

COMPANY DESCRIPTION

Regarding listing on Nasdaq First North Growth Market

of

Swedish Depository Receipts

representing shares

in

FIRST NORDIC METALS CORP.

Nasdaq First North Growth Market is a registered SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland, Iceland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with Shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The respective Nasdaq exchange approves the application for admission to trading.

Important information

This company description (the "**Company Description**") has been prepared in connection with First Nordic Metals Corp. admission to trading of Swedish Depository Receipts ("**SDRs**") issued by the Company on Nasdaq First North Growth Market ("**Nasdaq First North**") in Sweden (the "**Listing**"). The SDRs' underlying instrument are common shares of the Company ("**shares**"), listed and posted for trading on the TSX Venture Exchange ("**TSXV**") in Canada, on the OTCQB Venture Market ("**OTCQB**") in the United States and on the Frankfurt stock exchange in Germany. In the Company Description, "**First Nordic**" or the "**Company**" refers to First Nordic Metals Corp. reg. no. BC0962826, or, depending on the context, the group in which First Nordic is the Parent Company (the "**Group**"). The "**Custodian**" refers to DNB Bank ASA, Sweden Branch, reg. no. 516406-0161, ("**DNB**").

The Company Description has been drawn up under the responsibility of the Company and has been reviewed by Nasdaq Stockholm AB. The Company Description does not constitute an offer to the public to subscribe for, or otherwise acquire, securities in First Nordic. The Company Description does not constitute a prospectus and has therefore not been prepared in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**"). The Company Description has therefore not been reviewed or approved and registered by the Swedish Financial Supervisory Authority in accordance with the Prospectus Regulation.

The Company Description and the associated material may not be distributed in or into Australia, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland or the United States or any other jurisdiction where such distribution would require additional Company Descriptions, registration or measures beside those required by Swedish law or is otherwise in violation of the regulations of such a country or such a jurisdiction. Persons receiving copies of this Company Description are required by the Company to inform themselves about and to observe all such restrictions.

The shares of the Company and the SDRs issued by the Company have not been registered and will not be registered under the United States Securities Act of 1933, as amended, (the "**U.S. Securities Act**"), or the securities legislation of any other state or other jurisdiction in the United States, and may not be offered, sold, or otherwise transferred, directly or indirectly, in or into the United States except under an available exemption from, or in a transaction not subject to, the registration requirements under the U.S. Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States. The shares of the Company and the SDRs issued by the Company have not been recommended, approved or disapproved by any United States federal or state securities or regulatory authority. Moreover, no such authority has confirmed the correctness or reviewed the suitability of the Company Description. Any representation to the contrary is a criminal offence in the United States.

The Company Description is only to be distributed and directed (i) to persons outside the UK, (ii) to professional investors covered by Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) (the "**Order**"), or (iii) to high net-worth entities under Article 49(2) (a)–(d) of the Order, and other persons to whom it can lawfully be communicated (all such persons being "**Relevant Persons**"). The Company Description is only directed to Relevant Persons and may not be used or referred to by persons who are not Relevant Persons. All investments or investment activities associated with this Company Description are available only to Relevant Persons and will be directed only to Relevant Persons.

Unless otherwise stated herein, no financial information in the Company Description has been audited or reviewed by the Company's auditor. Financial information relating to the Company in this Company Description, and that is not part of the information that has been revised or reviewed by the Company's auditor in accordance with what is stated herein, has been obtained from the Company's internal accounting or reporting system. Certain figures presented in the Company Description have been rounded, which means that the tables in the Company Description do not necessarily tally exactly. Moreover, certain percentages presented in the Company Description have been calculated based on underlying figures that were not rounded, which means that they may differ slightly from the percentages calculated based on rounded amounts. All financial amounts are in Swedish krona ("**SEK**") or Canadian dollar ("**CAD**" or "**\$**"), unless indicated otherwise. "**TSEK**" indicates thousand SEK and "**MSEK**" indicates million SEK. "**TCAD**" indicates thousand CAD and "**MCAD**" indicates million CAD.

Augment Partners AB ("**Augment Partners**") is acting solely on behalf of the Company and no other party in connection with the Listing. Augment Partners will not regard any other person (regardless of whether the person is a recipient of this Company Description) as its client in relation to the Listing and will not be responsible to anyone other than the Company for providing the protection afforded to clients of Augment Partners, nor for providing advice in relation to the Listing or any other transaction, matter or arrangement referred to in the Company Description.

FORWARD-LOOKING STATEMENTS

The Company Description contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, for example, contain wording such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "to the knowledge of" or similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements and opinions in the Company Description concerning future financial results, plans and expectations with respect to the Company's business and management, future growth and profitability and general economic and regulatory environment as well as other matters affecting the Company.

Forward-looking statements are based on current estimates and assumptions made according to the best of the Company's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including the Company's cash flow, financial position and results of operations, to differ materially from the results or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favorable than the results expressly or implicitly assumed or described in those statements. Accordingly, prospective investors should not place undue reliance on the forward-looking statements herein and are strongly advised to read the Company Description in its entirety, including the following sections: "Summary", "Risk factors" and "Business description and market overview", which include more detailed descriptions of factors that might have an impact on the Company's business and the market in which the Company operates. The Company cannot give any assurance regarding the future accuracy of the opinions set forth herein or as to the actual outcome of such statements.

In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Company Description may not occur. Moreover, the forward-looking estimates and forecasts derived from third-party studies referred to in the Company Description may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to: changes in general economic conditions, in particular economic conditions in the markets in which the Company operates, negative outcomes in ongoing and planned clinical trials, changes affecting interest rates, changes affecting currency exchange rates, changes in competition levels, regulatory changes and accidents or systemic delivery deficiencies. The Company expressly disclaims all obligations to update these forward-looking statements to reflect any changes in their expectations or any change in events, conditions or circumstances on which such statements are based upon unless required to do so by applicable law or Nasdaq First North Growth Market Rulebook for Issuers of Shares ("**Nasdaq First North Rulebook**"). All subsequent written and verbal statements about the future attributable to the Company or to persons acting on its behalf are fully made with reservations for the uncertainties stated above and those described elsewhere in the Company Description.

INDUSTRY AND MARKET DATA

The Company Description includes industry and market data pertaining to the Company's business and the market in which the Company operates. Such information is based on the Company's analysis of several different sources, including industry publications and reports. Information that has been obtained from third parties has been reproduced correctly, and as far as the Company is aware and can ascertain from the information published by the third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Such third-party information is identified by reference to its respective source. Neither the Company nor Augment Partners have independently verified and cannot give any assurances as to the accuracy of industry and market data contained in this Company Description. The Company Description contains a description of the risks associated with the Company's operations. The description is not exhaustive, and the risks are not the only risks to which the Company and its shareholders may be exposed. Other risks that are currently unknown to the Company, or which the Company currently does not consider to be material, may also adversely impact the Group's operations, earnings, and financial position. Such risks may also cause a considerable decline in the price of the Company's shares, and investors in the Company risk losing all or part of their investment.

TABLE OF CONTENTS

| | |
|--|-----|
| RISK FACTORS..... | 4 |
| BACKGROUND AND REASONS | 14 |
| BUSINESS DESCRIPTION AND MARKET OVERVIEW | 15 |
| SELECTED FINANCIAL INFORMATION | 27 |
| OPERATING AND FINANCIAL REVIEW | 30 |
| CAPITALIZATION, INDEBTEDNESS AND OTHER FINANCIAL INFORMATION | 35 |
| BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS | 38 |
| CORPORATE GOVERNANCE..... | 44 |
| THE UNDERLYING SHARES AND SHARE CAPITAL | 58 |
| THE CUSTODIAN, SDRS AND OWNERSHIP | 68 |
| ARTICLES..... | 73 |
| LEGAL CONSIDERATIONS | 124 |
| PRO-FORMA FINANCIAL INFORMATION | 130 |
| AUDITORS REVIEW OF PRO-FORMA FINANCIAL INFORMATION | 134 |
| DEFINITIONS | 135 |
| ADDRESSES | 138 |

Information about SDRs in First Nordic

| | |
|-------------------------|----------------------------------|
| Marketplace | Nasdaq First North Growth Market |
| First day of trading | March 21, 2025 |
| Trading symbol for SDRs | FNMC SDB |
| ISIN for SDRs | SE0023847785 |

Financial calendar

| | |
|---|-------------------|
| Annual 2024 unaudited financials and MD&A | March 31, 2025 |
| Annual 2024 audited financials and MD&A | April 30, 2025 |
| First quarter 2025 unaudited financials and MD&A | May 30, 2025 |
| Annual General Meeting 2025 | June 25, 2025 |
| Second quarter 2025 unaudited financials and MD&A | August 29, 2025 |
| Third quarter 2025 unaudited financials and MD&A | November 28, 2025 |

RISK FACTORS

This section describes the risk factors and significant circumstances considered to be material to First Nordic's operations and future development as well as First Nordic's securities. The risk factors relate to First Nordic's operations, industry, and markets, and include operational risks, legal risks, tax risks, financial risks, and risk factors related to the securities. The assessment of the materiality of each risk factor is based on the likelihood of its occurrence and the expected magnitude of its adverse effects. The risk factors mentioned below are limited to risks that are specific to the Company and/or to the securities and that are material for making an informed investment decision.

The following description is based on information available on the date of this Company Description. The risk factors that are currently considered to be the most significant are presented first in each category, with the other risk factors presented in no particular order afterwards.

Risks related to First Nordic's operations and market

Resource exploration and development projects are inherently speculative in nature

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. While the discovery of a mineral deposit may result in substantial rewards, few projects that are explored are ultimately developed into producing mines. Major expenditures are required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices (which are highly volatile and cyclical); and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental protection.

Assuming discovery of a mineral deposit that may be commercially viable and depending on the type of mining operation involved, many years can elapse from the initial phase of drilling until commercial operations are commenced. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or in mineral projects failing to achieve expected project returns.

Most of the above factors are beyond the control of the Company. The exact effect of these factors cannot be accurately predicted, but any one of these factors or a combination thereof may have a significantly adverse effect on the Company's business, its ability to obtain further financing and its ability to successfully develop its resources.

Successfully establishing mining operations and profitably producing gold cannot be assured

The Company has no history of producing gold. There can be no assurance that the Company will successfully establish mining operations or profitably produce gold from the Barsele Project (as defined below) or any other project.

The Barsele Project is in the exploration and evaluation stage and as a result, the Company is subject to all of the risks associated with establishing new mining operations and business enterprises including: (i) the availability of capital to finance construction and development activities is uncertain, may not be available, or may not be available at a cost which is economic to construct and develop a mine; (ii) the timing and cost, which can be considerable, to construct mining and processing facilities is uncertain and subject to increase; (iii) the availability and cost of skilled labour, consultants, mining equipment and supplies; (iv) the timing to receive any outstanding documentation, including permits, tax exemptions and fiscal guarantees required to commence construction and/or draw down on any loan facility that may be entered into by the Company in the future; and (v) the costs, timing and complexities of mine construction and development may be increased with the Barsele Project.

It is common in new mining operations to experience unexpected problems and delays during construction, development and mine start-up. Accordingly, there are no assurances that the Company's activities will result in profitable mining operations or that the Company will successfully establish mining operations or profitably produce gold at the Barsele Project or any of its future projects.

Accordingly, given the very preliminary stages of the Company's exploration activity, it is not possible to give any assurance that the Company will ever be capable of generating revenue at the current time, and the inability for the Company to generate revenue could have a material adverse effect on its business, results of operations, financial condition and/or prospects.

The Company's economic prospects and the viability of the Barsele Project is subject to changes in, and volatility of, the price of gold

A principal factor that will affect the Company's ability to successfully execute its business plan is the price of gold. There are numerous factors outside of the Company's control that may affect the price of gold including industrial and retail demand, central bank lending, sales and purchases of gold, forward sales of gold by producers and speculators, levels of gold production, short-term changes in supply and demand because of speculative hedging activities, confidence in the global monetary system, expectations of the future rate of inflation, the availability and attractiveness of alternative investment vehicles, the strength of the US dollar (the currency in which the price of gold is generally quoted), interest rates, terrorism and war, and other global or regional political or economic events or conditions.

The future trend in the price of gold cannot be predicted with any degree of certainty. The market price of gold affects the economics of any potential development project, as well as having an impact on the perceptions of investors with respect to gold equities, and therefore, the ability of the Company to raise capital. A decrease in the market price of gold and other metals could affect the Company's ability to finance exploration and development of the Barsele Project, which would have a material adverse effect on the Company's financial condition and results of operations and, potentially, result in dilution in its ownership interest in the Barsele Project. In addition, in the event the Company achieves exploration success leading to viable mining production, the Company's financial performance will be highly dependent on commodity prices and exchange rates. There can be no assurance that the market price of gold will remain at current levels or that such prices will improve or that market prices will not fall.

Mineral resource and mineral reserve estimates are only estimates and may not reflect the actual deposits or the economic viability of gold extraction

The estimation of mineral resources and mineral reserves is inherently uncertain and involves subjective judgments about many relevant factors. The accuracy of any such estimate is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Estimates may have to be re-estimated based on, among other things: (i) fluctuations in the price of gold; (ii) results of drilling; (iii) results of metallurgical testing, process and other studies including the grade and recovery of material; (iv) changes to proposed mine plans; (v) capital and operating costs; (vi) the evaluation of mine plans subsequent to the date of any estimates; and (vii) the possible failure to receive required permits, approvals and licenses. Actual recoveries of mineral products may differ from mineral resources and mineral reserves as reported due to inherent uncertainties in acceptable estimating techniques.

Even if a study confirms the economic viability of the Company's projects, there can be no guarantee that any of the projects will be successfully brought into production as assumed or within the estimated parameters in such feasibility study (e.g. operational costs and commodity prices) once production commences. Further, the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

Eventual actual production, revenues and expenditures with respect to any mineral resources and reserves will vary from estimates, and the variances may be material, particularly when an entity is still involved solely in exploration activity and significant uncertainties exist and could have a material adverse effect on the Company's business, financial condition and prospects to a much greater extent than might be expected for a larger enterprise.

The Company relies on its management team and the loss of one or more of these persons may adversely affect the Company

The Company's activities are managed by a small number of key individuals who are intimately familiar with its operations. Consequently, the success of the operations and activities of the Company is dependent to a significant extent on the efforts and abilities of this management team. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors. The Company does not have in place formal programs for succession of management and training of management. The loss of one or more of these key employees or contractors, if not replaced, could adversely affect the Company's profitability, results of operations and financial condition. Should any or all members of the existing management team resign from the Company, there can be no assurance that the directors will be able to replace such persons or replace them in a timely manner. Any such occurrence may materially and adversely affect the Company's profitability, results of operations and financial condition. At present, the Company does not maintain any "key man" life insurance.

The Barsele Project, if mining operations are established, will be subject to operational risks and hazards inherent in the mining industry

The Company does not have a project in pre or commercial production. Potential future mining operations will be subject to the risks inherent in the mining industry, including fluctuations in metal prices, exchange rates, fuel prices, costs of constructing and operating a mine as well as processing and refining facilities in a specific environment, the availability of economic sources of energy and the adequacy of water supplies, adequate access to the site, unanticipated transportation costs, delays and repair costs resulting from equipment failure, changes in the regulatory environment (including regulations relating to prices, royalties, duties, taxes, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands), and industrial accidents and labor actions or unrest. The occurrence of any of these factors could result in detrimental delays or stoppages to the development of a project and, as a result, materially and adversely affect the Company's business, financial condition, results of operations and cash flow.

Unanticipated grade and tonnage of ore to be mined and processed, unusual or unexpected adverse geological or geotechnical formation, or unusual or unexpected adverse operating conditions, slope failure, failure of pit walls or dams, fire, and natural phenomena and "acts of nature" such as inclement weather conditions, floods, or other conditions may be encountered in the drilling and removal of ore. These occurrences could result in damage to, or destruction of, mineral projects or production facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company may incur liability as a result of pollution and other casualties and may not be able to insure fully or at all against such risks, due to political reasons, unavailability of coverage in the marketplace or other reasons, or may decide not to insure against such risks as a result of high premiums or for other reasons. This can result in delayed production and increases in production costs or liability. Paying compensation for obligations resulting from such liability may be very costly and could have an adverse effect on the Company's financial position, cash flows or prospects.

The mining industry is extremely competitive

The competition to discover and acquire mineral projects considered to have commercial potential is intense. The Company competes with other mining companies, many of which are larger and have greater financial resources than the Company, including with respect to the discovery and acquisition

of interests in mineral projects, financing of such projects, the recruitment and retention of qualified employees, securing other contract personnel and the obtaining of necessary equipment. There can be no assurance that the Company will be able to successfully compete against such companies.

Financial risks

The Barsele Project is subject to financing risks

The Company does not have a producing mineral project and no sources of operating revenue. The Company's ability to explore for and find potential economic projects, and then to bring them into production, is highly dependent upon its ability to raise equity and debt capital in the financial markets. There is no assurance that the Company will be able to raise the funds required to continue its exploration programs and finance the development of any potentially economic deposit, including the Barsele Project, that is identified on acceptable terms or at all. The failure to obtain the necessary financing would have a material adverse effect on the Company's growth strategy, results of operations, financial condition and prospects.

Development of the Barsele Project is dependent on the Company securing the required project financing in order to maintain its ownership interest in the Barsele Project and meet its capital commitments with respect to the joint venture with Agnico Eagle Mines Ltd ("**Agnico Eagle**"). No assurance can be given that the Company will be successful in achieving this.

Further, global financial markets continue to display increased volatility in response to global events. Increasing geopolitical tensions could have multiple unforeseen implications for the global financial markets. Future crises may be triggered by any number of causes, including natural disasters, pandemics, geopolitical instability, changes to energy prices or sovereign defaults.

If the Company is unable to raise additional funds as needed, the scope of its operations may be reduced and or its interest in its projects may be diluted or may expire and, as a result, the Company may be unable to fulfil its medium to long-term exploration and development program.

First Nordic has a history of losses and expects to incur losses until such time as the Barsele Project achieves commercial production

The Company has incurred losses since its inception. The Company incurred the following net losses for the past two fiscal years as follows:

- \$1,827,526 for the year ended December 31, 2023.
- \$1,665,625 for the year ended December 31, 2022.

The Company expects to continue to incur losses unless and until such time as the Barsele Project generates sufficient revenues to fund continuing operations. The development of the Barsele Project will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, cash calls by Agnico Eagle, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, and the Company's acquisition of additional projects, some of which are beyond the Company's control. There can be no assurance that the Company will ever achieve profitability.

Currency fluctuations may affect the Company's financial performance

Currency fluctuations may affect the costs of the Company's operations. Gold is sold throughout the world based principally on a US dollar price, but the majority of the Company's operating expenses are in non-US dollar currencies. Any appreciation of these non-US dollar currencies against the US dollar could negatively affect the Company's profitability, cash flows and financial position. The Company does not currently have a currency or gold hedging policy and does not have any hedges in place. Accordingly, the Company currently has no protection from declines in mineral prices and currency fluctuations.

Legal risks

The Company's operations are dependent on receiving and maintaining required permits and licenses

Continued operations at the Barsele Project are subject to Gunnarn Mining (as defined below) receiving and maintaining permits from appropriate governmental authorities for various aspects of exploration, mine development and ultimately mine operation. The exploration permits in respect of the Barsele Project have a defined lifespan and will eventually need to be renewed or converted to exploitation permits (see section *Legal considerations*, subsection *Regulations and permits necessary for the operations of the Company* for full list).

Where required, obtaining necessary permits is a complex, time-consuming and costly process. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with the exploration and development of the Barsele Project or the operation or further development of a future project. There is no assurance that all necessary renewals or extension of permits for future operations will be issued on a timely basis or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Company from proceeding with exploration operations or any future development projects.

Government decisions, regulations and permitting may have an adverse effect on the Company's activities

The Company's exploration and development activities are subject to a number of laws and regulations governing health and worker safety, employment standards, exports, price controls, taxation, waste disposal, management and use of toxic substances and explosives, protection of the environment, mine development, protection of endangered and protected species, reclamation, historic and cultural preservation and other matters. Failure to comply with applicable laws, regulations and permits may result in enforcement actions thereunder, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company may be required to compensate those suffering loss or damage by reason of its exploration activities and may have civil or criminal fines or penalties imposed for violations of such laws, regulations and permits.

For example, the County Administrative Board of Västerbotten in January 2024 proposed that an area including certain exploration rights for the Barsele Project should be declared to be *Protected Nature* (Sw. *Naturresevat*). Such a decision could materially have restricted the planned activities within the Barsele Project. After consultation, the proposal was however amended and the decision by the County Administrative Board of Västerbotten on November 21, 2024, to create the Protected Nature area Långselberget, stipulates that it does not restrict exploration activities relating to minerals within the area and other activities necessary to prepare an application for an exploitation concession (Sw. *Bearbetningskoncession*). There are no guarantees that similar decisions will not be made in the future that impacts the Company's business activities or that any existing decision, that may be appealed or otherwise changed, is not changed in a way that is negative for the Company.

Further, it is possible that future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes in legal requirements or in the terms and conditions of existing permits and agreements applicable to the Company or its projects (including retroactively), which could have a material and adverse effect on the Company's exploration activities, operations or planned exploration and development projects. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of exploration, development or mining operations or material fines, penalties or other

liabilities, any of which would have a material and adverse effect on the Company's financial condition, results of operations and prospects.

Minority interest in the joint venture with Agnico Eagle for the Barsele Project

The Company currently holds its 45 per cent interest in the Barsele Project through a joint venture with Agnico Eagle. The Company is therefore subject to the typical risks associated with joint ventures, including disagreement on how to develop, operate or finance the project and contractual and legal remedies of the Company's partners in the event of such disagreements. In addition, any limitation on the transfer of cash or other assets between the Company and such entities, or among such entities, could restrict the Company's ability to fund its operations efficiently. The Company is subject to all the risk attendant upon being the holder of a minority interest in such a joint venture. Any such limitations or the perception that such limitations may exist now or in the future, could have a material adverse effect on the Company's results of operations or financial condition. Pursuant to the terms of the joint venture agreement ("**JVA**"), Agnico Eagle's ownership interest in Gunnarn Mining AB ("**Gunnarn Mining**"), the joint venture company that holds the Barsele Project, will increase from 55 per cent to 70 per cent and the Company's interest in Gunnarn Mining will be reduced from 45 per cent to 30 per cent if and when Agnico Eagle contributes a pre-feasibility study on the Barsele Project to Gunnarn Mining. Such outcome could also have a material adverse effect on the Company's results of operations or financial condition.

Additionally, the Company is subject to risks that Agnico Eagle may: (i) have economic or business interests or targets that are inconsistent with the Company's; (ii) take action contrary to the Company's policies or objectives with respect to their investments, for instance by veto of proposals in respect of joint venture operations; (iii) be unable or unwilling to fulfil their obligations under the joint venture or other agreements; or (iv) experience financial or other difficulties. Any of the foregoing may have a material adverse effect on the Company's results of operations or financial condition.

The Barsele Project, and future projects, are subject to title risks

The Company has taken all reasonable steps to ensure that it, and its joint ventures and subsidiaries, has proper title to its projects. However, no guarantees can be provided that there are no unregistered agreements, claims or defects which may result in the titles of such projects being challenged. Should the Company lose any mineral titles at the Barsele Project or any of its future mineral projects, the loss of such legal rights could have a material and adverse impact on the Company and its ability to explore, develop and/or operate the mineral project.

The Barsele Project is subject to environmental risks which may affect operating activities or costs

Exploration programs and potential future mining operations, including the Barsele Project, have inherent risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Laws and regulations involving the protection and remediation of the environment, including those addressing emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations and the governmental policies for implementation of such laws and regulations are constantly changing and are generally becoming more restrictive, with the trend towards stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees.

Compliance with environmental laws and regulations may require significant capital or operational outlays on behalf of the Company and may cause material changes or delays in the Company's actual or intended activities. There can be no assurance that future changes in environmental regulations will not adversely affect the Company's business, and it is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the

Company's resources and business, causing the Company to re-evaluate those activities or estimates at that time. The Company cannot give any assurance that, notwithstanding its precautions and history of activities, breaches of environmental laws (whether inadvertent or not) or environmental pollution will not materially and adversely affect its financial condition and its results from operations.

Failure to continue to have strong local community relations may impact the Company

Mining companies face increasing public scrutiny and monitoring of their activities to demonstrate that operations will benefit local governments and the communities surrounding projects. Companies are required to expend significant amounts of time and money on local consultation and meetings as part of developing their "social license to operate". Potential consequences of this increased scrutiny and additional consultative requirements may include lawsuits, demands for increased social investment obligations and increased taxes to support local governments or fund local development projects or in extreme cases, significant local opposition to mineral exploration, project development and/or mining operations. These additional risks could result in increased costs, delays in the permitting process or other impacts on operations, any of which could adversely impact the Barsele Project and any future prospects and ability to develop or mine any mineral deposit.

Evolving anti-corruption laws may result in fines or other legal sanctions

The Company is required to comply with the *Corruption of Foreign Public Officials Act (Canada)* which has recently seen an increase in both the frequency of enforcement and severity of penalties. While the Company's code of ethical conduct mandates compliance with anti-corruption laws, there can be no assurance that the Company's internal control policies and procedures will always protect the Company from recklessness, fraudulent behavior, dishonesty or other inappropriate acts by its employees or contractors. Violation or alleged violation of anti-corruption laws could lead to civil and criminal fines and penalties, reputational damage and other harm that may materially adversely affect our financial condition and results of operation.

The Company's insurance coverage does not cover all of its potential losses, liabilities and damages related to its business and certain risks are uninsured or uninsurable

The Company maintains insurance to protect it against certain risks related to its current operations in amounts that it believes are reasonable depending upon the circumstances surrounding each identified risk. The Company may elect, however, not to insure against certain risks due to high premiums or for various other reasons.

Although the Company maintains insurance in amounts it believes to be reasonable, such insurance may not provide adequate coverage in all circumstances. No assurance can be given that such insurance will continue to be available at economically feasible premiums or that it will provide sufficient coverage for losses related to these or other risks and hazards. Should liabilities arise as a result of insufficient or non-existent insurance, any future profitability could be reduced or eliminated and result in increasing costs and a decline in the value of the Company's assets.

Conflict of Interest

Certain of the Company's directors and officers are, and may continue to be, involved in the mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Company. Situations may arise in connection with potential acquisitions or opportunities where the other interests of these directors and officers may conflict with the Company's interests. Directors and officers of the Company with conflicts of interest will be subject to and must follow the procedures set out in applicable corporate and securities legislation, regulations, rules and policies. Notwithstanding this, there may be corporate opportunities which the Company is not able to procure due to a conflict of interest of one or more of the Company's directors or officers.

Risks related to the SDRs and the Listing

Prospective investors should be aware that the value of an investment in the SDRs may go down as well as up and any fluctuations may be material and may not reflect the underlying asset value

The market price of the SDRs could be subject to significant fluctuations due to a change in sentiment in the market regarding the SDRs. The fluctuations could result from national and global economic and financial conditions, the market's response to the Listing, market perceptions of the Company and various other factors and events, including but not limited to regulatory changes affecting the Company's operations, variations in the Company's operating results, business developments of the Company and/or its competitors and the liquidity of the financial markets. Furthermore, the Company's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events could result in a decline in the market price of the SDRs.

SDR Holders are likely to experience dilution in their ownership of the Company

The Company today has 270,847,815 outstanding shares and is authorized to issue an unlimited number of shares pursuant to its constating documents. Capital raises in the future may be made through public or private equity financings or by raising debt securities convertible into shares, or rights to acquire these securities. Any such issues may exclude the pre-emption rights pertaining to the then outstanding shares. If the Company raises significant amounts of capital by these or other means, it could cause dilution for the Company's existing shareholders and SDR Holders (as defined below). Moreover, the further issue of shares and SDRs could have a negative impact on and/or increase the volatility of the market price of the shares and SDRs. Furthermore, the issue of additional shares and SDRs may be on more favorable terms than the Listing.

The Company may also issue further shares and SDRs, or create options over shares/SDRs, as part of any applicable employee remuneration policy, which could in aggregate create a dilution in the value of the shares and the SDRs and the proportion of the Company's share capital in which investors are interested. In addition, the issue of additional shares by the Company, or the possibility of such issue or exercise, may cause the market price of the shares and SDRs to decline and may make it more difficult for shareholders to sell shares or SDR Holders to sell SDRs at a desirable time or price.

Potentially volatile share price and liquidity

To fulfill the listing requirements of Nasdaq First North, First Nordic has arranged for mainly existing Swedish shareholders to be able to convert their shares to SDRs. At the time of the publication of this Company Description, the Company has approximately 190 SDR holders. Any holder of SDRs, may in accordance with the SDR General Terms and Conditions (see section *The Custodian, SDRs and Ownership* below), convert their SDRs back to shares.

Hence, an investment in SDRs traded on Nasdaq First North may be difficult to realize and carries a high degree of risk. The ability of an investor to sell SDRs will depend on there being a willing buyer for them at an acceptable price. The SDRs may be illiquid and, accordingly, an investor may find it difficult to sell SDRs, either at all or at an acceptable price.

Consequently, it might be difficult for an investor to realize his or her investment in the Company and he or she may lose all of he or she investment.

SDR Holders must rely on the Custodian to exercise rights attached to the underlying shares for the benefit of the SDR Holders

The rights of SDR Holders are governed by the terms of the SDR Agreement. As the registered shareholder, the Custodian has the power to exercise proxy voting and other rights conferred by Canadian law and the Articles of the Company on behalf of the relevant SDR Holder. Consequently, the SDR Holders must rely on the Custodian to exercise such rights for the benefit of the SDR

Holders. Although the SDR Agreement requires i) the Company to give notice of any meeting of shareholders and ii) DNB to give notice of the need to take any action in respect of any cash or other distribution or offering of any rights in respect of the shares, there can be no assurance that such notices, and consequently, all such rights and, entitlements, will at all times be duly and timely passed on or that such proxy arrangements will be effective.

There is no guarantee that the shares will continue to be traded on TSXV or that the SDRs will continue to be traded on Nasdaq First North

The Company cannot assure investors that the shares always will be traded on TSXV or that the SDRs always will be traded on Nasdaq First North, or that the shares and/or the SDRs are admitted to any other trading place or other exchange.

Nasdaq First North can inter alia decide to delist the SDRs from Nasdaq First North, should the actual trading volumes over time not provide a purposeful mechanism for establishing a price of the SDRs.

If the SDRs are delisted from Nasdaq First North, it may be difficult for an investor to sell its holding of SDRs. If either the shares or the SDRs are delisted, certain investors may also decide to sell their shares/SDRs, which could have an adverse impact on the price of the shares and SDRs.

