# NATIONAL INSTRUMENT 43-101 TECHNICAL REPORT

# PROPERTY REPORT

# DOUBLE MER URANIUM PROPERTY

# NEWFOUNDLAND AND LABRADOR, CANADA

**Prepared For:**

**Saga Metals Corp.**

550 Burrard St Floor 2501,
Vancouver, BC, V6C 2B5, Canada

**Prepared By:**


Michael Cullen, P.Geo., Mercator Geological Services Limited

Rochelle Collins, P.Geo., Mercator Geological Services Limited


Effective Date: June 12, 2024

**Report Date: June 12, 2024**

**Report prepared for**

| | |
|---|---|
| Client Name | Saga Metals Corp. |
| Project Name | Double Mer Uranium |
| Contact Name | Mike Stier |
| Contact Title | CEO & Director |
| Office | 550 Burrard Street, Floor 2501, Vancouver, BC, V6C 2B5 |

**Report issued by**

| | |
|---|---|
| | Mercator Geological Services Limited<br>65 Queen Street<br>Dartmouth, Nova Scotia<br>B2Y 1G4 Canada |

**Report information**

| | |
|---|---|
| File Name | NI 43-101 2024 Saga Metals Double Mer |
| Effective Date | June 12, 2024 |
| Report Status | Final |

**Date and Signature**

| | | | |
|---|---|---|---|
| Contributing Author (QP) | Michael Cullen, P.Geo., Mercator Geological Services Ltd. | See Author Certificate | June 12, 2024 |
| Contributing Author (QP) | Rochelle Collins, P.Geo., Mercator Geological Services Ltd. | See Author Certificate | June 12, 2024 |

## CERTIFICATE OF QUALIFIED PERSON

**Michael Cullen, P.Geo.**
Mercator Geological Services Limited
65 Queen Street,
Dartmouth, Nova Scotia, Canada B2Y 1G4

I, Michael Cullen, P.Geo., am currently employed as a Chief Geologist with Mercator Geological Services Limited.

This certificate applies to the technical report "NI 43-101 Technical Report for Double Mer Uranium Property, Newfoundland and Labrador, Canada" with an effective date of June 12, 2024 (the "Technical Report").

I am a member in good standing of the Association of Professional Geoscientists of Nova Scotia (Registration Number 064), the Association of Professional Engineers and Geoscientists of Newfoundland and Labrador (Member Number 05058) and the Association of Professional Engineers and Geoscientists of New Brunswick (Registration Number L4333).

I hold a M.Sc. degree in Geology from Dalhousie University (1984) and a B.Sc. (Honours) degree in Geology (1980) from Mount Allison University. I have worked as a geologist in Canada and internationally since graduation. My relevant experience with respect to this project includes extensive professional experience with respect to mineral exploration and resource estimation programs for base and precious metals, uranium, coal and industrial minerals in Canada and internationally.

As a result of my experience and qualifications, I am a Qualified Person as defined in National Instrument 43–101 Standards of Disclosure for Mineral Projects (NI 43–101).

I am responsible for Sections 1.3, 1.4, 1.8, 2, 7, 8, 12, 24, 25.3, 25.4 and 26 of the Technical Report.

I am independent of Saga Metals Corp. as independence is described by Section 1.5 of NI 43–101.

I visited the site that is the subject of this Technical Report on June 1st, 2024 and previously visited this site on November 26th, 2007.

I have read NI 43-101 and Form 43-101 F-1 and believe that this Technical Report has been prepared in accordance with all current disclosure requirements set out under those documents.

As of the date of this certificate, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this Technical Report not misleading.

"Original signed and stamped by"

________________________________________

Michael Cullen, P. Geo.
Dated: June 12, 2024

**CERTIFICATE OF QUALIFIED PERSON**

**Rochelle Collins, P. Geo.**
Mercator Geological Services Limited
65 Queen Street
Dartmouth, Nova Scotia, Canada B2Y 1GA

I, Rochelle Collins, P.Geo., am currently employed as a Senior Resource Geologist with Mercator Geological Services Limited.

This certificate applies to the technical report "NI 43-101 Technical Report for Double Mer Uranium Property for Saga Metals Corp., Newfoundland and Labrador, Canada" with an effective date of June 12, 2024 (the "Technical Report").

I am a registered professional Geologist, and a member in good standing with the Professional Geoscientists of Ontario (#1412), Professional Engineers Geoscientists of Newfoundland and Labrador (#04714) and Engineers and Geoscientists of British Columbia (#238551).

I hold a B.Sc. Honours degree in Geology and Geography (1997) from McMaster University of Hamilton, Ontario and an MBA from Queen's University of Kingston, Ontario (2020). I have been working continuously in the field of geology for over 25 years in Canada and Mexico. I have relevant experience with respect to this Project including extensive professional experience with respect to geology, mineral deposits, and exploration activities. I have specific experience in assessment of gold deposit and base metal deposits and contributed to planning and supervising drilling programs and the development of mineral resources and mine planning.

As a result of my experience and qualifications, I am a Qualified Person as defined in National Instrument 43–101 *Standards of Disclosure for Mineral Projects* (NI 43–101).

I am responsible for Sections 1.1, 1.2, 1.5, 1.6 1.7, 3, 4, 5, 6, 9, 10, 11, 13, 14, 23, 25.1, 25.2, and 27 of the Technical Report.

I am independent of Saga Metals Corp. as independence is described by Section 1.5 of NI 43–101.

I have not visited the site that is the subject of this Technical Report.

I have read NI 43-101 and Form 43-101 F-1 and believe that this Technical Report has been prepared in accordance with all current disclosure requirements set out under those documents.

As of the date of this certificate, to the best of my knowledge, information and belief, this Technical Report contains all scientific and technical information that is required to be disclosed to make this Technical Report not misleading.

"Original signed and stamped by"

Rochelle Collins, P. Geo., MBA, B.Sc.
Dated: June 12, 2024

# TABLE OF CONTENTS

## LIST OF TABLES



## LIST OF FIGURES

# 1.0 SUMMARY

## 1.1 Overview

Mercator Geological Services Limited ("Mercator") was retained by Saga Metals Corp. ("Saga Metals" or "Company"), formerly Saga Lithium Corp., to complete a National Instrument NI 43-101 ("NI 43-101") Technical Report (the "Technical Report") for the Double Mer Uranium Property ("Property"), located in the Lake Melville area of eastern Labrador, Canada. The Property consists of 1024 mineral exploration claims held under 4 licences staked by Saga Lithium Corp. Saga Metals advised that at the effective date of this Report, the subject mineral licences were registered to Saga Lithium Corp. Following the Company's name change completed on January 15, 2024, the Company is working with the Newfoundland and Labrador government to have the claims reregistered in the new name Saga Metals Corp.

Property assessment was based on review of information contained in reports, maps, and electronic databases available through government sources, exploration assessment reports, technical documents made available through Saga Metals and Mercator, and results of property visits carried out author Cullen on June 1, 2024 and November 26, 2007.

## 1.2 Property Description and Ownership

The Property is comprised of 4 mineral licences (036939M, 036940M, 037012M, and 037013M) representing 25,600 hectares ("ha."); all of which were registered to Saga Lithium Corp. at the Effective Date of this Report. Saga Metals advised that at the effective date of this Report, the subject mineral licences were registered to Saga Lithium Corp. Following the Company's name change completed on January 15, 2024, the Company is working with the Newfoundland and Labrador government to have the claims reregistered in the new name Saga Metals Corp.

The Property is in eastern Labrador approximately 90 km northeast of Happy Valley-Goose Bay ("HVGB"). The Property lies between Lake Melville and Double Mer inlet. A central point on the Property is Universal Transverse Mercator ("UTM"), 5982189 northing, 351389 easting (North American Datum of 1927 ("NAD27") Zone 21N) or latitude 53º 58' 07" north, longitude 59º 15' 56" west within National Topographic System ("NTS") Map Sheets 13G13, 13G/14 and 13J/03.

Most of the Property is accessible from HVGB, which is the largest community in eastern Labrador. HVGB has daily scheduled service by major airlines (Air Canada) and regional airlines (Provincial Airlines) and serves as a regional base for charter fixed wing and helicopter services. The town is also serviced by seasonal scheduled coastal ferry service operated by Labrador Coastal Services from the island portion of Newfoundland and Labrador. HVGB can also be accessed via Trans-Labrador Highway Route 500 from Labrador City, in western Labrador, or via Trans-Labrador Highway Route 510, which connects at Blanc Sablon, QC with the Strait of Belle Isle Ferry service to Saint Barbe, NL.

The Property can be efficiently accessed by helicopter from HVGB and several large lakes in the area can accommodate small float planes in summer or ski planes in winter. The flight from HVGB to the Property takes between 45 minutes and one hour. The Property adjoins the north shore of Lake Melville and therefore can also be accessed by boat.

### 1.3 Geology and Mineralization

Five major structural provinces are represented in the geological framework of Labrador, these being the Churchill, Nain, Grenville, Superior and Makkovic Provinces. The Property is situated within the Grenville province approximately 75 kilometers south of its east-west trending boundary with the Nain and Makkovic provinces. As summarized in Tollo et al. (2004), the Grenville Province is comprised of variably deformed and metamorphosed magmatic and supracrustal rocks that bear the 1000 Ma tectono-metamorphic signature of the Grenville Orogeny. They occur in a belt averaging 400 to 500 kilometers in width that extends from the Lake Huron area of central Ontario to the coasts of the Labrador Sea and the Atlantic Ocean.

Three main lithological groups are present in the area covered by the Property, these being (1) middle amphibolite grade orthogneisses and paragneisses with associated migmatitic segregations, (2) granitoid intrusions that generally parallel the metamorphic layering of the gneiss sequences and are foliated, in some cases showing transitional contacts to the gneisses, and (3) coarse grained granites that are locally concordant or discordant to gneissic fabrics and show only local evidence of metamorphic fabric development.

Four uraniferous mineral occurrences are recorded for the Property in the Newfoundland government's Mineral Occurrence Database System ("MODS"). Uranium mineralization was discovered in the area during lake sediment geochemical survey follow-up programs carried out by government in the late 1970's and is associated with foliated to gneissic leucogranites and pegmatites within the high-grade metamorphic sequences. Uraninite is the primary uranium mineral present and occurs as disseminations or aggregates in association with mafic mineral phases of the leucogranites, sometimes accompanied by trace amounts of molybdenite and chalcopyrite.

### 1.4 Exploration and Drilling

The Property became the focus of uranium exploration after a joint federal/provincial government Uranium Reconnaissance Program ("URP") in 1977 outlined several promising uranium anomalies in lake sediment and lake water data sets for the area. Based on the positive results of the government programs, a portion of the Property was staked by Whim Creek Consolidated N.L. ("WC") in October 1978 and subsequently explored by Northgate Exploration Limited ("Northgate") under terms of an agreement with WC. Silver Spruce Resources Inc. ("Silver Spruce") acquired a significant portion of the area (19,250 ha) within the existing Property in 2006 and completed airborne radiometric and magnetometer surveys plus ground geochemical surveying, prospecting, and re-logging of historical core. High Tide Resources Inc. ("High Tide") optioned a portion of the current Property area from Silver Spruce and conducted desktop investigations plus a site visit and internal reporting in 2007 before relinquishing its option to pursue exploration activities.

After a period of inactivity, the ground became open for staking and a 25,600-hectare ("ha") area was staked by Saga Lithium Corp. to form the Property discussed in this Technical Report. The Property is comprised of exploration licence areas historically held by Silver Spruce, Ucore Uranium Inc. ("Ucore") and portions of those held by White Bear Resources Inc. ("White Bear"), Northern Lorena Resources Ltd. ("Northern Lorena"), Mega Uranium Ltd. ("Mega Uranium") and Tripple Uranium Resources Inc. ("Tripple Uranium").

Saga Metals is planning a 3–6-week field program for 2024 with a focus on rock sampling and defining trends of structure and potential uranium mineralization. Saga Metals plans to test possible deeper linear structures in the northeast portion of the Property as well as irregular and broad airborne radiometric and lake sediment survey anomalies to the southwest.

### 1.5 Development and Operations

The Property is an early-stage exploration property and there is no development or operational activity currently taking place on the Property. The Property is remote, but accessible, and has a operation season for exploration activity that is essentially year-round. However, winter conditions through the late November through late March period affect scheduling of such activity.

The Property is located on undeveloped Crown land and has extensive surface water resources. On this basis, it is reasonable to assume that access to sufficient surface area and water resources to support a future commercial mineral develop project could be made available within the Property limits.

### 1.6 Mineral Resource and Mineral Reserve Estimates

There are no current or historical Mineral Resource or Mineral Reserve estimates that pertain to this Property.

### 1.7 Conclusions

It is concluded that the Property presents untested potential for discovery of uranium mineralization of economic interest. Bedrock sections tested by historical drilling and trenching show local evidence of hematitic alteration of metamorphic fabric elements that coincide with highest levels of radiometric response. Association of hematitic alteration with uraniferous areas introduces the possibility that mineralization of the Iron Oxide Copper Gold ("IOCG") association could be present in the area.

Sampling, logging, and core recovery data collection programs carried out during the 1980 to 2008 period are consistent with exploration industry practices at the respective times. Any future programs will need to incorporate sample collection, preparation, analysis, and methodologies consistent with current exploration best practice guidelines, including robust Quality Assurance Quality Control ("QAQC") programs.

A current independent site visit will be conducted in 2024 when seasonal restrictions affecting access are less of an issue. The purpose of the site visit will be to verify historical information and, depending on timing, observe field practices of the 2024 exploration program.

### 1.8 Recommendations

Two phases of exploration work are recommended.

Phase 1 includes a Lidar survey of the entire property, lake sediment anomaly follow-up, detailed radiometric and magnetometer surveys over anomalous areas not previously surveyed, and general field mapping and prospecting programs over new and existing airborne survey targets. Follow-up programs will typically include geochemical sampling, radiometric prospecting using scintillation counters, geological mapping, and sampling of anomalous bedrock or boulder occurrences. Additionally, infill core sampling of historical core accessible at the NL government core library in Goose Bay is proposed.

Phase 2 recommended programs are contingent on interpretation and results from Phase 1 and address more detailed investigations of priority prospects and targets. It is anticipated that these programs will ultimately lead to drill testing of bedrock targets and a 1,500 m diamond drilling program contingency is included.

The estimated cost of a helicopter supported Phase 1 program based out of Goose Bay is $471,000 CDN. The Phase 2 program is helicopter supported based at a camp installed on the Property. It has a total estimated cost of $1,539,000 CDN. The combined Phase 1 and 2 total cost is $2,010,000 CDN.

# 2.0 INTRODUCTION

## 2.1 Scope of Reporting

The Company retained Mercator to prepare an independent Technical Report for the Property, located in eastern Labrador. Saga Metals is a privately held Canadian mining exploration company headquartered in Vancouver, BC. The Property is held 100% by Saga Metals Corp.

Saga Metals has not completed any exploration work on the Property and this Technical Report presents historical exploration and drilling results for work programs completed by the government of Newfoundland and Labrador and previous operators. This Technical Report has been prepared in accordance with National Instrument ("NI") 43-101 Standards of Disclosure for Mineral Projects and associated Form 43-101 F-1. This Report has an effective date of June 12, 2024.

The QP's understand that this Technical Report will support the public disclosure requirements of Saga Metals and will be filed on SEDAR as required under NI 43-101 disclosure regulations.

Measurement units used in the Technical Report are metric and the currency is expressed in Canadian dollars unless otherwise noted.

## 2.2 Qualified Person ("QP")

The authors of the Technical Report are independent QP's as defined under NI 43-10 and take responsibility for sections of the Technical Report as outlined in Table 2-1 and respective Author Certificates included in this Technical Report.

**Table 2-1: QP Technical Report responsibilities**

| Qualified Person | Affiliated Firm | Report Item (Section) Responsibility |
|---|---|---|
| Michael Cullen, P. Geo. | Mercator | 1.3, 1.4, 1.8, 2, 7, 8, 12, 24, 25.3, 25.4 and 26 |
| Rochelle Collins, P. Geo | Mercator | 1.1, 1.2, 1.5, 1.6 1.7, 3, 4, 5, 6, 9, 10, 11, 13, 14, 23, 25.1, 25.2, and 27 |

## 2.3 Personal Inspection and Data Verification

Report author Michael Cullen completed a site visit to the Property on June 1, 2024 and previously visited the property on November 26, 2007. The 2024 site visit was carried out to support the current Technical Report. The area of historical trenching and drilling carried out by Northgate Exploration was the focus of the visit and particular effort was made to confirm drill hole locations. Locations for two of the eight drill holes completed by Northgate Exploration were confirmed and four areas trenched by that firm were inspected. Several radiometric high anomalies identified by the airborne survey carried out in 2007 by Silver Spruce were also visited and observations on bedrock geology and background radiometric levels were recorded. Observations at both the trenched areas and the airborne targets identified association of radiometric high anomalies with leucogranite zones or bodies that occur within layered gneissic host sequences. A yellow mineral tentatively identified as the uranium uranophane was identified in several areas of highest radiometric response. Scintillation counter responses exceeding 9,999 counts per second (cps) were identified locally in the trenched areas and at the DM TM 16 airborne radiometric target area identified in this Technical Report. The DM TM 16 target is located approximately 6 km east of the area of historical trenching and drilling. Several hand specimens from areas of anomalous radioactivity were collected in 2024 and analysed at the Mercator office using a portable XRF unit. Results confirmed presence of uranium in the samples.

The site visit conducted on November 26, 2007, was also completed for the purposes of NI 43-101 “personal inspection” requirements, to complete a check sampling program and to carry out reconnaissance of the Property. During the site visit, Mr. Cullen visited the Property and verified the geology, mineralization, local infrastructure, and accessibility into the Property. He collected bedrock check samples from mineralized historical trenches and reviewed and collected check samples from historical drill core from the Property.

Based on a detailed review of the available historical rock and soil geochemistry data, geophysical data and QAQC procedures, the QP is satisfied these activities meet data verification requirements set out under NI 43-101.

### 2.4 Information Sources

Sources of information, data and reports reviewed as part of this Technical Report can be found in Section 27. The authors take responsibility for the content of this Technical Report and believe the data review to be accurate and complete in all material aspects.

Exploration claims and mineral licence information, historical assessment reports, and exploration and drilling data were predominantly acquired by Mercator from public sources. Site visit data and internal reporting documents associated with work carried out in the Property area by Mercator staff in 2007 on behalf of High Tide was also accessed for current report purposes. Written permission for such access, use and disclosure was obtained by Mercator from that company in 2024.

### 2.5 Abbreviations

Table 2-2 is a list of commonly used abbreviations in this Report, followed by a list of company, agency and service providers, and a list of elements. Table 2-3 presents commonly used units.

**Table 2-2: Table of abbreviations**

| Abbreviation | Item/Name |
|---|---|
| 3-D, 3D | three-dimensional |
| AA, AAS | Atomic Absorption, Atomic Absorption Spectrum |
| Act | Newfoundland and Labrador, Mineral Resources Act (1990) |
| asl | above sea level |
| BC | British Columbia, Province of |
| ca | Circa |
| CDN | Canadian Dollars |
| Cert. | Certificate |
| CIM | Canadian Institute of Mining, Metallurgy and Petroleum |
| CMB | Central Mineral Belt of Labrador |
| cps | counts per second |
| CPW-1 to CPW-4 | Charley Point West (point 1 to 4), CPW-2 also known as Whim Creek Anomaly A |
| CRM | Certified Reference Material also known as Standards |
| DNC | Delayed Neutron Counting |
| EM | Electromagnetic |
| GPS | Global Positioning System |
| HVGB | Happy Valley-Goose Bay, community of |
| ICP, ICP-ES, ICP-MS | Inductively Coupled Plasma, -Emission Spectroscopy, -Mass Spectroscopy |
| INAA | Instrumental Neutron Activation Analysis |
| IOCG | Iron Oxide Copper Gold |
| IP | Induced Polarization |
| ISO | International Organization for Standardization |
| LiDAR | Light Detection and Ranging ("LiDAR") Sensor |
| LIL | Labrador Inuit Lands |
| LISA | Labrador Inuit Settlement Area |
| MB | Manitoba, Province of |
| MIRIAD | Newfoundland and Labrador Department of Industry, Energy and Technology Mineral Rights Administration System |
| ML | Mineral Lease |
| MODS | Newfoundland government's Mineral Occurrence Database System |
| NAD 27 | North American Datum of 1927 – National Geodetic Survey |
| NAD 83 | North American Datum of 1983 – National Geodetic Survey |
| NI 43-101 | National Instrument 43-101 |
| NL | Newfoundland and Labrador, province of |
| No. | Number |
| NSR | Net Smelter Return |
| NTS | National Topographic System |

| Abbreviation | Item/Name |
|---|---|
| ON | Ontario, Province of |
| Property | Double Mer Uranium |
| QAQC | Quality Assurance (QA) Quality Control (QC) |
| QP | Qualified Person, as defined in NI 43-101 |
| REE | Rare Earth Elements |
| Sedar, Sedar+ | System for Electronic Document Analysis and Retrieval |
| URP | 1977 Uranium Reconnaissance Program, Newfoundland Department of Mines and Energy |
| UTM | Universal Transverse Mercator |

| Abbreviation | Name - Company, Agency, Service Provider |
|---|---|
| Actlabs | Activation Laboratories Ltd. |
| ALS | ALS Global |
| Atlantic Analysis | Atlantic Analytical Services Ltd |
| Fugro | Fugro Airborne Surveys Limited |
| High Tide | High Tide Resources Inc. |
| Mega Uranium | Mega Uranium Ltd. |
| Mercator | Mercator Geological Services Limited |
| Northern Lorena | Northern Lorena Resources Ltd. |
| Northgate | Northgate Exploration Limited |
| NG | Nunatsiavut Government |
| Saga, Company | Saga Metal Corp |
| Silver Spruce | Silver Spruce Resources Inc. |
| Tripple Uranium | Tripple Uranium Ltd. |
| Ucore | Ucore Uranium Limited |
| WC | Whim Creek Consolidated N.L. |
| White Bear | White Bear Resources Inc. |

| Abbr. | Element | Abbr. | Element | Abbr. | Element |
|---|---|---|---|---|---|
| Ag | Silver | Fe | Iron | Pr | Praseodymium |
| Al | Aluminum | Gd | Gadolinium | Rb | Rubidium |
| As | Arsenic | Hf | Hafnium | Sc | Scandium |
| Au | Gold | Ho | Holium | Se | Selenium |
| Ba | Barium | In | Indium | Sm | Samarium |
| Be | Beryllium | K | Potassium | Sn | Tin |
| Bi | Bismuth | La | Lanthanum | Ta | Tantalum |
| Ca | Calcium | Li | Lithium | Tb | Terbium |
| **Abbr.** | **Element** | **Abbr.** | **Element** | **Abbr.** | **Element** |

| | | | | | |
|---|---|---|---|---|---|
| Cd | Cadmium | Mo | Molybdenum | Te | Tellurium |
| Ce | Cerium | Mg | Magnesium | Th | Thorium |
| Co | Cobalt | Mn | Manganese | Tl | Thallium |
| Cr | Chromium | Na | Sodium | Tm | Thulium |
| Cs | Cesium | Nb | Niobium | W | Tungsten |
| Cu | Copper | Nd | Neodymium | Yb | Ytterbium |
| Dy | Dysprosium | Ni | Nickel | Zr | Zircon |
| Eu | Europium | Pb | Lead | | |
| Er | Erbium | Pd | Palladium | | |

**Table 2-3: Table of units**

| Units | Meaning | Units | Meaning |
|---|---|---|---|
| k | thousand | No., # | Number |
| Mt | millions of tonnes | % | percent |
| Ga | Giga annum “billions of years” | Oz/T to g/t | 1 oz/T = 34.28 g/t |
| Ma | Mega annum “millions of years” | ° | degree symbol |
| C | Celsius | mm | millimetre |
| ha | hectare | cm | centimetre |
| kg | kilogram | ml | millilitre |
| Km, km$^2$ | kilometer, squared kilometers | / | per |
| lbs | pounds | g | gram (0.03215 troy oz) |
| ft | foot, feet | oz | troy ounce (31.04 g) |
| " | inch | ppm | parts per million |
| µm | micrometre | ppb | parts per billion |
| m | metre | t | tonne (1000 kg or 2204.6 lb) |
| mi$^2$ | square miles | | |

## 3.0 RELIANCE ON OTHER EXPERTS

The QPs carried out a study of relevant parts of the available literature and documented results concerning the Property and held discussions with personnel from the Company regarding all pertinent aspects of the Property. This Technical Report is based, in part, on internal documents, public disclosure reports, and public information sources. The reader is referred to Information Sources (Section 2.4), and citations compiled in the References (Section 27). The QPs take responsibility for cited references.

The authors acquired information on mineral licences from both the Newfoundland and Labrador Department of Industry, Energy and Technology Mineral Rights Administration System (“MIRIAD”) Mineral Rights Inquiry Portal and through discussion with the Company. This information applies to Section 1.2, 2.1, 4.1 and 4.2 of this Technical Report. This information indicated that the mineral licences comprising the Property that is the subject of this Technical Report were in good standing at the effective date of the Technical Report. The information pertaining to the change in license ownership, the existence of option and royalty agreements, and the intended scope of the report was provided by Mike Stier, CEO and Director of Saga Metals Corp. via email dated February 15, 2024. The QPs have relied upon Saga Metals Corp. with respect to corporate organizational information and confirmation of no royalty agreements related to the Property presented in this Technical Report.

The QPs have no reason to believe that any of the information used to prepare this Technical Report is invalid or contains misrepresentations.

# 4.0 PROPERTY DESCRIPTION AND LOCATION

## 4.1 Option Agreements and Royalties

Saga Lithium Corp. holds a 100% interest in the 4 mineral licences that comprise the Property. Saga Metals advised that at the effective date of this Report, the subject mineral licences were registered to Saga Lithium Corp. Following the Company's name change completed on January 15, 2024, the Company is working with the Newfoundland and Labrador government to have the claims reregistered in the new name Saga Metals Corp. There are no options agreements or royalties associated with the Property.

## 4.2 Property Location and Description

The Property is comprised of 4 mineral licences, each licence composed of 256 amalgamated mineral claims and represents a surface area of 25,600 ha. All licences were registered to Saga Lithium Corp. at the effective date of this Technical Report. The Property is in eastern Labrador, approximately 90 km northeast of HVGB. The Property lies between Lake Melville and Double Mer inlet (Figure 4-1). A central point on the Property is at map coordinates, 5982189 northing, 351389 easting (UTM NAD21 Zone 21N) or latitude 53º 58' 07" north, longitude 59º 15' 56" west within National Topographic System ("NTS") Map Sheets 13G13, 13G/14 and 13J/3 (Figure 4-2).

