A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada, except the province of Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States (as such term is defined in Regulation S under the U.S. Securities Act (the "United States")) or to, or for the account or benefit of, a U.S. person (as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act (a "U.S. Person")), except as permitted by the Underwriting Agreement (as defined herein) and in transactions exempt from registration under the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. Persons. See "Plan of Distribution".

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of Talon Metals Corp. at c/o Talon Metals Services Inc., 43-603 Clark Avenue West, Thornhill, Ontario, L4J 8R2, telephone (416) 361-9636, and are also available electronically at www.sedar.com.*

PRELIMINARY SHORT FORM PROSPECTUS

New Issue | March 2, 2021

TALON METALS CORP

TALON METALS CORP.

$30,000,000
50,000,000 Units

This short form prospectus is being filed by Talon Metals Corp. ("**Talon**" or the "**Corporation**") to qualify the distribution (the "**Offering**") of 50,000,000 units (the "**Offered Units**") of Talon at a price of $0.60 per Offered Unit (the "**Offering Price**"). Each Offered Unit consists of one Common Share (as defined herein) (a "**Unit Share**") and one-half of one Common Share purchase warrant of the Corporation (each whole Common Share purchase warrant, a "**Unit Warrant**"). Each Unit Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Common Share (each, a "**Warrant Share**") at an exercise price of $0.80 for a period of 12 months following the Closing Date (as defined herein).

The Offering is being made pursuant to an underwriting agreement (the "**Underwriting Agreement**") dated as of March 2, 2021 among the Corporation and TD Securities Inc. ("**TDSI**"), Paradigm Capital Inc. and Sprott Capital Partners LP, as co-lead underwriters (together with TDSI, the "**Co-Lead Underwriters**"), and Echelon Wealth Partners Inc. (collectively with the Co-Lead Underwriters, the "**Underwriters**"). The Offering Price was determined by arm's length negotiation between the Corporation and the Co-Lead Underwriters with reference to the prevailing market price of the common shares of the Corporation (the "**Common Shares**"). See "*Plan of Distribution*".

The outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbol "TLO". On February 23, 2021, the last trading day prior to the date of announcement of the Offering, the closing price of the Common Shares on the TSX was $0.74. On March 1, 2021, the last trading day prior to the date of this short form prospectus, the closing price of the Common Shares on the TSX was $0.69. The Corporation has applied to list the Unit Shares, the Additional Unit Shares (as defined herein) and the Warrant Shares on the TSX. The TSX has not conditionally approved the Corporation's listing application and there is no assurance that the TSX will approve the listing application. Listing is subject to the Corporation fulfilling all of the requirements of the TSX.

There is no market through which the Unit Warrants may be sold and purchasers may not be able to resell the Unit Warrants purchased under this short form prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Plan of Distribution*" and "*Risk Factors*".

Price: $0.60 per Offered Unit

	Price to the Public	Underwriters' Fee[(1)]	Net Proceeds to the Corporation[(2)]
Per Offered Unit………	$0.60	$0.036	$0.564
Total[(3)]………………….	$30,000,000	$1,800,000	$28,200,000

(1) In consideration for the services rendered by the Underwriters in connection with the Offering, the Corporation has agreed to pay the Underwriters a cash fee (the "**Underwriters' Fee**") of 6.0% of the gross proceeds of the Offering, including any Additional Securities (as defined herein) sold pursuant to the exercise of the Over-Allotment Option (as defined herein). See "*Plan of Distribution*".

(2) After deducting the Underwriters' Fee, but before deducting the expenses relating to the Offering, including the preparation and filing of this short form prospectus, which expenses are estimated to be approximately $325,000 and which will be paid from the proceeds of the Offering.

(3) The Corporation has granted the Underwriters an over-allotment option (the "**Over-Allotment Option**"), exercisable in whole or in part, in the sole discretion of TDSI, on behalf of the Underwriters, for a period of 30 days from and including the Closing Date, to purchase up to an additional 7,500,000 Offered Units (the "**Additional Units**"), at the Offering Price, to cover over-allotments, if any, made by the Underwriters in connection with the Offering and for market stabilization purposes. The Over-Allotment Option may be exercised by TDSI, on behalf of the Underwriters: (i) to acquire Additional Units at the Offering Price, or (ii) to acquire additional Unit Warrants (the "**Additional Unit Warrants**") at a price of $0.02 per Additional Unit Warrant, or (iii) to acquire any combination of Additional Units and Additional Unit Warrants, so long as the aggregate number of Additional Unit Warrants that may be issued under such Over-Allotment Option does not exceed 3,750,000 Additional Unit Warrants. The Additional Units, additional Unit Shares forming a part of the Additional Units (the "**Additional Unit Shares**") and Additional Unit Warrants are collectively referred to herein as the "**Additional Securities**". The grant of the Over-Allotment Option and the Additional Securities issuable upon exercise of the Over-Allotment Option are hereby qualified for distribution under this short form prospectus. A purchaser who acquires Additional Securities forming part of the Underwriters' over-allocation position acquires such Additional Securities under this short form prospectus regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full for Additional Units, the total price to the public, Underwriters' Fee and net proceeds to the Corporation (before deducting the expenses relating to the Offering (see note 2 above)) will be $34,500,000, $2,070,000 and $32,430,000, respectively. See "*Plan of Distribution*" and the table below.

Underwriters' Position	Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	Up to 7,500,000 Additional Units / 3,750,000 Additional Unit Warrants	Up to 30 days from and including the Closing Date	$0.60 per Additional Unit / $0.02 per Additional Unit Warrant

Unless the context otherwise requires, all references to the "Offering" in this short form prospectus includes the exercise of the Over-Allotment Option, and all references to the "Offered Units", "Unit Shares", "Unit Warrants" and "Warrant Shares" in this short form prospectus includes all securities issuable assuming the exercise of the Over-Allotment Option.

The Underwriters, as principals, conditionally offer the Offered Units, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the terms and conditions contained in the Underwriting Agreement referred to under "*Plan of Distribution*", and subject to the approval of certain legal matters on behalf of the Corporation by Cassels Brock & Blackwell LLP and on behalf of the Underwriters by Borden Ladner Gervais LLP.

The Offering is being made in each of the provinces of Canada, except the province of Québec. The Offered Units will be offered in each of such provinces through those Underwriters or their affiliates who are registered to offer Offered Units for sale in such provinces and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Units in such other jurisdictions outside of Canada as agreed between the Corporation and the Underwriters. See "*Plan of Distribution*".

Subscriptions for the Offered Units will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about March 18, 2021, or such other date as may be agreed upon by the Corporation and TDSI, on behalf of the Underwriters, but in any event not later than 42 days after the date of the receipt of the (final) short form prospectus (the "**Closing Date**"). Subject to applicable laws, the Underwriters may, in connection with the Offering, over-allot or effect transactions that are intended to stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. **The Underwriters may offer the Offered Units at a lower price than stated above.** See "*Plan of Distribution*".

It is anticipated that the Unit Shares and the Unit Warrants comprising the Offered Units will be delivered under the book-based system through CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and deposited in electronic form. A purchaser of Offered Units, including a purchaser of Offered Units in the United States that is a "qualified institutional buyer" as defined in Rule 144A of the U.S. Securities Act (a "**Qualified Institutional Buyer**"), will receive only a customer confirmation from the registered dealer from or through which the Offered Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Unit Warrants on behalf of owners who have purchased Offered Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See "*Plan of Distribution*".

Prospective investors should rely only on the information contained or incorporated by reference in this short form prospectus. The Corporation and the Underwriters have not authorized anyone to provide purchasers with information different from that contained or incorporated by reference in this short form prospectus. The Underwriters are offering the Offered Units only in jurisdictions where, and to persons whom, offers and sales are lawfully permitted. An investment in the Offered Units is highly speculative and involves significant risks that should be carefully considered by prospective investors before purchasing such securities. Such investment should only be made by those persons who can afford the risk of loss of their entire investment. The risks outlined in this short form prospectus and in the documents incorporated by reference herein should be carefully reviewed and considered by prospective investors in connection with an investment in such securities. See "Cautionary Note Regarding Forward-Looking Information" and "Risk Factors" in this short form prospectus, "Forward-Looking Information" and "Risk Factors" in the AIF (as defined herein) and the risk factors set forth in the Interim MD&A and the Annual MD&A (each as defined herein) which are available under the Corporation's profile on SEDAR at www.sedar.com, before purchasing the Offered Units.

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Common Shares and Unit Warrants, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Common Shares and Unit Warrants.

The Corporation is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction, and each of Warren E. Newfield (Executive Chairman and Director), Gregory S. Kinross (Director), David E. Singer (Director), and David L. Deisley (Director) reside outside of Canada. The Corporation and each of the individuals named above have appointed Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, as their agent for service of process in Canada. Andrea Martin, one of the authors of the Updated PEA (as defined herein), resides outside of Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

The Corporation's head and registered office is located at Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands. The registered office address of the Corporation's representative in Canada, Talon Metals Services Inc., is 43-603 Clark Avenue West, Thornhill, Ontario, L4J 8R2.

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ABOUT THIS PROSPECTUS

Investors should rely only on the information contained or incorporated by reference in this short form prospectus and are not entitled to rely only on certain parts of the information contained or incorporated by reference in this short form prospectus to the exclusion of the remainder. The Corporation and the Underwriters have not authorized anyone to provide investors with different information. If anyone provides you with different or additional information, you should not rely on it. The Corporation and the Underwriters are not offering the securities in any jurisdiction in which the Offering is not permitted. Investors should assume that the information contained in this short form prospectus is accurate only as of the date on the front of this short form prospectus and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this short form prospectus or of any sale of the securities pursuant thereto.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This short form prospectus and documents incorporated by reference herein contain “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward-looking statements” within the meaning of applicable United States securities laws (collectively referred to herein as “**forward-looking information**”). All information, other than information concerning historical fact, that addresses activities, events or developments that the Corporation believes, expects or anticipates will or may occur in the future including, without limitation, statements with respect to the intended use of proceeds of the Offering and use of available funds, the proposed Closing Date of the Offering, payments to Kennecott Exploration Company (“**Kennecott**”) pursuant to the exploration and option agreement dated November 7, 2018, as amended January 31, 2019 and February 28, 2019, entered into between Talon Nickel (USA) LLC and Kennecott (the “**2018 Option Agreement**”), capital and operating costs, the economic analysis from the Updated PEA, the Updated PEA conclusions, estimates in respect of mineral resource quantities, mineral resource qualities, information regarding the potential for increased mineral resources and increased classification through additional exploration, potential mineralization, metallurgical testing and results, drilling and exploration plans, the Corporation’s business plans and priorities, market trends with respect to demand for and the price of nickel and the likelihood of loss for legal proceedings, are forward-looking information.

Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. Mineral resource estimates and certain other technical and scientific information are based on the assumptions and parameters set out herein, in the Updated PEA and on the opinion of “qualified persons” (as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”)). Forward-looking information reflects the current expectations or beliefs of the Corporation based on information available to the Corporation as of the date such statements are made. Forward-looking information is subject to significant risks and uncertainties and other factors that could cause the actual results to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to or effects on the Corporation. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: possible changes to the intended use of proceeds of the Offering and use of available funds; failure to establish estimated mineral resources and any mineral reserves; the grade, quality and recovery of mineral resources varying from estimates; risks related to the exploration stage of the Corporation’s properties, including the Tamarack North Project and the Tamarack South Project; the possibility that future exploration results and metallurgical testing will not be consistent with the Corporation’s expectations (including identifying additional and/or more extensive mineralization and/or recovery); changes in nickel and/or copper prices; delays in obtaining or failures to obtain necessary regulatory permits and approvals from government authorities; uncertainties involved in interpreting drilling results, and the beneficiation process and other geological and product related data; changes in the anticipated demand for nickel, copper and/or cobalt; changes in equity and debt markets; inflation; changes in exchange rates; declines in United States, Canadian and/or global economies; exploration costs varying significantly from estimates; delays in the exploration, mineral processing and development of, and/or commercial production from the properties Talon has an interest in; equipment failure; unexpected geological or hydrological conditions;

political risks; imprecision in preliminary resource estimates; success of future exploration and development initiatives; the existence of undetected or unregistered interests or claims, whether in contract or in tort, over the properties of Talon (including, the Tamarack North Project and the Tamarack South Project); changes in government regulations and policies; risks relating to labour; other exploration, development and operating risks; liability and other claims asserted against Talon; volatility in prices of publicly traded securities; risks relating to the COVID-19 coronavirus and related variants ("**COVID-19**") and the governmental and regulatory actions taken in response thereto; and other risks involved in the mineral exploration and development industry and risks specific to the Corporation, including the risk factors identified elsewhere in this short form prospectus and documents incorporated by reference herein, including in the AIF under "*Risk Factors*" and in the Interim MD&A and the Annual MD&A, in the Updated PEA and in other disclosure documents of the Corporation filed at www.sedar.com.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking information contained in this short form prospectus and documents incorporated by reference herein are expressly qualified by this cautionary statement. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Corporation does not undertake to update any forward-looking information, except as required by applicable securities laws.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

References to "$" or "C$" in this short form prospectus are to Canadian dollars, unless otherwise indicated. References to "US$" in this short form prospectus are to United States dollars. On March 1, 2021, the Bank of Canada indicative average rate of exchange for Canadian dollars and United States dollars was C$1.00 = US$0.7898 or US$1.00 = C$1.2661.

DIFFERENCES IN REPORTING OF MINERAL RESOURCE ESTIMATES

This short form prospectus and documents incorporated by reference herein have been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Unless otherwise indicated, all mineral reserve and mineral resource estimates included or incorporated by reference in this short form prospectus have been prepared in accordance with NI 43-101. NI 43-101 is an instrument developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the United States Securities and Exchange Commission that are applicable to domestic United States reporting companies. Any mineral reserves and mineral resources reported by the Corporation in accordance with NI 43-101 may not qualify as such under United States Securities and Exchange Commission standards. Accordingly, information contained in this short form prospectus and documents incorporated by reference herein containing descriptions of the Corporation's mineral deposits may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Corporate Secretary of the Corporation at c/o Talon Metals Services Inc., 43-603 Clark Avenue West, Thornhill, Ontario, L4J 8R2, telephone (416) 361-9636, and are also available electronically under the profile of the Corporation at www.sedar.com.

