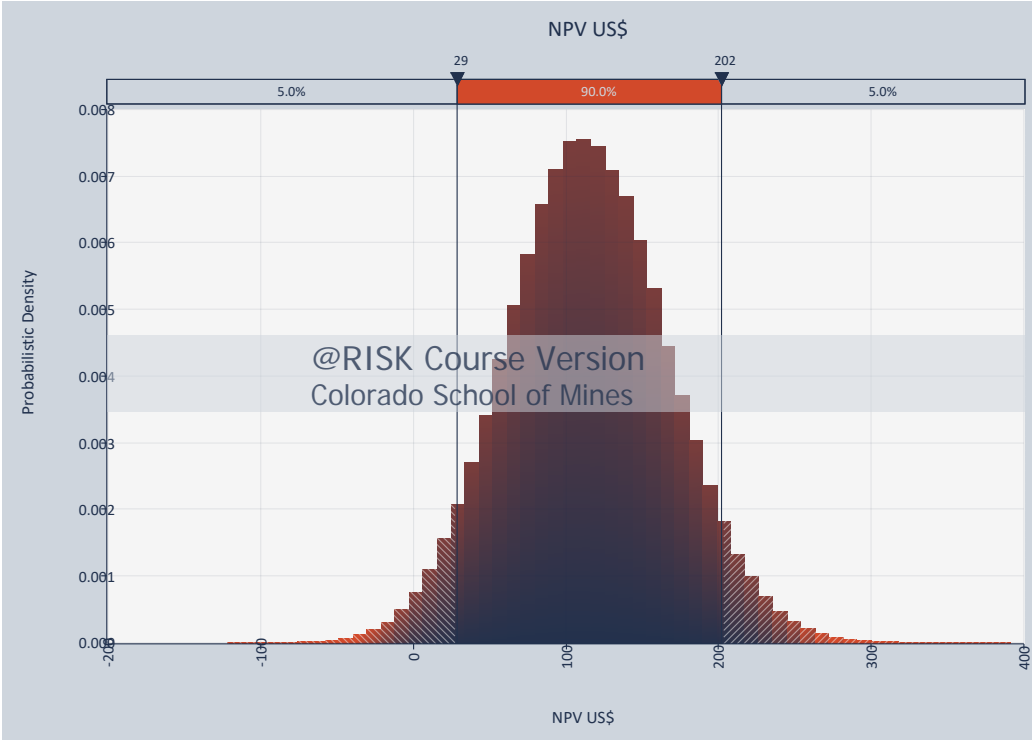
- Finite resource/mine life
- Highly Valued Stock
- Comparably Low NPV for Shakespeare Project