The ability of SDR Holders to bring actions, or to enforce judgments, against the Company, its directors or officers, may be limited

The ability of a SDR Holder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in Canada. The rights of SDR Holders are directly governed by Swedish law and the SDR Agreement while the right of a shareholder in the Company is governed by Canadian law and the constitutional documents of the Company. Hence, the rights of a SDR Holder may differ from the rights of shareholders. A SDR Holder may not be able to enforce a judgment against some or all of the directors. Furthermore, it may not be possible for a SDR Holder to effect service of process upon the directors within the SDR Holders' country of residence or to enforce against the directors judgments of courts of the SDR Holders' country of residence based on civil liabilities under that country's securities laws. There can be no assurance that a SDR Holder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than Canada against the directors. In addition, Canadian or other courts may not impose civil liability on the directors in any original action based solely on foreign securities laws brought against the Company or the directors in a court of competent jurisdiction in Canada or other countries.

SDR Holders may be subject to exchange rate risks

The shares are priced in CAD, and the SDRs will be quoted and traded in SEK. In addition, any dividends the Company may pay will be declared and paid in CAD. Accordingly, SDR holders are subject to risks arising from adverse movements in the value of the SEK against the CAD, which may reduce the value of the SDRs, as well as the value of any dividends paid.

The shares are publicly traded on the TSXV and are subject to various factors that have historically made the share price volatile

The market price of the shares may fluctuate based on a number of factors. In addition to those factors listed in this Company Description, the following factors may cause the volatility of the shares to increase: (i) the Company's operating performance and the performance of competitors and other similar companies; (ii) the market's reaction to the issuance of securities or to other financing transactions, to the Company's press releases and other public announcements, and to the Company's filings with the various securities regulatory authorities; (iii) changes in valuations or recommendations by research analysts who cover the shares or the shares of other companies in the resource sector; (iv) changes in general economic conditions; (v) the arrival or departure of key personnel; (vi) acquisitions, strategic alliances or joint ventures involving the Company or its

competitors; (vii) variables not directly related to the Company's success and is therefore not within the Company's control; and (viii) the factors listed under the heading "*Forward Looking Statements*".

The effect of these and other factors on the market price of the shares on the TSXV has historically made the Company's share price volatile and suggests that the Company's share price will continue to be volatile in the future.

Dividends to SDR Holders

The Company has not, since the date of its incorporation, declared or paid any dividends or other distributions on its shares. The Company does not anticipate paying cash dividends on the shares, and hence indirectly to the SDR Holders, in the foreseeable future. The Company currently intends to retain all future earnings to fund the development and growth of its business. Any payment of future dividends will be at the discretion of the directors and will depend on, among other things, the Company's earnings, financial condition, capital requirements, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends, and other considerations that the directors deem relevant. Investors must rely on sales of their shares after price appreciation, which may never occur, as the only way to realize a return on their investment.

Securities or industry analysts

The trading market for shares and SDRs could be influenced by research and reports that industry and/or securities analysts may publish about the Company, its business, the market, or competitors. The Company does not have any control over these analysts and cannot assure that analysts will cover it or provide favorable coverage. If any of the analysts who may cover the Company's business change their recommendation regarding the Company's stock adversely, or provide more favorable relative recommendations about its competitors, the stock price would likely decline. If any analyst who may cover the Company's business were to cease coverage or fail to regularly publish reports on the Company, it could lose visibility in the financial markets, which in turn could cause the stock price or trading volume to decline.

BACKGROUND AND REASONS

First Nordic operates as a mineral explorer and is engaged primarily in the acquisition, exploration, and evaluation of mineral properties. First Nordic's operations are focusing on the exploration for gold on its properties in both Sweden and Finland. The Company is incorporated in Canada with its primary assets located in Sweden and Finland, the two leading European states in the production of metals. First Nordic is to its knowledge the largest development-stage holder in Sweden.

With the secondary listing on Nasdaq First North, First Nordic aims to strengthen its ties to the Nordic market. This strategic step is expected to strengthen the Company's visibility and appeal to a wider range of investors in the Nordic region, as well as enhancing the liquidity of the Company's securities.

The Company has ongoing exploration and mining projects in Sweden, and a local listing provides a unique opportunity to engage with Swedish investors who have a vested interest in the development of the country's mining sector.

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of Board meetings, auditors' records and other internal documents is included in the Company Description.

Vancouver in March 2025

First Nordic Metals Corp.

The Board of Directors

BUSINESS DESCRIPTION AND MARKET OVERVIEW

Organization

The legal name of the Company is First Nordic Metals Corp., its trading symbols are FNM (TSXV), FNMCF (OTCQB) and HEG0 (Frankfurt stock exchange) and the Company's LEI is 2549005410S0DTXUQ121. The Company's incorporation number is BC0962826. The Company is a Canadian public corporation, and its legal entity form is regulated by the laws of the Province of British Columbia and the *Business Corporations Act* (British Columbia) ("**BCBCA**"). The Company was incorporated with the BC Registry Services on February 20, 2013, originally under the name "Barsele Minerals Corp.". The Company's head office is located at Suite 300 - 1055 West Hastings Street, Vancouver, BC, Canada, V6C 2E9 and its registered address and records office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, Canada, V6C 2X8. The Company's website is <https://fnmetals.com/> and the phone number to the office is +1 (604) 687-8566. The information on the website is not part of the Company Description and such information has not been incorporated into the Company Description through reference.

Business description

The Company operates as a mineral explorer and is engaged primarily in the acquisition, exploration, and evaluation of mineral properties. First Nordic's operations are focusing on the exploration for gold on its properties in both Sweden and Finland. The Company is incorporated in Canada with its primary assets located in Sweden and Finland, the two leading European states in the production of metals. First Nordic is to its knowledge the largest development-stage holder in Sweden.

The Company was created in 2013 by its predecessor company Ores Minerals Inc. ("**Ores**") under the name Barsele Minerals Corp., where Ores spun its 45 per cent ownership in the Barsele Project (as defined below) to First Nordic. Following the spin out, the Company became listed on the TSXV on September 28, 2015. On October 19, 2021, the Company announced that its shares commenced trading on the OTCQB in the United States.

The Company changed to its current name, First Nordic Metals Corp., on March 20, 2024. The name change was undertaken in the wake of a statutory plan of arrangement (the "**Arrangement**") between the Company and Gold Line Resources Ltd. ("**Gold Line**"), pursuant to which the Company acquired all of the issued and outstanding common shares of Gold Line (the "**Gold Line Shares**") for consideration of 0.7382 of a common share of the Company for each Gold Line Share issued and outstanding immediately prior to closing of the Arrangement. The Arrangement was approved by Gold Line shareholders on February 15, 2024, consolidating a large and prospective gold exploration portfolio in the Nordics. The Arrangement provides increased opportunity to deliver cost efficiencies and remove duplicative costs by optimizing resources of the Company and provide for more efficient advancement of its assets as a single portfolio with a focus on delivering maximum value for shareholders. In connection with the Arrangement, a restructuring of the Company management was also carried out, resulting in the Company being led by an enhanced board and management team with a track record of success in exploration, development, mining operations, financing, and capital markets.

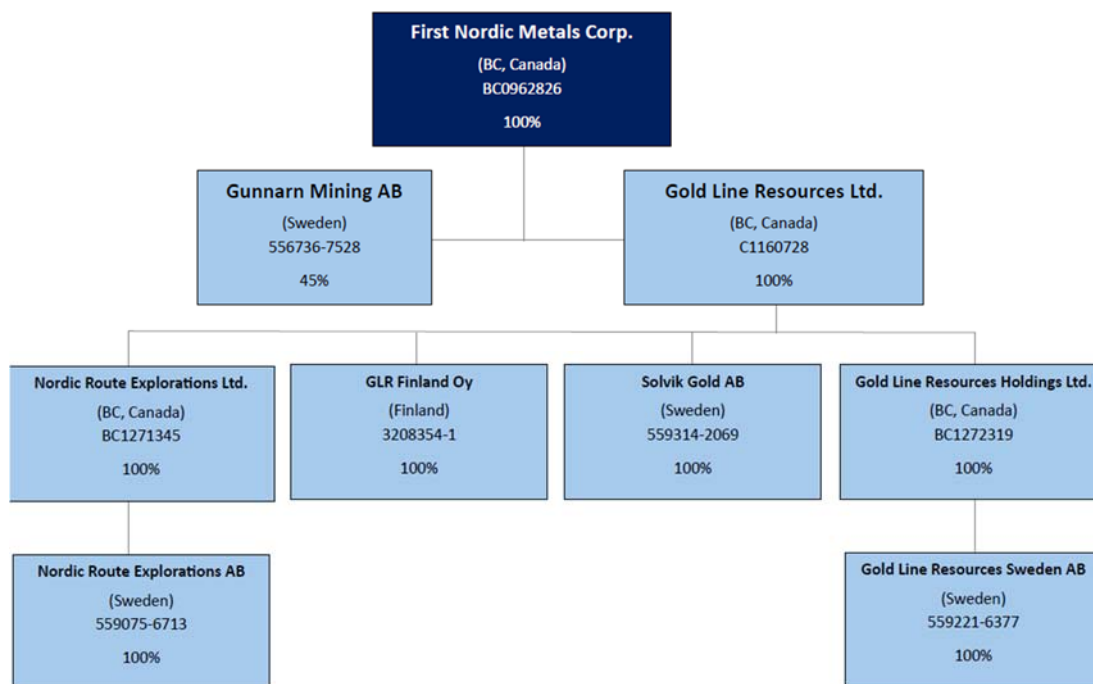
First Nordic's flagship is the Barsele gold project, located in Sweden and in a joint venture with senior gold producer Agnico Eagle. The joint venture is operated through the Swedish limited company Gunnarn Mining, in which First Nordic holds 45 per cent of the shares with the remaining shares being controlled by Agnico Eagle.

Immediately surrounding the Barsele Project, FNM is the sole owner of a district-scale license position comprised of three additional projects (Paubäcken, Storjuktan, Klippen), which combined with the Barsele Project, total 104,000 hectares on the Gold Line Belt. Additionally, in northern Finland First Nordic holds the entire underexplored Oijärvi Greenstone Belt.

Being an exploration business without producing mines, the Company will have no revenue and will have to rely on debt and/or equity financing as its major source of funding. If the Company is successful in its exploration activities and it is commercially viable for the Company to do so, it will seek to transition into an exploration and development business; this is the key assumption upon which the Company's business strategy is based.

Organizational Structure

First Nordic's organizational structure consists of one subsidiary and one minority holding in Gunnarn Mining immediately under the parent company. The subsidiary in its turn has six limited companies under its control, of which three are incorporated in Sweden, two in Canada and one in Finland.



Project Descriptions

The Barsele Project

The Barsele project, the Company's material mineral property, (the "**Barsele Project**") is located 40 km southeast of the town of Storuman in Västerbottens Län, a regional district of northern Sweden approximately 750 km due north of Stockholm. Exploration in the project area has been ongoing for more than 30 years. From 1985 to 2010, a total of 398 diamond drill holes (43,609 m) have been drilled by Northland Resources S.A., the former owner of the Barsele Project. On October 27, 2010, the Company's former parent company, Orex, announced the acquisition of the Barsele Project from Northland Resources S.A. On September 25, 2015, by way of a spin-out pursuant to a statutory plan of arrangement, the Company acquired Orex's 45 per cent interest in the Barsele Project and assumed all of Orex's rights and obligations under the joint venture agreement with Agnico Eagle and certain of its affiliates.

Since Agnico Eagle became operator of the project in late 2015, a total of 162,691 m of overburden penetration and core collection has been tabulated from a total of 433 drill holes. The average resource depth is 550 m but drilling has intersected strong grades down to 925 m and remains open in all directions. Geophysical results infer a continuity of granodiorite host rock to at least 2.0 km depth.

The Barsele Project is one of Europe's largest and highest-grade undeveloped gold deposits, hosting a combined open pit and underground NI 43-101 compliant Indicated resource of 324,000 Au ounces and an Inferred resource of 2,086,000 Au ounces.

The following table shows the Mineral Resource Estimate for combined open pit, underground bulk and underground selective mining methods scenario. The effective date of the Mineral Resource Estimate is February 21, 2019.

| Area (mining method) | Cut-off (g/t) | Indicated Resource | | | Inferred Resource | | |
|-----------------------|---------------|--------------------|-------------|----------------|-------------------|-------------|------------------|
| | | Tonnage ('000) | Au (g/t) | Ounces | Tonnage ('000) | Au (g/t) | Ounces |
| Open Pit | 0.5 | 3,452 | 1.32 | 147,000 | 1,819 | 1.59 | 93,000 |
| Underground Bulk | 1.5 | 1,442 | 2.53 | 117,000 | 8,759 | 2.58 | 728,000 |
| Underground Selective | 1.8 | 684 | 2.75 | 60,000 | 14,917 | 2.64 | 1,265,000 |
| Total | | 5,578 | 1.81 | 324,000 | 25,495 | 2.54 | 2,086,000 |

The Barsele Project currently consists of one block of 23 granted exploration permits and two exploitation concessions issued by the Mining Inspectorate of Sweden, for an aggregate area of 43,481.96 ha (434.8196 km²). There are 15 exploration permits registered in the name of Gunnarn Mining and five in the name of Agnico Eagle Sweden AB ("**AE Sweden**"). Applications have been submitted for one exploration permit for an area of 3,789.71 ha (37.90 km²), registered in the name of AE Sweden. The operating entity is AE Sweden, an indirect wholly owned subsidiary of Agnico Eagle.

The Barsele Project is located on the western end of the Proterozoic Skellefte Trend, a prolific volcanogenic massive sulphide deposits belt, that intersects with the Gold Line in Northern Sweden. Both polymetallic "VMS" deposits and intrusive hosted "Orogenic gold" deposits are present in this region and on this property. Current and past producers in the region include Boliden, Kristineberg, Bjorkdal, Svartliden and Storliden.

At Barsele, the main gold-bearing system remains open in all directions. The structurally linked gold mineralized lodes occur mainly within a granodiorite host and to a lesser extent, volcanic and sedimentary rocks. Multiple parallel to sub-parallel lodes that vary in width from 10 m to 100 m, combine for a maximum known thickness (including low grade-waste islands) of 425 m. The Avan-Central-Skiråsen zones have a strike length approaching 3.6 km and that same northwest trending structural corridor contains localized bodies with gold mineralization over an additional 4.4 km. The drill tested depth of the mineralized system approaches 1.0 km and remains open. Gold is generally associated with arsenopyrite and low base metal content and often occurs as native metal.

The Storjuktan Project

The Storjuktan Project consists of seven contiguous licenses covering 30,000 ha located in the northern portion Gold Line belt. Excellent infrastructure with regional highways, rail lines and hydroelectric dam all within 50 km of the license package The Storjuktan Project is a large, early-stage project strategically positioned north of the Barsele deposit. The project contains over 60 km of the regionally significant Gold Line structure which can be traced for over 200 km in regional geophysics data. All mineralization discovered to date shows a spatial relationship to this structural corridor, occurring mainly on second and third order splay structures.

Historic work on the Storjuktan project consists limited amounts of mapping, boulder sampling, stream sediment and till sampling, top of bedrock drilling and diamond drilling. Historic operators have intersected gold mineralization at Duobblonbäcken, Långtjärn, Storliden, and Nippas targets.

There is a high potential for expansion of known mineralization and new discoveries. Skärfonaset, Kalven, Stabburbäcken, Nymyran, Sikselberget are early-stage exploration targets that have clearly defined gold-in-till anomalies.

The geology of the Storjuktan project consists of an inverted volcano-sedimentary sequence intruded by small pre- to syn-kinematic granitic intrusions within a broad, anastomosing high strain structural corridor. Lithologies are regionally metamorphosed to upper greenschist and amphibolite grade facies, and gold mineralization is associated with intense sericite, carbonate, biotite, and calc-silicate alteration assemblages and sulphide minerals pyrite, arsenopyrite, and pyrrhotite. These lithological sequences are highly prospective for orogenic gold deposits.

The Paubäcken Project

The Paubäcken Project consists of three contiguous licenses covering 17,097 ha located in the central portion of the Gold Line belt. The Paubäcken Project is strategically positioned between Barsele and Fäboliden and borders the past producing Svartliden mine with an operating mill located three km to the southwest and features a regional shear zone with multiple untested gold anomalies. The Svartliden mine was in production from 2005 to 2015 and a total of 3.18 million tonnes of material grading 4.1 g/t Au was processed during its operation. The Project contains 22 km of the regionally significant Gold Line structure which can be traced for over 200 km in regional geophysics data. All mineralization discovered to date shows a spatial relationship to this structural corridor, occurring mainly on second and third order splay structures.

The Paubäcken Project hosts the Aida target, which is located three km northeast of the operating Svartliden plant. The Aida target consists of a >5 km shear corridor identified from magnetic geophysics data. Regional top of bedrock drilling in 2021 identified gold and path finder anomalism coincident with the structural corridor. A maiden drill program completed in November 2021 intercepted 22.5 m of 2.4 g/t Au in hole PAU-21-003 hosted within a sheared and altered basalt unit within the structural corridor.

The geology of the Paubäcken project consists of an inverted volcano-sedimentary sequence intruded by small pre- to syn-kinematic granitic intrusions within a broad, anastomosing high strain structural corridor. Lithologies are regionally metamorphosed to upper greenschist and amphibolite grade facies, and gold mineralization is associated with intense sericite, carbonate, biotite, and calc-silicate alteration assemblages and sulphide minerals arsenopyrite, pyrite, and pyrrhotite. These Lithological sequences are highly prospective for orogenic gold deposits.

The Klippen Project

The Klippen project is located in a southern extension of the Gold Line belt in northern Sweden. The geology consists of a sequence of inverted basin sediments and mafic volcanic rocks intruded by small syn-kinematic granitic intrusions within a broad, anastomosing high strain structural corridor. These lithological sequences are highly prospective for orogenic gold deposits and mineralization encountered to date is mainly hosted within a highly strained and altered syn-kinematic granodiorite measuring five km by 0.5 km. Gold mineralization mainly occurs as sulphide veins consisting of pyrite, arsenopyrite, chalcopyrite and pyrrhotite veins hosted within the highest strain zones of the granodiorite and minorly within highly strained sedimentary and volcanic units along the margins of the granodiorite. Mineralization is associated with intense sericite, carbonate, epidote and biotite hydrothermal alteration assemblages extending laterally into wall rock.

The Klippen Project consists of two contiguous licenses covering 10,400 ha located in the southern portion Gold Line belt. The project contains >15 km of an interpreted second order splay structure off the main Gold Line structural corridor. Historic work has identified a five km Au, As, Cu, Zn anomaly in shallow glacial till coincident with the structural corridor identified from airborne magnetic data. Follow up top of bedrock and diamond drilling have confirmed in situ mineralization under a small portion of the anomaly with several km of structural corridor so far untested.

The geology of the Klippen project consists of an inverted volcano-sedimentary sequence intruded by several pre- to syn-kinematic granitic intrusions within a broad, anastomosing high strain structural corridor. Mineralization on the project has been identified along high strain corridors along the margins of and within a highly deformed and altered granodiorite intrusion.

The Oijärvi Project

Located approximately 85 km east of Kemi, Finland, the Oijärvi Greenstone Belt is of late Archean-age, similar to those found elsewhere in Finland and in the Canadian Shield. It is approximately 35 km in length and is a relatively underexplored region, with only 217 holes, with an average depth of approximately 150 m, in closely situated clusters or fences, having been drilled outside of the drill defined Kylmäkangas deposit itself. Most of the historical drilling outside of the Kylmäkangas zone was completed by the Geological Survey of Finland (“GTK”) and represents a low drill density in an otherwise prospective “belt-scale” property.

The geology of the Oijärvi Greenstone Belt consists of a volcano-sedimentary package of mafic to ultramafic volcanic rocks and sediments metamorphosed to amphibolite facies. The structural architecture is well mapped using detail magnetic and electromagnetic geophysics data. The most prominent feature is the large and complex arcuate Karakha structural corridor that runs along the axis of the belt.

Regional and local scale zones of structural complexity (shear zones, faults, intersections, folds, jogs etc.) favourable for hosting potentially large gold deposits are present with many still untested and the broad and complex Karakha shear corridor remains open in all directions. One of the last drill holes drilled in 2010 intersected similar style mineralization as the Kylmäkangas deposit extending the zone approximately 1.8 km to the southwest. This may suggest that mineralization previously not identified exists along the entire shear zone. Regional exploration holes completed by Agnico Eagle intercepted mineralization with Au grades between 1-97 g/t Au at Kylmäkangas West, Karakha and Kompsa targets where strongly altered, pyrite mineralized, and gold anomalous felsic intrusive porphyritic rocks encountered.

The Kylmäkangas Project

The Kylmäkangas gold-silver deposit is the largest known gold occurrence in the underexplored Oijärvi Greenstone Belt. The Kylmäkangas deposit has a NI 43-101 compliant Indicated and Inferred resource of 311,000 AuEq ounces grading at 3.6 g/t AuEq published in 2022. A total of 19,580 m have been drilled on the deposit in 75 diamond holes.

The following table shows the Mineral Resource Estimate for Kylmäkangas with a cut-off of 1.5 g/t AuEq. The effective date of the Mineral Resource Estimate is July 25, 2022.

| Resource Classification | Mass Mt | Average Value | | | Metal content | | |
|-------------------------|-------------|---------------|-------------|------------|----------------|------------------|----------------|
| | | Au (g/t) | Ag (g/t) | AuEq (g/t) | Au ounces | Ag ounces | AuEq ounces |
| Indicated Resource | 1.07 | 4.1 | 35.4 | 4.6 | 143,000 | 1,220,000 | 159,000 |
| Inferred Resource | 1.63 | 2.7 | 15.2 | 2.9 | 142,000 | 795,000 | 152,000 |
| Total | 2.70 | 3.3 | 23.2 | 3.6 | 285,000 | 2,015,000 | 311,000 |

The Kylmäkangas deposit is a shear zone hosted orogenic gold deposit. The deposit is open at depth and down plunge, with potential for additional down dip zones. Known mineralization extends over a 1.5 km strike within a high-deformation shear corridor-oriented northeast-southwest, forming a second order splay off the main Karakha shear corridor. The deposit is hosted within an Archean

sequence of ultramafic to mafic volcanic rocks and biotite schists that are intruded by pre to syn-kinematic quartz-feldspar-porphyry felsic intrusions. The lithologies are intensely folded and sheared and metamorphosed to amphibolite facies. The deposit is located in a dilatational jog and controlled by rheological contrast along the margin of the felsic intrusion.

The current Mineral Resource Estimate is based on 67 holes drilled to an average depth of only 215 vertical meters, leaving considerable depth potential. Historical drill intercepts include 22.6 g/t of Au and 126.3 g/t of Ag over 11.0 m (estimated true width) at 102 m depth. As a next step, the Company plans on carrying out high resolution UAV (unmanned aerial vehicle) magnetic geophysics survey aimed at targeting similar anomalies along strike and on parallel shear corridors within the Oijärvi Greenstone Belt and diamond drilling to follow up on extensions of lodes and regionally.



Ongoing and planned investments

With the Barsele Project being developed by Agnico Eagle (see section *Equity investment - exploration and evaluation assets*), the Company has no material investments in progress, or planned, for which firm commitments have been made since the date of the last published financial statements.

Future challenges and developments

First Nordic's growth strategy is to carry out exploration and development of gold and other metal deposits. First Nordic is currently focused on early and advanced stage exploration to search for new discoveries and expand its mineral resources and, thereby, the Company's value.

Once the occurrence of sufficient resources has been established, the Company intends to conduct feasibility studies to demonstrate that a profitable mine can be constructed. If and when the Company could advance to the next phase of development, i.e. to a mining development company, including investments in the construction of a mine, the Company's board of directors (the "**Board of Directors**") may decide whether this should be done in-house, together with partners, or whether part of the project portfolio should be divested to a third party for further development under their auspices.

One challenge, in the event that the Company itself builds a mine, is that it requires large financial resources. The ability to obtain such financing is if the Company can establish the existence of a rich deposit in the coming years, so that when the choice comes to build a mine, the Company may have the opportunity for greater debt financing along with financing opportunities through equity to help

finance investments for its exploration plan, possibly through joint ventures with other mining companies.

Environmental issues and regulatory environment

The Company's exploration activities are subject to various laws and regulations in the jurisdiction in which it operates relating to the protection of the environment. Due to the early stage of the Company's activities, environmental protection requirements and the regulatory environment have had a minimal impact on the Company's capital expenditures and competitive position. If needed, the Company will make and will continue to make expenditures to ensure compliance with applicable laws and regulations. New environmental laws and regulations, amendments to existing laws and regulations, or more stringent implementations of existing laws and regulations could have a material adverse effect on the Company by potentially increasing capital and/or operating costs.

First Nordic complies with all applicable environmental regulations and legal requirements set by authorities and possesses the necessary permits for its operations. To the best of the Company's knowledge, no environmental issues have arisen or are expected to arise that would materially affect the Company's business, performance, or financial position.

Market Overview

Certain information set forth in this section has been derived from external sources, as well as publicly available reports from a variety of sources such as institutions and research firms. Industry surveys and publications generally state that the information contained therein has been derived from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Company believes that these industry publications, surveys and forecasts are reliable but has not independently verified them and cannot guarantee their accuracy or completeness. The projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences.

For centuries, gold has functioned as a store of value, as well as a form of money and it has been used to produce jewelry. Until recently, many economies used gold as the basis for international monetary standards, and it remains a popular investment tool.

Gold production

China remained the biggest gold producer with a 10.3 per cent share in global production in 2023.¹ Among the leading producers, the highest percentage growth was in South Africa (+15 per cent), Mali (+4 per cent) and Brazil (+4 per cent), mainly due to the general absence of any major production disruptions.² The largest decreases in mine output in 2023 were recorded in Sudan (-10 per cent), Indonesia (-6 per cent) and Mexico (-6 per cent). Countries with the largest gold mine reserves are Australia, Russia and South Africa.³

Gold production in Sweden in 2023 amounted to between 6.7 and 7.4 tons and production in Finland amounted to 9.0 tons.⁴

¹ World Gold Council, Global Mine Production 2023.

² World Gold Council, Gold Demand Trends Full Year 2023.

³ EY, Overview of the gold mining industry in Russia 2022; Statista: Mine reserves of gold worldwide as of 2023, by country.

⁴ Geological Survey of Sweden ("SGU"), Periodiska publikationer 2024:2: Statistics of the Swedish Mining Industry 2023; World Gold Council, Global Mine Production 2023.

Supply of and demand for gold

Supply

In 2023, the supply of gold increased by 3 per cent year-on-year to 4,898.9 tons, as a result of increased recycled output and a lack of any major production disruptions.⁵

Mine production, which represents the main source of gold supply, accounting for 74.3 per cent of the global supply of gold in 2023. Global mine production in 2023 reached a near all-time high, with a production of 3,644.4 tons, an increase by 1 per cent year-on-year.⁶ The increase in mine production output is mainly driven by the general absence of major production disruptions.

Another important source of the world's gold supply is scrap, which represented 25.3 per cent of the global gold supply in 2023. As a result of the increasing average gold prices, supply of gold from scrap increased by 9 per cent to 1,237.3 tons in 2023. After a decrease in 2022, producer hedging activity turned positive in 2023, with net hedging increasing to 17 tons.⁷

Demand

The demand for gold in 2023 decreased by 5 per cent year-on-year to 4,448.4 tons, as many areas recorded year-on-year declines.

The jewelry sector remained the largest consumer of gold accounting for 48.7 per cent of total demand. In this sector, demand for gold fell by 1 per cent year-on-year to 2,168.0 tons.⁸ The declining demand in the jewelry market was mainly attributable to a 6 per cent year-on-year decrease in demand from India, one of the leading jewelry manufacturing markets, resulting from the higher gold prices encouraging a trend for lighter-weight or lower-carat items, as well as a decrease in the volume of gold jewelry purchased.

Demand for gold in the industrial sector, comprising 6.8 per cent of total demand in 2023,⁹ continued to decline, registering a 4 per cent year-on-year drop mainly due to suffering demand for consumer electronics.

Demand from central banks was somewhat weakened year-over-year at 1,037.4 tons, amounting to 23.3 per cent of the total global demand in 2023,¹⁰ representing a decrease of 4 per cent compared to 2022. The decrease was softened by two large participants, China and Poland, increasing their gold reserves in a climate where gold's historical position is the major factor for central bank investments in gold.¹¹

Investment demand

The investment demand for gold includes the demand for gold bullion, coins, medals and "gold" exchange traded funds ("ETFs"). According to the World Gold Council's report, in 2023 net physical investments in bars and coins decreased by 3 per cent to 1,189.5 tons. As for ETFs, outflows from them continued in 2023 for the fourth consecutive year, at a quantity of 244.4 tons.

⁵ World Gold Council, Gold Demand Trends Full Year 2023.

⁶ World Gold Council, Global Mine Production 2023.

⁷ World Gold Council, Gold Demand Trends Full Year 2023.

⁸ World Gold Council, Gold Demand Trends Full Year 2023.

⁹ World Gold Council, Gold Demand Trends Full Year 2023.

¹⁰ World Gold Council, Gold Demand Trends Full Year 2023.

¹¹ World Gold Council, 2023 Central Bank Gold Reserves Survey.

Investment demand in physical bars and coins accounted for 26.7 per cent of the total global demand for gold and amounted to 1,189.5 tons. The largest contributor to the year-on-year growth in bar and coins investment was China. Europe saw a notable decrease in physical investments in gold.

Net outflow from ETFs in 2023 amounted to 244.4 tons compared to the outflow of 109.5 tons in 2014, although, due to the increasing price of gold, the global assets under managements (AUM) for gold products increased by 6 per cent in US dollar terms.¹²

Pricing and trading

Unlike most commodities, gold is not consumed, and most above-ground stocks of gold can be brought back to market. As a result, variations in new gold output from mines in any given time period may not have an immediate material impact on the gold price, as the amount of gold produced in any single year represents a small portion of the total potential supply of gold available for sale.

It is recognized that the price of gold historically has been significantly affected by macroeconomic factors, such as interest rate dynamics, inflation, exchange rates, reserve policy and the overall global political and economic situation. The reason for this is assumed to be that gold often is purchased as a store of value in periods of price inflation and weakening currency.

Exploration in Sweden – The Gold Line belt

Why mining in Sweden?

Mining is a traditional industry in Sweden. Its history extends back over a thousand years.¹³ Its metal ore and other mineral resources, and knowledge about how to use them, have been major factors in building the prosperity the country enjoys today. The historic Falun Copper Mine was for hundreds of years the most important industrial site in the country producing, at times, up to two-thirds of Europe's copper requirements.¹⁴

The following centuries saw deposits of base metals, gold, silver and iron ore discovered and exploited. Notable early discoveries include the giant iron ore mines of Kiirunavaara and Luossavaara discovered during the 1730's and operated today by Luossavaara – Kiirunavaara AB (LKAB). In 1924 prospecting in the Skellefteå district led to the discovery of the Boliden deposit and the foundation of Boliden Limited now listed in Toronto.¹⁵ Historical restrictions on foreign participation in Sweden's mining industry have led to its domination by a small number of large domestic mining companies. Until recently the State took a major role in the mining industry through State run exploration and the right to acquire a major stake in any new mining venture. In 1991 however, following a change in Government and an application to join the European Union, Sweden adopted new policies to encourage foreign investment including cuts in the level of taxation, better business conditions and the privatization of state industrial interests. These new policies extended to the mining industry with the lifting of foreign investment restrictions and the abolition of State participation in mining projects. A new mining law was introduced to give effect to these new policies.