The following documents filed by the Corporation with the securities commissions or similar regulatory authorities in Canada are specifically incorporated by reference into, and form an integral part of, this short form prospectus:

(a) the annual information form of the Corporation dated March 30, 2020 for the year ended December 31, 2019 (the "**AIF**"), except as otherwise updated in respect of the Tamarack North Project as indicated in the section entitled "*The Business*" below;

(b) the audited consolidated financial statements of the Corporation for the years ended December 31, 2019 and 2018, together with the notes thereto and the auditor's report thereon (the "**Annual Financial Statements**");

(c) the management's discussion and analysis of financial condition and results of operations of the Corporation for the year ended December 31, 2019 (the "**Annual MD&A**"), except as otherwise updated in respect of the Tamarack North Project as indicated in the section entitled "*The Business*" below;

(d) the condensed interim consolidated financial statements of the Corporation for the three and nine months ended September 30, 2020 and 2019, together with the notes thereto;

(e) the management's discussion and analysis of financial condition and results of operations of the Corporation for the three and nine months ended September 30, 2020 (the "**Interim MD&A**"), except as otherwise updated in respect of the Tamarack North Project as indicated in the section entitled "*The Business*" below;

(f) the material change report of the Corporation dated May 27, 2020 in respect of the announcement that the Corporation completed a non-brokered private placement of 40,169,500 Common Shares at a price of $0.10 per Common Share for aggregate gross proceeds of $4,016,950 (the "**May 2020 Private Placement**");

(g) the material change report of the Corporation dated August 14, 2020 in respect of the public offering of 19,821,600 Common Shares at a price of $0.26 per Common Share for aggregate gross proceeds of $5,153,616 (the "**August 2020 Prospectus Offering**");

(h) the material change report of the Corporation dated December 11, 2020 in respect of the public offering of 38,334,100 Common Shares at a price of $0.30 per Common Share for aggregate gross proceeds of $11,500,230 (the "**December 2020 Prospectus Offering**");

(i) the management information circular of the Corporation dated May 25, 2020, regarding the annual and special meeting of shareholders of the Corporation held on July 25, 2020;

(j) the technical report entitled "NI 43-101 Technical Report, Preliminary Economic Assessment (PEA) #3 of the Tamarack North Project – Tamarack, Minnesota" with an effective date of January 8, 2021 (the "**Updated PEA**"); and

(k) the template version of the term sheet dated February 24, 2021 in connection with the Offering (the "**Marketing Materials**").

Any documents of the foregoing type, and all other documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus including, without limitation, any material change reports (excluding material change reports filed on a confidential basis), comparative interim financial statements, comparative annual financial statements and the auditor's report thereon, management's discussion and analysis, information circulars, annual information forms, marketing materials and business acquisition reports filed by the Corporation with the securities commissions or similar authorities in any of the provinces of Canada, subsequent to the date of this short form prospectus and prior to the termination of this Offering shall be deemed to be incorporated by reference in this short form prospectus.

Any statement contained in this short form prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this short form prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is, or is deemed to be, incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

MARKETING MATERIALS

In connection with the Offering, the Underwriters used the Marketing Materials as "marketing materials" (as such term is defined under applicable Canadian securities laws). The Marketing Materials do not form part of this short form prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in this short form prospectus. Any "template version" (as such term is defined under applicable Canadian securities laws) of any "marketing materials" filed on SEDAR after the date of this short form prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference into this short form prospectus.

ELIGIBILITY FOR INVESTMENT

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder, in force as of the date hereof, the Unit Shares, the Unit Warrants and the Warrant Shares, if issued on the date hereof, would be qualified investments for trusts governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, registered disability savings plan, tax-free savings account (collectively referred to as "**Registered Plans**") or deferred profit sharing plan ("**DPSP**"), provided that:

(a) in the case of the Unit Shares and Warrant Shares, the Unit Shares or Warrant Shares, as applicable, are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX); and

(b) in the case of the Unit Warrants, the Warrant Shares are qualified investments as described in (a) above and neither the Corporation, nor any person with whom the Corporation does not deal at arm's length, is an annuitant, a beneficiary, an employer or a subscriber under or a holder of such Registered Plan or DPSP.

Notwithstanding the foregoing, the holder, subscriber or annuitant of, or under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax as set out in the Tax Act in respect of Unit Shares, Warrant Shares or Unit Warrants held in the Registered Plan if such securities are a prohibited investment as set out in the Tax Act for the particular Registered Plan. A Unit Share, Warrant Share or Unit Warrant generally will not be a "prohibited investment" for a Registered Plan unless (i) the Controlling Individual does not deal at arm's length with the Corporation for the purposes of the Tax Act, or (ii) the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in the Corporation. In addition, the Unit Shares and Warrant Shares will generally not be a "prohibited investment" if such securities are "excluded property" (as defined in the Tax Act) for the

Registered Plan. Controlling Individuals should consult their own tax advisors as to whether the Unit Shares, Warrant Shares or Unit Warrants will be a prohibited investment in their particular circumstances.

THE CORPORATION

The Corporation was formed on April 5, 2005 as a result of a consolidation between Ventures Resources Corporation and Resource Holdings & Investments Inc. ("**RHI**") pursuant to a plan of consolidation under the laws of the British Virgin Islands (the "**RHI Consolidation**"). The RHI Consolidation was a reverse takeover under the policies of the TSX Venture Exchange.

RHI was incorporated by memorandum and articles of association filed under the *BVI Business Companies Act, 2004* (British Virgin Islands) (the "**BVI Act**") on July 8, 2004 for the purpose of engaging in the acquisition, exploration and development of mineral properties in Brazil. Following the RHI Consolidation, the properties and assets of RHI became the properties and assets of the Corporation and the name of the Corporation was changed to "Brazmin Corp.".

Effective July 9, 2007, the Corporation changed its name from "Brazmin Corp." to "Talon Metals Corp." (the "**Name Change**"). No change to the Corporation's capital structure resulted from the Name Change.

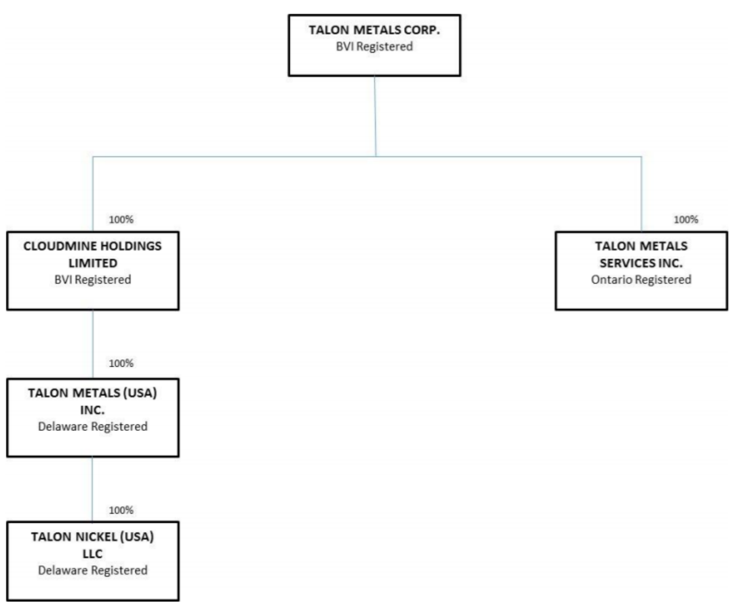
On March 24, 2010, the Corporation and Saber Energy Corp. ("**Saber**") merged pursuant to a merger effected under the BVI Act (the "**Saber Merger**"). On closing of the Saber Merger, the properties and assets of Saber became the properties and assets of the Corporation. Talon survived the Saber Merger, retained its corporate name, "Talon Metals Corp.", and continues to be governed by the provisions of the BVI Act.

The outstanding Common Shares are currently listed and posted for trading on the TSX under the symbol "TLO".

The Corporation's head and registered office is located at Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands. The registered office address of the Corporation's representative in Canada, Talon Metals Services Inc., is 43-603 Clark Avenue West, Thornhill, Ontario, L4J 8R2.

Intercorporate Relationships

The following chart sets out all of the Corporation's material subsidiaries as at the date hereof, their jurisdictions of incorporation and the Corporation's direct and indirect voting interest in each of these subsidiaries:



THE BUSINESS

The Corporation is a mineral exploration company currently focused on the exploration and development of the Tamarack North Project and the Tamarack South Project, nickel-copper-cobalt projects in Minnesota, United States of America. The Corporation's interest in the Tamarack North Project and the Tamarack South Project is held through its indirect subsidiary, Talon Nickel (USA) LLC. As of the date hereof, the only material property of the Corporation is the Tamarack North Project.

The Updated PEA was filed by the Corporation on February 11, 2021. The following is the executive summary extracted from the Updated PEA prepared by Leslie Correia, Pr. Eng., Tim Fletcher, P. Eng., Daniel Gagnon, P. Eng., André-François Gravel, P. Eng., Volodymyr Liskovych, P. Eng., Andrea Martin, P.E., Oliver Peters, P. Eng., David Ritchie, P. Eng., and Brian Thomas, P. Geo., each of whom is a qualified person (see "*Interest of Experts*"), filed in connection with the Tamarack North Project. The following summary includes certain table and section references to the Updated PEA as well as certain defined terms that are defined in the Updated PEA. The following summary does not purport to be a complete summary of the Tamarack North Project and is subject to all of the assumptions, qualifications and procedures set out in the Updated PEA and is qualified in its entirety with reference to the full text of the Updated PEA. Readers should read this summary in conjunction with the Updated PEA which is available electronically under the profile of the Corporation at www.sedar.com. The following summary supersedes the section of the AIF entitled "*Description of the Business – Tamarack North Project*" and the executive summary section of the technical report entitled "NI 43-101 Technical Report, Updated Preliminary Economic Assessment (PEA) of the Tamarack North Project – Tamarack, Minnesota" with an effective date of March 12, 2020 (the "**Prior PEA**") included as Exhibit I to the AIF, and the Updated PEA supersedes the Prior PEA which was incorporated by reference into the AIF. The following summary also supersedes disclosure contained in the Interim MD&A and the Annual MD&A relating to the Prior PEA.

Executive Summary

Introduction

The Tamarack Project, located in Minnesota, USA, comprises the Tamarack North Project and the Tamarack South Project (refer Figure 7-5).

The Tamarack Project is currently 17.56% owned by Talon, and 82.44% owned by Kennecott Exploration Company (Kennecott) and is operated by Talon.

On November 7, 2018, Talon and Kennecott entered into an agreement (the 2018 Tamarack Earn-in Agreement) pursuant to which Talon has the right, subject to certain funding and reporting obligations, to increase its interest in the Tamarack Project to a maximum 60% interest. The 2018 Tamarack Earn-in Agreement came into effect on March 31, 2019 (the Kennecott Agreement Effective Date) and Talon is now the operator of the Tamarack Project.

Talon has commissioned a team of consultants to complete a Preliminary Economic Assessment (PEA) in accordance with NI 43-101 guidelines for the Tamarack North Project.

The following consultants contributed to completing the component PEA sections:

- **DRA Americas Inc. (DRA):** Mining methods, hydrometallurgical processing, project infrastructure, market studies and contracts, capital and operating costs, and economic analysis;
- **Foth Infrastructure & Environment (Foth):** Environmental studies, permitting, and social or community impacts;
- **Golder Associates Ltd. (Golder):** Property description and location, accessibility, climate and physiography, history, geological setting and mineralization, deposit types, exploration, drilling, sample preparation, data verification, adjacent properties, and mineral resource estimate;
- **Metpro Management Inc. (Metpro):** Mineral processing, metallurgical testing, and recovery methods;
- **Paterson & Cooke Canada Inc. (Paterson & Cooke):** Paste backfill methods;

- **SLR Consulting (Canada) Ltd. (SLR):** Tailings/waste rock co-disposal methods.

Location and Ownership

The Tamarack Project is located in north-central Minnesota, approximately 89 kilometres (km) (55 miles) west (W) of Duluth and 210 km (130 miles) north (N) of Minneapolis, in Aitkin County. The Tamarack North Project, which this report represents, covers approximately 20,348 acres. The town of Tamarack (population 88, 2016 US Census Bureau) lies within the boundaries of the Tamarack Project (though away from the known mineralization) at an elevation of 386 metres (m) (1,266 feet (ft)) above sea level. The project area is characterized by farms, plantations, wetlands, and forested areas.

On June 25, 2014, Talon's wholly-owned, indirect subsidiary, Talon Nickel (USA) LLC (collectively, Talon), entered into an exploration and option agreement (the 2014 Tamarack Earn-in Agreement) with Kennecott (part of the Rio Tinto Group), pursuant to which Talon, subject to certain funding conditions, received the right to acquire a 30% interest in the Tamarack Project.

On November 25, 2015, Kennecott and Talon amended the 2014 Tamarack Earn-in Agreement to provide that, subject to certain funding conditions, Talon would earn an 18.45% interest in the Tamarack Project.

On January 11, 2018, Talon and Kennecott entered into a mining venture agreement (the Original MVA). Pursuant to the Original MVA, Talon elected not to financially participate in the 2018 winter exploration program at the Tamarack Project. Consequently, Talon's interest in the Tamarack Project was diluted below 18.45% to 17.56%.

On November 7, 2018, Talon and Kennecott entered into the 2018 Tamarack Earn-in Agreement pursuant to which Talon has the right to increase its interest in the Tamarack Project to a maximum 60% interest. The Tamarack Earn-in Agreement came into effect on the Kennecott Agreement Effective Date.

Pursuant to the 2018 Tamarack Earn-in Agreement, Talon has taken over operatorship of the Tamarack Project and has the right to initially increase its interest in the Tamarack Project to 51% by:

- The payment of US$6M in cash to Kennecott – this has been completed;
- The issuance of US$1.5M worth of common shares in Talon to Kennecott – this has been completed;
- Within three years of the Kennecott Agreement Effective Date, Talon either spending US$10M in exploration expenditures on the Tamarack Project, or delivering a Pre-Feasibility Study (PFS) in accordance with NI 43-101, whichever comes first; and
- Also within three years of the Kennecott Agreement Effective Date, Talon paying Kennecott the additional sum in cash of US$5M.
- Provided Talon earned a 51% interest in the Tamarack Project, Talon will then have the right to further increase its interest in the Tamarack Project to 60% by:

    - Completing a Feasibility Study on the Tamarack Project within seven years of the Kennecott Agreement Effective Date; and
    - Paying Kennecott the additional sum of US$10M in cash on or before the seventh anniversary date of the Kennecott Agreement Effective Date.

Upon Talon earning a 60% interest in the Tamarack Project, the parties have agreed to enter into a new mining venture agreement (the New MVA) under which Talon would assume the role of Manager of the Tamarack Project, and the parties would each be required to fund their pro rata share of expenditures in respect of the Tamarack Project or be diluted.

Section 4 of the Updated PEA contains further details regarding Talon's interest in the Tamarack Project.

Environmental Considerations and Permitting

The Tamarack North Project will be subject to state and federal environmental review and permitting processes, which are described in Section 20 of the Updated PEA. Since the review and permitting processes have an influence on environmental considerations, Section 20 of the Updated PEA addresses associated topics, including:

- Summary of results of baseline studies and anticipated additional studies needed for environmental review and permitting;
- Plans for mine waste management, site monitoring, and water management;
- Social and community relations; and,
- Mine closure.

Throughout the regulatory approval processes, Talon is required to demonstrate that the Tamarack North Project can avoid or mitigate potential environmental impacts in accordance with regulatory requirements and stakeholder considerations. That demonstration relies in part on the baseline studies and additional studies and analyses noted in Section 20 of the Updated PEA.

Baseline studies initiated in 2006 focus on hydrology and wetlands in the region. A description of baseline studies conducted to date is provided in Table 20-1. The studies have not identified any environmental issue that could materially impact the ability to mine the resource. Substantial baseline data collection and studies have been completed to date, focusing on hydrology in the region and wetland habitat at the site.