**Figure 4-1: Regional property location map**

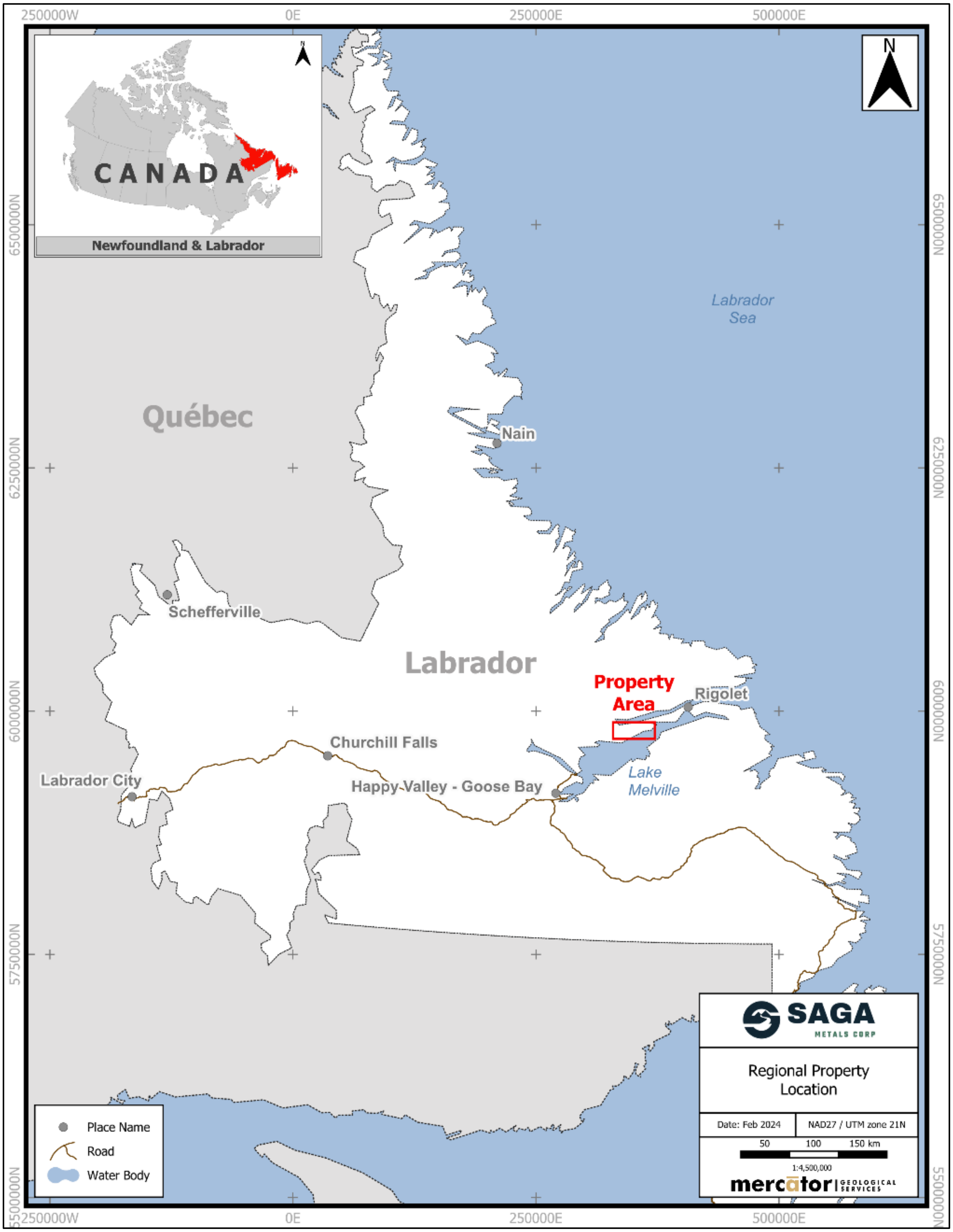


**Figure 4-2: Property location map**

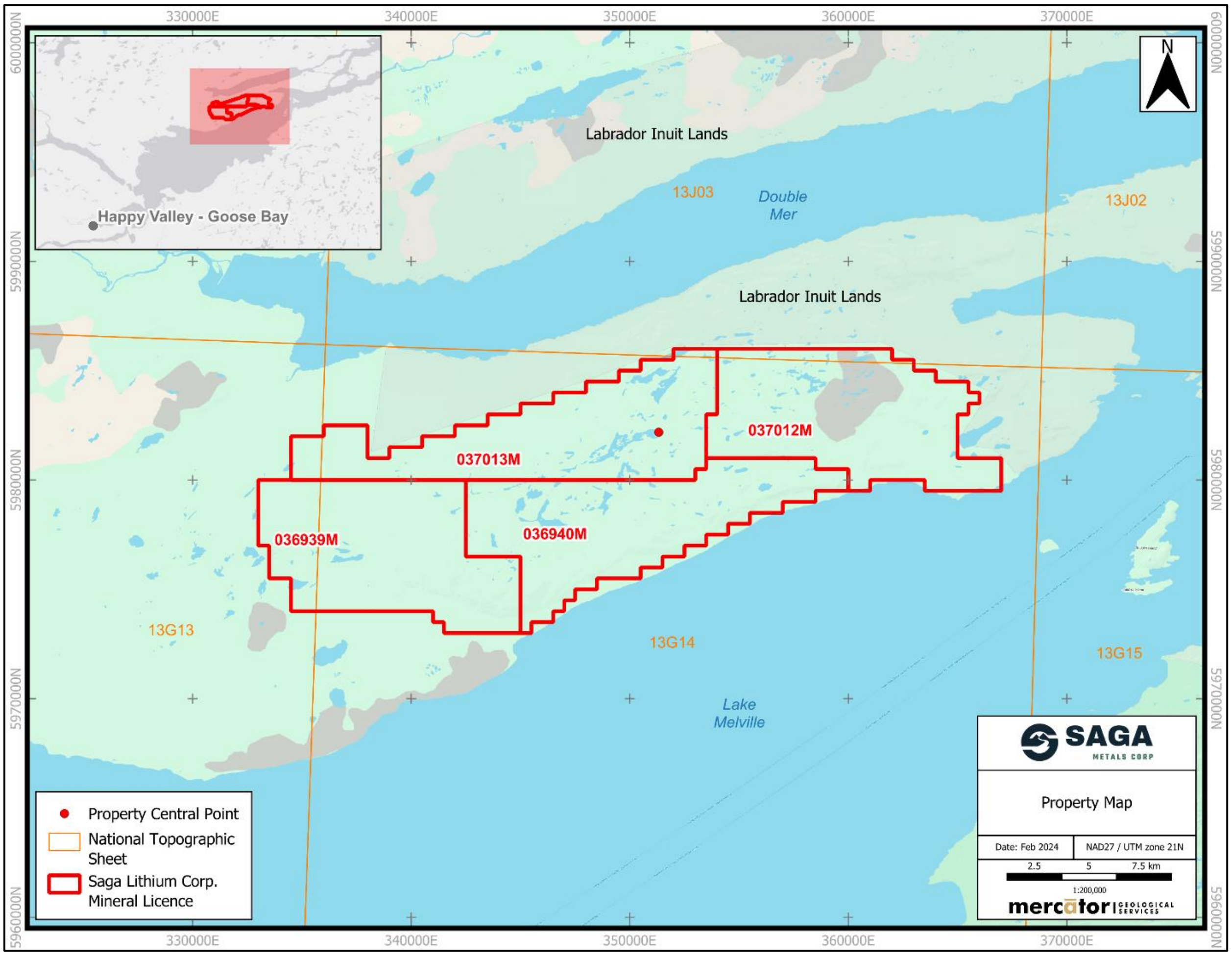



Table 4-1 presents a summary of the mineral licences comprising the Property.

**Table 4-1: Mineral licences**

| Mineral Licence | NTS Map Sheet | Owner Name | Mineral Claims | Issue Date (yyyy-mm-dd) | Renewal Date (yyyy-mm-dd) | Area (ha.) |
|---|---|---|---|---|---|---|
| 036939M | 13G13, 13G14 | Saga Lithium Corp. | 256 | 2024-01-06 | 2029-01-06 | 6,400 |
| 036940M | 13G14 | Saga Lithium Corp. | 256 | 2024-01-06 | 2029-01-06 | 6,400 |
| 037012M | 13G14, 13J03 | Saga Lithium Corp. | 256 | 2024-01-10 | 2029-01-10 | 6,400 |
| 037013M | 13G13, 13G14, 13J03 | Saga Lithium Corp. | 256 | 2024-01-10 | 2029-01-10 | 6,400 |
| | | **Totals:** | **1024** | | | **25,600** |

The MIRIAD Mineral Rights Inquiry Portal was used to confirm all mineral licences comprising the Property were, at the effective date of this Technical Report, in good standing.

### 4.3 Surface Rights and Permitting

Mineral exploration licences in Newfoundland and Labrador (“NL”) are issued under the province’s Mineral Resources Act (1990 - and as subsequently amended - the “Act”) and provide a licencee with exclusive right to explore for specified minerals within the licenced area for a period of 5 years, subject to terms and conditions of the Act. An exploration licence can consist of up to 256 mineral claims. Licences extended past year 20 have a maximum size of 100 claims. Individual claims held under a mineral exploration licence measure 25 ha in surface area and are renewable on a yearly basis. No equivalence to “patented claim status” exists under the Act. Retention of claims in good standing from year to year requires filing of scheduled renewal fees and documents for each exploration licence as well as meeting minimum yearly work commitment and reporting requirements.

A $65 per claim staking fee consists of a $15 per claim recording fee and a $50 per claim staking security deposit. The staking security deposit is refunded upon submission and acceptance of an acceptable assessment report covering first year work requirements.

A mineral exploration licence is issued for a term of 5 years. However, it may be held for a maximum of 30 years provided the required annual assessment work is completed and reported upon, and the mineral exploration licence is renewed every five years. Under normal circumstances, fees and minimum work requirements set out under provision of the Act vary according to the year of licence issue and are summarized in Table 4-2.

**Table 4-2: Standard claims renewal fees and work requirements**

| Year of Issue | Assessment Expenditure | Renewal Fee |
|---|---|---|
| 1 | $200.00 per claim | |
| 2 | $250.00 per claim | |
| 3 | $300.00 per claim | |
| 4 | $350.00 per claim | |
| 5 | $400.00 per claim | $25 per claim/year in year 5 |
| 6 through 10 | $600.00 per claim | $50 per claim/year in year 10 |
| 11 through 15 | $900.00 per claim | $100 per claim/year in year 15 |
| 16 through 20 | $1200.00 per claim | $100 per claim/year in year 20 |
| 21 through 25 | $2000.00 per claim | $200 per claim/year |
| 26 through 30 | $2500.00 per claim | $200 per claim/year |

In each year of the licence, the minimum annual assessment work must be completed on or before the anniversary date. The assessment report must then be submitted within 60 days after the anniversary date. If a report cannot be completed and submitted on schedule, a partial report acceptable to the Mineral Claims Recorder may be submitted, and a (Condition 3) 60-day extension of time applied for to submit the completed report. The partial report, at a minimum, must contain a title page, a table of contents, a brief description of work completed and an estimated statement of expenditures. Excess work completed in any one year can be carried forward for a maximum of nine years and it is automatically credited to the licence. Excess work credit is the amount of work completed and reported above what is required to be done during any twelve-month period of the licence.

When a licence holder is unable to complete the assessment work required to be done in any twelve-month period, an application for a (Condition 2) twelve-month extension of time in which to complete the work may be approved. An extension of time does not relieve a licence holder from performing and reporting the assessment work for the ensuing twelve months on schedule. A Condition 2 extension of time requires that the licence holder post a security deposit in the form of cash, cheque, or irrevocable letter of credit for the amount of the deficiency. The security deposit must be delivered to the Mineral Claims Recorder prior to the anniversary date of the year for which the extension is requested. When deficient work is completed and accepted, the security deposit is refunded, otherwise, the security deposit is forfeited. For map staked licences, a (Condition 2) twelve-month extension of time for the first year will result in the staking security deposit of $50 per claim being refunded. Where approved work cannot be completed in any year and the delay is caused by environmental considerations imposed under the exploration permit, the requirement for delivery of the security deposit for a (Condition 2) twelve-month extension of time shall be waived at the request of the licencee.

### 4.4 Permits or Agreements Required for Exploration Activities

Any person who intends to conduct an exploration program on a staked or licenced area must submit prior notice, with a detailed description of the intended activity, to the Department of Natural Resources. An exploration program that may result in major ground disturbance or disruption to wildlife or wildlife habitat must have an Exploration Approval from the department before the activity can commence.

An exploration licence conveys an exclusive right to explore for named minerals but does not provide certainty regarding land access or ownership of minerals. Access to lands is at the discretion of surface title holders and a Mining Lease or Special Mining Lease must be granted by the government to establish ownership of Mineral Resource(s) for which production is planned. Mining activities can only be initiated after an Environmental Approval has been granted and various permits relating to industrial, environmental, and engineering aspects of the proposed mining operation have been obtained.

The Property is located 100% within Labrador Inuit Settlement Area lands ("LISA") and adjacent to Labrador Inuit Lands (LIL) to the north and east of the Property (Figure 4-3). These are jointly administered by the NL government and the Nunatsiavut government ("NG") which require special work permits from the NG to carry out exploration.

The Standards are wide ranging and require submission of detailed exploration plans in support of applications to carry out work in the LIL areas. This may include, but is not limited to

a) a "Work Plan" approved by the Minister of Lands and Resources of the Nunatsiavut Government and the Minister of Natural Resources of the Government of Newfoundland and Labrador,

b) consent for access and use of Labrador Inuit Lands granted by the Nunatsiavut Government by issuance of a "Land Use Permit", and

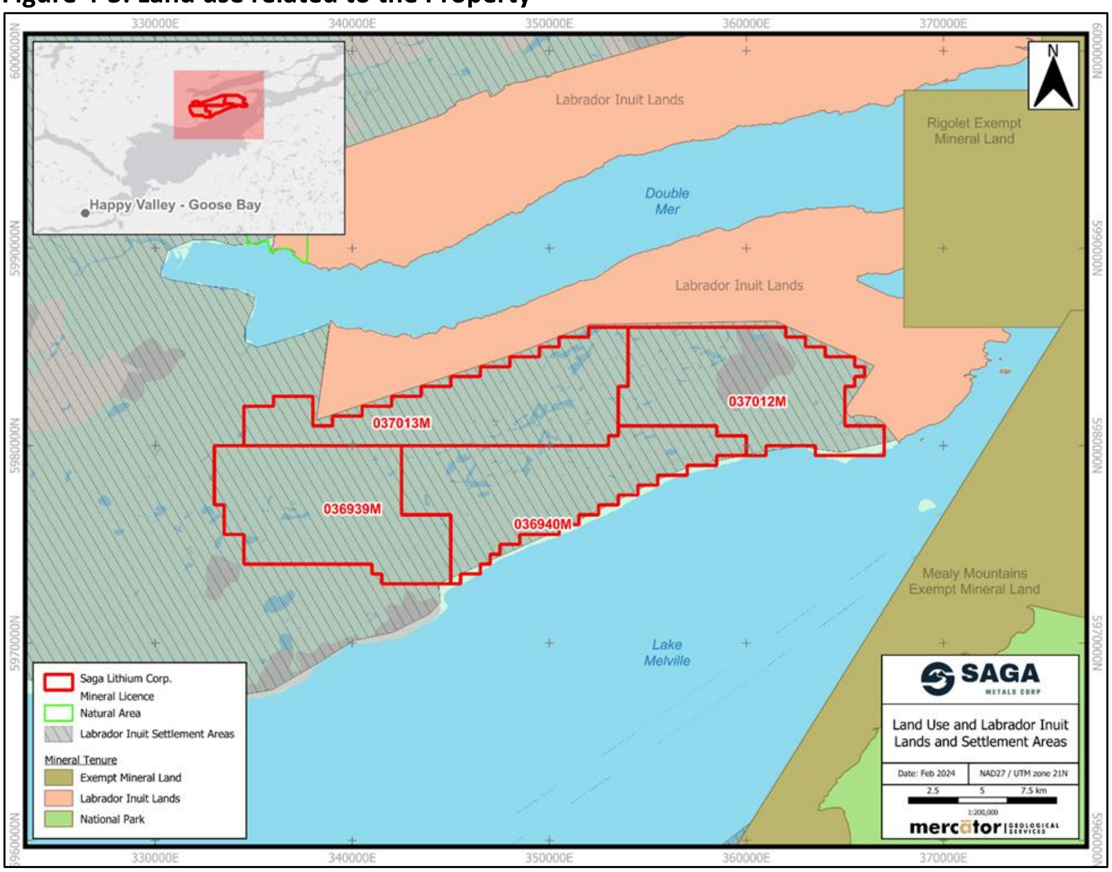
c) issuance of an exploration approval under the Mineral Act, RSNL c. 12. A copy of the Standards, available through Newfoundland and Labrador government offices or the government website should be consulted in detail when planning property exploration programs and required permit acquisitions.

On April 8th, 2008, the Nunatsiavut Government passed a bill to amend the Labrador Inuit Lands Act, the effect of which has been to place a three-year moratorium on the working, production mining and development of uranium on Labrador Inuit Lands. The unanimous decision to lift the moratorium was made in late 2011. In March 2012, the Nunatsiavut Environmental Protection Act came into force, and the amendment to the Labrador Inuit Lands Act lifting the moratorium.

The Company has the exclusive right to explore for designated minerals within the boundaries of the mineral licences comprising the Project. This right does not reflect ownership of corresponding title to surface rights.

The QP reviewed the Property on the Newfoundland & Labrador Provincial Land Use Atlas (https://www.gov.nl.ca/crownlands/land-use-atlas/) to identify any private land ownership or land use that may affect the Property.

**Figure 4-3: Land use related to the Property**



## 4.5 Other Liability and Risk Factors

The QPs are not aware of any other significant factors and risks that may affect access, title, or the right or ability to perform the recommended work programs on the Property. The QPs are also not aware of any environmental liabilities associated with the Property.

# 5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

## 5.1 Accessibility

The Property is located approximately 90 kilometers northeast of HVGB, which is the largest and best-serviced community in eastern Labrador. The isolated coastal community of Rigolet is located 50 kilometers to the east of the Property but does not offer significant logistical support potential. HVGB has daily scheduled service by major (Air Canada) and regional airlines and serves as a regional base for charter fixed wing and helicopter services. The town is also serviced by seasonal scheduled coastal ferry service. The ferry service operated by Labrador Coastal Services from the island portion of Newfoundland and Labrador the Strait of Belle Isle Ferry an approximately 90-minute crossing. After which travel via road along Route 510 Trans-Labrador Highway to reach HVGB. The northernmost point served by the ferry system is the community of Nain, located approximately 370 kilometers north of HVGB by aircraft.

The Property can be efficiently accessed by helicopter from HVGB and several large lakes in the area can accommodate small float planes in summer or ski planes in winter. The flight from HVGB to the Property takes between 45 minutes and one hour. The Property adjoins the north shore of Lake Melville and therefore can also be accessed by boat. This factor could be beneficial with respect to cost-effective transportation of exploration supplies such as fuel, and drilling equipment, to the Property.

## 5.2 Climate and Physiography

The Double Mer region experiences sub-arctic climatic conditions modified by relative proximity to the Atlantic Ocean. Long-term government weather station observations for HVGB, located 100 kilometers to the southwest, were used to characterize climatic trends for report purposes and these are reported below. In summary, dramatic seasonal variations occur, with winter conditions of freezing and heavy snowfall expected from late November through late March. Spring and fall seasons are cool, with frequent periods of rain. Summer conditions can be expected to prevail from late June through early September, with modest rainfall.

The following climate information reported for HVGB by Environment Canada during the 30-year period ending in 2015 characterizes seasonal precipitation and temperature trends in the area. The average July daily mean temperature for the reporting period was 16.0 degrees Celsius with a corresponding average maximum daily temperature of 21.0 degrees Celsius. Average daily winter temperature for January was minus 18.1 degrees Celsius with a corresponding average daily minimum being minus 22.0 degrees Celsius. Mean annual precipitation totals 575.5 millimeters, 359.6 millimeters of which is reported as snow. Precipitation falls between 7-13 days either as rain or snow each month.

Climate conditions permit an operational season for many exploration activities, such as core drilling and geophysics, to be carried out on a year-round basis, with access to ice covered lakes and swampy areas being a benefit of winter months. However, short daylight periods in winter combined with higher frequency of storm conditions can negatively impact access and productivity. Other activities, such as geochemical surveys and geological mapping are typically limited to the non-winter periods.

The Property occurs in a sparsely forested, rugged landscape located on a narrow peninsula that measures approximately 100 kilometers in length and between 5 and 20 kilometers in width. The peninsula occurs between the north shore of Lake Melville and the south shore of the large Double Mer Inlet, which, like Lake Melville, shows direct continuity to the Labrador Sea. Surface elevation in this area of eastern Labrador reaches a maximum of 500 meters above sea level and prominent topographic ridge systems in the property area trend east-northeast and broadly parallel the trends of Double Mer and Lake Melville coastlines. The largest increments of topographic relief are in steep slopes rising from sea level elevations of the major inlets (Figure 5-1).

Generally sparse coniferous forest cover and substantial areas of swamps and string bogs characterize the area, with best development of forest cover being along the shorelines of Lake Melville and Double Mer inlet and along the major topographic valleys that trend inland from these bodies across the regional topographic grain. Ridge top areas are typically devoid of forest cover and commonly show substantial percentages of exposed bedrock (Figures 5-2 and 5-3).

**Figure 5-1: North coastline of Lake Melville in the Property area – view to east**

*Source: Mercator, 2007*

**Figure 5-2: Wooded valleys in Property area east of old camp site**

*Source: Mercator, 2007*

**Figure 5-3: Barren topographic ridge with bedrock exposures - view looking east**

*Source: Mercator, 2007*

### 5.3 Local Resources and Infrastructure

The Property is completely isolated and lacks any developed service infrastructure. Its location adjacent to the shoreline of Lake Melville represents a distinct logistical advantage with respect to support of possible exploration or mine development requirements. The community of HVGB, with a population of approximately 8,040 (2021 census), is the closest major center and is the regional hub of commercial and government activities in eastern and central Labrador.

HVGB was primarily developed to support air bases built and operated by Canada and the United States during and after World War II and a strong military economic base has been present for many years. The Canadian Forces Base Goose Bay airport is used for commercial and private operation.

Access to a full range of service and supply companies, supermarkets, banks, hotel, and motel accommodations, is possible in HVGB and the community is also a service center for the Voisey's Bay Ni-Cu-Co mining operation of Vale Canada Limited, located 350 kilometers to the north on the Labrador coast near Nain. Numerous local contractors and businesses are also present that specialize in services potentially applicable to mineral exploration activities such as surveying, expediting and aircraft chartering. The presence of the Voisey's Bay operation in the area, plus local First Nations communities, could provide opportunities to access individuals for future jobs or training programs related to advanced exploration or production projects on the Property.

In addition to HVGB, the coastal community of Rigolet, which has a population of 350 and is serviced by regional air carriers and the seasonal ferry service, is located approximately 50 kilometers further to the east. A commercial fishing camp is located closer to the Property on the Double Mer River.

# 6.0 HISTORY

## 6.1 Historical Exploration Licence Ownership

Historically, large claim blocks in this area were held by Silver Spruce, White Bear, Northern Lorena, Mega Uranium, Ucore and Tripple Uranium. A few single claims have been held by individuals until released and returned to the Newfoundland and Labrador government.

The current Property was staked in 2023 by Saga Lithium Corp. Saga Metals advised that at the effective date of this Report, the subject mineral licences were registered to Saga Lithium Corp. Following the Company's name change completed on January 15, 2024, the Company is working with the Newfoundland and Labrador government to have the claims reregistered in the new name Saga Metals Corp.

## 6.2 Historical Prospecting Related to the Property

Areas within the Property became the focus of uranium exploration after a joint federal provincial government URP in 1977 outlined several promising uranium anomalies in lake sediment and lake water data sets. Prior to that, the Geological Survey of Canada (Stevenson, 1970) reported on geological mapping in this region and identified major lithologic and structural elements of the Rigolet and Groswater Bay map areas north of Lake Melville. Mapping results were published at a scale of 1:250,000. Bailey (1979a, b; 1980) subsequently reported on mapping of a smaller area that includes the current Property on behalf of the provincial government. Other historical mapping or reconnaissance reports that include the Property are those of Kindle (1924), Grant (1975), Fenton (1978), Hegler (1978) Emslie (1976) and Erdmer (1983a, b). Table 6-1 summarizes prominent historical work programs.

Initial URP anomaly follow-up results were reported by McConnell (1978a). In general, uranium levels returned for the URP lake sediment programs in the area were very low in comparison to those returned for other geological settings in Newfoundland and Labrador where bedrock uranium mineralization was known to be present. Notwithstanding this point, two geochemical anomalies in the immediate Lake Melville region, identified as G1 and G2, were highlighted for additional investigation, along with eight others in the total survey area. The G1 location falls within the area covered by the Property and the G2 location occurs approximately 45 kilometers to the south southeast, south of Lake Melville.

The follow-up work carried out by the provincial government resulted in discovery of uraniferous boulders and bedrock in the G1 area and ground follow-up of government airborne radiometric and geochemical survey anomalies in the broader region resulted in three more areas of uraniferous bedrock being identified (McConnell, 1978b, 1979a, b). Kerswill and McConnell (1979) subsequently reviewed these results in the context of a larger scale consideration of uranium exploration potential in the Grenville Province of Labrador. They suggested that potential existed for discovery of uranium levels of economic interest and that lake sediment and water survey results could be used to identify exploration targets.

Based on the positive results of the government programs, a portion of the current Property was staked by WC in October 1978 and subsequently explored by Northgate under terms of an agreement with WC.

This constituted the first documented representation of uranium exploration activity by industry interests in the area. Efforts by Northgate over the next three years served to provide cursory assessment of exploration potential over the broader area, but were primarily focused in one area, termed “Anomaly A”. This area was ultimately tested through surface trenching and a limited diamond drilling program consisting of 8 short holes. While uranium values of economic interest were returned, they were not considered sufficiently positive to warrant further work.

The area went through a period with no recorded exploration between 1980 and 2006, when Silver Spruce acquired a 19,150 ha. area within the Property in an arm’s length deal with Alex Turpin, a local prospector. Silver Spruce completed airborne radiometric and magnetometer surveys plus ground geochemical surveying, prospecting, and re-logging of historical drill core.