The attraction of post 1991 Sweden has been recognized by a number of major exploration companies that have developed a significant exploration presence in recent years. First Nordic is to its knowledge the largest development-stage claim holder in Sweden with an interest in over 104,000 ha of mineral concessions along a contiguous +100 km strike length.

¹² World Gold Council, Gold Demand Trends Full Year 2023.

¹³ Svemin, En konkurrenskraftig och hållbar gruvnäring – Strategisk forsknings- och innovationsagenda för svensk gruvindustri och metallutvinnande industri 2022.

¹⁴ SGU, Historiska gruvor.

¹⁵ SGU, Historiska gruvor.

Sweden has had a long tradition of mining and has been one of the leading iron ore producers in the world since the 13th century.¹⁶ Sweden is the primary producer of iron ore in the EU, representing 93 per cent of all iron ore production in 2020.¹⁷ Furthermore, Sweden has significant shares of EU's total production of other metals, such as zinc (34 per cent), lead (33 per cent) and gold (19 per cent).¹⁸ In 2023, Sweden produced 7,4 tonnes of gold.¹⁹ Towards the end of the 1910's, Sweden had nearly 500 active mines. Sweden had 12 active mines in 2023.²⁰

Gold Line belt

The geology of the Gold Line belt consists of an inverted volcano-sedimentary sequence intruded by small pre- to synkinematic granitic intrusions within a broad, anastomosing high strain structural corridor. Lithologies are regionally metamorphosed to upper greenschist and amphibolite grade facies, and gold mineralization is associated with intense sericite, carbonate, biotite, and calcsilicate alteration assemblages and sulphide minerals pyrite, arsenopyrite, and pyrrhotite. The regional Gold Line structural corridor runs up the axis of the belt with many jogs, splays, and zones of structural complexity that are potential locations for dilation and deposition of gold bearing fluids. These lithological sequences are deemed to be highly prospective for orogenic gold deposits.

Exploration in Finland – The Oijärvi Greenstone Belt

Why mining in Finland?

The history of Finland's mining tradition dates back over a thousand years, mainly revolving around the exploration of iron ore, base metals and gold. In the early 20th century large discoveries of nickel in Petsamo and copper in Outokumpu lead to a notable upswing of Finland's mining industry. In more recent years, the statistics show that Finland's mining industry has matured into an important ground for mineral production: In 2019, Finland was the leading peat producer in the world, the second-ranked mica producer, and the sixth-ranked selenium producer.²¹ The same year, there were 11 metal ore mines and 35 industrial mines in Finland.²² By 2023, the number of active mines in Finland increased to 39.²³ Finland is the only member state to the EU that mines chrome and cobalt, and is by far the leading producer of various platinum group metals and nickel.²⁴

The first signs of gold were discovered in early 19th century, meanwhile the exploration for gold was limited to hobby mining and small-scale panning operations. It was not until the middle of the 20th century that a larger discovery of gold was made near the Sirkka village, Central Lapland Greenstone Belt, which was explored through a small mining operation. This and other similar early exploration attempts constituted the first step of research which eventually would lead to the Greenstone belts being identified and its potential recognised. During the later half of the 20th century and the early 2000's, three new gold mines were discovered in northern Finland: Saattopora (mined 1988-1995), Pahtavaara (mined 1996-2014) and Suurikuusikko (still operating, by Agnico Eagle Mines Ltd,

¹⁶ Svemin, En konkurrenskraftig och hållbar gruvnäring – Strategisk forsknings- och innovationsagenda för svensk gruvindustri och metallutvinnande industri 2022.

¹⁷ Copenhagen Economics, Economic Value of the Swedish Mining Cluster (2021).

¹⁸ Copenhagen Economics, Economic Value of the Swedish Mining Cluster (2021).

¹⁹ SGU, Mineral Statistics.

²⁰ SGU, Mineral Statistics.

²¹ U.S. Geological Survey, 2019 Minerals Yearbook – Finland (2023).

²² U.S. Geological Survey, 2019 Minerals Yearbook – Finland (2023).

²³ Finnish Mining Authority (Tukes), Review of mining authority Tukes on exploration and mining industry in Finland in 2023.

²⁴ FIIA, Briefing paper 384: Foreign investments, de-risking and the EU's green transition – Mining critical minerals in Finland (2024).

opened 2007).²⁵ In 2023 Finland produced nine tonnes of gold, which is representative of the country's production numbers this past decade.²⁶ With 78 per cent of Finland's mineral exploration being carried out in Lapland, this region constitutes the center of Finland's mining industry.²⁷ This is also true regarding the country's gold mining industry. Europe's biggest gold mine is operating in Lapland, northern Finland, meanwhile gold is mined also in eastern and southern Finland.²⁸

Finland has experienced a rapid growth in its mineral industry, there has been a major increase in the number of active mines and exploration projects as well as an influx of interest by foreign investors. Finland offers the exploration industry a favourable investment and operating environment with significant potential for new discoveries due to its resources in many aspects still being underexplored.²⁹ This is particularly true in regards of exploration for critical raw materials (“**CRMs**”) which are considered to be of high importance in ensuring the EUs economical, security and strategic geopolitical interests.³⁰ Cobalt constitutes an example of a CRM that is deemed to be highly unexplored in Finland – Cobalt usually accompanies gold and copper.³¹ Another significant factor in Finland's rising popularity is the large availability of geological data, that is provided by GTK.³²

During the course of its long history in the mining industry, Finland has also developed an internationally recognized manufacturing industry with regards to the mining sector, being internationally recognized as a leading supplier of technologies and services for the mining sector.³³ This, in combination with Finland's well-developed infrastructure and legislation as well as its diverse mineral potential, has made Finland a favoured country for targeting mineral operations.³⁴ This is evident when comparing the statistics on the trend regarding investment in ore prospecting: while the global index shows a slight decrease between 2022-23, investments in Finland have been on the rise and reached its all time high 2023 at 94 million euros invested in ore prospecting.³⁵

The Oijärvi Greenstone Belt

The crustal architecture of the Fennoscandian Shield is defined by the cyclic break up and assembly of the Archaean and Paleoproterozoic supercontinents, global processes which resulted in repeated development of geodynamic settings favorable for formation of orogenic gold deposits. The Oijärvi Greenstone Belt is an orogenic gold province and constitutes one of several greenstone belts in

²⁵ GTK, Geological Survey of Finland Special Paper 2007:44.

²⁶ World Gold Council, Gold Production by Country – Finland 2023; U.S. Geological Survey, Finland – Gold Production.

²⁷ Finnish Mining Authority (Tukes), Review of mining authority Tukes on exploration and mining industry in Finland in 2023 (2024).

²⁸ MINLEX, Country Report – Finland (2017).

²⁹ FIIA, Briefing paper 384: Foreign investments, de-risking and the EU's green transition – Mining critical minerals in Finland (2024); U.S. Geological Survey, 2019 Minerals Yearbook – Finland (2023); MINLEX, Country Report – Finland (2017); Finland's Minerals Strategy (2010).

³⁰ FIIA, Briefing paper 384: Foreign investments, de-risking and the EU's green transition – Mining critical minerals in Finland (2024); OECD, OECD Mining Regions and Cities Case Study – Outokumpu and North Karelia, Finland (2019).

³¹ Konnunaho et. al., Geoenery – A mining industry overview of cobalt in Finland – exploration, deposits, and utilization (2023).

³² Konnunaho et. al., Geoenery – A mining industry overview of cobalt in Finland – exploration, deposits, and utilization (2023); NAOF, publication series “Perspectives” 2/2021: Perspectives on sustainable mining in Finland (2021); MEAE, Sector Reports – Mining Sector (2018); PwC, The Finnish Mining Industry (2012).

³³ NAOF, publication series “Perspectives” 2/2021: Perspectives on sustainable mining in Finland (2021); MINLEX, Country Report – Finland (2017); Finland's Minerals Strategy (2010).

³⁴ NAOF, publication series “Perspectives” 2/2021: Perspectives on sustainable mining in Finland (2021); MEAE, Sector Reports – Mining Sector (2018); MINLEX, Country Report – Finland (2017); Finland's Minerals Strategy (2010).

³⁵ Finnish Mining Authority (Tukes), Review of mining authority Tukes on exploration and mining industry in Finland in 2023 (2024).

Finland.³⁶ The Oijärvi Greenstone Belt has non-subduction affinity with oceanic plateau type komatiites and basalts.³⁷ Greenstone belts are shallow (< 2-5 km) and possibly rootless with unknown basement. Moreover, they are typically tightly and upright folded whereas higher grade areas are often sub-horizontally deformed.³⁸

The Kylmäkangas Au-Ag deposit is the largest known gold occurrence in the underexplored Oijärvi Greenstone Belt. The historical drill results suggest that the Kylmäkangas zone remains open at depth and along strike towards the southwest and northeast, and the Oijärvi Greenstone Belt extends for a further 20 km northeast of Kylmäkangas and a further five km to the southwest. Additional analysis of the historical data provides evidence of several other parallel gold mineralized trends within the project perimeters.

Several of the drillings conducted in the Kylmäkangas zone have intersected significant gold values over large thicknesses. Mineralization is developed in and around swarms of orogenic-style quartz veins associated with quartz-feldspar porphyry intrusions, and with disseminated sulfides in sediments, the latter style of mineralization only being recently recognized in the district.

Competitive position

The mineral exploration business is a competitive business. The Company competes with numerous other companies and individuals who may have greater financial resources in the search for and the acquisition of personnel, contractors, funding and attractive mineral properties. The Company's primary competitors include Dragon Mining, Aurion Resources, Mawson Gold, Valkea Resources, Firefox Gold, Mandalay Resources, Botnia Exploration Holdings AB, Leading Edge Materials, and Rupert Resources. As a result of this competition, the Company may be unable to obtain additional capital or other types of financing on acceptable terms or at all, acquire properties of interest or retain qualified personnel and/or contractors.

Trends

Production, Sales and Inventory

The Company does not currently have any mines in operation.

Known Trends and Uncertainties

The mining business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. If the global economy stalls and commodity prices decline as a consequence, a continuing period of lower prices could significantly affect the economic potential of the Company's Barsele Project and any other properties the Company may acquire or have an interest in and result in the Company determining to cease work on, or drop its interest in, some or all of such properties. In addition to commodity price cycles and recessionary periods, activity may also be affected by seasonal and irregular weather conditions in the areas where the Company operates.

The Company is not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects.

³⁶ GTK, Mineral Systems in Finland – Overview of the Orogenic Gold Metallogeny in Finland.

³⁷ GTK, Mineral System in Finland – Orogenic Gold, Archean Evolution.

³⁸ GTK, Mineral System in Finland – Orogenic Gold, Archean Evolution.

SELECTED FINANCIAL INFORMATION

General

This section presents selected financial information for First Nordic for the period January 1 – September 30, 2024, with comparative figures for the equivalent period 2023, and for the financial years 2023 and 2022.

The selected historical financial information for the financial years 2023 and 2022 has been obtained from the Company's audited historical financial statements. The Company has prepared the statements in accordance with International Financial Reporting Standards (IFRS).

Aside from what is expressly stated herein, no financial information in this Company Description has been audited or reviewed by the Company's auditor. The following information should be read in conjunction with the sections *Operating and financial review* and *Capitalization, indebtedness and other financial information* as well as the Company's unaudited amended and restated financials and MD&A for the periods January 1 – September 30, 2024, and the unaudited financials and MD&A for the period January 1 – September 30, 2023, as well as the annual audited financials and MD&A's for the financial years 2023 and 2022, respectively, incorporated by reference into this Company Description.

Consolidated statement of financial position

(Expressed in Canadian Dollars)

| | As at Sep 30, 2024 | As at Sep 30, 2023 | Year ended Dec 31, 2023 | Year ended Dec 31, 2022 |
|---|-----------------------|-----------------------|----------------------------|----------------------------|
| ASSETS | | | | |
| Current | | | | |
| Cash | 1,268,176 | 151,637 | 128,236 | 1,253,348 |
| Restricted cash | - | - | 267,500 | - |
| Receivables | 155,318 | 53,380 | 72,817 | 71,501 |
| Prepaid expenses | 538,023 | 28,117 | 34,544 | 5,417 |
| | <u>1,961,517</u> | <u>233,134</u> | <u>503,097</u> | <u>1,330,266</u> |
| Equity investment - exploration and evaluation assets | 1 | 1 | 1 | 1 |
| Exploration and evaluation assets | 16,285,380 | - | - | - |
| | <u>18,246,898</u> | <u>233,135</u> | <u>503,098</u> | <u>1,330,267</u> |
| LIABILITIES | | | | |
| Current | | | | |
| Accounts payable and accrued liabilities | 1,991,370 | 23,214 | 190,687 | 132,497 |
| Subscriptions received in advance | - | - | 267,500 | - |
| | <u>1,991,370</u> | <u>23,214</u> | <u>458,187</u> | <u>132,497</u> |
| Shareholders' equity | | | | |
| Share capital | 32,568,095 | 11,434,228 | 11,674,926 | 11,286,576 |
| Reserves | 8,847,886 | 6,554,495 | 6,819,430 | 6,533,113 |
| Deficit | -25,160,453 | -17,778,802 | -18,449,445 | -16,621,919 |
| | <u>16,255,528</u> | <u>209,921</u> | <u>44,911</u> | <u>1,197,770</u> |
| | <u>18,246,898</u> | <u>233,135</u> | <u>503,098</u> | <u>1,330,267</u> |

Consolidated statement of loss and comprehensive loss

(Expressed in Canadian Dollars)

| | Nine months ended Sep 30, 2024 | Nine months ended Sep 30, 2023 | Year ended Dec 31, 2023 | Year ended Dec 31, 2022 |
|-----------------------------|--------------------------------------|--------------------------------------|----------------------------|----------------------------|
| EXPLORATION EXPENSES | | | | |
| General exploration | 777,026 | 226,405 | 281,005 | 313,324 |
| GENERAL EXPENSES | | | | |
| Consulting | 1,145,365 | 9,000 | 12,000 | 60,750 |
| Foreign exchange loss | 31,704 | 1,067 | 2,377 | 1,451 |
| Interest income | -76 | -738 | -738 | - |
| Investor relations | 1,087,648 | 215,912 | 263,204 | 306,854 |
| Management fees | 425,987 | 346,500 | 462,000 | 537,084 |

| | | | | |
|--|-------------|-------------|-------------|-------------|
| Office and administrative | 292,739 | 206,274 | 260,555 | 329,056 |
| Professional fees | 203,441 | 35,588 | 194,068 | 49,227 |
| Share-based payments | 2,681,251 | 68,409 | 293,824 | - |
| Transfer agent and filing fees | 65,923 | 48,466 | 59,231 | 67,879 |
| | 5,933,982 | 930,478 | 1,546,521 | 1,352,301 |
| Loss and comprehensive loss for the period | -6,711,008 | -1,156,883 | -1,827,526 | -1,665,625 |
| Weighted average number of common shares outstanding – basic and diluted | 185,599,094 | 137,416,768 | 137,699,884 | 133,094,270 |
| Basic and diluted loss per common share | -0.04 | -0.01 | -0.01 | -0.01 |

Consolidated statement of changes in shareholders' equity

(Expressed in Canadian Dollars)

| | Common Shares | Share Capital | Reserves | Deficit | Total Shareholders' Equity |
|------------------------------------|--------------------|-------------------|------------------|--------------------|----------------------------|
| Balance, December 31, 2021 | 129,597,544 | 8,874,338 | 6,442,381 | -14,956,294 | 360,425 |
| Issuance of common shares | 7,698,116 | 2,584,435 | - | - | 2,584,435 |
| Share issuance costs | - | -81,465 | - | - | -81,465 |
| Residual value of warrants | - | -90,732 | 90,732 | - | - |
| Loss and comprehensive loss | - | - | - | -1,665,625 | -1,665,625 |
| Balance, December 31, 2022 | 137,295,660 | 11,286,576 | 6,533,113 | -16,621,919 | 1,197,770 |
| Issuance of common shares | 2,000,667 | 300,100 | - | - | 300,100 |
| Share issuance costs | - | -19,881 | - | - | -19,881 |
| Stock options exercised | 287,500 | 108,131 | -7,507 | - | 100,624 |
| Share-based payments | - | - | 293,824 | - | 293,824 |
| Loss and comprehensive loss | - | - | - | -1,827,526 | -1,827,526 |
| Balance, December 31, 2023 | 139,583,827 | 11,674,926 | 6,819,430 | -18,449,445 | 44,911 |
| Issuance of common shares for | - | - | - | - | - |
| - Acquisition | 35,747,716 | 4,289,726 | - | - | 4,289,726 |
| - Private placement | 8,082,399 | 1,212,360 | - | - | 1,212,360 |
| - Mineral property | 27,954,872 | 10,063,754 | - | - | 10,063,754 |
| Share issuance costs | - | -148,377 | 18,625 | - | -129,752 |
| Acquisition - options | - | - | 126,020 | - | 126,020 |
| Acquisition - warrants | - | - | 237,655 | - | 237,655 |
| Stock options exercised | 7,253,730 | 2,831,664 | -1,168,419 | - | 1,663,245 |
| Warrants exercised | 9,223,355 | 2,777,366 | - | - | 2,777,366 |
| Warrant modification | - | -133,324 | 133,324 | - | - |
| Share-based payments | - | - | 2,681,251 | - | 2,681,251 |
| Loss and comprehensive loss | - | - | - | -6,711,008 | -6,711,008 |
| Balance, September 30, 2024 | 227,845,899 | 32,568,095 | 8,847,886 | -25,160,453 | 16,255,528 |

Consolidated statement of cash flow

(Expressed in Canadian Dollars)

| | Nine months ended Sep 30, 2024 | Nine months ended Sep 30, 2023 | Year ended Dec 31, 2023 | Year ended Dec 31, 2022 |
|--|--------------------------------|--------------------------------|-------------------------|-------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Loss for the period | -6,711,008 | -1,156,883 | -1,827,526 | -1,665,625 |
| Items not affecting cash: | | | | |
| Share-based payments | 2,681,251 | 68,409 | 293,824 | - |
| Changes in non-cash working capital items: | | | | |
| Receivables | -47,098 | 18,121 | -1,316 | -2,670 |
| Prepaid expenses | -434,632 | -22,700 | -29,127 | 37,276 |
| Accounts payable and accrued liabilities | 215,125 | -109,283 | 54,753 | 97,195 |
| Cash used in operating activities | -4,296,362 | -1,202,336 | -1,509,392 | -1,533,824 |
| CASH FLOWS FROM INVESTING ACTIVITY | | | | |
| Cash acquired on acquisition of Gold Line Resources Ltd. | 14,126 | - | - | - |
| Transaction costs for Gold Line Resources Ltd. | -101,043 | - | - | - |
| Cash used in investing activities | -86,917 | - | - | - |
| CASH FLOWS FROM FINANCING ACTIVITY | | | | |
| Private placements | 1,212,360 | - | 300,100 | 2,584,435 |
| Share issuance costs | -129,752 | - | -16,444 | -81,465 |
| Proceeds from options exercised | 1,663,245 | 100,625 | 100,624 | - |
| Proceeds from warrants exercised | 2,777,366 | - | - | - |
| Cash provided by financing activities | 5,523,219 | 100,625 | 384,280 | 2,502,970 |
| Change in cash during the year | 1,139,940 | -1,101,711 | -1,125,112 | 969,146 |
| Cash, beginning of period | 128,236 | 1,253,348 | 1,253,348 | 284,202 |
| Cash, end of year | 1,268,176 | 151,637 | 128,236 | 1,253,348 |

Auditors remarks

Material Uncertainty Related to Going Concern

For the financial year 2022, the auditors drew attention to Note 1 of the financial statements, which indicates that the Company incurred a loss of \$1,665,625 for the year ended December 31, 2022, and, as of that date, accumulated losses of \$16,621,919.

For the financial year 2023, the auditors drew attention to Note 1 of the financial statements, which indicates that the Company had incurred a loss of \$1,827,526 during the year ended December 31, 2023, and accumulated losses of \$18,449,445 as of December 31, 2023. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

OPERATING AND FINANCIAL REVIEW

Results of operations for the year ended December 31, 2023, and 2022, and for the period January 1 – September 30, 2024

Results of operations for the year ended December 31, 2023 and 2022:

During the year ended December 31, 2023, the Company incurred exploration expenses amounting to \$281,005 (2022 - \$313,324). Exploration expenses consisted of fees paid to geologists in the years ended December 31, 2023, and 2022. General operating costs totaled \$1,546,521 (2022 - \$1,352,301) for the year ended December 31, 2023. These costs primarily included consulting of \$12,000 (2022 - \$60,750), investor relations of \$263,204 (2022 - \$306,854), management fees of \$462,000 (2022 - \$537,084), office and administrative fees of \$260,555 (2022 - \$329,056), professional fees of \$194,068 (2022 - \$49,227), share-based payments of \$293,824 (2022 - \$Nil) and transfer agent and filing fees of \$59,231 (2022 - \$67,879).

General operating costs were comparable other than consulting, investor relations, management fees, office and administrative, professional fees and share-based payments. Consulting fees decreased from \$60,750 in the year ended December 31, 2022, to \$12,000 in the year ended December 31, 2023, due to decreased advisory services. Investor relations decreased from \$306,854 in the year ended December 31, 2022, to \$263,204 in the year ended December 31, 2023, due to decreased investor relations needs. Management fees decreased from \$537,084 in the year ended December 31, 2022, to \$462,000 in the year ended December 31, 2023, due to no payment of a management incentive bonus to conserve cash. Office and administrative fees decreased from \$329,056 in the year ended December 31, 2022, to \$260,555 in the year ended December 31, 2023, due to decreased administrative needs. Professional fees increased from \$49,227 in the year ended December 31, 2022, to \$194,068 in the year ended December 31, 2023, due to increased legal service requirement. During the year ended December 31, 2023, options were granted and vested resulting in a fair value of \$293,824 in share-based payments recognized using the Black Scholes option pricing model. Share-based payments were \$Nil for the year ended December 31, 2022, as no options were granted or vested in the year.

In summary, the loss in the year ended December 31, 2023, amounted to \$1,827,526 (2022 - \$1,665,625) or \$0.01 (2022 - \$0.01) per share.

Results of operations for the nine-month periods ended September 30, 2024 and 2023:

During the nine-month period ended September 30, 2024, the Company incurred exploration expenses amounting to \$777,026 (2023 - \$226,405). Exploration expenses consisted of fees paid to geologists and general upkeep of the properties in the nine months ended September 30, 2024 and 2023.

General operating costs totaled \$5,933,982 (2023 - \$930,478) for the nine months ended September 30, 2024. These costs primarily included consulting of \$1,145,365 (2023 - \$9,000), foreign exchange loss of \$31,704 (2023 - \$1,067), investor relations of \$1,087,648 (2023 - \$215,912), management fees of \$425,987 (2023 - \$346,500), office and administrative fees of \$292,739 (2023 - \$206,274), professional fees of \$203,441 (2023 - \$35,588), share-based payments of \$2,681,251 (2023 - \$68,409) and transfer agent and filing fees of \$65,923 (2023 - \$48,466). General operating costs were comparable other than consulting, investor relations, professional fees and share-based payments. Consulting fees increased from \$9,000 in the nine months ended September 30, 2023, to \$1,145,365 in the nine months ended September 30, 2024, due to increased advisory services incurred by the Company in the current period. Investor relations increased from \$215,912 in the nine months ended September 30, 2023, to \$1,087,648 in the nine months ended September 30, 2024, due to increased investor relation needs. Professional fees increased from \$35,588 in the nine months ended September 30, 2023, to \$203,441 in the nine months ended September 30, 2024, due to increased professional services needs and timing of invoices. During the nine months ended

September 30, 2024, options were granted and vested resulting in a fair value of \$2,681,251 in share-based payments recognized using the Black Scholes option pricing model. Share-based payments were \$68,409 for the nine month-period ended September 30, 2023.

In summary, the loss in the nine-month period ended September 30, 2024, amounted to \$6,711,008 (2023 - \$1,156,883) or \$0.04 (2023 - \$0.01) per share.

Liquidity

The Company is in the exploration stage and commodity prices are not reflected in operating financial results. However, fluctuations in commodity prices may influence financial markets and may indirectly affect the Company.

The operating loss for the year ended December 31, 2023, is \$1,827,526 (2022 - \$1,665,625), but after changes in other working capital balances, cash used in operating activities was \$1,509,392 (2022 - \$1,533,824). Cash from financing activities consisted of gross proceeds from a private placement of \$300,100 (2022 - \$2,584,435), less share issuance costs paid of \$16,444 (2022 - \$81,465), and proceeds from an exercise of options of \$100,624 (2022 - \$Nil). Total cash received from financing activities was \$384,280 (2022 - \$2,502,970). As a consequence, the Company's cash position decreased from an opening level of \$1,253,348 at the beginning of the year to \$128,236.

The operating loss for the nine months ended September 30, 2024, is \$6,711,008 (2023 - \$1,156,883), but after changes in other working capital balances, cash used in operating activities was \$4,296,362 (2023 - \$1,202,336). Total cash from investing activities due to acquisition of Gold Line was \$101,043 (2023 - \$Nil). Cash from financing activities consisted of gross proceeds from a private placement of \$1,212,360 (2023 - \$Nil), less share issuance costs paid of \$129,752 (2023 - \$Nil), proceeds from an exercise of options of \$1,663,245 (2023 - \$100,625), proceeds from warrants exercised of \$2,777,366 (2023 - \$Nil). Total cash received from financing activities was \$5,523,219 (2023 - \$100,625). As a consequence, the Company's cash position increased from an opening level of \$128,236 at the beginning of the period to \$1,139,940.

Management believes it will be able to raise equity capital as required in the long term, but recognizes the risks attached thereto. The Company continues to use various strategies to minimize its dependence on equity capital, included the securing of joint venture partners where appropriate.

Capital resources

The Company considers its capital structure to be shareholder equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. As an exploration stage company, the Company is unable to finance its operations from cash flow and relies primarily on the funds derived from the spin-out and future equity financing to meet its capital requirements. There can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financing will be favorable. The Company's share capital is not subject to any external restriction.

Equity investment - exploration and evaluation assets

On September 25, 2015, a 45 per cent interest in the Barsele Project which included Gunnarn Mining and Gunnarn Exploration AB (collectively "**Barsele JV**") was transferred from Orex to the Company pursuant to a plan of arrangement. The Barsele Project is now a joint venture with Agnico Eagle. As part of the joint venture agreement, Agnico Eagle committed to spend US \$7 million on Project expenditures over three years and can earn an additional 15 per cent interest in the corporate entity, which owns the Barsele Project, if it completes a pre-feasibility study. As Agnico Eagle has elected to solely-fund the expenditures on behalf of the Barsele JV until completion of the pre-feasibility study, the Company does not have any responsibility for expenditures or net liabilities of the Barsele JV until such point that Agnico Eagle has completed earning its additional 15 per cent interest.

Summarized financial information for the Barsele JV is as follows:

| | September 30, 2024 | December 31, 2023 | December 31, 2022 |
|--|--------------------|-------------------|-------------------|
| Current assets | 536,211 | 593,960 | 206,361 |
| Non-current assets | 6,441,953 | 6,444,805 | 6,359,663 |
| Current liabilities | 4,415,423 | 3,243,546 | 5,521,479 |
| Loss for the year | 1,210,910 | 2,761,229 | 2,864,218 |
| Comprehensive loss for the year | 530,994 | 2,064,586 | 2,169,130 |
| The Company's ownership % | 45% | 45% | 45% |
| The Company's share of loss for the year | Nil | \$Nil | \$Nil |

As of December 31, 2023, and 2022, the Company's investment in Barsele JV was \$1. The Company's unrecognized share of the loss for the year ended December 31, 2023, was approximately \$1,242,553 (2022 - \$1,288,898). The Company has a minority position on the board of its associated company Gunnarn Mining and does not control operational decisions. The Company's judgment is that it has significant influence, but not control and therefore equity accounting is appropriate. Exploration expenses reported for the year ended December 31, 2023, of \$281,005 (2022 - \$313,324) were incurred to meet the Company's reporting obligations, and to monitor its interest in the Barsele JV, and are non-recoverable.

As of September 30, 2024, and 2023, the Company's investment in Barsele JV was \$1. The Company's unrecognized share of the loss for the nine months ended September 30, 2024, was approximately \$544,910 (2023 - \$918,865). The Company has a minority position on the board of its associated company Gunnarn Mining and does not control operational decisions. The Company's judgment is that it has significant influence, but not control, and therefore equity accounting is appropriate.

Exploration expenses reported for the nine months ended September 30, 2024, of \$220,342 (2023 - \$226,405) were incurred to meet the Company's reporting obligations, and to monitor its interest in the Barsele JV, and are non-recoverable.

Off balance sheet arrangements

The Company has no material off balance sheet arrangements in place.

Changes in accounting policies including initial adoption

New standards adopted by the Company

The following amendments have been effective for annual reporting periods beginning on or after January 1, 2023:

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – the amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy.

Definition of Accounting Estimates (Amendments to IAS 8) – the amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

The Company concludes that the effect of such amendments did not have a material impact and therefore did not record any adjustments to the condensed consolidated interim financial statements.

Future accounting changes

Effective October 1, 2027, the Company is required to adopt IFRS 18, Presentation and Disclosure in Financial Statements, with early adoption permitted. IFRS 18 will replace IAS 1; many of the existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its operating profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7, Statement of Cash Flows. The Company is assessing the potential impact of the application of the standards.

Capital management

The Company defines its capital as shareholder equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company may invest its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements.

Operational risk management

The Company is exposed to numerous risks by virtue of its operations as a mineral explorer, both of an operational and a financial nature. Operational exposures include the risks in acquisition of property rights and access, the actual surface exploration work, surveying the property and sampling, undertaking a drilling program, assaying the drill cores recovered, the evaluation of the results of these determinations and the technical assessments from all of these steps to identify mineralization initially, and then the determination of commercial viability of the mineralization. These various procedures involve the work of staff and consultants or contractors, which introduce risks of damage to the property sites and surrounding areas and harm to those workers involved in the project work. Also, this project work introduces environmental exposures, in particular from drilling, of contamination on site to the air, to the water and to the biodiversity, and equally to the communities in proximity to the project site.

The Company has developed a number of policies to address the ethical elements of its interaction with staff, contractors and communities and its full compliance with governmental laws, rules and guidelines. It has also developed policies addressing Environmental, Social and Governance ("ESG") requirements to guide its staff and others in the conduct of its business on site and elsewhere and requires all workers to commit regularly to their adherence to the policies.