On-going environmental baseline studies have (and continue) to document the following:

- Hydrogeological understanding of the Tamarack North Project area: Stratigraphy and geology in the project area are important to characterize, especially as they relate to water flows and interactions between surface and groundwater.
- Hydrological understanding of the watershed: Surface water monitoring stations have been located on significant water bodies, with data collection focusing on quantity (flows, levels) and water quality (field parameters and laboratory analytes). The data have been collected quarterly since 2006 and data collection continues.
- Geochemistry: Understanding the geochemistry of the ore and waste rock is critical to water management and environmental impact assessment. Geochemical testing has identified and confirmed mineralogical understanding of the ore body. Additional geochemical testing will be needed to optimize methods of water management, waste management, mine backfill approaches, and reclamation alternatives.
- Wetlands, vegetation, and potential presence of rare, threatened, and endangered (RTE) plant species: Studies supporting exploration activities and general infrastructure siting are summarized in Section 20 of the Updated PEA. These resources at the site are consistent with the surrounding region. Vegetative communities include Pine Plantation, Northern Wet-Mesic-Hardwood Forest, and Northern Alder Swamp. Wetlands, lakes, and streams are common in the area, which is rural with agricultural and natural areas. Studies have thus far not identified any listed vegetation species.

As the project moves forward in design and plan for operations, additional environmental studies will be needed. These studies will support the environmental impact analysis specific to the proposed facility. Anticipated future studies include:

- Geology and Minerals – a report describing the resource, host rock, and regional geology. Building on the exploration drilling data, geologic characterization, geophysical testing, mineralogical characterization, and geotechnical characterization of the resource, host rock, and intrusive complex. This information will assist in the underground mine stability analysis and the analysis of groundwater flow in the mine during and after operations.
- Geochemistry and Waste Characterization – performed in accordance with Minnesota rules, with guidance from Minnesota Department of Natural Resources (MDNR).

- Additional hydrological studies to build on current data. This might include additional analytics and surface water monitoring locations and additional groundwater data to characterize the Quaternary system and Precambrian bedrock. Wetlands hydrologic study may also be needed to understand the groundwater surface water interactions.
- Wetlands – formal delineations have a five-year validity. Wetland assessments in hand will need updating. Once the site plan has been confirmed, a Level III assessment will be conducted to support permitting and environmental impact assessment.
- Vegetation, biota, and habitat studies – these studies will likely need updating and revalidation in and around the site area with emphasis on identifying potential listed species. This includes examining terrestrial and aquatic biota.
- Cultural resource studies – tribal, archaeological, and historical resources at the site and in the area will be documented and evaluated according to state and federal requirements. This topic is of great interest to stakeholders including tribes and the local communities. Social and community outreach is currently preliminary and will be developed to engage interested stakeholders.
- Aesthetic resource studies – visual and noise resources will be examined for potential impact on wildlife, the surrounding communities, and the activities common in the area.

Mine waste including tailings and waste rock will be managed in engineered facilities, minimizing potential environmental impacts in accordance with state and federal regulations. An innovative co-disposed filtered tailings facility (CFTF) will manage the low-sulphide (LS) tailings using waste rock for construction and structural stability. The tailings will have low water content, thereby minimizing water management issues and facilitating closure. Materials with the potential to react and produce contaminants will be managed in areas where drainage water will be collected and either used in the operation or treated before discharging to the environment. In concept, high-sulphide (HS) tailings and a portion of the LS tailings will be blended with cement and backfilled to the underground mine excavation, reducing the capacity needs of the CFTF and preventing subsidence.

A rigorous monitoring program will be implemented, building on baseline data. Once the facility is constructed, monitoring will demonstrate permit compliance and identify unanticipated impacts. Monitoring data will be submitted to the agencies regularly and will be accessible to the public, providing transparency.

Water management during operations and post closure will be accomplished in accordance with requirements using the most current tools and industry practices. Managing water on site, conserving mill water, and treating excess water to stringent standards prior to discharge are components of water management. During final reclamation, the CFTF will be fitted with an engineered cover system to prevent potential migration of contaminants into the surface and groundwater systems. Backfilling the mine will be completed to durably prevent migration of contaminants.

The project will undergo an environmental review, likely resulting in preparation of a federal-state Environmental Impact Statement (EIS). Significant permits and approvals will be needed including a Permit to Mine, Section 404 Wetland Permit, an Air Permit, a National Pollutant Discharge Elimination System (NPDES) permit, and others listed in Table 20-2 of the Updated PEA. Project permit applications will be prepared once the project design and operation basis have been established. EIS development and permitting include closure plans and analyses to assure satisfactory long-term environmental conditions. A detailed closure plan will be developed in future studies.

Geology and Mineralization

The Tamarack Intrusive Complex (TIC) is an ultramafic to mafic intrusive complex that hosts Ni-Cu-Co sulphide mineralization with associated platinum (Pt), palladium (Pd) (PGEs) and gold (Au). The TIC is a multi-magmatic phase intrusion that consists of a minimum of two pulses: The fine grained ortho-cumulate olivine (FGO) and the coarse-grained ortho-cumulative (CGO) intrusion of the TIC (dated at 1105 Ma+/-1.2 Ma, Goldner 2011). The FGO and CGO intrusions are related to the early evolution of the approximately 1.1 Ga Midcontinent Rift (MCR) and have intruded into slates and greywackes of the Thomson Formation of the Animikie Group, which formed as a foreland basin during the Paleoproterozoic Penokean Orogen (approximately 1.85 Ga, Goldner 2011). The TIC is completely buried beneath approximately 35 m to 55 m of Quaternary age glacial and fluvial sediments.

The TIC is consistent with other earlier intrusions associated with the MCR that are often characterized by more primitive melts.

The geometry of the TIC, as outlined by a well-defined aeromagnetic anomaly, consists of a curved, elongated intrusion striking north-south (NS) to southeast (SE) over 18 km. The configuration has been likened to a tadpole shape with its elongated, northern tail up to 1 km wide and large, 4 km wide, ovoid shaped body in the south (S) (Figure 7-5). The northern portion of the TIC (the Tamarack North Project), which hosts the currently defined mineral resource and identified exploration targets, is over 7 km long and is the focus of the Updated PEA.

The nickel (Ni)-copper (Cu)-cobalt (Co) sulphide mineralization with associated PGEs and Au formed as the result of segregation and concentration of liquid sulphide from mafic or ultramafic magma and the partitioning of chalcophile elements into the sulphide from the silica melt (Naldrett, 1999). The various mineralized zones at the Tamarack North Project occur within different host lithologies, exhibit different types of mineralization styles, and display varying sulphide concentrations and tenors. These mineralized zones range from massive sulphides hosted by altered sediments in the massive sulphide unit (MSU), to net textured and disseminated sulphide mineralization hosted by the CGO in the semi-massive sulphide unit (SMSU), to a more predominantly disseminated sulphide mineralization as well as layers of net textured sulphide mineralization, in the 138 Zone (Table 1-1). Mineralization in the 138 Zone, where interlayered disseminated and net textured mineralization occurs, is also referred to as mixed zone (MZ) mineralization. All these mineralization types are typical of many sulphide ore bodies around the world. The current known mineral zones of the Tamarack North Project (SMSU, MSU and 138 Zone) that are the basis of the mineral resource estimate in the Updated PEA are referred to collectively as the "Tamarack Zone". Also located within the Tamarack North Project are currently, four lesser-defined mineral zones, namely the 480 Zone, 221 Zone, 164 Zone and the CGO Bend Zone.

Table 1-1: Key Geological and Mineralization Relationships of the Tamarack North Project

Area	**Mineral Zone**	**Host Lithology**	**Project Specific Lithology**	**Mineralization Type**
Tamarack Zone	SMSU	Feldspathic Peridotite	CGO	Net textured and disseminated sulphides
	MSU	Meta-Sediments/ Peridotite (basal FGO mineralization)	Sediments	Massive sulphides
	138 Zone	Peridotite and Feldspathic Peridotite	MZ/FGO	Disseminated and net textured sulphides
	CGO Bend	Feldspathic Peridotite	CGO	Disseminated sulphides
		Peridotite footwall (basal FGO mineralization)	FGO	Disseminated sulphides, MMS and MSU
Other	221 Zone	Feldspathic Peridotite	CGO	Disseminated sulphides with ripped up clasts of massive sulphides
	480 Zone	Peridotite	FGO	Disseminated sulphides
	164 Zone	Peridotite	FGO	Blebby sulphides, sulphides veins

Exploration Programs

The TIC and associated mineralization were discovered as part of a regional program by Kennecott initiated in 1991. The focus on Ni and Cu sulphide mineralization was intensified in 1999 based on a model proposed by Dr. A. J. Naldrett of the potential for smaller feeder conduits associated with continental rift volcanism and mafic intrusions to host Ni sulphide deposits similar to Norilsk and Voisey's Bay.

Disseminated mineralization was first intersected at the Tamarack Project in 2002, and the first significant mineralization of massive and net-textured sulphides was intersected in 2008 at the Tamarack North Project.

To date, exploration has included a wide range of geophysical surveys including:

- Airborne magnetics and electromagnetics (AEM) (fixed wing and helicopter based);
- Ground magnetics;
- Surface electromagnetics (EM);
- Surface gravity;
- Magnetotellurics (MT);
- Induced polarization (IP);
- Seismic;
- Mise-à-la-masse (MALM);
- Magnetometric resistivity (MMR);
- Downhole electromagnetics (DHEM).

Kennecott conducted extensive drilling at the Tamarack North Project since 2002. This drilling has comprised 260 diamond drill holes totalling 112,394.22 m with holes between 33.5 m and over 1,224 m depth for an average hole depth of 428 m.

Sample Preparation, Quality Assurance (QA)/Quality Control (QC) and Security

The qualified person (QP) of the mineral resource estimate reviewed Kennecott's sampling and QA/QC protocols along with the chain of custody of samples. Kennecott samples core continuously through the mineralization, and their sampling and logging procedures are consistent with industry standards and the assay methods are appropriate for the base metal sulphide mineralization found at the Tamarack North Project.

Their QA/QC program is based on insertion of certified reference materials (CRM), including a variety of standards, blanks and duplicate samples, used to monitor the precision and accuracy of their primary assay lab, and to prevent inaccurate data from being accepted into their assay database. The Kennecott QA/QC protocol is consistent with industry best practises.

Kennecott uses a system of metal seals to secure pails used to ship samples from the core shack to the assay lab ensuring that they have not been tampered with. Samples are prepared and stored in a secure facility and are monitored each step of the way to the lab.

It is the QP's opinion that the sampling process is representative of the mineralization at Tamarack North and that the sample preparation and QA/CQ procedures used, and the sample chain of custody were found to be consistent with Canadian Institute of Mining, Metallurgy, and Petroleum (CIM) Mineral Exploration Best Practice Guidelines (November 2018).

Data Validation

Golder compared recent assay data (2017, 2020) from the Kennecott database to the original assay certificates from ALS Chemex for the entire sample population used for resource estimation. Minor errors were identified during this review that were found to not be material to the mineral resource estimate.

During the QP site visit in 2014, Brian Thomas of Golder, surveyed four drill hole collars and then compared the coordinates to those provided by Kennecott. All collars were found to be consistent with the Kennecott collar coordinates, within the accuracy of the handheld global positioning system (GPS).

Golder, in 2014, conducted verification sampling of drill core from each of the three mineral domains. A total of nine samples were taken along with three additional CRM samples, including two standards and one blank. Assay values from the verification sample program were consistent with results obtained by Kennecott.

There have been no material changes to the drilling, logging, sampling, or chain of custody procedures since the 2014 site visit; therefore, it is the QP's opinion that the Tamarack North Project drill hole database has been prepared in accordance to CIM Estimation of mineral resources and Mineral Reserves Best Practise Guidelines (November 2018) and is of suitable quality to support the mineral resource estimate in the Updated PEA.

Mineral Processing and Metallurgical Testing

The flotation flowsheet and conditions that were established in the 2016/2017 program were further optimized using a life-of-mine (LOM) composite that represented the entire 8.02 Mt of mineralized material that was reported in the March 2020 PEA. The head grade of this LOM composite was 1.69% Ni and 0.95% Cu. The primary focus of the program was to produce Ni and Cu concentrates that provide marketing optionality. The program considered three possible scenarios for the flotation concentrates:

- The **Ni Concentrate Scenario** would include shipping both Ni and Cu concentrates to smelters for processing.
- The **Ni Powder Scenario** would include shipping Cu concentrate to a smelter for processing, and transferring Ni concentrate to a co-located facility for production of Ni powder.
- The **Ni Sulphate Scenario** would still ship the Cu concentrate to smelters, but the Ni concentrate would be converted to Ni sulphates in a hydrometallurgical facility.

The flotation program on the LOM composite aimed to produce a Ni concentrate of at least 10.5% Ni to ensure marketability to a smelter. The simplified flowsheet that was developed for the March 2020 PEA was confirmed. The flowsheet comprises a bulk rougher, followed by bulk cleaning of the bulk rougher concentrate and Cu/Ni separation. A desulphurization stage is treating the bulk rougher tailings to produce high-sulphur and low-sulphur tailings streams. The high-sulphur tailings will be placed underground in the form of paste backfill.

The metallurgical projections that were developed for the March 2020 PEA were validated and adjustments were made for the LOM composite to take into account the addition of the 138 Zone mineralization, which displays a distinctively different metallurgical response.

A locked cycle flotation test (LCT) was completed on the LOM composite and the results are presented in Table 1-2.

Table 1-2: Simplified Circuit Mass Balance

Product	Weight	Assays, %					% Distribution				
	%	Cu	Ni	S	Fe	MgO	Cu	Ni	S	Fe	MgO
Cu Conc	2.2	29.9	1.13	32.5	32.5	0.80	71.6	1.6	12.9	4.8	0.1
Ni Conc	11.9	1.22	10.7	28.6	40.6	4.66	15.9	83.2	61.8	32.8	2.4
Bulk 1st Clnr Scav Tails	9.3	0.40	0.74	6.42	17.5	22.7	4.0	4.5	10.8	11.0	9.0
Bulk Scavenger Tails	76.6	0.10	0.21	1.05	10.0	27.1	8.5	10.7	14.6	51.4	88.6
Combined	100.0	0.92	1.53	5.54	14.8	23.4	100.0	100.0	100.0	100.0	100.0

A scoping level hydrometallurgical program was completed to evaluate the amenability of the Ni concentrate to leaching and downstream processing. The program included pressure oxidation (POX) and Albion leach tests, followed by neuralization tests to remove most impurities. Metal extraction rates in the POX tests were over 99% for Ni and Co and 88% for Cu. The extraction values were similar for the Albion test at 97% to 99%. Ni and Co losses in the neutralization stages were minimal at 1.1% and 0.9%, respectively. Most of the Cu was recovered into product streams that would be combined with the Cu flotation concentrate to maximize revenue. Downstream tests will continue for the next 12 months to produce a sample of a battery grade Ni sulphate.