**Table 6-1: Exploration history of the Property**

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| 1924 | Geography and Geology of Lake Melville District Labrador | Kindle (1924) | Geological Survey of Canada | LAB/0066 | First mapping program in the area |
| 1970 | Geology of Rigolet and Groswater Bay map - areas, Newfoundland (Labrador) | Stevenson (1970) | Geological Survey of Canada | LAB/128 | Approximately 8000 square miles were mapped through a helicopter assisted reconnaissance program which began in 1965. The program included inland helicopter traverses along irregularly spaced flight lines and mapping by boat covering 600 miles of shoreline. |
| 1977 | Geochemical lake sediment and water surveys, eastern Labrador, maps and data | Hornbrook et al. (1977) | Geological Survey of Canada | LAB/0396 | The federal-provincial Uranium Reconnaissance Program (URP) identified several anomalous lake sediment areas located north and south of Lake Melville, some of which occur within limits of the Property. |
| 1978 | A review of the mineral potential of Nalco Lot 1 in the Lake Melville area | Helger (1978) | Newfoundland Department of Mines and Energy. | LAB/0469 | A review of mineral potential in the area reported three uranium anomalies |

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| 1978 | Geochemical lake sediment, lake water, radiometric, rock and overburden surveys in Labrador; includes follow up studies of 10 anomalous areas within the 1977 URP lake sediment survey | McConnell (1978a) | Newfoundland Department of Mines and Energy. | LAB/0408 | Ten areas for follow-up were identified from results of the 1977 geochemical surveys and detailed geochemical and helicopter radiometric surveys were used to follow up positive results in anomalous areas designated G1 and G2. Only one of the ten areas (G-1) occurs on the Property. URP efforts initially defined three zones of interest (A, B, and C) within the G-1 area and initial examination of Zones A and C located bedrock uranium mineralization in quartzo-feldspathic gneisses. The A, B and C areas occur within the Property. |
| 1978 | Geochemical follow up studies to lake sediment survey anomaly areas | McConnell (1978b) | Newfoundland Department of Mines and Energy | NFLD/995 | Further follow up of the URP results delineated uranium mineralization in the Grenville Province at locations designated Charley Point West 1 through Charley Point West 4. Programs completed included airborne surveying ground scintillometer surveying and soil and peat sampling. |
| 1979 | Bedrock Mapping in Double Mer-Lake Melville area | Bailey (1979a) | Newfoundland Department of Mines and Energy | LAB/0455 | Preliminary report on detailed geological surveys and review of the three uranium showings identified earlier. |
| 1979 | Bedrock Mapping in Double Mer-Lake Melville area | Bailey (1979b) | Newfoundland Department of Mines and Energy | NFLD/1025 | Further review and discussion of uranium occurrences within the Property area. |

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| 1979 | The Grenville of Labrador: A Possible Target for Uranium Exploration in Light of Recent Geological and Geochemical Investigations | Kerswill and McConnell (1979) | Geological Survey of Canada | 13G/14/0031 | A detailed follow-up of the 1978 URP program on the G-1 anomalous area north of Lake Melville was carried out through airborne radiometric surveying, lake water and sediment sampling, and a ground spectrometer survey. Uranium mineralization in bedrock and boulders was outlined in three areas of G-1, with these designated Zone A, B and C. |
| 1979 | Geochemical Follow-up Studies in Labrador | McConnell (1979c) | Newfoundland Department of Mines and Energy. | NFLD/0416 | Results of follow up geochemical programs for the 1977 URP survey over ten locations are presented and the area of the Property was highlighted for further assessment. |
| 1979 | Geochemical Follow-up Studies in Labrador | McConnell (1979d) | Newfoundland Department of Mines and Energy. | NFLD/1025 | Results of preliminary geochemical and geophysical prospecting of the G-1 anomaly area are presented, with most significant results identified in the Zone A and Zone C areas where ground grids were established. These were later identified as the Charley Point West -1 and Charley Point West -2 occurrences in Newfoundland's Mineral Occurrence Database. |
| 1979 | Geochemical Follow-up Studies in Labrador | McConnell and Vanderveer (1979) | Newfoundland Department of Mines and Energy. | LAB/0457 | Geochemical and geophysical prospecting and overburden sampling toward defining uranium trends, particularly in (Charley Point West -1 area) that contains the bedrock uranium showing. |

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| 1979 | Report on Geological, Geochemical and Geophysical Surveys for Project 740 for licence 1238 on Claim block 1551 in Lake Melville area | Parker and Snow (1979a) | Northgate Exploration Ltd., Whim Creek Consolidated N.L. | 13G/14/0032 | Stream sediment sampling at 100 meter intervals showed anomalous uranium values centered in the Zone A anomaly grid (Charley Point West -1 mineral occurrence area). Ground scintillometer prospecting results confirmed those of the Department of Mines and Energy grid programs, with radioactive leucogranite boulders discovered. |
| 1979 | Report on Geological, Geochemical and Geophysical Surveys for Project 740 for licence 1239 on Claim block 1554 in Lake Melville area | Parker and Snow (1979b) | Northgate Exploration Ltd., Whim Creek Consolidated N.L | 13G/14/0033 | Soil and stream geochemical and scintillometer geophysical surveys revealed a significant area of anomalous results requiring follow-up in Zone A. These correspond with the Zone C anomaly and Charley Point West -2 mineral occurrence area. Association of radioactive zones with leucogranite was further confirmed and trenching showed a radioactive zone up to 600 meters in length along which sampling results ranged between 0.08 and 4.20 lbs. per ton. |
| 1979 | Report on Geological, Geochemical and Geophysical Surveys for Project 740 for licence 1242 on Claim block 1552 in Lake Melville area | Parker and Snow (1979c) | Northgate Exploration Ltd., Whim Creek Consolidated N.L | 13G/14/0034 | Scintillometer geophysical surveys and prospecting revealed a few weak anomalies, and stream and soil geochemical sampling revealed weak anomalies throughout the sampled area, located on a claim block west of the Zone B anomaly and Charley Point West -3 mineral occurrence. Results were |

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| | | | | | interpreted as indicating low potential for economic uranium mineralization. |
| 1979 | Report on Geological, Geochemical and Geophysical Surveys for Project 740 for licence 1243 on Claim block 1553 in Lake Melville area | Parker and Snow (1979d) | Northgate Exploration Ltd., Whim Creek Consolidated N.L | 13G/14/0035 | Soil geochemical and scintillometer geophysical surveys were completed with no promising results reported, but the claim block contains the Zone B anomaly and Charley Point West -3 mineral occurrence. Uranophane was noted locally on fracture surfaces. |
| 1979 | Report on Geological, Geochemical and Geophysical Surveys for Project 740 for licence 1241 on Claim block 1556 in Lake Melville area | Parker and Snow (1979e) | Northgate Exploration Ltd., Whim Creek Consolidated N.L | 13G/14/0036 | Soil geochemical and scintillometer geophysical surveys revealed a significant area of anomalous results requiring follow-up. These correspond with the Zone C anomaly and Charley Point West -2 mineral occurrence area and associated extensions. Stream geochemistry results did not clearly define the mineralized area. |
| 1979 | Report on Geological, Geochemical and Geophysical Surveys for Project 740 for licence 1240 on Claim block 1555 in Lake Melville area | Parker and Snow (1979f) | Northgate Exploration Ltd., Whim Creek Consolidated N.L | 13G/14/0037 | Soil geochemical and scintillometer geophysical surveys revealed isolated anomalies associated with radioactive leucogranite boulders similar to those in the Charley Point West -2 mineral occurrence located to the east. Radioactivity levels to 5000 cps were recorded. |

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| 1980 | Report on Geological, Geophysical Surveys, and Diamond Drilling | Snow (1980a,b) | Northgate Exploration Ltd., Whim Creek Consolidated N.L. | 13G/14/0038, 13G/14/0039 | Property mapping (1:10000 scale), soil sampling and scintillometer prospecting further defined the area of bedrock and boulder uranium occurrences in the Zone C anomaly area (Charley Point West -2 mineral occurrence area or Whim Creek Consolidated Anomaly A) and several bedrock trenches were completed in 1979. A scintillometer survey was also completed over the area of anomalous occurrences and eight diamond drill holes were completed in 1980 in the area trenched. Uranium grades of economic interest were returned from trenching but drilling results were considered disappointing. |
| 1980 | Geology of the Double Mer-Lake Melville area | Bailey (1980) | Newfoundland Department of Mines and Energy | NFLD/1148 | Geological mapping results were presented that included the current property area and provided better definition of major lithologic units and structural trends. |
| 2006 | Report on Exploration on the Double Mer Property | Dimmell (2007) | Silver Spruce Resources Inc. | LAB/1473 | An airborne radiometric and magnetic survey totaling 2113 line kilometers in an N-S direction at 100 meter intervals was completed and 40 moderate to strong uranium targets were identified for ground follow-up. |
| 2007 | Assessment Report, Compilation Work | Reid, Penney (2007) | Ucore Uranium Inc. | 774/7058 | Location of Charley Point West -2 mineral occurrence. Recommended prospecting, trenching and sampling. |

| Year | Document Or Focus | Reference | Source | NF Government Geofile Number | Summary Of Results or Other Comments |
|---|---|---|---|---|---|
| 2007 | Form 43-101F1 Technical Report on the Double Mer Property of Northern Lorena Resources Inc. | Weick (2007) | Northern Lorena Resources Inc. | Not publicly available at report date | A detailed compilation of past government and industry work completed in the project area was completed for areas adjoining the Silver Spruce property to east and west a portion of which is included in the Property. The recommended program included a combined airborne magnetic and radiometric survey of the properties and a follow up ground exploration program. |
| 2008 | Report on 2008 Exploration on the Double Mer Property | Dimmell, Jacobs, DeLazzer (2009) | Silver Spruce Resources Inc. | LAB/1500 | Exploration included prospecting / geological mapping, ground scintillometer and soil / radon gas sampling surveys plus re-logging and sampling of historic drill core and trenches. |
| 2008 | Report on 2008 Exploration on the White Bear/Mega Uranium Properties | Kruse, S., McKeough, M., 2008 | Mega Uranium Ltd. | LAB/1472 | Exploration included airborne geophysical survey, ground checking of geophysical anomalies, scintillometer prospecting and geological reconnaissance. |

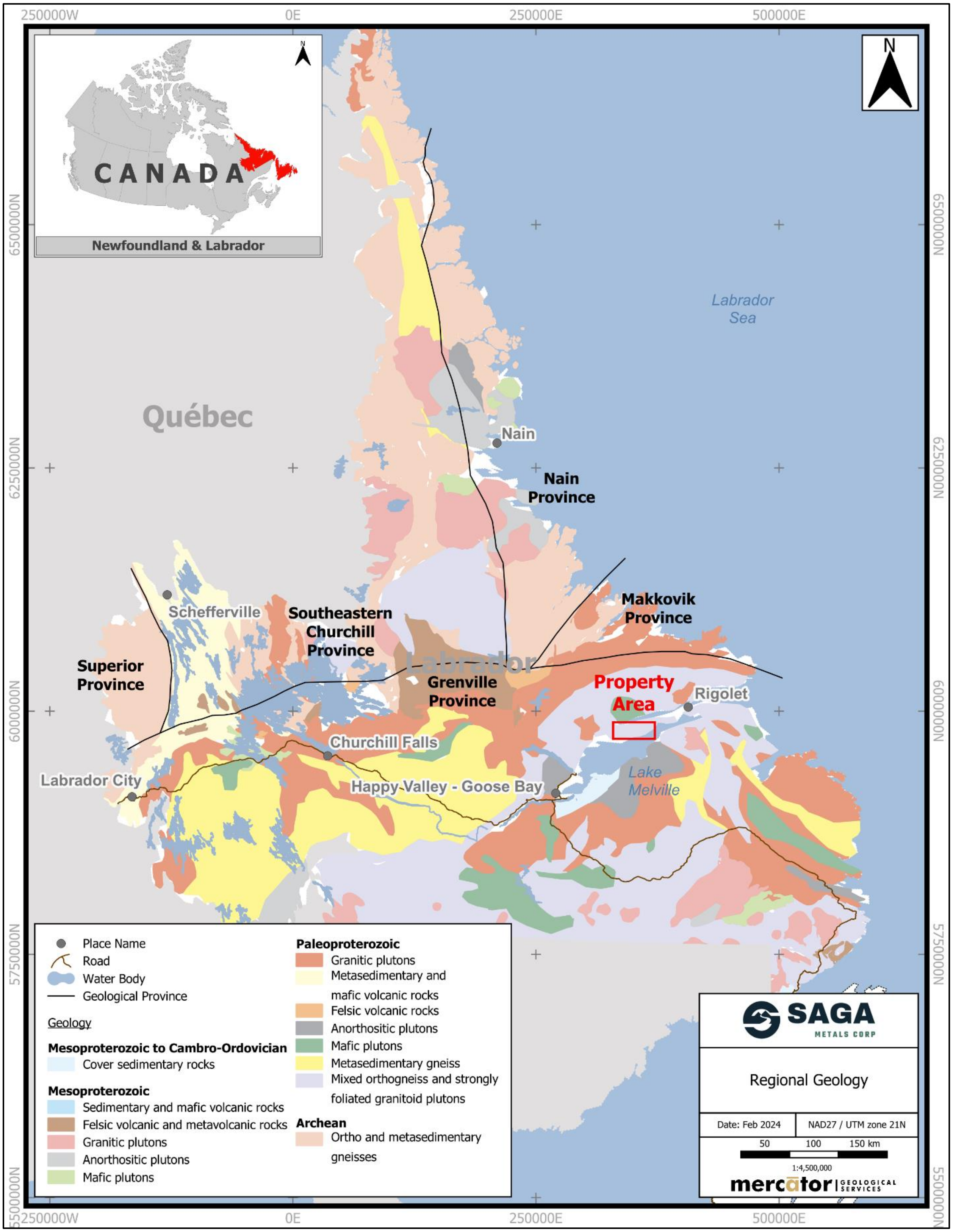
# 7.0 GEOLOGICAL SETTING AND MINERALIZATION

## 7.1 Regional Geology

The Five major structural provinces are represented in the geological framework of Labrador, these being the Churchill, Nain, Grenville, Superior and Makkovic Provinces. Figure 7-1 depicts spatial distribution of these provinces and shows the Property to be situated within the Grenville province approximately 75 kilometers south of its east-west trending boundary with the Nain and Makkovic provinces. As summarized in Tollo et al. (2004) the Grenville Province is comprised of variably deformed and metamorphosed magmatic and supracrustal rocks that bear the 1000 Ma tectono-metamorphic signature of the Grenville Orogeny and occur in a belt averaging 400 to 500 kilometers in width that extends from the Lake Huron area of central Ontario to the coasts of the Labrador Sea and the Atlantic Ocean.

Wynne-Edwards (1972) addressed structural and lithologic characteristics of the Grenville Province and supported definition of two large-scale structural domains. The first of these is the “parautochthon” that occurs along the northern edge of the province and is comprised of insitu, reworked basement sequence rocks of the older Superior, Churchill, Nain and Makkovic provinces. In contrast, the allochthonous zone adjoining the parautochthon to the south is comprised of complexly stacked sequences of reworked basement and later cover rocks that bear evidence of northward tectonic transport. The parautochthon is also generally continuous along the full extent of the province’s northern boundary and ranges in width from less than 50 kilometers to locally more than 200 kilometers.

**Figure 7-1: Regional geology**




(After NL government base geology)

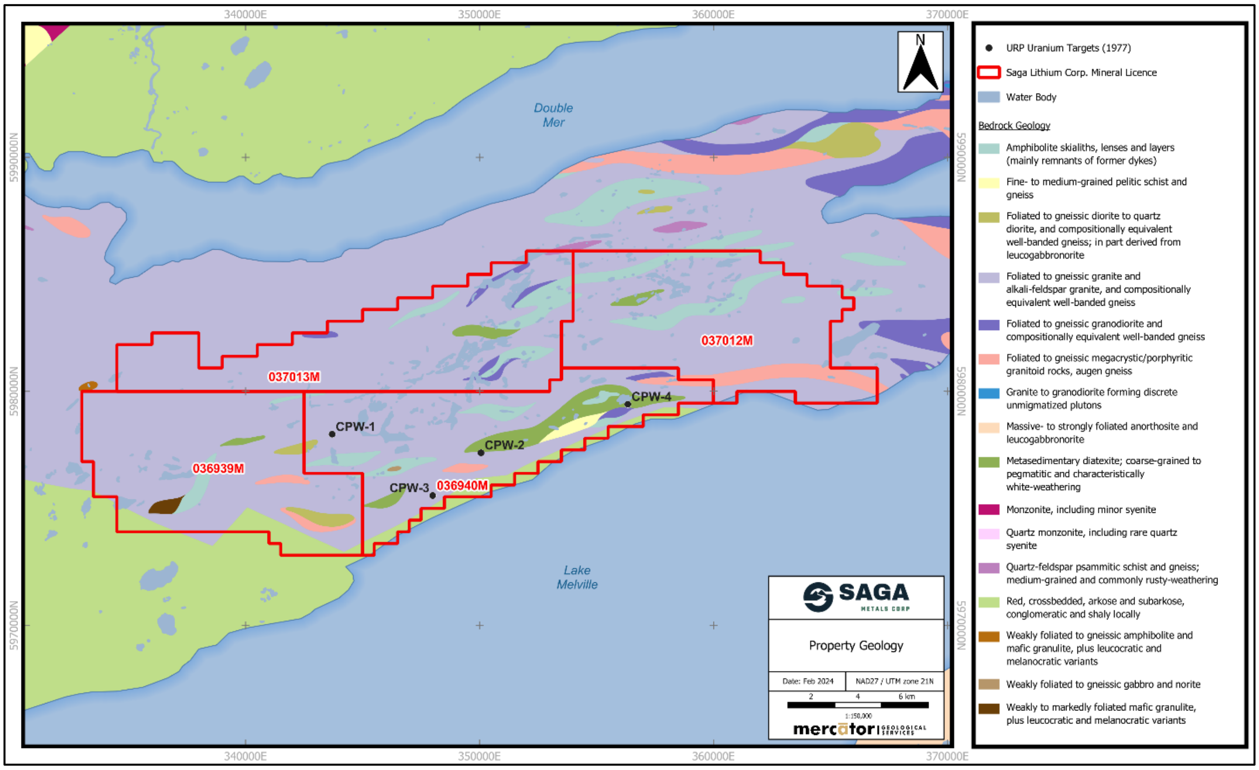
Gower and Owen (1984) recognized two major lithostructural terranes within the Grenville Province in eastern Labrador, these being the Lake Melville Terrane and the Mealy Mountains Terrane. In combination, these form two arcuate belts extending from Groswater Bay on the Labrador Sea to the area west of HVGB. The Lake Melville Terrane hosts the Property and is comprised of two lithologically distinct assemblages, these being (1) granitoid orthogneisses, migmatites and potassic granitoid intrusions interlayered with substantial amounts of paragneiss and (2) anorthosite, norite and gabbro occurring in layered mafic intrusions (Gower et al., 1985). Scharer and Gower (1988) reported the granitoid orthogneisses at 1678+16-15 Ma and the associated granitoid intrusions at 1678 ± 6 Ma. In contrast, the mealy Mountains Terrane to the north of Double Mer is dominated by the Mealy Mountains Intrusive Suite that consists of anorthosite, leucogabbro, and leuco-troctolite intruded by younger quartz monzonite (Emslie, 1976). The latter group of intrusions has been dated in part at 1646 ±2 Ma and other granodioritic intrusions have been dated at 1631±1Ma (Scharer and Gower, 1988).

## 7.2 Property Geology

The Property forms part of an area mapped in detail by Bailey (1979, 1980) and was subsequently investigated on a more detailed level during uranium exploration programs carried out initially by the Newfoundland Department of Energy and Mines and then by Northgate. Results of these programs show that three main lithological groups are present in the area covered by the Property, these being (1) middle amphibolite grade orthogneisses and paragneisses with associated migmatitic segregations, (2) granitoid intrusions that generally parallel the metamorphic layering of the gneiss sequences and are foliated, in some cases showing transitional contacts to the gneisses, and (3) coarse grained granites that are locally either concordant or discordant to gneissic fabrics and show only local evidence of metamorphic fabric development. The dominant regional trend of gneissosity in the high-grade metamorphic sequences is east-west, with locally complex internal folding indicated. Bailey (1979) and Snow (1980) concluded that subdivision of the gneiss sequences at the regional mapping scale was very difficult.

As a result of grid scale mapping efforts carried out in specific areas by Northgate during uranium exploration programs, three main lithologic units were identified, one of which was further refined into two sub-units. Snow (1980a, b) provided descriptions for each of the units, and these are summarized below. The Property geology is shown in Figure 7-2.

**Figure 7-2: Property geology**




(After NL government base geology)

### 7.2.1 Unit 1 - Interlayered Biotite-Amphibolite Gneiss and Leucocratic Gneiss

Sub-unit 1A: Leucocratic banded gneiss with interlayered biotite amphibolite gneiss, quartzose banded gneiss and augen gneiss (equivalents).

Sub-unit 1B: Banded, fine-grained biotite-amphibolite gneiss with subordinate leucocratic interlayers.

### 7.2.2 Unit 2 – Leucocratic Gneiss

Gneisses in this unit typically show strong fabric develop accompanied by locally enhanced compositional banding, particularly in the northwest part of the property.

Bands of migmatite and thin bands of augen gneiss characterize the unit, which is highly complex.

### 7.2.3 Unit 3 - Leucogranite

This unit is comprised of coarse-grained granite and biotite granite lenses and irregular bodies that typically follow gneissosity of host sequences but locally crosscut the gneissic fabric. Boundary zones of the intrusions show weak to moderate foliation development and biotite granite is preferentially present near marginal contacts.  Rafted xenoliths of older gneiss are locally present in this unit and uranium mineralization assessed by Northgate is typically associated with the unit.

Mapped patterns of gneissosity and lithologic units were interpreted by Snow (1980) as indicating presence of east-west trending fold sets within the gneiss sequence and presence of marked topographic lineaments both parallel and discordant to the regional structural grain suggest that post-metamorphic faulting an/or shearing have affected the property.

No bedrock exposures of unconformably overlying Double Mer Formation siliciclastic sequences have been identified to date on the Property, but these rocks are assumed to have accumulated in Hadrynian fault-bounded basins that were superimposed on the older basement sequences during late Proterozoic time. Double Mer Formation strata have not been penetratively deformed and metamorphosed but shearing and folding in these rocks have been recorded north of the property in the vicinity of Double Mer Inlet (Bailey, 1980).

### 7.3 Mineralization

Four uraniferous mineral occurrences are recorded for the Property in the Newfoundland government's Mineral Occurrence Database System. Details of each are summarized below in Table 7-1. All four of these, Charley Point West – 1 ("CPW-1"), Charley Point West – 2 ("CPW-2"), Charley Point West – 3 ("CPW-3") and Charley Point West – 4 ("CPW-4") occur on the Property. CPW-1 occurs in the Zone A area of Kerswill and McConnell (1979) while CPW-3 and CPW-2 occur in their Zone B and Zone C areas, respectively. Figure 7-2 shows the location of the occurrences and UTM coordinates (NAD 27 Datum) are included in Table 7-1. All occurrences were discovered by government staff during URP lake sediment anomaly ground follow-up programs. Work completed later by Northgate served to expand and extend original areas of interest.

**Table 7-1: Summary of mineral occurrence information**

| Occurrence Name (Current Property Holder) | MODS No. | MODS Status | Best Result |
|---|---|---|---|
| Charley Point West -1<br>5,978,172N; 343,702E<br>NAD27/Zone21N | 013/14/ U/ 001 | Showing | Grab sample with 2932ppm U (0.35% $U_3O_8$) and 464 ppm molybdenum (Gower and Erdmer, 1984) |
| *Charley Point West - 2<br>5,977,376N; 350,066E<br>NAD27/Zone21N | 013/14/ U/ 002 | Showing | Trench sample with 0.191% $U_3O_8$ over 1.0 meter (Parker and Snow, 1979b) |
| Charley Point West - 3<br>5,975,550N; 348,000E<br>NAD27/Zone21N | 013/14/ U/ 003 | Indication | Highest radioactivity associated with traces of uranophane in quartzo-feldspathic gneiss outcrop (Parker and Snow, 1979d) |
| Charley Point West - 4<br>5,979,450N; 356,339E<br>NAD27/Zone21N | 013/14/ U/ 004 | Indication | Highest radioactivity associated with outcropping garnetiferous gneiss showing local black tourmaline (Kerswill and McConnell, 1979) |

**Also known as Whim Creek Anomaly A*

Kerswill and McConnell (1979) described the Charley Point West occurrences and determined that they were similar in uraniferous character, with uraninite present in fine disseminations directly associated with biotite, garnet, and pyroxene rich zones in leucogranite lenses or bodies hosted by high grade quartzo-feldspathic gneiss. Presence of finely dispersed uraninite was confirmed by petrographic studies and x-radiographs of slabbed samples served to further define the association of uraninite with mafic mineral phases or garnet present within the leucogranite host rocks. Yellow secondary uranium mineralization was noted on bedrock fracture surfaces in the occurrence areas and was tentatively identified as uranophane. Presence of molybdenite, chalcopyrite, fluorite, magnetite, and tourmaline at trace levels was also locally noted and hematite was found to be locally prominent (Kerswill and McConnell, 1979).

The CPW -1 area was initially investigated by government staff through establishment of a ground survey grid and completion of bed rock sampling, prospecting, soil sampling and scintillometer surveys. Both the CPW-1 and CPW-2 occurrences were subsequently explored by Northgate staff through grid-based geochemistry and scintillometer surveys as well as more detailed prospecting and bedrock sampling. In 1980 several bedrock trenches were established on the CPW-2 grid and results from these served to define a radiometrically anomalous zone averaging 5 meters in width that could be correlated along a strike length of approximately 600 meters. A distinctive leucogranite was correlated with the zone of anomalous radioactivity and averaged results for 1-meter samples (15 kg nominal size) taken from five bedrock trenches returned uranium grades ranging between 0.02% to 0.19% $U_3O_8$, Snow (1979a).

## 8.0 DEPOSIT TYPES

Bedrock uranium mineralization discovered to date on the Property shows direct association with intrusions of leucocratic granite that occur within broader sequences of complexly deformed orthogneiss of the Grenville Province. Kerswill and McConnell (1979) reported on detailed inspections of the main uranium occurrences then known in the area and on this basis proposed a two-stage genetic model. This incorporated a pre-Grenville Orogeny basement sequence characterized by higher-than-normal concentrations of uranium in either granitic or sedimentary rocks. During the Grenville Orogeny, these rocks were subjected to high metamorphic grades and local anatexis, which resulted in evolution of a siliceous, volatile rich partial melt phase in which uranium was concentrated. Segregation of uranium out of these melts in the form of primary uraninite was attributed to interaction with crystallizing ferro-magnesian minerals and garnet, this explaining the intimate association of these mineral phases within host leucogranites at the known showings.

The model described above accommodated contemporaneous development of pegmatitic veins in high grade metamorphic sequences, uraniferous examples of which have been developed and mined elsewhere in the Grenville province, such as those at Bancroft in southeastern Ontario, which have been classified as “Madawaska Type” occurrences. Low grade uranium deposits associated with Grenville Province alaskites and pegmatites are also present in the Johan Beetz area on Quebec’s North Shore. These are exemplified by the unmined Doran Deposit, and can be considered similar to the large, low-grade Rossing Deposit in Namibia. In both cases, uranium concentrations are hosted by orthogneisses and associated granitoid intrusions. For current report purposes the genetic model proposed by Kerswill and McConnell (1979) is favoured and can be considered a “High Grade Metamorphism - Granite Model”.