Climate change

More recently, the effects of climate change to project work sites has introduced added risk to the success of the site work and the overall viability of the Company's exploration plans. Climate changes can make the project site more difficult for workers due to extreme temperatures or heavy rains or flooding, all adding greater risk of injury or damage. Climate changes can change the costs of fuels and supplies, the availability of water for drilling, and costs for site preparation and maintenance. The impact of climate change has already caused changes to past project work, and there is expected to be future program changes necessitated by additional weather events and changes, which will alter the Company's plans, performance and success going forward.

Financial and risk management

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(a) Fair value of financial instruments

The Company has various financial instruments including cash, restricted cash, receivables, accounts payable and accrued liabilities and subscriptions received in advance. The carrying values of all these financial instruments approximate their fair values due to the short-term maturity of the financial instruments.

(b) Concentrations of business risk

The Company maintains a majority of its cash with a major Canadian financial institution. Deposits held with this institution may exceed the amount of insurance provided on such deposits.

(c) Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk is low because its receivables are primarily comprised of goods and services tax (GST), which are recoverable from the governing body in Canada.

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company is exposed to liquidity risk. The Company manages liquidity risk through the management of its capital structure.

(e) Foreign exchange risk

The Company is not subject to significant foreign exchange risk.

(f) Interest rate risk

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

(g) Price risk

Mineral prices, in particular gold and silver, are volatile. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

CAPITALIZATION, INDEBTEDNESS AND OTHER FINANCIAL INFORMATION

The information in the tables has not been audited or reviewed by the Company's auditor.

Capitalization

| MCAD | <i>As of December 31, 2024</i> |
|---|--------------------------------|
| Total current debt (including current portion of non-current debt) | - |
| Guaranteed | - |
| Secured | - |
| Unguaranteed/unsecured | - |
| Total non-current-debt (excluding current portion of non-current debt) | - |
| Guaranteed | - |
| Secured | - |
| Unguaranteed/unsecured | - |
| Shareholder equity | 34.5 |
| Share capital | 43.9 |
| Reserve(s) | 9.0 |
| Other reserves | -18.4 |
| Total | 34.5 |

Net indebtedness

| MCAD | <i>As of December 31, 2024</i> |
|-----------------------------------|--------------------------------|
| A. Cash | 9.6 |
| B. Cash equivalents | - |
| C. Other current financial assets | 0.2 |
| D. Liquidity (A+B+C) | 9.8 |

| | |
|---|-------------|
| E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) | - |
| F. Current portion of non-current financial debt | - |
| G. Current financial indebtedness (E + F) | - |
| H. Net current financial indebtedness (G – D) | -9.8 |
| I. Non-current financial debt (excluding current portion and debt instruments) | - |
| J. Debt instruments | - |
| K. Non-current trade and other payables | - |
| L. Non-current financial indebtedness (I + J + K) | - |
| M. Total financial indebtedness (H + L) | -9.8 |

Significant changes since September 30, 2024

Exercise of options and warrants

The Company received proceeds of \$524,084 due to options exercised and as a result issued 2,128,230 common shares.

The Company received proceeds of \$814,191 due to warrants being exercised and as a result issued 2,838,967 common shares.

First Nordic closes \$11.5M bought deal private placement of units

On November 26, 2024, (the “**Closing Date**”), the Company closed a bought deal private placement offering for aggregate gross proceeds of \$11,500,368, consisting of the issuance of 34,849,600 units of the Company (the “**Offered Units**”) at a price of \$0.33 per Offered Unit (the “**Issue Price**”). Haywood Securities Inc. (“**Haywood**”), as lead underwriter and sole bookrunner, together with Ventum Financial Corp. (together with Haywood, the “**Underwriters**”) acted as underwriters of the Offering.

Each Offered Unit consisted of one common share in the capital of the Company and one-half of one common share purchase warrant of the Company (each whole purchase warrant, a “**Unit Warrant**”). Each Unit Warrant entitles the holder thereof to acquire one common share in the capital of the Company at a price of \$0.45 for a period of 24 months from the Closing Date.

The net proceeds from the sale of the Offered Units were expected to be used by the Company for exploration at its Gold Line Belt projects in northern Sweden, and for general working capital and corporate purposes.

In consideration for its services, the Company (i) paid the Underwriters a cash commission equal to 6.0 per cent of the gross proceeds from the Offering (other than in respect of the gross proceeds raised from the issuance of Offered Units to a certain institutional investor, for which a reduced commission of 3.0 per cent was paid), and (ii) issued to the Underwriters that number of non-transferable compensation options (the “**Compensation Options**”) as is equal to 6.0 per cent of the aggregate number of Offered Units sold under the Offering. Each Compensation Option is

exercisable to acquire one common share of the Company at a price equal to the Issue Price for a period of 24 months from the Closing Date.

All securities issued under the Offering are subject to a hold period in Canada expiring four months and one day from the Closing Date.

Working capital statement

The Company's existing working capital will be sufficient for the Company's and the Group's current capital requirements during the next 12-month period. Sufficient working capital means that the Company has access to the cash and cash equivalents required to fulfill its payment obligations as they fall due.

Joint ventures

The Company currently holds its 45 per cent interest in the Barsele Project through a joint venture with Agnico Eagle. The joint venture is operated through the Swedish limited company Gunnarn Mining, in which First Nordic holds 45 per cent of the shares with the remaining shares being controlled by Agnico Eagle.

Pursuant to the terms of the JVA, Agnico Eagle's ownership interest in Gunnarn Mining, the joint venture company that holds the Barsele Project, will increase from 55 per cent to 70 per cent and the Company's interest in Gunnarn Mining will be reduced from 45 per cent to 30 per cent if and when Agnico Eagle contributes a pre-feasibility study on the Barsele Project to Gunnarn Mining.

Other financial information

Financing structures and loans

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern.

Contingent liabilities and indirect indebtedness

As of December 31, 2024, the Company had no indirect or contingent indebtedness.

Result forecast

The Company has not published any results forecasts.

BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS

Board of Directors and forms of Board work

The Board of Directors currently comprises six directors: Taj Singh (CEO), Marc Legault, Toby Pierce, Gary Cope, Jeffrey Couch and Henrik Lundin. All directors are elected for the period up until the end of the Annual General Meeting to be held in 2025. Detailed information about the Company's directors is presented below.

Toby Pierce, Chairman of the Board

First appointed February 2024.

Experience and key positions: Toby Pierce is currently CEO and Director of TAG Oil Ltd, a TSX-listed oil and gas producer in Australasia. Toby Pierce has 30 years of geological and financial understanding within the resource sector as well as ten years of formal investment banking and equity research experience. He has been a founder, CEO or director of numerous private and public mining and natural resource companies including Benchmark Metals, New Placer Dome Gold, Gold Line, Crest Petroleum, North Country Gold, Brilliant Resources, Red Tail Metals, Kingfisher Metals and numerous shell companies in the Canadian and London markets.

Education: Toby Pierce holds an MBA from the Rotman School of Business and a Bachelor of Science degree in Earth Sciences from the University of Victoria.

Other ongoing assignments: Toby Pierce is currently CEO of TAG Oil Ltd and Cranstown Capital Corp., as well as Director of Prospect Park Capital Corp. (CSE) and Wittering Capital Corp.

Previous assignments (completed during the past five years): Former Director of Benchmark Metals, New Placer Dome Gold, DelphX Capital Markets and Seashore Resources.

Holdings in the Company: 1,267,878 shares directly, 1,457,039 stock options and 223,452 warrants.

Toby Pierce is independent in relation to the Company and its management, as well as independent in relation to major shareholders.

Taj Singh, Director and CEO

First appointed February 2024.

Experience and key positions: Taj Singh is a mining executive with over 22 years of experience in corporate development, capital markets, finance, project development, engineering, and operations. Most recently he was founding President and CEO of NOA Lithium Brines Inc. ("**NOA**") and during his time the company successfully went public, carried out multiple funding rounds, and had significant exploration success at its flagship Rio Grande project in Salta, Argentina. Prior to his time at NOA, Taj Singh was founding President and CEO at Mexico-focused developer Discovery Silver Corp ("**Discovery**"). During his 5-year tenure with the Discovery, Taj Singh led the growth of the company to a market capitalization of over \$500M, representing +30X growth during his time there. From the 2016 go-public to 2020 Taj Singh also served as Director / Lead Independent Director of the board of GT Gold Corp. which was subsequently acquired by Newmont Corporation (\$393M). Taj Singh is a Professional Engineer (P.Eng), a Chartered Professional Accountant (CPA) and a Certified Management Accountant (CMA).

Education: Taj Singh holds a Bachelor of Engineering degree from the University of Toronto (Metallurgy / Minerals Processing) and a Master of Engineering degree from McMaster University (Metallurgy).

Other ongoing assignments: Taj Singh is currently Chair of the Board of Silver Viper Minerals Corp.

Previous assignments (completed during the past five years): Former Director and CEO of Gold Line, NOA Lithium Brines, Discovery Silver Corp. and Director of GT Gold Corp.

Holdings in the Company: 1,952,433 shares directly, 4,107,300 stock options and 851,216 warrants.

Taj Singh is not independent in relation to the Company and its management. Taj Singh is however independent in relation to major shareholders.

Marc Legault, Director

First appointed February 2024.

Experience and key positions: Marc Legault was recently appointed as Director of the Board. Marc is a geologist and was also a licensed professional engineer with over 40 years' experience in the gold and base metals industry including 34 years working with Agnico Eagle, where he held various exploration, operations, and management positions until he retired from Agnico in 2022 as a Senior Vice President. He spent time working on the Barsele Project as well as the Oijärvi Project (as defined below), both of which are now First Nordic projects. His technical knowledge and experience with Agnico will be instrumental for First Nordic as it advances its flagship Barsele Project in Sweden in joint venture with Agnico.

Education: Marc Legault holds a Master of Science in Geology from Carleton University and a Bachelor of Science degree in Engineering from Queens University.

Other ongoing assignments: N/A.

Previous assignments (completed during the past five years): Former Senior Vice President Operations of Agnico Eagle Mines Ltd.

Holdings in the Company: 250,000 shares directly and 1,050,000 stock options.

Marc Legault is independent in relation to the Company and its management, as well as independent in relation to major shareholders.

Gary Cope, Director

First appointed February 2013.

Experience and key positions: Gary Cope has accumulated over 35 years of experience in Corporate Management and Strategy, with a specific emphasis on Public Company Finance. He arranged financing for the South Kemess project, and later became heavily involved with the negotiations and selling of the deposit to Royal Oak Mines. In the past 15 years, he has acted as a Senior Officer and Director for various publicly-held companies, such as St. Phillips Resources. Gary Cope served as the President, CEO & Director of Orko Silver Corp., and was instrumental in negotiating and arranging the sale of Orko Silver to Coeur Mining Inc. in 2012. Gary Cope served as President and CEO of Barsele Minerals Corp. until resigning those positions in 2024 (but remains a Director) and is also a director of Silver Viper Minerals Corp.

Education: Cariboo College and Douglas College.

Other ongoing assignments: N/A.

Previous assignments (completed during the past five years): Former President, CEO and Director of Barsele Minerals Corp.

Holdings in the Company: 2,739,500 shares directly, 17,626,800 shares indirectly through 683192 BC Ltd. and 2,300,000 stock options.

Gary Cope is not independent in relation to the Company and its management since he has been CEO of the Company during the past five years. Gary Cope is independent in relation to major shareholders.

Jeffrey Couch, Director

Appointed September 2024.

Experience and key positions: Jeffrey Couch is a seasoned capital markets executive with extensive experience in the natural resources sector, having advised and raised capital for clients globally, with a particular focus on emerging markets. Currently, Couch works with a mining-focused global private equity (PE) firm with several billion dollars of assets under management; he is currently acting CEO of both Lydian Mining, an Armenian gold developer, and Alufer Mining, a Guinean bauxite producer, both portfolio companies of the PE firm.

Jeffrey Couch has also worked with several financial services firms in Europe. He was Head of Investment Banking, Europe for BMO Capital Markets (Bank of Montreal) for a decade, and has also had senior investment banking roles with Credit Suisse Europe and Citigroup (Salomon Brothers). Jeffrey Couch has extensive public board experience on both the Toronto Stock Exchange and the London Stock Exchange.

Education: Honours degree from the University of Western Ontario Business School and a law degree from Osgoode Hall Law School.

Other ongoing assignments: Jeffrey Couch is currently Director of Lydian Ventures, Alufer Mining, Gabriel Resources, HR Owen and Trophy Funds.

Previous assignments (completed during the past five years): Former Director of Caldas Gold and ESV Denarius.

Holdings in the Company: 1,300,000 stock options.

Jeffrey Couch is independent in relation to the Company and its management, as well as independent in relation to major shareholders.

Henrik Lundin, Director

Appointed January 2025

Experience and key positions: Henrik Lundin has 19 years of technical and business experience in the natural resource sector and has held various executive and board roles with both private and public companies in the mining and oil and gas sectors. He previously served as Chairman of Gold Line, one of the predecessor companies to FNM. At Gold Line Henrik was involved in the initial consolidation of its belt-scale project package in Sweden, as well as the acquisition of the Oijärvi greenstone belt project in Finland from Agnico Eagle Mines Ltd. Mr. Lundin was also Chief Operating Officer of TAG Oil Ltd., responsible for global operations. He also worked for Lundin Energy AB in Norway prior to moving over to Aker BP ASA where he currently serves as an Advanced Reservoir Engineer.

Education: B.Sc. Petroleum Engineering degree from the Colorado School of Mines in Colorado, USA

Other ongoing assignments: Henrik Lundin is currently the Advanced Reservoir Engineer at Aker BP ASA

Previous assignments (completed during the past five years): Former Chairman of Gold Line Resources Ltd., Chief Operating Officer of TAG Oil Ltd., and Lundin Energy AB

Holdings in the Company: 15,502 shares directly and 1,000,000 stock options.

Henrik Lundin is independent in relation to the Company and its management, as well as independent in relation to major shareholders.

Senior executives

Taj Singh, Chief Executive Officer (CEO)

See under section *Board of Directors and forms of Board work* above.

Adam Cegielski, President

First appointed as President in January 2025, previously served in various officer roles of the Company since February 2024.

Experience and key positions: Adam Cegielski has over 20 years of experience in the venture capital industry ranging from mineral exploration, technology, health care and education. He started his career developing an industrial mineral project in Uganda that he later sold to Rio Tinto. Adam Cegielski was the founding director of Cayden Resources, which was sold to Agnico Eagle Mines for \$205 million. He is the founder, CEO & director of Binovi Technology Corp, a neurotechnology company driving higher levels of human performance through the use of Binovi technology.

Education: Bachelor of Science degree in Applied Biochemistry from the University of Guelph.

Other ongoing assignments: Chairman of the Board of Orex Minerals Inc.

Previous assignments (completed during the past five years): Former CEO and Director of Gold Line, CDN Maverick Capital Corp and Binovi Technology Corp.

Holdings in the Company: 1,360,618 shares directly, 3,250,000 stock options and 419,171 warrants.

Ross Wilmot, Chief Financial Officer (CFO)

First appointed February 2013.

Experience and key positions: Ross Wilmot is a Chartered Accountant who has provided public companies with senior financial management services for more than 30 years. As CFO, he offers extensive knowledge of reporting practices and requirements for public companies based in Canada and the USA. Ross Wilmot has been involved in numerous business valuations and acquisitions, high tech start-ups and international mining operations.

Education: Bachelor of Science and Master of Science from the University of Toronto and CPA.CA from CPAC.

Other ongoing assignments: Ross Wilmot is Owner/President of Cedarwoods Group and currently a Director of Silver Viper Minerals Corp. and Burrell Resources Inc.

Previous assignments (completed during the past five years): Previous Director of First Nordic, resigned in January 2025.

Holdings in the Company: 2,716,200 shares directly and 400,000 stock options.

Benjamin Gelber, Head of Exploration

Elected May 2024.

Experience and key positions: Benjamin Gelber is a professional geologist with over 19 years industry experience specializing in orogenic gold systems, garnering a deep understanding of geological and structural controls on mineralization in orogenic systems at all scales, including developing and managing large and complex district to camp scale exploration programs. He was previously with Barrick Gold Corporation as Exploration Manager, Guyana. Prior to Barrick, Benjamin held the positions of Generative Exploration Manager, and Group Geology Manager with Asanko Gold Inc, now named Galiano Gold Inc.

Education: Benjamin Gelber holds a Bachelor of Science degree in Geology from the University of British Columbia and a Master of Science degree in Economic Geology from Rhodes University.

Other ongoing assignments: Vice President Exploration for Lithium Africa Resources Corp.

Previous assignments (completed during the past five years): Former VP of Exploration and Director of Gold Line and Exploration Manager of Barrick Gold.

Holdings in the Company: 1,012,304 shares directly and 1,000,000 stock options.

Johannes Holzäpfel, Regional Director

Elected May 2024.

Experience and key positions: Johannes Holzäpfel was appointed Regional Director of First Nordic. He is based in Stockholm, Sweden and currently serves as Exploration Manager of Europe for EMX Royalty Corp., (“**EMX**”) where he has been for seven years. Johannes was part of the original team that staked the Gold Line belt in 2016-17. He was an important part of the launch of Gold Line in 2021 and has tremendous experience in navigating tenure, community, and environmental processes in Sweden. He is a geologist and has close to 15 years of experience in the mineral exploration industry. During his career, Johannes Holzäpfel worked for Boliden AB also in Sweden, and Ivanhoe Mines Ltd. in Africa and Mongolia.

Education: Johannes graduated with a master’s degree in Economic Geology from the Eberhard Karls Universität Tübingen, Germany.

Other ongoing assignments: Johannes Holzäpfel is the Manager Business Development – Europe for EMX and Director for several of its Nordic subsidiaries, Director of Gold Line Resources Sweden AB, Nordic Route Exploration AB, Solvik Gold AB, GLR Finland OY, VMs Exploration AS, Exploration Opportunity 1 AS, J Resources AB and J Resources OU.

Previous assignments (completed during the past five years): N/A.

Holdings in the Company: 17,716 shares directly, 251,279 shares indirectly through J Resources OU, 350,000 stock options indirectly through J Resources OU and 125,639 warrants indirectly through J Resources OU.

John Eren, VP Corporate Development

Elected January 2025

Experience and key positions: From 2020 to 2023 John Eren served as Vice President of Corporate Development at FNM predecessor company Gold Line Resources Ltd. From 2016 to 2019 Eren served as a corporate development executive for Crystal Exploration Inc., the shell company that subsequently became Thesis Gold Inc. From 2004 to 2016, Eren served as: Head of Business Development, Eurasia, for Auryn Resources (“Auryn”, now Fury Gold Mines Ltd.); Vice President of Investor Relations at Keegan Resources Inc. / Asanko Gold Inc. (now Galiano Gold Inc.); Investor Relations Manager at Cayden Resources (acquired by Agnico Eagle Mines Ltd.) and Stratton Resources Inc. (now Torq Resources Inc.).

Education: John Eren holds a Bachelor of Economics degree (HBA) from Laurentian University

Other ongoing assignments: Current Chief Executive Officer and Director of Orex Minerals Inc.

Previous assignments (completed during the past five years): Former Vice President of Corporate Development at Gold Line Resources Ltd.; Corporate Development Executive for Thesis Gold Inc.; Head of Business Development, Eurasia, for Auryn Resources; Vice President of Investor Relations at Galiano Gold Inc.; Investor Relations Manager at Cayden Resources and Torq Resources Inc.

Holdings in the Company: 500,000 stock options

Auditor

Davidson & Company LLP, Chartered Professional Accountants, members of CPA Canada (the Canadian professional body for professional accountants) has been the Company’s auditor during the period covered by the financial information.

Other information on directors and senior executive

All directors and senior executives can be reached at the Company's address Suite 300 - 1055 West Hastings Street, Vancouver BC V6C 2E9, Canada.

There are no familial connections between the directors and/or the senior executives. No director or senior executive has been sentenced in any fraud-related cases in the last five years. None of them have been involved in any bankruptcy, receivership, or liquidation in the capacity as a member of an administrative, management or inspection body or senior executive in the last five years. No accusations or sanctions have been issued by government or inspection authorities (including accredited professional associations) against any director or senior executive in the last five years. No director or senior executive has been prohibited by court action in the last five years from becoming a member of a company's administrative, management or inspection body, or from exercising management or general functions at an issuer.

No director or senior executive has any private interest or other assignments that could conflict with the tasks they perform for First Nordic. However, as indicated above, several directors and senior executives have financial interests in First Nordic through shareholdings.

There are no separate agreements with major shareholders, customers, suppliers or other parties under which any director or other senior executive has been appointed.

CORPORATE GOVERNANCE

Introduction

The Company's corporate governance practices are created in compliance with and pursuant to National Policy 58-201 – *Corporate Governance Guidelines* (“**Governance Guidelines**”) and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**Governance Disclosure Rules**”) and collectively with Governance Disclosure Rules, “**Applicable Canadian Requirements**”), applicable to companies listed on the TSXV, which are put in place by the Canadian Securities Administrators (the “**CSA**”).

The Governance Guidelines are not intended to be prescriptive and are guidelines to be referenced by companies in developing their corporate governance practices. The Governance Guidelines deal with matters such as composition and independence of a corporate board, functions, effectiveness and education of board members, and other matters relating to establishing complete corporate governance practices.

The Governance Disclosure Rules are more prescriptive and require that management of a company provide specific disclosure of its corporate governance practices in its management information circular when soliciting votes from its shareholders for the purpose of electing directors.

The Board of Directors recognizes the importance of establishing and maintaining sound corporate governance practices in effective management of the Company and in protection of its employees and shareholders. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed and to enhance shareholder value. The Company considers good corporate governance to be central to the effective and efficient management and operation of the Company, and the Board of Directors is directly responsible for developing the Company's approach to corporate governance issues. The Company believes that its corporate governance practices have been, and continue to be, in compliance with Applicable Canadian Requirements. The Company continues to monitor corporate governance developments in Canada with a view to further improve its governance policies and practices.

In addition to Applicable Canadian Requirements, the Company also needs to comply with the various exchange institutes different regulations. In addition, once First Nordic is listed on the Nasdaq First North, it will be subject to the provisions of the Nasdaq First North Rulebook.

“Venture Issuer” status

Under Canadian securities laws, the Company will cease to be a “venture issuer” with the listing of the SDRs on Nasdaq First North. As a result, under Canadian securities laws, the Company will be subject to the continuous disclosure requirements of non-venture issuers, which are more comprehensive and timelier than a “venture issuer”. The Company has applied for exemptive relief from applicable Canadian securities regulatory authorities that despite the listing of the SDRs on Nasdaq First North, the Company should continue to be a “venture issuer” for the purposes of Canadian securities laws. There is no guarantee that the Company will receive the requested relief and receipt of the exemptive relief remains at the discretion of applicable Canadian securities regulatory authorities.

General meeting of shareholders

General

Under the BCBCA, the Company must hold an annual general meeting of shareholders at least once in each calendar year and not more than 15 months after the annual general meeting for the preceding calendar year. General meetings of shareholders must be held in British Columbia unless, (i) a location outside of British Columbia is provided for in the articles of the Company (the “**Articles**”);

(ii) the Articles do not restrict the Company from approving a location outside of British Columbia for the holding of the general meeting and the location of the meeting is, (a) approved by the resolution required by the Articles for that purpose, or (b) if no resolution is required for that purpose by the Articles, approved by ordinary resolution; or (iii) the location for the meeting is approved in writing by the British Columbia registrar of companies before the meeting is held.

The Board of Directors may call an extraordinary general meeting of shareholders at any time if allowed by the Articles. A general meeting may also be called by an order of the court acting on its own motion or upon the application of the Company, a director, or a shareholder entitled to vote at a meeting. Shareholders holding less than 5 per cent of the issued shares that carry the right to vote at general meetings may requisition a general meeting of the shareholders for the purpose of transacting any business that may be transacted at a general meeting. On receiving the requisition, the Board of Directors shall call a meeting of shareholders to be held no more than four months after the requisition is received by the Company, if required to under the provisions of the BCBCA. In certain situations, the Board of Directors will not be required to call a requisitioned meeting. If the Board of Directors fails to send notice of a general meeting within 21 days of the Company receiving such requisition, any one or more of the shareholders who signed the requisition and, in the aggregate, hold more than 2.5 per cent of the issued shares of the Company that carry the right to vote at general meetings, may send notice of a general meeting to be held to transact the business stated in the requisition.

Under the BCBCA, shareholder action without a meeting may be taken by written resolution signed by all shareholders who would be entitled to vote on such resolution at a meeting of shareholders.

Unless the Articles otherwise provide, a shareholder or proxy holder may participate in, including vote at, a meeting of shareholders by telephone or other communications medium if all shareholders and proxy holders so participating are able to communicate with each other. The Company is not obliged under the BCBCA to take any action or provide any facility to permit or facilitate the use of any communications medium at a meeting of shareholders that is not an electronic meeting. If the Company holds a meeting of shareholders that is an electronic meeting, the Company must permit and facilitate participation in the meeting by telephone or other communications medium to all shareholders entitled to attend such meeting.

Under the BCBCA, a company may prepare a list of shareholders entitled to vote as of the record date that shows the number of shares held by each shareholder. A registered shareholder can either attend the meeting and vote in person or appoint someone else to vote for his or her shares (a “**Proxy Holder**”). The articles of a company may contain provisions relating to the conduct of a Proxy Holder at a meeting of shareholders.

A nominee-registered shareholder has beneficial ownership of the shares but a bank, trust company, securities broker, or other financial institution (an “**Intermediary**”) is the registered holder that holds the shares on behalf of the beneficial owner. The Intermediary cannot vote for the shares registered in its name unless it receives written voting instructions from the beneficial owner. If the beneficial owner requests and provides an intermediary with appropriate documentation, the Intermediary must appoint the beneficial owner or nominee of the beneficial owner as a Proxy holder.

Voting rights

Under the BCBCA, each registered shareholder as of the record date is entitled to one vote in respect of each share held by that shareholder. Unless the Articles provide otherwise, a registered shareholder or their Proxy Holder can attend a shareholders’ meeting and vote the shares. To appoint a Proxy Holder, a shareholder must complete and execute a form of proxy. A Proxy Holder is required to vote for the shares in accordance with the shareholder’s instructions, or may be provided authority by the shareholder to vote at the proxy holder’s discretion.

Many shareholders are “non-registered” shareholders since the shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company

through which they purchased the shares. The Intermediary cannot vote for the shares registered in its name unless it receives written voting instructions from the beneficial owner. If the beneficial owner requests and provides an Intermediary with appropriate documentation, the Intermediary must appoint the beneficial owner or nominee of the beneficial owner as proxy holder.

Instead of attending a meeting in person, a shareholder can participate electronically if the Company determines such participation is permitted at a meeting. Unless the Articles otherwise provide, any vote may be held entirely by means of a telephone or other communications medium if all shareholders and proxy holders participating in the meeting, whether by telephone, by other communications medium or in person, are able to participate.

Record date

In Canada, the record date is the cut-off date established by a company to determine which shareholders are entitled to, among other things: (i) receive payment of a dividend; (ii) participate in a liquidation distribution; (iii) receive notice of a shareholders' meeting; or (iv) vote at a shareholders' meeting. The directors may set the record date, which must be a date that is at least two months before the date on which such action or meeting, as applicable, is to take place. In relation to notice of meetings and voting rights, if the directors do not set a date, the record date is deemed to be 5 p.m. on the day before the day the notice is sent. In all other cases if the directors do not set a date, the record date is the day the directors pass the resolution relating to the matter for which the record date is required.

The record date for a shareholders' meeting is set by the Board of Directors. The Company is required to file on the System for Electronic Data Analysis and Retrieval + ("**SEDAR+**") (the national system for filing and disclosure by market participants in Canada) a notice of record date and meeting date at least 25 days before the record date for the meeting. The record date must not precede the date on which the meeting is to be held by more than two months, or in the case of a general meeting requisitioned under the BCBCA, by more than four months. Under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the record date must be no fewer than 30 and no more than 60 days before the meeting date.

Board of Directors

Board structure and function

Under the BCBCA and the Applicable Canadian Requirements, a public company must have at least three directors. The articles of a company may require that directors be elected at the annual general meeting of shareholders for a term expiring at the end of the next annual general meeting. The directors may also, if the articles so provide, appoint one or more additional directors, provided that the total number of directors so appointed shall not exceed one third of the number of the current directors who were elected or appointed as directors in a general meeting by shareholders.

The Articles provide that the Company shall have a minimum of three directors, and that the number of directors may be determined from time to time by resolution of the Board of Directors. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles or the provisions of the BCBCA.

The Board of Directors is currently comprised of six directors, Taj Singh (CEO), Marc Legault, Toby Pierce, Gary Cope, Jeffrey Couch and Henrik Lundin. Four of the members of the Board of Directors have been determined by the Board of Directors to be independent as defined in Applicable Canadian Requirements as they are not members of management and are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than interests and relationships arising from shareholding.

Taj Singh is not considered independent as he is an executive officer of the Company and Gary Cope is not considered to be independent since he has been an executive officer within the last three years. For more information about the members of the Board of Directors, see section *Board of Directors, executive management and auditors* above.

Board of Directors roles and responsibilities

The mandate of the Board of Directors is to supervise the management of the Company and to act in the best interest of the Company. The Board of Directors acts in accordance with the BCBCA; the Company's Articles; the mandate of the Board of Directors and the charters of the Board of Director's committees (the "**Committees**") and other applicable laws and policies.

The Board of Directors seeks to fulfill its mandate by reviewing, discussing and approving the Company's strategic planning and organizational structure to enhance and preserve the business of the Company and the underlying value of the Company. The Board of Directors discharges its responsibility for overseeing the management of the Company's business by delegation to the Company's senior officers the responsibility for day-to-day management of the Company. The Board of Directors discharges its responsibilities both directly and indirectly through its various standing Committees; namely, the Audit Committee, the Technical Committee and the Compensation Committee. In addition to the Committees, the Board of Directors may appoint ad hoc Committees periodically to address issues of a more short-term nature. The Board of Directors' primary role is overseeing corporate performance and providing quality, depth and continuity of management to meet the Company's strategic objectives. Other principal duties include, but are not limited to, the following categories: (i) succession planning; (ii) board organization; (iii) strategic planning; (iv) monitoring of financial performance and other financial reporting matters; (v) risk management; (vi) environmental oversight; (vii) policies and procedures; and (viii) communications and reporting.

The Board of Directors' mandate is to be evaluated, updated and adopted annually

The Board of Directors holds meetings on a regular basis in accordance with its mandate, which includes fixed decision items as well as other items as needed. Frequency of meetings may be increased, and the nature of the agenda items may be changed depending upon the state of the Company's affairs and in light of opportunities or risks that may arise.