## Threats

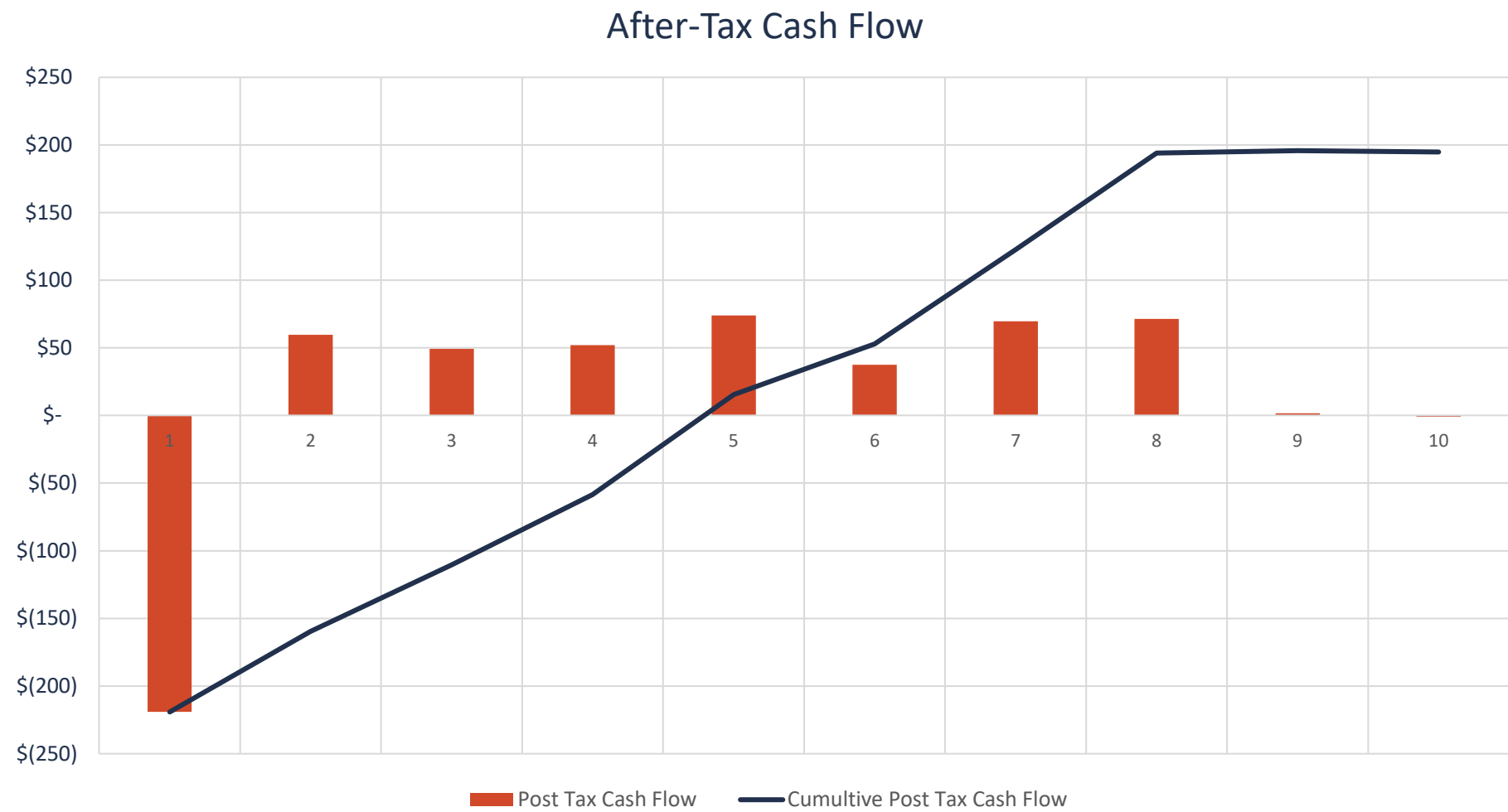
- Commodity Prices
- Crean Hill Permitting

TSXV: NICU.V

# Sensitivity Analysis



# Financial Model



# Crawford- Technical Issues

## Mt. Keith - BHP

- Recovery- 63%
- Average Grade- .55% Ni
- COG- 0.35% Ni

VS.

## Crawford – Canada Nickel

- Recovery- 41%
- Average Grade- .22% Ni
- COG- 0.09% Ni

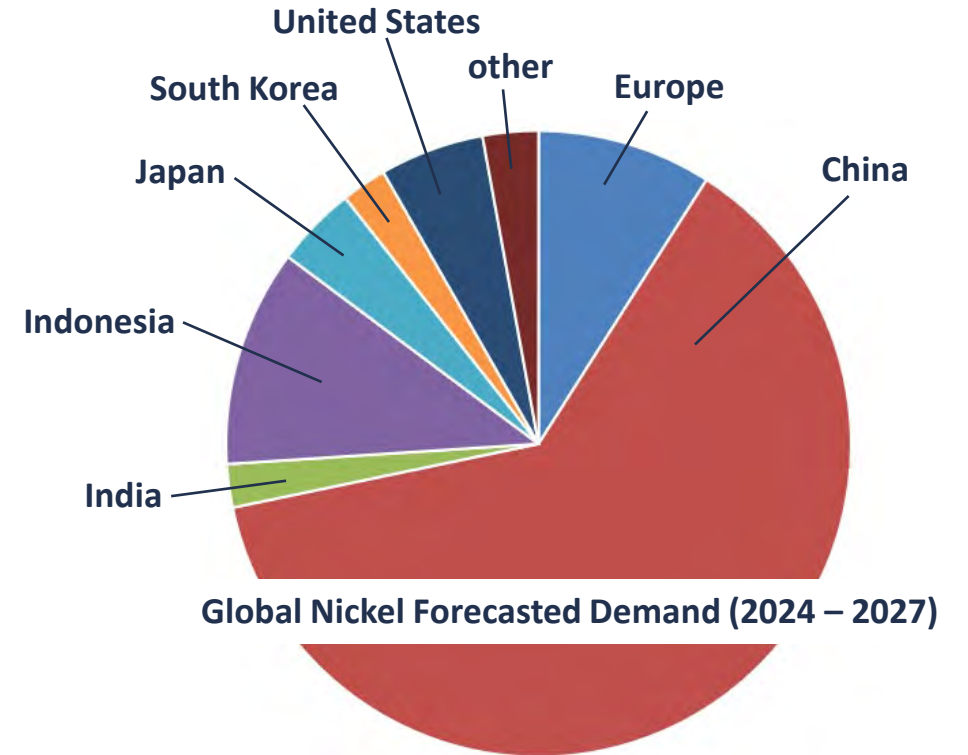
## Crawford OPEX- 2023 Feasibility Study