In addition to the above, two other genetic models for occurrence of uranium in the Double Mer-Lake Melville area are worthy of consideration. These are: (1) the “Unconformity Model” and (2) the IOCG Model. In the first instance, it is possible that prior to re-working by the Grenville Orogeny, unconformity related uranium deposits had developed in association with a Paleo-Helikian to Aphebian unconformity or in association with faults or shear zones cutting such an unconformity. In the Double Mer area, any such mineralization would have been reworked by the Grenville Orogeny and therefore be difficult to clearly identify at present, except as re-mobilized mineralization focused along fault or major lithologic package boundaries. Potential for non-reworked unconformity style mineralization associated with oxidation/reduction fronts in younger Hadrynian Double Mer Formation strata that unconformable overly Grenville basement sequences is also possible. For practical purposes, the extremely small area of Double Mer Formation included in the current property largely negates potential associated with these host rocks.

The multi-element IOCG model (Uranium “U”, Copper “Cu”, Gold “Au”, Rare Earth Elements “REE”) combines elements of major crustal structures having focused hydrothermal imprints in the form of well-developed iron rich (hematite) breccias and alteration in combination with quartz-chlorite-actinolite-albite assembles and distinct gravity and magnetic field anomalies. Hitzman et al. (1992) and Haynes (2000) address several variants of the basic deposit model that cover a range of distinct metallic associations. In the current context, recent work in the Central Mineral Belt of Labrador has favoured consideration of the IOCG setting as an alternative to historically favoured volcanic-hosted syngenetic and volcanic-hosted stratabound epigenetic models such as those discussed in Gower et al. (1982), Ghandi (1986) and Wardle (2005).

Application of IOCG models has found support to the north of the Grenville Province, in the Central Mineral Belt ("CMB") of Labrador. The prominent Michelin Project and Jacques Lake properties located approximately 70 and 100 kilometers to the east-northeast respectively, but also in the CMB, display attributes consistent with designation within the IOCG category as well (Cunningham-Dunlop and Lee, 2008). Cases can also be made for retention of classification within the earlier-assigned epigenetic, stratabound volcanic association.

# 9.0 EXPLORATION

## 9.1 Introduction

Saga Metals has not completed any exploration work to date on the Property but has focused its assessment on results of exploration programs carried out by others since 2006. In recognition of this material focus, the work programs by others are described in detail below. They were previously summarized in Report Section 6.0 “History”.

The following summarizes activities of previous claim holders beginning in 2006. For historical work on the Property refer to Section 6 of this Technical Report.

## 9.2 Silver Spruce 2006 - 2008

### 9.2.1 Airborne Geophysical Surveying

Fugro Airborne Surveys Limited of Toronto, ON (“Fugro”) flew a helicopter-borne combined radiometric and magnetic field survey over the Property during August 2006 and results are reported by Farquhar (2007). North-south flight lines at 100 meter spacing were flown and 2,113 kilometers of surveying were completed. Urquhart (2006) reported on interpretation of survey data and identified 40 strong to moderate uranium/thorium flight line responses that provided definition of 19 specific anomalous target areas presented in Dimmell (2007), for which follow-up was recommended. Additional lower strength anomalies were also delineated. Table 9-1 presents coordinates for the 19 discrete anomalous target areas that reflect grouping of the original 40 flight line responses.

Anomalies were defined through analysis of uranium/thorium ratio plots, with the 95th percentile being established as an anomalous threshold in combination with a minimum equivalent uranium value of 14 parts per million. Bedrock geology and magnetic survey results were also considered during anomaly selection. Fugro’s deliverables for the survey included total flight plan data, a digital terrain model for the Property, total field magnetics, first derivative residual magnetics, uranium, potassium, thorium and ternary datasets and corresponding maps.

**Table 9-1: Airborne radiometric survey target areas**

| Target Number | UTM East (m) NAD 27 Datum Zone 21 N | UTM North (m) NAD 27 Datum Zone 21 N |
|---|---|---|
| 1 DMR-01 | 342708 | 5976415 |
| 2 DMR-02 | 344065 | 5977663 |
| 3 DMR-03 | 346557 | 596774 |
| 4 DMR-04 | 347210 | 594589 |
| 5 DMR-05 | 347852 | 5977080 |
| 6 DMR-06 | 343062 | 5976483 |
| 7 DMR-07 | 348396 | 5977457 |
| 8 DMR-08 | 348986 | 5977534 |
| 9 DMR-09 | 350003 | 5977691 |
| 10 DMR-10 | 350819 | 5977793 |
| 11 DMR-11 | 351865 | 5977792 |
| 12 DMR-12 | 352810 | 5977692 |
| 13 DMR-13 | 353204 | 5977971 |
| 14 DMR-14 | 353335 | 5977046 |
| 15 DMR-15 | 354615 | 5978444 |
| 16 DMR-16 | 356005 | 5979060 |
| 17 DMR-17 | 356900 | 5979389 |
| 18 DMR-18 | 358365 | 5981138 |
| 19 DMR-19 | 359372 | 5979568 |

The 19 target areas noted above that reflect grouping of the 40 Urquhart (2006) prioritized anomalous responses appear in Figures 9-1 through 9-9, which are modified after Dimmell (2007), and include coordinates for the target areas. Relative priority ratings established by Urquhart (2006) for individual flight line responses also appear on each figure, with priority 3 being the highest rating and 1 being the lowest. All areas highlighted were considered worthy of follow-up.

**Figure 9-1: Radiometric Targets West - Uranium Channel**

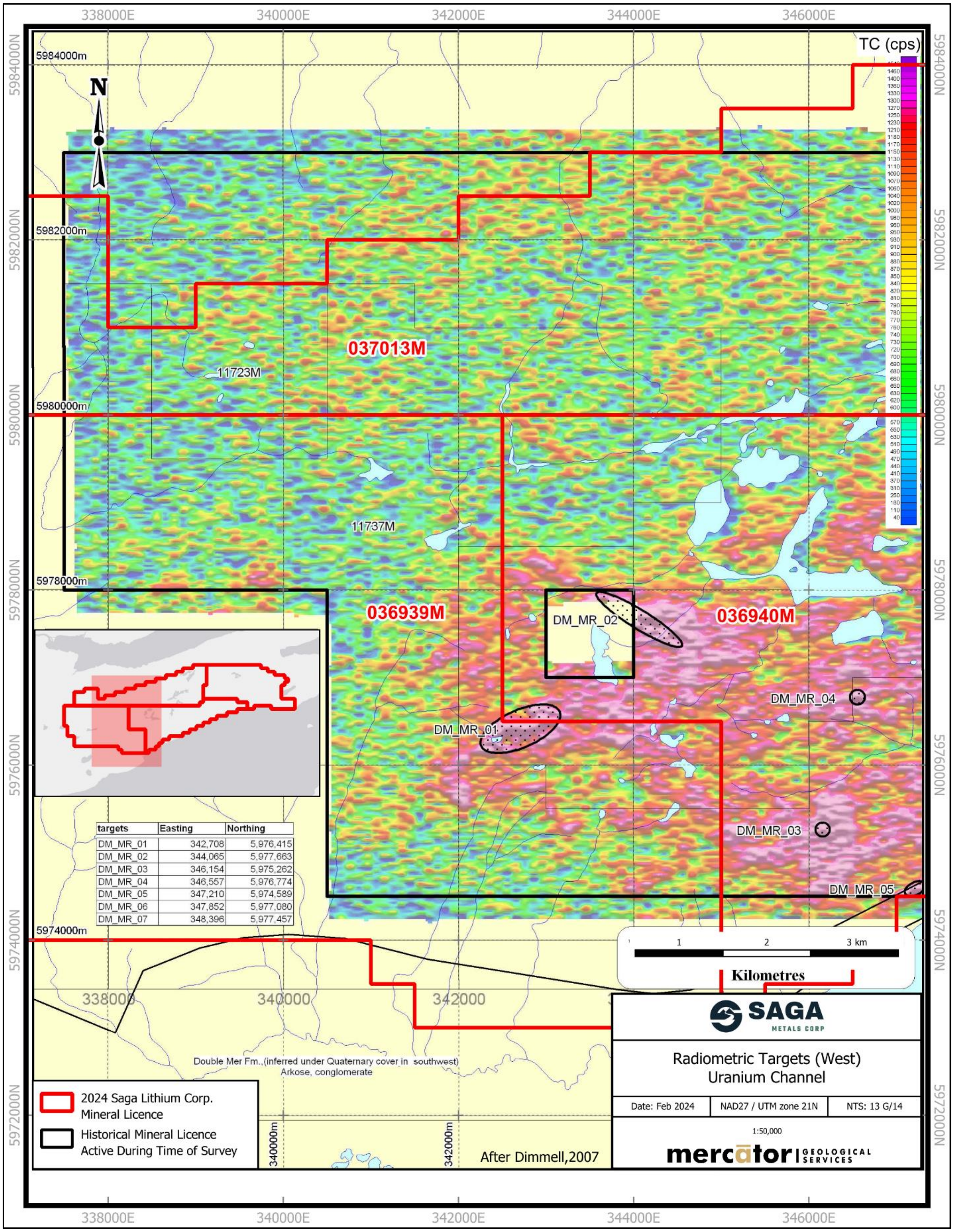
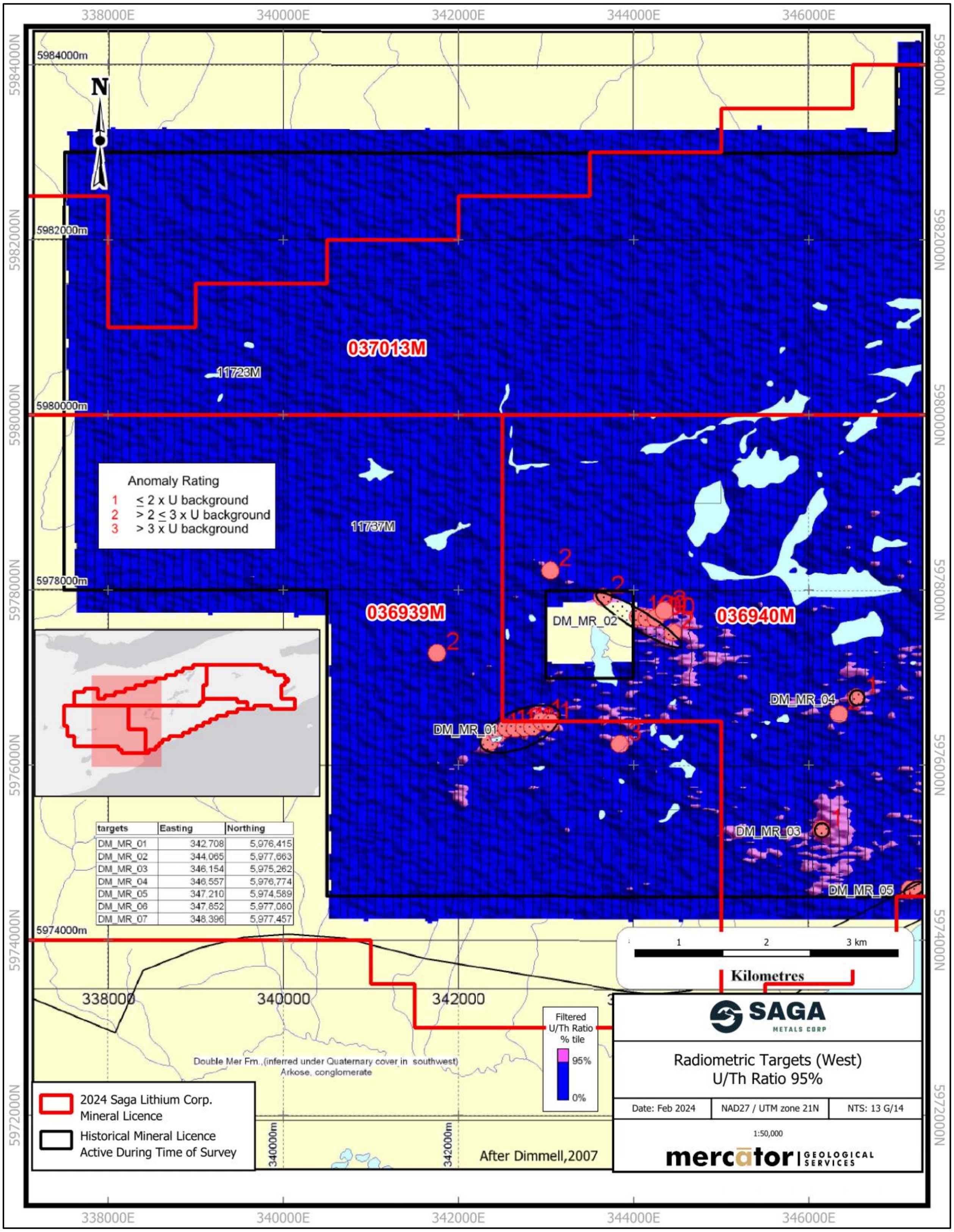


**Figure 9-2: Radiometric Targets West - Uranium/Thorium Ratio**




| targets | Easting | Northing |
|---|---|---|
| DM_MR_01 | 342,708 | 5,976,415 |
| DM_MR_02 | 344,065 | 5,977,663 |
| DM_MR_03 | 346,154 | 5,975,262 |
| DM_MR_04 | 346,557 | 5,976,774 |
| DM_MR_05 | 347,210 | 5,974,589 |
| DM_MR_06 | 347,852 | 5,977,080 |
| DM_MR_07 | 348,396 | 5,977,457 |

**Figure 9-3: Radiometric Targets West - Total Magnetic Field**

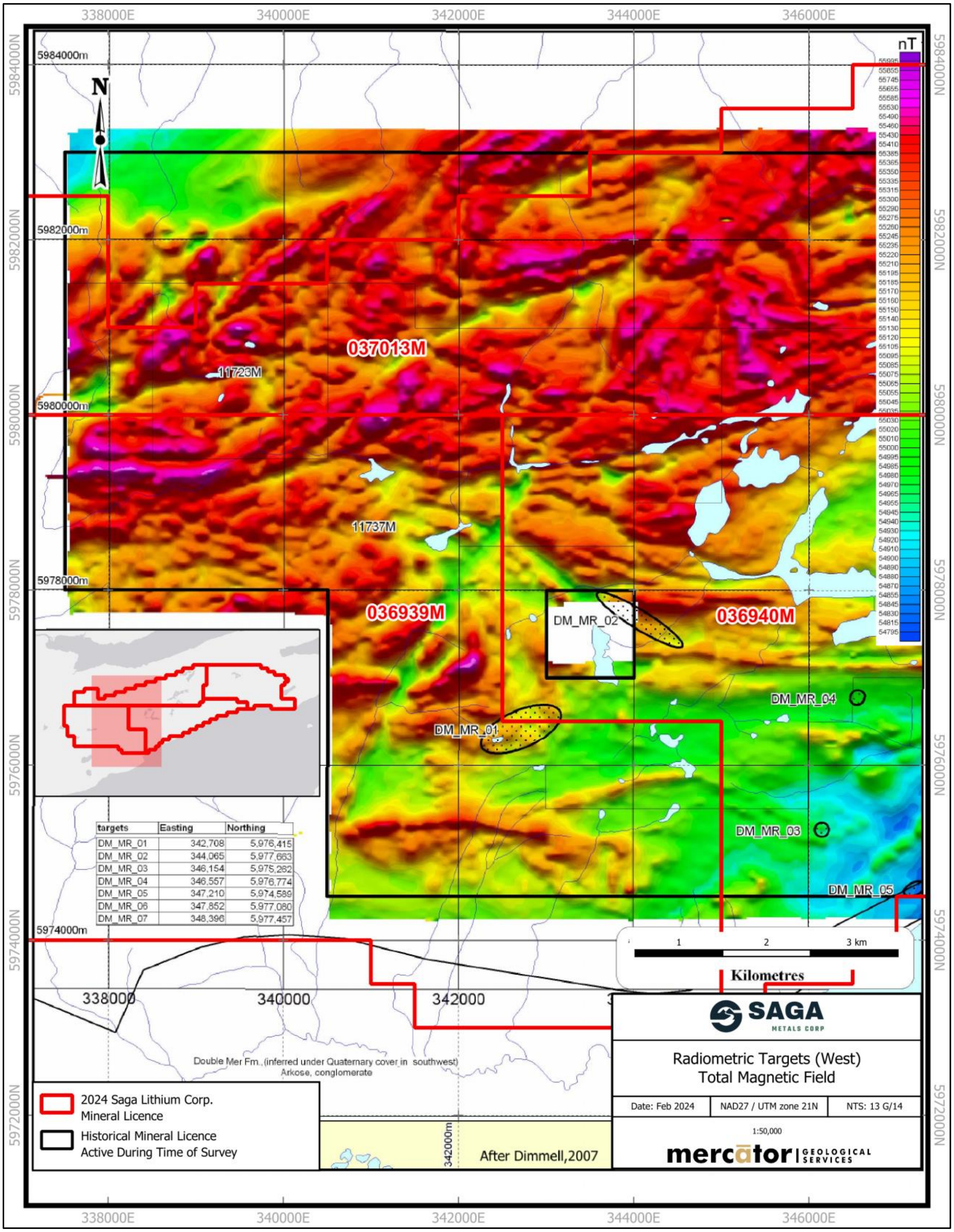
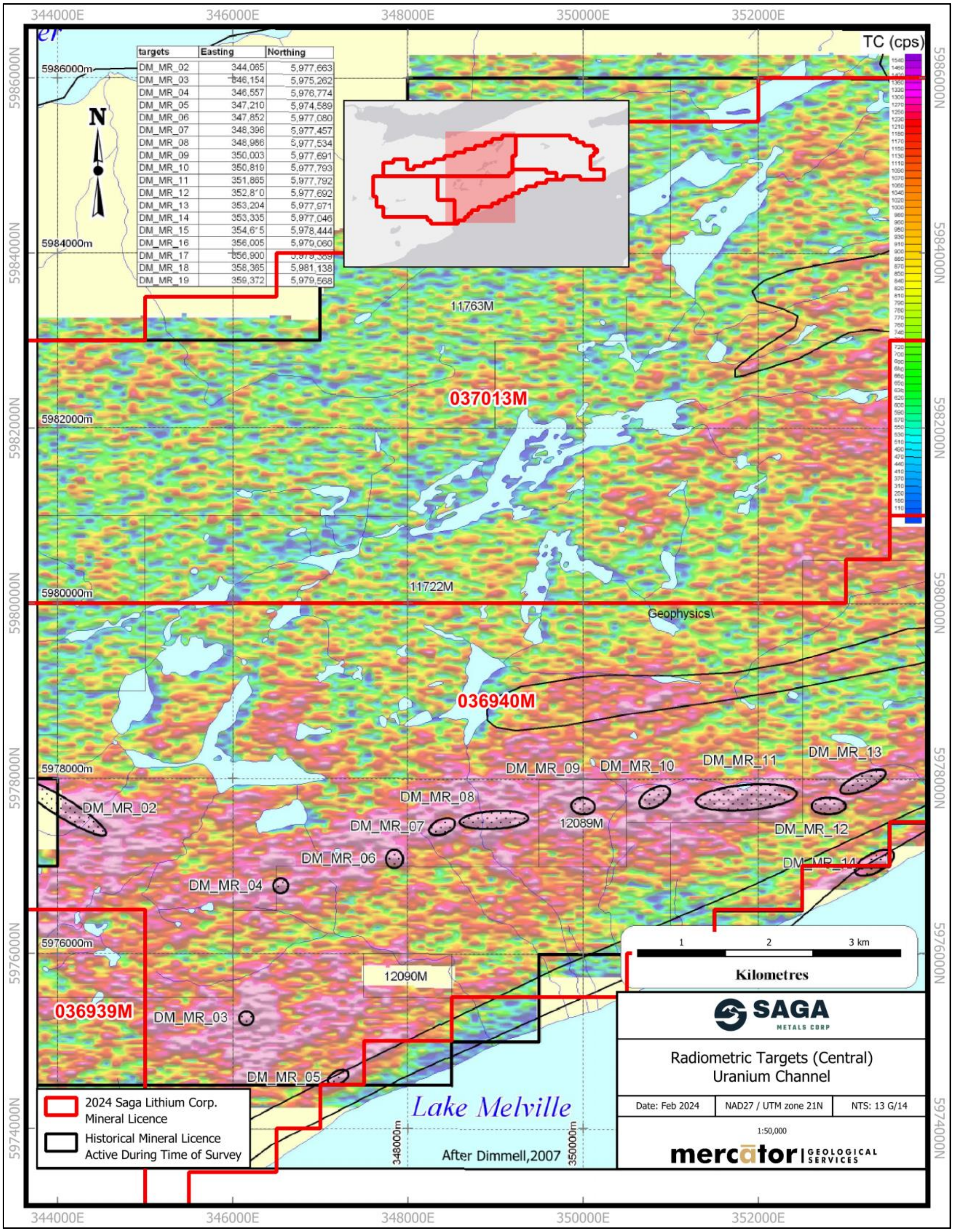


**Figure 9-4: Radiometric Targets Central - Uranium Channel**



| targets | Easting | Northing |
|---|---|---|
| DM_MR_02 | 344,065 | 5,977,663 |
| DM_MR_03 | 346,154 | 5,975,262 |
| DM_MR_04 | 346,557 | 5,976,774 |
| DM_MR_05 | 347,210 | 5,974,589 |
| DM_MR_06 | 347,852 | 5,977,080 |
| DM_MR_07 | 348,396 | 5,977,457 |
| DM_MR_08 | 348,986 | 5,977,534 |
| DM_MR_09 | 350,003 | 5,977,691 |
| DM_MR_10 | 350,819 | 5,977,793 |
| DM_MR_11 | 351,865 | 5,977,792 |
| DM_MR_12 | 352,8'0 | 5,977,692 |
| DM_MR_13 | 353,204 | 5,977,971 |
| DM_MR_14 | 353,335 | 5,977,046 |
| DM_MR_15 | 354,6'5 | 5,978,444 |
| DM_MR_16 | 356,005 | 5,979,060 |
| DM_MR_17 | 356,900 | [illegible] |
| DM_MR_18 | 358,365 | 5,981,138 |
| DM_MR_19 | 359,372 | 5,979,568 |

**Figure 9-5: Radiometric Targets Central - Uranium/Thorium Ratio**

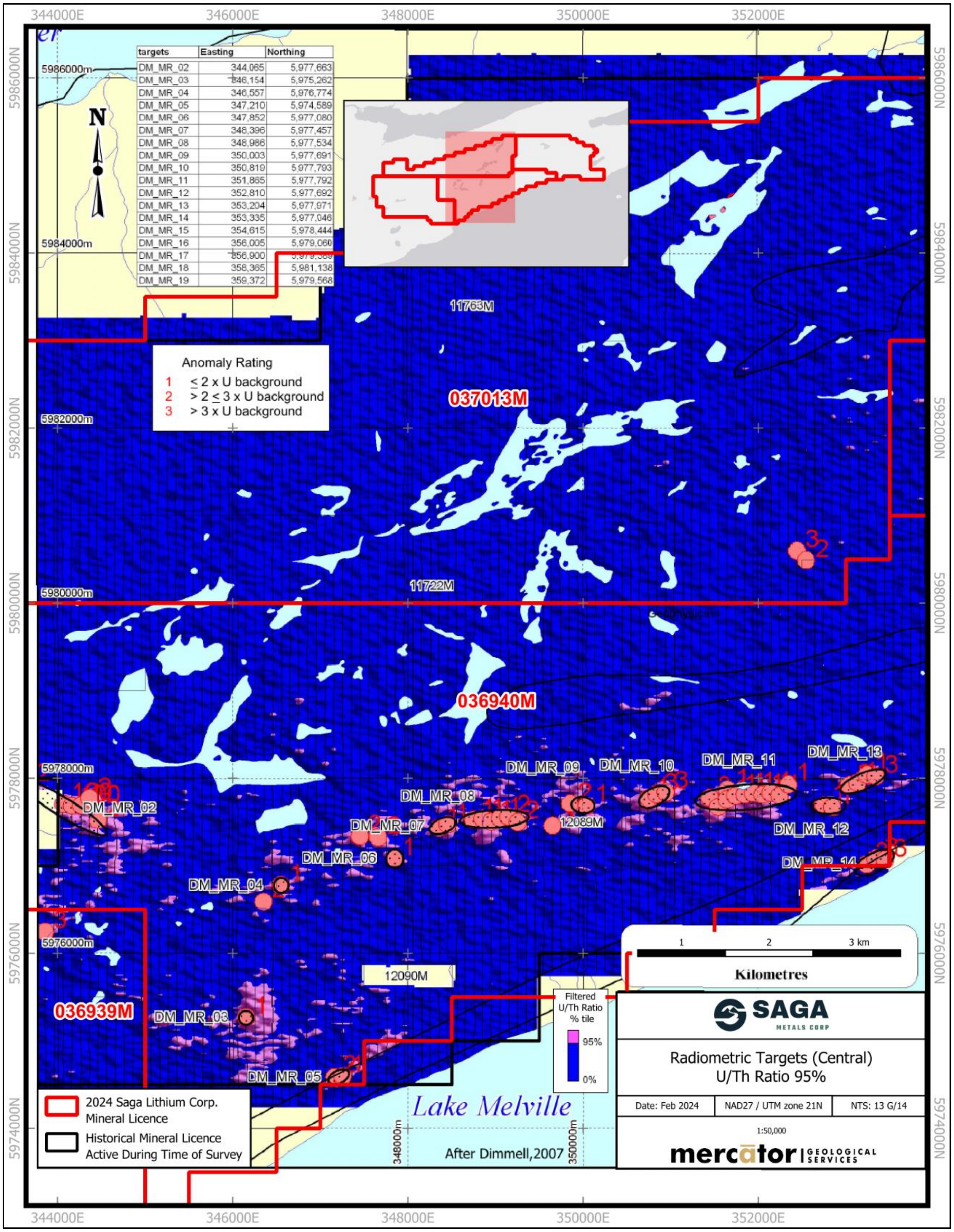
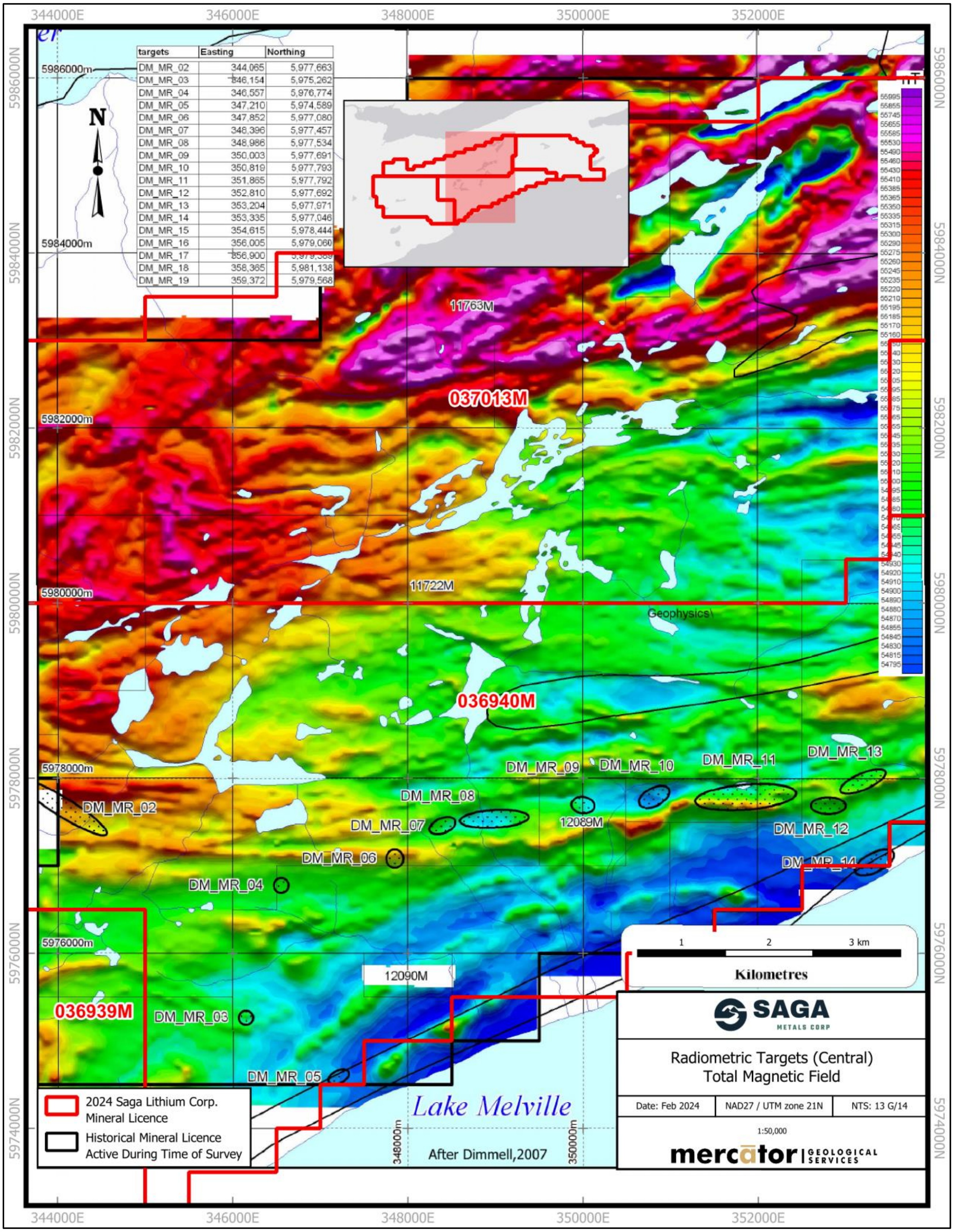