Mineral Resource Estimate

Caution to readers: *In this Section, all estimates and descriptions related to mineral resource estimates are forward-looking information. There are many material factors that could cause actual results to differ from the conclusions, forecasts or projections set out in this item. Some of the material factors include differences from the assumptions regarding the following: estimates of cut-off grade (COG) and geological continuity at the selected cut-off, metallurgical recovery, commodity prices or product value, mining and processing methods and general and administrative (G&A) costs. The material factors or assumptions that were applied in drawing the conclusions, forecasts and projections set forth in this Item are summarized in other Items of the Updated PEA.*

This resource estimate has been prepared by Mr. Brian Thomas (B.Sc, P.Geo), Senior Resource Geologist at Golder and is summarized in Table 1-3 below. The effective date of the resource estimate is January 8, 2021. Mr. Brian Thomas is an independent QP pursuant to NI 43-101.

Table 1-3: Tamarack North Project Mineral Resource Estimate (January 8, 2021)

Domain	**Classification**	**%Ni Cut-Off**	**Tonnes (000)**	**Ni (%)**	**Cu (%)**	**Co (%)**	**Pt (g/t)**	**Pd (g/t)**	**Au (g/t)**	**NiEq (%)**
Upper SMSU	Indicated Resource	0.5	1,462	1.32	0.78	0.04	0.17	0.11	0.11	1.81
Lower SMSU	Indicated Resource	0.5	2,340	2.08	1.10	0.05	0.55	0.34	0.25	2.87
MSU	Indicated Resource	0.5	124	5.72	2.36	0.12	0.60	0.46	0.23	7.23
Total	**Indicated Resource**	0.5	**3,926**	**1.91**	**1.02**	**0.05**	**0.41**	**0.26**	**0.20**	**2.62**
Upper SMSU	Inferred Resource	0.5	2,652	0.76	0.47	0.02	0.25	0.14	0.12	1.10
Lower SMSU	Inferred Resource	0.5	115	0.86	0.51	0.02	0.57	0.36	0.24	1.34
MSU	Inferred Resource	0.5	443	5.93	2.52	0.12	0.70	0.52	0.26	7.53
138	Inferred Resource	0.5	3,953	0.82	0.63	0.02	0.21	0.12	0.14	1.21
Total	**Inferred Resource**	0.5	**7,163**	**1.11**	**0.68**	**0.03**	**0.26**	**0.16**	**0.14**	**1.57**

- All resources reported at a 0.5% Ni cut-off.
- No modifying factors have been applied to the estimates.
- Tonnage estimates are rounded to the nearest 1,000 tonnes.
- Metallurgical recovery factored in to the reporting cut-off.
- Where used in this Mineral Resource estimate, NiEq% = Ni%+ Cu% x $3.00/$8.00 + Co% x $25.00/$8.00 + Pt [g/t]/31.103 x $1,000/$8.00/22.04 + Pd [g/t]/31.103 x $1,000/$8.00/22.04 + Au [g/t]/31.103 x $1,300/$8.00/22.04. No adjustments were made for recovery or payability in the calculation of NiEq.

The mineral resources are derived from a Datamine-constructed block model (block sizes = 5 m by 5 m by 5 m for the SMSU and the 138 Zone; with 2.5 m x 2.5 m x 2.5 m sub-blocks for the MSU) of three mineral domains and are reported above a Ni cut-off of 0.5%. All domains were “unfolded” and had top cuts applied to restrict outlier values (Pt, Pd and Au). The three domains (Figure 14-1) utilized either Ordinary Kriging (OK) or inverse distance cubed (ID^3) methodology to interpolate grades (Ni, Cu, Co, Pt, Pd and Au) from 1.5 m (SMSU, 138) and 1.0 m

(MSU) composited drill holes. Specific Gravity (SG) estimates were based on laboratory measurements taken from whole core and where absent, regression formulas. The resources reported are based on a "blocks above cut-off" basis and were then examined visually by Golder and found to have good continuity.

The QP is unaware of any known environmental, permitting, legal, title, taxation, socio-economic, marketing, political or any other potential factors that could materially impact the Tamarack North Project mineral resource estimate provided in this PEA.

The mineral resource estimate may be materially impacted by the following:

- Changes in the break-even COG, as a result of changes in mining costs, processing recoveries, or metal prices;
- Changes in geological knowledge/interpretation, as a result of new exploration data.

Mining Methods

The underground mine will use underground mining methods with the objective of utilizing the best available technologies (BATs) that are as efficient, practical, and as environmentally responsible as possible. The mining methods and infrastructure for both the Ni Concentrate and Ni Sulphate Scenarios will be the same. Both bulk and selective mining methods (long hole stoping and drift and fill respectively) will be used. All stopes will be filled with a blend of development waste rock, where possible and paste backfill. Paste fill will be produced in a dedicated paste plant on surface adjacent to the mill and comprise 100% of the HS tailings as well as a portion of the LS tailings.

The primary access for personnel and materials will be a decline ramp from surface, which will also serve as the main fresh air intake for the mine and the main conduit for mine services. A multi-purpose shaft will be driven in close proximity to the mill, which will be the main exhaust for the mine. Additionally, it will house a vertical conveyor, which will serve as the primary materials handling system, secondary egress and redundant services, where required.

The underground mine will use a full battery/electric fleet containing no diesel powered equipment. Lateral development, including the main decline, and drift and fill mining will be predominantly done using a continuous miner. A jumbo will be utilized for traditional drill/blast mining, where the ground conditions and logistics prohibit the continuous miner from mining effectively.

The proposed mine plan includes the combined production from of each the mineral domains in the resource model (i.e., 138, MSU, Upper SMSU and Lower SMSU). The planned production rate is approximately 3,600 tonnes per day (tpd) (1.3 million tonnes per annum (Mtpa)). A summary of the mine plan is shown below:

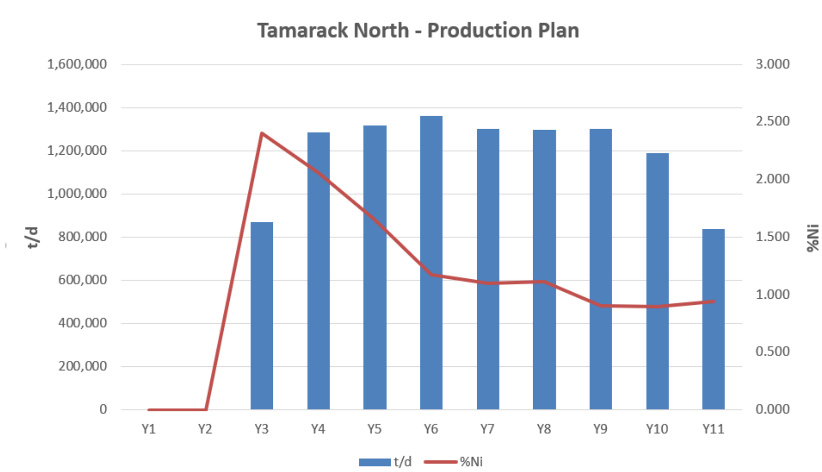


Figure 1-1: Mine Production Plan

Major infrastructure including maintenance and storage will be located on surface. An allowance for minor maintenance and temporary storage underground has been made in the mine plan and will be centralized in close proximity to the main ramp.

Recovery Methods

The process plant design is based on an average daily mill feed rate of 3,600 tpd for all three scenarios. The average LOM head grade is 1.34% Ni and 0.74% Cu. The plant feed characteristics and metallurgical performance are summarized in Table 1-4.

Table 1-4: Plant Feed Characteristics and Metallurgical Performance

Criteria	Units	Value		Source
		Expected Range	Design	
Solids SG	t/m^3	2.60 – 3.75	2.90	D
Run of Mine (ROM) Bulk Density	t/m^3	1.60 – 2.00	1.80	B
LOM Mill Ni Head Grade	% Ni	0.52 – 6.03	1.34	D
LOM Mill Cu Head Grade	% Cu	0.24 – 2.41	0.74	D
Mill Treatment Capacity	ktpa		1,314	C/D
Ni Recovery to Ni Concentrate	%		81.5	E/C
Ni Concentrate Grade	% Ni		10.2	E/C
Ni Concentrate Production	ktpa		141.9	E/C
Overall Cu Recovery	%		84.7	E/C
Cu Recovery to Cu Concentrate	%		69.3	E/C
Cu Concentrate Grade	% Cu		28.5	E/C
Cu Concentrate Production	ktpa		23.6	E/C

The metallurgical process consists of bulk rougher followed by two stages of cleaning of the rougher concentrate. The 2nd cleaner concentrate is subjected to Cu/Ni separation. The process generates separate Cu and Ni concentrates, which will be shipped to different smelters via rail in the form of wet filter cake for the Ni Concentrate Scenario.

For the Ni Sulphate and Ni Powder Scenarios, only the Cu concentrate is shipped to a smelter. For the Ni Sulphate Scenario, the Ni concentrate is subjected to hydrometallurgical treatment comprising POX leach, neutralization, Cu removal, Ni/Co solvent extraction (SX), Co SX, and magnesium (Mg) removal. For the Ni Powder Scenario, the Ni concentrate is transferred to a co-located facility for the production of Ni powder.

The bulk rougher tailings are treated in a desulphurization stage to produce a low-mass HS stream and high-mass non-acid-generating (NAG) tailings. In concept, HS tailings will be placed underground in form of cemented paste backfill together with a portion of the LS tailings. The balance of the LS tailings will be placed in a CFTF. During the start of the mining activities, minimal HS tailings may report to the CFTF when voids are not available. In such situations, HS tailings will be distributed within LS tailings and covered in the CFTF.

The equipment that was selected for the processing plant represents well established technology, such as a jaw and cone crusher, ball mill, tank flotation cells, and stirred media mills for the concentrator. The hydrometallurgical circuit equipment has also been used in numerous commercial operations and includes equipment such as POX autoclaves, mixing tanks, SX mixers and settlers, thickeners, and belt filters. Initial dewatering is generally performed in high-rate thickeners followed by filter presses or belt filters.

The concentrator plant will employ a standard reagent suite consisting of sulphide collectors sodium isopropyl xanthate (SIPX) and potassium amyl xanthate (PAX), frother methyl isobutyl carbinol (MIBC), gangue depressant Depramin C, and pH modifier lime. Flocculants will be employed to assist in the dewatering of the concentrates and tailings streams.

The hydrometallurgical plant will also employ typical reagents such as oxygen, ferric chloride, pH modifiers (limestone, lime), sodium hydrogen sulphide (NaHS), SX diluent and extractant, and flocculants.

The total connected power for the concentrator is 9.8 MW, with 85% drawn. The total connected power of the hydrometallurgical plant is 6.0 MW with 85% drawn. It is assumed at this time that electrical power will be supplied through the electrical grid.

Project Infrastructure

The existing local transportation infrastructure is excellent. The site is accessible via an existing road which connects to the Minnesota State highway network.

The active Burlington Northern Santa Fe (BNSF) Railway passes by the town of Tamarack approximately 2.5 km S of the site layout area and connects to an extensive network of rail lines throughout the United States (US) and Canada, including access to the Duluth port.

The city of Duluth lies on the westernmost point of Lake Superior, and provides worldwide shipping access via the Great Lakes, St. Lawrence Seaway, and Atlantic Ocean shipping routes. For the benefit of the Tamarack Project, Kennecott has secured surface rights adjacent to the BNSF railway line to allow for the construction of a railroad siding near the site layout area, should this be required.

The Great River Energy Transmission Line crosses through the Tamarack North Project. The line connects through substations close to the nearby towns of Wright and Cromwell.

A conceptual site layout is shown in Section 18.3 of the Updated PEA, comprising approximately 90 acres.

The CFTF will require approximately 75 acres. The remainder of the site layout area comprises decline and ore bin, mine and mill services building, communication, and concentrator facilities, hydromet plant, paste backfill plant temporary development rock storage, water treatment plant, mine offices, warehouse, and workshops, vehicle washing bays, security gatehouse and parking areas.

Capital Costs

The total estimated capital cost for either the Ni Powder Scenario or the Ni Concentrate Scenario is US$394.99M of which US$315.80M is the initial cost required during the first three years, including the first production year. The total estimated capital cost of the Ni Sulphate Scenario is US$646.44M, of which US$552.61M is the initial cost required during the first three years, including the first production year. The amounts include indirect costs and contingency.

Table 1-5: Tamarack North Project Capital Expenditure (CAPEX) Summary

US$M	**Ni Powder Scenario or Ni Concentrate Scenario**			**Ni Sulphate Scenario**		
Area	**Initial Cost (US$M)**	**Sustaining Cost (US$M)**	**Total Cost (US$M)**	**Initial Cost (US$M)**	**Sustaining Cost (US$M)**	**Total Cost (US$M)**
Mine	130.15	70.32	200.47	130.15	70.32	200.47
Process and Surface Facilities	167.51	22.01	189.51	390.56	50.41	440.97
Closure Costs other than CFTF	-	10.00	10.00	-	10.00	10.00
Salvage Value of Mill	-	(5.00)	(5.00)	-	(5.00)	(5.00)
Sub Total	**297.66**	**97.33**	**394.99**	**520.71**	**125.73**	**646.44**
Working Capital	18.15	(18.15)	-	31.90	(31.90)	-
Total	**315.80**	**79.18**	**394.99**	**552.61**	**93.83**	**646.44**

*May not total due to rounding

Operating Costs

The average operating cost per tonne milled for the nine year mine life is US$48.15/t of mill feed in the Ni Powder Scenario, US$75.99/t of mill feed in the Ni Sulphate Scenario and US$56.54/t of mill feed in the Ni Concentrate Scenario, all of which is detailed in the table that follows.

Table 1-6: Operating Costs in US$/t of Mill Feed

Cost Category	**Operating Cost (US$/t of Mill Feed)**		
	Ni Powder Scenario	**Ni Sulphate Scenario**	**Ni Concentrate Scenario**
Mining	$27.49	$27.49	$27.49
Processing (milling/concentrating)	$14.25	$14.25	$14.25
Hydrometallurgical Refining	-	$26.68	-
Product Handling, Transportation, Losses, and Insurance	$1.90	$2.22	$10.29
CFTF	$0.75	$0.75	$0.75
G&A	$3.76	$4.60	$3.76
Total OPEX *	**$48.15**	**$75.99**	**$56.54**

* May not total due to rounding

Economic Analysis

DRA has prepared its assessment of the Tamarack North Project on the basis of a financial model, from which net present value (NPV), internal rate of return (IRR), payback and other measures can be determined. NPV and IRR can assist in the determination of the economic value and viability of a project.

The financial model is based on the results of the Updated PEA which is preliminary in nature and includes inferred resources that are considered too speculative geologically to have the economic consideration applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized.

The objective of the study is to determine the viability of the proposed facilities to mine and process the Tamarack North Project mineralized material. In order to do this, the cash flow arising from the base case was forecast, enabling a computation of NPV and IRR. The sensitivity of this NPV and IRR to changes in the base case assumptions is then examined.