Area	Units	Phase 1	Phase 2	Phase 3	LOM Average
Mine – Tonnes Mined	C\$/t mined	2.22	1.82	0.00	1.96
Mine – Tonnes Milled	C\$/t milled	12.92	8.17	0.81	6.29
Tailings and Water Management	C\$/t milled	0.51	0.22	0.19	0.22
Process	C\$/t milled	6.99	6.81	6.83	6.82
G&A	C\$/t milled	2.58	1.10	0.47	0.98
Site Costs	C\$/t milled	23.00	16.30	8.30	14.32

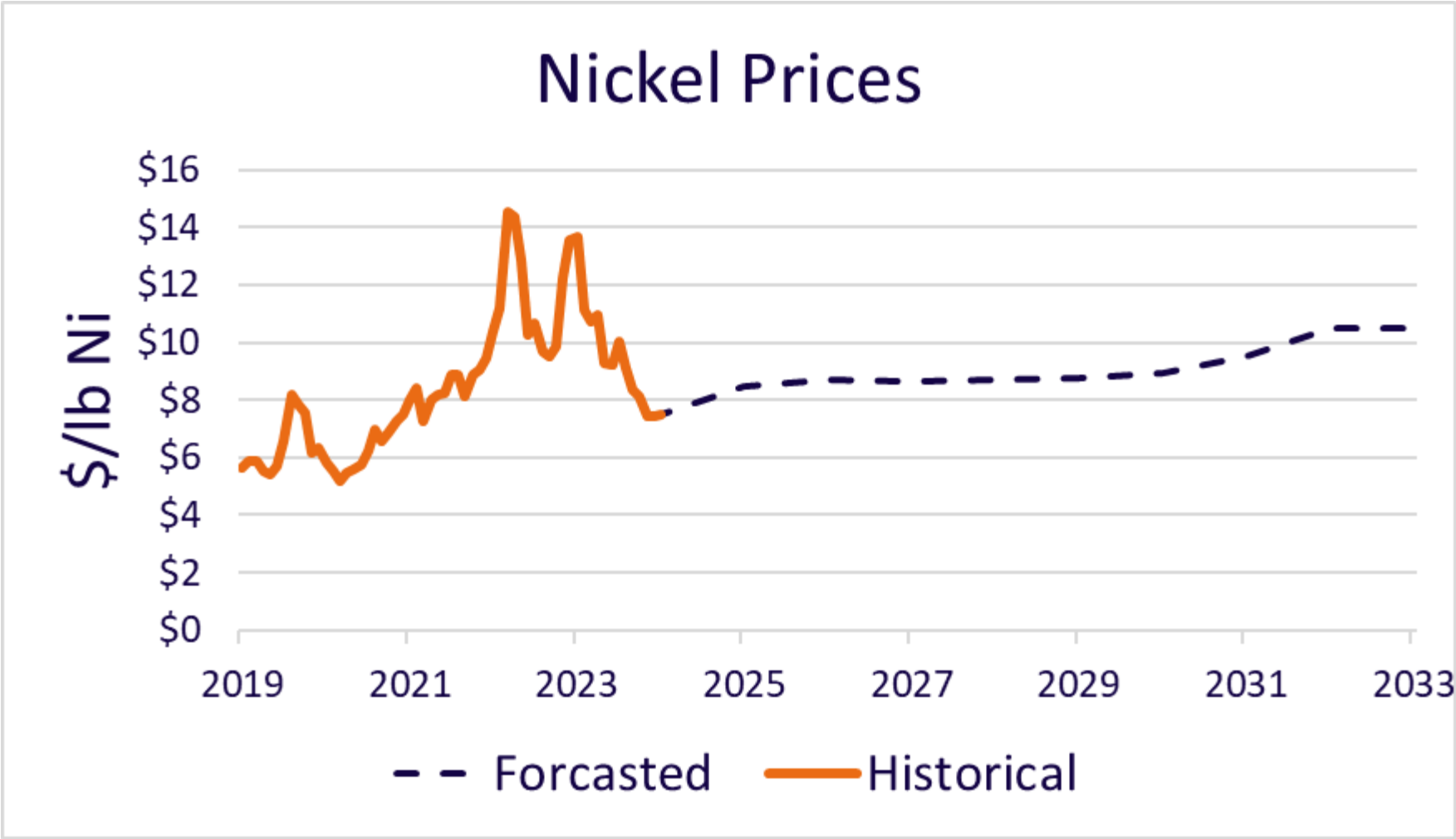
1. Too far along to accept "wrong" cost estimates
2. Overreliance on carbon credits for project feasibility