**Figure 9-6: Radiometric Targets Central - Total Magnetic Field**




| targets | Easting | Northing |
|---|---|---|
| DM_MR_02 | 344,065 | 5,977,663 |
| DM_MR_03 | 346,154 | 5,975,262 |
| DM_MR_04 | 346,557 | 5,976,774 |
| DM_MR_05 | 347,210 | 5,974,589 |
| DM_MR_06 | 347,852 | 5,977,080 |
| DM_MR_07 | 348,396 | 5,977,457 |
| DM_MR_08 | 348,986 | 5,977,534 |
| DM_MR_09 | 350,003 | 5,977,691 |
| DM_MR_10 | 350,819 | 5,977,793 |
| DM_MR_11 | 351,865 | 5,977,792 |
| DM_MR_12 | 352,810 | 5,977,692 |
| DM_MR_13 | 353,204 | 5,977,971 |
| DM_MR_14 | 353,335 | 5,977,046 |
| DM_MR_15 | 354,615 | 5,978,444 |
| DM_MR_16 | 356,005 | 5,979,060 |
| DM_MR_17 | 356,900 | [illegible] |
| DM_MR_18 | 358,365 | 5,981,138 |
| DM_MR_19 | 359,372 | 5,979,568 |

**Figure 9-7: Radiometric Targets Eastern - Uranium Channel**

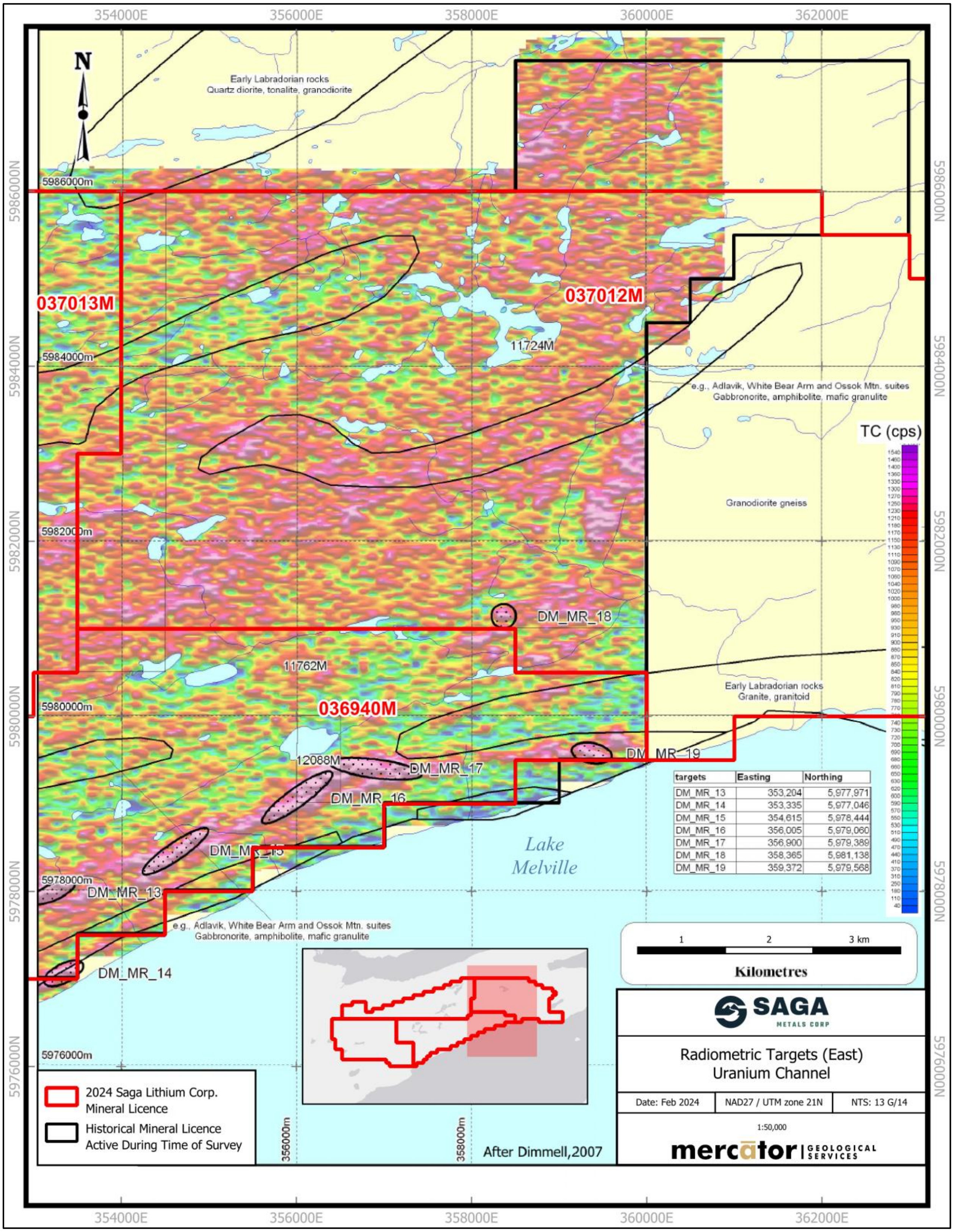


**Figure 9-8: Radiometric Targets Eastern - Uranium/Thorium Ratio**

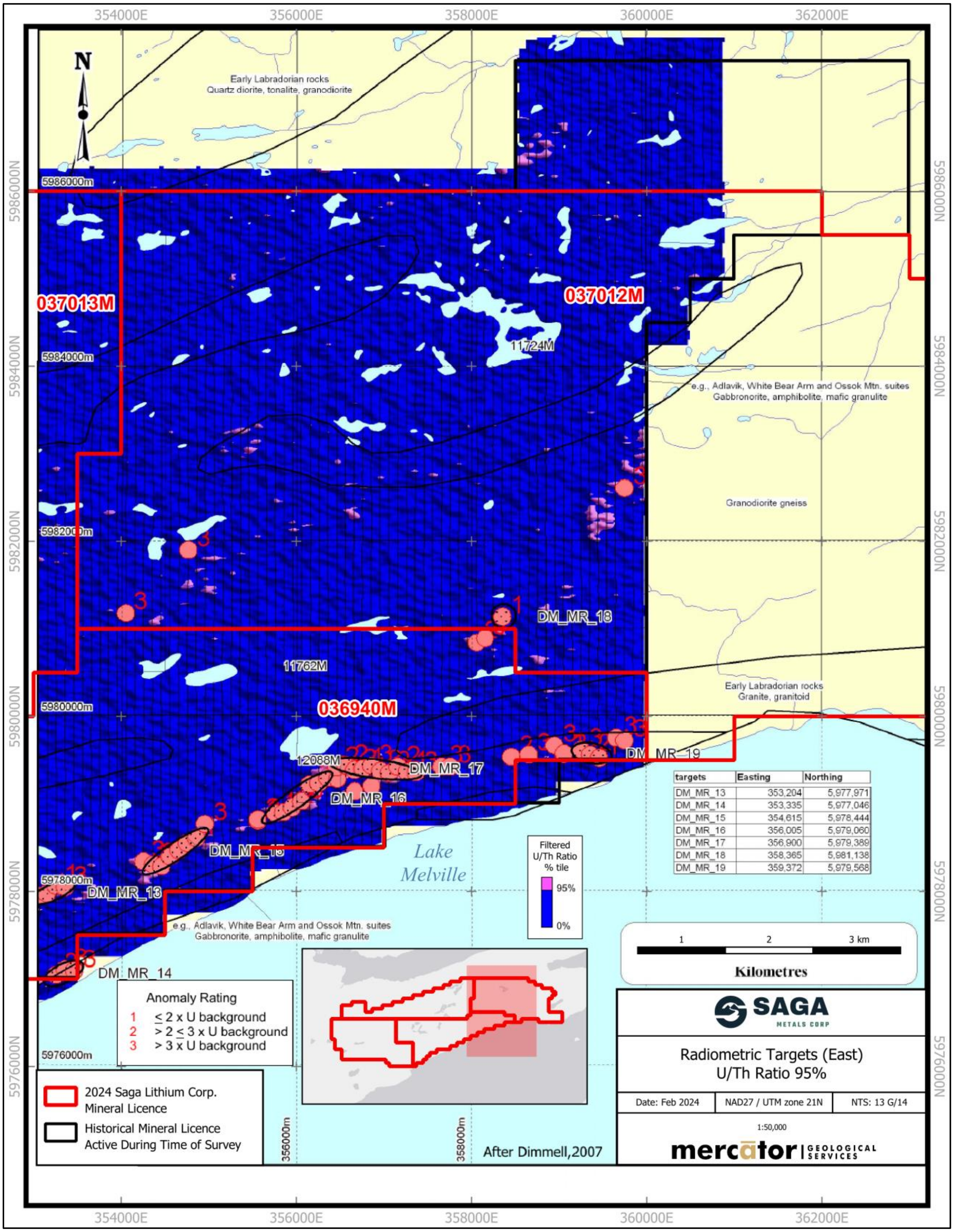
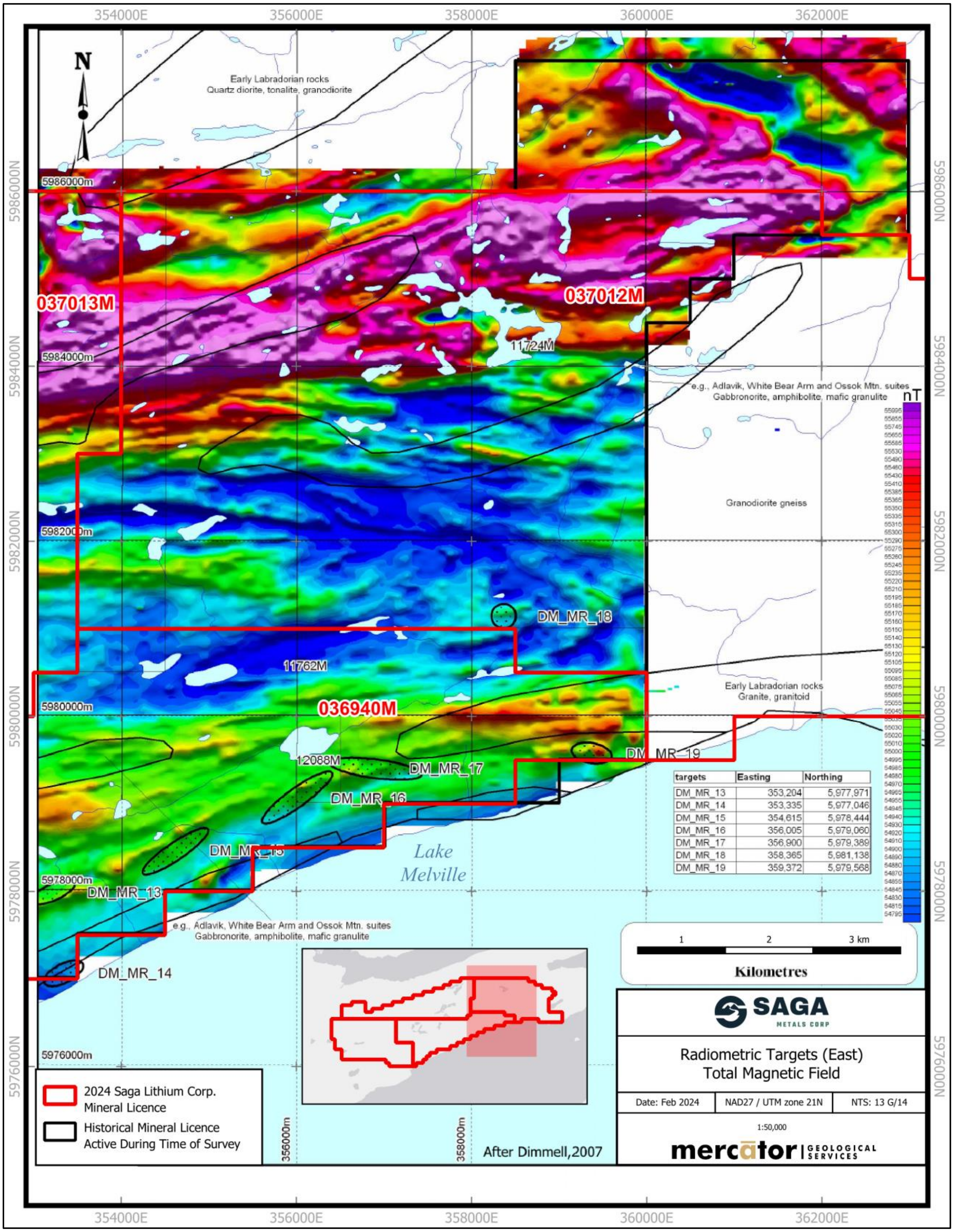


**Figure 9-9: Radiometric Targets Eastern - Total Magnetic Field**




| targets | Easting | Northing |
|---|---|---|
| DM_MR_13 | 353,204 | 5,977,971 |
| DM_MR_14 | 353,335 | 5,977,046 |
| DM_MR_15 | 354,615 | 5,978,444 |
| DM_MR_16 | 356,005 | 5,979,060 |
| DM_MR_17 | 356,900 | 5,979,389 |
| DM_MR_18 | 358,365 | 5,981,138 |
| DM_MR_19 | 359,372 | 5,979,568 |

As reflected in Figures 9-1 through 9-9, the greatest spatial concentration of high and moderate priority anomalies occurs in the southern half of the Property. They are in a belt that parallels the 080-trending structural grain of the region and extends inland approximately 4 to 5 kilometers from the north shore of Lake Melville. A substantial grouping of high priority anomalies follows a discrete total magnetic field high within this belt, which is clear in Figures 9-5, 9-7 and 9-9. The feature can be traced for over 16 kilometers along strike and passes through both the CPW-1 and Whim Creek Anomaly A (CPW-2) bedrock uranium occurrences. The origin of the magnetic survey anomaly is not clear at present, but it appears to parallel and flank a large area of subdued magnetic response that coincides with a regionally mapped granodioritic gneiss domain. It also coincides with areas known to contain bands of the leucocratic intrusion associated with uranium mineralization at the main showing areas, and in part is associated with barren outcrop ridges. In contrast, higher amplitude magnetic responses characterize a belt 2 to 4 kilometers in width located north of the granodiorite zone, parallel to the north property boundary, but this area is significantly lacking in anomalous U/Th targets.

### 9.2.2 Ground Radiometric Surveying

During 2008, field crews equipped with Garmin (Rino) GPS units and RS-120 and GR 110 Super Gamma scintillometers, took readings at approximately 60 cm above ground level as counts per second (“cps”). Grid lines were oriented north-south with lines spaced at 50 meters and stations from 10 to 5 meters apart depending on outcrop exposure. A total of 2,464 readings were taken giving values between > 700 cps, and the highest 9999 cps (upper limit).

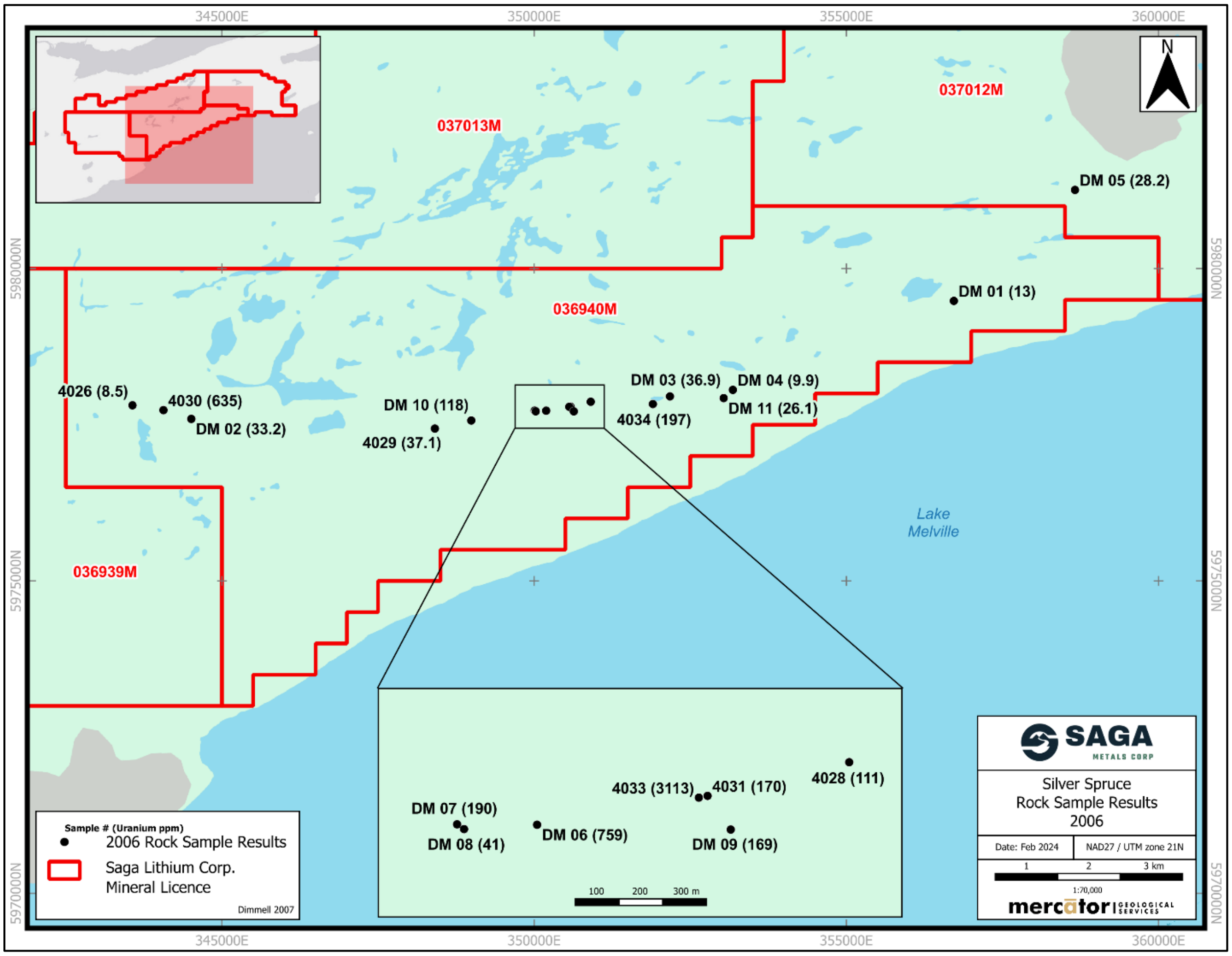
### 9.2.3 Prospecting and Sampling

During 2006, a small program of prospecting and rock sampling was completed. To a substantial degree this was focused on the Property immediately east of the CPW-1 uranium occurrence and around Northgate trenching and drilling at Whim Creek Anomaly A area. This location was originally identified in Kerswill and McConnell (1979) as the CPW-2 mineral occurrence. Samples were selected based on high total gamma radiation levels detected by hand-held scintillometers and returned values between 1,200 and >10,000 counts per second. Grab samples from the CPW-2 area trenches confirmed uraniferous character of bedrock exposures, with the highest value being 3,113 ppm uranium (0.36% $U_3O_8$) from sample 4033. Figure 9-10 is slightly modified after Dimmell (2007) and identifies rock sample locations, sample numbers and uranium values in ppm.

Silver Spruce rock samples were submitted to Activation Laboratories Ltd. (“Actlabs”) in Ancaster, ON. and after standard preparation and pulverization were analyzed for the same 41 element geochemical suite specified for the soils, with analysis by Inductively Coupled Plasma Emission Spectroscopy (“ICP-ES”) after aqua regia digestion (Code 1E3 – Aqua Regia ICP). In addition to ICP analysis, uranium levels for rocks were also determined using the Delayed Neutron Counting method (Code 5D-U-Total DNC).

During the 2008 field program, prospecting and rock sampling provided a total of 163 rock samples, 147 from bedrock and the remaining 16 from sub-crop or float. These were acquired from areas showing high radioactivity as defined by scintillometers. Prospecting the area of the radiometric anomalies defined in

**Figure 9-10: Silver Spruce rock sample locations and results – 2006**




the 2006 airborne survey showed a strong correlation with uranium mineralization, with most targets giving anomalous rock sample values in uranium, sometimes with coincident molybdenum and copper values. Seventy-six (76) samples gave values > 500 ppm $U_3O_8$, with 42 > 1000 ppm $U_3O_8$ and a high value of 4281 ppm (0.42 %) $U_3O_8$. The median value was 447 ppm $U_3O_8$ with seven samples > 95th percentile of 2200 ppm $U_3O_8$. Most anomalous samples were taken over the high priority airborne radiometric targets identified in 2006, which lie along the southern boundary. These trend east-west along the lake, just to the north of Lake Melville (Dimmell et. al. 2009).

### 9.2.4 Geological Mapping

During 2008, geological mapping was focused on the southern part of the Property over an extensive, linear, east-west to east-northeast trending, radiometrically anomalous zone defined by Fugro Airborne Surveys in 2006. Four mineralized areas were defined along the zone, the largest of which consists of a 5 km trend covering anomalies DM-4 to 10, including the CPW-2 and CPW-3 uranium occurrences. Mapping was carried out on 100-200 m spaced, north-south, GPS controlled grid lines, ranging in length from 1.4 km in the west to 0.5 km in the east.

Detailed mapping was carried out over three small grids covering the DM-11, 13 and 17 anomalies. The grid on DM-11, which is located approximately one kilometre east of the CPW-2 uranium occurrence, was at 50-meter line spacing over a 160 by 650-meter area. Approximately 2.2 kilometers to the east of DM-11, mapping on the DM-13 grid was at 20-meter line spacing over a 120 by 240-meter area. Anomaly DM-17, in the vicinity of the CPW-4 uranium occurrence is located approximately 3 kilometres to the east of DM-13. This grid was mapped with lines spaced at 20 meters over a 120 by 360-meter area.

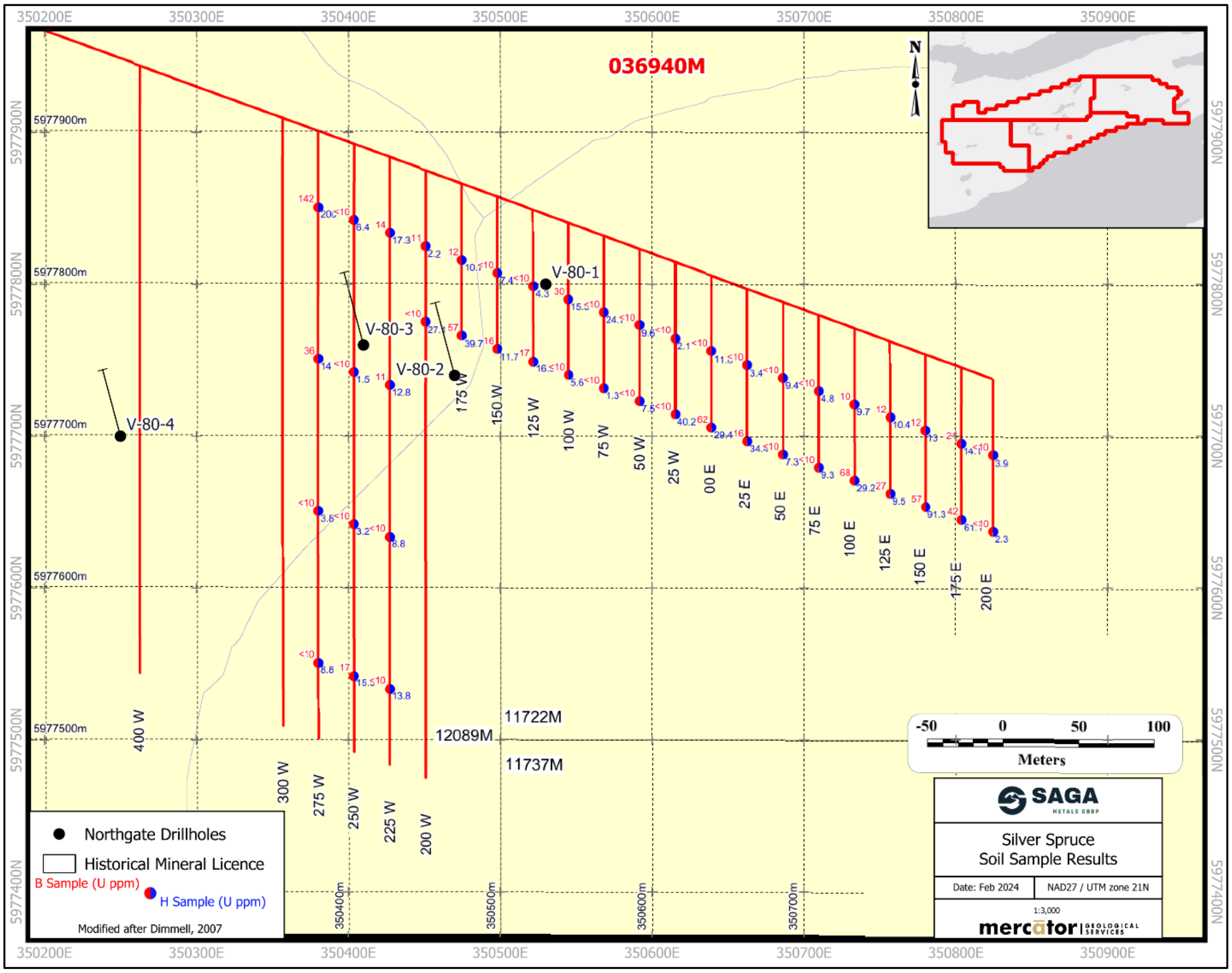
Rocks consist mainly of medium to coarse grained granite to granodiorite gneisses, microgranite (including gneissic varieties), pegmatites, and amphibolitized microdioritic to microgabbroic dikes. The mapped areas show considerable heterogeneity and complexity and delineation of individual rock units for any appreciable distances is difficult. Two styles of uranium mineralization were noted – pegmatite hosted (primary) and structurally-controlled (secondary).