Three scenarios, as detailed in Section 19 "Market Studies and Contracts" of the Updated PEA, were modelled:

Table 1-7: PEA Scenarios

	Scenario	Description
1	**Nickel Powder Scenario**	Nickel concentrates produced at site and thereafter, used to produce refined nickel powder by a third party for the EV market
2	**Nickel Sulphate Scenario**	Nickel concentrates from the project are refined at site in a hydrometallurgical process to produce nickel sulphates which are sold to the EV market
3	**Nickel Concentrate Scenario**	Nickel concentrates produced at site are transported and sold to a smelter, who in turn transports it to a refinery to produce LME grade nickel primarily for the stainless steel market

"Base Case", "Low" and "Incentive" metal prices are presented in Table 1-8 and are in "real" (i.e. without inflation) dollars.

Table 1-8: Assumed Real Metal Prices

	Unit	Low	Base Case	Incentive
Ni	US$/lb	$6.75	$8.00	$9.50
Cu	US$/lb	$2.75	$3.00	$3.50
Co	US$/lb	15.00	25.00	$30.00
Pt	US$/oz	$1,000	$1,000	$1,000
Pd	US$/oz	$1,000	$1,000	$1,000
Au	US$/oz	$1,300	$1,300	$1,300

The base case cash flow, in real dollars, was evaluated by determining the after-tax NPV at a discount rate of 7.0% and the after-tax IRR as shown in Table 1-9. Results are also shown at comparative discount rates of 8% and 10% and on a pre-tax basis.

Table 1-9: Base Case NPV for all Scenarios in Million US$ and IRR

	Discount rate	Base Case Pricing: Nickel Powder Scenario	Nickel Sulphate Scenario	Nickel Concentrate Scenario
Pre-tax	**7%**	688	711	629
NPV in	**8%**	646	660	589
$ millions	**10%**	570	568	518
Pre-tax IRR		56.0%	37.6%	52.6%
After-tax	**7%**	**567**	**569**	**520**
NPV in	**8%**	530	524	485
$ millions	**10%**	463	443	423
After-tax IRR		**48.3%**	**31.9%**	**45.6%**
Initial CAPEX and working capital in $ millions		**316**	**553**	**316**

After-tax NPV at a 7% discount rate, initial CAPEX including working capital and after-tax IRR at base case pricing are illustrated in Figure 1-2 below.

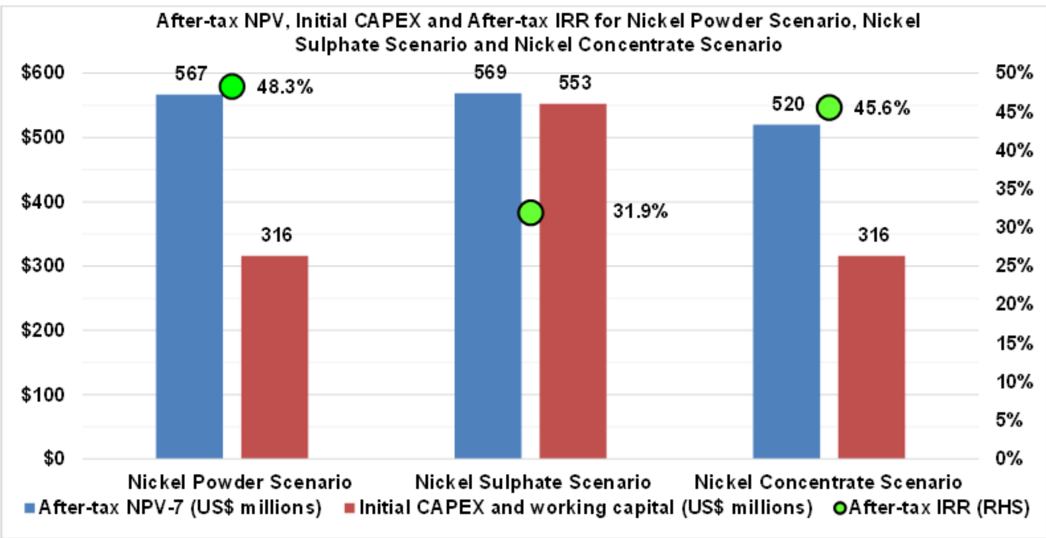


Figure 1-2: After-tax NPV, Initial CAPEX and Working Capital, and After-tax IRR for all Scenarios

The sensitivities of the after-tax and pre-tax NPV and IRR as well as other measures for all scenarios were tested using alternate metal price assumptions and discount rates as shown in Table 1-10.

Table 1-10: After-Tax and Pre-tax NPV Sensitivity Analysis and Additional Metrics

		Nickel Powder Scenario			Nickel Sulphate Scenario			Nickel Concentrate Scenario		
	Discount rate	Metal Price Case: Low	Base	Incentive	Metal Price Case: Low	Base	Incentive	Metal Price Case: Low	Base	Incentive
Pre-tax NPV	**7%**	496	688	917	478	711	970	439	629	854
US$ millions	**8%**	463	646	863	438	660	906	409	589	803
	10%	404	570	767	367	568	790	355	518	712
Pre-tax IRR		45.0%	56.0%	67.4%	29.2%	37.6%	45.7%	41.5%	52.6%	64.2%
After-tax NPV	**7%**	**415**	**567**	**744**	**387**	**569**	**769**	**369**	**520**	**695**
US$ millions	**8%**	386	530	698	351	524	714	342	485	651
	10%	333	463	616	286	443	615	293	423	573
After-tax IRR		**39.3%**	**48.3%**	**57.7%**	**25.1%**	**31.9%**	**38.6%**	**36.4%**	**45.6%**	**55.1%**
EBITDA margin		64%	**68%**	70%	60%	**64%**	66%	60%	**64%**	67%
EBIT margin		43%	**50%**	55%	34%	**41%**	47%	39%	**46%**	52%
Payback from start of production (pre-tax, undiscounted)		1.6	**1.4**	1.2	2.2	**1.8**	1.6	1.7	**1.4**	1.2
Payback from start of production (after-tax, undiscounted)		1.8	**1.5**	1.3	2.4	**2.1**	1.8	1.9	**1.6**	1.4

Conclusions

The Updated PEA demonstrates a high after-tax IRR, low All-in Sustaining Cost (AISC), low capital intensity and a quick payback for the Tamarack Nickel Project. The Updated PEA also clearly demonstrates that the Tamarack Nickel Project has the optionality to produce either Ni sulphates or concentrates for refined Ni powders to be used for the EV market or a Ni concentrate for the stainless steel market, with all contemplated scenarios having robust economics.

Recommendations

During 2021 Talon should primarily focus on resource expansion and definition to collect data required to complete a PFS and a Feasibility Study. It is recommended that between 25,000 and 30,000 m of drilling be completed for this purpose. Talon's in-house team of experienced specialists operate their own drilling and geophysical equipment efficiently and at low cost. It is therefore believed that this is achievable during 2021.

Talon has a comprehensive geotechnical logging program in place and should therefore continue with laboratory testing of drill core, collecting down hole data using acoustic televiewer (ATV) and full wave sonic technology, as well as in-situ stress measurement testing. Hydrological work should be conducted as appropriate for each level of study. It is recommended to install multilevel vibrating wire piezometers in selected historical drill holes and to conduct additional aquifer property testing within the glacial till and bedrock aquifers.

Geo-metallurgical testing programs should continue and should be based on the predicted LOM feed. Ni concentrates produced from geo-metallurgical testing programs should be used to complete the second phase of hydrometallurgical testing to produce Ni sulphates. Ni concentrates should also be used to develop a flowsheet that produce both Ni and iron (Fe) powders for use in battery precursor and battery cathode (see Section 19: Market Studies and Contracts). Waste products from geo-metallurgical testing should be used to continue environmental test work.

Detailed study recommendations are noted in Section 26 of the Updated PEA.

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For additional information with respect to the Tamarack North Project and the Tamarack South Project and the business of the Corporation, readers are referred to the Corporation's Interim MD&A, AIF, Annual MD&A and the Updated PEA, all of which are incorporated by reference herein. See also "*Risk Factors*" in this short form prospectus and the AIF, and the risk factors set forth in the Interim MD&A and in the Annual MD&A.

CONSOLIDATED CAPITALIZATION

There have not been any material changes in the share and loan capital of the Corporation since September 30, 2020, other than in respect of the December 2020 Prospectus Offering and as otherwise disclosed in this short form prospectus. See "*Prior Sales*". The following table represents the share capital of the Corporation both before and after giving effect to the Offering:

Designation of Shares	**Number of Common Shares Authorized**	**Outstanding as at the date hereof(1)**	**Outstanding on the date hereof, after giving effect to the Offering (without exercise of the Over-Allotment Option)(2)**	**Outstanding on the date hereof, after giving effect to the Offering (including full exercise of the Over-Allotment Option for Additional Units)(3)**
Common	100,000,000,000	623,220,765	673,220,765	680,720,765

Notes:

(1) As at the date hereof, there are: (i) 76,964,838 Common Shares issuable upon the exercise of outstanding stock options of the Corporation ("**Stock Options**"); and (ii) 15,870,070 Common Shares issuable upon the exercise of outstanding Common Share purchase warrants of the Corporation ("**Warrants**"). See also "*Prior Sales*".

(2) Reflects the issuance of 50,000,000 Unit Shares pursuant to the Offering. After giving effect to the Offering, 40,870,070 Common Shares will be issuable upon the exercise of outstanding Warrants (including the Unit Warrants to be issued in connection with the Offering).

(3) Reflects the issuance of 57,500,000 Unit Shares pursuant to the Offering, including the issuance of 7,500,000 Additional Unit Shares pursuant to the full exercise of the Over-Allotment Option for Additional Units. After giving effect to the Offering (including full exercise of the Over-Allotment Option for Additional Units), 44,620,070 Common Shares will be issuable upon the exercise of outstanding Warrants (including the Unit Warrants to be issued in connection with the Offering).

USE OF PROCEEDS

The net proceeds to the Corporation from the Offering are estimated to be $27,875,000, after deducting the payment of the Underwriters' Fee of $1,800,000, and after deducting the estimated expenses of the Offering (estimated to be approximately $325,000). If the Over-Allotment Option is exercised in full for Additional Units, the net proceeds to the Corporation from the Offering are estimated to be $32,105,000, after deducting the payment of the Underwriters' Fee of $2,070,000, and after deducting the estimated expenses of the Offering (estimated to be approximately $325,000).

The net proceeds to the Corporation from the May 2020 Private Placement were approximately $3,755,000, from the August 2020 Prospectus Offering were approximately $4,570,000 and from the December 2020 Prospectus Offering were approximately $10,536,000. As at January 31, 2021, the Corporation had estimated cash on hand of approximately $15,576,000 and had estimated working capital (excluding legal contingencies) of approximately $14,700,000.

December 2020 Prospectus Offering

The following table provides an overview of the Corporation's approximate expenditures and progress as at January 31, 2021 for each principal purpose outlined on page S-10 of the prospectus supplement dated December 3, 2020 to the short form base shelf prospectus dated March 26, 2020 in respect of the anticipated use of net proceeds and available funds in connection with the December 2020 Prospectus Offering. All amounts indicated below under "Approximate Expenditures Remaining" are included in the allocation of estimated expenditures for the relevant expenditure items in the table set forth under "*Use of Net Proceeds and Available Funds*".

Expenditures	**Estimated Expenditure Amount**	**Approximate Expenditures as at Jan. 31, 2021**	**Approximate Expenditures Remaining as at Jan. 31, 2021**
Exploration	$9,300,000	$2,232,000	$7,068,000
Mine planning, metallurgy and engineering	$2,300,000	$210,000	$2,090,000
Environmental baseline, permitting and community	$700,000	$42,000	$658,000
Mineral leases and land	$1,000,000	$324,000	$676,000
Marketing, finance, legal and admin	$900,000	$196,000	$704,000
Public company costs	$190,000	$57,000	$133,000
General corporate and working capital	$370,188	$19,000	$351,188
Total	**$14,760,188**	**$3,080,000**	**$11,680,188**

Use of Net Proceeds and Available Funds

The Corporation intends to use the majority of the net proceeds from the Offering for advancing work related to its planned exploration and development program at the Tamarack North Project and for general corporate and working capital purposes during the remainder of 2021. The Corporation intends to use the net proceeds from the Offering, together with current available funds (including remaining net proceeds from the May 2020 Private Placement, the August 2020 Prospectus Offering and the December 2020 Prospectus Offering), as follows:

Source of Funds	**Estimated Amount**
Existing estimated working capital (excluding legal contingencies) as at January 31, 2021	$14,700,000
Net proceeds from the Offering	$27,875,000
Total	**$42,575,000**

Expenditures	**Estimated Amount**
Exploration	$17,300,000
Mine planning, metallurgy and engineering	$5,300,000
Environmental baseline, permitting and community	$2,000,000
Mineral leases and land	$2,000,000
Marketing, finance, legal and admin	$1,000,000
Public company costs	$500,000
Payments and/or incur expenditures in accordance with the 2018 Option Agreement	$6,300,000
General corporate and working capital(1)	$8,175,000
Total	**$42,575,000**

Notes:

(1) The Corporation may use a portion of the general corporate and working capital funds in connection with payments that may be payable pursuant to the terms of the royalty agreement dated March 7, 2019 entered into between Talon Nickel (USA) LLC, Triple Flag Mining Finance Bermuda Ltd. and a subsidiary.

Dr. Etienne Dinel, Vice President, Geology of the Corporation is the "qualified person" who supervised the preparation of the above use of net proceeds and available funds.

The above noted allocation represents the Corporation's current intentions with respect to its use of proceeds from the Offering and use of available funds based on current knowledge, planning and expectations of management of the Corporation. The net proceeds from the exercise of the Over-Allotment Option, if any, are expected to be used for general corporate and working capital purposes. The Corporation's actual use of the net proceeds of the Offering and use of available funds may vary depending on the Corporation's operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. See "*Risk Factors – Discretion in the Use of Proceeds and Use of Available Funds*".

Pending the use of the net proceeds described above, the Corporation may hold all or a portion of the net proceeds of the Offering as cash balances in the Corporation's bank account or may invest all or a portion of the net proceeds of the Offering in short-term, high quality, interest bearing corporate, government-issued or government-guaranteed securities.

During the year ended December 31, 2019 and the three and nine month periods ended September 30, 2020, the Corporation had negative cash flow from operating activities. The Corporation anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at the Tamarack North Project. As a result, certain of the net proceeds from the Offering may be used to fund such negative cash flow from operating activities in future periods. See "*Risk Factors – Negative Operating Cash Flow and Additional Funding*".

Business Objectives

The Corporation is focused on the advancement of the Tamarack North Project. The Corporation intends to use the majority of the net proceeds of the Offering to further advance the Corporation's objective of completing a prefeasibility study on the Tamarack North Project.

To advance the work towards completion of this milestone, the Corporation's exploration program for 2021 has so far been focused on exploring for an extension of the semi-massive sulphide unit to the north of the Tamarack mineral resource area. If this program is successful, the Corporation intends to follow-up with infill drilling of the extension of the semi-massive sulphide unit. The Corporation has also commenced an exploration program in the areas to the north-east and north-west of the Tamarack mineral resource area, where mixed massive sulphide mineralization below a thicker zone of disseminated sulphide mineralization has been intercepted. If either or both of these programs return positive results, the Corporation intends to follow-up with an infill drilling program.