CEO

The CEO manages the operations of the Company in accordance with the Applicable Canadian Requirements and the framework established by the Board of Directors. The CEO's role as well as the division of responsibility between the Board of Directors and the CEO are based on the written guidelines adopted by the Board of Directors and provided to the CEO. The Board of Directors is to continuously evaluate the CEO and his/her effectiveness. In addition, in consultation with the chair of the Board of Directors, the CEO prepares the necessary information and supporting data for all board meetings, and normally reports on various matters of the Company. The CEO leads the Company's management team and makes decisions in consultation with the other members of management team.

Executive compensation

Compensation, philosophy and objectives

The Company has appointed a Compensation Committee (the "**Compensation Committee**") and adopted a Compensation Committee Charter providing the Compensation Committee with the overall responsibility of recommending levels of executive compensation in order to attract, hire, retain and motivate the Company's Chief Executive Officer, Chief Financial Officer, and other executive officers (collectively, "**Management**") and certain key employees and non-executive officers below the vice-president level (collectively, "**Non-Management Officers**") and for recommending compensation of directors.

The Compensation Committee consists of a minimum of three members, each of whom, to the extent possible, shall be independent within the meaning of National Instrument 52-110 – *Audit Committees* (“NI 52-110”). As of the date of this Company Description, the members of the Compensation Committee are Gary Cope, Toby Pierce and Marc Legault. Pierce and Legault are considered independent for purposes of NI 52-110.

The Board of Directors meets to discuss and determine management compensation upon recommendation by the Compensation Committee in accordance with the parameters set out in the Compensation Committee Charter. In accordance with the Compensation Committee Charter, the Board of Directors has delegated to the Compensation Committee the following duties and responsibilities:

- a) recommend to the Board of Directors: (i) the performance targets and corporate goals relevant to management compensation and evaluate the performance of Management in relation to such goals; (ii) the proposed appointment of any person to Management; (iii) management compensation; (iv) Non-Management Officer compensation; and (v) compensation of the directors who serve on the Board of Directors or its committees.
- b) administer the Stock Option Plan (as defined in the section below) and recommend to the Board of Directors all awards and benefits to be granted under such plan to Management and Non-Management Officers;
- c) with the assistance of Management, monitor compensation trends and recommend to the Board of Directors compensation policies and plans for the Company; and
- d) review the Company’s disclosure related to executive compensation disclosure and the Stock Option Plan;
- e) In carrying out its duties, the Compensation Committee may engage outside consultants to aid in its review of the Company’s compensation program and policies.

The Board of Directors, as a whole and based on the recommendations of the Compensation Committee, aims to ensure that total compensation paid to Management, Non-Management Officers and directors is fair and reasonable. The Board of Directors relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels based on the recommendations provided by the Compensation Committee. No director or member of Management (including the Named Executive Officers (as hereinafter defined)) is permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of the Company’s equity securities held directly or indirectly.

Analysis of elements

Base compensation is used to provide the Management and Non-Management Officers a set amount of money during the year with the expectation that each such person will perform his or her responsibilities to the best of his or her ability and in the best interests of the Company. The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward members of Management and Non-Management Officers’ efforts to increase value for First Nordic shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to directors, officers, consultants, and employees periodically at the discretion of the Board of Directors, on recommendation from the Compensation Committee. The terms and conditions of the Company’s stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company’s current 2017 stock option plan, which was most recently approved by First Nordic shareholders at the annual general and special meeting held on June 26, 2024, (the “**Stock Option Plan**”). The Board of Directors may, on a recommendation from the Compensation Committee, choose to grant a cash bonus to Management and Non-Management Officers during the year at its sole discretion. The amount and timing of such bonus will depend on the needs of the Company, the amount of cash in

the treasury, and the relative amounts each member of management or consultant earns in fees each month.

Long-term compensation and option-based awards

The Company has no long-term incentive plans other than the Stock Option Plan. The Company's directors, officers, employees, and consultants are entitled to participate in the Stock Option Plan. The Stock Option Plan is designed to encourage share ownership and entrepreneurship on the part of senior management, employees, and other consultants. The Board of Directors believes that the Stock Option Plan aligns the interests of the Management, Non-Management Officers and the Board of Directors with First Nordic shareholders by linking a component of executive compensation to the longer-term performance of the First Nordic shares.

Options to purchase First Nordic shares under the terms of the Stock Option Plan (each, a "**First Nordic Option**") are granted by the Board of Directors, on recommendations from the Compensation Committee. In monitoring or adjusting the First Nordic Option allotments, the Compensation Committee takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous First Nordic Option grants and the objectives set for Management, Non-Management Officers and the Board of Directors. In addition to determining the number of First Nordic Options to be granted pursuant to the methodology outlined above, the Compensation Committee, on behalf of the Board of Directors, also makes the following determinations:

- the parties who are entitled to participate in the Stock Option Plan;
- the exercise price of each First Nordic Option granted;
- the date on which each First Nordic Option is granted;
- the vesting period, if any, for each First Nordic Option;
- the other material terms and conditions of each First Nordic Option grant; and
- any re-pricing, cancellation, or amendment to a First Nordic Option grant.

The Compensation Committee makes these determinations subject to and in accordance with the provisions of the Stock Option Plan. The Board of Directors reviews and approves grants of First Nordic Options periodically during the financial year based on the recommendations of the Compensation Committee.

Pursuant to the Stock Option Plan, the Board of Directors may grant First Nordic Options to directors, officers, employees and consultants as incentives. The number of First Nordic Options awarded to a recipient is determined by their position and their potential future contributions to First Nordic. The exercise price of First Nordic Options is determined by the Board of Directors, on recommendation from the Compensation Committee, but will in no event be less than the closing trading price of the First Nordic shares on the TSXV on the day before a First Nordic Option is granted.

The executive officers and Board of Directors refer to the Compensation Committee with respect to setting or amending any equity incentive plans under which share-based or option-based awards are granted, including the Stock Option Plan. The Compensation Committee carries out these responsibilities in accordance with the Compensation Committee Charter.

Summary of compensation

For the purposes of this Company Description, "**Named Executive Officer**" means each of the following individuals:

- a) the chief executive officer ("**CEO**") of the Company;
- b) the chief financial officer ("**CFO**") of the Company;

- c) the most highly compensated executive officer, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V (*Statement of Executive Compensation – Venture Issuers*), for the year ended December 31, 2023; and
- d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer, nor acting in a similar capacity, on December 31, 2023.

Compensation excluding compensation securities

During the financial year ending December 31, 2023, the Company had two Named Executive Officers: Gary Cope, President and CEO, and Ross Wilmot, CFO. Gary Cope resigned as President and CEO on February 23, 2024, and was replaced by Taj Singh. In addition, on January 17, 2025, Adam Cegielski was promoted to President, with Taj Singh retaining his role as CEO. The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the year ended December 31, 2023, for the Named Executive Officers and directors of the Company.

| Table of Compensation Excluding Compensation Securities | | | | | | | |
|--|------|-------------------------------|------------|---------------------|---------------------------|--------------------------------------|-------------------------|
| Name and Principal Position | Year | Salary or Consulting Fee (\$) | Bonus (\$) | Committee Fees (\$) | Value of Perquisites (\$) | Value of All Other Compensation (\$) | Total Compensation (\$) |
| Gary Cope ³⁹ , President, CEO and Director | 2023 | 321,600 | Nil | N/A | Nil | Nil | 321,600 |
| | 2022 | 321,600 | Nil | N/A | Nil | Nil | 321,600 |
| Ross Wilmot ⁴⁰ , CFO and Director | 2023 | 140,400 | Nil | N/A | Nil | Nil | 140,400 |
| | 2022 | 140,400 | 22,917 | N/A | Nil | Nil | 163,317 |
| Art Freeze ⁴¹ , Geologist and Director | 2023 | 139,200 | Nil | N/A | Nil | Nil | 139,200 |
| | 2022 | 139,200 | 22,917 | N/A | Nil | Nil | 162,117 |
| Rick Sayers, Director | 2023 | Nil | Nil | N/A | Nil | Nil | Nil |
| | 2022 | Nil | Nil | N/A | Nil | Nil | Nil |
| William (Harry) White, Director | 2023 | Nil | Nil | N/A | Nil | Nil | Nil |
| | 2022 | Nil | Nil | N/A | Nil | Nil | Nil |

³⁹ Gary Cope resigned as President and CEO and was replaced by Taj Singh on February 23, 2024. In addition, on January 17, 2025, Adam Cegielski was promoted to President, with Taj Singh retaining his role as CEO.

⁴⁰ Ross Wilmot resigned as director on January 17, 2025, retaining his role as CFO.

⁴¹ In connection with closing of the Arrangement involving First Nordic and Gold Line, Art Freeze, Rick Sayers and William (Harry) White all resigned as directors, and they were replaced by Toby Pierce, Marc Legault and Taj Singh.

No director was compensated for their services as director during the years ended December 31, 2023, or 2022.

Incentive plan awards

Stock options and other compensation securities

The following table discloses the particulars of all compensation securities granted or issued to each director and each Named Executive Officer during the year ended December 31, 2023. No compensation securities were repriced, cancelled, and replaced, extended, or otherwise materially modified in the year ending December 31, 2023. All First Nordic Options granted to directors or Named Executive Officers vest immediately upon granting and are non-transferrable.

| Name and Position | Type of Compensation Security | Number of Compensation Securities, Number of underlying securities, and percentage of class | Date of Issue or Grant | Issue, Conversion or Exercise Price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry Date |
|--|-------------------------------|---|------------------------|--|--|---|--------------|
| Gary Cope ⁴² CEO and Director | Stock Options | 700,000 9.7% | Dec 22, 2023 | 0.17 | 0.15 | 0.135 | Dec 22, 2028 |
| Ross Wilmot ⁴³ CFO and Director | Stock Options | 500,000 6.9% | Dec 22, 2023 | 0.17 | 0.15 | 0.135 | Dec 22, 2028 |
| Art Freeze ⁴⁴ Geologist and Director | Stock Options | 500,000 6.9% | Dec 22, 2023 | 0.17 | 0.15 | 0.135 | Dec 22, 2028 |
| Rick Sayers ⁴⁵ Director | Stock Options | 200,000 2.8% | Dec 22, 2023 | 0.17 | 0.15 | 0.135 | Dec 22, 2028 |
| William H. (Harry) White ⁴⁶ Director | Stock Options | 200,000 2.8% | Dec 22, 2023 | 0.17 | 0.15 | 0.135 | Dec 22, 2028 |

⁴² Mr. Cope had a total of 2,050,000 First Nordic Options as of December 31, 2023. Mr. Cope resigned as President and CEO on February 23, 2024.

⁴³ Mr. Wilmot had a total of 1,500,000 First Nordic Options as of December 31, 2023. Mr. Wilmot resigned as a director on January 17, 2025.

⁴⁴ Mr. Freeze had a total of 1,500,000 First Nordic Options as of December 31, 2023. Mr. Freeze resigned as a director on February 23, 2024.

⁴⁵ Mr. Sayers had a total of 475,000 First Nordic Options as of December 31, 2023. Mr. Sayers resigned as a director on February 23, 2024.

⁴⁶ Mr. White had a total of 475,000 First Nordic Options as of December 31, 2023. Mr. White resigned as a director on February 23, 2024.

Exercise of compensation securities by directors and Named Executive Officers

No compensation securities were exercised in the year ended December 31, 2023, by any director or Named Executive Officer.

Pension plan benefits

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following, or in connection with retirement.

Termination and change of control benefits

Under the terms of the Singh Agreement, the Wilmot Agreement, the Cegielski Agreement and the Gelber Agreement (each as defined in section *Management Contracts* below), in the event of death or as a result of termination due to disability of either Mr. Singh, Mr. Wilmot, Mr. Cegielski, or Mr. Gelber, as applicable, the Company will pay and provide the Singh Agreement, the Wilmot Agreement, the Cegielski Agreement or the Gelber Agreement, as applicable, any accrued consulting fees through to the date of termination and reimbursement for any unreimbursed expenses incurred through to the date of death or termination due to disability.

In the event of a Change of Control (as defined in the Singh, Wilmot, Cegielski and Gelber Agreements) where employment is terminated in the 12-month period following the Change of Control, Taj Singh, Cedarwoods Group, Adam Cegielski or Benjamin Gelber, as applicable, is entitled to receive a lump sum payable within ten business days of the date of termination as laid out in the table below. If the Company terminates the Singh Agreement, the Wilmot Agreement, the Cegielski Agreement or the Gelber Agreement other than for a Change of Control or Just Cause, Taj Singh may be entitled to receive a lump sum payment of up to 12 months' consulting fee, Cedarwoods Group, as applicable, may be entitled to receive a lump sum payment of up to 12 months' consulting fee, and Adam Cegielski and Benjamin Gelber may be entitled to receive a lump sum payment of up to three months' consulting fee.

The following table shows the estimated compensation that would be payable assuming termination and/or Change of Control events occurred on December 31, 2024:

| Name | Payment Upon Retirement, Death or Disability Termination ⁴⁷ | Payment Upon Termination due to Change of Control ⁴⁸ | Payment Upon Termination Other than a Change of Control or Just Cause |
|-----------------|--|---|---|
| Taj Singh | Nil | US\$360,000 | US\$180,000 |
| Ross Wilmot | Nil | \$275,000 | \$117,000 |
| Adam Cegielski | Nil | US\$300,000 | US\$150,000 |
| Benjamin Gelber | Nil | US\$150,000 | US\$37,500 |

Other than as set out above, there are no compensatory plans or arrangements, with respect to any Named Executive Officer, resulting from the resignation, retirement, or any other termination of employment of the officer or from a change in control of the Company or a change of any Named Executive Officer's responsibilities following a Change of Control.

⁴⁷ This amount assumes no consulting fees accrued through to the date of termination and no expenses that have not been reimbursed.

⁴⁸ These amounts do not include applicable GST.

The only significant conditions of the Singh Agreement, the Wilmot Agreement, the Cegielski Agreement and the Gelber Agreement that apply to the receipt of payments or benefits is the enduring confidentiality clause regarding confidential information, as defined in each respective agreement, and the signing of a mutual release. The provision for breach of the applicable clause is subject to the laws of British Columbia and the laws of Canada applicable therein. There are no other significant factors.

Director compensation

As of the date of this Company Description, the Company has six directors, one of whom is also a Named Executive Officer, being Taj Singh, CEO. The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year except for the granting from time to time of incentive stock options in accordance with the policies of the TSXV. None of the Company's directors received any cash compensation for services provided in their capacity as directors during the Company's most recently completed financial year.

Total amounts of compensation set aside or accrued

The Company has no provisions or accrued amounts for pensions or similar benefits after the termination of employment or assignments.

Equity compensation plan information

The following table provides information as of December 31, 2023, regarding the number of First Nordic shares to be issued pursuant to the Stock Option Plan. The Company does not have any equity compensation plans that have not been approved by First Nordic shareholders.

| Plan category | Number of securities to be issued upon exercise of outstanding options, warrants and rights (a) | Weighted average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) |
|---|--|--|--|
| Equity compensation plans approved by securityholders | 7,237,500 | \$0.44 | 6,720,883 |
| Equity compensation plans not approved by securityholders | N/A | N/A | N/A |
| Total | 7,237,500 | \$0.44 | 6,720,883 |

Indebtedness to company of directors, executive officers and senior officers

No person who is or at any time since the commencement of the Company's last completed financial year was a director, executive officer or senior officer of the Company, and no associate of any of the foregoing persons has been indebted to the Company at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company at any time since the

beginning of the most recently completed financial year with respect to any indebtedness of any such person, other than amounts not exceeding \$50,000 for travel advances.

Interest of informed persons in material transactions

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company, other than as disclosed in this Company Description. An "informed person" means:

- a) a director or executive officer of the Company;
- b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 per cent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and
- d) the Company if it has purchased, redeemed, or otherwise acquired any of its securities, so long as it holds any of its securities.

Management contracts

Management functions of the Company are substantially performed by directors or executive officers of the Company and not to any substantial degree by any other person with whom the Company has contracted, other than the following:

- 1) Pursuant to the consulting agreement between the Company and Taj Singh, dated February 24, 2024, (the "**Singh Agreement**"), Taj provides consulting services to the Company. Taj Singh serves as the CEO of the Company and is a member of the Board of Directors. Under the terms of the Singh Agreement, the Company pays an annual base salary of US\$180,000. The Company or Taj Singh may terminate the Singh Agreement at any time in accordance with the terms and conditions of the Singh Agreement provided reasonable notice has first been provided to either the Company or Taj Singh, as applicable.
- 2) Pursuant to the consulting agreement between the Company and Cedarwoods Group, a company wholly owned by Ross Wilmot, dated September 1, 2015, as amended January 1, 2017, and June 1, 2021 (the "**Wilmot Agreement**"), Cedarwoods Group provides consulting services to the Company. Cedarwoods Group of Surrey, BC is engaged in the business of financial services. Under the terms of the Wilmot Agreement, the Company paid Cedarwoods Group a monthly consulting fee of \$11,700 plus applicable GST. Either the Company or Cedarwoods Group may terminate the Wilmot Agreement at any time in accordance with the terms and conditions of the Wilmot Agreement provided reasonable notice has first been provided.
- 3) Pursuant to the consulting agreement between the Company and Adam Cegielski, dated February 24, 2024, (the "**Cegielski Agreement**"), Adam Cegielski provides consulting services to the Company. Adam Cegielski now serves as President of the Company. Under the terms of the Cegielski Agreement the Company pays an annual base salary of US\$150,000. The Company or Adam Cegielski may terminate the Cegielski Agreement at any time in accordance with the terms and conditions of the Cegielski Agreement provided reasonable notice has first been provided to either the Company or Adam Cegielski, as applicable.

- 4) Pursuant to the consulting agreement between the Company and Benjamin Gelber, dated February 24, 2024, (the “**Gelber Agreement**”), Benjamin Gelber provides consulting services to the Company. Benjamin Gelber serves as the Head of Exploration for the Company. Under the terms of the Cegielski Agreement the Company pays an annual base salary of US\$150,000. The Company or Benjamin Gelber may terminate the Gelber Agreement at any time in accordance with the terms and conditions of the Gelber Agreement provided reasonable notice has first been provided to either the Company or Benjamin Gelber, as applicable.
- 5) Pursuant to the shared services agreement between the Company and Belcarra Group Management Ltd. (“**Belcarra**”) dated January 1, 2017, and amended January 1, 2021, a company wholly owned by Gary Cope, Belcarra provides management, administrative, office facilities and other related services including the provision of personnel as may be required by the Company from time to time, with costs allocated on a shared and proportional basis with certain other companies that have also engaged Belcarra to provide these services, including an accountant and Corporate Secretary to the Company in exchange for a variable monthly fee of the total costs incurred by Belcarra for the applicable month (the “**Belcarra Agreement**”). During the year ended December 31, 2023, Belcarra provided services to the Company, as well as to two other publicly traded companies, being Silver Viper Minerals Corp. and Orex, and the cost of such services was allocated on a proportional basis among the three companies at 33.3 per cent per company. Pursuant to the terms of the Belcarra Agreement, as amended January 1, 2021, the Company will pay Belcarra a fee of \$1,000,000 in the event of a Change of Control (as such term is defined in the Belcarra Agreement) of the Company. Such fee will be due and payable on the date of the Change of Control and will be in addition to any other fees due by the Company to Belcarra under the Belcarra Agreement.

Committees of the Board of Directors

The Board of Directors has appointed an Audit Committee, a Compensation Committee, and a Corporate Governance Committee, the members of which are as follows:

| Audit Committee | Compensation Committee | Corporate Governance Committee |
|-----------------|------------------------|--------------------------------|
| Taj Singh | Gary Cope | Gary Cope |
| Toby Pierce* | Toby Pierce* | Toby Pierce* |
| Marc Legault* | Marc Legault* | Marc Legault* |

*Independent

A description of the function of the Audit Committee can be found in this Company Description under section *Audit Committee*. A description of the function of the Compensation Committee can be found in this Company Description under section *Executive Compensation*, subsection *Compensation, Philosophy and Objectives*.

The purpose of the Corporate Governance Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with respect to corporate governance in general, and specifically to ensure that the requirements for the Board of Directors and its activities conform to the Company’s Corporate Governance Committee Charter.

Assessments

The Board of Directors has not, as yet, adopted formal procedures for assessing the effectiveness of the Board of Directors, its committees or individual directors, other than the reviews to be completed by the Compensation Committee from time to time. The relatively small size of the

Company enables the Board of Directors to satisfy itself that individual directors are performing effectively. As the Company grows, the Board of Directors will consider adopting further formal procedures for evaluating the director and committee performance.

Audit committee

As at the date of this Company Description, the Audit Committee is composed of Taj Singh, Toby Pierce and Marc Legault. Pierce and Legault are independent, and all of the members of the Audit Committee are “financially literate”. Under this heading, the Company is including the disclosure required by Form 52-110F2 of NI 52-110. The Company is relying on the exemption provided in Section 6.1 of NI 52-110 (which is available to all venture issuers). As a result, the Company is exempt from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations), and as such, the members of the Audit Committee are not required to be either “independent” or “financially literate”.

The Board of Directors and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

Relevant Education and Experience

| Member⁴⁹ | Independent/ Not Independent⁵⁰ | Financially Literate/ Not Financially Literate⁵¹ | Relevant Education and Experience |
|----------------------------|--|--|---|
| Taj Singh | Not Independent | Financially Literate | <p>Taj Singh is currently the President and CEO and has served as President and CEO of multiple publicly listed companies on the TSXV.</p> <p>Taj Singh is a Professional Engineer (P.Eng), a Chartered Professional Accountant (CPA), a Certified Management Accountant (CMA) and holds a Bachelor of Engineering degree (Metallurgy / Minerals Processing) and a Master of Engineering degree (Metallurgy).</p> |
| Toby Pierce | Independent | Financially Literate | <p>Toby Pierce is currently CEO and Director of TAG Oil Ltd., a TSXV listed oil and gas producer operating in Egypt and the Middle East.</p> <p>Toby Pierce has 25 years of geological and financial understanding within the resource sector and holds an MBA from the Rotman School of Business and a Bachelor of Science degree in Earth Sciences from the University of Victoria.</p> |
| Marc Legault | Independent | Financially Literate | <p>Marc Legault has over 45 years of experience in the minerals industry, specifically in gold and base metal exploration, mining, project evaluation and business development as a geologist, engineer and mining company executive.</p> <p>He graduated from Queen’s University with a B.A.Sc. in geological engineering and from Carleton University with an M.Sc. in geology.</p> |

⁴⁹ Taj Singh, Toby Pierce, and Marc Legault were appointed to the Audit Committee on February 23, 2024.

⁵⁰ As defined in NI 52-110.

⁵¹ As defined in NI 52-110.

Audit committee oversight

Since the commencement of the Company's most recently completed financial year, the Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Auditor

Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, is the Company's auditor and holds office until the Company's next annual general and special meeting.

Audit fees

The audit fees billed to the Company, for professional services rendered by Davidson & Company LLP, Chartered Professional Accountants, during the financial year ended December 31, 2023, were \$30,366.

Employees

As of the date of this Company Description, the Company has no employees. The operations of the Company are managed by its directors and officers. Pursuant to a shared services agreement between the Company and Belcarra (the Belcarra Agreement), Belcarra provides management, administrative, provision of personnel and other related services required by the Company from time to time, with costs allocated on a shared and proportional basis with certain other companies that have also engaged Belcarra to provide such services. The Company engages consultants from time to time in the areas of mineral exploration, geology and business negotiations as required to assist in evaluating its interests and recommending and conducting work programs.

THE UNDERLYING SHARES AND SHARE CAPITAL

Information about the shares

The issuer of the underlying shares is First Nordic. First Nordic is a public company incorporated in British Columbia, Canada, and registered with the Business Register maintained by the BC Registry Services (British Columbia, Canada) (the “**BC Business Register**”) on February 20, 2013, under the laws of the Province British Columbia, Canada. First Nordic is registered with the BC Registry Services under business identity code BC0962826.

As of the date of this Company Description, there are 270,847,815 shares outstanding in First Nordic. At the beginning of the financial year 2024, 139,583,827 shares were outstanding in First Nordic. The shares have been issued, and are governed by, the laws of the Province of British Columbia, Canada, and consists of one share class and are fully paid and freely transferable (subject only to any restrictions on transfer in accordance with applicable securities laws or stock exchange rules). The shares have been traded on TSXV in Canada since September 28, 2015. The trading symbol for the shares on TSXV is FNM and the ISIN code for the shares is CA33583M1077. The shares are also listed on the OTCQB stock exchange in the United States, under the trading symbol FNMCF, as well as on the Frankfurt stock exchange in Germany, under the trading symbol HEG0. The Company does not hold any of its own shares.

An unlimited number of common shares without par value may be issued.

Issue of underlying shares in connection with the Listing

The Board of Directors resolved on March 13, 2025, to issue 3,105,591 new underlying shares in First Nordic in order to enable investors to receive the SDRs.

Dilution

The existing shareholders of the Company will experience dilution of their shareholding due to the issue of new shares. Through the issue of new shares, the number of outstanding shares in the Company will increase with 3,105,591 from 267,742,224 shares to 270,847,815 shares, corresponding a dilution of 1.15 per cent of the total number of outstanding shares and votes in the Company after the new issue.

Resolutions on issues of financial instruments

The Company completed a two-tranche private placement on January 25, 2022, and February 18, 2022, consisting of 1,375,000 units at a price of \$0.50 per unit for gross proceeds of \$687,500. Each unit consisted of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one share at a price of \$0.75 per share, with 412,500 expiring on January 25, 2024, and 275,000 expiring on February 18, 2024. In connection with the issuance, cash finders’ fee of \$26,250 and \$5,235 of legal, regulatory, and filing fees were paid. Using the residual value method, the value assigned to the warrants was \$27,500.

The Company completed a private placement on August 23, 2022, and raised gross proceeds of \$1,896,935 through the sale of 6,323,116 units at a price of \$0.30 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one share at a price of \$0.45 per share and expires on August 23, 2024. In connection with the issuance, cash finders’ fee of \$34,740 and \$15,240 of legal, regulatory, and filing fees were paid. Using the residual value method, the value assigned to the warrants was \$63,232.

The Company completed a private placement on November 17, 2023, and raised gross proceeds of \$300,100 through the sale of 2,000,667 units at a price of \$0.15 per unit. Each unit consisted of one common share and one-half of one common share purchase warrant. Each full warrant entitles the holder to acquire one share at a price of \$0.25 per share and expires on November 17, 2025. In

connection with the issuance, cash finders' fee of \$12,906 and \$6,975 of legal, regulatory, and filing fees were paid.

On February 23, 2024, the Company completed the Arrangement, thereby having acquired all of the issued and outstanding common shares of Gold Line, with each Gold Line shareholder having received 0.7382 common shares of the Company in exchange for one Gold Line Share. Pursuant to the Arrangement, the Company issued 35,747,716 common shares with a fair value of \$4,289,726. As part of the Arrangement, all outstanding share options and warrants of Gold Line were exchanged for share options to acquire up to an aggregate of 1,550,220 common shares of the Company. All outstanding warrants of Gold Line are now exercisable to acquire 14,188,255 common shares of the Company.

In connection with the Arrangement, the Company closed a concurrent private placement. In January and February 2024 prior to closing of the Arrangement, the Company had issued a total of 8,082,399 subscription receipts at a price of \$0.15 per unit for gross proceeds of \$1,212,360. Upon closing of the Arrangement, each subscription receipt was converted into one common share of the Company and one-half of one common share purchase warrant. Each full warrant entitles the holder to purchase one common share of the Company at a price equal to \$0.25 per share for a period of two years. The Company paid finder's fees of \$50,845 and issued 338,967 finder warrants. The finder warrants have the same terms as the warrants described above. The finders warrants were valued using the Black Scholes option pricing model and was estimated to be \$18,625.

On July 31, 2024, the Company completed its acquisition of the Oijärvi project (the "**Oijärvi project**") that was announced on July 15, 2024 (the "**Transaction**"). The Transaction was effected by way of a subscription agreement between First Nordic and Agnico Eagle, pursuant to which Agnico Eagle exchanged amounts due under the asset purchase agreement between certain subsidiaries of First Nordic, certain subsidiaries of Agnico Eagle and EMX dated March 19, 2021, as amended May 1, 2023 (the "**Purchase Agreement**"), for 27,954,872 common shares of the Company.

First Nordic issued the 27,954,872 shares to Agnico Eagle at a subscription price of \$0.2925 per share for gross proceeds of \$8,176,800, which proceeds were used by First Nordic to immediately satisfy the remaining consideration payable to certain subsidiaries of Agnico Eagle under the Purchase Agreement. The Transaction was treated as a shares-for-debt transaction under the policies of the TSXV.

On November 26, 2024, the Company closed a bought deal private placement offering for aggregate gross proceeds of \$11,500,368, consisting of the issuance of 34,849,600 Offered Units at a price of \$0.33 per Offered Unit, which each Offered Unit consisting of one common share and one-half of one Unit Warrant (the "**2024 Bought Deal**") (see section *Net indebtedness*, subsection *Significant changes since September 30, 2024* for further details on this offering).

Stock options and warrants

Stock options

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the Board of Directors has the discretion to issue the equivalent of up to 10 per cent of the issued and outstanding shares of the Company from time to time. Stock options are generally for a term of up to five years from the date granted and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the Board of Directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the options vesting in any three-month period.

On April 6, 2023, the Company granted 575,000 stock options to an investor relations firm. The stock options have an exercise price of \$0.35 per share, expire two years from the date of grant and vest in equal quarterly instalments over 12 months. The Company used the Black Scholes option pricing

model to estimate the fair value of the options to be \$0.17. The following assumptions were used: risk free interest rate of 3.75 per cent, dividend yield of zero per cent, expected volatility of 86.89 per cent and expected life of two years.

On December 22, 2023, the Company granted 2,700,000 stock options to directors, officers and consultants. The stock options have an exercise price of \$0.17 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$0.10. The following assumptions were used: risk free interest rate of 3.23 per cent, dividend yield of zero per cent, expected volatility of 89.41 per cent and expected life of five years.

On February 23, 2024, the Company issued 1,550,220 options to previous option holders of Gold Line in accordance with the Arrangement. The options are exercisable at \$0.15 per share and will expire on December 22, 2028. The options were all fully vested on the acquisition date. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$126,020. The following assumptions were used: risk free interest rate of 3.81 per cent, dividend yield of zero per cent, expected volatility of 91.18 per cent and expected life of 4.84 years.

On April 5, 2024, the Company issued 9,800,000 stock options to directors, officers and consultants. The stock options have an exercise price of \$0.20 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$1,419,070. The following assumptions were used: risk free interest rate of 3.68 per cent, dividend yield of zero per cent, expected volatility of 92.14 per cent and expected life of five years.

On May 27, 2024, the Company issued 1,700,000 options to stock options to directors, officers and consultants. The stock options have an exercise price of \$0.23 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$284,421. The following assumptions were used: risk free interest rate of 3.88 per cent, dividend yield of zero per cent, expected volatility of 92.56 per cent and expected life of five years.