# Global Nickel Markets – USA's Demand

	2019	2020	2021	2022	2023-f	2024-f	2025-f	2026-f	2027-f
Africa	4.59%	3.84%	4.12%	3.62%	3.43%	3.72%	3.65%	3.75%	3.84%
South Africa	2.05%	1.86%	1.39%	1.11%	0.99%	1.08%	1.04%	1.06%	1.14%
Americas	16.88%	16.93%	15.35%	12.44%	9.80%	9.66%	9.90%	10.66%	10.25%
Brazil	2.38%	3.03%	2.96%	2.64%	2.47%	2.90%	3.14%	3.12%	3.00%
Canada	7.42%	6.26%	5.07%	3.88%	3.32%	3.38%	3.60%	4.56%	4.57%
Cuba	1.84%	2.01%	1.71%	1.47%	1.35%	1.27%	1.25%	1.21%	1.15%
United States	1.38%	1.42%	1.28%	1.07%	0.81%	0.50%	0.37%	0.28%	0.11%
Asia	50.74%	50.64%	57.07%	63.24%	67.25%	67.56%	67.62%	67.05%	68.16%
China	4.15%	5.06%	4.58%	3.55%	3.23%	2.90%	2.70%	2.53%	2.45%
Indonesia	33.82%	31.24%	37.73%	48.34%	53.14%	54.01%	54.35%	53.77%	54.72%
Philippines	11.98%	13.44%	14.10%	11.04%	10.41%	10.22%	10.17%	10.37%	10.63%
Europe	11.93%	12.31%	10.04%	8.79%	7.43%	8.08%	7.74%	7.23%	7.01%
Russia	9.16%	9.45%	7.45%	6.84%	5.80%	6.57%	6.41%	5.99%	5.82%
Oceania	15.86%	16.28%	13.42%	11.91%	12.08%	10.98%	11.09%	11.31%	10.73%
Australia	6.33%	6.91%	5.46%	4.81%	4.79%	4.78%	4.82%	5.31%	4.93%
New Caledonia	8.23%	8.00%	6.81%	6.04%	6.41%	5.43%	5.58%	5.36%	5.21%