### 9.2.5 Soil Geochemistry

During the 2006 field program a small, grid-based program of combined B horizon soil sampling and humus sampling was completed by Silver Spruce over the Whim Creek Anomaly A area, where trenching and core drilling had been completed in the 1979-80 period by Northgate. In total, 92 samples of soil and humus were analyzed at Actlabs in Ancaster, ON. A 41-element geochemical suite offered by Actlabs was specified with analysis by ICP-ES after aqua regia digestion (Code 1E3 – Aqua Regia ICP). In addition to ICP analysis, uranium levels were also determined using the Delayed Neutron Counting method (Code 5D-U-Total DNC).

Dimmell (2007) reported on the soil and humus survey results and used an empirical anomalous uranium threshold value of 10 parts per million for both data sets. Sampling was carried out on short north-south lines at station spacings of either 50 meters or 100 meters along the lines. Spacing of the north-south lines was approximately 25 meters. Anomalous values in both data sets identified the main area of bedrock uranium mineralization (Figure 9-11) and results of this small program were considered sufficiently positive to support future application of B horizon soil or humus sampling programs elsewhere on the Property.

**Figure 9-11: Soil Geochemistry Results**

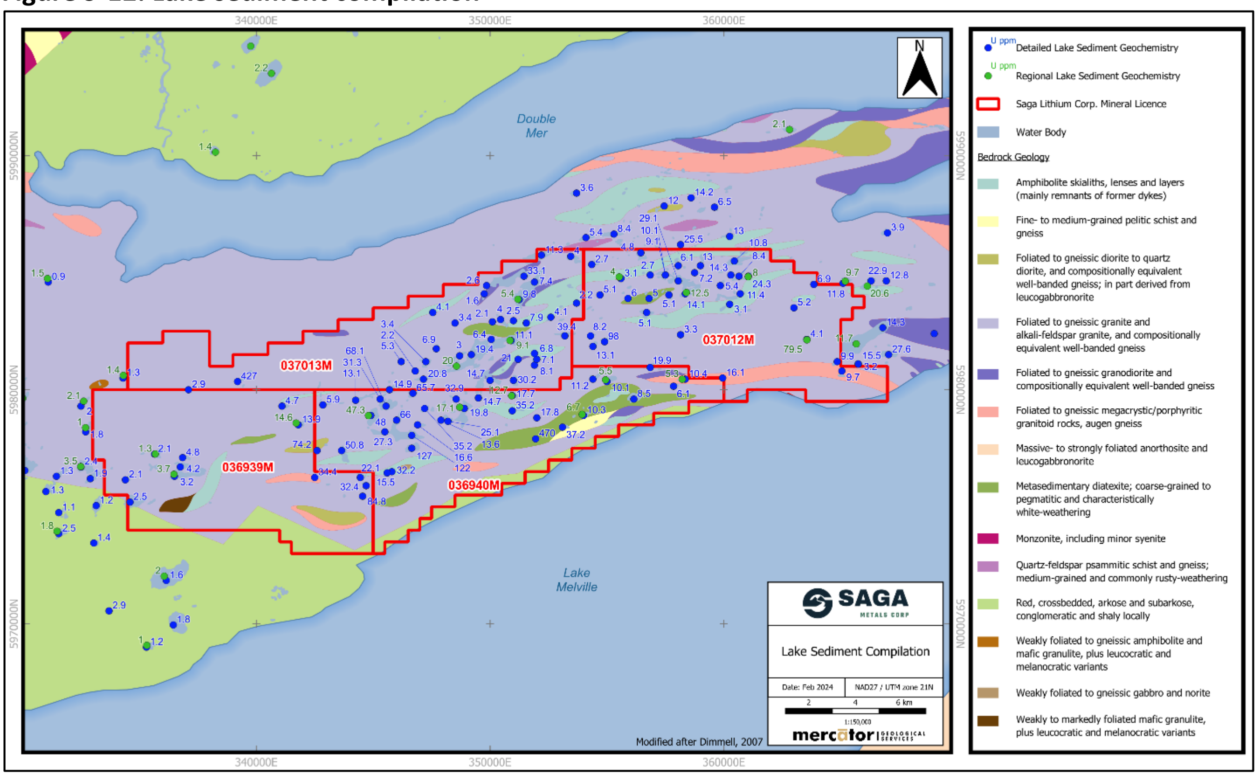



During the 2008 field program, a total of 434 B horizon samples were collected using augers at 20-meter centers along lines oriented north-south and spaced 50 meters apart. Line lengths range from 50 to 250 meters, depending on ground conditions (steep scarps, no soil cover). Garmin Rino GPS units were utilized to determine the location of the sample sites and the location, sample description and horizon sampled were noted. A duplicate sample was collected every 50th site for QAQC purposes. The best uranium values were located at the west end of the grid coinciding with a topographic lineament hosting significant uranium mineralization, with strong copper and lead soil values.

### 9.2.6 Lake Sediment Geochemistry Compilation

Silver Spruce compiled government lake sediment data for the Property to better characterize areas of enhanced uranium potential. Areas in which lake sediment sites returned uranium values of 20 ppm or greater were highlighted for current compilation purposes, and Figure 9-12 presents compiled results of the government surveys. A broad, multi-site anomalous trend measuring approximately 11 kilometers in length is apparent in the central area of the Property, and several smaller areas of anomalous response are also present. No sample sites are present near the CPW-2 and CPW-3 mineral occurrences, but the CPW-1 occurrence falls within the area of anomalous results. The CPW-4 occurrence falls outside the anomalous trend.

**Figure 9-12: Lake sediment compilation**



#### 9.2.7 Diamond Drill Core Re-logging

During 2008, Silver Spruce geological staff re-logged core from historical Northgate diamond drill-holes (V-80-1 to 8), stored at the Goose Bay government core storage facility. The Northgate diamond drill program is described in more detail in Section 10.

Nine (9) core samples not previously sampled were taken for analysis. The highest value returned was 0.046% $U_3O_8$ over 0.75 meters. A summary of drill-core sampled intersections is provided below in Table 9-2. Geological interpretation in the core logging confirmed the Northgate drill-log geological data.

It was not stated whether the samples were whole core, half core or quarter core samples.

**Table 9-2: Summary of drill core infill sampling**

| Hole ID | Sample ID | From (m) | To (m) | Interval (m) | U (ppm) | $U_3O_8$ % |
|---|---|---|---|---|---|---|
| DDHV-80-04 | GM0776 | 56.10 | 57.10 | 1.00 | 216 | 0.025 |
| DDHV-80-04 | GM0777 | 57.10 | 58.10 | 1.00 | 287 | 0.034 |
| DDHV-80-04 | GM0778 | 58.10 | 58.60 | 0.50 | 184 | 0.022 |
| DDHV-80-07 | GM0779 | 29.45 | 31.45 | 2.00 | 100 | 0.012 |
| DDHV-80-07 | GM0780 | 31.45 | 32.45 | 1.00 | 10 | 0.001 |
| DDHV-80-07 | GM0781 | 34.00 | 34.75 | 0.75 | 387 | 0.046 |
| DDHV-80-08 | GM0782 | 2.55 | 3.05 | 0.50 | 200 | 0.024 |
| DDHV-80-08 | GM0783 | 27.37 | 28.37 | 1.00 | 182 | 0.021 |
| DDHV-80-08 | GM0784 | 28.37 | 29.37 | 1.00 | 249 | 0.029 |

### 9.3 Mega Uranium - 2008

#### 9.3.1 Prospecting and Sampling

During 2008, teams consisting of three prospectors and two geologists equipped with Terra Plus RS-120 or RS-125 Gamma Ray scintillometers collected grab samples from outcrops or boulders having a scintillometer response greater than 1000 cps.

A total of 262 radiometric and magnetic anomalies were ground-checked. Eleven anomalies were explained by outcrops or boulders with greater than 5000 cps scintillometer responses. Elevated radioactivity was generally found in hematitic, biotite rich pegmatite dykes or leucosomes in migmatite. The rest of the anomalies were generally explained by areas of bedrock exposure or boulders with high background radioactivity (500-1000 cps).

During June, 33 grab samples were collected. The best analytical results (DNC analysis) from these samples were 0.058%, 0.044%, 0.042%, 0.026%, and 0.023% $U_3O_8$, the rest yielded less than 0.020% $U_3O_8$. An additional 40 radiometric and magnetic anomalies were prospected on the Property. Five grab samples were taken, giving analytical results of 0.24%, 0.062%, 0.057%, 0.0049%, and 0.0030% $U_3O_8$. (Kruse and McKeough, 2008)

Three shallow trenches were dug, and continuous channel samples were cut from outcrop with a rock saw. Samples measuring 0.7-1 m in length were taken and analyzed for uranium content using DNC. The best results from the channel samples were 0.19% $U_3O_8$ over 1 m, 0.039% $U_3O_8$ over 1 m and 0.038% $U_3O_8$ over 0.7 m. Mineralization was generally hosted in pegmatite dykes/sills or in leucosomatic segregations within host migmatite adjacent to mafic dykes.

Samples were analyzed for uranium content by DNC. Selected samples were submitted for multi-element analysis. Sample preparation was conducted at the Actlabs facility in HVGB. Samples are dried, crushed split and an aliquot of at least 100 g (95% - 15 mesh) was pulverized.

One gram of the sample is weighed, transferred into small polyethylene vial, and sealed. DNC analysis of samples for uranium was undertaken at Actlabs, Ancaster ON using lab package code 5D-U-Total DNC. Samples submitted for multi-element analysis are analyzed using a combination of Instrumental Neutron Activation Analysis ("INAA"), lab code 1H INAA(INAAGEO) and four-acid ICP lab code Total Digestion ICP Total (Kruse and McKeough, 2008).

### 9.3.2 Ground Radiometric Surveying

Three locations were selected for ground radiometric grids. Total gamma cps was recorded using an RS-125 spectrometer in continuous recording mode. The Spectrometer was carried 0.5 m from ground level. Acquisition lines were oriented north-south and 10 m apart. GPS data was synchronized via timestamp to location data collected by a Garmin hand-held GPS. A total of 21.87 line-kilometers were surveyed over the three grids (Kruse and McKeough, 2008).

# 10.0 DRILLING

## 10.1 Introduction

Historical reporting and the Newfoundland and Labrador Geoscience Atlas identify eight diamond drill holes on the Property that were completed by Northgate during 1980. These are believed to be the only drill holes completed on the Property. They total 610.28 m of diamond drilling, up to and including the 1980 drilling program completed by Northgate and have largely tested the mineralized trend near the CPW-2 area.

Saga Metals has not conducted a drilling program on the Property. The historical Northgate drilling program was identified earlier in Section 6.0 “History” of this Report. Results of the program have been studied closely by Saga Metals and materially contribute to the company’s assessment of Property exploration potential. Based on this materiality, a detailed discussion of the historical drilling is included in this Technical Report section.

## 10.2 1980 Northgate Drill Program

The main component of the 1980 exploration program was a 610.28 m diamond drill program focusing on CPW-2 area and subsurface extensions to mineralized trench sample areas. The drill holes were BQ sized and drilled by Longyear Canada Ltd., Springdale, NL. The collar locations of the diamond drill holes are shown in Table 10-1 and Figure 10-1 and are located within mineral licence 036940M.

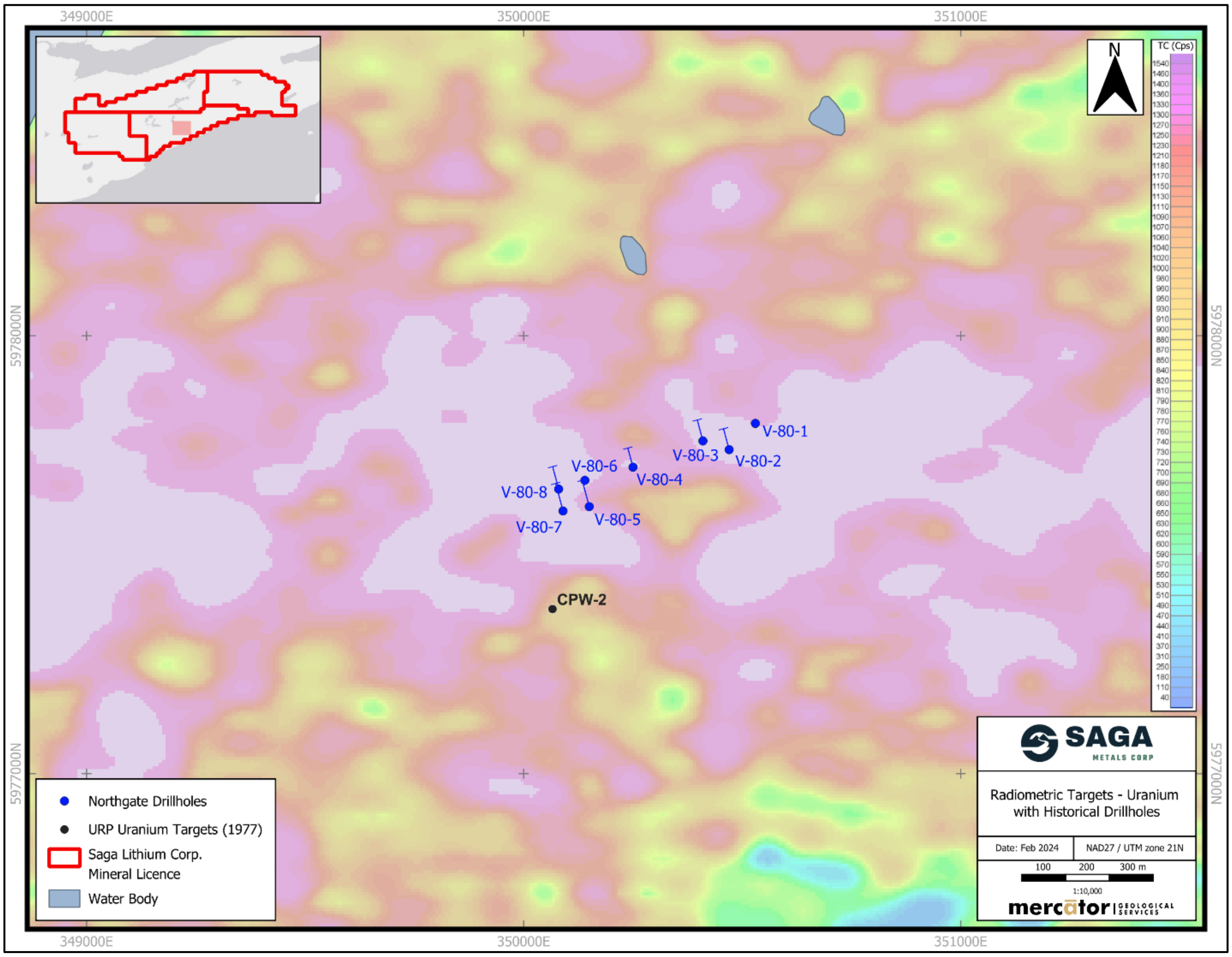
It was noted in the Newfoundland and Labrador Geoscience Atlas that an additional 8 holes with a similar hole IDs and prefixed with DDH e.g., DDHV-80-1 to DDHV-80-08 also existed in the government database. These holes are in the general area of the holes listed in Table 10-1. The holes in the database are believed to be the same holes. A possible reason for the two sets may be due to converting the collar coordinates to another datum or re-surveying of the collar locations.

**Table 10-1: Drill hole collar table**

| Trend | Hole ID | Northing (m) | Easting (m) | Elevation (m) | Azimuth (deg) | Dip (deg) | Length (m) | Year | Size |
|---|---|---|---|---|---|---|---|---|---|
| CPW 2 / Anomaly A | V-80-1 | 5977800 | 350530 | 337.7 | 360/0 | -45 | 60.96 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-2 | 5977740 | 350470 | 336.5 | 345 | -45 | 70 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-3 | 5977760 | 350410 | 377.2 | 345 | -45 | 69.4 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-4 | 5977700 | 350250 | 338 | 345 | -45 | 63.3 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-5 | 5977610 | 350150 | 330 | 345 | -45 | 87.48 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-6 | 5977670 | 350140 | 328.3 | 360/0 | -90 | 93.1 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-7 | 5977600 | 350090 | 327.4 | 345 | -45 | 91.44 | 1980 | BQ |
| CPW 2 / Anomaly A | V-80-8 | 5977650 | 350080 | 327 | 345 | -45 | 74.6 | 1980 | BQ |

Note: all coordinates are in NAD 27 Zone 21

**Figure 10-1: 1980 Northgate drill hole locations**




The assessment reports (13G_0038 and 13G_0039) stated a combined 36.9 m of core was sent for analysis; no samples were submitted for V-80-8. The highest value returned was 0.07% $U_3O_8$ in hole V-80-6. Intercepts of interest are presented in Table 10-2.

**Table 10-2: Drill core intercepts**

| Trend | Hole ID | From (m) | To (m) | Interval (m) | $U_3O_8$ % |
|---|---|---|---|---|---|
| CPW 2 / Anomaly A | V-80-1 | 14.6 | 16.2 | 1.6 | 0.01 |
| CPW 2 / Anomaly A | V-80-2 | 11.9 | 13.4 | 1.5 | 0.047 |
| CPW 2 / Anomaly A | V-80-2 | 42.3 | 46.5 | 4.2 | 0.036 |
| CPW 2 / Anomaly A | V-80-3 | 15.8 | 16.4 | 0.6 | 0.02 |
| CPW 2 / Anomaly A | V-80-4 | 60.0 | 63.2 | 3.2 | 0.01 |
| CPW 2 / Anomaly A | V-80-5 | 81.6 | 83.2 | 1.6 | 0.02 |
| CPW 2 / Anomaly A | V-80-6 | 5.2 | 8.4 | 3.2 | 0.05 |
| | Including | 5.2 | 6.8 | 1.6 | 0.07 |
| CPW 2 / Anomaly A | V-80-7 | 32.6 | 34.2 | 1.6 | 0.05 |
| CPW 2 / Anomaly A | V-80-8 | No samples submitted for analysis | | | |

# 11.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

Sample preparation, analyses and security for historical drilling and trenching programs are described below. There is no current drilling, trenching or field sampling programs completed by Saga Metals.

## 11.1 Sample Collection and Security

### 11.1.1 Northgate (1979-1980)

Stream sediment samples were taken from the finest silts as close to the center of the stream. Samples were collected at 100m intervals. In many cases, samples were not obtainable were stream flowed over bare outcrop.

Soil samples were taken using a one-inch auger. B horizon samples were taken in most cases on a 60m by 400m spaced grid where soil permitted.

Trenches were blasted across outcrops in the Whim Creek, Anomaly A area. Locations were chosen randomly based on ease of trenching rather than high radioactivity. The trenches were sampled by removing a 5kg sample from each 1 m section of the trench. The initial analysis results of the 5kg samples showed little correlation to the scintillometer readings, the trenches were re-sampled by taking a larger 15kg sample per meter.

No information was provided regarding the drill core sampling procedures in the assessment filings.

### 11.1.2 Silver Spruce (2006-2008)

B horizon and humus geochemical samples were taken on paced and flagged lines run in a north-south direction at 180 degrees, at variable intervals from 25 to 100 m apart, from the old Northgate baseline, which trends at 300 degrees, in the anomaly A area. Samples of both B and H were taken at each location. Unfortunately, the sample locations were not marked with the sample number and therefore cannot be identified in the field.

A total of 20 rock samples were collected from areas of high radioactivity and were located using scintillometers.

### 11.1.3 Mega Uranium (2008)

No information was provided regarding the sampling collection and security procedures in the assessment filings.

### 11.2 Sample Preparation and Analyses

#### 11.2.1 Northgate (1979-1980)

Samples were analysed by Atlantic Analytical Services Ltd., Springdale, NL. Uranium was determined fluorometrically. Molybdenum and copper were determined by atomic absorption ("AA") techniques. No records of control samples are present in the assessment reports covering this work.

No laboratory certificate files, or information was provided regarding the drill core sample preparation in the assessment filings.

Atlantic Analytical Services Ltd. is a commercial analytical services firm that is currently accredited and registered to the ISO/IEC 17025 standard. No documentation was reviewed with respect to this firm's accreditation at the time of the Northgate program. The firm has operated continuously since the Northgate period and has reliably served the regional mining and exploration industries during these years.

#### 11.2.2 Silver Spruce (2006-2008)

During the 2006 program, rock, core and soil samples were analysed for 30 elements using Actlabs code 1E3 aqua regia digestion/ICP at Actlabs in Ancaster, ON. Some rocks were also analyzed for gold. Any sample with U values >250 ppm was re-analysed by delayed neutron counting (Code 5D-U-Total DNC), which gives accurate results for values up to 1% $U_3O_8$, and an ICP technique was used for the other elements.

Actlabs is a commercial analytical services firm that is currently accredited and registered to the ISO/IEC 17025:2017 standard. No documentation was reviewed with respect to this firm's accreditation at the time of the Silver Spruce programs. The firm has operated continuously since that time and has reliably served an international clientele of mining and exploration interests.

#### 11.2.3 Mega Uranium (2008)

Samples were analyzed for uranium content by DNC. Selected samples were submitted for multi-element analysis. Sample preparation was conducted at the Actlabs facility in HVGB. Samples are dried, crushed, split and an aliquot of at least 100 g (95% - 15 mesh) was pulverized.

One gram of the sample was weighed, transferred into small polyethylene vial, and sealed. DNC analysis of samples for uranium was undertaken at Actlabs, Ancaster ON using lab package code 5D-U-Total DNC. Samples submitted for multi-element analysis are analyzed using a combination of Instrumental Neutron Activation Analysis ("INAA"), lab code 1H INAA(INAAGEO) and four-acid ICP lab code Total Digestion ICP Total.

### 11.3 Sample Preparation, Analysis and Security Comments by the QP

The QP is of the opinion that sample acquisition, preparation, and analytical protocols and reporting were completed according to industry standards of the respective program dates. However, specific details of associated accreditations and security protocols were not identified in historical reporting.

# 12.0 DATA VERIFICATION

## 12.1 Overview

Analytical data associated with rock, soil and humus, and infill core sampling programs carried out by Silver Spruce were reviewed for report purposes. All results referenced by Dimmell (2007) and Dimmell et. al. (2009) are supported by signed laboratory certificates. Results of check samples collected by the author during the 2007 Property visit also confirmed the uraniferous character of trenched bedrock exposures in the Anomaly A area.

Field checking of sample coordinates for the Northgate trench and campsite locations were checked during the November 2007 Property visit and found to be acceptably comparable to coordinates generated for the same locations using the author's hand-held GPS unit. Additionally, evidence of flagged soil sampling lines described in Dimmell (2007) was noted in the Anomaly A area and the cut baseline from which lines were turned off was clearly identified.

Based on the above, geochemical, grid and sample location coordination data were considered acceptable and valid to the extent that checking could be applied.

## 12.2 Quality Assurance and Quality Control

### 12.2.1 Silver Spruce (2006 – 2008)

Dimmell (2007) does not describe internal QAQC protocols applicable to the Property sampling programs carried out during 2006. No third-party check sample results were presented by Silver Spruce for this data set and no evidence of systematic insertion of blind blank samples was noted.

However, review of associated laboratory certificates from Actlabs showed that full reporting of laboratory quality control data sets had been provided, including certified standards, systematic analysis of pulp duplicate sample splits and coarse duplicate sample splits analysis of original sample splits. Laboratory in-house QAQC data sets show that acceptable results were returned for certified standards as well as for in-house standards and that duplicate sample sets and blanks provided acceptably consistent results.

### 12.2.2 Mercator (2007)

The trench and core samples collected in Labrador were shipped to ALS in Sudbury, ON and analysed for a 48-element geochemical suite (including REE) using ICP-MS methods. One laboratory blank sample was analyzed for the 13-sample shipment and duplicate splits were analyzed for 2 of the samples for quality control purposes. No independent certified standard for uranium was available to Mercator at the time of shipment but lab-inserted standards reported acceptable values. The blank sample returned a uranium value of < 0.1 parts per million, indicating that no clear cross contamination problem was present.

Uranium results for the DM-11 duplicate laboratory sample pair varied by less than 0.01% and the DM-1 pair returned similar uranium values of >500 ppm. The DM-1 values exceeded the upper limit of the ME-MS61r analytical package, thereby eliminating their potential value as indicators of precision.

On the combined basis of all results, analytical data returned for Mercator sampling is considered of acceptable quality and provides a reasonable check against earlier results of both Silver Spruce and Northgate.

While field sampling locations vary, the range of uranium values returned from the Mercator samples are interpreted as confirming the earlier exploration program results.

#### 12.2.3 Mega Uranium (2008)

Sample preparation was conducted at the Actlabs facility in HVGB. Samples are dried, crushed, split and an aliquot of at least 100 g (95% - 15 mesh) was pulverized. Samples were transported by commercial carrier to Actlabs, Ancaster ON for analysis.

During sample preparation cleaner sand was run between all samples to avoid cross contamination of samples. Sample duplicates were prepared from rejects (1 in 40) and from pulps (1 in 30) and are run through the entire process to verify adequacy of sample preparation. Random rejects and pulps are screened to ensure that the preparation passes specifications.

One or more pulverized CANMET standard Bl-4a were inserted into each lab batch for quality control/quality assurance (Kruse and McKeough, 2008). Performance of the CANMET BI-4a standard results were not commented on in the report.

#### 12.2.4 Saga Metals (2023)

Saga Metals has not carried out any sampling programs on the Property.

### 12.3 Author Site Visits

#### 12.3.1 2024 Mercator Site Visit

**Introduction**

Author Cullen visited the Property on June 1st, 2024, to meet requirement set out under NI 43-101 for current technical reporting. An Airbus H-125 helicopter operated by Newfoundland Helicopters Ltd. from its Happy Valley - Goose Bay base was chartered to access the Property, the center of which is located approximately 90 km east of that community. Weather conditions were good, with sunny periods predominating and temperatures in the 15 to 20 degrees Celsius range.