The Corporation is also investigating modeled electromagnetic conductors (geophysics) that may represent extensions of the massive sulphide unit. The Corporation also intends to conduct infill drilling of the massive sulphide unit within the Tamarack resource area, which is expected to commence in the second quarter of 2021.

The Corporation also intends to undertake further geophysical surveys with the objective of identifying new potential zones of mineralization along the Tamarack Intrusive Complex that is outside of the Tamarack mineral resource area. The Corporation intends to conduct drilling outside of the Tamarack mineral resource area if one or more new potential zones of mineralization are identified.

In conjunction with the exploration programs, the Corporation will continue to develop its mine plans as new exploration data becomes available, while also continuing with environmental baseline work. In addition to the exploration programs, the Corporation has conducted metallurgical test work towards producing nickel concentrates and nickel sulphates and contrasted the economics of these two scenarios in the Updated PEA. The Corporation further contrasted these two scenarios with a third scenario under which the Corporation may produce a refined nickel powder. This is referred to as the Nickel Powder Scenario in the Updated PEA. As per the recommendations set out in the Updated PEA, the Corporation intends to work towards the development of a flowsheet that could produce both refined nickel and iron powders.

There is no assurance the various drill, test and study programs will be completed in this timeline (or at all). The exploration, development and construction of mineral projects are subject to a number of risks and uncertainties. See "*Risk Factors*".

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Corporation has agreed to issue and sell, and the Underwriters have severally (and not jointly, nor jointly and severally) agreed to purchase, as principals, on the Closing Date, an aggregate of 50,000,000 Offered Units at the Offering Price for aggregate gross proceeds of $30,000,000, payable in cash to the Corporation against delivery of the Offered Units, subject to compliance with the terms and conditions contained in the Underwriting Agreement. The obligations of the Underwriters under the Underwriting Agreement are several (and not joint, nor joint and several), and may be terminated at their discretion on the basis of "disaster out", "regulatory out", "material change out" and "breach out" provisions in the Underwriting Agreement, and may also be terminated upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Units if any of the Offered Units are purchased under the Underwriting Agreement.

Each Offered Unit will consist of one Unit Share and one-half of one Unit Warrant. Each Unit Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of $0.80 for a period of 12 months following the Closing Date. The Unit Warrants will be created and issued pursuant to the terms of the Warrant Indenture (as defined herein) to be dated as of the Closing Date between the Corporation and the Warrant Agent (as defined herein). The Warrant Indenture will contain provisions designed to protect holders of the Unit Warrants against dilution upon the happening of certain events. No fractional Unit Warrants will be issued.

The Corporation has granted the Underwriters the Over-Allotment Option, exercisable in whole or in part, in the sole discretion of TDSI, on behalf of the Underwriters, for a period of 30 days from and including the Closing Date, to purchase up to an additional 7,500,000 Offered Units, at the Offering Price, to cover over-allotments, if any, made by the Underwriters in connection with the Offering and for market stabilization purposes. The Over-Allotment Option may be exercised by TDSI, on behalf of the Underwriters: (i) to acquire Additional Units at the Offering Price, or (ii) to acquire Additional Unit Warrants at a price of $0.02 per Additional Unit Warrant, or (iii) to acquire any combination of Additional Units and Additional Unit Warrants, so long as the aggregate number of Additional Unit Warrants that may be issued under such Over-Allotment Option does not exceed 3,750,000 Additional Unit Warrants. The grant of the Over-Allotment Option and the Additional Securities issuable upon exercise of the Over-Allotment Option are qualified for distribution under this short form prospectus. A purchaser who acquires Additional Securities forming part of the Underwriters' over-allocation position acquires such Additional Securities under this short form prospectus regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In consideration for the services rendered by the Underwriters in connection with the Offering, the Corporation has agreed to pay the Underwriters the Underwriters' Fee of 6.0% of the gross proceeds of the Offering, including any Additional Securities sold pursuant to the exercise of the Over-Allotment Option. The Offering Price and other terms of the Offering were determined by arm's length negotiation between the Corporation and the Co-Lead Underwriters, with reference to the prevailing market price of the Common Shares.

The Offering is being made in each of the provinces of Canada, except the province of Québec. The Offered Units will be offered in each of such provinces through those Underwriters or their affiliates who are registered to offer Offered Units for sale in such provinces and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Units in such other jurisdictions outside of Canada as agreed between the Corporation and the Underwriters.

The Corporation has applied to list the Unit Shares, the Additional Unit Shares and the Warrant Shares on the TSX. The TSX has not conditionally approved the Corporation's listing application and there is no assurance that the TSX will approve the listing application. Listing is subject to the Corporation fulfilling all of the requirements of the TSX. **There is no market through which the Unit Warrants may be sold and purchasers may not be able to resell the Unit Warrants purchased under this short form prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*".**

The Underwriters propose to offer the Offered Units initially at the Offering Price. After the Underwriters have made reasonable efforts to sell all of the Offered Units at such price, the Offering Price may be decreased, and further changed from time to time, to an amount not greater than the Offering Price. However, in no event will the Corporation receive less than net proceeds of $0.564 per Offered Unit. If the selling price is reduced, the compensation realized by the Underwriters will be reduced by the amount that the aggregate price paid by the purchasers for the Offered Units is less than the gross proceeds paid by the Underwriters to the Corporation for the Offered Units. In addition, the Underwriters may offer selling group participation to other registered dealers that are satisfactory to the Corporation, acting reasonably, with compensation to be negotiated between the Underwriters and such selling group participants, but at no additional cost to the Corporation.

Pursuant to policy statements of certain securities regulators, the Underwriters may not, throughout the period of distribution under this short form prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities, or (c) a bid or purchase to cover a short position entered into prior to the commencement of the prescribed restricted period. Consistent with these requirements, and in connection with this distribution, the Underwriters may over-allot or effect transactions that are intended to stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on the TSX, in the over-the-counter market or otherwise.

Pursuant to the Underwriting Agreement, the Corporation has agreed that it will not, without the prior written consent of TDSI, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed, during the period commencing on the signing of the Underwriting Agreement and ending 90 days following the Closing Date, (i) offer, pledge, sell, contract to sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer, lend or dispose of directly or indirectly, Common Shares or any securities convertible into or exercisable or exchangeable for Common Shares, (ii) enter into any swap or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of Common Shares or such other securities, whether any such transaction under (i) or (ii) is to be settled by delivery of Common Shares or such other securities, in cash or otherwise, or (iii) agree to do any of the foregoing; provided, however, that the restrictions in (i), (ii) and (iii) shall not apply to securities issued: (A) pursuant to the Offering, (B) pursuant to the issuance or exercise of Stock Options issued pursuant to the Corporation's stock option plan, (C) pursuant to the exercise of Stock Options or Warrants outstanding as at February 24, 2021, (D) in connection with the bona fide acquisition by the Corporation of the shares or assets of other corporations or entities, or (E) for purposes of making payment of obligations pursuant to agreements existing as at the date hereof, as agreed to by the Corporation and TDSI, on behalf of the Underwriters. Any securities issued or sold pursuant to clause (E) above must be issued at a price that is not less than the Offering Price. In addition, any securities issued or sold pursuant to clause (E) above (i) must be subject to a four month hold period under Canadian securities laws, or (ii) the party must agree to execute a lock-up agreement substantially in the form as agreed to between the Corporation and TDSI, on behalf of the Underwriters.

Pursuant to the Underwriting Agreement, the Corporation has also agreed that it will use its commercially reasonable efforts to cause each of the directors and executive officers of the Corporation to enter into lock-up agreements in a form satisfactory to the Corporation and TDSI, each acting reasonably, to be executed concurrently with the closing of the Offering, pursuant to which each such person agrees to not, for a period ending 90 days after the Closing Date, without the prior written consent of TDSI, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed, directly or indirectly offer, sell, contract to sell, grant any option to purchase, make any short sale, lend, swap, or otherwise dispose of, transfer, assign, or announce any intention to do so, any Common Shares or any securities convertible into or exchangeable for Common Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise, other than pursuant to: (i) a take-over bid, arrangement or similar transaction involving the acquisition of the Corporation, (ii) the exercise of Stock Options, Warrants or other convertible securities existing as at February 24, 2021, or (iii) the sale of any Common Shares issuable upon the exercise of Stock Options in order to pay for any taxes or the exercise price of the Stock Options.

The Offered Units, Unit Shares, Unit Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. Persons, except in accordance with an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. The Underwriters have agreed that, except as permitted by the Underwriting Agreement pursuant to transactions exempt from the registration requirements of the U.S. Securities Act and any applicable state securities laws, they will not offer or sell the Offered Units at any time within the United States or to, or for the account or benefit of, U.S. Persons. Accordingly, the Underwriters, pursuant to the terms and conditions set forth in the Underwriting Agreement acting through their registered United States broker-dealer affiliates, may reoffer and resell the Offered Units they have acquired pursuant to the Underwriting Agreement to Qualified Institutional Buyers in the United States in accordance with Rule 144A under the U.S. Securities Act and pursuant to similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement provides that each Underwriter will otherwise offer and sell the Offered Units outside the United States to non-U.S. Persons only in accordance with the exclusion from the registration requirements of the U.S. Securities Act provided by Rule 903 of Regulation S under the U.S. Securities Act. The Offered Units, Unit Shares and Unit Warrants, and the Warrant Shares issuable upon exercise of the Unit Warrants, in each instance issued to, or for the account or benefit of, U.S. Persons or persons in the United States, will be "restricted securities" within the meaning of Rule 144(a)(3) of the U.S. Securities Act and will be subject to restrictions to the effect that such securities have not been registered under the U.S. Securities Act and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws.

This short form prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the Offered Units in the United States or to, or for the account or benefit of, a U.S. Person. In addition, until 40 days after the commencement of the Offering, an offer or sale of Offered Units, Unit Shares or Unit Warrants within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act and similar exemptions under applicable state securities laws.

Subscriptions for the Offered Units will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about March 18, 2021, or such other date as may be agreed upon by the Corporation and TDSI, on behalf of the Underwriters, but in any event not later than 42 days after the date of the receipt of the (final) short form prospectus. It is anticipated that the Unit Shares and the Unit Warrants comprising the Offered Units will be delivered under the book-based system through CDS or its nominee and deposited in electronic form. A purchaser of Offered Units, including a purchaser of Offered Units in the United States that is a Qualified Institutional Buyer, will receive only a customer confirmation from the registered dealer from or through which the Offered Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Unit Shares and Unit Warrants on behalf of owners who have purchased Offered Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required.

Pursuant to the terms of the Underwriting Agreement, the Corporation has agreed to reimburse the Underwriters for certain expenses incurred in connection with the Offering and to indemnify the Underwriters and their directors, officers, employees and agents against certain liabilities and expenses and to contribute to payments the Underwriters may be required to make in respect thereof.

Participation Rights and Qualification Rights

On November 7, 2018, the Corporation entered into an investment agreement with Resource Capital Fund VI L.P. ("**RCF**") pursuant to which, among other things, the Corporation granted RCF a contractual participation right in respect of equity financings provided RCF holds 10% or more of all Common Shares on a partially diluted basis. RCF has advised the Corporation that it does not intend to participate in the Offering.

The Corporation and RCF have entered into a qualification rights agreement (the "**Qualification Rights Agreement**") pursuant to which, under certain circumstances and limitations, RCF has the right to require the Corporation to qualify Common Shares held by RCF under a prospectus by way of secondary offering. These qualification rights expire July 25, 2022. Pursuant to the Qualification Rights Agreement, RCF can qualify certain of its Common Shares under a prospectus offering initiated by the Corporation and, subject to certain limitations, can also require the Corporation to file a prospectus to complete a secondary offering on a maximum of two occasions during the term of the agreement. The Corporation is entitled to postpone any such request by RCF for a period of up to 90 days in certain circumstances including in the event that the Corporation is actively employing its best efforts to complete an equity offering and also in the event that the request is made 60 days after the filing of a final prospectus by the Corporation.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Offering

The Offering consists of Offered Units, each of which is comprised of one Unit Share and one-half of one Unit Warrant. The Offered Units will separate into Unit Shares and Unit Warrants immediately upon the closing of the Offering. The Offered Units are offered at the Offering Price of $0.60 per Offered Unit.

Common Shares

Pursuant to Talon's memorandum of association under the BVI Act, it is authorized to issue one class and one series of shares divided into 100,000,000,000 Common Shares of no par value. The holders of Common Shares are entitled to one vote per share at all meetings of the shareholders of the Corporation either in person or by proxy. The holders of Common Shares are also entitled to dividends, if and when declared by the directors of the Corporation and the distribution of the residual assets of the Corporation in the event of a liquidation, dissolution or winding up of the Corporation. The Common Shares are not subject to call or assessment rights or any conversion rights, and other than the participation rights of RCF set out under "*Plan of Distribution – Participation Rights and*

Qualification Rights", the Common Shares are not subject to any pre-emptive rights. There are no redemption, retraction, purchase for cancellation, surrender, sinking or purchase fund provisions.

At the annual and special meeting of shareholders of the Corporation held on June 25, 2020, the shareholders of the Corporation approved the amended and restated shareholder rights plan agreement (the "**A&R Rights Plan**") entered into between the Corporation and Computershare Investor Services Inc., as rights agent. The A&R Rights Plan aims to ensure that all shareholders are treated equally and fairly in the event of a transaction that could lead to a change in control of the Corporation. The A&R Rights Plan also gives the board of directors of the Corporation more time to assess any unsolicited bid that may be made for the Corporation in the future and to explore and develop alternatives for maximizing shareholder value. A copy of the A&R Rights Plan is available electronically under the profile of the Corporation at www.sedar.com.

As of the date of this short form prospectus, the Corporation has not declared dividends and has no current intention to declare dividends on its Common Shares in the foreseeable future. Any decision to pay dividends on its Common Shares in the future will be at the discretion of the Corporation's board of directors and will depend on, among other things, the Corporation's results of operations, current and anticipated cash requirements and surplus, financial condition, any future contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the board of directors may deem relevant.

Unit Warrants

The following is a summary of the principal attributes of the Unit Warrants and certain anticipated provisions of the Warrant Indenture mentioned herein. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. A copy of the Warrant Indenture may be obtained on request from the Corporate Secretary of the Corporation and will be available electronically at www.sedar.com and reference should be made to the Warrant Indenture for the full text of the attributes of the Unit Warrants.

Each Unit Warrant entitles its holder, upon the payment of the exercise price of $0.80, to purchase one Warrant Share for a period of 12 months following the Closing Date. See "*Plan of Distribution*".