On May 31, 2024, the Company issued 1,000,000 options to stock options to directors, officers and consultants. The stock options have an exercise price of \$0.25 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$177,128. The following assumptions were used: risk free interest rate of 3.66 per cent, dividend yield of zero per cent, expected volatility of 92.56 per cent and expected life of five years.

On July 26, 2024, the Company issued 525,000 options to an officer. The stock options have an exercise price of \$0.33 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$123,600. The following assumptions were used: risk free interest rate of 3.23 per cent, dividend yield of zero per cent, expected volatility of 93.34 per cent and expected life of five years.

On September 16, 2024, the Company issued 1,727,500 stock options to a director and consultants. The stock options have an exercise price of \$0.36 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$450,230. The following assumptions were used: risk free interest rate of 2.68 per cent, dividend yield of zero per cent, expected volatility of 91.15 per cent and expected life of five years.

On September 20, 2024, the Company issued 889,542 stock options to a consultant. The stock options have an exercise price of \$0.37 per share, expire five years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$226,802. The following assumptions were used: risk free interest rate of 2.73

per cent, dividend yield of zero per cent, expected volatility of 91.14 per cent and expected life of five years.

The following stock options to acquire common shares of the Company were outstanding at September 30, 2024:

| Number of Shares | Exercise Price (\$) | Expiry Date |
|-------------------------|----------------------------|--------------------|
| 1,700,000 | 0.53 | December 19, 2024 |
| 2,250,000 | 0.65 | February 3, 2026 |
| 300,000 | 0.76 | May 28, 2026 |
| 1,750,000 | 0.17 | December 22, 2028 |
| 1,218,030 | 0.15 | December 22, 2028 |
| 6,778,540 | 0.20 | April 5, 2029 |
| 200,000 | 0.23 | May 27, 2029 |
| 525,000 | 0.33 | July 26, 2029 |
| 1,700,000 | 0.36 | September 16, 2029 |
| 24,042 | 0.37 | September 20, 2029 |
| 16,445,612 | | |

On January 7, 2025, the Company issued 8,890,000 stock options to directors, officers and consultants. The stock options may not be exercised, for directors and officers, prior to the earlier of: (i) the one year anniversary of the date of the stock option agreement; and (ii) the date the Company completes the Listing. The stock options have an exercise price of \$0.39 and expire five years from the date of grant.

On January 10, 2025, an officer exercised 700,000 stock options acquiring shares in the Company. Acquired shares are subject to the same restrictions as the stock options described above.

On January 17, 2025, the Company issued 1,000,000 stock options to a director. The stock options may not be exercised prior to the earlier of: (i) the one year anniversary of the date of the stock option agreement; and (ii) the date the Company completes the Listing. The stock options have an exercise price of \$0.42 and expire five years from the date of grant.

Warrants

In connection with the Arrangement, the Company closed a concurrent private placement. In January and February 2024 prior to closing of the Arrangement, the Company had issued a total of 8,082,399 subscription receipts at a price of \$0.15 per unit for gross proceeds of \$1,212,360. Upon closing of the Arrangement, each subscription receipt was converted into one common share of the Company and one-half of one common share purchase warrant. Each full warrant entitles the holder to purchase one common share of the Company at a price equal to \$0.25 per share for a period of two years. The Company paid finder's fees of \$50,845 and issued 338,967 finder warrants. The finder warrants have the same terms as the warrants described above. The finders warrants were valued using the Black Scholes option pricing model and was estimated to be \$18,625.

The finders' warrants are exercisable at an average of \$0.25 per share and will expire on January 18, 2026, January 26, 2026 and February 9, 2026 respectively. The warrants were all fully vested on the date of issuance. The Company used the Black Scholes option pricing model to estimate the fair value of the warrants to be \$0.05. The following weighted average assumptions were used: risk free interest rate of 4.24 per cent, dividend yield of zero per cent, expected volatility of 89.95 per cent and expected life of two years.

On February 23, 2024, the Company issued 14,188,255 warrants to previous option holders of Gold Line in accordance with the Arrangement. The warrants are exercisable at an average of \$0.73 per share and will expire on September 14, 2024, January 31, 2025, April 28, 2025 and October 27, 2025, respectively. The warrants were all fully vested on acquisition date. The Company used the Black Scholes option pricing model to estimate the fair value of the warrants to be \$237,655. The following weighted average assumptions were used: risk free interest rate of 4.23 per cent, dividend yield of zero per cent, expected volatility of 101.55 per cent and expected life of 1.1 years.

On July 8, 2024, the Company issued 3,150,631 warrants under the Warrant Incentive Program. The warrants have an exercise price of \$0.40 per share, expiring two years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$560,929. The following assumptions were used: risk free interest rate of 3.93 per cent, dividend yield of zero per cent, expected volatility of 93.45 per cent and expected life of two years.

On July 29, 2024, the Company issued 887,279 warrants under the Warrant Incentive Program. The warrants have an exercise price of \$0.40 per share, expire two years from the date of grant and vest immediately. The Company used the Black Scholes option pricing model to estimate the fair value of the options to be \$154,419. The following assumptions were used: risk free interest rate of 3.57 per cent, dividend yield of zero per cent, expected volatility of 93.66 per cent and expected life of two years.

The following warrants to acquire common shares of the Company were outstanding on September 30, 2024:

| Number of Shares | Exercise Price (\$) | Expiry Date |
|-------------------------|----------------------------|--------------------|
| 833,333 | 0.25 | November 17, 2025 |
| 2,367,716 | 0.25 | January 18, 2026 |
| 1,427,727 | 0.25 | January 26, 2026 |
| 166,371 | 0.25 | February 9, 2026 |
| 1,891,638 | 0.39 | January 31, 2025 |
| 668,687 | 0.29 | April 28, 2025 |
| 110,140 | 0.34 | April 28, 2025 |
| 4,139,087 | 0.27 | October 27, 2025 |
| 3,150,631 | 0.40 | July 8, 2026 |
| 887,278 | 0.40 | July 29, 2024 |
| 15,642,608 | | |

Unit Warrants and Compensation Options

On November 26, 2024, the Company issued 17,424,800 warrants in connection with the 2024 Bought Deal. The warrants have an exercise price of \$0.45 per share, expire two years from the date of grant and shares issued on exercise thereof are subject to a hold period in Canada expiring four months and one day from the closing date of the 2024 Bought Deal. The Company also issued 2,090,976 Compensation Options to finders in connection with the 2024 Bought Deal. The Compensation Options have an exercise price of \$0.33, expire two years from the date of grant and shares issued on exercise thereof are subject to a hold period in Canada expiring four months and one day from the closing date of the 2024 Bought Deal.

Share capital development

| | Common Shares | Share Capital | Reserves | Deficit | Total Shareholders' Equity |
|-----------------------------------|------------------|---------------|------------|-------------|----------------------------------|
| Balance, December 31, 2021 | 129,597,544 | 8,874,338 | 6,442,381 | -14,956,294 | 360,425 |
| Issuance of common shares | 7,698,116 | 2,584,435 | - | - | 2,584,435 |
| Share issuance costs | - | -81,465 | - | - | -81,465 |
| Residual value of warrants | - | -90,732 | 90,732 | - | - |
| Loss and comprehensive loss | - | - | - | -1,665,625 | -1,665,625 |
| Balance, December 31, 2022 | 137,295,660 | 11,286,576 | 6,533,113 | -16,621,919 | 1,197,770 |
| Issuance of common shares | 2,000,667 | 300,100 | - | - | 300,100 |
| Share issuance costs | - | -19,881 | - | - | -19,881 |
| Stock options exercised | 287,500 | 108,131 | -7,507 | - | 100,624 |
| Share-based payments | - | - | 293,824 | - | 293,824 |
| Loss and comprehensive loss | - | - | - | -1,827,526 | -1,827,526 |
| Balance, December 31, 2023 | 139,583,827 | 11,674,926 | 6,819,430 | -18,449,445 | 44,911 |
| Shares issued for: | | | | | |
| - Acquisition | 35,747,716 | 4,289,726 | - | - | 4,289,726 |
| - Private placement | 36,037,271 | 1,212,360 | - | - | 1,212,360 |
| - Mineral property | 27,954,872 | 10,063,754 | - | - | 10,063,754 |
| Share issuance costs | - | -148,377 | 18,625 | - | -129,752 |
| Acquisition - options | - | - | 126,020 | - | 126,020 |
| Acquisition - warrants | - | - | 237,655 | - | 237,655 |
| Stock options exercised | 7,253,730 | 2,831,664 | -1,168,419 | - | 1,663,245 |
| Warrants exercised | 9,223,355 | 2,777,366 | - | - | 2,777,366 |
| Warrant modification | - | -133,324 | 133,324 | - | - |
| Share-based payments | - | - | 2,681,251 | - | 2,681,251 |
| Loss and comprehensive loss | - | - | - | -6,711,008 | -6,711,008 |

| | Common Shares | Share Capital | Reserves | Deficit | Total Shareholders' Equity |
|------------------------------------|---------------|---------------|-----------|-------------|----------------------------|
| Balance, September 30, 2024 | 227,845,899 | 32,568,095 | 8,847,886 | -25,160,453 | 16,255,528 |

Certain rights attached to the shares

Preferential rights to new shares, etc.

The Articles do not contain any pre-emption rights for shareholders.

Under the TSXV policies, shareholder approval is generally required for transactions: (i) which result in the creation of a new control person of a company (generally being a holder or holders acting together of at least 20 per cent of the issued and outstanding shares on a partially diluted basis); (ii) where the number of securities issued or issuable to non-arm's length parties as a group, as payment for the purchase price for an acquisition, exceeds 10 per cent of the number of securities of a company which are outstanding on a non-diluted basis, prior to the closing date of the transaction; or (iii) which constitute reverse takeovers or changes of business of a company.

Under the BCBCA:

1. subject to the articles of a company, shares may be issued at such times and to such persons and for such consideration as the directors may determine;
2. shares issued by a company are non-assessable, and the holders are not liable to a company or to its creditors in respect thereof; and
3. a share shall not be issued until the consideration for the share is fully paid in money or in property or past services performed by the recipient and the value of the consideration received by a company for such share must equal or exceed the issue price set for the share.

Rights to dividends and distribution in the event of liquidation

Under the BCBCA, a company may voluntarily dissolve if: (a) it has been authorized to do so by a special resolution; (b) it has no assets; and (c) has made adequate provision for the payment of each of its liabilities, if any. In addition, a shareholder, a beneficial owner of a share, a director or any other person, including a creditor of the company whom the court considers appropriate, may apply to court for an order that the company be liquidated and dissolved if an event occurs on the occurrence of which the articles of the company provide that the company is to be liquidated and dissolved, or if the court otherwise considers it just and equitable to do so.

After the final accounts have been approved by the liquidator and, in the case of a voluntary liquidation ordered by the court, the liquidator will distribute any remaining property of the company, after the discharge of its obligations, among the shareholders, according to their respective rights.

Dividends

General

The Company's shares entitle the holder to receive a dividend, provided a dividend is paid. First Nordic has not previously paid any dividends.

Dividends according to Canadian regulations

Under the BCBCA, a corporation may pay dividends in money or property or by issuing fully paid shares of the corporation. A corporation shall not declare or pay a dividend if there are reasonable grounds for believing that the corporation is, or would after the payment be, unable to pay its liabilities as they become due.

The decision to pay dividends is entirely at the Board of Directors' discretion, save for the restrictions above. Accordingly, there are no fixed dividend dates, specific rates or method of calculation. There are also no dividend restrictions or time limits after which the dividend lapses.

Central securities depository

The shares of the Company are recorded in a securities register in accordance with the BCBCA. The register is maintained by Computershare Investor Services, with an address of 510 Burrard St, 3rd Floor, Vancouver, BC V6C 3B9. The ISIN for the Company's common shares is CA33583M1077.

Incentive programs

On February 3, 2021, the Company announced the grant of an aggregate of 2,575,000 incentive stock options to directors, officers, and consultants to purchase up to 2,575,000 shares. The options have an exercise price of \$0.65 per Share, expire five years from the date of grant and vested immediately on the date of grant.

On December 22, 2023, the Company announced the grant of an aggregate of 2,700,000 incentive stock options to directors, officers, and consultants to purchase up to 2,700,000 shares, with an exercise price of \$0.17 per share, expiring five years from the date of grant, and vesting immediately. Gold Line also announced the grant of stock options to certain directors, officers and consultants of Gold Line, allowing for the acquisition of up to, in the aggregate, 3,600,000 common shares of Gold Line. On January 29, 2024, this grant was amended by cancelling 1,500,000 stock options. The options are exercisable at a price of \$0.11 per common share for five years from the date of grant and are subject to the approval of the TSXV. All incentive stock options of Gold Line outstanding at the time of completion of the Arrangement were exchanged for equivalent securities to purchase shares in the Company.

On June 13, 2024, the Company announced a warrant incentive program ("**Warrant Incentive Program**") that offered holders of the above-noted outstanding warrants the opportunity to exercise each of their outstanding warrants between 9:00 a.m. PST on June 14, 2024, and 4:00 p.m. PST on July 7, 2024. In return for the early exercise, each holder received one share pursuant to the original warrant terms, plus as an incentive, one-half of one common share purchase warrant. Each incentive warrant allows the holder to acquire one share at an exercise price of \$0.40 for a period of two years following the date of the issuance of the incentive warrant. The Company announced completion of the Warrant Incentive Program on July 10, 2024, as well as the exercise of additional Company warrants and stock options, providing aggregate gross proceeds of \$2,703,157.

On July 11, 2024, the Company announced an amendment to the exercise price of 3,161,558 outstanding common share purchase warrants of the Company that were issued as part of the second 2022 offering. The warrants had an exercise price of \$0.45 which the Company amended to \$0.36. In addition, the Company announced a warrant exercise incentive program (the "**Second Warrant Incentive Program**"), offering holders of all the above-noted outstanding warrants the opportunity to exercise each of their outstanding warrants between 12:00 p.m. PST on July 11, 2024, and 12:00 p.m. PST on July 26, 2024. In return for the early exercise, each holder received one share pursuant to the original warrant terms, plus as an incentive, one-half of one common share purchase warrant. Each incentive warrant allows the holder to acquire one share at an exercise price of \$0.40 for a period of two years following the date of the issuance of the incentive warrant. The Company announced the completion of the Second Warrant Incentive Program on July 30, 2024, as well as the exercise of additional Company warrants and stock options, providing aggregate gross proceeds of \$1,147,130 to First Nordic. In total in July, the Company raised approximately \$3.9M from warrants and stock options.

Largest shareholders

As of January 31, 2025, and including any subsequent changes known to the Company, the Company's largest shareholders, with a shareholding of 5 per cent or more of the total number of shares or votes outstanding, are presented below.

| Name | Number of shares | Number of shares, % | Number of votes, % |
|-------------------------|------------------|---------------------|--------------------|
| Agnico Eagle Mines Ltd. | 29,413,166 | 11.16 % | 11.16 % |
| Gary Cope | 20,366,300 | 7.73 % | 7.73 % |

As far as the Company is aware, there is no one who, individually or in concert with others, directly or indirectly controls the Company, except for Agnico Eagle Mines Ltd. and Gary Cope, directly and indirectly through his holding company, 683192 BC Ltd, as set out above.

As the Company's SDRs are admitted to trading on Nasdaq First North, the Company's shareholders are not obliged to inform about changes to their holdings in the Company according to the Financial Instruments Trading Act (1991:980) ("**Trading Act**"). (*Sw. Lagen (1991:980) om handel med finansiella instrument*). Thus, there is no person, apart from persons in a leading position in the Company, who directly or indirectly has a holding in the Company that must be notified according to Swedish law.

Shareholders' agreement

The Board of Directors is not aware of any existing shareholders' agreement or any other agreements that may lead to a change in control over the Company.

Investor rights agreement

In connection with the completion of the Company's acquisition of the Oijärvi Project (the Transaction, as defined above), Agnico Eagle and First Nordic entered into an investor rights agreement (the "**IRA**") that provides Agnico Eagle with, among other things, certain rights in the event it maintains minimum ownership thresholds in the Company, including:

- (i) the right to participate in equity financings;
- (ii) a top-up right that would permit Agnico Eagle to increase its holdings in the Company to 19.9 per cent; and
- (iii) the right (which Agnico Eagle has no present intention of exercising) to nominate one person to the Board of Directors.

Liquidity provider

To increase liquidity and reduce the spread between the bid and ask price of the SDRs, the Company has engaged Mangold Fondkommission AB ("**Mangold**") as liquidity provider for the Company's SDRs on Nasdaq First North. Mangold ensures the ability to trade in First Nordic's SDRs by continuously placing trading entries on each buy and sell side of the order books.

Rights in connection to mergers, takeover bids and redemptions of minority shares

Under the BCBCA, certain extraordinary corporate actions, such as certain mergers, continuances, and sales, leases or exchanges of all or substantially all of the property of a company other than in the ordinary course of business, and other extraordinary corporate actions such as liquidations,

dissolutions and (if ordered by a court) arrangements, are required to be approved by special resolution. A special resolution is a resolution passed at a meeting by not less than two-thirds of the votes cast by the shareholders who voted in respect of that resolution, or a resolution signed by all of the shareholders entitled to vote on that resolution. In certain cases, a special resolution to approve an extraordinary corporate action is required to be approved separately by the holders of each separate class or series of shares.

Canadian securities laws contain procedural requirements for takeover bids and going-private transactions. In addition, the BCBCA provides that in certain circumstances a security holder or security holders who, in the aggregate, hold more than 90 per cent of the shares of any class of shares is entitled to compel the acquisition of the shares held by remaining shareholders.

If the acquiring company decides to proceed by way of takeover bid but fails to acquire the requisite 90 per cent of the shares to permit a company acquisition of the minority, the company may elect to squeeze out the minority through another corporate process, such as by plan of arrangement or by merger.

Under the BCBCA, a company may redeem, on the terms and in the manner provided in its articles, any of its shares that has a right of redemption attached to it, purchase any of its shares or otherwise acquire any of its shares. However, a company must not redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that the company is insolvent or making the payment or providing the consideration would render the company insolvent.

Any redemption of shares must comply with the issuer bid rules imposed under Canadian securities laws.

A listed company can file a notice of intention to make a normal course issuer bid with the TSXV seeking approval for the company to purchase by normal market purchases up to 2 per cent of a class of its own shares in a given 30-day period up to a maximum of a 12 month period of the greater of: (a) 10 per cent of the public float on the date of acceptance of the notice of the normal course issuer bid by the TSXV; or (b) 5 per cent of such class of securities issued and outstanding on the date of acceptance.

As of the date of this Company Description, the shares in First Nordic are not subject to any public takeover bid or merger proposal. No public takeover bid relating to the shares in First Nordic has occurred during the current or the preceding financial year.

Important information on taxation

The tax legislation in the investor's home country, Sweden or Canada may affect any income received from SDRs or shares of the Company. The taxation of any dividend, as well as capital gains taxation and rules concerning capital losses in connection with the disposal of securities, depends on the investor's particular circumstances. Special rules apply to certain categories of taxpayers and certain types of investment forms. Each holder of SDRs or shares should therefore consult a tax adviser for information on the specific implications that may arise in an individual case, including the applicability and effect of foreign tax rules and tax treaties.

Dividend policy

The Company has never declared or paid a dividend. The Board of Directors intends to retain future earnings for reinvestment in the Company's business, and therefore has no current intention to declare or pay dividends on the shares in the foreseeable future. The Company's dividend policy will be reviewed from time to time in the context of its earnings, financial condition and other relevant factors. There can be no assurance that the Company will generate sufficient earnings or cash flow to allow it to pay dividends.

THE CUSTODIAN, SDRS AND OWNERSHIP

Information about the Custodian

First Nordic has commissioned DNB Bank ASA, Sweden Branch (“**DNB**” or the “**Custodian**”) to hold shares in a custody account on behalf of the SDR Holders (as defined below) and to issue one SDR for each deposited share in accordance with the terms and conditions of the SDRs as described below. The SDRs will be registered with Euroclear Sweden AB with registered address Box 191, 101 23 Stockholm, Sweden (“**Euroclear Sweden**”).

The issuer of the SDRs is DNB. DNB is a Swedish branch incorporated under the laws of Sweden and registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*) on February 18, 2004. The branch is governed by the Swedish Foreign Branch Offices Act (SFS 1992:160). The Swedish corporate registration number of DNB is 516406-0161. DNB’s registered address is 105 88 Stockholm, Sweden, with its administrative head office located at Regeringsgatan 59, 111 56 Stockholm, Sweden. DNB’s registered office is Stockholm. DNB is a Swedish branch of the Norwegian bank DNB Bank ASA, authorized by the SFSA to conduct investment business.

Information about the SDRs

The SDRs will be created under, and will be governed by, the laws of Sweden. One (1) SDR represents one (1) share in First Nordic. The SDRs will be denominated in SEK. All of the SDRs, when issued, are freely transferable and have been fully paid for. The ISIN code for the SDRs representing the underlying shares in First Nordic is SE0023847785 and the trading symbol for SDRs at Nasdaq First North is FNMC SDB.

First Nordic has applied for admission to trading of its shares on Nasdaq First North in the form of SDRs. Nasdaq Stockholm has on March 5, 2025, assessed that the Company fulfils Nasdaq First North’s requirements for admission to trading. Nasdaq First North is expected to approve an application for admission to trading of the SDRs on Nasdaq First North, provided that certain customary conditions are met, including that the Company submits such an application for admission to trading on Nasdaq First North. Expected first day of trading in the SDRs on Nasdaq First North is March 21, 2025.

DNB and the Company has entered into an agreement regarding the SDRs (the “**SDR Agreement**”) and the obligations of DNB and the Company towards the SDR Holders are set out in the General Terms and Conditions for Swedish Depository Receipts in First Nordic (the “**SDR General Terms and Conditions**”), governed by Swedish law. The following description is a summary of these SDR General Terms and Conditions including other relevant information about the SDRs, and, consequently, does not contain all of the information that may be of importance to the Depository Receipt Holders. For more complete information, SDR Holders should refer to the SDR General Terms and Conditions in their entirety. The SDR General Terms and Conditions will be made available on the Company’s website at <https://fnmetals.com/>.

Deposit of shares etc.

Shares are deposited on behalf of an owner of SDRs or its nominee (the “**SDR Holder**”) in a custody account held by and in the name of DNB. DNB is the registered owner of the shares in its custody on behalf of SDR Holders as evidenced by the entry of DNB’s name in the Company’s register of shareholders.

DNB will hold the shares either directly in the register of members, shareholders’ registry or the like or through a custodian arrangement as determined and appointed by DNB from time to time. Each SDR represents one underlying share.

Shares deposited and any and all other shares, securities, property and cash at such time held by DNB in respect or in lieu of such deposited shares are not intended to and shall not constitute

proprietary assets of DNB. DNB will ensure that the Client's assets are held separately from the Bank's own assets and as far as possible, protected from the Bank's other creditors.

The SDRs shall be registered in the securities depository and settlement register maintained by Euroclear Sweden (the "**VPC Register**") in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (Sw. *lag (SFS 1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*) and the rulebook of VPC (the "**VPC Rules**"). No physical certificates representing the SDRs will be issued. DNB will not accept deposit of fractional shares or an uneven number of fractional rights.

Deposit and withdrawal of shares

On the condition that no impediment exists according to the laws or regulatory decrees of Sweden or any other country and that necessary accounts and/or custody arrangements are in place, DNB shall upon request by an SDR Holder without delay arrange for the SDR Holder to become registered as owner of such number of shares that is equivalent to the number of SDRs held by the SDR Holder, subject to any approval by the Board of Directors. Any such arrangements will be performed in accordance with DNB's standard registration procedures.

DNB has the right to receive compensation in advance from the SDR Holder for fees and expenses that arise in connection with withdrawal of SDRs and deposit of shares.

Deposit and withdrawal of shares is not allowed during such periods decided by DNB in consultation with the Company, e.g. periods prior to general meetings or other corporate actions.

Transfer and pledging of SDRs and shares, etc.

Shares on deposit cannot be transferred or pledged in any other way than by transfer and pledging of the SDRs, unless required by applicable law. Transfer and pledging of SDRs shall take place in accordance with applicable Swedish legislation and market practice.

Any rights (hereunder pledges) registered on the SDR Holder's account in the VPC Register will not be visible for DNB and will not be transferred in the event of a termination of the SDRs or any deposit or withdrawal.

Rights of SDR Holders

DNB and the Company shall establish arrangements as can be reasonably expected, to the extent appropriate, practically possible and in accordance with applicable laws, regulations, VPC Rules and market practice, such that the SDR Holders may have the opportunity to indirectly exercise shareholder rights with respect to the Company. The SDR Holders acknowledge that there may be certain limitations to how corporate actions in the Company can be reflected in relation to the SDRs, e.g. some corporate actions may require the Company to engage Swedish advisors and without such engagement DNB may not be able to reflect such corporate action. In such cases DNB may execute alternative measures including, but not limited to, selling shares or other rights and/or settling in cash.

Each SDR Holder acknowledges that DNB does not represent the SDR Holder towards the Company or other third parties, including relating to (extraordinary) general meeting proposals, take-overs, squeeze-out or redemption.

An SDR Holder registered in the VPC Register may, at the cost of such SDR Holder, instruct on an exchange of SDRs from the VPC Register to shares in the Company held directly in the Company's primary register or through custodian arrangements. Consequently, the exchange will be reflected in the VPC Register as a reduced number of SDRs. This may be necessary if, but not limited to, any SDR Holder would or must exercise some of their holder rights directly, including, but not limited to, request a general meeting, actions towards the Board of Directors, or oppose to a mandatory squeeze-out.

Record Date

DNB shall determine a date (the “**Record Date**”) to be applied by DNB and the Company for determining which SDR Holders relative to DNB are entitled to: (i) receive cash dividends, rights or other property; (ii) to vote at general meetings of shareholders in the Company as described below under *Voting in general meetings of shareholders*; (iii) shares in connection with bonus issues or stock dividends by the Company; (iv) shares, warrants, convertible debentures, debentures or other rights or securities in connection with offerings by the Company; and (v) indirectly exercise the rights that normally accrue to the benefit of the shareholders in the Company, insofar as practicable.

When determining a Record Date DNB may take into consideration applicable laws, regulations, market practice and the VPC Rules. Where practically feasible, DNB will make use of the same record date as determined by the Company for the relevant corporate actions.

Dividends and taxes, etc.

Dividend payments shall be made to the SDR Holder who on the Record Date is entered in the VPC Register as SDR Holders and will be paid in SEK in accordance with the rules and regulations applied by VPC from time to time. DNB shall set the date for payment of dividend to the SDR Holders (the “**Payment Date**”) which will normally be after the date of payment for shareholders in the Company.

If DNB shall pass on any cash distribution in a currency other than SEK, DNB shall arrange for a conversion of the dividend to SEK. Such conversion shall be executed at a market rate of exchange, in accordance with DNB’s standards. This means that the Payment Date for dividends may be later than the date when shareholders in the Company receive the dividends. Any exchange of funds will be executed in accordance with the standard procedures of DNB. The exchange rate(s) that is applied will be DNB’s exchange rate on the date and time of day for execution of the exchange.

For SDR Holders that have a SEK account linked to their VPC account (Sw. *VP-konto*), dividend will be credited directly to such SEK account. SDR Holders which have not linked a SEK account to the VPC account will receive dividend by the relevant account operator (Sw. *kontoförande institut*). SDR Holders registered in the VPC Register who has not supplied their VPC account operator with details of their bank account, will not receive payment of dividends unless they register their bank account details on their VPC account with their account operator.

If dividends are paid to a recipient who is not authorized to receive dividends, DNB shall nonetheless be deemed to have fulfilled its obligations.

To the extent required specifically by the Company or DNB (as applicable) under applicable mandatory laws and regulation, the Company or DNB (as applicable) shall withhold and pay to the tax authorities in the jurisdiction where the Company is incorporated any required amounts of tax in relation to dividend payments to SDR Holders. In the event the Company, DNB or representatives or agents of the foregoing determine that dividends in cash, shares, rights, or other property are subject to taxation or other public fees which must be withheld according to applicable laws and regulation, the Company, DNB or representatives or agents of any of the foregoing shall be entitled to withhold cash amounts or sell all or part of such property as is financially and practically necessary to sell in order to be able to pay such taxes and fees. The remaining proceeds, following deduction of such mandatory taxes and fees, shall be paid by DNB to the SDR Holders who are entitled thereto. SDR Holders shall be liable for deficiencies which may arise in conjunction with any sale pursuant to the above. Nothing in these provisions shall imply that DNB takes responsibility for ensuring payment of taxes on behalf of the SDR Holders.

Payment of dividend to SDR Holders shall be made without any deduction for fees or equivalent attributable to the Company, DNB or VPC, but with a deduction for preliminary tax or other taxes or such other public fees which must be withheld according to applicable laws and regulation and for any tax that may be levied according to the legal systems in Sweden or any other country.

If DNB receives dividends other than in cash, DNB shall decide if and how such dividend shall be transferred to those SDR Holders entitled to receive it. This may mean that the asset is sold and that the proceeds of such sale, after deduction of selling costs and any fees and taxes incurred, are paid to the SDR Holders.

If the shareholders have the right to choose dividends in cash or in any other form, and it is not practically feasible to give the SDR Holders such opportunity to choose (e.g., as is the case for subscription rights and distribution of securities not registered in VPC), DNB shall have the right to decide, on account of the SDR Holders, that such dividend shall be paid in cash after deduction of selling costs and any fees and taxes incurred.

Stock dividends, share splits, new issues, bonus issues and other distributions

In the case of a stock dividend, bonus issue with distribution of shares in the Company or a share split, DNB shall strive to reflect such corporate action for the SDRs in the VPC Register after the Principal Register or the CSD arrangement, as applicable, have been updated. DNB shall ensure that the SDRs received by SDR Holders for such shares are registered to the VPC account belonging to the SDR Holder entitled thereto. If distribution of new SDRs is not practicable, section 6.8 in the SDR General Terms and Conditions shall apply. The corresponding registration procedures shall be undertaken in connection with a reverse share split.

Any person whose name on a Record Date is entered in the VPC Register as SDR Holder, or holder of rights relative to the action in question, shall be deemed to be authorized to receive new SDRs representing new shares added as a result of a stock dividend, bonus issue with distribution of shares or a share split. If a recipient of SDRs was not authorized to receive the new SDRs, the provisions of section 6.5 in the SDR General Terms and Conditions shall be applied wherever applicable.