A general reconnaissance of the property was first flown and the northeast trend of multiple Silver Spruce airborne radiometric anomaly targets was assessed for presence of outcrop. Although forest cover is extensive on the Property, these anomalies we observed to generally follow a topographic ridge system that is frequently marked by discontinuous areas of outcropping bedrock at highest elevations. After completion of the reconnaissance, the area of Northgate trenching and drilling was visited, and field activities were then centered on checking historical drill hole locations. After completion of work in this area, a geological reconnaissance of the DM MR 16 Silver Spruce airborne radiometric survey target area was carried out. This resulted in identification of strongly anomalous radiometric responses in association with a narrow, distinctive felsic intrusive unit hosted by layered quartzo-feldspathic gneiss and mafic gneiss. Total count gamma radiation levels were measured in all 2024 site visit areas using an Exploranium GR-110 G Portable Gamma Ray Scintillometer. This is the same instrument used during the 2007 Mercator site visit.

Drill Hole and Trench Locations

The area of historical trenching and drilling carried out by Northgate was the main focus of the visit, with particular effort made to confirm drill hole locations. Locations for two of the eight drill holes completed by Northgate were identified and four areas trenched by that firm were inspected. Some of the trenched areas were visited previously during the 2007 Mercator site visit but snow cover at that time prevented identification of any drill sites. Location coordinates for the trenches and confirmed drill sites visited in 2024 appear in Table 12-1. Figure 12-1 presents these locations relative to those presented in earlier reporting.

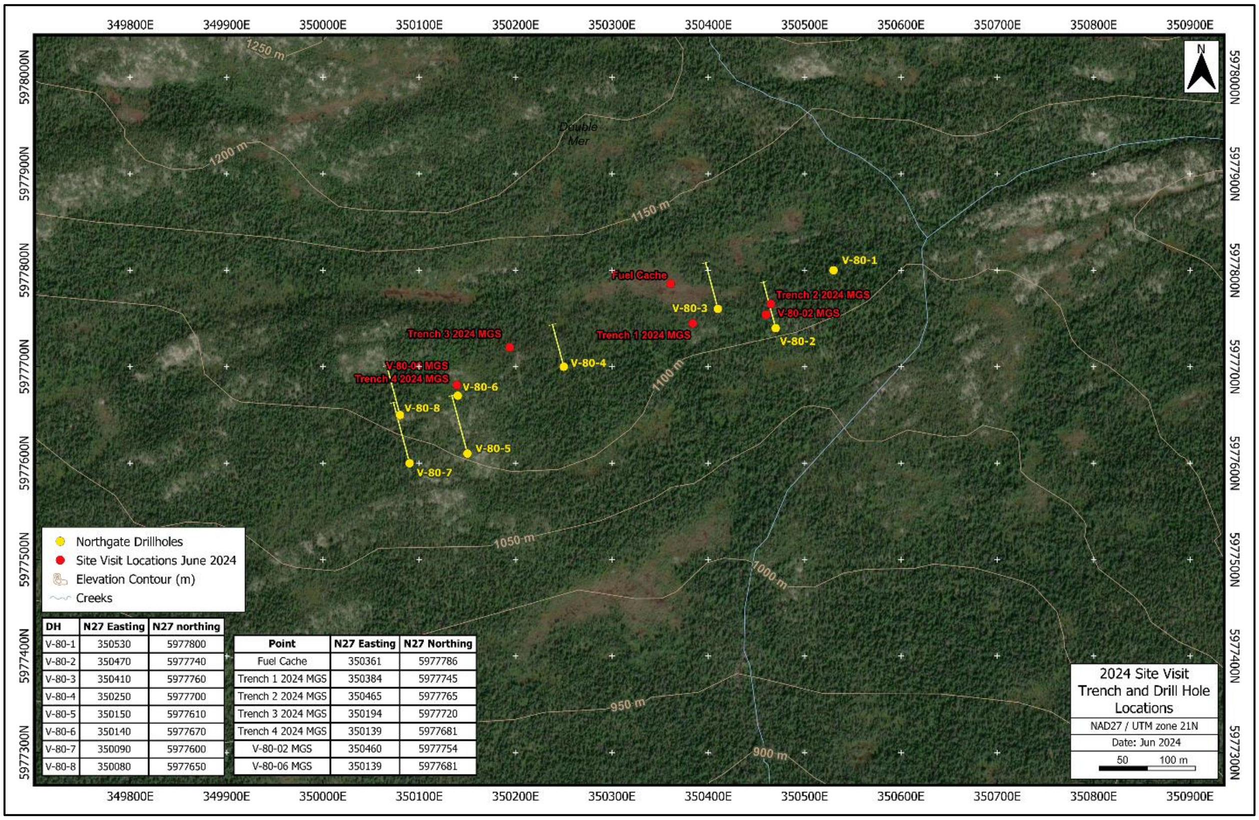
The V-80-02 and V-80-06 drill sites were confirmed and plastic casing extending from the holes was observed in each case (Figures 12-2 and 12-3). Remains of the timber skid on which the core drill had been mounted was also observed at the V-80-6 site (Figure 12-3). The V-80-01, V-80-03, V-80-05 and V-80-08 drilling sites were visited in 2024 but drill casing or other obvious evidence of drilling was not identified. In most cases, cleared areas that could have been drill setups are present. Snow cover at the assumed V-80-01 drill site restricted assessment and in two areas, one near Trench 3 and one approximately 50 m south of Trench 4 of Table 12-1, plastic pipe like that seen in confirmed drill holes was observed on the ground (Figures 12-4 and 12-5). In each case, no firm evidence of an associated drill hole was noted.

A thorough field check of all trenches and drill holes should be carried out in future to clarify trench identification nomenclature used in historical reporting, and to confirm additional drill hole sites.

**Table 12-1: 2024 location coordinates for fuel cache, trenches and confirmed drill Holes**

| 2024 Point Name | UTM East (m) NAD 27 Zone 21 N | UTM North (m) NAD 27 Zone 21 N | EL (m) | 2007 Site Visit Comment |
|---|---|---|---|---|
| Fuel Cache | 350361 | 5977786 | 343 | Visited |
| V-80-02 MGS | 350460 | 5977754 | 340 | Not visible due to snow cover |
| Trench 2 2024 MGS | 350465 | 5977765 | 337 | Referenced as Trench 3 |
| Trench 1 2024 MGS | 350384 | 5977745 | 335 | Referenced as Trench 4 |
| Trench 3 2024 MGS | 350194 | 5977720 | 339 | No comparable coordinate |
| V-80-06 MGS | 350139 | 5977681 | 345 | Not Visited |
| Trench 4 2024 MGS | 350139 | 5977681 | 345 | Not Visited |

Figure 12-1: Drill holes and trenches visited in 2024 plus previously reported locations hole locations




| DH | N27 Easting | N27 northing |
|---|---|---|
| V-80-1 | 350530 | 5977800 |
| V-80-2 | 350470 | 5977740 |
| V-80-3 | 350410 | 5977760 |
| V-80-4 | 350250 | 5977700 |
| V-80-5 | 350150 | 5977610 |
| V-80-6 | 350140 | 5977670 |
| V-80-7 | 350090 | 5977600 |
| V-80-8 | 350080 | 5977650 |

| Point | N27 Easting | N27 Northing |
|---|---|---|
| Fuel Cache | 350361 | 5977786 |
| Trench 1 2024 MGS | 350384 | 5977745 |
| Trench 2 2024 MGS | 350465 | 5977765 |
| Trench 3 2024 MGS | 350194 | 5977720 |
| Trench 4 2024 MGS | 350139 | 5977681 |
| V-80-02 MGS | 350460 | 5977754 |
| V-80-06 MGS | 350139 | 5977681 |

**Figure 12-2: Drill hole casing at V-80-2 site**

**Figure 12-3: Drill hole casing and drill timber skid at V-80-6 site**

**Figure 12-4: Plastic drill casing located south of V-80-06 location**

**Figure 12-5: Plastic drill casing near Trench 4 (2024 nomenclature)**

DM TR 16 Silver Spruce Airborne Radiometric Survey Target Area

Several radiometric high anomalies identified by the airborne survey carried out in 2007 by Silver Spruce were assessed from the air and the DM MR 16 target was briefly investigated on the ground. The location of this target appears in previous Figure 9-8 and coordinates appear in previous Figure 9-6. Good bedrock exposures are present along a ridgeline in the central target area and layered quartzo-feldspathic gneiss with local mafic gneiss bands comprises the main bedrock sequence. Gneissic layering trends generally east-west, with variable dip components that reflect folding.

A clearly defined, variably foliated felsic unit of white to cream color occurs in this area and shows strongly elevated background radiation responses. The unit is confined within the gneissic layering and locally shows radiometric responses that exceed 9999 cps (Figure 12-6). Traces of uranophane on fracture surfaces were noted at one of the high radiometric response locations. The anomalous unit appears to be folded within the east-west gneissic fabric trend and is well exposed along a strike length of approximately 50 to 60 m. It measures between 2 and 3 meters in width and locally shows a mafic gneiss layer along its north contact. Highest radiometric responses were returned within the felsic unit along this contact.

The DM MR 16 target is located approximately 6 km east of the area of historical Northgate trenching and drilling area. It appears similar to many of the other airborne survey radiometric anomalies located along the trend measuring about 18 to 20 km in length that is defined by the Silver Spruce airborne survey results (see previous Figures 9-1 through 9-9). Hand specimens from one of the anomalous radioactivity areas at the DM MR 16 site were collected for possible future study. Remains of survey flagging wrapped around a small stone at one location along the felsic unit indicate that it was visited and possibly sampled by others at some time in the past (Figure 12-7).

**Figure 12-6: Anomalously radioactive felsic intrusive unit at DM MR 16 target area**

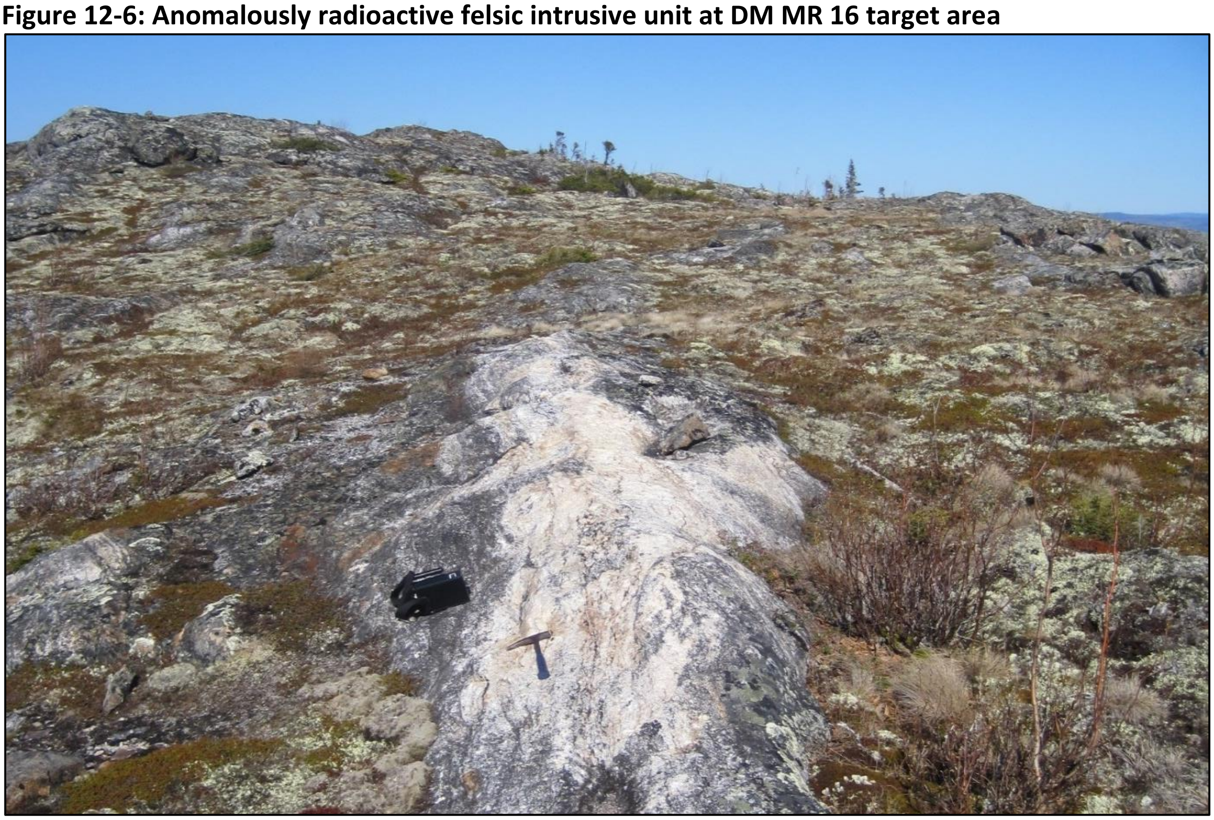


**Figure 12-7: High response area at DM MR 16 target area (note old flagging below *instrument)**

*(Exploranium GR-110 showing counts per second)

The area of greatest interest at DM MR 16 is located at coordinates 356,463 East (m) and 5,979,399N (m) - NAD 27 Zone 21.

**Historical Fuel Cache**

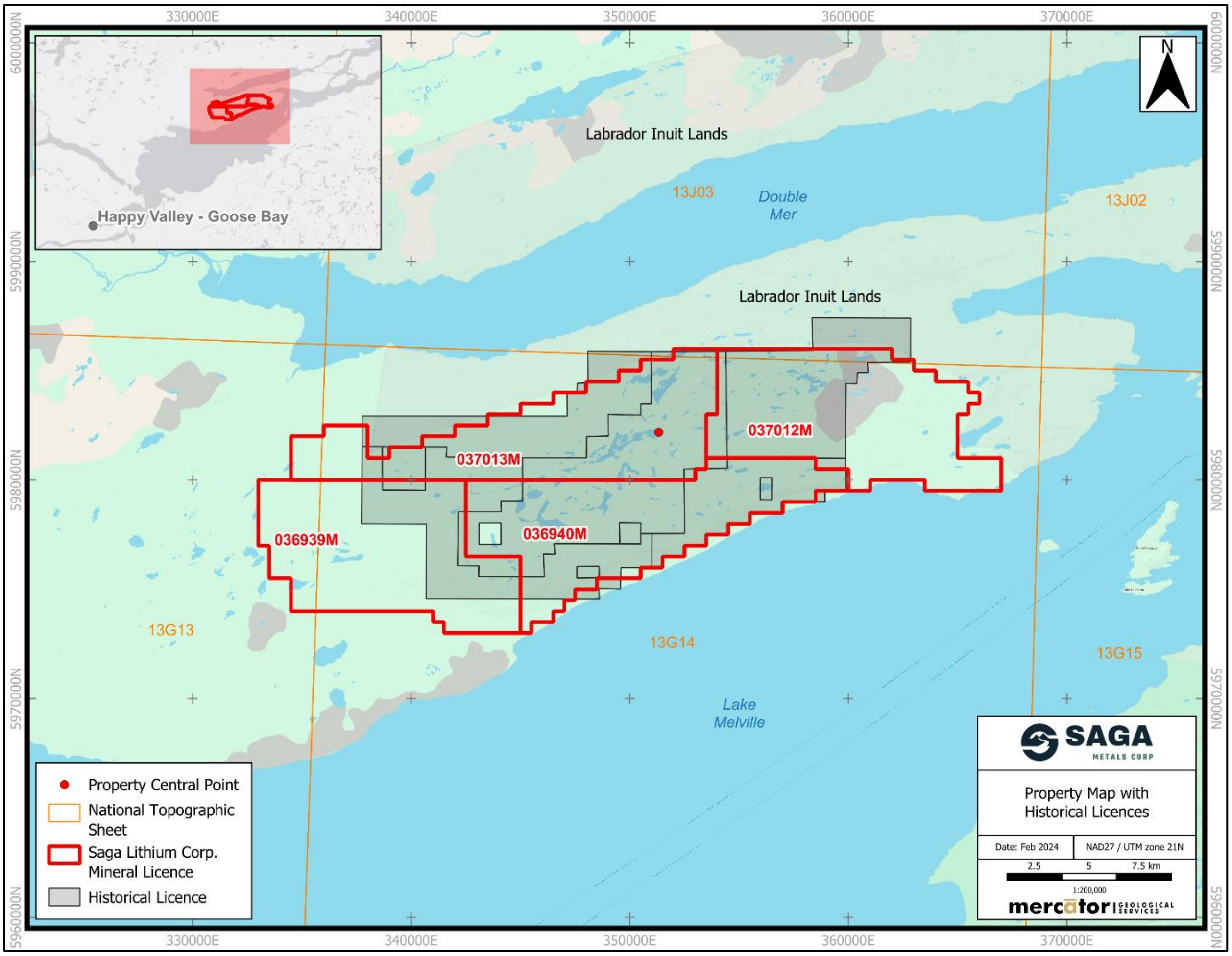
The Northgate drilling area was accessed by landing the helicopter at an old fuel cache site located several hundred meters west of the Northgate era camp site (Figure 12-8). This location was visited during the 2004 site visit and the eight drums present do not appear to have been disturbed since that time. Seven of the drums are still sealed and one is open. A diesel fuel odour was present in this area at the time of the 2024 site visit and suggests that at least some leakage of fuel has occurred. The drums were not disturbed in any way during the latest site visit, and it is recommended that these be removed during the planned summer 2024 field season. Original ownership of the drums is not known. Location coordinates for the cache appear above in Table 12-1.

**Figure 12-8: Historical fuel cache at trenching and drilling area**

### 12.3.2 2007 Mercator Site Visit

During 2007, Mercator was retained by High Tide to complete a property technical report supported by a site visit to Silver Spruce's historical Double Mer uranium exploration property located in the Lake Melville area of eastern Labrador. High Tide had an opportunity to earn an interest in that holding at the time under terms of a joint venture agreement. The Silver Spruce historical property is largely encompassed by the current Property (Figure 12-9). As previously noted in Section 2.4, High Tide provided Mercator with written permission to access and disclose results of the site visit and associated technical reporting for purposes of the current Report.

**Figure 12-9: Property map with historical licences at the time of the 2007 Mercator site visit.**




On November 26th, 2007, author Cullen visited the Property to carry out a check sampling program in the areas trenched by Northgate at Anomaly A and to carry out a broader reconnaissance of the Property's geological features. The Property was accessed by light helicopter chartered from the Canadian Helicopters base in HVGB and the aircraft was retained at the Property for the entire day, returning in late afternoon. Weather conditions were good at the time, with clear skies and temperatures in the -20 to -25 degrees Celsius range.

An initial aerial reconnaissance of the Property was completed to establish general disposition of one prominent airborne radiometric survey anomaly trend and the Anomaly A area was then visited after landing at the old Northgate camp site near the trenched area. An Exploranium GR 110 hand-held scintillometer was used to measure total gamma radiation levels over one second counting times. GPS coordinates and a trench location plan found in Dimmell (2007) were found to be accurate and four bedrock trench locations were visited. Locations of drill holes completed by Northgate were also clearly apparent, being marked by plastic tubing that extended well above ground level. In each case, highly anomalous levels of radioactivity were detected by the scintillometer, with readings exceeding 10,000 counts per second in several locations. Snow cover was removed from outcrops and boulder piles by brooming and a collection of grab samples was assembled for the purpose of confirming presence of previously reported uranium levels. Sample sites were flagged and photographed, and sample placed in labelled bags for transport out of the field. Snow cover and the short daylight period prevented completion of more complete chip sample traverses along the trenches.

Bedrock samples were selected based on highest attained radioactivity levels and are point or "grab" samples with no applicable length parameter. Table 12-3 presents sample information with corresponding rock types.

**Table 12-2: Sample descriptions for Mercator 2007 rock samples**

| Sample | Location | Description | ** Maximum Counts Per Second | UTM E(m) - NAD 27 | UTM N(m) - NAD 27 |
|---|---|---|---|---|---|
| DM1 | Trench 1: | Hematized granitic gneiss with minor secondary uranium oxide (uranophane?) on fractures | 2015 cps | 350615 | 5977810 |
| DM-2 | Trench 1: | Hematized granitic gneiss with trace secondary uranium oxide (uranophane?) on fractures | 420 cps | 350615 | 5977810 |
| DM-3 | Trench 1: | Hematized granitic gneiss with pegmatitic quartz band and minor secondary uranium oxide (uranophane?) on fractures | 1870 cps | 350615 | 5977810 |
| DM-4 | Trench 2: | Hematized granitic gneiss | 1090 cps | 350580 | 5977780 |
| DM-5 | Trench 2: | Hematized granitic gneiss with minor secondary uranium oxide (uranophane?) on fractures | 870 cps | 350580 | 5977780 |
| DM-6 | Trench 3: | Granitic gneiss with white feldspar banding and hematized biotite along contact | 1541 cps | 350465 | 5977770 |
| DM-7 | Trench 4: | Hematized granitic gneiss with slickensided biotite rich bands (to 15%) | 1150 cps | 350385 | 5977755 |
| DM-8 | Trench 4: | Split of DM-7 with less biotite (5%) | 420 cps | 350385 | 5977755 |
| DM-9 | Trench 4: | Hematized granitic gneiss with slickensides | 560 cps | 350385 | 5977755 |
| DM-10 | Trench 4: | Biotite rich (10-15%) granitic gneiss-chloritized | 1070 cps | 350385 | 5977755 |

***Notes**:*
*(1) Trench locations nomenclature differs from that of P. Dimmell – Trench 4 above corresponds to Dimmell (2007) Trench 5. Further checking against historical documents is required for better coordinate accuracy.*
*(2) Background Radioactivity ~ 160 cps; cps = counts per second; Exploranium GR-110 G Portable Gamma Ray Scintillometer used in all instances*

Similar rock types were encountered at all the trench locations, with well banded, light pink to grey granitic gneiss being the predominant rock type. Areas of highest radioactivity were found to be characterised by two associations: (1) light grey to pink variably foliated granitic gneiss showing several percent of combined, variably chloritized mafic mineral phases and local evidence of hematization, and (2) light grey to pink, quartz rich, siliceous pegmatite lenses or migmatitic leucosomes that were typically low (< 2%) in mafic mineral phases. Instances of the first case were most common and characterized by mafics defining the metamorphic foliation or shape fabric in conjunction with compositional banding defined by quartz-and potassium feldspar. Coarse grained domains were locally apparent, as were domains of well-developed potassium feldspar augen gneiss with associated biotite. Gneissosity trends were generally east-west and steeply dipping and mineral lineations defined by aligned mafic mineral aggregates were locally present.

In areas of enhanced radioactivity, mafic minerals commonly showed retrograde chloritization and associated coarse grained granitic gneisses and augen gneisses locally showed prominent medium to dark red hematization. At several locations, bright yellow secondary uranium mineralization believed to be uranophane was present on fracture surfaces that crosscut all metamorphic fabrics. Small amounts of an amorphous black residue accompanied such mineralization locally and may have been sooty pitchblende. Presence of such mineralization is attributed to mobilization of uranium by weathering from primary bedrock mineral phases such as uraninite, which was identified as the primary uranium phase present by Kerswill and McConnell (1979), with re-precipitation on fracture surfaces in response to local reducing conditions.

In total, 10 rock samples from the trenches were submitted to ALS for assay in combination with 3 samples of split core taken from archived Northgate drill holes, details of which are discussed below. Table 12-2 presents uranium and thorium results for core samples along with scintillometer readings recorded for each of the bagged samples prior to shipment. Samples were prepared at the lab by crushing to -70% <2mm, riffle split and pulverized to 85% passing <75 um; analysis was ALS code ME-MS61r a 48 element four acid Inductively Coupled Plasma Mass Spectroscopy (“ICP-MS”), plus REEs. Higher grade samples were re-assayed by ore grade X-ray Fluorescence methods.

Preliminary review of the multi-element data set showed that uranium has moderate positive correlation in some samples with lead, phosphate, thorium, molybdenum, and copper. Thorium levels are typically low relative to uranium, with uranium/thorium ratios ranging between 5.21/1 and 18.18/1. Rare earth element and tantalum levels are low in comparison to those commonly seen in alkaline intrusion magmatic settings.

After completion of trench sampling a brief inspection was made of the old Northgate camp site where a small (approximately 3m x 2.5m) wooden building and a stack of tent platform or building panels were identified. A small fuel cache consisting of 6 drums was also noted in an open bog area approximately 200 meters west of the camp site. Several of the drums still contained fuel, with labels suggesting a mix of jet fuel and diesel or stove oil. No evidence of leakage was apparent at the time of the site visit, but these drums should be removed from the Property.

### 12.3.3 Review of Northgate Drill Core

As part of the data validation process, all eight drill holes completed by Northgate in the CPW-2 area were reviewed at the government core facility in HVGB during November 27th to 28th, 2007. Mr. Stewart Cochrane of Newfoundland Department of Energy and Mines provided access to the facility and assisted with all aspects of core handling, setup, and sampling.

Northgate drill logs were compared against core intervals to assess descriptions and sample intervals. Sample intervals were checked against indicated half core intervals. The intervals sampled by Northgate were found to be anomalous in radioactivity levels along with several other intervals that had not been sampled. Presence of hematitic alteration as mentioned in the historic logs was found to be generally accurate and several discrete zones of sheared core showing retrograde alteration to chlorite, and sericite. Pegmatitic zones showing higher radioactivity levels were commonly present as were thin (< 2m typically) intervals of biotite schist and/or biotite amphibolite. Limits to the leucogranite unit associated with uranium mineralization were not easily identified by inspection but higher radiometric background levels in these rocks were detectable with the scintillometer. Figures 12-10 through 12-13 illustrate major rock types encountered in the Northgate holes and trenches.

Core sample intervals were identified based on high radiometric background values and were collected over short core intervals of 0.25m, 0.4m and 0.36m. These were recorded in sampling records retained by the provincial government and in Mercator records. In all instances, sampling was carried out to confirm uraniferous character of the bedrock material at discrete locations for validation purposes. DM-11 through DM-13 in Table 12-4 present analytical results for three half core samples from Northgate drill hole V-80-7 collected as part of Mercator's Property visit and data validation program. The three sections of radiometrically anomalous drill core had not been sampled previously by Northgate.