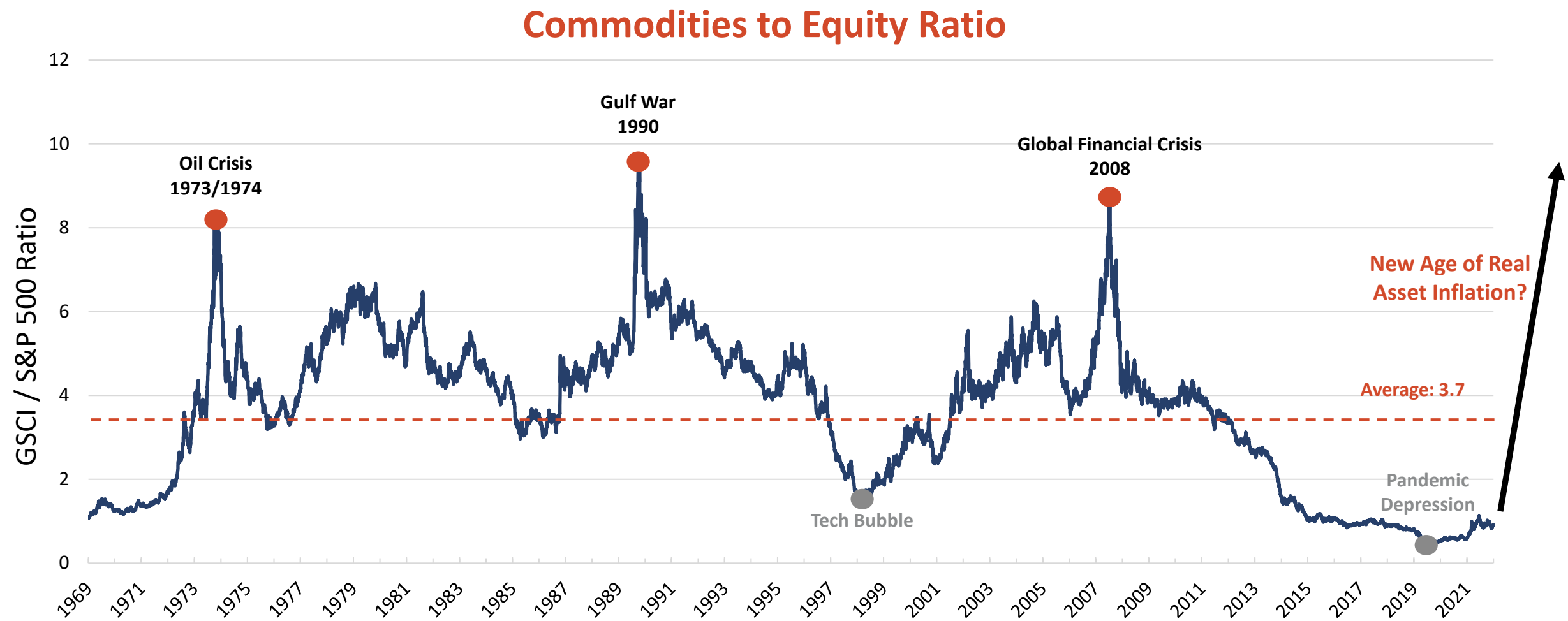


2019 2020 2021 2022 2023f 2024f 2025f 2026f 2027f

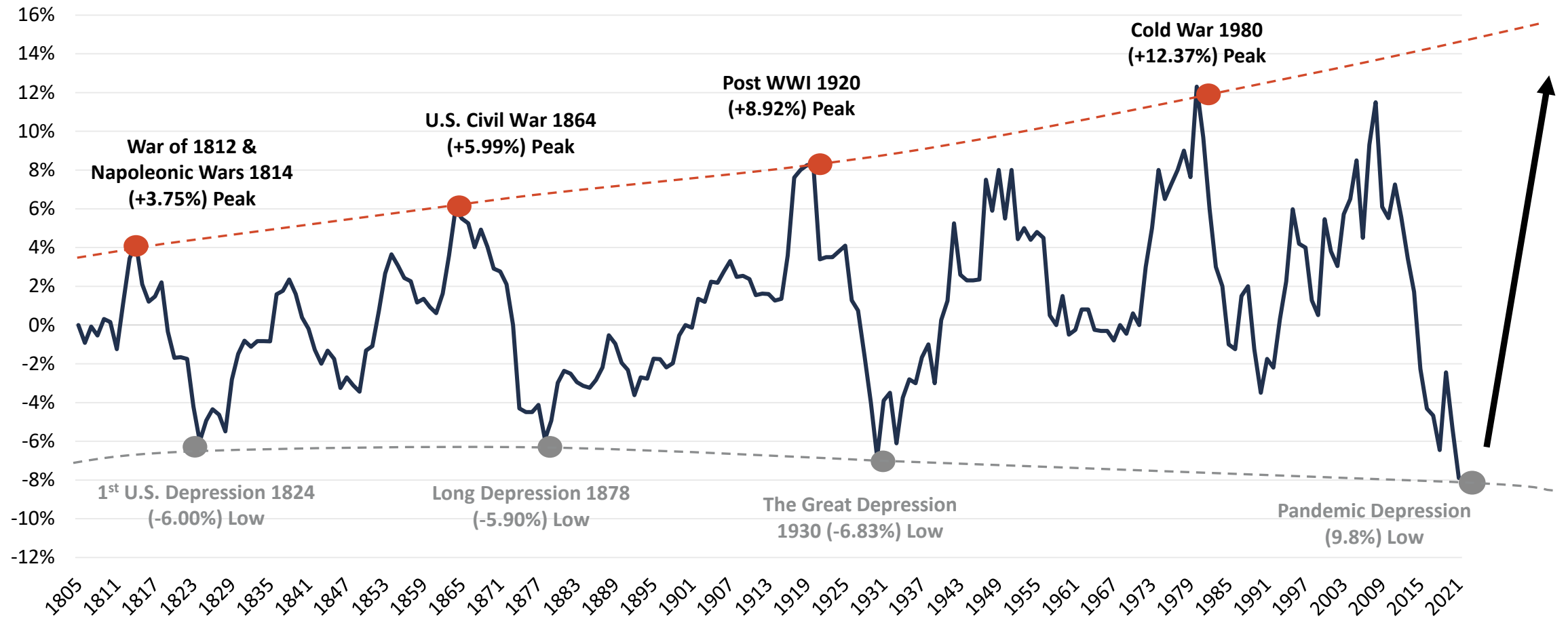




# Commodities Bouncing Off 50 Year Lows



# 10 Year Rolling Avg. Commodity Price Returns



Source: Bonanza Kings Capital

# Future of the Mining Industry

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## Trends Shaping the Way We Operate – Risks and Opportunities