The Unit Warrants will be governed by an agreement to be entered into on the Closing Date (the "**Warrant Indenture**") between the Corporation and Computershare Trust Company of Canada (the "**Warrant Agent**"). The Corporation will designate the Warrant Agent, in its Toronto office, as agent for the Unit Warrants. Prior to the closing of the Offering, the Corporation may name any other agent with respect to the Unit Warrants.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Unit Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

(a) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of Common Shares by way of a stock dividend or other distribution (other than a dividend paid in the ordinary course or a distribution of Common Shares upon the exercise of any outstanding warrants, options or other convertible or exchangeable securities);

(b) the subdivision, redivision or change of the Common Shares into a greater number of shares;

(c) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;

(d) the issuance to all or substantially all of the holders of Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, of Common Shares on such record date; and

(e) the issuance or distribution to all or substantially all of the holders of Common Shares of securities, including rights, options or warrants to acquire shares of any class or securities exchangeable for or convertible into any such shares, or property or assets, including evidences of indebtedness.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities or other property issuable upon the exercise of the Unit Warrants and/or exercise price per security in the event of the following additional events:

(a) the reclassification of the Common Shares;

(b) the amalgamation, arrangement or merger with or into any other corporation or other entity (other than an amalgamation, arrangement or merger which does not result in any reclassification of the Corporation's outstanding Common Shares or a change of the Common Shares into other shares); or

(c) the transfer of the Corporation's undertakings or assets as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or number of Warrant Shares will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price or a change in the number of Warrant Shares purchasable upon exercise by at least one one-hundredth ($^{1}/_{100}$th) of a Common Share, as the case may be.

The Corporation will covenant in the Warrant Indenture that, during the period in which the Unit Warrants are exercisable, the Corporation will give notice to Unit Warrant holders of certain stated events, including events that would result in an adjustment to the exercise price for the Unit Warrants or the number of Warrant Shares issuable upon exercise of the Unit Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such event.

No fraction of a Warrant Share will be issued upon the exercise of a Unit Warrant and no cash payment will be made in lieu thereof. Unit Warrant holders are not entitled to any voting rights or pre-emptive rights or any other rights conferred upon a person as a result of being a holder of Common Shares.

From time to time, the Corporation and the Warrant Agent, without the consent of the holders of Unit Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Unit Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Unit Warrants may only be made by "extraordinary resolution", which will be defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the holders of Unit Warrants at which there are holders of Unit Warrants present in person or represented by proxy representing at least 20% of the aggregate number of the then outstanding Unit Warrants and passed by the affirmative vote of holders of Unit Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Unit Warrants represented at the meeting and voted on the poll for such resolution, or (2) adopted by an instrument in writing signed by the holders of not less than 66⅔% of the aggregate number of all the then outstanding Unit Warrants.

The Unit Warrants and the Warrant Shares issuable upon exercise of the Unit Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States. The Unit Warrants may not be exercised in the United States, or by or for the account of a U.S. Person or a person in the United States, except pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws, and the holder has delivered to the Corporation a written opinion of counsel, in form and substance reasonably satisfactory to the Corporation; provided, however, that a Qualified Institutional Buyer that purchased the Unit Warrants in the Offering for its own account, or for the account of another Qualified Institutional Buyer for which it exercised sole investment discretion with respect to such original purchase (an "**Original Beneficial Purchaser**") will not be required to deliver an opinion of counsel if it exercises the Unit

Warrants for its own account or for the account of the Original Beneficial Purchaser, if any, if each of it and such Original Beneficial Purchaser, if any, is a Qualified Institutional Buyer that is also an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act at the time of exercise of the Unit Warrants.

PRIOR SALES

The following table summarizes the issuances by the Corporation of Common Shares, and securities convertible into or exchangeable for Common Shares, for the 12 months prior to the date of this short form prospectus.

Date	Type of Security Issued	Issuance / Exercise Price Per Security	Number of Securities Issued
March 13, 2020	Stock Options(1)	$0.10	5,780,000
May 21, 2020	Common Shares(2)	$0.10	40,169,500
May 21, 2020	Broker Warrants(2)(3)	$0.10	1,145,000
July 3, 2020	Stock Options(1)	$0.145	400,000
July 22, 2020	Stock Options(1)	$0.145	1,050,000
July 23, 2020	Stock Options(1)	$0.145	600,000
August 7, 2020	Stock Options(1)	$0.28	700,000
August 7, 2020	Common Shares(7)	$0.0826	400,000
August 13, 2020	Common Shares(4)	$0.26	19,821,600
August 13, 2020	Broker Warrants(4)(5)	$0.26	1,189,296
August 14, 2020	Stock Options(1)	$0.26	1,400,000
August 15, 2020	Stock Options(1)	$0.25	200,000
September 16, 2020	Common Shares(7)	$0.0826	100,000
September 22, 2020	Common Shares(7)	$0.0826	200,000
September 23, 2020	Common Shares(7)	$0.156	500,000
October 13, 2020	Common Shares(7)	$0.10	330,000
October 19, 2020	Common Shares(6)	$0.156	300,000
October 19, 2020	Common Shares(7)	$0.156	500,000
October 20, 2020	Common Shares(6)	$0.156	815,000
October 20, 2020	Common Shares(7)	$0.0826	100,000
October 22, 2020	Common Shares(6)	$0.156	365,000
October 27, 2020	Common Shares(6)	$0.156	90,000
October 28, 2020	Stock Options(1)	$0.30	800,000
November 4, 2020	Common Shares(6)	$0.156	400,000
November 6, 2020	Common Shares(6)	$0.156	460,000
November 8, 2020	Stock Options(1)	$0.31	200,000
November 17, 2020	Common Shares(7)	$0.0826	200,000

Date	Type of Security Issued	Issuance / Exercise Price Per Security	Number of Securities Issued
November 18, 2020	Common Shares(6)	$0.156	240,000
November 19, 2020	Common Shares(6)	$0.156	2,384,000
November 20, 2020	Common Shares(6)	$0.156	700,000
November 23, 2020	Common Shares(6)	$0.156	2,521,000
November 23, 2020	Common Shares(7)	$0.17	33,661
November 24, 2020	Common Shares(6)	$0.156	880,000
November 25, 2020	Common Shares(6)	$0.156	500,000
December 11, 2020	Common Shares(8)	$0.30	38,334,100
December 11, 2020	Broker Warrants(8)(9)	$0.30	2,300,046
December 16, 2020	Common Shares(7)	$0.116	750,000
December 28, 2020	Stock Options(1)	$0.51	20,405,000
December 29, 2020	Common Shares(6)	$0.095	100,000
December 31, 2020	Common Shares(7)	$0.0826	200,000
January 6, 2021	Common Shares(7)	$0.0826	166,000
January 15, 2021	Common Shares(7)	$0.17	650,000
January 18, 2021	Common Shares(7)	$0.11	15,000,000
February 10, 2021	Common Shares(7)	$0.0826	200,000
February 11, 2021	Common Shares(7)	$0.26	118,930
February 17, 2021	Common Shares(7)	$0.17	1,363,166

Notes:

(1) Each Stock Option is exercisable to acquire one Common Share.
(2) Issued in connection with the May 2020 Private Placement.
(3) Each broker warrant is exercisable to acquire one Common Share until May 21, 2022.
(4) Issued in connection with the August 2020 Prospectus Offering.
(5) Each broker warrant is exercisable to acquire one Common Share until August 13, 2022.
(6) Issued in connection with the exercise of Stock Options.
(7) Issued in connection with the exercise of Warrants.
(8) Issued in connection with the December 2020 Prospectus Offering.
(9) Each broker warrant is exercisable to acquire one Common Share until December 11, 2022.

TRADING PRICE AND VOLUME

The outstanding Common Shares are listed and posted for trading on the TSX under the symbol "TLO". The following table sets forth the reported intraday high and low prices and trading volumes of the Common Shares for the 12 month period prior to the date of this short form prospectus (Source: TMX Datalinx).

Period	High Trading Price ($)	Low Trading Price ($)	Volume
March 2020	0.13	0.075	2,291,904
April 2020	0.115	0.08	1,650,010

Period	High Trading Price ($)	Low Trading Price ($)	Volume
May 2020	0.12	0.09	4,956,190
June 2020	0.155	0.105	2,963,795
July 2020	0.34	0.135	7,612,502
August 2020	0.355	0.215	9,607,525
September 2020	0.34	0.23	9,262,129
October 2020	0.33	0.245	9,508,213
November 2020	0.43	0.28	10,960,147
December 2020	0.57	0.30	14,158,663
January 2021	0.62	0.50	17,234,929
February 2021	0.90	0.53	39,336,637
March 1, 2021	0.72	0.64	3,073,245

On February 23, 2021, the last trading day prior to the date of announcement of the Offering, the closing price of the Common Shares on the TSX was $0.74. On March 1, 2021, the last trading day prior to the date of this short form prospectus, the closing price of the Common Shares on the TSX was $0.69.

RISK FACTORS

An investment in the securities being distributed under this short form prospectus is speculative and involves a high degree of risk. Any prospective investor should carefully consider the risk factors set forth in the Interim MD&A, the AIF and the Annual MD&A, which are incorporated by reference in this short form prospectus, and all of the other information contained in this short form prospectus (including, without limitation, the documents incorporated by reference herein) before acquiring any of the securities distributed under this short form prospectus. The risks described herein and therein are not the only risks facing the Corporation. Additional risks and uncertainties not currently known to the Corporation, or that the Corporation currently deems to be immaterial, may also materially and adversely affect its business.

In addition, the following risk factors should be carefully considered by investors:

Additional Financings

The continued development of the Corporation may require the Corporation to raise additional financing in the future through the issuance of additional equity securities or convertible debt securities. If the Corporation raises additional funding by issuing additional equity securities or convertible debt securities such financings may substantially dilute the interests of shareholders of the Corporation and reduce the value of their investment. Additional financings and share issuances may result in a substantial dilution to shareholders of the Corporation and decrease the value of the Corporation's securities.

The failure to raise or procure such additional funds as required could result in the delay or indefinite postponement of business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Corporation.

Volatility of Common Share Prices

The market prices for securities of mining companies, including those of the Corporation, historically have been volatile. Future developments concerning the Corporation or its industry, including downward fluctuations in the price of nickel and copper, may have a significant impact on the market price of the Common Shares.

Active Liquid Market for Common Shares

There may not be an active liquid market for the Common Shares. There is no guarantee that an active trading market for the Common Shares will be maintained on the TSX. Investors may not be able to sell their Common Shares quickly or at the latest market price if trading in the Common Shares is not active.

No Market for Unit Warrants

There is no market through which the Unit Warrants may be sold and purchasers may not be able to resell the Unit Warrants purchased under this short form prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation.

Discretion in the Use of Proceeds and Use of Available Funds

Management will have broad discretion concerning the use of the net proceeds of the Offering and use of available funds, as well as the timing of their expenditures. Depending on fluctuations in nickel and copper prices and other factors, the intended use of proceeds and use of available funds may change. As a result, an investor will be relying on the judgment of management for the application of the net proceeds of the Offering and use of available funds. Management may use the net proceeds of the Offering and available funds in ways that an investor may not consider desirable if they believe it would be in the best interests of the Corporation to do so. The results and the effectiveness of the application of the proceeds and available funds are uncertain. If the proceeds and available funds are not applied effectively, the Corporation's results of operations may suffer.

Negative Operating Cash Flow and Additional Funding

The Corporation has limited financial resources and has no source of operating cash flow. During the year ended December 31, 2019 and the three and nine month periods ended September 30, 2020, the Corporation had negative cash flow from operating activities. The Corporation anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at the Tamarack North Project. There is no assurance that additional funding will be available to the Corporation for the exploration and development of its projects. Furthermore, additional financing will be required in order for the Corporation to complete a prefeasibility study on the Tamarack North Project and significant additional financing, whether through the issuance of additional securities and/or debt, will be required to continue the development of the Tamarack North Project and the Tamarack South Project generally. There can be no assurance that the Corporation will be able to obtain adequate additional financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of completion of a prefeasibility study on the Tamarack North Project and further development of the Tamarack North Project and the Tamarack South Project generally.

COVID-19 Coronavirus Outbreak

The current and ongoing global uncertainty with respect to the spread of COVID-19, the rapidly evolving nature of the pandemic and local and international developments related thereto and its effect on the broader global economy and capital markets may have a negative effect on the Corporation and the advancement of the Tamarack North Project. While the precise impact of the COVID-19 outbreak on the Corporation remains unknown, rapid spread of COVID-19 and declaration of the outbreak as a global pandemic has resulted in travel advisories and restrictions, certain restrictions on business operations, social distancing precautions and restrictions on group gatherings which are having direct impacts on businesses in Canada, the United States and around the world and could result in travel bans, closure of assay labs or delays in obtaining results from assay labs, work delays, restrictions on or shutting down of drilling operations, difficulties for contractors and employees getting to site, restrictions related to other mining related business and operations and the diversion of management attention all of which in turn could have a negative impact on development of the Tamarack Project and the Corporation generally. The spread of COVID-19 may also have a material adverse effect on global economic activity and could result in volatility and disruption to global supply chains and the financial and capital markets, which could affect the business, financial condition, results of operations, prospects and other factors relevant to the Corporation, including its ability to raise additional financing. There can be no assurance that COVID-19 or any other public health crises will not have a material adverse effect on the Corporation and its business and operations.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Cassels Brock & Blackwell LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable to a purchaser who acquires Offered Units pursuant to this Offering. For purposes of this summary, a reference to Common Shares includes Unit Shares and Warrant Shares unless otherwise indicated. This summary applies only to a purchaser who is a beneficial owner of Common Shares and Unit Warrants acquired pursuant to this Offering and who, for the purposes of the Tax Act, and at all relevant times: (i) acquires and holds the Common Shares and Unit Warrants and will hold the Warrant Shares issuable on the exercise of the Unit Warrants as capital property; (ii) deals at arm's length with the Corporation and the Underwriters; and (iii) is not affiliated with the Corporation or the Underwriters (a "**Holder**").

Common Shares and Unit Warrants will generally be considered to be capital property to a Holder unless the Holder holds such securities in the course of carrying on a business of trading or dealing in securities or has acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" (as defined in the Tax Act) for purposes of the mark-to-market provisions of the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii) that has made a functional currency reporting election under section 261 of the Tax Act to report its "Canadian tax results" as defined in the Tax Act in a currency other than Canadian currency; (iv) an interest in which is, or for whom a Common Share would be, a "tax shelter investment" for the purposes of the Tax Act; (v) that has entered into or will enter into a "derivative forward agreement" or "synthetic disposition agreement", as those terms are defined in the Tax Act, in respect of Common Shares; (vi) that receives dividends on Common Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act); or (vii) in relation to which the Corporation or any of its subsidiaries is or will be a "foreign affiliate" (as defined in the Tax Act). Such Holders should consult their own tax advisors.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder ("**Regulations**") in force as of the date hereof, all specific proposals ("**Proposed Amendments**") to amend the Tax Act or the Regulations that have been publicly announced by, or on behalf of, the Minister of Finance (Canada) prior to the date hereof and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**"). No assurance can be given that the Proposed Amendments will be enacted or otherwise implemented in their current form, if at all. If the Proposed Amendments are not enacted or otherwise implemented as presently proposed, the tax consequences may not be as described below in all cases. Other than the Proposed Amendments, this summary does not take into account or anticipate any changes in law, administrative policy or assessing practice, whether by legislative, regulatory, administrative, governmental or judicial decision or action, nor does it take into account the tax laws of any province or territory of Canada or of any jurisdiction outside of Canada. **Holders that are not residents of Canada for the purposes of the Tax Act should consult with their own tax advisors with respect to the tax consequences of acquiring, holding and disposing of Common Shares and Unit Warrants in any jurisdiction in which they may be subject to tax, including Canada.**

This summary is of a general nature only, is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. Accordingly, Holders should consult their own tax advisors with respect to their particular circumstances.