If the Company decides on a new issue of shares, warrants or other rights to which the shareholders have preferential rights, DNB shall (insofar as all costs and expenses are paid for by the Company and, if applicable, as instructed by the Company) inform the SDR Holders thereof and of the principal terms and conditions for the new issue. Such information shall be enclosed together with the relevant subscription form by which the SDR Holder may instruct the assigned agent in the Swedish market (who in turn shall instruct DNB) to subscribe for shares, warrants or other rights. When DNB has subscribed for and received such shares, warrants or other rights in accordance with the instructions of the SDR Holder, DNB shall be registered as the holder of such new financial instruments, or deposit such financial instruments in DNB's custody account, whereafter DNB shall, to the extent practically possible, ensure that the corresponding registration of SDRs is effected to the credit of the VPC account of the SDR Holder. Where such registration cannot be effected to the credit of the respective VPC Account of the SDR Holder, including in the event that such shares, warrants or other rights would not be dematerialized electronically, DNB shall ensure that the SDR Holders are ensured the right of ownership to the shares, warrants or other rights in question in another way, or are compensated in cash after deduction of selling costs and any fees and taxes incurred.

If an SDR Holder fails to instruct DNB to exercise the rights set forth above or otherwise in accordance with the SDR Agreement, DNB has the right to sell such rights on account of the SDR Holder and pay the proceeds of such sale to the SDR Holder, less a deduction for selling costs and any fees and taxes incurred.

For corporate actions that result in a right to fractional SDRs, securities or other rights, such number of SDRs, securities or other rights will be rounded down, with or without payment of fractional amounts.

Voting in general meetings of shareholders

DNB and the Company shall establish arrangements such that the SDR Holders may vote for the shares represented by the SDRs on the Company's general meetings of shareholders. The Company shall in consultation with DNB send notice for such general meeting of shareholders, in accordance with Swedish and other applicable laws and the VPC Rules, as the case may be and publish the

notice on the Company's website, the national gazette Post and Domesic Times (*Sw. Post- och Inrikes Tidningar*) and in at least one national-wide newspaper. The notice shall contain: (i) the information included by the Company in the notice for the meeting; and (ii) instructions as to what must be observed by each SDR Holder in order to exercise his or her voting right.

In advance of the general meeting of shareholders, DNB shall make necessary arrangements allowing SDR Holders who has announced his or her intention to vote in the general meeting of shareholders to vote by way of proxy. All votes must be delivered to DNB through proxy vote instructions and within such time limits as set by DNB.

DNB undertakes to not represent shares for which SDR Holders have not provided a proxy vote instruction at such general meeting of shareholders.

SDR Holders may not attend general meetings of shareholders in person to vote for their interest, unless conversion from SDR's to shares previously represented by such SDR's has been carried out in the local CSD prior thereto, in accordance with instructions provided by the Company.

Information to the SDR Holder

Information about the Company can be found on the Company's website and the Company will also publish stock market information in accordance with applicable requirements.

DNB shall upon direction of the Company and in the manner set forth under *Notices* below provide the SDR Holders with all the information that DNB receives from the Company in DNB's capacity of holder of shares. If so requested and paid for by the Company, DNB shall provide such information by mail to the address set forth in the VPC Register. The Company's intention is to present all information in English.

DNB's expenses

DNB's expenses and fees for its assignment and for VPC's services shall be borne by the Company, as set out in the SDR Agreement, unless otherwise expressly provided in these General Terms and Conditions.

Notices

Notices to be delivered to the SDR Holders will, either directly or indirectly, be delivered to the SDR Holders and other holders of rights entitled to such notice who are listed in the VPC Register and in accordance with the routines applied by VPC from time to time by mail or other appropriate distribution methods. DNB and the Company may, in lieu of mailing notices, publish the corresponding information in at least one Swedish daily newspaper with nationwide coverage and through the Company's website.

ARTICLES

Incorporation Number BC0962826

ARTICLES
OF
FIRST NORDIC METALS CORP.

PROVINCE OF BRITISH COLUMBIA
BUSINESS CORPORATIONS ACT

STIKEMAN ELLIOTT

STIKEMAN ELLIOTT LLP

342396 v3

TABLE OF CONTENTS

**PART 1
INTERPRETATION**

1.1 Definitions 1
1.2 *Business Corporations Act* and *Interpretation Act* Definitions Applicable..... 2

**PART 2
SHARES AND SHARE CERTIFICATES**

2.1 Authorized Share Structure 2
2.2 Form of Share Certificate..... 2
2.3 Shareholder Entitled to Certificate or Acknowledgment 2
2.4 Delivery by Mail 3
2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement..... 3
2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate 3
2.7 Recovery of New Share Certificate 3
2.8 Splitting Share Certificates..... 4
2.9 Certificate Fee..... 4
2.10 Recognition of Trusts 4

**PART 3
ISSUE OF SHARES**

3.1 Directors Authorized 4
3.2 Commissions and Discounts..... 4
3.3 Brokerage 5
3.4 Conditions of Issue..... 5
3.5 Share Purchase Warrants and Rights 5

**PART 4
SHARE REGISTERS**

4.1 Central Securities Register 5
4.2 Closing Register 5

**PART 5
SHARE TRANSFERS**

5.1 Registering Transfers 6
5.2 Waivers of Requirements for Transfer 6
5.3 Form of Instrument of Transfer..... 6
5.4 Transferor Remains Shareholder..... 7
5.5 Signing of Instrument of Transfer..... 7
5.6 Enquiry as to Title Not Required 7
5.7 Transfer Fee 7

**PART 6
TRANSMISSION OF SHARES**

| | | |
|-----|--|---|
| 6.1 | Legal Personal Representative Recognized on Death..... | 7 |
| 6.2 | Rights of Legal Personal Representative..... | 8 |

**PART 7
ACQUISITION OF COMPANY'S SHARES**

| | | |
|-----|--|---|
| 7.1 | Company Authorized to Purchase or Otherwise Acquire Shares..... | 8 |
| 7.2 | No Purchase, Redemption or Other Acquisition When Insolvent..... | 8 |
| 7.3 | Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares..... | 8 |

**PART 8
BORROWING POWERS**

| | | |
|-----|-----------------------|---|
| 8.1 | Borrowing Powers..... | 9 |
|-----|-----------------------|---|

**PART 9
ALTERATIONS**

| | | |
|-----|---|----|
| 9.1 | Alteration of Authorized Share Structure..... | 9 |
| 9.2 | Special Rights or Restrictions..... | 10 |
| 9.3 | Change of Name..... | 10 |
| 9.4 | Other Alterations..... | 10 |

**PART 10
MEETINGS OF SHAREHOLDERS**

| | | |
|-------|---|----|
| 10.1 | Annual General Meetings..... | 10 |
| 10.2 | Resolution Instead of Annual General Meeting..... | 11 |
| 10.3 | Calling of Meetings of Shareholders..... | 11 |
| 10.4 | Notice for Meetings of Shareholders..... | 11 |
| 10.5 | Record Date for Notice..... | 11 |
| 10.6 | Record Date for Voting..... | 12 |
| 10.7 | Failure to Give Notice and Waiver of Notice..... | 12 |
| 10.8 | Notice of Special Business at Meetings of Shareholders..... | 12 |
| 10.9 | Notice of Dissent Rights..... | 12 |
| 10.10 | Advance Notice Provisions..... | 13 |

**PART 11
PROCEEDINGS AT MEETINGS OF SHAREHOLDERS**

| | | |
|------|--|----|
| 11.1 | Special Business..... | 15 |
| 11.2 | Special Majority..... | 15 |
| 11.3 | Quorum..... | 16 |
| 11.4 | One Shareholder May Constitute Quorum..... | 16 |
| 11.5 | Persons Entitled to Attend Meeting..... | 16 |
| 11.6 | Requirement of Quorum..... | 16 |

| | | |
|-------|--|----|
| 11.7 | Lack of Quorum..... | 16 |
| 11.8 | Lack of Quorum at Succeeding Meeting..... | 16 |
| 11.9 | Chair..... | 17 |
| 11.10 | Selection of Alternate Chair..... | 17 |
| 11.11 | Adjournments..... | 17 |
| 11.12 | Notice of Adjourned Meeting..... | 17 |
| 11.13 | Decisions by Show of Hands or Poll..... | 17 |
| 11.14 | Declaration of Result..... | 17 |
| 11.15 | Motion Need Not be Seconded..... | 18 |
| 11.16 | Casting Vote..... | 18 |
| 11.17 | Manner of Taking Poll..... | 18 |
| 11.18 | Demand for Poll on Adjournment..... | 18 |
| 11.19 | Chair Must Resolve Dispute..... | 18 |
| 11.20 | Casting of Votes..... | 18 |
| 11.21 | No Demand for Poll on Election of Chair..... | 19 |
| 11.22 | Demand for Poll Not to Prevent Continuance of Meeting..... | 19 |
| 11.23 | Retention of Ballots and Proxies..... | 19 |

**PART 12
VOTES OF SHAREHOLDERS**

| | | |
|-------|---|----|
| 12.1 | Number of Votes by Shareholder or by Shares..... | 19 |
| 12.2 | Votes of Persons in Representative Capacity..... | 19 |
| 12.3 | Votes by Joint Holders..... | 19 |
| 12.4 | Legal Personal Representatives as Joint Shareholders..... | 20 |
| 12.5 | Representative of a Corporate Shareholder..... | 20 |
| 12.6 | When Proxy Holder Need Not Be Shareholder..... | 20 |
| 12.7 | When Proxy Provisions Do Not Apply to the Company..... | 21 |
| 12.8 | Appointment of Proxy Holders..... | 21 |
| 12.9 | Alternate Proxy Holders..... | 21 |
| 12.10 | Deposit of Proxy..... | 21 |
| 12.11 | Validity of Proxy Vote..... | 22 |
| 12.12 | Form of Proxy..... | 22 |
| 12.13 | Revocation of Proxy..... | 22 |
| 12.14 | Revocation of Proxy Must Be Signed..... | 23 |
| 12.15 | Chair May Determine Validity of Proxy..... | 23 |
| 12.16 | Production of Evidence of Authority to Vote..... | 23 |

**PART 13
DIRECTORS**

| | | |
|------|---|----|
| 13.1 | First Directors; Number of Directors..... | 23 |
| 13.2 | Change in Number of Directors..... | 24 |
| 13.3 | Directors' Acts Valid Despite Vacancy..... | 24 |
| 13.4 | Qualifications of Directors..... | 24 |
| 13.5 | Remuneration of Directors..... | 24 |
| 13.6 | Reimbursement of Expenses of Directors..... | 24 |
| 13.7 | Special Remuneration for Directors..... | 25 |

| | | |
|------|--|----|
| 13.8 | Gratuity, Pension or Allowance on Retirement of Director | 25 |
|------|--|----|

**PART 14
ELECTION AND REMOVAL OF DIRECTORS**

| | | |
|-------|---|----|
| 14.1 | Election at Annual General Meeting..... | 25 |
| 14.2 | Consent to be a Director | 25 |
| 14.3 | Failure to Elect or Appoint Directors..... | 26 |
| 14.4 | Places of Retiring Directors Not Filled | 26 |
| 14.5 | Directors May Fill Casual Vacancies | 26 |
| 14.6 | Remaining Directors' Power to Act | 26 |
| 14.7 | Shareholders May Fill Vacancies..... | 26 |
| 14.8 | Additional Directors | 27 |
| 14.9 | Ceasing to be a Director..... | 27 |
| 14.10 | Removal of Director by Shareholders..... | 27 |
| 14.11 | Removal of Director by Directors..... | 27 |

**PART 15
ALTERNATE DIRECTORS**

| | | |
|------|--|----|
| 15.1 | Appointment of Alternate Director | 28 |
| 15.2 | Notice of Meetings | 28 |
| 15.3 | Alternate for More Than One Director Attending Meetings..... | 28 |
| 15.4 | Consent Resolutions..... | 28 |
| 15.5 | Alternate Director Not an Agent..... | 28 |
| 15.6 | Revocation of Appointment of Alternate Director | 29 |
| 15.7 | Ceasing to be an Alternate Director..... | 29 |
| 15.8 | Remuneration and Expenses of Alternate Director | 29 |

**PART 16
POWERS AND DUTIES OF DIRECTORS**

| | | |
|------|---|----|
| 16.1 | Powers of Management | 29 |
| 16.2 | Appointment of Attorney of Company..... | 29 |

**PART 17
INTERESTS OF DIRECTORS AND OFFICERS**

| | | |
|------|---|----|
| 17.1 | Obligation to Account for Profits..... | 30 |
| 17.2 | Restrictions on Voting by Reason of Interest..... | 30 |
| 17.3 | Interested Director Counted in Quorum..... | 30 |
| 17.4 | Disclosure of Conflict of Interest or Property..... | 30 |
| 17.5 | Director Holding Other Office in the Company | 30 |
| 17.6 | No Disqualification | 30 |
| 17.7 | Professional Services by Director or Officer | 31 |
| 17.8 | Director or Officer in Other Corporations | 31 |

**PART 18
PROCEEDINGS OF DIRECTORS**

| | | |
|-------|--|----|
| 18.1 | Meetings of Directors..... | 31 |
| 18.2 | Voting at Meetings | 31 |
| 18.3 | Chair of Meetings..... | 31 |
| 18.4 | Meetings by Telephone or Other Communications Medium | 32 |
| 18.5 | Calling of Meetings..... | 32 |
| 18.6 | Notice of Meetings | 32 |
| 18.7 | When Notice Not Required..... | 32 |
| 18.8 | Meeting Valid Despite Failure to Give Notice | 33 |
| 18.9 | Waiver of Notice of Meetings | 33 |
| 18.10 | Quorum..... | 33 |
| 18.11 | Validity of Acts Where Appointment Defective..... | 33 |
| 18.12 | Consent Resolutions in Writing..... | 33 |

**PART 19
EXECUTIVE AND OTHER COMMITTEES**

| | | |
|------|--|----|
| 19.1 | Appointment and Powers of Executive Committee..... | 34 |
| 19.2 | Appointment and Powers of Other Committees | 34 |
| 19.3 | Obligations of Committees..... | 35 |
| 19.4 | Powers of Board..... | 35 |
| 19.5 | Committee Meetings | 35 |

**PART 20
OFFICERS**

| | | |
|------|---|----|
| 20.1 | Directors May Appoint Officers..... | 36 |
| 20.2 | Functions, Duties and Powers of Officers..... | 36 |
| 20.3 | Qualifications | 36 |
| 20.4 | Remuneration and Terms of Appointment | 36 |

**PART 21
INDEMNIFICATION**

| | | |
|------|--|----|
| 21.1 | Definitions | 36 |
| 21.2 | Mandatory Indemnification of Directors | 37 |
| 21.3 | Permitted Indemnification | 37 |
| 21.4 | Non-Compliance with <i>Business Corporations Act</i> | 37 |
| 21.5 | Company May Purchase Insurance..... | 37 |

**PART 22
DIVIDENDS**

| | | |
|------|--|----|
| 22.1 | Payment of Dividends Subject to Special Rights | 38 |
| 22.2 | Declaration of Dividends | 38 |
| 22.3 | No Notice Required | 38 |

| | | |
|-------|--|----|
| 22.4 | Record Date | 38 |
| 22.5 | Manner of Paying Dividend | 38 |
| 22.6 | Settlement of Difficulties | 38 |
| 22.7 | When Dividend Payable..... | 39 |
| 22.8 | Dividends to be Paid in Accordance with Number of Shares | 39 |
| 22.9 | Receipt by Joint Shareholders..... | 39 |
| 22.10 | Dividend Bears No Interest..... | 39 |
| 22.11 | Fractional Dividends..... | 39 |
| 22.12 | Payment of Dividends | 39 |
| 22.13 | Capitalization of Retained Earnings or Surplus..... | 39 |

**PART 23
ACCOUNTING RECORDS AND AUDITOR**

| | | |
|------|--|----|
| 23.1 | Recording of Financial Affairs..... | 40 |
| 23.2 | Inspection of Accounting Records | 40 |
| 23.3 | Remuneration of Auditor | 40 |

**PART 24
NOTICES**

| | | |
|------|---|----|
| 24.1 | Method of Giving Notice..... | 40 |
| 24.2 | Deemed Receipt..... | 41 |
| 24.3 | Certificate of Sending..... | 41 |
| 24.4 | Notice to Joint Shareholders | 41 |
| 24.5 | Notice to Legal Personal Representatives and Trustees | 41 |
| 24.6 | Undelivered Notices | 42 |

**PART 25
SEAL**

| | | |
|------|--------------------------------------|----|
| 25.1 | Who May Attest Seal..... | 42 |
| 25.2 | Sealing Copies..... | 42 |
| 25.3 | Mechanical Reproduction of Seal..... | 43 |

**PART 26
PROHIBITIONS**

| | | |
|------|--|----|
| 26.1 | Definitions | 43 |
| 26.2 | Application | 43 |
| 26.3 | Consent Required for Transfer of Shares or Transfer Restricted Securities..... | 44 |

ARTICLES

FIRST NORDIC METALS CORP.

(the "Company")

PART 1 INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

- (1) "**appropriate person**", has the meaning assigned in the *Securities Transfer Act*;
- (2) "**board of directors**", "**directors**" and "**board**" mean the directors or sole director of the Company for the time being;
- (3) "**Business Corporations Act**" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (4) "**Interpretation Act**" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (5) "**legal personal representative**" means the personal or other legal representative of a shareholder;
- (6) "**protected purchaser**" has the meaning assigned in the *Securities Transfer Act*;
- (7) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register;
- (8) "**seal**" means the seal of the Company, if any;
- (9) "**Securities Act**" means the *Securities Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;
- (10) "**securities legislation**" means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or pursuant to those statutes;

"**Canadian securities legislation**" means the securities legislation in any province or territory of Canada and includes the *Securities Act*; and "**U.S. securities legislation**" means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the Securities Act of 1933 and the Securities Exchange Act of 1934; and

- (11) "**Securities Transfer Act**" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

1.2 Business Corporations Act and Interpretation Act Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

PART 2 SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgment

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to:

- (1) one share certificate representing the shares of each class or series of shares registered in the shareholder's name; or
- (2) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate,

provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share

certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgment is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

- (1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and
- (2) issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

- (1) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;
- (2) provides the Company with an indemnity bond sufficient in the Company's judgement to protect the Company from any loss that the Company may suffer by issuing a new certificate; and
- (3) satisfies any other reasonable requirements imposed by the directors.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

2.7 Recovery of New Share Certificate

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in

addition to any rights under any indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

2.8 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.9 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.10 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

PART 3 ISSUE OF SHARES

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

- (1) consideration is provided to the Company for the issue of the share by one or more of the following:
 - (a) past services performed for the Company;
 - (b) property;
 - (c) money; and
- (2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

PART 4 SHARE REGISTERS

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

**PART 5
SHARE TRANSFERS**

5.1 Registering Transfers

The Company must register a transfer of a share of the Company if either:

- (1) the Company or the transfer agent or registrar for the class or series of share to be transferred has received:
 - (a) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;
 - (b) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and
 - (c) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or
- (2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

5.2 Waivers of Requirements for Transfer

The Company may waive any of the requirements set out in Article 5.1(1) and any of the preconditions referred to in Article 5.1(2).

5.3 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the Company or the transfer agent for the class or series of shares to be transferred.

5.4 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.5 Signing of Instrument of Transfer

If a shareholder or other appropriate person or an agent who has actual authority to act on behalf of that person, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified but share certificates are deposited with the instrument of transfer, all the shares represented by such share certificates:

- (1) in the name of the person named as transferee in that instrument of transfer; or
- (2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.6 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.7 Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

PART 6 TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the directors may require the original grant of probate or letters of administration or a court certified

copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, if appropriate evidence of appointment or incumbency within the meaning of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

PART 7 ACQUISITION OF COMPANY'S SHARES

7.1 Company Authorized to Purchase or Otherwise Acquire Shares

Subject to Article 7.2, the special rights or restrictions attached to the shares of any class or series of shares and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

7.2 No Purchase, Redemption or Other Acquisition When Insolvent

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

- (1) the Company is insolvent; or
- (2) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

- (1) is not entitled to vote the share at a meeting of its shareholders;
- (2) must not pay a dividend in respect of the share; and
- (3) must not make any other distribution in respect of the share.

**PART 8
BORROWING POWERS**

8.1 Borrowing Powers

The Company, if authorized by the directors, may:

- (1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;
- (2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;
- (3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and
- (4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

**PART 9
ALTERATIONS**

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by directors' resolution, unless an alteration to the Company's Notice of Articles would be required, in which case by ordinary resolution:

- (1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;
- (2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;
- (3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;
- (4) if the Company is authorized to issue shares of a class of shares with par value:
 - (a) decrease the par value of those shares; or
 - (b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;

- (5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;
- (6) alter the identifying name of any of its shares; or
- (7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*,

and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly.

9.2 Special Rights or Restrictions

Subject to the *Business Corporations Act*, the Company may by ordinary resolution:

- (1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or
- (2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued,

and alter its Articles and Notice of Articles accordingly.

9.3 Change of Name

The Company may by directors' resolution authorize an alteration to its Notice of Articles in order to change its name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

PART 10 MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, at any time, call a meeting of shareholders, to be held at such time and place as may be determined by the directors.

10.4 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

10.5 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.6 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

10.8 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

- (1) state the general nature of the special business; and
- (2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:
 - (a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and
 - (b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

10.9 Notice of Dissent Rights

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

- (1) if and for so long as the Company is a public company, 21 days;
- (2) otherwise, 10 days.

10.10 Advance Notice Provisions

Subject only to the *Business Corporations Act* and these Articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board of directors at any annual meeting of shareholders, or at any special meeting of shareholders called for the purpose of electing directors as set forth in the Company's notice of such special meeting, may be made: (i) by or at the direction of the board of directors, including pursuant to a notice of meeting; (ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of the shareholders made in accordance with the provisions of the *Business Corporations Act*; or (iii) by any shareholder of the Company (a "**Nominating Shareholder**"): (x) who, at the close of business on the date of the giving of the notice provided for below in this Article 10.10 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (y) who complies with the notice procedures set forth in this Article 10.10.

- (1) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form to the secretary at the principal executive offices of the Company in accordance with this Article 10.10.
- (2) To be timely, a Nominating Shareholder's notice must be received by the secretary of the Company: (i) in the case of an annual meeting, not less than 30 days or more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made (the "**Meeting Notice Date**"), the Nominating Shareholder's notice must be so received not later than the close of business on the 10th day following the Meeting Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which public announcement of the date of the special meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting or special meeting commence a new time period for the giving of a Nominating Shareholder's notice as described in this Article 10.10.
- (3) To be in proper written form, a Nominating Shareholder's notice must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residence address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares of the Company that are owned beneficially or of record by the person; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of

directors pursuant to the *Business Corporations Act* and Applicable Securities Laws; and

- (b) as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws. The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such proposed nominee. The Nominating Shareholder's notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.
- (4) No person shall be eligible for election as a director of the Company unless nominated in accordance with the procedures set forth in this Article 10.10; provided, however, that nothing in this Article 10.10 shall be deemed to preclude a shareholder from discussing (as distinct from nominating directors) at a meeting of shareholders any matter in respect of which the shareholder would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act*. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
- (5) For purposes of this Article 10.10:
 - (a) "**public announcement**" shall mean disclosure in a press release disseminated by a nationally recognized news service in Canada, or in a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
 - (b) "**Applicable Securities Laws**" means the applicable securities legislation in each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
- (6) Notice given to the secretary of the Company pursuant to this Article 10.10 may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the secretary of the Company for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address aforesaid) or sent by

facsimile transmission (provided the receipt of confirmation of such transmission has been received) to the secretary at the address of the principal executive offices of the Company; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been on the subsequent day that is a business day.

- (7) Notwithstanding the foregoing, the board of directors may, in its sole discretion, waive any requirement in this Article 10.10.

PART 11 PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

At a meeting of shareholders, the following business is special business:

- (1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- (2) at an annual general meeting, all business is special business except for the following:
 - (a) business relating to the conduct of or voting at the meeting;
 - (b) consideration of any financial statements of the Company presented to the meeting;
 - (c) consideration of any reports of the directors or auditor;
 - (d) the setting or changing of the number of directors;
 - (e) the election or appointment of directors;
 - (f) the appointment of an auditor;
 - (g) the setting of the remuneration of an auditor;
 - (h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; or
 - (i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights or restrictions attached to the shares of any class or series of shares and to Article 11.4, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

- (1) the quorum is one person who is, or who represents by proxy, that shareholder; and
- (2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Persons Entitled to Attend Meeting

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

- (1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved; and
- (2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting,

the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

- (1) the chair of the board, if any; or
- (2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be,

and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote

In the case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

- (1) the poll must be taken:
 - (a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and
 - (b) in the manner, at the time and at the place that the chair of the meeting directs;
- (2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and
- (3) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of the meeting for the transaction of any business other than the question on which a poll has been demanded.

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

**PART 12
VOTES OF SHAREHOLDERS**

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

- (1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and
- (2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

- (1) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

- (2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

12.5 Representative of a Corporate Shareholder

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

- (1) for that purpose, the instrument appointing a representative must be received:
 - (a) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
 - (b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;
- (2) if a representative is appointed under this Article 12.5:
 - (a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and
 - (b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

- (1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;
- (2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;
- (3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or
- (4) the Company is a public company.

12.7 When Proxy Provisions Do Not Apply to the Company

If and for so long as the Company is a public company, Articles 12.8 to 12.16 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company, any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

12.8 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.9 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

- (1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or
- (2) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

- (1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]
(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

Signed [month, day, year]

[Signature of shareholder]

[Name of shareholder - printed]

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

- (1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or
- (2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

- (1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy; or
- (2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Chair May Determine Validity of Proxy.

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Part 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting, and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

12.16 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

PART 13 DIRECTORS

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

- (1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;
- (2) if the Company is a public company, the greater of three and the most recently set of:

- (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4;
- (3) if the Company is not a public company, the most recently set of:
- (a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and
 - (b) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

- (1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number; or
- (2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors, subject to Article 14.8, may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

PART 14 ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

- (1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and
- (2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

- (1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;
- (2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or
- (3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

- (1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or
- (2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

- (3) when his or her successor is elected or appointed; and
- (4) when he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors' Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

- (1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or
- (2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re-appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

- (1) the term of office of the director expires;
- (2) the director dies;
- (3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or
- (4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

PART 15
ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2 Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3 Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

- (1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity; and
- (4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4 Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor.

15.6 Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

- (1) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (2) the alternate director dies;
- (3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (4) the alternate director ceases to be qualified to act as a director; or
- (5) his or her appointor revokes the appointment of the alternate director.

15.8 Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

PART 16 POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

16.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the

directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

PART 17
INTERESTS OF DIRECTORS AND OFFICERS

17.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction

entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

**PART 18
PROCEEDINGS OF DIRECTORS**

18.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

- (1) the chair of the board, if any;
- (2) in the absence of the chair of the board, the president, if any, if the president is a director; or
- (3) any other director chosen by the directors if:
 - (a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;

- (b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or
- (c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

18.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors:

- (1) in person;
- (2) by telephone; or
- (3) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person, or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1 or as provided in Article 18.7, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

18.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

- (1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or
- (2) the director or alternate director, as the case may be, has waived notice of the meeting.

18.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

18.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director or, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

18.10 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

18.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

- (1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or
- (2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article 18.12 may be by any written instrument, fax, e-mail or any other method of transmitting legibly recorded messages in which the consent of the director is evidenced, whether or not the signature of the director is included in the record. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of the directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

PART 19 EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and during the intervals between meetings of the board of directors all of the directors' powers are delegated to the executive committee, except:

- (1) the power to fill vacancies in the board of directors;
- (2) the power to remove a director;
- (3) the power to change the membership of, or fill vacancies in, any committee of the directors; and
- (4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

- (1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;
- (2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:
 - (a) the power to fill vacancies in the board of directors;
 - (b) the power to remove a director;
 - (c) the power to change the membership of, or fill vacancies in, any committee of the directors; and

- (d) the power to appoint or remove officers appointed by the directors; and
- (3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

- (1) conform to any rules that may from time to time be imposed on it by the directors; and
- (2) report every act or thing done in exercise of those powers at such times as the directors may require.

19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;
- (2) terminate the appointment of, or change the membership of, the committee; and
- (3) fill vacancies in the committee.

19.5 Committee Meetings

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

- (1) the committee may meet and adjourn as it thinks proper;
- (2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;
- (3) a majority of the members of the committee constitutes a quorum of the committee; and
- (4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

PART 20 OFFICERS

20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

- (1) determine the functions and duties of the officer;
- (2) delegate to the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and
- (3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as a managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

PART 21 INDEMNIFICATION

21.1 Definitions

In this Article 21:

- (1) "**eligible penalty**" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;
- (2) "**eligible proceeding**" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an "**eligible party**") or any of the heirs and legal

personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:

- (a) is or may be joined as a party; or
 - (b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;
- (3) "expenses" has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Directors

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3 Permitted Indemnification

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

21.4 Non-Compliance with *Business Corporations Act*

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles or, if applicable, any former Companies Act or former Articles, does not invalidate any indemnity to which he or she is entitled under this Part 21.

21.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

- (1) is or was a director, alternate director, officer, employee or agent of the Company;
- (2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;
- (3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity; or
- (4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

PART 22 DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights

The provisions of this Part 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may consider appropriate.

22.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

22.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

- (1) set the value for distribution of specific assets;
- (2) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and
- (3) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

22.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

22.12 Payment of Dividends

Any dividend or other distribution payable in money in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13 Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

PART 23
ACCOUNTING RECORDS AND AUDITOR

23.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

23.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

23.3 Remuneration of Auditor

The directors may set the remuneration of the auditor of the Company.

PART 24
NOTICES

24.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

- (1) mail addressed to the person at the applicable address for that person as follows:
 - (a) for a record mailed to a shareholder, the shareholder's registered address;
 - (b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class; or
 - (c) in any other case, the mailing address of the intended recipient;
- (2) delivery at the applicable address for that person as follows, addressed to the person:
 - (a) for a record delivered to a shareholder, the shareholder's registered address;
 - (b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class; or

- (c) in any other case, the delivery address of the intended recipient;
- (3) unless the intended recipient is the auditor of the Company, sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;
- (4) unless the intended recipient is the auditor of the Company, sending the record by e-mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class; or
- (5) physical delivery to the intended recipient.

24.2 Deemed Receipt

A notice, statement, report or other record that is:

- (1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;
- (2) faxed to a person to the fax number provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and
- (3) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed.

24.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

24.5 Notice to Legal Personal Representatives and Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

- (1) mailing the record, addressed to them:

- (a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and
 - (b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or
- (2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24.6 Undelivered Notices

If, on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions any such record is returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

PART 25 SEAL

25.1 Who May Attest Seal

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

- (1) any two directors;
- (2) any officer, together with any director;
- (3) if the Company only has one director, that director; or
- (4) any one or more directors or officers or persons as may be determined by the directors.

25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 25.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

PART 26 PROHIBITIONS

26.1 Definitions

In this Part 26:

- (1) "**security**" has the meaning assigned in the *Securities Act*;
- (2) "**transfer restricted security**" means
 - (a) a share of the Company;
 - (b) a security of the Company convertible into shares of the Company; or
 - (c) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the "private issuer" exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the "private issuer" exemption.