**Table 12-3: Uranium and Thorium values for Mercator 2007 core samples**

| Sample | *Location | Description | ** Maximum cps | U ppm | Th ppm | U ppm/Th ppm | $U_3O_8$ % |
|---|---|---|---|---|---|---|---|
| DM-11 | Drill Hole V-80-7 | From 0.6 to 0.95m: grey leuco-granite with irregular biotite 2-5% | 480 cps | 600 | 37.3 | 16.09 | 0.071 |
| DM-12 | Drill Hole V-80-7 | From 2.09m to 2.55m: foliated pink/grey leucogranite with 5% biotite in aggregates | 510 cps | 440 | 37 | 11.89 | 0.052 |
| DM-13 | Drill Hole V-80-7 | From 29.37m to 29.67m: biotite rich band in hematized pink foliated granite/gneiss | 170 cps | 76 | 14.6 | 5.21 | 0.009 |

**Notes**:

*(1) Coordinates for samples DM-11 through DM-13 are those estimated for the collar of drill hole V-80-7. Further checking against historic documents is required for better coordinate accuracy.*

*(2) Background Radioactivity ~ 160 cps; cps = counts per second; Exploranium GR-110 G Portable Gamma Ray Scintillometer used in all instances*

*Results confirm the low-grade uraniferous character of the chosen sample intervals of thin (< 2m typically) biotite schist and/or biotite amphibolite. Limits to the leucogranite unit associated with uranium mineralization were not easily identified by inspection, but higher radiometric background levels in these rocks were detectable with the scintillometer.*

**Figure 12-10: Radioactive, locally hematitic granitic gneiss – DM-4 sample location (Exploranium GR-110 showing counts per second)**

**Figure 12-11: Hematized leucogranite, granitic gneiss and augen gneiss with amphibolitic gneiss - Northgate Drill Hole V-80-7**

**Figure 12-12: Amphibolite with K-feldspar augen orthogneiss and granitic gneiss or leucogranite - Northgate Drill Hole V-80-7**

**Figure 12-13: K-feldspar, quartz biotite augen orthogneiss – Northgate Drill Hole V-80-7**

### 12.3.4 Quality Assurance and Quality Control Program

Samples were broken in the field and placed in labeled plastic bags along with a sample tag corresponding to the sample number. These were retained in possession of the QP until delivered to the Mercator office in Dartmouth, NS, where samples were photographed. All bags were sealed, placed in sealable plastic buckets, and the 10 trench samples, 3 half core samples, 1 blank sample collected by Mercator were transported by commercial courier and submitted to ALS in Sudbury, ON for preparation and analysis.

At ALS all samples were prepared using the standard rock preparation protocol (Codes PULQC, CRU-31, SPL-21, PUL 31) that include crushing, splitting, and pulverizing to minus 200 mesh size prior to analysis of 48 elements, including REEs, using ICP-MS methods (Code ME-MS61r) after near total digestion in a four-acid leach. Samples returning values of uranium more than 1000 parts per million were re-analysed using ore-grade X-ray Fluorescence methods (Code XRF-10) and separately reported by the laboratory.

ALS is currently an accredited, ISO 17025 registered, commercial analytical services firm operating internationally. It was operating as an independent, fully accredited analytical services firm in 2008 when Mercator samples were processed and analyzed.

## 12.4 Data Verification Comments by the QP

The QP concludes that results of the data verification program are acceptable. Site visit field observations in 2024 and 2007 confirmed locations of some past exploration trenches and drill holes. Check samples collected and analysed in 2007 show that anomalous uranium levels in trench and core samples are characterized by anomalous radioactivity levels. Site visit field observations in 2024 confirmed presence of highly anomalous radioactivity levels in bedrock at one airborne survey radiometric target (DM TM 16).

Abundant evidence of historical exploration work in the Northgate drilling and trenching area was noted and field program descriptions indicate that industry standard protocols of the respective work program periods were typically applied.

## 13.0 MINERAL PROCESSING AND METALLURGICAL TESTING

No metallurgical testing has been conducted to date on the Property.

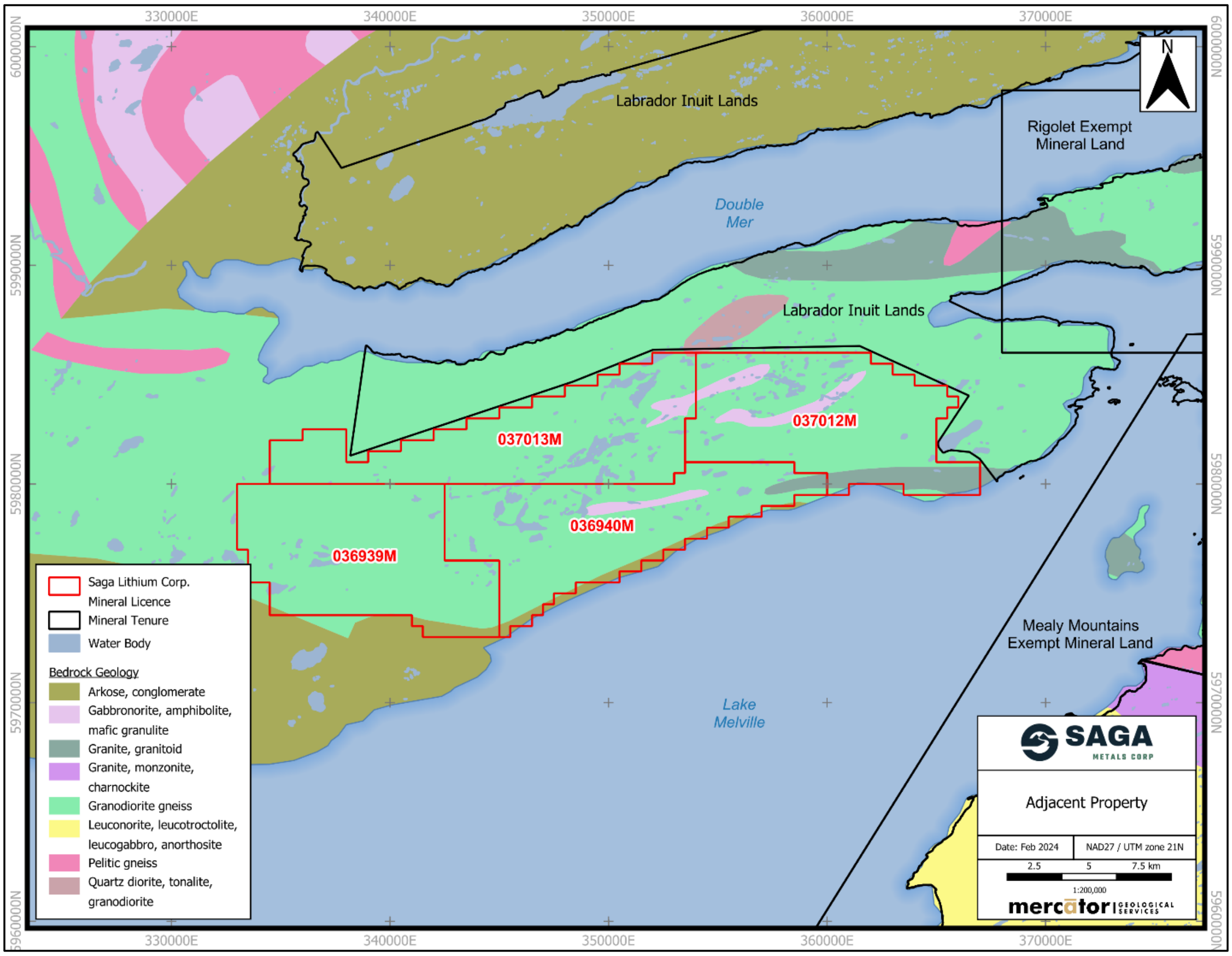
## 14.0 MINERAL RESOURCE ESTIMATES

No mineral resource estimates have been conducted to date on the Property.

## 23.0 ADJACENT PROPERTIES

Areas directly adjoining the Property mineral licence boundaries were open for staking at the Effective Date of this Report (Figure 23-1.) A review of nearby properties with similar geological characteristic and mineralization potential was conducted and no other exploration holdings were identified that would qualify as Adjacent Properties within the context of NI 43-101.

**Figure 23-1: Adjacent Properties**




Many of the historical adjoining claims from the 2006 through 2008 period held by White Bear, Northern Lorena, Mega Uranium, Ucore and Tripple Uranium were incorporated into the Property when it was staked by Saga Metals.

## 24.0 OTHER RELEVANT DATA AND INFORMATION

To the best of the authors' knowledge there is no other relevant data, additional information, or explanation necessary to make the Technical Report understandable and not misleading.

# 25.0 INTERPRETATION AND CONCLUSIONS

## 25.1 Summary

The QPs note the following interpretations and conclusions in their respective areas of expertise based on the review of data available for this Technical Report, including results of the 2007 Property visit and drill core review.

It is concluded that the Property presents untested potential for discovery of uranium mineralization of potential economic interest. Bedrock sections tested by drilling and trenching show local evidence of favourable hematitic alteration of all metamorphic fabric elements, including those with highest radiometric response levels. The radiometric highs correlate with highest levels of uranium defined by historical laboratory analyses and occur within anomalous radioactivity trends identified through airborne surveying.

## 25.2 Mineral Tenure, Surface Rights, Royalties

Saga Lithium Corp. holds a 100% interest in the Property located in the Melville Lake-Double Mer area of eastern Labrador, in the province of Newfoundland and Labrador. Saga Metals advised that at the effective date of this Report, the subject mineral licences were registered to Saga Lithium Corp. Following the Company's name change completed on January 15, 2024, the Company is working with the Newfoundland and Labrador government to have the claims reregistered in the new name Saga Metals Corp. The Property includes four mineral licences (036939M, 036940M, 037012M, and 037013M) representing 25,600 ha of surface area. Saga Metals provided information pertaining to mineral tenure and confirmed no property agreements or royalties apply to the Property.

## 25.3 Geology and Mineralization

The predominant style of uranium mineralization identified to date on the Property is uraninite present in fine disseminations directly associated with biotite, garnet, and pyroxene rich zones in leucogranite lenses hosted by quartzo-feldspathic gneiss. Presence of finely dispersed uraninite was confirmed by petrographic studies and x-radiographs of slabbed samples. The currently preferred genetic model for uranium mineralization includes contemporaneous development of pegmatitic veins in high grade metamorphic sequences, with those at Bancroft in southeastern Ontario and in the Johan Beetz area on Quebec's North Shore being examples. For current purposes, the "High Grade Metamorphism - Granite Model" proposed by Kerswill and McConnell (1979) appears to be applicable.

Association of hematitic alteration with uraniferous areas on the Property also introduces the possibility that mineralization of the IOCG association could be present, although substantive geological or geophysical support for such potential is not currently in place. Discovery of characteristic hematite rich breccias and distinguishing alteration assemblages of this deposit class during future anomaly follow-up programs will serve to better constrain relevance of this model. Potential may also exist in the broader Lake Melville area for occurrence of reworked "unconformity related" uranium mineralization developed in pre-Grenville Orogeny settings, or in association with the post-Grenville late Proterozoic (Hadrynian) sub-Double Mer Formation unconformity and crosscutting fault settings.

### 25.4 Data Collection and Verification

Sampling, logging, core recovery, data collected during 1980 to 2008 are consistent with exploration industry practices at the respective times. The QP is of the opinion that future programs will need to incorporate sample collection, preparation, analysis, and methodologies consistent with current exploration best practice guidelines, including robust QAQC programs.

ALS and Actlabs were primarily used for sample preparation and analytical services. Both are accredited independent laboratories. The QP found the quality of analytical results sufficiently reliable and reproduceable.

Results of 2007 and 2024 site visits provide clear evidence of reported historical work programs and confirm the association of strong radiometric anomalies with presence of uranium in source bedrock sequences.

## 26.0 RECOMMENDATIONS

A two-phase program of future Property exploration is recommended. Phase 1 is designed to produce target areas that can be followed up by diamond drilling investigations in Phase 2. Commitment to Phase 2 programs is contingent on sufficiently favourable results being returned from Phase 1.

The following activities are recommended for Phase 1 to create a comprehensive understanding of the overall Property and focus on generating exploration targets.

a) Complete a Lidar survey of the Property. This offers extremely accurate 3D topographic information within a short period of time, which is essential for planning projects around geographical limitations.
b) In-fill sampling of core: Drill core archived at HVGB should be infill sampled. Both the Mercator sampling (2007) and Silver Spruce sampling (2008) encountered unsampled lengths of core with anomalous values.
c) Trenching: New bedrock occurrences of uraniferous character should be exposed and washed to allow mapping and sampling to be completed.
d) Lake sediment anomaly follow-up: The detailed government lake sediment geochemistry dataset defines a large area of anomalous responses in the western half of the property and several smaller sites in other areas. Mapping and prospecting programs should be completed throughout all these areas to identify associated bedrock uranium sources.
e) Reprocessing of Airborne Survey Results: Data from the airborne surveys completed on the Property should be compiled and reprocessed to maximize definition of bedrock features. Interpretive plans emphasizing structural features should also be generated.
f) Airborne Anomaly Follow-Up: Mapping and prospecting programs designed to follow-up the 20 airborne survey targets identified for follow-up in Dimmell (2007) based on Urquhart (2007) reporting for the survey flown by Silver Spruce should be completed on a priority basis.
g) Ground Survey Follow-Up: Positive results from the 2007 soil and scintillation counter surveys should be further investigated by detailed prospecting and mapping and survey extensions. This should include collection and interpretation of grid-based scintillation counter and magnetic survey data over the areas of greatest interest or not previously surveyed.
h) Geological Mapping: A Property-scale geological mapping program should be completed to establish an up-to-date geological interpretation. Results of drone surveys and Lidar surveys can assist with locating outcrop location for mapping and sampling.
i) Lineament Analysis: The digital elevation model created by the Lidar survey should be used to support a detailed analysis of structural trends on the property that are reflected as topographic features. This would complement interpretive work completed on the other airborne survey results.
j) Geochemistry: Geochemical soil or humus sampling should be carried out were warranted to assess promising targets in overburden covered areas. This would generally apply to new target areas but also to extend the Silver Spruce grid in the CPW-2 area. A program to assess water

sampling as a means of providing a further geochemical filter for the Property should also be completed.

k) Collect specific gravity data from historical and future drill core. Density is a risk item in terms of grade tonnage reporting and should be subjected to the same level of QAQC, validation and review as the grade attributes. Using the weighing in air and water method for the core for each sample is preferable and relatively inexpensive.

It is assumed that Phase 1 programs are supported by helicopter from HVGB without installation of on-site camp facilities. Helicopter charges are included with personnel, activity, and accommodation charges for Phase 1.

Phase 2 recommended programs are contingent on successful results being returned from Phase 1. They address more detailed investigations of priority prospects and targets, ultimately leading to testing of targets with a 1,500 m diamond drilling program.

1) Review and Interpretation of Phase 1 Results: A thorough review and interpretation of initial results should be carried out to establish target areas and parameters for more focused exploration activities in Phase 2.
2) Geophysical Surveys: Grid-based scintillation counter and magnetic survey data should be collected over areas selected for detailed ground follow-up. Digital acquisition of location and survey data is recommended to facilitate interpretation and processing.
3) Geochemistry: Geochemical soil, humus and water sampling should be carried out where appropriate to extend and further assess valid targets in overburden covered areas.
4) Diamond Drilling: The most promising targets defined by results of combined Phases 1 and Phase 2 programs should be priority rated for subsurface testing by diamond drilling. All holes should be logged using industry standard down-hole logging equipment, preferably with capability to digitally record U, Th and K channels as well as spontaneous potential and resistivity parameters.

Estimated costs for the recommended Phase 1 and Phase 2 work programs are presented in Table 26-1.

**Table 26-1: Recommended work program budget**

| Task | Estimated Cost ($ CDN) |
|---|---|
| ***Phase 1:*** | |
| Infill Sampling of Core | 10,000 |
| Analytical (Rocks and Core) | 6,000 |
| Lake Sediment Anomaly Follow-Up | 30,000 |
| Reprocessing of Airborne Survey Results | 11,000 |
| Airborne and Ground Anomaly Surveys and Follow-Up | 100,000 |
| Geological Mapping | 30,000 |
| Lineament Analysis | 6,000 |
| Trenching (Includes Geological Supervision) 31,000 | 31,000 |
| Geochemical Surveys | 22,000 |
| Geochemical Sample Analysis | 16,000 |
| Reporting | 12,000 |
| Helicopter Support | 150,000 |
| Supervision and Administration | 12,000 |
| Communications Support (Starlink) | 5,000 |
| Contingency | 30,000 |
| ***Phase 1 Subtotal*** | **$471,000** |
| ***Phase 2:*** | |
| Review and Interpretation of Phase 1 Results | 15,000 |
| Geophysical Surveys | 72,000 |
| Geochemical Surveys | 47,000 |
| Geochemical Sample Analysis | 20,000 |
| Diamond Drilling (Includes Geological Supervision – 1,500 meters) | 500,000 |
| Analytical (Rocks and Core) | 25,000 |
| Camp Logistical Charges | 250,000 |
| Helicopter Support | 450,000 |
| Reporting | 50,000 |
| Supervision and Administration | 50,000 |
| Contingency | 55,000 |
| Communications Support (Starlink) | 5,000 |
| ***Phase 2 Subtotal*** | **$1,539,000** |
| **Total** | **$2,010,000** |

## 27.0 REFERENCES

Bailey, D. G., 1979a: Double Mer-Lake Melville area, Labrador, In Preliminary project reports for 1979. Newfoundland and Labrador Department of Mines and Energy, Mineral Development Division, Report 79-07.

Bailey, D. G., 1979b: Double Mer-Lake Melville. Department of Mines and Energy, Mineral Development Division, Open File LAB/0455, p. 5

Bailey, D. G., 1980: Geology of the Double Mer-Lake Melville area, Labrador In Current Research, Edited by C. F. O'Driscoll and R. V. Gibbons, Government of Newfoundland and Labrador, Department of Mines and Energy, Mineral Development Division, Report 80-01, p. 154-160.

Cunningham –Dunlop, I. and Lee, C., 2008: An update on the exploration activities of Aurora Energy Resources Inc. on the CMB uranium property, Labrador, Canada, during the period January 1, 2007 to November 30, 2007; Part II, mineral resources; NI 43-101 Technical Report prepared for Aurora Energy Resources, p. 215

Dimmell, P. M., 2007: Report on Exploration on the Double Mer Property, Silver Spruce Resources Inc. East Central Labrador, unpublished assessment report submitted to Newfoundland and Labrador Department of Mines and Energy, p. 46

Dimmell, P.M., Jacobs, W., DeLazzer, A., 2009: Report on 2008 Exploration on the Double Mer Property (Licences 11722-24M, 11737M, 11762, 63M, 12088-90M, 15526M) of Silver Spruce Resources Inc. East Central Labrador, p. 105-217.

Emslie, R.F., 1976: Mealy Mountains Complex, Grenville Province, southern Labrador, In Report of Activities Part A, Geological Survey of Canada Paper 76-1A, p. 165-170.

Erdmer, P., 1983a: Preliminary Report on the Geology North Of Upper Lake Melville, Labrador, In Current Research Part A, Geological Survey of Canada, Paper 83-01A, p. 291-296.

Erdmer, P., 1983b: Preliminary Report on the Geology North Of Upper Lake Melville, Labrador, In Current Research, Edited by M. J. Murray, P. D. Saunders, W. D. Boyce and R. V. Gibbons, Newfoundland and Labrador Geological Survey, Report 83-01, p. 115-120.

Farquhar, E., 2007: High Resolution Stinger Mounted Magnetometer and Radiometric Survey For Silver Spruce Resources Inc., Double Mer Property, Labrador

NTS: 13G14 &13J14; unpublished report by Fugro Airborne Surveys Corp., Report #06029, p. 42

Fenton, J.O. 1978: Final report on project generation uranium including geological and geophysical surveys of the southern Labrador area. Newfoundland and Labrador Geological Survey, Assessment File LAB/0421

Friske, P. W. B., McCurdy, M.W., Gross, H., Day, S.J., Lynch, J.J., and Durham, C.C., 1992: Regional Lake sediment and water geochemical reconnaissance data, eastern Labrador, Geological Survey of Canada, Open File 2472, p. 122

Friske, P. W. B., McCurdy, M.W., Gross, H., Day, S.J., Lynch, J.J., Adcock, S.W., Durham, C.C. and Karam. H., 1993: Regional Lake sediment and water geochemical reconnaissance lake sediment and water data, eastern Labrador [NTS 13I, 13J, 13O], Geological Survey of Canada, Open File 2646, p. 126

Ghandi, S.S., 1986: Uranium in the Early Proterozoic Allik Group, Labrador, In Uranium Deposits of Canada, Canadian Institute of Mining and Metallurgy, Special Volume 33, p 70-82.

Gower, C.F., Flanagan, M.J., Kerr, A., and Baily, D.G., 1982: Geology of the Kaipokok Bay –Big River area, Central Mineral Belt, Labrador, Government of Newfoundland and Labrador department of Miners and Energy, Mineral development Division, Report 84-1, p80-87

Gower, C.F., and Erdmer, P., 1984: The mineral potential of paragneiss in the Grenville Province in eastern Labrador, in Current Research, Newfoundland department of Mines and Energy, Mineral Development Division Report 84-1, p 80-87

Gower, C.F., and Owen, V., 1984: Pre-Grenvillian and Grenvillian lithotectonic regions in eastern Labrador-correlations with the Sveconorwegian Orogenic Belt in Sweden; Canadian Journal of Earth Sciences, Vol. 21, p. 678-693

Gower, C.F., Noel, N., and van Nostrand, T., 1985: Geology of the Paradise River Region, Grenville Province, In Current Research, Newfoundland department of Mines and Energy, mineral development Division Report 85-1, p 19-32.

Grant, A. C., 1975: - Seismic reconnaissance of Lake Melville, Labrador. Canadian Journal of Earth Sciences, v. 12, No. 12, p. 2103-2110.

Haynes, D. W., 2000: Iron oxide copper gold deposits, their position in the ore deposit spectrum and modes of origin, In Porter, T.M., ed., Hydrothermal Iron Oxide Copper Gold and Related Deposits: A Global Perspective, Vol. 1, PGC Publishing, Adelaide, p. 71-90.

Hitzman, M., Oreskes, N., and Einaudi, M., 1992: Geological characteristics and tectonic setting of Proterozoic iron-oxide (Cu-U-Au-REE) deposits, Precambrian Research, 58, p. 241-287.

Hegler, W., 1978: A review of the mineral potential of Nalco lot 1 in the Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File LAB/0469.

Hornbrook, E. H. W., Maurice, Y. T. and Lynch, J. J., 1977: Geochemical lake sediment and water, eastern Labrador, maps and data, Geological Survey of Canada, Open File 513, p. 105

Hornbrook, E. H. W., Maurice, Y. T. and Lynch, J. J., 1978: Geochemical lake sediment and water, eastern Labrador, maps and data, Geological Survey of Canada, Open File 511.

Kindle, E. M., 1924: Geography and geology of Lake Melville District Labrador Peninsula; Labrador, Geological Survey of Canada, Memoir 141, 1924, p. 105

Kerswill, J. A. and McConnell, J. W., 1979: The Grenville of Labrador: A Possible Target for Uranium Exploration In Light of Recent Geological and Geochemical Investigations, In Recherches En Cours Partie B, Geological Survey of Canada, Paper 79-01B, p. 329-339.

Kruse, S., McKeough, M., 2008: 2008 (Second Year) Assessment Report of Prospecting, Trenching and Ground Geophysics on Double Mer Property of Mega Uranium Ltd (LAB/1472). p. 1-62.

McConnell, J. W., 1978a: Geochemical Lake sediment, lake water, radiometric, rock and overburden surveys in Labrador – follow up studies of the 10 anomalous areas within the 1977 URP lake survey, Mineral Development Division, Newfoundland Department of Mines and Energy, Open File LAB/0408.

McConnell, J. W., 1978b: Geochemical follow up studies in Labrador. In Preliminary Project Reports for 1978, Compiled by R. V. Gibbons, Government of Newfoundland and Labrador, Department of Mines and Energy, Mineral Development Division, Report 78-10, p. 97-99

McConnell, J. W., 1979a: Geochemical follow up studies in Labrador. In Preliminary Project Reports for 1979, Compiled by R. V. Gibbons and C. F. O'Driscoll, Government of Newfoundland and Labrador, Department of Mines and Energy, Mineral Development Division, Report 79-07, p. 80-82.

McConnell, J. W, (1979b) – Geochemical follow up studies in Labrador. In Preliminary Project Reports for 1979, Compiled by R. V. Gibbons, Government of Newfoundland and Labrador, Department of Mines and Energy, Mineral Development Division, Report 79-01, p. 159-162.

McConnell, J. W, and Vanderveer, D. G., 1979: Geochemical and geophysical prospecting over a uranium occurrence in the Grenville Province, central Labrador, Government of Newfoundland and Labrador, Department of Mines and Energy, Mineral Development Division, Open File LAB/0457, p. 14

Mineral Rights Section, 2024: Acquiring and Managing Your Mineral Exploration Licences, Mineral Rights Section, Newfoundland and Labrador, p. 2

Acquired from: https://www.gov.nl.ca/iet/mines/exploration/guidelines/

Parker, R. T. G. and Snow, P. M., 1979a: Report on geological, geochemical, and geophysical surveys for project 740 for licence 1240 on claim block 1555 in Lake Melville area, Labrador. Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0037, p. 22

Parker, R. T. G. and Snow, P. M., 1979b: Report on geological, geochemical, and geophysical surveys for project 740 for licence 1241 on claim block 1556 in Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0036, p. 30

Parker, R. T. G. and Snow, P. M., 1979c: Report on geological, geochemical, and geophysical surveys for project 740 for licence 1243 on claim block 1553 in Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0035, p. 16.

Parker, R. T. G. and Snow, P. M., 1979d: Report on geological, geochemical, and geophysical surveys for project 740 for licence 1242 on claim block 1552 in Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0034, p. 16

Parker, R. T. G. and Snow, P. M., 1979e: Report on geological, geochemical, and geophysical surveys for project 740 for licence 1238 on claim block 1551 in Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0032, p. 17

Reid, W. and Penney, G., 2007: First Year Assessment Report on Compilation Work, Lake Melville Property, Lake Melville Area License 012087M, 13G14 NTS, Assessment File 13G/14/005311, p. 12

Scharer, U., and Gower, C.F., 1988: Crustal evolution in eastern Labrador, constraints from precise U-Pb ages, Precambrian Research, Vol. 38, p. 405-421

Stevenson, I. M., 1970: Rigolet and Groswater Bay Map Areas, Newfoundland (Labrador), Geological Survey of Canada, Paper 69-48, p. 24

Snow, P. M., 1980a: Report on the geological and geophysical surveys and diamond drilling for licence 1241 on claim block 1556 in the Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0038, p. 24

Snow, P. M., 1980b: Report on the geological and geophysical surveys and diamond drilling for licence 1239 on claim block 1554 in the Lake Melville area, Labrador, Newfoundland and Labrador Geological Survey, Assessment File 13G/14/0039, p. 24

Stevenson, I.M., 1970: Rigolet and Groswater Bay Map areas, Newfoundland. Geological Survey of Canada, Paper p. 69-48.

Tollo, R.P., Corriveau, L., McLelland, J., and Bartholomew, M.J., 2004: Proterozoic tectonic evolution of the Grenville orogen in North America: An introduction, in Tollo, Corriveau, L., McLelland, J., and Bartholomew, M.J., editors, Proterozoic tectonic evolution of the Grenville Orogen in North America, Geological Society of America Memoir 197, p. 1-18.

Wardle, R. J., 2005: Uranium in Labrador (Preliminary Version) – Geological Survey of Newfoundland, Department of Natural, p. 4

Urquhart, W. E., 2006: Anomaly selection for the Fugro Magnetic and Radiometric survey flown for Silver Spruce resources Inc; unpublished consultant's report, p. 6

Weick, R. J., 2007 – Technical Report on the Double Mer Property, prepared for Northern Lorena Resources Inc. Labrador, Canada. May 9, 2007, p. 45

Wynne –Edwards, H.R., 1972: The Grenville Province in Price R. A. and Douglas R. J., editors, Variations in Tectonic Styles in Canada: Geological Association of Canada, Special Paper 11, p. 263-334.