Currency Conversion

For purposes of the Tax Act, all amounts related to the acquisition, holding or disposition of Common Shares (including dividends, adjusted cost base and proceeds of disposition) and Unit Warrants (including adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars. Amounts denominated in a foreign currency must be converted into Canadian dollars using the appropriate exchange rate determined in accordance with the detailed rules contained in the Tax Act in this regard.

Allocation of Cost

A Holder who acquires Offered Units pursuant to the Offering will be required to allocate the purchase price paid for each Offered Unit on a reasonable basis between the Unit Share and the one-half of one Unit Warrant comprising each Offered Unit in order to determine their respective costs to such Holder for the purposes of the Tax Act.

For its purposes, the Corporation has advised counsel that, of the $0.60 subscription price for each Offered Unit, it intends to allocate $0.59 to each Unit Share and $0.01 to each one-half of one Unit Warrant and believes that such allocation is reasonable. The Corporation's allocation, however, is not binding on the CRA or on a Holder.

The adjusted cost base to a Holder of each Unit Share comprising a part of an Offered Unit acquired pursuant to the Offering will be determined by averaging the cost of such Unit Share with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the acquisition.

Exercise of Unit Warrants

No gain or loss will be realized by a Holder of a Unit Warrant upon the exercise of such Unit Warrant to acquire a Warrant Share. When a Unit Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be equal to the adjusted cost base of the Warrant to such Holder, plus the amount paid on the exercise of the Unit Warrant. For the purpose of computing the adjusted cost base to a Holder of each Warrant Share acquired on the exercise of a Unit Warrant, the cost of such Warrant Share must be averaged with the adjusted cost base to such Holder of all other Common Shares (if any) held by the Holder as capital property immediately prior to the exercise of the Unit Warrant.

Holders Resident in Canada

This section of the summary applies to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for the purposes of the Tax Act (a "**Resident Holder**"). The Common Shares and Unit Warrants are not "Canadian securities" for the purpose of the irrevocable election under subsection 39(4) of the Tax Act. Consequently, a Resident Holder will not be entitled to make or rely on such an election in respect of Common Shares or Unit Warrants to have the Common Shares or Unit Warrants deemed to be capital property. Resident Holders who do not hold Common Shares or Unit Warrants as capital property should consult their own tax advisors regarding their particular circumstances.

Expiry of Unit Warrants

In the event of the expiry of an unexercised Unit Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Unit Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the heading "*Holders Resident in Canada – Capital Gains and Capital Losses*".

Dividends

A Resident Holder will be required to include in computing such Resident Holder's income for a taxation year the amount of dividends, if any, received (or deemed to be received) on the Common Shares. Dividends received on Common Shares by a Resident Holder who is an individual will not be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from "taxable Canadian corporations" (as defined in the Tax Act). A Resident Holder that is a corporation will not be entitled to deduct the amount of such dividends in computing its taxable income.

Dispositions of Common Shares and Unit Warrants

A Resident Holder who disposes of or is deemed to have disposed of a Common Share (other than on a disposition to the Corporation that is not a sale in the open market in the manner in which shares would normally be purchased by any member of the public in an open market) or a Unit Warrant (other than on the exercise of a Unit Warrant) will generally realize a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition of the Common Share or Unit Warrant, as the case may be, net of any reasonable costs of disposition, are greater (or are less) than the adjusted cost base to the Resident Holder of the Common Share or Unit Warrant, as the case may be, immediately before the disposition or deemed disposition. Such capital gain (or capital loss) will be subject to the tax treatment described below under "*Holders Resident in Canada – Capital Gains and Capital Losses*".

Capital Gains and Capital Losses

A Resident Holder will generally be required to include in computing its income for the taxation year of disposition, one-half of the amount of any capital gain (a "**taxable capital gain**") realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder will be required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") against taxable capital gains realized in the taxation year of disposition. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances specified in the Tax Act.

Capital gains realized by a Resident Holder that is an individual or trust, other than certain specified trusts, may give rise to a liability for alternative minimum tax under the Tax Act.

Offshore Investment Fund Property Rules

The Tax Act contains rules which, in certain circumstances, may require a Resident Holder to include an amount in income in each taxation year in respect of the acquisition and holding of Common Shares and Unit Warrants if (a) the value of the Common Shares or Unit Warrants, as applicable, may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in: (i) shares of the capital stock of one or more corporations, (ii) indebtedness or annuities, (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities, (iv) commodities, (v) real estate, (vi) Canadian or foreign resource properties, (vii) currency of a country other than Canada, (viii) rights or options to acquire or dispose of any of the foregoing, or (ix) any combination of the foregoing (collectively "**Investment Assets**") and (b) it may reasonably be concluded that one of the main reasons for the Resident Holder acquiring, or holding Common Shares or Unit Warrants was to derive a benefit from portfolio investments in Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

In determining whether these rules may apply, regard must be had to all of the circumstances, including (i) the nature, organization and operation of any non-resident entity, including the Corporation, and the form of, and the terms and conditions governing, the Resident Holder's interest in, or connection with, any such non-resident entity, (ii) the extent to which any income, profit and gains that may reasonably be considered to be earned or accrued, whether directly or indirectly, for the benefit of any non-resident entity, including the Corporation, are subject to an income or profits tax that is significantly less than the income tax that would be applicable to such income, profits and gains if they were earned directly by the Resident Holder, and (iii) the extent to which any income, profits and gains of any non-resident entity, including the Corporation, for any fiscal period are distributed in that or the immediately following fiscal period.

If applicable, these rules would generally require a Resident Holder to include in income for each taxation year in which the Resident Holder owns a Common Share or Unit Warrant (i) an imputed return for the taxation year computed on a monthly basis and determined by multiplying the Resident Holder's "designated cost" (as defined in the Tax Act) of the Common Share or Unit Warrant, as applicable, at the end of the month, by 1/12th of the sum of the applicable prescribed rate for the period that includes such month plus 2%, less (ii) the Resident Holder's income for the year (other than a capital gain) from the Common Share or Unit Warrant (as applicable) determined without reference to these rules. Any amount required to be included in computing a Resident Holder's income under these rules will be added to the adjusted cost base to the Resident Holder of the applicable Common Shares and Unit Warrants.

The CRA has taken the position that the term "portfolio investment" should be given a broad interpretation. While it should be unlikely that the value of the Common Shares would be regarded as being derived primarily from portfolio investments in Investment Assets, there is a possibility that the CRA may take a different view. Even if the value of the Common Shares or Unit Warrants may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in Investment Assets, these rules will apply to a Resident Holder only if it is reasonable to conclude that one of the main reasons for the Resident Holder acquiring, holding or having the Common Shares or Unit Warrants was to derive a benefit from Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

These rules are complex and their application depends, to a large extent, in part, on the reasons for a Resident Holder acquiring or holding Common Shares or Unit Warrants. Resident Holders are urged to consult their own tax advisors regarding the application and consequences of these rules in their own particular circumstances.

Additional Refundable Tax

A Resident Holder that is, throughout its taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be subject to pay a refundable tax on its "aggregate investment income" (as defined in the Tax Act), including amounts in respect of taxable capital gains and certain dividends.

Foreign Property Information Reporting

In general, a Resident Holder that is a "specified Canadian entity" (as defined in the Tax Act) for a taxation year or a fiscal period and whose total "cost amount" (as defined in the Tax Act) of "specified foreign property" (as defined in the Tax Act), including Common Shares and Unit Warrants, at any time in the year or fiscal period exceeds C$100,000 will be required to file an information return with the CRA for the taxation year or fiscal period disclosing certain prescribed information in respect of such property. Subject to certain exceptions, a taxpayer resident in Canada, other than a corporation or trust exempt from tax under Part I of the Tax Act, will be a "specified Canadian entity," as will certain partnerships. The Common Shares and Unit Warrants will be "specified foreign property" to a Resident Holder. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Resident Holder's "specified foreign property" on a timely basis in accordance with the Tax Act.

The reporting rules in the Tax Act relating to "specified foreign property" are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. Resident Holders should consult their own tax advisors regarding the reporting rules contained in the Tax Act.

Holders Not Resident in Canada

This portion of the summary is generally applicable to a Holder that, at all relevant times, for purposes of the Tax Act: (i) is not, and is not deemed to be, resident in Canada; and (ii) does not use or hold and is not deemed to use or hold the Common Shares or Unit Warrants in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on, or is deemed to carry on, an insurance business in Canada and elsewhere and such Holders should consult their own tax advisors.

Expiry of Unit Warrants

In the event of the expiry of an unexercised Unit Warrant, a Non-Resident Holder will generally realize a capital loss equal to the Non-Resident Holder's adjusted cost base of such Unit Warrant. The tax treatment of capital losses is discussed in greater detail below under the heading *"Holders Not Resident in Canada – Dispositions of Common Shares and Unit Warrants*". Non-Resident Holders should consult their own tax advisors with respect to the expiry of Unit Warrants.

Dividends

Dividends paid in respect of Common Shares to a Non-Resident Holder will not be subject to Canadian withholding tax or other income tax under the Tax Act.

Dispositions of Common Shares and Unit Warrants

A Non-Resident Holder who disposes or is deemed to dispose of Common Shares or Unit Warrants that were acquired under the Offering will not be subject to tax under the Tax Act in respect of any capital gain realized on a disposition or deemed disposition of a Common Share or Unit Warrant, as the case may be, nor will capital losses arising therefrom be recognized under the Tax Act, unless the Common Share or Unit Warrant, as the case may be, is, or is deemed to be, "taxable Canadian property" of the Non-Resident Holder for the purposes of the Tax Act and the Non-Resident Holder is not entitled to an exemption pursuant to the terms of an applicable tax treaty or convention.

Generally, a Common Share or Unit Warrant (as applicable) will not constitute taxable Canadian property of a Non-Resident Holder provided that the Common Shares are listed on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the TSX), unless at any time during the 60 month period immediately preceding the disposition, (i) 25% or more of the issued shares of any class or series of the capital stock of the Corporation were owned by or belonged to one or any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm's length, and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships; and (ii) at such time, more than 50% of the fair market value of the Common Share was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act), or options in respect of, interests in, or for civil law rights in such properties, whether or not such property exists. Notwithstanding the foregoing, a Common Share or Unit Warrant may also be deemed to be "taxable Canadian property" in certain other circumstances set out in the Tax Act. Non-Resident Holders should consult their own tax advisors as to whether their Common Shares or Unit Warrants constitute "taxable Canadian property" in their own particular circumstances.

In cases where a Non-Resident Holder disposes (or is deemed to have disposed) of a Common Share or Unit Warrant that is taxable Canadian property to that Non-Resident Holder and the Non-Resident Holder is not entitled to an exemption under an applicable income tax treaty or convention, the consequences described above under the headings "*Holders Resident in Canada – Dispositions of Common Shares and Unit Warrants*" and "*Holders Resident in Canada – Capital Gains and Capital Losses*" will generally be applicable to such disposition.

Non-Resident Holders whose Common Shares or Unit Warrants are taxable Canadian property should consult their own tax advisors.

AUDITOR, TRANSFER AGENT AND REGISTRAR

MNP LLP is the independent auditor of the Corporation and is independent within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc., with its principal office in Toronto, Ontario.

INTEREST OF EXPERTS

The following are the names of each person or company who is named as having prepared or certified a report, valuation, statement or opinion described or included herein or in a document incorporated by reference, and whose profession or business gives authority to such report, valuation, statement or opinion:

1. MNP LLP provided an auditor's report dated March 30, 2020 in respect of the Annual Financial Statements. MNP LLP has advised that it is independent within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

2. Mr. Leslie Correia, Pr. Eng., Engineering Manager at Paterson & Cooke Canada Inc., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

3. Mr. Tim Fletcher, P. Eng., Senior Project Manager at DRA Americas Inc., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

4. Mr. Daniel Gagnon, P. Eng., Vice President Mining and Geology at DRA Americas Inc., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

5. Mr. André-François Gravel, P. Eng., Senior Mining Engineer at DRA Americas Inc., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

6. Mr. Volodymyr Liskovych, P. Eng., Principal Process Engineer at DRA Americas Inc., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

7. Ms. Andrea Martin, P.E., Lead Environmental Engineer at Foth Infrastructure & Environment, LLC, is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm she works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

8. Mr. Oliver Peters, P. Eng., Principal Metallurgist and President at Metpro Management Inc., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had a material interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

9. Mr. David Ritchie, P. Eng., Engineering Service Line Manager at SLR Consulting (Canada) Ltd., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

10. Mr. Brian Thomas, P. Geo., Senior Resource Geologist at Golder Associates Ltd., is a qualified person who authored certain portions of the Updated PEA. To the knowledge of the Corporation, none of the author nor the firm he works with had an interest in any securities or other properties of the Corporation, its associates or affiliates as at the date of the Updated PEA or as at the date hereof.

11. Dr. Etienne Dinel, Vice President, Geology of the Corporation, is the qualified person who reviewed, approved and verified the technical information disclosed in this short form prospectus and certain technical information disclosed in the Interim MD&A, the AIF and the Annual MD&A. Dr. Dinel's holdings of securities of the Corporation as of the date hereof do not exceed 1.0% of the issued and outstanding securities of the Corporation.

Certain legal matters in connection with this Offering will be passed upon on behalf of the Corporation by Cassels Brock & Blackwell LLP, and on behalf of the Underwriters by Borden Ladner Gervais LLP. As at the date hereof, the partners and associates of Cassels Brock & Blackwell LLP and the partners and associates of Borden Ladner Gervais LLP, each as a group, beneficially own, directly and indirectly, in the aggregate, less than 1.0% of the outstanding Common Shares.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the warrant is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: March 2, 2021

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, except the province of Québec.

(Signed) "*Henri van Rooyen*"

Henri van Rooyen
Chief Executive Officer

(Signed) "*Vincent Conte*"

Vincent Conte
Chief Financial Officer

On behalf of the Board of Directors:

(Signed) "*Warren Newfield*"

Warren Newfield
Director

(Signed) "*Gregory Kinross*"

Gregory Kinross
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: March 2, 2021

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, except the province of Québec.

TD SECURITIES INC.

(Signed) "*Dorian Cochran*"

By: Dorian Cochran
Managing Director

PARADIGM CAPITAL INC.

(Signed) "*John Booth*"

By: John Booth
Head of Investment Banking

SPROTT CAPITAL PARTNERS LP, by its General Partner, SPROTT CAPITAL PARTNERS GP INC.

(Signed) "*David Wargo*"

By: David Wargo
Managing Director

ECHELON WEALTH PARTNERS INC.

(Signed) "*Jason Yeung*"

By: Jason Yeung
Managing Director