26.2 Application

Article 26.3 does not apply to the Company if and for so long as it is a public company.

26.3 Consent Required for Transfer of Shares or Transfer Restricted Securities

No share or other transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Dated February 20, 2013.

**FULL NAME AND SIGNATURE
OF INCORPORATOR**

SE Corporate Services Ltd.

Per: 
Authorized Signatory

LEGAL CONSIDERATIONS

Regulations and permits necessary for the operations of the Company

The Company exists under the laws of the Province of British Columbia and is a reporting issuer in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The Company's principal assets are located in Sweden and Finland and so its business is impacted by the laws of Sweden and Finland.

The mining licenses and permits (all of which are, unless otherwise stated, exploration licenses and permits) relevant for the Company's business are summarized in the following table:

| Name | License no. | Area (ha) | Main terms | Valid from | Valid to | Owner |
|----------------|---------------|-----------|----------------------------------|------------|------------|------------------------|
| <i>Sweden</i> | | | | | | |
| Gunnarn nr 32 | 2017:169 | 176 | Gold, copper | 2017-12-12 | 2025-12-12 | Agnico Eagle Sweden AB |
| Gunnarn nr 33 | 2017:170 | 412 | Gold, copper | 2017-12-12 | 2025-12-12 | Agnico Eagle Sweden AB |
| Gunnarn nr 34 | 2018:29 | 1977 | Gold, copper | 2018-02-28 | 2026-02-28 | Agnico Eagle Sweden AB |
| Gunnarn nr 35 | 2018:30 | 1220 | Gold, copper | 2018-02-28 | 2026-02-28 | Agnico Eagle Sweden AB |
| Gunnarn nr 36 | 2018:62 | 440 | Gold, copper | 2018-04-25 | 2026-04-25 | Agnico Eagle Sweden AB |
| Gunnarn nr 37 | 2019:62 | 3822 | Gold, copper | 2019-07-11 | 2027-07-11 | Agnico Eagle Sweden AB |
| Gunnarn nr 38 | 2020:61 | 214 | Gold, copper | 2020-07-10 | 2026-07-10 | Agnico Eagle Sweden AB |
| Risberget nr 6 | 2024:120 | 1112 | Lead, gold, copper, tin, zinc | 2024-08-14 | 2027-08-14 | Agnico Eagle Sweden AB |
| Gunnarn nr 39 | 2024:121 | 99 | Lead, gold, copper, tin, zinc | 2024-08-14 | 2027-08-14 | Agnico Eagle Sweden AB |
| Storuman nr 2 | 2024:123 | 5310 | Lead, gold, copper, tin, zinc | 2024-08-15 | 2027-08-15 | Agnico Eagle Sweden AB |
| Gunnarn nr 40 | 2024:134 | 819 | Lead, gold, copper, tin, zinc | 2024-09-18 | 2027-09-18 | Agnico Eagle Sweden AB |
| Barsele K nr 2 | 1864 (mining) | 11 | Lead, gold, copper, silver, zinc | 2007-06-21 | 2032-06-21 | Gunnarn Mining AB |
| Gunnarn nr 22 | 2009:165 | 805 | Copper | 2009-10-06 | 2025-10-06 | Gunnarn Mining AB |
| Gunnarn nr 68 | 2011:128 | 519 | Copper | 2011-07-14 | 2026-07-14 | Gunnarn Mining AB |
| Gunnarn nr 110 | 2011:163 | 369 | Copper | 2011-09-09 | 2026-09-09 | Gunnarn Mining AB |

| | | | | | | |
|------------------------|---------------|-------|--|------------|------------|-------------------------------|
| Risberget nr 5 | 2014:102 | 490 | Gold, copper | 2014-11-24 | 2026-11-24 | Gunnarn Mining AB |
| Gunnarn nr 25 | 2014:103 | 323 | Gold, copper | 2014-11-26 | 2025-11-26 | Gunnarn Mining AB |
| Gunnarn nr 23 | 2014:108 | 896 | Gold, copper | 2014-12-16 | 2025-12-16 | Gunnarn Mining AB |
| Gunnarn nr 24 | 2014:96 | 680 | Gold, copper | 2014-11-17 | 2025-11-17 | Gunnarn Mining AB |
| Gunnarn nr 26 | 2015:64 | 118 | Lead, gold, copper, tin, zinc | 2015-04-21 | 2026-04-21 | Gunnarn Mining AB |
| Gunnarn nr 27 | 2015:65 | 1459 | Lead, gold, copper, tin, zinc | 2015-04-21 | 2026-04-21 | Gunnarn Mining AB |
| Gunnarn nr 28 | 2015:66 | 707 | Lead, gold, copper, tin, zinc | 2015-04-21 | 2026-04-21 | Gunnarn Mining AB |
| Gunnarn nr 29 | 2016:26 | 61 | Lead, gold, copper, silver, zinc | 2016-03-10 | 2027-03-10 | Gunnarn Mining AB |
| Gunnarn nr 30 | 2017:65 | 2750 | Lead, gold, copper, tin, zinc | 2017-05-11 | 2025-05-11 | Gunnarn Mining AB |
| Barsele K nr 1 | 6654 (mining) | 123 | Gold, silver | 2007-06-21 | 2032-06-21 | Gunnarn Mining AB |
| Blåbärliden nr 101 | 2017:79 | 3806 | Gold, silver, copper, zinc, lead, tungsten | 2017-05-31 | 2025-05-31 | Gold Line Resources Sweden AB |
| Kankberg Norra nr 101 | 2017:74 | 830 | Gold, silver, copper, zinc, lead, tungsten | 2017-05-17 | 2025-05-17 | Gold Line Resources Sweden AB |
| Paubäcken Norra nr 101 | 2017:63 | 4447 | Gold, silver, copper, zinc, lead, tungsten | 2017-05-11 | 2025-05-11 | Gold Line Resources Sweden AB |
| Paubäcken nr 101 | 2017:71 | 12277 | Gold, silver, copper, zinc, lead, tungsten | 2017-05-15 | 2025-05-15 | Gold Line Resources Sweden AB |
| Paubäcken nr 102 | 2018:86 | 373 | Gold, silver, copper, zinc, lead, tungsten | 2018-06-28 | 2026-06-28 | Gold Line Resources Sweden AB |
| Paubäcken nr 104 | 2022:35 | 2640 | Gold, silver, copper, zinc, lead, tungsten | 2022-05-19 | 2025-05-19 | Gold Line Resources Sweden AB |
| Storjuktan nr 105 | 2017:112 | 1982 | Gold, silver, copper, zinc, lead, tungsten | 2017-07-13 | 2025-07-13 | Gold Line Resources Sweden AB |
| Storjuktan nr 101 | 2017:43 | 3165 | Gold, silver, copper, zinc, lead, tungsten | 2017-04-25 | 2025-04-25 | Gold Line Resources Sweden AB |

| | | | | | | |
|-------------------|----------|------|--|------------|------------|-------------------------------|
| Storjuktan nr 102 | 2017:44 | 694 | Gold, silver, copper, zinc, lead, tungsten | 2017-04-25 | 2025-04-25 | Gold Line Resources Sweden AB |
| Storjuktan nr 103 | 2017:51 | 5353 | Gold, silver, copper, zinc, tungsten | 2017-05-08 | 2025-05-08 | Gold Line Resources Sweden AB |
| Storjuktan nr 104 | 2017:52 | 5913 | Gold, silver, copper, zinc, lead, tungsten | 2017-05-08 | 2025-05-08 | Gold Line Resources Sweden AB |
| Storjuktan nr 106 | 2018:98 | 2503 | Gold, silver, tin, tungsten, zinc, lead | 2018-08-15 | 2026-08-15 | Gold Line Resources Sweden AB |
| Storjuktan nr 108 | 2019:78 | 2726 | Gold, silver, tin, tungsten, zinc, lead | 2019-09-13 | 2026-09-13 | Gold Line Resources Sweden AB |
| Storjuktan nr 109 | 2020:81 | 9091 | Gold, silver, tin, tungsten, zinc, lead | 2020-11-04 | 2026-11-04 | Gold Line Resources Sweden AB |
| Klippen nr 1001 | 2020:109 | 3864 | Gold | 2020-12-16 | 2026-12-16 | Nordic Route Explorations AB |
| Klippen nr 1002 | 2022:25 | 5549 | Silver, gold, zinc, copper | 2022-04-07 | 2025-04-07 | Nordic Route Explorations AB |

| Name | License no. | Area (ha) | Main terms | Valid from | Valid to | Owner |
|--------------------------|----------------|-----------|--------------|------------|------------|----------------|
| <i>Finland</i> | | | | | | |
| Väli ML2014:0013 | ML2014:0013-02 | 154 | Gold, silver | 2022-03-28 | 2025-03-27 | GLR Finland Oy |
| Särki ML2015:0041 | ML2015:0041-02 | 181 | Gold | 2022-03-28 | 2025-03-27 | GLR Finland Oy |
| Jänes ML2015:0060 | ML2015:0060-01 | 848 | Gold, silver | Dormant | Dormant | GLR Finland Oy |
| Kompsanlampi ML2017:0017 | ML2017:0017-02 | 191 | Gold | 2024-03-14 | 2027-04-22 | GLR Finland Oy |
| Sammakko ML2017:0018 | ML2017:0018-02 | 256 | Gold | 2024-03-14 | 2027-04-22 | GLR Finland Oy |
| Karahka ML2023:0011 | ML2023:0011-01 | 2384 | Gold, silver | 2024-01-23 | 2028-02-29 | GLR Finland Oy |

Significant agreements

Joint venture agreement

The Company currently owns a 45 per cent interest in the Barsele Project through its ownership of Gunnarn Mining, the joint venture company held pursuant to the JVA with Agnico Eagle, with Agnico

Eagle current holding the remaining 55 per cent interest through its subsidiary AE Sweden. The JVA was entered into on June 11, 2015, by Agnico Eagle, AE Sweden, Gunnarn Mining and First Nordic (the JVA was assigned by Orex to First Nordic and assumed by First Nordic in September 2015).

Agnico Eagle has a right to earn an additional 15 per cent equity interest in Gunnarn Mining, with the Company relinquishing such equity, if Agnico Eagle or AE Sweden completes a pre-feasibility study on the Barsele Project and contributes such study to Gunnarn Mining. Until such time as a pre-feasibility study is contributed to Gunnarn Mining by Agnico Eagle, all costs and expenses of Gunnarn Mining continue to be for the account of Agnico Eagle.

Following completion and contribution of a pre-feasibility study to Gunnarn Mining, all costs and expenses of Gunnarn Mining will be shared by Agnico Eagle and First Nordic in accordance with their proportionate interest in Gunnarn Mining. In accordance with the JVA, AE Sweden, currently the operator of the Barsele Project, receives customary compensation for such role and has a majority of the seats on Gunnarn Mining's board of directors.

Royalty Agreement entered in connection with the Gold Line Arrangement

Pursuant to a purchase and sale agreement dated April 1, 2019, as amended, (the "**Gold Line Agreement**") between Gold Line (now a wholly owned subsidiary of the Company), Eurasian Minerals Sweden AB ("**EMSAB**") and Viad Royalties AB ("**VRAB**") (subsidiaries of EMX), Gold Line acquired certain mineral property licenses, including the Oijärvi exploration reservation located in Finland (the "**Oijärvi Reservation**") and 54,591 hectares in the "Gold Line" of Northern Sweden (together with the Oijärvi Reservation, the "**Gold Line Properties**") in exchange for cash and share consideration and the execution of a royalty interest conveyance and agreement (the "**Royalty Agreement**") dated December 31, 2021. The Oijärvi Reservation is to be held by EMX Finland OY, in trust for the Company, until such time as the Oijärvi Reservation has been converted into an exploration permit application registered in the name of the Company. While held in trust, the Company has the right to conduct exploration and development activities on or with respect to the Oijärvi Reservation.

Pursuant to the Gold Line Agreement (as amended) and the Royalty Agreement, Gold Line granted EMSAB a 3 per cent Net Smelter Return ("**NSR**") royalty on the Gold Line Properties. EMSAB will also receive annual advance royalty payments of 30 ounces of gold, commencing on December 31, 2023 (the "**AAR Payment**"), until commencement of commercial production, with each AAR Payment increasing by five ounces of gold per year up to a maximum of 75 ounces of gold per year. EMSAB will have an option to receive the AAR Payments in gold bullion, a gold bullion cash equivalent, or a value equivalent in shares of First Nordic, subject to certain and agreed upon conditions.⁵²

Within six years of December 31, 2021, the Company can exercise its right to buy down up to 1 per cent of the royalty owed to EMSAB (leaving EMSAB with a 2 per cent NSR royalty) by paying EMSAB 2,500 ounces of gold, or the cash equivalent thereof.

Financing agreements

For information on the Group's financing agreements, see section *Capitalization, indebtedness and other financial information*, subsection *Financing structure and loans*.

Other

Apart from the agreements described above, there are no significant agreements that the Company has signed in the last two years, or any other agreements that the Company has signed that involve

⁵² The agreement was originally entered into by Gold Line; hence the agreement stipulates a right for EMSAB to receive Gold Line shares. The parties later agreed that this right shall refer to First Nordic shares, since First Nordic has acquired Gold Line. This change has however not yet been documented in an amendment agreement.

rights or obligations of material significance to the Company (in both cases, excluding agreements signed as part of operating activities).

Legal proceedings and arbitration

The Company is not involved in any official proceedings, legal proceedings, or arbitration (including proceedings that have not yet been concluded or, to the Company's knowledge, risk being initiated) and, in the last 12 months, has not been involved in any such proceedings that could have or recently have had any significant effects on the Company and/or the Group's financial position or profitability.

Related-party transactions

During the years ended December 31, 2023, and 2022, and for the period January 1 – September 30, 2024, the Company entered into the following transactions with related parties, directors and key management personnel. Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include all directors and officers.

Compensation paid or payable to key management personnel for services rendered are as follows:

| | Period ended | Year ended | Year ended |
|----------------------|--------------------|-------------------|-------------------|
| | September 30, 2024 | December 31, 2023 | December 31, 2022 |
| Management fees | 425,987 | 462,000 | 537,084 |
| Share-based payments | 1,066,072 | 165,127 | - |
| Total | 1,492,059 | 627,127 | 537,084 |

Other related party transactions are as follows⁵³:

| | Period ended | Year ended | Year ended |
|----------------------------|--------------------|-------------------|-------------------|
| | September 30, 2024 | December 31, 2023 | December 31, 2022 |
| Investor relations* | 40,293 | 112,734 | 82,186 |
| Office and administration* | 200,195 | 224,316 | 285,749 |
| General exploration* | - | 62,605 | 58,874 |
| General exploration | 106,000 | 206,400 | 240,362 |
| Consulting | 187,600 | - | - |
| Share-based payments | 86,882 | 72,243 | - |
| Total | 620,970 | 678,298 | 667,171 |

⁵³ *Fees paid to a management service company controlled by a director of the Company that provides a corporate secretary, investor relations, a geologist and accounting and administration staff to the Company on a shared cost basis.

Included in accounts payable and accrued liabilities as of September 30, 2024, is \$500,952 (December 31, 2023 – \$Nil) due to directors or officers or companies controlled by directors.

Since September 30, 2024, no other related-party transactions have taken place that, individually or collectively, are material to the Company.

Adviser interests

The Company's financial adviser in conjunction with the Listing is Augment Partners. Augment Partners have provided, and may in the future provide, various financial, investment, commercial and other services to the Company for which Augment Partners has been and may be remunerated.

Augment Partners is also the Company's appointed Certified Adviser. Augment Partners own 191,608 SDRs in the Company.

Advokatfirman Lindahl KB is legal adviser to First Nordic in connection with the Listing.

Apart from the information stated above, the Company's advisers do not have any material interests, either directly or indirectly, in the Company or the Listing.

Documents incorporated by reference

The Company's financial reports for the financial years 2022, 2023 and for the period January 1 – September 30, 2024, form part of the Company Description and must be read as a part thereof. These financial reports can be found in the Company's annual audited financials and MD&A for the financial year 2023 and third quarter 2024 unaudited financials and MD&A, where references are made as follows:

- Annual 2022 audited financials and MD&A: Management report (MD&A Q4 2022), Statements of changes in shareholders' equity (page 7), Statements of loss and comprehensive loss (page 6), Statements of Financial Position (page 5), Statements of cash flows (page 8), Notes (pages 9-20) and Audit Report (pages 2-4).
- Annual 2023 audited financials and MD&A: Management report (MD&A Q4 2023), Statements of changes in shareholders' equity (page 7), Statements of loss and comprehensive loss (page 6), Statements of Financial Position (page 5), Statements of cash flows (page 8), Notes (pages 9-22) and Audit Report (pages 2-4).
- Unaudited amended and restated financials and MD&A for the period January 1 – September 30, 2024: Management report (MD&A Q3 2024), Statements of changes in shareholders' equity (page 4), Statements of loss and comprehensive loss (page 3), Statements of Financial Position (page 2), Statements of cash flows (page 5) and Notes (pages 6-13).

All documents which are incorporated by reference are available electronically via <https://fnmetals.com/investors-stock-informations/#financial-reports>. The parts of the respective financial report that are not referred to contain information that is found in other parts of the Company Description or not deemed relevant in connection with the Listing. The Company's financial reports for the financial years 2022 and 2023 have been audited and the audit report is attached to the respective annual audited financials and MD&A.

Documents available for inspection

The Company's (i) Articles, (ii) incorporation certificate and certificate of name change and the (iii) Company Description will be made available for inspection during the period of validity of the Company Description at the Company's main office at Suite 1700, Park Place, 666 Burrard Street, Vancouver BC V6C 2X8, Canada, during normal business hours and on the Company's website at <https://fnmetals.com/>.

PRO-FORMA FINANCIAL INFORMATION

Introduction and purpose of pro-forma financial information

The purpose of the pro-forma financial information is to provide a general illustration of what the earnings for the Company might have been for the period January 1, 2024 to September 30, 2024 if the acquisition of Gold Line Resources Ltd. (Note 2) had taken place on January 1, 2024. Hence, the pro-forma financial information covers the period January 1, 2024 to September 30, 2024.

The pro-forma financial information is only intended to inform and illustrate the facts. The pro-forma financial information was based on the accounting policies in accordance with IFRS Accounting Standards as applied by the Company. Pro-forma financial information is, by its nature, intended to describe a hypothetical situation. The Company presents pro-forma financial information only for illustrative purposes and the pro-forma financial information is not to be regarded as an indication of actual results that would have been generated if the acquisition of Gold Line Resources Ltd. had taken place on the date stated above. Nor is the pro-forma financial information to be considered indicative of the Company's future results. The pro-forma financial information does not include any synergies or integration costs.

FIRST NORDIC METALS CORP. (FORMERLY BARSELE MINERALS CORP.)

PRO-FORMA CONSOLIDATED STATEMENT OF LOSS AND COMPREHENSIVE LOSS

PERIOD JANUARY 1, 2024 to SEPTEMBER 30, 2024

(Expressed in Canadian Dollars - Unaudited)

| | Nine months ended September 30, 2024 | Pro-forma adjustments | Nine months ended September 30, 2024 (post adjustments) |
|--------------------------------|---|--------------------------|---|
| | | Note 3 | Total |
| EXPLORATION EXPENSES | | | |
| General exploration | 777,026 | 1,874 | 778,900 |
| GENERAL EXPENSES | | | |
| Consulting | 1,145,365 | 334,299 | 1,479,664 |
| Foreign exchange loss (gain) | 31,704 | - | 31,704 |
| Investor relations | 1,087,648 | 17,548 | 1,105,196 |
| Management fees | 425,987 | 145,523 | 571,510 |
| Office and administrative | 292,739 | 41,912 | 334,651 |
| Professional fees | 203,441 | 82,100 | 285,541 |
| Stock-based payments | 2,681,251 | - | 2,681,251 |
| Transfer agent and filing fees | 65,923 | 13,562 | 79,485 |
| | 5,934,058 | 634,944 | 6,569,002 |

| | | | |
|---|-------------------|-----------------|-------------------|
| Loss before interest income | -6,711,084 | -636,818 | -7,347,902 |
| Interest income | 76 | 435 | 511 |
| Loss and comprehensive loss for the period | -6,711,008 | -636,383 | -7,347,391 |

Notes to pro-forma consolidated statement of loss and comprehensive loss

1. Basis of presentation

The unaudited pro-forma consolidated statement of loss and comprehensive loss has been prepared by management for disclosure in the Company's Company Description regarding listing on Nasdaq First North Growth Market of Swedish Depository Receipts dated March 17, 2025.

This unaudited pro-forma consolidated financial statement has been compiled in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), using the significant accounting policies on a basis consistent with the Company's accounting policies.

The unaudited pro-forma consolidated financial statements has been derived from and should be read in conjunction with the following:

- i) Unaudited Consolidated Financial Statements of the Company for the period ended September 30, 2024;
- ii) Amended and Restated Condensed Consolidated Interim Financial Statements of the Company for the nine months ended September 30, 2024;

The unaudited pro-forma consolidated statement of loss and comprehensive loss has been prepared assuming the acquisition as described in Notes 2 and 3 was completed on January 1, 2024.

It is management's opinion that this unaudited pro-forma consolidated statement of loss and comprehensive loss includes all adjustments necessary for the fair presentation. The unaudited pro-forma consolidated statement of loss and comprehensive loss is not intended to reflect the results of operations of the Company, which would have resulted had the acquisition been affected on the date indicated.

2. Acquisition of Gold Line Resources Ltd.

On February 23, 2024, the Company completed the acquisition of all the issued and outstanding common shares of Gold Line whereby each Gold Line shareholder received 0.7382 common shares of the Company in exchange for one common share of Gold Line (previously defined as the "Arrangement"). Pursuant to the Arrangement, the Company issued 35,747,716 common shares with a fair value of \$4,289,726. Gold Line was a Canadian exploration company listed on the TSX-V and OTC Exchange. On completion of the Arrangement, Gold Line's common shares were delisted from the TSX-V and OTC Exchange.

As part of the Arrangement, all outstanding share options and warrants of Gold Line were exchanged for share options to acquire up to an aggregate of 1,550,220 common shares of the Company. All outstanding warrants of Gold Line are now exercisable to acquire 14,188,255 common shares of the Company.

The transaction costs associated with the Arrangement totaled \$101,043 and is comprised of legal fees and transfer agent fees.

The acquisition of Gold Line constitutes an asset acquisition and has been accounted for under the acquisition method in accordance with the guidance provided in IFRS 3, Business Combinations

(“IFRS 3”). The assets acquired did not qualify as a business according to the definition in IFRS 3, and therefore the acquisition did not constitute a business combination, but rather it is treated as payment of equity consideration for the acquisition of Gold Line and its net assets. The value of the consideration paid after allocation to the other net assets acquired, was allocated to exploration and evaluation assets, which are located in Sweden and Finland.

The total consideration for the acquisition of the assets and liabilities of Gold Line assumed on acquisition were as follows:

| | Total |
|-----------------------------------|------------------|
| Cost of acquisition: | |
| Common shares issued | 4,289,726 |
| Transaction costs | 101,043 |
| Value of options | 126,020 |
| Value of warrants | 237,655 |
| Total consideration | 4,754,444 |
| Allocated as follows: | |
| Cash | 14,126 |
| Receivables | 35,403 |
| Prepaid expenses | 68,847 |
| Exploration and evaluation assets | 6,221,626 |
| Accounts payable | -1,585,558 |
| | 4,754,444 |

3. Pro forma assumptions and adjustments

The unaudited pro-forma consolidated statement of loss and comprehensive loss was prepared based on the following assumptions:

- a) The pro-forma statement of loss and comprehensive loss for the period January 1, 2024 to September 30, 2024 is prepared as if the acquisition had taken place on January 1, 2024.
- b) The financial information for Gold Line and its subsidiaries, included in the pro-forma for the period January 1, 2024 to February 23, 2024 is based on internal reports as prepared by management.
- c) Expenses of Gold Line and its subsidiaries for the period from February 24, 2024 to September 30, 2024 are included in the Company’s consolidated statement of loss and comprehensive loss on actual basis.
- d) The assets acquired from Gold Line are included in the Company’s statement of financial position as of September 30, 2024. No pro-forma statement of financial position has been

prepared as the statement of financial position as of September 30, 2024 provides a current view of the Company's financial position.

4. Income taxes

The pro-forma effective income tax rate that will be applicable to the operations of the Company is 27%.

AUDITORS REVIEW OF PRO-FORMA FINANCIAL INFORMATION

DAVIDSON & COMPANY LLP Chartered Professional Accountants

REPORT ON REVIEW OF PRO-FORMA FINANCIAL INFORMATION

To the Shareholders of
First Nordic Metals Corp. (formerly Barsele Minerals Corp.)

We have reviewed the pro-forma adjustments of First Nordic Metals Corp. (formerly Barsele Minerals Corp.) (the "Company") reflecting the transaction described in Note 2 and the application of certain adjustments to the historical amounts in the accompanying pro-forma consolidated statement of loss and comprehensive loss for the nine month period ended September 30, 2024. Such pro-forma adjustments are based on management's assumptions as described in Note 3. The Company's management is responsible for the pro-forma financial information.

Our review was conducted in accordance with attestation standards established by the Canadian generally accepted auditing standard. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion on management's assumptions, the pro-forma adjustments and the application of those adjustments to historical financial information. Accordingly, we do not express such an opinion.

The objective of this pro-forma financial information is to show what the significant effects on the historical financial information might have been had the transaction occurred at an earlier date. However, the pro-forma financial information is not necessarily indicative of the results of operations that would have been attained had the above-mentioned transaction actually occurred earlier.

Based on our review, nothing has come to our attention that causes us to believe that management's assumptions do not provide a reasonable basis for presenting the significant effects directly attributable to the above-mentioned transaction described in Note 2, that the related pro-forma adjustments do not give appropriate effect to the assumptions as described in Note 3, or that the pro-forma column does not reflect the proper application of adjustments to the historical financial statement amounts in the pro-forma consolidated statement of loss and comprehensive loss for the nine month period ended September 30, 2024.

Without modifying our conclusion, we draw attention to Note 1 of the pro-forma financial information, which describes that the pro-forma consolidated statement of loss and comprehensive loss has been compiled in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, using significant accounting policies on the basis consistent with the Company's accounting policies. The pro-forma financial information is prepared by management for disclosure in the Company's 'Company Description regarding listing on Nasdaq First North Growth Market of Swedish Depository Receipts'. Our report is intended solely for this purpose and should not be distributed to or used by other parties.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

February 26, 2025



1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, B.C., Canada V7Y 1G6
Telephone (604) 687-0947 Davidson-co.com

DEFINITIONS

| | |
|--|---|
| AE Sweden | Agnico Eagle Sweden AB, reg. no. 556690-6185, an indirect, wholly owned subsidiary of Agnico Eagle. |
| Agnico Eagle | Agnico Eagle Mines Limited, reg. no. 1145570769, holding a 55 % interest in Gunnarn Mining. |
| Barsele JV | The joint venture with Agnico Eagle, through which the Company holds a 45 % interest in the Barsele Project. |
| Barsele Project | The Company's material mineral property located 40 km southeast of Storuman in Västerbottens Län, northern Sweden. |
| BCBCA | <i>Business Corporations Act</i> (British Columbia). |
| BC Business Register | Business Register maintained by the BC Registry Services (British Columbia, Canada). |
| Belcarra | Belcarra Group Management Ltd., reg. no. BC0962780. Belcarra provides the Company with management, administration etc. under a shared services agreement. |
| CAD or \$ | Canadian Dollar. |
| DNB / Custodian | DNB Bank ASA, Sweden Branch, reg. no. 516406-0161. |
| EMX | EMX Royalty Corporation, reg. no. C0704593. |
| Euroclear Sweden | Euroclear Sweden AB, reg. no. 556112-8074. |
| First Nordic / Company | First Nordic Metals Corp., reg. no. BC0962826, or, depending on the context, the group in which First Nordic is the Parent Company (the " Group "). |
| Gold Line | Gold Line Resources Ltd., reg. no. C1160728 (BC, Canada), a subsidiary to First Nordic. |
| Governance Disclosure Rules | National Instrument 58-101 – <i>Disclosure of Corporate Governance Practices</i> . |
| GTK | Geological Survey of Finland. |
| Corporate Governance Guidelines | National Policy 58-201 – <i>Corporate Governance Guidelines</i> . |
| Gunnarn Mining | Gunnarn Mining AB, reg. no. 556736-7528, the joint venture company which holds the Barsele Project under the JVA with Agnico Eagle, in which First Nordic currently holds a 45 per cent interest. |

| | |
|---|--|
| JVA | The joint venture agreement among First Nordic, Agnico Eagle, AE Sweden and Gunnarn Mining, regarding the Barsele Project. |
| Listing | The Company's admission to trading of Swedish Depository Receipts issued by the Company on Nasdaq First North Growth Market in Sweden. |
| MCAD | Million CAD. |
| MSEK | Million SEK. |
| Nasdaq First North | Nasdaq First North Growth Market. |
| Nasdaq First North Rulebook | Nasdaq First North Growth Market Rulebook for Issuers of Shares. |
| NI 52-110 | National Instrument 52-110 – <i>Audit Committees</i> . |
| Orex | Orex Minerals Inc., reg. no. BC0518163, the predecessor company of which First Nordics was created. |
| OTCQB | OTCQB Venture Market. |
| SDRs | Swedish Depository Receipts (Sw. <i>aktiedepåbevis</i>) in the Company. |
| SDR Agreement | Agreement regarding the SDRs entered between DNB and the Company. |
| SDR General Terms and Conditions | The General Terms and Conditions for Swedish Depository Receipts in First Nordic, containing the obligations of DNB and the Company towards the SDR Holders. |
| SDR Holder | The holder of SDRs for which underlying shares are deposited by the Custodian. |
| SEK | Swedish krona. |
| SGU | Geological Survey of Sweden. |
| TCAD | Thousand CAD. |
| The Group | The group in which First Nordic is the Parent Company. |
| Trading Act | Financial Instruments Trading Act (1991:980) (Sw. <i>Lagen (1991:980) om handel med finansiella instrument</i>). |
| TSEK | Thousand SEK. |
| TSXV | TSX Venture Exchange. |

VPC Register

The securities depository and settlement register maintained by Euroclear Sweden.

ADDRESSES

First Nordic Metals Corp.

Reg.no. BC0962826
Suite 300 - 1055 West Hastings Street
Vancouver BC V6C 2E9
Canada

Certified Adviser and Financial adviser to the Company

Augment Partners AB

Eriksbergsgatan 8A
SE-114 30 Stockholm
Sweden

Legal adviser to the Company

Advokatfirman Lindahl KB

Smålandsgatan 16
SE-111 46 Stockholm
Sweden

Auditor

Davidson & Company LLP

1200-609 Granville Street
Vancouver BC V7Y 1H4
Canada